

# FUTURE READY

LIFT  
COCA-COLA  
SPRITE  
PUMP  
JIM BEAM  
GRINDERS  
SPC  
FRESTEA  
L&P  
COORS  
CANTA

Contents	Page
About This Report	2
Assessing What is Important	3
2017 Highlights	4
Coca-Cola Amatil Overview	6
Where We Operate	10
Sustainability at Coca-Cola Amatil	12
Sustainability Progress and Commitment	14
2020 Goals and Strategy Development Process	16
Our People	18
Wellbeing	30
Environment	40
Our Community	58
Stakeholder Engagement	71
Global Reporting Initiative Contents Index	74
Directories	76

At Coca-Cola Amatil our focus is on today and tomorrow, knowing we have the ability to make a difference and to do this in our own way.

We are committed to making a distinctive and positive contribution to the world in which we live. This means that with each decision we seek to deliver the best outcomes for our people, consumer choice and wellbeing, our environment, our communities as well as our shareholders.

Coca-Cola Amatil's sustainability framework focuses on four pillars: our people, wellbeing, environment, and our community.

# ABOUT THIS REPORT

The Coca-Cola Amatil 2017 Sustainability Report outlines performance and progress against the sustainability focus areas which we consider to be the most important to our business and stakeholders. The scope of this report is as follows:

## TIMEFRAME

The 2017 Sustainability Report covers calendar year 1 January 2017 to 31 December 2017, the same as Coca-Cola Amatil's financial year. This is the third annual Sustainability Report published by Coca-Cola Amatil since 2015 when public sustainability reporting was reintroduced and enhanced to include all Businesses reporting against all pillars in the sustainability framework.

## STRUCTURE

This report details the material aspects informed by stakeholder expectations and follows the Coca-Cola Amatil sustainability framework outlined in the section 'Sustainability at Coca-Cola Amatil'.

## BASELINES

This report focuses on performance compared to the 2016 Sustainability Report, which detailed performance in the 2016 calendar year. In some focus areas we are working from baselines prior to 2016 and use these to show longer-term performance trends. Each focus area has its own baseline according to the relevant period to enable meaningful comparisons in performance.

In some focus areas we are aligning with broader objectives and timeframes set in consultation with our brand partners, including The Coca-Cola Company. In other focus areas our baseline accords with the availability of historical data following business and brand acquisitions. Going forward, we aim to align baselines across our reporting framework as we improve the availability of comparable data for the same reporting period in each of our focus areas.

## GOALS AND FUTURE COMMITMENTS

In 2017 we set new 2020 goals and are already reporting on progress against most of these in this report. We intend to provide comprehensive reporting against all our 2020 goals in future annual Sustainability Reports.

## COVERAGE OF BUSINESSES, GEOGRAPHIES, AND PARTNERS

Our Sustainability Report presents data at Group-level covering all Businesses and countries of operation. Where meaningful, Business-specific or country-specific details are also provided.

Our environmental data covers manufacturing and supply chain, and excludes non-material aspects such as corporate offices, and is split into the major product classes:

- Non-alcoholic beverages
- Food & Coffee
- Brewing (where co-located, beer is split from non-alcoholic beverages) & Distilling

This approach is different to our financial reporting structure to allow for meaningful benchmarking of our sustainability performance, particularly as it relates to water and energy usage and efficiencies.

Our strong partnerships, particularly with The Coca-Cola Company, result in many shared sustainability initiatives and goals. Where outcomes are the result of joint activity we have explained the nature of this shared responsibility in this report.

## GUIDANCE ON REPORTING

We are guided by the *Global Reporting Initiative Standards (GRI Standards)* framework, and stakeholder feedback on previously published reports. The 'Global Reporting Initiative Contents Index' at the back of this report details the specific standards we are reporting against. We are working actively to continually improve our reporting quality and are identifying ways to address the gaps we have in our current reporting.

In 2017 Coca-Cola Amatil became a member of LBG (formerly the London Benchmarking Group), which provides guidance on the measurement and disclosure of community investment and impact. LBG worked with Coca-Cola Amatil to verify our understanding and application of the LBG model in 2017.

## COMMITMENT TO REPORTING AND CONTINUAL IMPROVEMENT

Coca-Cola Amatil is committed to reporting our sustainability performance annually. This commitment is aligned with The Coca-Cola Company's global sustainability commitments and approach. To support this, we are improving our data and information collection processes to ensure better quality data and insights. Coca-Cola Amatil is also embarking on an assurance plan to meet full verification and assurance of report data by 2020. We will continue to engage our internal and external stakeholders to inform our understanding of sustainability risks and opportunities, and further enhance our approach to sustainability performance and reporting.

# ASSESSING WHAT IS IMPORTANT

The starting point for developing our sustainability framework and reporting approach was to work with internal and external stakeholders to determine priority areas. A materiality assessment was conducted in 2015 to understand which areas were the most important and where we could have the greatest impact. The result of this assessment is shown in the diagram, where we have mapped material issues against the *GRI Standards* framework and against the four pillars of our sustainability framework – Our People, Wellbeing, Environment and Our Community.

In 2017, our material issues in sustainability are consistent with this earlier assessment and the issues presented in the 2015 and 2016 Sustainability Reports.

“  
**A MATERIALITY ASSESSMENT WAS CONDUCTED IN 2015 TO UNDERSTAND WHICH AREAS WERE THE MOST IMPORTANT AND WHERE WE COULD HAVE THE GREATEST IMPACT**  
”



## Materiality Assessment

In 2017, our material issues in sustainability are consistent with the issues presented in the 2016 Sustainability Report and we have mapped them to the *GRI Standards* framework material aspects and the four pillars of our sustainability framework.

1 Water Stewardship	6 Post Consumer Recycling	11 Consumer Health & Wellbeing	Our People
2 Responsible Procurement (Environment)	7 Sustainable Packaging	12 Manufacturing Waste & Recycling	Environment
3 Human Rights (Our People)	8 Ethical Labour Practices	13 Human Rights (Our Community)	Wellbeing
4 Carbon Emissions	9 Philanthropy & Foundations	14 Biodiversity	Our Community
5 Diversity	10 Marketing practices	15 Value Chain Carbon Footprint	

# 2017 HIGHLIGHTS

We are proud of our sustainability achievements in 2017 reflecting focused efforts and proactive engagement with our people, customers, consumers, governments and community partners in each of our countries of operation. Our commitment to continual improvement is further strengthened with the publication of new targets for improved sustainability outcomes by 2020.

## OUR PEOPLE

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**73%**

Reduced employee injuries  
by 73 per cent since 2012

**31%**

31 per cent of our Senior Executives and  
37.5 per cent of our Board are female

## BEST EMPLOYER

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Coca-Cola Amatil New Zealand awarded  
Best Employer in Australia and New  
Zealand for the second year in a row





## WELLBEING

**28** reformulation releases

Together with Coca-Cola South Pacific, released 28 reformulated non-alcoholic beverages with reduced sugar in Australia and New Zealand since 2015

**COCA-COLA  
NO SUGAR**

Launched Coca-Cola No Sugar in Australia and New Zealand

## ENVIRONMENT

**19%**

Reduced the carbon footprint of the non-alcoholic 'drink in your hand' by 19 per cent since 2010

**100%**

Mount Franklin 600ml bottle in Australia is now made from 100 per cent recycled plastic (rPET)

**35m kg**

Celebrated 10 years of the Bali Beach Clean Up program which has removed more than 35 million kilograms of rubbish

## OUR COMMUNITY

**A\$5.8m**

Over A\$5.8 million invested in 2017 in community programs, which equates to 0.9 per cent of EBIT

**A\$1.2m**

Spent A\$1.2 million with social enterprises on 2017 in Australia supporting employment opportunities for disadvantaged groups

**A\$1.1m**

10 years of the Grinders and Fairtrade partnership has contributed over A\$1.1 million to disadvantaged communities globally

# COCA-COLA AMATIL OVERVIEW





# PRINCIPAL ACTIVITIES

Coca-Cola Amatil is one of the largest bottlers and distributors of non-alcoholic and alcoholic ready-to-drink beverages in the Asia-Pacific region, and one of the world's larger bottlers of The Coca-Cola Company's range of products.

As both brand partner and brand owner, we operate across six countries – Australia, New Zealand, Indonesia, Papua New Guinea, Fiji and Samoa – to manufacture, distribute and sell an unrivalled range of beverages, coffee and ready-to-eat food snacks.

With decades of experience, we do this safely and responsibly, and are proud that our products delight millions of people every day.

With access to more than 270 million potential consumers through more than 950,000 active customers, our product range includes non-alcoholic sparkling beverages, spring water, sports and energy drinks, fruit juices, iced tea, flavoured milk, coffee, tea, beer, cider, spirits and ready-to-eat fruit and vegetable snacks and products.

We are committed to leading through innovation, and to building a sustainable future, capturing growth and delivering long-term value to our shareholders.

We employ around 13,000 people and create thousands more jobs in the communities in which we operate. Across this team we work as one, united by a shared Vision and common Values. We know that our diverse workforce is our greatest strength, and makes us the vibrant company we are today.

## OUR VISION

### EVERY DAY WE CREATE MILLIONS OF MOMENTS OF HAPPINESS AND POSSIBILITIES.

Our Vision drives everything we do. It unites all of us and focuses our energy. It reflects the scale of our business and the millions of people we connect with directly and through our products. It's about what we do every day and about the possibilities we are creating for the future.

#### FOR OUR CONSUMERS

we delight with an exceptional portfolio of brands, always within arm's reach

#### WE CREATE VALUE

with our Partners, built on common purpose

#### WITH OUR CUSTOMERS

we build unrivalled shared value and generate growth

#### IN OUR COMMUNITY

we make a distinctive and positive contribution to the world in which we live

#### WE DRIVE

productivity and a lean agile cost structure

#### FOR OUR SHAREHOLDERS

we deliver attractive sustainable returns

## OUR VALUES

Our Values define how we work together. They guide our behaviours and our decisions, every day.

#### WE ARE STRAIGHTFORWARD AND OPEN

#### WE TAKE INITIATIVE AND OWN THE OUTCOME

#### WE FOCUS ON TODAY AND TOMORROW

# OUR GROUP STRATEGY

Our Group strategy is our blueprint for success. It positions us to capture growth and deliver long-term value. We know that our markets will continue to change. We are confident in our ability to navigate this changing environment, with the three pillars of our Group Strategy – Perform, Grow and Strong Organisation – as our foundation.

