



Coca-Cola

SWIRE COCA-COLA



OUR CHOICE
OUR FUTURE!



2021
SUSTAINABLE
DEVELOPMENT
REPORT

CONTENTS

Message from Our Managing Director	3
Our Approach to Disclosure	4
Swire Coca-Cola at a Glance	7
Our Approach to Materiality Assessment	11
SD 2030 Targets and Metrics.....	12
CLIMATE	15
WATER	31
PACKAGING AND WASTE	42
PRODUCT CHOICE	56
SOURCING	62
OUR PEOPLE	71
COMMUNITY	86
Performance Tables.....	93
GRI Standards Content Index.....	97
Limited Assurance Letter	100

MESSAGE FROM OUR MANAGING DIRECTOR

In last year's report, I stated that 2020 was a year like no other. 2021 continued to present unprecedented challenges with the COVID-19 pandemic affecting how businesses operate and how people conduct their lives. I am proud to say that all our teams throughout our regions have responded magnificently; as well as continuing to serve our communities, we have stayed true to our commitment to sustainable development, which is an essential part of our ambitious vision to become a leading bottler in the global Coca-Cola system.

There have been numerous challenges in all markets where Swire Coca-Cola operates, however we remain focused on continuing to deliver on our 2025 and 2030 sustainable development targets as detailed in our sustainability strategy, "**Our Choice, Our Future!**".

The successful execution of our strategy greatly depends on the **People** and culture embedded in our company. Our continued focus on the safety of our employees resulted in a continued reduction in our total injury rate (TIR) of 3% compared to the previous year. In 2021, we launched our "Zero is Possible" programme, underpinned by a continuous improvement framework, which emphasises our vision to become a zero harm organisation and belief that all accidents are avoidable and preventable.



In addition to the challenges from the pandemic, we have also witnessed the impact from **Climate** change on the people and the communities in which we operate. In Colorado, we experienced drought conditions and wildfires whilst in Zhengzhou, Chinese Mainland, our operations were directly impacted by the devastating floods that hit the region. These events are a clear reminder for us all that it is imperative that we do all we can to reduce and minimise our impact on the environment.

We are committed to achieving our sustainable development 2030 environmental targets, including our approved Science Based Targets (SBTs) to reduce our carbon emissions and contribute to limiting global warming below 1.5°C. In 2021, we further invested in photovoltaic (PV) installations, **Water** and energy efficiency systems, increased the proportion of energy we use coming from renewable sources and reduced the amount of our **Packaging and Waste** ending up in landfill. In addition, we strengthened collaboration with our suppliers to encourage responsible **Sourcing** practices, and promote the reduction of Scope 3 emissions in our supply chain. We know that achieving all our environmental commitments will be challenging but we

are determined to continue to invest and bring in new technological interventions to ensure that we exceed these targets.

During these challenging times, it has been more important than ever to continue to contribute to, and partner with, the **Communities** in which we operate. In 2021, we invested over HK\$15 million (0.6% of our annual profit), in various community activities across all our markets. We also continued to meet the changing needs of our consumers by providing a greater variety of drinks with more low and no-sugar options and continue to develop **Product** packaging that is fully recyclable and with increased recycled PET content.

As the world emerges and recovers from the pandemic there is still uncertainty and challenges that we will all face. One thing that we can be certain about is that Swire Coca-Cola is committed to our long-term sustainable development strategy and will continue to transparently report our progress. I hope you enjoy reading our 2021 Sustainable Development Report.

Karen So
Managing Director
Swire Coca-Cola Limited

OUR APPROACH TO DISCLOSURE

Swire Coca-Cola Limited (Swire Coca-Cola) is the fifth largest bottler by sales volume for The Coca-Cola Company (TCCC), and is wholly owned by Swire Pacific Limited (Swire Pacific), a listed company on the Hong Kong Stock Exchange (HKEx).

OUR COMMITMENT TO TRANSPARENCY

Swire Coca-Cola issues an annual Sustainable Development Report which aims to provide our stakeholders with a detailed, accurate and honest account

of our performance and progress in the material areas of sustainability. This is our fifth report, covering the period 1 January to 31 December 2021.

REPORT STRUCTURE

Key chapters of this report reflect the seven focus areas of our 2030 Sustainable Development Strategy "Our Choice, Our Future!". For each of our seven key focus areas, we present why the topic is important, and how we strive to make the right decisions that minimise negative outcomes and maximise positive results. Details of our strategy can be found in the [Swire Coca-Cola website](#).

SCOPE OF DISCLOSURE

Unless otherwise stated, performance data in this report covers all Swire Coca-Cola wholly and majority owned bottling operations in our four markets: the Chinese Mainland, Hong Kong, Taiwan and the United States. Given the different context in each market we present performance data by market, where meaningful. More details can be found in the Reporting Standards and Scope of Report section of our [2019 Sustainable Development Report](#).

METRICS – 2018 AS OUR BASELINE YEAR

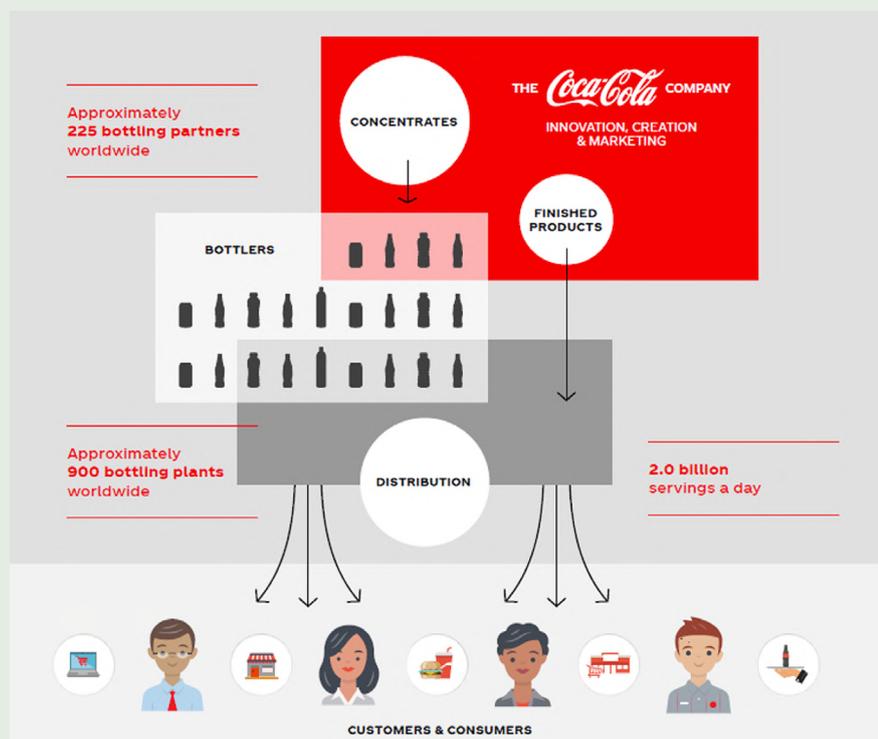
We have set 2018 as our baseline year (unless otherwise indicated) as this was the first year post refranchising in which we had a full year's worth of data. It is also the baseline year used in our SBT project (please see the [Climate chapter](#)). As we launched our 2030 Sustainable Development Strategy "Our Choice, Our Future!", a full list of our Key Performance Indicators for each target can be found in the chapter entitled [2030 Targets and Metrics](#).

2021 TCCC BUSINESS & SUSTAINABILITY REPORT

The following link takes you to TCCC's [2021 Business & Environmental, Social and Governance Report](#).

THE COCA COLA SYSTEM

The below infographic taken from <https://investors.coca-colacompany.com/about/coca-cola-system> clearly explains The Coca-Cola System, which is frequently referenced in this report.



* TCCC and its bottling partners are collectively known as The Coca-Cola system. TCCC does not own, manage or control most local bottling companies.

GOVERNANCE OF SUSTAINABLE DEVELOPMENT AT THE CORPORATE LEVEL

Swire Pacific's highest governance body is its Board, led by an Executive Chairman. The Swire Pacific Board is responsible for overseeing sustainable development for all operating companies under Swire Pacific, including Swire Coca-Cola. Information on sustainability risks and performance is reported to the Board via the Group Risk Management Committee (GRMC), which has eight members and is chaired by the Finance Director. The

GRMC is advised by the Swire Group Environment Committee and by working groups (made up of relevant personnel from Swire Pacific operating companies) covering focus areas of [SwireTHRIVE](#)*. The working groups meet three times a year to exchange information and best practices, with a view to developing specific policy recommendations, improving efficiency, reducing costs and engaging staff in sustainable development.

To provide additional oversight and direction, the Group Head of Sustainability at Swire Pacific reports annually to the

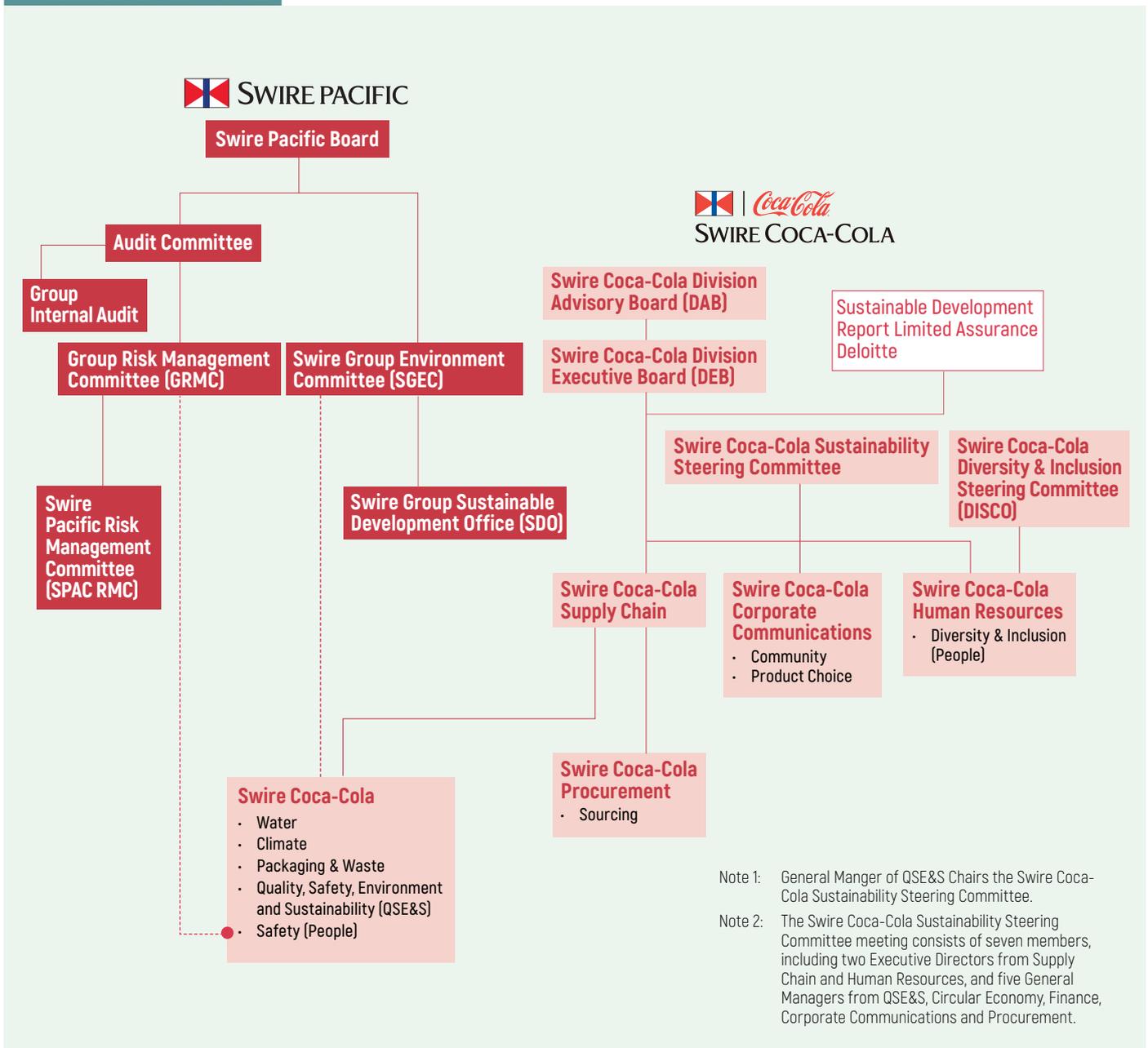
Board on its sustainability performance. Division heads, as well as the Chief Executive Officers or Managing Directors of operating companies, meet twice a year on sustainability matters under the Chairmanship of the Board.

2021 SWIRE PACIFIC SUSTAINABLE DEVELOPMENT REPORT

For more details, please visit [Swire Pacific's 2021 Sustainable Development Report](#).

* SwireTHRIVE is Swire Pacific's Sustainable Development Strategy. It is a group-wide sustainability strategy.

GOVERNANCE STRUCTURE



MANAGING SUSTAINABLE DEVELOPMENT AT SWIRE COCA-COLA

At Swire Coca-Cola, we have an independent governance structure to manage and implement our own sustainable development initiatives and strategies. We take the following actions with reference to Swire Pacific's framework to promote our sustainable development:

- Assessing the sustainability issues that are material to Swire Coca-Cola's operations
- Formulating the Sustainable Development Strategy "Our Choice, Our Future!" based on findings from our materiality assessment
- Implementing strategies through an appropriate organisational structure
- Monitoring and evaluating the effectiveness of strategy implementation, compliance and reporting on sustainability performance

Our Division Advisory Board (DAB) consists of three Non-Executive Directors and seven Executive Directors. The Division

Executive Board (DEB) provides direction on sustainability development, oversees our sustainability commitments and progress, and makes management decisions in relation to sustainability.

Our Managing Director oversees the operations and performance of the company's functional departments. Supply Chain, Corporate Communications, and Human Resources are three of the five functional departments. These functional departments are responsible for implementing our strategies for day-to-day business activities, monitoring progress, and reporting of specific initiatives. Under the Supply Chain Department, the QSE&S working team also sits in and reports to the GRMC and the Swire Group Sustainability Committee respectively to make sure our initiatives are aligned with Swire Pacific's framework in these particular areas.

In Swire Coca-Cola's Human Resources department, Diversity and Inclusion also reports to the Swire Coca-Cola Diversity & Inclusion Steering Committee (DISCO), which is chaired by our Managing Director and includes members of the DEB and a number of Bottler General Managers. Our DISCO meets four times a year.

EXTERNAL ASSURANCE

Certain data points have been limited assured by Deloitte Touche Tohmatsu. The Limited Assurance Statement can be found on page [100](#).

We will also commit to working towards expanding the number of data points that have been third-party assured (and use other parties to third-party validate data where possible), to ensure our calculations are accurate and improve the confidence of our stakeholders.

REPORTING STANDARD

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option.

WE WELCOME YOUR FEEDBACK

Please contact:
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Taikoo Place, 979 King's Road,
Hong Kong
SD@swirecocacola.com

SWIRE COCA-COLA AT A GLANCE

OUR PRESENCE IN THE COCA-COLA SYSTEM

As the fifth largest bottler by volume within The Coca-Cola System, we have the exclusive rights to manufacture, market and distribute products of TCCC in 11 provinces and the Shanghai Municipality in the Chinese Mainland and in Hong Kong SAR (Hong Kong), Taiwan region (Taiwan) and an extensive area of the western USA (U.S.).

2021 BUSINESS PERFORMANCE OVERVIEW

Swire Coca-Cola has ten wholly-owned franchise businesses (in Hong Kong, Taiwan and the U.S., and in Fujian, Anhui, Guangxi, Jiangxi, Jiangsu and Hainan provinces and the cities of Zhanjiang and Maoming in Guangdong province in the Chinese Mainland) and five majority owned franchise businesses (in Zhejiang, Guangdong (excluding the cities of Zhanjiang, Maoming and Zhuhai), Henan, Yunnan and Hubei provinces in the Chinese Mainland). We have a joint venture interest in a franchise in the Shanghai Municipality in the Chinese Mainland and an interest in associates in Coca-Cola Bottlers Manufacturing Holdings Limited (CCBMH), which supplies still beverages to all Coca-Cola franchises in the Chinese Mainland. As of 31st December 2021, Swire Coca-Cola manufactured 62 beverage brands and distributed them to a franchise population of 762 million people.

OVERVIEW

Established in



 | *Coca-Cola*
SWIRE COCA-COLA

Annual Revenue



HK\$
53.9
BILLION

Annual Sales Volume



1,890
MILLION
unit cases

5TH
LARGEST
bottling partner
of TCCC



Presence in
4
markets



26
Bottling
plants

62
Beverage
brands



762
MILLION
Consumers



32,382
Employees[#]



3,422
Vehicles owned^{*}

[#] The number of employees is based on actual figures as of 31 Dec 2021. This number may vary from employee figures quoted in the Swire Pacific annual report due to different calculation cycles.

^{*} This includes vehicles wholly owned by Swire Coca-Cola and excludes vehicles owned by direct and indirect suppliers and/or contractors.

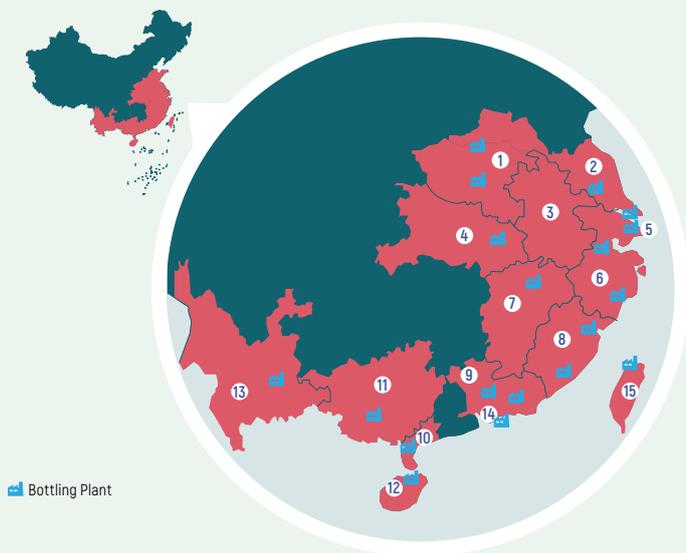
FRANCHISE TERRITORIES

Footprint over 11 provinces and the Shanghai Municipality

GREATER CHINA

Our Operating Areas:

- | | | |
|-------------|--------------------------|---------------|
| 1. Henan | 6. Zhejiang | 11. Guangxi |
| 2. Jiangsu | 7. Jiangxi | 12. Hainan |
| 3. Anhui | 8. Fujian | 13. Yunnan |
| 4. Hubei | 9. Guangdong | 14. Hong Kong |
| 5. Shanghai | 10. Zhanjiang, Guangdong | 15. Taiwan |



Bottling Plant

Chinese Mainland 1 - 13

Bottling Plants	18
Preform Manufacturing Plant*	1
Employees#	22,836
Beverage Brands	27
Distribution Centres	285
Production Volume	6,670 million litres

Hong Kong - Headquarters 14

Bottling Plant	1
Employees#	1,308
Beverage Brands	17
Production Volume	299 million litres

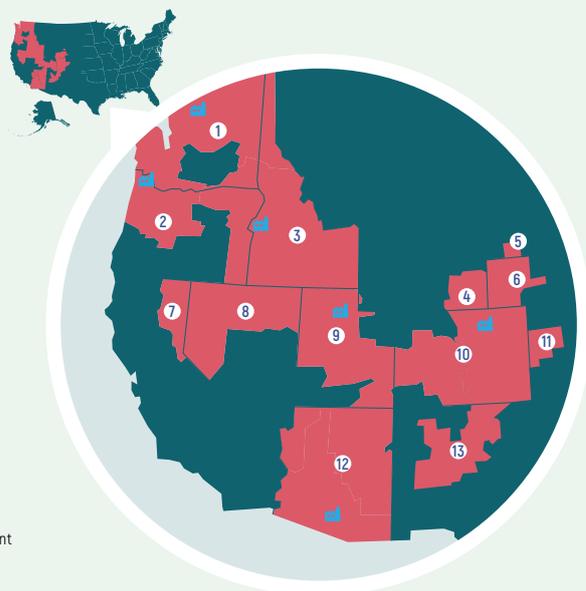
Taiwan 15

Bottling Plant	1
Employees#	884
Beverage Brands	15
Distribution Centres	3
Production Volume	153 million litres

* Xiamen Luquan plant is a preform manufacturing plant including one water production line owned by Swire Coca-Cola. The major operation in Xiamen Luquan plant involves preforms, closures and labels manufacturing.

The numbers of employees presented above include employees under both full time and part time permanent contracts and temporary contracts. This is based on actual figures as of 31 Dec 2021 and excludes staff at head offices globally. The numbers may vary from employee figures quoted in the Swire Pacific annual report due to different calculation cycles.

U.S.



Bottling Plant

Our Operating Areas:

- | | | |
|---------------|-----------------|----------------|
| 1. Washington | 5. South Dakota | 9. Utah |
| 2. Oregon | 6. Nebraska | 10. Colorado |
| 3. Idaho | 7. California | 11. Kansas |
| 4. Wyoming | 8. Nevada | 12. Arizona |
| | | 13. New Mexico |

U.S.

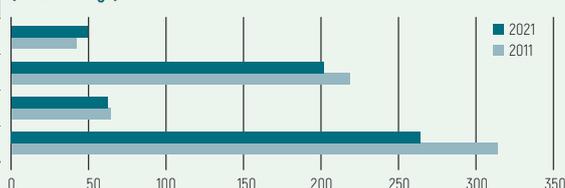
Bottling Plants	6
Employees	7,193
Beverage Brands	39
Distribution Centres	49
Production Volume	1,497 million litres

For detailed breakdown in each province and state, please refer to <https://www.swirecocaCola.com/en/Our-Business/Franchise-Territories.html>

PER CAPITA CONSUMPTION IN FRANCHISE TERRITORIES

	Franchise population (in million, end 2021)	GDP per capita (US\$)	Sales volume (million unit cases)	
			2021	2011
Chinese Mainland	700.2	14,258	1,429	788
Hong Kong	7.4	48,888	62	65
Taiwan	23.4	32,787	61	61
U.S.	30.6	54,848	338	81
Total	761.6		1,890	995

Per capita consumption of Coca-Cola beverages (8-oz servings)



KEY FINANCIAL DATA

REVENUE OVER 10 YEARS

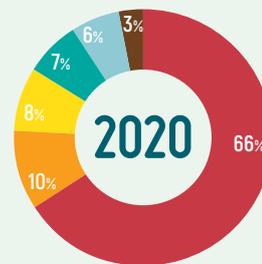
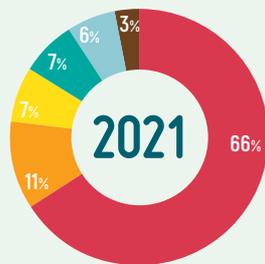


SALES VOLUME OVER 10 YEARS



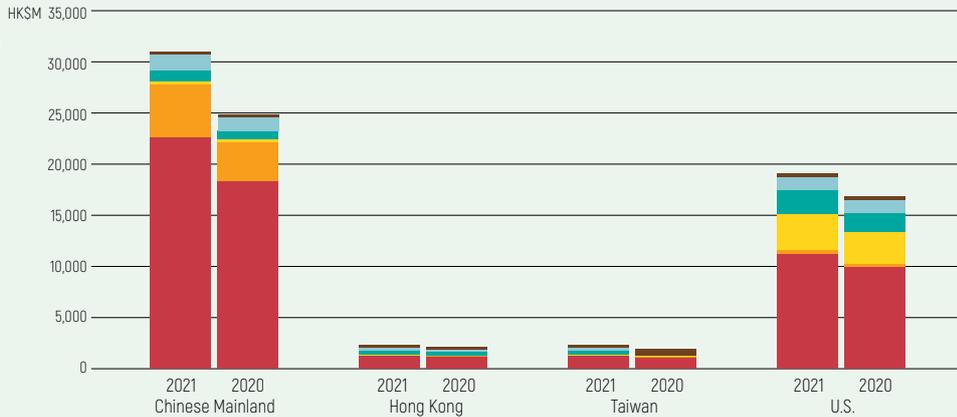
BREAKDOWN OF TOTAL REVENUE BY CATEGORY*

- Sparkling soft drinks
- Juices (including vitamin water)
- Energy & sports drinks
- Other still (excluding water)
- Water
- Teas



BREAKDOWN OF REVENUE BY REGION AND CATEGORY*

- Sparkling soft drinks
- Juices (including vitamin water)
- Energy & sports drinks
- Other still (excluding water)
- Water
- Teas



GROWTH IN REVENUE AND VOLUME IN 2021 BY CATEGORY**

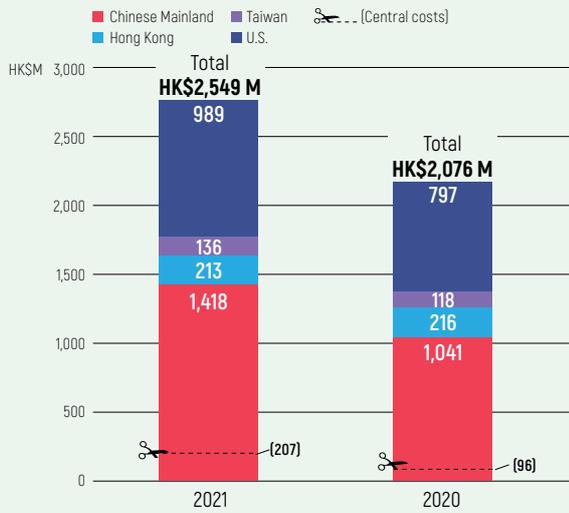
	Chinese Mainland		Hong Kong		Taiwan		U.S.	
	Revenue	Volume	Revenue	Volume	Revenue	Volume	Revenue	Volume
Sparkling	14%	11%	7%	8%	-3%	-5%	13%	4%
Juice	23%	21%	2%	2%	-13%	-12%	22%	13%
Tea	16%	2%	15%	13%	-1%	-2%	13%	5%
Energy drinks	-4%	-6%	76%	73%	35%	38%	13%	12%
Other still (excluding water)	24%	19%	4%	4%	165%	43%	25%	9%
Water	2%	-5%	18%	16%	-7%	-10%	23%	14%

* Revenue and volume include those of a joint venture company and exclude sales to other bottlers.

** Revenue (in local currency terms) and volume include those of a joint venture company and exclude sales to other bottlers.

KEY FINANCIAL DATA

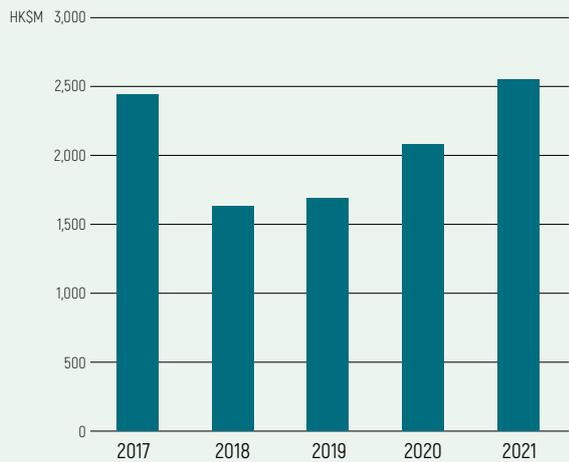
ATTRIBUTABLE PROFIT 2021 & 2020*



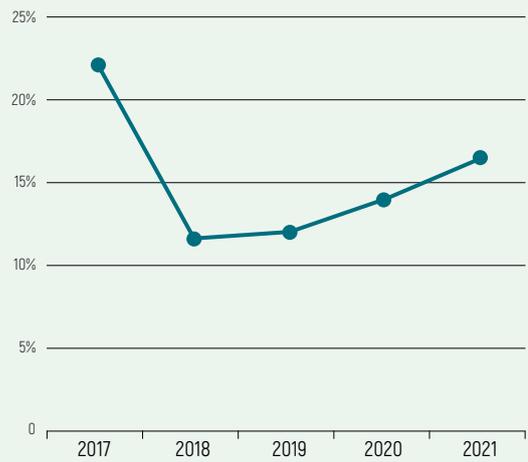
REVENUE BY MARKETS 2021 & 2020



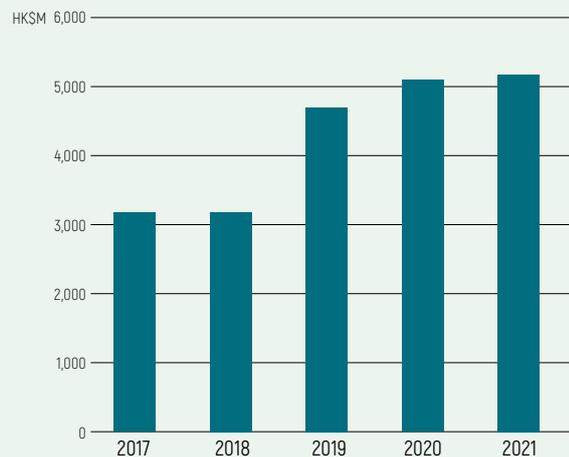
PROFIT ATTRIBUTABLE TO THE COMPANY'S SHAREHOLDERS



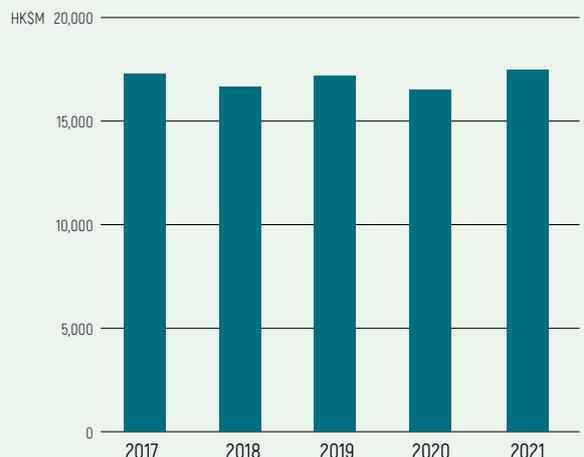
RETURN ON CAPITAL EMPLOYED



NET CASH GENERATED FROM OPERATING ACTIVITIES



CAPITAL EMPLOYED



OUR APPROACH TO MATERIALITY ASSESSMENT

We conduct a thorough materiality assessment regularly to ensure we prioritise sustainable development topics that we have the biggest impact on, and that impact on us. Identifying key material issues helps us to more effectively allocate internal resources to address business risks and opportunities, and meet evolving stakeholder expectations.

Our most recent materiality assessment was conducted in 2020. As there have been no significant changes to SCC's reporting scope, the assessment results from 2020 were used to inform the structure and guide the development of contents in this report. For details of the process and results of our materiality assessment, please refer to p. 12 in our [2020 Sustainable Development Report](#). A summary of our materiality assessment process is provided on the right.

OUR PROCESS

1



Identification of Potential Issues

Shortlisted 23 relevant sustainability issues through a desktop review scanning industry trends, international sustainability initiatives including the Sustainable Development Goals (SDGs), sustainability reporting frameworks such as GRI, and material issues identified by TCCC and other bottling companies.

2



Review and Evaluation of Issues

Invited stakeholders to complete an online survey to rate each sustainability issue by taking into consideration the respective importance and urgency. 390 survey responses were received from stakeholders across all four markets.

Utilised data analytics to screen social media and analysed public sentiment in the Chinese Mainland of selected key issues.

Formed an Independent Expert Panel, consisting of sustainability and industry experts from different markets, and convened two meetings to advise and review emerging issues, materiality results, and findings from data analytics.

3



Validation of Issues

From the engagement and assessment, a materiality matrix was created to reflect 17 sustainability issues which are prioritised as a result of the stakeholder engagement surveys and expert panel review for management's validation.

In this report, we disclose the strategies and highlight of our focus areas, including the sustainability issues identified from the materiality assessment conducted in 2020.

This materiality assessment aligns with the GRI Standards. We detail the management approach, highlights and progress on the sustainability issues that are identified as material.

