



2022 SUSTAINABLE DEVELOPMENT REPORT

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About this Report

Swire Coca-Cola Limited (Swire Coca-Cola) is pleased to present our sixth annual sustainable development report, covering the period from 1 January to 31 December 2022.

It describes our commitments and performance across the seven areas of our 2030 sustainable development strategy, “Our Choice, Our Future!”. For each area, we identify material topics and discuss how we manage those topics and actions taken during the reporting period. We feature individuals who are contributing to “Our Choice, Our Future!” throughout the report.

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Universal Standards 2021. Unless stated otherwise, performance data covers all wholly- and majority-owned Swire Coca-Cola bottling operations in four markets: the Chinese Mainland, Hong Kong SAR, Taiwan Region and United States of America (U.S.). Our recently

acquired operations in Cambodia, Vietnam and the Chinese Mainland will be included once we have a full year of data. Further details about the scope of disclosures made are provided in our [Reporting Methodology](#). Definitions and more information about the terms used in this report can be found in our [Glossary](#).

Specific data points in this report have undergone limited assurance by Deloitte Touche Tohmatsu. The Limited Assurance Statement can be found on [p.101](#).

We welcome your feedback. Please contact:

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MESSAGE FROM OUR MANAGING DIRECTOR



As we emerge from another challenging year, I find myself reflecting on the weeks I spent in lockdown during Shanghai's pandemic control measures. At times, it wasn't easy. But difficult times test the strength of our resolve, and I am proud to say that our people really leaned in when the going got tough. Those who made personal sacrifices to keep our operations running, including more than 300 colleagues who lived in a "closed-loop" arrangement at their workplaces. Those who helped people in need in our communities, distributing COVID-19 care kits and over 300,000 beverages and contributing a combined 20,000 volunteer hours in Shanghai. Their stories of resilience and caring inspired me. No matter how small our actions may seem, the ripple effects of our positive impacts are often greater than we can imagine.

With this in mind, we have updated the content in our sustainable development report this year. In addition to the technical disclosures and detailed performance metrics, we wanted to recognise some of the many individuals across our business who are contributing to delivering "Our Choice, Our Future!"

You'll hear from Simon Lin, EQS Manager in the Taiwan Region, whose team patented a new technology to reduce greenhouse gas emissions associated with our cold drink equipment (CDE) and reduce our impact on the **Climate**. At the same time, in 2022, we increased the share of renewable electricity we use to 21% and, in the Chinese Mainland, four of our sites operated on 100% renewable electricity. We also developed new CDE that use 50% less electricity.

In the U.S., drought in Colorado reinforced the need to invest in protecting our watersheds and minimising our impacts on **Water**. Mike Bernier, Director of Sustainability for Swire Coca-Cola USA, shares his experience working with The Coca-Cola Company, the National Forest Foundation and others to restore historic wetlands around the Taylor River, replenishing up to 66 million litres of water per year. Plant Manager Hao Kelan describes his team's efforts to produce an exceptional improvement in water use efficiency at our Minhang Plant in Shanghai.

Florence Leung, Marketing Operations Manager, SEAHKT Region, shares how we brought stakeholders together to launch the world's first individual sale label-less bottled water in the Hong Kong SAR. This innovative

Packaging and Waste solution is one of our many circularity efforts. Almost all our primary packaging is technically recyclable, and we also keep increasing the percentage of recycled material in it.

Delivering our sustainability goals requires us to manage impacts beyond our four walls. In the Chinese Mainland, we hosted a large-scale Sustainability Summit on **Sourcing**, engaging over 190 suppliers and others on recycled packaging materials and emission reduction. Focusing on consumers, we continue to reduce the average sugar content in our beverages and expand our low- and no-sugar **Product Choices**.

We continued to prioritise the safety of **Our People** with reductions in lost time injury rate and lost day rate of 26% and 27%, respectively. Our support to **Communities** has also been more important than ever during the challenging time. In 2022, we invested over HK\$20 million and donated more than 8 million bottles of beverages in supporting the communities across all our markets.

As you read these stories, I hope you will be inspired to start your own ripple effect by taking actions in your own sphere of influence, no matter how small. When you do, I invite you to join us in delivering on "Our Choice, Our Future!"

Karen So
Managing Director
Swire Coca-Cola Limited

PERFORMANCE HIGHLIGHTS

SUSTAINABLE DEVELOPMENT GOVERNANCE

- Enhanced **Sustainable Development Governance** with two new group-level committees to drive diversity and inclusion and safety, chaired by our Managing Director



- Linked **Executive Compensation** to safety targets including reductions in total injury rate (TIR) and lost day rate (LDR)



PLANET

We care for our planet and are committed to minimising the impact of our business on the environment.



CLIMATE

- 24% Reduction in GHG Emissions** from core operations since 2018



- 21% Electricity** used in our core operations was from **Renewable Sources**



- 4 plants** operate on **100% Renewable Electricity**



WATER

- Water Use Ratio decreased year-on-year from **1.81 to 1.75 L/L**



- Introduced a mechanism to **Track and Report** the water use of our largest co-packer, CCBMH



- 73%** of source vulnerability assessments and water management plans have been **Validated by Third Party Experts**



PACKAGING AND WASTE

- Almost All** (>99% by weight) primary packaging materials used (except aseptic fibre pack and BIB) were **Technically Recyclable**

- 11% of our Primary Packaging** (by weight) was recycled material



- 85% Waste** generated in our core operations was **Diverted** from landfill and incineration



PRODUCT

We take care to ensure our products meet the needs and expectations of our consumers, customers and partners.



PRODUCT CHOICE

- Reduced **Average Sugar Content** per 100ml of beverages in **the HKSAR (-18%), Taiwan Region (-23%) and U.S. (-19%)** since 2018

- Reformulated 22 Beverages** in the U.S. to reduce sugar content



- 91 New Products** launched to diversify our portfolio



SOURCING

- 100%** critical suppliers complied with TCCC's **Supplier Guiding Principles**



- 100%** CDE recyclers complied with our **Sustainable CDE End-of-Life Policy**



- RMB 1,944,010 in Savings** from 21 sustainability project ideas under the "Piggy Bank" initiative

- 8,288 hectares of Supplier Planting Area** in the Chinese Mainland meets TCCC's **Principles for Sustainable Agriculture**

- With our Chinese Mainland suppliers, developed and rolling out new CDE that use **50% Less Electricity**



- Engaged > 190 Suppliers and Other Stakeholders** at a large-scale sustainability summit in Yunnan, China

PEOPLE

We care for our people and the people in the communities where we operate.



OUR PEOPLE

- Reduced total injury rate by **20%** since 2018



- Reduced total lost day rate by **27%**



- Proportion of female managers: **30%**



- Proportion of female staff: **29%**



COMMUNITY

- Contributed **HK\$20,870,112**, 0.6% of annual profit, to the **CSR Fund**



- Donated **> 8 million Bottles of Beverages** valued at HK\$11 million

- More than doubled the **Average Volunteering Hours** per employee to **1.88 hours**

- Organised **247 CSR Activities**



- Local **Cash Donations** to communities **Exceeded HK\$10 million**



ABOUT SWIRE COCA-COLA

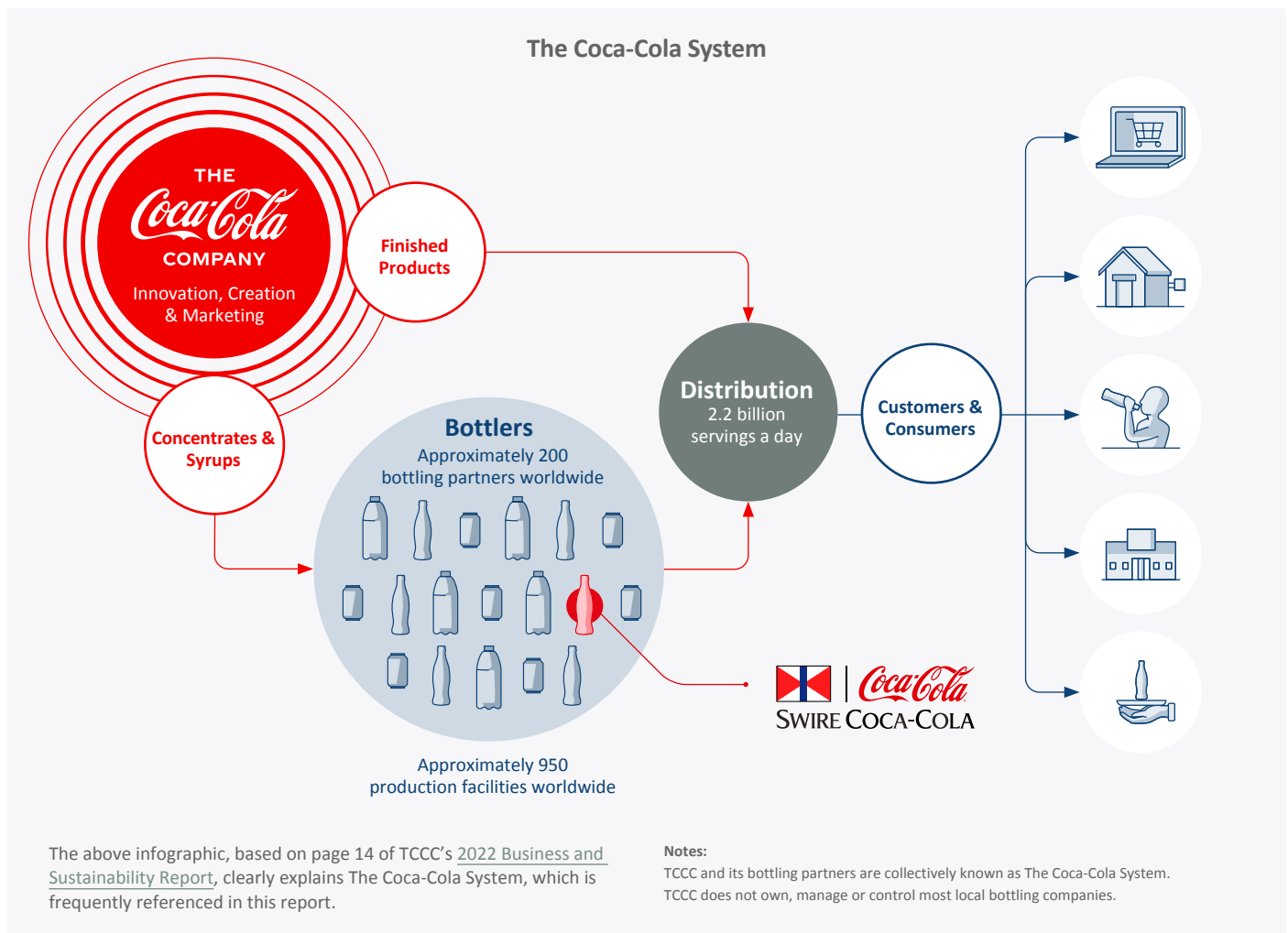
Swire Coca-Cola is the fifth largest bottling partner of The Coca-Cola Company (TCCC) by volume, with a franchise to manufacture, market and distribute TCCC products in Greater China, Cambodia, Vietnam and the western U.S. We are a wholly-owned subsidiary of Swire Pacific Limited (Swire Pacific), a company listed on the Hong Kong Stock Exchange (HKEX).

TCCC and its global bottling partners are collectively referred to as The Coca-Cola System. As a bottling partner, we manufacture, package, merchandise and distribute finished beverages to customers across our franchise territories, who then sell our products to consumers.

For more information, please visit <https://www.coca-colacompany.com/company/coca-cola-system>

Throughout this report, we highlight examples of how our sustainable development efforts align with TCCC and others within The Coca-Cola System to amplify our collective impact.

For more information about TCCC's sustainability strategy and performance, please see TCCC's [2022 Business and Sustainability Report](#).



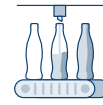
AT A GLANCE¹

Established in
1965

5TH LARGEST
bottling partner of
TCCC



36
Bottling
plants



58
Beverage
brands



Presence in
6
Markets



Annual Sales Volume
1,828 MILLION
unit cases



Annual Revenue²
HK\$54.2
BILLION



882
MILLION
Consumers



34,380
Employees[#]



3,269
Vehicles
owned*



Notes

1. Newly acquired operations in Vietnam, Cambodia and the Chinese Mainland are not covered in this report unless otherwise noted. The figures for the total number of bottling plants, presence in markets and consumers above include these newly acquired operations. Annual sales volume and annual revenue includes Cambodia from the completion of the acquisition to the end of the year. Our acquisitions of the TCCC franchise businesses in Cambodia and Vietnam were completed in November 2022 and January 2023 respectively. Before completion, we engaged a consultant to conduct detailed environmental, health and safety due diligence, including onsite visits.

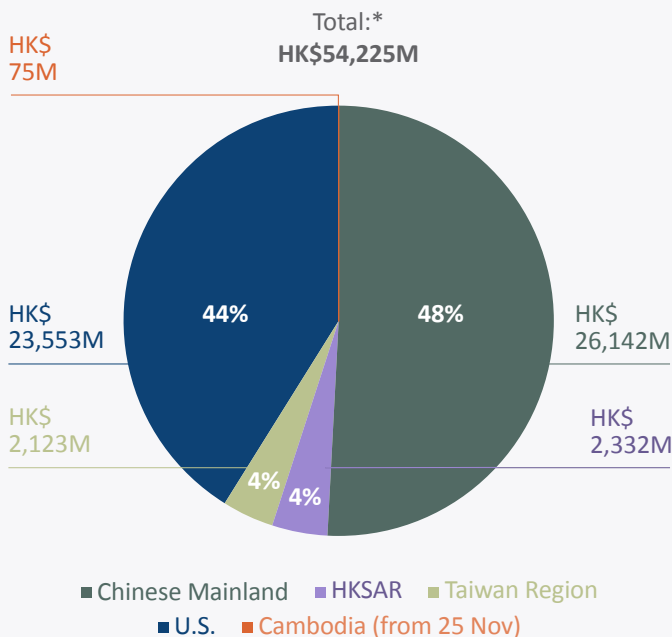
We acquired six subsidiaries of Coca-Cola Bottlers Manufacturing Holdings Limited (CCBMH), an associate in which we have an interest. As of January 2023, we wholly own still beverage preparation and packaging operations in Nanning, Hangzhou, Foshan, Wuhan, Dongguan and Suzhou.

2. Includes Cambodia, as this acquisition was completed during the 2022 financial year.

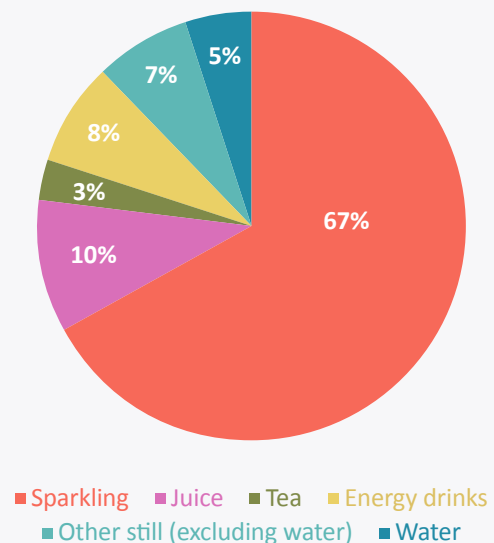
Covers in-scope operations in 4 markets and head offices. Figure reflects total employees as at 31 December 2022, and may differ from total employees reported in Swire Pacific's annual financial report due to different calculation cycles.

* Includes vehicles owned by Swire Coca-Cola in 4 in-scope markets. Excludes vehicles owned by third-party logistics partners.

2022 Revenue by Market



2022 Revenue by Category



* Revenue and volume include those of Shanghai Shen-Mei and exclude sales to other bottlers.

Growth in Revenue and Volume in 2022 by Category**

	Chinese Mainland		HK SAR		Taiwan Region		U.S.	
	Revenue	Volume	Revenue	Volume	Revenue	Volume	Revenue	Volume
Sparkling	0%	-3%	-2%	-5%	15%	4%	21%	2%
Juice	1%	-4%	-23%	-25%	1%	-1%	5%	12%
Tea	19%	-3%	-3%	-5%	0%	-1%	-1%	-7%
Energy drinks	-5%	-3%	9%	3%	24%	24%	9%	4%
Other still (excluding water)	-20%	-14%	-5%	-10%	17%	8%	5%	-5%
Water	-18%	-11%	-4%	-6%	19%	55%	-7%	-8%

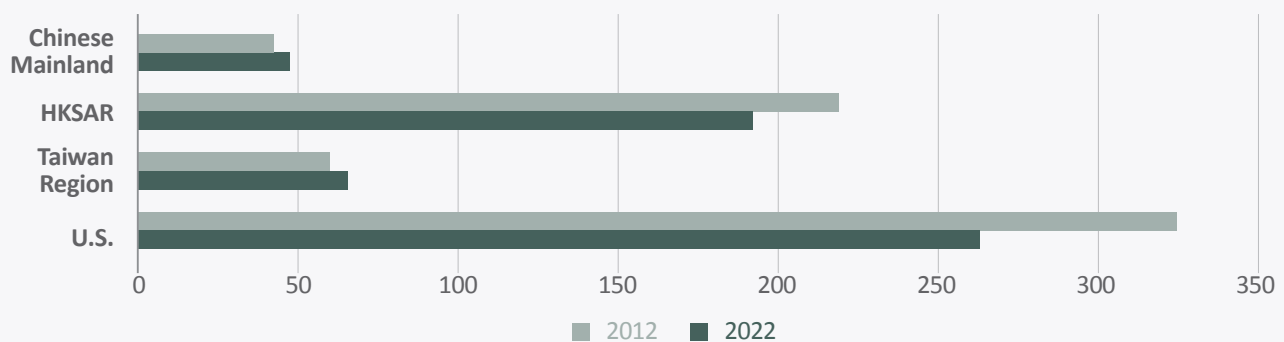
* The revenue growth is measured in local currency terms.

Revenue and volume include those of Shanghai Shen-Mei and exclude sales to other bottlers.

Per Capita Consumption in Franchise Territories

	Franchise population (in millions, end 2022)	GDP per capita (US\$)	Sales volume (million unit cases) ¹	
			2012	2022
Chinese Mainland	703.3	13,635	783	1,366
HK SAR	7.3	48,920	65	58
Taiwan Region	23.2	32,914	58	63
U.S.	30.9	58,726	84	338
Cambodia ²	17.3	1,648	N/A	3
Vietnam ³	99.5	4,110	N/A	N/A
Total	881.5	N/A	990	1,828

Per Capita Consumption of Coca-Cola Beverages (8-oz servings)



Notes:

1. A unit case comprises 24 8-oz servings.

2. The sales volume shown for 2022 represents the period from the completion of the acquisition on 25 November 2022 to the end of the year.

3. The acquisition of the franchise business in Vietnam was completed on 1 January 2023. Accordingly the sales volume and per capita consumption information is not applicable.

Franchise Territories

GREATER CHINA

Operating Areas & Number of Bottling Plants

Anhui	1	Hubei	2*
Fujian	2	Jiangsu	2*
Guangdong	5*	Jiangxi	1
Guangxi	2*	Shanghai	2
Hainan	1	Taiwan Region	1
Henan	2	Yunnan	1
HKSAR	1	Zhejiang	3*

* Including certain bottling plants in which a restructuring was completed on 1 January 2023.

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

The numbers of employees presented include employees under both full time and part time permanent contracts and temporary contracts. This is based on actual figures as of 31 December 2022 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.

Chinese Mainland

Bottling Plants	24
Preform Manufacturing Plant [^]	1
Employees [#]	24,341
Beverage Brands	27
Distribution Centres	287
Production Volume	6,442 million litres

HKSAR

Bottling Plant	1
Employees [#]	1,311
Beverage Brands	17
Distribution Centre	1
Production Volume	282 million litres

Taiwan Region

Bottling Plant	1
Employees [#]	924
Beverage Brands	15
Distribution Centres	3
Production Volume	147 million litres

U.S.

Operating Areas* & Number of Bottling Plants

Arizona	1	New Mexico	–
California	–	Oregon	1
Colorado	1	South Dakota	–
Idaho	1	Utah	1
Kansas	–	Washington	1
Nebraska	–	Wyoming	–
Nevada	–		

U.S.

Bottling Plants	6
Employees [#]	7,636
Beverage Brands	39
Distribution Centres	50
Production Volume	1,440 million litres

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

* Serving throughout parts of the 13 states listed here.

The number of employees presented above includes employees under both full time and part time permanent contracts and temporary contracts. This is based on actual figures as of 31 December 2022 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.

SOUTHEAST ASIA

Operating Areas & Number of Bottling Plants*

Cambodia	1	Vietnam	3 [^]
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* More information about our recently acquired operations in Cambodia and Vietnam will be included in our next annual sustainable development report.

[^] Acquisition of the franchise business in Vietnam was completed on 1 January 2023.

MANAGING SUSTAINABLE DEVELOPMENT

OUR CHOICE
OUR FUTURE!

“Our Choice, Our Future!” is our 2030 sustainable development strategy. It is a clear manifesto guiding us to make the right choices for Planet, Product and People.

Climate



Climate Change and GHG Emissions

Water



Water Stewardship

Packaging and Waste



Packaging
Waste



Product Choice



Sugar Reduction
Responsible Production and Marketing

Sourcing



Ethical and Sustainable Sourcing

Our People



Safety
Empowering Employees

Community



Community Engagement

Governance and Economic Impact

SUSTAINABLE DEVELOPMENT GOVERNANCE

Governance Structures

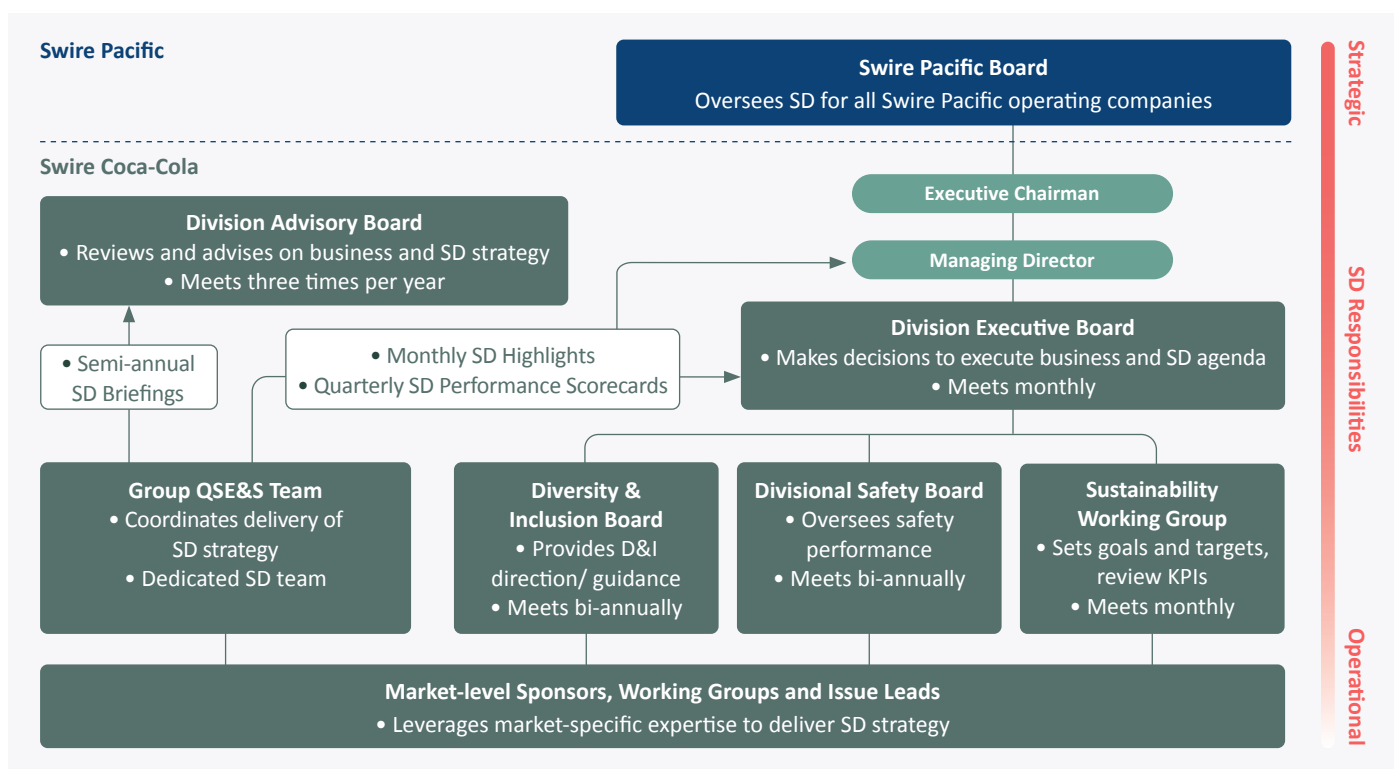
Our highest governance body is the Board of Directors of Swire Pacific, which is responsible for overseeing sustainable development (SD) for the Swire Pacific Group. As a wholly-owned subsidiary, we adopt and comply with various Swire Pacific [policies](#). We also engage in Swire Pacific’s functional governance structures. For example, our Group Quality, Safety, Environment and Sustainability (QSE&S) team participates in the Swire Group Environment Committee, associated working groups and the Safety and Risk committees.

Swire Coca-Cola does not have its own board of directors. Our Division Advisory Board (DAB) reviews and advises on our business and sustainable development strategy, performance and risk management. It meets at least three times per year and comprises our Managing Director, Finance Director, Executive Chairman, Swire Pacific nominees and independent advisors. The General Manager, QSE&S, provides semi-annual briefings on sustainable development to the DAB.

The Division Executive Board (DEB), chaired by our Managing Director and attended by our Chairman, makes decisions and ensures the successful execution of our strategic agenda, in which sustainability is a priority. The DEB has 11 core members and meets monthly. Monthly sustainable development highlights and quarterly performance scorecards are provided to the DEB.

We have a Sustainability Working Group (SWG) that meets monthly and is chaired by the General Manager, QSE&S. The SWG sets group-level sustainability goals and targets and reviews performance. The SWG comprises key functional and regional representatives. Our dedicated Group QSE&S team, comprising five members, advises the SWG and coordinates the delivery of our sustainable development strategy.

Operationally, each of our markets has its own senior sponsor and working groups to implement necessary programmes. Each market has also identified a lead responsible for each of our seven sustainability focus areas.



Enhancing Topic-specific Governance

In 2022, we established a new Divisional Safety Board (DSB) and Diversity & Inclusion Board (DIB). These boards oversee our safety, and diversity and inclusion performance and provide strategic direction to regional committees. Our Managing Director chairs both boards. We also took the significant step of linking safety performance to executive compensation.

For more information see “Our People” on [p.68](#).



Safety



D&I

Sustainable Development Policies

Our business activities and stakeholder relationships are guided by the following policies.

Swire Coca-Cola	
Anti-Bribery Policy	Respect in the Workplace Policy
Climate Change Policy	Source Water Risk Management Policy
Code of Conduct	Speaking Up Policy
CSR Policy	Sustainable CDE End-of-Life Policy
Flexible Working Hours and Remote Working Policy	

TCCC	
Global School Beverage Policy	Responsible Alcohol Marketing Policy
The Coca-Cola Operating Requirements (KORE)	Responsible Marketing Policy
Principles for Sustainable Agriculture (PSA)	Supplier Guiding Principles (SGP)

Swire Pacific	
Biodiversity Policy	Supplier Code of Conduct
Carbon Offsetting Policy	Sustainable Building Design Policy
Climate Change Policy	Sustainable Food Policy
Diversity & Inclusion Policy	Sustainable Procurement Policy
Energy Efficiency Policy	Sustainable Water Policy
Flexible Working Policy	Waste Management Policy
Health and Safety Policy	Whistleblowing Policy
Human Rights Policy	

Addressing Concerns

We encourage all our stakeholders to speak up and report actual or suspected improprieties in line with our [Speaking Up Policy](#), [Code of Conduct](#) and the Swire Pacific [Whistleblowing Policy](#). Concerns from both internal and external stakeholders can be confidentially reported by email to our Group Internal Audit Department (GIAD), by phone or through a dedicated web platform hosted by EthicsPoint, a third-party service provider. All reports are reviewed and investigated as needed. We do not tolerate retaliation for complaints made in good faith.

SUSTAINABILITY RISKS AND OPPORTUNITIES

To better understand and respond to evolving sustainability risks and opportunities, we engaged an independent consultant to conduct a materiality assessment and limited stakeholder engagement exercise with senior managers across our business.

As a result, the following five areas were determined to present both the most significant risks and the greatest opportunities for our business as of Q4 2022.



PACKAGING

Risks/Challenges

- Globally, there is increasing concern about packaging waste, including single use plastic, and the environmental damage it causes if not properly handled at its end-of-life. Organisations and states are introducing bans on single use plastic in response.

Opportunities

- The circular economy provides new business opportunities in recycling and partnerships with public and private organisations to support the transition from linear to circular models of operation.

How We Are Responding

- **Reducing** the amount of single use packaging through package-free products, such as refill stations
- **Redesigning** packaging to ensure that it is technically easy to recycle
- **Recovering** packaging materials through clear labelling with local disposal instructions
- **Advocating** for governments, partners and other diverse stakeholders to transform the entire system with various initiatives



WATER

Risks/Challenges

- Availability of high-quality water is vital to our business. It is a key ingredient in our beverages, critical for producing our agricultural ingredients and used in our cleaning processes. Water scarcity and poor-quality water, exacerbated by climate change, could impact communities and increase our costs.

Opportunities

- Water stewardship is an opportunity to support community access to water, reduce costs and improve the resilience of our business during times of water scarcity.