## PERFORM

The Perform pillar is guided by our shareholder value proposition and is our primary day-to-day focus. The three strategic themes within this pillar – Lead, Execute, Partner – were defined as part of our 2014 strategic review and are the basis on which our businesses structure their plans.

### LEAD

#### Strengthening Category Leadership Position

- Leading brands in each of our major categories in each market
- Up-weighted levels of innovative marketing continually strengthening brand equity
- Evolving portfolio that adapts to changing consumer preferences

### EXECUTE

#### Step Change in Productivity and In-Market Execution

- World-class customer servicing capability
- Route-to-market that provides customer diversification and competitive advantage
- Effective leverage of our large-scale, low-cost manufacturing, sales and distribution capability

### PARTNER

#### Better Alignment with The Coca-Cola Company and Our Other Partners

- Shared vision of success and aligned objectives
- Joint plans for growing System profitability
- Balanced share of risk and rewards

## GROW

Our Grow pillar positions us to deliver long-term sustainable returns to our shareholders as we look within, between and beyond our existing business for opportunities to grow our portfolio of brands and businesses.

### GROWTH WITHIN

We constantly challenge ourselves to find additional growth opportunities within our business. Our value-creating partnerships give us many powerhouse brands that we can leverage by extending brands and capabilities in our route-to-market models.

### GROWTH BETWEEN

Increasingly we seek to leverage growth between our businesses by combining capabilities from across business segments. Current examples include the launch of coffee in Indonesia and the several opportunities we have in international beer and rum with exports from Fiji to Australia and New Zealand.

### GROWTH BEYOND

It is also important that we explore opportunities beyond our current businesses. These opportunities may take the form of additional Coca-Cola territories, extending Coca-Cola Amatil brands and capabilities to new geographies or other potential acquisitions to further strengthen capabilities. We are exploring additional opportunities and technologies targeting customer and consumer needs.

## STRONG ORGANISATION

Building a strong organisation, based on three principles, is fundamental to our ability to deliver our performance and achieve our growth aspirations.

### FIT FOR PURPOSE

#### Develop a Fit For Purpose Organisational and Governance Structure

We are a strong organisation built on firm foundations to deliver against our strategy.

We develop structures that reflect our strategic priorities and the changing needs of all our stakeholders. Recently, this has included the creation of additional capabilities and functions: Partners & Growth and Group Information Technology functions as well as a Property Division to take a group-wide approach to all our owned and leased property arrangements.

### LEADERSHIP

#### Drive Leader-Led Growth

We are a talent-led organisation. Executing our strategy and achieving our goals is dependent on the abilities, behaviour and motivation of our people.

We have built a high-performance culture, supported by initiatives that aim to empower and develop our people.

We invest in this capability to ensure that we not only attract and retain skilled and quality people but that we also provide our people with the appropriate support to develop, implement and deliver our business objectives.

### TRUST AND REPUTATION

#### Build Trust and Our Reputation with Stakeholders

We set ourselves stretching goals to ensure that we live up to the expectations of all our stakeholders, not just today but also in the future.

We have a group-wide sustainability framework as well as ambitious business and financial targets for the company.



# OUR BRAND PARTNERS

We have a long and proud history of working closely with brand partners to manufacture, sell and distribute a leading range of brands and products. We work with each partner to make sure we grow our businesses together, on a foundation of collaboration and trust.

Coca-Cola Amatil has a long-standing relationship with The Coca-Cola Company, which is both a shareholder and brand owner. We are proud to have been a Coca-Cola bottler and distributor since 1965.

Our relationship with The Coca-Cola Company has evolved over the years, driven by the need for agility, responsiveness and proximity to the customer and consumer.

Our relationship is marked by a new level of financial and strategic alignment as well as a shared vision of growth that positions us to win in increasingly competitive and fast-paced operating environments.

We are also proud to work with other brand partners including Monster, Beam Suntory, Molson Coors International, Casella Family Brands and Australian Beer Company, C&C Group, Chilli Brands, Boston Beer Company, and Caffitaly.










# WHERE WE OPERATE

When you look across the six countries in which we operate, you see a fascinating numbers game at play. Around 13,000 employees ensure that up to 270 million potential consumers are able to get their hands on one of the 130+ brands we distribute and they love, via one of our 950,000+ customers, on any day.








With 46 warehouse facilities and 36 production facilities, we're able to create a range of beverages that is second to none...that's no mean feat!

## INDONESIA

 8	 37
 13	 9
 832,000	 6,300
 347,000	








**270m POTENTIAL CONSUMERS**  
**950,000+ CUSTOMERS**  
**13,000+ EMPLOYEES**  
**130+ BRANDS**  
**46 WAREHOUSES**  
**36 PRODUCTION FACILITIES**  
**6 COUNTRIES**  
**1 COCA-COLA AMATIL**

## KEY








	Production facilities
	Warehouses
	Production lines
	Brands
	Customers (approx.)
	Employees (approx.)*
	Coolers

\*Excluding contractors







## PAPUA NEW GUINEA

 2	 6
 7	 10
 12,500	 740
 16,600	

## FIJI

 1	 4
 2	 16
 3,000	 300
 3,900	








## ALCOHOL & COFFEE<sup>1</sup>

 9	 22
 5	 103 <sup>2</sup>
 2,250	 750 <sup>3</sup>








## SPC

 2	 29
 1	 7
 500	

## AUSTRALIAN BEVERAGES

 10	 34
 15	 26
 115,000	 3,500
 135,000	

## NEW ZEALAND

 4	 11
 3	 30
 16,000	 1,000
 27,000	

- 1 Includes all Alcohol & Coffee operations across Australia, New Zealand, Fiji, Samoa and Indonesia, and excludes shared facilities with other Coca-Cola Amatil businesses.
- 2 Includes all brands distributed by Coca-Cola Amatil both as brand owner and brand partner, including those distributed under agreement with Beam Suntory, Molson Coors & Chilli Marketing.
- 3 Including contractors.



# SUSTAINABILITY AT COCA-COLA AMATIL

Coca-Cola Amatil is committed to making a distinctive and positive contribution to the world in which we live. This means that with each decision we seek to deliver the best outcomes for our people, consumer choice and wellbeing, our environment, our communities as well as our shareholders.

Coca-Cola Amatil's sustainability framework focuses on four pillars: Our People, Wellbeing, Environment, and Our Community.

We report in detail our performance and commitments against each of these through our annual Sustainability Report. In 2017 Coca-Cola Amatil conducted a strategic review of each of the four pillars within its sustainability framework and developed a set of strategies and public goals out to 2020. These 2020 goals are aligned with, and embedded in, our broader business strategies to deliver long-term sustainable business value. The goals have been developed considering the expectations of all key stakeholders – our people, our partners, our communities, our customers and our investors – and focusing on those areas that are the most material and where we can make the most difference.

## Governance and Management of Sustainability

From the Board to the Group Leadership Team, Group functions to the Businesses, at Coca-Cola Amatil we are committed to continual improvement and acting responsibly to support a better future for all our stakeholders.

The Coca-Cola Amatil Board is committed to achieving the highest standards of corporate governance and business conduct. The Board sees this commitment as fundamental to the sustainability and performance of our business and to enhancing shareholder value.

The purpose of the Board Risk & Sustainability Committee is to assess the effectiveness of Coca-Cola Amatil's risk and compliance management framework. Specifically the Committee is responsible for:

- reviewing all of Coca-Cola Amatil's key risks to confirm the effectiveness of Coca-Cola Amatil's risk management system, including the review of:
  - Coca-Cola Amatil's overall risk profile; and
  - strategies to mitigate material risks across Coca-Cola Amatil;
- reviewing and monitoring compliance with Coca-Cola Amatil's legal and regulatory responsibilities, internal policies and industry standards;
- approving Coca-Cola Amatil's policies and standards which reflect on Coca-Cola Amatil's reputation; and
- reviewing and monitoring social and reputational issues that may have an impact on Coca-Cola Amatil.

Coca-Cola Amatil's Risk & Sustainability Committee is chaired by Catherine Brenner and includes Ilana Atlas, John Borghetti, Martin Jansen, Krishnakumar Thirumalai and Mark Johnson.

Management decisions in relation to sustainability are made by the Group Managing Director, Group Leadership Team and individual members of management who have direct authority. Across the Group functions and within each Business, our health, safety, supply chain, environment, human resources, procurement, and public affairs, communications and sustainability teams are responsible for the day-to-day implementation, management, monitoring and reporting of specific initiatives. The sustainability governance model is represented in the diagram to the right.

The pillars of our sustainability framework are broken down into focus areas, based on materiality to long-term business sustainability as illustrated in the Sustainability Framework diagram to the right.

In addition to the four pillars, there are cross-cutting themes which are relevant across multiple pillars, including human rights, indigenous engagement and responsible sourcing.

