

# 2023 Sustainable Development Report





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About this Report

Swire Coca-Cola Limited (Swire Coca-Cola) is pleased to present our seventh annual sustainable development (SD) report, covering the period from 1 January to 31 December 2023. It describes our commitments and performance across the seven focus areas of our 2030 SD strategy, “Our Choice, Our Future!”. For each area, we describe how we manage material topics and the actions taken during the reporting period. We also highlight 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. Content indices for GRI and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) are included as appendices. Performance data covers Swire Coca-Cola operations in six markets: the Chinese Mainland, Hong Kong SAR, Taiwan Region, Cambodia, Vietnam and the United States of America (U.S.). This is the first year our newly acquired businesses in Cambodia, Vietnam and six subsidiaries of Coca-Cola Bottlers Manufacturing Holdings Limited (CCBMH) in the Chinese Mainland have been included in our report. In line with our Reporting Methodology, new businesses are included in our SD reports once we have tracked their data for a full year.

We follow the operational control consolidation approach to determine our report boundary. On 7 September 2023, we disposed of 100% of our equity interest in our U.S. franchise business, Swire Coca-Cola, USA (SCCU). We continue to provide management and administrative support services to SCCU. Performance data for SCCU is either included up to the date of sale or excluded entirely. Full year 2023 performance data for the U.S. is also reported separately for reference, where appropriate.

The table below outlines our reporting scope and other terms relating to our recent acquisitions and the disposal of SCCU that are used throughout this report.

Please see our Reporting Methodology for details on the scope of our disclosures. 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.71.

	Chinese Mainland (sparkling)	Chinese Mainland (still)	Hong Kong SAR	Taiwan Region	Cambodia	Vietnam	U.S.
Reporting scope <sup>1</sup>	✓	✓	✓	✓	✓	✓	✓ <sup>2</sup>
Legacy business/ before expansion	✓	*2 co-located facilities in scope	✓	✓	✗	✗	✓ <sup>3</sup>
New business	✗	✓	✗	✗	✓	✓	✗

- Notes:
- 1. Scope of Group totals for performance data, unless otherwise noted: (a) Planet and Safety KPIs include full year data for all markets except the U.S., where data is included up to 7 September 2023 only; (b) Product Choice and Community KPIs cover full year performance for our legacy markets (including the U.S.) and include Chinese Mainland (still), but exclude Vietnam and Cambodia; (c) Sourcing and Employee data excludes the U.S.
  - 2. Full year data for the U.S. is reported separately in the Performance Tables in the appendices, where available.
  - 3. When we refer to our “Legacy business” or “before expansion”, full year data for the U.S. is included.
- \* CCBMH facilities in Luohe and Nanjing were included in our previous years’ reports and performance data.

We welcome your feedback. Please contact:

Swire Coca-Cola Limited  
33/F Dorset House, Taikoo Place, 979 King’s Road, Hong Kong  
[SD@hk.swirecocacola.com](mailto:SD@hk.swirecocacola.com)

# Message from our Managing Director



**Karen SO**  
Managing Director, Swire Coca-Cola Limited

**A lot has changed since we launched our 2030 sustainability strategy, “Our Choice Our Future!”. We made our first substantial investment in Southeast Asia, acquiring the Coca-Cola bottling businesses in Cambodia and Vietnam, and recently took significant strides in expanding our Southeast Asia footprint into Thailand and Laos. We also added still beverage bottling capabilities in the Chinese Mainland.**

I am excited for this new chapter for our business, and yet, I recognise that one of our biggest challenges will be realising our ambition for growth whilst also reducing our environmental footprint. Nonetheless, we remain committed to our strategy and are working towards fully integrating our new businesses into our goals and targets, uniting our diverse, global business around a shared vision for our future.

“Our Choice, Our Future!” is a clear reminder that sustainability is everyone’s responsibility, and every Swire Coca-Cola employee must contribute if we are to achieve these targets. We take this to heart, striving to empower everyone in our organisation – whether they drive a delivery truck or our global strategy – to have confidence to think outside-the-box and integrate sustainability into every business decision. We aren’t afraid to set tough goals, even when the path forward may be uncertain. We set our sights high, focus, and get the job done. Throughout this report, we have highlighted our colleagues and partners who have demonstrated the innovation and attitude we need to harness.

It is clear that doing our part to address climate change is non-negotiable. Work is underway to update our science-based target and we must continue to innovate to reduce our carbon emissions. In the Chinese Mainland, the Hot Water Centre pilot showcases the ingenuity of our technical team, who have devised a system to capture

and use waste heat in our manufacturing facilities to reduce our demand for purchased steam and natural gas. This could improve energy efficiency by up to 9% and eliminate 150,000 tonnes of purchased steam, reducing emissions and operating costs. We are making solid progress in transitioning away from traditional fossil-fuels, growing our global share of electricity from renewables to 26% by the end of 2023. Our Procurement teams are actively engaging suppliers to develop highly efficient next generation cold drink equipment (CDE) that use 50% less energy and exceed the industry standard. As we scale up this solution and replace over a million CDE worldwide, we can be proud that we are paving the way for others in the industry.

Closing the loop on our packaging is another focus area. We currently rely on plastic for over two-thirds of our primary packaging, and we face regulatory hurdles and challenging recyclable collection systems in the markets in which we operate. However, we are already engaging in efforts at different stages of the value chain, from working with suppliers to get more recycled material into our packaging, to supporting local collection initiatives, to advocating for better regulation.

We are making progress in the other pillars of our SD strategy, improving safety, increasing women in leadership and contributing to society. I am confident that with our collective passion, dedication, and innovative spirit, we can overcome any challenge and achieve even greater success in the years to come. Let us continue to work together to build a sustainable and prosperous future for our company and the communities we serve.

Performance Highlights

### Sustainable Development Governance

Incorporated **Two New Markets**, Cambodia and Vietnam, into our Group SD governance structure



Engaged **>1,200** stakeholders for their views on SD topics through a **Consumer and Employee Sentiment Review**




Convened a **Sustainable Development Expert Panel** for recommendations to improve our SD strategy, reporting and communications




### Planet

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




#### Climate




**4%** **Year-on-Year Reduction in Scope 1 and 2 GHG emissions** despite significant business expansion

**26%** **Electricity** used in core operations was from **Renewable Sources**

**1st** Conducted our **1<sup>st</sup> comprehensive Climate Scenario Analysis** exercise and piloted an **Internal Carbon Price**




#### Water




**13%** **Water Use Ratio Improvement** in Vietnam compared to a 2019 baseline

**7** Supported **7 projects** that will replenish water in the U.S., in partnership with TCCC

**27** **out of 36** facilities have source vulnerability assessments (SVAs) and water management plans (WMPs) validated by third-party experts




#### Packaging and Waste



**99%** of our primary packaging is **Technically Recyclable**

**39%** **Recycled Content** for our PET bottles (excluding caps and labels) in Hong Kong SAR and Bonaqua was launched in **Returnable Glass Bottles**

**1st** Shanghai Shenmei Jinqiao plant was the **1st Swire Coca-Cola plant** to receive **Zero Waste to Landfill Certification**



### Product

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



#### Product Choice



**23%** Reduced the **Average Sugar Content** per 100mL of our beverages in the Taiwan market by **23%** from our 2018 baseline

**59%** Low- and no-sugar beverages made up **59% of Total Sales Volume** in the Hong Kong SAR



**43%** **Low- and No-sugar Coca-Cola Brand Products** represented **43% of Total Sales Volume** of Coca-Cola in all flavours in our managed U.S. operations



#### Sourcing



**245** Engaged **245 Stakeholders** across our value chain at the **CBPC 20<sup>th</sup> Anniversary and Sustainability Summit**


**50%** **All CDE purchased** in Chinese Mainland are **50% More Energy Efficient**

**RMB 1,984,054** **Savings** generated from 36 sustainability project ideas under the “Piggy Bank” initiative




### People

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




#### Our People



**10.4%** Reduced **Total Injury Rate** by **10.4%** from 1.72 to 1.54


**32.5%** Increased the proportion of **Women in our Overall Workforce to 32.5%**

**32%** Increased the proportion of **Women Managers to 32%**



**Note:**  
Staff data excludes U.S., but safety data includes U.S. to 7 September 2023.


#### Community



**4.29** **Average Volunteering Hours** per employee, amounting to **>150,000 Hours of Service**

**HK\$15 million +** contributed in **Cash Donations**

**>190,000** **Cases of Beverages Donated** with a value **>HK\$13 million**



**Note:**  
Legacy markets only (includes Chinese Mainland (still)).



# About Swire Coca-Cola

Swire Coca-Cola has the exclusive right to manufacture, market and distribute products of The Coca-Cola Company (TCCC) in 11 provinces and the Shanghai Municipality in the Chinese Mainland, as well as in the Hong Kong SAR, Taiwan Region, Vietnam and Cambodia. The sale of SCCU, which operates in 13 states across the western U.S., was completed on 7 September 2023. We continue to provide management and administrative support services to SCCU, including in areas of sustainable development, for an agreed annual management fee.

On 9 February 2024, Swire Coca-Cola acquired 39% of the issued share capital of ThaiNamthip Corporation Limited (TNTC) from The Coca-Cola Export Corporation, a wholly owned subsidiary of TCCC. TNTC, together with its subsidiary in Laos, is principally engaged in the business of manufacturing, distribution and sale of non-alcoholic ready-to-drink beverages bearing trademarks owned by TCCC in Thailand and Laos. In line with our [Reporting Methodology](#), TNTC will be included in this report once we have a full year of data.

TCCC and its approximately 200 global bottling partners are collectively referred to as The Coca-Cola System. TCCC owns, develops and markets its brands to the end consumers. Bottling partners manufacture, distribute, market and sell the finished products. We buy concentrates and syrups from TCCC. We work together to develop local portfolio strategy and capabilities.

Swire Coca-Cola is a wholly owned division of Swire Pacific Limited (Swire Pacific), a diversified conglomerate listed on the Hong Kong Stock Exchange (HKEX).

Further reading:  
[Swire Pacific 2023 Annual Report \(p.34\)](#)  
[TCCC’s 2023 Business and Sustainability Report](#)



Established in  
1965



Notes:

^ Representing information on the franchise territories owned by Swire Coca-Cola in Greater China and Southeast Asia, except that the annual sales volume (owned) includes the sales of SCCU up to the completion of the disposal.

\* The disposal of 100% equity interest in the franchise business in the U.S. was completed on 7 September 2023. Swire Coca-Cola continues to provide management and administrative support services to SCCU at an agreed annual management fee. The annual sales volume (managed) includes SCCU sales post disposal.

@ Twelve brands were both manufactured and distributed in the owned franchise territories and the managed franchise territories.

# Figure reflects total employees as at 31 December 2023, and may differ from total employees reported in Swire Pacific’s annual financial report due to different calculation cycles.

5<sup>th</sup> Largest  
bottling partner  
of TCCC



Annual Revenue

HK\$51.8 billion

excluding SCCU results post disposal\*



63

Beverage  
brands@



Presence in

6 Markets



Annual Sales Volume

2,043 million

unit cases\*



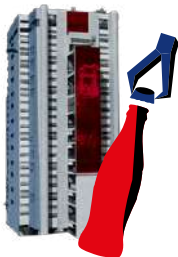
878 million

Consumers



36

Bottling  
plants



37,151

Employees#



3,805

Vehicles owned





It has truly been an inspiring journey since I joined Swire Coca-Cola Cambodia in 2023. The local team is young, energetic and always curious about innovation. Being the most important player in the NARTD market in Cambodia, we strive to continue strong business momentum, build capabilities and embody the driven to win spirit for long-term sustainable growth.

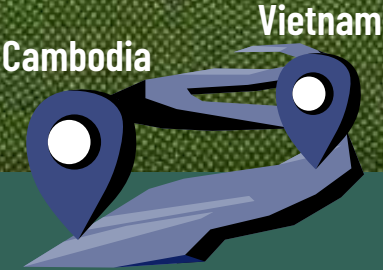
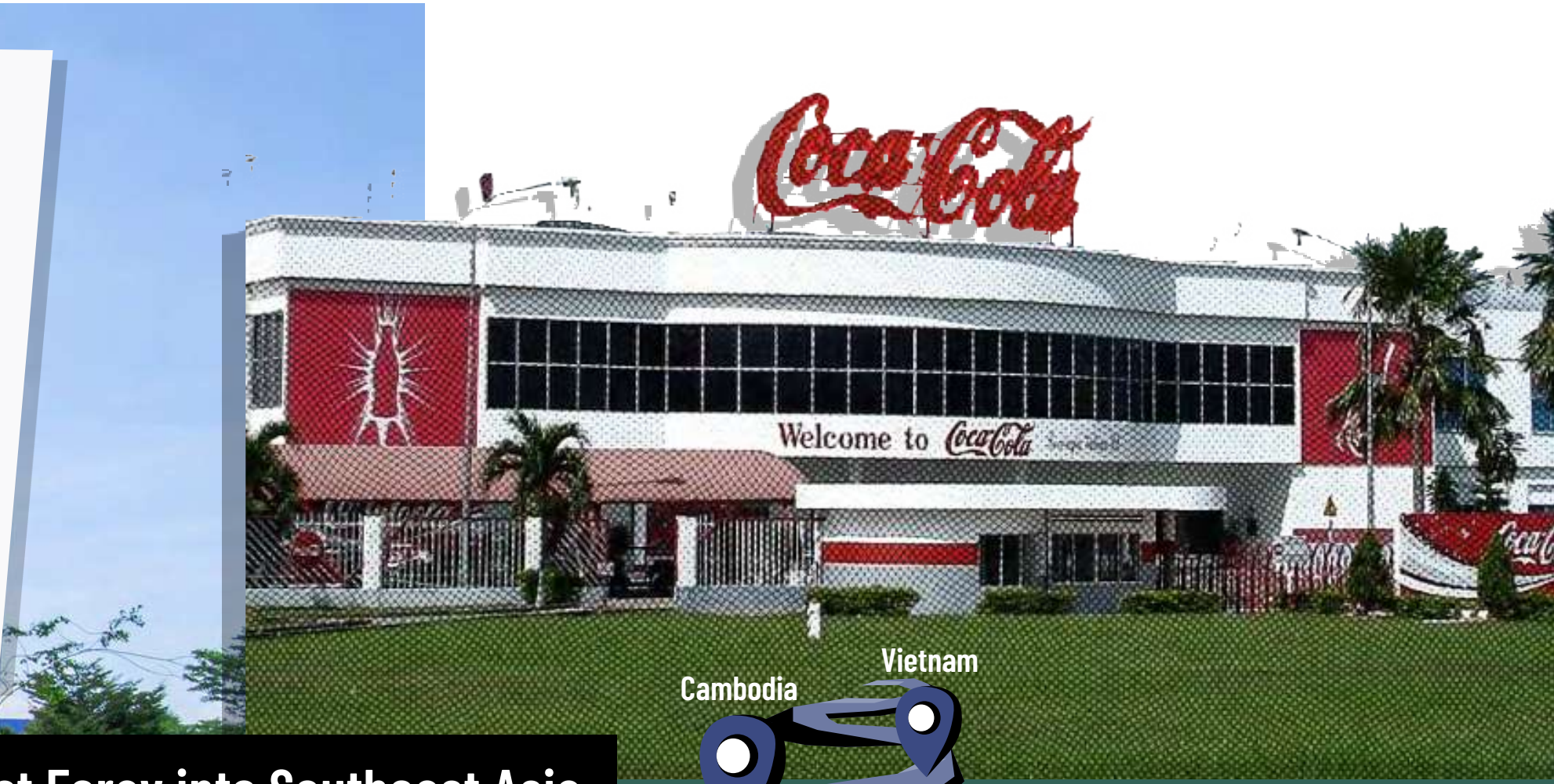


Joseph Ho  
CEO of Cambodia  
Beverage Company

We are thrilled to have Swire Coca-Cola bring their expertise, capabilities and passion to the table as we refresh consumers in Vietnam and Cambodia and contribute in a meaningful way to the community. Swire Coca-Cola is a very experienced Coca-Cola bottler with a strong commitment to sustainable development and we are excited about our partnership and the journey ahead.



Tony Del Rosario  
Vice President,  
Franchise Operations East,  
Coca-Cola ASEAN &  
South Pacific



## Our First Foray into Southeast Asia



Few parts of the world are as dynamic and vibrant as Southeast Asia—a region marked by young demographics, robust urbanisation and significant growth potential. We are proud to contribute to its economic and sustainable development with the completion of Swire Coca-Cola’s acquisition of TCCC’s bottling operations in Cambodia and Vietnam in November 2022 and January 2023, respectively. These historic milestones brought 2,269 new colleagues onto our team. They have also expanded our franchise population by about 15%, to 878 million people.

Each new market is an opportunity to achieve our business goals by leveraging our proven strengths in commercial capability, marketing, supply chain, customer service and digitalisation. From a sustainability perspective, we are working to address the focus areas of our SD2030 strategy in Cambodia and Vietnam with the support and local expertise of our new colleagues.

2,269 New Colleagues

117.2 million New Consumers

US\$6 billion+ Value of Non-alcoholic Beverage Markets



# Our First Foray into Southeast Asia

## Sustainable Development

- **23%** of our electricity needs are supplied by our 2.5-hectare rooftop solar system
- **100%** rPET (excluding cap and label) used for Dasani 350ml
- **>1,000** recycling bins donated to public schools, universities, wet markets and public parks in over 120 communities to promote waste separation
- **53** AquaTower filtration systems installed by Planet Water Foundation deliver over 288 million litres of clean water to students, health workers and rural communities
- **31%** women in our workforce

## Cambodia

Cambodia Beverage Company Ltd is a leading manufacturer and distributor of non-alcoholic, ready-to-drink beverages throughout the country, employing more than 800 people. Our state-of-the-art bottling plant in the Phnom Penh Special Economic Zone produces 10 beverage brands. We operate two distribution centres serving over 91,000 retail outlets across 25 provinces.

We are committed to supporting the government’s sustainability efforts in Cambodia. For example, in November 2023,

the government finalised its Circular Strategy on Environment with priority actions for the five-year period from 2023-2028. Focus areas include managing plastic waste, implementing the 4R Principle (Refuse, Reduce, Reuse and Recycle), supporting the circular economy and improving water quality. Our team works with strategic partners to collect and recycle plastic packaging. We design our primary packaging to maximise recyclability and target to use at least 50% recycled material by 2030.

## Vietnam

Coca-Cola Beverages Vietnam Limited has been a prominent player in the local beverage industry since 1994. We have contributed significantly to the social and economic development of Vietnam, and currently support 1,400 employees and 20,000 indirect jobs in our supply chain. We operate three production facilities and six distribution centres throughout the country.

We continue to invest in the growth of Vietnam and support the National Green Growth Strategy 2021-2030 Vision to 2050,

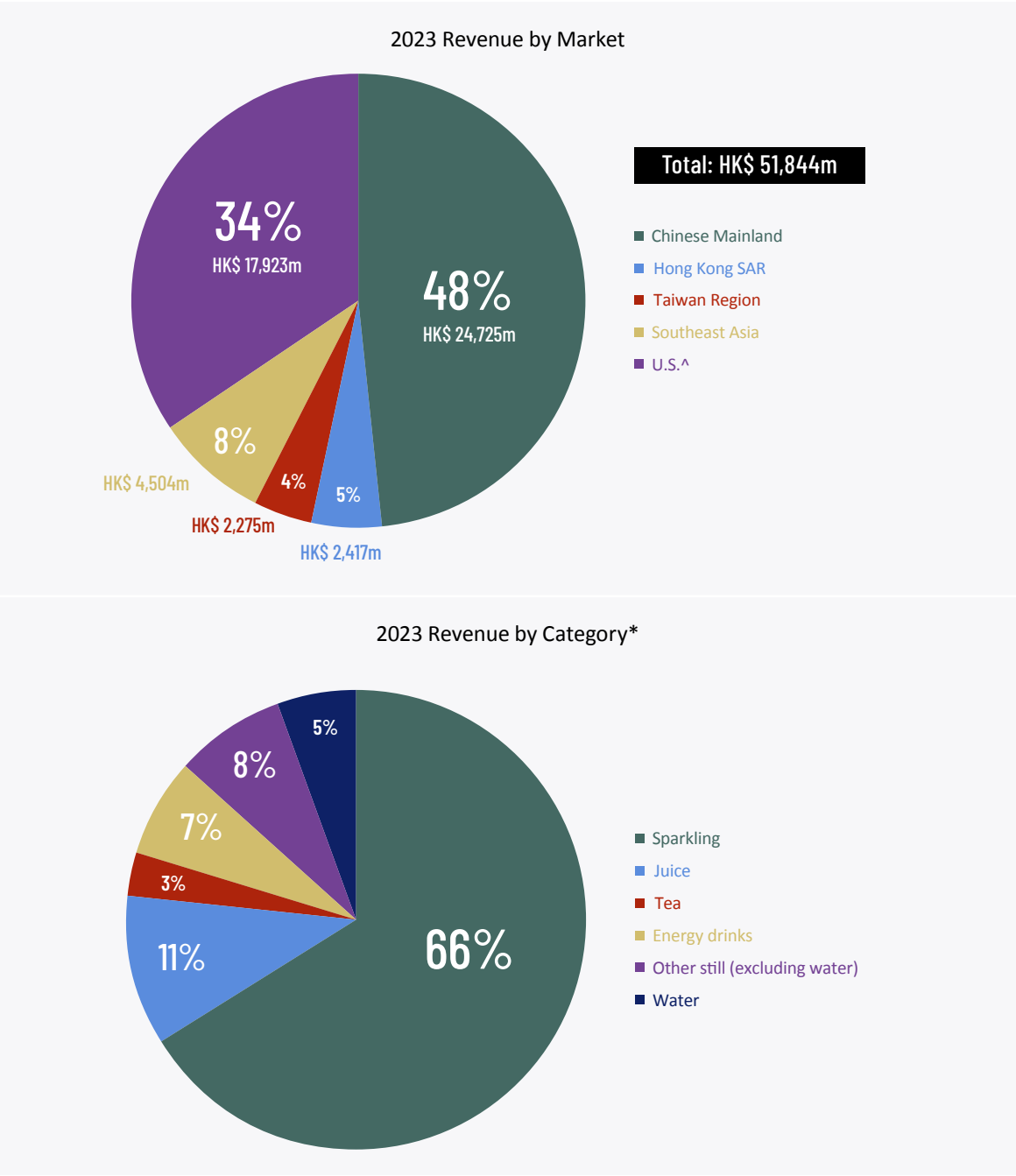
which sets out a blueprint for continued economic success underpinned by sustainable development principles. Among other topics, the strategy seeks to increase sustainable consumption, promote circular economy principles and improve water quality, including through wastewater treatment. Our teams are addressing these issues in a variety of ways, such as by optimising our water efficiency, ensuring wastewater compliance and supporting water conservation projects.

## Sustainable Development

- **100%** rPET (excluding cap and label) used for Coca-Cola 300ml
- **12 EKOCENTERS** nationwide provide nearly 14 million litres of drinking water to over 1 million people
- **30%** women in our workforce
- **Named Top 3** Most Sustainable Companies by Vietnam Chamber of Commerce and Industry (VCCI)



At a Glance



Notes:

\* Revenue and volume include those of Shanghai Shenmei and exclude sales to other bottlers.

^ The 2023 figures for SCCU represent those for the period up to the completion of disposal of SCCU on 7 September 2023.

Franchise Territories

Franchise territories owned by Swire Coca-Cola

Greater China			
Franchise population: 729.8 million			
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
Hong Kong SAR	1	Zhejiang	3
Bottling Plants		26	
Preform Manufacturing Plant		1	
Employees†		26,622	
Beverage Brands			
Chinese Mainland		28	
HKSAR		17	
Taiwan Region		15	
Distribution Centres		281	
Production Volume (million litres)		7,943	

Southeast Asia			
Franchise population: 117.2 million			
Operating Areas & Number of Bottling Plants			
Cambodia	1	Vietnam	3
Bottling Plants		4	
Employees†		2,269	
Beverage Brands			
Cambodia		10	
Vietnam		13	
Distribution Centres		8	
Production Volume (million litres)		1,033	

Franchise territories managed by Swire Coca-Cola\*

U.S.			
Franchise population: 31.0 million			
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	-		
Bottling Plants		6	
Employees†		8,072	
Beverage Brands		36	
Distribution Centres		50	
Production Volume (million litres)®		1,400	

Per Capita Consumption in Franchise Territories

	Franchise population (millions) (end of 2023)	GDP per capita (US\$)	Sales volume in 2023 (million unit cases§)	Per capita consumption of Coca-Cola beverages in 2023 (8-oz servings)
Chinese Mainland	698.9	14,242	1,394	48
Hong Kong SAR	7.5	50,007	62	199
Taiwan Region	23.4	32,247	68	70
Vietnam	100.3	4,199	155	37
Cambodia	16.9	1,924	28	40
U.S.*	N/A	N/A	233	N/A
U.S. (managed by Swire Coca-Cola)^	31.0	61,857	103	N/A

Notes:

\* Since the disposal of SCCU was completed on 7 September 2023, the franchise population, GDP per capita and per capita consumption information at the end of 2023 are not applicable. The sales volume of 2023 represents sales up to the completion of the disposal.

# Serving throughout parts of the 13 states listed above.

† 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 2023 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.

® Production volume is presented for the full year in 2023.

^ The information represents the position after the completion of disposal of SCCU. The sales volume of 2023 represents sales after the completion of the disposal. The per capita consumption would be 260, if calculated based on full year sales volume.

§ 1 unit case comprises 24 8-oz servings.





# Managing Sustainable Development

## Sustainable Development Expert Panel

Since we established Swire Coca-Cola’s 2030 SD strategy, transparent disclosure with external validation has been an important underlying principle. This has so far been achieved through an assurance process conducted by a third party, which focuses on key data and our alignment with reporting standards. This helps build transparency and credibility into our approach and compliments our focus on technical rigour.

Now, we have taken that goal a step further with the launch of Swire Coca-Cola’s Sustainable Development Expert Panel (SDEP). We engaged a range of experts on sustainability topics to provide independent, actionable recommendations for holistic improvement across our SD strategy, reporting and communications. Panellists included:

<b>Anne-Laure Descours</b> Chief Sourcing Officer, PUMA	<b>Christie Lai</b> Co-founder, 2041 Hong Kong
<b>Robin Hicks</b> Associate Editor, Eco-Business	<b>Christine Loh</b> Chief Development Strategist, Institute for the Environment, Hong Kong University of Science and Technology
<b>Peter Joos</b> Dean of Faculty, Deputy Dean, The Barons Janssen Endowed Professorship, INSEAD	<b>B��r��nice Voets</b> Senior Fellow, Asia Business Council

SDEP panellists shared their views at a focus group session facilitated by an external consultant in March 2024. Overall, the panel felt that our SD reporting is robust and compares well with peers, simplifying complex topics and transparently discussing Swire Coca-Cola’s challenges. They also felt that the clear and transparent discussion of our challenges and performance data helps to make our report credible.

In addition, their feedback included six key recommendations, which we are now addressing.

SDEP Recommendations	How We Are Addressing Them
<b>Stakeholder Engagement:</b> Conduct a comprehensive stakeholder engagement exercise to understand how internal and external perspectives are changing.	A Consumer and Employee Sentiment Study generated new SD-related insights from key stakeholder groups in 2023. We will explore focused engagement with internal and external stakeholders to enhance our SD strategy going forward.
<b>Packaging and Waste:</b> Clearly define goals for Southeast Asia, as the waste management infrastructure in Cambodia and Vietnam is challenging, and collaborate with partners to innovate in this area.	We are working with recyclers and increasing recycled content in packaging in Southeast Asia, which will be integrated into our Group-level goals in 2024. In the Chinese Mainland, we are working with suppliers on an innovative semi-chemical PET recycling solution for packaging. See <a href="#">Packaging and Waste</a> and <a href="#">Sourcing</a> for more details.
<b>Standards and Practices:</b> Investigate the adoption of the IFRS Sustainability Disclosure Standards.	We have conducted a gap analysis against IFRS S1 and S2 and will consider reporting against them in the future.
<b>Biodiversity and Human Rights:</b> Increase the significance of biodiversity and human rights in the materiality assessment.	Swire Pacific has policies on <a href="#">Biodiversity</a> and <a href="#">Human Rights</a> . We will also incorporate this feedback into our next materiality assessment.
<b>Business Case for SD:</b> Connect SD performance with business performance, focusing on the issues likely to affect Swire Coca-Cola’s enterprise value.	We have piloted an ICP and require teams to incorporate environmental factors in CAPEX decisions. We will continue to explore how best to quantify the financial impact of SD risks and opportunities to our business.
<b>Goals and Targets:</b> Revisit goals and targets, make them “SMART” and disclose a roadmap to achieve them.	We are reviewing our SD-related goals and targets in connection with our recent business expansion, starting with our science-based target.

# Sustainable Development Governance

## Governance Structures

**The Board of Directors of Swire Pacific is responsible for overseeing SD for the Swire Pacific Group.** This is our highest governance body as we are a wholly owned subsidiary of Swire Pacific. We also adopt and comply with all relevant Swire Pacific policies and engage in Swire Pacific’s functional governance structures, such as the Swire Group Environment Committee, associated working groups and the Safety and Risk Committees.

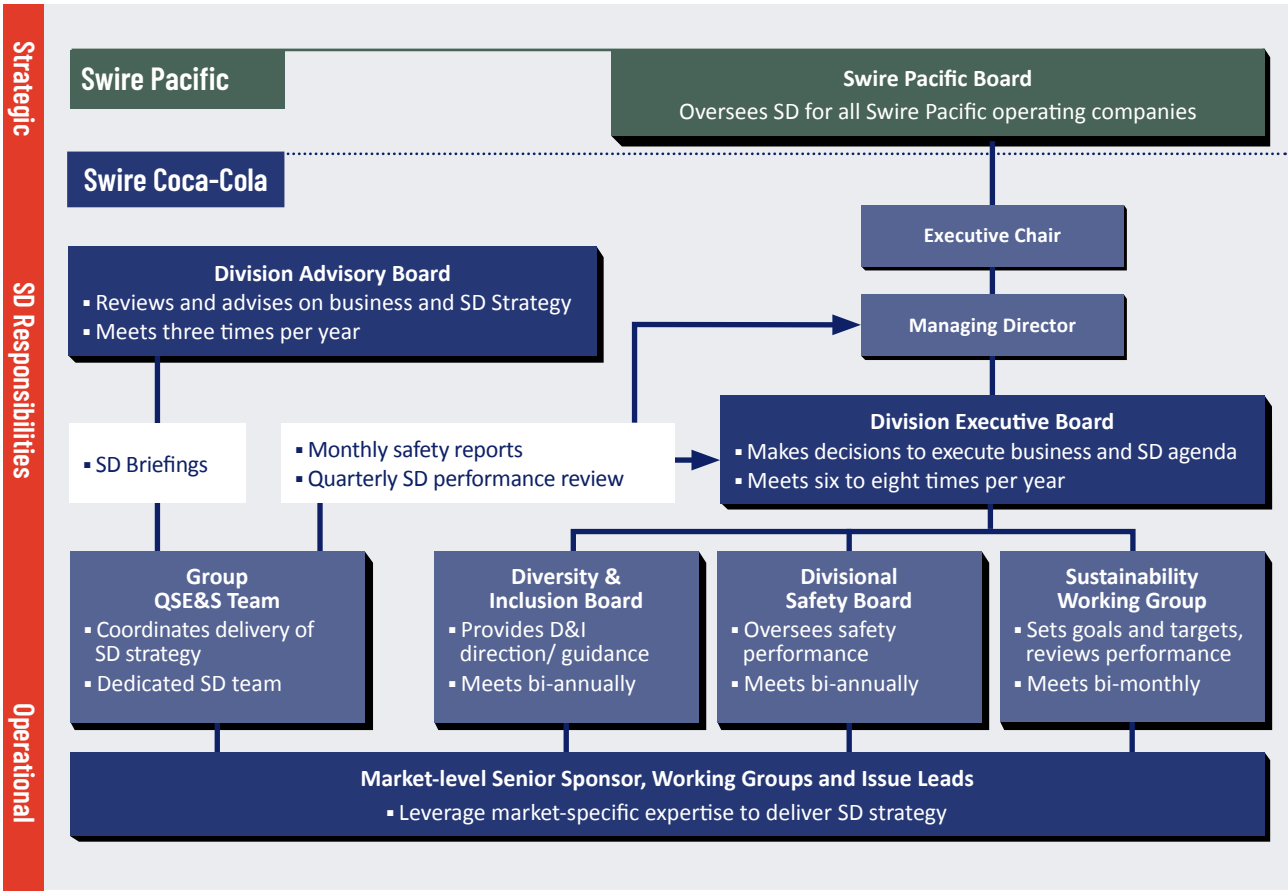
Swire Coca-Cola does not have its own board of directors. Our Division Advisory Board (DAB) reviews and advises on our business and SD strategy, performance and risk management. The DAB meets at least three times per year and core members include our Chair, Managing Director, Swire Pacific nominees and independent advisors. Region CEOs, our Chief Strategy and Corporate Development Officer, Finance Director, Group General Counsel and Company Secretary have standing invitations to attend the meetings.