SD 2030 TARGETS AND METRICS

OVERVIEW OF KEY PERFORMANCE INDICATORS (KPIs)

PLANET

Our Commitments and Targets	KPI Measurements	External Validation	2018 Baseline	Tracking Progress 2020	2021	2025 Target	2030 Target	TCCC Target
CLIMATE								
We will reduce absolute CO ₂ emissions in our Core Operations - Scope 1 and 2 - in line with a 1.5 degree scenario, so 70% by 2030.	Total energy consumption (MJ)	★	3,045,450,293	3,104,603,051	3,042,219,622	-	-	
	Total greenhouse gas (GHG) by weight (CO ₂ e/t) (Scopes 1 & 2, excluding emissions from refrigerants and distribution and sales centres).	★	419,901	418,714	379,003	25%	70%	SBT
We will purchase 100% renewable electricity for Core Operations by 2026.	SCOPE 2 - % OF RENEWABLE ELECTRICITY (OUTSIDE OF GRID FACTOR)							
	Chinese Mainland		0%	6%	22%	100%	100%	
	Hong Kong		0%	0%	0%			
	Taiwan		0%	1%	6%			
	U.S.		0%	0.2%	1%			
We will reduce our Energy Use Ratio.	ENERGY USE RATIO (EUR)							
	Chinese Mainland - EUR		0.29	0.30	0.30			
	Hong Kong - EUR		0.54	0.56	0.61			
	Taiwan - EUR		0.59	0.51	0.53			
	U.S. - EUR		0.28	0.28	0.28			
We will report in line with the Task Force on Climate-related Financial Disclosures (TCFD) requirements by 2022.	TCFD REPORTING: Y/N							
			N	N	Internal	Y	Y	Y
We will absolutely reduce CO ₂ emissions by 30% in our Core Operations and value chain - Scope 1, 2 & 3 - in line with a well below 2 degree scenario by 2030.			0%	0%	0%	15%	30%	SBT - 25%
WATER								
We will further reduce our Water Use Ratio from 1.77 to 1.45 by 2030.	WATER USE RATIO (WUR)							
	Chinese Mainland - WUR		1.77	1.80	1.81	1.60	1.45	
	Hong Kong - WUR		2.39	2.64	2.53	2.21	1.70	
	Taiwan - WUR	●	2.29	2.31	2.19	2.01	1.70	
	U.S. - WUR		1.71	1.70	1.66	1.53	1.40	
	Swire Coca-Cola - WUR		1.74	1.82	1.81	1.60	1.45	1.70
We will continue to contribute to the Coca-Cola System goal of over 100% water replenishment.	Water replenished as a percentage of total water used in our beverages where sourced from areas of water stress (%)	▲	155%	170%	167%	compliance	compliance	Y [$>100\%$]
Full regulatory compliance of wastewater discharge.	Y / N compliant		Y	Y	Y	compliance	compliance	KORE
We will have all SVAs and WMPs validated by a third-party by 2025.	Percentage of SVAs and WMPs validated by a third-party	✳	-	33%	52%	100%	100%	KORE
External validation of water stewardship.	CDP Rating B and above	◆	-	A rating	A rating	A rating	A rating	
We will endeavour to work with our co-packers on water efficiency performance and improvement.	Achievement = No. of co-packers as a percentage of total no. of co-packers		0%	0%	0%	compliance	compliance	
PACKAGING AND WASTE								
We will make sure that 100% of our primary packaging is technically recyclable by 2025.	PRIMARY PACKAGING BY TYPE - TECHNICALLY RECYCLABLE (Y/N)							
	PET (bottle, cap and label)		Y	Y	Y	100%	100%	Y - WWW
	Aluminium (AL) can		Y	Y	Y			
	Asceptic fibre pack		N	N	Y			
	Returnable glass bottle		Y	Y	Y			
	Carboy (PC, type 7)		N	N	Y			
	Pouch		N	N	N			
	Bag in Box (BiB)		N	N	N			
	Ancillary items (straws / lids / cups)		N	N	N			
We will use more than 50% recycled material in our primary packaging by 2030.	PERCENTAGE OF MATERIAL USED IN PRIMARY PACKAGING THAT IS RECYCLED MATERIAL (%)							
	Chinese Mainland - PET		0%	0%	0%	30%	50%	Y - WWW
	Hong Kong - PET [Source: SCCL Procurement]		0%	25%	25% ¹			
	Hong Kong - PET Water [Source: SCCL Procurement]		0%	100%	100% ²			
	U.S. - PET [Source: Coca-Cola Bottlers' Sales & Services (CCBSS) & Western Container]		0%	25%	14.7% ³			
	U.S. - PET Water [Source: CCBSS & Niagara co-packer]		0%	0%	0%			
	Taiwan - PET		0%	0%	0%			
	Chinese Mainland - AL		0%	10.8%	9.6%			
	Hong Kong - AL [Source: can supplier]		50-60%	0%	0%			
	U.S. - AL [Source: CCBSS]		57%	77%	72%			
Taiwan - AL		0%	0%	0%				

★ Limited Assurance, Deloitte.

● Company-level total water consumption (15,619,358m³) used to calculate the WUR is limited assured by Deloitte.

▲ TCCC's water replenishment figures are independently reviewed by Ernst & Young (EY).

◆ Voluntary questionnaire submission.

✳ SVAs and WMPs validated by a third-party.

Note:

1. On 600ml bottle size and below.

2. Except for 4.8L and 5L Bonaqua bottles in Hong Kong.

3. 100% for 500ml bottles.

OVERVIEW OF KEY PERFORMANCE INDICATORS (KPIs)

PLANET

Our Commitments and Targets	KPI Measurements	External Validation	2018 Baseline	Tracking Progress		2025 Target	2030 Target	TCCC Target	
PACKAGING AND WASTE				2020	2021				
We will collect and recycle a PET bottle or AL can for each one we sell by 2030.	VERIFIED PET COLLECTION RATES AND SOURCE								
	Chinese Mainland		95%	Please refer to SCC Primary Packaging Annual Progress Report 2020	Please refer to SCC Primary Packaging Annual Progress Report 2021				
	Hong Kong		7%						
	Taiwan		72%						
	U.S.		no data						
	VERIFIED AL CAN COLLECTION RATES AND SOURCE								
	Chinese Mainland		99%	Please refer to SCC Primary Packaging Annual Progress Report 2020	Please refer to SCC Primary Packaging Annual Progress Report 2021				
	Hong Kong		no data						
	Taiwan		72%						
	U.S.		no data						
	VERIFIED PET RECYCLING RATE								
	Chinese Mainland		No verifiable data						
	Hong Kong								
	Taiwan								
U.S.									
VERIFIED AL CAN RECYCLING RATE									
Chinese Mainland		No verifiable data							
Hong Kong									
Taiwan									
U.S.									
We will also collect and make sure all secondary and tertiary packaging is 100% technically recyclable and collected by 2030.	All secondary and tertiary packaging volumes measured and captured by RA (Y/N)		Y	Y	Y				
	All secondary packaging technically recyclable (Y/N)		N	N	N				
	All tertiary packaging technically recyclable (Y/N)		N	N	N				
	Is the chain of custody transparent for secondary and tertiary packaging (Y/N)		N	N	N				
We will achieve zero landfill and incineration for our Core Operations and verified by third-party by 2025.	WASTE GENERATED (%) FROM CORE OPERATIONS TO LANDFILL AND INCINERATION								
	Chinese Mainland		37%	27%	20%	10%	5%		
	Hong Kong		17%	18%	13%				
	Taiwan		31%	16%	5%				
	U.S.		5%	4%	3%				
% OF FACILITIES WITH VERIFIED ZERO WASTE TO LANDFILL AND INCINERATION STATUS			0%	0%	0%	100%	100%		
We will achieve zero landfill and incineration for co-packers and verified by third-party by 2030.	% of co-packers' facilities with verified zero waste to landfill and incineration status		0%	0%	0%	-	100%		
Partner with TCCC to ensure our local product labelling design includes a) technical recyclable status; b) user instructions; and c) recycled content (%).	LABELING (COMPLIANT)								
	Chinese Mainland (Y/N)		N	N	N	-	Y		
	Hong Kong (Y/N)		N	N	Y				
	Taiwan (Y/N)		N	N	N				
	U.S. (Y/N)		N	N	N				

- ★ Limited Assurance, Deloitte.
- Company-level total water consumption (15,619,358m³) used to calculate the WUR is limited assured by Deloitte.
- ▲ TCCC's water replenishment figures are independently reviewed by Ernst & Young [EY].
- ◆ Voluntary questionnaire submission.
- ✳ SVAs and WMPs validated by a third-party.

OVERVIEW OF KEY PERFORMANCE INDICATORS (KPIs)

PRODUCT

Our Commitments and Targets	KPI Measurements	External Validation	2018 Baseline	Tracking Progress		2025 Target	2030 Target	TCCC Target
PRODUCT CHOICE				2020	2021			
We will reduce average sugar content in 100mL of beverages by 20% by 2025.	SUGAR CONTENT PER 100ML					-	-	
	Chinese Mainland		7.0	6.8	6.76			
	Hong Kong		5.3	5.2	4.6			
	Taiwan		7.2	5.7	5.6			
	U.S.		6.3	6.2	5.5			
	% OF VOLUME SOLD WHICH IS LOW OR NO SUGAR							
	Chinese Mainland		26%	25%	30%			
	Hong Kong		47%	50%	55%			
	Taiwan		27%	49%	50%			
	U.S.		35%	41%	42%			
Front-of-pack nutrient labelling on all products in all markets (except RB).	% OF PRODUCTS WITH NUTRIENT INFORMATION ON FRONT-OF-PACK LABELLING TO TOTAL PACKAGING PUT ONTO THE MARKET (%)		100%	100%	100%	100%	100%	
Food Safety Certification of plant operations.			100%	100%	100%	100%	100%	KORE
We commit to no advertisement or promotion to children under the age of 13.	Y / N COMPLIANT		Y	Y	Y	100%	100%	Y
SOURCING								
We will ensure all suppliers comply to the Supplier Guiding Principles (SGP) by 2020.			Y	Y	Y	100%	100%	KORE
We will ensure all our key agricultural ingredients are sourced from third-party verified sustainable sources by 2025.			Y	Y	Y	100%	100%	KORE

PEOPLE

Our Commitments and Targets	KPI Measurements	External Validation	2018 Baseline	Tracking Progress		2025 Target	2030 Target	TCCC Target
OUR PEOPLE				2020	2021			
Zero Harm	WORK RELATED FATALITIES	★	0	1	1 ⁴	0	0	
Reduce TIR by 50% by 2030.	TOTAL INJURY RATE (TIR)		2.15	1.84	1.79	1.6	1.1	
	Chinese Mainland		0.58	0.39	0.36			
	Hong Kong		1.63	1.30	1.06			
	Taiwan		2.11	1.24	1.12			
	U.S.		7.41	6.46	6.75			
Reduce LTIR	LOST TIME INJURY RATE (LTIR)	★	0.54	0.50	0.53	-	-	
	Chinese Mainland		0.29	0.17	0.19			
	Hong Kong		1.52	0.96	0.73			
	Taiwan		0.89	1.68	0.56			
	U.S.		1.03	1.41	1.63			
We will foster gender equality and increase women in leadership to 50% by 2030.	% OF FEMALE MANAGERS		26%	27.6%	29.0%	39%	50%	
	Chinese Mainland		27.0%	27.5%	28.5%	39%	50%	
	Hong Kong		44.0%	40.7%	44.4%	45%	50%	
	Taiwan		35.0%	34.6%	38.2%	43%	50%	
	U.S.		18.0%	19.6%	21.4%	34%	50%	
We will ensure 100% compliance to Workplace Rights Policy by third-party validation.	% OF SWIRE COCA-COLA OPERATIONS COMPLIANT TO WORKPLACE RIGHTS POLICY		100%	100%	100%	100%	100%	
COMMUNITY								
We encourage employees to volunteer to achieve on average 8 hours per person per year by 2025.	NUMBER OF AVERAGE VOLUNTEERING HOURS		-	0.88	0.93	8	8	
We invest a 1% of Swire Coca-Cola's annual profit to the CSR fund by 2025. ⁵	% OF ANNUAL CSR FUND INVESTMENT TO THE IDENTICAL PERIOD OF SWIRE COCA-COLA'S PROFIT		0.5%	0.5%	0.6%	1%	1%	

★ Limited Assurance, Deloitte.

● Company-level total water consumption [15,619,358m³] used to calculate the WUR is limited assured by Deloitte.

▲ TCCC's water replenishment figures are independently reviewed by Ernst & Young (EY).

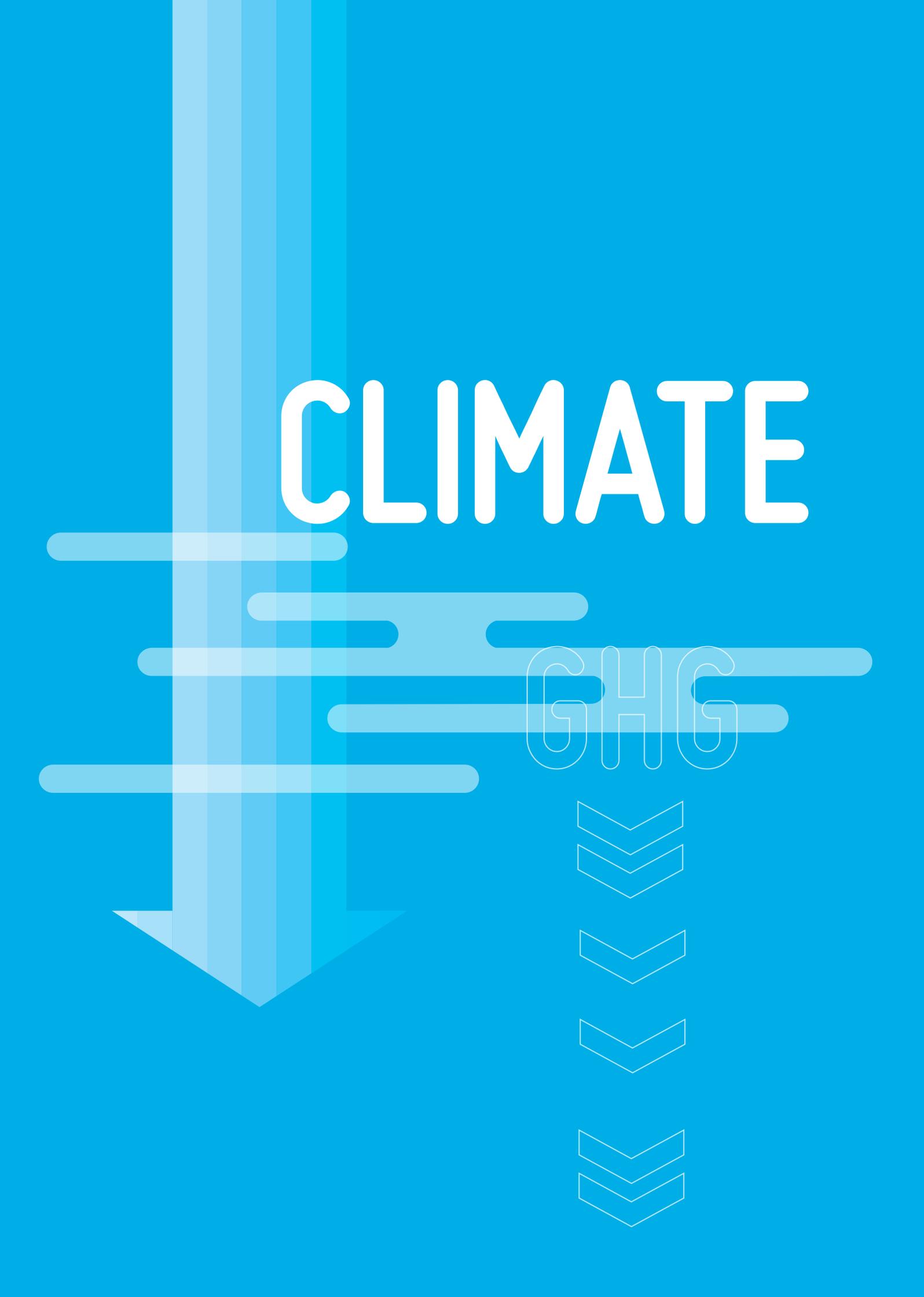
◆ Voluntary questionnaire submission.

✱ SVAs and WMPs validated by a third-party.

Note:

4. Includes both employees and contractors.

5. Donation to Swire Trust, Emergency relief in DME.



CLIMATE

GHG



OVERVIEW

OBJECTIVE

We aim to reduce absolute carbon emissions from across our value chain, enhance our business resilience to climate change and report our annual progress using the internationally accepted standards of the Science Based Targets initiative (SBTi) and TCFD.



Heavy rain flooded through Zhengzhou, city in Chinese Mainland's Henan province in July 2021 ©Getty Images

RELEVANT SUSTAINABILITY TOPICS



RELEVANT SDGS



CLIMATE CHANGE URGENCY – WHY IT MATTERS

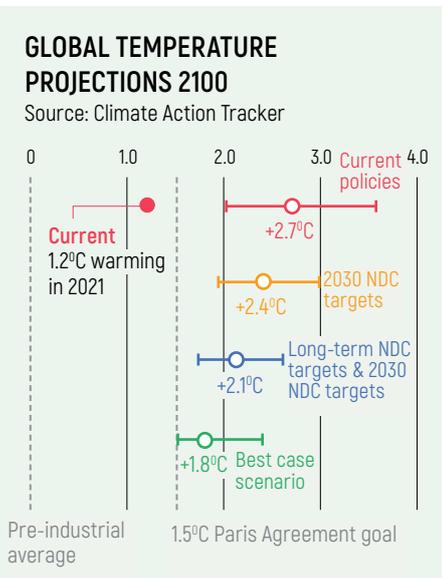
The 2021 UN Climate Change Conference (COP26) held in Glasgow, was the latest global initiative calling for bolder international consensus on accelerating decarbonisation. At the same time, the release of the sixth assessment report from the Intergovernmental Panel on Climate Change (IPCC) signalled a “code red for humanity”¹. With carbon emissions surpassing levels before the COVID-19 pandemic lockdowns and steadily rising², the world is falling short in curbing emissions and therefore meeting the Paris Agreement of limiting global average temperature rise to 1.5°C above pre-industrial levels³.

system and consequences of inaction. In July 2021, a year’s worth of rain submerged the city of Zhengzhou in China in just three days, overwhelming flood defences and other flood-proof infrastructure. Meanwhile, extreme temperatures in the form of unprecedented heatwaves and snowstorms travelled throughout the Northwest of the U.S, placing stress on emergency services and disrupting nation-wide infrastructure. Siberia, one of the world’s coldest regions, has also been afflicted by forest fires after experiencing unusually hot and dry weather over 2021.

Nevertheless, encouraging signs of transformations are evident across governments, businesses and investors, with net-zero pledges issued by governments covering up to 51% of global emissions in 2020⁶. Significant headway was made on addressing methane emissions, the second biggest contributor to global warming, where more than 100 countries have agreed to cut 30% of their methane emissions by 2030 after negotiations at COP26. In addition, we saw the two largest emitters in the world, U.S. and People’s Republic of China committing to accelerating efforts in phasing down fossil fuels. Corporates are also preparing and bringing greater transparency and disclosure around sustainability risks by utilising key frameworks such as the TCFD, driven by growing demands of investors and civil society actors.

According to the Climate Action Tracker, current climate policies and commitments put the planet on a trajectory for a 2.7°C rise above pre-industrial levels this century⁴. Even with full implementation of announced targets, it will merely put us on track for 1.8°C, as long as the world takes disruptive action now. The UN Environment Programme Emission Gap Report 2021 indicated that a 55% cut is needed to limit temperatures to 1.5°C⁵. Hence, without immediate climate action and global cooperation with businesses and stakeholders, these ambitions may not materialise.

Catastrophic climate events have moved from the future to now, as recent crises and shocks reveal the fragility of our current

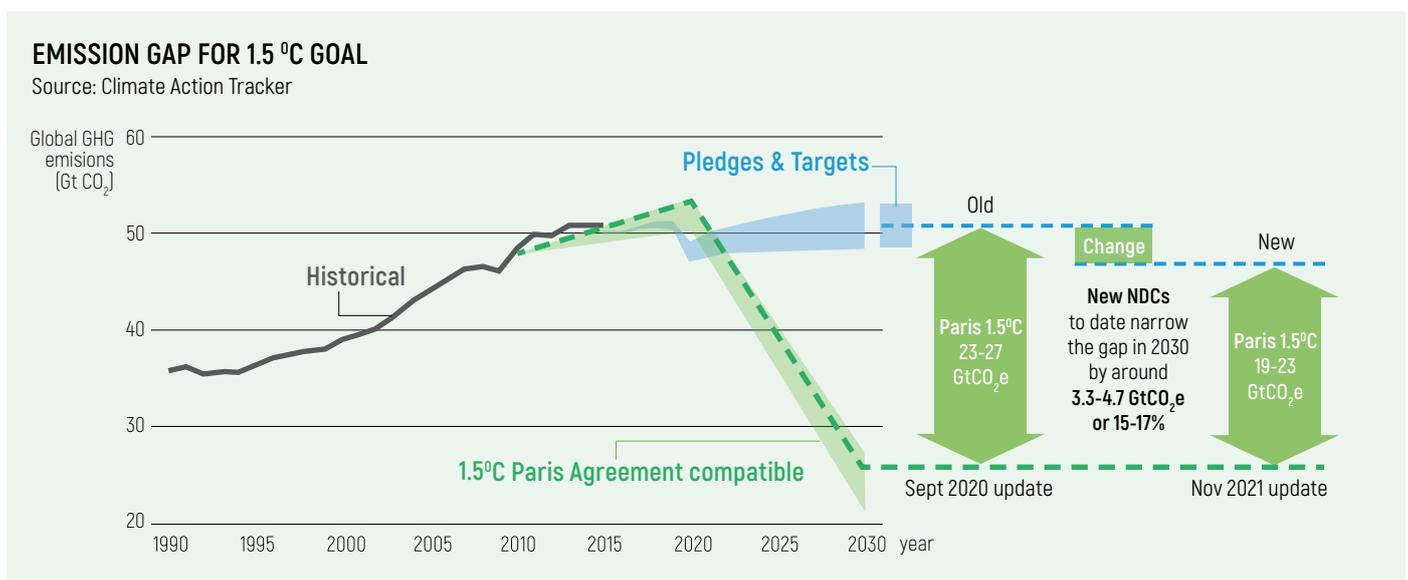


As a global corporation, we shoulder the responsibility to enhance our business resilience to climate change throughout our operations, as well as in our upstream and downstream activities. Shifting out of carbon-intensive sources towards renewable and low-carbon fuels will pave the way for reductions in our Scope 1 and 2 emissions. Addressing Scope 3 is

an on-going challenge, hindered by the difficulties of measuring, reporting, and verifying emissions. Understanding the supply chain in granular detail is critical for setting any kind of meaningful net-zero target in the future.

When establishing our climate strategy, and associated targets, we are wanting

to be a responsible business by taking into account the entire value chain when addressing decarbonisation efforts. Climate change is, and will continue to be, a defining issue for our business and for the world. As a critical next step, we will need a better understanding and visibility of the climate-related risks across our value chain.



STRATEGY

We aim to:

<p>1</p> <p>Transition to electricity derived from 100% renewable energy (RE) for Core Operations</p>	<p>2</p> <p>Achieve - 70% recycled PET (rPET) - 100% recycled aluminium (rAL) packaging for our products</p>	<p>3</p> <p>Increase the recovery rate of PET and aluminium packaging up to 80% in the Chinese Mainland and Hong Kong</p>	<p>4</p> <p>Increase the energy efficiency of cold drink equipment (CDE)</p>	<p>5</p> <p>Engage our suppliers to reduce carbon emissions from packaging materials and ingredients</p>
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- BBC (2021). Climate Change: IPCC Report is 'Code Red for Humanity'. <https://www.bbc.com/news/science-environment-58130705>
- Bloomberg (2021). Carbon Emissions are Rising Again After Brief Covid Drop. <https://www.bloomberg.com/news/articles/2021-11-04/carbon-levels-are-rising-again-after-brief-covid-drop>
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OUR COMMITMENTS AND PROGRESS

DECARBONISATION

TARGET

Scope 1 & 2 Emissions

Reduce absolute carbon emissions in our Core Operations against a 2018 baseline:



Scope 1, 2 & 3 Emissions

Reduce absolute carbon emissions from our value chain against a 2018 baseline:



PROGRESS



SCIENCE-BASED TARGETS

TARGET

Approved in 2020.



We will follow the SBTi's methodology to set our decarbonisation targets and actions, to limit global warming to 1.5°C above pre-industrial levels. Our target will cover our entire value chain.



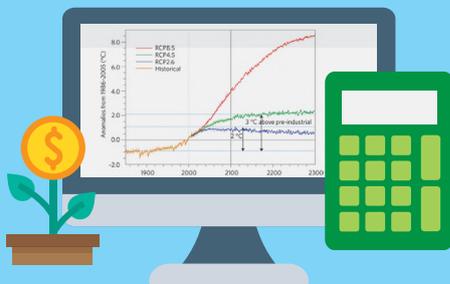
PROGRESS



TCFD REPORTING

TARGET

By 2022, we will voluntarily adopt the TCFD disclosure recommendations.



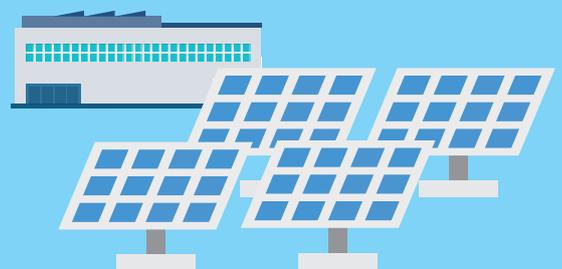
PROGRESS



RENEWABLE ENERGY PROCUREMENT

TARGET

By 2026, use 100% renewable electricity in our Core Operations.



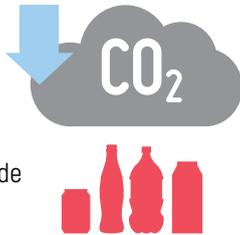
PROGRESS



WHAT WE'RE DOING

Our clear climate strategy has two main focus:

1 Decarbonising across our value chain, guided by our SBTs, to address and mitigate our impact on the climate. We prioritise our strategy based on the magnitude of emissions from our value chain.

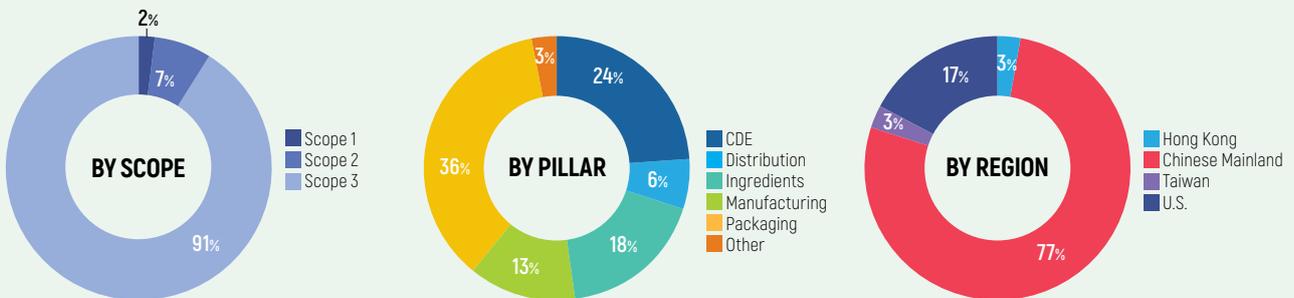


2 Reporting in accordance with TCFD to address the climate's impact upon us. We have started to study the climate-related financial risks.



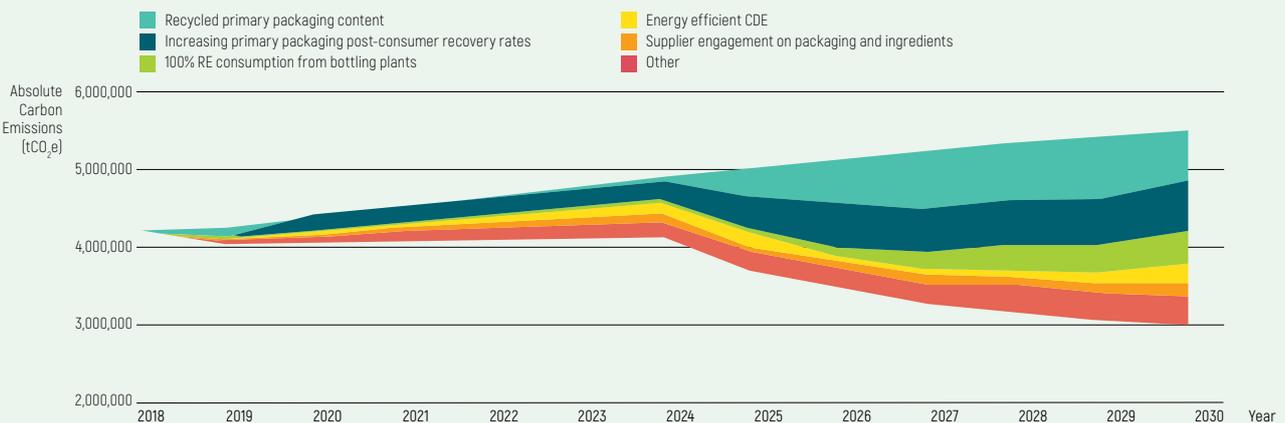
TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

2018 MAPPING EMISSIONS BREAKDOWN*

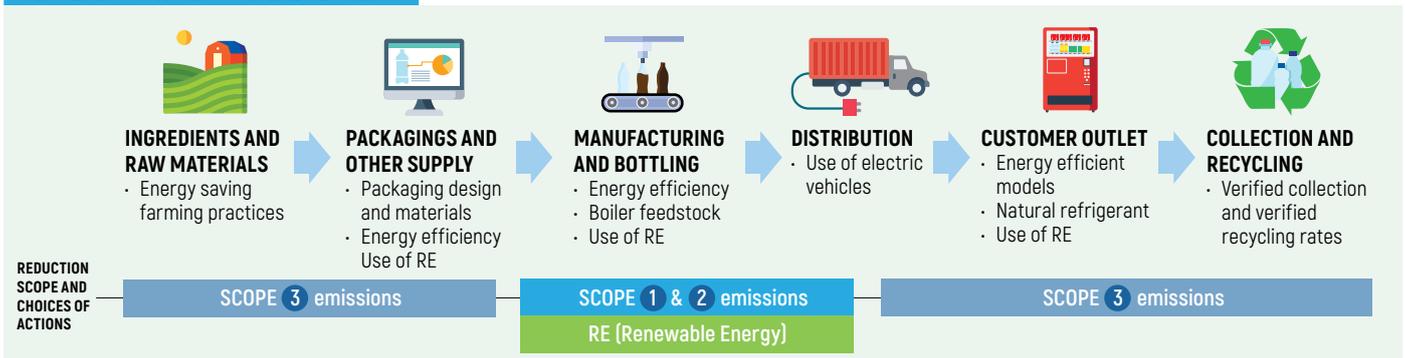


* We have set 2018 as our baseline year.

EMISSIONS SAVING PROJECTS BY REDUCTION OPPORTUNITIES COMPARED WITH THE BUSINESS AS USUAL SCENARIO (BAU)



GHG EMISSIONS IN OUR VALUE CHAIN



DECARBONISATION

We have made progress in addressing our absolute GHG emissions through the following key projects:

SCOPE 1	
Reduction opportunity	Highlights
Alternative sources for boilers	In our Huizhou and Guangxi plants, we replaced our boilers running on biomass with natural gas, given its ability to produce lower GHG emissions.