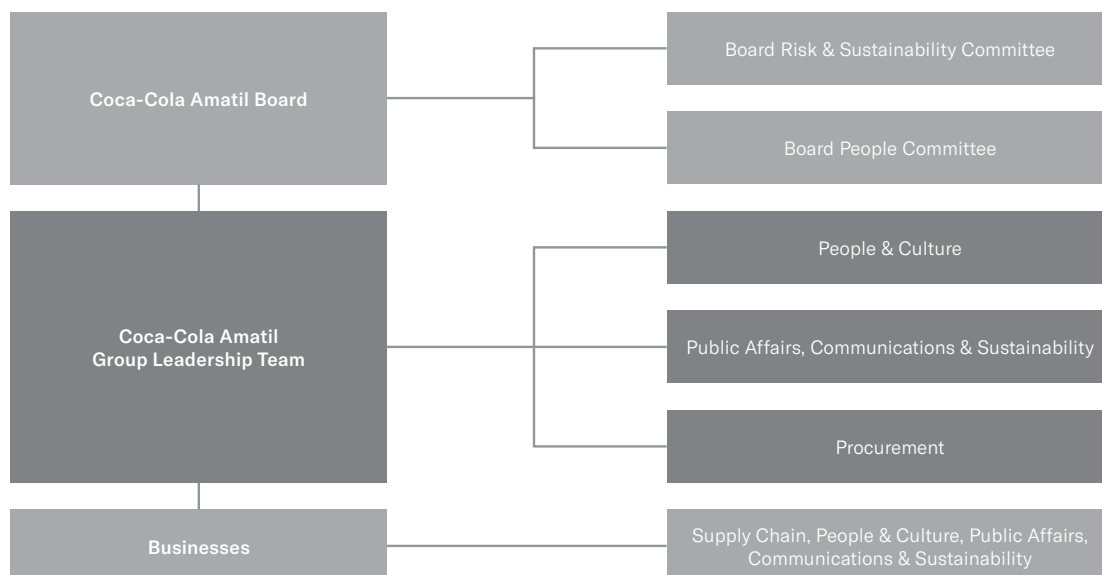
## Continual Improvement

Coca-Cola Amatil is committed to developing and implementing a plan for continual improvement on material aspects based on product category and country of operation. Where appropriate, Group-wide targets for performance measurement are applied across all product categories and countries of operation. Throughout the 2017 Sustainability Report there are areas for improvement as well as exceptional performances within individual businesses that can be considered for broader application across the Group. The *GRI Standards* framework enables us to continually measure progress as we work towards making a distinctive and positive contribution.

Setting performance measures that focus on continual improvement in material aspects based on product category and country of operation, ensures meaningful outcomes. In 2017 we set new 2020 goals and will report on progress against these in future reports.

We will continue to engage our internal and external stakeholders to inform our understanding of sustainability risks and further enhance our approach to sustainability performance and reporting.

## SUSTAINABILITY GOVERNANCE MODEL



## SUSTAINABILITY FRAMEWORK - OUR PILLARS AND CROSS-CUTTING THEMES

	OUR PEOPLE	WELLBEING	ENVIRONMENT	OUR COMMUNITY
	<ul style="list-style-type: none"> <li>Health, safety and wellbeing</li> <li>Diversity, engagement and human rights</li> </ul>	<ul style="list-style-type: none"> <li>Choice</li> <li>Information</li> </ul>	<ul style="list-style-type: none"> <li>Water</li> <li>Climate change and energy</li> <li>Packaging neutrality</li> <li>Biodiversity</li> <li>Responsible sourcing</li> </ul>	<ul style="list-style-type: none"> <li>Philanthropy and partnerships</li> <li>Employee volunteering and giving</li> <li>Disaster relief and resilience</li> <li>Business for development</li> </ul>
<b>Human Rights</b>	<ul style="list-style-type: none"> <li>Health, safety and wellbeing</li> <li>Diversity, engagement and human rights</li> </ul>	<ul style="list-style-type: none"> <li>Choice</li> <li>Information</li> </ul>	<ul style="list-style-type: none"> <li>Water</li> <li>Climate change and energy</li> <li>Packaging neutrality</li> <li>Biodiversity</li> <li>Responsible sourcing</li> </ul>	<ul style="list-style-type: none"> <li>Philanthropy and partnerships</li> <li>Business for development</li> </ul>
<b>Indigenous Engagement</b>	<ul style="list-style-type: none"> <li>Diversity, engagement and human rights</li> </ul>	<ul style="list-style-type: none"> <li>Choice</li> <li>Information</li> </ul>		<ul style="list-style-type: none"> <li>Business for development</li> </ul>
<b>Responsible Sourcing</b>			<ul style="list-style-type: none"> <li>Responsible sourcing</li> </ul>	<ul style="list-style-type: none"> <li>Business for development</li> </ul>

# SUSTAINABILITY PROGRESS AND COMMITMENT

## A MESSAGE FROM THE CHAIRMAN & GROUP MANAGING DIRECTOR

We are delighted to present the Coca-Cola Amatil 2017 Sustainability Report. We are proud of the distinctive and positive contribution Coca-Cola Amatil makes across the four pillars of our sustainability framework – Our People, Wellbeing, Environment and Our Community.

We are pleased to report on achievements in 2017 in areas as diverse as solar energy in Fiji, community investment in Indonesia, and product reformulation in Australia and New Zealand. These initiatives demonstrate our willingness to be an active and engaged community partner, and to shape our future through proactive collaboration with customers, consumers, and governments in each of our markets.

In Australia, the year also saw the introduction of the Container Deposit Scheme (CDS) in New South Wales, with other schemes planned in Queensland, the Australian Capital Territory, and Western Australia. We engaged with government and others in the development phase of the New South Wales Scheme, with a view to ensuring that the CDS operated efficiently and with minimal impact on consumers and manufacturers.

Hand in hand with The Coca-Cola Company, we worked closely with government and consumers to address community concerns in relation to consumer wellbeing, particularly in Australia and New Zealand. We are a consumer-centric Company and aim to provide the product choice that consumers want. We recognise and welcome the opportunity to play our part in reducing obesity. That means more low- and no-sugar products, smaller pack sizes, and new products in different categories.

In partnership with The Coca-Cola Company, we support the World Health Organisation recommendation of no more than 10 per cent of daily energy from added sugars.

We are also committed to reducing the sugar intensity across our Australian and New Zealand non-alcoholic portfolio by 10 per cent by 2020. Progress against this objective will be published on our website and in each annual Sustainability Report.

As we continue with our work on wellbeing, we are committed to being transparent in what we do, ensuring we deliver effective change in relation to consumer choice and information.

With guidance and support from the Risk & Sustainability Committee, the Board is pleased to confirm our 2017 performance and our commitments and goals for the future.

### Our Performance

In 2017 Coca-Cola Amatil delivered on our commitments from 2016 and we are particularly pleased to highlight the achievements in areas that are of interest to our stakeholders:

- Group *Human Rights Policy and Anti-Bribery & Corruption Policy* released in December 2017
- Increased range of low- and no-sugar beverages in Australia, New Zealand and Indonesia
- Leadership role in container recovery and litter reduction schemes in Australia, Indonesia and Fiji
- Reduced total water use across all Businesses by five per cent compared to the prior year and reduced manufacturing carbon emissions by more than nine per cent over the same period
- Over A\$5.8 million in cash, product, management costs and volunteering support for over 150 community investment activities across the Coca-Cola Amatil Group in 2017, equivalent to 0.9 per cent of 2017 EBIT

### Our Commitment

Coca-Cola Amatil has strengthened our sustainability commitments and set targets to achieve by 2020, including:

- A commitment to our people to have at least 30 per cent of Board, Senior Executive and Management positions held by women and to improve depth and breadth of representation across all functions and Businesses
- A commitment to consumers to measure the sugar intensity of our portfolio in all countries of operation and target a 10 per cent sugar reduction in our portfolios in Australia and New Zealand<sup>1</sup>
- A commitment to the environment to reduce the carbon footprint of the 'drink in your hand' by 25 per cent from 2010
- A commitment to our communities to allocate the equivalent of 1 per cent of EBIT to community investment programs

We look forward to reporting progress against these goals, and the other goals we have set, in future annual Sustainability Reports and invite further conversations with stakeholders to exchange views and inform our priorities.

### Human Rights at Coca-Cola Amatil

Respect for human rights is fundamental to our business. We are committed to ensuring our workplace, our supply chain and our community is safe, lawful, and diverse – respectful and responsible everywhere, every day.

This means, we identify, prevent, and mitigate adverse human rights impacts resulting from or caused by our business activities, before or if they occur. This is done through human rights due diligence and mitigation processes.

<sup>1</sup> Sugar intensity is portfolio-wide weighted volume average total sugar content g/100ml, with a baseline of Moving Annual Total (MAT) 1 January 2016.

To formalise this position, Coca-Cola Amatil released a Group-wide *Human Rights Policy* in 2017, which applies to everyone at Coca-Cola Amatil. This policy was developed over several months by a cross-functional working group seeking to ensure that the policy meets expectations of employees, contractors, customers, consumers and suppliers as well as regulators and non-government organisations.

Our achievements across our four sustainability pillars, together with the economic benefit we bring to the communities and countries in which we operate, reflect our total contribution. We directly employ more than 13,000 people, engage more than 30,000 contractors, and support a broad suite of industries including sugar, fruit, dairy, construction, logistics, and technology. Our objective in all we do, is to leave a positive and sustainable legacy, fostering thriving, viable communities – financially, socially, and environmentally.

We would like to extend our thanks to everyone who participated in the achievement of the 2017 sustainability results, and look forward to another successful year in 2018 and continued focus on longer term sustainability goals.



**Ilana Atlas**  
Chairman



**Alison M. Watkins**  
Group Managing Director



# 2020 GOALS AND STRATEGY DEVELOPMENT PROCESS

Coca-Cola Amatil's sustainability framework is becoming embedded in our organisation as we report performance and set goals for continual improvement in our four pillars – Our People, Wellbeing, Environment and Our Community. Our aspiration for sustainability is to build it into our culture and business practices, as an approach to business challenges.

We have made significant progress in the past two years in both sustainability performance and reporting and are now well positioned to make confident public commitments for sustainability outcomes to be achieved by the end of 2020. Long-term sustainability will come from enhanced integration of our sustainability pillars into business planning.

Our commitments and targets for 2020 have been developed in consideration of stakeholder feedback and materiality assessment based on business priorities and emerging issues in our operating environment. We consulted widely with stakeholders, including The Coca-Cola Company, which works closely with bottling partners to achieve global commitments aligned with the United Nations Sustainable Development Goals.

Coca-Cola Amatil is committed to achieving the following outcomes by 2020<sup>1</sup>:

- Implement and embed our *Human Rights Policy*;
- Have a zero-harm workplace;
- Have at least 30 per cent of Board, Senior Executive and Management positions held by women and improve depth and breadth of representation across all functions and Businesses;
- Measure the sugar intensity of our non-alcoholic beverages portfolio in all countries of operation and reduce total sugar intensity<sup>2</sup> by 10 per cent in Australia and New Zealand (compared to 2016);
- Improve water intensity for non-alcoholic beverages to achieve no more than 1.95L/L and target a 25 per cent improvement in water efficiency for alcoholic beverages (compared to 2013) and food (compared to 2010);

- Reduce the carbon footprint of the 'drink in your hand' by 25 per cent (compared to 2010);
- Use 60 per cent renewable and low-carbon energy in our operations;
- Develop the business case for 50 per cent recycled plastic in PET containers in Australia including carbonated soft drinks;
- Screen 80 per cent of supplier spend with responsible sourcing assessments; and
- Allocate the equivalent of one per cent of EBIT to community investment programs.