The Division Executive Board (DEB), chaired by our Managing Director and attended by our Chair, makes decisions and ensures the successful execution of our strategic agenda, which is guided by sustainability as a priority. The DEB has 11 core members and meets six to eight times per year. The DEB receives monthly safety reports and reviews sustainability performance at least quarterly. The General Manager, Quality, Safety, Environment and Sustainability (QSE&S), provides semi-annual sustainability briefings to the DEB.

The Divisional Safety Board (DSB) and Diversity & Inclusion Board (DIB) oversee our approach to the critical issues of safety, and diversity and inclusion, respectively. These boards are each chaired by our Managing Director and provide strategic direction to regional committees.

We have a Sustainability Working Group (SWG) that meets bi-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 representatives from our regions and markets, as well as central functions including Procurement, Human Resources, Corporate Communications and Finance. Our dedicated Group QSE&S team, comprising five members, advises the SWG and coordinates the delivery of our SD strategy. We also maintain a Sustainability Centre of Excellence that supports our markets as they implement our SD strategy.

At the operational level, each market has its own senior sponsor and working groups that implement SD programmes. Each market also has a lead individual responsible for each of our seven SD focus areas.



## Sustainable Development Policies

**The following policies guide our business activities and stakeholder relationships.** During the reporting period, we enhanced our internal Investment Approval Policy to require more detailed disclosure of how proposed investments contribute to our SD strategy.

Swire Coca-Cola	<a href="#">Anti-bribery Policy</a>	Climate Change Policy		<a href="#">Code of Conduct</a>	CSR Policy	Flexible Working Hours and Remote Working Policy
	Investment Approval Policy	<a href="#">Respect in the Workplace Policy</a>		Source Water Risk Management Policy	<a href="#">Speaking Up Policy</a>	Sustainable CDE End-of-Life Policy
Swire Pacific	<a href="#">Biodiversity Policy</a>	<a href="#">Carbon Offsetting Policy</a>	<a href="#">Climate Change Policy</a>		<a href="#">Diversity &amp; Inclusion Policy</a>	<a href="#">Energy Efficiency Policy</a>
	<a href="#">Flexible Working Policy</a>	<a href="#">Health and Safety Policy</a>	<a href="#">Human Rights Policy</a>		<a href="#">Supplier Code of Conduct</a>	<a href="#">Sustainable Building Design Policy</a>
	<a href="#">Sustainable Food Policy</a>	<a href="#">Sustainable Procurement Policy</a>	<a href="#">Sustainable Water Policy</a>		<a href="#">Waste Management Policy</a>	<a href="#">Whistleblowing Policy</a>
TCCC	<a href="#">Global School Beverage Policy</a>	<a href="#">Principles for Sustainable Agriculture (PSA)</a>	<a href="#">Responsible Alcohol Marketing Policy</a>	<a href="#">Responsible Marketing Policy</a>	<a href="#">Supplier Guiding Principles (SGP)</a>	The Coca-Cola Operating Requirements (KORE)

## Addressing Concerns

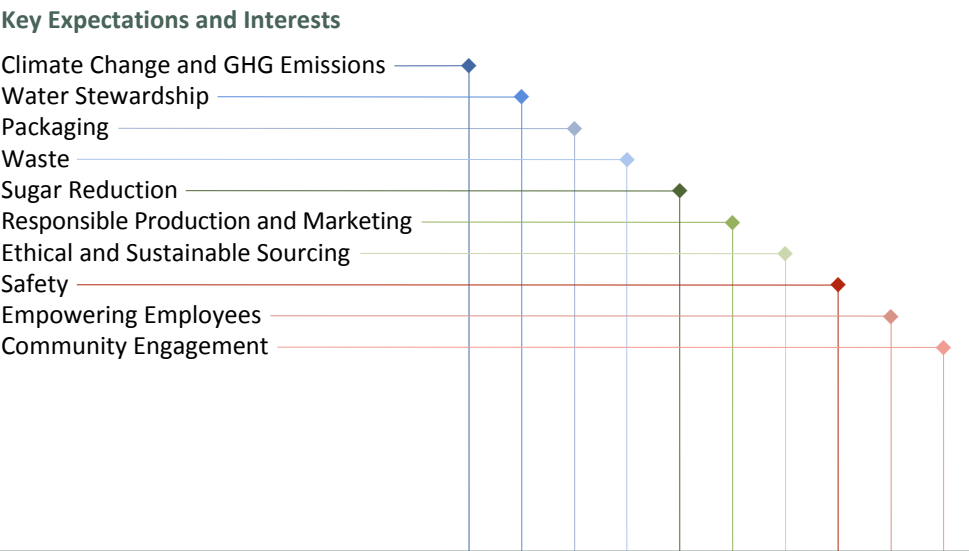
**All our stakeholders are encouraged to speak up and report actual or suspected improprieties.** Our Speaking Up Policy, Code of Conduct and the Swire Pacific Whistleblowing Policy guide our approach to grievances and whistleblowing. Internal and external stakeholders can confidentially report concerns 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 reports made in good faith.



# Our Approach to Materiality Assessment

## Stakeholder Engagement

“Our Choice, Our Future!” envisions a better future for all our stakeholders. This chart sets out those various stakeholders, how we engage with them and the key issues that matter most to them.



Stakeholder Group	How We Engage	
Owners	<div>▪ Meetings</div> <div>▪ Benchmarks and indices</div>	<div>▪ Analyst briefings</div> <div>▪ Swire Pacific capital markets days</div>
Brand Partners	<div>▪ Global committees</div>	<div>▪ Meetings and annual forums</div>
Customers	<div>▪ Meetings</div>	
Government/Regulators	<div>▪ Consultations</div>	<div>▪ Meetings</div>
Industry Associations / Business Networks	<div>▪ Memberships and participation in various industry bodies</div>	
Partners	<div>▪ Collaborations</div>	<div>▪ Joint initiatives</div>
Suppliers	<div>▪ Site visits</div> <div>▪ China Sustainability Forum</div>	<div>▪ Sustainability report/surveys</div> <div>▪ Engagement/support on specific topics</div>
Consultants	<div>▪ Working relationships and meetings</div>	<div>▪ Specific projects</div>
Society/Community	<div>▪ Active engagement with relevant members</div>	<div>▪ Community events and projects</div>
Environmental NGOs	<div>▪ Collaboration on projects</div>	<div>▪ Participating in multi-stakeholder forums</div>
Academia	<div>▪ Research</div>	
Media	<div>▪ Press releases</div> <div>▪ Interviews</div>	<div>▪ Contributions to publications</div>
Consumers	<div>▪ Social media</div> <div>▪ Podcasts</div>	<div>▪ Community events and campaigns</div>
Employees	<div>▪ Management townhalls</div> <div>▪ Newsletters</div>	<div>▪ Communications on strategic issues</div> <div>▪ Engagement apps, activities and surveys</div>

## Consumer and Employee Sentiment Study

In 2023, we engaged a market research firm to conduct an independent consumer sentiment study to understand how our company and sustainability efforts are perceived internally and externally. Over 1,200 stakeholders across our legacy markets were engaged through in-depth interviews, focus groups and an online survey.

We were perceived to perform well on community and employee topics. Our strategy and commitments were viewed positively, but some stakeholders wanted more detail. They also wanted more about what we have achieved so far, not just our goals, in addition to engagement on environmental issues above others. In the Chinese Mainland, protecting water sources from pollution was highlighted. There is also an expectation that we will influence our business partners and suppliers.

Stakeholders view our biggest challenges to be:

**Packaging and plastic waste:**  
This issue is top of mind when it comes to the beverage industry.

**Pricing pressure:**  
Increasing competition, limited resources and disruptive business models like DIY sodas may impact slim profit margins.

**Health:**  
Increasing competition and health consciousness require innovation to meet changing consumer demands. In the Chinese Mainland, stakeholders positively noted recent ingredient changes to address health concerns.

## 2023 Materiality Assessment

In addition to regular stakeholder engagement, we conduct targeted materiality assessment exercises specifically for the purposes of reporting. These assessments also help us allocate internal resources to address risks and opportunities and meet evolving stakeholder expectations. In 2022, we refreshed our materiality assessment to align with updates to the GRI Standards. For more information, see our [2022 Sustainable Development Report](#).

This year’s Sustainable Development Expert Panel reviewed our material topics and how we present our progress and performance in our sustainability reports. The panel noted the growing importance of biodiversity and human rights to a range of stakeholders and potential implications for our business, including in the context of our latest acquisitions in Southeast Asia. This feedback will be incorporated into our next materiality assessment exercise. In the near term, we reconfirmed the continuing importance of the following material topics:

### Our Material Topics

Climate Change and GHG Emissions

Water Stewardship

Packaging

Waste

Sugar Reduction

Responsible Production and Marketing

Ethical and Sustainable Sourcing

Safety

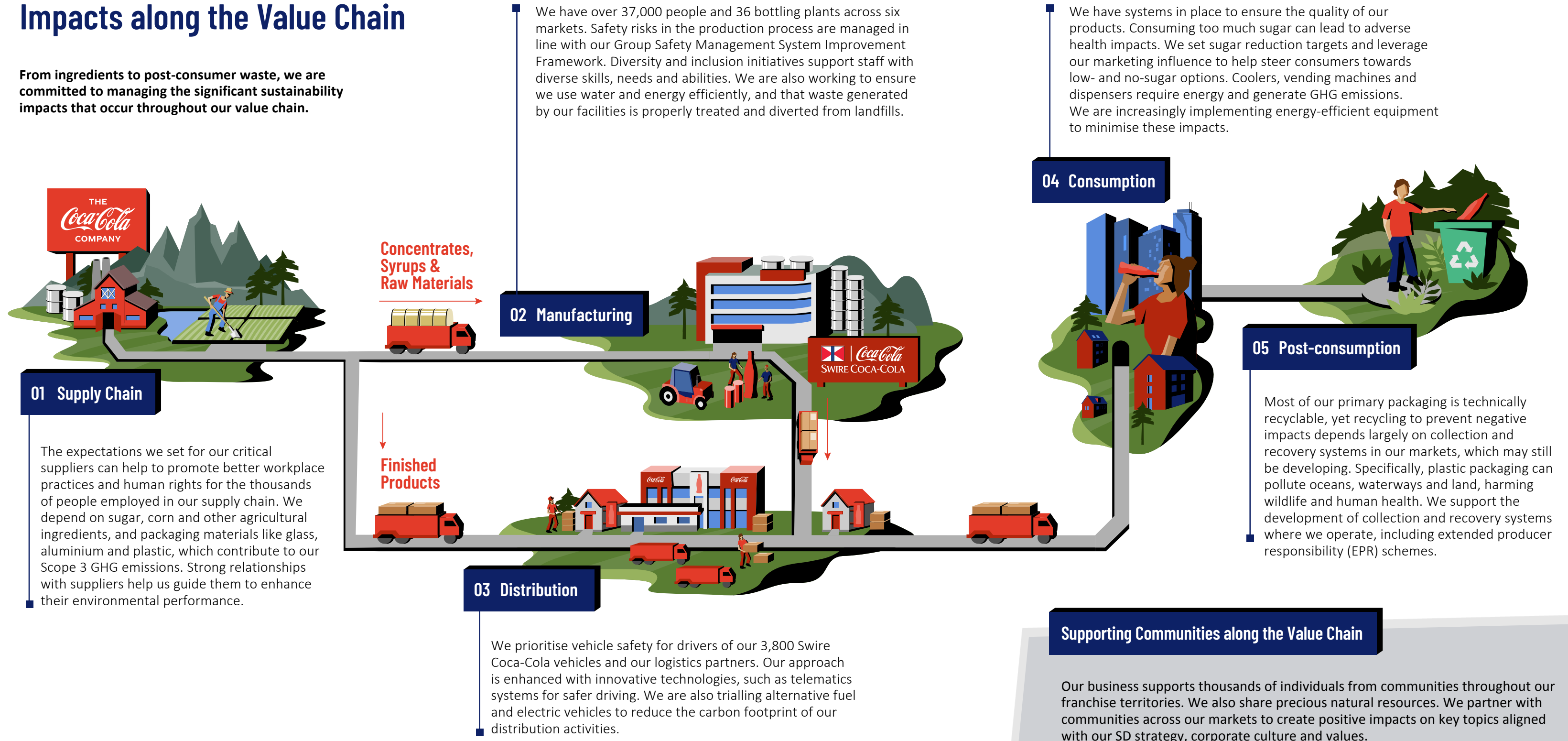
Empowering Employees

Community Engagement

Governance and Economic Impact

# Impacts along the Value Chain

From ingredients to post-consumer waste, we are committed to managing the significant sustainability impacts that occur throughout our value chain.





# Our Choice, Our Future!

## We know that a better future means making the right choices now.

Our world faces critical environmental challenges, including climate change, biodiversity loss, pollution and water stress. At the same time, many of our societies are marked by economic, gender and other inequalities. The United Nations emphasises the urgency of collective action to address these problems—but time is running out.

Swire Coca-Cola’s sustainable development strategy, “Our Choice, Our Future!”, aligns with the United Nations’ 17 Sustainable Development Goals for the world to achieve by 2030. It tells a story of purpose and action, underpinned by our strong corporate values, ethical practices and resilient attitude. This is the story of a business motivated to address our biggest challenges not only because it is the right thing to do, but also by a firm belief in its contribution to our enduring success.

Our strategy is organised around three pillars: Planet, Product and People.

### Our Material Topics



Climate Change and GHG Emissions



Water Stewardship



Packaging



Waste



Sugar Reduction



Responsible Production and Marketing



Ethical and Sustainable Sourcing



Safety



Empowering Employees



Community Engagement



Governance and Economic Impact

Our People

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 material topics:

Related SDGs:

Community

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.

Related material topics:

Related SDGs:

People

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

Our People

Community



Planet

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

Climate

Water

Packaging and Waste



Climate


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 material topic:

Related SDGs:

Water

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


Related material topic:

Related SDGs:

Packaging and Waste

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.

Related material topics:

Related SDGs:

Product

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



Product Choice


Sourcing



Product Choice





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 material topics:

Related SDGs:

Sourcing

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

Related material topics:

Related SDGs:



The Hot Water Centre is a heat bank for the factory, turning small deposits into big returns over time. It’s an innovative opportunity to achieve our carbon reduction goals!



Cai Dongning  
Senior Technical Manager,  
China Central Services Team

## Converting Heat into Efficiency in the Chinese Mainland

Energy use ratio (EUR) is a critical metric for tracking the efficiency of our manufacturing plants, which our line managers review daily. It is a measure of the energy (including electricity, steam and natural gas) required to produce one litre of product. Improving EUR helps us reduce our carbon footprint.

The Hot Water Centre mechanism, piloted in our Chinese Mainland operations, is one example of how we are thinking outside of the box to reach our carbon reduction goals. This initiative captures waste heat from energy-intensive equipment, such as air compressors, cooling systems and condensate water, and reuses it to lower our demand for purchased steam and natural gas. The mechanism employs heat pump technology, targeting a considerable reduction in energy consumption that could improve our EUR by up to 9% through phased implementation:

**Phase 1.0:** Transfers excess heat from air compressors directly to bottle warmers, potentially reducing steam demand by up to 35% and boosting EUR by 4%. This phase has already achieved an average of 15% reduction in steam usage at five plants.

**Phase 2.0:** Focuses on reclaiming waste heat from refrigeration units, condensate water and biogas boilers, then using heat pumps to increase the temperature of the water to 90°C. This water is then stored until needed, including for clean-in-place (CIP) processes, syrup preparation and other actions that require higher temperatures. Together with phase 1.0, it can reduce steam demand by 80% and improve EUR by 8%.

**Phase 3.0:** Envisions using advanced steam pump technology to produce 140°C steam, enabling full electrification of our heat supply, eliminating the need for natural gas boilers and purchased steam. If we then use renewable electricity (RE), we could realise a significant cut in GHG emissions.

We have invested RMB 3.9 million (HK\$ 4.2 million) so far in phase 1.0. We will pilot phase 2.0 in our Nanjing plant in 2024.

**RMB 3.9 million**  
invested to date

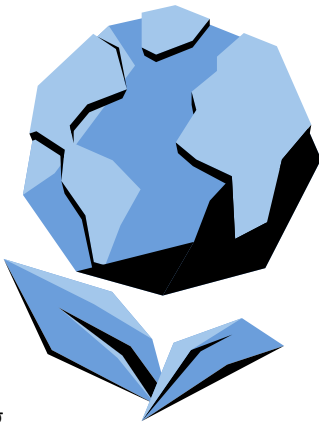
**9%** potential EUR improvement  
once all three phases are  
implemented

**150,000 tonnes**  
less purchased steam needed if all  
legacy plants in Chinese Mainland roll  
out phase 3.0

# Planet

- Climate
- Water
- Packaging and Waste

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



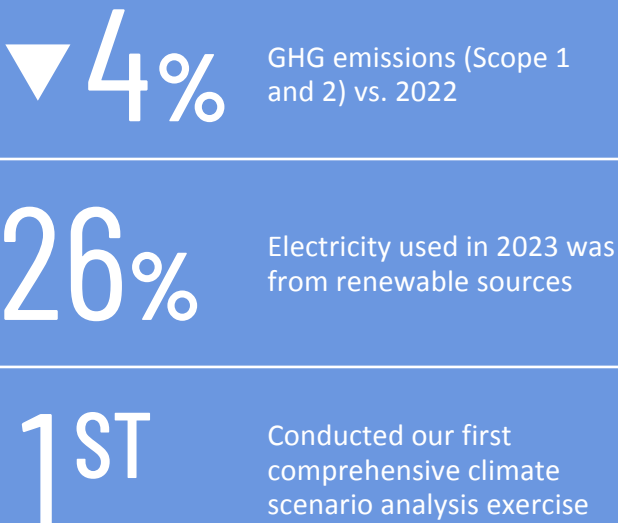


# Climate

## Why it Matters

The [2023 Emissions Gap Report](#) revealed that global GHG emissions are expected to increase by 3% by 2030, when they should be falling by 42% to keep the 1.5°C goal of the Paris Agreement alive. 2023 was the hottest year on record. The mounting economic and human toll of floods, droughts and wildfires, amplified by climate change, are warnings of things to come if we do not accelerate the transition to a low-carbon economy. The direction of travel is clear. At COP28, almost 200 countries agreed to triple global renewable energy capacity, double energy efficiency and transition away from fossil fuels.

Companies are expected to take a leading role in addressing the climate crisis. At Swire Coca-Cola, we recognise that being proactive is not just the right thing to do; it helps us stay ahead of changing regulations, reduce operating costs and disruptions, and future-proof our business. It can also unlock opportunities for better financing and insurance arrangements. In 2023, our total GHG emissions, including Scope 1, 2 and 3 emissions, were 3,945,948 tonnes.




Highlights reflect our updated reporting scope. Performance of legacy markets against our targets can be found in the [Appendices](#).

# Our Approach


We aim to reduce the GHG emissions of our entire business, in line with our science-based targets (SBTs). We will also make our business more resilient to the impacts of climate change.

Our SBTi-approved target, set in 2020 for our legacy operations, is to reduce our absolute GHG emissions (Scope 1, 2 and 3) by 30% by 2030 (versus 2018). We further committed to reducing emissions we control (Scope 1 and 2) by 70% by 2030 (versus 2018). Following the expansion of our business in 2023, our overall emissions increased by 26%. We are reviewing the emissions of our newly acquired operations, and plan to submit updated targets to SBTi in 2024.


To deliver on our decarbonisation plan, we will:



Invest in **energy efficiency** by adopting new technologies and optimising processes to reduce emissions from our facilities, vehicles and CDE



Use **100% renewable electricity** by purchasing green power and installing solar PV systems at our sites



Engage with suppliers and recycling partners to **reduce emissions upstream and downstream** along our value chain

Since 2021, we have used the TCFD disclosure framework to benchmark our approach to climate-related risks and opportunities (see [TCFD Disclosures](#)). We conducted a climate scenario analysis in 2023 to better understand the impacts climate change may have on our business.

# What We're Doing






GHG emissions associated with our business activities can be classified into five main categories: **Ingredients, Packaging, Manufacturing, Distribution and CDE**. 69% of our emissions are generated in the Chinese Mainland, and around 90% of our emissions are from sources we do not directly control (i.e., Scope 3 emissions).

## Major reduction opportunities



When we set our SBTs, we identified five major reduction opportunities that will help us achieve our goal of reducing emissions by 30% by 2030 versus our 2018 baseline. These opportunities are presented on the left and linked to the major sources of emissions across our value chain where they will have the most impact.

## Major sources of emissions and actions

Source of emissions	Ingredients 	Packaging 	Manufacturing 	Distribution 	CDE 
In 2023, accounted for:	20%	40%	11%	7%	22%
Actions	We work with Coca-Cola System partners to help our agricultural suppliers adopt more sustainable practices. Reducing sugar in our products can also reduce emissions. See <a href="#">Sourcing</a>	We are designing lighter packaging, using more recycled material, and expanding reusable options. We also invest in recycling infrastructure to increase post-consumer recovery and recycling. See <a href="#">Packaging and Waste</a>	Using RE is key to decarbonising our operations. We are also improving the energy efficiency of our facilities and adopting energy-saving technologies including “SubCarb” and waste heat capture.	We are upgrading our fleet of 3,805 trucks, vans and private cars to more fuel-efficient models, electric vehicles and alternative-fuel vehicles.	We are switching to better refrigerants and working with suppliers to roll out 50% more energy efficient models of CDE. See <a href="#">Sourcing</a>

We will prioritise activities that actually reduce our absolute GHG emissions. Carbon removal and carbon offsets will be a last resort for hard-to-abate emissions. However, in line with our [Carbon Offsetting Policy](#), we offset emissions from staff business air travel annually. We offset almost 5,000 tCO<sub>2</sub>e emissions through Cathay Pacific’s Fly Greener Programme in 2023.

See our [2023 Science Based Target Progress Report](#) for more details.



Decarbonising our Core Operations

Mitigation efforts within our business operations help reduce Scope 1 and 2 emissions, which made up about 9% of our total emissions in 2023.

Improving the Energy Efficiency of Our Plants

Manufacturing accounts for 11% of our total carbon footprint. We are working to reduce the energy used by our plants with new technologies, process optimisation and the digitalisation of operations. We track EUR, which allows us to compare the performance of individual plants, across different markets and benchmark against our peers. We have set 2030 improvement targets for each facility. Since 2018, we have improved our overall EUR in legacy operations by 3%.

In 2023, our sparkling plants in the Chinese Mainland improved their EUR by 7% versus 2018 (0.25 MJ/L vs. 0.27 MJ/L), which is about 32,000 MWh electricity saved (~26,000 tCO<sub>2</sub>e reduced) per year. This was enabled by the roll out of a digital manufacturing information system and energy management system. Recognising our efforts, our sparkling plants were named “Best Energy Efficiency” plants by the China Beverage Industry Association (CBIA). Zhang Xiaodong, GM, Supply Chain China, was invited to share Swire Coca-Cola China's 2030 strategy, targets and actions for decarbonisation at the CBIA Low Carbon Development Forum on 8 April, 2023.

Energy efficiency improvement is one of our priorities for carbon reduction, and also demonstrates our commitment and Continuous Improvement culture.

Zhang Xiaodong  
General Manager,  
Supply Chain China



Across our other operations in Asia, a fan upgrade in our Taiwan plant is expected to save close to 43,000 kWh of electricity per year, and we upgraded two boilers in our Hong Kong plant that will reduce Towngas consumption by 5%. In Vietnam, reducing steam loss through steam trap maintenance resulted in 2% energy savings.

Year	Group EUR (MJ/ litre of product)
2023	0.34 (after expansion)
2022	0.30 (before expansion)

Promising SubCarb Technology Pilot in Hangzhou

Our Hangzhou plant piloted an advanced technology known as SubCarb on four of its sparkling production lines. In a typical carbonation process, the beverage base is combined with liquid carbon dioxide at about 11°C. After filling, the product is warmed back up to prevent condensation, which could damage the label and packaging. SubCarb technology allows us to raise the filling temperature to 17°C and results in a more stable bond and less foaming. This results in significant energy and cost savings.

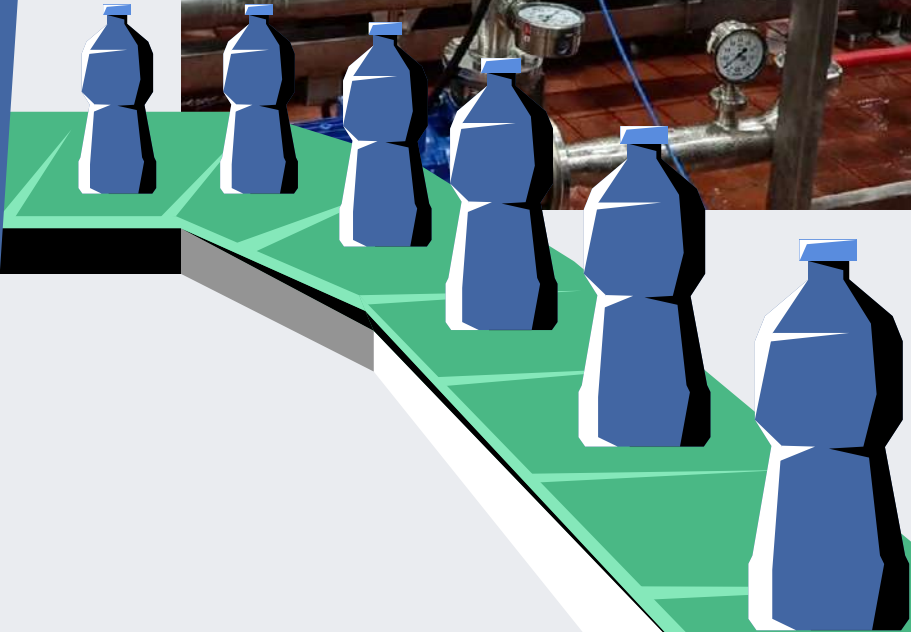
Initial results show a 44% improvement in energy efficiency of the chiller and 40% reduction in steam required to warm the product back up again. In 2023, we installed SubCarb technology on seven production lines across our Chinese Mainland operations, resulting in savings of 1.15 million kWh of electricity and 1,800 tonnes of steam. We will install SubCarb on six more lines in the Chinese Mainland by the end of 2024, and are considering rolling it out to other markets.



Improving the efficiency of our 20-year-old production lines is not without its challenges. The project team collaborated with technical experts to break industry barriers and proactively solve obstacles to international cooperation. The results speak for themselves, and our experience can help advance implementation of SubCarb across the Swire Coca-Cola bottler network.

Liu Ji  
Facility and Engineering Manager,  
SCC Hangzhou plant





Using Renewable Electricity

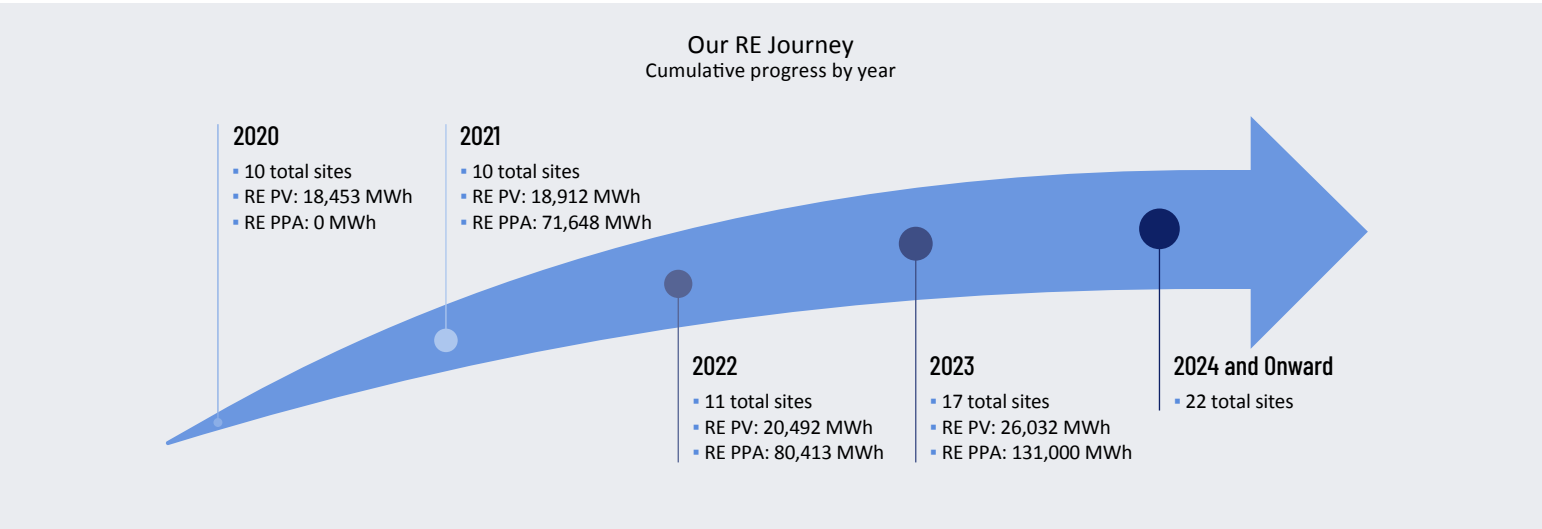
Our target is to use 100% RE in our legacy operations by 2026. We are reviewing the feasibility of this target for our new operations in Vietnam and Cambodia. Overall, 26% of the electricity we used in 2023 was from renewable sources. Of that amount, 17% was power generated by onsite solar PV systems and 83% was purchased from offsite RE producers or retailers.

We are making good progress in the Chinese Mainland, where the renewable power market is rapidly expanding. In 2023, 34% of the electricity used in our Chinese Mainland operations was from renewable sources, up from 27% in 2022. Our plant in Luohe, Henan Province, started procuring RE in 2023, bringing the total number of plants purchasing RE in the Chinese Mainland to ten. Six plants are already operating on 100% purchased RE. In our other operating locations, corporate RE procurement is not as mature, and there are also regulatory challenges with setting up our own solar PV systems. In 2024, we will develop a RE roadmap for Southeast Asia, Hong Kong SAR and the Taiwan Region (SEAHKT).

In the Taiwan Region, we signed an agreement to purchase 22,500 kWh of RE from a local charity that we donated PV panels to in 2022. This generates additional funding for the charity and contributes towards our RE goals.

In the Chinese Mainland, we have installed rooftop solar PV generation systems across 14 plants, with an annual power generation capacity of 27,000 MWh. In 2023, our Huizhou plant completed grid connection of a 1.76 MW facility, which is expected to generate 2,100 MWh of RE for the plant. In the U.S., our Glendale 774 kW solar PV system came online. In Cambodia, a 2.5 hectare solar PV rooftop system supplies about 23% of our plant’s annual electricity needs (8,147 MWh in 2023). This has positively impacted the proportion of RE for the SEAHKT Region. Over the next three years, we have a pipeline of eight onsite solar PV projects in the Chinese Mainland, Vietnam, Taiwan Region and the U.S.

Year	Group renewable electricity use (MWh)
2023	157,033 (after expansion) <span>+56%</span>
2022	100,359 (before expansion)



Reducing Emissions from CDE

**CDE not only uses a substantial amount of energy to keep our drinks cool, but also requires refrigerants that may contribute to global warming.** In line with TCCC’s policy, all new coolers purchased since 2015 are HFC-free, using either natural refrigerants or those with an ultra-low global warming potential (GWP), thus minimising climate impact. We are also phasing out old coolers from our inventory. In the Taiwan Region, we continued to retrofit our coolers with our patented technology to use low-GWP refrigerants. 54% of our coolers in the Taiwan Region are now low-GWP. We are also replacing our CDE in Hong Kong. In Cambodia, we are retiring old coolers and 52% of our inventory is now HFC-free.

In the Chinese Mainland, Cambodia and Vietnam, we are rolling out 50% more energy-efficient coolers developed together with our suppliers (see [Sourcing](#)).

Enhancing Business Resilience to Climate-related Risks

**While we seek to limit our contribution to climate change, we also recognise that its impacts are already being felt.** We are taking steps to prepare our business for the transition to a lower carbon future, which will be marked by policy changes as well as environmental hazards such as droughts, extreme temperatures and flooding.

Setting an Internal Carbon Price

An internal carbon price is a tool that businesses can use to understand how changes to climate-related policies, technologies, risks and opportunities could impact their financial performance, by linking emissions more closely with strategic planning. We piloted an internal carbon price mechanism this year. We tested a shadow price of US\$100/tCO<sub>2</sub>e for strategic CAPEX projects over a certain investment threshold, which was integrated into the financial analysis of the project. This theoretical cost helps us understand the impact that future GHG emissions from the proposed project could have on our bottom line.