SCOPE 2																																																													
Reduction opportunity	Highlights																																																												
Purchasing and generating electricity from 100% renewable energy	<p>Photovoltaics (PV) Deployment Roadmap</p> <p>To integrate more renewable energy into our energy mix, we collaborated with a third-party consultant to develop a comprehensive roadmap for further PV deployment opportunities and to look at the efficiency in our current PV in the Chinese Mainland.</p> <p>Based on a system performance review, the study identified areas where we can maximise benefits in our existing PV systems, particularly on monitoring and maintenance, system capability and quality of hardware. Besides providing site-specific recommendations, the study performed analysis on PV technology and market trends. Specifically, the project addresses the following issues:</p> <table border="0"> <tr> <td style="vertical-align: top;"> <p>Existing Systems</p> <ul style="list-style-type: none"> Review of existing system performance against (a) the contractual performance criteria, (b) expected technical performance, and (c) local electricity prices Provide recommendations on maximising the benefits from existing systems including but not limited to: contract revisions (e.g. renewal, buy-out, re-negotiate), technical upgrades, improved operation and maintenance support within existing contracts. Develop a strategy and roadmap prioritising sites and issues with the existing PV systems by province and by efficiency. </td> <td style="vertical-align: top;"> <p>New Systems</p> <ul style="list-style-type: none"> Conduct a new technology review. Summarise research on technology trends and future onsite technology opportunities including onsite PV, battery and storage and electric boiler technology. Research expected trends within the electricity grid in terms of carbon emission factors and the price of electricity. Review onsite PV technical and economic potential for existing sites and recommend a standardised procurement approach (and governance) for new PV systems – including key contractual terms. Develop a strategy and road map for rolling out new PV system procurement by province in a priority order. </td> </tr> </table>	<p>Existing Systems</p> <ul style="list-style-type: none"> Review of existing system performance against (a) the contractual performance criteria, (b) expected technical performance, and (c) local electricity prices Provide recommendations on maximising the benefits from existing systems including but not limited to: contract revisions (e.g. renewal, buy-out, re-negotiate), technical upgrades, improved operation and maintenance support within existing contracts. Develop a strategy and roadmap prioritising sites and issues with the existing PV systems by province and by efficiency. 	<p>New Systems</p> <ul style="list-style-type: none"> Conduct a new technology review. Summarise research on technology trends and future onsite technology opportunities including onsite PV, battery and storage and electric boiler technology. Research expected trends within the electricity grid in terms of carbon emission factors and the price of electricity. Review onsite PV technical and economic potential for existing sites and recommend a standardised procurement approach (and governance) for new PV systems – including key contractual terms. Develop a strategy and road map for rolling out new PV system procurement by province in a priority order. 																																																										
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* Packaging centre

SCOPE 2 (CONTINUED)	
Reduction opportunity	Highlights
Purchasing and generating electricity from 100% renewable energy	PV Installation Moving ahead with our ambition to achieve RE100, we completed the installation of the PV system in Wenzhou, Chinese Mainland. The PV system generates approximately 2,000,000 kwh of electricity per year. In Colorado Springs in the U.S., we are also implementing a PV system with 900 kW solar capacity, which covers more than 100% of the energy needed to power the building on an annual basis. Further progressing our renewable energy generation journey, we envisage a number of ongoing PV installation projects to be completed in the coming year in Huizhou as well as Denver, Glendale and Tucson in the U.S.
	Energy Efficiency Visibility To capture an overview of our energy reduction opportunities, we investigated the energy efficiency of three plants in the Chinese Mainland through a detailed desktop study. Conducted by a third-party consultant, we explored the management of energy reduction initiatives and quantified potential energy saving opportunities.
	Chiller System Energy Efficiency To make improvements in our energy efficiency, we partnered with Tsinghua University to retrofit the refrigeration system in the Jinqiao, Shanghai plant. The new refrigeration system better retains optimal temperatures, allowing for over 2,600,000 kwh per year in energy savings as well as significant operational cost savings.



SCOPE 3									
Reduction opportunity	Highlights								
CDE	We upgraded our signature one-door 398L coolers from a cassette system to a split cooler system which delivers improved energy efficiency. As we are always looking for new ways to save energy, we are developing plans to adopt static cooling technologies in our CDEs.								
Packaging	We adopted recycled content in the packaging of our cans and bottles. <table border="0" style="width: 100%; text-align: center;"> <tr> <td style="width: 30%;"> CANS</td> <td style="width: 20%;">rAL in the Chinese Mainland:</td> <td style="width: 20%;">rAL in U.S.:</td> <td style="width: 30%;"> BONAQUA WATER BOTTLE</td> </tr> <tr> <td></td> <td>9.6%</td> <td>72%</td> <td>rPET in Hong Kong: 100% <small>(except for 4.8L and 5L sizes)</small></td> </tr> </table> <p>The label length of several aseptic PET products in Hong Kong were also redesigned to encourage recycling.</p>	 CANS	rAL in the Chinese Mainland:	rAL in U.S.:	 BONAQUA WATER BOTTLE		9.6%	72%	rPET in Hong Kong: 100% <small>(except for 4.8L and 5L sizes)</small>
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CLIMATE ACTION

We signed up to the SBTi Business Ambition for 1.5°C, amplifying our commitment to reducing emissions in line with the Paris Agreement goals. Swire Coca-Cola's science-based target was approved by SBTi in 2020.





RENEWABLE ENERGY PROCUREMENT

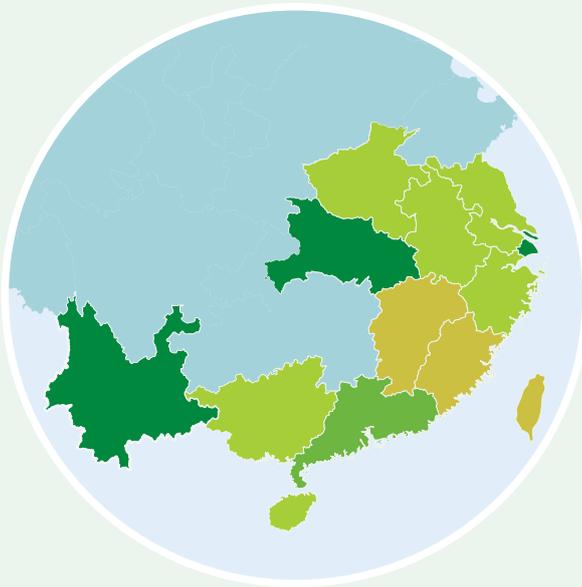
In 2020, we initiated talks with our electricity utility providers and electricity retailers to leverage the rules governing the wholesale markets. While our Yunnan operation established a bilateral register with the utility provider, our Hubei and Jinqiao, Shanghai operations formed a

procurement agreement with electricity retailers. As of 2021, these operations source electricity from 100% renewable energy, representing approximately 18% of our electricity consumed in the Chinese Mainland market.

To move ahead on achieving our decarbonisation targets, we are seeking opportunities to expand our renewable energy procurement in the Chinese Mainland. We have identified several locations where there is potential for sourcing low-carbon energy.

GREEN ELECTRICITY AVAILABILITY MAPPING FOR SCC OPERATIONS REGIONS

- Procuring green electricity
- High potential to procure green electricity
- Possible to procure green electricity in the near future
- Low visibility for green electricity procurement
- Non-SCC operating regions

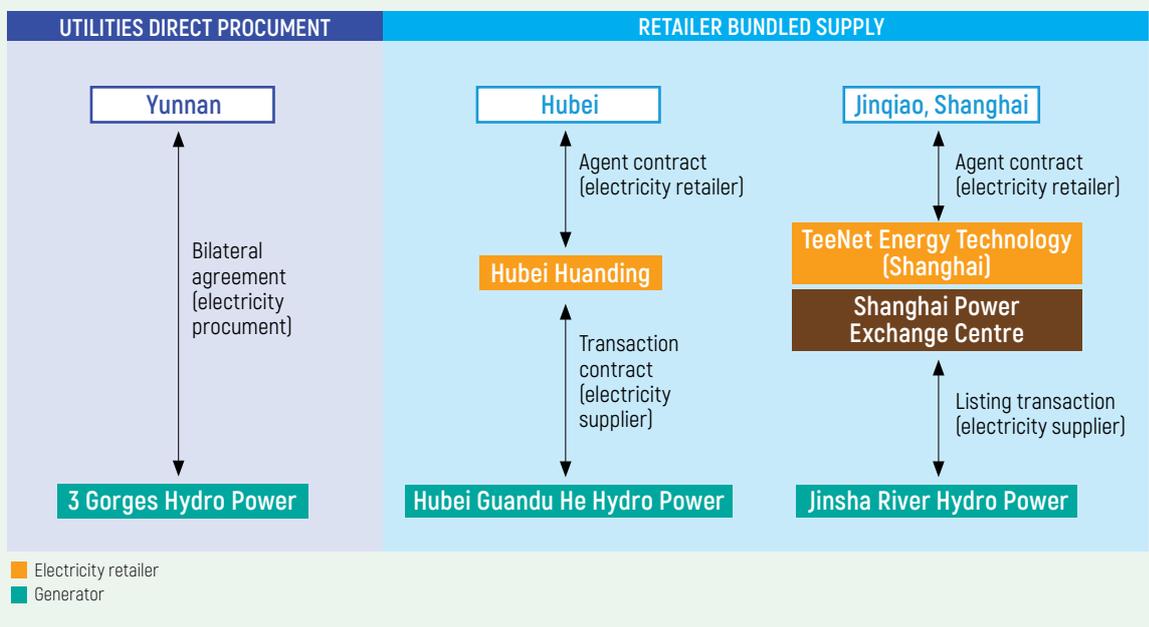


Co-packer Renewable Energy Procurement

Taking account of the entire value chain, our largest co-packer, CCBMH, together with our Wuhan plant purchased and secured renewable energy for the coming year. This contributes to 35% of the total electricity consumption of the plant and we expect a reduction of 5,000 tonnes of CO₂e annually.



RENEWABLE ENERGY PROCUREMENT MODEL IN THE CHINESE MAINLAND



TCFD REPORTING

The TCFD was established in 2015, by the Financial Stability Board (FSB)⁷ to develop a set of climate-related financial risk disclosures for use by companies when providing information to investors, lenders, insurers and other stakeholders. In 2017, the TCFD published a set of recommendations for climate-related financial disclosures that are consistent, comparable, reliable, clear and efficient, and which aim to provide decision-useful information to lenders, insurers and investors.

At Swire Coca-Cola we recognise the risks and opportunities presented by climate change to our business. In accordance with our Climate Change Policy and our SD 2030 target of reporting in the year 2022, we are committed to communicating and publishing climate-related financial disclosures with reference to the recommendations of the TCFD under the four core categories of governance, strategy, risk management, and metrics and targets. Our disclosures are set forth in the following pages.

GOVERNANCE

Describe the organisation's governance around climate-related risks and opportunities.

- The Swire Pacific (SPAC) Board, led by an Executive Chairman, has ultimate accountability for Sustainability and the sustainability performance of all operating companies under Swire Pacific, including Swire Coca-Cola.
- The Board is kept informed of sustainability risks including climate risks by the GRMC, which reports to the Board via the Audit Committee.
- In 2021, Swire Pacific initiated a 'three lines of defense' risk governance structure. The first line of defence includes functional committees,

including the Swire Group Sustainability Committee (SGSC), and seven subject specific Working Groups including the Climate Change and the TCFD Working Groups. These committees include representatives from the Swire Pacific Divisions, including Swire Coca-Cola and are responsible for identifying and managing specific areas of risk, proposing policies and reporting performance to the GRMC.

- A Swire Pacific Risk Management Committee (SPAC RMC) and four risk forums, including one on sustainability, were introduced to strengthen oversight of risks, including climate change risks. Please see the Risk Management section of the [Swire Pacific 2021 Annual Report](#) for details.
- The GRMC, SPAC RMC and the new risk forums form the second line of defence, providing oversight and assurance to the board and the audit committee that risks are being managed effectively.
- The third line of defence is the Group Internal Audit function.
- We use an enterprise risk management (ERM) system. We have corporate risk registers, in which climate change appears as an emerging risk.
- To provide additional oversight and direction, the Swire Pacific Group Head of Sustainability reports periodically to the Board and Executive team on sustainability matters.

Describe management's role in assessing and managing climate-related risks and opportunities.

- The Chairman and Finance Director of Swire Pacific, along with the divisional chief executives of Swire Pacific's

businesses (including Swire Coca-Cola) meet twice a year to consider sustainability matters. These meetings provide direction and oversight to the SGSC, which comprises of divisional sustainability heads, including Swire Coca-Cola and is chaired by an Executive Director of Swire Pacific. The SGEC meets three times a year and has the following responsibilities related to climate change:

- Oversee and implement SwireTHRIVE, including climate and sustainability policies
- Report on Group sustainability activities and performance to the GRMC (including emissions and energy use) and on compliance with sustainability policies
- Review and report on legislative, regulatory and other sustainability developments
- At Swire Coca-Cola, we have an independent governance structure to manage and implement our own sustainable development initiatives and strategies. We take several actions with reference to Swire Pacific's framework to promote our sustainable development. Please refer to p.7 of Our Approach to Disclosure chapter of this report for more information.
- Our Climate Change Policy guides our approach to climate change mitigation, adaptation and resilience.
- Climate change and the management of waste and water resources are priorities under the "Our Choice, Our Future!" SD Strategy.

7. The FSB is an international body that monitors and makes recommendations about the global financial system.

TCFD REPORTING (CONTINUED)
STRATEGY

Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.

- Climate change carries risks for our business. Flooding, extreme weather events and increasing temperatures can adversely affect our assets, operations, employees and suppliers. There are also regulatory, market and reputational risks.

- Climate change appears on the risk register of our company as well as our parent company Swire Pacific, where it is discussed in the Risk Management section of the [Swire Pacific 2021 Annual Report](#).

- Climate change stimulates business innovation and facilitates the transition to a lower carbon economy. Demand exists for climate resilient products and services. By addressing climate change, the costs of extreme weather

conditions (maintenance and insurance premiums) can be mitigated.

Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.

The table below presents findings from our climate risk analysis.

Risk category	Risk and opportunities	Financial implications
PHYSICAL RISKS		
Acute	<ul style="list-style-type: none"> More flooding in low lying areas damaging our assets or disrupting our services More and stronger typhoons damaging our assets or disrupting our services More fluvial flooding damaging our assets or disrupting our services 	<ul style="list-style-type: none"> More spending to improve the adaptive capacity of our assets and to mitigate adverse effects
Chronic	<ul style="list-style-type: none"> Extreme temperatures and heat stress 	<ul style="list-style-type: none"> Lower productivity due to extreme heat More spending on cooling
TRANSITIONAL RISKS		
Policy and regulations	<ul style="list-style-type: none"> Carbon pricing for construction More ambitious national decarbonisation plans Tighter building energy codes 	<ul style="list-style-type: none"> Carbon taxes and more spending on offsets More spending to improve energy efficiency Lower operating costs because of higher energy efficiency More spending on compliance
Technology and innovation	<ul style="list-style-type: none"> More use of green and low-carbon technology More use of renewable energy 	<ul style="list-style-type: none"> More spending on technology Lower operating costs because of higher energy efficiency More spending on renewable energy systems Sales of renewable energy to power companies
Reputational damage	<ul style="list-style-type: none"> Increased reputation and litigation risks 	<ul style="list-style-type: none"> Less revenue due to changes in what consumers want Litigation costs
Markets	<ul style="list-style-type: none"> Increase in insurance premiums 	<ul style="list-style-type: none"> Higher insurance costs

Please see [Swire Pacific's 2021 Sustainability Report](#) for details of the Group's climate risk assessments.

TCFD REPORTING (CONTINUED)

Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

- We are assessing the implications of different long term climate scenarios. Working with the Swire Pacific Sustainable Development Office and risk functions, we are assessing the robustness of our climate strategy and the uncertainties associated with its execution.

RISK MANAGEMENT

Describe the organisation's processes for identifying and assessing climate-related risks.

- Working with the Sustainable Development Office of Swire Pacific, we are assessing how vulnerable our businesses are to flood, heat stress, water stress and extreme weather events.
- We are using the **Climanomics** tool developed by **The Climate Service** to assess the climate risks to our businesses and the resulting financial implications.
- Using the **Climanomics** tool we have assessed the physical climate-related risks to and opportunities for 550 of Swire Coca-Cola's most valuable assets

(as determined by insured value), under the two climate change scenarios (RCP 4.5 and RCP 8.5).

- We have also considered the impact of carbon pricing transition risks based on the carbon pricing models included in IPCC Shared Socioeconomic Pathways SSP3-60 and SSP3-45.
- In 2022, via the Swire Pacific Climate and TCFD working groups we are working with a consultancy to incorporate the results from the Climanomics assessment into a broader climate scenario analysis. A summary of the results of this exercise will be made available in future sustainability reports.
- The findings will be incorporated into the Groups Enterprise Risk Management (ERM) system.

PHYSICAL AND TRANSITION RISKS, OPPORTUNITIES AND IMPACTS
PHYSICAL CLIMATE RISK

- Increases intensity and/or frequency of acute climate events - e.g. cyclones/hurricanes and floods and their impact on sites
- Longer-term chronic shifts in climate patterns - e.g. sea level rise, rising temperatures, which gradually change human and environmental systems and processes

TRANSITION CLIMATE RISK & OPPORTUNITIES

- Drivers related to the lower-carbon economy transition:
- **Policy and legal** - e.g. constraints on emissions, carbon pricing/taxation, incentives
 - **Technology, market and reputation** - changes in demand/supply due to technology and/or market changes

POTENTIAL IMPACTS


More efficient operation



Stranded assets



Improvement to capital installations



New technologies



Litigation



Supply distribution/disruption



Higher prices commanded for low-carbon



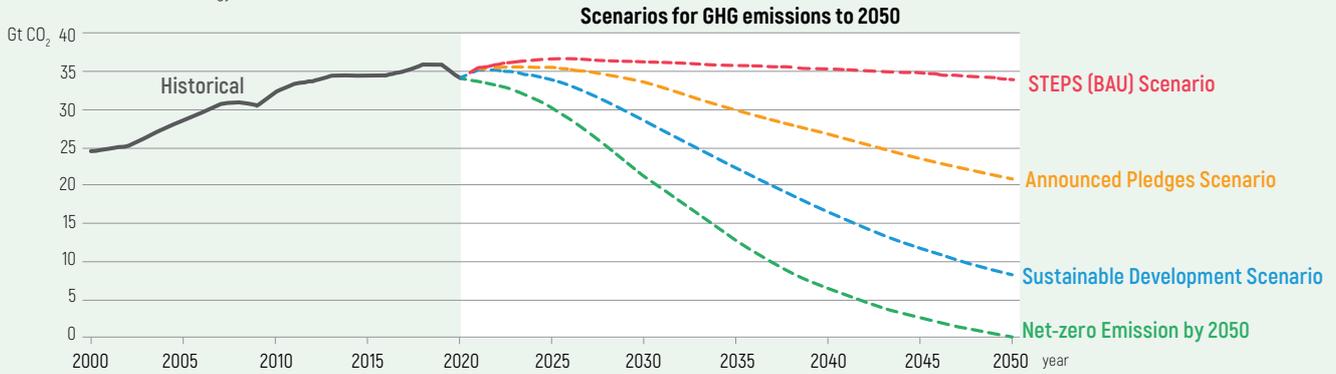
Investment opportunities

TCFD REPORTING (CONTINUED)

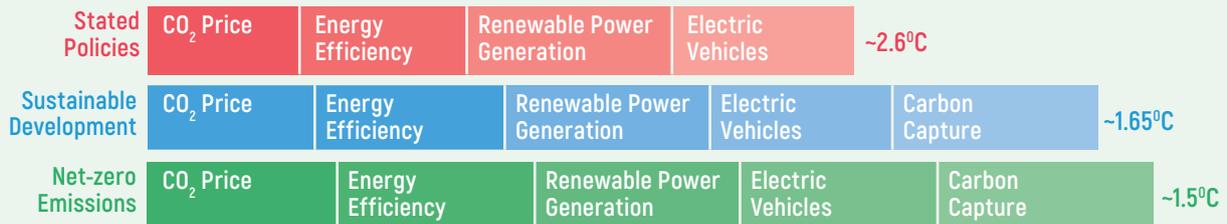
CLIMATE SCENARIOS

DIFFERENT EMISSION PATHWAYS

Source: IEA World Energy Outlook 2021

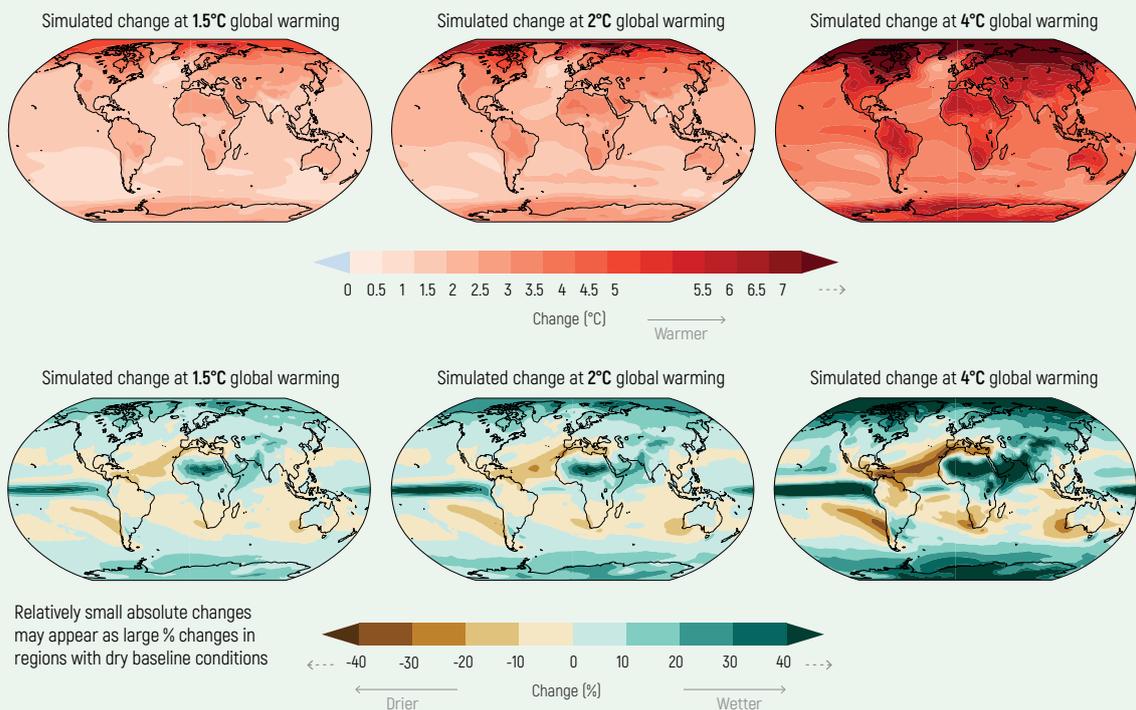


DIFFERENT TEMPERATURE OUTCOMES



DIFFERENT OUTCOMES FOR PHYSICAL CLIMATE

Source: IPCC Sixth Assessment Report



TCFD REPORTING (CONTINUED)
Describe the organisation's processes for managing climate-related risks.

- Our Climate Change Policy deals with decarbonising our businesses and managing and adapting to climate risk.
- Through the ISO 14001 Environmental Management System and ISO 50001 Energy Management System, we manage our operational risks related to climate change, carbon and energy management.
- We have set ambitious 2030 decarbonisation targets, where details of these targets can be found in the metrics and targets section below.
- The Sustainable Development Fund (SD Fund) of Swire Pacific makes available up to HK\$100 million per year for sustainable development projects. The money is available for investments in

sustainability technologies and solutions that would not otherwise meet our financial targets. In 2021, Swire Pacific funded trials of new technologies intended to help our operating companies meet their carbon, water and waste targets.

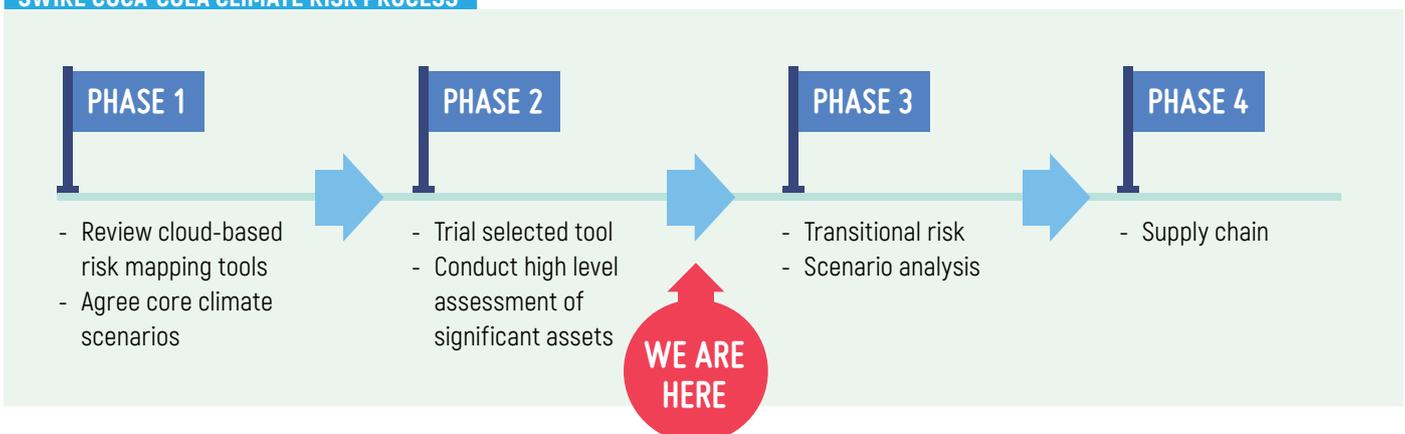
- Our business continuity plans cover extreme weather events.
- With RESET Carbon we have identified substantial steam and energy savings processes, which we aim to put in place over the next five years across our facilities in the Chinese Mainland.
- With Tsinghua University's Joint Research Centre for Building Energy Efficiency and Sustainability, we have developed and tested methods to increase energy efficiency and improve environmental performance in our businesses, consequently generating substantial energy savings.

- Swire Coca-Cola uses independent third parties to assess water risk for its bottling plants, so as to form source vulnerability assessments (SVA). The findings are integrated into source water protection plans and are regularly reviewed.

- We support the efforts of the Hong Kong Business Environment Council to promote awareness of climate change in the business community.

Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management.

- Climate-related risks are identified and managed as part of our ERM system.
- Climate change has been identified as one of our top ten risks in our risk register.

SWIRE COCA-COLA CLIMATE RISK PROCESS


TCFD REPORTING (CONTINUED)
METRICS AND TARGETS

Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.

- We measure:
 - Carbon emissions (metric tonnes of carbon dioxide equivalent (CO₂e))
 - Energy consumed (GJ)
 - Kilowatt-hour (kWh) of renewable energy generated
 - Water consumed (m³)
 - Generated waste (metric tonnes)
 - Recycled waste (kg)
 - Primary, secondary and tertiary packaging produced (metric tonnes)

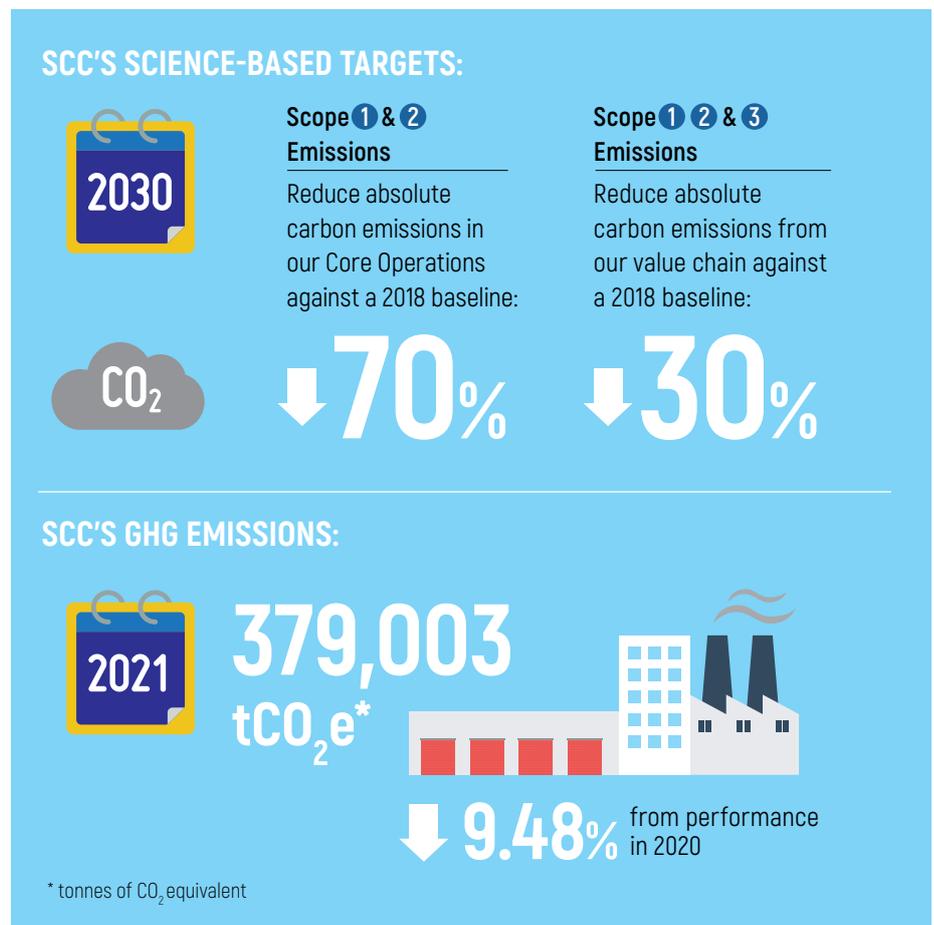
Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks.

- We measure and report our energy consumption and the Scope 1, 2 and 3 carbon emissions from our operations in accordance with the listing rules of the HKEx and in line with the GHG Protocol. Please refer to the Climate chapter of this report for more information.

Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.

- Our science-based targets (approved by SBTi in 2020) are:
 - By 2030, reduce carbon emissions by 70% in its Core Operations (Scope 1 and 2) from a 2018 baseline
 - By 2030, reduce carbon emissions by 30% from its value chain (Scope 1, 2 and 3) from a 2018 baseline
- We have signed up to Business Ambition for 1.5°C.

- In 2021, our GHG emissions were 379,003 metric tonnes of carbon dioxide equivalent (CO₂e), a 9.48% decrease from our performance in 2020.
- We have committed by 2026 to have transitioned to electricity derived from 100% renewable energy for Core Operations. In 2021, more than 18 million kWh of electricity was generated from renewable energy sources at our premises. We also purchased 71.6 million of renewable energy off the grid and directly from producers, collectively this accounts for 18% of our total energy usage.



PERFORMANCE

DECARBONISATION

Our target to reduce absolute Scope 1, 2 and on an aggregated basis, including 3 is approved by the SBTi in 2020. Since setting the targets, we prioritised conducting scoping projects to ensure we address our emissions across the value chain. A full SBT progress report will be published annually. It can be downloaded here:

[CLICK HERE](#)

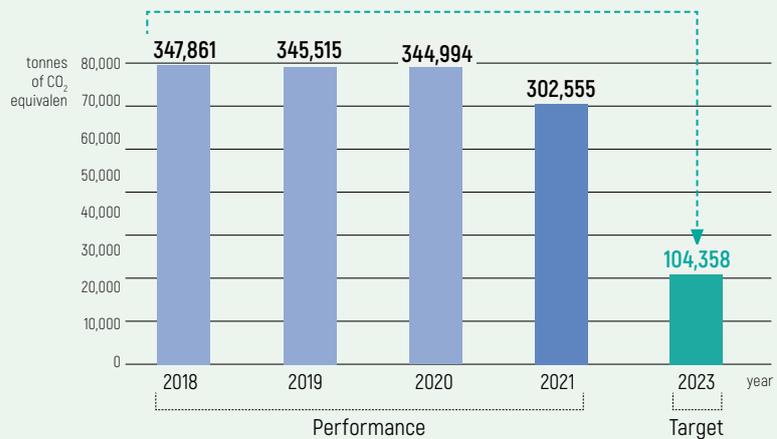
GHG EMISSIONS

SCOPE 1 TOTAL DIRECT EMISSIONS

(excludes emissions from refrigerants)



SCOPE 2 TOTAL INDIRECT EMISSIONS



LOOKING FORWARD

Underpinned by our climate strategy, we look to accelerate our two focus areas in the following ways:

DECARBONISATION

Scope 1

We foresee developing a series of clearly defined projects that delivers annual energy savings on electricity consumption and steam. These energy saving opportunities were identified in 2021.

Scope 2

To achieve our 100% renewable energy procurement target, we will focus our efforts on setting out a strategic approach for how to purchase electricity from 100% renewable energy in the Chinese Mainland

and the U.S. With the surge in global energy prices in 2021, we look to navigate and adapt successfully around these global pressures to meet operational demands whilst minimising emissions. On top of this, we plan to unpack and prudently acquire renewable energy certificates for our bottling plants and receive external validation of the certificate where applicable.

Scope 3

Tackling emissions across the supply chain demands collaboration. Working with TCCC and other stakeholders, we will map out our upstream and downstream emissions through engagement with our suppliers and partners while encouraging them to set targets aligned to SBTi.

TCFD REPORTING

As the next step in our TCFD reporting journey, we plan on refining the data that feeds into the Climonomics tool to assess the climate-related risks of our assets in greater detail and breadth. This means shifting the analysis of our assets from using insured value to financial contributions.

The image features a dark blue background. At the top, there are two light blue wavy lines representing water. In the center, the word "WATER" is written in a bold, white, sans-serif font. Below the text, there are three more light blue wavy lines. At the bottom, a large, semi-transparent water drop shape is centered, overlapping several horizontal stripes of varying shades of blue. The stripes transition from a light blue at the top to a darker blue at the bottom, creating a gradient effect.

WATER

OVERVIEW

OBJECTIVE

We aim to reduce water use from our own operations and supply chain partners, and safeguard water resources in the community/regions in which we operate in.