In making these commitments and targets, we understand that our license to operate in a global market is assessed by all stakeholders against both global benchmarks and local context. We aim to have a sustainable business, rather than a series of sustainability initiatives. Our reputation with employees, brand partners, investors, customers and consumers, is inextricably linked to our ability to deliver on our business strategy in a sustainable way.

Prior to August 2016, Coca-Cola Amatil had not reported sustainability performance since 2013 and there was no practice of reporting on all Businesses or countries of operation. In 2016 Coca-Cola Amatil committed to an enhanced approach to sustainability reporting with more data and analysis on the sustainability performance of all our Businesses and a transition towards the *Global Reporting Initiative Standards (GRI Standards)* framework. We also committed to annual reporting and participation in the Carbon Disclosure Project for Energy and Carbon and Water. Our 2016 Sustainability Report *Making Tomorrow Stronger Together* (published in 2017), included public commitments to define Group-wide sustainability strategies for Wellbeing, Environment and Our Community and we also committed to develop an overarching *Human Rights Policy*, all of which we are pleased to report have been finalised.

We will continue to listen to stakeholders and demonstrate that we hear what they are saying, by reflecting their opinions in our business plans and future commitments and targets beyond 2020, so that:

- we attract and retain the right talent for our business
- investors understand our brand, our purpose and values
- we are trusted by partners, customers, consumers, shareholders
- our products are relevant to people, consumers and markets
- we are accepted and respected by stakeholders in our operating environment

We also seek to continue to improve the quality of our reporting in terms of data verification and assurance, and mapping reporting outcomes against the *GRI Standards* and United Nations Sustainable Development Goals.

<sup>1</sup> All targets/aims are to be achieved by end of 2020 or earlier where possible.

<sup>2</sup> Sugar intensity is portfolio-wide weighted volume average total sugar content g/100ml.



# OUR 2020 GOALS

BETWEEN NOW AND THE END OF 2020  
COCA-COLA AMATIL AIMS TO:



Implement and embed our *Human Rights Policy*



Have a zero-harm workplace



Have at least 30% of Board, Senior Executive and Management positions held by women and improve depth and breadth of representation across all functions and Businesses



Measure the sugar intensity of our non-alcoholic beverages portfolio in all countries of operation and reduce total sugar intensity by 10% in Australia and New Zealand (compared to 2016) (Sugar intensity is portfolio-wide weighted volume average total sugar content g/100ml)



Improve water intensity for non-alcoholic beverages to achieve no more than 1.95L/L and target a 25 per cent improvement in water efficiency for alcoholic beverages (compared to 2013) and food (compared to 2010)



Reduce the carbon footprint of the 'drink in your hand' by 25% (compared to 2010)



Use 60% renewable and low-carbon energy in our operations



Develop the business case for a weighted average of 50% recycled plastic in PET containers across the Australian portfolio including carbonated soft drinks



Screen 80% of supplier spend using responsible sourcing criteria



Allocate the equivalent of 1% of EBIT to community investment programs





# OUR PEOPLE



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## OUR COMMITMENT

At Coca-Cola Amatil we know that our success as an organisation depends on our people. We are proud of our culture and values, and the distinctive and positive contribution our people make to the world we live in. Across diverse regions and Businesses, we focus on attracting, developing, retaining and engaging people who bring different experiences, thinking, attitudes, opinions, and ideas. We also focus on keeping them safe, well, and supported.

Human rights has always been a priority, and with the launch of our *Human Rights Policy* in 2017, we have ensured that our commitment is clear, particularly our commitment to our own people.

Our overall commitment to, and expectations of, our people has been brought together in our *People Pact* which is statement of what we will achieve together. It is structured around the things our people have told us matter most to their engagement and our organisational success. These include: Our Vision and Strategy, Our Values, Leadership, Our Contribution, Our Brands, and celebrating our #onlyatamatil moments. The *People Pact* brings all of these aspects together and celebrates the concept of “together we will”.

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## OUR APPROACH

Material aspects and priorities have been identified in our Coca-Cola Amatil *Group-wide Health and Safety Management Framework* and Diversity and Inclusion strategy. We also ensure that each Business sets their own objectives and priorities on these aspects considering the needs of their people, business, markets, customers, consumers, partners, and communities. The Board Risk & Sustainability Committee oversees the *Group-wide Health and Safety Management Framework* and achievements. The Board People Committee is engaged with monitoring the outcomes from our Diversity and Inclusion strategy. All people programs are guided by regulatory requirements and relevant company policies including the Coca-Cola Amatil *Group-wide Code of Conduct – How We Do Business*, *Health, Safety & Wellbeing Policy*, *Gender Diversity Policy*, *Human Rights Policy*, *Whistleblower Protection Policy*, *People Pact*, *Domestic and Family Violence Policy* (Australia), and *Flexible Work Options Policy* (Australia).

Our *Health and Safety Management Framework* is certified at Group level under global *OHSAS 18001 Standard*. Formal joint management-worker health and safety committees operate at site level in all locations and all employees are represented by these committees. In most jurisdictions our formal agreements with trade unions also cover health and safety aspects. Health and safety performance is also monitored via regular internal and external audits, including audits conducted by The Coca-Cola Company, to ensure we meet stringent Quality, Safety and Environment requirements. We also follow our own and partner guidelines such as The Coca-Cola Company's *Supplier Guiding Principles* and Coca-Cola Amatil's *Responsible Sourcing Guidelines*. Commitments to health, safety, diversity and human rights are also included as part of total supplier sustainability assessments covering the majority of Coca-Cola Amatil's key suppliers.



# HEALTH, SAFETY AND WELLBEING

## 2017 PERFORMANCE

- Tragically, one of our colleagues died last year due to a vehicle incident at our Cibitung facility in Indonesia. Our response to this incident has been immediate and comprehensive.
- Employee injuries across the Coca-Cola Amatil Group increased by six per cent compared to the prior year, but reduced by 73 per cent since the baseline year of 2012
- Total Recordable Injury Frequency Rate (TRIFR) increased slightly by four per cent compared to the prior year, but has decreased 65 per cent since 2012
- Decreased Lost-Time Injuries Frequency Rate (LTIFR) 35 per cent since 2012, with no change year-on-year
- 24,631 instances of participation in employee wellbeing programs across the Coca-Cola Amatil Group
- Introduced and continuing to expand the Coca-Cola Amatil Contractor Management System (Beakon) across the organisation, with data for over 30,000 contractors and 2,600 contracting companies now 'live' in the system

## OUR PROGRESS

In 2017 we continued our focus on making Coca-Cola Amatil a safer place to work, committed to building a zero-harm and positive wellbeing culture, engaging workers to report hazards, and encouraging our leaders to proactively participate in safety activities. We benchmark our performance against prior year and also 2012 when we made significant advances in safety data collection and review processes.

### Loss of Life

Tragically, one of our colleagues died last year due to a vehicle incident at our Cibitung facility in Indonesia. Such a loss of life in the workplace is unacceptable and our response to this incident has been immediate and comprehensive. A full independent investigation was conducted, and corrective actions implemented on-site and shared across the organisation. Our condolences go to the family and friends of our colleague, and we also worked with our people at Cibitung to assist them after this traumatic incident.

Following independent review and identification of causes, Managing Directors in each Business are responsible for applying corrective and preventative actions, and learnings are also shared with the Risk & Sustainability Committee.

It should be noted that in 2017 we changed the scope of how we report loss of life. We include:

- All work-related incidents where employees or contractors have died, or which have occurred on-site; and
- All incidents involving members of the public, where, post investigation, Coca-Cola Amatil or its contractors are at fault. Previously we have also reported all off-site incidents involving members of the public where post-investigation Coca-Cola Amatil was not at fault.

This revised approach is consistent with accepted sustainability and safety reporting practices. It ensures we focus on aspects within our operational control, and aligns with the approach used by most other companies.

### Injuries and Injury Frequency Rates

Coca-Cola Amatil measures its injuries in several ways. We record total injuries in each of our Businesses, as well as frequency rates for lost-time injuries and total recordable injuries.<sup>1</sup>

In 2017 employee injuries across the Coca-Cola Amatil Group increased by six per cent compared to the prior year. Whilst this is disappointing, the long term trend shows a 73 per cent reduction since 2012.

A stand-out result was that at the end of 2017 there had been over 1,000 days since the last lost-time incident at the Australian Beer Company. Coca-Cola Amatil TRIFR increased slightly by four per cent compared to the prior year, but has decreased by 65 per cent from 2012. LTIFR was unchanged from the prior year, and has decreased 35 per cent since 2012.

We also track injuries by gender, with the higher percentage of males being injured attributable to their higher representation in the workforce and in jobs that may be more exposed to hazards.

Two years ago, we commenced measuring lead indicator activities that we know can help drive improvements to safety outcomes such as leadership safety activities, audits completed, hazards reported, near misses reported and wellness program participants. There were significant improvements year on year for each indicator with the focus on better awareness and reporting seeing hazards reported up 12 per cent to 27,376.

### Highlights of 2017

Across the Coca-Cola Amatil Group 2017 was a year of continued improvement, expansion, and recognition of our safety programs.

<sup>1</sup> The more traditional Lost-Time Injury Frequency Rate (LTIFR) captures when an injured worker cannot report for duty on the next scheduled work day. The more holistic Total Recordable Injury Frequency Rate (TRIFR) considers both lost-time injuries (LTIs), medical treatment injuries (MTIs) and restricted work injuries. Both take the number of injuries occurring in a workplace per 1 million man-hours worked.



#### Case Study:

### MANAGING CONTRACTORS FOR A SAFER WORKPLACE

As a broad, diverse, and geographically scattered business, audit results for compliance to our own Health and Safety Management Framework were varied and sometimes inconsistent, clearly identifying the risk to the business, our people, and external contractors we engage. We identified a strong need to implement a user friendly, easy to use 'one stop shop' for contractor management that mirrored our safety framework. A system that could incorporate Coca-Cola Amatil, The Coca-Cola Company and Legislative requirements, to enable contractor managers to focus on supervision and management rather than, albeit critical, time-consuming administration.