How We Are Responding

- **Reducing** our operational water footprint and improving efficiency
- **Recycling** treated wastewater back into our operations or natural water systems
- **Replenishing** natural water sources through partnerships
- **Assessing** water risk at our operating locations and **implementing** water management plans (WMPs)



CLIMATE CHANGE

Risks/Challenges

- Physical impacts of climate change, including more frequent and stronger flooding, typhoons and heat waves, threaten our productivity and the resilience of our supply chains. Our costs may increase to adapt to the changing climate and comply with new regulations.

Opportunities

- The transition to a low-carbon future is an opportunity to adopt new and innovative technologies and expand our consumption of energy from renewable sources, including photovoltaic (PV) power systems.

How We Are Responding

- **Decarbonising** our value chain
- **Innovating** to increase the efficiency of our manufacturing processes
- **Upgrading** our cold drink equipment (CDE) and vehicles with cleaner and lower-carbon fuel models
- **Choosing** renewable electricity



SUGAR REDUCTION

Risks/Challenges

- Our product portfolio must respond to increasing consumer interest in health and nutrition, and related demand for low- and no-sugar products.

Opportunities

- Capturing market share associated with low- and no-sugar products is an opportunity to grow our business and future-proof our portfolio against potential regulatory requirements around sugar content.

How We Are Responding

- **Launching** more low- and no-sugar drinks
- **Reducing** sugar content in existing products
- **Designing** smaller and more convenient serving sizes
- **Providing** clear nutritional information on the front of our packaging



EMPLOYEES

Risks/Challenges

- Our expanding global footprint requires us to manage and motivate diverse employees and ensure their safety, health and wellness in different national and regional contexts. Failing to maintain a safe, diverse and inclusive working environment may make it more difficult to attract and retain best-in-class talent.

Opportunities

- Empowering our employees is an opportunity to improve livelihoods, enhance productivity, and ensure our business can attract and retain top talent.

How We Are Responding

- **Striving** for zero harm to minimise safety risks to all employees and contractors
- **Supporting** a culture where everyone is treated with dignity and respect
- **Ensuring** opportunities for women at all levels of our business

OUR APPROACH TO MATERIALITY ASSESSMENT

Stakeholder Engagement

All our stakeholders have a part to play in delivering “Our Choice, Our Future!”. This chart describes our various stakeholder groups, how we engage and the issues that matter most to them.

OWNERS

Investors, shareholders (i.e. Swire Pacific), agents, analysts and ratings agencies

How We Engage

- Frequent meetings at top management and functional levels
- Participation in benchmarks and indices
- Analyst briefings and Swire Pacific capital markets days

Key Expectations and Interests

Packaging | Waste | Water Stewardship

BRAND PARTNERS

TCCC, Monster, Nestlé

How We Engage

- Regular meetings at top management, regional and functional levels
- Participation in monthly global committees and annual forums

Key Expectations and Interests

Responsible Production and Marketing | Safety | Climate Change and GHG Emissions | Packaging | Waste | Water Stewardship

CUSTOMERS

Key customers from different sectors (e.g. supermarkets, theme parks, restaurants, hotels)

How We Engage

- Regular meetings and collaborations

Key Expectations and Interests

Sugar Reduction | Packaging | Waste | Community Engagement

GOVERNMENT / REGULATORS

Public authorities and local policymakers, regulators, and opinion leaders

How We Engage

- Consultations, meetings

Key Expectations and Interests

Packaging | Waste | Empowering Employees
Water Stewardship | Sugar Reduction | Community Engagement

INDUSTRY ASSOCIATIONS / BUSINESS NETWORKS

Chambers of commerce, trade groups, industry opinion leaders

How We Engage

- Memberships and participation in various industry bodies

Key Expectations and Interests

Climate Change and GHG Emissions | Water Stewardship
Packaging | Waste | Sugar Reduction
Ethical and Sustainable Sourcing

PARTNERS

Key partners that may or may not have business transactions with Swire Coca-Cola relating to:

- Real-estate and property management
- Environmental services
- Other business

How We Engage

- Collaborations, joint initiatives

Key Expectations and Interests

Packaging | Waste

SUPPLIERS

Key suppliers, including co-packers

How We Engage

- Periodic site visits
- China Sustainability Forum
- Sharing our sustainability report and soliciting feedback via surveys
- Individual engagement and support on sustainability topics (e.g. emissions reduction, recycled packaging)

Key Expectations and Interests

[Climate Change and GHG Emissions](#)

CONSULTANTS

Key consultant partners on sustainability issues

How We Engage

- Working relationships, periodic meetings and specific projects

Key Expectations and Interests

[Climate Change and GHG Emissions](#) | [Ethical and Sustainable Sourcing](#) | [Empowering Employees](#) | [Packaging](#) | [Waste](#) | [Community Engagement](#)

SOCIETY/COMMUNITY

Key organisations focused on societal issues (e.g. rights advocacy, statutory bodies, business and society, youth leadership)

How We Engage

- Active engagement with relevant members
- Community events and projects

Key Expectations and Interests

[Community Engagement](#) | [Empowering Employees](#) | [Packaging](#) | [Waste](#)

ENVIRONMENTAL NGOS

Key organisations focused on environmental action and conservation (e.g. research institutes, charities, educational/advocacy groups)

How We Engage

- Collaboration on projects
- Participation in multi-stakeholder platforms

Key Expectations and Interests

[Water Stewardship](#) | [Climate Change and GHG Emissions](#) | [Packaging](#) | [Waste](#)

ACADEMIA

Universities, research and development institutions

How We Engage

- Research

Key Expectations and Interests

[Climate Change and GHG Emissions](#) | [Packaging](#) | [Waste](#) | [Community Engagement](#)

MEDIA

Local media focused on sustainability news and issues

How We Engage

- Proactive press releases, interviews
- Contributions to publications and opinion pieces

Key Expectations and Interests

[Climate Change and GHG Emissions](#) | [Packaging](#) | [Waste](#) | [Sugar Reduction](#) | [Community Engagement](#)

CONSUMERS

End-users of our products in each of our markets

How We Engage

- Social media, podcasts
- Community events and campaigns

Key Expectations and Interests

[Sugar Reduction](#) | [Packaging](#) | [Waste](#) | [Community Engagement](#)

EMPLOYEES

Swire Coca-Cola employees in each of our markets

How We Engage

- Management townhalls (including MD participation) and other communications on strategic issues including sustainability
- Regular internal newsletters/communication
- Engagement apps (e.g. WeChat), activities, and surveys

Key Expectations and Interests

[People](#) | [Safety](#) | [Empowering Employees](#)

2022 Materiality Assessment

We periodically conduct materiality assessment exercises to prioritise issues for our sustainable development strategy and reporting. These assessments help us to effectively allocate internal resources to address risks and opportunities and meet evolving stakeholder expectations.

In 2022, we refreshed our materiality assessment to align with recent updates to the GRI Standards. The updates require us to identify the topics that represent our most significant impacts on the economy, environment and people, including impacts on their human rights. Our materiality assessment process is described on the right. The chart on the opposite page sets out our initial prioritisation of relevant sustainability issues by significance of impact. The chart on [p.16-17](#) presents the resulting material topics and where our significant impacts may lie along our value chain.

The renewed emphasis on impacts that our business may have externally, rather than those issues that may affect our business internally, has resulted in some shifts in issue prioritisation. Food safety and product quality, for example, remains an area of focus that is critically important for our business and the safety of our consumers. However, our impacts in this area are largely potential and localised, and we believe the likelihood of negative impacts is low. According to applicable GRI criteria, this issue has been categorised as one of moderate sustainability impact. Similarly, while we believe we can have very significant positive impacts by promoting climate change resilience in the markets in which we operate, our potential impact on a global scale is more limited.

Our Process

1

Identification of Potential Issues

Shortlisted 22 relevant sustainability issues in the chart on the opposite page, which are informed by a desktop review of 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 senior managers to complete an online survey to rank each sustainability issue based on the significance of our impacts on the economy, environment and people, including their human rights.
- Engaged senior managers in a materiality assessment workshop at which our independent consultant presented sustainability trends, risks and opportunities related to our business, as well as an independent assessment of our sustainability impacts.
- Workshop participants considered the results of the survey and our consultant's independent assessment, and reached consensus on the prioritisation of sustainability issues according to significance of impact on the opposite page.

3

Grouping and Validation of Issues

Grouped priority sustainability issues into the 11 material topics on [p.16-17](#), which were then approved by our Managing Director.

Sustainability Issues

Significance of Impacts on the Economy, Environment and People



- Emissions
- Water Stewardship
- Packaging
- Sugar Reduction
- Ethical and Sustainable Sourcing

- Occupational Health and Safety
- Circular Economy
- Employee Wellbeing and Engagement
- Employee Attraction and Retention
- Diversity and Inclusion

VERY HIGH

HIGH

MODERATE

LOWER

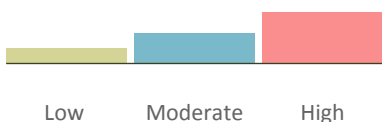
- Food Safety and Product Quality
 - Human Rights
- Community Engagement
 - Energy
- Training and Education

- Global Climate Change Resilience
 - Waste from Operations
 - Economic Impact
 - Cybersecurity and Data Privacy
- Corporate Governance, Transparency and Anti-Corruption
 - Product Labelling and Marketing
 - Biodiversity

Our Material Topics

This report focuses on the topics that represent our most significant impacts on the economy, environment and people, including their human rights. The following section describes these impacts and where they may lie along our value chain.

The significance of impacts are demonstrated as:



Climate Change and GHG Emissions

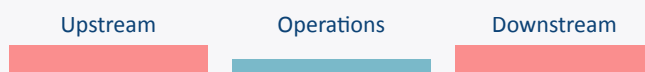
Significant Impacts

Positive

Increasing our use of lower-carbon packaging and logistics, renewable energy and energy-efficient CDE reduces emissions and promotes the transition to a low-carbon future. Engaging stakeholders on emission reduction efforts, water stewardship and community projects can support resilience, adaptation and mitigation.

Negative

Our products are associated with GHG emissions that contribute to global warming, particularly Scope 3 emissions from our primary packaging, logistics and CDE, and manufacturing plants. Water use in our operations and supply chains may exacerbate climate-related water scarcity.



Water Stewardship

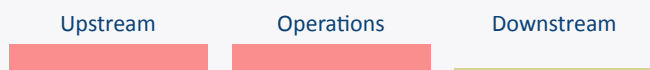
Significant Impacts

Positive

Water efficiency, pollution prevention and replenishment initiatives can promote healthier watersheds. Engaging business partners on water stewardship promotes collective action to reduce negative impacts on water.

Negative

Withdrawal and consumption of water for agriculture, production and manufacturing, as well as wastewater discharge, can negatively impact the functioning of ecosystems and local communities' access to water around our operations and in our supply chains.



Packaging

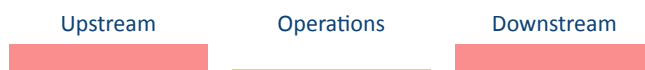
Significant Impacts

Positive

Making more sustainable packaging choices, engaging policymakers on related regulation, partnering with public and private organisations and investing in recycling systems helps promote the transition to more sustainable packaging materials and circular economic models.

Negative

Packaging that is not recyclable can contribute to overstressed landfills and environmental pollution. Leakage of plastic packaging into oceans, waterways and land in the form of macro and microplastics can have adverse health impacts on ecosystems, including organisms and humans.



Waste

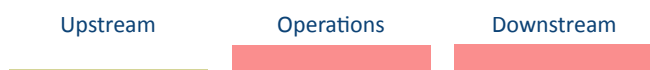
Significant Impacts

Positive

Waste diverted from landfill can support the circular economy and reduce its negative environmental and health impacts.

Negative

Manufacturing plants, logistic operations and CDE generate waste during production and distribution, which may contribute to overstressed landfills.



Sugar Reduction

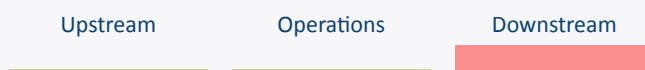
Significant Impacts

Positive

Delivering low- and no-sugar options can help steer tastes towards healthier options.

Negative

High sugar consumption can lead to adverse health conditions in consumers.



Responsible Production and Marketing

Significant Impacts

Positive

Clear and responsible marketing helps consumers make better choices. High standards for food safety and product quality help prevent negative health impacts on consumers.

Negative

Failure to provide necessary product information or maintain food safety and product quality can result in adverse health impacts for consumers.

Upstream

Operations

Downstream

Ethical and Sustainable Sourcing

Significant Impacts

Positive

Requiring suppliers to implement responsible business practices and promoting sustainable agricultural practices supports respect for human rights and environmental protection and can improve supplier business performance.

Negative

Both agricultural and packaging suppliers may contribute to impacts relating to deforestation, GHG emissions, human rights or other sustainability issues.

Upstream

Operations

Downstream

Safety

Significant Impacts

Positive

A culture of safety and robust OHS management can support employees to be healthy, safe and more productive.

Negative

Hazards in our operations, particularly in manufacturing plants and during road travel, can lead to injuries and fatalities.

Upstream

Operations

Downstream

Empowering Employees

Significant Impacts

Positive

Programmes and initiatives promoting physical and mental wellbeing can improve productivity and reduce turnover. Engaging our people and promoting diversity, equity and inclusion can generate innovative ideas for positive impact and help colleagues have purpose at work.

Negative

Difficult working environments can negatively impact physical and mental health and job performance. Failure to engage our people and incorporate their views when developing strategies and initiatives can lead to oversights that cause or exacerbate negative impacts in other areas.

Upstream

Operations

Downstream

Community Engagement

Significant Impacts

Positive

Supporting the success of communities we serve through community investment and volunteering positively impacts communities and stakeholders across multiple issues.

Negative

Failure to engage communities can make it more difficult to identify and remediate negative impacts on external stakeholders.

Upstream

Operations

Downstream

Governance and Economic Impact

Significant Impacts

Positive

Ethical business practices help support economies in the markets in which we operate. Robust corporate governance helps make our business more effective and efficient.

Negative

Weak corporate governance and a lack of transparency can make our business less effective and efficient, and make it challenging to identify and remediate negative impacts.

Upstream

Operations

Downstream

KEY METRICS AND TARGETS

PLANET	Our Commitments and Targets	KPI Measured	2018 Baseline	Tracking Progress			2025 Target	2030 Target	TCCC Target
				2020	2021	2022			
CLIMATE									
	Reduce Scope 1 & 2 emissions from core operations by 70% by 2030	Total GHG emissions (tonnes CO ₂ e)	477,755	445,098 (-7%)	398,898 (-17%)	362,603 (-24%)	-25%	-70%	(SBT)
	Reduce Scope 1, 2 & 3 emissions by 30% by 2030	Total GHG emissions (tonnes CO ₂ e)	3,839,426	No comparable data	4,170,560 (+9%)	4,072,882 (+6%)	-15%	-30%	-25% (SBT)
	Use 100% renewable electricity (RE) in core operations by 2026	Proportion of total electricity used in core operations generated from renewable sources (onsite or purchased) (%) [*]	0%	3%	18%	21%	100% (2026)	100%	N/A
WATER									
	Reduce Water Use Ratio (WUR) to 1.45 by 2030	Litres of water used per litre of product produced (L/L) [*]	1.74	1.82	1.81	1.75	1.60	1.45	1.70
	Contribute to TCCC's goal of replenishing at least 100% of the water used in its finished beverages (focus on areas of water stress)	Volume of water replenished as a proportion of TCCC's global sales volume (%) [^]	155%	170%	167%	159%	100%	100%	Y (≥100%)
	All SVAs and WMPs validated by a third party by 2025	Percentage of total SVAs and WMPs that have been validated by a third party	N/A	33%	52%	73%	100%	100%	KORE
	Respond to CDP Water questionnaire	CDP score (target B and higher)	–	A	A	A-	A	A	N/A
PACKAGING AND WASTE									
	100% of our primary packaging will be technically recyclable by 2025	PRIMARY PACKAGING BY TYPE – RECYCLABLE (Y/N)							
		PET (bottle and cap)	Y	Y	Y	Y	100%	100%	Same (WWW)
		Aluminium (AL) can	Y	Y	Y	Y			
		Aseptic fibre pack	N	N	Partial	Partial			
		Returnable glass bottle	Y	Y	Y	Y			
		Carboy (PC, type 7)	N	N	Y	Y			
		Pouch	N	N	N	Y			
		Bag in Box (BIB)	N	N	N	N			
	Ancillary items (straws/lids/cups)	N	N	N	N				
	At least 50% of the material used in our primary packaging will be recycled material by 2030	PERCENTAGE OF MATERIAL USED IN PRIMARY PACKAGING THAT IS RECYCLED MATERIAL (%)							
		Swire Coca-Cola Overall	0.3%	10%	10%	11%	30%	50%	Same (WWW)
		Chinese Mainland – PET	0%	0%	0%	0%			
		HKSAR – PET	0%	32%	32%	39%			
		Taiwan Region – PET	0%	0%	0%	0%			
		U.S. – PET	0%	13%	13%	27%			
		Chinese Mainland – AL	0%	11%	10%	3%			
		HKSAR – AL	50-60%	0%	0%	6%			
	Taiwan Region – AL	0%	0%	0%	0%				
	U.S. – AL	57%	77%	72%	72%				
	Collect and recycle one PET bottle or AL can for each one we sell by 2030	VERIFIED PET AND AL COLLECTION AND RECYCLING RATES BY MARKET	Please refer to Swire Coca-Cola's Primary Packaging Annual Progress Reports				N/A	100%	Same (WWW)
	Ensure all secondary and tertiary packaging is 100% recyclable by 2030	All secondary packaging technically recyclable (Y/N)	N	N	N	N	–	100%	N/A
		All tertiary packaging technically recyclable (Y/N)	N	N	N	N			
	Ensure all our secondary and tertiary packaging is collected by 2030	All secondary and tertiary packaging volumes measured and captured by RA (Y/N)	Y	Y	Y	Y	–	100%	N/A
		Is the chain of custody transparent for secondary and tertiary packaging (Y/N)	N	N	N	N			

^{*} Figures for total water use (m³) used to calculate WUR, and total RE used (MJ) to calculate % electricity used from renewable sources are limited assured by Deloitte.

[^] TCCC's water replenishment figures are independently reviewed by EY.

PLANET	Our Commitments and Targets	KPI Measured	2018 Baseline	Tracking Progress			2025 Target	2030 Target	TCCC Target
				2020	2021	2022			
PACKAGING AND WASTE									
Achieve zero waste to landfill and incineration for core operations with third-party verification by 2025									
WASTE GENERATED (%) FROM CORE OPERATIONS TO LANDFILL AND INCINERATION									
Chinese Mainland			37%	27%	25%	22%	10%	5%	N/A
HKSAR			17%	18%	14%	19%			
Taiwan Region			31%	16%	6%	6%			
U.S.			5%	4%	3%	3%			
% OF FACILITIES WITH VERIFIED ZERO WASTE TO LANDFILL AND INCINERATION STATUS			0%	0%	0%	0%	100%	100%	N/A
We will achieve zero waste to landfill and incineration for co-packers and third-party verification by 2030									
% of co-packers' facilities with verified zero waste to landfill and incineration status			0%	0%	0%	0%	–	100%	N/A
Partner with TCCC to ensure our local product labelling design includes: a) technical recyclable status; b) user instructions; and c) recycled content (%)									
LABELLING COMPLIANCE (Y/N)									
Chinese Mainland			N	N	N	Partial	–	Y	N/A
HKSAR			N	N	Partial	Partial			
Taiwan Region			N	N	N	Partial			
U.S.			N	N	N	Partial			

PRODUCT	Our Commitments and Targets	KPI Measured	2018 Baseline	Tracking Progress			2025 Target	2030 Target	TCCC Target
				2020	2021	2022			
PRODUCT CHOICE									
Reduce the average sugar content per 100ml of our beverages by 20% by 2025									
AVERAGE SUGAR CONTENT PER 100ML (g)									
Chinese Mainland			7.0	6.8	6.76	7.0	–	–	Differs by market
HKSAR			5.3	5.2	4.6	4.3			
Taiwan Region			7.2	5.7	5.6	5.5			
U.S.			6.3	6.2	5.5	5.1			
% OF VOLUME OF BEVERAGES SOLD THAT IS LOW OR NO SUGAR (%)									
Chinese Mainland			26%	25%	30%	30%	–	–	Differs by market
HKSAR			47%	50%	55%	58%			
Taiwan Region			27%	49%	50%	46%			
U.S.			35%	41%	42%	41%			
SOURCING									
Ensure all our key agricultural ingredients are sourced from third-party verified sustainable sources by 2025									
Suppliers of key agricultural ingredients comply with TCCC's PSA			Y	Y	Y	Y	100%	100%	KORE

PEOPLE	Our Commitments and Targets	KPI Measured	2018 Baseline	Tracking Progress			2025 Target	2030 Target	TCCC Target
				2020	2021	2022			
OUR PEOPLE									
Zero work-related fatalities									
EMPLOYEE WORK-RELATED FATALITIES ★			0	1	0	0	0	0	N/A
CONTRACTOR WORK-RELATED FATALITIES ★			0	0	1	1			
Reduce TIR by 50% by 2030									
TOTAL INJURY RATE (TIR)			2.15	1.84 (-14%)	1.79 (-17%)	1.72 (-20%)	1.6	1.1	N/A
Continue to reduce LTIR									
LOST TIME INJURY RATE (LTIR) ★			0.54	0.50	0.53	0.39	–	–	N/A
Target 50% women in manager and above positions by 2030									
% FEMALE MANAGERS			26%	27.6%	29.6%	30%★	39%	50%	N/A
COMMUNITY									
Achieve an average of 8 volunteer hours per employee per year by 2025									
AVERAGE VOLUNTEER HOURS PER EMPLOYEE (HOURS)			–	0.88	0.93	1.88	8	8	N/A
Invest 1% of Swire Coca-Cola's annual profit into the CSR fund by 2025									
% OF ANNUAL PROFIT INVESTED INTO THE CSR FUND (%)			0.5%	0.5%	0.6%	0.6%	1%	1%	N/A

★ Limited assured by Deloitte



PLANET

We care for our planet and are committed to minimising the impact of our business on the environment.

-
- Climate
 - Water
 - Packaging and Waste

“
Water is essential for our business, and the life-sustaining resource for communities and ecosystems. It is therefore paramount that we share and manage this resource together. I’m proud to have worked with our partners over the last 14 years to play a small part in addressing a pressing issue in the Southwest United States.”



Mike Bernier
 Director of Sustainability
 Swire Coca-Cola USA



TAYLOR RIVER REPLENISHMENT PROJECT

For over a decade, Swire Coca-Cola and the Coca-Cola Foundation have supported community watershed protection projects in the U.S. These replenishment projects are designed to enhance water availability and ecosystem health using nature-based solutions, including forest protection and wetland restoration. In 2022, we replenished 281% of the water used in our drinks sold in the U.S.

Our most recent project is situated at the headwaters of the Gunnison River, Colorado, an area affected by years of drought. In partnership with the National Forest Foundation and others, over 100 volunteers installed 150 beaver dam analogues. They also planted native vegetation along a 2.5-mile stretch of Lottis Creek, a tributary to the Taylor River in the Gunnison National

Forest. Beavers are a keystone species in creating and maintaining a thriving wetland habitat. The wetlands their dams create help store the spring runoff water, gradually releasing water during the year and improving the landscape’s resistance to drought, wildfires and other climate impacts. By creating suitable corridors and habitats, our project aims to re-establish a resilient beaver population that will maintain the wetland.

By the end of 2022, the project restored over 20 acres of historic wetlands. It is expected to replenish up to 66 million litres of water annually. The restored wetland also sequesters about 42.8 metric tons of carbon dioxide per year, provides a habitat for diverse species and improves the quality of the community’s water resources. Swire Coca-Cola and TCCC collectively gave USD 150,000 to support this project.

20 acres

of historic wetlands restored

66 million

litres of water expected to be replenished per year

42.8 tonnes

of CO₂ sequestered per year

CLIMATE



OBJECTIVE

We aim to reduce absolute GHG emissions across our value chain in line with a 1.5°C future and enhance the resilience of our business to climate change.

RELATED SDGS



RELATED MATERIAL TOPICS



Climate Change and GHG Emissions

STRATEGY

Targets

01

Decarbonise our core operations by 70%

By 2030, reduce GHG emissions from core operations by 70% from 2018 levels

↓ **24%** from baseline

Progress
On Plan



By 2026, achieve 100% renewable electricity (RE) for core operations

21% RE
as of 31 December 2022

Progress
Behind Plan



02

Reduce Absolute Emissions from our value chain by 30%

By 2030, reduce value chain GHG emissions by 30% from 2018 levels

↑ **6%** from baseline

Progress
Behind Plan



03

Report in line with **TCFD** recommendations

By 2022, voluntarily adopt the TCFD disclosure recommendations

1st TCFD-aligned disclosures produced in 2021

Progress
Achieved



HIGHLIGHTS

- Increased the share of RE used in our Chinese Mainland operations to 27%, with four sites achieving 100% RE
- Worked with suppliers to identify “next generation” CDE that runs on 50% less energy, which could reduce our Scope 3 emissions by over 400,000 tonnes CO₂e by 2030
- Designed a now-patented technology for CDE in the Taiwan Region that lets us use better refrigerants with lower global warming potential

CHALLENGES

Achieving 100% RE in our U.S., Hong Kong and Taiwan markets will be difficult, given the limited current and projected availability of local RE. We are exploring the most credible options.

Newly acquired operations in Vietnam, Cambodia and the Chinese Mainland have implications for our projected absolute emissions. Reviewing their performance and integrating them into our targets is a priority for 2023.

WHY IT MATTERS

Time is running out to keep the global temperature rise within 1.5°C to secure a “liveable” future. Global emissions are at record levels and continue to increase. Every continent is already facing the impacts of climate change, from shifting weather patterns affecting food and water availability to unprecedented storms, heatwaves and floods. Current national pledges put the world on track for at least 2°C of warming¹ — but that is only if all the targets are met. The international community must take urgent action to reduce GHG emissions by at least 45%² by 2030.

Businesses are rightly expected to play a leading role in driving down emissions and building resilience to climate change. We recognise that being proactive in addressing climate change is not just the right thing to do; it helps us stay ahead of legislation, reduces our operating costs and exposure to future carbon taxes, and can also provide access to more favourable financing and insurance — collectively helping to future-proof our business.

MANAGEMENT APPROACH

We have a science-based target (SBT) to reduce our GHG emissions in line with the pathway to limit global warming to 1.5°C. It was approved by the [Science Based Targets Initiative](#) (SBTi) in 2020. By 2030, we target a 70% reduction in emissions from our core operations (Scopes 1 and 2), and a 30% reduction in emissions from across our value chain (Scopes 1, 2 and 3). An SBT gives us confidence that our level of ambition is consistent with the climate science.

Our SWG and Group QSE&S team track performance towards our SBT and programmes to reduce emissions in each market. We provide regular reports to our leadership team and DAB.

For more information, see “[Sustainable Development Governance](#)” on [p.8](#).

Swire Coca-Cola has signed the [Business Ambition for 1.5°C](#). Our approach is guided by Swire Pacific’s [Climate Change Policy](#) and [Carbon Offsetting Policy](#). Climate change is included in our corporate risk register.



We adopt the [Recommendations of the Task Force on Climate-related Financial Disclosures \(TCFD\)](#) on [p.90](#). This framework helps us evaluate our risk management approach. We also produce a separate, detailed [SBT Progress Report](#) annually.

Notes:

1. [Climate Action Tracker](#)
2. [Emissions Gap Report 2022 \(unep.org\)](#)

Our Emissions Reduction Strategy

In 2018, we mapped our GHG emissions sources to identify reduction opportunities. In 2023, we recalculated our baseline emissions to more accurately reflect our GHG emissions footprint.

For more information about our base year recalculation, please see our [SBT Progress Report](#).

Scope 2 emissions account for 10% of our total footprint. We can limit these emissions by using less electricity and more RE. We target to use 100% RE in our core operations by 2026.

Over 80% of our emissions are from sources outside our direct control. The most significant opportunities to reduce these Scope 3 emissions are associated with packaging and CDE, particularly in the Chinese Mainland.

Emissions from Packaging

GHG emissions are generated across the lifecycle of our packaging, from the extraction of raw materials to disposal after use. To reduce these emissions, we can increase the recycled content in our packaging and work on improving its recovery and recycling.

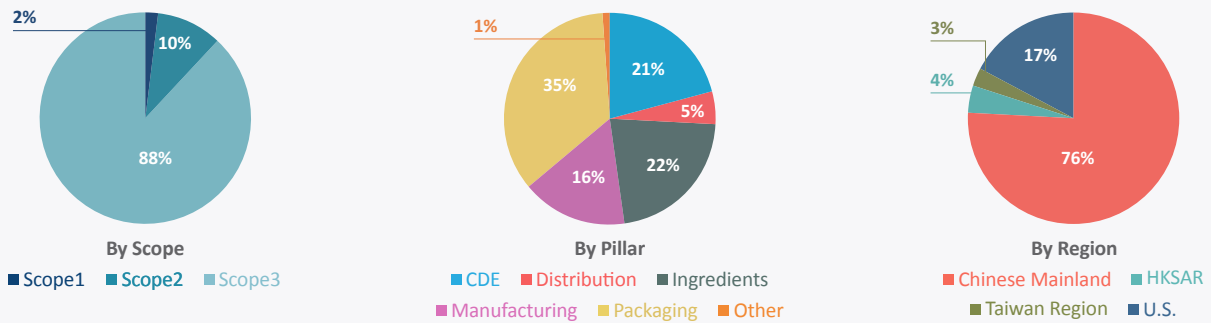
For details see “Packaging and Waste” on [p.40](#).