We also explored establishing a carbon fee, which aims to accelerate our decarbonisation progress. While the shadow price is theoretical, the carbon fee is intended as a benchmark for minimum actual spending on projects that reduce our emissions. The carbon fee is calculated for each market based on their total Scope 1 and 2 emissions in the previous year. We are extending the trial phase into 2024, to give more time to address some of the challenges that emerged and to provide sufficient time for internal communications.

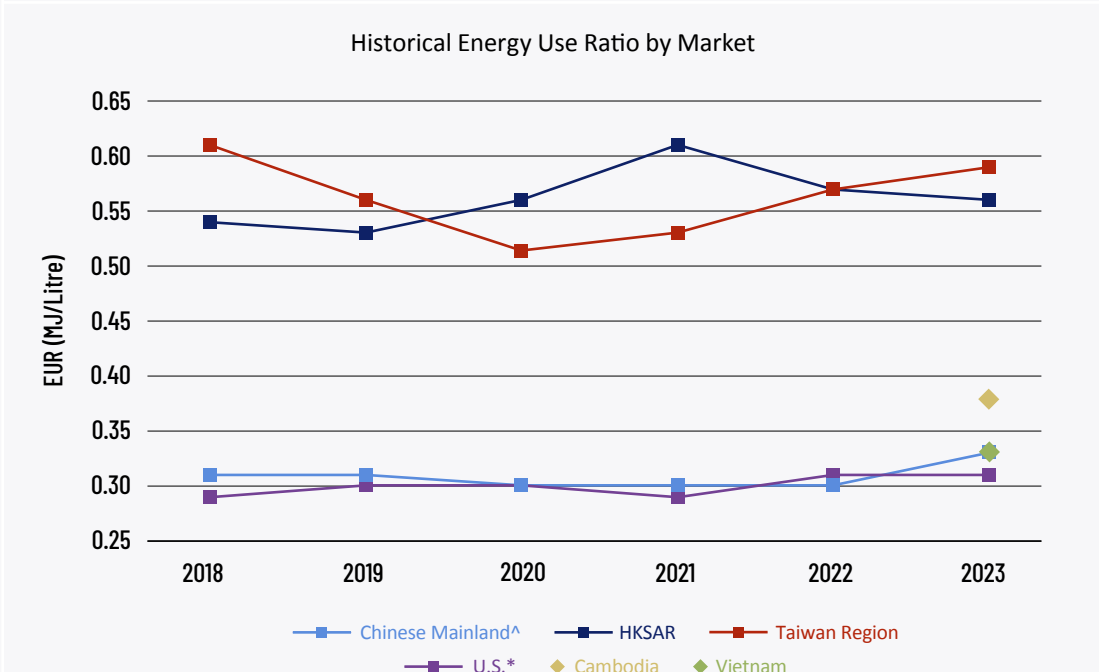
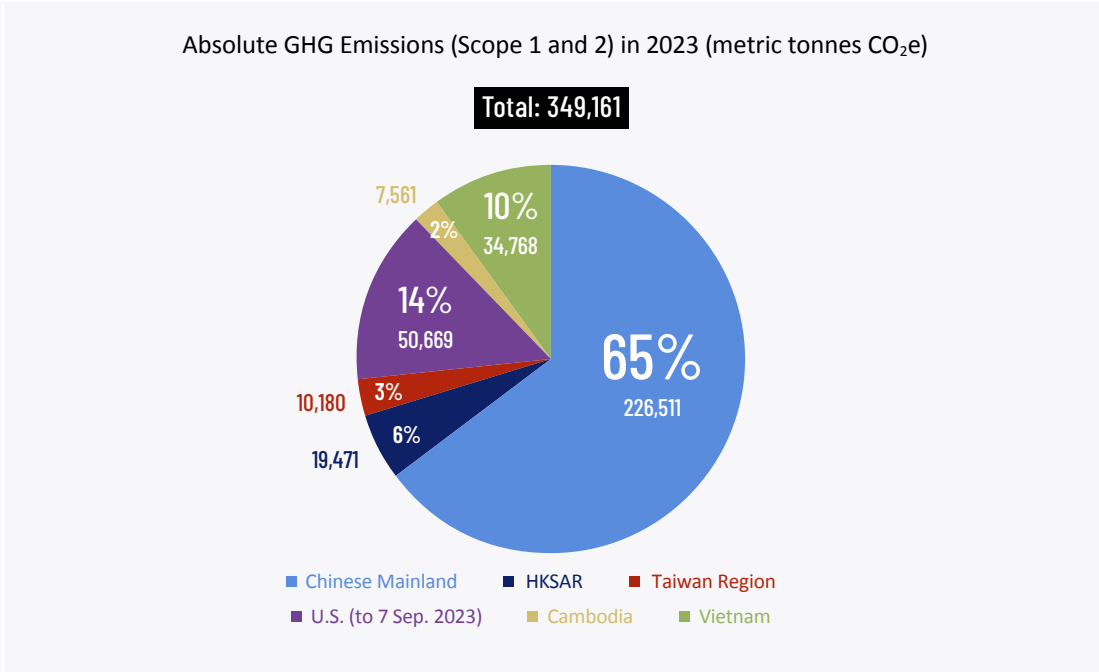
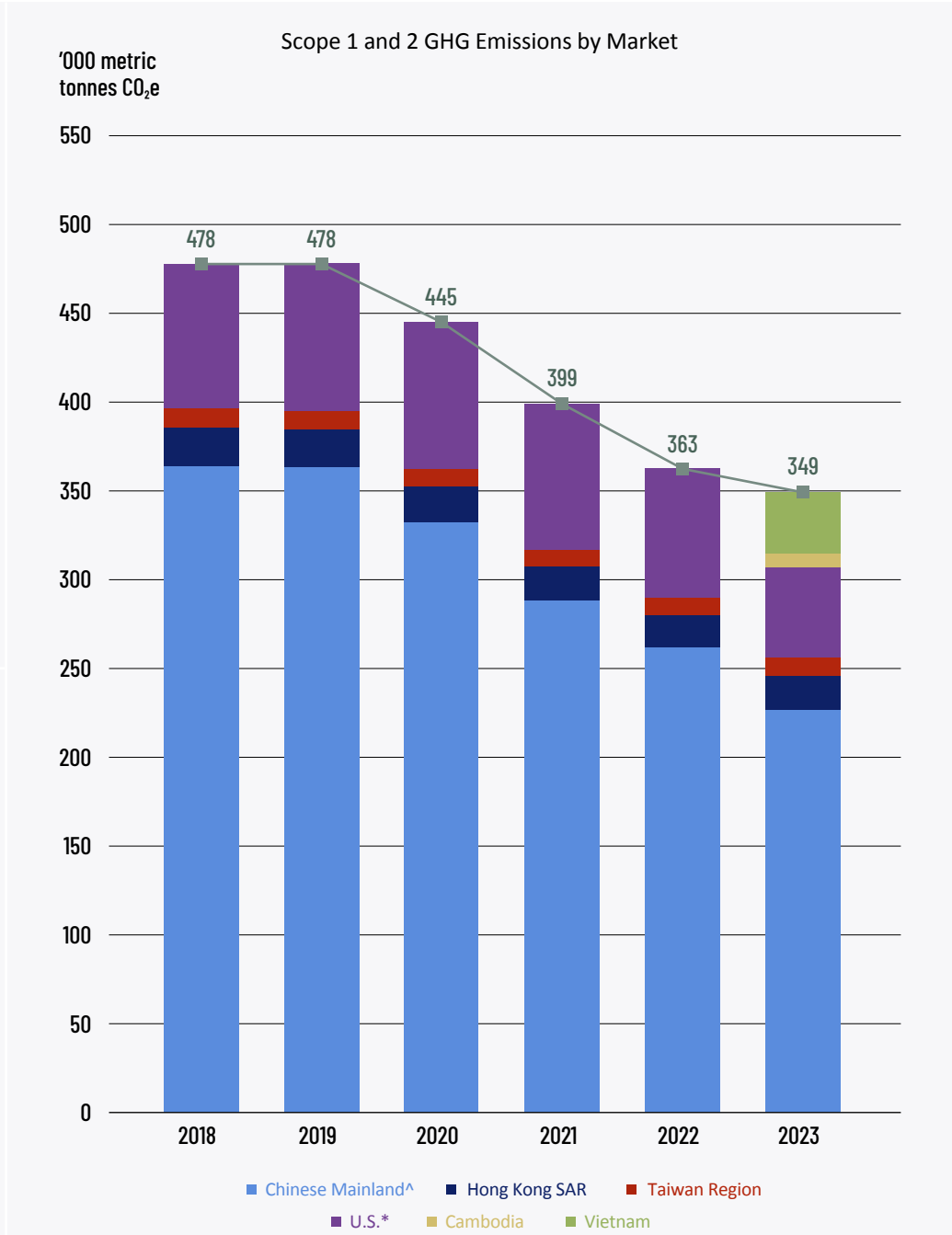
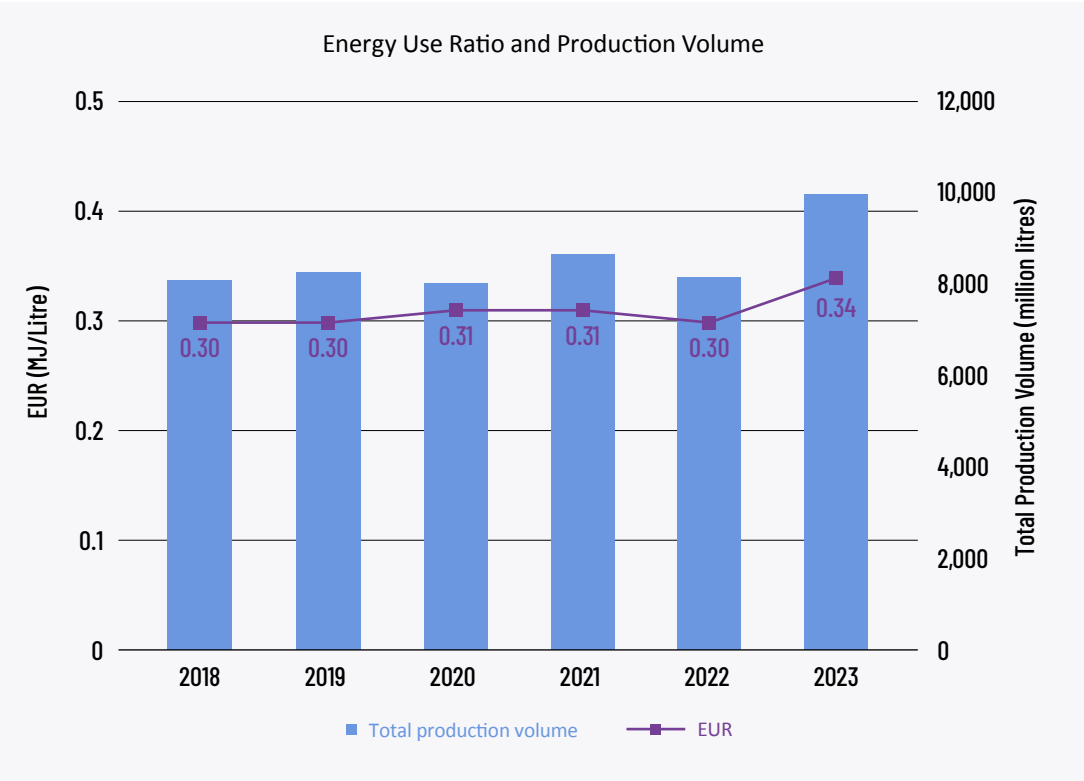
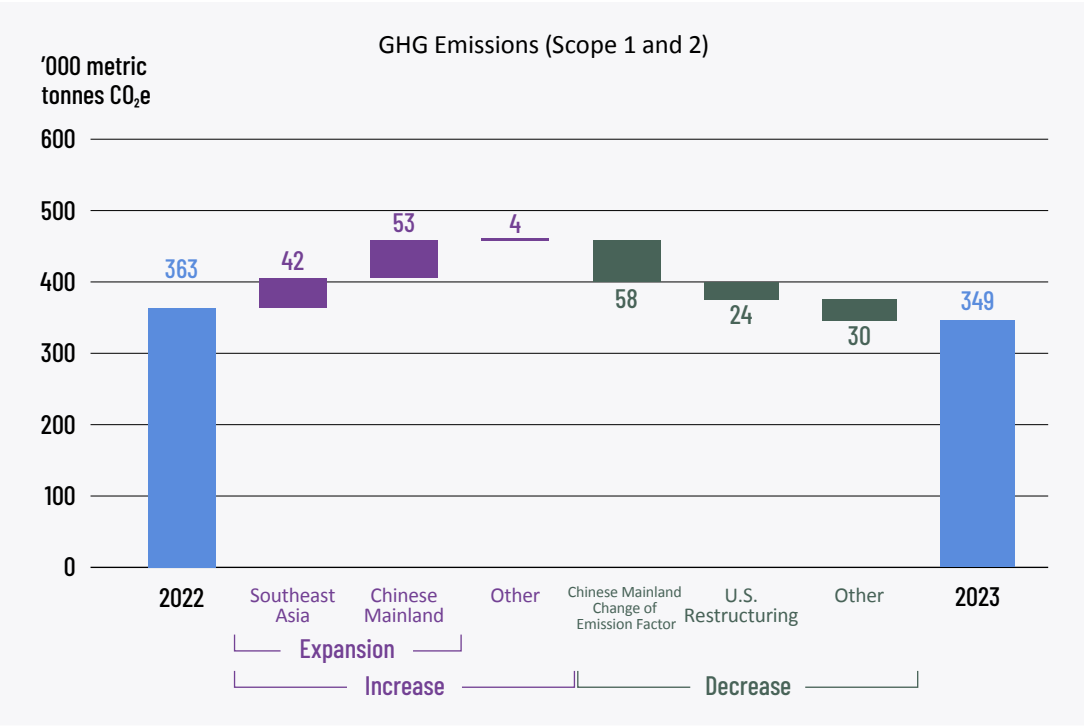
Climate-related Risk Assessment

Climate change is one of the top risks in our corporate risk register. As recommended by the TCFD, companies should conduct climate scenario analyses to project potential future risks (and opportunities) related to climate impacts. In 2023, we continued to model the financial value-at-risk due to physical climate impacts for 561 of our most valuable assets using the S&P Global Climonomics tool. At the Group level, we also conducted a workshop to gather qualitative feedback on the impact and vulnerability of our business to physical and transition risks under business-as-usual (BAU) and low-carbon (1.5-1.8°C global temperature rise) scenarios. Extreme heat and water stress are the most significant physical risks for our business. Changes to policy and regulations could also be a significant risk in the longer term under a low-carbon scenario.

See the [TCFD Disclosures](#) section for details.



Performance



Notes:

^ Data for the Chinese Mainland from 2018-2022 includes two co-packer plants that are co-located on our manufacturing sites in Luohe and Nanjing. From 2023, data for the Chinese Mainland includes an additional eight still plants that were acquired on 1 January 2023.

\* U.S. data for 2023 is up to 7 September 2023 only.

The significant reduction in our Scope 1 and Scope 2 emissions in our Chinese Mainland operations is mainly a result of using more renewable electricity and adopting energy-saving technologies and changes relating to our GHG accounting. Elsewhere, changes to our manufacturing processes, commissioning of new lines and increases in production volume led to slight increases in absolute emissions.

In February 2023, the Ministry of Ecology and Environment (MEE) in the Chinese Mainland issued a new national emission factor for the electricity grid (0.5703 tCO<sub>2</sub> per MWh), which is recommended for corporate reporting. Prior to 2023, we used regional grid factors in the Chinese Mainland, which ranged from 0.79 to 0.86 tCO<sub>2</sub> per MWh. We will use the national MEE emission factor moving forward as the regional grid factors are not regularly updated to reflect the greening of the grid in the Chinese Mainland. The regional grid factors were also designed for Clean Development Mechanism project development, rather than corporate reporting.<sup>1</sup> The change in emission factor has resulted in a significant drop (over 57,000 tCO<sub>2</sub>e) in our overall emissions this year.

% Renewable Electricity

Year	Renewable Electricity
2023	26% (after expansion)
2022	21% (before expansion)

% Renewable Electricity by market in 2023

Market	%RE by market in 2023
Chinese Mainland	34%
HKSAR	0%
Taiwan Region	0%
U.S.	1.8% (As of 7 Sep 2023)
Cambodia	23%
Vietnam	0%

System Benchmarking: EUR

Bottlers	2023 EUR
Swire Coca-Cola	0.34
Coca-Cola FEMSA	0.16
Coca-Cola Europacific Partners	0.35
Coca-Cola Hellenic Bottling Company	0.38
The Coca-Cola System	0.38*

Notes:  
<sup>1</sup> <https://wri.org.cn/sites/default/files/2022-01/getting-every-ton-emissions-right-CN.pdf> (Chinese only)  
\* 2022 data is presented for The Coca-Cola System as 2023 data was not available at the time this report was published.

Addressing Challenges

We worked to address the following key challenges:

- Reaching our RE Goals across the Group:** Achieving 100% RE in markets outside of the Chinese Mainland will be challenging, given the limited current and projected availability of local RE. Where conditions remain unfavourable, we will consider roadmaps for purchasing RE with unbundled environmental attributes and virtual power purchase agreements.
- Maintaining Momentum across an Expanding Business:** Our business continues to expand inorganically through acquisitions. Maintaining the same level of ambition in our GHG target setting will be challenging as our footprint changes. We are currently undertaking a holistic review of our goals and targets with a specific focus on integrating our new markets into our approach to GHG accounting and decarbonisation goals.



Looking Ahead

Our immediate priorities include:

- 1

Recalculating our **Baseline GHG Emissions** to factor in our business expansion and resubmit our SBT with an updated Forests, Land Use and Agriculture (FLAG) target, per SBTi guidance
- 2

Working with our consultant to help us develop a **Roadmap for RE Options** in our SEAHKT Region
- 3

Continuing to roll out our **Internal Carbon Price** pilot
- 4

Engaging suppliers to develop **Supplier-specific Emission Factors** (see [Sourcing](#))



# Water

## Why it Matters

Water shortages are a growing global concern. More than two billion people worldwide lack access to safe drinking water today. By 2030, the [Global Commission on the Economics of Water](#) projects a 40% shortfall between water supply and demand, driven by a growing population and over-extraction of water resources. Climate change is already impacting weather patterns, making seasonal water shortages more likely, even in places where water is usually abundant.

Water is critical to our business—we used over 18.6 billion litres of water in 2023. It is the main ingredient in our products, and used extensively in our manufacturing process and our agricultural supply chains. We recognise that having robust water management plans is a strategic imperative for our business to minimise the risk of disruptions, reduce costs and build positive relationships with our customers and communities. As we use a substantial amount of this vital resource, it is important to ensure that the communities and ecosystems where we operate have continued access to safe, clean water.

18,617,197 cubic meters (CBM)

Water used in 2023

(▲ 28% vs. 2022 (before expansion) )

1.88L/L

Overall water use ratio (WUR) in 2023

27 out of 36

facilities had SVAs and WMPs validated by third parties


Highlights reflect our updated reporting scope. Performance of legacy markets against our targets can be found in the [Appendices](#).




Our Approach

**We aim to reduce our water footprint and work with others to protect shared water resources.** Our approach is guided by TCCC’s 2030 Water Security Strategy, which recognises that water issues are fundamentally local in nature. Water stewardship activities should therefore be based on an understanding of the local context. Our actions also reflect the different ways we impact water.


Our commitments include:



**Understanding water risks and seeking external validation** of our facility SVAs and WMPs



Improving water use efficiency by **setting annual WUR targets** for each facility



**Ensuring wastewater** from our plants fully complies with regulations



**Partnering with TCCC, the Coca-Cola Foundation (TCCF) and others** to replenish 100% of the water in our finished products

We voluntarily respond to the CDP Water Security questionnaire to benchmark our approach against industry leaders. We target a score of B or higher. In 2023, our score was 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.

All our SVAs and WMPs will be verified by third-party experts by 2025, following the Swire Coca-Cola Source Water Risk Management Policy. By the end of 2023, 24 of our 26 legacy plants, the water line in our Lvquan Packaging Centre and three of our ten new plants had SVAs and WMPs prepared or verified by external water experts.

We use the WRI [Aqueduct 4.0 Water Risk Atlas](#) to evaluate location-specific water risks at each Swire Coca-Cola manufacturing facility and major co-packer facilities. Water stress indicates the competition for water resources in a particular location,

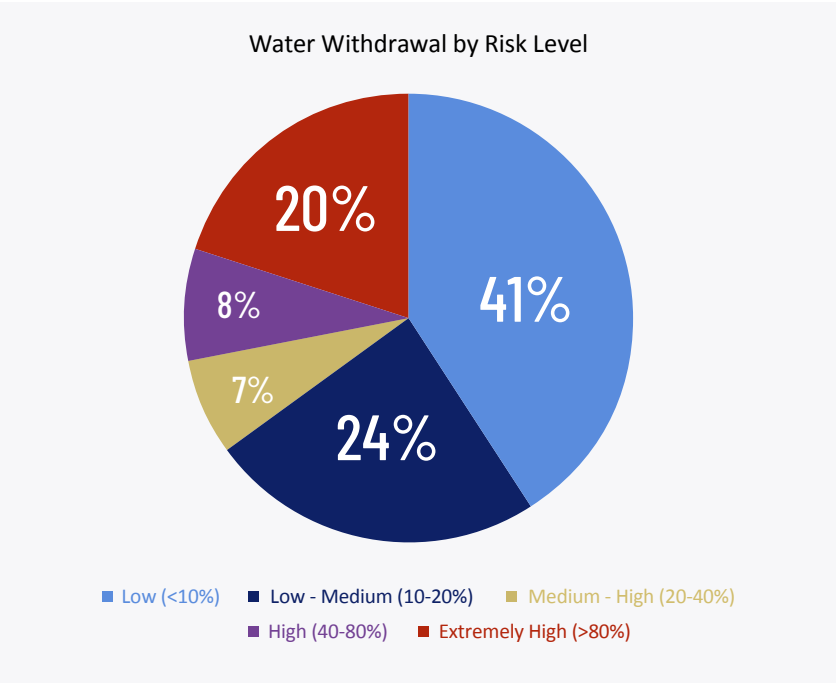
and can be thought of as the demand for water by human society as a proportion of the water available. We compare the baseline water stress with the projected water stress in 2030 under a BAU scenario.

Seven of our plants in Shanghai, Suzhou, Hefei, Tempe, AZ and Denver, CO, are located in areas with extremely high baseline water stress. These plants constituted about 20% of our total water withdrawal in 2023. Five plants in Fuzhou, Jiangxi, Luohe and Salt Lake City, Utah, accounting for a further 8% of our total water demand, are located in areas with high baseline water stress. Whilst our Hong Kong SAR 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.

Water stress is just one type of water quantity risk that may not reflect the full picture. For example, our plant in Cambodia is low-to-medium risk for water stress, but at medium-to-high risk of drought.

Level of Overall Risk

Market / Risk level	Total no. of sites	Baseline (no. of sites)				
		L	L-M	M-H	H	Ex.H
Chinese Mainland	24+1*	11	3	3	3	5
HKSAR	1		1			
Taiwan Region	1		1			
Cambodia	1		1			
Vietnam	3		3			
U.S.	6	1	2		1	2
		Projection to 2030 BAU (no. of sites)				
Chinese Mainland	24+1*	7	5	5	6	2
HKSAR	1		1			
Taiwan Region	1		1			
Cambodia	1		1			
Vietnam	3		2	1		
U.S.	6	2	1	1		2



**Note:**  
\* Includes 24 locations and one water production line in Lvquan, Xiamen which is operated by SCC.



# What We’re Doing

We’re working to produce our drinks with less water, discharge water safely and replenish the water that we consume.

## Improving Water Efficiency in our Manufacturing Plants

We track our water use ratio (WUR), which is the volume of water needed to produce one litre of our finished product. While there is no substitute for the water in our products, we can drive down the amount of water used in our manufacturing processes, which made up 47% of our water withdrawal in 2023. We do this by process and production schedule optimisation, fixing leaks, reusing water and opting for water-free alternatives such as dry lubricants and ionised air rising. We recycle water in cooling towers and for cleaning, irrigation and toilet flushing. Our overall WUR in 2023 was 1.88 L/L. The WUR of our eight still plants in the Chinese Mainland was 3.00 L/L in 2023, while our sparkling plants in the Chinese Mainland achieved a WUR of 1.70 L/L.

WUR is affected by factors beyond the efficiency of the manufacturing process. Plants with a larger product mix (more stock keeping units [SKU]) or shorter production runs use more water due to the increased frequency of cleaning between changeovers of the production line. Producing still beverages usually requires more water than producing sparkling beverages and water. Commissioning of new production lines increases water withdrawal without producing any products. Poor quality source water can also increase water use.

Year	Group WUR (litres of water used/ litre of product)
2023	1.88 (after expansion)
2022	1.75 (before expansion)

In the Chinese Mainland, some of our facilities reuse backwash water in the water treatment system. Once this best practice is rolled out, 90% of backwash water is expected to be reused. In our SEAHKT Region, we have appointed WUR champions in each plant who are responsible for driving continuous improvement.

## Water Efficiency in Vietnam

Vietnam is our best performing market for water efficiency, with a WUR of 1.43 in 2023. Over the last five years, the team has implemented multiple projects to drive down its WUR by 13% versus 2019. Their efforts comprise meticulous leak detection and repair and optimisation of the reverse osmosis system. In 2023, upgrading the sand filter generated 600 CBM in water savings. Changing the chemicals used in the wastewater treatment process in Da Nang is expected to save 2,800 CBM per year, while using a CIP ball is expected to reduce water consumption from the CIP process by 7,500 CBM per year.

Our success is driven by vision and commitment. Our leaders are passionate about WUR improvement and inspire the team to keep improving in day-to-day operations. They are also willing to invest in new technology and approaches. WUR targets are linked to our monthly incentives and we have regular activities, awards and annual competitions to promote water efficiency.

Pham Huu Tri  
Vice President, Supply Chain, Vietnam



## 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 Organization.

We treat wastewater onsite before it is discharged at all of our bottling plants in the Chinese Mainland, Hong Kong SAR, Taiwan Region, Vietnam and Cambodia. In the Chinese Mainland, an online monitoring system is used to track 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 in compliance with local regulatory requirements.

## Replenishing the Water we Use

As our business grows, so will our water footprint. In addition to water-saving initiatives in our plants, we contribute to water stewardship activities outside of our four walls. In alignment with TCCC’s 2030 Water Security Strategy, we aim to replenish at least the same volume of water as the volume of products we sell. We have identified plants located near vulnerable water sources where we will prioritise our replenishment efforts, which TCCC calls “leadership locations”.



# Replenishment Projects Across our U.S. “Leadership Locations”

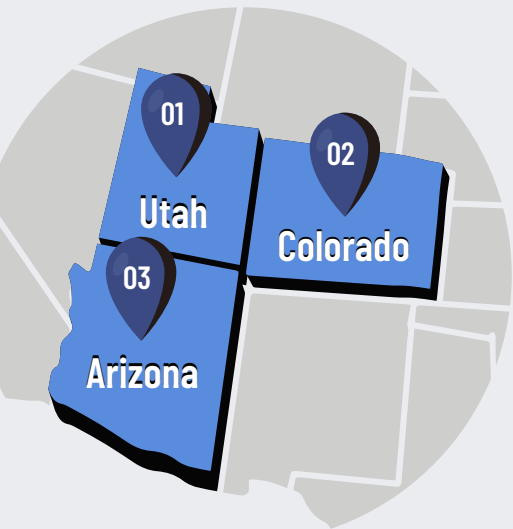
**We implement water replenishment projects in collaboration with various governmental and non-governmental partners.** In 2023, our U.S. team funded seven new water replenishment projects. The projects are located in Utah, Colorado and Arizona, regions with significant water challenges where we have a direct operational footprint. Projects include:

## 01 Protecting the Great Salt Lake Ecosystem

Together with our partners Bonneville Environmental Foundation and TCCC, we will install a more efficient irrigation system at an 80-acre alfalfa farm in Box Elder County and support the modernisation of water infrastructure, helping improve passages for important species such as the Bonneville cutthroat trout. Through a five-year leasing agreement, we aim to improve habitat conditions in the Weber River.

## 03 Invasive Plant Removal, Wetland Restoration and Water Use Efficiency

We support invasive plant removal on approximately 100 acres from Fossil Springs and along sections of Fossil Creek, organised by the National Forest Foundation. Removal generates not only a benefit to native wildlife, but contributes significantly to water replenishment as well. We supported the construction of BDAs along over two miles of stream within the Springtown Wash watershed. We also partner with the Nature Conservancy and the Verde Ditch Company to pipe portions of the Verde Ditch, a crucial step in restoring flows to the river and ensuring water security for farmers and communities.



## 02 Wetland Restoration and Water Leasing

Swire Coca-Cola contributed to support a larger effort to restore 42.2 acres of existing wetlands in a glacial valley just south of Keystone, Colorado, including the floodplains of Soda Creek. Wetland restoration will be achieved through a combination of minor excavation/fill activities to raise portions of the creek bed elevation and installing beaver dam analogs (BDAs). We also contributed to a water leasing agreement to offset depleted flow impacts to the Fraser River Tributaries of the Upper Colorado River.

Our collaboration with Swire Coca-Cola is important because we all share the value of needing good clean water not just this year, but next year, ten years, 100 years into the future.

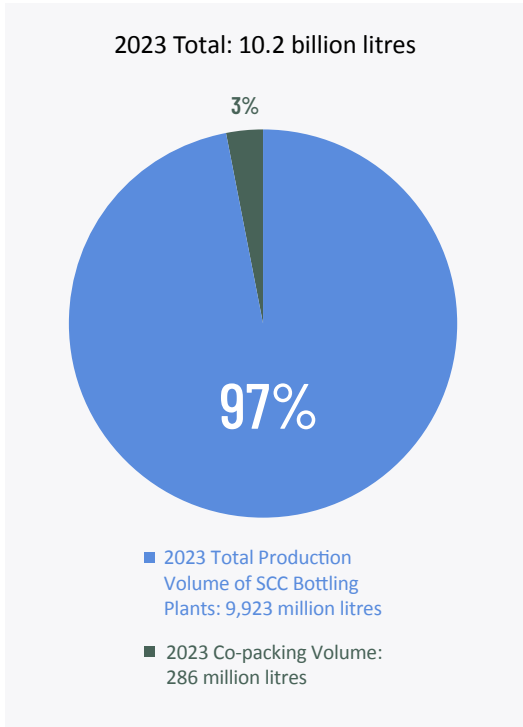
**Kelly Mott Lacroix**  
U.S. Forest Service

## Reducing Water Use in our Supply Chain

**A portion of the drinks we sell are produced by co-packers.** In 2023, these suppliers were accountable for producing 3% of our total beverages sent to market. Following our acquisition of eight CCBMH still beverage manufacturing plants in 2023, Huihuang Fujing New Material Technology is now our largest co-packer by volume, supplying 36.1 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. We actively engage and support our co-packers in efforts to reduce their water use.