The goal was to identify, configure and implement a system that could work right across Coca-Cola Amatil, that was easy to

use, and supported by self-paced learning. Beakon, an Australian software system, was identified as the best system to meet these needs, starting with a pilot in our Northmead site in November 2015. Since, then the platform has been rolled out across all Australian sites, New Zealand, Fiji, and Indonesia, with Samoa, Paradise Beverages and Papua New Guinea coming on board by the end of 2018.

We now successfully manage over 30,000 contractors across the Coca-Cola Amatil Group via Beakon with the ongoing engagement, use, and expansion being positive indicators of an overwhelmingly successful project. This project has led to greater understanding and quality supervision for contractors engaged by Coca-Cola Amatil, providing consistency, efficiency and value for money.

The Coca-Cola Amatil Contractor Management System (Beakon) has been rolled out to the Australian, Fiji, and New Zealand Businesses with Indonesia rolling out the system specifically for contract drivers. Data for over 30,000 contractors and 2,600 contracting companies is now live in the system.

We continued our focus on holistic programs for employee wellbeing – physical, mental, emotional, and financial – with the availability of the Australian Employee Assistance program, including I-Care (Indigenous Cultural Assist & Response for Employees), participation in Safety Week and Mental Health Week and the rollout of the Healthy Minds@Work, Mental Health First Aiders, Wellbeing@Amatil, and Fiji Employee Wellbeing programs.

The Australian Healthy Minds@Work program was provided to over 800 employees, and was also a finalist at the NSW Safe Work Awards and recognised by industry magazine *Human Resources Director* (HRD) for innovation. Our Australian Beverages facility at Northmead has also been recognised by WorkSafe Australia for their Safety Week program. Eighty Mental Health First Aiders were trained and active in 2017 supporting improved awareness of mental health.

A Mindfulness and Resilience pilot was also held for 15 employees from the New Zealand National Contact Centre.

Our key partner in non-alcoholic beverages, The Coca-Cola Company, conducts regular Quality, Safety, and Environment (QSE) audits of our facilities and in 2017 Moorabbin, Peats Ridge and Richlands facilities in Australia, the Semarang facility in Indonesia, and the Christchurch and Mangere plants in New Zealand were placed in the top 10 per cent of Coca-Cola system facilities globally. Coca-Cola South Pacific, the Business Unit for The Coca-Cola Company covering Australia, New Zealand, and the Pacific, was also ranked equal first globally on QSE performance, with Coca-Cola Amatil scores underpinning this result. Australian Beverages and Paradise Beverages were also awarded first and third in The Coca-Cola Company's Global Safety Awards for the Vendlift vending machine delivery solution and for creating safety engagement in a developing country.

Our focus on road safety in all our countries of operation continued. In Australia over 3,000 external and 600 internal workers have completed Chain of Responsibility training since 2012.

Weigh stations have been implemented at all major distribution centres with over 1,000 loads audited weekly. Telematics devices have been installed in Australian Beverages passenger vehicles, to provide drivers and their managers monthly insights into occurrences of speeding, harsh braking and harsh acceleration. As a result, speeding occurrences decreased by 70 per cent from January 2017 to December 2017.

In Indonesia 6,881 team members participated in practical face-to-face driver safety training along with 1,496 contract drivers being assessed against the Fleet Driving Risk Indicator and 829 team members completing the online Alert Driving training. In addition, Indonesia has commenced a two-day third party, train-the-trainer, driver safety program in Cibitung and Surabaya attended by 159 contractor companies.

In Fiji there has been strong contractor safety focus during major capital works at Suva brewery and Laucala Beach with ISO 18001 Safety Accreditation also being achieved for non-alcoholic beverages. In Papua New Guinea QSE teams have been formed at Lae and Port Moresby with improved processes and leadership focus.



### Coca-Cola Amatil Group Fatalities<sup>1</sup>

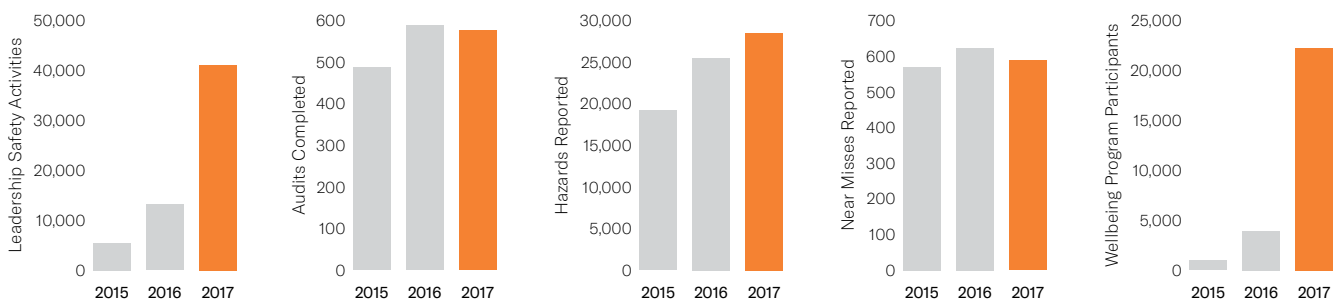
	2012	2013	2014	2015	2016	2017
Australia	0	0	0	0	0	0
New Zealand	0	0	0	0	0	0
Indonesia	2	3	3	4	5	1
Fiji	0	0	0	1	0	0
Papua New Guinea	0	0	0	2	0	0
Paradise Beverages (Fiji & Samoa)	0	1	0	0	0	0
<b>Total</b>	<b>2</b>	<b>4</b>	<b>3</b>	<b>7</b>	<b>5</b>	<b>1</b>

1 In 2017 we changed the scope of how we report loss of life. We include all on-site incidents and all incidents, including those involving members of the public, where, post investigation, Coca-Cola Amatil or its contractors are at fault. Previously we have also reported all off-site incidents where post-investigation Coca-Cola Amatil was not at fault. This new approach is consistent with accepted sustainability and safety reporting practices and aligns with the approach used by most other companies. All figures in this table reflect this changed scope.

### Coca-Cola Amatil Group Recordable Injury Frequency Rate (TRIFR) Per 1 million man-hours worked

	2012	2013	2014	2015	2016	2017
Australian Beer Co.	—	—	0	25.0	0	0
Australian Beverages	29.7	18.6	14.3	16.2	8.4	7.8
SPC	27.9	21.5	18.7	22.4	9.3	28.3
New Zealand	9.2	7.5	5.9	8.0	6.0	7.0
Indonesia	1.9	2.5	1.4	2.4	1.8	1.3
Fiji	11.6	3.8	7.3	5.2	0	4.8
Papua New Guinea	22.5	41.0	2.9	7.2	3.8	4.2
Paradise Beverages (Fiji & Samoa)	13.1	9.5	8.8	5.5	2.8	7.3
<b>Total weighted average</b>	<b>14.4</b>	<b>10.8</b>	<b>6.6</b>	<b>8.1</b>	<b>4.8</b>	<b>5.0</b>

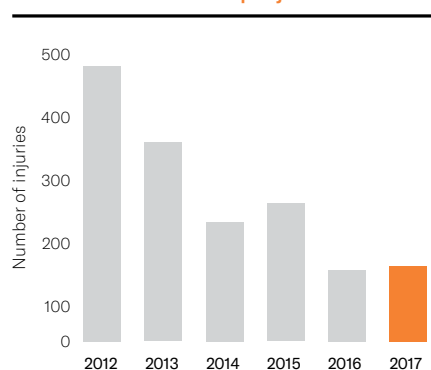
### Coca-Cola Amatil Group Lead Safety Indicators



### Coca-Cola Amatil Group Lost-Time Injury Frequency Rate (LTIFR) Per 1 million man-hours worked

	2017
Australian Beer Co.	0
Australian Beverages	2.0
SPC	9.8
New Zealand	3.2
Indonesia	0.5
Fiji	4.8
Papua New Guinea	0
Paradise Beverages (Fiji & Samoa)	5.0
<b>Total weighted average</b>	<b>1.7</b>

### Coca-Cola Amatil Group Injuries





#### Case Study:

### OUR PEOPLE, OUR WELLBEING

At Coca-Cola Amatil, we have empowered our people, no matter the location, to introduce programs that improve their physical and mental wellbeing.

#### Healthy Minds@Work, Australia

With a strong belief that safety initiatives should encompass not only physical safety, but also mental health and wellbeing, Healthy Minds@Work is a training program created to support people leaders in being alert to mental health issues among colleagues. Mental health illness affects one in five adults each year, so workplaces and managers are in a unique position to support an individual's wellbeing.

Every workplace can be at the forefront of improving mental health and overall employee wellbeing, by educating managers and supervisors to recognise the early warning signs of common mental illnesses and equip them with the skills and confidence to conduct constructive conversations and support their staff.

The program is designed to include formal classroom style learning and most importantly, it allows participants to gain practical, interactive experience and exposure by simulating conversations which are confronting and challenging to have.

We were delighted that 450 leaders saw the benefit in undertaking the program. Due to popular demand this was extended to a broader group of employees and almost 400 more people were trained.

#### Healthy@Amatil, New Zealand

Adapting to an increasingly diverse workforce, Coca-Cola Amatil New Zealand repurposed its approach to employee wellbeing and created Healthy@Amatil with five pillars that represent a healthy workplace. The pillars are: Get Moving, Nourish, Healthy Mind, Keep Well, Money Matters.

Healthy@Amatil is led by the New Zealand Health, Safety and Wellbeing team and supported by Champions of Diversity and Equality (CoDE). By bringing together various initiatives within one recognisable brand, our employees can more easily identify the program that will support and empower them to make healthier choices through awareness, education and other initiatives.

Healthy@Amatil was launched in September 2017 across New Zealand supporting an increase in the overall wellbeing score in our annual engagement survey.

#### Staff Wellbeing Program, Fiji

The Fijian population, through an increasingly sedentary lifestyle, poor diet choices, and lack of accessible healthcare, has some of the worst rates of diabetes and heart disease in the world. Coca-Cola Amatil Fiji's Staff Wellbeing Program provides our people a platform to acquire knowledge, as well as take control and responsibility for their own health and wellbeing.