Channel outlet construction in the Provo River, Utah, the U.S.
©The Provo River Delta Restoration Project

WHY IT MATTERS

Water is a vital resource for our beverages and for our society. The sustainable wellbeing of our local system and communities depends on access to clean water, safe sanitation, responsible management of water and the protection of water resources. One in four people lack access to safely managed drinking water, and billions of people will be unable to access safe drinking water in 2030 unless progress on responsible water stewardship is accelerated¹.

The impacts of climate change, population growth and economic development are putting major stress onto the supply of clean and potable water. Changes in the hydrological systems as a result of climate change, accompanied by the seasonal rainfall variability presents a threat to human health and the environment. As climate change continues to exacerbate water stress, the IPCC projected that global population will suffer at least a 20% decrease of water supply for each degree of warming².

Acknowledging the increasing water risk globally, preserving water availability and quality is central to our business. Owing to our efforts to replenish water, manage water efficiency and address water risks in our operations and supply chains, we are proud to have scored an 'A' in the CDP Water Security questionnaire since 2020 when we first participated. Nevertheless, we continue to identify areas for improvement to capture opportunities and boost water conservation in the areas which we operate.

In addition the World Resource Institute (WRI)'s Aqueduct platform, the Community-Based Water Resiliency (CBWR) Guide also serves as a guiding tool that identifies the critical interdependencies between water utilities and other sectors and promotes cross-sector relationships essential to enhance resilience³. Leveraging these tools, we are able to gain visibility of, and better understand, our water footprint and risks.

RELEVANT SUSTAINABILITY TOPICS



**WATER AND EFFLUENT
MANAGEMENT**



**WATER
REPLENISHMENT**

RELEVANT SDGS



1. UNICEF (2021). Billions of people will lack access to safe water, sanitation and hygiene in 2040 unless progress quadruples – warn WHO, UNICEF. <https://www.unicef.org/eap/press-releases/billions-people-will-lack-access-safe-water-sanitation-and-hygiene-2030-unless>
2. IPCC (2021). Climate Change 2014: Impacts, Adaptation, and Vulnerability. Part A: Global and Sectoral Aspects. Contribution of Working Group II to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change. https://www.ipcc.ch/site/assets/uploads/2018/02/WGIIAR5-Chap3_FINAL.pdf
3. ASDWA (2021). Community-based Water Resilience: Keep Vital Services Flowing. [Community-Based Water Resilience: Keep Vital Services Flowing - ASDWA](https://www.asdwa.org/Community-Based-Water-Resilience-Keep-Vital-Services-Flowing)

STRATEGY

We aim to:

1
Reduce
the water footprint of our own operations by setting ambitious targets and improving water efficiency

2
Recycle
treated wastewater back into our operations or the natural water system

3
Replenish
natural water sources through partnerships with stakeholders

4
Report
annually via CDP

OUR COMMITMENTS AND PROGRESS

WATER USE RATIO (WUR)

TARGET

By 2030, further reduce our Water Use Ratio (WUR) from 1.77 to 1.45.



We continue working towards the TCCC target (1.70) as well as the SCC 2025 (1.60) and 2030 (1.45) targets.

PROGRESS



WATER REPLENISHMENT

TARGET

Contribute to the Coca-Cola System's goal on water replenishment: For every drop we use, we give one back.

In 2021, the replenishment of water used in the global sales volume:



PROGRESS



CO-PACKER WATER USE

TARGET

Introduce a new governance mechanism to improve the water reporting and efficiency of our co-packers.

We worked with CCBMH to develop a data collection platform that gathers data on water consumption and production volume.

PROGRESS



WASTEWATER DISCHARGE

TARGET

Ensure wastewater discharged from all Swire Coca-Cola plants and our co-packers' plants fully comply with regulations.



PROGRESS



SVA & WMP THIRD-PARTY VERIFICATION

TARGET

By 2025, obtain third-party verification for all Source Vulnerability Assessments (SVA) and Water Management Plan (WMP), previously known as Source Water Protection Plans (SWPP).

We rolled out the five-year plan to obtain third-party verification.

PROGRESS



CDP

TARGET

Ongoing participation in the CDP Water Security questionnaire.

We achieved an A rating in the 2021 water questionnaire for transparency and action on water management.



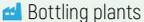
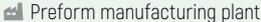
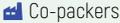
PROGRESS

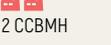
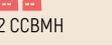
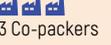
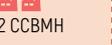
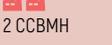
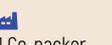
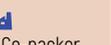


UNDERSTANDING OUR WATER RISKS

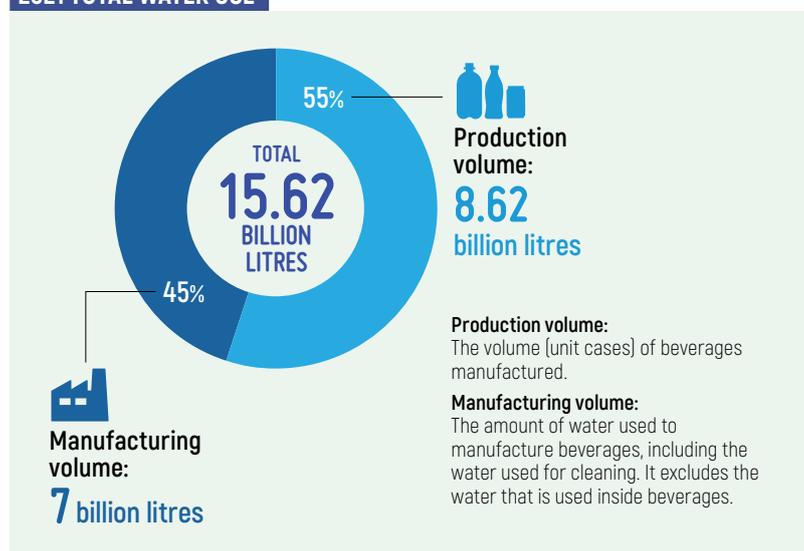
Gauging exposure of our assets, we completed a site-specific evaluation of local water risk at each Swire Coca-Cola bottling plant. We assessed the potential of water risks such as water quality and availability, as well as monitor progress of our WURs.

LEVEL OF OVERALL RISK*

 Bottling plants
  Preform manufacturing plant
 Co-packers
  Coca-Cola Bottlers Manufacturing Holdings Limited (CCBMH)

	LOW		LOW – MEDIUM		MEDIUM – HIGH		HIGH		EXTREMELY HIGH	
	Baseline	Projection 2030 Business-As-Usual	Baseline	Projection 2030 Business-As-Usual	Baseline	Projection 2030 Business-As-Usual	Baseline	Projection 2030 Business-As-Usual	Baseline	Projection 2030 Business-As-Usual
Chinese Mainland¹		 6 Bottling plants  2 Co-packers  2 CCBMH	 7 Bottling plants  2 Co-packers  5 CCBMH	 5 Bottling plants  2 Co-packers  2 CCBMH	 6 Bottling plants  3 Co-packers  1 CCBMH ²  1 Preform manufacturing plant	 2 Bottling plants  1 CCBMH	 6 Bottling plants  1 Co-packer  2 CCBMH	 2 Bottling plants  1 CCBMH ²  1 Preform manufacturing plant		 4 Bottling plants  2 Co-packers  2 CCBMH
Hong Kong⁴			 1 Bottling plant			 1 Bottling plant				
Taiwan			 1 Bottling plant  2 Co-packers	 1 Bottling plant  1 Co-packer				 1 Co-packer		
U.S.	 2 Bottling plants		 2 Bottling plants	 1 Bottling plant	 2 Bottling plants	 1 Bottling plant				 4 Bottling plants

2021 TOTAL WATER USE



* Baseline water stress is based on historic data spanning 1960-2014. Future water stress is also assessed through the World Resource Institutes' Aqueduct Water Risk Atlas to project water stress impact of different climate scenarios in 2030.

Note:

1. A total of 15 CCBMH facilities supplied finished products to Swire Coca-Cola in 2021. The assessment excludes two co-located facilities operated by Swire Coca-Cola (i.e. CCBMH Nanjing and Luohe Branches). Swire Coca-Cola owns operational control of these two facilities, and therefore has defined their water risk as part of our reporting scope. The assessment also excludes five CCBMH bottling plants which contributed to <3% of finished product supplied from CCBMH.
2. Xiamen Branch of CCBMH is co-located with Swire Coca-Cola.
3. Whilst the bottling plant in Hong Kong is located in a low to medium risk area, its water supply is mostly sourced from Dongjiang River which is located in a medium to high water risk area.

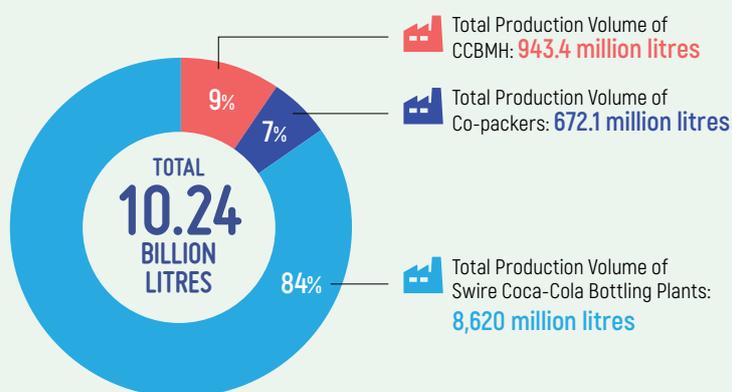
PROPORTION OF PRODUCTION VOLUME BY CO-PACKERS

Market	No. of Co-packers		No. of CCBMH ³		Swire Coca-Cola Production Volume*		Co-packer Production Volume*		CCBMH Production Volume*		Proportion of Production Volume by Co-packer**	
	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021
Chinese Mainland	6	6	14	8 ⁴	6,082	6,670	226.5	204.6	769.6	942.5	14%	15%
Hong Kong	0	0	0	0	275	299	30.4 ¹	23 ¹	4.3	0.94	11%	7.4%
Taiwan	2	2	0	0	156	153	99.5	100.2	-	0	39%	39.4%
U.S.	0 ²	0 ²	0		1,482	1,497	340.9	344.3	-	0	19%	18.7%
TOTAL	8	8	14	8	7,995	8,620	697.3	672.1	773.9	943.4	16%	15.8%

* in million litres ** including CCBMH

Note:

- Swire Coca-Cola Hong Kong imports a portion of its products to be sold in the local market.
- A portion of products are produced as part of the National Product Supply Group. This figure assumes co-packers are responsible for 23% of our production volume in the U.S.
- Including all CCBMH manufacturing facilities that produced products for Swire Coca-Cola except for CCBMH Nanjing and Luohe branches. Swire Coca-Cola owns operational control of these two facilities, and therefore has defined their production and consumption data as part of our reporting scope.
- Five bottling plants with combined contribution to <3% of finished product supplied from CCBMH are also excluded here.



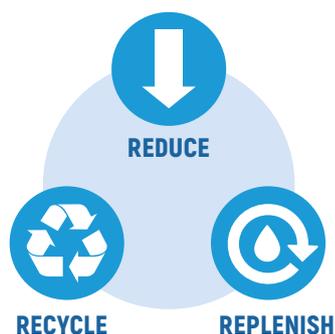
WHAT WE'RE DOING

Our water strategy focuses on:

1 **Conducting third-party verifications of the SVA and WMP**, as next steps after the comprehensive internal review in 2020. We aim to execute the five-year plan to achieve our target of 100% third-party verified SVA and WMP by 2025.



2 **Reducing, recycling and replenishing water** to reinforce our water stewardship role. We focus our efforts in reducing our demand for freshwater, using recycled water in manufacturing processes where possible, and replenishing water sources through community and watershed management projects with TCCC.



SVA AND WMP THIRD-PARTY VERIFICATIONS

As part of our water stewardship journey, in 2020 we conducted an extensive internal whitepaper reviewing our SVA and WMP across our four markets. We are determined to assess water-related risk in our operations and, hence drawn up a five-year plan to strategically revamp or update the SVAs and WMPs of all our plants and markets. For details regarding the SVA and WMP whitepaper, please refer to p.21 of our [2020 Sustainable Development Report](#).

Progress and Updates

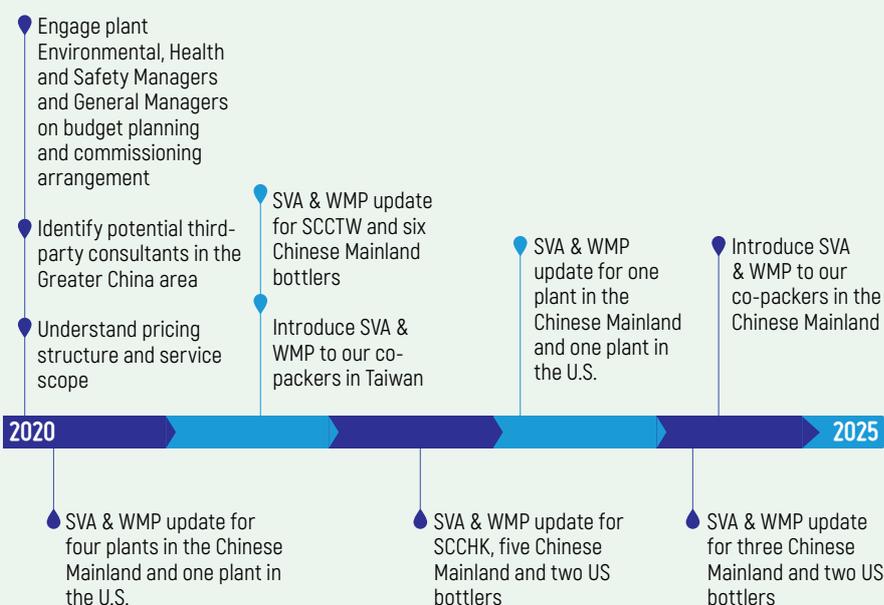
- **Bottlers**
We made steady progress in rolling out third-party verifications in the Chinese Mainland and Taiwan. Through engaging an external consultant, we

completed initial assessments and site visits at one Taiwan bottler and four Chinese Mainland bottlers. The results served as a basis for customised water management plans and implementation timeline for each bottler, providing support in embedding SVA and WMP in all aspects of the operations.

- **Co-packers**

Among our co-packers, we conducted the first third-party validated SVA and WMP with one co-packer in Taiwan. The audit helped refine the co-packer's water shortage contingency plan and strengthened its understanding of regional water availability.

FIVE YEAR PLAN



SVA Spotlight – Guangxi bottler facility, Chinese Mainland

Long-term water availability is susceptible to a variety of social, economic and environmental factors that changes overtime. To obtain a clear picture of the local water situations, we identified potential risks arising from the watershed and operations in our Guangxi bottler facility. The outcomes enable us to explore opportunities to build resilience and promote the health of the ecosystem. The following are some examples of risks identified.



Areas of Assessment	Risk/ Opportunity Identified	Mitigation Measures Proposed	Priority
Change in basic water price	Future adjustment of the basic price of water will lead to increase in production cost.	Prepare for changes in water price adjustment through monitoring updated information and enhance water saving measures.	High
Protection of the water supply facilities	Accidental damage to the overground water supply pipeline and valves is possible.	As a preventive measure, install protective covers and place safety warning signs to avoid accidental opening.	High
Water efficiency in the canteen	The average water consumption intensity per person used in the canteen is higher than average.	Strengthen management of water saving practices and adopt water saving equipment.	Medium
Resistance to corrosion of the water pipe	The area is exposed to risk of acid rain. In the long-run, corrosion to steel pipes can result in increased maintenance cost and water leaks.	Strengthen monitoring and paint pipes with anti-corrosion coating.	Low
Water quantity and quality change in the catchment	Urbanisation, population increase, and growth of the agriculture industry may result in changes in water quantity and quality of the river basin.	Establish a tracking system to monitor water quality of the river basin, from publicly available data and government news.	Low

REDUCING, RECYCLING AND REPLENISHING WATER

REDUCE

Highlights

Water Treatment System Upgrade – Chinese Mainland

In partnership with a third-party supplier, we piloted an innovative water treatment system that screens out a higher percentage of dissolved solids and enables less chemical cleaning. Through the pilot, it was found that the number of chemical cleaning cycles required was reduced by 50%, with the same water productivity, and energy consumption was reduced by 30%.



Water Room Enhancement – U.S.

We enhanced our water rooms with efficient filtration systems at our Denver and Salt Lake City facilities. The new filtration systems have improved the quality of treated water and resulted in higher proportions of recovered water from a double filtration process. This improvement will achieve a 53 million litre reduction in water consumption per year and lead to a 10% reduction in our WUR.



RECYCLE

Highlights

We treat wastewater onsite before it is discharged in all of our bottling plants in the Chinese Mainland, Hong Kong, and Taiwan. Treated wastewater is reused in cooling towers, for cleaning and irrigation purposes, and for toilet flushing. Backwash water is sent to condensing towers from pump seal cooling lines and ozone generator cooling systems for reuse. We evaluate the need to conduct wastewater treatment based on water quality and reuse purposes. Our facilities meet the water quality requirements of TCCC and the World Health Organisation. We currently do not have a waste water treatment facility at bottling plants in the U.S.

REPLENISH

Highlights

Colorado River Connectivity Channel (Windy Gap), Colorado – U.S.

Addressing one of the highest priority river restoration issues in the state of Colorado, we donated US\$50,000 in 2021 to this project which aims to reconnect the river channel and establish a natural river flow, eliminating the Windy Gap Reservoir dam's negative impact on aquatic habitat and species. When completed, the project is expected to deliver significant social and economic benefits to communities that rely on recreation, as well as address urban water security needs. The project aims to:

Create wetlands

18 ACRES

Restore riparian corridor

50 ACRES

Replenish water per year

74 MILLION LITRES

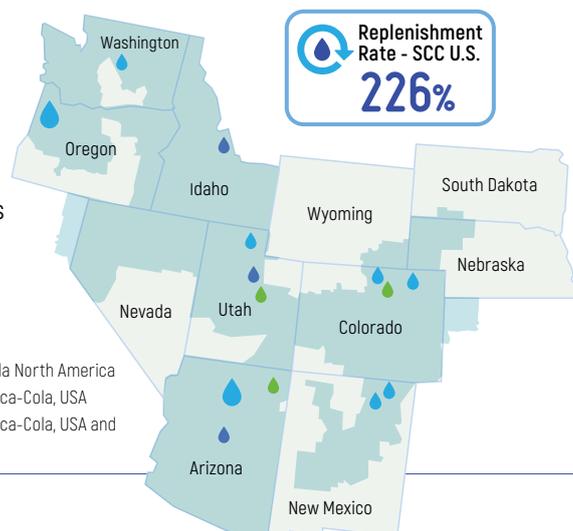
Establish and restore over one mile of mainstem stream channel on the river

Restore perennial flows to a dewatered and disconnected reach of the upper river

Provide extensive public access and recreation for fishing, floating, birdwatching, walking.

Provo River Flow Restoration Project, Utah – U.S.

Centuries of channel alterations have transformed the river flow of The Provo River. As a result, the ecosystem in which fish and wildlife thrived has declined, attributing to the lack of fish passage, disappearing habitat and heightened stress caused by poor oxygen levels. Together with the Bonneville Environmental Foundation and Coca Cola North America's project donation we established a water management agreement to reduce water withdrawals from the Provo River and increase flows during summer periods. We have donated US\$25,000 to fund the Utah-based water replenishment project. This project will replenish 256 million litres of water per year to the Provo River.

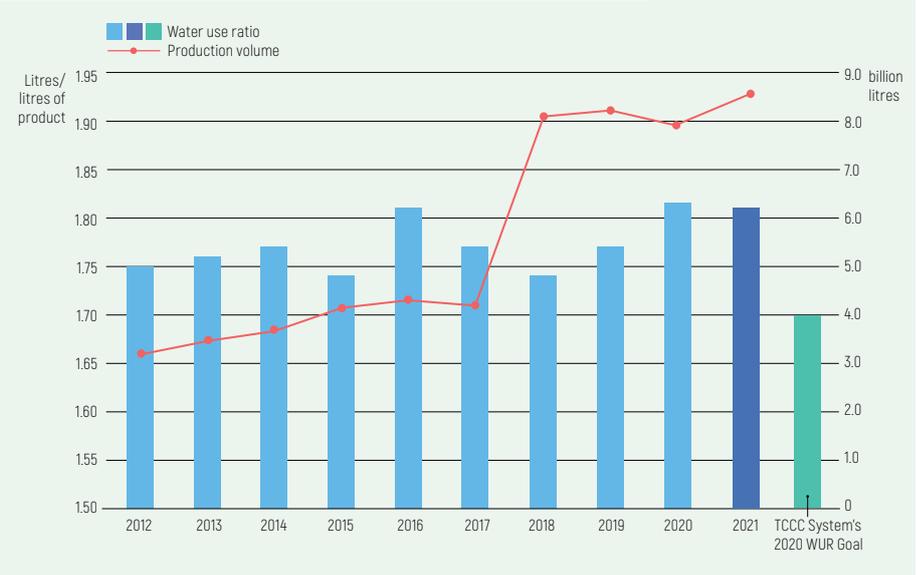


PERFORMANCE

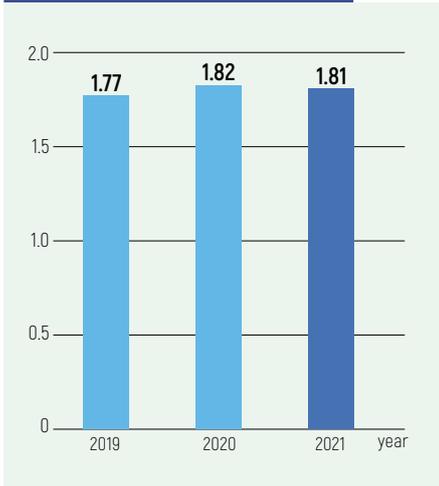
Water Use Ratio

Over the past year, the COVID-19 pandemic has continued to exacerbate unexpected challenges across our supply chain, which has affected our WUR performance. From large production volume swings, unusual run rates and switchovers, we focused on managing production and the supply chain to satisfy changing requirements of our sales channels, whilst maintaining progress to meet our WUR target.

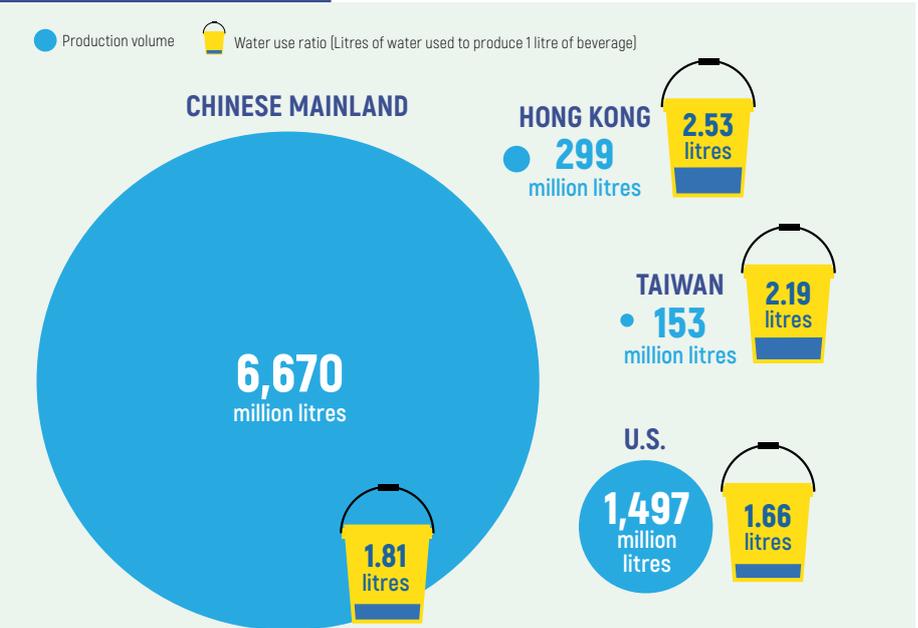
WATER USE RATIO AND PRODUCTION VOLUME OVER 10 YEARS



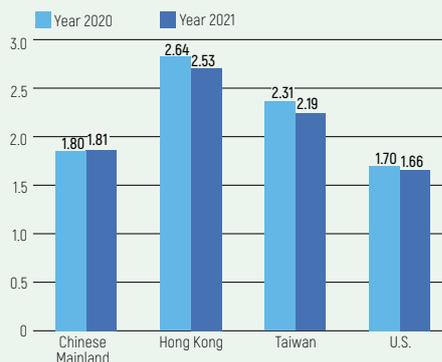
WATER USE RATIO AGGREGATED



WATER USE RATIO BY MARKET



WATER USE RATIO BY MARKETS 2020-2021

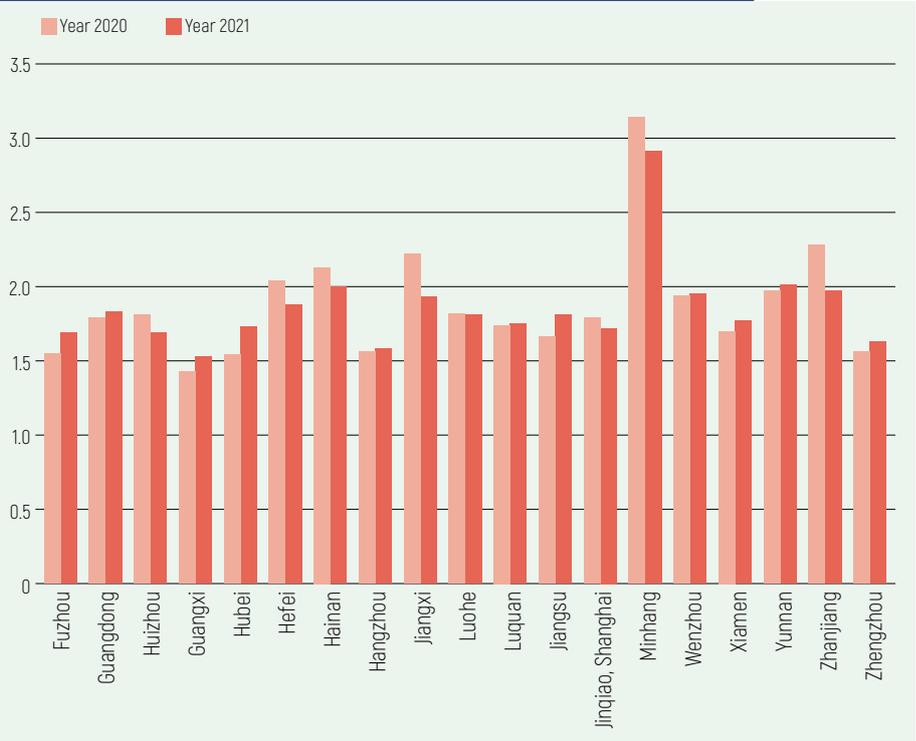
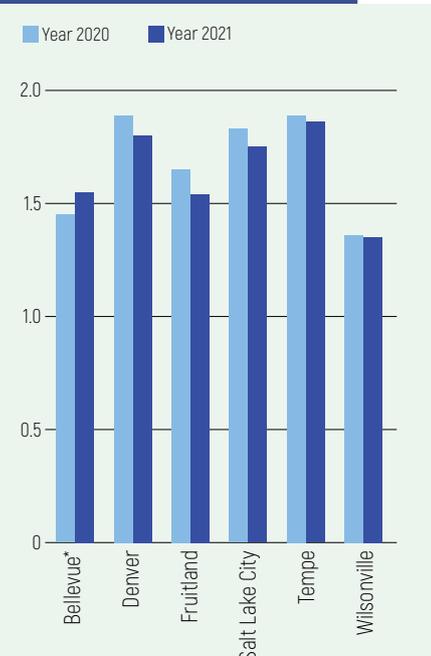


SYSTEM WATER USE RATIO IN 2021

Bottling Partners	WUR
Swire Coca-Cola	1.81
Coca-Cola FEMSA	1.47
Coca-Cola Europe	1.58
Europacific Partners	1.75
Coca-Cola Hellenic Bottling Company	1.80
The Coca-Cola System	1.81

In the Chinese Mainland, the introduction of new PET production lines in Jiangsu, Hubei and Xiamen bottling plants resulted in us falling short of our WUR performance. Higher sanitation requirements, combined with an increase in cleaning and rinsing to adjust for the mixture of products, translated into a decline in water use efficiency performance.

To control our water impact, we are currently installing ultrafiltration water treatment systems in our Huizhou and Guangxi facilities, and plan to extend this application in several other bottling plants in the Chinese Mainland. At the same time, we will strengthen our focus on optimising water usage throughout the production process. By targeting the reclamation of clean water during processing and facilitating diligent leak identification and repair, we can close the gap of our current WUR performance and our target.

WATER USE RATIO PERFORMANCE BY PLANT IN THE CHINESE MAINLAND

WATER USE RATIO PERFORMANCE BY PLANT IN THE U.S.


* In 2021, the high WUR experienced by Bellevue bottling plant is a result of several factors affecting the water supply system, including higher demand of sanitation activities, issues with the batching station that resulted in clogged pipes, as well as an overflow from water tanks caused by freezing temperatures.

Compared with last year, we reduced our WUR rate in the U.S. by 2.35%. These savings have been achieved, in part, through enhanced efficiency from the upgraded water treatment system in our Denver and Salt Lake City facilities. We will continue to review best practices to ensure we are always using water in the most efficient way as possible.

Water Replenishment

100%+ by TCCC.

Wastewater Discharge

Full compliance over 2021.

Co-Packers Water Use

CCBMH
WUR was **2.70**

Since establishing a data collection system with CCBMH, we have made progress on our journey of reporting our co-packers' water usage data. Working together, we will review their WUR performance and uncover opportunities to improve water efficiency.

CDP Water Security Questionnaire


Responsible water management needs to work hand-in-hand with transparent and scientific reporting, for which we voluntarily participated in the CDP's Water Security questionnaire. In 2020, we were the first company in the greater China region to achieve an 'A' score and we are proud to receive this score the second year in the row for global water stewardship, placing us on the leadership range. Through the participation in CDP's Water Security questionnaire, we were able to receive external validation of our performance.

CDP Water Security 2021 Questionnaire Rating

Company	Rating
Swire Coca-Cola	A
Coca-Cola Europacific Partners	A
Coca-Cola Hellenic Bottling Company	A
TCCC	A
Coca-Cola İçecek	A-
Coca-Cola FEMSA	B-

LOOKING FORWARD

In line with our goals and targets, there are five clear items on the agenda to continuously push forward our commitment to water stewardship:

1. Technical study on investment

We will commission a third-party consultant to conduct a technical study on what investments are needed to drive water efficiency improvements and reduce avoidable losses in our operations. Leveraging TCCC's advanced technologies, we will develop innovative solutions to minimise water usage across the value chain.

2. Independent verification on the five-year SVA and WMP

We will continue to work with our bottlers and co-packers to achieve independent verification for all SVA and

WMP. By the end of 2022, we strive for 85% of our SVA and WMP to be externally validated by third-party professionals. Taking water management to a higher level, in the coming year, we aim to pilot a water performance evaluation mechanism against an international framework, namely, the Alliance for Water Stewardship (AWS) in Yunnan or Hefei in the Chinese Mainland, as well as ramp up efforts in updating our SVAs for the remaining Hong Kong bottler and other Chinese Mainland locations, which were affected due to the COVID-19 pandemic.

3. Engagement with our co-packers

We will continue to engage with our co-packers to improve water efficiency performance as part of the larger goal of reducing our overall water footprint, including that which is not under our direct control.

4. Reporting on the CDP Water Security Questionnaire

As we are committed to driving water stewardship, we will continue to participate in the Water Security Questionnaire.

5. Development of context-based water targets

We will strategise our approach based on local conditions and the performance of our plants, given the contextual differences in terms of water availability, vulnerability, and quality where we operate. Context-based water targets give a specific time-bound objective to set the desired outcome in relation to the company's water performance and the basin's conditions. As part of the Coca-Cola Operating Requirements (KORE), we propose to introduce context-based water targets in collaboration with TCCC.

PACKAGING AND WASTE





OVERVIEW

OBJECTIVE

We endeavour to design our packaging with consideration of its life cycle footprint. We aim to support and facilitate Extended Producer Responsibility (EPR) schemes including deposit and or value on return systems (which drive high collection rates with minimal contamination). We aim to support the use of recycled content within our packaging and recycling of our packaging materials into the highest value recyclable materials possible.

We strive to reduce the amount of waste we produce, and to make sure that none of our waste goes to incineration or landfill.



Production of PET preform

WHY IT MATTERS

As population growth and urbanisation continues to grow, waste generation is expected to increase by 70% compared to current levels by 2050¹. Waste is inherent in our economy – as a consequence of economic activity, as well as a source for the production of goods. Despite this resource allowing for vast economic growth, it has resulted in detrimental impacts on the environment and society. The 2021 Circularity Gap Report revealed that only 6.8% of waste is cycled back into the economy². With the emergence of environmentally conscious youth coupled with the growth of our business, how we manage our waste, and the decisions we make moving forward is a growing priority. We aim to do our part in this journey.