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

Market	Volume produced by other co-packers		
	2021	2022	2023
Chinese Mainland	205	86	57
HKSAR**	23	23	26
Taiwan Region	100	106	131
U.S.^	344	106	72
Cambodia	N/A	N/A	0
Vietnam	N/A	N/A	0.43
Total	672	321	286

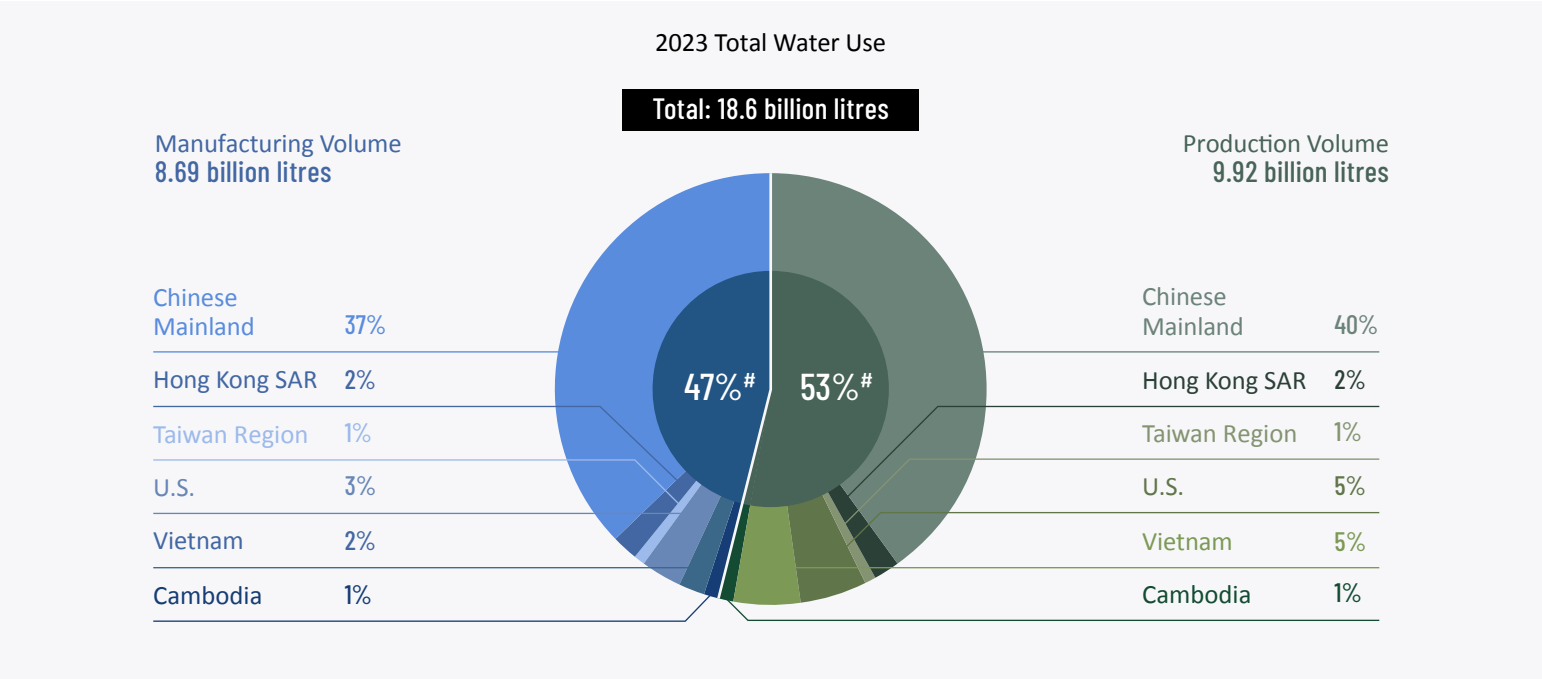


**Note:**  
\*\*Our Hong Kong business imports some of the products it sells.  
^ Some products are produced as part of a National Product Supply Group. U.S. data for 2023 is up to 7 September only.



# Performance

Our water use in 2023 increased by 28% with the addition of the new still bottling plants, which are more water-intensive as they are susceptible to microbial issues and require more CIP processes.



Market	Manufacturing Volume (million litres)			Production Volume (million litres)		
	2021	2022	2023	2021	2022	2023
Chinese Mainland^	5,370	4,776	6,867	6,670	6,442	7,480
HKSAR	459	419	439	229	282	308
Taiwan Region	183	188	231	153	147	155
U.S.*	988	892	620	1,497	1,440	947
Cambodia	N/A	N/A	164	N/A	N/A	157
Vietnam	N/A	N/A	374	N/A	N/A	876

**Note:**

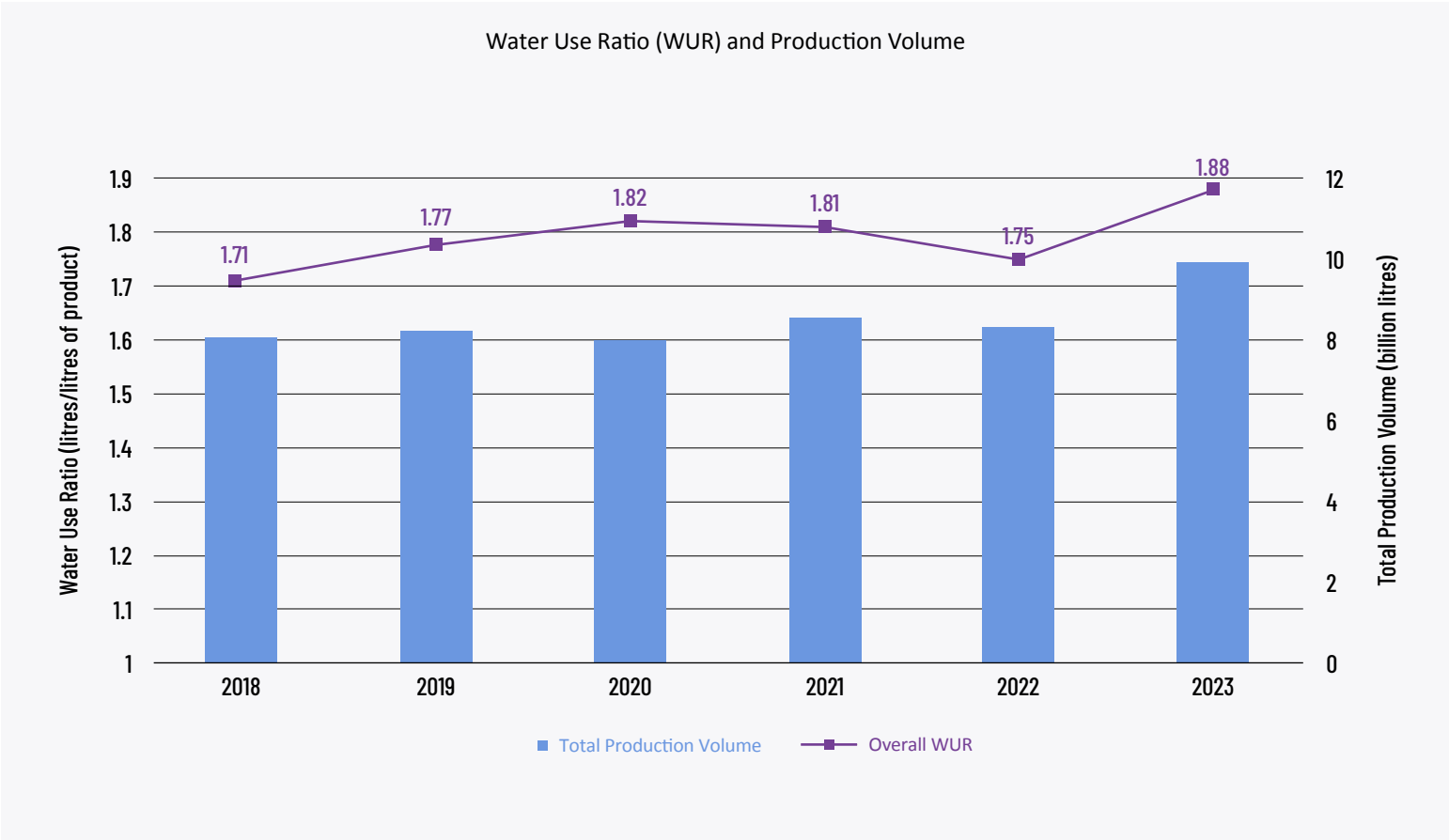
^ Data for the Chinese Mainland from 2018-2022 includes two co-packer plants that are co-located on our manufacturing sites in Luohe and Nanjing. From 2023, data for the Chinese Mainland includes an additional eight still plants that were acquired on 1 January 2023.

\* U.S. data for 2023 is up to 7 September 2023 only.

# Figures in the 2023 Total Water Use table may not align due to rounding.

## Tracking Efficiency with WUR

Overall, our WUR in our legacy markets remained stable compared to last year. A slight decrease in production volume led to a slight increase in WUR. Commissioning of new lines in the U.S. and Taiwan Region led to use of water without corresponding production, which impacted WUR in these markets. Increased CIP frequency in Taiwan Region led to higher water use and higher WUR. Efforts in line management and optimisation of product mix and CIP processes helped to improve performance in our legacy plants in the Chinese Mainland.



# Addressing Challenges

## We worked to address the following key challenges:

- Tracking our Performance:** Water withdrawal is influenced by a variety of factors, which can make benchmarking performance across plants and production lines more complicated without digital solutions. Our analysis of meter readings is still largely manual. In addition, commissioning and testing of new lines uses water, but does not create products we can sell, therefore impacting our WUR.
- Driving the Business Case:** Water utility charges do not reflect the true cost of water, making it harder to make the business case to prioritise investments in water reduction.
- Physical Constraints:** Space constraints at some of our facilities limit some of the initiatives we could implement to improve our WUR, for example, wastewater treatment, water recycling and rainwater capture.

# Looking Ahead

## Our immediate priorities are:

- 1

Continue implementing our five-year plan to achieve **Independent Verification** of all SVAs and WMPs
- 2

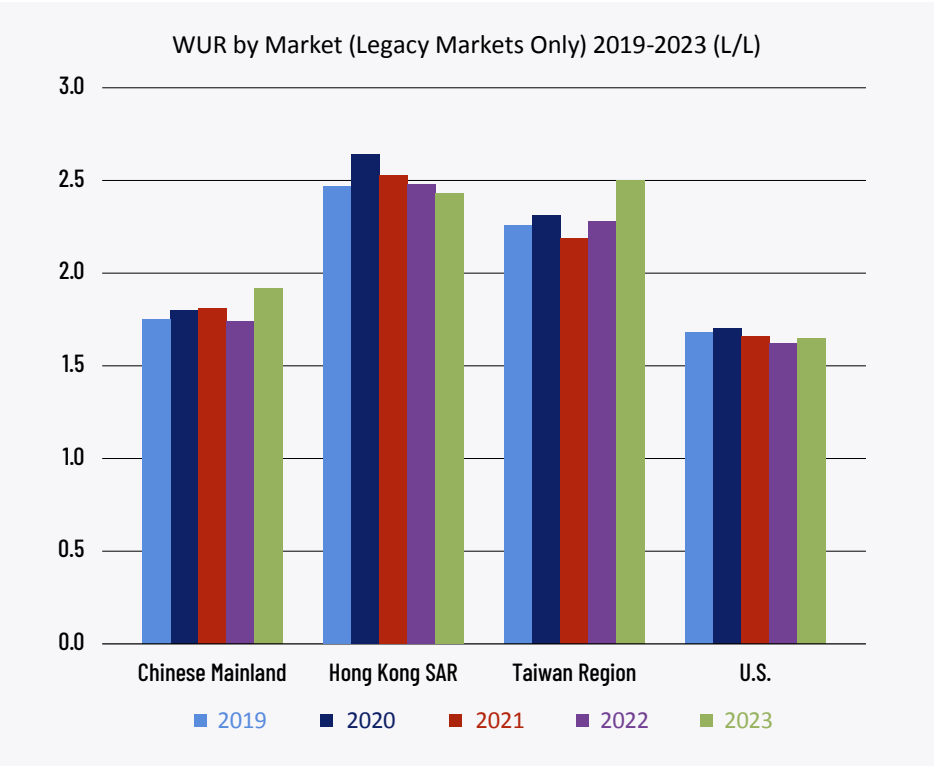
Leverage tools developed by TCCC and a recent water roadmap study initiated by our parent company, Swire Pacific, to **Review and Refine our Approach** to water stewardship

## System Benchmarking: WUR

Bottlers	2023 WUR
Swire Coca-Cola	1.88
Coca-Cola FEMSA	1.46
Coca-Cola Europacific Partners	1.61
Coca-Cola Hellenic Bottling Company	1.93
The Coca-Cola System	1.79 <sup>#</sup>

## System Benchmarking: CDP Water Scores

Company	2023
Swire Coca-Cola	A-
FEMSA	C
CCEP	A-
CCHBC	A
CCI	A
TCCC	A-



WUR (L/L)	2019	2020	2021	2022	2023
Chinese Mainland	1.75	1.80	1.81	1.74	1.92
Hong Kong SAR	2.47	2.64	2.53	2.48	2.43
Taiwan Region	2.26	2.31	2.19	2.28	2.50
U.S.	1.68	1.70	1.66	1.62	1.65*

**Notes:**  
\* U.S. full year data  
<sup>#</sup> 2022 data is presented for The Coca-Cola System as 2023 data was not available at the time this report was published.



# Packaging and Waste

## Why it Matters

Packaging remains one of our most complex sustainability challenges. In 2023, we used 368,267 tonnes of material for our primary packaging, over 70% of which was plastic. Plastic is a useful material: lightweight, easily shaped and low cost. It can also have a smaller carbon footprint compared to aluminium and glass. On the other hand, plastic litter can become pollution if systems are not in place to collect and recycle it. According to the [OECD](#), of the 460 million tonnes of plastic produced globally every year, less than 10% is actually recycled, two thirds ends up in landfills or incinerators and 22% is mismanaged and ends up in the environment.

As signatories to the Ellen MacArthur Foundation’s [Global Commitment](#), we are working towards the vision of a circular economy for plastic, where it never ends up as waste. The concept of a circular economy, founded upon closed-loop systems, has become mainstream. Global governments are looking for ways to curb the increasing amounts of solid waste and pollution, especially from plastic. An [international legally binding instrument to tackle plastic pollution](#) is being negotiated, and EPR schemes are being introduced in the Hong Kong SAR, Cambodia, Vietnam and some parts of the U.S. Some governments are introducing bans on single-use plastic items that include beverage packaging, and some customers are demanding plastic-free packaging at their sites.

Waste also matters within our business operations. In 2023, we generated over 34,137 tonnes of waste in our core operations. Reducing this waste and diverting it from landfill through reuse and recycling initiatives can minimise our exposure to emerging solid waste charging schemes and demonstrate our commitment to the circular economy beyond the impact of our packaging.

8% Recycled content after expansion

39% Recycled Content for our PET bottles (excluding caps and labels) in Hong Kong SAR

1<sup>ST</sup> Swire Coca-Cola plant certified as Zero Waste to Landfill according to UL2799


Highlights reflect our updated reporting scope. Performance of legacy markets against our targets can be found in the [Appendices](#).



# Our Approach

We apply circular economy principles in the design of our packaging, and partner with others to improve its recovery and recycling. We work to reduce waste in our operations and divert materials from landfill and incineration.


With regard to our packaging, we have set interconnected goals that align with TCCC’s [World Without Waste](#) strategy, they are:



**Reduce** the amount of packaging we use and explore returnable and refillable options



**Redesign** our packaging to ensure it is 100% recyclable by 2025 and made with at least 50% recycled content by 2030



**Support the collection and recycling** of one bottle or can for every one we sell through partnerships

We also target to achieve Zero Waste to Landfill certification at all our manufacturing sites.

More details on packaging and material use and the recycling landscape in each of our markets can be found in our [Primary Packaging Annual Progress Report](#).

# What We’re Doing

We are addressing this critical sustainability challenge across our markets with a focus on innovation and collaboration.

## Reducing Material Use and Post-consumer Waste

We continue to work on reducing the amount of material we use per bottle or can through a process known as “lightweighting”. Significant overall reductions can be achieved by tweaking the design and dimensions of our packaging. This includes reducing the height of our labels—for example, in Cambodia, new labels for Dasani will be 60% shorter.

### Promoting Returnable Options

We can also reduce the amount of packaging material we use and post-consumer waste generated by promoting returnable packaging or offering dispensed products that can be enjoyed with reusable cups and bottles. In response to TCCC’s goal to have at least 25% of its global volume of products sold to be in reusable or refillable packaging by 2030, we undertook a review of the packaging status in our markets in 2023. We already offer selected products in these categories, including returnable glass bottles (RGB), carboy water, water refill stations and traditional fountain-dispensed products, but they constitute just a small fraction of our global sales volume. Some of the biggest barriers to scaling up these initiatives in our markets include customer and consumer awareness and acceptance, space constraints, and large distribution (and therefore reverse logistics) distances in our U.S. market. We will continue to promote reusable and refillable options as the opportunities arise but it would be challenging for us to aim for 25% in our markets.

**We took steps to reduce packaging material and post-consumer waste in 2023, including:**

- Hong Kong SAR: Launched Bonaqua mineralised water in RGB for hotels
- Hong Kong SAR: Installed 167 Bonaqua refill stations
- Taiwan Region: Participated in Coca-Cola x McDonald’s reusable cup project
- U.S.: Signed an official partnership with Bold Reuse supporting large-scale reuse projects at venues and stadiums

# RGB Bonaqua Launched in Hong Kong SAR

In September 2023, our Hong Kong SAR team launched Bonaqua mineralised water in 250ml and 750ml RGB. The Hong Kong SAR Government’s ban on single-use plastic for certain applications, including free bottled water in the hospitality sector, has accelerated the development and launch of our RGB water. We have set up a bottle return mechanism with participating key customers that enables recovery and reuse of over 90% of our bottles. We are the only beverage company in the Hong Kong SAR with an RGB water solution and the first company to receive an exemption from the glass producer responsibility scheme (GPRS) levy thanks to our collection and reuse system.

The launch builds on other important packaging enhancements by our Hong Kong SAR team. Since 2020, all locally produced Bonaqua (2L or below) is packaged in 100% rPET bottles(excluding cap and label) that are approximately 50% lighter than other PET bottles on the market, helping to lower their carbon footprint. A label-less 100% rPET bottle(excluding cap and label) was also introduced for Bonaqua in 2022, which makes it easier to recycle.

**Leveraging our technical and logistics knowhow with RGB for sparkling products, we were able to quickly develop an RGB water solution to meet the needs of our hotel customers. It was inspiring to see the dedication of our team. I’m truly amazed by how quickly the Bonaqua RGB water project has taken off within the hospitality sector in the Hong Kong SAR.**



**Dennis Leung**  
Group Channel & Customer Sales Manager, SCCHK



**RGB**

Currently over 90% recovery and reuse rate with key customers



**100% rPET bottle**

100% rPET (excluding cap and label)



**Label-less 100% rPET bottle**

laser incision printed and bar code on cap





Redesigning our Packaging

**We have set a target for all of our primary packaging to be technically recyclable by 2025.** As of 2023, 99% of our packaging is recyclable. Beverage carton and bag-in-box remain challenging, because they are made of different layers of material and more difficult to clean and recycle. For our PET bottles, we follow design principles to increase the chances they will be recycled into new PET bottles, rather than into clothing or carpets. This includes using clear PET instead of coloured PET, reducing the size of labels and eliminating PVC on, or as part of, PET bottles, closures and labels. PVC is commonly used in labels but problematic because it contaminates the recycling process, leading to lower quality output that cannot become food packaging again.

We also target to use 50% recycled material in our primary packaging. Our ability to achieve this depends on whether or not we are allowed to use recycled content in food grade packaging in the Chinese Mainland, as this market contributes to 75% of our total primary packaging.

Rolling out Recycled Materials Worldwide

We continue to introduce recycled materials into our packaging across our markets. The use of rPET in food grade packaging was permitted in the Taiwan Region as recently as May 2022. With the change in regulation, we were able to start using rPET in this market in 2023. In Cambodia, we started using rPET for Dasani 350ml. In the U.S., we launched 100% rPET(excluding cap and label) in Coca-Cola-trademarked brands in the Pacific Northwest.

The Hong Kong SAR is our strongest market for rPET use, with 39% recycled content overall for PET bottles in 2023. Since 2020, all locally produced Bonaqua in PET bottles is 100% rPET(excluding cap and label), and all sparkling drinks (600ml or below) in PET bottles are up to 30% rPET(excluding cap and label). To facilitate the recycling process, we transitioned all PET bottles in Hong Kong SAR to be colourless in 2023.

In 2023, our overall recycled content was 8%, with 3% recycled PET (rPET), 22% recycled aluminium (rAL) and 46% recycled glass.

For secondary packaging, 83% of the cardboard and corrugated pads and trays used in Vietnam contain recycled content (7,779 tonnes in total in 2023).

Supporting Collection and Recycling

We cannot achieve a closed-loop system for our packaging alone, which is why we are partnering with industry, governments and civil society to support the collection and recycling of waste packaging.

We provide clear disposal instructions and packaging material information on our labels to increase the likelihood that our bottles and cans are recycled into the highest value end-products possible, ideally new bottles and cans.

Extended Producer Responsibility Schemes

Even if our primary packaging is designed for recycling, local collection systems must be in place for it to get from the consumer to the recycling facility. We support EPR schemes (also known as PRS) including deposit and value on return systems that drive high collection rates with minimal contamination, and have supported government consultations calling for policy implementation.

In 2023, the Hong Kong SAR Government introduced a PRS for glass beverage containers under the [Product Eco-responsibility \(Regulated Articles\) Regulation \(Cap. 603C\)](#). While we are exempt from this charge of HK\$0.98 per litre because our bottles are reusable and we have a system in place to collect them, the government plans to introduce a PRS for plastic beverage containers and beverage cartons in 2025. We support the PRS and are actively engaged in dialogue with the government, industry peers and other businesses. For example, we were one of the founding members and remain a major funder of 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 in response to the government’s proposed PRS for plastic beverage bottles.

In Vietnam, an EPR for all our packaging categories, including PET, aluminium, glass, beverage carton, LDPE, LLDPE and PE launched in January 2024. Mandatory collection and recycling rates have been set for each type of packaging. For the first three years, from 2024 to 2026 producers must provide evidence of meeting the following annual targets: PET (22%), LDPE (15%), LLDPE (15%), PE (15%), aluminium (20%), carton (22%) and glass (15%).

In Cambodia, the Ministry of Environment (MoE), with support from the UNDP and German development agency GIZ, is in the process of drafting EPR regulations. Initially, the EPR will be voluntary and later become compulsory.

New Life Plastics

As a leading soft drink manufacturer in the Hong Kong SAR, we are committed to building a circular economy in our home market. We recognised a gap in the local recycling infrastructure and established a joint venture with ALBA Group Asia Limited and Baguio Waste Management & Recycling Limited to set up New Life Plastics (NLP), the first food-grade-ready plastic recycling facility in the Hong Kong SAR. The establishment of NLP is a step towards realising our goal of ‘closing the loop’—collecting and processing the Hong Kong SAR’s discarded PET bottles to produce raw materials that come back into the supply chain as rPET, not just for Swire Coca-Cola, but for other local beverage producers.

NLP started operating in January 2022 and has the capacity to process 60 tonnes of infeed (around 2 million bottles) per day. The plant is restricted by collection volumes in the Hong Kong SAR and is currently operating at 30% capacity as a result. Successful implementation of the PRS for plastic beverage containers will help to improve collection volumes.

In April 2023, NLP temporarily suspended its operations while shareholders assessed options for additional funding. This process was concluded at the start of November 2023, allowing NLP to resume operations.





Striving for Zero Waste to Landfill

We strive to divert the waste we generate from landfill and incineration. We target for all our legacy manufacturing sites to achieve Zero Waste to Landfill, with third-party certification, by 2025. In line with the international standard, UL2799, we define zero waste to landfill as having at least 90% of the waste generated diverted from landfill and incineration by 2025 and increasing this to 95% by 2030.



In 2023, our core operations generated over 34,137 tonnes of solid waste. Many of our manufacturing plants have already diverted over 90% of their waste, but have not yet obtained third-party certification.

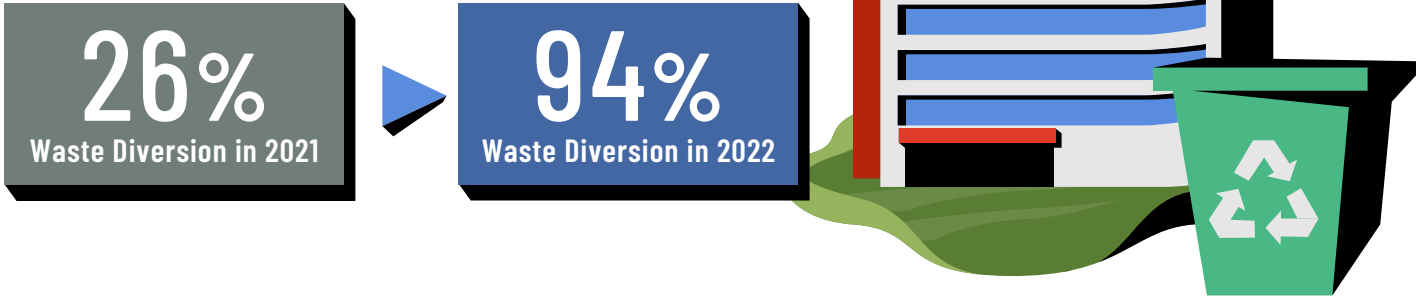
The [Swire Pacific Waste Management Policy](#) guides our overall approach to managing this waste, including ensuring that hazardous and potentially hazardous waste is managed in an appropriate, responsible and transparent manner.

Zero Waste to Landfill Platinum Certification in the Chinese Mainland

Our Shanghai Shenmei Jinqiao plant is the first in The Coca-Cola System in China to receive the UL2799 Zero Waste to Landfill certification, Platinum level. To achieve this significant feat, the plant established a dedicated cross-functional project team including representatives from manufacturing, logistics, finance and administration departments, with technical support from our regional SD team. The plant leveraged years of waste data in a concerted effort to turn hard-to-recycle waste, including sludge, solid waste, food waste and activated carbon into new resources. In 2021, the plant diverted only 26% of its waste, and the rest was sent to landfill. By 2022, 94% of the waste was recycled or recovered, and the remaining 6% was sent to waste-to-energy facilities.

Staff engagement was essential. Environmental declarations were signed with our various waste processors, detailing collection and classification of waste at the plant, as well as restrictions on how waste can be handled and where it ends up once it leaves our facility. The certification marks a significant achievement for Shanghai Shenmei and serves as an example for other bottling plants in the Swire Coca-Cola Group to strive towards our zero-waste goals.

The plant’s innovative waste-to-resource conversion project showcases our commitment to sustainability, improving resource utilisation and reducing pollution. The significant increase in waste recycling rates within a year shows the team’s dedication to continuous improvement and collaboration.



When I started in 2017, Bellevue had a great programme but was struggling to fully engage associates on the recycling guidelines. We educated the team and created the colour-coded barrel system by waste stream. In 2020, restrictions made it more difficult for us and our recycling vendors and we had to get creative. We collaborated with vendors to find gaps, better our system, and improve training for our team. I am so proud to be part of this programme and a company that strives to give back more resources than are used.



Recognition for Waste Management Efforts in the U.S.

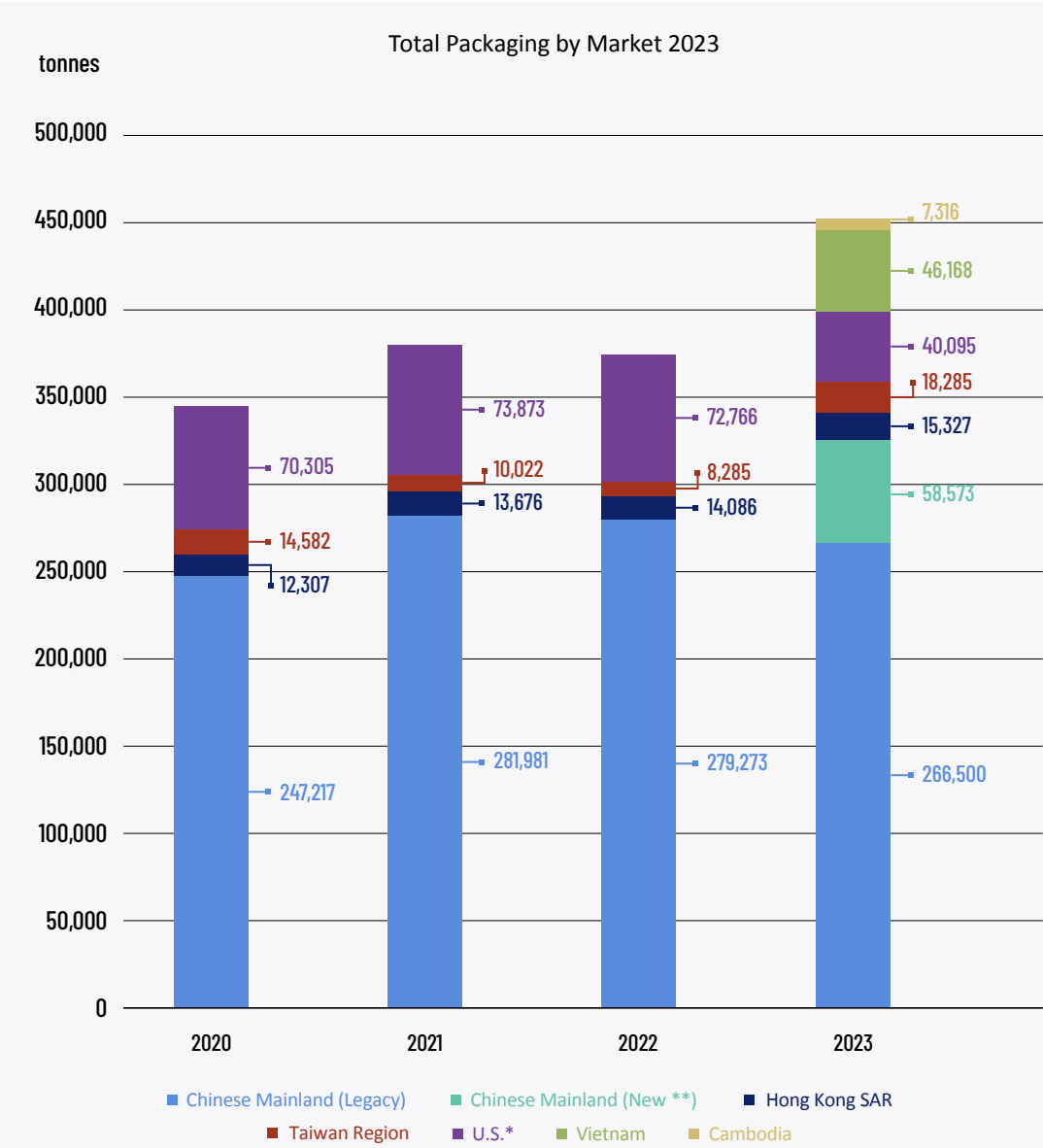
Our Bellevue plant has an impressive waste diversion rate of 98% thanks to a comprehensive, plant-wide approach. Over the last 15 years, the plant has introduced waste streams for aluminium, metal, paper, cardboard, mixed plastic, PET, oil and lubricants, shrink wrap, wood, e-waste and food waste in its production facilities and offices. The team is guided by a 5S standardised recycling programme, including colour-coded bins and clear floor markings, which allows employees to easily sort and recycle material. In 2020, a recycling baler was installed onsite to improve the quality of our baled aluminium and PET.

In 2023, the team earned the *Recycler of the Year – Community Impact* award from the Washington State Recycling Association. These awards recognise the plant’s efforts in waste prevention and recycling and its support for sustainability programmes in the community, for example supporting the repurposing of used syrup barrels into rain barrels. The plant was also recognised with the *Leading Environmental Practices Award* from the Association of Washington Business in 2023.