Five years ago it began as a medical testing program, the only access to testing for some of our people, to identify at-risk individuals and provide intervention. Now, it also provides access to on-site gyms, supports employee sporting teams, as well as supporting wellbeing events such as Zumba sessions incorporated into Family Fun Beach Clean-Up days.

Zubir, Warehouse Co-ordinator at Lautoka, says *"This is a great initiative that shows that the company really cares about its people."*



#### Case Study:

### SAFER ROADS AND SAFER PEOPLE

Road safety is a priority for Coca-Cola Amatil. Many of our employees and contractors spend most of their working lives on the road, particularly our distribution teams and sales force. We implement training and checks to ensure that our drivers, contractors and the general public are safe on the road no matter where they are.

#### Chain of Responsibility – Weighbridge Implementation, Sydney, Melbourne, Brisbane, Adelaide and Perth.

Overloading vehicles affects the safety of all road users as well as adding to transportation and public works (road maintenance and repairs) costs. To better meet requirements and manage weight as part of the core heavy vehicle Chain of Responsibility obligations, we have taken the initiative to install weighbridges at our major distribution centres in each capital city: Eastern Creek, Northmead, Mentone, Salisbury, Hazelmere and Richlands distribution centres.

These weighbridges provide a weight for the total vehicle including each individual axle as it drives over the mechanism. Although Coca-Cola Amatil already had several mechanisms in place to ensure load compliance, the differences between vehicles meant axle weights varied. Now we can ensure that all the loads are balanced, and legal requirements are met.

Onsite weighbridges also provide the benefit of measuring inbound loads. This allows us to work closely with our suppliers to provide relevant information relating to the weight of their loads. These feedback loops create a safer supply chain.

Over 1,000 loads are audited weekly to confirm gross vehicle mass and axle weight spread.

Since 2012, over 3,000 external and 600 internal workers have completed Chain of Responsibility training. Additionally, Supplier Compliance Packs have begun to roll out to ensure suppliers understand their obligations and make improvements accordingly.

The weighbridge project has been highly successful as we have been able to identify causes of overweight vehicles, or any loads close to the weight tolerance, with adjustments being made prior to leaving the site.

#### Fleet Traffic Safety, Indonesia

Coca-Cola Amatil Indonesia implemented a Fleet Traffic Safety program to ensure driver safety in the nation's often challenging traffic conditions. By focusing on increasing participation, and contributing to traffic safety culture in Indonesia, we can sustain growth as well as be more effective and efficient

on route-to-market execution. From 2014, traffic-related incidents were accounting for more almost 64 per cent of all recorded incidents and were increasing. Additionally, 45 per cent of these incidents were happening to contractors. In response, the Fleet Traffic Safety program was rolled out. With the tag line of "Safety for Humanity", the program provides capacity development for managing fleet traffic safety for third parties, visibility of traffic safety compliance and clear responsibility and accountability in managing contractor related risk. The geographic scope of the program is Indonesia-wide and also targets third party companies with 1645 drivers participating to date.

The program consists of a train-the-trainer program launch, coaching and counselling, fleet traffic safety management training, and compliance monitoring through the Beakon system. As of January 2018, we have had 159 third party companies participate in the train-the-trainer initiative, which has resulted in 231 trainers.

Dadan, from Coca-Cola Amatil in Bandung, said *"Thank you for sharing the knowledge in simple and easy-to-use language as well as the firm message related to the importance of fleet traffic safety in daily operations."*

### 2018 PLANS FOR IMPROVEMENT

- **Behavioural Safety Culture:** Rollout of leader and employee programs across all Businesses and encourage tracking of lead indicators to demonstrate improvement in health, safety, and wellbeing culture and performance
- **Health and Wellbeing Programs:** Businesses to continue implementing programs specific to their business needs with a focus on worker health and fitness and mental health and wellbeing
- **Process Safety Management:** Each Business to execute programs and initiatives based on needs identified in their 2018 Risk Map
- **Systems:** Roll out a replacement Incident and Hazard Management system



# DIVERSITY, ENGAGEMENT AND HUMAN RIGHTS

## 2017 PERFORMANCE

- The appointment of Ilana Atlas as Chairman of the Coca-Cola Amatil Board in May 2017 and Alison Watkins' ongoing leadership as Group Managing Director demonstrates our commitment to recognising capability and championing diversity
- Continued to improve gender diversity, achieving representation of women of 31 per cent at Senior Executive level<sup>1</sup> and 37.5 per cent at Board level
- Coca-Cola Amatil New Zealand awarded Best Employer in Australia and New Zealand for the second year in a row
- Conducted our second comprehensive gender pay equity review showing we pay market rates for roles independent of gender
- Introduced our *People Pact* and *Human Rights Policy* confirming our commitment to diversity and inclusion

## OUR PROGRESS

### Diversity & Inclusion

We know the value of attracting, developing, and retaining a diverse team of people who bring different experiences, thinking, attitudes, opinions, and ideas. In 2017 we continued to build organisational diversity and an inclusive culture, reflective of the markets and communities in which we operate.

In 2017 we set fresh objectives for Diversity and Inclusion through to 2020. These objectives consider our business environment and support maintaining an appropriate focus on equality of opportunity as well as gender balance across all our geographies and Businesses.

In addition to having at least 30 per cent of Board, Senior Executive, and Management positions held by women, the 2020 goals are:

- Achieve gender balance in leadership and talent development
- Increase depth and breadth of representation of women across all functions and Businesses, particularly in operational and sales roles
- Maintain equality in pay and conditions
- Have no statistically significant gaps between the levels of engagement for women and men across the Group
- Mainstream flexibility across Australia and New Zealand, and extend to other geographies to enable employees to balance lifestyle goals and commitments

- Provide an inclusive workplace that allows our people to be the best they can be every day

Achievement of the minimum 30 per cent representation of women at senior levels is well under way. Our Chairman and Group Managing Director roles are held by Ilana Atlas and Alison Watkins, and by the end of 2017 37.5 per cent of Board positions were held by women. At Senior Executive level we have already achieved 31 per cent female representation, whilst within management levels female representation is around 28 per cent.<sup>2</sup>

Whilst we are tracking well on achieving the broader gender diversity targets for 2020, there are some areas that will require additional focus in the next three years.

Improving the depth and breadth of representation of women across all functions and Businesses, particularly in operational and sales roles, has been identified as an area for improvement. To support this we have joined the National Association of Women in Operations in Australia, hosting events in Australian Beverages and SPC.

We have also supported the Dream Collective Initiative, which aims to empower and equip high-calibre young professional women worldwide. In addition, we participate in the Women in Drinks mentoring program, an industry initiative focused on inspiring, supporting and educating the alcohol beverages industry to increase diversity and inclusion.

We also understand that we need to continue the focus on providing opportunity and development for women to enter leadership roles. Since the commencement of Women Leading@Amatil for mid to senior female leaders across the Group in 2016, the program continues to deliver positive outcomes for the participants and the organisation, with 26 per cent of the alumni having been promoted or given expanded responsibilities. Other programs supporting women in leadership have included Achieving Your Best Self in Indonesia, Women in Paradise in Fiji and Samoa, Lean Into Coca-Cola Amatil in New Zealand and My Mentor in Australia.

Maintaining equality in pay and conditions is a crucial commitment for 2020. In 2017 we again conducted a full review for gender pay equity, covering all Businesses and countries. The 2017 overall findings are consistent with 2016. We are paying market rates for roles independent of gender, and incentive outcomes are not influenced by gender. However, consistent with last year's findings, we continue to have uneven gender representation by seniority and by function, which results in differences in pay between males and females when aggregated. To address this, we need to continue our efforts to improve gender representation across Coca-Cola Amatil particularly in leadership roles.

1 Senior Executive is defined as the Group Leadership Team and those leaders directly reporting to the Group Leadership Team, that is the top two leadership layers.  
2 A consistent definition of 'management' across all of our geographies and Businesses is required and will be established in 2018.

In 2017 we improved our regular reporting metrics to include quarterly dashboard updates on a variety of diversity measures, introducing metrics around turnover by gender and age, as well as tenure by age. The introduction of this dashboard enables us to be more responsive to business needs, as well as identify any trends impacting on the diversity of our workforce.

Achieving diversity outcomes also requires an inclusive culture and practices. In 2017 inclusion at Coca-Cola Amatil was fostered by the introduction of our *People Pact* and *Human Rights Policy*. The *People Pact* is a clear statement of the two-way commitment made between Coca-Cola Amatil and its people on many aspects including diversity and inclusion, and our *Human Rights Policy* stipulates that we value the diversity of the people with whom we work and the contributions they make. Coca-Cola Amatil New Zealand's commitment to diversity and inclusion has been recognised with the national Rainbow Tick every year since 2014.

Our people have also proactively developed programs to promote diversity and inclusion within the organisation such as New Zealand's Champions of Diversity & Equality (CoDE) an advocacy group that organises a calendar of internal events, and Learning in Fast Track (LiFT) sessions on LGBT<sup>1</sup> awareness and support, which ran during the Australian Marriage Equality parliamentary debate and postal survey period.

To help develop respectful relationships and create meaningful opportunities with Aboriginal and Torres Strait Islander peoples we also prepared and submitted our first Australian Reconciliation Action Plan to Reconciliation Australia for their feedback. We will continue to develop this plan in 2018.

Of relevance to our human rights performance, around 7,520 employees were covered under collective bargaining or workplace agreements at the end of 2017.

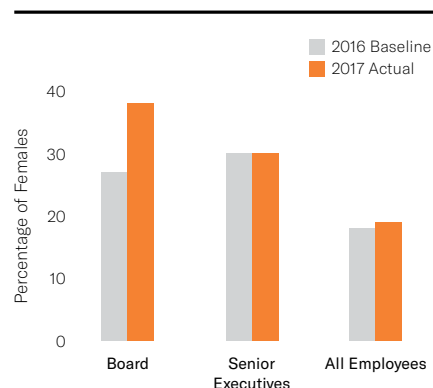
### Engagement

Building employee engagement continues to be a priority across Coca-Cola Amatil. We know that an engaged workforce who believe in our future, are connected to our strategies, confident in our leaders and proud to be a part of Coca-Cola Amatil are critical to the delivery of our priorities. In 2017 we conducted our fourth annual engagement and insights survey across the Group. Ninety per cent of our people participated in the survey, which measures both engagement and the critical factors of the employee experience at Coca-Cola Amatil. According to our people's feedback, our enduring strengths are safety, advocacy for our brands and pride in being a part of Coca-Cola Amatil.