The traditional linear ‘take-make-waste’ model that has been central to global resources use is an issue – it slows the circular model that maximises resource recovery and minimises landfill to relieve reliance on natural resources, which can avoid environmental pollution and reduce Scope 3 emissions from packaging waste. Transitioning from a linear model to a circular one will fundamentally change the way packaging is designed and dealt with. This poses a big challenge that is amplified by constraints from different operations and markets. Cross-sector commitments is thus key to addressing the issue. In addition to making packaging 100% recyclable and allowing the transformation into the same product when recycled, packaging design also requires clear labelling and recycling instructions to drive higher collection and recycling rates.

RELEVANT SUSTAINABILITY TOPICS



WASTE



PACKAGING

RELEVANT SDGS



1. The World Bank (2018). What a Waste 2.0: A Global Snapshot of Solid Waste Management to 2050. <https://openknowledge.worldbank.org/handle/10986/30317>
2. Circle Economy (2021). The Circularity Gap Report 2021. <https://www.circle-economy.com/resources/circularity-gap-report-2021>



Apart from packaging design, a formalised collection and recovery system needs to be in place together with visible intrinsic incentives to encourage behavioural change and facilitate post-consumer recycling. To make this system widely adopted and recognised, it is crucial to build trust by transparently communicating the status of the collection and recovery of packaging, this includes the disclosure of externally verified data that is representative of the market context.

We set an objective to achieve zero waste to landfill from Core Operations in 2025 and with co-packers by 2030. As our production volume increases, the need to further align our packaging and waste management efforts with TCCC's World Without Waste (WWW) goals is becoming more critical than ever. We cannot achieve our goals alone, which is why strategic partnership with industry peers, NGOs and local governments to advance collection and recycling will serve as a catalyst for greater collaboration and more proactive engagement. One of the clear gaps we have identified is the lack of visibility of our waste streams in our operations. Accordingly, we completed a detailed whitepaper on waste to help us make decisions on what investments are needed to deliver our targets. We are driven by our goals and are proactively developing innovative and impactful waste reduction opportunities to tackle both packaging and waste.

STRATEGY

In line with the [Ellen MacArthur Foundation's New Plastics Economy Global Commitment \(NPEGC\)](#) and TCCC's WWW goals, we aim to:

PACKAGING

- 1 Reduce**
the amount of single-use packaging through lightweighting, reducing the size of labels and package-free delivery models, such as refill stations
- 2 Redesign**
packaging to ensure that it is technically recyclable and fits in the collection and recovery systems
- 3 Recover**
packaging materials through clear labelling with local disposal instructions
- 4 Recycle**
packaging materials into the highest value end-products as possible
- 5 Partner**
with diverse stakeholders (government, industry, public, waste management companies and NGOs) to make the transition from a linear to circular model
- 6 Transparent reporting**
on market-based context including the technical recyclability, recycled contents, collection and recovery rate and the domestic recycling infrastructure of different packaging materials

WASTE

- 1 Categorise**
- 2 Recover**
- 3 Measure**
- 4 Reduce**
- 5 Divert from landfill and incineration**
- 6 Transparent reporting**



OUR COMMITMENTS AND PROGRESS

PRIMARY PACKAGING

TARGET

By 2025, our primary packaging will be 100% recyclable.



PROGRESS



TARGET

By 2030, our primary packaging will contain 50% recycled material.



PROGRESS



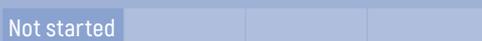
SECONDARY AND TERTIARY PACKAGING

TARGET

By 2030, we will collect and make sure all secondary and tertiary packaging is 100% technically recyclable and collected.



PROGRESS



COLLECT AND RECYCLE ONE FOR ONE

TARGET

By 2030, we will collect and recycle one bottle or can for every one we sell.



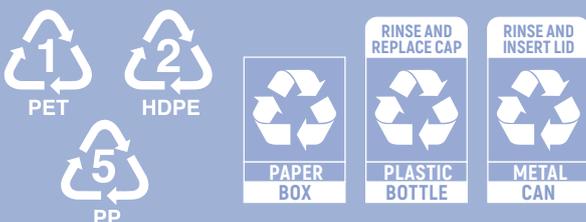
PROGRESS



PROMOTE COLLECTION AND RECYCLING

TARGET

Partner with TCCC to ensure our local product labelling design includes packaging material information and recycling instructions.



PROGRESS



ZERO WASTE TO LANDFILL FROM CORE OPERATIONS

TARGET

By 2025, achieve zero waste to landfill from Core Operations and verified by third-party.

By 2030, achieve zero waste to landfill from co-packers and verified by third-party.



PROGRESS





OUR PACKAGING FOOTPRINT

Transparent reporting on our packaging footprint ensures that we are closely scrutinising our progress, commitments and material changes over time. Looking to fill the gap between collection and recovery, we seek to identify the recyclability, recycled content, handling of our primary packaging used, as well as the availability of local recycling infrastructure across all four markets to spot areas for

improvement. Detailed definitions of our main packaging categories can be found in p.62 of our [2019 Sustainable Development Report](#).

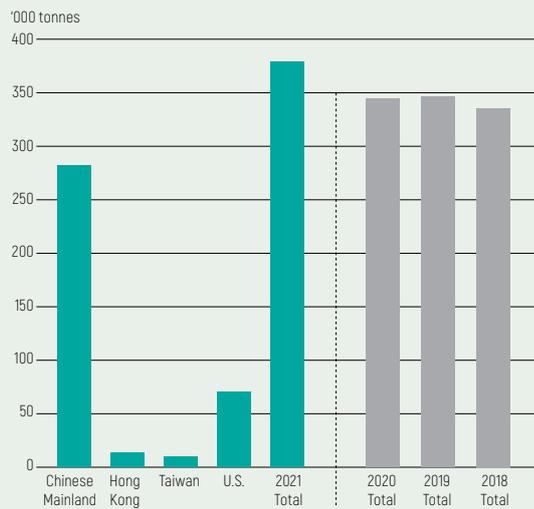
Making strides towards our packaging targets relies on capturing the latest developments and achievements across our value chain. For details regarding the

usage of primary packaging types in each market in 2021, please click here:

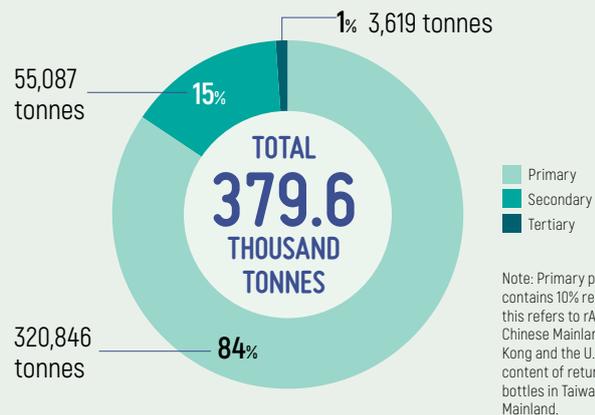
[CLICK HERE](#)

PACKAGING BY MARKET, TYPE AND WEIGHT 2021

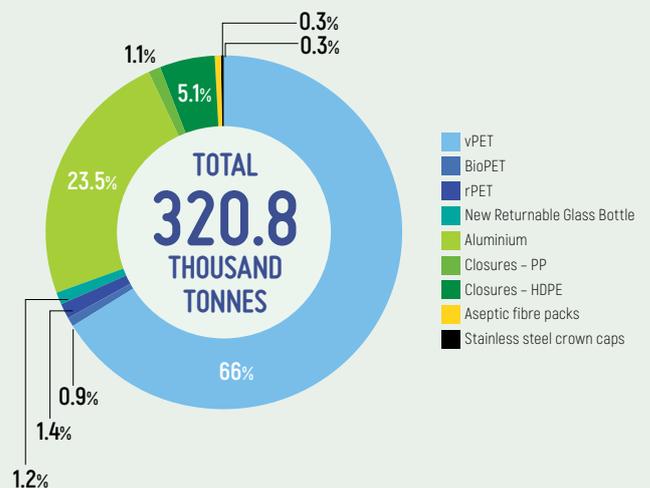
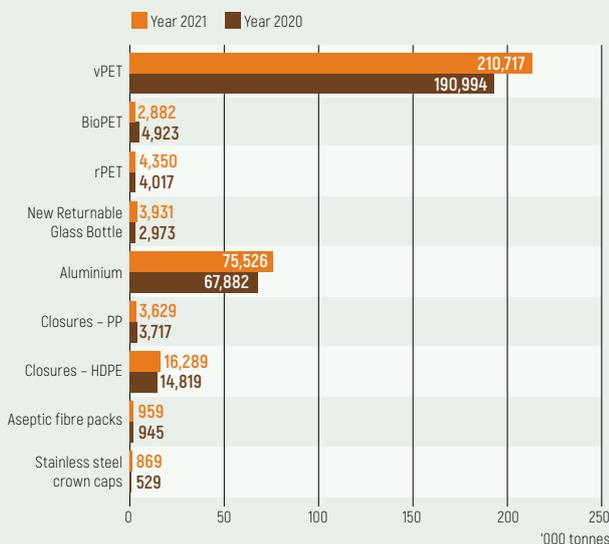
TOTAL PACKAGING BY MARKET 2021



WEIGHT OF PACKAGING PRODUCED BY CATEGORY 2021



MATERIALS USED FOR PRIMARY PACKAGING AND BREAKDOWN BY TYPE AND WEIGHT





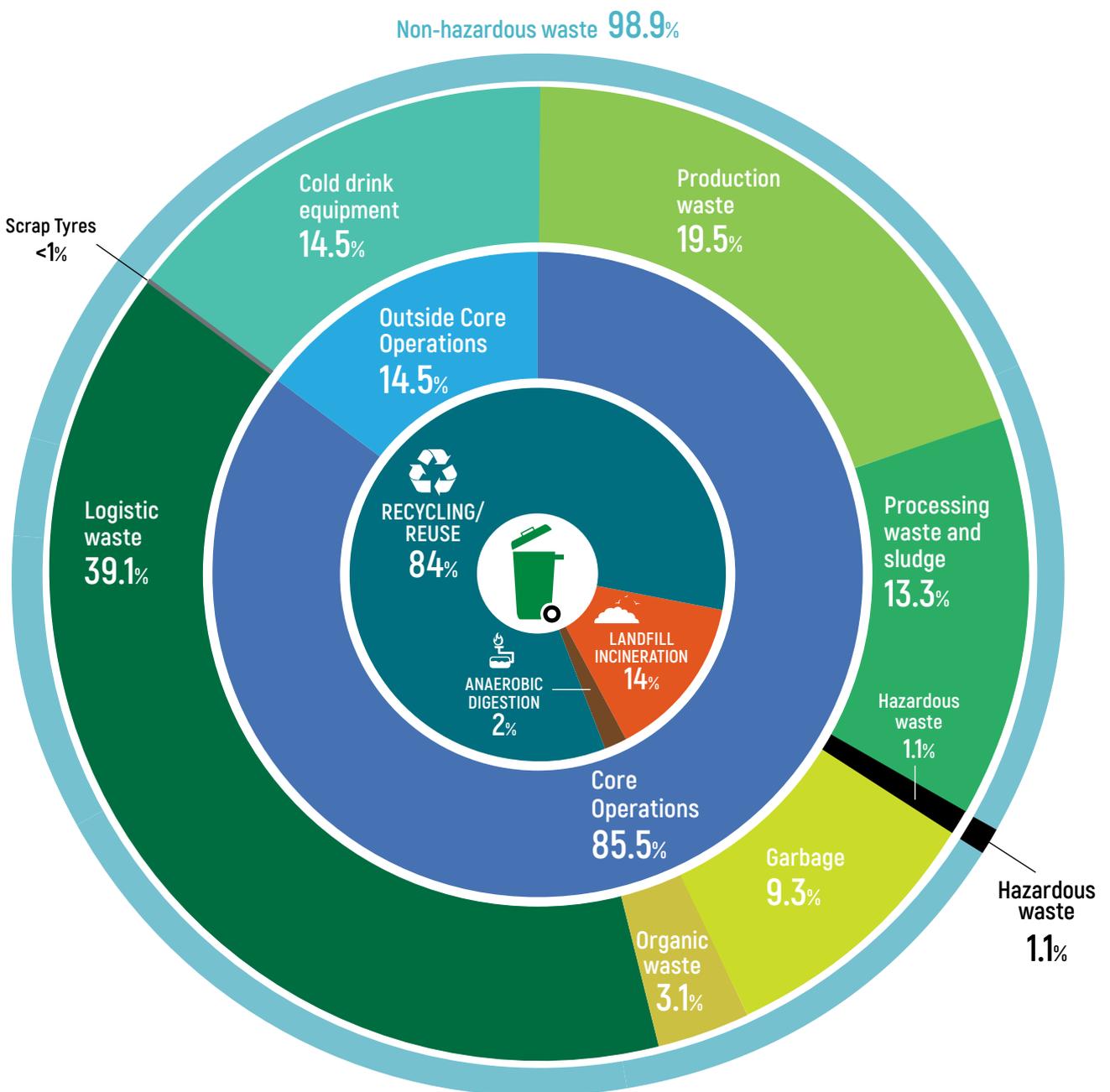
OUR WASTE FOOTPRINT

In 2021, we mapped our entire waste footprint spanning all markets. Core Operations, which refers to the activities in company-owned manufacturing sites and distribution centres, make up 86%

of the total waste generated. Around 1% of our waste is classified as hazardous waste, with it mostly coming from lead acid batteries from vehicles and lubricant oil. Detailed definitions of our main waste

categories and sources of waste footprint can be found in p.37 and p.39 respectively in our [2020 Sustainable Development Report](#).

2021 WASTE GENERATION OVERVIEW





WHAT WE'RE DOING – PACKAGING

FOCUS

REDUCE

Our Approach

Lightweighting reduces the amount of materials used and improves production efficiency.

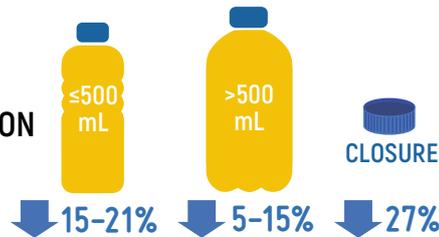
Progress and Highlights

We continue to apply lightweighting into bottled brands and explore opportunities for new applications.

Redesigning the dimensions and reducing the weight of the components in our products results in a reduction in carbon emissions. In Chinese Mainland, renovating our packaging has saved 73.11 metric tonnes of resin and reduced 198 tonnes of CO₂e in 2021. Lightweighting was also applied to selected brands of the aseptic PET product range in Hong Kong. Compared to the traditional hot-fill packaging, aseptic packaging allows a reduction of up to 21% in weight for 500ml PET bottles.



WEIGHT REDUCTION



REDESIGN

Our Approach

Our goal is to make 100% of our primary packaging technically recyclable by 2025.



Progress and Highlights

Bonaqua Packaging – Hong Kong

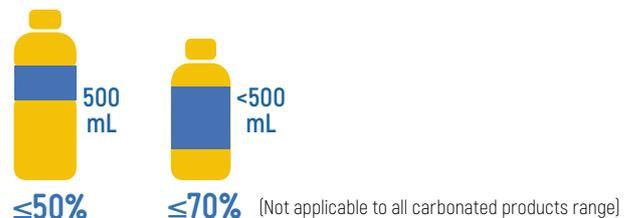
We launched the first locally produced label-less and fully recyclable bottle which comprised of 100% recycled PET. As part of the Bonaqua series, we redesigned labels to carry resin codes for all components to facilitate proper recycling practices.



Carbonated Products – Hong Kong

Balancing recycled content in our cans and bottles with high standards of food safety, we now offer sparkling drinks that are 600ml and below in packaging that contains 25% rPET. To facilitate the recycling of PET bottles, we commenced the process to reduce the length of the label.

LABEL LENGTH ON BOTTLE SURFACE





FOCUS

RECOVER & RECYCLE

Our Approach

TCCC's 2030 World Without Waste commitment is to collect and recycle every bottle or can we sell. It remains a challenge to monitor and control our packaging post-consumption. We hope to increase packaging collection and recovery rates in our markets by giving consumers the information they need to correctly separate and dispose of our packaging.

Progress and Highlights

iCoke Cutlery Rack - Hong Kong

Recovering our used packaging, we produced 1,500 cutlery racks consisting of approximately 95% recycled materials from old returnable glass bottle crates. A portion of these were gifted to customers to commemorate a farewell to the old returnable glass bottle production line as it upgrades and expands from April 2021.



New Life Plastic (NLP) - Hong Kong

We started construction, equipment installation and calibration of the NLP, the first food-grade ready PET recycling facility in Hong Kong. We expect to commence operation of the NLP in 2022.



COLLABORATION

Our Approach

We collaborated and engaged with key stakeholders to support the transformation of the circular economy both from a local and international standpoint.

Drink Without Waste (DWW) campaign in Hong Kong 免廢暢飲

- A coalition of concerned stakeholders including major beverages producers and bottlers, waste management enterprises and NGOs who want to reduce waste generated from beverage consumption.
- DWW has an objective to reduce single-use beverage packaging and to recover 70% to 90% used beverage packaging by 2025.

New Plastics Economy Global Commitment (NPEC) by the Ellen MacArthur Foundation



As a signatory of the NPEC, we share a common vision of circular economy for plastic that also echoes our 2030 target to achieve zero waste to landfill.

Progress and Highlights

DWW - Hong Kong

DWW campaign collected around 50 million used plastic bottles through a subsidy scheme that sponsored cleaners for the return of bottles at designated collection points. Volunteers assisted with the installation of Reverse Vending Machines, organised by the Environmental Protection Department, in public places and government facilities. These key milestones will help grow the capacity of recycling plastic bottles and liquid cartons in Hong Kong.

Upcycling Design for Social Inclusion - Hong Kong

We organised a design competition in partnership with the Hong Kong Polytechnic University, challenging students to create a project that would improve community inclusion and harmony while utilising 3D printed filaments and plastic pellets upcycled from our old returnable glass bottle crates. The design competition aimed to unleash creativity, instill a business mindset among talented students, as well as promote recycling and the reuse of materials.



Pelletising process of the old returnable glass bottle crates

We are working with local governments and are part of multi-stakeholder initiatives (including Ellen MacArthur Foundation's NPEC, TCCC's WWW goals and local initiatives such as DWW) to transition to a circular system that minimises waste generation and associated carbon emissions reduction.

The Mills Installation - Hong Kong

Teaming up with The Mills, we transformed over 500 returnable glass bottle crates into a creative art installation in celebration of Chinese New Year. Demonstrating that new purpose can be breathed into used items, we created greater longevity for upcycled materials.





WHAT WE'RE DOING – WASTE

WHITEPAPER ON ZERO WASTE

Gaining a holistic understanding of waste management across the SCC operations is the first step in realising our vision of zero waste to landfill and incineration for Core Operations³ by 2025 and for co-packers by 2030. Accelerating our efforts, we undertook a comprehensive internal review which is articulated in a whitepaper that identified our total waste footprint, the channels of generation, and assessed international best practices in waste management and reduction opportunities.

PRIMARY OBJECTIVES

1. To clarify and confirm definitions and boundaries – and ensure these are aligned with global norms and global reporting formats.
2. To provide a complete overview of the current waste management practices across SCC operations.
3. To develop recommendations for the management of all aspects of our waste footprint, including a new governance framework.
4. To evaluate investment needs to deliver our 2025 target.
5. To generate an indicative timeline for all markets to achieve the 2025 waste targets.
6. To share best practices with Swire Pacific and the Global Environment Council network to set a precedent.⁴
7. To create standard operational procedures around waste management outside of the defined Core Operations.

KEY FINDINGS

Defining and prioritising waste diversion

Moving towards a zero waste future requires an understanding of the boundary conditions - what is and not considered as appropriate waste diversion. Aligning with an internationally peer reviewed standard⁵ and best practices, we consider zero waste to be the responsible production, consumption, reuse and recovery of materials, that avoids being sent to incineration, landfill and the natural environment. In doing so, we minimise environmental impacts in the waste stream as far as possible. Our waste management decisions are guided by the Waste Hierarchy, giving descending priority from avoidance to minimisation, and as a last resort, disposal.

To this end, we are striving to reach a 90% or more waste diversion rate in our Core Operations by 2025, compared to a non-verified average of 84% diversion rate in 2021. The residual waste should also be reduced by at least 1% of the baseline disposal each subsequent year. This is our definition of zero waste to landfill.

3. The SCC target concerns only waste generated from our Core Operations, which refers to a set of business activities carried out by SCC in company-owned manufacturing sites and distribution centers that constitutes the main source of the Company's profits.
4. Part of TCCC system's ESG working teams and governance structure.
5. Zero Waste International Alliance

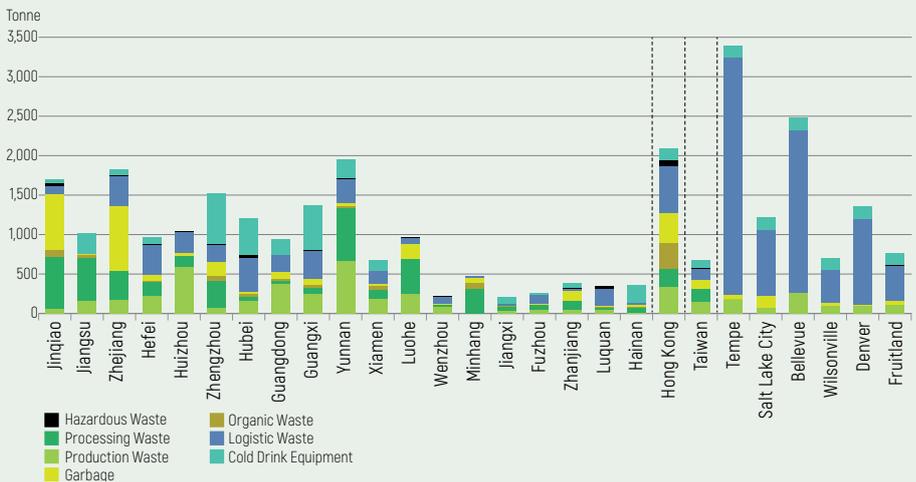
ZERO WASTE HIERARCHY



* Examples include landfilling, incineration with or without energy recovery, refuse derived fuel (RDF).

UNDERSTANDING THE GAP

2020 SWIRE COCA-COLA BOTTLERS' WASTE BREAKDOWN





KEY FINDINGS (CONTINUED)

1. The internal benchmark exercise revealed inconsistent waste composition across Chinese Mainland facilities, an indication of low data accuracy resulting from a disparity in waste quantification and reporting practices.

2. Several non-recyclable wastes were major contributors to disposed waste, including inbound logistics waste (e.g. ingredient packaging), office waste (e.g. lunch boxes) and production waste (e.g. labels and spent filters). There is a growing need to conduct a thorough waste audit to understand the types of waste and processes involved in manufacturing sites and distribution centres.

REALISING WASTE MANAGEMENT OPPORTUNITIES

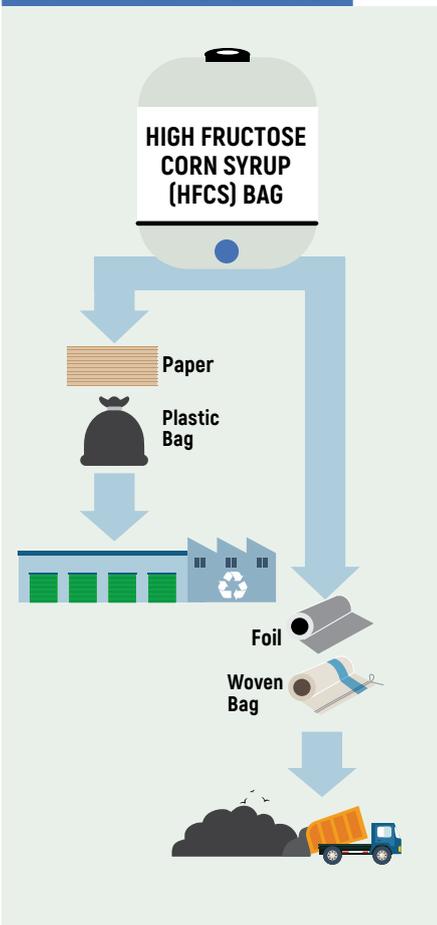
Through a policy review and benchmarking of best practices in the industry, a list of 37 recommendations across ten categories of waste were made with the aim of improving diversion rates and downstream transparency. It can be summarised as:

- Forging partnerships with stakeholders such as suppliers and industry peers.
- Forming a dedicated cross-functional team to assess operational processes and finding alternatives to reduce, reuse and recycle waste.
- Conducting engagement with staff to enhance awareness of the targets.

We reviewed the management of waste outside our Core Operations, such as marketing materials, scrap tyres and worn uniforms.



EXAMPLE OF INGREDIENT PACKAGING WASTE GENERATED



Examples of non-recyclable production waste: labels and air filters

3. Diversion of processing waste, such as wastewater treatment sludge and activated carbon for treatment of sugar, are challenging in certain



Dewatered activated carbon used in the treatment of sugar has very low market value

areas of Chinese Mainland due to the lack of licensed treatment facilities, and economic incentives.

4. We observed a few instances of suboptimal waste vendor management and environmental performance of downstream



A mixture of recyclables and non-recyclables spotted during site visit

CDE recyclers. In addition, the quality of collected recyclables could be improved.

5. Lack of clarity of where our recyclable waste goes to in the U.S. when sold or collected for handling.



PROJECT TIMELINE TO ACHIEVE THE 2025 TARGET

	Sites Involved	2022		2023		2024		2025	
		1st Half	2nd Half	1st Half	2nd Half	1st Half	2nd Half	1st Half	2nd Half
Pilot Manufacturing sites	2 in Chinese Mainland 1 in other markets	External Waste Audit	Waste Management Implementation	External Verification	External Verification				
Pilot Distribution Centres	2 per market	External Waste Audit	Waste Management Implementation	Waste Management Implementation	External Verification	External Verification			
Manufacturing sites with Core Operations Diversion Rate >=80%	8 in Chinese Mainland 5 in US		Internal Waste Audit	Waste Management Implementation	Waste Management Implementation	External Verification	External Verification		
Manufacturing sites with Core Operations Diversion Rate <80%	9 in Chinese Mainland		Internal Waste Audit	Waste Management Implementation	Waste Management Implementation	Waste Management Implementation	External Verification	External Verification	
Distribution Centres	3 per market			Internal Waste Audit	Waste Management Implementation	Waste Management Implementation	External Verification	External Verification	

1. Initial Assessment

- External Waste Audit
- Internal Waste Audit

2. Waste Management Initiatives

- Waste Management Implementation

3. Zero Waste to Landfill and Incineration Verification

- Waste Data Collection
- External Verification

Our recommended plan lays out specific action phases that are required to transition to zero waste to landfill and incineration for Core Operations.

PHASE:

1. Initial Assessment

The waste audit conducted at pilot sites should be prepared by a local external waste expert. When applicable, this also applies to subsequent waste audits at other sites.

2. Waste Management Implementation

Upon receiving the waste audit results, bottlers will subsequently review their internal budget and formulate appropriate plans and initiatives that works towards the zero waste vision. SCC will oversee the progress across all markets through quarterly progress reviews and experience sharing.

3. Zero Waste to Landfill and Incineration Verification

The verification process generally assesses the facility's waste management system and calculates the percentage of waste diversion spanning a period of 12 months. Subsequently, bottlers are required to seek external verification from an approved verification body for their target year. To facilitate better waste management on low value waste, we require official documentation of the treatment destination for food waste recycling to be considered as an appropriate diversion route.



PERFORMANCE

PACKAGING

We track the performance of recycled content and collection and recycling rates of two key primary packaging – plastic and aluminium. For details regarding the consumption of other types of packaging materials, please refer to the performance table on p.93. As for the recycled content and collection of other types of packaging materials, please refer to the [Primary Packaging Report 2021](#).

TECHNICALLY RECYCLABLE

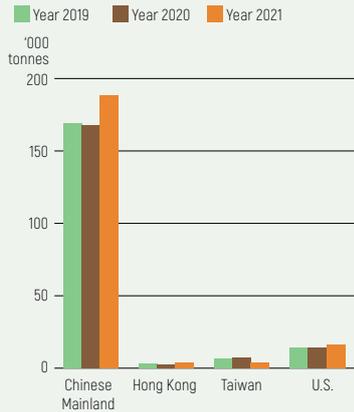
Bottle	Closure	Label
PET	HDPE	PP

WWW 2025

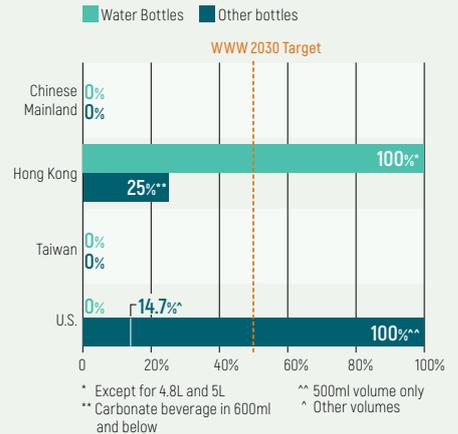
Under the WWW goal, these components and materials need to be technically recyclable by 2025.