CDE and Other Value Chain Emissions

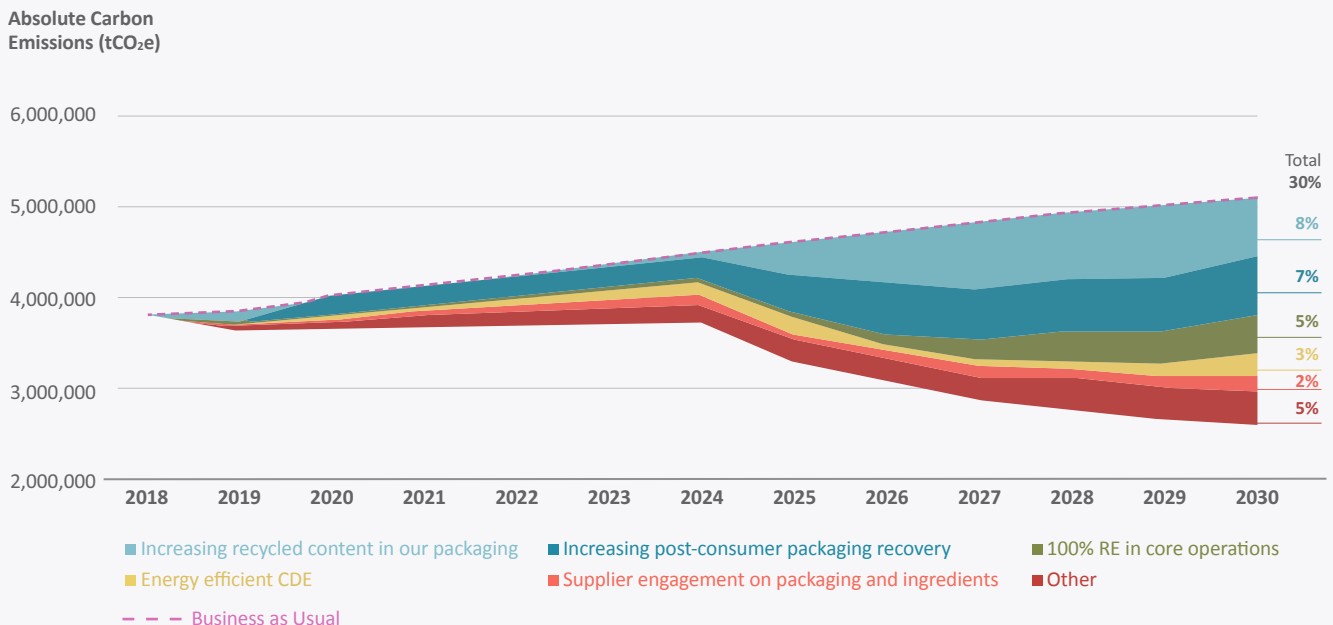
Electricity used by the CDE we provide to our customers generates downstream GHG emissions associated with our products. Improving the energy efficiency of our CDE will reduce these emissions. Elsewhere in our value chain, we engage suppliers to reduce emissions associated with packaging materials and ingredients.

For details see “Sourcing” on [p.58](#).

2018 Base Year Emissions by Scope, Source and Region



How We Will Reduce Value Chain Emissions by 30% (Projections vs. Business as Usual)



WHAT WE'RE DOING

100% RE for Core Operations

We invest in solar PV systems at our sites and purchase RE from electricity retailers and utilities to achieve our goal of **100% RE by 2026**. In 2022, 21% of the electricity we used was from renewable sources.

RE in the Chinese Mainland

In the Chinese Mainland, four more facilities secured offsite RE agreements in 2022. Electricity consumed by our plants in Yunnan, Hangzhou, Hubei and Wenzhou is now 100% RE. In Guangxi and Anhui it is partially RE. New onsite solar PV is being installed in Wenzhou, Huizhou and Hangzhou. Unfortunately, due to changes in local policy, we could no longer source hydropower from our existing provider in Shanghai. We expect to find an alternative provider in 2023. In 2022, approximately 27% (99,766 MWh) of total electricity used in the Chinese Mainland was from RE, up from 22% in 2021.

100% Offsite RE

- Yunnan
- Hubei
- Hangzhou
- Wenzhou

New Rooftop Solar PV Panels in the U.S. and HKSAR

In the U.S., the Swire Pacific Sustainable Development Fund will co-fund the installation of rooftop solar PV panels expected to generate 4,500 MWh per year at our facility in Draper, Utah. We have identified three additional opportunities to install onsite PV systems at other facilities in the U.S. that could generate up to 3,400 MWh annually. Overall, existing and confirmed projects are expected to supply 9% of our electricity needs in the U.S. by 2026.

Our Hong Kong plant's newly installed rooftop PV system generates 31 MWh annually. This system takes advantage of a feed-in-tariff scheme, so we do not retain the environmental attributes of the electricity generated. It is not counted towards our RE target.



Decarbonising Our Vehicle Fleet In the HKSAR

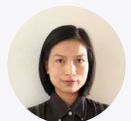
There is no silver bullet for decarbonising our fleet of 217 trucks, vans and cars in the Hong Kong SAR. Challenges include a lack of refuelling infrastructure, long payback periods, and regulations restricting the speed at which the market can adopt new technologies. We have already deployed some electric vehicles and are looking into hydrogen fuel cell technology. Since 2020, we require all new trucks purchased to be 100% "biodiesel ready", even if road-going vehicles are not yet permitted to use blends higher than B7.



In 2022, we installed solar PV panels on five trucks to power air conditioning, the tailgate and some accessories. The main goal was to make the cabin more comfortable for our drivers and delivery crew while the vehicle is waiting, without switching on the engine. While the annual GHG emissions avoided are modest, every little bit counts! Every project is an opportunity to engage our suppliers and people in sustainability.

Katy Ngai

Vehicle Maintenance Manager
Swire Coca-Cola Hong Kong



Reducing Emissions from CDE

We collaborated with our suppliers to develop "next generation" CDE that use 50% less energy. Once the new technology is fully adopted across the Chinese Mainland, we expect an estimated 450,676-tonne reduction in Scope 3 emissions, or just over a third of the overall reductions required to meet our SBT.



SWIRE COCA-COLA RE ROADMAP

By 2026, we expect about 80% of our electricity to come from renewable sources, either self-generated or through local purchase agreements. To meet our target of 100% RE, we need to explore a mix of solutions.

In modern electricity markets, the electricity generated from renewable sources can be “unbundled” from its environmental attributes. For example, the right to claim GHG emission reductions from using renewable energy can be separated from the actual electrons generated. Those attributes can then be sold in products like renewable energy certificates (RECs). When an organisation buys a REC, it can count the environmental attribute towards its targets.

Some organisations may enter virtual power purchase agreements (vPPAs) to buy RE that is not physically connected to their facilities. This helps support the development of RE capacity and also enables organisations to meet their own RE targets, particularly if there is no RE available in their locations of operation.

This year, we reviewed our approach against best-in-class quality criteria and market boundaries from the [RE100](#), TCCC guidelines and the [GHG Protocol](#). Certain aspects are less controllable, for example requiring that

purchased RE is tracked on public platforms to avoid double counting, and that settlement statements are provided within three months. We have, however, introduced minimum quality requirements to ensure valid and exclusive claims.

We prioritise bundled RE options with physical connection to our facilities as they are more likely to create additional local capacity. For some of our facilities, including in the Hong Kong SAR and Taiwan Region, access to quality RE is extremely limited. There are also challenges related to space availability, ownership, and RE generation efficiency (i.e., system efficiency, climate and maintenance). Where these factors remain unfavourable or onsite resources are exhausted, roadmaps for purchasing RE with unbundled environmental attributes and vPPAs will be considered.

By 2026, we expect our RE to come from:

- 8% onsite PV
- 22% other options
- 70% purchased RE

Improving Energy Efficiency

We use new technology and processes to improve the energy efficiency of our facilities. We track our EUR, which is the amount of energy used per litre of product produced, by region, and set internal targets. Progress is reviewed regularly and key learnings are shared across the group.

In March 2022, we established a dedicated team to drive and standardise energy efficiency across our plants in the Chinese Mainland. Upgrading the compressed air and chilling systems at our Jinqiao, Shanghai plant achieved 2,600 MWh in annualised savings. Across the Chinese Mainland, we have identified projects that could save 8,810 MWh annually and earmarked over RMB 30 million to cut EUR by 5% in 2023. We will trial a new beverage filling technology that significantly reduces cooling requirements, saving energy.

In the Hong Kong SAR, we replaced gas boilers and air compressors with more efficient models. Combined with other energy-saving initiatives, we reduced the plant’s EUR by approximately 3%. Our new 145,000 square foot warehouse in Colorado Springs, U.S., is designed to maximise sunlight and natural warmth and has a 900-kilowatt solar array.

Our EUR is 0.30 MJ/L in 2022, down from 0.31MJ/L in 2021 and the same as our baseline year 2018.

EUR

- 0.31MJ/L (2021) → **0.30** MJ/L (2022)

“

When we first asked our CDE suppliers and maintenance partners, they told us it was not possible to reconfigure our compressors to use low-GWP refrigerants. It had never been done. We decided to look into it ourselves. After reviewing many research papers, seeking advice from university professors and running numerous trials and safety testing, our EQS team turned the “impossible” into a reality. I’m proud to lead a team that is willing to approach problems with curiosity and find creative solutions.

”



Simon Lin
EQS Manager,
Swire Coca-Cola Taiwan



PATENTED CDE TECHNOLOGY TO REDUCE EMISSIONS

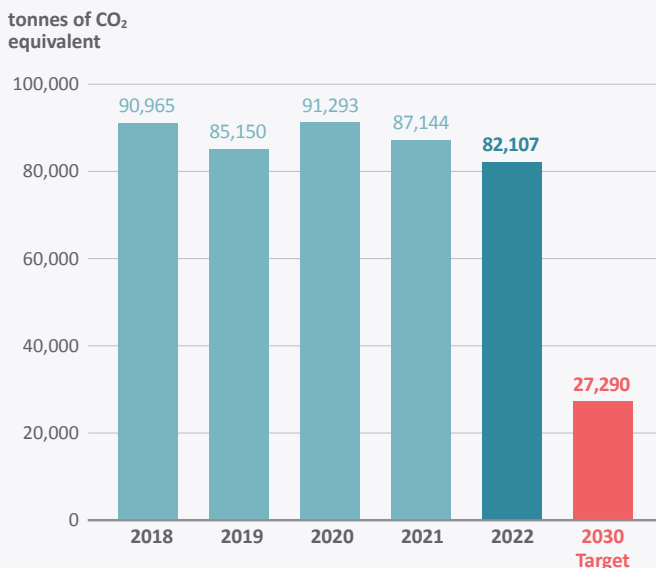
In the Taiwan Region, our Equipment Services (EQS) team developed a technology that enables current CDE models to be compatible with hydrofluoroolefin (HFO) refrigerants. This type of refrigerant has a much lower Global Warming Potential (GWP) compared with hydrofluorocarbons (HFCs), which we are phasing out. We plan to retrofit all our CDE with

this technology by 2025. This is expected to reduce about 1,030 tCO₂e emissions per year and extend the life of our existing equipment. It reduces waste and generates up to 50% in cost savings. We have been granted a patent in the Taiwan Region for this technology.

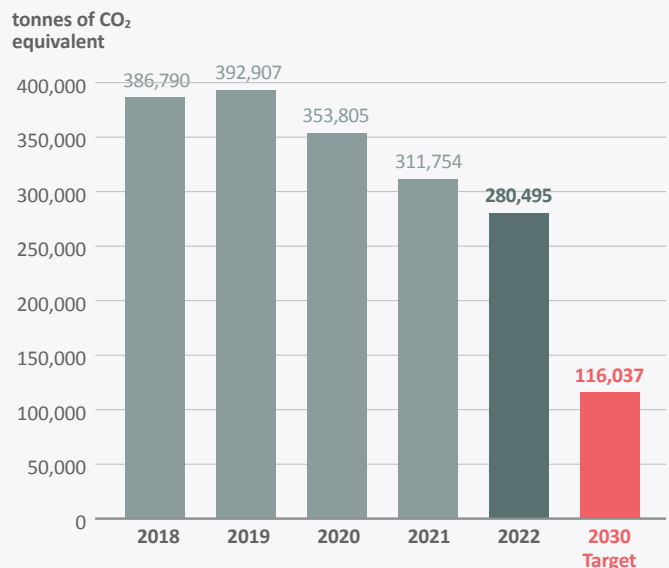
PERFORMANCE

GHG Emissions

Scope 1 Total Direct Emissions



Scope 2 Total Indirect Emissions



Scope 1 and 2 Emissions

We have reduced our Scope 1 and Scope 2 emissions by 10 and 27%, respectively, since 2018.

During the year, we reduced our Scope 1 emissions by 6% and our Scope 2 emissions by approximately 10%. New RE procurement in the Chinese Mainland and solar PV installation in the U.S. significantly contributed to this reduction. We also updated the proxies we use to estimate the GHG emissions from our sales and distribution centres' electricity and natural gas in the U.S., which reflect their improved energy-efficiency performance.

Scope 3 Emissions

Since 2018, we have been working to decouple business growth from GHG emissions associated with our Scope 3 priority areas, which are described in more detail in the "Packaging and Waste" and "Sourcing" chapters. Our performance in 2022 compared with the 2018 baseline indicates there is still room for improvement.

The emissions reductions generated by some of our initiatives, such as the 50% more energy efficient CDE, may take time to be reflected in our overall performance trends:

- Primary packaging: **7%** increase (87,400 tonnes CO₂e)
- Recycled content: **>10%** increase
- Overall post-consumer collection rate: **15%** increase for PET and **19%** increase for aluminium in Chinese Mainland
- Improving energy efficiency of CDE: **35%** increase (276,185 tonnes CO₂e)
- Engaging suppliers on ingredients: **3%** increase (28,712 tonnes CO₂e)

Please see our [SBT Progress Report](#) for details.

LOOKING AHEAD

Our immediate priorities include:

1

Setting up an internal working group to **Review Our RE Roadmap and Develop a Strategy** to close the gap to our 100% RE target by 2026

2

Piloting an internal carbon pricing mechanism, together with our parent company, to **Encourage Business Investments that Align with Our Carbon Reduction Objectives**

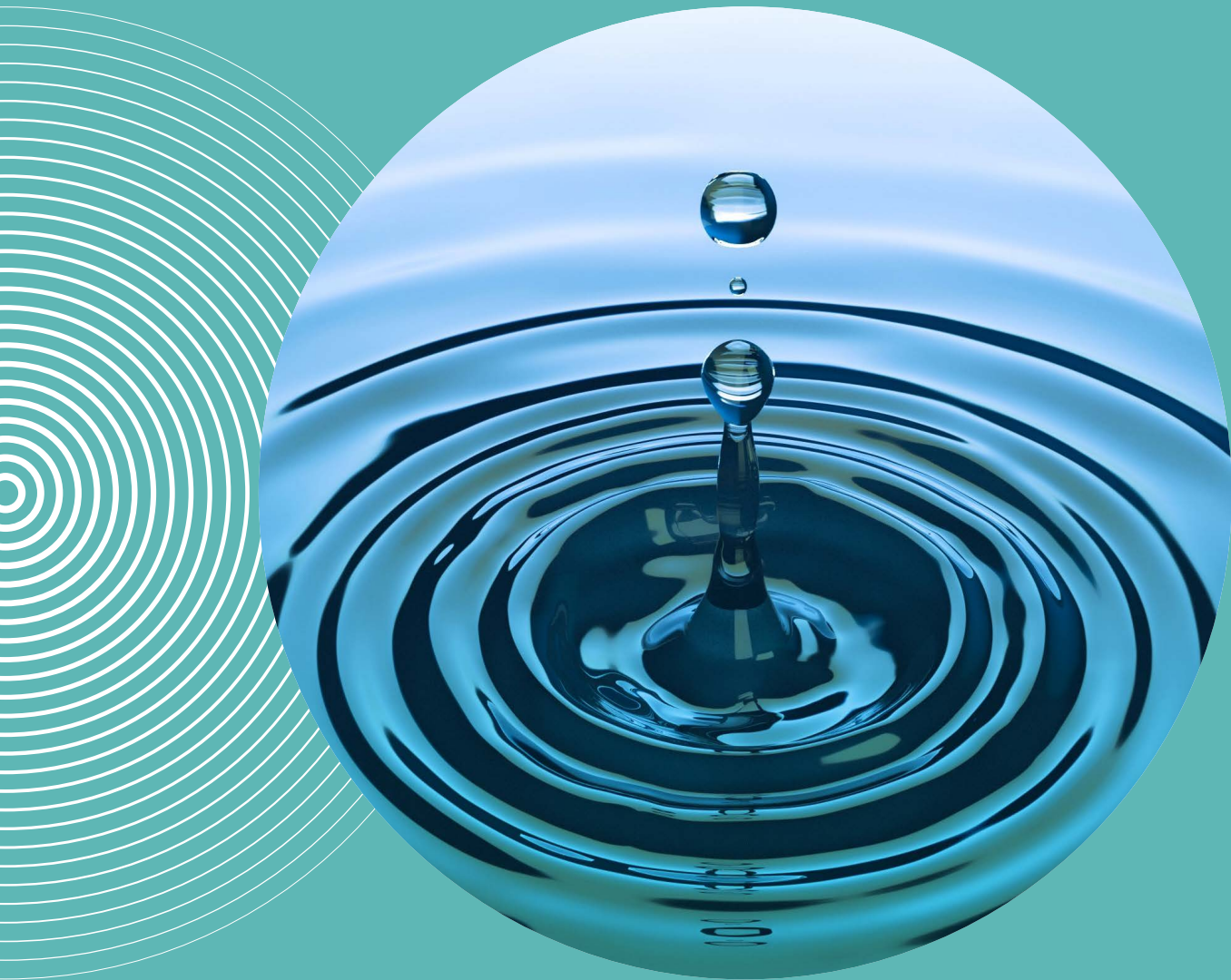
3

Continuing to **Engage Our Suppliers to Help Them Set SBTs and Work with Them** to reduce emissions from our CDE and packaging materials

4

Reviewing our **Targets and Reporting Structure to Incorporate Our Newly Acquired Facilities** in the Chinese Mainland, Cambodia and Vietnam

WATER



OBJECTIVE

We aim to use less water in our manufacturing processes and to safeguard shared water resources by working with others.

RELATED SDGS



RELATED MATERIAL TOPICS



Water Stewardship

STRATEGY

Targets

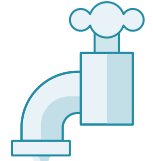
01

Reduce the Water Footprint of our facilities by improving water efficiency and help our co-packers to do the same

By 2030, reduce our overall Water Use Ratio (WUR)* to 1.45

1.75 in 2022

Progress **Behind Plan**



By 2025, obtain third-party validation of all source vulnerability assessments (SVAs) and water management plans (WMPs)

73% of SVAs and WMPs validated as of 31 December 2022

Progress **On Plan**



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

We introduced a mechanism to track and report the water use of our largest co-packer, CCBMH

Progress **Achieved**



* WUR is presented as the litres of water we use to produce one litre of product.

02

Recycle Treated Wastewater back into our operations or the natural water system

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

100% compliance

Progress **Achieved**



03

Replenish Natural Water Sources through partnerships with stakeholders

Contribute to the TCCC goal of replenishing at least 100% of the water used in its finished beverages globally

TCCC's global replenishment rate was **159%** in 2022

Progress **Achieved**



04

Report Annually via CDP

Continue to participate in the CDP Water Security questionnaire

Score of **A-**

Progress **Achieved**



HIGHLIGHTS

- Reduced overall WUR by 3% compared to 2021
- 34% improvement in WUR at Minhang plant in Shanghai through innovative approaches
- 281% water replenished in our U.S. market

CHALLENGES

Our total water withdrawal is influenced by a variety of factors, including the number of SKUs produced at a particular site, the age and design of the water systems in our facilities, and whether there is space onsite to implement water recycling and storage. Water utility charges are often not reflective of the true cost of water.

Sub-meters at our facilities currently record water use, but the process of analysing and reporting trends is largely manual. We are exploring digital solutions to water monitoring that can cross reference data for other production parameters.

WHY IT MATTERS

Every community and ecosystem in the world needs clean water to thrive. Water also plays a crucial role in supporting food and energy production, manufacturing and other economic activities. Globally, demand for freshwater is increasing faster than natural systems can replenish supplies, driven by population growth and economic development. Climate change is exacerbating water stress and water scarcity by shifting rainfall patterns and intensifying floods and droughts.

Water is the main ingredient in our products and essential to our manufacturing processes. We used over 14 billion litres of water in 2022, almost all of it drawn from public utilities. It is important that we have sound water management plans and work with other water users to improve water security in our operating locations and protect this shared resource for the future.

MANAGEMENT APPROACH

Our overall approach is guided by Swire Pacific's [Sustainable Water Policy](#) and TCCC's Water Resource Sustainability Standard, which is aligned with the [Alliance for Water Stewardship](#) principles. We also refer to TCCC's [2030 Water Security Strategy](#).

Our SWG and Group QSE&S team track water performance metrics and facilitate best practices sharing across the group. We provide regular reports to our leadership team and DAB.

For more information see "Sustainable Development Governance" on [p.8](#).

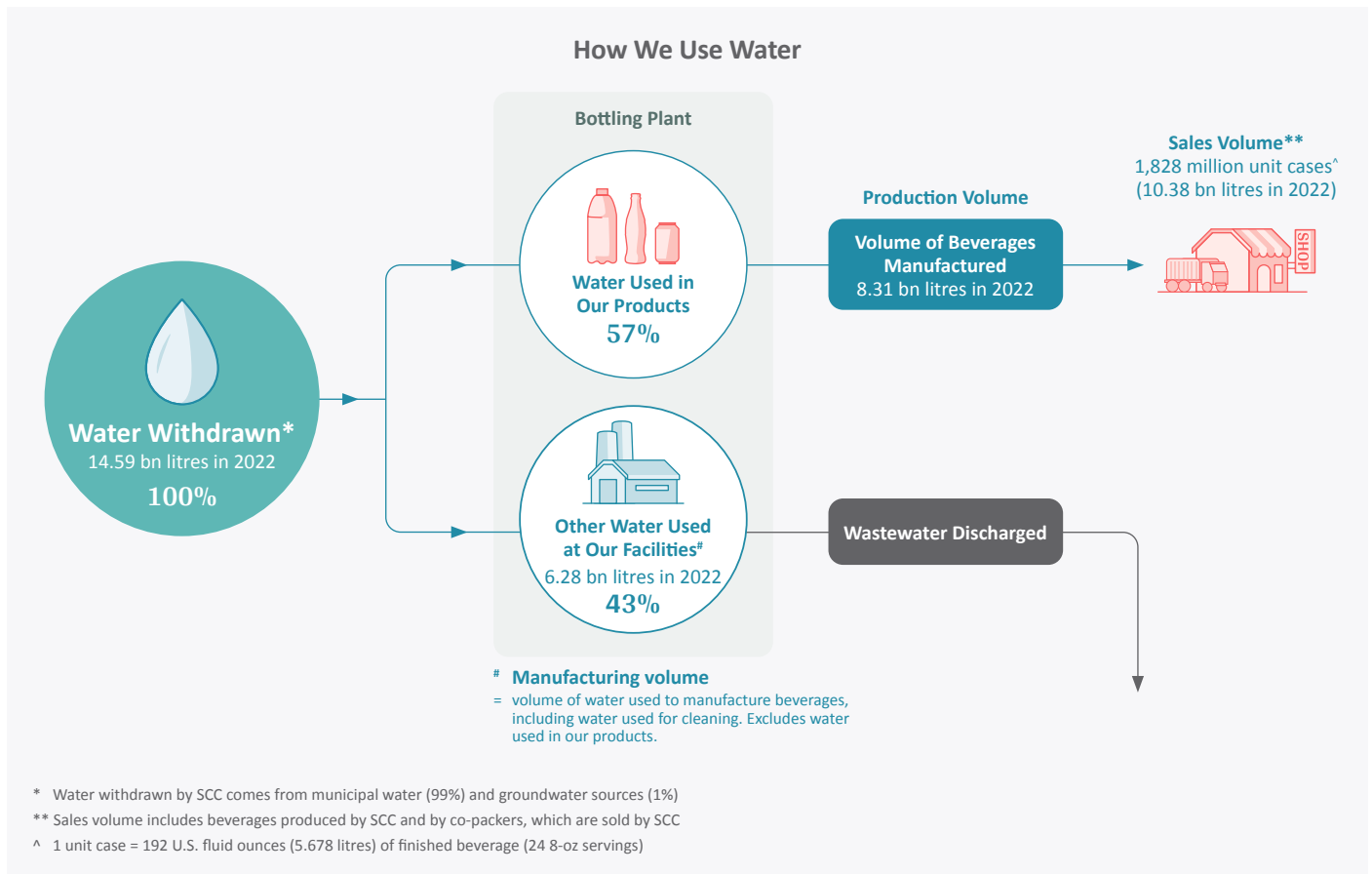
We adjust our approach depending on how water is used. About 57% of the water we withdraw today goes into our final products, which we report as production volume. There is no substitute for this water. To manage our impact, we work with TCCC on community and watershed protection projects that replenish natural water sources through partnerships. The other 43% is used to manufacture our products and clean and cool our facilities, which we report as manufacturing volume. For this water, we work to reduce our demand for freshwater as much as possible, including by recycling wastewater and using water-free alternatives.

We track our Water Use Ratio (WUR), which is the volume of water needed to produce one litre of finished product. Water that is not used in our products or recycled is treated, as necessary, and safely discharged.

We look to industry leaders to benchmark our performance and drive continuous improvement. Since 2020, we have voluntarily responded to the CDP Water Security questionnaire to seek external validation for our approach. Our responses are available on CDP’s website: www.cdp.net.

System Benchmarking: CDP Water Scores

Bottler	2022
Swire Coca-Cola	A-
Coca-Cola FEMSA	C
Coca-Cola Europacific Partners	A
Coca-Cola Hellenic Bottling Company	A-
Coca-Cola İçecek	A-
TCCC	A-



Managing our Water Risks

A reliable supply of clean water is critical for the long-term viability of our operations.

We have conducted SVAs and implemented WMPs at 100% of our manufacturing sites. Together, SVAs and WMPs provide detailed evaluations of site-specific water risks, such as potential adjustments to water prices or damage to local water supply infrastructure, and also include mitigation measures. They are reviewed at least every five years.

Following the Swire Coca-Cola Source Water Risk Management Policy, we target to have all SVAs and WMPs verified by third-party experts by 2025. By the end of 2022, 73% of our plants had SVAs and WMPs prepared or verified by external water experts.

We use the WRI [Aqueduct Water Risk Atlas](#) to evaluate location-specific water risks at each Swire Coca-Cola, and major CCBMH and co-packer manufacturing facilities. Under a business-as-usual scenario, by 2030 we anticipate that six of our 19 plants in the Chinese Mainland, and four of our six plants in the U.S., will be in areas of high or extremely high risk. Six plants constituting 29% of our water demand in the Chinese Mainland, as well as two CCBMH facilities, are already located in areas with high baseline water stress. Whilst our Hong Kong plant is located in a low-to-medium risk area, it relies on water from a utility supplied mostly from the Dongjiang River, which is located in a medium-to-high risk area.

Level of Overall Risk

	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 Mainland	Bottling Plants										
		6	7	5	6	2	6	2		4	
	Co-packers										
		1	1	1	2					1	
	Coca-Cola Bottlers Manufacturing Holdings Limited (CCBMH) ¹										
		2	5	2		1	2			2	
Preform Manufacturing Plant											
				1			1				
HKSAR	Bottling Plants										
			1			1					
Taiwan Region	Bottling Plants										
			1	1							
	Co-packers										
		3	2				1				
U.S.	Bottling Plants										
	2		2	1	2	1				4	

Note:

1. 15 CCBMH plants supplied finished products to Swire Coca-Cola in 2022. CCBMH operations in Luohe, Nanjing and Xiamen are co-located on our sites, so are represented as Swire Coca-Cola bottling plants above. Five CCBMH plants that contribute <3% of the total finished product supplied by CCBMH are excluded.



Hao Kelan
MH Plant Manager

“

Despite numerous setbacks, our incredible team persevered to deliver. We're grateful for the expert advice and support from our colleagues, suppliers, consultant and TCCC. We learned a lot in the process, and I hope our experience inspires others to work together to deliver exceptional results for our business and further sustainability development.

”



IMPROVING WATER EFFICIENCY AT MINHANG

Our facility at Minhang (MH), Shanghai used to have the highest WUR among all our plants in the Chinese Mainland. In 2021, MH recorded a WUR of 2.88 compared to the market average of 1.81. By the end of 2022, it had reduced its WUR by 34%.

The biggest challenge was controlling the level of microorganisms in the water treatment system, due to unstable source water quality and age of the water supply network. This meant having to clean and sanitise the system more frequently.