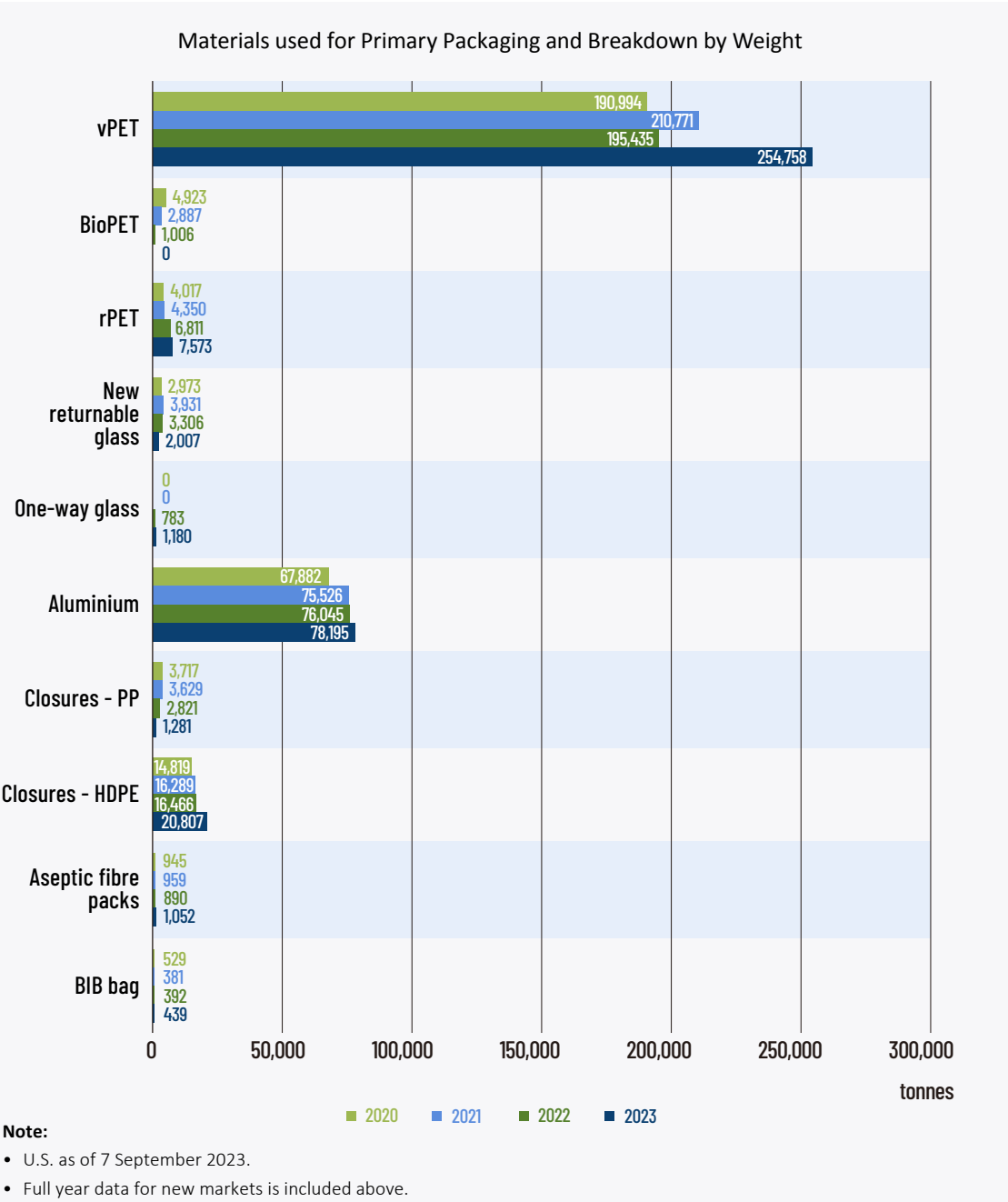
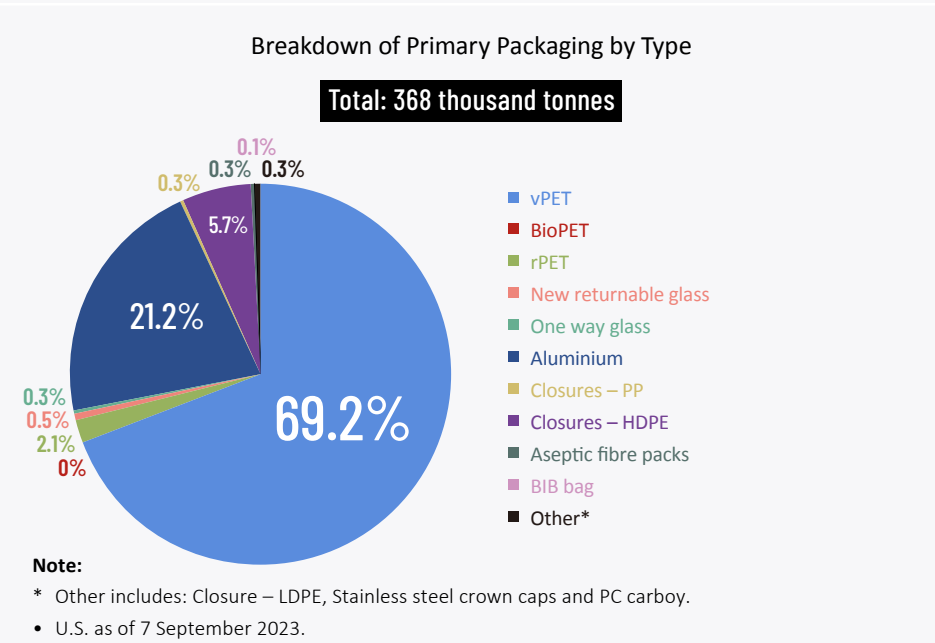
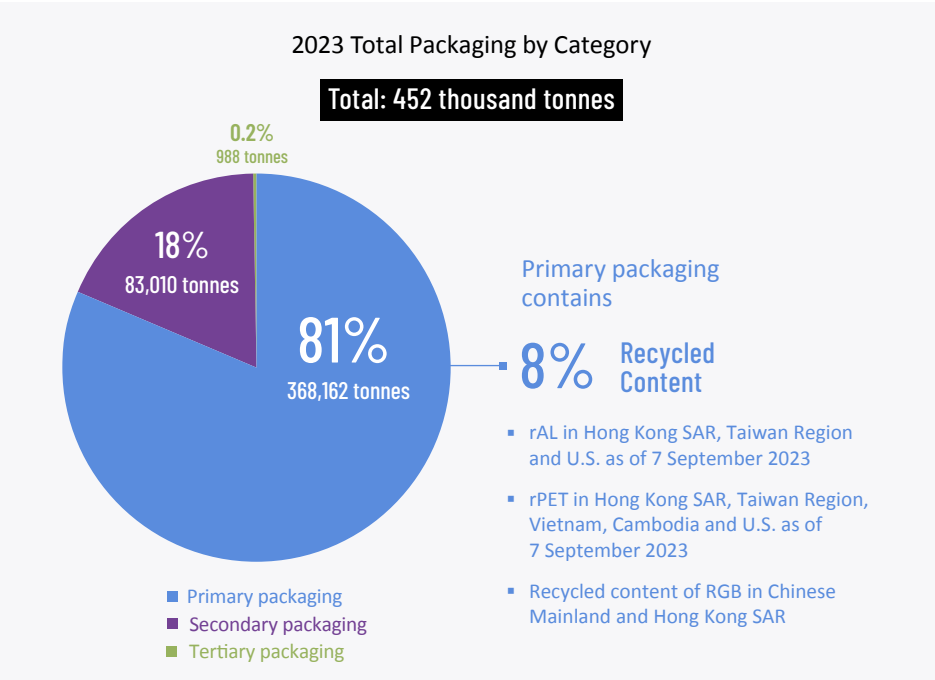


Performance

Overall, we used 77,799 tonnes more packaging material in 2023 compared with 2022. New markets accounted for 25% of our total packaging use in 2023. For legacy markets (and considering U.S. full year data), we used 6% more PET and 10% less aluminium in 2023 compared to last year. Our proportion of recycled content for PET remains at about 3% and it increased slightly for aluminium, from 32% in 2022 to 33% in 2023.

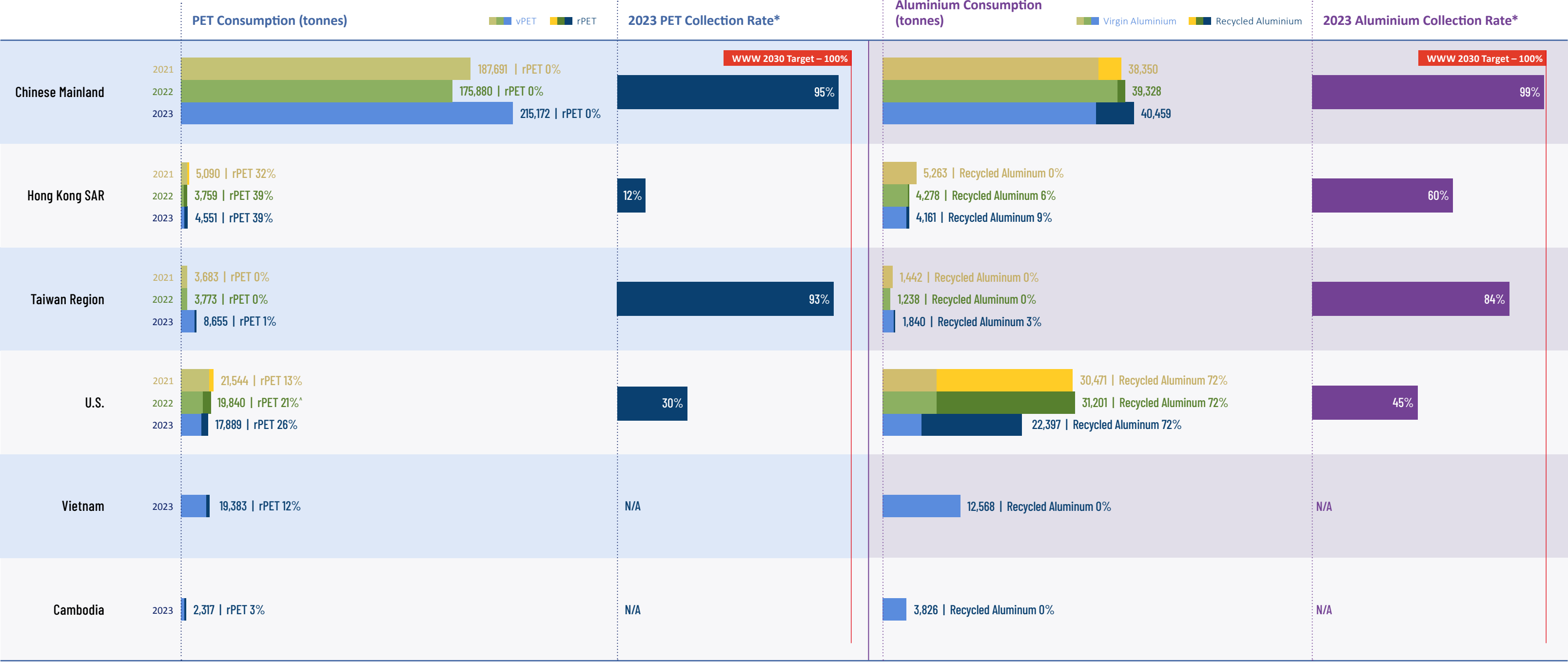


**Note:**  
\* The 2023 total includes the U.S. as of 7 September 2023.  
\*\*For consistency and comparability with previous years' reports, data for the still beverage manufacturing plants at Nanjing and Luohe are included under "Chinese Mainland (Legacy)".





Consumption of Material by Market



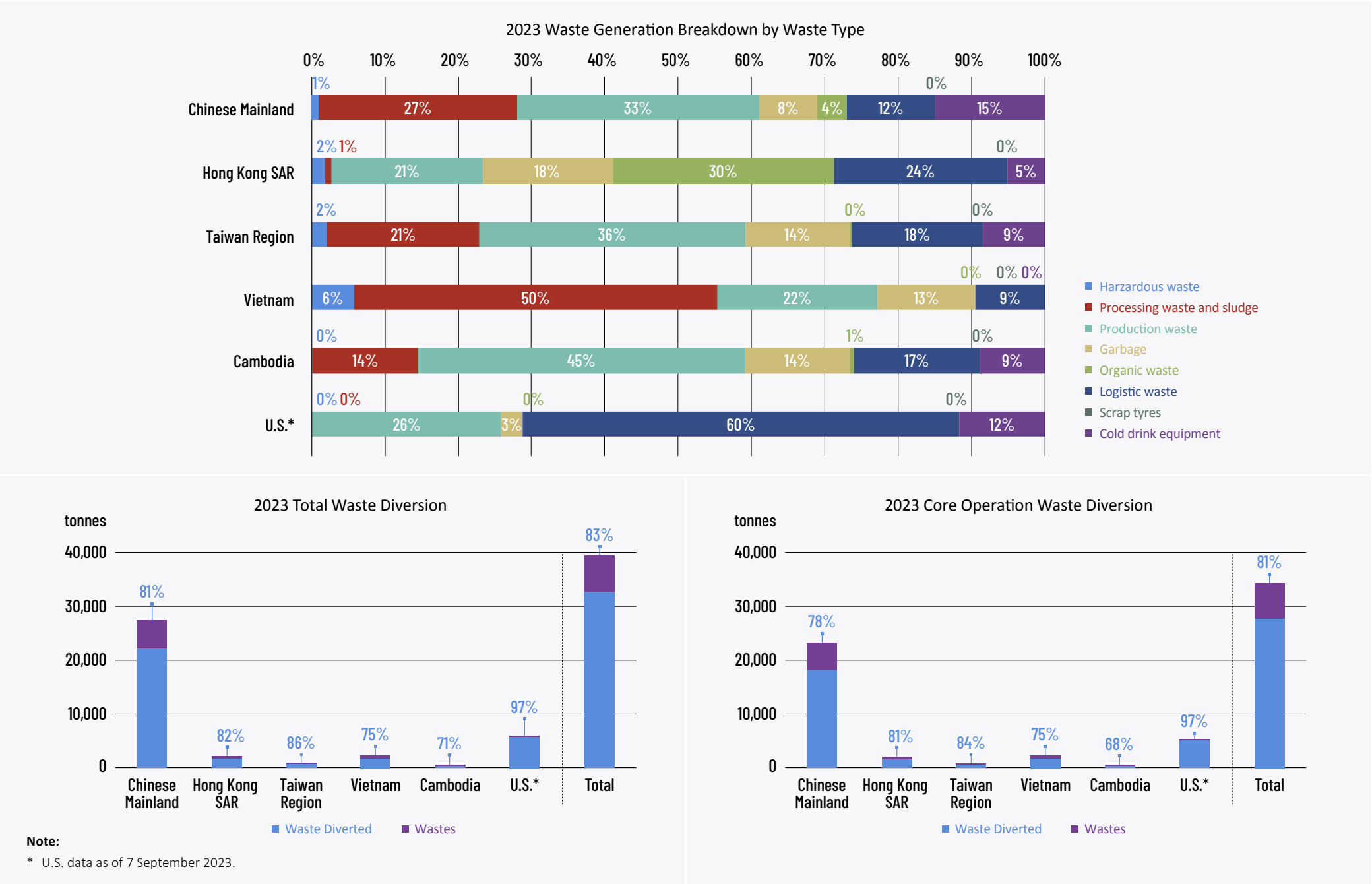
Note:

- U.S. full year data.
- Vietnam and Cambodia data is presented for 2023 only.
- Overall recycled content for PET in 2023, not separating water bottles and other bottles.

\* SCC uses national / government collection rates from publicly available sources, except in Vietnam and Cambodia where official data is not available. For more information on the sources of these collection rates, please refer to our [2023 Primary Packaging Progress Report](#).

^ In 2023, we updated our methodology for calculating % rPET in the U.S. to align with our other markets. The rPET percentages for 2022 and 2021 have been restated.

In 2023, our total waste generated increased by 33% versus 2022 as a result of business expansion. Waste generated in our legacy markets (considering full year data for the U.S.) increased by 3%, while the waste diversion rate decreased slightly from 85% in 2022 to 83% in 2023. The waste diversion rate for our new operations was 77% in 2023.



## Addressing Challenges

We worked to address the following key challenges:

- Competitive Landscape for PET:** Official statistics report that the PET recycling rate in the Chinese Mainland is now over 90%. Even if approval is granted for use in food packaging, there will likely be significant competition for rPET from other industries.
- Developing Collection and Recovery Systems:** 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.

## Looking Ahead

Our immediate priorities include:

- 1 Reviewing our **Packaging Recycled Content Targets** and integrating new markets into our roadmap
- 2 Continuing to **Advocate** for the regulatory acceptance of rPET in food-grade packaging
- 3 Achieving **Zero Waste to Landfill certification** at more of our plants





We are privileged to maintain trusted and collaborative relationships with our supply partners, and I take great pride in witnessing the positive impact our actions have had on both our peers in TCCS and the industry as a whole.



Lawrence Or  
Procurement Director, COE,  
Indirect Materials

## Sourcing a Climate Solution in the Chinese Mainland

Swire Coca-Cola’s sourcing expertise is key to our success. Through enduring partnerships with a well-established supplier network, we not only realise cost benefits and uphold quality, but also discover innovative solutions to meet our SD objectives.

Cold drink equipment (CDE), including coolers, vending machines and dispensers, is a major focus. These units, critical for chilling our beverages, account for a substantial portion of our energy use, representing 21% of our total GHG emission footprint in 2018. This makes CDE one of the biggest opportunities for us to achieve our SBT, but also one of the biggest hurdles: modelling suggested we needed to reduce the electricity consumption of our CDE fleet by 50% to achieve our goals.

With over 80% of our total emissions attributable to CDE originating from the Chinese Mainland, we set a challenge for 11 of our equipment manufacturers to supply CDE that can help reach our target. As our legacy equipment already meets the low-energy China Energy Efficiency Index, achieving a 50% reduction without significant technical innovations or high-cost premiums was no easy task. We proactively collaborated with these suppliers to develop best-in-class technologies, optimise design solutions and implement energy reduction measures.

The result is next-generation CDE that will account for a third of the total reductions required to achieve our emission reduction targets. In addition, by leveraging the natural equipment retirement and replenishment cycle, this new technology will not require additional

capital expenditure investment. Since January 2023, all newly purchased CDE in the Chinese Mainland are next-generation CDE. We are also introducing this equipment to Vietnam and Cambodia.

This collaborative effort has positioned us to be ahead of schedule for CDE progress.

50% more energy-efficient CDE vs. current models

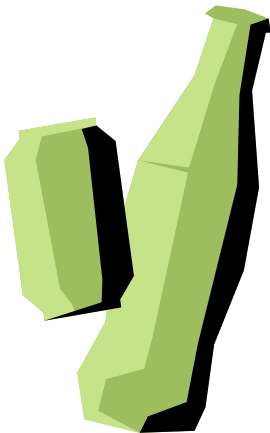
100% new CDE in the Chinese Mainland are next-generation

1/3 targeted emissions reductions expected from improving CDE efficiency

# Product

### Product ChoiceSourcing

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





# Product Choice

## Why it Matters

We aim to give people around the world more of the drinks they want in the manner they want them. While we have a long history of delivering tastes people love, consumer preferences are always evolving.

Across our markets, there is ongoing demand for healthier choices like low- and no-sugar beverages. We are focused on meeting that demand with a diverse portfolio of safe, quality products that not only satisfy the tastes of the day, but also accelerate broader trends towards healthier living.



23%

Reduced average sugar content in every 100mL of our beverages in the Taiwan Region by 23% from our 2018 baseline

59%

Low- and no-sugar beverages made up 59% of total sales volume in Hong Kong market

43%

In the U.S., sales volume of low- and no-sugar Coca-Cola brand products reached over 43% of the overall sales volume of Coca-Cola in all flavours



# Our Approach


As we seek to grow our product portfolio with new and exciting beverages and share them with the world, we are driven by the following sustainability goals:



Reducing **sugar content** in our beverages including by introducing new low- and no-sugar options and smaller package sizes



Ensuring our beverages, including alcoholic beverages, are **marketed responsibly** and in line with applicable legal and other requirements

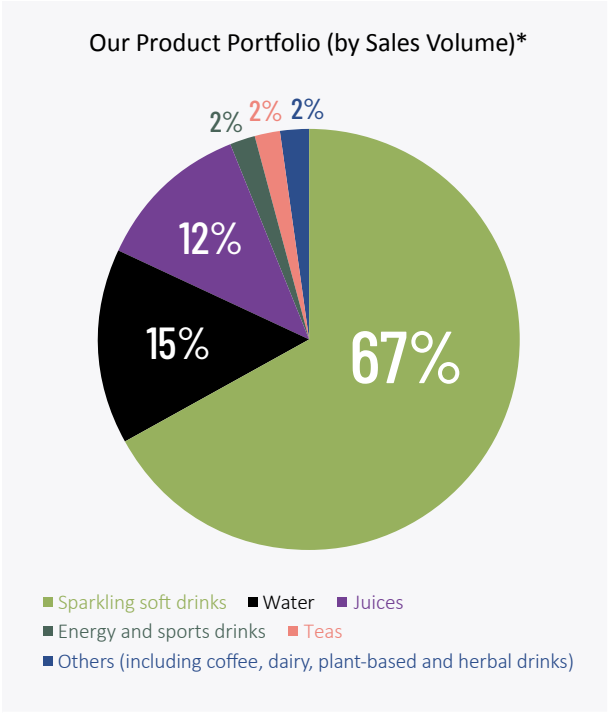


Maintaining the **safety and quality** of our beverages, ensuring our processes adhere to high standards that flow throughout our value chain

# What We’re Doing

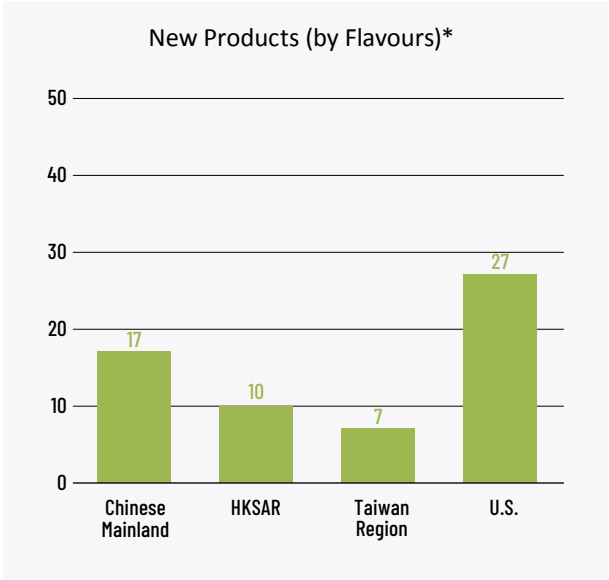
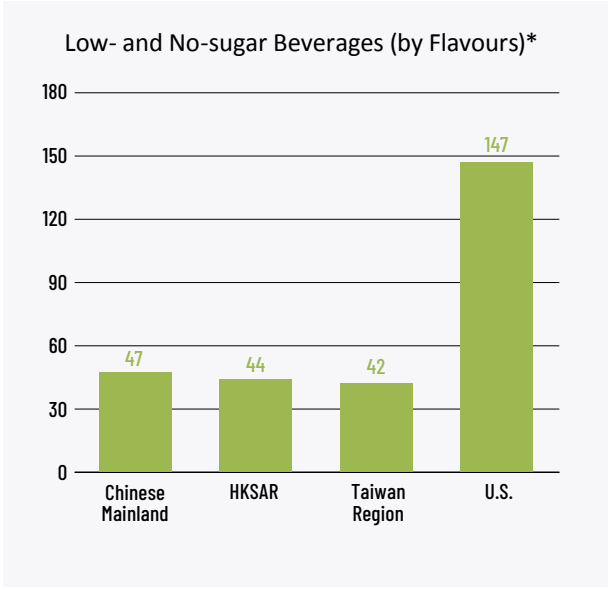
## Tailoring our Beverage Portfolio to Respond to Changing Consumer Preferences

We must respond to changing preferences in each of our markets to continue delivering the tastes consumers love. In 2023, we manufactured and distributed 63 beverage brands, including sparkling soft drinks, energy and sports drinks, juice, tea, coffee, water and other products (including dairy, plant-based and herbal drinks) across six markets.



Reformulated Beverages with Reduced Sugar*	
Chinese Mainland	2
HKSAR	0
Taiwan Region	0
U.S.	12

Note:  
\* Data for Vietnam and Cambodia are not yet available.



## Refreshing Consumers in our Newest Markets

We actively sought to meet consumer demand in our newest markets of Cambodia and Vietnam throughout 2023. Building on the popularity of energy drinks in both markets, we brought in an exciting new global brand, Thums Up Charged, in Vietnam, and relaunched the Samurai brand in Cambodia. In August, we unveiled Nutriboost Yogurt Drink Greek Style, Coca-Cola Vietnam’s first venture into the value-added dairy category. The drinkable yoghurt is tailored to preferences for diversified products that match the modern lifestyle.



Informing Consumers and Enabling Flexible Choices

Informing our consumers and providing a variety of product choices enables them to make better decisions that fit their needs. We offer multiple beverage sizes to help control calorie and sugar intake, including convenient packages of 250ml or less in all six of our markets.

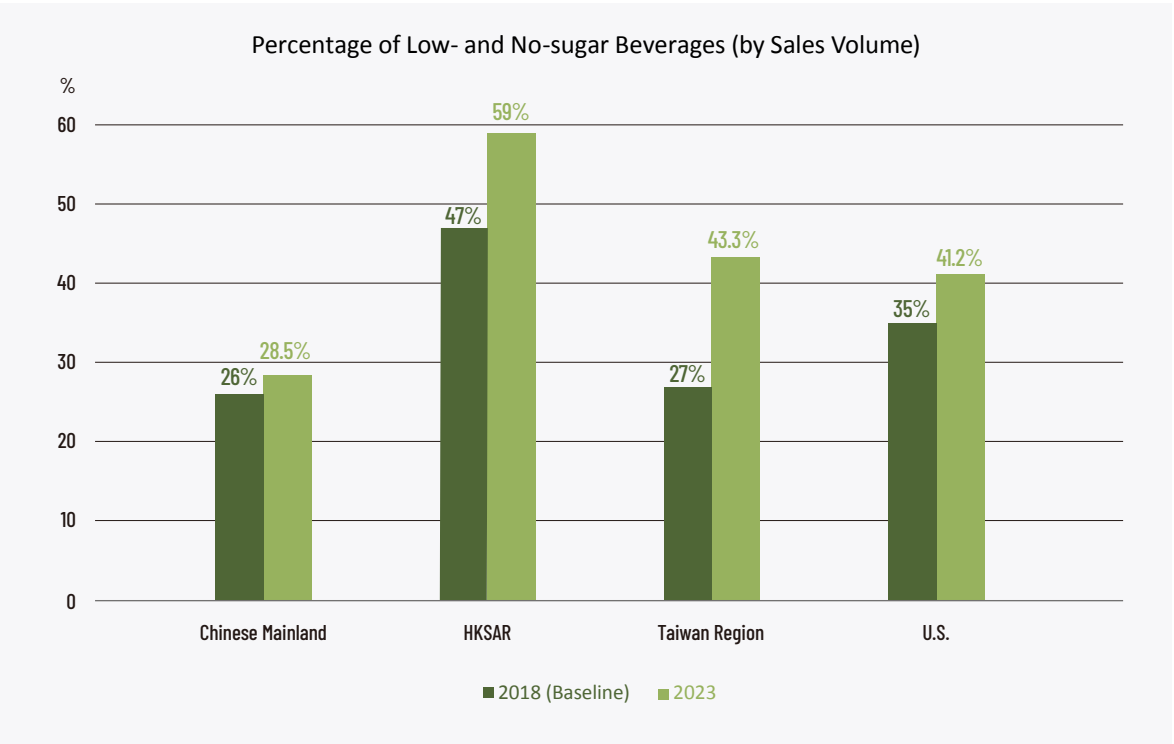
Our nutrition labels provide meaningful and clear nutritional information, including calorific information on the front of all our packaging.



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

Consumer preferences are increasingly trending towards products with fewer calories and less sugar. To meet this demand and help fulfill consumers' evolving needs, we are expanding our product line with diet, light and zero-calorie drinks, as well as new low- and no-sugar brands. Led by TCCC, we are also reformulating our recipes and looking for ways to minimise sugar without sacrificing the taste our consumers know and love. Another key action involves increasing our promotion of low- and no-sugar drinks to make them more accessible to consumers.

As of 2023, we have successfully reduced the average sugar content in our beverages by 23% in the Taiwan market, 21% in the Hong Kong SAR, and 14% in the U.S. market comparing to the 2018 baseline. Our Hong Kong SAR and Taiwan markets have already achieved our target of reducing average sugar content by 20% by 2025, while the U.S. market is steadily making progress towards the goal. Low- and no-sugar beverages made up between 28.5% (in the Chinese Mainland) and 59% (in the Hong Kong SAR) of total sales volume across our markets in 2023.



We introduced multiple new low- and no-sugar products in 2023, including:



**Hong Kong SAR:**  
“OOHA” Lemon Honey, Bonaqua Lightly Sparkling Mineralised Water – Lemon Flavoured & Grapefruit Flavoured



**U.S.:**  
Coca-Cola® Y3000 Zero Sugar



**Chinese Mainland:**  
New flavours under our “Authentic Tea House” cold brew line and ChunYue Soda Water



**Taiwan Region:**  
Real Leaf Oriental Beauty Tea (no sugar)  
OOHA Lemon Honey flavour (no sugar)  
Minute Maid Zero Sugar Sparkling (low sugar)



## Meeting Demand for No-sugar Tea in the Chinese Mainland

Tea is a significant part of Chinese culture, and it has been for centuries. While traditional tea is still important, ready-to-drink tea is becoming more popular due to its convenience. It is an ideal choice for people who are on the go and want to enjoy the benefits of tea without the traditional brewing process.

Seeking to capture the rapid growth of this market in China, we have introduced a variety of new flavours under our “Authentic Tea House” cold-brew line. This includes green tea and oolong, dahongpao and jasmine flavours. These products are made using a cold-brewing technique that minimises bitterness and enhances sweetness.

We are committed to meeting the demand of consumers for more diverse product choices proactively. Moving forward, we will continue to make efforts in the no-sugar market and introduce more products to fulfill the needs of the public.

Ken Hung  
Chief Commercial Officer,  
Chinese Mainland



The strong performance of the “Authentic Tea House” line underscores our successful strategy execution in the Chinese Mainland. In 2023, sales volume for these products surpassed last year's figures, with a remarkable growth of 122% for the full year.



122%  
growth in sales volume

## Addressing Challenges

We worked to address the following key challenges:

- Using Artificial Sweeteners Responsibly: We have been actively supporting and closely monitoring research on artificial sweeteners, ensuring that the ones used in our products have been confirmed as safe by globally recognised authorities.
- Maintaining the Great Tastes while Reducing Sugar: While we are working together with TCCC 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.

## Looking Ahead

Our immediate priorities include:

- Delivering more products that meet consumer demand by **Expanding and Tailoring Our Beverage Portfolio** to address changing preferences
- Reformulating our recipes and introduce new options with **Less Sugar and Higher Nutritional Value**
- Promoting and Marketing Our Low- and No-Sugar Categories** to meet the needs of consumers across our markets



# Sourcing

## Why it Matters

Our business relies on a global network of over 7,000 suppliers from which we source a range of goods and services. At a minimum, we strive to ensure that our sourcing practices align with our corporate commitment to ethical conduct, fairness and environmental protection. The suppliers we choose to work with have a direct impact on our reputation. Regulators, customers and other stakeholders are increasingly demanding transparency, accountability for impacts in the value chain, and evidence of robust supply chain management practices.

We clearly communicate our expectations for responsible business practices to our suppliers. Recognising that engagement on sustainability goes beyond mere compliance, we see it as an opportunity to amplify our positive impact and reduce carbon emissions, enhance water stewardship and optimise operations. We value supplier relationships built on mutual understanding and strive for positive outcomes for our business, society and the environment.



Critical suppliers are required to comply with the Supplier Guiding Principles

RMB  
1,984,054

Savings generated from 36 sustainability project ideas under the “Piggy Bank” initiative

245

stakeholders across our value chain engaged at the CBPC 20<sup>th</sup> Anniversary and Supplier Sustainable Development Summit



# Our Approach

We partner with our suppliers to deliver sustainable procurement practices. Our sourcing strategy is pivotal in achieving many of our sustainability goals. By identifying opportunities across our value chain, we enhance our positive impact, from reducing GHG emissions to advocating for more sustainable packaging solutions.

The three facets of our management approach are:



**Managing impacts within our supply chain** by ensuring suppliers comply with our policy framework and guidelines



**Implementing sustainable procurement** by considering sustainability in purchasing decisions



**Collaborating** with key suppliers to achieve sustainability goals

## Focus on Critical Suppliers

While our efforts address all our 7,000+ suppliers, we prioritise engagement with approximately 700 critical suppliers. These include suppliers of sweeteners, carbon dioxide, concentrates, packaging materials, logistics, CDE and any marketing materials or merchandise with TCCC branding.



# What We’re Doing

With an expansive, global supply chain, we are leveraging our influence to turn trusted relationships with suppliers into opportunities for positive impact.

## Managing Supply Chain Impacts

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 those to the right:

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

Since 2023, our teams in the Chinese Mainland are encouraged to include in our supply agreements 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.”

### ■ Compliance with the SGP

The SGP is based on leading global supply chain sustainability practices, seeking to uphold fundamental principles of international human and workplace rights within our suppliers’ operations. Supplier compliance is verified by independent third-party audits arranged by TCCC. 460 suppliers were reviewed in 2023. Five suppliers in the Taiwan Region were determined to have engaged in recruitment practices involving the payment of agency fees that are not in compliance with the SGP. These suppliers are undergoing a reaudit process and we continue to engage with key suppliers in the Taiwan Region to explain why this is not permitted under the SGP.

### ■ Promoting the PSA

By 2030, the farms that supply our key agricultural ingredients (sugar and corn) will meet the requirements of the PSA, as verified by third-party audits. The PSA provides detailed guidance on human and workplace rights, environmental and ecosystem management, animal welfare, farm management systems and transparency. Our aim is to promote environmentally and socially responsible farming practices that support the long-term health of our ecosystems and communities. In partnership with TCCC and several strategic suppliers, we helped increase the combined planting area in the Chinese Mainland verified as meeting the PSA to 14,233 hectares, a 71% increase over 2022. For sugar supplied to our Hong Kong SAR business, we have worked closely with a sugar trader to purchase sugar from certified sustainable sources from Thailand and Malaysia.

71% increase in PSA-aligned planting area in the Chinese Mainland

Implementing Sustainable Procurement

While securing supply and competitive prices in each category, we integrate sustainability into our procurement decisions and actively work with suppliers to identify opportunities to reduce the environmental footprint of our packaging and CDE.