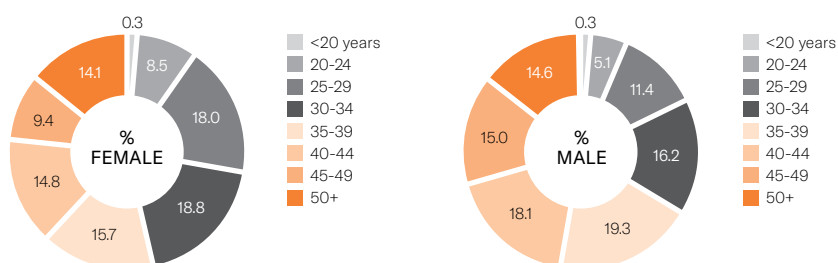
In 2017 Coca-Cola Amatil New Zealand received the Aon Hewitt Best Employer Accreditation for the second year. This award, covering companies in Australia and New Zealand, is based on the engagement scores achieved.

Engagement also depends on our people being supported in their development goals. Building capability of local talent in our growth Businesses, particularly Indonesia, will remain a priority and we will accelerate the significant efforts already underway to develop both technical and leadership capability.

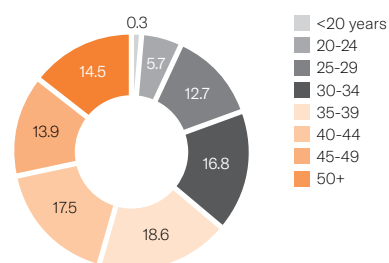
**2017 Coca-Cola Amatil Group  
Percentage of Females by Level**



**2017 Coca-Cola Amatil Group Employee  
Percentage Age Split by Gender**



**2017 Coca-Cola Amatil Group  
Employee Age**



<sup>1</sup> Lesbian, gay, bisexual, transsexual, transgender, and/or intersex.









**Case Study:**  
**BEST EMPLOYER 2016 AND 2017:**  
**COCA-COLA AMATIL NEW ZEALAND**

For the second year in a row Coca-Cola Amatil New Zealand has been awarded Best Employer status across Australia and New Zealand based on the results of their annual engagement survey with Aon Hewitt.

To qualify for the Aon Hewitt Best Employer accreditation process, Coca-Cola Amatil New Zealand needed to not only score high employee engagement levels, but also needed to demonstrate outstanding processes and procedures when it came to their people. There were 16 organisations, from a pool of over 120, that achieved this accreditation in 2017. Coca-Cola Amatil New Zealand also pushed its already very high engagement score of 79 per cent in 2016, to 82 per cent in 2017, which was the best engagement score in the Coca-Cola Amatil Group.

To receive this recognition two years in a row is an outstanding achievement.

*"Being named one of the best places to work in New Zealand doesn't happen by accident. We have had an uncompromising focus on doing what is best by our people, who are at the heart of everything we do and who have helped us once again achieve this accreditation. This prestigious recognition pays credit to all our wonderful people and their determination and commitment to make our work environment safe, engaged, and enjoyable."* – Chris Litchfield, Managing Director New Zealand & Fiji



**Case Study:**  
**BRINGING OUR 'WHOLE SELVES'**  
**TO WORK**

In November 2017, during the Australian Marriage Equality postal vote, a conversation commenced within the Australian business to help people understand and respect the lived experiences of the LGBTI community in Coca-Cola Amatil. As an organisation we were very conscious of the wellbeing of our employees during this period, especially the LGBTI population, their family, and their friends.

This was managed through small informal presentation sessions with Senior Leaders (including our Group Managing Director and Group Leadership Team) to help them understand how their language and actions can have a profound impact on how people bring their whole selves to work. Participants in the conversations learned about the diverse population of people who consider themselves part of the LGBTI population, gained better appreciation for their daily lived experiences, listened to some of the lived experiences in the workplace and took part in an exercise where they were challenged to be themselves at work, and bring their 'whole self'.

As one of the participants said afterwards: *"These sessions were so inspiring, and now I understand that I can make a real difference to not just my LGBTI colleagues, but also the whole Coca-Cola Amatil community, by ensuring we have an inclusive culture that lets everyone bring all aspects of themselves to work without fear or judgement."*



**Case Study:**  
**BUILDING CAPABILITY AND**  
**EXCELLENCE IN INDONESIA**

At Coca-Cola Amatil Indonesia we fully understand that to compete in the market and grow our business we need our people to be the best they can be. The broader business growth strategy in Indonesia, Accelerate to Transform, depends on our people having not just the technical capability but also the leadership skills to inspire and bring their teams along this fast-tracked business improvement journey.

We have established a series of internal academies to address the gaps we found in our team's capability. This started with the Supply Chain Technical Academy in 2014, followed by the General Trade Sales Academy in early 2015. Building on this, technical academies were launched for Safety, Cold Drink Equipment Services, Logistics, Finance and Human Resources. Each academy provides a consistent learning path, with competency assessments and awarding of certificates to graduates of the programs.

Whilst supporting the growth of technical skills, we realised the importance of developing the leadership skills of our managers and supervisors. Our First STEP – 'STEP': Supervisor Training for Excellent Performance – and STEP Up Programs are aligned with our Coca-Cola Amatil Leadership Framework and Values, whilst our FACE – Female Acceleration and Engagement – program was designed to support our female leaders. Whilst developed for the Indonesian Business, our approach to capability development is replicable, creating a consistent curriculum for use across the Coca-Cola Amatil Group.



#### Case Study:

### **PAYING IT FORWARD: EXPANDING THE IMPACT OF OUR DIVERSITY PROGRAMS**

In 2017, our Women Leading@Amatil program continued to build on the strengths of our high potential mid to senior female leaders from right across the Coca-Cola Amatil Group. Our 2016 cohort actively supported their colleagues through peer mentoring, and we continued to see great commitment to 'paying it forward'.

This concept of paying it forward is all about taking on board the obligation to share learnings with others and is a foundation of Women Leading@Amatil. The Women Leading Alumni have demonstrated this obligation in different ways, and through their approach, inspire others to be the best they can be and reach their full potential.

Three new programs commenced in 2017 to empower, support and encourage women at Coca-Cola Amatil:

- Women in Paradise was formed to help women in Paradise Beverages to 'become the CEOs of their own careers';

- Taking its cue from Sheryl Sandberg, Lean In Coca-Cola Amatil New Zealand was established to encourage women to consider roles in parts of the business, including sales and technology, where women are significantly under-represented;
- Our Alcohol & Coffee Business led the development of the Women in Drinks mentoring program for the Australian alcohol beverages industry which incorporates a six-month experience including interactive workshops for mentees, facilitated group discussions with mentors and a rigorous matching process. The eight-month program brought together 58 participants from 10 companies.

These programs, though only new, are already delivering benefits to participants and the organisation. For example, since the introduction of Lean In, 33 per cent of participants have moved into new roles, 80 per cent of participants have had career conversations with senior sales leaders, 100 per cent of participants

surveyed said the program was of exceptional value, and 50 per cent of participants have continued to pay it forward in tangible ways, to allow many others (male and female) to benefit from the experience.

For example, two of the mentees from the Women in Drinks program, Tonya Cronin and Danielle Beale, set up a pilot scheme to roll out a similar program within the Alcohol & Coffee Business, to allow many others to benefit from the experience they had. The 10-week pilot program, aptly called "Pay it Forward", was attended by 14 women and men and is now being rolled out across the Alcohol & Coffee Business in Australia and Fiji.

*"I really enjoyed the panel discussions that took place with a variety of leaders from across the business, as they allowed each of us to seek valuable advice from people we wouldn't normally get the chance to hear from. Danielle and Tonya have done an amazing job. So thank you."*

— Evan Coggins, Pay it Forward mentee

## **2018 PLANS FOR IMPROVEMENT**

#### **Diversity & Inclusion:**

- Continue to improve our gender-specific development programs to achieve 2020 goals for representation of women and establish a consistent definition of 'management' across all of our geographies and Businesses to enable measurement and reporting
- Become a signatory to the *United Nations Global Compact* covering Human Rights Principles, Labour Principles, Environment Principles, and Anti-Corruption Principles
- Launch our Reconciliation Action Plan

#### **Engagement:**

- Continue to track and improve engagement and understand the drivers for results
- Build capability of local technical and leadership talent in our growth Businesses, particularly Indonesia





# WELLBEING

## OUR COMMITMENT

The wellbeing of our consumers – physical, mental and social – is at the heart of our vision to delight millions of consumers every day. We are open and responsive to changing consumer tastes and preferences and aligned with global health guidelines and United Nations Sustainable Development Goals.

We will offer choice and information. We will measure the sugar intensity of our non-alcoholic beverages portfolio in all countries of operation and reduce total sugar intensity by 10 per cent in Australia and New Zealand.<sup>1</sup> We will also have the nutrition and responsible consumption information that our consumers want, conveniently available.

We will also increase choice in all product categories and build on our commitment to responsible marketing, and promotion of consumer awareness of the impact of their choices on health and wellbeing.

To achieve this vision we will work closely with our partners, industry experts and our customers and start to measure, set targets and report on our wellbeing initiatives.

We are successful when we have a diversified and growing consumer base that enjoys our products regularly and in the right amount, who can make confident choices and who trust our brands.

## OUR APPROACH

Material aspects and priorities have been identified in our Coca-Cola Amatil Group-wide Wellbeing Strategy *Choice and Information* and we also ensure that each Business sets their own objectives and priorities on these aspects considering the needs of their business, partners, consumers, customers and other stakeholders. The Board Risk & Sustainability Committee oversees the Group-wide Wellbeing Strategy commitments and achievements.