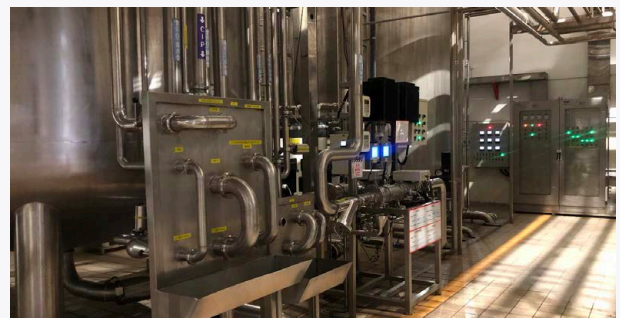
We set up a cross-functional team of specialists to investigate. After more than 30 tests, we identified several opportunities to address the issue, including:

- 1. Optimising the water disinfection route and time through system design enhancements**
- 2. Introducing air bubbles to enhance cleaning efficiency when backwashing our sand tanks**
- 3. Hunting for system dead ends and setting periodic disinfecting programmes to prevent cross-contamination and biofilm accumulation in our pipes**

This meant we could sanitise the carbon tank every 20 days, instead of every 3 days, significantly reducing our freshwater and steam demand. Other water-saving opportunities included capturing and reusing rinsing water from our can production line, recycling backwash water and reverse osmosis (RO) reject water and redirecting downgraded water from beverage production to our cooling tower.

As a result, total water use declined by 167.5 million litres annually. Our WUR at MH is now 1.95. We invested RMB 3 million (HK\$3.4 million) to achieve this, but the cost savings are estimated to be RMB 1.17 million (HK\$1.31 million) per year.

We have updated our standard operating procedures and will develop a handbook to share with other bottling facilities. In 2023, we target a WUR of 1.81 and will look for further opportunities to reduce water in our clean-in-place (CIP) system.



WHAT WE'RE DOING

Reducing Freshwater Demand of our Facilities

To reduce water use in our operations, we are upgrading equipment, adopting new technologies, fixing leaks, using recycled water and opting for water-free alternatives such as dry lubricants and ionised air where possible. We treat and recycle wastewater used in cooling towers and for cleaning, irrigation and toilet flushing. Our overall WUR was 1.75 in 2022.

● New Approaches to Improve WUR

In 2022, a new system to recover RO water began operating at our Tempe plant in the U.S. It is expected to reduce the plant's WUR by 3-5%. In the Chinese Mainland, reusing rejected RO water and backwash water from activated carbon filter tanks contributed to the significant improvement in WUR of our Minhang (-34%), Zhanjiang (-8%) and Yunnan (-12%) plants.

In the Hong Kong SAR, reusing CIP water in our cooling towers will save approximately 72 million litres of water per year. In the Taiwan Region, we expect to save 12.9 million litres of water annually by reusing PET bottle rinse and vacuum pump seal water and upgrading our water treatment systems.

RO Water Recovery System

3-5% WUR reduction at our Tempe plant

● Efficiency in Our Production Schedule

Our product mix also impacts WUR. Every time we change the production line over to a new product, we must wash the system. More product types means more frequent washing. We can reduce the frequency of washes by optimising our production schedule, for example grouping different sizes of the same product together.



Discharging Wastewater Safely

All wastewater from our plants complies with local water quality regulations. Our facilities also meet the wastewater discharge requirements of TCCC and the World Health Organisation.

We treat wastewater onsite before it is discharged at all our bottling plants in the Chinese Mainland, Hong Kong SAR and Taiwan Region. In the Chinese Mainland, an online monitoring system tracks wastewater compliance. We do not have onsite wastewater treatment at bottling plants in the U.S. Instead, we monitor and adjust the pH of production wastewater as needed and deliver it to offsite municipal facilities for treatment.

Replenishing the Water We Use

There is no replacement for water used in our products – if we sell more drinks, we will use more water. We address this by contributing to TCCC's goal to replenish at least the same water volume as the volume of drinks sold. In 2022, the Coca-Cola System replenished 291 billion litres of water, equivalent to 159% of the water used in its beverages; water replenishment data is independently verified.

Donations to 3 replenishment projects in 2022

400 million litres of water replenished annually

We partner with TCCC on community and watershed protection projects to replenish water in the Chinese Mainland and the U.S. Swire Coca-Cola made three new donations to replenishment programmes in Utah and Arizona in 2022. Once established, they will replenish a combined 400 million litres of water per year.

Reducing Water Use in Our Supply Chain

Some of the drinks that we sell are produced by co-packers. In 2022, these business partners were responsible for producing 13.4% of the volume of beverages that we sent to market. Our largest co-packer by volume, CCBMH, supplied 964 million litres of

finished products to Swire Coca-Cola. While we do not have direct control of our co-packers' operations, they contribute to the overall water footprint of the drinks we sell.

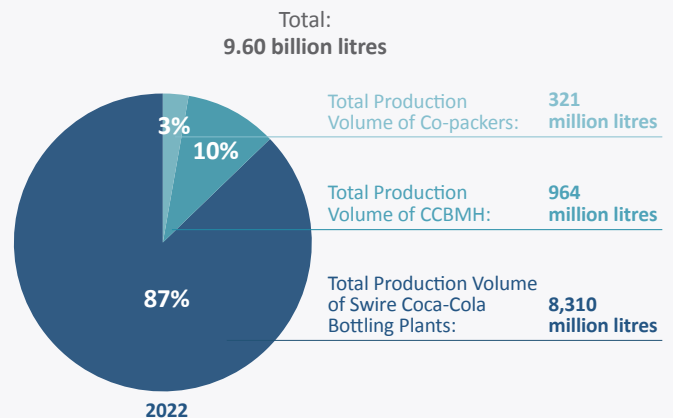
Volume of Beverages Produced by Co-packers for Swire Coca-Cola (in million litres)

Market	Volume produced by CCBMH*		Volume produced by other co-packers	
	2021	2022	2021	2022
Chinese Mainland	942	962	205	86
HKSAR**	1	2	23	23
Taiwan Region	0	0	100	106
U.S.^	0	0	344	106
Total	943	964	672	321

* Includes all CCBMH manufacturing sites that produce products for Swire Coca-Cola except Nanjing and Luohe, which are under our operational control and within our reporting boundary.

** Our HKSAR business imports some of the products it sells. Aquarius powder in pouch is excluded here.

^ Some products are produced as part of a National Product Supply Group.



Engaging Our Co-Packers on Water Efficiency

Like us, our co-packers use water in both products and manufacturing processes. We have engaged CCBMH on the efficient use of water in the manufacturing process as part of our larger goal of reducing our overall water footprint. For example, we introduced a system to track their WUR data in 2021. Since then, we have worked

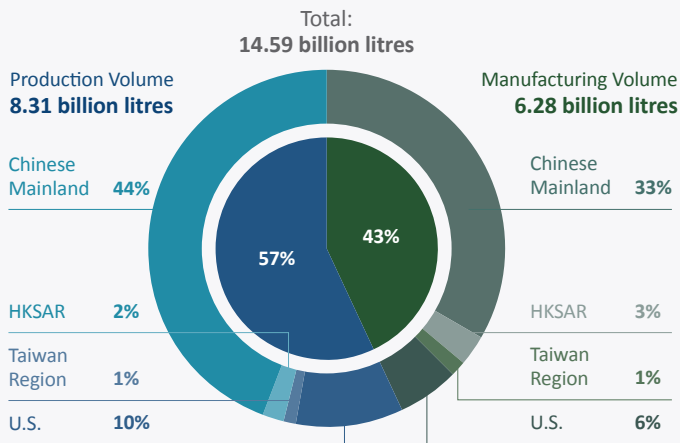
with them to review their performance and uncover opportunities to improve water use efficiency at their bottling facilities.

Co-packer WUR	2021	2022
CCBMH	2.70	2.58

PERFORMANCE

We used 7% less water in 2022 compared with 2021, partly due to improved water efficiency. Our overall WUR improved by 3% year-on-year.

2022 Total Water Use



2022 Water Use by Market

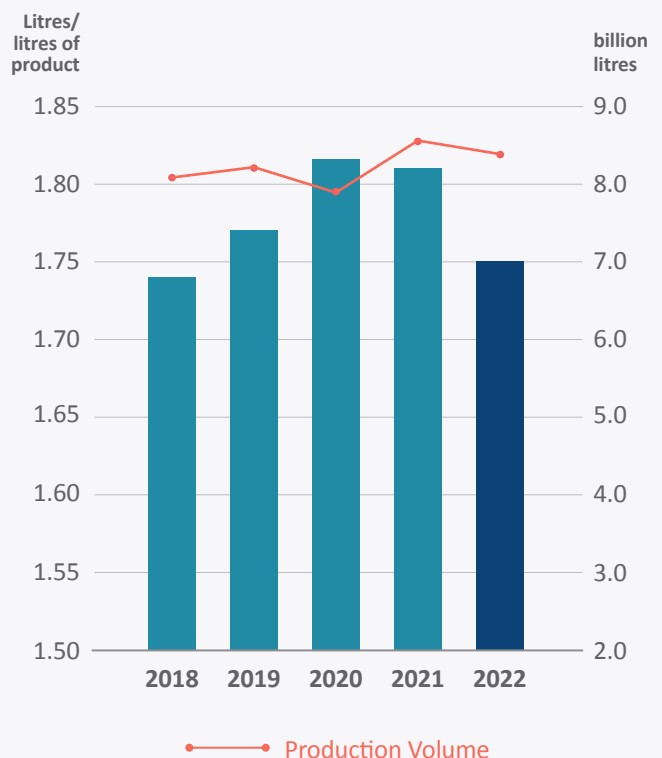
Market	Production Volume (million litres)		Manufacturing Volume (million litres)	
	2021	2022	2021	2022
Chinese Mainland	6,670	6,442	5,370	4,776
HKSAR	299	282	459	419
Taiwan Region	153	147	183	188
U.S.	1,497	1,440	988	892

Tracking Efficiency with WUR

We significantly improved WUR in 2022, from 1.81 to 1.75. From 2018 to 2021, however, multiple factors contributed to increasing WUR. Testing new production lines increased our water use. The COVID-19 pandemic impacted our manufacturing operations and supply chain, resulting in large production volume swings and unusual run rates. This required more frequent cleaning between production line changeovers and higher sanitation requirements, negatively impacting our WUR. The relaxation of COVID-19-related restrictions and our continued investment in efficiency measures across our markets contributed to the significant WUR improvement in 2022.

Our Chinese Mainland market accounts for 77% of our total water withdrawal, which means that our efforts in the Chinese Mainland significantly impact overall WUR. We implemented various actions to improve WUR in the Chinese Mainland in 2022. For example, we addressed microorganism issues at our Minhang and Yunnan plants, reducing our need to frequently backwash tanks and creating other efficiencies. Our team in Wenzhou fixed a leaking underground pipe. Together, our efforts contributed to a 4% WUR improvement in the Chinese Mainland.

Water Use Ratio and Production Volume over 5 Years



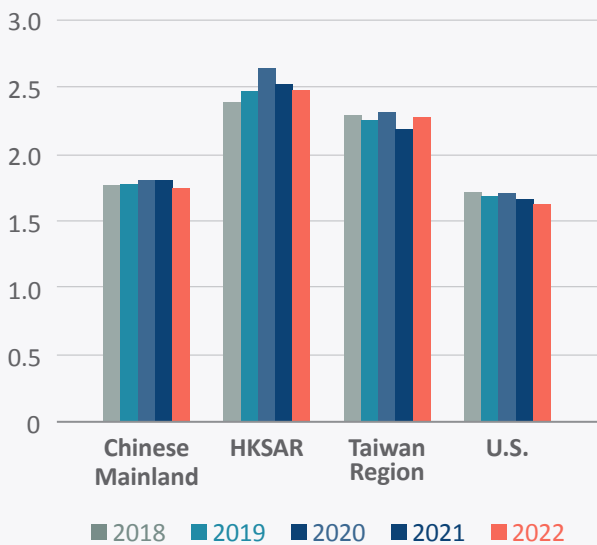
WUR by Market

Market	WUR (L/L)		Y-o-y Change in WUR (%)	
	2021	2022		
Chinese Mainland	1.81	1.74	-4%	▼
HKSAR	2.53	2.48	-2%	▼
Taiwan Region	2.19	2.28	+4%	▲
U.S.	1.66	1.62	-2%	▼
SCC Group	1.81	1.75	-3%	▼

System Benchmarking: WUR

Bottlers	2022 WUR
Swire Coca-Cola	1.75
Coca-Cola FEMSA	1.46
Coca-Cola Europacific Partners	1.60
Coca-Cola Hellenic Bottling Company	1.82
The Coca-Cola System	1.79

WUR by Market 2018-2022 (L/L)



WUR (L/L)	2018	2019	2020	2021	2022
Chinese Mainland	1.77	1.75	1.8	1.81	1.74
HKSAR	2.39	2.47	2.64	2.53	2.48
Taiwan Region	2.29	2.26	2.31	2.19	2.28
U.S.	1.71	1.68	1.7	1.66	1.62

LOOKING AHEAD

Our immediate priorities include:

1 Continuing to implement our five-year plan to **Achieve Independent Verification** of all SVAs and WMPs

2 Trialing a digital solution that can **Track and Analyse Water Sensor Data** in the Chinese Mainland

3 Establishing an internal working group to support our new Southeast Asia, Hong Kong and Taiwan (SEAHKT) region to **Develop a Roadmap** to achieve our WUR reduction target

PACKAGING AND WASTE



OBJECTIVE

We design our packaging with consideration of its lifecycle footprint. Partnering with key stakeholders is essential to improve recovery and recycling rates in our markets and support closed-loop systems for our packaging materials.

Our operations focus on reducing the amount of waste we produce and diverting valuable materials from incineration and landfill.

RELEVANT SDGS



RELATED MATERIAL TOPICS



Packaging



Waste

STRATEGY

Targets

01

Reduce Single Use Packaging

Reduce the amount of single use packaging generated by our business through lightweighting, reducing the size of labels and adopting package-free delivery models, such as refill stations

Progress
On Plan



Our new returnable glass bottles in HKSAR weigh **1/3** less than the old designs



02

Redesign Our Packaging to improve recyclability and reduce emissions

By 2025, 100% of our primary packaging will be technically recyclable

Progress
On Plan



Almost all (**>99%** by weight) primary packaging was technically recyclable in 2022

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

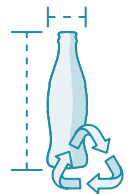
Progress
On Plan



11% in 2022

By 2030, 100% of our secondary and tertiary packaging will be technically recyclable

Progress
Not started



03

Recover and Recycle our packaging materials through partnerships

By 2030, collect and recycle one bottle or can for each one we sell

Progress
On Plan



In 2022, collection and recovery rates differed across our markets and packaging types.

PET: 11% in HKSAR to 100% in Taiwan Region
Aluminium can: 49% in U.S. to 99% in Chinese Mainland

By 2030, ensure all of our secondary and tertiary packaging is collected

Progress
Not started



04

Divert Waste generated by our operations from landfill

By 2025, achieve zero waste to landfill from core operations and have our progress verified by a third party

Progress
Behind Plan



85% of waste generated in our core operations was diverted from landfill and incineration in 2022

By 2030, achieve zero waste to landfill from co-packers and have their progress verified by a third party

Progress
Not started



HIGHLIGHTS

- Launched completely label-less Bonaqua mineralised water and new lightweight returnable glass bottles in the HKSAR
- In the U.S., Sprite bottles changed from green to clear to improve recyclability, and DASANI moved to 100% rPET bottles
- New Life Plastics, our JV investment in recycling food-grade ready PET and HDPE, officially opened

CHALLENGES

Our target for recycled content in primary packaging depends on whether regulations in the Chinese Mainland allow recycled materials in food packaging. We support safety and feasibility studies to achieve this but as the reported collection and recycling rate for PET in the Chinese Mainland is now over 90%, there will likely be significant competition for rPET if regulations change.

Meeting our collection and recovery target requires a more efficient recycling value chain, especially in the Hong Kong SAR and U.S., and more reliable data on collection and recovery rates.

WHY IT MATTERS

As the global population continues to grow and developing nations seek greater prosperity, our environment and resources are under increasing stress. According to the [Circularity Gap Report 2022](#), global extraction of materials has nearly quadrupled in the last 50 years, outpacing population growth. Just 8.6% of the 100 billion tonnes of materials used annually are circulated back into the economy, meaning over 90% is wasted.

The extraction, use and disposal of materials is directly linked to GHG emissions, so generating less waste is integral to reducing emissions. It also helps us minimise costs associated with emerging waste charging schemes and build trust with increasingly environmentally conscious consumers.

Globally, there is increasing concern about plastic and the environmental damage it causes if not properly handled at its end-of-life. Many organisations and governments are introducing bans or taxes on single use plastic in response to stakeholder pressure. We must take steps to reduce excess packaging and close the loop for our packaging materials.



PACKAGING INNOVATION IN THE HONG KONG SAR



In April, we officially launched the world's first individual sale of label-less bottled water. Our locally produced Bonaqua mineralised water is now available in completely label-less,

100% recycled PET (rPET) bottles that use 52.8% less material per bottle. Instead of a label, we use laser incising technology to print product information directly onto the bottle and have moved the sales barcode onto the bottle cap.

As labels are usually made from a different type of plastic than the bottle, removing them improves the purity of materials sent to the recycler and makes it easier for the bottles to be remade into bottles again.

We also introduced a new returnable glass bottle (RGB) made with 60% recycled glass material, weighing one-third less than the previous design. The bottles have paper labels printed with environmentally responsible inks designed to easily detach during bottle washing. They are also transparent and there are only two designs, improving cleaning and refilling efficiency.

MANAGEMENT APPROACH

Our overall approach to packaging and waste is integrated into our group-wide sustainable development governance structures.

For more information see “Sustainable Development Governance” on [p.8](#).

Packaging

Over two thirds of our primary packaging by weight was made from plastic in 2022. As a signatory to the [Ellen MacArthur Foundation’s New Plastics Economy Global Commitment](#), our vision is a circular economy for plastic in which this material never becomes waste or pollution. To achieve this, we act at all stages of the plastic value chain, from packaging design to facilitating collection and recycling by engaging with others. We have three main goals:

- By 2025, **100%** of our primary packaging will be **technically recyclable**
- By 2030, our primary packaging will be made up of **50%** recycled material
- By 2030, we will **collect and recycle One Bottle or Can** for each one we sell

Transparency on this critical topic drives our progress and ensures we remain accountable. We provide detailed information about our packaging use and the local recycling context in our markets through our [Primary Packaging Annual Progress Report](#).

To support the shift from linear to circular economic models, we collaborate with various stakeholders (including governments, businesses, waste management enterprises and NGOs). We are actively involved in discussions around legislation on this topic and support extended producer responsibility (EPR) schemes.

Waste

In 2022, we generated over 25,000 tonnes of waste in our core operations to produce our beverages.

The Swire Pacific [Waste Management Policy](#) guides our overall approach to managing this waste, including ensuring that hazardous waste is managed appropriately, responsibly and transparently. We strive to divert all our waste from landfill and incineration and are exploring opportunities for external verification to validate our progress towards this goal.

“**Removing the label from our packaging might sound easy, but there were many challenges to overcome. The biggest was including a barcode with high enough contrast to be scanned successfully at the point of sale. This meant changing the signature dark blue colour of our closures, which required engaging with TCCC’s branding team and our procurement and engineering teams. My job was to bring the right resources together to deliver our vision on a very tight timeline — we were determined to be the first label-less individual sale bottled water on the market. I’m so proud of what our team accomplished together!**”



Florence Leung
Marketing Operations Manager
SEAHTK Region

WHAT WE'RE DOING

Reducing Single Use Packaging

We reduce the amount of plastic used in packaging for our beverages through lightweighting, reducing label length and adjusting the design and dimensions of our bottles.

In the Hong Kong SAR, we continue to trial packaging-free delivery models. We have installed 194 Bonaqua water refill stations at strategic locations around the city, encouraging consumers to bring their own bottles. We also launched the 330ml sleek can in the Taiwan Region. Reducing the diameter of the can has reduced the amount of aluminium required.

Redesigning Our Packaging

To support a circular economy, we are working to redesign our primary packaging to ensure it is all technically recyclable by 2025. We also want to increase the recycled content used in our primary packaging to close the loop on these materials.

U.S.

In the U.S., we shifted all Sprite PET bottles from their signature green colour to be colourless. While coloured PET is recyclable, it is often separated from colourless PET during the sorting process and turned into non-food grade items like clothing and carpets. Using colourless PET improves the quality of the recycled material, which can then be remade into new PET bottles. We also started producing DASANI in 100% rPET bottles.



Hong Kong SAR

In the Hong Kong SAR, Aquarius is now available in recyclable pouches. Sparkling drinks in 600ml or below servings are available in rPET bottles of up to 30%.

Taiwan Region

After many years of collaboration and advocacy work in the Taiwan Region with local associations, the government began accepting applications to use rPET in food packaging in May 2022. We will start to use rPET in our packaging in the Taiwan Region.

Chinese Mainland

In the Chinese Mainland, we are working with suppliers and the China National Research Institute of Food and Fermentation Industries (NFI) to conduct feasibility studies and testing of recycled aluminium (rAL) in food packaging applications (see “Sourcing” on [p.58](#) for details). We target to use rAL and rPET in our packaging in the Chinese Mainland, subject to the revision of existing regulation and the development of the supply chain for these materials.

Recovering and Recycling Our Packaging

We partner with businesses, governments and civil society to facilitate the collection and recycling of our packaging. We put clear disposal instructions and packaging material information on our labels to increase the likelihood that our bottles and cans are recovered and recycled into the highest value end-products possible. Ideally, our packaging will be recycled into new bottles and cans.

🌐 EPR Schemes

Even if our primary packaging can technically be recycled, local recovery systems must be in place for that to happen. We support and facilitate EPR schemes, including deposit and value on return systems, which drive high collection rates with minimal contamination. In 2022, the U.S. state of Colorado passed EPR legislation (HB 22-1355), the Producer Responsibility for Recycling Act, which was supported by the beverage industry. The bill aligns with the proposed EPR guiding principles. Producers will fund and control the producer responsibility organisation (PRO) and the system, implement metrics for strong environmental outcomes, significantly increase access to recycling services, have defined roles for the government and provide primary access to recycled material. Implementation will take place by 2026.

🌐 Drink Without Waste

In the Hong Kong SAR, we support Drink Without Waste (DWW), a coalition of concerned stakeholders including major beverage producers and bottlers, retailers, waste management enterprises and NGOs who want to reduce the amount of waste generated from beverage consumption. DWW provides a platform for cross-sector dialogue and advocacy in response to the government's proposed producer responsibility scheme for plastic beverage bottles. Swire Coca-Cola Hong Kong donated HK\$1 million to fund a community plastic bottle recovery pilot programme run by DWW that engaged cleaners, residents and property management offices in Tin Shui Wai. Approximately 340,000 bottles have been collected since October 2022.

🌐 New Life Plastics

We celebrated the Grand Opening of New Life Plastics (NLP), the first food-grade-ready plastic recycling facility in the Hong Kong SAR. The new facility is a joint venture between Swire Coca-Cola, ALBA Group Asia and Baguio Green Group Limited. The establishment of NLP is a step towards realising our goal of 'closing the loop'.

The Hong Kong SAR's discarded PET bottles are collected and processed to produce the raw materials that will come back into the supply chain as recycled PET, not just for Swire Coca-Cola, but for all of the Hong Kong SAR's beverage producers.

Zero Waste to Landfill

In 2021, we mapped our total waste footprint, identified key waste streams and reviewed international best practices in waste management and reduction. Our target of zero waste to landfill is defined as diverting at least 90% of the waste generated by our core operations from landfill and incineration by 2025. By 2030, we will increase this to 95% waste diversion for core operations and co-packers. We will seek third-party verification of our reported results.

🌐 Chinese Mainland and Hong Kong SAR

In the Chinese Mainland, Jinqiao is exploring adopting the UL 2799 Zero Waste to Landfill certification. Our Hong Kong plant engaged an external consultant to perform a waste audit and started providing aseptic fibre pack recycling bins.

🌐 U.S.

In the U.S., our Draper, Salt Lake City and Fruitland sites send their out-of-date and damaged products to a biodigester, which is used to produce energy. More than 5,580 tonnes of product were treated in this way in 2022.

Taiwan Region

In the Taiwan Region, in line with the local waste management practices, most of our waste is sent for incineration. We launched a food waste collection and recycling programme that diverted approximately two tonnes of food waste in 2022. Recycling bins and other initiatives have improved our recycling rate in the Taiwan Region by about 5%.



“ Our manufacturing plant in an industrial area with few restaurants nearby, so the company organises affordable lunchboxes for our staff. Empowered by our Zero Waste to Landfill commitment, we built a cross-functional team to persuade our catering vendor to switch to fully recyclable packaging, eliminate disposable cutlery and recycle our lunchboxes and food waste. Communication was key to changing staff behaviour. We are encouraged by the positive feedback we received, with some colleagues even suggesting we do more!

Ashley Liu
Sustainability Assistant Manager
Public Affairs And Communications,
Swire Coca-Cola Taiwan



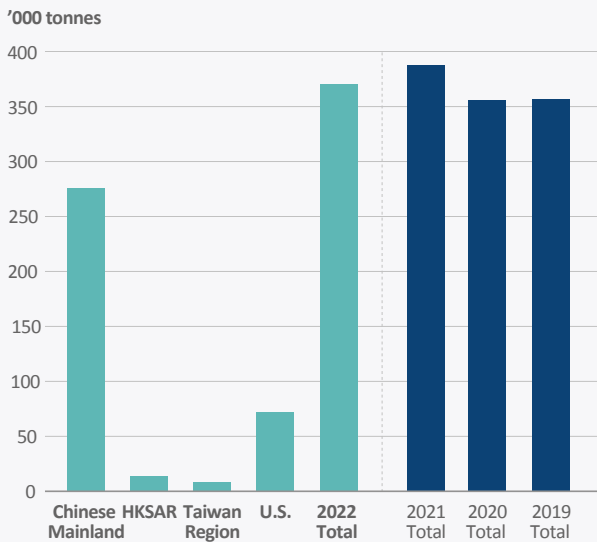
”

PERFORMANCE

Packaging by Market, Type and Weight 2022

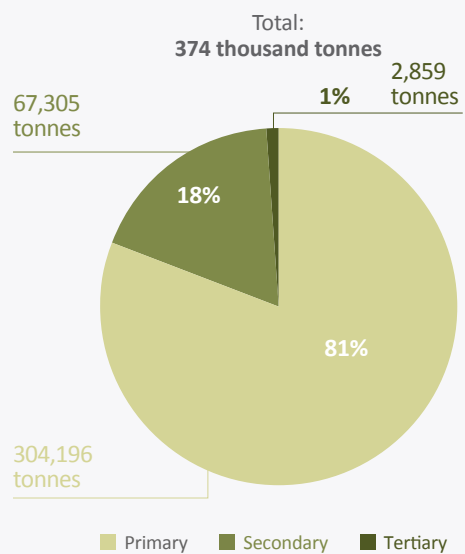
We produced about **18,000 tonnes less packaging overall in 2022 compared with 2021**. We used 7% less virgin PET (vPET), 57% more recycled PET (rPET), and 8% less aluminium.

Total Packaging by Market 2022



Note: During the reporting period, we recalculated the total amount of packaging used in the Chinese Mainland in 2021, 2020 and 2019. For more information, please see our [Primary Packaging Annual Progress Report](#).

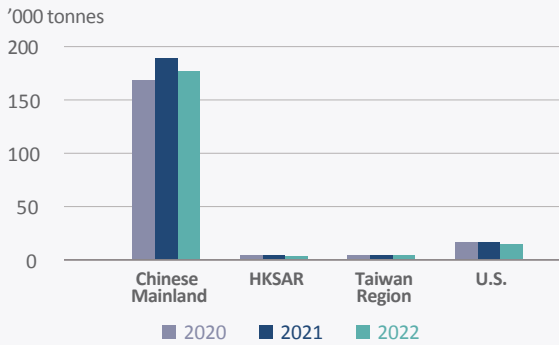
Weight of Packaging Produced by Category 2022



Note: Primary packaging contains 11% recycled content – this refers to rAL in the U.S., Chinese Mainland and HKSAR, rPET in the HKSAR and U.S., recycled content of returnable glass bottles in the Taiwan Region, Chinese Mainland and HKSAR, and one way glass bottles in the Chinese Mainland.

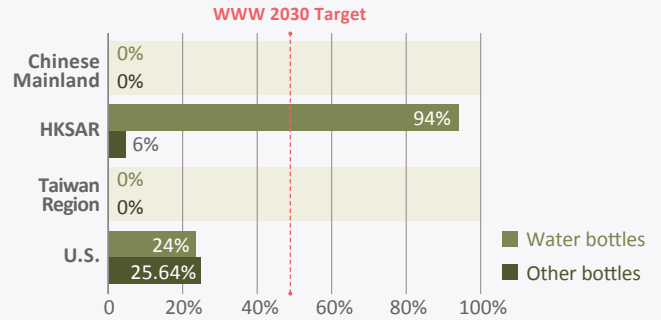
Plastic

vPET Resin Consumption by Market

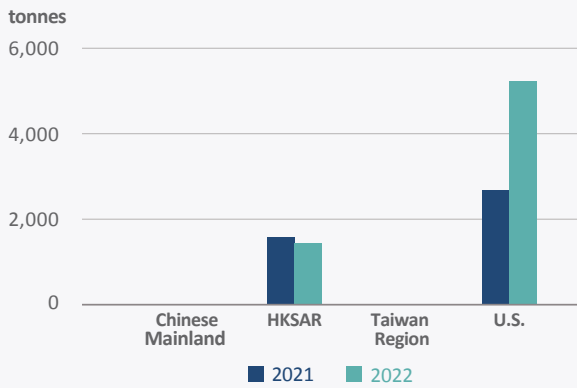


Note:
During the reporting period, we recalculated the amount of vPET resin consumption in the Chinese Mainland in 2021 and 2020.