PLASTIC

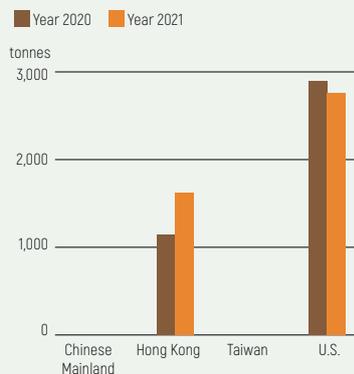
rPET RESIN CONSUMPTION BY MARKET



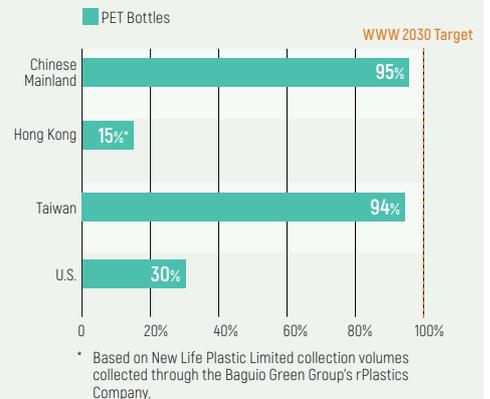
rPET CONTENT BY MARKET



rPET RESIN CONSUMPTION BY MARKET

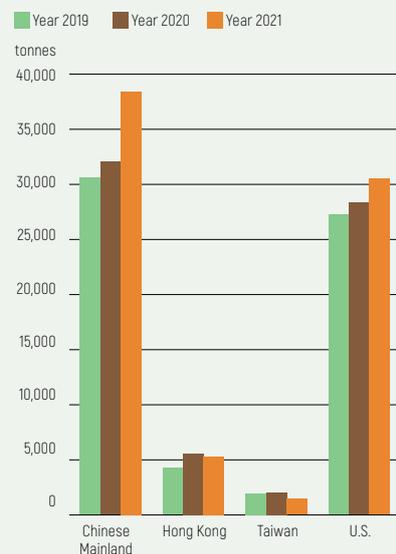


PET COLLECTION RATE BY MARKET

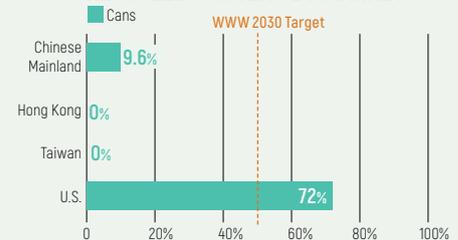


ALUMINIUM

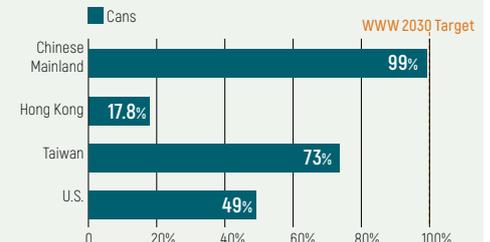
CONSUMPTION BY MARKET



RECYCLED CONTENT BY MARKET



COLLECTION RATE BY MARKET

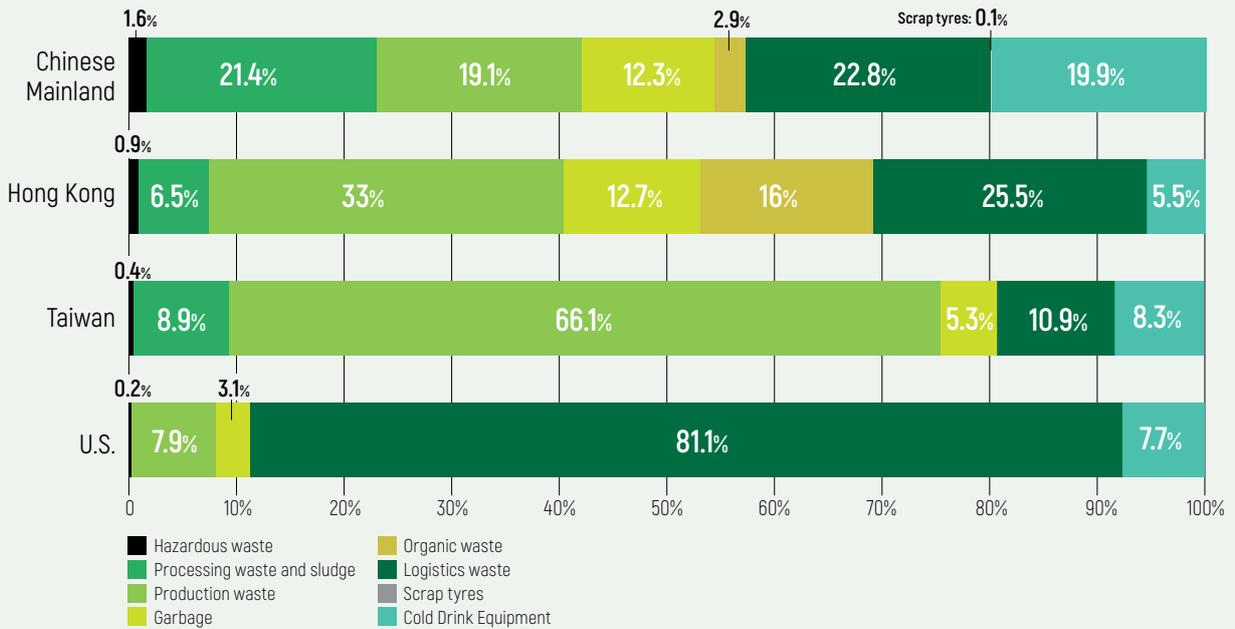




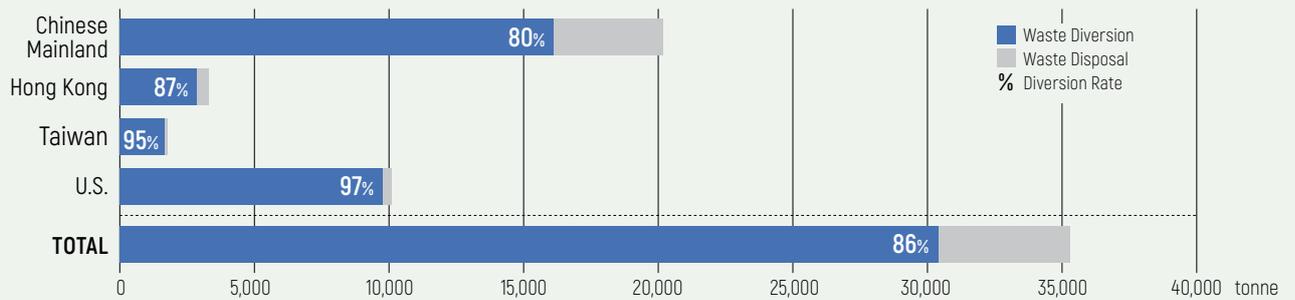
WASTE

With our waste mapping exercise completed, we are able to monitor the waste generation, disposal and diversion rate.

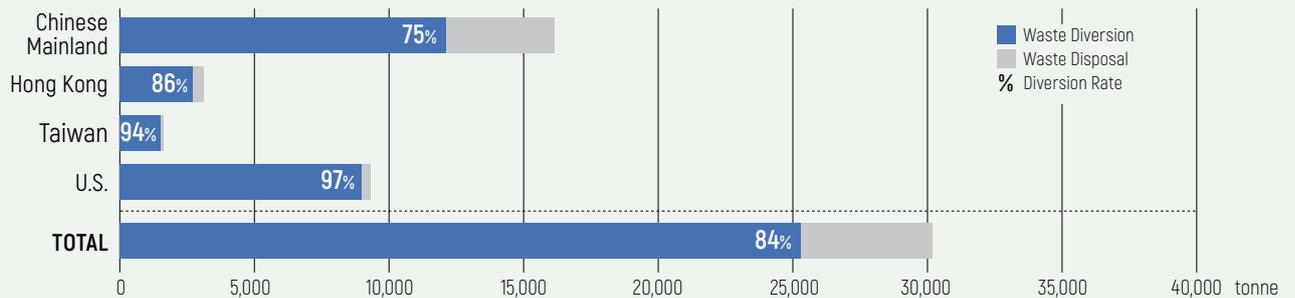
2021 WASTE GENERATION BREAKDOWN BY WASTE TYPE



2021 TOTAL WASTE DIVERSION



2021 CORE OPERATION WASTE DIVERSION





LOOKING FORWARD

Our packaging and waste targets outline where we want to be in 2025 and 2030. The following priorities are how we will get there:

- 1. Seeking methods to manage primary packaging that is not technically recyclable** – namely aseptic fibre packs, bag-in-box and the ancillary items such as straws, plastic lids, single-use cups.
- 2. Building trust in recycling by externally and systemically validating the collection and recovery rates of primary packaging.** To operationalise this, we would need to build a global data repository with granular data specific to various locations and companies. Data should also be independently verified within six months. This also allows for a more structured approach to recycling, where the recyclers could trade openly in the market for feedstocks and to match suitable investment.
- 3. Facilitating regulatory approval of the incorporation of recycled plastics in food-grade packaging in Chinese Mainland,** specifically rPET and rAL, as this further supports the delivery of our WWW and packaging goals. Although collaboration between the government and industry associations has sped up the development of a circular economy for plastics, establishing standard guidelines for implementation will likely play out over a longer timeframe. Increasing the use of recycled content in our packaging will also enable the reduction of our Scope 3 emissions, particularly if we achieve incorporating 100% rAL in our packaging.
- 4. Developing a detailed waste stream breakdown and identifying waste reduction and diversion opportunities per bottling plant.** Capturing data at the bottling plant level will help close the gaps needed to cease the use of landfills and prevent leakage of plastics into the environment.

PRODUCT CHOICE





OVERVIEW

OBJECTIVE

We aim to become a total beverage company, giving people around the world more of the drinks they want in the manner they want them.



RELEVANT SUSTAINABILITY TOPICS

OVERVIEW - WHY IT MATTERS



FOOD SAFETY AND PRODUCT QUALITY



SUGAR REDUCTION AND SWEETENERS



PRODUCT LABELLING AND MARKETING



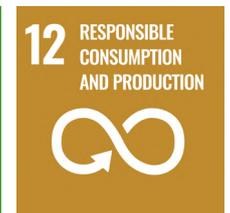
NUTRITION

In addition to consumers' changing tastes and preferences, people nowadays are becoming more conscious about making informed health decision and having different dietary restrictions. This includes limiting daily caloric intake from added sugars to under 10%, as recommended by the World Health Organisation (WHO), and paying closer attention to the nutritional content of the food and beverages they consume.

As we position ourselves as a total beverage company, satisfying consumers' desires by offering more diversified and catered options across categories has

always been a large focus of ours. This includes expanding our product portfolio, adjusting our recipes to further reduce added sugar, promoting low- and no-calorie beverage options, and making smaller packages more available to support portion control.

RELEVANT SDGS



STRATEGY

We aim to:

1
Provide a greater variety of drinks, with more low- and no-sugar options

2
Adjust formulation to gradually reduce sugar

3
Offer smaller, more convenient serving sizes to make controlling sugar intake easier

4
Promote our low- and no- sugar drinks to make them more visible and easier to find

5
Provide factual and easy-to-understand nutritional information for consumers to make informed dietary choices

6
No advertising to children under 13, in line with TCCC's Responsible Marketing Policy

7
Ensure food safety and quality of our products so that consumers feel confident each time they consume





OUR COMMITMENTS AND PROGRESS

REDUCE SUGAR CONTENT

TARGET

Reduce average sugar content in 100mL of beverages by 20% by 2025.



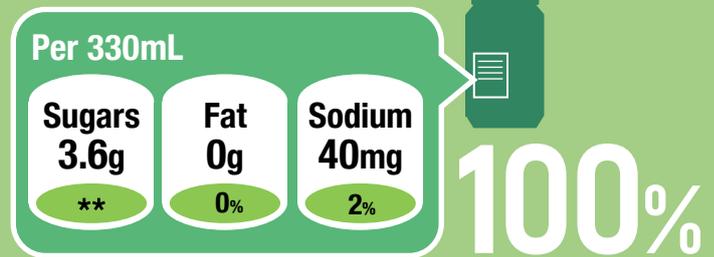
PROGRESS



CLEAR LABELLING

TARGET

Front-of-pack nutrient labelling on products (except returnable glass bottles).



PROGRESS



NO ADVERTISING TO CHILDREN

TARGET

No advertising to children aged below 13.

100%



PROGRESS



FOOD SAFETY

TARGET

Plant operations to obtain Food Safety Certification FSSC 22000.

100%



PROGRESS

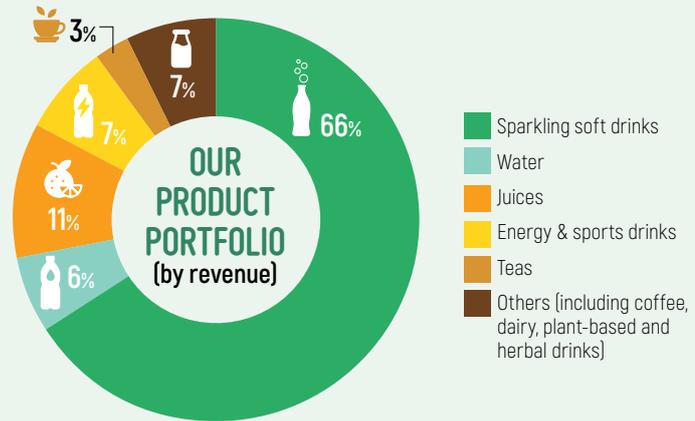




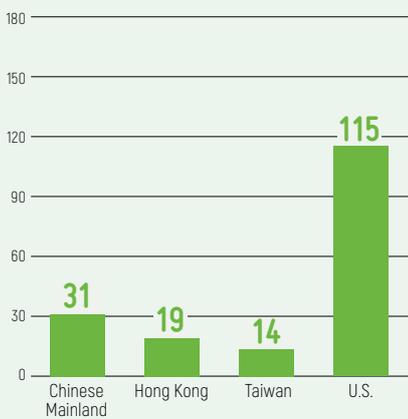
WHAT WE'RE DOING

OUR PRODUCT PORTFOLIO

Our diversified beverage portfolio is constantly expanding to satisfy our consumers and attract new ones. In 2021, we manufactured and distributed 62 beverage brands including sparkling soft drinks, juices, teas, energy & sports drinks, coffees, waters and other products (including, dairy, plant-based and herbal drinks) across four markets.



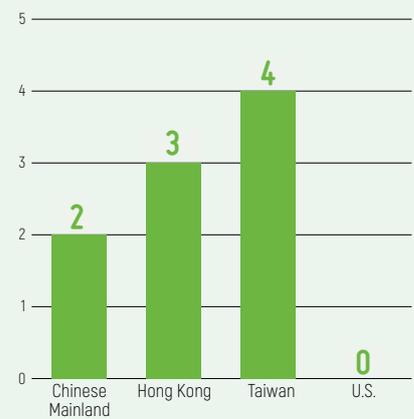
NEW PRODUCTS (by flavours)



LOW- AND NO- SUGAR BEVERAGES (by flavours)



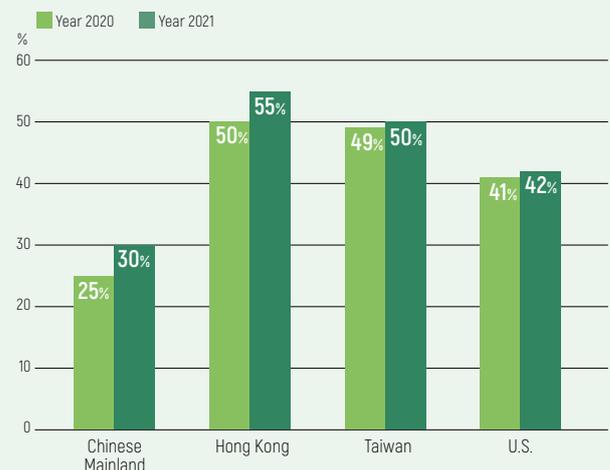
REFORMULATED BEVERAGES WITH REDUCED SUGAR CONTENT



AVERAGE SUGAR CONTENT IN BEVERAGES (in 100ml of beverages)



PERCENTAGE OF LOW- AND NO-SUGAR BEVERAGES (by sales volume)





FOCUS

LOW- AND NO-SUGAR; PORTFOLIO EXTENSION

Our Approach

We are introducing diet, light and zero-calorie drinks into our portfolio. We also reformulate our recipes and find alternatives to reduce sugar without compromising the quality of our drinks.

Progress and Highlights

We continue to offer more products with low- and no-sugar across our broad range of brands. Apart from expanding the provision of low- and no-sugar products and reformulating products to reduce sugar content, we are also enhancing the promotion of low- and no-sugar drinks to make them more accessible and tailored to consumers.

CHINESE MAINLAND

60%

Around 60% beverage brands in the Chinese Mainland consists of low- and no-calorie products or options for low- and no- calorie products.



To expand our product portfolio in the low-alcohol beverage category, we deployed a new alcoholic product - Lemon Dou, marking Coca-Cola's first lemon sour brand. Three flavours have been launched in the Chinese Mainland, with different alcohol levels ranging from 3.4% - 7.5%.

HONG KONG

55%

of our total sales volume in Hong Kong are low- and no- calorie beverages. Among all our beverage brands in the market, nearly 80% are low- and no-calorie or provide low- and no-calorie options.



In 2021, we launched a new no-calorie option to Hong Kong consumers namely the Bonaqua lightly sparkling mineralized water.

TAIWAN

20%

reduction target achieved for average sugar content in 100mL of beverages in 2021.

60%+

of our beverage portfolio is low- or no-sugar in the Taiwan market.

50%+

of our total sales volume contributes to low- and no- calorie beverages sales.



U.S.

115

new products were launched in the U.S. in 2021.

40%+

The sales volume of no- and low sugar products under the Coca-Cola brand, including Coca-Cola Zero Sugar and Diet Coke reached over 40% of the overall sales volume of Coca-Cola in all flavours.



With flavoured water becoming a trend for consumers, we have introduced smartwater+, a new line of premium wellness waters with unique ingredients and real flavour extracts tailored for specific wellness occasions.



FOCUS

CONVENIENT PACKAGING

Our Approach

We give our consumers greater control over their sugar consumption and caloric intake by offering different beverage sizes.

Progress and Highlights

Convenient packages of 250mL or less are available across all four markets. Around 70% of our sparkling soft drink brands provide options of convenient packaging.

CLEAR NUTRITIONAL INFORMATION

Our Approach

We enable our consumers to make informed decisions by providing factual, meaningful and clear nutrition information on our product labels.

Progress and Highlights

Caloric information is displayed on the front of our packaging. We also indicate the amount of caffeine alongside the calories per serving and calories per container in the U.S.

RESPONSIBLE MARKETING

Our Approach

In line with TCCC's Responsible Marketing Policy, we do not target our advertising to children under the age of 13. The policy applies to all our products, regardless of nutritional profile, as we honour the rights of parents and caregivers to make choices for their children.

Progress and Highlights

We complied with [TCCC's Responsible Marketing Policy](#), as well as the [Global School Beverage Policy](#). As we expand our portfolio into the alcoholic beverage category, we also adhered to the [Responsible Alcohol Marketing Policy](#).

FOOD SAFETY AND PRODUCT QUALITY

Our Approach

Food safety and product quality are prioritised and embedded in every decision that we make. We cascade standards from TCCC's supplier management system to ensure our products meet all regulations in our markets and maintain a high level of food safety and quality from sourcing to delivery.

Progress and Highlights

To ensure the quality and safety of our beverages, we adopted end-to-end quality and food safety standards, which are also cascaded throughout our value chain such that our ingredients and production process uphold the same set of standards. We collaborate with suppliers of key primary ingredients and packaging materials to minimise quality risks in our supply chain and ensure stable and on-time delivery. Regular audits are also conducted to investigate the hygiene of suppliers' on-site conditions and delivery procedures to ensure compliance with our standards.

In response to the growing concerns on product safety, we conducted relevant training to enhance the capabilities and knowledge base of our staff to maintain high standards, especially considering the impact of the COVID-19 pandemic. Apart from obtaining FSSC 22000 Food Safety Certification across our plants, we also uphold best-in-class industry benchmarks to customise plans to support and further improve our quality and food safety culture.

LOOKING FORWARD

We will continue to diversify our beverage portfolio to provide more options that cater for changing consumers' habits and preferences. Reformulating and delivering drinks with reduced sugar and increased

nutritional value will continue to be our key focus. As part of this, we will continue to expand and promote our low- and no-sugar categories.

SOURCING



OVERVIEW

OBJECTIVE

We will partner with our suppliers to deliver sustainable procurement practices.



RELEVANT SUSTAINABILITY TOPICS



RESPONSIBLE SOURCING



SUPPLIER SOCIAL ASSESSMENT



SUPPLIER ENVIRONMENTAL ASSESSMENT

Remark: We require suppliers to demonstrate compliance to relevant regulations set out by the government as well as TCCC in accordance with SCCL's supplier qualification and relationship management systems.

OVERVIEW – WHY IT MATTERS

Our complex global supply chain consists of over 7,000 suppliers, making responsible and sustainable sourcing a crucial part of mitigating and exploring potential risks and opportunities that can impact our business. Our sustainable procurement practices take into consideration the triple bottom line by evaluating short-, medium- and long-term economic, environmental and social impact within our supply chain. This is aligned with our sustainable development commitments and embedded in our sourcing strategy. It provides us with a sustainable supply of high-quality

ingredients and materials whilst enhancing the resilience of our supply chain to turn risks into opportunities.

Going beyond compliance requirements, we actively engage suppliers in sustainability initiatives that consider the triple bottom line. For instance, we collaborate with our suppliers to reduce our Scope 3 emissions from sourced products and outsourced services. Furthermore, we work closely with suppliers to address context-based challenges with regards to labour conditions and rights.

RELEVANT SDGS



STRATEGY

We aim to:

1
Compliance with comprehensive sets of principles and codes established by TCCC and Swire Pacific

2
Promote the Principles for Sustainable Agriculture (PSA) with suppliers to achieve resilience and improvements in yield, efficiency, and positive environmental impacts, such as water savings and carbon reduction

3
Collaborate with our suppliers to foster awareness and encourage actions towards the triple bottom line

OUR COMMITMENTS AND PROGRESS

SGP COMPLIANCE

TARGET

From 2020, all centralised direct materials and indirect materials suppliers, who bear the TCCC's trademark, comply with the Supplier Guiding Principles (SGP), as verified by a TCCC-appointed third-party.

REMARK

Achieved in 2020, we will continue to ensure our suppliers bearing the TCCC's trademark maintain 100% compliance with the SGP.

PROGRESS



SUSTAINABLE INGREDIENTS

TARGET

By 2025, we will ensure key agricultural ingredients are sourced from third-party verified sustainable sources, where applicable, through continuous partnership with TCCC and suppliers.

REMARK

Our key agricultural ingredients are sugar and corn.

Fulfilling this target has proved challenging given the unique agriculture standards and regulations in Chinese Mainland. Despite this, a few of our strategic agricultural suppliers have increased the coverage of planting areas that obtained verification in line with TCCC's PSA, the next iteration from the Sustainable Agricultural Guiding Principles (SAGP). Conversion and compliance to the PSA will be increasingly difficult to achieve. We will continue to work with our agricultural suppliers to support the transition and compliance journey.

PROGRESS



WHAT WE'RE DOING

SUPPLY CHAIN MANAGEMENT



REDUCE



RENEWABLE



RECYCLE



REUSE

We emphasise the four 'Rs' principle - Reduce, Renewable, Recycle and Reuse - when strengthening the sustainability performance of our suppliers. Recognising the impact of climate change in affecting our global supply chain, we devised the Cross Enterprises Procurement Group (CEPG) to foster collaboration among our bottlers and advance our commitment of reducing Scope 3 emissions. As part of this commitment, we established two strategic priorities:

1. Encourage our suppliers to commit to carbon emission reduction targets or initiatives that echo the four 'Rs' principle
2. Collaborate with designated suppliers to develop tailored emission factors to enhance the accuracy and consistency of emission calculations

This sets a precedent for how we strive to cultivate a responsible supply chain. Our standard of sustainability applies as much to our suppliers as it does to us.

SUPPLIER SELECTION AND CRITERIA

We established well-defined supplier selection principles and codes providing guidance in securing a responsible supplier base.

All bottlers and critical suppliers are required to follow the TCCC's Supplier Guiding Principle (SGP) which sets out the overarching expectations for suppliers. This specifies mandatory requirements for bottlers to procure from a list of TCCC-approved suppliers when sourcing critical materials and ingredients for beverages, packaging and any items with TCCC's logo.

Compliance is verified by third-party audits organised by TCCC. In 2021, 270 suppliers were reviewed on the approved list.



We regularly evaluate suppliers' compliance performance with the following principles and codes set out by TCCC and Swire Pacific.

- TCCC's SGP
- [TCCC's Principles For Sustainable Agriculture \(PSA\)](#)
- The Coca-Cola Operating Requirements (KORE)
- [Swire Pacific Supplier Corporate Social Responsibility \(CSR\) Code of Conduct](#)
- SCC Sustainable CDE End-of-Life Policy



For details of our supplier policies and codes, please refer to our [2020 Sustainable Development Report](#).

SUPPLIER MANAGEMENT AND MONITORING

We work with over 600 TCCC approved product and service suppliers to support our business. These can be categorised into direct and indirect suppliers.

DIRECT

Follows TCCC's SGP

Ingredients



Packaging materials



INDIRECT

Logistics (in-bound)

Transport for delivering raw materials to our bottling plants

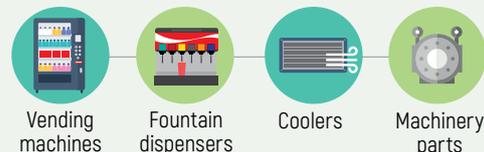


Marketing and sales material

- Any products with TCCC branding
- Merchandising goods



Manufacturing and CDE



SUSTAINABLE PROCUREMENT

FOCUS

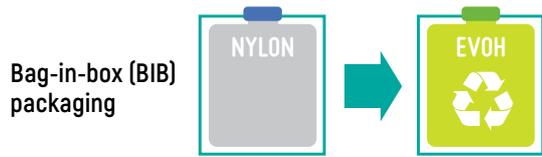
TRACKING SYSTEM

Our Approach	Progress and Highlights
<p>Our internal tracking system, established in 2020 and under experimental trial, estimates the environmental performance of packaging materials that we source. We gather information in relation to carbon emissions and recycled content, reviewing them on an annual basis.</p>	<p>We keep track and account for the amount of carbon emissions produced from our major packaging materials, and actively promote closed-loop recycling of materials in the supply chain. In 2021, under the concerted efforts from multiple stakeholders, approximately 9.6% of aluminium scrap was used in the packaging supply chain, allowing us to reduce the carbon footprint of the products. We will continuously monitor our progress and make improvements when feasible.</p>

VOLATILE ORGANIC COMPOUND (VOC) REDUCTION

Our Approach	Progress and Highlights
<p>Compared with the traditional printing technology, Flexo Printing technology reduces approximately 75% of VOC emissions. To improve the working environment of our suppliers and in line with the latest VOCs mandatory national standards in Chinese Mainland, we set out detailed requirements for label and printed film suppliers to invest in managing VOC emissions.</p>	<p>Since 2020, 10% of our label and printed film suppliers adopted Flexo Printing technology. The uptake was challenging due to the COVID-19 pandemic, however we continue to promote this technology within the supply chain where possible.</p>

SUSTAINABLE PACKAGING

Our Approach	Progress and Highlights
<p>We increase the 4R's influence on our packaging materials.</p>	<p>We work with suppliers to minimise non-recyclable content in our packaging materials, such as bag-in-box (BIB) packaging. We are testing the potential for substituting nylon with ethylene vinyl alcohol (EVOH) – the first bottler under the Coca-Cola System to do so. This improves the recyclability of packaging, whilst ensuring we maintain high standards of food safety.</p> <div data-bbox="742 1366 1284 1523" style="text-align: center;">  <p>The diagram illustrates the transition from traditional Bag-in-box (BIB) packaging made of Nylon to a more sustainable alternative made of EVOH. On the left, a grey box labeled 'NYLON' is shown. An arrow points to the right, where a green box labeled 'EVOH' is shown. The EVOH box features a white recycling symbol, indicating its improved recyclability.</p> </div> <p>We plan on developing the 'Sleek Can' product line in the Taiwan market, where a reduction in the diameter of the beverage can end will result in an estimated reduction of 40 metric tonnes of aluminium.</p>

EXPANDING RECYCLED CONTENT

Our Approach	Progress and Highlights
<p>We investigated the feasibility of incorporating recycled aluminium from Used Beverage Can (UBC) in Hong Kong to bring us closer to understanding regulatory compliance if the process was utilised in Chinese Mainland.</p>	<p>We completed experimental testing to integrate 40% of recycled aluminium from UBC in Hong Kong, and have since gained approval by TCCC. The findings will serve as a significant exemplar for future developments aimed at integrating recycled metal in food packaging in Chinese Mainland.</p>

FOCUS
SUSTAINABLE INGREDIENTS
Our Approach

To support agricultural ingredient suppliers' third-party verification of PSA, we engaged and influenced them by setting out requirements and providing training in relation to PSA.

Progress and Highlights

The latest version of the PSA raises the bar for suppliers to achieve third party verification. This is especially the case for small-scale farmers in Chinese Mainland facing the dual challenge of stricter PSA requirements and various regional challenges in the agricultural industry. Despite these challenges, we increased hectare coverage of our suppliers' planting area in Chinese Mainland with third-party PSA by approximately 44% compared with 2020.

GREEN LOGISTICS (IN-DIRECT SOURCING)
Our Approach

We foster a sustainable logistics operation through transitioning our fleet to electric vehicles.

Progress and Highlights

We introduced electric vehicles into our fleet to strengthen operational efficiency whilst minimising emissions. By the end of 2021, we had 77 electric vehicles in operation in Chinese Mainland.


SAFE LOGISTICS (IN-DIRECT SOURCING)
Our Approach

We adopt an effective IOT system to improve driver safety and digital management of logistics.

Progress and Highlights

The vehicle safety management platform is designed to enhance operational efficiency and support safe driving. Leveraging artificial intelligence, managers obtain an all-inclusive view of the performance, risks and accidents of frontline drivers. We aim to equip 100% of our self-owned finished goods vehicles and 80% of our third-party logistic vehicles with the platform in Chinese Mainland in 2022.


SALES AND MARKETING (IN-DIRECT SOURCING)
Our Approach

Considering the environmental impact of our marketing products, we communicate our expectations of sustainable materials to our suppliers.

Progress and Highlights

We incorporated green materials in our marketing giveaway products and merchandising tools to promote sustainable development strategies. These include biodegradable and recycled materials such as rPET. Information of green material content is communicated in the specifications of our product brochures.

SUSTAINABLE EQUIPMENT (IN-DIRECT SOURCING)
Our Approach

We seek innovative solutions that enhance energy efficiency in our equipment. By optimising the design and components of our equipment, we reduce the energy consumption embedded in our operations whilst continuously providing quality products to our customers.

Progress and Highlights

To achieve higher energy efficiency performance, we transitioned out from a cassette system and procured 14,000 split cooler system for our signature one-door 398L coolers. The transition delivers 35% in energy savings, which reduces carbon emissions, as well as operating with greater simplicity.



Cold Drink Equipment (CDE) Disposal Compliance

In 2019, we received a report revealing the improper disposal of used CDEs by recyclers at our Chinese Mainland bottling plants. Dismantled freezer parts were stacked in undesigned areas, hazardous waste was poorly stored and most of the spare parts were being sent to landfill. Driven by our goal to enhance sustainable procurement practices in the supply chain, the cross-functional team consisting of the Procurement, Quality Safety and Environment, Cold Drink Equipment and Finance departments took action to help prevent this waste disposal issue from escalating further.

We expect our recycling suppliers to align with our values and commitment to high environmental standards. To this end, we selected a pool of over 50 potential recyclers who adhered with two policies:

1. Regulation on the Administration of Recycling and Disposal of Waste Electrical and Electronic Products, issued by the Chinese Mainland government
2. Sustainable CDE End-of-Life Policy.

Subsequently, all potential recyclers willing to cooperate were screened through a standardised tender process, which involves an on-site visit auditing the recyclers' business license and on-site management for disposing of used CDEs. More than 15 on-site investigations were organised by cross-functional teams. Although financial implications may arise from the stringent compliance requirements, we received support from the management level of each bottler.

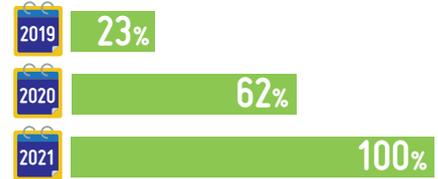
Suppliers that successfully passed the standardised bidding process and aligned to the Sustainable CDE End-of-Life Policy

were recognised in our list of approved recycling suppliers. We will conduct an on-site assessment annually to ensure used CDEs are disposed, reused and recycled sustainably. We expanded the proportion of suppliers in compliance with our standards to 100% from 23% in 2019.



SUSTAINABLE CDE END-OF-LIFE POLICY

Suppliers in compliance



Reduction of CO₂ emissions*



*As of October 2021

COLLABORATION

FOCUS

SUPPLIER ENGAGEMENT FOR CARBON EMISSION REDUCTION

Our Approach

We work closely with our suppliers to contribute to sustainable outcomes through actively communicating our sustainability commitments and progress to them.

Progress and Highlights

As part of our annual process, we proactively shared our [2020 Sustainable Development Report](#) together with a survey to 144 suppliers as a way to encourage feedback on our sustainability performance and inspire them to take action. We received a response rate of 72% in 2021.

To step up efforts to reduce carbon emissions across our entire value chain, we encourage our suppliers to set carbon reduction targets. Through engagement with our suppliers, two international suppliers have committed to set a target aligned to SBTi, and we expect more of our suppliers to follow.

COLLABORATION WITH PEERS AND TIER 1, 2, 3 SUPPLIERS

Our Approach

We collaborate with the National Food and Fermentation Institute (NFI) by engaging with eight brands and 15 suppliers to form a joint working group. The working group aims to advocate UBC recycling container application in Chinese Mainland.

Progress and Highlights

Whilst the collection rate of UBC can reach up to 99% in Chinese Mainland, due to regulatory challenges, it is difficult to reuse UBC as food-grade packaging material.

Since the establishment of the joint working group, we issued the "UBC Food Container Application Feasibility Report", exploring whether UBC food container can be utilised in Chinese Mainland. To demonstrate the impact and necessity of application, we conducted two Life Cycle Assessment studies. We discovered that using recycled aluminium instead of virgin aluminium can reduce the product carbon emission to 11.7%. Additionally, the carbon emissions from producing 1 tonne of recycled aluminium ingots for can casting (open-loop) is 3.56 times more than producing 1 tonne of recycled aluminium ingots for can making (close-loop).

FOCUS
COLLABORATION WITH INDUSTRY
Our Approach

We collaborate with members in the beverage industry to drive close-loop recycling packaging materials in Chinese Mainland. We continuously support the China Beverage Industry Associated (CBIA)'s research on post consumed bottles (PCB) recycling.

The China Bottlers Procurement Consortium (CBPC) provides a pool of resources and knowledge between bottlers to better manage the procurement process.

Progress and Highlights

We continue to collaborate with CBIA to advance developments on closed-loop PCB in Chinese Mainland. By conducting research on the life cycle of PCB and associated environmental impacts, we shared technical and research-based insights among other bottlers and the industry.

WORLD CLASS OPERATIONS (WCO)
Our Approach

Through World Class Operations (WCO), we share our experience in driving lean operations, reducing waste and increasing efficiency. The WCO is a collaboration platform that focuses on supply risk and continuity, finance, sustainability, capability and productivity, quality and customer service, innovation, and regulatory and social responsibility.