We share our sustainability requests and supplier responses with other Coca-Cola bottlers. Our procurement teams work with suppliers to identify or develop recycled packaging and CDE options that help us meet our sustainability targets. Highlights from 2023 included:

- Completing the commercial trial of recyclable ethylene vinyl alcohol (EVOH) bag-in-box (BIB) packaging in the Chinese Mainland, leading to its rollout in our SEAHKT Region in 2023. We changed 10L juice BIB to recyclable EVOH in the Taiwan Region.
- Mandating that the paper for packaging multi-pack cans in the Chinese Mainland comes from sources certified to internationally recognised standards.
- Purchasing only next-generation CDE in the Chinese Mainland from January 2023, which uses 50% less energy compared with our 2018 baseline. These CDE were also rolled out in Vietnam and Cambodia, reducing on average 20% of the energy consumed by CDE compared with existing equipment in these markets.
- Conducting trials in Cambodia in Q3 2023 to introduce lightweighted labels and closures, reducing label material from 40mic to 35mic and closure material from 2.35g to 2.15g.
- Introducing sleek cans with about 40% recycled content in Cambodia from June 2023.
- Conducting a line trial in Hong Kong for a lightweight aluminium can end 202 CDL, reducing weight by 0.3g per piece from the current can end.

Monitoring Supplier Progress

Since May 2023, we have developed a digital activity data tracker (AD tracker) to collect information on carbon emissions and recycled content of packaging sourced in the Chinese Mainland for real-time checking. In the U.S., in addition to Quality, Innovation, Delivery, Sustainability, Cost and Relationship (QIDSCR) supplier assessment tools, we launched a new requirement where each direct supplier is required to submit their sustainability commitments and progress annually. A sustainability communication session was conducted between sustainability teams on both sides as part of the assessment.



Responsible CDE Disposal

In the Chinese Mainland, according to our guidelines on CDE disposal, CDE must be disposed of and dismantled by certified recycling companies that comply with local regulations. In 2023, 100% of our CDE recycling suppliers were qualified according to these guidelines.



Piggy Bank

In the Chinese Mainland, we have an initiative called “Piggy Bank” – also known as the Procurement Value Creation Initiative Tracker that encourages our procurement team to proactively identify opportunities that generate value and enable cost savings for Swire Coca-Cola. In 2023, 36 of the 1,047 initiatives implemented met commercial objectives in relation to our 4Rs principles (Reduce, Renewable, Recycle, Reuse). These initiatives, including the lightweighting of closures and hand grips, and disposal of CDE and waste electronics, amongst others, have resulted in savings of up to RMB 1,984,054.











Collaborating with our Suppliers

Our approach to sustainability involves deep collaboration with our wide-ranging supplier network, which is comprised of numerous industries, business models, and levels of sustainability maturity and ambition. We actively encourage and motivate our suppliers to embark on a sustainability journey, including signing up for carbon reduction initiatives related to our SBT and providing more environmentally friendly products.

Sustainability Scope 3 Development – Six-step Process

To align our suppliers in the Chinese Mainland with our GHG emission reduction goals, we employ a detailed six-step engagement strategy. This process is described in detail to the right.

This has led to a significant milestone where 89 suppliers have agreed to our challenge of reducing GHG emissions by 30%, showcasing a unified step towards our sustainability targets.

<div></div> <div>Step 1 Engagement</div>	<div></div> <div>Step 2 Alignment</div>	<div></div> <div>Step 3 GHG mapping</div>	<div></div> <div>Step 4 Measurement</div>	<div></div> <div>Step 5 Reporting</div>	<div></div> <div>Step 6 Benchmarking</div>
Proactive dialogue with key suppliers on our sustainability objectives	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	Review best practices and our methodology to map our suppliers' GHG inventories	Work on setting up professional measurement and digital management systems to monitor and record the carbon footprints of suppliers and key products	Upon readiness and mutual agreement, we will disclose emissions and decarbonisation progress to stakeholders and the public	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
Inform suppliers of our SBT, actions we are taking to reduce emissions and our expectations of suppliers			Review and track progress annually for continuous improvement		
Build understanding of decarbonisation through knowledge sharing, training, webinars and a supplier conference					

CBPC 20<sup>th</sup> Anniversary and Supplier Sustainable Development Summit

In December 2023, CBPC celebrated a significant milestone with its 20th Anniversary and Supplier Sustainable Development Summit, drawing in an impressive assembly of 245 participants. This gathering included 159 suppliers, 28 esteemed guests and 58 members of the CBPC and bottlers' procurement teams, who serve as key relationship managers. This event was not just a commemoration but a powerful expression of gratitude for the invaluable contributions made by our team and suppliers, reinforcing CBPC's dedication to a sustainable future.

Central to our efforts in the Chinese Mainland, CBPC—a collaborative procurement consortium between TCCC, COFCO, and Swire Coca-Cola—has been instrumental in enlightening our suppliers on crucial sustainability issues. Through a series of quarterly webinars, CBPC has illuminated key areas such as ESG trends within supply chains, the intricacies of China's carbon policies, energy-saving best practices and strategies for reducing carbon footprints. This initiative successfully engaged representatives from over 120 suppliers, highlighting our commitment to improving our direct operations while empowering our suppliers to contribute to a greener planet.



Partnering for the Future in the Taiwan Region

In the Taiwan Region, we ran a “2023 Partner for Future Supplier Workshop”, bringing together 36 participants including packaging suppliers, internal sustainable development partners and TCCC colleagues. This gathering aimed to foster collaboration and explore innovative approaches towards sustainable development across the whole supply chain. Key discussion topics included the sustainable development landscape in Taiwan, and sustainable practices and initiatives undertaken by TCCC and its partners. A beach cleaning volunteer activity further gave participants an opportunity to work together for the benefit of the community.





# Addressing Challenges

We worked to address the following key challenges:

- **Partial Restriction of Recycled Materials in Food-grade Packaging:** Food-grade packaging regulations in our markets continue to limit recycled material applications. We are balancing cost impacts and supply availability to meet our packaging recycled content target, noting the achievement of our SBT depends on these regulations changing.
- **Sourcing rPET and rAl:** In some of our markets, there is inadequate collection infrastructure and limited investment in waste management systems. We struggle to capture post-consumer PET and aluminium streams without investing significant funds, and premiums may not make economic sense in these cases. We are working to educate consumers about waste collection, collaborating with stakeholders within collection and recycling systems and engaging with governments to improve the necessary infrastructure.
- **Conflict between Guidelines and Local Practices:** Where local regulations or practices differ from our guiding principles, such as in the Taiwan Region with respect to recruitment practices, we are working with suppliers to help them understand the reasoning behind our requirements.
- **Limited Influence on Intermediaries:** Some materials are sourced from traders who primarily function as importers. In such cases, our influence in advocating for more sustainable options is limited. Where possible, we ask traders to influence the sustainability performance of their suppliers. In certain cases, we may instead conduct business directly with suppliers to ensure they meet our standards wherever necessary.



# Looking Ahead

Our immediate priorities include:

- 1

Continuing to use the **Six-step Approach** to support our suppliers in the Chinese Mainland to reduce by 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

Promoting and collaborating with suppliers on the **Lifecycle Analysis (LCA) Platform** to enable the development of supplier-specific emission factors (SSEF) for the products we procure, enhancing the granularity of our Scope 3 emission data calculations and enabling suppliers to use SSEF to decarbonise and open new opportunities with their customers
- 4

Improving the **AD Tracker** to give category managers visibility of the emissions associated with their purchasing decisions and monitor our emissions in real time
- 5

Continuing to promote the use of **Recycled Material in Food Packaging** (including rAl and rPET) in our markets
- 6

Promoting our sustainable development requirements to suppliers in our **Supply Agreements** with new sustainability clauses in contracts as appropriate







We are very pleased with the programme you are running. We never knew about all these avenues of support, such as receiving donations and learning about items we can collect to earn extra income. We're grateful for opportunities like this, especially in areas where support for workers like us is scarce.



Ms. Van  
Ekocenter Beneficiary

## Empowering Disadvantaged Communities in Vietnam



EKOCENTER™

POWERED BY SOLAR KIOSK

Sustainable development for our business and partners depends on strong and empowered communities. The EKOCENTER initiative, initiated by TCCC, aims to empower communities while driving business and local economic development. Since its establishment in Vietnam in 2015, EKOCENTER has successfully operated 12 centres—combinations of community centres, general kiosks and water filtration systems—creating positive impacts across the country.

The programme operates on the “golden triangle” concept of mutual partnership amongst businesses, government and social organisations, focusing on four priorities:

**Water:** EKOCENTERS are equipped with purified water systems that can provide up to 6,000 litres of clean drinking water daily. This has positively impacted over one million people in remote and distressed areas of Vietnam.

**Women:** Over 13,000 women have benefited from either starting their own enterprises at kiosks or accessing entrepreneurship training. This empowers women to become self-reliant and contribute to their communities’ economic development.

**Waste Management:** Collaborating with local authorities, EKOCENTERS raise awareness about plastic waste and waste segregation at source. This helps contribute to a cleaner environment and promotes sustainable waste management practices.

**Wellbeing:** EKOCENTERS provide integrated community support through over 600 activities, benefiting 560,000 people. This includes scholarships for disadvantaged children, promoting educational opportunities and facilitating social facilities and entertainment.

EKOCENTERS are also hubs to engage our stakeholders. For instance, the Da Nang EKOCENTER collaborated with The Collector Network, a social initiative under ReForm Plastic, for “Informal Waste Workers’ Health and Occupational Safety Day” in October 2023. This brought together 230 informal waste workers, who play a critical role in waste management in Da Nang. They received training, health assessments, and essential protective equipment, recognising their contribution to a “World Without Waste.”

This initiative empowers disadvantaged communities and promotes sustainable development, positively impacting millions of people. It is a catalyst for community development, fostering local economies and creating positive change in Vietnamese society.

# People

Our People Community

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



Currently  
**12 EKOCENTERS** across Vietnam

**>1,000,000 people**  
provided access to clean drinking water

**>13,000 women**  
empowered

Note:  
Data provided on this page covers 2015-2023



# Our People

## Why it Matters

Our vision is to be a leading bottler for The Coca-Cola System through leading performance, capabilities, people and culture. For our global team of over 37,000 colleagues\* in sales and marketing, manufacturing, logistics and other expert positions, this means creating environments where they can thrive.

Safety is fundamental. Many frontline staff operate machinery or spend significant time on the road. Being an employer of choice means caring for them and every other person who works with us, from our own people to contractors, and making their safety our top priority. This supports operational excellence and brand integrity.

We also know people excel when they can be their full selves. That is why we make sure people feel included throughout our global business, with six diverse markets spanning a 16-hour time difference. We respect our differences and recognise that diversity is a competitive advantage.

We are honoured to be named one of the “Best Companies to Work for in Asia (Hong Kong)” by HR Asia, a “2022-2023 Healthiest Workplace in China” by Mercer China and a “Great Place to Work®” in Cambodia and Vietnam. These awards considered everything from corporate culture to staff canteens but, ultimately, it is our people who make Swire Coca-Cola an amazing place to work.

**Note:**

\* Includes over 29,000 employees in Greater China and Southeast Asia, and over 8,000 employees in the U.S.



10.4% Reduction in total injury rate (TIR) compared with 2022

61% Reduction in crash rate in Hong Kong SAR versus 2019 achieved with the help of telematics systems installed in over 200 vehicles

32% Proportion of female managers


Highlights reflect our updated reporting scope. Performance of legacy markets against our targets can be found in the [Appendices](#).




# Our Approach

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


The “Zero is Possible” vision is our framework for continuous safety improvement focused on identifying risks and implementing appropriate controls. Management commitment is fundamental to this approach. To do this, we:



Govern our approach with a strategic **Divisional Safety Board (DSB)** and operational **Regional Safety Review Committees (RSCMs)** and **Divisional Safety Steering Committees**




Embed safety into routine **management reports** and link safety performance to **executive remuneration**




Engage all levels of the organisation to **gather feedback and share** lessons learned and best practices


Beyond safety, we are committed to giving our people fulfilling careers with long-term prospects. We treat people like family, with care and respect, so they feel they belong and bring their best selves to work. We do this through:



Active management by the strategic **Diversity and Inclusion Board (DIB)** and regional **Diversity and Inclusion Steering Committees (DISCOs)**



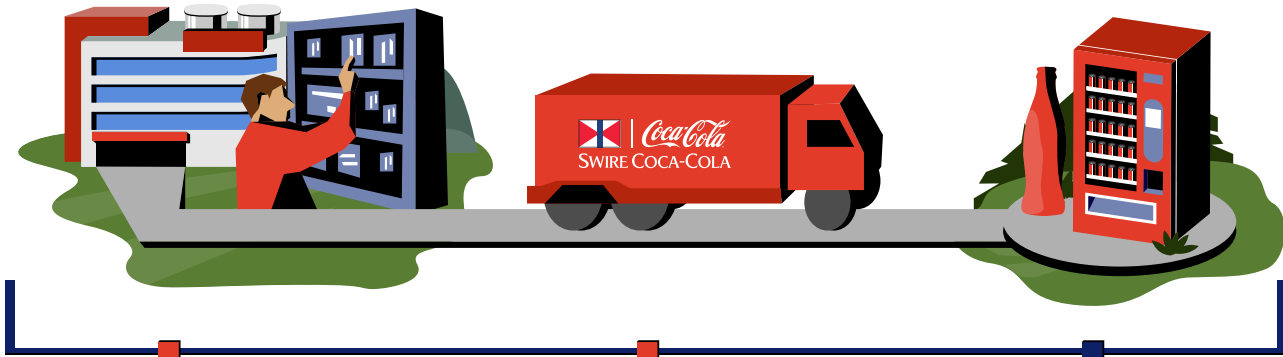
Promoting our clearly defined **employee value proposition**



Rotating employees through **roles, functions, bottling plants and markets**

## Zero is Possible: How We Create a Safe Workplace

In line with our “Zero is Possible” vision, we prioritise safety risks that have the most severe consequences and are most difficult to mitigate. This includes the following risks, which consistently rank at the top of our list:



**Lockout/Tagout (LOTO)**  
Equipment in our manufacturing facilities that are not properly operated can cause severe injuries.

**Route-to-Market (RTM)**  
Challenging road conditions and a lack of safety measures can expose our employees to serious risks.

**Contractor Management**  
Contractors must prioritise safety measures both on- and off-premises, just like our employees.

We address safety risks in line with the six focus areas of our Group Safety Management System Improvement Framework: effective governance and policies, building a strong safety culture, robust risk assessment, thoroughly investigating and learning from incidents and enhancing in-factory and road safety. Each bottling plant implements the framework by adopting and expanding upon the Group Safety Management Standards.

100% of our bottling plants are certified to the following international standards:	
ISO 14001	Environmental Management System
ISO 45001	Safety Management System
ISO 9001	Quality Management System
FSSC 22000	Food Safety Management System

## Setting the Tone from the Top

Senior managers, including our Managing Director, participate in our **Divisional Safety Board (DSB)**. The DSB meets twice a year to oversee group-wide performance and strategy on these critical issues.

At the group level, all three regions' safety leads also actively exchange safety information and share best practices at Divisional Safety Steering Committee (DSSC) meetings to align safety strategies and support the DSB and RSCMs.

In 2023, we rolled out safety leadership training in the Chinese Mainland. The training was cascaded from the General Manager and Director level to frontline leaders, helping reinforce our culture of safety from the top down.





# What We're Doing

## Empowering Employees: How We Create a Supportive Workplace

The Swire Pacific [Diversity & Inclusion Policy](#) and strategy define five diversity and inclusion focus areas: gender, age, ethnicity, disability and sexual orientation. Our [Code of Conduct](#) and [Respect in the Workplace Policy](#) strictly prohibit any forms of harassment or workplace bullying based on these or other factors.

We are committed to helping employees achieve balance while fostering success. Our Flexible Working Hours and Remote Working Policy in the Hong Kong SAR enables employees to better manage important personal commitments. Learning and development platforms, such as our Learning Management System and the SCC Academy, help employees learn at their own pace and grow with the business.

## Human Rights: The Foundation of our Approach

We support our people in line with our fundamental respect for human rights, which is described in the Swire Pacific [Human Rights Policy](#). The policy is informed by the International Bill of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. In addition to our employees, it also covers those working in our supply chains and the communities in which we operate.



We are working to make Swire Coca-Cola a great place to work—one that is safe, diverse and inclusive—by prioritising the topics outlined below.



## Strengthening RTM Safety

Many of our employees and certain contractors have responsibilities that involve frequent time on public roads. From delivery drivers to sales employees, their safety is our number one priority as we work together to get our products into the hands of our customers.



## Stepping Up in Southeast Asia

Road conditions in our newly acquired markets of Cambodia and Vietnam have long been particularly challenging. Risk factors include poorly maintained roads, inadequate signage and difficulties enforcing traffic regulations. We are proud of our Southeast Asian colleagues who work tirelessly to address these challenges.

Our team in Vietnam has implemented numerous programmes aimed at our third-party logistics providers. In 2023, we installed basic telematics systems in 89% of the trucks used to deliver our products, provided defensive driving training to 80% of their drivers and conducted risk assessments for over 50 routes. We engaged with third-party transporters at townhalls and undertook safety-related audits and assessments. Going forward, we will focus on installing more mid- to high-level telematics systems and new cameras in vehicles, enhancing the driver performance management system and refreshing defensive driving training requirements.

In Cambodia, our teams worked to build a culture of safety founded upon strong standard operating procedures by developing tailored safety policies for different kinds of vehicles, as well as our third-party logistics partners. Telematics systems were installed in all company-owned trucks. Defensive driving training was rolled out to an impressive 100% of our truck drivers and third-party logistics partners. A behaviour-based safety programme was piloted in Phnom Penh, involving both “train-the-trainer” sessions and a day of field observations that informed the development of a safety-related corrective action plan. In 2024, we aim to expand this successful programme to seven areas across Cambodia.

RTM safety is truly a big challenge in Vietnam, but we will not compromise on our “Zero is Possible” vision. We stepped up our safety efforts in 2023 with new governance committees and engagement sessions to support culture change. As we look ahead, I want to express my biggest thanks to the drivers and transporters contributing to our success.

Nguyen Hong Kieu Chinh  
QSE Management Director





Protecting our Sales Teams in the Chinese Mainland

Our sales employees encounter various safety risks during their daily work, from navigating complex road conditions to operating e-bikes. In fact, approximately 75% of our LTIs in the Chinese Mainland are associated with sales-related activities. Technology is now playing a significant role in addressing these issues.

Our Sales Safety Digital Platform, first introduced in our Henan operations in December 2021, was rolled out across the Chinese Mainland in 2023. This gamified platform encourages sales employees to act safely by allowing them to earn points towards gifts by checking in on various safety-related items. The platform has seen significant growth in the number of employees using it and the number of check-ins in 2023.

Item	Description	No. in 2022	No. in 2023
Users	Total number of employees using the platform	1,194	>11,000
Checking helmet and safety belt	Taking a selfie with a helmet and safety belt on	54,187	355,565
Behaviour-based safety (BBS) reports	Uploading a screenshot of a finished BBS report	44,898	146,921
Safety learning	Confirming that learning programmes have been completed	37,833	169,684
Near miss and potential safety hazard reports	Reporting potential safety hazards like slippery areas or broken traffic lights on the road	43,722	145,598

The launch of Sales Digital Platform with four main modules, has helped our frontline sales employees continuously improving safety awareness, forming safety behaviors and developing safety habits. This is an effective safety management system that drives the reduction of injuries in our frontline sales team.

Chang Yu  
Sales and Marketing Director



Following the successful launch of in-plant Life Saving Rules and 16 Logistics Safety Rules, our Chinese Mainland team has also developed a list of simple safety rules for our sales teams. The 16 Sales Safety Rules cover the main safety risks involved in our sales activities, from pre-work safety preparation, driving and riding behaviour to road conditions and operating on client premises. To enhance their impact, each rule is accompanied by a simple one-page introduction and video content that provide additional details and advice based on real-world scenarios.

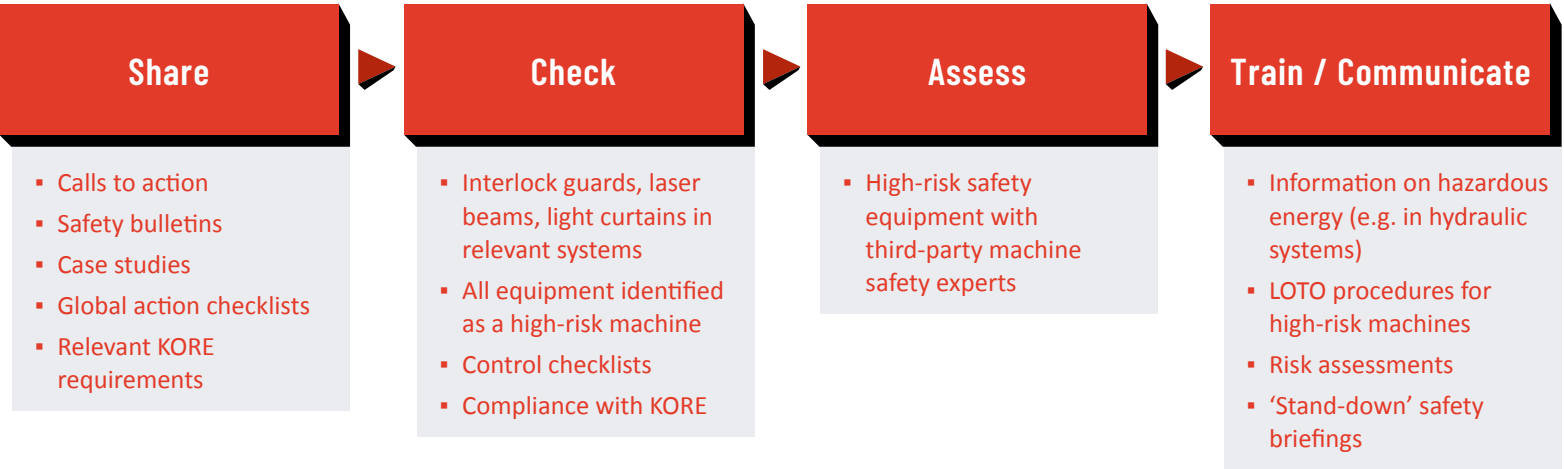


Working to Eliminate Lockout/Tagout (LOTO) Incidents

There is a concerning trend amongst bottlers globally of increasing LOTO failures involving de-/palletiser systems. When these systems are not operated properly, they can cause serious injuries or fatalities. This reminds us of the critical importance of understanding our machinery, conducting thorough reviews of LOTO safety protocols and training employees on related measures.

Urgent Group Action Campaign

We initiated an Urgent Group Action Campaign to swiftly mitigate LOTO risks in September 2023. This comprehensive campaign consists of four essential but simple steps that have been applied in manufacturing facilities throughout our markets:



The campaign has achieved significant results, demonstrating a strong commitment to LOTO safety across our business. All high-risk machines have been meticulously rechecked, and all production personnel have undergone training on appropriate LOTO procedures. Expert assessments have been conducted in the Chinese Mainland, the Taiwan Region and the Hong Kong SAR, with assessments expedited in the U.S., Vietnam and Cambodia.



Machine Safety Improvement Framework in the Taiwan Region

Each of our markets has worked hard to implement our group-wide LOTO strategy on the shop floor. In the Taiwan Region, gaps in LOTO and hazardous energy control practices were identified in early 2023. Since then, our team has invested considerable time and effort addressing these gaps with a focus on improvements in three key areas: People (e.g. raising awareness of risks and training), Machinery/ Equipment (e.g. evaluation and validation by third-party safety experts) and Management Systems (e.g. developing, standardising and reviewing LOTO procedures).

Our people have benefitted from the fresh perspectives and expertise of third-party consultants, who delivered multiple training sessions and conducted onsite risk assessments throughout 2023. Training covered an enhanced understanding of LOTO procedures and skills to identify risks on the factory floor, enabling our people to better manage issues before they arise. Risk assessments helped improve machine safety with a thorough examination of potential energy release points including electrical, mechanical, hydraulic, pneumatic and thermal sources. The gaps that have been identified throughout this process are now being addressed by colleagues throughout our Taiwan plant.

When addressing LOTO across departments, it takes a lot of time to communicate such complex issues with everyone. But by sharing real-world accident cases and holding training sessions, everyone continues to improve and implement LOTO according to the procedures. It's great that everyone is working together to improve safety.

John Lu  
EHS Supervisor



Leveraging Technology to Enhance Safety

Like many members of the Swire group, we deploy the latest technology to help our business remain competitive. We also use new and exciting technologies to help solve challenging problems relating to our number one priority: keeping our people safe.



Digital EHS System

We are currently implementing a cloud-based solution called the Global Digital EHS System across all manufacturing facilities and distribution centres (DCs) in six markets across three regions. This system is designed to streamline processes, improve compliance and empower our workforce to proactively manage safety risks. We have successfully developed the system's global IT architecture and completed the design and configuration of all six modules, which include contractor management, risk assessment, incident management, behaviour-based safety observations(BBSO), inspection and business report/ dashboard. With the inclusion of business reporting and dashboard functions, we will have better visibility into safety performance monitoring for all modules. Currently, we are piloting and expanding the system's implementation across various plants in multiple markets. Our goal is to provide centralised procedures, real-time data and tracking functions to equip our employees with the necessary tools to effectively manage safety risks and create a safer work environment.

Contractor Management	Risk Assessment	Incident Management
Behaviour-based Safety Observation	Inspection	Business Report/ Dashboard

# MākuSafe

**MākuSafe is an innovative, wearable safety device and software platform for associates working in warehouses.** It collects real-time data from associates to detect ergonomic strains and prevent injuries, improve conditions and address hazards. Since early piloting at the Denver warehouse in 2022, the solution has helped us prevent injuries during difficult peak seasons and increase the number of associate-reported near misses. It has also helped uncover air quality issues in warehouses, such as increased levels of volatile organic compounds (VOCs) and carbon monoxide. As of the end of 2023, we have expanded the technology to five additional warehouses across the U.S.

## What do associates say about MākuSafe?

“Peace of mind around if I trip or fall or need assistance — help is a button away.”  
**Lawrence Guzman**

“Daily reminder when I put it on to lift properly.” **Jayson Phillips**

“Helpful in fixing hazards quickly.”  
**Avery Garcia**

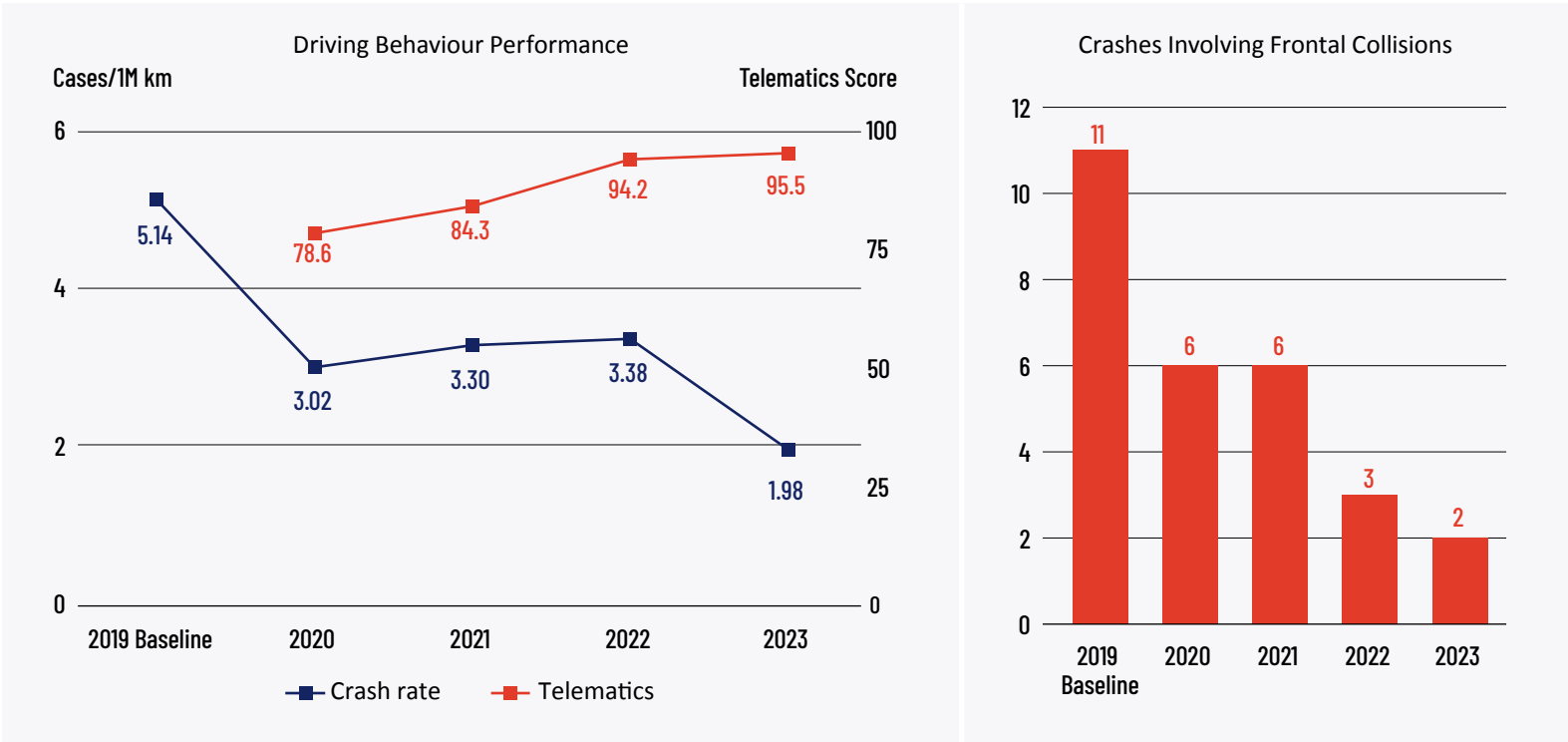
MākuSafe has been an integral part of our safety programme in the Denver warehouse. We have utilised the tool to help pinpoint at-risk associates due to the force they’re using when picking orders or getting on/off equipment. Our leadership can address these immediately to reduce at-risk behaviours each day. In fact, we’ve seen a 92% reduction in back injury incidents since implementing this new technology.

**Carlos Umana**  
Central Region Field EHS Manager



## Telematics for Safer Driving

In 2020, our Hong Kong SAR market adopted a Driving Safety Assurance System (DSAS) for each company vehicle. The systems, which have been installed in over 200 vehicles, utilise frontal and in-cab cameras to monitor road conditions and alert drivers of unsafe actions in real time, helping to improve driving behaviour and promote a safety culture with a data-driven approach. Telematics data from these systems has since been integrated into our defensive driving training, informing internal target setting and a Driver Award Scheme to recognise strong performance.



DSAS implementation has helped us achieve impressive results in the Hong Kong SAR. The system has encouraged drivers to proactively identify improvement opportunities and contribute to the development of our safety culture in the market. This has been reflected in a 61% reduction in crashes caused by our drivers in company vehicles since 2019. Our strong performance has even enabled us to obtain an insurance premium reimbursement. Looking ahead, we will work to improve monitoring parameters and black spot observation and extend this promising technology to forklift safety.





Preparing Employees to Lead

We take a long-term view on people development and emphasise promoting from within, which means it is critical for us to prepare our people to lead. Initiatives such as our rotation mechanism—which enables employees to rotate to different roles, functions, bottling plants and markets at various stages of their careers—keep things interesting and help provide an organisation-wide view of our business. We also invest in training to embed the skills employees need to take the next step.

We are driven to win, and we are ambitious. We aspire to become the top bottling partner of the Coca-Cola company and to be able to do that, we need to excel in all areas of the business. We’re also fun, we embrace the fun, the excitement, and the passion of the Coca-Cola brand and I think that’s also become a large part of our corporate culture.

Matthew Wong  
Director of Commercial Analytics & Digital Solutions



Aspiring to Succeed

The ASPIRE Management Trainee Programme is helping build the next generation of leaders in one of our newest markets. The first batch of participants in Cambodia began this 24-month development programme in September 2022. The programme is designed to develop future leaders and prepare them for successful careers within our company. This year’s cohort will rotate through all supply chain functions. Successful candidates will be offered opportunities to join our supply chain or commercial departments.



Learning from Experience

In June 2023, our Coaching and Mentoring Programme kicked off to build human connections and trusted relationships between leaders and associates in Vietnam. 100 associates have now participated in five programmes aimed at scaling up a coaching and mentoring culture in the market. The programme will continue in 2024.



Flying Higher

The WINGS Talent Development Programme in the Taiwan Region is a tailor-made development programme focused on talent selected based on their strong performance in previous reviews. Leveraging six core competencies, a 360-degree assessment tool uses “Fierce Conversation” modules and group coaching to accelerate leadership development. This helps us mitigate the succession gap and reinforce talent retention. In 2023, the programme involved an artificial intelligence application workshop to further enhance working efficiency.



Promoting Diversity and Inclusion

The faces of our team members mirror those of the people who enjoy our beloved brand worldwide. They practise different religions and are of different races, ethnicities, ages, genders and sexual orientations. They come from a variety of educational and social backgrounds. We celebrate their unique identities and strive to create environments where they feel they belong.

Three years of growth, supported by the empowering environment of Swire Coca-Cola, have made us stronger through facing challenges together. Team Mulan’s success has inspired women across the company, propelling them to take bold strides forward. Minhang’s PET line has set up Team Guiying, and female operators in key positions at Jinqiao Plant are rising up. Let women, who are integral to our company, unleash their superpowers on the path to prosperity!