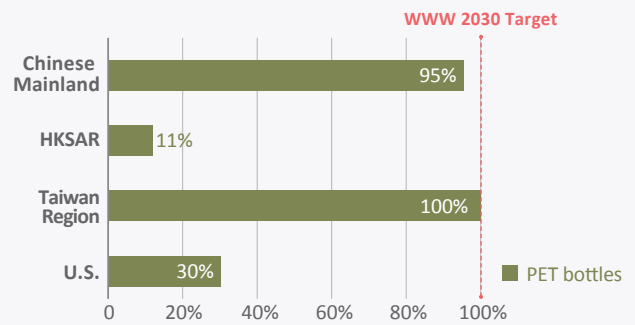
rPET Content by Market



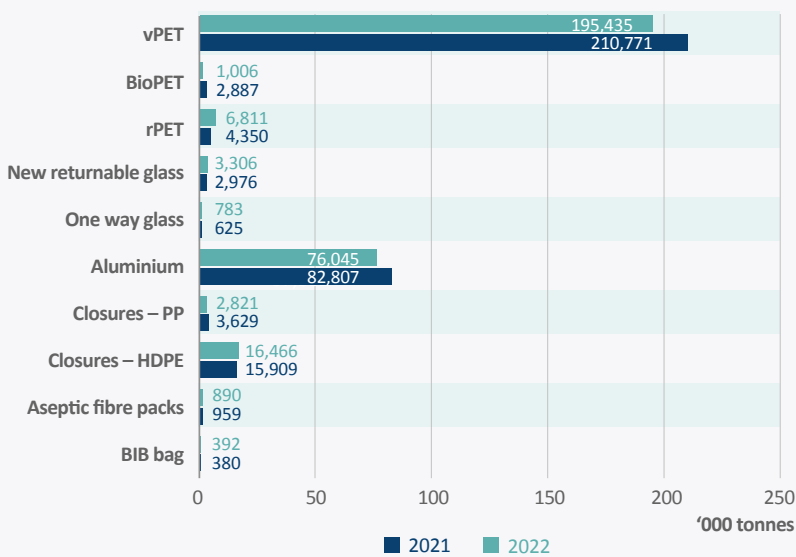
rPET Resin Consumption by Market



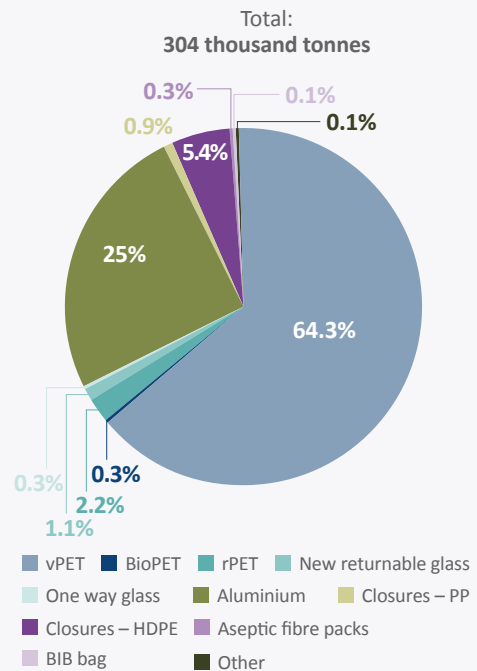
PET Collection Rate by Market



Materials used for Primary Packaging and Breakdown by Type and Weight

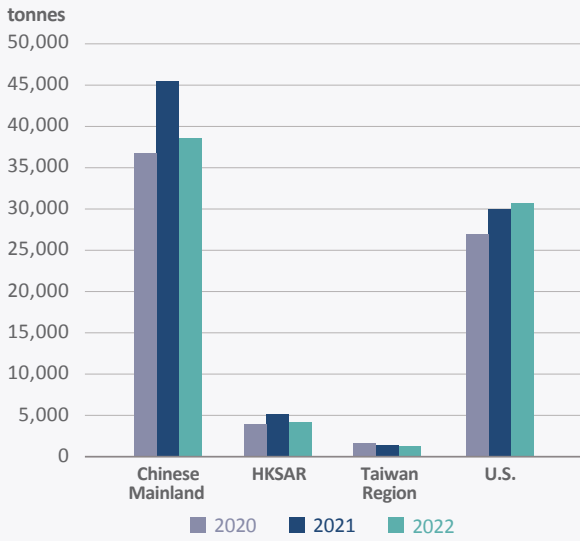


Note:
During the reporting period, we recalculated the amount of primary packaging used in the Chinese Mainland in 2021.



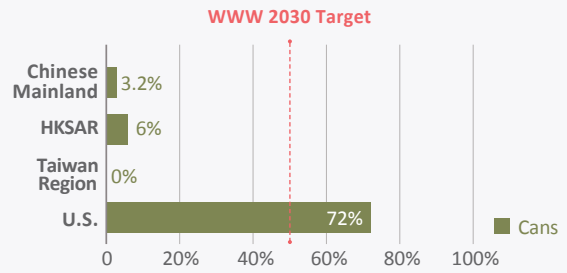
Aluminium

Consumption by Market

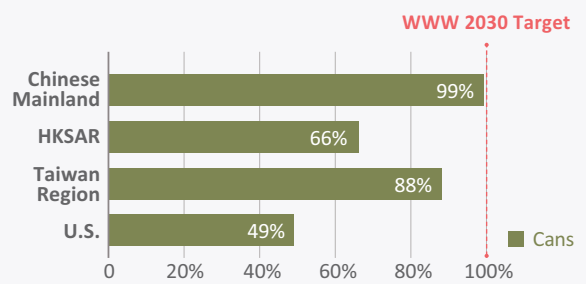


Note: During the reporting period, we recalculated the amount of aluminium consumption in the Chinese Mainland in 2021 and 2020.

Recycled Content by Market



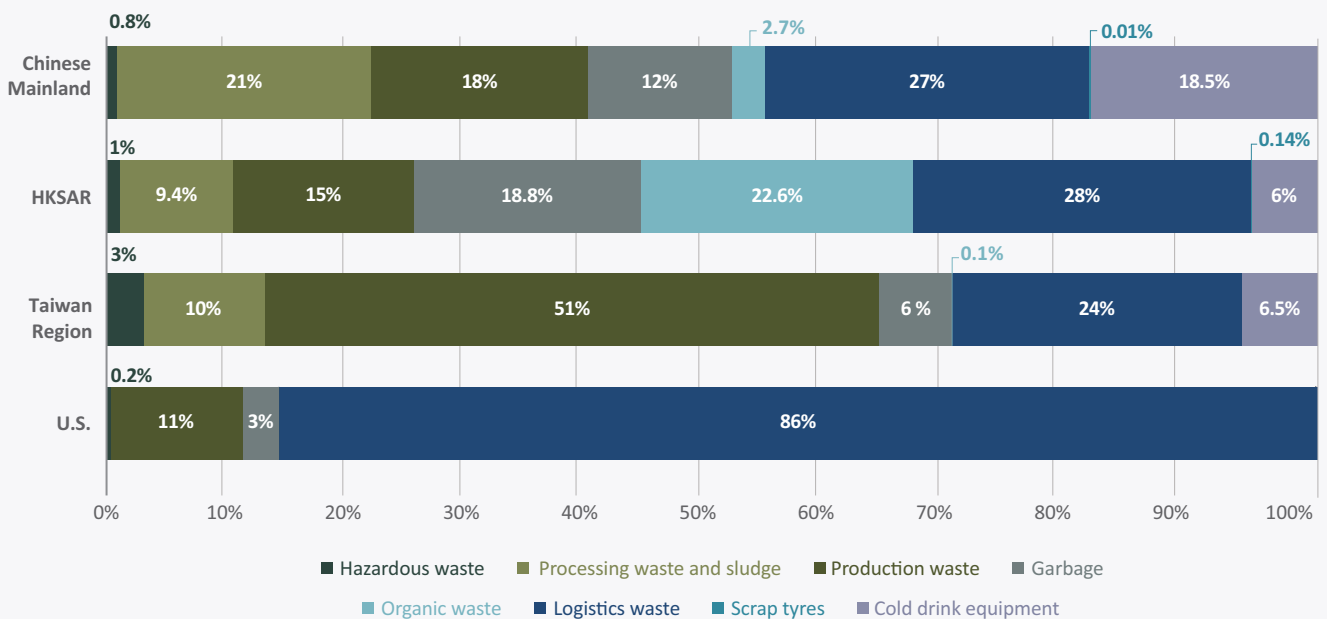
Collection Rate by Market



Waste

We generated 15% less waste compared to 2021, partly due to reduced production volume across our markets. Our waste diversion rate for core operations improved from 84% in 2021 to 85% in 2022.

2022 Waste Generation Breakdown by Waste Type



LOOKING AHEAD

Our immediate priorities include:

1

Establishing an Internal Working Group to review our contribution to TCCC's reusable/refillable target

2

Reviewing and integrating our Newly Acquired Facilities in the Chinese Mainland, Cambodia and Vietnam into our targets and reporting structure

3

Continuing to **Facilitate Regulatory Approval** of the incorporation of recycled plastics in food-grade packaging in the Chinese Mainland

4

Developing a Detailed Waste Stream Breakdown identifying waste reduction and diversion opportunities by bottling plant; capturing data at the plant level will help facilitate best practice sharing

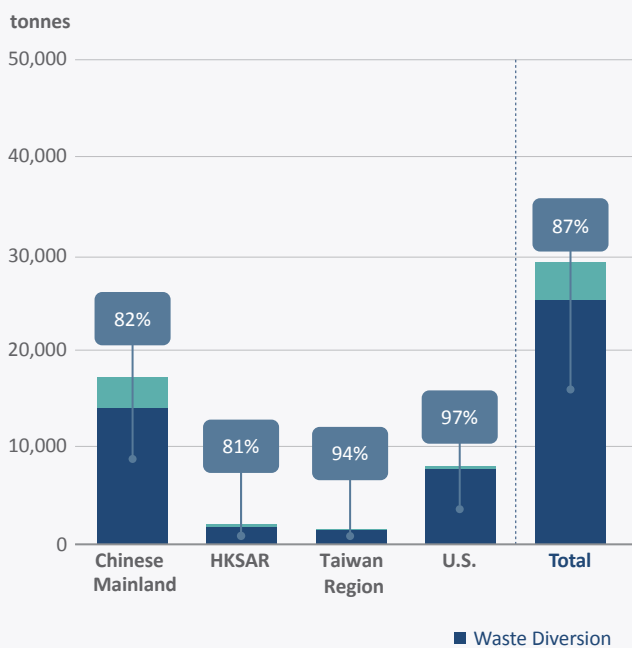
5

Launching 588ml 100% rPET Bottled Water in the Taiwan Region in 2023, we also target to introduce recyclable BIB in the Taiwan Region from 2023

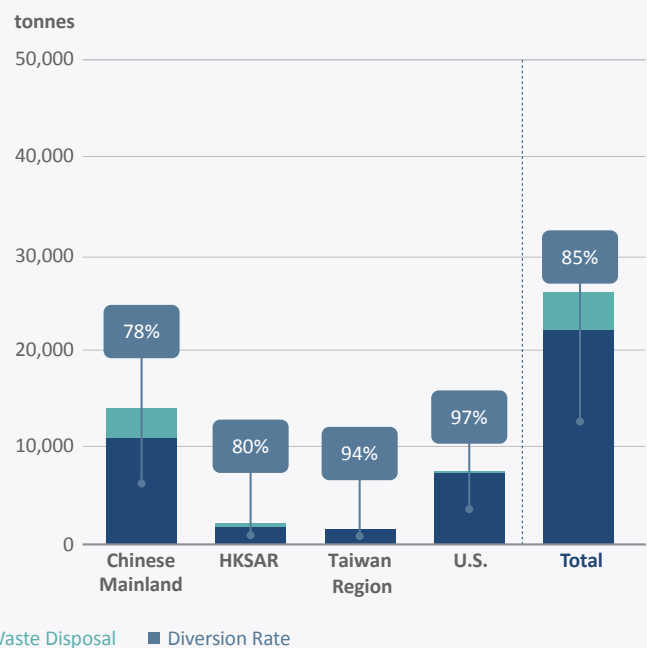
6

Lightweighting of preform for three types of sparkling soft drinks in PET bottles will be rolled out in 2023; we expect **Over 200 Tonnes of Material To Be Reduced** annually

2022 Total Waste Diversion



2022 Core Operation Waste Diversion



■ Waste Diversion ■ Waste Disposal ■ Diversion Rate

PRODUCT

We take care to ensure our products meet the needs and expectations of our consumers, customers and partners.

- Product Choice
- Sourcing





“
We are proud that our partners share our passion for reducing their climate impacts. As of December 2022, 62 suppliers responded to our carbon reduction initiative, accounting for over 70% of key procurement categories. In the categories of glass bottles, shrink film and aluminium cans, over 90% of suppliers responded.
 ”

Barry Wong

General Manager – Procurement of Swire Coca-Cola
 and Chief Procurement Officer of CBPC



ENGAGING OUR SUPPLIERS TO REDUCE EMISSIONS

Our suppliers are our partners in achieving our 2030 emissions reduction goals. As part of the China Bottlers Procurement Consortium (CBPC)*, we work with our suppliers to strive for a green and low-carbon end-to-end supply chain. Through dialogue and knowledge sharing, we encourage upstream partners to reduce their own Scope 1, 2 and 3 emissions by 30% by 2030, mirroring our science-based target.

In 2020, we formed a community of 150 suppliers who share our commitment to reducing value chain emissions by 30% from a 2018 baseline. We actively communicate our goals and initiatives to this group.

- We invite them to read and provide feedback on our annual sustainability reports. In 2022, 73% responded to our feedback survey.
- We organise quarterly webinars to build their capacity and confidence in sustainable development. In 2022, we engaged 60 suppliers in webinars on managing and measuring GHG emissions.

- We facilitate the sharing of best practices. In November, we published the “CBPC Supplier Sustainable Development Actions Report” to showcase supplier initiatives to reduce their emissions.

In November, we supported CBPC in organising a large-scale supplier sustainability summit in Yunnan, China. More than 190 stakeholders from across our value chain attended, including 112 companies, 28 internal and external guests, and 54 CBPC category and relationship managers. At least 50 other suppliers and bottler representatives attended virtually in light of COVID-related travel restrictions. Topics covered included digital tools for sustainable supply chains, ESG landscape developments, and a government progress report on research into the use of rPET and rAl in food packaging in the Chinese Mainland. Six suppliers that demonstrated leading practices were also invited to showcase their emissions reduction journeys.

* CBPC is a procurement group jointly established by Coca-Cola China, Swire Coca-Cola and COFCO Coca-Cola Beverage. It is responsible for the strategic procurement of all direct and indirect materials for Coca-Cola bottling plants in the Chinese Mainland, Hong Kong SAR, Macao SAR, Taiwan Region and Mongolia, as well as being responsible for supplier relationship management.

Yunnan sustainability summit:

112 Companies

28 Internal and
External Guests

54 CBPC / Plant-level
Procurement Team

50+ Other Online
Attendees

PRODUCT CHOICE



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.

RELATED SDGS



RELATED MATERIAL TOPICS



Sugar Reduction



Responsible Production and Marketing

STRATEGY

Targets

01 Provide a greater variety of drinks, with **More Low- and No-sugar Options**

Reduce average sugar content per 100ml of product by 20% by 2025, from 2018 baseline



02 **Adjust Formulation** to gradually reduce sugar

→ **0%** Chinese Mainland

↓ **18%** HK SAR

↓ **23%** Taiwan Region (Achieved)

↓ **19%** U.S.

03 **Offer Smaller, More Convenient Serving Sizes** to make controlling sugar intake easier

04 **Promote our Low- and No-sugar Drinks** to make them more visible and easier to find

Progress On Plan



05 **Provide Factual and Easy-to-understand Nutritional Information** for consumers to make informed dietary choices

Include front-of-pack nutrient labelling on all products



Progress Achieved



100% in 2022

06 **No Advertising to Children under 13** in line with TCCC's Responsible Marketing Policy

No advertisement or promotion to children under the age of 13



Progress Achieved



100% compliance in 2022

07 **Ensure Food Safety and Quality** of our products so that consumers feel confident each time they consume

Obtain Food Safety Certification FSSC 22000 for all plant operations



Progress Achieved



100% in 2022

HIGHLIGHT

- Reduced the average sugar content in every 100ml of our beverages in the Taiwan Region by 23% from our 2018 baseline
- Reformulated 22 beverages in the U.S. to reduce sugar content
- Low- and no-sugar beverages represented 58% of our total sales volume in the Hong Kong SAR
- Trained employees in the Chinese Mainland and the U.S. on responsible marketing of new alcoholic products

CHALLENGES

While we are looking for ways to reformulate recipes and exploring different sugar alternatives to reduce sugar in our beverages, it is challenging for us to maintain the taste consumers love so that the low- or no-sugar products can be widely accepted by consumers and become their preferred beverage choice.

WHY IT MATTERS

As a leading bottling company, we recognise how we produce and market our 58 beverage brands impacts the 882 million consumers in our markets. Accordingly, just as we seek to enable consumers to make better choices, we seek to make choices in our business that enable us to provide safe, quality products that satisfy consumers' changing tastes and can help accelerate trends towards healthier options.

MANAGEMENT APPROACH

Sugar Reduction

We are reducing the amount of sugar in our beverage portfolio, prioritising smaller portion sizes, introducing and promoting low- and no-sugar options, reformulating recipes and finding new alternatives to sugar.

Our Public Affairs & Communications team oversees data management relating to our sugar reduction efforts, while our Sales & Marketing team coordinates the execution of our strategy. At the senior management level, the DEB reviews the percentage of low- and no-sugar product sales among our bottlers in monthly scorecards.

Responsible Marketing

The Public Affairs & Communications teams at our bottlers each oversee our approach to responsible marketing, including training on relevant requirements. Our efforts align with TCCC's [Responsible Marketing Policy](#) and [Global School Beverage Policy](#). Concerning alcoholic beverages, we adhere to applicable laws and TCCC's [Responsible Alcohol Marketing Policy](#).

Food Safety and Quality

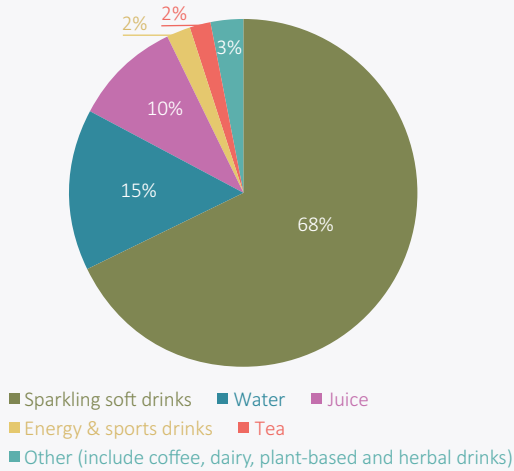
Our supply chain team manages our approach to responsible production, ensuring our processes adhere to quality and safety standards that cascade throughout our value chain. We investigate onsite conditions and delivery procedures to ensure compliance with our standards through regular audit procedures. Further, in response to growing concerns on product safety, we conduct relevant training, maintain FSSC 22000 Food Safety Certification across our plants and meet best-in-class industry benchmarks.

For more information about our approach to supplier management, see "Sourcing" on [p.58](#).

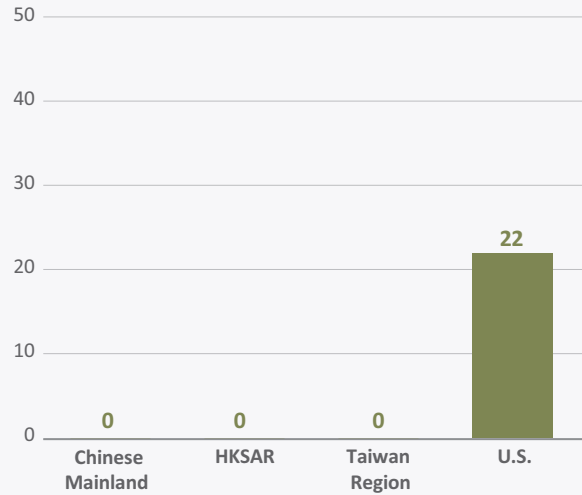
WHAT WE'RE DOING

We continue to tailor our beverage portfolio to respond to changing consumer preferences. In 2022, we manufactured and distributed 58 beverage brands including sparkling soft drinks, energy and sport drinks, juice, tea, coffee, water and other products (including dairy, plant-based and herbal drinks) across four markets.

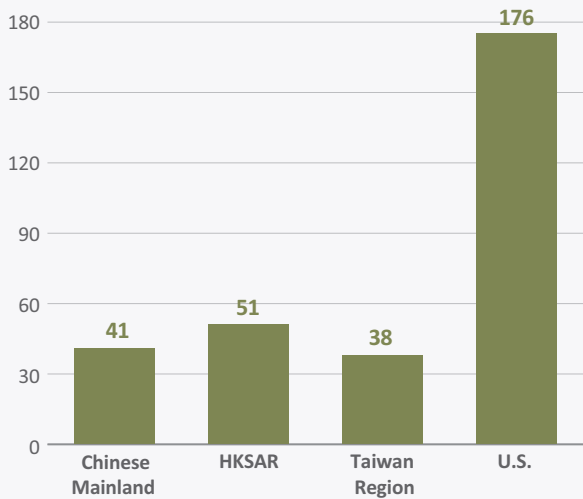
Our Product Portfolio (by Sales Volume)



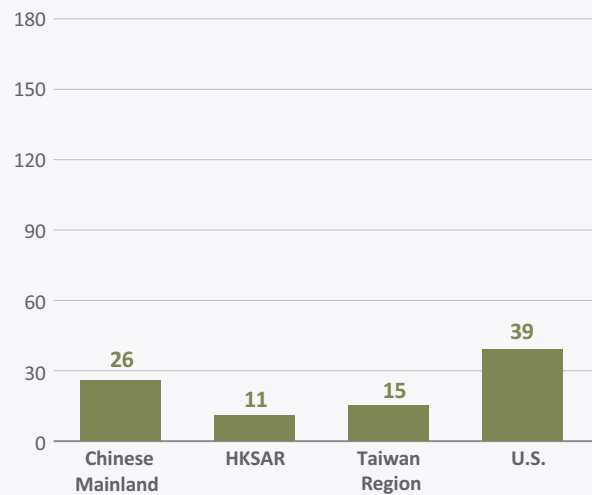
Reformulated Beverages with Reduced Sugar



Low- and No-sugar Beverages (by Flavours)



New Products (by Flavours)



📢 Informing and refreshing consumers

We help consumers control their sugar and calorie intake by providing multiple beverage sizes. Convenient packages of 250ml or less are available in all four of our markets. We also enable consumers to make informed decisions by providing meaningful and clear nutrition information on our food labels. The front of all our packaging includes caloric information. In the United

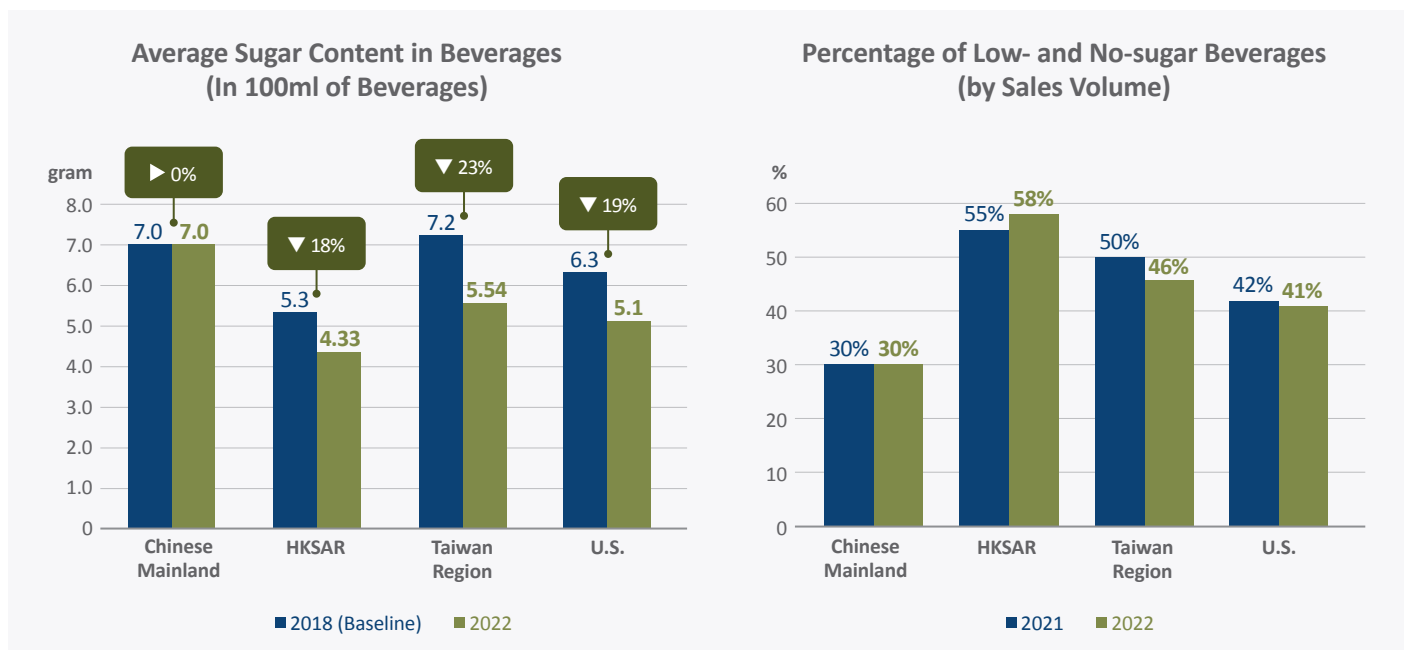
States, we also include caffeine content alongside calories per serving and per container.

100% of products include front-of-pack nutrient labelling

🔄 Growing our Product Portfolio and Low- and No-sugar Brands

We continue to expand our product line with diet, light, and zero-calorie drinks. We are also introducing new low- and no-sugar brands, reformulating our recipes and looking for ways to minimise sugar without sacrificing the taste our consumers know and love. We are increasing our promotion of low- and no-sugar drinks to make them more accessible to consumers.

We have reduced the average sugar content in our beverages by as much as 23% (in the Taiwan Region) since 2018. Low- and no-sugar beverages made up between 30% (in the Chinese Mainland) and 58% (in the Hong Kong SAR) of total sales volume across our markets in 2022.



We introduced multiple new low- and no-sugar products in 2022, including:

- **Hong Kong SAR:** No-sugar “OOHA” sparkling beverages and Sprite No Sugar
- **Taiwan Region:** Low- and no-sugar options under the OOHA, Sprite Zero, Bonaqua and Coca-Cola Creations (Starlight and Soul Blast) brands
- **Chinese Mainland:** Low-sugar COSTA light milk tea, Sprite Sugar-Free Lemon Mint, Coca-Cola Sugar-Free Vanilla Coke, Fanta Sugar-Free and the new zero-sugar and zero-calorie sparkling water brand AH!HA!

In the U.S., we reformulated 22 beverages with reduced sugar, bringing the total number of low- and no-sugar beverages by flavour in this market to 176. Among all beverage brands available in the U.S., nearly 80% offer low- and no-sugar options.

Low- and No-sugar Portfolio in the U.S.

- 22** beverages reformulated with reduced sugar in 2022
- 176** low- and no-sugar beverages by flavour
- 80%** of brands offer low- and no-sugar options



RESPONSIBLY MARKETING LOW-ALCOHOL BEVERAGES

We introduced three flavours of Lemon Dou, TCCC’s first lemon sour brand with low alcohol content, in 2021. This launch represented our first foray into alcoholic beverages. In 2022, we launched a canned cocktail option, FRESCA™ Mixed, in the U.S. We are committed to ensuring our employees understand how to market these products responsibly.

In 2022, colleagues working on the Lemon Dou brand participated in two training sessions on the responsible marketing of alcoholic beverages provided by TCCC. The training covered the full spectrum of requirements applicable to these products, including:

 Legal	 Age	 Outdoor Advertisements	 Sponsored Promotions	 Media Promotions
Advertisements must comply with local laws and industry regulations	Advertisements may only target segments above the age of 18	Advertisements are prohibited within 200-metres of schools	Audiences must be above the legal drinking age	80% of the audience must be above the legal drinking age
 Ambassadors	 Words of Warning	 Labelling	 Messaging	 Cultural Sensitivity
Brand ambassadors must be above the age of 25	Advertisements and packaging must include warnings on excessive drinking	Packaging must clearly indicate alcohol content	Advertisements must comply with certain content requirements	Advertisements are prohibited near religious or other sensitive sites

LOOKING AHEAD

We will continue to:

- Expand and Tailor Our Beverage Portfolio** to provide more options that meet consumers’ changing tastes and interests
- Reformulate and deliver drinks with **Less Sugar and More Nutritional Value**
- Promote and Market Our Low- and No-Sugar Categories** to meet the needs of consumers across our markets

SOURCING



OBJECTIVE

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

RELATED SDGS



RELATED MATERIAL TOPICS



STRATEGY

Targets

01

Communicate and Enforce our Principles

From 2020, all suppliers of direct materials and indirect materials bearing TCCC's trademark comply with the SGP, as verified by a TCCC-appointed third party

100% in 2022

Progress
Achieved



02

Source Sustainable Ingredients

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

8,288 hectares of supplier planting area in 2022

Progress
Behind Plan



03

Promote our Sustainable CDE End-of-Life Policy

We require recycling partners to comply with our Sustainable CDE End-of-Life Policy and will conduct on-site assessments to ensure CDE are dismantled and disposed of responsibly

100% compliance in 2022

Progress
Achieved



HIGHLIGHTS

- Over 190 stakeholders from throughout our value chain engaged through a large-scale sustainability summit in Yunnan, Chinese Mainland
- 8,288 hectares of supplier planting area in the Chinese Mainland verified as meeting the PSA
- 85 suppliers reviewed for compliance with the SGP and PSA, verified by independent third-party audits arranged by TCCC

CHALLENGES

Regulations in the Chinese Mainland limit recycled material applications in food-grade packaging, and our ability to meet our packaging recycled content target and SBT is dependent on these regulations changing.