Progress and Highlights

In 2021, 9 suppliers signed up for the WCO and we worked together to roll out 38 improvement projects to reduce material waste as well as improve energy and water use efficiency.


COLLABORATION WITH NON-COMPETITIVE PEERS
Our Approach

In collaboration with a beverage producer peer from the beer industry, we encourage our aluminium can sheet suppliers to study the recycling of aluminium scraps from the pre-consumer stage.

Progress and Highlights

We promote collaboration among our suppliers by inviting them to participate in the scrap metal recycling project. The project not only helps align the quality of materials and ensure stable supply, but also facilitates the reuse of recycled metal scraps. 9.6% of industrial metal scrap was recycled when making the cans.

RENEWABLE ENERGY PROCUREMENT CLUSTER
Our Approach

Leveraging our leading industry position and resources, we encourage our suppliers to adopt renewable energy resources resulting in a reduction in carbon emissions.

Progress and Highlights

As part of ongoing work to promote low-carbon energy, we launched the Renewable Energy Procurement Cluster in 2021, a dedicated platform for suppliers to share resources and strategies for obtaining renewable energy. By cooperating with suppliers, we aim to overcome the complexities of procuring renewable energy including sourcing and legal challenges. In 2021, 7 suppliers joined the coalition and 1 committed to begin utilising renewable energy in 2022.

LOOKING FORWARD

In looking beyond our own operations and collaborating with our suppliers and industry organisations, we make strides towards our decarbonisation targets and commitment in Chinese Mainland. Key projects and areas we plan to focus on in 2022 include:

1. rPET food grade application

As food-grade packaging law in Chinese Mainland prohibits the use of collected materials, we are collaborating with the government and industry associations to facilitate the application of food-grade recycled PET. Working towards our 2030 target of introducing recycled content in our primary packaging, we completed testing of our flake-to-resin (FTR) technology that produces PET with 10% recycled content in 2019. As this study was delayed by widespread electricity outages in Chinese Mainland that affected the operational capacity of our suppliers, we will continue with the experimental tests to increase the percentage of recycled content up to 25% in 2022.

2. CDE upgrade

It is vital we upgrade our CDE units with better energy consumption performance as our business grows in Chinese Mainland. We are collaborating with suppliers to explore the possibility of integrating static cooling technologies, as well as developing a new generation of CDEs with reduced energy consumption. We have set an ambitious target to reduce approximately 50% of energy consumption compared with our existing models.

3. Recycled Aluminium Association Standards

We will be establishing an association standard for the regulation of recycled aluminium in food packaging application to regulate material quality and the recycling process. Using the standard will enable a uniform management approach for the beverage industry to follow a close-loop recycling process.

4. Regional supply chain governance

Connecting our operations from various provinces in Chinese Mainland, we plan on forming a centralised group for sustainable procurement coordinators to share supply chain sustainability initiatives, best practices and local trends. We hope to gain insight of supply chain decarbonisation efforts and better communicate our low-carbon strategy with suppliers.

5. Decarbonisation in the supply chain

To reach our 2030 strategic target of reducing Scope 3 carbon emissions, we will continue to work with suppliers to strive for carbon reduction in the supply chain. We launched the initiative "Building a Green Supply Chain Together by Reducing Carbon Emissions by 30%" to heighten suppliers' awareness on emission reductions, as well as to strengthen coordinated planning, consistency in accounting standards and credibility of disclosures for carbon reductions. We will achieve this through a six-step process:

1. Engagement
2. Alignment
3. GHG mapping
4. Measurement
5. Reporting
6. Benchmarking

Through this initiative, we will guide suppliers in transforming and improving their carbon footprint, as well as making a positive impact on the economy, environment and society. This will pave the way for the creation of a supply chain environmental performance evaluation system and create opportunities for future strategic partnerships with stakeholders in the supply chain.

OUR PEOPLE



ZERO IS POSSIBLE
SWIRE COCA-COLA



Safety is our first priority,
which we never
compromise on.



ZERO IS POSSIBLE
SWIRE COCA-COLA

In 2021, we launched our “ZERO IS POSSIBLE” vision which focuses on delivering our commitment to becoming a ‘zero harm’ organisation.

While our business is to provide refreshing products to our customers and consumers, we have to do this safely, with safety in mind, all the time.

OVERVIEW

OBJECTIVE

Our success depends on our people. We are committed to investing in our people and to creating a safe and inclusive working environment for all.



Female Leadersip Forum

RELEVANT SUSTAINABILITY TOPICS



OCCUPATIONAL HEALTH AND SAFETY



EMPLOYEE ATTRACTION AND RETENTION



TRAINING AND EDUCATION

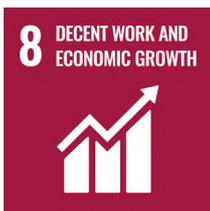


DIVERSITY AND INCLUSION



EMPLOYEE WELLBEING AND ENGAGEMENT

RELEVANT SDGS



OVERVIEW

Without people, there is no business. Making our people feel well supported, respected, and valued in the workplace is always a priority for us, as they are the enablers of success. This includes

cultivating a harm-free and discrimination-free environment that protects our people and celebrates differences whilst unlocking more opportunities for them to thrive.

STRATEGY

We aim to:

1
Strive for zero harm across our value chain and minimise safety risks

2
Create a culture where each individual is treated with **dignity and respect**

3
Ensure equal opportunities for women at all levels of our business



Opening ceremony of SCC Academy



OUR COMMITMENTS AND PROGRESS

ZERO HARM

TARGET

0

 WORK-RELATED FATALITIES

PROGRESS



TARGET

By 2030, Total Injury Rate (TIR) reduction:



↓ 50%

TIR in 2021: 17% decrease vs. 2018 baseline.

PROGRESS



GENDER EQUALITY

TARGET

We will foster gender equality and have 50% of leadership positions held by women by 2030.



PROGRESS



TARGET

Provide our people with access to industry-leading leadership and functional capability development programmes.



PROGRESS



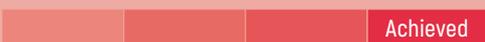
HUMAN RIGHTS

TARGET

We will ensure 100% compliance with our Workplace Rights Policy through third-party validation.



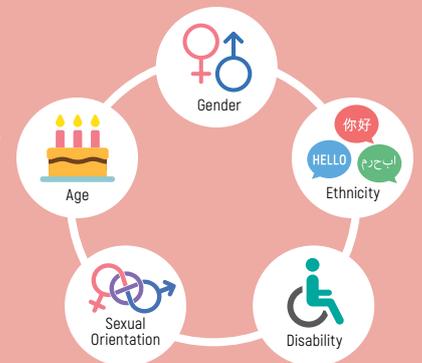
PROGRESS



INCLUSIVE WORKPLACE

TARGET

Create an inclusive workplace that provides equal opportunities for all and develop specific programmes and initiatives for each market.



PROGRESS



WHAT WE'RE DOING

SAFETY AND WELLBEING

Building a harm-free workplace is an unwavering priority for Swire Coca-Cola. Underpinned by the Swire Thrive 2.0 "Zero Harm" commitment and Swire Coca-Cola's "Zero is Possible" vision, our overarching safety strategy and continuous improvement framework focuses on minimising safety hazards across our operations. In order to support our various markets, we tailor our safety approach, with consideration of the local context, the nature of the work being done, and the number of workers involved. We actively identify areas of risk and safety managers

at each bottling plant gathers feedback on local hazards and safety concerns. We monitor our safety performance with each market submitting a Monthly Safety Report to our Supply Chain Director and Managing Director for review and identification of mitigation measures. For details regarding our safety governance structure, please visit p.59 of our [2017 Sustainable Development Report](#).

Continuous improvement is key in supporting our new "Zero is Possible" vision where we aspire for a harm free

environment across all our markets. As a result, we developed the SCC Safety Improvement Framework which focuses on establishing effective safety governance, ensuring leadership accountability and equipping our teams with robust risk assessment processes and checks within the operations. We investigate incidents and aim to learn from them, sharing findings to minimise occupational safety risks across our operations and our industry.



ZERO IS POSSIBLE
SWIRE COCA-COLA

FOCUS AREA

GOVERNANCE AND POLICY

Approach

We focus on establishing effective safety governance and embedding leadership accountability. Our group-level Safety Management Standards and group-level policies are implemented across our four markets. Although safety governance structures differ slightly across divisions, robust senior engagement allows our organisation to continuously monitor safety performance, share best practices and maintain international Occupational Health and Safety Standards such as ISO 45001.

Progress and Highlights

100%

of bottling plants are certified
ISO 14001
(Environmental Management System)

100%

of bottling plants are certified
ISO 45001
(Safety Management System)

100%

of bottling plants are certified
ISO 9001
(Quality Management System)

100%

of bottling plants are certified
ISO FSSC 22001
(Food Safety Management System)



FOCUS AREA

RISK ASSESSMENT	
Approach	Progress and Highlights
<p>We ensure robust risk assessment processes and inspections are in place. Our procedures allow us to identify and evaluate areas of potential risk in our operations and, more importantly, enhance the effectiveness of corrective actions and mitigation measures.</p>	<p>Safety Map – Chinese Mainland To better visualise safety risks within the plant operations, we piloted the “Safety Map” project in our Zhejiang and Henan plants. This exercise enables us to identify plant-specific key safety risks, as well as the location and level of identified risks. With the suggested control measures and personal protective equipment provided for each identified location, we are able to continuously address safety risks to enhance safety. As we continue to assess our exposure to potential risks, we aim to further roll-out this project in other geographical locations and expand our scope to include road safety risks.</p>
	<p>Senior Management Safety Inspection – Hong Kong Senior management have a direct oversight on safety inspections. Performed monthly, senior management is responsible for reviewing safety incidents, communicating safety messages, and ultimately supporting the positive development of our safety culture.</p>
	<p>Wooden Pallet Inspection – Taiwan We automated our wooden pallet inspection process to improve efficiency and reduce accident risks. By utilising a wooden pallet inspection machine instead of manual labour, risks (such as pallet damage) are automatically detected and categorised on the display screen for employees to evaluate. This cuts the requirement for manual intervention to deal with defective pallets on the production line from eight times per month to zero.</p>

INVESTIGATIONS AND LEARNING	
Approach	Progress and Highlights
<p>We learn from our incidents by undertaking thorough root cause investigations, as we believe it is important to embrace the failures and learn from them. We adopt a holistic approach to post-event investigation and constantly aim to improve our approach and measures. To further develop safety initiatives and remain vigilant, we share the learnings across our markets.</p>	<p>Safety Month –Chinese Mainland Led by the management team, we continued to deliver our annual “Safety Month” to enhance safety knowledge and culture. Activities included staff being invited to create Life Saving Rules (LSR) videos, and forklift drivers receiving defensive driving training. Engaging with staff from manufacturing to sales, more than 300 safety ideas were shared during the safety month promotions.</p>
	<p>Safety Alert Sharing and Potential Hazard Review – Hong Kong We have made progress in preventing accidents and injuries, however there is always room for improvement. Through experience sharing and reviewing key hazards in operational areas, we revised our standard operational procedures to mitigate future risk.</p>
	<p>Stay Alert to Ensure Safe Practices – Hong Kong Striving to activate behavioural change, we engaged over 800 staff through a three-month safety promotion campaign. We identified unsafe practices in areas facing higher safety risks and highlighted the desired safe behaviour.</p>
	<p>Behaviour-based Safety –Taiwan Taking our approach to the next level, we expanded our behavioural safety observation activity to other departments and implemented a peer-to-peer safety accountability activity. Observations are conducted at least twice per month and monitored through assessment of key process indicators which are communicated through team meetings.</p>

FOCUS AREA

IN-FACTORY SAFETY

Approach

We have effective cultural change programmes in place to address “in-factory” safety risks. We advocate positive reinforcement through Human and Organizational Performance and Behaviour-Based Safety programmes, as well as active engagement and communication with our employees. Our Life Saving Rules establish a clear and effective self-assessment procedure to raise employee safety awareness.

Progress and Highlights

Launch of Live Saving Rules

In early 2021, we introduced the LSR to our markets, as a way of promoting continual safety improvement. We customised our approach depending on the nature of the local operation to maximise the effectiveness of implementation.



Life Saving Rules

1 THINK SMART BEFORE YOU START
Do everything necessary to ensure your safety and the safety of others before you start any work.

2 SEE, SAY, DO SOMETHING
Your life and the lives of others you work with depends on YOU. Speak up about safety risks, at-risk acts and take actions.

3 RIGHT SKILLS FOR THE TASK
Confirm that you and others you are working with have the right training, qualification, skills, and authorization to perform the work safely.

4 CONTRACTOR & VISITOR SAFETY
Ensure contractors, vendors and visitors act and work safely at all times.

5 WORK PERMIT (Authorization)
Always ensure an analysis of potential hazards has been completed, proper authorization obtained, and permit received and understood prior to the starting of work.

6 WORK AT HEIGHT
Protect yourself against falls when working at height.

7 SAFE EQUIPMENT
Ensure safety devices such as machine guards, pressure relief valves and GFCI/RCD's are in place and maintained to protect against hazard exposure.

8 SAFE WORK ENERGIZED SYSTEMS
Confirm "zero" energy is present and is isolated (LOTO) before working on potentially energized or pressurized equipment.

9 CONFINED SPACES
Obtain appropriate authorization and confirm safety of a confined space before supervised entry.

10 HOT WORK
Control flammables and ignition sources before starting any hot work.

11 HAZARDOUS CHEMICALS
Understand and follow the safe handling, storage, and use for all chemicals in accordance with the Safety Data Sheet and based on risk assessment.

12 SAFE ZONES
Always position yourself in a safe zone away from exposure to hazards such as moving vehicles & equipment or overhead loads.

13 FORKLIFTS / LIFT TRUCKS
Operate powered moving equipment such as forklifts/lift trucks only when confirmed to be in safe condition, and only when certified and authorized to do so.

14 SAFE DRIVING
Practice safe driving rules. Vehicle safety devices and safe driving behaviors keep you and others safe.

© The Coca-Cola Company CLASSIFIED - CONFIDENTIAL Life Saving Rules 1

Chinese Mainland

Distributed materials through corporate social media platforms, and promotional posters.



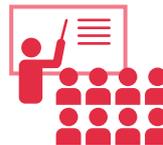
TAIWAN

Communicated the LSR with the executive committee members to whom the improvement and implementation progress will be reported.



HONG KONG

Trained 200 staff on the LSR and introduced a safety quiz to solidify knowledge.



U.S.

Shared visual resources to enhance awareness and learning of the LSR.



Contractor Safety Management Training and Review – Hong Kong

In preparation for a number of upcoming projects, staff were provided with contractor safety management training to refresh their knowledge. This was followed up with a comprehensive review of the contracting process to ensure compliance.



Pristine Condition – U.S.

Our Pristine Condition Ergonomic Risk reduction programme, along with additional training, was provided to staff to reinforce safe lifting and manual handling principles.



FOCUS AREA

ROAD SAFETY	
Approach	Progress and Highlights
<p>We promote road and delivery safety awareness to all employees, whether they are drivers or pedestrians. We implement and develop unique training initiatives specific to market risks underpinned by the use of technology, staff engagement and collaboration with stakeholders.</p>	<p>Market Visit Safety Programme – Chinese Mainland</p> <p>We centralised the Market Safety Guidelines by combining all our operation units' individual and local guidelines. This allows us to fulfil our vision of reduced incidents on the road with streamlined communications with a clear understanding of safe operating practices.</p>
	<p>Driving Safety Assurance System (DSAS)- Telematics and Award – Hong Kong</p> <p>Leveraging technology in our operations, we developed an platform designed to provide regular safety behaviour information. The results from the platform helps inform our Top Driver Recognition Programme, where we recognise staff for upholding outstanding behaviour when driving. Since installing the system in 100 vehicles, the driving safety performance has improved by 43% against the 2019 baseline.</p>
	<p>Enhanced Vehicle Visibility – Taiwan</p> <p>To reduce risks for pedestrians within the warehouse, we equipped the factory with safety lights, proximity warnings and alert systems to prevent accidental vehicle collisions and personnel accidents.</p>
	<p>SmartDrive in-cab Telematics – U.S.</p> <p>We successfully installed the SmartDrive in-cab camera technology into 950 vehicles to allow timely digitalised communication of safe driving behaviour. We supported staff acceptance and understanding of the new technology by hosting communication and learning sessions with drivers and supervisors.</p>
	<p>Virtual Reality Training– U.S.</p> <p>Following the success of our pilot last year, we successfully deployed the virtual reality training programme in the U.S. market. By providing a safe and controlled environment for new drivers and individuals requiring remedial training, this provides an opportunity for staff to refine their defensive driving skills and build confidence.</p>

DIVERSITY AND INCLUSION (D&I)

We believe in nurturing a workplace that creates a sense of belonging; where our staff feel respected, valued, and empowered to reach their highest potential. Bringing people together from different ages, gender, ethnicity, sexual orientation, disability, and unique characteristics sparks new ideas and different ways of problem solving. Reflecting our ongoing commitment, the Swire Coca-Cola D&I mission, vision and strategic goals, which are aligned with Swire Pacific's commitments around D&I, continue to serve as the backbone of our approach to building a diverse and inclusive workforce. For more details on our D&I mission, vision and strategic goals as well as our D&I governance, please refer to p.113 to 115 of our [2019 Sustainable Development Report](#).

Governance

Our Swire Coca-Cola Diversity and Inclusion Steering Committees (DISCO) govern the implementation of D&I initiatives and practices across our operations. From establishing our first DISCO in the Chinese Mainland in 2018, and then expanding to Hong Kong and Taiwan in 2020, we have recently formed our Diversity, Equity & Inclusion Advisory Council in the U.S. this year. Comprising of 18 employees across our U.S. operations, the formation of the U.S. Diversity, Equity & Inclusion Advisory Council aims to build on efforts from other markets in fostering an inclusive culture that creates a safe environment for open communication.

The DISCO in each market is responsible for identifying improvement areas and establishing five-year action plans with specific targets related to D&I. Our five-year plans focus on the following strategic goals:

- To build a diverse workforce for the future;
- To develop inclusive policies, procedures and practices; and
- To become the best in class and be recognised for our D&I practices in the markets in which we operate

Policies and Communications

We recognise the importance of a work-life balance and enhanced our Flexible Working Hours and Remote Working policy in Hong Kong. Embracing a modern working style, the policy offers better control over working arrangements and enables employees to perform their duties in a preferred environment. By giving employees more flexibility and time to manage personal responsibilities, they become more dedicated and productive in delivering quality work.

The Code of Conduct and Respect in the Workplace Policy defines our expectations of ethical behaviour and commitment to fostering a diverse and inclusive culture that is free from any forms of harassment, bullying and disrespect. Reporting of suspected misconduct, as well as violation of the Code of Conduct and policies, can be made through the SpeakUp channel. It also provides guidance relating to the Code of Conduct and policies. Regular reviews of our D&I policies, processes, practices, programmes and workforce are conducted to ensure we continuously align with our strategy.

We launched the Global Employee Survey 2021 to gather honest feedback regarding employee engagement and to understand how we can improve. Through the surveys, employees are asked about

people management, company practices and processes, learning and development opportunities and D&I practices. These insights help us continue our unceasing drive to better our management, systems and work environments. We received a high response rate of 88%, which includes all employees, excluding new recruits, across our markets.

Training and Education/Awareness

We nurture our talented workforce by providing various learning platforms and diversified training opportunities.

• Learning Management System

To elevate our employee's learning experience, we launched the Learning Management System in the Chinese Mainland and Taiwan. By allowing employees and managers to track their learning progress, staff are able to monitor their performance in developing competencies in line with their career aspirations plan. In the following year, we plan to implement this in Hong Kong.

• SCC Academy

The SCC Academy was set up to develop the necessary skills and industry knowledge for employees to thrive in the workplace. Training topics cover leadership skills, sales and marketing, supply chain, IT and HR management, among others. It enables staff to build professional capabilities and be better equipped to meet the ever-evolving business needs.



SCC Academy



OUR PEOPLE

**OUR CHOICE
OUR FUTURE!**

• Unconscious Bias Training

Recognising the inherent prejudices and stereotypes that influence our decision-making, we continued to deliver unconscious bias training for managers in all markets. During the training sessions, managers are supported to identify potential situations and recognise the methods for eliminating discriminatory behaviour. Videos of virtual interviews with representatives from different departments were shared to understand the challenges and issues experienced in the workplace, including interviews of female sales representatives, warehouse specialists

and supervisors. This year, a total of 1,308 senior managers and managers, 1,618 supervisors and 2,702 staff members participated in the unconscious bias training. Going forward we plan on expand our coverage of training to include supervisors and frontline staff.

• Inclusive Leadership Training

We are convinced that creating a culture where people feel welcomed will strengthen engagement and allow them to be empowered in their work. As a result, we held an Inclusive Leadership training sessions to provide practical strategies for managers to cultivate an inclusive workforce.



2021 PARTICIPATION IN THE UNCONSCIOUS BIAS TRAINING



FOCUS

AGE

Approach

We aim to create a multigenerational workplace.

Progress and Highlights

Graduate Trainee Training Programme – Chinese Mainland, Taiwan, and U.S.

Every year we cultivate talented young graduates in our three-year programme. We provide on-the-job training, mentoring and networking opportunities with industry professionals. In 2021, 84 graduate trainees participated in the programme.

GENDER

Approach

We endeavour to increase gender diversity and empower female representation at all levels of management.

Progress and Highlights

Third Biannual Female Leadership Forum

On 23 November, we organised the third biannual Female Leadership Forum embracing the theme “We Thrive”. Convening staff from Chinese Mainland, Taiwan and Hong Kong, over 5,000 employees participated in sessions either online or in-person. We invited a diverse mix of internal and external female leaders to share their experience and insights of their career journey. We also held interactive workshops that fostered discussion including topics such as female growth within the team, organisation and society. Through this forum, we seek to empower women to embrace their passions without limit whilst inspiring men to engage.



Swire Coca-Cola Women’s Network – Chinese Mainland

Supporting the advancement of women’s careers and building an inclusive workplace, the Swire Coca-Cola Women’s Network was established to share industry knowledge. In 2021, 20 articles were published and read by 57,800 people. Looking ahead, we aim to expand the breadth and depth of our publications around five strategic priorities – age, gender, ethnicity, disability, and sexual orientation.



FOCUS

GENDER (CONTINUED)							
Approach	Progress and Highlights						
<p>We endeavour to increase gender diversity and empower female representation at all levels of management.</p>	<p>Return to Work Programme – Chinese Mainland</p> <p>To provide job opportunities for former employees, we continued to operate the three-month return-to-work programme in Hubei. For example, stay-at-home mothers who wish to return to the workforce after an extended break are provided training, counselling and support upon return. This programme allows us to build an inclusive team and support local employment.</p>						
	<p>Achieve the Best of You – Chinese Mainland</p> <p>Expanding our coverage of training programmes for women to explore and achieve successful career development,</p> <table border="0"> <tr> <td style="text-align: center;">100%</td> <td style="text-align: center;">93%</td> <td style="text-align: center;">60%</td> </tr> <tr> <td style="text-align: center;">of female senior managers and managers</td> <td style="text-align: center;">of female supervisors</td> <td style="text-align: center;">of female staff members</td> </tr> </table> <p>have received professional training.</p>	100%	93%	60%	of female senior managers and managers	of female supervisors	of female staff members
	100%	93%	60%				
	of female senior managers and managers	of female supervisors	of female staff members				
	<p>Sisterhood Programme – Chinese Mainland</p> <p>Through creating a support network, we connected woman across four regions of Swire Coca-Cola Chinese Mainland to share their experiences and insights. As part of the network, sharing sessions and workshops were held including topics concerning the personal development as a female leader.</p>						
<p>Male Allies – Chinese Mainland</p> <p>We aim to mobilise men in leadership roles to advocate for gender equality within the company and through their personal network. In 2021, the number of participating male staff increased up to 7,200 across all bottling plants in Chinese Mainland. They provide guidance and mentorship to support female staff in advancing their career.</p>							
<p>D&I workshop, D&I Week – Hong Kong</p> <p>Under the theme of gender balance, we held a D&I week to build a discrimination-free workplace. Within the week-long event, we held activities, DIY workshops, and seminars for promoting gender balance.</p>							
<p>Day of the Girl – U.S.</p> <p>We partnered with Girls Inc. of the Pacific Northwest to provide science, technology, engineering, and mathematics (STEM) courses for girls in Middle and in High School. In addition, we sponsored the organisation's International Day of the Girl campaign to raise awareness of the unique challenges facing girls and women worldwide.</p>							



FOCUS

SEXUAL ORIENTATION

Approach

We strive to create a discrimination-free workplace that supports LGBT+ communities.

Progress and Highlights

Pink Friday – Hong Kong and Taiwan

To show our support for the LGBT+ community, we celebrated #PinkFridayPride campaign which encourages staff to wear pink to work. We aim to raise awareness of LGBT+ issues and promote a more inclusive workplace.



Pride Month – Taiwan

Taking a proactive approach to LGBT+ inclusion, we held a month-long initiative celebrating D&I. Within Pride Month, we held our Lunch & Learn where representatives from the Taiwan Tongzhi Hotline Association conducted a presentation about focusing on creating a LGBT+ friendly working environment. To demonstrate our commitment to D&I, we signed up to the “D&I Declaration Board”. In addition, we improved toilet and nursing room inclusivity through the launch of the All-Gender Restroom Initiative.



ETHNICITY

Approach

We are committed to fostering a workspace where individuals of all ethnic backgrounds are celebrated and respected.

Progress and Highlights

Living in Colour Gala – U.S.

Celebrating all ethnicities and minority groups, we sponsored the Living in Colour Gala in the state of Utah, honouring individuals and organisations championing a more equitable and inclusive future.

Hispanic Heritage Month – U.S.

We are proud to advocate our support for the Hispanic community and hosted the Hispanic Heritage Month. We sponsored several community organisations and events including National Hispanic Culture Centre, Arizona Hispanic Chamber of Commerce and Idaho Hispanic Foundation.



Anti-Asian Hate – U.S.

In response to the escalating Asian hate crimes experienced as a result of the COVID-19 pandemic, we wanted to show our solidarity with the Asian-Americans and Pacific Islanders (AAPI) community. We worked to provide support to APPI organisations including the Asian Counselling and Referral Service in Washington and to the Asian Pacific American Network of Oregon.

Refugee Resettlement – U.S.

We provide close attention to all types of communities including those displaced from their own country. To support the resettlement of refugees from Afghanistan, we donated to the International Rescue Committee in response to the humanitarian crisis.



FOCUS

DISABILITY

Approach

We are dedicated to creating an accessible workplace.

Progress and Highlights

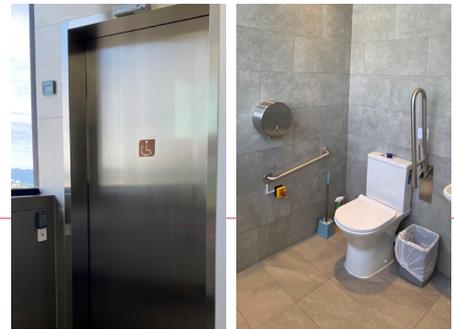
CareER Disability Inclusion Index – Hong Kong

Supporting workplace accessibility, we participated in the CareER Disability Inclusion Index – a first in Hong Kong – which is designed to help companies review their disability inclusion strategies. This invaluable tool allowed us to identify gaps and opportunities to enable more effective implementation of workplace disability inclusion policies.

Disability Inclusive Infrastructure – Chinese Mainland and Hong Kong

To ensure we accommodate all individuals, we installed several wheelchair ramps in our facilities in Chinese Mainland. On top of providing wellness rooms in Hong Kong, we increased the number of disabled toilets and located new disabled toilets near main entrances for enhanced accessibility.

We will continue to assess the feasibility of expanding our recruitment coverage to people with disabilities and discuss the potential challenges and solutions.



PERFORMANCE

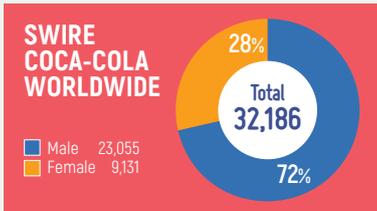
SAFETY AND WELLBEING

	2021	2020
Fatality	1	1
Lost time injuries rate	0.53 (6% increase)	0.50
Total injuries rate	1.79 (3% reduction)	1.84
Lost day rate	22.46 (2% increase)	22

Tragically, we had one fatality at Swire Coca-Cola this year. We have investigated the potential causes, and are taking active measures to review and enforce more stringent safety measures and standards for all workers onsite.

DIVERSITY AND INCLUSION

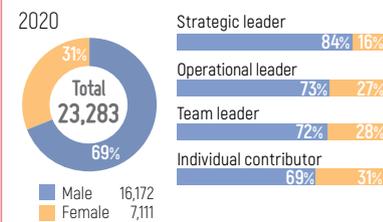
GENDER BREAKDOWN



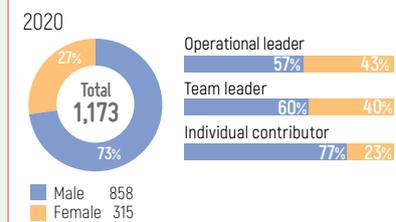
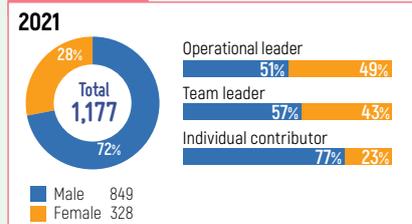
HEAD OFFICES ACROSS MARKETS



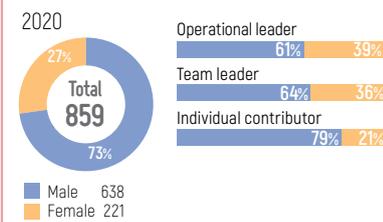
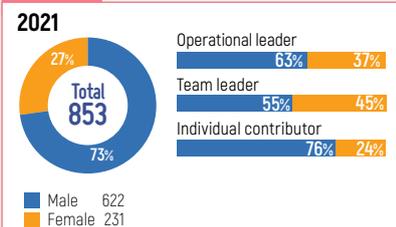
CHINESE MAINLAND



HONG KONG



TAIWAN



U.S.

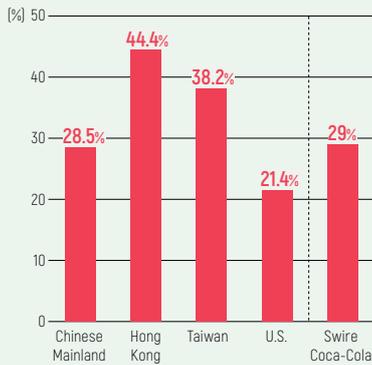


Note: The figure presented above only include employees under permanent contract. Fixed term and temporary employees are excluded. The number of employees is based on actual figures as of 31 Dec 2021. This number may vary from employee figures quoted in Swire Pacific annual report due to different calculation cycles.

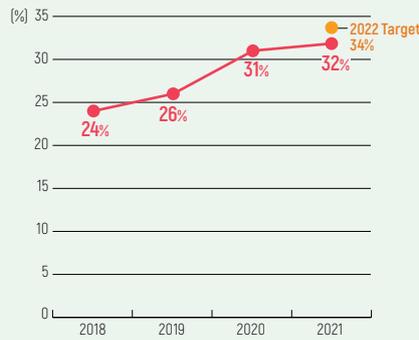
DIVERSITY AND INCLUSION

WOMEN LEADERSHIP

PERCENTAGE OF WOMEN MANAGERS BY MARKET 2021



PROPORTION OF FEMALE SALES REPRESENTATIVES IN CHINESE MAINLAND



RECRUITMENT RATIO OF FEMALE SALES REPRESENTATIVES IN CHINESE MAINLAND



AWARDS

We are proud that our efforts to promote a positive work environment and inclusive culture has received notable recognition. We were honoured to receive the WeCare HR Asia Most Caring Companies Award 2021, for demonstrating exemplary efforts in creating a culture of empathy and care. In addition, in Taiwan, we were named HR Asia Best Companies to Work for in Asia for three consecutive years. Regarding health and safety, we received the α High-quality Workplace award for outstanding health and safety practices.



LOOKING FORWARD

Embracing our “Zero is Possible” vision, we are dedicated to strengthening our safety culture through the provision of safety training, monitoring our safety performance, and developing innovative tools and technologies to support our progress.

With the establishment of the new strategy, we look forward to progressively embedding this mindset across all our markets. With the aim of mitigating safety

risks across the entire value chain, we plan to expand access to our occupational health and safety initiatives to third-party contractors. These plans will put us in a strong position to have zero fatalities.