Pu Shimei  
Production Line Supervisor,  
Shanghai Shenmei Minhang Plant



Celebrating International Women’s Day

The theme for 2023’s International Women’s Day, “DigitALL: Innovation and technology for gender equality”, is closely aligned with both our strategic priority of digital leadership and our diversity and inclusion goals. We celebrated the theme with various initiatives throughout our markets to champion gender equality and empower women in the communities we serve.

In the U.S., we sponsored a luncheon for the Denver Division of Women’s Inspiration and Inclusion Network (WIIN). Over 300 employees in the Taiwan Region enjoyed a party featuring the movie, “Hidden Figures”. In Vietnam, a five-day “Women’s Week” provided our female staff with an array of engaging experiences, including interesting workshops on skincare, nailcare, photography and candle-making. The aim was to inspire our female staff to celebrate their individuality and embrace their unique beauty.



■ Connecting through Food

Many people view food as a defining aspect of culture. In September, we sought to bring together colleagues from different racial backgrounds over a delicious meal at a Cross-cultural Food Festival in the Taiwan Region. Overseas workers and supervisors had the opportunity to share food from different cultures and understand more about their unique characteristics and similarities. The programme helped enhance connections amongst our team members and build a more inclusive working environment.



■ Helping Women Achieve their Best

In the Chinese Mainland, the “Achieve Your Best” workshop helps motivate women to develop professional skills and share their experiences with others. The programme consists of three phases—a certification workshop that certified 30 Master Trainers in 2023, support groups that organise regular experience sharing, and a reading club that recommends one to three books a year, followed by group reading review. As of 31 December 2023, over 1,200 women have participated, accounting for 42% of all female sales representatives in the market.



■ Sharing our PRIDE

We celebrate the diverse factors that make each of us unique across our markets and encourage colleagues to be themselves. In Vietnam, our team members celebrated PRIDE Month for the first time in 2023. The event raised awareness about LGBT issues through five sharing sessions, involving all three plants and five sales offices, and over 3,000 attendees. In the Taiwan Region, we partnered with TCCC to encourage staff to participate in the Taiwan Region LGBT+ Parade in October. Over 70 colleagues attended in support of this annual event, which drew nearly 180,000 participants.

■ Partnering to Support Women

In Cambodia, we continue to partner with the Ministry of Women’s Affairs (MWA) to drive the professional development of women both within and outside our four walls. Under a long-term Memorandum of Understanding signed with the MWA in 2020, we collaborate on various programmes including training sessions, workshops and seminars focused on women’s issues. In 2023, the market’s DISCO joined two workshops on gender diversity and female leadership. These sessions included training on personal finances for female colleagues and women from local communities, helping participants better manage a challenging economic environment.

Engaging our Employees

**Employee feedback helps us further refine our working environment and enhance our business performance.** We regularly engage employees through our Global Employee Survey.

■ Generations Dialogues

In Vietnam, we host a series of two-way conversations between the younger generation and leaders in the market. The objective is to bridge the gap between generations and bring diversified views to benefit our business and the development of more junior employees. Thus far, we have organised four interview series involving 10 leaders and 1,000+ participants across multiple platforms.

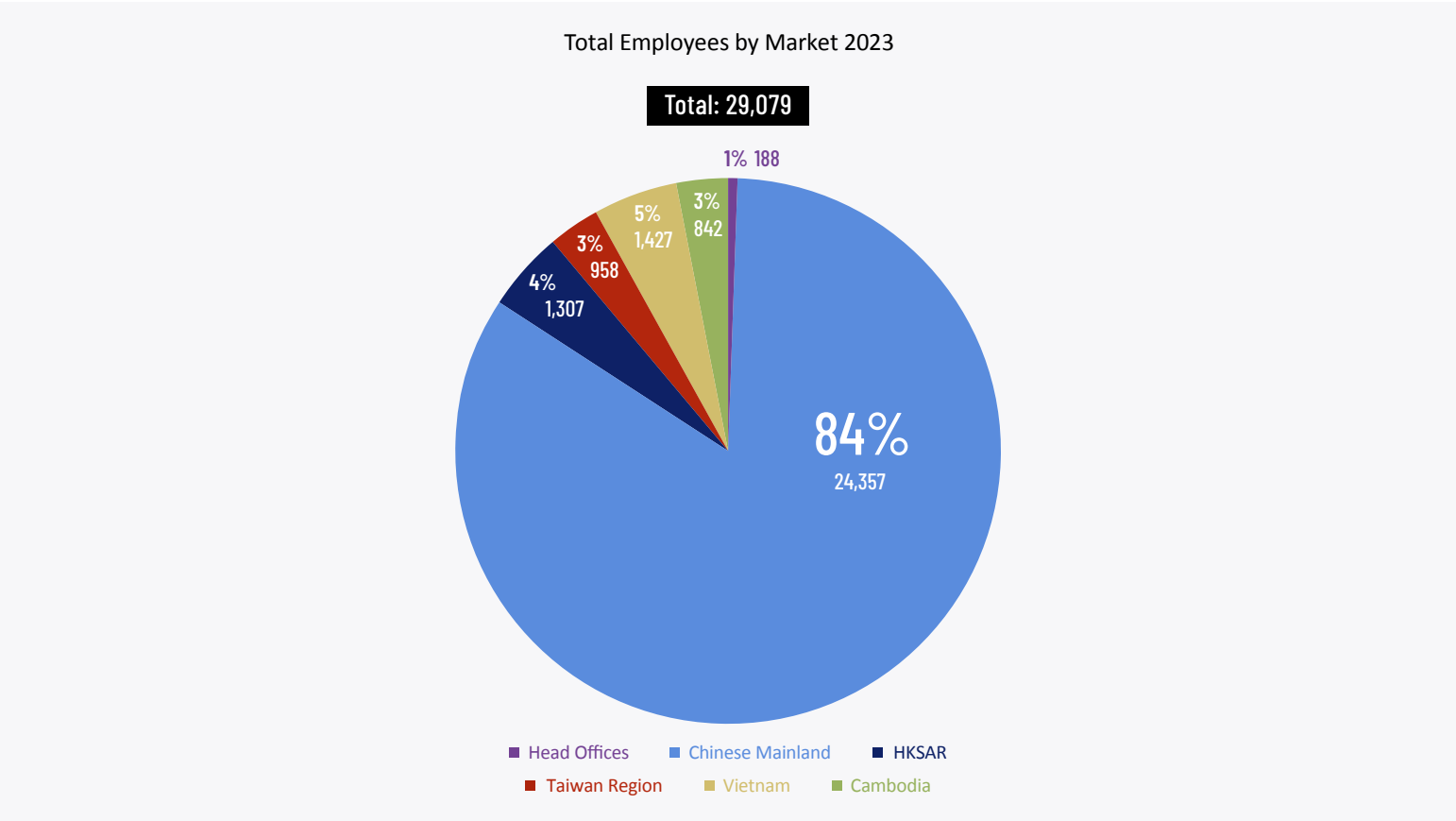


■ Global Employee Survey

Our Global Employee Survey is designed to help us better understand the connections between Swire Coca-Cola and our employees. In our latest survey, conducted in 2023, we recorded improvements in wellbeing, which seeks to measure whether our employees perceived that their line manager and the company are concerned with their wellbeing. The improvement was greatest in the Chinese Mainland. With action plans in place, we look forward to further improvement when this survey is conducted again in 2025.



# Performance\*

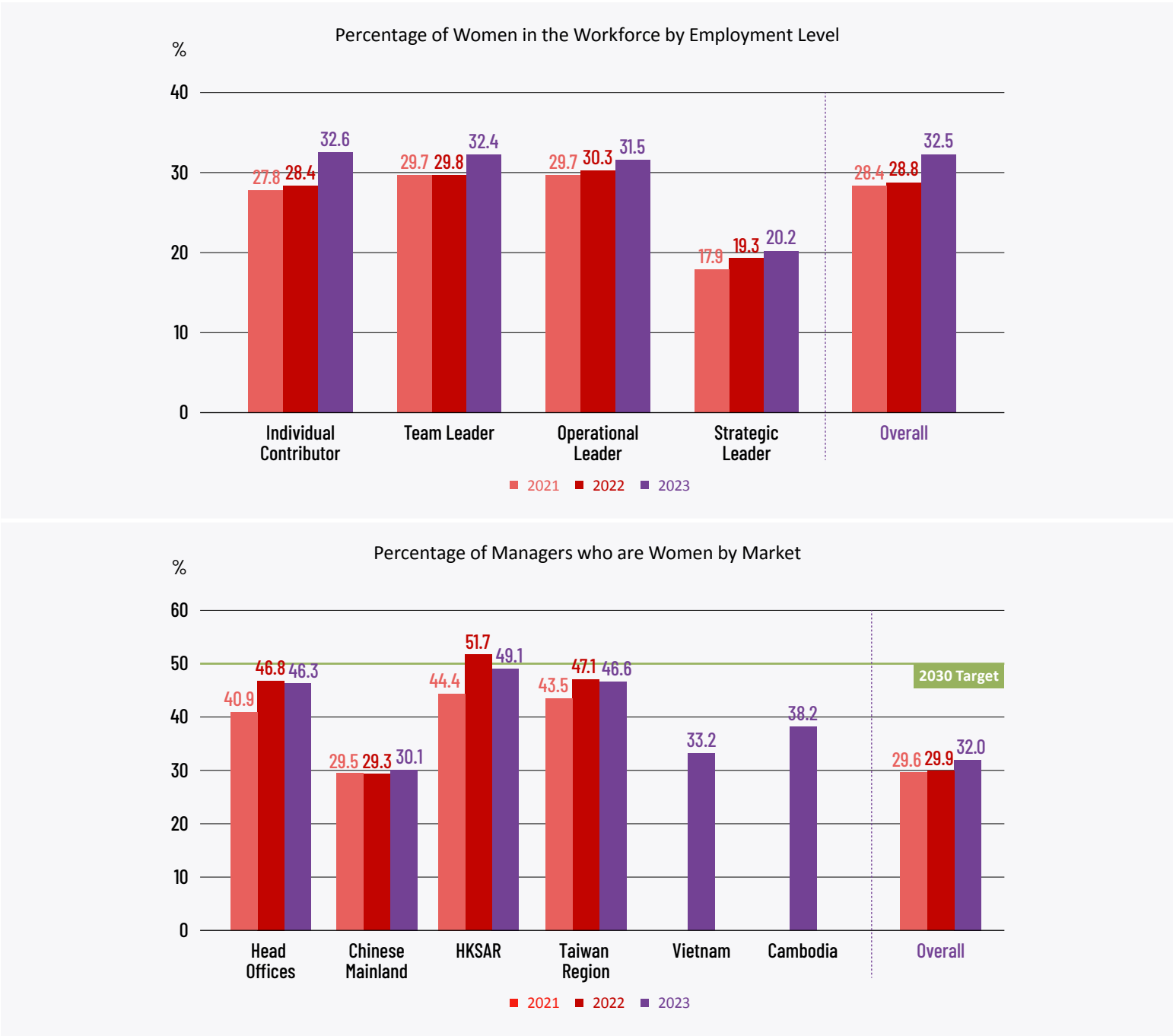


## Safety

	Unit	2020	2021	2022	2023
Fatality^	number	1	1	1	1
Lost-time injury rate (LTIR)	rate	0.5	0.53	0.39	0.44
Total injury rate (TIR)	rate	1.84	1.79	1.72	1.54
Lost day rate (LDR)	rate	22	22	16	17

**Note:**  
\* All workforce data excludes the U.S., but Safety data includes the U.S. up to 7 September 2023.  
^ Includes employees and contractors.

## Women in Leadership#



**Note:**  
# Figures exclude U.S.

# Addressing Challenges

We worked to address the following key challenges:

- **Third-party Logistics Safety in Vietnam:** At the beginning of 2023, a delivery truck operated by a third-party logistics partner crashed, resulting in a fatal injury to the driver. We have responded to this situation by mandating defensive driving training and truck maintenance management for all 3PL drivers. We also updated and revalidated route risk assessments for specific cities and provinces, adding a safety KPI Scorecard into transporters' monthly reports and tracking, and introduced telematics systems and an audit framework for 3PL transporters.
- **Increasing the Number of Women in Executive Leadership Roles:** Building on our successes in improving female representation at the frontline sales and supervisory levels, our focus now is on preparing more women for executive leadership roles. We are committed to developing talent from within our business by providing the necessary support and opportunities, but we recognise that the executive training process requires time and investment. We expect to see a tangible increase in the proportion of women at the highest levels of our company in 2024 and beyond.



# Looking Ahead

Our immediate priorities include:

- 1 Rolling out the **Digital EHS System** in the plants and DCs across all regions
- 2 Strengthening **RTM Safety** by leveraging technologies, expediting driver training and implementing comprehensive RTM safety actions and programmes
- 3 Cultivating a strong **Safety Culture** by integrating and communicating key concepts through safety campaigns and training initiatives
- 4 Improving **Incident Investigation and Root Cause Analysis** capabilities by sharing practical methodologies and conducting training sessions and workshops
- 5 Investing in **Training and Development for Women** in management positions
- 6 Assessing the maturity of **Diversity Equity Inclusion and Belonging** practices and identifying best-fit recommendations that capture opportunities for improvement



# Community

## Why it Matters

With over 37,000 employees serving more than 878 million consumers in six markets, our business impacts countless communities around the world. It is our responsibility to support these communities not just because it is the right thing to do, but because we thrive when the environment in which we operate flourishes. Our global efforts in this area are aligned with our broader sustainability strategy, corporate culture and values, and focus on five key topics:

**Water stewardship:** For our shared benefit, we work together with TCCC and TCCF to protect water sources and provide clean water for communities in need, in collaboration with governments and NGOs.

**Packaging and waste management:** We implement packaging and recycling solutions to achieve our vision of a “World Without Waste”. We engage community members to raise awareness of recycling and other environmental issues as we strive to address the global packaging waste challenge.

**Youth development:** Our future depends on the success of our youth. We invest in education and other initiatives to prepare young people to create a better world for our communities and business.

**Female empowerment:** When we empower women, we strengthen our economy, help address income inequality and generate positive social outcomes.

**Emergency relief:** Emergency situations often disrupt freshwater supplies. We work with NGOs and local governments to help affected populations access clean drinking water during crises.

4.29

volunteer hours per staff member on average, amounting to over 150,000 hours of service

Cash donations: over

HK\$15 million

In-kind donations:

190,000+


cases of beverages valued over HK\$13 million






# Our Approach


Our CSR Policy guides our community initiatives through three key channels. This includes the following:



Contributing a portion of our profits to impactful projects and initiatives through our **CSR Fund**



Contributing our time through **volunteering** and encouraging staff to give back by offering annual volunteer leave



Collaborating with **local governments and NGOs** to tackle pressing issues within our communities and enhance our collective impact

## Empowering Volunteerism with Technology

In today’s world, technology plays a crucial role in enhancing business operations, and even our volunteer efforts can benefit from it. A mobile application has been launched in the Chinese Mainland, which not only motivates employees to volunteer but also simplifies the process. The application provides easy access to volunteering opportunities and related information, as well as a platform to submit volunteering-related records. The solution has helped the market significantly exceed our target of an average of four volunteer hours per employee in 2023, averaging an impressive 5.2 volunteer hours per employee.



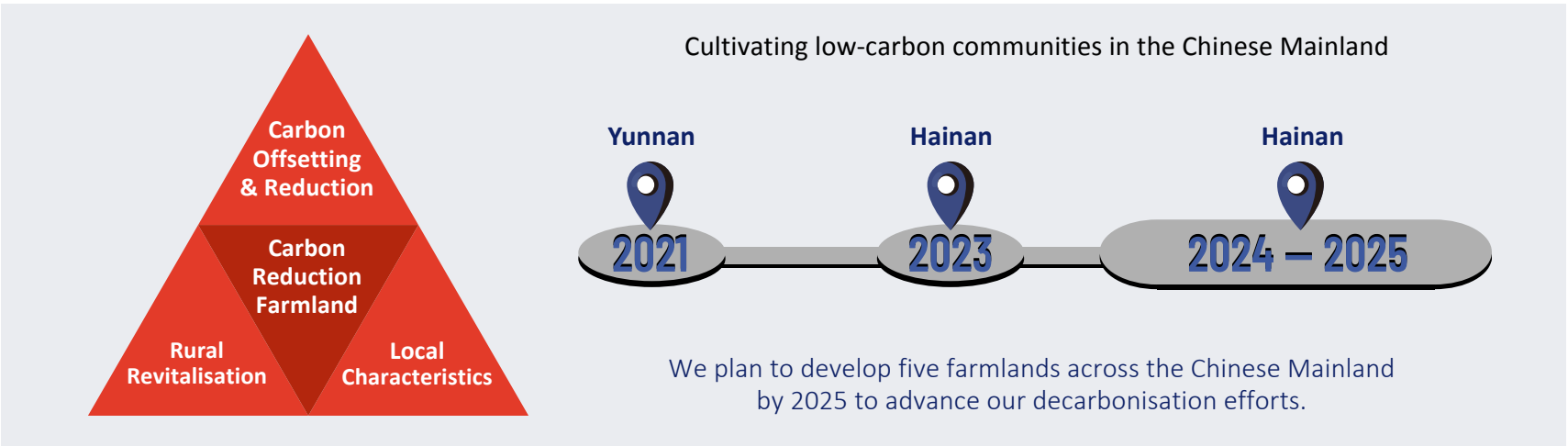
# What We’re Doing

**Swire Coca-Cola’s purpose is to deliver refreshment to the communities we call home.** This extends beyond offering beloved products to consumers; it involves actively contributing to and championing positive change within these communities. We invest in the future and wellbeing of the communities we call home through our CSR Fund and volunteering efforts, as well as partnerships with NGOs and local governments.

## Cultivating Resilient, Low-carbon Communities in the Chinese Mainland

Amidst the considerable risks posed by the far-reaching consequences of climate change, there lies a distinct opportunity to bring people together in addressing interconnected environmental, social and economic challenges. In response, we are establishing Carbon Reduction Farmlands in the Chinese Mainland to cultivate resilient, low-carbon communities, boost rural revitalisation, and preserve local culture.

Following the successful development of our first Carbon Reduction Farmland in Daotangqing Village, Yunnan Province, we joined hands with the China Green Foundation to launch our second farmland in Maodao Village, Hainan Province in July. The project helps farmers replace rubber trees with more profitable tropical fruit and gives them access to guidance from Beijing Forestry University on carbon sequestration and resource reuse. We are also helping villagers belonging to the Li ethnic group, whose traditional textile techniques are listed as intangible cultural heritage by UNESCO, to start their own embroidery businesses and preserve this aspect of their unique culture. In the coming years, we aim to continue to develop farmlands to drive decarbonisation, as well as social and economic development, across the Chinese Mainland.





■ Celebrating our Differences in the Taiwan Region

Bullying is a global issue. In the Taiwan Region, a study by Child Welfare League Foundation (CWLF) found over 30% of students experienced microaggression that could lead to serious bullying incidents based on their perceived ‘oddness’ or ‘difference’. As part of our ongoing partnership with CWLF, which began in 2017, we sought to leverage these findings to answer the question, “What can we do to prevent bullying from happening?”

Continuing the “Socks! We are different” campaign launched in 2022, we sponsored a four-day pop-up exhibition at Songshan Cultural and Creative Park in Taipei, highlighting the need to eliminate microaggression and stop bullying on campus. Popular Taiwanese online creator, Zhong Mingzhuan, shared his personal experiences of discrimination and bullying. He inspired the public to wear asymmetric socks in their daily lives as a symbol of celebrating our uniqueness. The exhibition successfully raised awareness of this serious problem, attracting more than 4,500 visitors.

Since 2017, our partnership with CWLF has:

- Reached over **27 million** individuals online and offline
- Directly assisted over **97,000** individuals
- Delivered over **800** school activities



■ Promoting our National Parks in the U.S.

Our U.S. franchise territory encompasses several of the nation’s most beautiful national parks, including the Grand Canyon, Mount Rainier and Arches National Park. In 2023, we formed a partnership with Maverik, a leading convenience store chain in the western U.S. to ignite the adventurous spirit in consumers. This collaboration aims to encourage people to connect with nature through these unique spaces.

A ‘Round Up Your Change’ donation campaign raised over US\$686,000 from spare change at Maverik’s cash registers to benefit the National Park Foundation’s ‘Open OutDoors for Kids’ programme. The donation will help provide approximately 20,000 children with opportunities to explore over 30 national parks. Maverik stores also carried limited-edition collector Coke cans featuring images of hiking and kayaking activities and offered consumers a chance to win a customised cargo van, US\$20,000 cash, and a free pass to access America’s stunning national parks.





# Providing Clean Water for our Communities in Cambodia

**Water is a shared resource that is critical for both our business and the communities we serve.** Recognising our common needs, since 2016, our team in Cambodia has supported Planet Water Foundation to provide clean drinking water with the assistance of The Coca-Cola Foundation. As of 31 December 2023, 53 AquaTower water filtration systems and AquaSan surface disinfection systems have been installed, providing over 288 million litres of clean drinking water to more than 73,000 people across each province in the country. The projects also provide rural schools and communities with handwashing and sanitation systems, as well as activity-based hygiene education programmes.

53 locations  
>288 million litres of clean drinking water provided  
>73,000 people benefitted



## Inspiring our Next Generation in Cambodia

Our business grows along with the broader economies and societies in which we operate, and we are committed to supporting our shared progress. At our Phnom Penh bottling plant, we launched a Science, Technology, Engineering and Mathematics (STEM) tour programme to inspire the next generation and help drive Cambodia’s industrial development and economic success. This unique experience aims to inspire students to pursue careers in STEM fields with an exciting glimpse into the world of Coca-Cola production, by featuring a guided tour of our production lines, a captivating cinema experience and an innovative presentation with hologram technology telling the story of our history.



## Providing Drinking Water in Emergencies

Collaborating with TCCC and the One Foundation, our Clean Water 24 programme was implemented eight times in 2023 in the Chinese Mainland. Throughout the 10-year partnership, we have actively participated in this programme, which aims to assist local communities by supplying bottled water to affected citizens within 24 hours of a natural disaster. In 2023, we provided approximately 410,000 bottles of beverages to those in need, benefiting over 34,000 people through our donations.

## Supporting Charities in the Neighbourhood

Located in the same neighbourhood as the Ronald McDonald House, which provides temporary accommodation for seriously ill children and their families, Swire Coca-Cola’s Hong Kong team has consistently demonstrated its support for the Ronald McDonald House Charities. Our contributions are delivered through a range of initiatives including fundraising, volunteering and active participation in various activities.

In a remarkable display of commitment, Swire Coca-Cola helped the Ronald McDonald House during the opening of its second house in the Hong Kong SAR. A team of 40 dedicated staff volunteers assisted with a series of move-in preparations and open day operations. Over 30 volunteers worked tirelessly in shifts, ensuring the utmost care was taken in maintaining the rooms and common areas. They also devoted their efforts to setting up a vibrant toy room for the children, creating a welcoming and joyful environment for them to enjoy.

Prior to the move-in, Ronald McDonald House organised a range of fundraising activities, including an open day, which Swire Coca-Cola actively participated in, further solidifying our joint commitment to making a positive impact within the community.





# Addressing Challenges

We worked to address the following key challenges:

- **Addressing Local Community Needs:** Every community has its unique social issues and requirements based on its environment. It is important for us to comprehend their needs and collaborate with local partners such as NGOs and the government to create tailor-made community programmes that cater to the specific needs of each community.
- **Responding to Cultural Contexts:** Operating in diverse communities requires a heightened cultural awareness. It is crucial for corporations to navigate different norms and values to build trust, engage effectively and contribute meaningfully to these communities. We actively seek to understand the communities in which we operate during the course of our volunteering efforts and by engaging local stakeholders through various channels. See the “Stakeholder Engagement” section for more information.



# 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 Organising a greater variety of **Volunteer Activities** to attract employees with different interests to participate
- 3 **Enhancing Collaboration** by encouraging all markets to engage in volunteer activities under a similar theme during a defined period





# Key Metrics and Targets

Significant changes to our business structure in 2023 (including the divestment of our U.S. business and acquisitions in the Chinese Mainland, Vietnam and Cambodia) resulted in significant changes to our reporting boundary. This makes it difficult to determine how we are performing against the targets we set in 2020.

In the interest of transparency and comparability, this table presents 2023 full year performance data for our legacy businesses only (i.e., the Chinese Mainland excluding still bottling plants other than Nanjing and Luohe, which are co-located in Swire Coca-Cola’s manufacturing sites, and the Hong Kong SAR, Taiwan Region and U.S.).

Planet	Our Commitments and Targets	KPI Measured	2018 Baseline	Tracking Progress			2025 Target	2030 Target	TCCC Target
				2021	2022	2023			
	Climate								
	Reduce Scope 1 & 2 emissions from core operations by <b>70% by 2030</b>	Total GHG emissions (tonnes CO <sub>2</sub> e)	477,755	398,898 (-17%)	362,603 (-24%)	278,404 <sup>1</sup> (-42%)	-25%	-70%	(SBT)
	Reduce Scope 1, 2 & 3 emissions by <b>30% by 2030<sup>2</sup></b>	Total GHG emissions (tonnes CO <sub>2</sub> e)	3,454,672	3,816,457 (+10%)	3,704,677 (+7%)	3,321,669 <sup>1</sup> (-4%)	-15%	-30%	-25% (SBT)
	Use <b>100%</b> renewable electricity (RE) in core operations by <b>2026</b>	Proportion of total electricity used in core operations generated from renewable sources (onsite or purchased) (%)*	0%	18%	21%	25%	100% (2026)	100%	N/A
	Water								
	Reduce WUR to <b>1.45 by 2030</b>	Litres of water used per litre of product produced (L/L) *	1.74	1.81	1.75	1.76	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%	167%	159%	TBC	100%	100%	Y (≥100%)
	All SVAs and WMPs validated by a third party by <b>2025</b>	Percentage of total SVAs and WMPs that have been validated by a third party	N/A	52%	73%	92%	100%	100%	KORE
	Respond to CDP Water questionnaire	CDP score (target B and higher)	–	A	A-	A-	A	A	N/A
	Packaging and Waste								
	<b>100%</b> of our primary packaging will be technically recyclable by <b>2025</b>	<b>PRIMARY PACKAGING BY TYPE – RECYCLABLE (Y/N)</b>							
		PET (bottle and cap)	✓	✓	✓	✓	100%	100%	Same (WWW)
		Aluminium (AL) can	✓	✓	✓	✓			
		Aseptic fibre pack	✗	Partial	Partial	Partial			
		Returnable glass bottle	✓	✓	✓	✓			
		Carboy (PC, type 7)	✗	✓	✓	✓			
		Pouch	✗	✗	✓	✓			
		Bag in Box (BIB)	✗	✗	✗	✗			
	Ancillary items (straws/lids/cups)	✗	✗	✗	✗				
	<b>At least 50%</b> of the material used in our primary packaging will be recycled material by <b>2030</b>	<b>PERCENTAGE OF MATERIAL USED IN PRIMARY PACKAGING THAT IS RECYCLED MATERIAL (%)</b>							
		Swire Coca-Cola Overall	0.3%	10%	11%	11%	30%	50%	Same (WWW)
Chinese Mainland – PET		0%	0%	0%	0%				
HKSAR – PET		0%	32%	39%	39%				
Taiwan Region – PET		0%	0%	0%	1%				
U.S. – PET		0%	13%	27%	26%				
Chinese Mainland – AL		0%	N/A	N/A	N/A				
HKSAR – AL		50-60%	0%	6%	9%				
Taiwan Region – AL		0%	0%	0%	3%				
U.S. – AL	57%	72%	72%	72%					
Collect and recycle one PET bottle or AL can for each one we sell by <b>2030</b>	<b>VERIFIED PET AND AL COLLECTION AND RECYCLING RATES BY MARKET</b>	Please refer to Swire Coca-Cola's <a href="#">Primary Packaging Annual Progress Reports</a>				N/A	100%	Same (WWW)	
Ensure all secondary and tertiary packaging is <b>100%</b> recyclable by <b>2030</b>	All secondary packaging technically recyclable (Y/N)	✗	✗	✗	✗	–	100%	N/A	
	All tertiary packaging technically recyclable (Y/N)	✗	✗	✗	✗				
Ensure all our secondary and tertiary packaging is collected by <b>2030</b>	All secondary and tertiary packaging volumes measured and captured (Y/N)	✓	✓	✓	✓	–	100%	N/A	
	Transparent chain of custody for secondary and tertiary packaging (Y/N)	✗	✗	✗	✗				

Our Commitments and Targets	KPI Measured	2018	Tracking Progress			2025	2030	TCCC
		Baseline	2021	2022	2023	Target	Target	
Packaging and Waste								
Achieve <b>zero</b> waste to landfill and incineration for core operations with third-party verification by <b>2025</b>	<b>WASTE GENERATED (%) FROM CORE OPERATIONS TO LANDFILL AND INCINERATION</b>							
	Chinese Mainland	37%	25%	22%	22%	10%	5%	N/A
	HKSAR	17%	14%	19%	19%			
	Taiwan Region	31%	6%	6%	16%			
	U.S.	5%	3%	3%	4%			
	<b>% OF FACILITIES WITH VERIFIED ZERO WASTE TO LANDFILL AND INCINERATION STATUS</b>	0%	0%	0%	3%	100%	100%	N/A
We will achieve <b>zero</b> waste to landfill and incineration for co-packers and third-party verification by <b>2030</b>	% 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 (%)	<b>LABELLING COMPLIANCE (Y/N)</b>							
	Chinese Mainland	✗	✗	Partial	Partial	–	✓	N/A
	HKSAR	✗	Partial	Partial	Partial			
	Taiwan Region	✗	✗	Partial	Partial			
	U.S.	✗	✗	Partial	Partial			

Our Commitments and Targets	KPI Measured	2018 Baseline	Tracking Progress			2025 Target	2030 Target	TCCC Target
			2021	2022	2023			
Product Choice								
Reduce the average sugar content per 100ml of our beverages by <b>20%</b> by <b>2025</b>	AVERAGE SUGAR CONTENT PER 100ML (g)					-	-	Differs by market
	Chinese Mainland	7.0	6.76	7.0	7.2			
	HKSAR	5.3	4.6	4.3	4.2			
	Taiwan Region	7.2	5.6	5.5	5.6			
	U.S.	6.3	5.5	5.1	5.4			
	% OF VOLUME OF BEVERAGES SOLD THAT IS LOW OR NO SUGAR (%)							
	Chinese Mainland	26%	30%	30%	29%			
	HKSAR	47%	55%	58%	59%			
	Taiwan Region	27%	50%	46%	43%			
	U.S.	35%	42%	41%	41%			
Sourcing								
Ensure all our key agricultural ingredients are sourced from third-party verified sustainable sources by <b>2025</b>	Suppliers of key agricultural ingredients comply with TCCC's PSA	✓	✓	✓	✓	100%	100%	KORE

People	Our Commitments and Targets	KPI Measured	2018 Baseline	Tracking Progress			2025 Target	2030 Target	TCCC Target
				2021	2022	2023			
	Our People								
	<b>Zero</b> work-related fatalities	<b>EMPLOYEE WORK-RELATED FATALITIES</b>	0	0	0	0	0	0	N/A
		<b>CONTRACTOR WORK-RELATED FATALITIES</b>	0	1	1	1			
	Reduce TIR by <b>50%</b> by <b>2030</b>	<b>TOTAL INJURY RATE (TIR)</b>	2.15	1.79 (-17%)	1.72 (-20%)	1.72	1.6	1.1	N/A
	Continue to reduce LTIR	<b>LOST-TIME INJURY RATE (LTIR)</b>	0.54	0.53	0.39	0.53	–	–	N/A
	Target <b>50%</b> women in manager and above positions by <b>2030</b>	<b>% FEMALE MANAGERS</b>	26%	29.6%	30%	32%	39%	50%	N/A
	Community								
	Achieve an average of <b>8</b> volunteer hours per employee per year by <b>2025</b>	<b>AVERAGE VOLUNTEER HOURS PER EMPLOYEE (HOURS)</b>	–	0.93	1.88	4.34	8	8	N/A
	Invest <b>1%</b> of Swire Coca-Cola’s annual profit into the CSR fund by <b>2025</b>	<b>% OF ANNUAL PROFIT INVESTED INTO THE CSR FUND (%)</b>	0.5%	0.6%	0.6%	0.6%	1%	1%	N/A

**Notes:**

\* Figures for total water use (m³) used to calculate WUR, and total RE used (MJ) to calculate % electricity used from renewable sources of the Chinese Mainland, Hong Kong SAR, Taiwan Region are limited assured by Deloitte. Figures for the Chinese Mainland cover legacy bottlers only. Figures for the U.S. cover the full year.

^ TCCC’s water replenishment figures are independently reviewed by EY.