Our supplier base consists of diverse industries, business models, and levels of maturity and ambition regarding sustainability. Our category managers must work closely with suppliers to increase their awareness of our corporate target and support them to reduce emissions.

Where local regulations or practices differ from our guiding principles, we are working with suppliers to help them understand the reasoning behind our requirements.

WHY IT MATTERS

Our business depends on a global network of more than 7,000 suppliers, from which we procure a wide range of goods and services. We are determined to ensure that our sourcing is guided by the principles underpinning our corporate practices: that we do so ethically, fairly, and without degrading the natural environment. Who we choose to do business with can also impact our reputation. We are committed to responding to the increasing demand for transparency from our customers and other key stakeholders.

We provide principles and codes to all suppliers to clearly communicate our expectations. But beyond this, we embrace the opportunity to build awareness of sustainable development and the triple bottom line, and work together to explore avenues to reduce carbon emissions, improve water stewardship and optimise operations. We value supplier relationships based on mutual understanding to achieve positive outcomes for business, society and the environment.

MANAGEMENT APPROACH

Our approach to sourcing helps us achieve many of our sustainability goals. We seek opportunities throughout our value chain to amplify our positive impacts, from reducing GHG emissions to advocating for sustainable packaging solutions.

The three facets of our management approach are:

- **Supply chain management:** ensuring suppliers comply with our policy framework and guidelines
- **Sustainable procurement:** considering sustainability in our procurement decisions
- **Collaboration:** collaborating with key suppliers to achieve common sustainability goals

While our efforts address all our 7,000+ suppliers, we prioritise engagement with approximately 600 TCCC-approved raw material, product and service suppliers that we consider critical to our business. These can be categorised into direct and indirect critical suppliers.

Embedding Our Commitments

We require all suppliers to comply with the Swire Pacific **Supplier Code of Conduct**. Our critical suppliers from which we procure ingredients, packaging materials and any products with the TCCC logo must further comply with principles set out by TCCC, including:

- [Supplier Guiding Principles \(SGP\)](#)
- [Principles for Sustainable Agriculture \(PSA\)](#)
- The Coca-Cola Operating Requirements (KORE)

Supplier compliance with the SGP and PSA is verified by independent third-party audits arranged by TCCC. 85 suppliers were reviewed in 2022.

In 2023, we will update our supply agreements to include an explicit clause committing both parties to “develop policies aimed at ensuring the sustainable development of our respective businesses and seeking to reduce the environmental impact of our activities (particularly carbon emissions), disclosing information to the parties when appropriate.”

TCCC-approved Product and Service Suppliers

Direct

Ingredients



Sweeteners



CO₂



Water



Concentrates

Packaging Materials



PET Bottles



Aluminium Cans



Glass Bottles

Indirect

Logistics (in-bound)

Transport for delivering raw materials to our bottling plants



Marketing and Sales Material

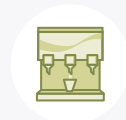
- Any products with TCCC branding
- Merchandising goods



Manufacturing and CDE



Vending Machines



Fountain Dispensers



Coolers



Machinery Parts

Six-Step Engagement Framework to Reduce Supplier Emissions

Scope 3 emissions represent over 80% of Swire Coca-Cola’s total carbon footprint. To achieve our target of a 30% reduction in emissions across our value chain by 2030, we must lead our suppliers to decarbonise their businesses. Our Procurement team has developed the following six-step process to build awareness and alignment with suppliers in the Chinese Mainland.

Sustainability Scope 3 Development – 6 Steps Process

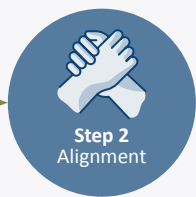


Step 1
Engagement

Proactive dialogue with key suppliers on our sustainability objectives

Inform suppliers of our science-based target, actions we are taking to reduce emissions and our expectations of suppliers

Build understanding of decarbonisation through knowledge sharing, training, webinars and a supplier conference



Step 2
Alignment

Suppliers sign non-binding letters of commitment to work towards the same goal of a 30% reduction of their own Scope 1, 2 and 3 emissions from a 2018 baseline by 2030



Step 3
GHG mapping

Review best practices and our methodology to map our suppliers’ GHG inventories



Step 4
Measurement

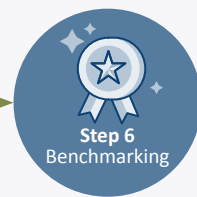
Working on setting up professional measurement and digital management systems to monitor and record the carbon footprints of suppliers and key products

Review and track progress annually for continuous improvement



Step 5
Reporting

Upon readiness and mutual agreement, we will disclose emissions and decarbonisation progress to stakeholders and the public



Step 6
Benchmarking

Inspire suppliers to become a reference point for their peers, just as we aim to become the benchmark in our industry, and share best practices for continuous improvement across the supply network

WHAT WE'RE DOING

Managing our Supply Chain

We use the SGP and PSA to clearly communicate our expectations to suppliers. Third-party assessments help us verify compliance.

Engaging Suppliers on the SGP

The SGP is based on leading global supply chain sustainability practices. Sometimes, however, local regulations or ways of working may appear to conflict with the spirit of these principles. In the Taiwan Region, for example, migrant workers often pay an agency fee for securing job placements. We continue to engage with key suppliers in the Taiwan Region to explain why this is not permitted under the SGP. As a result of our efforts over the last few years, some are changing their recruitment policies to pay agency fees on behalf of their workers for future new hires.



Promoting the PSA

We have committed to ensuring the farms that supply our key agricultural ingredients (sugar and corn) meet the requirements of the PSA, as verified by third-party audits, by 2025. The PSA provide detailed guidance on human and workplace rights, environment and ecosystems, animal welfare, farm management systems and transparency. Fulfilling this target has proved challenging in the context of agriculture standards and regulations in the Chinese Mainland. In partnership with TCCC and several strategic suppliers, a combined 8,288 hectares of planting area in the Chinese Mainland have now been verified as meeting the PSA.

8,288 hectares verified as meeting the PSA in the Chinese Mainland



Sustainable Procurement

We integrate sustainability into our procurement decisions and work with suppliers to identify opportunities to reduce the environmental footprint of our packaging and cold drink equipment (CDE). We use an internal tracking system to collect information on carbon emissions and recycled content for packaging sourced in the Chinese Mainland. In the U.S., sustainability is one of six dimensions against which we score potential packaging suppliers, including Quality, Innovation, Delivery, Sustainability, Cost and Relationship (QIDSCR). We share our sustainability requests and suppliers' responses with other Coca-Cola bottlers.

Our procurement teams work with suppliers to identify or develop packaging and CDE options that help us meet our sustainability targets. In 2022, highlights included:

- Completing a commercial trial to replace the non-recyclable nylon component in our bag-in-box (BIB) packaging with ethylene vinyl alcohol (EVOH), which is recyclable. We are the first TCCC bottler to do this
- Identifying a 100% recyclable alternative pouch for our Aquarius powder in the Hong Kong SAR
- Mandating that the paper used to package multi-pack cans in the Chinese Mainland is from certified sustainable sources
- Supporting the launch of the 330ml sleek can in the Taiwan Region, which uses less aluminium per can set



- Collaborating with suppliers to design a light weight, yet sturdy, hand grip used in sales promotions to bundle products together. The new 1.9g grip is made from 30% less material and is expected to reduce 173 tonnes of HDPE over one year
- Trialling cans made from 40% recycled aluminium from used beverage cans (UBC) in the Hong Kong SAR and 6% UBC in the Taiwan Region. We are working with our metal can and metal sheet suppliers to increase the recycled content in 2023
- Identifying new generation CDE that use 50% less electricity compared with 2018 baseline on existing models, which already meet the highest level (level 1) of the China Energy Efficiency Label



Proper Disposal of CDE

Last year, we introduced a Sustainable CDE End-of-Life Policy in response to a report revealing improper disposal of used CDE by recyclers in the Chinese Mainland. All approved CDE recycling partners have committed to aligning with our policy, and inspections will be conducted to ensure compliance. In 2022, we developed a standard operating procedure for CDE recyclers that addresses supplier selection criteria, daily operation and management and a supplier performance scorecard.



Collaboration

We partner with our suppliers to advocate for industry-shaping changes in legislation and regulation that will benefit our business, society and the environment.

Increasing the recycled content in our packaging is one of our most significant opportunities to reduce Scope 3 emissions. In the Chinese Mainland, collection rates for UBCs and PET bottles can be as high as 99% and 95%, respectively. Due to regulatory restrictions, however, the collected material is not currently being recycled into food-grade packaging.

●🌐 Advocating for rPET in the Chinese Mainland

We provided technical support and leveraged our network to help two suppliers in the Chinese Mainland test a chemical and mechanical process for rPET, achieving 25% and 100% recycled content, respectively. They have or are expected to become approved suppliers of TCCC. We help these suppliers connect to our global bottler network.



●🌐 Advocating for rAL in the Chinese Mainland

Together with the China National Research Institute of Food & Fermentation Industries (NFI), eight brands and 15 suppliers, we have established a working group to advocate for using recycled aluminium (rAL) from UBCs in the Chinese Mainland. The working group published a “UBC Food Container Application Feasibility Report” and undertook a lifecycle assessment of the carbon emissions associated with recycled and virgin aluminium in open and closed-loop recycling.

In collaboration with other beverage producers, we encouraged our aluminium sheet suppliers in the Chinese Mainland to study the feasibility of incorporating pre-consumer aluminium scraps into new sheets (closed-loop recycling). In 2022, our supplier produced sheets containing about 3% recycled aluminium industrial scrap.

In 2022, we supported the development of an association standard, “Recycled aluminium alloy sheets and containers in contact with food”. The standard applies to rAL sheets used to make beverage packaging. It defines key terms and specifications, methods for testing and inspection, and proposed requirements for product markings, packaging, transportation, storage and quality certification. This will enable organisations in the beverage can value chain to standardise their approach to closed-loop rAL.

We support the China National Centre for Food Safety Risk Assessment (CFSA) to conduct feasibility studies and safety assessments of rAL in food packaging. In 2022, we conducted research and risk assessment for domestic and foreign metal products with recycled aluminium content. Based on the results, we proposed risk management measures for the closed-loop recycling of food grade metal products in the Chinese Mainland. The project will be closed in April 2023.



EMBEDDING SUSTAINABLE DEVELOPMENT THINKING INTO PROCUREMENT

We launched an initiative in the Chinese Mainland called “Piggy Bank”, also known as the Procurement Value Creation Initiative Tracker. The tracker encourages our procurement team members to proactively identify opportunities to create value and achieve cost savings for Swire Coca-Cola.

Since 2020, 98 projects have been launched that meet sustainability and commercial objectives. Examples include carton reuse and preform lightweighting. These programmes have saved an estimated RMB 3,023,000. In 2022, 21 projects related to our 4Rs principles (Reduce, Renewable, Recycle, Reuse) saved over RMB 1,944,010.

LOOKING AHEAD

Our immediate priorities include:

1

Continuing to **Use the Six-Step Approach** to support our suppliers to reduce at least 30% GHG emissions across their own value chains by 2030. We will roll out the approach to our other markets as appropriate

2

Empowering and Educating Procurement Category Managers in Scope 3 emissions and SBTs, so they can act as ambassadors in their conversations with suppliers

3

Collaborating with Designated Suppliers to develop specific emission factors to enhance the accuracy of our Scope 3 emission calculations

4

Launching a **Digital Platform for Ourselves and Suppliers to Monitor and Record the Carbon Footprints** of key products and track our progress

5

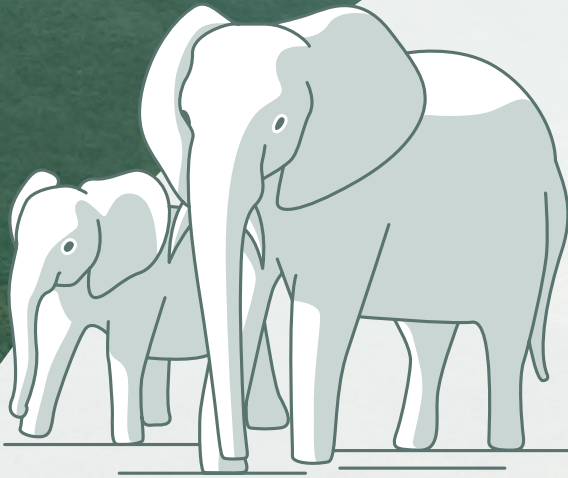
Continuing to **Promote the Use of Recycled Material** in food packaging in the Chinese Mainland, especially the national standard and pilot application of rAL

An aerial photograph of a village nestled in a lush green forest. The village features several buildings with blue and grey roofs, surrounded by dense vegetation and terraced fields. A large red circle is positioned at the top of the image, partially overlapping the sky.

PEOPLE

We care for our people and
the people in the communities
where we operate.

-
- Our People
 - Community



“
We used to use fertilisers however we wanted. We had no idea that different fertilisers should be adopted in different seasons. The specialists taught us about these differences.”

Zhang Jiangmei
Villager in Daotangqing



IMPROVING LIVELIHOODS IN YUNNAN PROVINCE

Our world is going through pervasive and interconnected changes. We are experiencing biodiversity and water crises, while the transition to a low-carbon, global economy could leave behind many of the world's most vulnerable people. A project in rural China, however, is showing how nature-based solutions can use that interconnectivity to improve livelihoods and promote harmony with local ecosystems.

Since 2021, we have partnered with the International Fund for Animal Welfare (IFAW) and Xishuangbanna Tropical Rain Forest Conservation to create our first Carbon Reduction Farmland in Daotangqing Village, Yunnan Province. With the full support of the local government, the project protects the natural environment around a nearby elephant sanctuary and preserves 154,000 square metres of land for sustainable agriculture.

Before the project began, many villagers relied on rubber plantations for income, but prices are declining. In 2022, we helped villagers replace rubber trees with fruit and nut trees that can provide more reliable

income across 230 acres of land. Specialists in tropical crops and nuts delivered three training sessions on the sustainable management of these trees. 100 new beehives were established to help pollinate the trees, support biodiversity and even prevent elephants from the sanctuary from entering Daotangqing. We also introduced the community to PV panels that provide 20,000 kWh of cost effective, clean electricity each year.

Approaching this project from multiple angles – sustainable agriculture, renewable energy and biodiversity conservation – highlights numerous ways to address one of our most pressing global challenges. In the Chinese Mainland, the government has successfully implemented initiatives to help alleviate poverty and is embarking on rural revitalisation, all while striving to peak GHG emissions by 2030 and achieve carbon neutrality by 2060. This project addresses each of these goals, and we are currently developing our second Carbon Reduction Farmland in Hainan Province to extend our impact.

154,000 m²

of land for sustainable agriculture

100

beehives

20,000 kWh

of electricity generated annually

OUR PEOPLE



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.

RELATED SDGS



RELATED MATERIAL TOPICS



Safety



Empowering Employees

STRATEGY

Targets

01

Strive for Zero Harm across our value chain and minimise safety risks

By 2030, reduce total injury rate (TIR) by 50% from 2018 baseline

Progress
On Plan



↓ **20%** from baseline

Maintain zero work-related fatalities

Progress
Behind Plan



There was **1** work-related fatality of a contractor in 2022

02

Create a culture where each individual is treated with **Dignity and Respect**

Ensure workplace rights are respected in line with our policies, with third-party validation

Progress
Behind Plan



1 report of non-compliance in 2022. Disciplinary action was taken



Create an inclusive workplace that provides equal opportunities for all and develop targeted programmes in each market

Progress
On Plan



1,344 managers participated in inclusive leadership training as of 31 December 2022

03

Ensure Equal Opportunities for women at all levels of our business

By 2030, 50% of manager and above positions held by women

Progress
On Plan



30% in 2022

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

Progress
Achieved



1/3 of U.S. employees in leadership positions attended First Line Essentials training to improve leadership capabilities



HIGHLIGHTS

- Reduced LTIR (26%) and LDR (27%), with an enhanced focus on a culture of safety, senior management support and continued implementation of proven processes and systems
- Linked safety performance targets to executive compensation

CHALLENGES

We continued to face challenges due to COVID-19, including lockdowns in the Chinese Mainland and restrictions in other markets. We helped our people persevere, from enhancing sanitation in facilities to remote working options for office-based employees.

While we achieved group-wide improvement in TIR, we faced an increase from 6.75 to 7.17 in the U.S., which may be attributable to a corresponding increase in turnover rate. We are addressing this by emphasising safety processes, enhancing communication, providing more safety training, enhancing supervision and promoting the Life Saving Rules (LSR).

WHY IT MATTERS

Our people are the enablers of our success. We depend on 34,380¹ employees in our four markets to run our business in manufacturing plants, warehouses, offices and on routes to market. We operate in diverse contexts across our franchise territories, each presenting its own challenges and opportunities for maintaining an engaged and productive workforce.

Safety is our first priority, and it is our duty to ensure that every person working at our facilities is adequately protected from injury or harm. We also recognise that by building a culture of inclusion and respect for diverse talents, experiences and personalities, our people can feel supported and empowered to reach their full potential. This is not only the right thing to do — we believe it also helps us to make better decisions and attract and retain top talent.

Note:

1. Excludes newly acquired operations in Vietnam, Cambodia and the Chinese Mainland.



It's a leader's responsibility to make sure everyone who comes to work goes home safe. An accident involving a son, daughter, father or mother can ruin a whole family. We will continue to fulfil our responsibility by seeking to prevent accidents before they happen, focusing on leading indicators, promoting good behaviour and leading by example.



Hunter Jin
CEO, SEAHKT Operations
Swire Coca-Cola



PROMOTING SAFETY LEADERSHIP

The importance Swire Coca-Cola places on safety is reflected in the seniority of members of the new Divisional Safety Board (DSB), which includes the CEOs of our U.S., Chinese Mainland and Southeast Asia, Hong Kong and Taiwan (SEAHKT) businesses. In 2022, we linked safety to executive compensation.

Our goal is to embed a culture of safety, where everyone takes ownership of the safety of our workplaces and is empowered to address potential hazards. We do this by setting the tone from the

top and cascading the message to all levels. We use behaviours to change mindsets – starting with actions as small as ensuring everyone buckles up and beginning each operations meeting with a few minutes of safety sharing.

Our Hong Kong plant, for example, employs a holistic approach. Strong and visible leadership support for safety is combined with new technologies like Intenseye and regular promotional videos to colleagues to ensure safety stays top of mind.

MANAGEMENT APPROACH

Safety

“Zero is Possible” is our vision for a harm-free workplace. Our Group Safety Management System Improvement Framework describes six areas of action to drive continuous improvement across our operations. They include effective governance and policies, building a safety culture, robust risk assessment, thoroughly investigating and learning from incidents, and enhancing in-factory and road safety. Group Safety Management

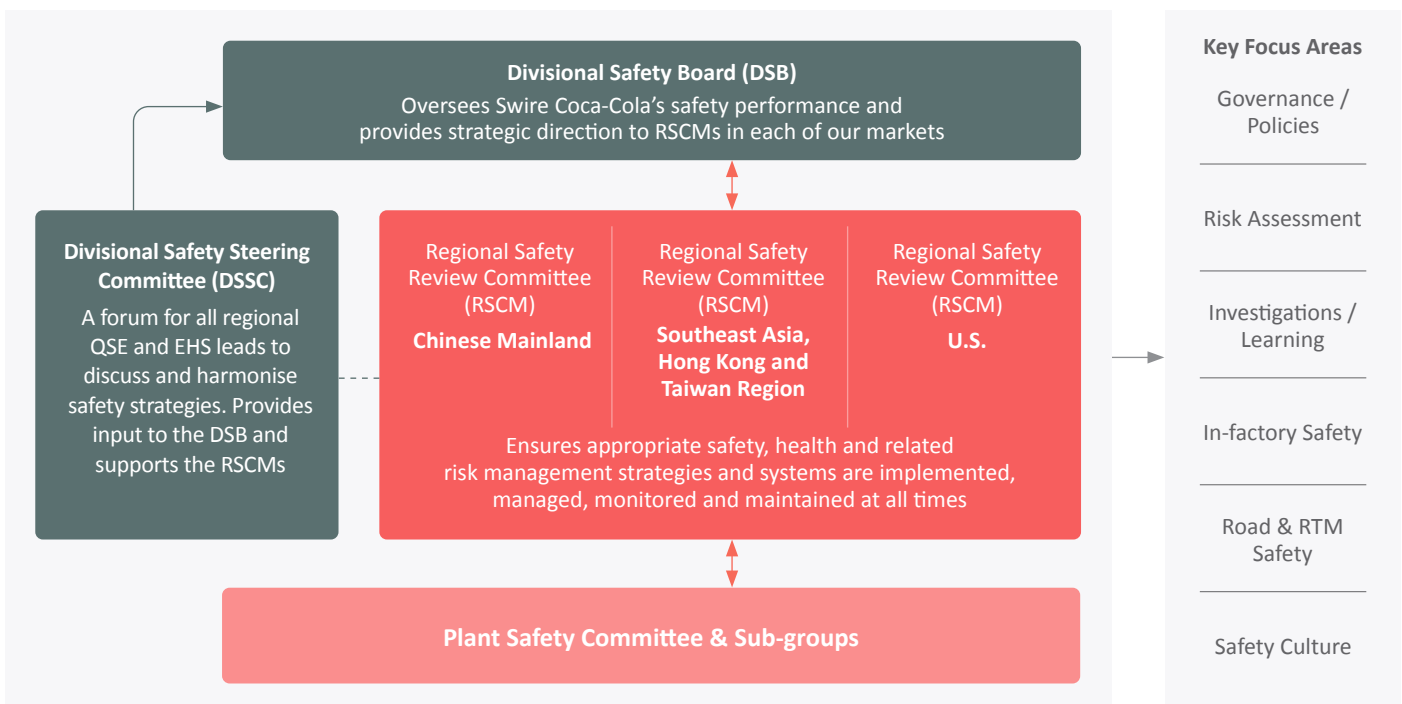
Standards cover the expected roles, responsibilities and competencies of safety teams in each market and contractor controls, among other areas. An investigation guideline and template were developed to enhance these standards in 2022. Each bottling plant adopts and expands on these standards as part of its safety management system.

100% of our bottling plants are certified to the following international standards:

ISO 14001 Environmental Management System	ISO 9001 Quality Management System
ISO 45001 Safety Management System	FSSC 22001 Food Safety Management System

In 2022, we enhanced our safety governance by establishing a new Divisional Safety Board (DSB). Chaired by our Managing Director, the DSB meets twice a year and oversees our global safety performance. Lagging indicators (LTIR, TIR and LDR) and leading indicators, such as behaviour-based safety (BBS) observation rate, are reviewed. Leading indicators are predictive measurements that can help us mitigate risk and influence change.

The DSB provides strategic direction to new Regional Safety Review Committees (RSCMs). RSCMs meet at least quarterly and are chaired by the CEO in each region. They ensure appropriate safety, health and risk management strategies and systems are implemented and monitored. We also established a Divisional Safety Steering Committee (DSSC), a monthly forum for regional QSE and environmental, health and safety (EHS) leads to discuss and harmonise safety strategies and provide input to the DSB.



Driving Leadership Accountability

Leadership accountability is critical to realising our vision. Our senior leadership team reviews monthly safety reports, and in 2022, we linked executive compensation to safety performance metrics, including:

- Ensuring zero fatal incidents on Swire Coca-Cola premises (excluding medical-related fatalities) and a minimum 5% reduction in TIR and LDR compared to prior year actual rates
- Chairing a regular RSCM meeting and contributing to the DSB

We believe this approach will effectively align our safety objectives with management decisions and provide a foundation for further improvement.

Empowering Employees

Our commitment to creating an inclusive and supportive workplace is guided by the Swire Pacific [Diversity & Inclusion Policy](#) and strategy. The strategy sets aspirations to be recognised as a diversity and inclusion leader, promoting diversity and inclusion in our business and across our sphere of influence. It identifies five diversity areas: gender, age, ethnicity, disability and sexual orientation.

In 2022, we enhanced our group-wide diversity and inclusion governance structure. Our new Diversity and Inclusion Board (DIB) meets twice a year to set the strategic direction, review progress towards regional goals and ensure coordinated communications on this important topic. Each market has a Diversity and Inclusion Steering Committee (DISCO) that meets three to four times per year to develop and review locally relevant programmes and KPIs and update policies in line with guidance from the DIB.

Our Flexible Working Hours and Remote Working Policy offers employees in the Hong Kong SAR more flexibility and time to manage personal and family commitments. Our [Code of Conduct](#) and [Respect in the Workplace Policy](#) prohibit any forms of harassment or workplace bullying.

We facilitate the development of our people and help them grow their professional skills by providing various learning platforms and training opportunities. Employees can access our online Learning Management System to develop competencies in line with their career aspirations. The SCC Academy in the Chinese Mainland provides training on a range of topics from leadership skills to supply chain and human resources management.

Respect for Human Rights

We respect the human rights and dignity of our employees, those working in our supply chains and the communities in which we operate. The Swire Pacific [Human Rights Policy](#) sets out our commitment to respect internationally recognised human rights, including health and safety, diversity and inclusion, employment and labour practices. This policy is informed by the International Bill of Human Rights and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work.

WHAT WE'RE DOING

Building a Culture of Safety

We are working to build an organisational culture where safety is at the top of everyone's mind. We want our people to take ownership of their safety and the safety of others. We encourage them to raise safety concerns and take the initiative to report hazards, threats and near misses. This allows us to address issues, learn from our mistakes, and hopefully prevent more serious incidents from occurring.

Leadership must visibly advocate for safety to drive a positive safety culture. In 2022, we provided safety leadership training to General Managers, Directors and Frontline Managers in the Chinese Mainland. In the Taiwan Region, we introduced an enhanced "Safety Gemba Walk" to enable leaders to engage directly with frontline teams at our plants and warehouses to identify opportunities to improve safety. A campaign in the Hong Kong SAR invited senior and department managers to define safety pledges – for example, "Remind myself and colleagues to wear seat belts when driving or travelling in vehicles" – and recognised employees who demonstrated those behaviours with a quarterly prize draw.

● Integrating TCCC's Life Saving Rules (LSR) (U.S.)

In the U.S., we launched a series of campaigns designed to promote TCCC's 14 simple but impactful LSR, which we introduced across our markets in 2021. Our U.S. CEO, Rob Gehring, introduced the programme and our core safety values. We rolled out LSR videos through our Learning Management System and communicated the LSR through multiple print, electronic and TV touchpoints.

“

We never compromise on the safety of our staff, business partners, customers and consumers. The LSR is a key part of our approach. We maximise its highly effective content by integrating it into everything we do: posters, toolbox talks, calendar tips, TV blasts, videos led by senior leadership, and our intranet, SwireConnect. In 2023 we will focus on our big three goals: using the LSR to build capability for frontline leaders, enhancing our communications even further, and executing our core safety management systems through safety committees and increased engagement.

Brandon Wiseman
Senior EHS Manager



”

● 100 Days for 0 LTI (Taiwan Region)

In September 2022, we launched a "100 Days for 0 LTI" campaign in the Taiwan Region, which rewarded employees with one paid holiday for accomplishing three tasks in 100 days. Tasks included achieving BBS targets by conducting safety observations, attending LSR training sessions and submitting numerous proposals on safety risks and good behaviours. As of 31 December 2022, 1,840 safety suggestions had been made.