Over the past year, we have been on an important journey in fostering a diverse and inclusive workplace. To build stronger relationships between generations, we will place more emphasis in providing support for the elderly through engagement with NGOs. Simultaneously, we aim to enrich the skills of the younger generations through providing work opportunities at Swire Coca-Cola. Looking ahead, we plan on introducing the gender pay gap as a criterion in the employee salary review in 2022.



COMMUNITY



OVERVIEW

OBJECTIVE

We believe that when the environment in which we operate thrives, so do we. We are firmly focused on the long-term sustainability of our business and the communities we serve.



Planting trees in the Carbon Reduction Alliance Programme

RELEVANT SUSTAINABILITY TOPIC



COMMUNITY
ENGAGEMENT

OVERVIEW

To create social value concurrent with economic value, we strive to support the development and sustainability of the communities where we operate. Our commitment and approach towards community engagement centres on five focus areas: water stewardship, packaging and waste management, youth development, women's empowerment and emergency relief. These are crucial to our operations and define our corporate values.

STRATEGY

We aim to:

1

Give back to the society by investing **1% of our annual profit to the CSR Fund** for supporting projects relating to our focus areas by 2025

2

Encourage corporate volunteering and encourage employees to **contribute to the community**

3

Partner with local organisations and stakeholders to customise projects which meet the needs of the local community



Emergency relief bottled water donation

RELEVANT SDGS

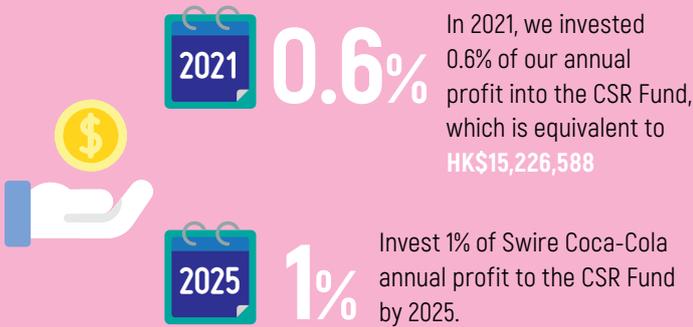




OUR COMMITMENTS AND PROGRESS

CSR FUND

TARGET



PROGRESS



CORPORATE VOLUNTEERING

TARGET



PROGRESS



CSR HIGHLIGHTS

CASH DONATIONS



HK\$ **16.1** million

CSR ACTIVITIES



190+ programmes

IN-KIND DONATIONS



310,000+ cases of beverages
Value: HK\$11,650,000



WHAT WE ARE DOING

SWIRE COCA-COLA CHINA FLAGSHIP CSR PROGRAMME

In 2021, Swire Coca-Cola China initiated the flagship CSR programme "Carbon Reduction Alliance" in the Chinese Mainland, designed to reduce carbon footprint with our partners along Swire Coca-Cola's value chain. Through strategic partnerships with governments, local communities and NGOs, we take action on climate change and contribute to building a sustainable society.

During phase one of the programme, we joined forces with the International Fund for Animal Welfare and the Xishuangbanna Tropical Rainforest Conservation Foundation to establish a Carbon Reduction Farmland in the village of Daotangqing, located on the edge of Xishuangbanna National Natural Reserve. Over 230 acres of agricultural land has been cultivated with eco-friendly planting and 300 bee colonies being established in the nearby Nanmanhe community.

agricultural industry through reforestation and the introduction of beekeeping. The key objective is to create an eco-friendly community, where biodiversity can be sustained, while achieving the national goal of rural revitalisation.



The programme aims to reduce human-elephant encounters and incorporate sustainability into the local

FOCUS

WATER STEWARDSHIP

Why It Matters	Approach	Progress and Highlights
Water is essential to the survival of ecosystem and communities and is the key ingredient of all beverages.	Our projects with governments and NGOs protect local water sources and secure access to clean and safe water for communities in need.	<p>Taylor River Watershed Beaver Dam Analog & Restoration Project – Colorado, U.S. In Colorado, 50% of the estimated 2,000,000 acres of wetlands have been lost or degraded due to anthropogenic activities.</p> <p>Once a habitat for the abundant beaver population, most of the wetlands in the Taylor River Watershed in Gunnison National Forest have been lost or heavily altered in the past century to create pasture and grazing land for agriculture use. Through the project, over 66 million litres of water is replenished every year to restore historic wetlands through the installation of beaver dam analogs and other water retention features that mimic the structures once created by beavers.</p> <p>Bottle of Water Relay – Chinese Mainland As we truly understand the importance of hydration to our health, we offer beverages to people in need through the Bottle of Water Relay programme. We offered free bottled water to people of different job professions who are required to work or stay outdoors in hot weather. In the summer of 2021, 13 Swire Coca-Cola bottling plants in Chinese Mainland set up around 1,400 water giveaway stations in different provinces. We distributed 55,000 cases of cold drinking water to cleaners and transport officers who work all day under the heat, showing our appreciation for their hard work and contribution to society.</p>



Making it more accessible, we also established an app which allows workers to obtain free bottled water at any time through our vending machines.



FOCUS

PACKAGING AND WASTE MANAGEMENT

Why It Matters

Packaging waste is a global challenge. As a leading bottler, we shoulder the responsibility to rethink the design, processing, handling and circularity of packaging materials in order to achieve a "World Without Waste".

Approach

We encourage recycling and environmental awareness in the community with our vision of a "World Without Waste".

Progress and Highlights

"World Without Waste" Exhibitions – Chinese Mainland

To educate and encourage our consumers to collect and recycle used plastic bottles and aluminium cans, we organised exhibitions in various cities in the Chinese Mainland. In addition to displaying recycling and sustainability information, the exhibitions also showcased upcycled items made from recycled bottles and packagings to express the value of recyclable materials.



Combining environmental concepts with artistic elements, a 3-month exhibition was held at a shopping mall in Nanjing.



A pop-up exhibition in Shanghai to showcase art pieces made with recycled plastic bottles.

"Recycle Today for Tomorrow" Recycling Programme – Hong Kong

Partnering with Boys' Brigade, an NGO in Hong Kong, we trialled a recycling programme in 2 housing estates that established collection points for recycling education as well as 8 types of recyclables including plastic, metal, glass and so on. 3.1 tonnes of recyclables was collected in 4 months.



"Tap, Return & Earn" Beverage Bottles Redemption Scheme – Hong Kong

We launched this initiative in 2019 to incentivise the collection of beverage bottles. The 10 reverse vending machines placed across Hong Kong collected over 4 million plastic bottles in 2021.

YOUTH DEVELOPMENT

Why It Matters

As the managers and changemakers of the future, our youth are best equipped with enriching educational experiences and favourable conditions.

Approach

We drive youth development by addressing social and community factors and increasing educational opportunities.

Progress and Highlights

Anti-Bullying Campaign – Taiwan

Swire Coca-Cola Taiwan has cooperated with the Child Welfare League Foundation (CWLFF) on an Anti-Bullying Campaign since 2017, accumulating more than 23 million reaches over the past 5 years through public education initiatives raising awareness of bullying. In 2021, through an instant messaging platform, we provided young people with a real-time consultation service from professional social workers, helping them to face the trauma caused by bullying incidents. In less than 3 months, more than 1,000 users approached our service to seek help and resources.



"Safe Campus" Campaign – Chinese Mainland

A culture of safety is deeply rooted in our values. We organised the "Safe Campus" campaign in various provinces in the Chinese Mainland to enhance students' safety awareness and capacity to respond to emergencies. A series of practical drills and engaging activities were organised with focus on road safety, fire safety, drowning prevention and first aid, covering over 10,000 students in 2021.





FOCUS

WOMEN'S EMPOWERMENT

Why It Matters	Approach	Progress and Highlights
<p>When we empower women, we strengthen our economy, diversify income inequality and generate positive social outcomes.</p>	<p>We aspire to eliminate gender gaps in the economy and empower women to realise their personal goals and fulfil their ambitions.</p>	<p>Knitted Knockers Project – Hong Kong Knitted knockers are special handmade breast prosthesis for women who have undergone mastectomies or other procedures to the breast. They are a light and comfortable knitted prosthetic that when placed in a bra, mirrors the shape and feel of a real breast and are more comfortable than traditional silicone prosthetic breasts.</p> <p>Through the Knitted knockers Project, our staff volunteers helped create 153 pairs of comfortable, soft breast prosthetics for breast cancer survivors.</p> 

EMERGENCY RELIEF

Why It Matters	Approach	Progress and Highlights
<p>Natural disasters destroy vital resources including local water supplies.</p>	<p>We act quickly with the help of the governments and NGOs to distribute drinking water to those affected.</p>	<p>“Clean Water 24” – Chinese Mainland “Clean Water 24” project aims to provide clean and safe drinking water to affected citizens within 24 hours of a natural disaster. In 2021, Swire Coca-Cola contributed 22 times to deliver over 1.5 million bottles of water to around 280,000 beneficiaries.</p> <p>In Zhengzhou, a year’s worth of rain poured down on the city streets over three days in July 2021. Swire Coca-Cola Zhengzhou responded swiftly to carry out disaster relief operations, teaming up with Coca-Cola China to activate its “Clean Water 24” emergency drinking water supply mechanism, delivering bottled drinking water to those in need. A team of 52 volunteers from the Zhengzhou plant distributed more than 1.2 million bottles of drinking water.</p>  <p>Marshall Fire in Colorado – U.S. In late 2021, the Marshall Fire in Boulder County, Colorado, ripped through the area, destroying 1,000 homes, and damaging many more structures. Over 35,000 people had to evacuate, including Swire Coca-Cola employees. The treated water supplies were depleted from fighting the blaze, leaving residents with untreated water in their pipes. Power and natural gas outages made it impossible for those affected to boil their water as instructed.</p> <p>Swire Coca-Cola USA quickly gathered a crew of volunteers to deliver and distribute over 2,800 cases of bottled water for the communities in crisis.</p> 

LOOKING FORWARD

Through investing in the CSR Fund and with guidance from our CSR Policy, we make lasting contributions in the markets where we operate. We continue to value our community partnerships with governments, local communities and NGOs to create customised CSR projects that drive meaningful impacts in the local community.

With the flagship CSR Programme, "Carbon Reduction Alliance" launched in 2021, we are exploring suitable locations to expand the project and develop low-carbon communities. We also expect to initiate public activities like charity walks and online seminars to encourage more people to take action towards achieving a low-carbon and eco-friendly future.

To promote a culture of volunteering in the company and encourage employees' participation, the Swire Coca-Cola China Volunteer Team was established in 2021. We are also developing a systematic registration platform to make volunteering information more accessible to employees, and for the recording of volunteer hours.



Launch of the Swire Coca-Cola China Volunteer Team

PERFORMANCE TABLES

ENVIRONMENTAL PERFORMANCE

	Unit	Chinese Mainland	Hong Kong	Taiwan	U.S.	Overall total
ENERGY - DIRECT						
Stationary source - Direct						
Diesel	MJ	25,226,751	0	0	0	25,226,751
Towngas	MJ	0	73,614,923	0	0	73,614,923
Natural gas	MJ	221,568,815	0	37,051,640	248,277,307	506,897,762
Liquid petroleum gas	MJ	4,659,577	0	0	0	4,659,577
Mobile source - Direct						
Diesel	MJ	108,507,889	33,353,560	20,589,241	305,992,726	468,443,416
Gasoline	MJ	42,231,178	2,475,330	6,893,148	144,984,073	196,583,729
ENERGY - INDIRECT						
Electricity ¹	MJ	1,102,053,577	108,450,230	35,408,834	223,320,544	1,469,233,185
Steam	MJ	294,644,301	0	0	0	294,644,301
Compressed air - purchased	MJ	2,915,978	0	0	0	2,915,978
Total energy consumption	MJ	1,801,808,066	217,894,043	99,942,863	922,574,650	3,042,219,622 (R)
GREENHOUSE GAS INCLUDING CARBON						
Scope 1 - Direct GHG emissions from stationary source						
Diesel	metric tonnes	1,641	0	0	0	1,641
Towngas	metric tonnes	0	3,909	0	0	3,909
Natural gas	metric tonnes	11,271	0	1,885	12,498	25,654
Liquid petroleum gas	metric tonnes	284	0	0	0	284
Scope 1 - Direct GHG emissions from mobile source						
Diesel	metric tonnes	7,056	2,278	1,339	21,351	32,024
Gasoline	metric tonnes	2,658	192	434	9,652	12,936
Scope 1 - Direct GHG emissions	metric tonnes	22,910	6,379	3,658	43,501	76,448
Scope 1 - Fugitive emissions from refrigerants (excluded from the assurance scope)						
Refrigerants	metric tonnes	1,215	756	238	2,901	5,110
Scope 1 - Direct emissions from distribution and sales centres (excluded from the assurance scope)						
Natural gas	metric tonnes	0	0	0	5,587	5,587
Scope 2 - Indirect GHG emissions						
Steam	metric tonnes	13,961	0	0	0	13,961
Towngas	metric tonnes	0	908	0	0	908
Electricity	metric tonnes	246,710	11,146	4,938	24,250	287,044
Compressed air - purchased	metric tonnes	642	0	0	0	642
Scope 2 - Indirect GHG emissions	metric tonnes	261,313	12,054	4,938	24,250	302,555
Scope 2 - Indirect emissions from distribution and sales centres (excluded from the assurance scope)						
Electricity	metric tonnes	2,763	81	229	6,127	9,200
Total GHG emissions (CO₂e) (Scopes 1 & 2, excluding emissions from refrigerants)	metric tonnes	284,223	18,433	8,596	67,751	379,003 (R)
Total GHG emissions (CO₂e) (Scope 1 & 2, emissions from refrigerants, distribution and sales centres are excluded from the assurance scope)	metric tonnes	288,201	19,270	9,063	82,366	398,900
WATER						
Total municipal water consumption	m ³	11,846,241	757,558	335,560	2,485,679	15,425,038
Total groundwater consumption	m ³	194,320	0	0	0	194,320
Total water consumption	m³	12,040,561	757,558	335,560	2,485,679	15,619,358 (R)

Note:
 1. Excluding onsite solar energy and 257,932,898 MJ of renewable electricity bought.
 (R) Denotes sustainability data that has been reported on by Deloitte Touche Tohomatsu. Please refer to the Independent Limited Assurance Report for further details.

ENVIRONMENTAL PERFORMANCE

	Unit	Chinese Mainland	Hong Kong	Taiwan	U.S.	Overall total
WASTE						
Recycling - Paper & carton	Kg	1,738,936	348,800	45,558	2,201,034	4,334,328
Recycling - Glass	Kg	1,676,776	694,435	1,109,709	27,612	3,508,532
Recycling - Plastic Cap	Kg	49,203	13,480	2,190	13,215	78,088
Recycling - Plastics	Kg	1,999,439	206,456	83,646	1,232,062	3,521,603
Recycling - Metal	Kg	612,958	204,941	14,243	143,039	975,181
Recycling - Aluminium	Kg	128,029	18,053	4,431	477,105	627,618
Recycling - PET	Kg	1,376,835	153,411	26,615	137,662	1,694,523
Recycling - PE Film /Shrink Film	Kg	409,339	18,350	0	0	427,689
Recycling - Wood / Pallet	Kg	459,187	265,070	62,180	4,741,752	5,528,189
Recycling - Sludge	Kg	2,835,704	212,292	120,240	0	3,168,236
Recycling - Tea slag	Kg	0	526,509	0	0	526,509
Recycling - Foodscraps	Kg	575,743	0	494	0	576,237
Recycling - Lubricants & Oil	Litres	11,295	8,980	1,124	23,603	45,002
Recycling - Hazardous Waste	Kg	0	18,757	6,445	0	25,202
Hazardous waste (liquid)	Litres	42,353	650	346	0	43,349
Hazardous waste (soild)	Kg	183,365	1,200	0	0	184,565
Commercial / industrial waste	metric tonnes	2,610	419	92	310	3,431
Waste - Sludge	metric tonnes	1,205	0	0	0	1,205
PACKAGING - PRIMARY PACKAGING						
vPET	metric tonnes	187,691	3,483	3,683	15,914	210,771
BioPET	metric tonnes	0	0	0	2,887	2,887
rPET	metric tonnes	0	1,607	0	2,743	4,350
New returnable glass [#]	metric tonnes	2,865	39	1,027	0	3,931
Aluminium [*]	metric tonnes	38,350	5,263	1,442	30,471	75,526
Closures - PP	metric tonnes	0	483	0	3,146	3,629
Closures - HDPE	metric tonnes	15,766	217	306	0	16,289
Closures - LDPE	metric tonnes	8	35	0	0	43
Aseptic fibre packs	metric tonnes	0	866	93	0	959
Strainless steel crown caps	metric tonnes	830	6	33	0	869
BIB bag	metric tonnes	275	3	72	31	381
PC carboy	metric tonnes	242	113	0	0	355
BIB Box	metric tonnes	179	16	457	204	856
Primary packaging - total weight	metric tonnes	246,206	12,131	7,113	55,396	320,846
PACKAGING - SECONDARY PACKAGING						
Corrugated boxes, paper trays	metric tonnes	12,060	1,042	1,342	17,414	31,858
Label - OPP	metric tonnes	3,058	47	59	471	3,635
Label - PETG	metric tonnes	382	106	50	0	538
Shrink film	metric tonnes	17,738	294	432	592	19,056
Secondary packaging - total weight	metric tonnes	33,238	1,489	1,883	18,477	55,087
PACKAGING - TERTIARY PACKAGING						
Crates	metric tonnes	192	2	1,026	0	1,220
Stretch	metric tonnes	2,345	54	0	0	2,399
Tertiary packaging - total weight	metric tonnes	2,537	56	1,026	0	3,619

[#] 35% and 25% recycled content in Chinese Mainland and Taiwan respectively.

^{*} 9.6% and 72% recycled content in Chinese Mainland and U.S. respectively.

SOCIAL PERFORMANCE

	Head offices	Chinese Mainland	Hong Kong	Taiwan	U.S.	Overall total ¹
WORKFORCE PROFILE						
Number of employees under permanent contract						
Male	79	15,546	849	622	5,959	23,055
Female	79	7,290	328	231	1,203	9,131
Total number of permanent employees	158	22,836	1,177	853	7,162	32,186
Number of employees under temporary and fixed term contract						
Male	2	0	108	16	14	140
Female	1	0	23	15	17	56
Total number of temporary employees	3	0	131	31	31	196
Total number of employees	161	22,836	1,308	884	7,193	32,382
Proportion of workforce by age group						
Under 30 years old	28	4,051	222	91	1,841	6,233
30 to 50 years old	95	17,220	810	584	3,848	22,557
Over 50 years old	38	1,565	276	209	1,504	3,592
Proportion of workforce by employment category²						
Level 1 - Individual contributor	51	17,445	1,029	746	6,319	25,590
Level 2 - Team leader	44	3,597	212	105	810	4,768
Level 3 - Operational leader	41	1,748	67	32	58	1,946
Level 4 - Strategic leader	25	46	0	1	6	78
GENDER EQUALITY						
Number of females in the workforce	80	7,290	351	246	1,220	9,187
Proportion of female in the workforce	49.7%	31.9%	26.8%	27.8%	17.0%	28.4%
Number of female employees by employment category³						
Level 1 - Individual contributor	34	5,697	204	171	1,016	7,122
Level 2 - Team leader	20	1,097	91	47	162	1,417
Level 3 - Operational leader	18	492	33	12	23	578
Level 4 - Strategic leader	7	4	0	1	2	14
Proportion of female employees by employment category³						
Level 1 - Individual contributor	22%	25%	17%	20%	14%	22%
Level 2 - Team leader	13%	5%	8%	6%	2%	4%
Level 3 - Operational leader	11%	2%	3%	1%	0%	2%
Level 4 - Strategic leader	4%	0%	0%	0%	0%	0%
NUMBER OF BOARD MEMBERS⁴						
By gender						
Male	9	0	0	0	0	9
Female	2	0	0	0	0	2
By age group						
Under 30 years old	0	0	0	0	0	0
30 to 50 years old	3	0	0	0	0	3
Over 50 years old	8	0	0	0	0	8

Note:

1. The disclosure of number of employees is based on actual figures as of 31 Dec 2021.
2. The total number of jobs eligible for inclusion in the level 4 banding is subject to the ongoing level parameter review.
3. Number of female employees refer to permanent employees only.
4. Number of Board members refer to members of the Swire Coca-Cola DEB only.

SOCIAL PERFORMANCE

	Chinese Mainland	Hong Kong	Taiwan	U.S.	Overall total
SAFETY¹					
Hours worked	53,446,884	3,572,725	1,786,977	16,199,186	75,005,773
Work-related fatalities²					
Number	0	0	1	0	1 (R)
Serious injuries (excluding fatalities)					
Number	0	0	0	0	0
Rate	0	0	0	0	0
Lost Time Injury (LTI)					
Hours	50	13	5	132	200
Rate	0.19	0.73	0.56	1.63	0.53 (R)
Medical Treatment Case (MTC)					
Number	45	6	5	415	471
Recordable work-related injuries					
Number	95	19	10	547	671
Rate	0.36	1.06	1.12	6.75	1.79
Lost day					
Number	4,799	1,587	30	2,008	8,424
Rate	17.96	88.84	3.36	24.79	22.46

Note:

1. Swire Coca-Cola is collecting the relevant data from contractors and hopes to disclose health and safety indicators of contractors in future reports.

2. Includes both employees and contractors.

(R) Denotes sustainability data that has been reported on by Deloitte Touche Tohmatsu. Please refer to the Independent Limited Assurance Report for further details.

	Chinese Mainland	Hong Kong	Taiwan	U.S.	Overall total
COMMUNITY ENGAGEMENT					
Cash donations (HKD)	8,122,305	23,460	1,622,696	6,323,989	16,092,450
Number of charity events	170	16	4	70	260
Total volunteering hours	27,089	1,601	508	900	30,098

GRI STANDARDS CONTENT INDEX

GRI Standard	Disclosure Number and Title	Section	Page no./ Explanation/ Reasons for Omissions
GRI 101: Universal Disclosures 2016			
GRI 102: General Disclosures 2016			
102-1	Name of the organisation	Our Approach to Disclosure	p.4
102-2	Activities, brands, products, and services	Swire Coca-Cola at a Glance	p.7
102-3	Location of headquarters	Swire Coca-Cola at a Glance	p.8
102-4	Location of operations	Swire Coca-Cola at a Glance	p.8
102-5	Ownership and legal form	Our Approach to Disclosure	p.4
102-6	Markets served	Swire Coca-Cola at a Glance	p.7
102-7	Scale of the organisation	Swire Coca-Cola at a Glance	p.7
102-8	Information on employees and other workers	Performance Tables	p.95
102-9	Supply Chain	Sourcing	p.62
102-10	Significant changes to the organisation and its supply chain	-	
102-11	Precautionary principle or approach	Our Approach to Disclosure	p.6
102-12	External initiatives	-	Swire Coca-Cola Website
102-13	Membership of associations	-	Swire Coca-Cola Website
102-14	Statement from senior decision maker	Message from our Managing Director	p.3
102-16	Values, principles, standards, and norms of behaviour	Our Approach to Disclosure	p.6
102-18	Governance structure	Our Approach to Disclosure	p.5
102-40	List of stakeholder groups	Our Approach to Materiality Assessment	p.11
102-41	Collective bargaining agreements	-	Although there is no legal framework for collective bargaining with trade unions in Hong Kong, Swire Coca-Cola Hong Kong opens to conversations with unions on areas of concerns. In the Chinese Mainland, we are normally required to liaise with official trade union. Employees can present grievances and report improprieties and breaches of the Code of Conduct through established channels.
102-42	Identifying and selecting stakeholders	Our Approach to Materiality Assessment	p.11
102-43	Approach to stakeholder engagement	Our Approach to Materiality Assessment	p.11
102-44	Key topics and concerns raised	Our Approach to Materiality Assessment	p.11
102-45	Entities included in the consolidated financial statements	-	Please see Swire Pacific's 2021 Annual Report for details.
102-46	Defining report content and topic boundaries	Our Approach to Disclosure	p.4
102-47	List of material topics	Our Approach to Materiality Assessment	p.11
102-48	Restatements of information	-	
102-49	Changes in reporting	-	No significant changes.
102-50	Reporting period	Our Approach to Disclosure	p.4
102-51	Date of most recent report	-	The 2020 Sustainable Development Report covered the reporting period between 1 January 2020 and 31 December 2020.
102-52	Reporting cycle	Our Approach to Disclosure	p.4
102-53	Contact point for questions regarding the report	Our Approach to Disclosure	p.6
102-54	Claims of reporting in accordance with the GRI Standards	Our Approach to Disclosure	p.6
102-55	GRI content index	GRI Standards Content Index	p.97
102-56	External assurance	Limited Assurance Report	p.100

GRI Standard	Disclosure Number and Title	Section	Page no./ Explanation/ Reasons for Omissions
MATERIAL TOPICS			
GRI 200: Economic Topics 2016			
GRI 204: Sourcing 2016			
GRI 103	Management Approach 2016	Sourcing	p.62
204-1	Proportion of spending on local suppliers	Sourcing	Under The Coca-Cola System, Swire Coca-Cola's supplier list for direct goods and goods bearing TCCC's logo is already been approved by TCCC. Swire Coca-Cola selects critical suppliers from this list only.
GRI 205: Anti-corruption 2016			
GRI 103	Management Approach 2016	-	p.5
205-3	Confirmed incidents of corruption and actions taken	-	There was no incidents of corruption noticed during the reporting year.
GRI 300: Environmental Topics 2016			
GRI 301: Materials 2016			
GRI 103	Management Approach 2016	Packaging and Waste	p.42
301-1	Materials used by weight or volume	Packaging and Waste; Performance Tables	p.42; p. 94
GRI 302: Energy 2016			
GRI 103	Management Approach 2016	Climate	p.15
302-1	Energy consumption within the organisation	Performance Tables	p.93
302-3	Energy intensity	Performance Tables	p.93
GRI 303: Water and Effluents 2018			
GRI 103	Management Approach 2016	Water	p.31
303-1	Interactions with water as a shared resource	Water	p.31
303-3	Management of water discharge-related impacts	Water	p.31
303-5	Water consumption	Water; Performance Tables	p.31; p.93
GRI 305: Emissions 2016			
GRI 103	Management Approach 2016	Climate	p.15
305-1	Direct (Scope 1) GHG emissions	Climate; Performance Tables	p.15; p.93
305-2	Energy indirect (Scope 2) GHG emissions	Climate; Performance Tables	p.15; p.93
305-6	Emissions of ozone-depleting substances (ODS)	Performance Tables	p.93
GRI 306: Waste 2020			
GRI 103	Management Approach 2016	Packaging and Waste	p.42
306-1	Waste generation and significant waste-related impacts	Packaging and Waste	p.42
306-2	Management of significant waste-related impacts	Packaging and Waste	p.42
306-3	Waste generated	Packaging and Waste; Performance Tables	p.42; p.93
GRI 307: Environmental Compliance 2016			
GRI 103	Management Approach 2016	Climate; Water; Sourcing	p.15; p.31; p.62
307-1	Non-compliance with environmental laws and regulations		There was no non-compliance case with environmental laws and regulations during the reporting year.

GRI Standard	Disclosure Number and Title	Section	Page no./ Explanation/ Reasons for Omissions
GRI 400: Social Topics 2016			
GRI 403: Occupational Health and Safety 2018			
GRI 103	Management Approach 2018	Our People	p.71
403-1	Occupational health and safety management system	Our People	p.71
403-2	Hazard identification, risk assessment, and incident investigation	Our People	p.71; p.84
403-3	Occupational health services	Our People	p.71
403-4	Worker participation, consultation, and communication on occupational health and safety	Our People	p.71
403-5	Worker training on occupational health and safety	Our People	p.71
403-6	Promotion of worker health	Our People	p.71
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Our People	p.71
403-9	Work-related injuries	Our People; Performance Tables	p.84; p.96
GRI 405: Diversity and Inclusion 2016			
GRI 103	Management Approach 2016	Our People	p.71
405-1	Diversity of governance bodies and employees	Our People; Performance Tables	p.84; p.95
GRI 413: Local Communities 2016			
GRI 103	Management Approach 2016	Community	p.86
413-1	Operations with local community engagement, impact assessments, and development programme	Community; Performance Tables	p.86; p.96
GRI 417: Marketing and Labeling 2016			
GRI 103	Management Approach 2016	Product Choice	p.56
417-1	Requirements for product and service information and labelling	Product Choice	p.56
GRI 419: Socioeconomic Compliance 2016			
GRI 103	Management Approach 2016	-	
419-1	Non-compliance with laws and regulations in the social and economic area	-	There was no non-compliance case with laws and regulations in social and economic area during the reporting year.

ADDITIONAL MATERIAL TOPICS NOT COVERED BY THE TOPIC-SPECIFIC STANDARDS**Sugar**

GRI 103	Management Approach 2016	Product Choice	p.56
Indicator	Proportion of portfolio with low- and no-sugar options in each market	Product Choice	p.59
Indicator	Number of low- and no-sugar products	Product Choice	p.59

Food Safety and Product Quality

GRI 103	Management Approach 2016	Product Choice	p.56
Indicator	Cases of non-compliance with relevant laws and regulations	Product Choice	p.61

INDEPENDENT PRACTITIONER'S LIMITED ASSURANCE REPORT

To the Board of Directors of
Swire Coca-Cola Limited

We have been engaged by the Directors of Swire Coca-Cola Limited ("SCC") to perform a limited assurance engagement in relation to certain sustainable development data (the "Data Points") included in its Sustainable Development ("SD") Report for the year ended 31 December 2021 (the "SD Report 2021") and selected by SCC.

Data Points

The Data Points are as follows:

Environmental

1. Total energy consumption
2. Total greenhouse gases emissions by weight (CO₂e) (Scopes 1 & 2, excluding emissions from refrigerants)
3. Total water consumption – municipal and groundwater

Social

1. Number of fatalities (Employees)
2. Number of fatalities (Contractors)
3. Lost time injury rate

The Data Points are identified with the symbol [R] in the Data Point table set out in the appendix to this report.

Reporting Criteria

The Data Points are presented in accordance with the criteria set out in the section "Reporting Standards and Scope of Report" in the SD Report 2021 (the "Reporting Criteria").

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board of Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies International Standard on Quality Control 1, "*Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*", and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibilities

Deloitte Touche Tohmatsu

It is our responsibility to express a limited assurance conclusion on the Data Points based on our work performed and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility or accept liability to any other person for the contents of this report.

Swire Coca-Cola Limited

The Directors of SCC are responsible for the preparation and presentation of the Data Points in accordance with the Reporting Criteria. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and presentation of the Data Points, applying an appropriate basis of preparation, making estimates that are reasonable in the circumstances and ensuring the accuracy and completeness of the Data Points.

Reporting Framework

We conducted our work in accordance with the International Standard on Assurance Engagements 3000 (Revised), "*Assurance Engagements other than Audits or Reviews of Historical Financial Information*", and the International Standard on Assurance Engagements 3410, "*Assurance Engagements on Greenhouse Gas Statements*" (the "Standards"), issued by the International Auditing and Assurance Standards Board.

The Standards require that we comply with ethical requirements, and plan and perform the engagement to obtain limited assurance as to whether any matters that come to our attention cause us to believe that the Data Points do not comply in any material respects with the Reporting Criteria.

Objectives

The overall objectives of our procedures were to assess whether the Data Points were prepared in all material respects, in accordance with the Reporting Criteria.

Procedures Performed

Our work comprised the following limited procedures:

- Interviews with relevant management and personnel involved in providing information relating to the Data Points for inclusion in the SD Report;
- Sample testing of documentary evidence at SCC's corporate and site levels;
- Analytical procedures; and
- Recalculation.

We have not performed any procedures in relation to other data included in the SD Report 2021. In addition, our work performed is not for the purposes of expressing an opinion on the effectiveness of SCC's internal controls.

The procedures performed in a limited assurance engagement vary in nature and timing from those associated with, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Inherent Limitations

Non-financial performance information, including the Data Points, is subject to more inherent limitations than financial information, given both its nature and the methods used for determining, calculating, sampling and estimating such information. This could have a material impact on comparability. Qualitative interpretations of relevance, materiality and the accuracy of such information are subject to individual assumptions and judgements.

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Data Points have not been prepared, in all material respects, in accordance with the Reporting Criteria.



Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
17 February 2022

Appendix I - Data Point Table

Environmental			
	Unit	Total	
Total energy consumption	MJ	3,042,219,622	R
Total greenhouse gases emissions by weight (CO2e) (Scopes 1 & 2, excludes emissions from refrigerants)	metric ton	379,003	R
Total water consumption – municipal and groundwater	cubic meter	15,619,358	R
Social			
Number of fatalities (Employees)		0	R
Number of fatalities (Contractors)		1	R
Lost time injury rate		0.53	R

Note:

R. This Data Point was limited assured by Deloitte Touche Tohmatsu