<sup>1</sup> In February 2023, the Ministry of Ecology and Environment (MEE) in the Chinese Mainland issued a new national emission factor for the electricity grid (0.5703 tCO<sub>2</sub> per MWh), which is recommended for corporate reporting. Prior to 2023, we used regional grid factors in the Chinese Mainland, which range from 0.79 to 0.86 tCO<sub>2</sub> per MWh. We will use the national MEE emission factor moving forward as the regional grid factors are not regularly updated to reflect the greening of the grid in the Chinese Mainland.

<sup>2</sup> Eight CCBMH manufacturing plants used to be co-packers (and therefore were included in our Scope 3 emissions) are now wholly owned by Swire Coca-Cola in 2023. To ensure the year-on-year data is comparable, total Scope 1, 2 and 3 emission figures from 2018 were updated to exclude the newly acquired CCBMH facilities. Their Scope 1 and 2 emissions will be included in our Scope 1 and 2 emissions starting from 2024.



TCFD Disclosures

Since 2021, we have reported climate-related financial information in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). This framework helps us consider climate-related risks and opportunities that could impact our business and articulate how they are identified and managed. Going forward, we will explore meeting the requirements of the new IFRS Sustainability Disclosure Standard S2 Climate-related Disclosures.

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 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 internal audit department 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 2023](#) and the [Swire Pacific Sustainability Report 2023](#).

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 sustainability performance quarterly, 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](#)

Strategy

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

- As part of a Swire Group-led exercise, we engaged an external consultant to conduct a climate change scenario analysis workshop in 2023. Six key climate-related physical and transition risks that are likely to be financially material for our business were assessed for intermediate (up to 2030) and long-term (up to 2050) time periods, under both high- and low-carbon scenarios. The high-carbon scenario (BAU) assumes no additional climate policy and is comparable to RCP8.5, which projects more than 3.8°C of temperature rise by 2100. The low-carbon scenario references International Energy Agency (IEA) Net Zero and SSP1-2.6, which factors in actions today to limit global warming to around 1.8°C by the end of the century. These risks and their impacts are presented alongside our relevant mitigation strategies below.

● Very Low ● Low ● Medium ● High ● Very high

Risk Category	Risk	Key financial implications	Potential impact				Mitigation strategies
			Intermediate(2030)		Long term (2050)		
			Low carbon	High carbon	Low carbon	High carbon	
Physical (Acute & Chronic)	Extreme temperatures impacting personnel, causing heat-related illnesses and restricting operating capacity	Higher costs from cooling and negative health and safety impacts on workforce. Reduced productivity	<div></div>	<div></div>	<div></div>	<div></div>	We are introducing localised air conditioning and enhanced air conditioning, and reviewing health and safety procedures specifically related to working in the heat.
	Water stress and drought disrupting supply chains, disturbing production schedules, decreasing productivity and interrupting logistics	Reduced revenue from decreased production capacity and potential supply chain disruption, increased production costs due to changing input prices	<div></div>	<div></div>	<div></div>	<div></div>	Our Procurement team monitors the resilience of our supply chain and mitigates risk as needed. Critical suppliers must comply with the SGP and PSA, which promote resource efficiency. We encourage co-packers to adopt water-efficient practices.
	Water stress and drought impacting connectivity and restricting the availability of resources	Increased production costs due to changing input prices, increased operating costs due to resource scarcity and increased expenditures to mitigate adverse effects and invest in adaptive capacity	<div></div>	<div></div>	<div></div>	<div></div>	We conduct water risk assessments (SVAs) and implement Water Management Plans at all bottling plants. These are validated by independent experts.
Transition (Market)	Changes in demand for products and services as consumers increasingly prefer lower-carbon products	Reduced demand for goods and services due to shift in consumer preferences, change in revenue mix and sources	<div></div>	<div></div>	<div></div>	<div></div>	We have set science-based decarbonisation targets and are working with our suppliers to track and reduce their emissions.
Transition (Policy & Legal)	Potential greenwashing allegations and exposure to litigation	Increased operating costs (e.g., higher compliance and legal costs), increased costs and reduced demand for products and services resulting from fines and judgments	<div></div>	<div></div>	<div></div>	<div></div>	We monitor evolving regulatory requirements. Our strategy to reduce GHG emissions minimises exposure to policy changes and costs of compliance. We align with leading international sustainability standards. We report transparently and, where possible, get our data assured by a third party.
	Increasing scrutiny of Scope 3 GHG emissions accounting and reporting	Increased costs to comply with regulation	<div></div>	<div></div>	<div></div>	<div></div>	We have mapped our Scope 3 GHG emissions and plan to maintain a validated SBT to reduce them. We report on our progress annually in our SBT Progress Report.

Strategy

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 right), 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 piloted an internal carbon price mechanism in 2023, including a shadow price of USD100/ tCO<sub>2</sub>e for strategic CAPEX projects over a certain investment threshold. We also explored establishing a carbon fee, which aims to accelerate our decarbonisation progress.

See [Climate](#) for more details.

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. This includes two climate change scenarios to stress test the resilience of our business and strategy to varying future operating environments.
- The scenarios used by Swire Pacific have been informed by several publicly available climate scenarios from recognised authorities including the IEA, the Network for Greening the Financial System (NGFS) and the Intergovernmental Panel on Climate Change (IPCC). The scenarios consider time horizons of 2030 and 2050.
- 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.

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 enterprise risk management (ERM) system.
- In addition to the climate scenario analysis exercise described under the Strategy section, we used the Climanomics 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 IPCC. More information about this exercise can be found in our [2022 Sustainable Development Report](#).
- 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.

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 (ISO 14001) 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 are piloting 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 CO<sub>2</sub>e)
- Energy use (GJ) and intensity (MJ/L)
- Total renewable electricity generated and procured by our sites (kWh)
- Water use (cubic metres) and intensity (L/L)
- Primary, secondary and tertiary packaging used (tonnes)
- Proportion of recycled content in our primary packaging (%)

See [Performance Tables](#).

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

See [Climate](#) and [Performance Tables](#).

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

- We have set the following science-based targets for our legacy markets (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 2023, our Scope 1 and 2 GHG emissions were 349,161 tCO<sub>2</sub>e, a 4% year-on-year decrease despite significant business expansion. Our value chain emissions (factoring in the disposal of our equity interest in our U.S. business and a significant change in the grid emission factor applicable to our Chinese Mainland operations) were about 3.945 million tCO<sub>2</sub>e, a 18.8% increase compared with our 2018 baseline. For details of the decarbonisation progress of our legacy markets see our [SBT Progress Report 2023](#).
- We plan to submit updated SBTs reflecting our newly acquired operations for validation in 2024.
- We target to use 100% renewable electricity for core operations by 2026. In 2023, 26% of our electricity use was from renewable sources.



# Performance Tables

## Environmental Performance

	Unit	Chinese Mainland	Hong Kong SAR	Taiwan Region	Vietnam	Cambodia	U.S. up to date of sale*	Overall total <sup>#</sup>	U.S. (Full year) <sup>†</sup>
Energy									
Stationary source									
Diesel	MJ	53,885	0	0	11,055,468	0	0	11,109,353	0
Towngas	MJ	0	58,496,536	0	0	0	0	58,496,536	0
Natural gas	MJ	329,702,822	0	48,789,199	0	0	178,236,979	556,728,999	256,276,067
Natural gas- sales & distribution centres	MJ	0	0	0	0	0	37,724,123	37,724,123	54,982,528
Liquid petroleum gas	MJ	1,313,280	0	0	1,268,539	20,913,102	0	23,494,921	0
Electricity	MJ	1,052,251,802	112,332,748	40,164,692	187,895,955	29,426,504	151,530,481	1,573,602,181	223,777,502
Electricity- sales & distribution centres	MJ	13,849,838	3,580,463	1,742,195	1,001,779	1,686,701	28,277,601	50,138,576	41,214,317
Steam	MJ	586,864,167	0	0	86,920,471	0	0	673,784,638	0
Compressed air- purchased	MJ	2,617,886	0	0	0	0	0	2,617,886	0
Mobile source- Direct									
Diesel	MJ	109,531,766	34,314,960	21,792,794	0	23,172,800	192,389,915	381,202,235	289,400,493
Gasoline	MJ	48,184,412	2,289,410	8,463,868	0	0	83,068,270	142,005,960	121,416,088
Gasoline- sales & distribution centres	MJ	0	0	0	0	2,475,995	0	2,475,995	0
Renewable Energy									
Purchased externally from utility companies	MJ	471,600,054	0	0	0	0	0	471,600,054 <sup>(R)</sup>	0
Renewable Electricity Generated onsite	MJ	81,196,058	102,215^	2,097,349	0	9,252,000	3,269,195	95,814,602 <sup>(R)</sup>	5,387,607
Total renewable energy consumption	MJ	552,796,112	0	0	0	9,252,000	3,269,195	565,317,307	5,387,607
Total energy consumption (excludes sales & distribution centres)	MJ	2,683,316,132	207,433,654	121,307,902	287,140,433	82,764,406	605,225,645	3,987,188,172 <sup>(R)</sup>	896,257,756
Total energy consumption (includes sales & distribution centres)	MJ	2,697,165,970	211,014,117	123,050,096	288,142,212	86,927,102	674,496,564	4,080,796,062	992,454,601
Greenhouse Gas Emissions									
Scope 1- Direct GHG emissions from stationary source									
Diesel	metric tonnes	4	0	0	718	0	0	722	0
Towngas	metric tonnes	0	3,106	0	0	0	0	3,106	0
Natural gas	metric tonnes	16,753	0	2,479	0	0	8,990	28,223	12,927
Liquid petroleum gas	metric tonnes	80	0	0	77	1,275	0	1,432	0
Scope 1- Direct GHG emissions from mobile source									
Diesel	metric tonnes	7,118	2,341	1,416	0	1,506	13,648	26,030	20,530
Gasoline	metric tonnes	2,901	175	510	0	0	5,831	9,417	8,523
Scope 1- Direct GHG emissions	metric tonnes	26,856	5,622	4,405	796	2,781	28,470	68,930	41,981

	Unit	Chinese Mainland	Hong Kong SAR	Taiwan Region	Vietnam	Cambodia	U.S. up to date of sale*	Overall total <sup>#</sup>	U.S. (Full year) <sup>†</sup>
Greenhouse Gas Emissions									
Scope 1- Fugitive emissions from refrigerants (excluded from the assurance scope)									
Refrigerants	metric tonnes	1,067	589	13	12	183	2,693	4,556	4,163
Scope 1- Direct emissions from distribution and sales centres (excluded from the assurance scope)									
Natural gas	metric tonnes	0	0	0	0	0	1,903	1,903	2,773
Gasoline	metric tonnes	0	0	0	0	149	0	149	0
Diesel	metric tonnes	0	0	0	0	998	0	998	0
Scope 2- Indirect GHG emissions									
Steam	metric tonnes	29,286	0	0	4,338	0	0	33,623	0
Towngas	metric tonnes	0	702	0	0	0	0	702	0
Electricity	metric tonnes	166,694	12,169	5,523	29,466	3,263	14,568	231,683	21,533
Compressed air- purchased	metric tonnes	415	0	0	0	0	0	415	0
Scope 2 - Indirect GHG emissions	metric tonnes	196,395	12,871	5,523	33,803	3,263	14,568	266,423	21,533
Scope 2- Indirect emissions from distribution and sales centres (excluded from the assurance scope)									
Electricity	metric tonnes	2,194	388	240	157	187	3,035	6,201	4,424
Total GHG emissions (CO <sub>2</sub> e) (Scopes 1 & 2, excluding emissions from refrigerants and sales & distribution centres)	metric tonnes	223,251	18,494	9,928	34,599	6,044	43,038	335,353 <sup>(R)</sup>	63,514
Total GHG emissions (CO <sub>2</sub> e) (Scope 1 & 2, emissions from refrigerants, distribution and sales centres are excluded from the assurance scope)	metric tonnes	226,512	19,471	10,180	34,768	7,561	50,669	349,161	74,875
Water									
Total municipal water withdrawal	m³	14,161,336	746,751	386,193	1,172,114	321,077	1,566,946	18,354,417	2,312,354
Total groundwater withdrawal	m³	185,340	0	0	77,440	0	0	262,780	0
Total water withdrawal	m³	14,346,676	746,751	386,193	1,249,554	321,077	1,566,946	18,617,197 <sup>(R)</sup>	2,312,354

**Notes:**

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

\* The date of sale of the U.S. market is 7 September 2023. Figures for the U.S. before the date of the sale cover the performance until the date of the sale, calculated pro-rata.

# The overall total includes the U.S. figure until the date of sale (7 September 2023). Overall total figures may not align with market data due to rounding.

† Full year figure for U.S. is provided here for comparison purpose only.

<sup>(R)</sup> Denotes sustainability data that has been assured on by Deloitte Touche Tohomatsu. Please refer to the [Limited Assurance Statement](#) for further details.

Environmental Performance

	Unit	Chinese Mainland	Hong Kong SAR	Taiwan Region	Vietnam	Cambodia	U.S. up to date of sale*	Overall total <sup>#</sup>	U.S. (Full year) <sup>†</sup>
Waste									
Recycling- Paper & carton	Kg	2,472,359	266,540	95,941	184,243	63,231	1,336,567	4,418,880	1,926,908
Recycling- Glass	Kg	1,257,774	57,330	142,275	44,912	0	29,110	1,531,401	48,768
Recycling- Plastic Cap	Kg	104,449	17,167	0	0	2,827	0	124,443	0
Recycling- Plastic	Kg	2,115,662	116,098	100,449	368,231	243,119	726,526	3,670,085	1,104,711
Recycling- Metal	Kg	3,698,067	121,526	37,017	63,429	5,392	121,430	4,046,861	187,262
Recycling- Aluminium	Kg	134,989	16,028	19,036	33,238	18,462	369,142	590,894	518,359
Recycling- PET	Kg	1,617,682	113,263	29,962	0	0	302,518	2,063,425	496,154
Recycling- PE film / Shrink film	Kg	420,744	25,450	0	0	21,328	0	467,522	0
Recycling- Wood / Pallet	Kg	457,095	211,680	64,815	36,524	19,807	2,243,417	3,033,338	3,137,788
Recycling- Sludge	Kg	4,654,225	20,519	171,640	938,171	0	0	5,784,555	0
Recycling- Tea slag	Kg	547,202	646,490	0	0	0	0	1,193,692	0
Recycling- Foodscraps	Kg	619,441	0	2,201	0	3,467	0	625,110	0
Recycling- Lubricants & oil	Litres	2,325	6,150	3,383	47,472	600	14,427	74,357	21,062
Recycling- Hazardous waste	Kg	10,352	32,745	15,370	49,844	0	0	108,311	0
Hazardous waste (liquid)	Litres	32,499	600	177	23,611	0	0	56,887	18
Hazardous waste (solid)	Kg	77,360	0	0	19,537	0	0	96,897	0
Commercial / Industrial waste	metric tonnes	2,393	377	129	313	87	184	3,483	283
Waste- Sludge	metric tonnes	2,591	0	0	220	88	0	2,899	0
Packaging - Primary Packaging									
vPET	metric tonnes	215,172	2,762	8,537	17,017	2,238	9,031	254,758	13,186
BioPET	metric tonnes	0	0	0	0	0	0	0	0
rPET	metric tonnes	0	1,789	118	2,366	79	3,221	7,573	4,703
New-returnable glass §	metric tonnes	1,951	56	0	0	0	0	2,007	0
One way glass ‡	metric tonnes	1,180	0	0	0	0	0	1,180	0
Aluminium**	metric tonnes	40,459	4,161	1,841	12,568	3,826	15,340	78,195	22,397
Closures- PP	metric tonnes	0	0	0	0	0	1,281	1,281	1,871
Closures- HDPE	metric tonnes	17,441	413	712	2,021	220	0	20,807	0
Closures- LDPE	metric tonnes	0	29	0	0	0	0	29	0

	Unit	Chinese Mainland	Hong Kong SAR	Taiwan Region	Vietnam	Cambodia	U.S. up to date of sale*	Overall total <sup>#</sup>	U.S. (Full year) <sup>†</sup>
Packaging - Primary Packaging									
Aseptic fibre packs	metric tonnes	236	686	130	0	0	0	1,052	0
Stainless steel crown caps	metric tonnes	649	25	36	0	0	0	710	0
BIB bag	metric tonnes	288	31	105	8	7	0	439	0
PC carboy	metric tonnes	44	190	0	0	0	0	235	0
Primary packaging - total weight	metric tonnes	277,421	10,142	11,479	33,980	6,370	28,874	368,267	42,157
Packaging - Secondary Packaging									
Corrugated boxes, paper trays <sup>###</sup>	metric tonnes	39,811	4,349	4,911	7,779	0	10,824	67,675	15,803
BIB box	metric tonnes	1,984	168	666	139	36	0	2,992	0
Label- OPP	metric tonnes	3,297	52	50	0	28	292	3,719	426
Label- PETG	metric tonnes	2,077	98	507	493	28	0	3,203	0
Shrink film	metric tonnes	397	435	575	3,222	791	0	5,420	0
Secondary packaging - total weight	metric tonnes	47,566	5,102	6,709	11,633	884	11,116	83,009	16,229
Packaging - Tertiary Packaging									
Crates	metric tonnes	82	16	54	0	0	0	152	0
Stretch	metric tonnes	4	67	44	554	62	105	836	153
Tertiary packaging - total weight	metric tonnes	86	83	98	554	62	105	988	153

**Notes:**

\* The date of sale of the U.S. market is 7 September 2023. Figures for the U.S. before the date of the sale cover the performance until the date of the sale, calculated pro-rata.

<sup>#</sup> The overall total includes the U.S. figure until the date of sale (7 September 2023). Overall total figures may not align with market data due to rounding.

<sup>†</sup> Full year figures for the U.S. are provided here for comparison purposes.

§ 51% and 60% recycled contents in the Chinese Mainland and HKSAR, respectively.

‡ 37% recycled content in Chinese Mainland.

\*\* 15%, 9.4% and 3.4% recycled content in the Chinese Mainland, HKSAR and Taiwan Region, respectively. 72% recycled content in U.S. as of 7 September 2023.

<sup>###</sup> 2%, 28%, 66%, 83% recycled content in the Chinese Mainland, HKSAR, Taiwan Region and Vietnam, respectively.



Social Performance

	Head offices	Chinese Mainland	Hong Kong SAR	Taiwan Region	Vietnam	Cambodia	Overall total	U.S. (Full year)†
Workforce Profile								
Number of employees under permanent contract by gender								
Male	92	16,329	933	633	994	580	19,561	6,590
Female	90	8,028	349	252	420	262	9,401	1,474
Total number of permanent employees	182	24,357	1,282	885	1,414	842	28,962	8,064
Number of employees under temporary and fixed term contract by gender								
Male	3	0	11	50	3	0	67	6
Female	3	0	14	23	10	0	50	2
Total number of temporary employees	6	0	25	73	13	0	117	8
Total number of employees	188	24,357	1,307	958	1,427	842	29,079	8,072
Number of employees by age group								
Under 30 years old	22	3,788	232	120	256	226	4,644	2,058
30 to 50 years old	116	18,620	751	626	1,064	589	21,766	4,190
Over 50 years old	50	1,949	324	212	107	27	2,669	1,824
Number of employees by employment category <sup>1</sup>								
Level 1- Individual contributor	66	18,625	987	784	1,093	774	22,329	7,047
Level 2- Team leader	49	3,775	183	137	316	63	4,523	967
Level 3- Operational leader	42	1,899	134	35	14	3	2,127	49
Level 4- Strategic leader	31	58	3	2	4	2	100	9
Gender Equality								
Number of women in the workforce	93	8,028	363	275	430	262	9,451	1,476
Proportion of women in the workforce	49.5%	33.0%	27.8%	28.7%	30.1%	31.1%	32.5%	18.3%
Number of permanent employees by employment category								
Level 1- Individual contributor	61	18,625	962	711	1,080	774	22,213	7,039
Level 2- Team leader	49	3,775	183	137	316	63	4,523	967
Level 3- Operational leader	42	1,899	134	35	14	3	2,127	49
Level 4- Strategic leader	30	58	3	2	4	2	99	9
Number of permanent female employees by employment category <sup>2</sup>								
Level 1- Individual contributor	34	6,302	192	171	309	236	7,244	1,243
Level 2- Team leader	31	1,156	83	65	106	25	1,466	211
Level 3- Operational leader	18	561	73	15	4	0	671	17
Level 4- Strategic leader	7	9	1	1	1	1	20	3
Proportion of permanent female employees by employment category <sup>2</sup>								
Level 1- Individual contributor	55.7%	33.8%	20.0%	24.1%	28.6%	30.5%	32.6%	18%
Level 2- Team leader	63.3%	30.6%	45.4%	47.4%	33.5%	39.7%	32.4%	22%
Level 3- Operational leader	42.9%	29.5%	54.5%	42.9%	28.6%	0.0%	31.5%	35%
Level 4- Strategic leader	23.3%	15.5%	33.3%	50.0%	25.0%	50.0%	20.2%	33%
Percentage of Female Managers	46.3%	30.1%	49.1%	46.6%	33.2%	38.2%	32.0% <sup>(R)</sup>	22.5%
NUMBER OF BOARD MEMBERS (i.e. DEB) <sup>3</sup>								
By gender								
Male	9	0	0	0	0	0	9	0
Female	2	0	0	0	0	0	2	0
By age group								
Under 30 years old	0	0	0	0	0	0	0	0
30 to 50 years old	3	0	0	0	0	0	3	0
Over 50 years old	8	0	0	0	0	0	8	0

	Chinese Mainland	Hong Kong SAR	Taiwan Region	Vietnam	Cambodia	U.S. before date of sale*	Overall total <sup>#</sup>	U.S. (Full year)†
Safety								
Hours worked	59,448,738	3,686,970	2,058,411	4,623,032	2,585,140	11,729,532	84,131,823	17,398,135
Work-related fatalities								
Employee	0	0	0	0	0	0	0 <sup>(R)</sup>	0
Contractor	0	0	0	1	0	0	1 <sup>(R)</sup>	0
Serious injuries (excluding fatalities)								
Number	0	0	0	0	0	0	0	0
Rate	0	0	0	0	0	0	0	0
Lost-time injury (LTI)								
Number	54	7	4	1	2	115	183	146
Rate	0.18	0.38	0.39	0.04	0.15	1.96	0.44 <sup>(R)</sup>	1.68
Medical treatment case (MTC)								
Number	23	3	3	1	0	316	346	448
Recordable work-related injuries								
Number	77	10	7	2	2	431	529	594
Rate	0.26	0.54	0.68	0.09	0.15	7.35	1.26	6.83
Lost days								
Number	3,916	1,307	227	76	6	2,101	7,633	2,250
Rate	13.17	70.90	22.06	3.29	0.46	35.82	18.15	26

	Chinese Mainland	Hong Kong SAR	Taiwan Region	Vietnam	Cambodia	Overall total	U.S. (Full year)†
Community Engagement							
Cash donations (HKD)	694,782	0	900,000	N/A	N/A	1,594,782	14,392,646
Number of charity events	208	47	14	N/A	N/A	269	N/A
Total volunteering hours	127,832	9,239	3,724	N/A	N/A	140,795	9,015

Notes:

\* The date of sale of the U.S. market is 7 September 2023. Figures for the U.S. before the date of the sale cover the performance until the date of the sale, calculated pro-rata.

<sup>#</sup> The overall total includes the U.S. figure until the date of sale (7 September 2023). Overall total figures may not align with market data due to rounding.

† Full-year U.S. figures are provided here for comparison purposes only.

<sup>1</sup> The total number of jobs eligible for inclusion in the level 4 banding is subject to the ongoing level parameter review.

<sup>2</sup> The number of female employees refers to permanent employees only, and the proportion refer to permanent employees only.

<sup>3</sup> The number of Board members refers to members of the Swire Coca-Cola DEB only.

<sup>(R)</sup> Denotes sustainability data that has been assured on by Deloitte Touche Tohomatsu. Please refer to the [Limited Assurance Statement](#) for further details.

# GRI Standards Content Index

Swire Coca-Cola has reported in accordance with the GRI Standards for the period from 1 January 2023 to 31 December 2023.

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 <a href="#">Reporting Methodology</a>
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 3 June 2024.
2-4	Restatements of information	<a href="#">Reporting Methodology</a> <a href="#">SBT Progress Report 2023</a>  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 First Foray into Southeast Asia Managing Sustainable Development – Impacts Along the Value Chain 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.

Disclosure Number		Relevant Chapters of This Report or Other References/Explanation
3. Governance		
2-9	Governance structure and composition	Managing Sustainable Development - Sustainable Development Governance  <a href="#">Swire Pacific Annual Report 2023</a>
2-10	Nomination and selection of the highest governance body	<a href="#">Swire Pacific Annual Report 2023</a>
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  <a href="#">Swire Pacific Sustainable Development Report 2023</a>
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	<a href="#">Swire Pacific Annual Report 2023</a>
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	<a href="#">Swire Pacific Annual Report 2023</a>
2-18	Evaluation of the performance of the highest governance body	<a href="#">Swire Pacific Annual Report 2023</a>
2-19	Remuneration policies	<a href="#">Swire Pacific Annual Report 2023</a>
2-20	Process to determine remuneration	<a href="#">Swire Pacific Annual Report 2023</a>
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 - Our 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	<a href="#">Swire Pacific Sustainable Development Report 2023</a> – External initiatives, charters and memberships
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 – Our Approach to Materiality Assessment Climate  2022 Sustainable Development Report – Our Approach to Materiality Assessment  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.  Our approach is guided by Swire Pacific’s Climate Change Policy and Carbon Offsetting Policy. Climate change is included in our corporate risk register.

Disclosure Number		Relevant Chapters of This Report or Other References/Explanation
GRI 302: Energy 2016		
302-1	Energy consumption within the organization	Climate Performance Tables <a href="#">Reporting Methodology</a>
302-3	Energy intensity	Climate
GRI 305: Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	Performance Tables <a href="#">SBT Progress Report 2023</a>
305-2	Energy indirect (Scope 2) GHG emissions	Performance Tables <a href="#">SBT Progress Report 2023</a>
Water stewardship		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Managing Sustainable Development Water  <a href="#">2022 Sustainable Development Report</a> – Our Approach to Materiality Assessment  Our SWG and Group QSE&S team track water performance metrics and facilitate best practice sharing across the group. We provide regular reports to our leadership team.  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.
GRI 303: Water and Effluents 2018		
303-1	Interactions with water as a shared resource	Managing Sustainable Development – Our Approach to Materiality Assessment Managing Sustainable Development – Impacts Along the Value Chain Water
303-2	Management of water discharge-related impacts	Water
303-3	Water withdrawal	Performance Tables <a href="#">Reporting Methodology</a>
303-5	Water consumption	Performance Tables <a href="#">Reporting Methodology</a>  We assume our water consumption (as defined by GRI) is equivalent our to 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	<div>Managing Sustainable Development Packaging and Waste</div> <div><a href="#">2022 Sustainable Development Report</a> – Our Approach to Materiality Assessment</div> <div>Our overall approach to packaging and waste is integrated into our group-wide sustainable development governance structures.</div>
GRI 301: Materials 2016		
301-1	Materials used by weight or volume	Packaging and Waste Performance Tables
301-2	Recycled input materials used	Packaging and Waste Key Metrics and Targets
GRI 306: Waste 2020		
306-1	Waste generation and significant waste-related impacts	Managing Sustainable Development – Impacts Along the Value Chain Packaging and Waste
306-2	Management of significant waste-related impacts	<div>Managing Sustainable Development – Impacts Along the Value Chain Packaging and Waste <a href="#">Reporting Methodology</a></div> <div><a href="#">2022 Sustainable Development Report</a> – Our Approach to Materiality Assessment</div> <div>Waste data by category is uploaded to our internal data collection platform quarterly by the relevant person in charge in each of our markets.</div>
306-3	Waste generated	Packaging and Waste Performance Tables
306-4	Waste diverted from disposal	<div>Packaging and Waste</div> <div>All hazardous waste is disposed of in line with local regulations.</div>
306-5	Waste directed to disposal	<div>Packaging and Waste</div> <div>All hazardous waste is disposed of in line with local regulations.</div>

Disclosure Number		Relevant Chapters of This Report or Other References/Explanation
Sugar reduction		
GRI 3: Material Topics 2021		
3-3	Management of material topics	<div>Managing Sustainable Development Product Choice</div> <div>2022 Sustainable Development Report – Our Approach to Materiality Assessment</div> <div>Our Public Affairs &amp; Communications team oversees data management relating to our sugar reduction efforts, while our Sales &amp; Marketing team coordinates the execution of our strategy, together with TCCC.</div>
Responsible production and marketing		
GRI 3: Material Topics 2021		
3-3	Management of material topics	<div>Managing Sustainable Development Product Choice</div> <div><a href="#">2022 Sustainable Development Report</a> – Our Approach to Materiality Assessment</div> <div>The Public Affairs &amp; 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.</div> <div>Our QSE and Procurement teams manage 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.</div>
GRI 417: Marketing and Labeling 2016		
417-1	Requirements for product and service information and labeling	<div>Product Choice</div> <div>100% of our significant product categories are covered by and assessed for compliance with our procedures for product information and labelling.</div>
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.



Disclosure Number		Relevant Chapters of This Report or Other References/Explanation
Ethical and sustainable sourcing		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Managing Sustainable Development Sourcing  <a href="#">2022 Sustainable Development Report</a> – Our Approach to Materiality Assessment
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.
Safety		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Managing Sustainable Development Our People  <a href="#">2022 Sustainable Development Report</a> – Our Approach to Materiality Assessment
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 <a href="#">Reporting Methodology</a>

Disclosure Number		Relevant Chapters of This Report or Other References/Explanation
Empowering employees		
GRI 3: Material Topics 2021		
3-3	Management of material topics	Managing Sustainable Development Our People  <a href="#">2022 Sustainable Development Report</a> – Our Approach to Materiality Assessment
GRI 404: Training and Education 2016		
404-1	Average hours of training per year per employee	<a href="#">Swire Pacific Sustainable Development Report 2023</a>
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  <a href="#">2022 Sustainable Development Report</a> – Our Approach to Materiality Assessment  Our group Corporate Communications team is responsible for our CSR Policy and review 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.
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.

# Limited Assurance Statement



Deloitte Touche Tohmatsu  
35/F One Pacific Place  
88 Queensway  
Hong Kong  
  
Tel: +852 2852 1600  
Fax: +852 2541 1911  
Email: enquiry@deloitte.com.hk  
www.deloitte.com/cn

**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 2023 (the "SD Report 2023") and as selected by SCC.

**Data Points**

The Data Points are as follows:

**Environmental**

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

**Social**

- 1. Total work-related fatalities (employee)
- 2. Total work-related fatalities (contractor)
- 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 2023 (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 Management 1, "Quality Management for Firms that Perform Audits and Reviews of Financial Statements, or Other Assurance or Related Services Engagements" and, accordingly, maintains a comprehensive system of quality control, including documented policies & 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" (together, the "Standards"), issued by the International Auditing and Assurance Standards Board.

The Standards require that we comply with ethical requirements, and plan and perform the engagement to obtain limited assurance as to whether any matters that come to our attention that cause us to believe that the Data Points do not comply in all 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 2023;
- 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 2023. 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.

**Other Information**

SCC disposed of its operations in the US, Swire Coca-Cola USA, on 7 September 2023. The Data Points that we have assured for the year-ended 31 December 2023 include activities of the US operations up to 7 September 2023 only, as consolidated and shown in the table in the Appendix to this letter and in the Performance Table on page 64 of the SD Report 2023. For indicative and comparative purposes, SCC has provided separately a column in Performance Table which consolidates the results for the US operations for the full year-ended 31 December 2023. The SCCUS full year data under the standalone column have not been assured by us.

**Conclusion**

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

*Deloitte Touche Tohmatsu*

**Deloitte Touche Tohmatsu**  
Certified Public Accountants  
Hong Kong  
  
30 May 2024

**Appendix I - Data Point Table**

Environmental			
	Unit	Total	
Total energy consumption (excludes sales & distribution centres)	MJ	3,987,188,172	R
Total greenhouse gases emissions (CO2e) (Scopes 1 & 2, excluding emissions from refrigerants and sales & distribution centres)	metric ton	335,353	R
Total water withdrawal – municipal and groundwater	cubic meter	18,617,197	R
Renewable energy – purchased externally from utility companies	MJ	471,600,054	R
Renewable energy – generated onsite	MJ	95,814,602	R
Social			
Total work-related fatalities (employee)		0	R
Total work-related fatalities (contractor)		1	R
Lost time injury rate (LTIR)		0.44	R
Diversity and Inclusion			
Percentage of female managers	%	32*	R

Note:  
R. These Data Points were subject to limited assurance by Deloitte Touche Tohmatsu. They include results for Swire Coca-Cola USA only for the period before 7 September 2023, when it was divested.  
\*. This Data Point has excluded the SCCUS full year data.