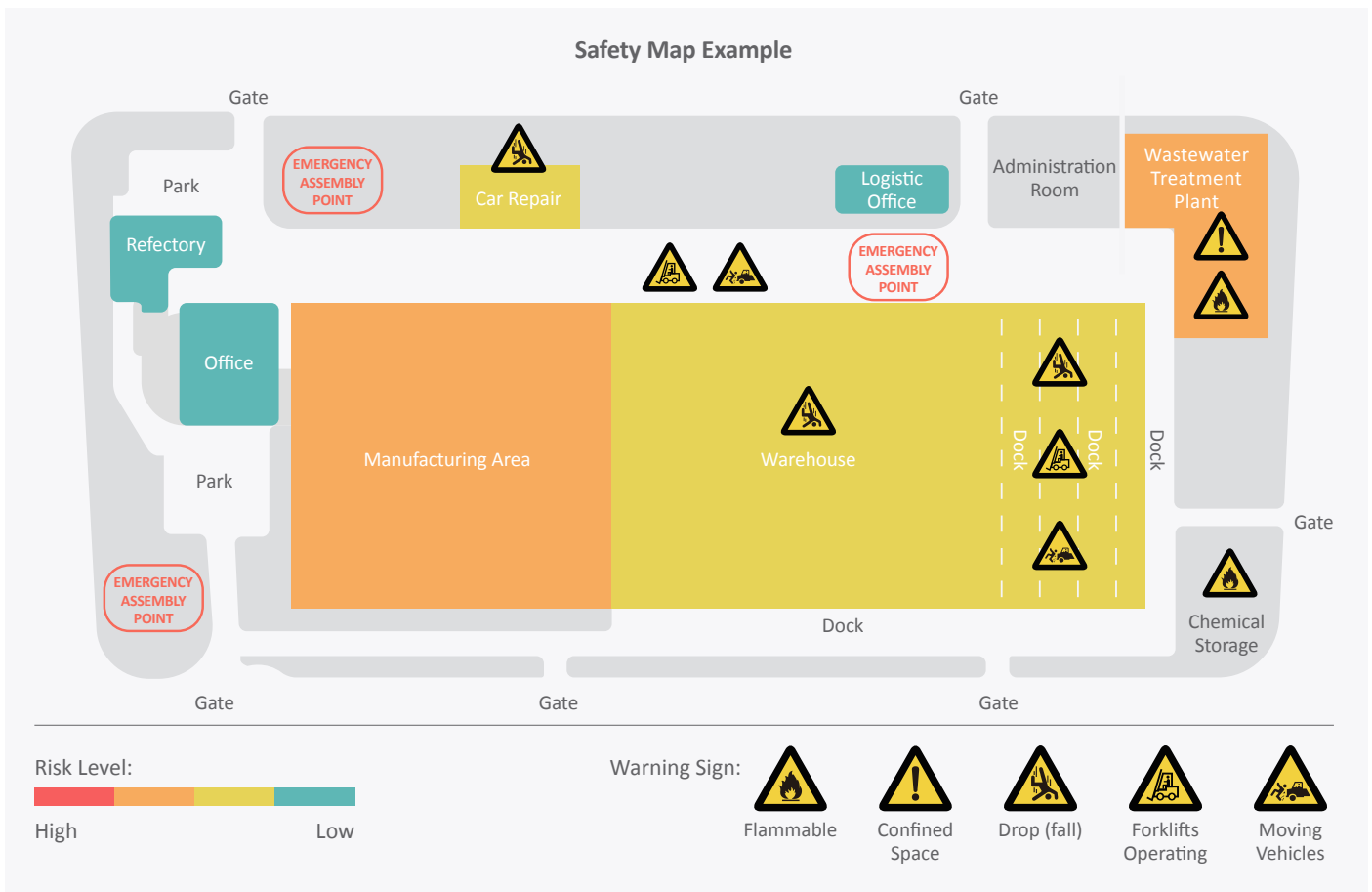
Enhancing Safety Management

We continually assess top safety risks, covering in-factory safety, road safety and contractor management. We thoroughly investigate incidents and seek to understand why they happened and disseminate learnings across our markets. In 2022, 50 managers and supervisors in the U.S. and 24 managers and supervisors in the Hong Kong SAR were trained in the Kelvin TOP-SET model of incident investigation. The model teaches individuals to avoid biased thinking by considering all aspects of an incident and implementing SMART actions to address root causes.

● Safety Maps (Chinese Mainland)

Our ability to manage safety issues rests on our understanding of the potential hazards arising from our operations. We seek to identify those hazards more clearly throughout our facilities with Safety Maps. These tools are visual representations of high-risk areas in facility-level floorplans and specific work areas, which are used to quickly assess and respond to hazards. Frontline employees, who are most familiar with the risks involved in their places of work, are thoroughly engaged in helping develop these maps.

Following successful pilot programmes in our Zhejiang and Henan plants in 2021, Safety Maps were implemented at 100% of our facilities in the Chinese Mainland in 2022. We use the maps to train workers in our facilities and to quickly educate visitors about safety risks and controls, including PPE requirements. Going forward, we will implement safety maps in other facilities and regions, including distribution centres and our newly acquired plants.



Contractor Management (Taiwan Region)

We screen, train and supervise contractors working on our sites. In the Taiwan Region, we provided dedicated training to 110 contractor supervisors in March and April 2022. Topics included roles and responsibilities, procurement and entrance applications, high-risk working permits, policies and hazard notification. In conjunction with our Group and Regional QSE Offices, a detailed action plan has been developed to enhance the effectiveness of this programme. In 2023, we will hold more safety management training for contractors to advance adoption of safe construction practices at our Taiwan plant.



Leveraging Technology for Safer Environments

We view technology as a key enabler in the safety management process.

Intenseye (HKSAR)

We are looking to the future and deploying next generation technologies to protect our people today. The Intenseye system is an artificial intelligence (AI)-powered workplace safety monitoring system. It allows our CCTV system to detect instances of sub-standard safety performance. The system uses machine learning to automatically identify risks in real time. For example, Intenseye raises alerts when employees are not wearing a safety vest, speeding or infringing on safety zones. Results are maintained in an easily accessible online dashboard to enable frequent compliance monitoring and continual performance improvement.



Before installing Intenseye, we collaborated with multiple stakeholders to configure the system, review potential privacy issues and define user requirements. We actively engaged frontline workers to understand and address concerns and ultimately deployed the system using 20 cameras in our bottling facility in the Hong Kong SAR. Throughout 2022, we found the system to reliably improve safety performance and reduce the number of safety alerts received by over 60%. Going forward, we plan to deploy the Intenseye system to cover more operations in the Hong Kong SAR and introduce it in the Taiwan Region and other markets.

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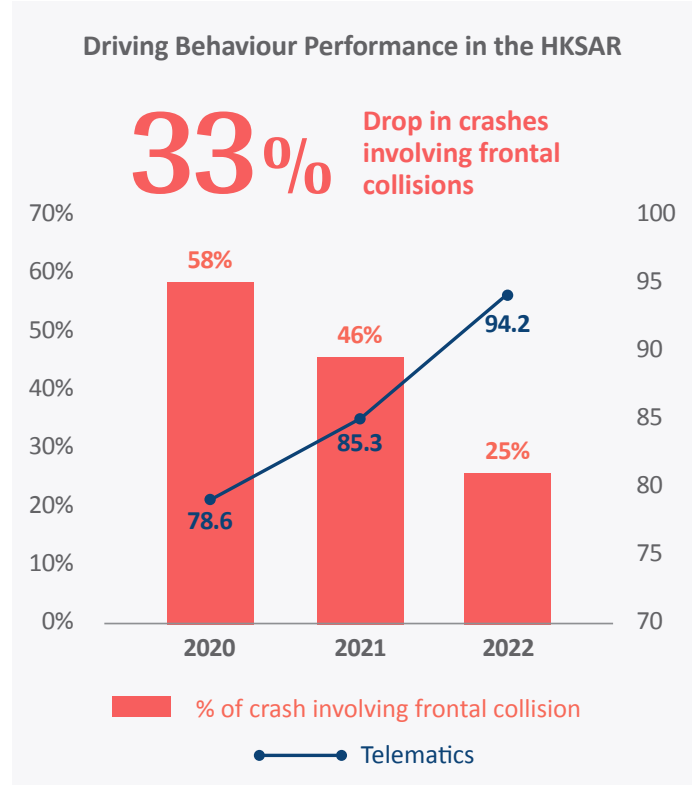
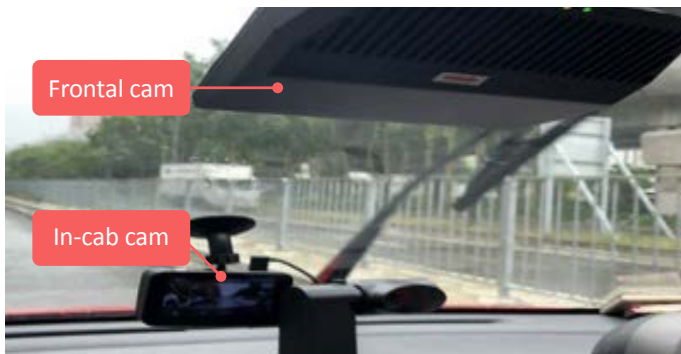
In the past, our supervisors had to keep reminding teams to wear reflective vests. After Intenseye was implemented, we observed everyone starting to put on their reflective vests without being asked when entering the warehouse. We can already see the system is having a positive influence on safety behaviour.

Tsui Nam
Forklift Operator II
Swire Coca-Cola Hong Kong

”

Telematics (HKSAR, U.S.)

We deploy innovative, camera-based telematic systems to monitor road safety performance, avoid traffic accidents and promote positive safety behaviour. In the U.S., SmartDrive in-cab cameras were installed in 1,300 vehicles by the end of 2022. These cameras help us provide weekly coaching and recognise drivers who drive safely. In the Hong Kong SAR, our Driver Safety Assurance System (DSAS) links in-cab cameras to a cloud-based analytic platform to monitor road conditions and alert drivers of unsafe driving behaviour in real time. We have observed fewer frontal collisions as our telematic scores improve in the region.



Technology for Safety Incentives (Chinese Mainland)

We use technology to incentivise safe behaviour through a digital “Safety Culture Platform” based on WeChat Work in our Henan operations. Launched in December 2021, the platform is designed to enhance the safety engagement of sales employees by identifying risks on

the road and during market visits. Employees can earn points towards gifts by using the platform to check-in on the following items. We plan to extend this programme to all operations in the Chinese Mainland in 2023.

Check-in item	Description	No. of check-ins in 2022
Checking helmet and safety belt	Taking a selfie with a helmet and safety belt on	54,187
BBS reports	Uploading a screenshot of a finished BBS report	44,898
Safety learning	Confirming that learning programmes have been completed	37,833
Near miss and potential safety hazard reports	Reporting potential safety hazards like slippery areas or broken traffic lights on the road	43,722

Preparing our Employees to Lead

In 2022, colleagues across our markets participated in leadership training programmes to build the skills needed to lead us into the future.

In the Hong Kong SAR, 120 staff learned critical management skills in our Supervisory 101 programme, recording 3,360 training hours. Over 90% said they would recommend the programme to colleagues. Over 120 supervisors in the Taiwan Region participated in leadership training on building a high-performance culture. In the Chinese Mainland, we enhanced SCC Academy with new Colleges of Finance and Information Technology, adding to existing content on Leadership and Management, Sales and Marketing and Supply Chain. And in the United States, one-third of our employees in leadership positions attended First Line Essentials training to improve leadership capabilities.

Promoting Diversity and Inclusion

We strive to create a workplace where colleagues feel they belong. Our initiatives are intended to make our staff feel respected, valued, and empowered to reach their highest potential.

Gender: Supporting Women (Chinese Mainland)

In the Chinese Mainland, we support women in the workplace through the Swire Coca-Cola Women's Network and our Male Allies Network, which has over 7,000 members.

Our Sisterhood Programme, which includes over 447 female manager members, brought women together at multiple events in the Chinese Mainland in 2022. External speakers who joined us included a coach from McKinsey & Company who spoke about career growth to a group of 527 colleagues. We also connected women to representatives from leading Chinese universities, including a guest from Tsinghua University who taught our colleagues about the importance of self-awareness. A professor from Nanjing University also led an inspirational discussion and sharing session on how Chinese proverbs can apply to our daily lives.



● Disability: Supporting Employees with Accessible Workplaces (HKSAR)

Our workplaces are designed to accommodate the varying needs of our diverse group of employees. In the Hong Kong SAR, our team includes two staff members with achondroplasia, a medical condition that affects

bone growth. Adjustable ramps and automatic doors improve accessibility for all our colleagues, including these valued team members. We also provide height adjustable desks and chairs for accommodation and ergonomics.



A DECADES-LONG JOURNEY WITH SWIRE COCA-COLA

Last year, Cheng Yin Ting left her position of 22 years in our Hong Kong warehouse and took on a new role in our Customer Service and Sales Department. She was encouraged by a colleague from our Human Resources team to change from a clerical job to a position that requires communication with customers and various departments.

Cheng Yin Ting
Customer Service & Sales Officer



Living with achondroplasia, Ting has been impressed by the diverse and inclusive corporate culture throughout her decades with Swire Coca-Cola. She says colleagues treat each other equally and have made her feel comfortable. We are proud to create an environment where colleagues like Ting can thrive – she shows us that even though we all have different characteristics and personalities, we can have kind hearts.

● Sexual Orientation: Inclusion in November (HKSAR, Taiwan Region)

Throughout November, Hong Kong and Taiwan colleagues engaged in multiple activities to celebrate and promote LGBT+ inclusion. In the Taiwan Region, over 50 employees represented Swire Coca-Cola at the LGBT+ Pride Parade, advocating for equal rights for the LGBT+ community. Colleagues also attended a workshop with Taikoo Motor titled “To Be an Ally in the Workplace”. Hosted by Womany Media, an organisation that promotes gender education and draws attention to gender-related issues, over 200 participants learned how to foster diversity and inclusion and embrace different perspectives and values. In support of our partnership with the Child Welfare League Foundation (CWLF), colleagues wore two different socks on “Pink Friday” to celebrate individual differences.



In the Hong Kong SAR, D&I Week helped colleagues understand better ways to build a diverse and inclusive working environment. A total of nine events throughout the month reached approximately 1,500 employees.

● Ethnicity: Welcoming Overseas Employees (Taiwan Region)

We were proud to welcome 20 new colleagues from the Philippines, including 10 women and 10 men, to our operations in the Taiwan Region in September 2022. Our team worked to create a welcoming environment for our new team members during orientation by pairing each with a staff “buddy” and linking them to social networks including Line and WeChat. Since joining, we have sought to bridge cultural and language gaps by providing weekly Chinese language classes and ensuring key safety documents are available in multiple languages.

“

I’ve had no problems joining the team in the Taiwan Region while balancing work with Chinese language study. My supervisor is very good and is slowly teaching me about the machines and equipment in our facility. I am getting help to solve any problems encountered. I am excited to continue to learn.

New Joiner
Swire Coca-Cola Taiwan

”

Engaging our Employees

We seek employee feedback to improve our working environment and our business performance. We regularly engage employees through our Global Employee Survey and the Swire Group D&I Survey.



● Global Employee Survey

Our Global Employee Survey is designed to help us better understand the connections between Swire Coca-Cola and our employees. In our last survey, conducted in 2021, we recorded improvements in sustainable engagement, which seeks to measure whether our employees are engaged, enabled and energised over time. The improvement was greatest in our Hong Kong market. Engagement in the Chinese Mainland remains high. We look forward to further improvements when this survey is conducted again in 2023.

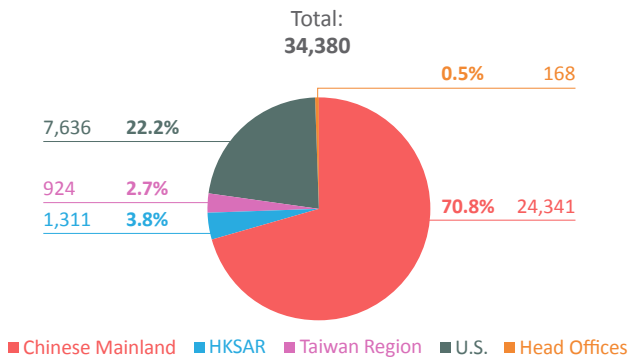
● Swire Group D&I Survey

Our employees contribute their views on our approach and performance related to diversity and inclusion in the broader Swire group through the Swire Group D&I Survey. 221 Hong Kong employees responded to the survey in 2022, revealing the following:

- **76%** of respondents feel Swire Coca-Cola is an inclusive company
- **78%** of respondents feel we are creating an environment where people of diverse backgrounds can succeed
- **83%** of respondents feel we have promoted inclusion through our internal communication and/or events

PERFORMANCE

Total Employees by Market 2022



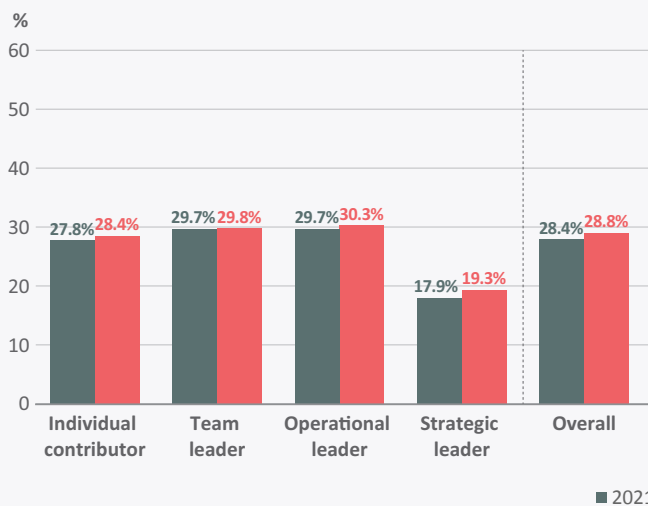
Safety

	2020	2021	2022
Fatality	1	1	1
Lost time injury rate (LTIR)	0.50	0.53	0.39
Total injury rate	1.84	1.79	1.72
Lost day rate (LDR)	22	22	16

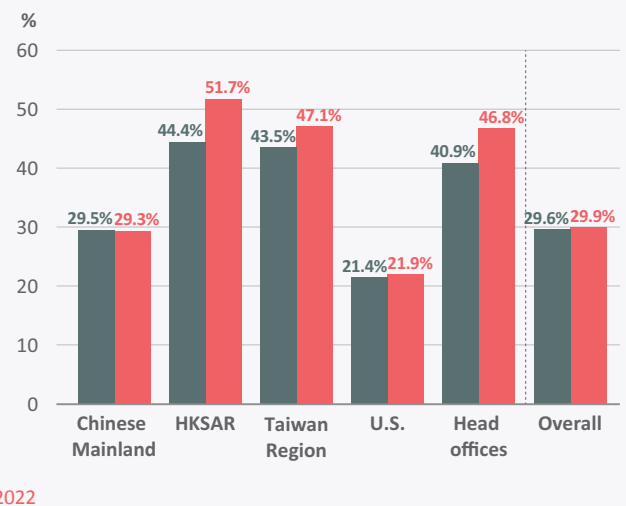
26% decrease in LTIR 27% decrease in LDR

Women Leadership

Gender Breakdown by Employment Level



Percentage of Women Managers by Market



Training for an Inclusive Workplace

Recognising that inherent prejudices and stereotypes can influence our decision making, we deliver unconscious bias training and inclusive leadership training in several of our markets. As of 31 December 2022, 1,344 managers participated in inclusive leadership training across our business. In the Taiwan Region, 150 managers attended inclusive leadership workshops throughout 2022 to study real business cases involving issues of gender, age and seniority. We also expanded our unconscious bias training to supervisors and frontline staff.



The unconscious bias course is very practical – learning how to distinguish unconscious bias helps us avoid prejudice and think about how to lead our colleagues to change for the better.”

2022 participant in unconscious bias training



1,344 managers participated in inclusive leadership training

LOOKING AHEAD

Our immediate priorities include:

1

“Zero is Possible” 2023 Campaign

“Zero is Possible” is our organisation-wide safety promotion and focus campaign. We aim to build a strong and resilient safety culture through the integration of LSR and concepts of safety leadership. This campaign prioritises key strategic elements of safety at the group level and synchronises with our regional safety strategies and campaign. We will continue to deliver on our “Zero is Possible” vision in 2023 in the following areas:



Safety Portal

Platform Ready



Safety Maturity
Assessment

Q1 / 2023



Risk Management

Q1-3 2023



Safety Pledge &
Recognition

Q2&4 2023



Digital EHS
System

Q3/4 2023



Safety Culture
Development

Developing

2

Preparing Women to Lead

Building upon our recent improvements in female representation at the frontline sales and supervisory levels, we will work to prepare more women in our business for executive leadership roles. As we seek to develop talent from within, the executive training process will take time. Nonetheless, we expect our efforts will result in an increase in the proportion of women at the highest levels of Swire Coca-Cola in 2023 and beyond.



COMMUNITY



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.

RELEVANT SDGS



RELATED MATERIAL TOPIC



Community Engagement

STRATEGY

Targets

01

Give back to society by investing our annual profit in the **Corporate Social Responsibility (CSR) Fund** for supporting projects relating to our focus areas

Invest 1% of Swire Coca-Cola's annual profit to the CSR Fund by 2025

HK\$ 20,870,112 contributed in 2022, 0.6% of annual profit

Progress
On Plan



02

Encourage corporate volunteering and encourage employees to contribute to communities

Reach an average of 8 volunteering hours per employee by 2025

1.88 hours in 2022

Progress
On Plan

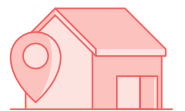


03

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

We continue to develop and maintain strong partnerships with NGOs and organisations to support local communities. Our efforts endeavour to improve local livelihoods, reduce carbon, promote social inclusion and heighten environmental awareness

Progress
On Plan



HIGHLIGHTS

- Recorded a total of 64,768 volunteer hours, with average hours per employee more than doubling over last year, from 0.93 to 1.88 hours
- Cash donations to meaningful causes in our communities exceeded HK\$10 million in 2022
- More than 8 million bottles of beverages valued at over HK\$11 million donated in 2022

CHALLENGES

The COVID-19 pandemic required our teams to cancel or postpone many volunteering initiatives in 2022. Despite this, our colleagues in Shanghai recorded an average of 8.46 volunteering hours per employee during the severe pandemic situation, exceeding our group-level goal by 0.46 hours.

WHY IT MATTERS

Our business plays an important role in the communities of our franchise territories, and like the members of those communities, we also depend on talent and natural resources around our facilities to thrive. We support our communities by focusing on the following five topics aligned with our broader sustainability strategy, corporate culture and values:

- **Water stewardship:** Water is the key ingredient in our beverages and essential for the health of ecosystems and communities. We work with governments and NGOs to protect water sources and secure clean water for communities in need.
- **Packaging and waste management:** A “World Without Waste” requires both packaging and recycling solutions. As we strive to address the global packaging waste challenge within our business, we also engage community members by raising awareness of recycling and other environmental issues.
- **Youth development:** Today’s youth are the future leaders of our business and our communities. We support them with projects involving education, and other societal and community initiatives that can impact their development.
- **Female empowerment:** Empowered women strengthen economies, reduce income inequality and build healthier societies. Our projects help women achieve their goals and reach their full potential.
- **Emergency relief:** Freshwater supplies are often disrupted in emergency situations. As a leading bottler, we can provide relief when it is needed most. We work with NGOs and local governments to deliver drinking water to affected populations during crises.

MANAGEMENT APPROACH

Our CSR Policy guides our community initiatives and activities across our markets, fostering community development in three key ways. We give back to our communities through our CSR Fund, which invests a portion of our profits in impactful projects and initiatives. We also encourage our staff to volunteer their time by offering annual volunteer leave. For greater impact, we partner with local governments and NGOs to understand and address the specific needs of our communities.

Our group Corporate Communications team is responsible for our CSR Policy and reviewing it bi-annually to identify areas for improvement. Regional Public Affairs & Communications teams leverage their local expertise to allocate, manage and report on the use of CSR Fund contributions in each market. Our regional teams also organise and manage volunteering events and identify appropriate local government and NGO partners.

To encourage our people to volunteer, our Hong Kong and Taiwan markets introduced volunteer leave in 2022. In the Chinese Mainland, our Volunteer Team promotes a culture of volunteering and provides strategic and logistical support for volunteer events in the region. In just 13 months, the team organised over 500 volunteer events, helping us achieve an average of 2.33 volunteer hours per employee in that market.

WHAT WE'RE DOING

Across our markets, we support our communities by giving back through our CSR Fund, volunteering and partnering with NGOs and local governments.

●● “We Care” Vending Machines

Extreme weather events such as blistering summers are becoming more common as our climate changes. Many of the outdoor workers we all rely on, from police to road sweepers and delivery workers, continue to do their jobs in temperatures over 40°C. To show appreciation, we are leveraging nearly 20,000 of our vending machines to provide free bottled water to those in need. Consumers are encouraged to make a

donation when purchasing a beverage from one of these machines. Donations are then used to provide free beverages to outdoor workers during periods of extreme heat. This cross-functional initiative involves all of our bottling plants in the Chinese Mainland and has been heavily promoted through multiple channels. As a result, the programme has provided 235,000 bottles of water to help cool down outdoor workers during difficult times.





Lu Jing
Business Development
Shenmei

“

It was my pleasure to be part of the volunteer team. From supporting nucleic acid testing to distributing materials, those were busy yet fulfilling days! The greatest gifts the experience gave me are the bonds built within the neighbourhood. While helping others, we made many friends. Life is full of challenges but we shall always stay positive and remain grateful for all opportunities to grow and give back.

”



COMING TOGETHER FOR SHANGHAI

The COVID-19 situation was severe for much of 2022. In Shanghai, community lockdowns were implemented from March to May. We sought to leverage our logistical capabilities and experience in providing emergency relief to help those in Shanghai. At the early phase of the pandemic, we obtained a certificate from the Shanghai Municipal Commission of Commerce to be one of the first enterprises to help supply certain products using a “closed-loop” production system.

During this period, Swire Coca-Cola took advantage of the integrated supply chain in the Yangtze River Delta to open up cross-provincial logistics and transportation, dispatched 14 vehicles and re-distributed products from surrounding cities including Zhejiang, Jiangsu and Anhui to ease the pressure on product supply in Shanghai. Over 300,000 bottles of TCCC products were also donated to centres for disease control and prevention, hospitals, designated quarantine hotels and colleges in the city.

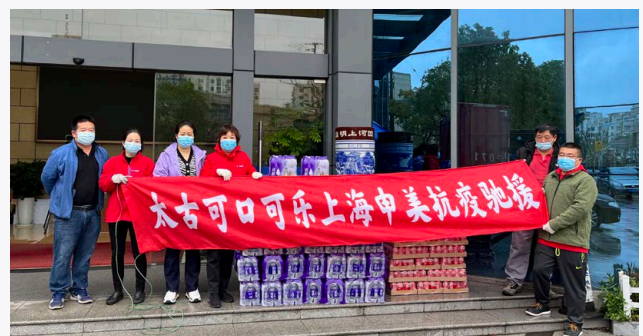
The situation took a toll on our employees as well. To ensure the supply of daily necessities needed

to support our communities, over 300 of our staff members stayed in a “closed-loop” system in which they lived in their workplaces. We supported these dedicated colleagues with regular deliveries of supplies, including nutritious food. At the same time, nearly 1,700 of our colleagues in Shanghai had to work from home during lockdowns. Our Human Resources team supported them with initiatives on home epidemic prevention, indoor fitness, and access to psychological services through a hotline.

Despite these challenges, our staff in Shanghai lifted their communities up and truly embodied our culture of volunteerism throughout the year. Colleagues from different facilities and functions helped administer nucleic acid testing, delivered rapid antigen test kits and cared for elderly neighbours. Through our “WeCare” Volunteer Group, over 170 members volunteered a total of nearly 20,000 hours in 138 areas of the city. Despite their different backgrounds, our colleagues all came together for Shanghai.

>300,000 bottles of TCCC products donated to support Shanghai

20,000 volunteer hours in **138** areas of Shanghai through the “WeCare” Volunteer Group



● Clean Water 24

In the Chinese Mainland, our Clean Water 24 programme was activated 11 times in 2022. We have participated in this programme, which supports local communities by providing bottled water to affected citizens within 24 hours of a natural disaster, since 2013.

510,000 bottles delivered to **>37,100** people within **24** hours of natural disasters in 2022

In 2022, we delivered around 510,000 bottles of beverages to people in need. Over 37,100 people benefitted from these donations.



Combining Packaging Evolution and Upcycling for Social Inclusion in the Hong Kong SAR

In June, we launched “Coca-Cola and the Bottle of Secrets” and “The Second Life of Crates” at The Mills in Tsuen Wan. Highlighting the evolution of the iconic Coca-Cola glass bottle, the exhibition showcased our new returnable glass bottles that came into production in 2022. The launch of the new glass bottles officially marks another step in our development of sustainable packaging solutions, and the retirement of our original 24-bottle crates.

Engaging the community on circular economy concepts, the programmes also displayed inspiring products featuring recycled high-density polyethylene (rHDPE) made from retired crates. Developed by students from The Hong Kong Polytechnic University School of Design, the products promoted social inclusion by fostering harmonious relationships among people from different generations, sexual orientations and abilities in the Hong Kong SAR. Products included rHDPE wheelchair sports accessories, jewellery celebrating LGBT+ inclusion and potted plants to bring families together around gardening.

100 sets of “REDcognise Clips” were also for sale. These award-winning clothing identification devices were created especially for those with impaired vision. All proceeds went to The Hong Kong Society for the Blind, a non-profit organisation that provides services for the visually challenged to participate in society equally, improving their quality of life.



Supporting LGBT+ inclusion in the U.S.

Our team in Seattle demonstrated our support for inclusion and equality by organising several events in 2022. We partnered with GSBA, the world’s largest LGBT+ chamber of commerce, to donate \$10,000 towards scholarship and education programs for LGTBQ+ and allied students who exhibit leadership potential, strong academic abilities and are actively engaged in school and community organisations. We also donated a vintage Coca-Cola vending machine, which was auctioned by the GSBA for \$8,000 benefiting the scholarship and education fund. The company also participated in the Seattle LGBTQ+ Pride parade for the first time. With more than 30 employees and their families, we distributed DASANI water to parade spectators.



🎯 Anti-bullying Campaign in the Taiwan Region

According to a survey by the Child Welfare League Foundation (CWLF), nearly 90% of students in the Taiwan Region have seen classmates bullied for reasons as simple as their personality or looks. We continue to address this critical youth development issue through our partnership with the CWLF. In November 2022, under the theme “Socks! We are different”, we invited the public and students at all elementary and middle schools in the Taiwan Region to wear two different socks on the left and right. Through this simple action, participants were encouraged to celebrate individuality, empathise with the differences of others and be brave enough to be themselves.

At the same time, the CWLF introduced the “Anti-bullying Crowdfunding Programme” to raise funds for its anti-bullying awareness campaigns. Four socks of different colours and expressions were launched for the public to

wear, representing each person’s distinct qualities and characteristics. We are proud to have supported these campaigns since 2017, which have achieved over 27 million reaches through public education initiatives to raise awareness of bullying.



LOOKING AHEAD

Our immediate priorities include:

1

Working with our community partners to **Create Customised CSR Projects** that drive meaningful impacts in the local community

2

Developing our **Second Carbon Reduction Farmland** in Hainan Province

3

Establishing a Clear Record-keeping Protocol for Volunteering with the support of digital tools or platforms

4

Organising a greater **Variety of Volunteer Activities** to attract employees with different interests to participate

5

Promoting Volunteer Leave among our employees to encourage volunteerism

TCFD DISCLOSURES

The [Task Force on Climate-related Financial Disclosures \(TCFD\)](#) has recommended a set of voluntary disclosures for companies to provide information on climate-related financial risks. We use the TCFD framework to consider climate-related risks and opportunities that could impact our business and articulate how these risks are identified and managed. We started producing annual TCFD disclosures in 2021.

The following statement is structured in line with the four areas of the TCFD recommendations: governance, strategy, risk management, and metrics and targets.

Governance

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

- Ultimate accountability rests with the Board of Directors of Swire Pacific and management is delegated to Swire Coca-Cola's executive leadership team.
- Swire Pacific considers climate-related risks within a "three lines of defence" risk model that applies to all of its operating companies, including Swire Coca-Cola:

First line: Committees and working groups convened by the Group Sustainable Development Office formulate group-level climate strategy and policies and track performance

Second line: Specialist risk management committees review and evaluate divisional risk management processes

Third line: The GIAD provides a second opinion on the effectiveness of internal controls, mitigations and crisis response measures

- At Swire Coca-Cola, our central sustainability function and SWG oversee the implementation of our sustainability strategy and decarbonisation activities.

For more details about climate-related governance at the Swire Pacific level, please see the [Swire Pacific Annual Report 2022](#) and the [Swire Pacific Sustainable Development Report 2022](#).

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

- The DEB makes decisions and takes action to execute our sustainable development strategy. It reviews monthly reports and quarterly scorecards, including our absolute GHG emissions and related information.
- Our GM of QSE & Sustainability provides semi-annual updates to senior management on sustainability, which cover various climate-related issues.

See "Sustainable Development Governance" on [p.8](#).

Strategy

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

- As part of an initiative led by our parent company, we used the Climonomics tool developed by the Climate Service (now part of S&P Global) to assess physical climate-related risks and opportunities for 550 of our most valuable assets. The assessment considered four Representative Concentration Pathways (RCP 2.6, 4.5, 6 and 8.5) used by the Intergovernmental Panel on Climate Change (IPCC).
- The tool projects Modelled Average Annual Loss (MAAL) using the insured value of each asset. MAAL is the sum of expected climate-related expenses (e.g. the cost to repair facilities after climate-related damage) and decreased revenue from business interruption. It is represented as an amount of loss or the percentage of loss relative to total asset value, as shown in the table on the following page.

Physical Risks

Risk Type	Risk	Financial Implications	Time Horizon	Short-Medium Term: Total MAAL by 2030 (US\$ million)	Short-Medium Term: Total MAAL by 2030 (%)	Long-Term: Total MAAL by 2050 (%)
Acute	Coastal flooding	More spending to improve the adaptive capacity of our assets and to mitigate adverse effects	Medium – Long	7.2 – 7.5	0.11 – 0.12	0.42 – 0.56
	Fluvial flooding		Medium – Long	12.3 – 17.9	0.19 – 0.28	0.29 – 0.50
	Drought	Disruption to supply chains	Short	3.9 – 4.9	0.06 – 0.08	0.08 – 0.11
	Wildfire		Short – Medium	6.0 – 7.8	0.09 – 0.12	0.14 – 0.20
	Tropical cyclones		Short	0.5 – 0.6	0.009 – 0.01	0.0099 – 0.01
Chronic	Extreme temperatures and heat stress	Lower productivity due to extreme heat More spending on cooling	Short	41.9 – 45.7	0.66 – 0.72	0.91 – 1.21
	Water stress	Reduced production volume More spending to improve water efficiency	Short	6.8 – 13.9	0.11 – 0.22	0.13 – 0.22

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

- We have set climate-related targets and commitments to manage our risks and identify opportunities in this area (see "Metrics and Targets" on the following page), including investing in improving energy and water efficiency, achieving 100% renewable electricity for core operations by 2026 and regularly reviewing water source vulnerability assessments and management plans for each site.
- We will pilot an internal carbon price mechanism in 2023, which includes a fee calculated using the most recent financial year's operational emissions that generates additional funds for decarbonisation projects. The mechanism also includes a shadow carbon price associated with future investments over a certain financial threshold.

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

- Working with Swire Pacific, we are assessing the implications of different long-term climate scenarios, the robustness of our climate strategy and the uncertainties associated with its execution.
- We assess the overall impact of physical climate-related risks on our assets globally to be low to moderate due to our strong mitigation measures and adaptive capacity. Our business and sustainability strategies enable us to effectively manage transition risks.

Transition Risks

Risk Type	Risk	Financial Implications	Time Horizon
Policy and Regulations	Carbon pricing	Carbon taxes and more spending on offsets	Medium
	More ambitious national decarbonisation plans	More spending to improve energy efficiency	Short – Medium
	Tighter building energy codes	More spending on compliance	Medium
Technology and Innovation	More use of green and low-carbon technology	More spending on technology	Short – Medium
	More use of renewable energy	More spending on renewable energy systems	Short – Medium
Reputational Damage	Increased reputation and litigation risks Greenwashing accusations	Lost revenue due to changing consumer preferences Litigation costs	Medium – Long
Markets	Increase in insurance premiums	Higher insurance costs	Medium – Long

Opportunities

Opportunity Type	Opportunity	Financial Implications	Time Horizon
Resource Efficiency	Use of more efficient production and distribution processes	Lower operating costs because of higher energy efficiency	Short – Medium
Technology and Innovation			
Changing Customer Preferences	Higher prices commanded for low-carbon products ("green premium")	Opportunity to access new markets or sources of revenue	Short – Medium
Markets	Sustainable finance (Sustainability-linked loans and bonds, green bonds)	Diversified financing sources Attract green investment Lower costs of capital	Medium – Long

Risk Management

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

- Climate-related risks are identified, described and scored on impact and vulnerability parameters through our ERM system.
- We use the Climanomics tool to review physical climate-related risks and their financial implications. We have also considered the impact of transition risks relating to carbon pricing based on the carbon pricing models included in IPCC Shared Socioeconomic Pathways SSP3-60 and SSP3-45.
- We are now working with a consultancy to incorporate the results from the Climanomics assessment into a broader climate scenario analysis, which we will share in future sustainable development reports.

Describe the organisation's processes for managing climate-related risks.

- The Swire Pacific [Climate Change Policy](#) and our validated, science-based target for 2030 guide our approach.
- We have ISO-certified environmental management systems (ISO14001) and energy management systems (ISO 50001). We invest in energy efficiency opportunities identified in partnership with external consultants and Tsinghua University's Joint Research Centre for Building Energy Efficiency and Sustainability.
- Our business continuity plans cover extreme weather events and all sites have SVAs and WMPs that are reviewed at least every five years. We are obtaining independent validation for these assessments and WMPs.
- We will implement an internal carbon price mechanism.

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

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

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:

- Scope 1, 2 and 3 GHG emissions (tonnes CO₂e)
- Energy consumed (GJ)
- Total renewable energy generated on our sites (kWh)
- Water use (cubic metres)
- Primary, secondary and tertiary packaging produced (metric tonnes)
- Proportion of recycled content

See "Performance Tables" on [p.93](#).

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

See "Climate" on [p.22](#) and "Performance Tables" on [p.93](#).

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

- We have signed up to Business Ambition for 1.5°C and set the following science-based targets (approved by SBTi in 2020):

By 2030, reduce GHG emissions from core operations (Scopes 1 and 2) by **70%** from a 2018 baseline

By 2030, reduce GHG emissions from our value chain (Scopes 1, 2 and 3) by **30%** from a 2018 baseline

- In 2022, our Scope 1 and 2 GHG emissions were 362,603 tCO₂e, a 9% decrease year-on-year. Our value chain emissions were about 4.02 million tCO₂e, a 5% increase compared with our 2018 baseline.

For details, see our [SBT Progress Report](#).

- We commit to using 100% renewable electricity for core operations by 2026. In 2022, 21% of our electricity use was from renewable sources.

PERFORMANCE TABLES

Environmental Performance

	Unit	Chinese Mainland	HKSAR	Taiwan Region	U.S.	Overall Total
ENERGY						
Stationary source						
Diesel	MJ	22,389,145	0	0	0	22,389,145
Towngas	MJ	0	59,200,030	0	0	59,200,030
Natural gas	MJ	206,803,611	0	39,013,057	256,081,829	501,898,497
Natural gas - sales & distribution centres	MJ	0	0	0	54,982,528	54,982,528
Liquid petroleum gas	MJ	1,321,304	0	0	0	1,321,304
Electricity	MJ	991,206,563	101,156,450	36,377,914	222,903,567	1,351,644,494
Electricity - sales & distribution centres	MJ	12,166,051	2,666,657	1,760,648	41,214,317	57,807,673
Steam	MJ	262,804,377	0	0	0	262,804,377
Compressed air – Purchased	MJ	2,735,428	0	0	0	2,735,428
Mobile Source						
Diesel	MJ	110,003,485	32,157,067	21,196,886	294,160,204	457,517,642
Gasoline	MJ	37,827,830	2,468,485	7,894,206	138,973,116	187,163,637
RENEWABLE ENERGY						
Purchased externally from utility company	MJ	289,489,204	0	0	0	289,489,204 ^(R)
Generated onsite	MJ	69,668,677	46,192 [^]	1,971,680	2,133,610	73,820,159 ^(R)
Total renewable energy generated	MJ	359,157,881	46,192	1,971,680	2,133,610	363,309,363
Total energy consumption (excludes sales & distribution centres)	MJ	1,994,249,624	194,982,032	106,453,743	914,252,326	3,209,937,725^(R)
Total energy consumption (includes sales & distribution centres)	MJ	2,006,415,675	197,648,689	108,214,391	1,010,449,171	3,322,727,926
GREENHOUSE GAS EMISSIONS						
Scope 1 – Direct GHG emissions from stationary source						
Diesel	metric tonnes	1,479	0	0	0	1,479
Towngas	metric tonnes	0	3,144	0	0	3,144
Natural gas	metric tonnes	11,621	0	2,192	12,892	26,705
Liquid petroleum gas	metric tonnes	81	0	0	0	81
Scope 1 – Direct GHG emissions from mobile source						
Diesel	metric tonnes	7,268	2,194	1,401	20,525	31,388
Gasoline	metric tonnes	2,347	188	490	9,252	12,277
Scope 1 – Direct GHG emissions	metric tonnes	22,796	5,526	4,083	42,669	75,074
Scope 1 – Fugitive emissions from refrigerants (excluded from the assurance scope)						
Refrigerants	metric tonnes	1,191	994	58	2,023	4,267
Scope 1 – Direct emissions from distribution and sales centres (excluded from the assurance scope)						
Natural gas	metric tonnes	0	0	0	2,768	2,768
Scope 2 – Indirect GHG emissions						
Steam	metric tonnes	12,468	0	0	0	12,468
Towngas	metric tonnes	0	725	0	0	725
Electricity	metric tonnes	221,863	10,959	5,143	21,057	259,022
Compressed air – Purchased	metric tonnes	602	0	0	0	602
Scope 2 – Indirect GHG emissions	metric tonnes	234,933	11,684	5,143	21,057	272,817
Scope 2 – Indirect emissions from distribution and sales centres (excluded from the assurance scope)						
Electricity	metric tonnes	2,746	289	249	4,393	7,677
Total GHG emissions (CO₂e) (Scopes 1 & 2, excludes emissions from refrigerants and sales & distribution centres)	metric tonnes	257,729	17,210	9,226	63,727	347,892^(R)
Total GHG emissions (CO₂e) (Scope 1 & 2, emissions from refrigerants, distribution and sales centres are excluded from the assurance scope)	metric tonnes	261,666	18,493	9,533	72,911	362,603

Notes:

[^] Feed-in-tariff. Excluded in total energy consumption.

^(R) Denotes sustainability data that has been reported on by Deloitte Touche Tohmatsu. Please refer to the [Limited Assurance Statement](#) for further details.

	Unit	Chinese Mainland	HKSAR	Taiwan Region	U.S.	Overall Total
WATER						
Total municipal water consumption	m ³	11,039,832	700,961	335,701	2,331,304	14,407,798
Total groundwater consumption	m ³	178,248	0	0	0	178,248
Total water consumption	m³	11,218,080	700,961	335,701	2,331,304	14,586,046^(R)

WASTE						
Recycling – Paper & carton	Kg	1,928,081	261,100	72,752	1,985,743	4,247,676
Recycling – Glass	Kg	912,975	31,927	799,864	42,969	1,787,735
Recycling – Plastic cap	Kg	85,061	12,927	1,030	0	99,018
Recycling – Plastics	Kg	1,780,112	111,488	257,121	1,202,340	3,351,060
Recycling – Metal	Kg	423,531	135,834	20,535	123,470	703,370
Recycling – Aluminium	Kg	126,856	15,196	6,012	517,669	665,732
Recycling – PET	Kg	1,481,863	124,826	17,823	216,052	1,840,564
Recycling – PE film / shrink film	Kg	505,721	21,520	0	0	527,241
Recycling – Wood / pallet	Kg	394,373	214,120	65,750	3,890,544	4,564,787
Recycling – Sludge	Kg	2,618,626	206,590	153,720	0	2,978,936
Recycling – Tea slag	Kg	0	498,321	0	0	498,321
Recycling – Foodscraps	Kg	464,637	0	2,293	0	466,930
Recycling – Lubricants & oil	Litres	2,882	8,180	745	15,387	27,194
Recycling – Hazardous waste	Kg	0	17,056	41,120	0	58,176
Hazardous waste (liquid)	Litres	45,059	470	162	177	45,868
Hazardous waste (solid)	Kg	75,164	0	0	0	75,164
Commercial / industrial waste	metric tonnes	2,238	415	110	249	3,012
Waste – Sludge	metric tonnes	785	0	0	0	785

PACKAGING – PRIMARY PACKAGING						
vPET	metric tonnes	175,880	2,299	3,773	13,483	195,435
BioPET	metric tonnes	0	0	0	1,006	1,006
rPET	metric tonnes	0	1,460	0	5,351	6,811
New returnable glass [#]	metric tonnes	3,132	34	140	0	3,306
One way glass [^]	metric tonnes	783	0	0	0	783
Aluminium*	metric tonnes	39,328	4,278	1,238	31,201	76,045
Closures – PP	metric tonnes	0	100	0	2,721	2,821
Closures – HDPE	metric tonnes	15,871	265	329	0	16,466
Closures – LDPE	metric tonnes	0	31	0	0	31
Aseptic fibre packs	metric tonnes	0	782	108	0	890
Stainless steel crown caps	metric tonnes	1	30	44	0	75
BIB bag	metric tonnes	264	16	95	17	392
PC carboy	metric tonnes	0	136	0	0	136
Primary packaging – Total weight	metric tonnes	235,258	9,431	5,728	53,779	304,196

PACKAGING – SECONDARY PACKAGING						
Corrugated boxes, paper trays	metric tonnes	18,481	3,524	1,307	17,889	41,201
BIB box	metric tonnes	1,511	97	606	110	2,324
Label – OPP	metric tonnes	2,846	14	62	428	3,350
Label – PETG	metric tonnes	312	123	72	0	507
Shrink film	metric tonnes	18,566	371	428	559	19,923
Secondary packaging – Total weight	metric tonnes	41,715	4,129	2,474	18,987	67,305

PACKAGING – TERTIARY PACKAGING						
Crates	metric tonnes	0	366	33	0	399
Stretch	metric tonnes	2,300	160	0	0	2,460
Tertiary packaging – Total weight	metric tonnes	2,300	526	33	0	2,859

Notes:
[#] 40%, 60% and 50% recycled content in the Chinese Mainland, HKSAR and Taiwan Region, respectively.
[^] 30% recycled content in Chinese Mainland.
^{*} 3.2%, 6% and 72% recycled content in the Chinese Mainland, HKSAR and U.S. respectively.
^(R) Denotes sustainability data that has been reported on by Deloitte Touche Tohomatsu. Please refer to the [Limited Assurance Statement](#) for further details.

Social Performance

	Head Offices	Chinese Mainland	HKSAR	Taiwan Region	U.S.	Overall Total ¹
WORKFORCE PROFILE						
Number of employees under permanent contract						
Male	77	16,546	942	621	6,242	24,428
Female	84	7,795	361	248	1,382	9,870
Total number of permanent employees	161	24,341	1,303	869	7,624	34,298
Number of employees under temporary and fixed term contract						
Male	3	0	8	30	7	48
Female	4	0	0	25	5	34
Total number of temporary employees	7	0	8	55	12	82
Total number of employees	168	24,341	1,311	924	7,636	34,380
Proportion of workforce by age group						
Under 30 years old	28	3,998	220	121	1,885	6,252
30 to 50 years old	96	18,367	833	598	4,129	24,023
Over 50 years old	44	1,976	258	205	1,622	4,105
Proportion of workforce by employment category²						
Level 1 – Individual contributor	44	18,975	988	771	6,500	27,278
Level 2 – Team leader	52	3,514	250	117	1,027	4,960
Level 3 – Operational leader	45	1,803	73	35	103	2,059
Level 4 – Strategic leader	27	49	0	1	6	83
GENDER EQUALITY						
Number of females in the workforce	88	7,795	361	273	1,387	9,904
Proportion of female in the workforce	52.4%	32.0%	27.5%	29.5%	18.2%	28.8%
Number of female employees by employment category³						
Level 1 – Individual contributor	26	6,221	194	176	1,133	7,750
Level 2 – Team leader	33	1,037	130	55	225	1,480
Level 3 – Operational leader	18	531	37	16	22	624
Level 4 – Strategic leader	7	6	0	1	2	16
Proportion of female employees by employment category³						
Level 1 – Individual contributor	59%	33%	20%	23%	17%	28%
Level 2 – Team leader	63%	30%	52%	47%	22%	30%
Level 3 – Operational leader	40%	29%	51%	46%	21%	30%
Level 4 – Strategic leader	26%	12%	–	100%	33%	19%
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	2	0	0	0	0	2
Over 50 years old	9	0	0	0	0	9

Notes:

1. The disclosure of number of employees is based on actual figures as of 31 December 2022.
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.

	Chinese Mainland	HKSAR	Taiwan Region	U.S.	Overall Total
SAFETY¹					
Hours worked	55,698,509	3,708,305	1,888,561	16,350,731	77,646,106
Work-related fatalities					
Employee	0	0	0	0	0 ^(R)
Contractor	1	0	0	0	1 ^(R)
Serious injuries (excluding fatalities)					
Number	0	0	0	0	0
Rate	0	0	0	0	0
Lost time injury (LTI)					
Hours	37	5	11	98	151
Rate	0.13	0.27	1.16	1.20	0.39 ^(R)
Medical treatment case (MTC)					
Number	26	1	3	488	518
Recordable work-related injuries					
Number	63	6	14	586	669
Rate	0.23	0.32	1.48	7.17	1.72
Lost day					
Number	3,297	1,410	502	1,065	6,274
Rate	11.84	74.05	53.16	13.03	16.16

Notes:

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

^(R) Denotes sustainability data that has been reported on by Deloitte Touche Tohmatsu. Please refer to the [Limited Assurance Statement](#) for further details.

	Chinese Mainland	HKSAR	Taiwan Region	U.S.	Overall Total
COMMUNITY ENGAGEMENT					
Cash donations (HK\$)	387,554	39,303	1,815,377	7,786,994	10,029,228
Number of charity events	219	17	11	N/A	247
Total volunteering hours	56,687	2,989	1,899	3,193	64,768

GRI STANDARDS CONTENT INDEX

Swire Coca-Cola has reported in accordance with the GRI Standards for the period from 1 January 2022 to 31 December 2022.

Disclosure Number		Relevant Chapters of This Report or Other References/Explanation
GRI 2: General Disclosures 2021		
1. The Organization and its Reporting Practices		
2-1	Organizational details	About this Report About Swire Coca-Cola
2-2	Entities included in the organization's sustainability reporting	About this Report Reporting Methodology
2-3	Reporting period, frequency and contact point	About this Report Our sustainability reporting period aligns with our financial reporting period. This report was published on 5 June 2023.
2-4	Restatements of information	Reporting Methodology SBT Progress Report 2022 Restatements of information are noted throughout this report where applicable.
2-5	External assurance	About this Report Limited Assurance Statement
2. Activities and Workers		
2-6	Activities, value chain and other business relationships	About Swire Coca-Cola Managing Sustainable Development – Our Approach to Materiality Assessment Sourcing
2-7	Employees	About Swire Coca-Cola Performance Tables Information Unavailable: We do not report breakdown by full-time, part-time or non-guaranteed hour employees.
2-8	Workers who are not employees	Information Unavailable: We do not report information on workers who are not employees and whose work is controlled by Swire Coca-Cola as this is not considered a material employment type.
3. Governance		
2-9	Governance structure and composition	Managing Sustainable Development – Sustainable Development Governance Swire Pacific Annual Report 2022
2-10	Nomination and selection of the highest governance body	Swire Pacific Annual Report 2022
2-11	Chair of the highest governance body	The chair of our highest governance body, the Board of Directors of Swire Pacific, is not a senior executive of Swire Coca-Cola.
2-12	Role of the highest governance body in overseeing the management of impacts	Managing Sustainable Development – Sustainable Development Governance Swire Pacific Sustainable Development Report 2022
2-13	Delegation of responsibility for managing impacts	Managing Sustainable Development – Sustainable Development Governance The Chairman of Swire Coca-Cola is also the Director of Swire Pacific responsible for its sustainability strategy. Performance reports (e.g. quarterly divisional environmental reports) provided to Swire Pacific are approved by our Managing Director.
2-14	Role of the highest governance body in sustainability reporting	This report is reviewed by members of the DEB, who are actively involved in managing our approach to sustainable development.
2-15	Conflicts of interest	Swire Pacific Annual Report 2022
2-16	Communication of critical concerns	Managing Sustainable Development – Sustainable Development Governance Confidentiality Constraints: Swire Coca-Cola considers critical concerns to be confidential and does not disclose them publicly.
2-17	Collective knowledge of the highest governance body	Swire Pacific Sustainable Development Report 2022
2-18	Evaluation of the performance of the highest governance body	Swire Pacific Annual Report 2022
2-19	Remuneration policies	Swire Pacific Annual Report 2022
2-20	Process to determine remuneration	Swire Pacific Annual Report 2022
2-21	Annual total compensation ratio	Information Unavailable: We do not track this information at a group level.

Disclosure Number		Relevant Chapters of This Report or Other References/Explanation
4. Strategy, Policies and Practices		
2-22	Statement on sustainable development strategy	Message from Our Managing Director
2-23	Policy commitments	Managing Sustainable Development – Sustainable Development Governance Our People – Management Approach Swire Coca-Cola’s sustainable development policies are approved by senior management, which may include the most senior levels, at Swire Coca-Cola and Swire Pacific.
2-24	Embedding policy commitments	Managing Sustainable Development – Sustainable Development Governance
2-25	Processes to remediate negative impacts	Managing Sustainable Development – Sustainable Development Governance
2-26	Mechanisms for seeking advice and raising concerns	Managing Sustainable Development – Sustainable Development Governance
2-27	Compliance with laws and regulations	There were no significant instances of non-compliance with laws and regulations, or monetary fines paid, during the reporting period.
2-28	Membership associations	Swire Pacific Sustainable Development Report 2022 – External Initiatives and ESG Related Charters 2022
5. Stakeholder Engagement		
2-29	Approach to stakeholder engagement	Managing Sustainable Development – Our Approach to Materiality Assessment
2-30	Collective bargaining agreements	Although there is no legal framework for collective bargaining with trade unions in the Hong Kong SAR, Swire Coca-Cola Hong Kong is open to conversations with unions on areas of concern. In the Chinese Mainland, we are normally required to liaise with official trade unions.
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	Managing Sustainable Development – Our Approach to Materiality Assessment
3-2	List of material topics	Managing Sustainable Development – Our Approach to Materiality Assessment
Climate Change and GHG Emissions		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Managing Sustainable Development Climate
GRI 302: Energy 2016		
302-1	Energy consumption within the organization	Climate Performance Tables Reporting Methodology
302-3	Energy intensity	Climate
GRI 305: Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	Performance Tables SBT Progress Report 2022
305-2	Energy indirect (Scope 2) GHG emissions	Performance Tables SBT Progress Report 2022
Water Stewardship		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Managing Sustainable Development Water
GRI 303: Water and Effluents 2018		
303-1	Interactions with water as a shared resource	Managing Sustainable Development – Our Approach to Materiality Assessment Water
303-2	Management of water discharge-related impacts	Water
303-3	Water withdrawal	Performance Tables Reporting Methodology For consistency with previous reports, we used the term “total water consumption” to mean total water withdrawal (as defined by GRI). The term appears throughout the report and in the Limited Assurance Statement.
303-5	Water consumption	Performance Tables Reporting Methodology We assume our water consumption (as defined by GRI) is equivalent our production volume.

Disclosure Number		Relevant Chapters of This Report or Other References/Explanation
Packaging and Waste		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Managing Sustainable Development Packaging and Waste
GRI 301: Materials 2016		
301-1	Materials used by weight or volume	Packaging and Waste Performance Tables
301-2	Recycled input materials used	Managing Sustainable Development – Key Metrics and Targets Packaging and Waste
GRI 306: Waste 2020		
306-1	Waste generation and significant waste-related impacts	Packaging and Waste
306-2	Management of significant waste-related impacts	Managing Sustainable Development – Our Approach to Materiality Assessment Packaging and Waste Reporting Methodology Waste data by category is uploaded to our internal data collection platform quarterly by each market person in charge.
306-3	Waste generated	Packaging and Waste Performance Tables
306-4	Waste diverted from disposal	Packaging and Waste All hazardous waste is disposed of in line with local regulations.
306-5	Waste directed to disposal	Packaging and Waste All hazardous waste is disposed in line with local regulations.
Sugar Reduction		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Managing Sustainable Development Product Choice
Responsible Production and Marketing		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Managing Sustainable Development Product Choice
GRI 417: Marketing and Labeling 2016		
417-1	Requirements for product and service information and labeling	Product Choice 100% of our significant product categories are covered by and assessed for compliance with our procedures for product information and labeling.
417-2	Incidents of non-compliance concerning product and service information and labeling	We have not identified any material non-compliance with regulations and/or voluntary codes concerning product information and labelling.
417-3	Incidents of non-compliance concerning marketing communications	We have not identified any material incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications.
Ethical and Sustainable Sourcing		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Managing Sustainable Development Sourcing
GRI 308: Supplier Environmental Assessment 2016		
308-1	New suppliers that were screened using environmental criteria	Sourcing TCCC requires all new critical suppliers to be reviewed for compliance with its SGP or PSA, which include environmental considerations.
GRI 414: Supplier Social Assessment 2016		
414-1	New suppliers that were screened using social criteria	Sourcing TCCC requires all new critical suppliers to be reviewed for compliance with its SGP or PSA, which include social considerations.

Disclosure Number		Relevant Chapters of This Report or Other References/Explanation
Safety		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Managing Sustainable Development Our People
GRI 403: Occupational Health and Safety 2018		
403-1	Occupational health and safety management system	Our People
403-2	Hazard identification, risk assessment, and incident investigation	Our People
403-3	Occupational health services	Our People
403-4	Worker participation, consultation, and communication on occupational health and safety	Our People
403-5	Worker training on occupational health and safety	Our People
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Our People
403-8	Workers covered by an occupational health and safety management system	100% of our bottling plants have ISO 45001-certified safety management systems.
403-9	Work-related injuries	Our People Performance Tables Reporting Methodology
Empowering Employees		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Managing Sustainable Development Our People
GRI 404: Training and Education 2016		
404-1	Average hours of training per year per employee	Swire Pacific Sustainable Development Report 2022 (Performance Data)
404-2	Programs for upgrading employee skills and transition assistance programs	Our People
GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	Performance Tables
Community Engagement		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Managing Sustainable Development Community
GRI 413: Local Communities 2016		
413-1	Operations with local community engagement, impact assessments, and development programs	Each of our markets has implemented local community engagement programmes.
Governance and Economic Impact		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Managing Sustainable Development
GRI 205: Anti-corruption 2016		
205-3	Confirmed incidents of corruption and actions taken	There were no confirmed incidents of corruption during the reporting period.



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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 Report for the year ended 31 December 2022 (the "SD Report 2022") and selected by SCC.

Data Points

The Data Points are as follows:

Environmental

1. Total energy consumption
2. Total greenhouse gases emissions (CO₂e) (Scopes 1 & 2, excluding emissions from refrigerants and sales & distribution centres)
3. Total water consumption – municipal and groundwater
4. Renewable energy - purchased externally from utility companies
5. Renewable energy - generated onsite

Social

1. Number of employee fatalities
2. Number of contractor fatalities
3. Lost time injury rate

Diversity and Inclusion

1. Percentage of female managers

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 2022 (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*", issued by the International Auditing and Assurance Standards Board (together, the "Standards").

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 2022. 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.

A handwritten signature in black ink that reads "Deloitte Touche Tohmatsu". The signature is written in a cursive, flowing style.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
28 February 2023

Appendix I - Data Point Table

Environmental			
	Unit	Total	
Total energy consumption	MJ	3,209,937,725	R
Total greenhouse gases emissions (CO2e) (Scopes 1 & 2, excludes emissions from refrigerants and sales & distribution centres)	metric ton	347,892	R
Total water consumption – municipal and groundwater	cubic meter	14,586,046	R
Renewable energy – purchased externally from utility companies	MJ	289,489,204	R
Renewable energy – generated onsite	MJ	73,820,159	R
Social			
Number of employee fatalities		0	R
Number of contractor fatalities		1	R
Lost time injury rate (LTIR)		0.39	R
Diversity and Inclusion			
Percentage of female managers	%	30	R

Note:

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