Our wellbeing initiatives, including quality standards, are guided by regulatory requirements and relevant company policies including the Coca-Cola Amatil Group-wide *Human Rights Policy* and *Alcohol Advertising and Marketing Standards*, which confirm our commitment to the

wellbeing of our consumers. We also adhere to The Coca-Cola Company's *Responsible Marketing Policy*, *Global School Beverage Guidelines* and local industry voluntary commitments such as the *Responsible Children's Marketing Initiative* in Australia, and New Zealand's *Voluntary Schools Agreement*. Quality performance is monitored via regular internal and external audits including audits conducted by The Coca-Cola Company to ensure we meet stringent Quality, Safety and Environment requirements.

We are committed to World Health Organisation Guidelines on recommended daily intake of added sugar. We also support The Coca-Cola Company's *Nutrition Guidelines* for all new product development and reformulations.

<sup>1</sup> Based on portfolio-wide weighted volume average total sugar content (g/100ml). All targets are for 2020 compared to 2016 unless otherwise specified.



## 2017 PERFORMANCE

- Together with Coca-Cola South Pacific and Coca-Cola Oceania reduced sugar and kilojoules through reformulations of 22 non-alcoholic beverage products in Australia and six products in New Zealand since 2015
- With Coca-Cola South Pacific and Coca-Cola Oceania launched Coca-Cola No Sugar in Australia and New Zealand, our biggest launch of a new Coca-Cola in the last decade
- Launched affordable small sparkling range in Indonesia, with a 250ml size of Coca-Cola, Fanta, and Sprite, and also the health-focused Minute Maid Nutriforce, featuring eight vitamins and three minerals
- Introduced and continued to expand the availability of lower carbohydrate or lower alcohol options such as Vonu Export, Rekorderlig Low Sugar cider, Miller Chill lager, Jim Beam Black, and Jim Beam Devil's Cut
- Continued the rollout of SPC ProVital and Perfect Fruit ranges

## OUR PROGRESS

We are focused on ensuring that our beverage and food product portfolio, product development program, and ranging and distribution strategy are responsive to growing consumer desires for choice. We are committed to World Health Organisation Guidelines on recommended daily intake of added sugar and agree that too much sugar and excess kilojoules are not good for anyone. We are working to ensure that people have options in terms of product formulations and pack sizes in front of them when they make their selection, with a suitable beverage option for every occasion and a nutritious, high-quality food range.

We support The Coca-Cola Company's *Nutrition Guidelines*. These are based on the national guidelines and targets set by leading health authorities, such as the World Health Organisation, setting targets for new formulations on energy, sugar, total fat, saturated fat, protein, sodium and caffeine, and providing guidance of having less than or equal to 7.9g sugar per 100ml, excluding 100 per cent fruit juice.

We have made a commitment in 2017 to measure the sugar intensity<sup>1</sup> of our non-alcoholic beverages portfolio in all countries of operation and reduce total sugar intensity by 10 per cent in Australia and New Zealand between 2016 and 2020<sup>2</sup>. We believe that this measure most accurately reflects how our portfolio is changing over time in response to consumer choices and health professional expectations and guidance.

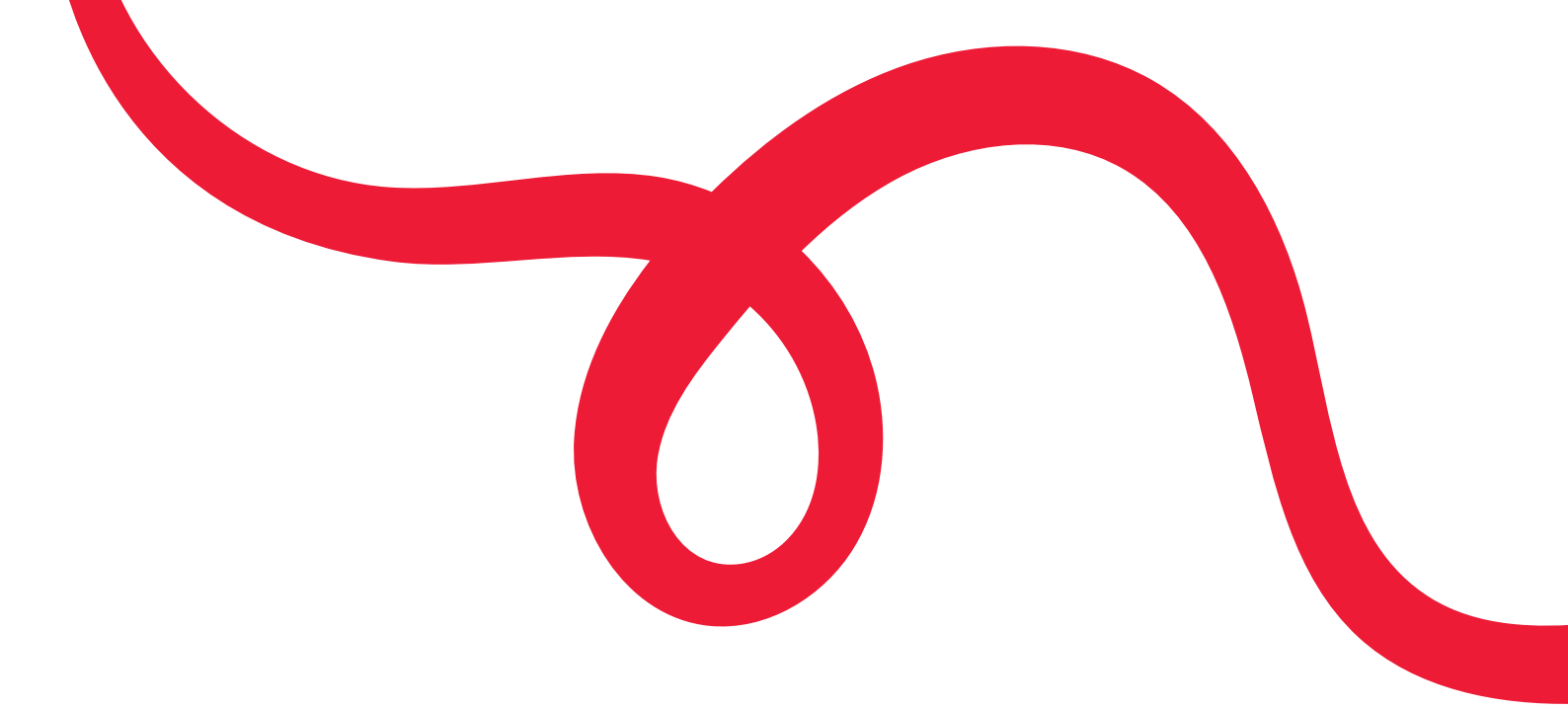
Our progress in 2017 to offer improved choice includes:

### In Australian Non-Alcoholic Beverages

- Since 2015 we have worked with Coca-Cola South Pacific and reformulated and reduced sugar and kilojoules in 22 products in Australia, with all top-sellers offering a low kilojoule alternative. In 2017 we launched the following products with no- or low-kilojoules or reduced sugar:
  - Coca-Cola No Sugar, a brand-new sugar-free Coca-Cola variant with the great taste you would expect from Coca-Cola, without the sugar. In some markets Coca-Cola No Sugar is replacing Coca-Cola Zero.
  - Limited edition Coca-Cola Raspberry with 25 per cent less sugar compared to Coca-Cola Classic
  - Coca-Cola with Stevia (replacing Coca-Cola Life) with 50 per cent less sugar and kilojoules compared to Coca-Cola Classic
  - Limited edition Coca-Cola Plus Coffee No Sugar
  - Pump+ with natural electrolytes from coconut water, which is low in kilojoules, and has no preservatives
  - Mount Franklin Lightly Sparkling 250ml cans with a hint of Lime, Raspberry or Mango and containing no sugar, sweeteners, artificial flavours or preservatives
  - Keri Juice Blends using natural ingredients, with no added sugar and preservative free
- Our small<sup>3</sup> packs are available in 95 per cent of grocery stores and around 70 per cent of convenience stores and petrol stations

### In New Zealand Non-Alcoholic Beverages

- Since 2015 we have worked with Coca-Cola Oceania to reduce sugar and kilojoules by reformulating six products, and in 2017 we launched the following products with no- or reduced sugar:
  - Coca-Cola No Sugar was our biggest launch of a new Coca-Cola in the last decade
  - Limited edition Coca-Cola Raspberry, which has 25 per cent less sugar compared to Coca-Cola Classic
  - New Zealand's number one juice brand Keri launched Keri 50 per cent Less Sugar Fruit Drink with half the kilojoules and sugar from fruit juice compared to regular Keri Everyday Juices and Fruit Drinks
  - Deep Spring Light, which is a carbonated fruit drink sweetened with stevia and juice
  - Barista Bros Mocha has 28 per cent less sugar compared to Barista Bros Iced Coffee
  - Fanta Grape with a 23 per cent reduction in sugar compared to original Fanta Grape recipe
  - Powerade ION4 with a 20 per cent reduction in sugar compared to original Powerade recipe
  - Sparkling Duet Raspberry with an 18 per cent reduction in sugar compared to original Sparkling Duet Raspberry recipe
  - Fanta Raspberry with an 18 per cent reduction in sugar compared to original Fanta Raspberry recipe
  - Keri Kids as Keri Fruity Drink with 30 per cent reduction in sugar
- Our small packs are available in 95 per cent of grocery stores, 100 per cent of petrol stations and 83 per cent of convenience stores



### **In Indonesia and Papua New Guinea Non-Alcoholic Beverages**

- We have committed to measuring the sugar intensity across our portfolios and continuing the rollout of lower sugar options and smaller pack sizes
- Our 2017 product launches in Indonesia included:
  - ‘Affordable small sparkling packaging’ range, a 250ml size of Coca-Cola, Fanta, and Sprite
  - Minute Maid Homestyle, with a higher content of real juice, available in Orange and Guava flavour, and 300ml and one litre sizes
  - Frestea Jasmine Masterblend, a Jasmine flavoured tea blend that suits Indonesian tea consumer preferences, with all Frestea in Indonesia using real tea leaves and being carefully brewed
  - Minute Maid Nutriforce, featuring eight vitamins and three minerals including vitamins B12, C, and D and zinc and available in 290ml Tetra Pak packaging

### **In Alcohol & Coffee**

- Across all our regions, we continue to innovate and build our portfolio to provide a better choice of beverages for all occasions. This includes a variety of pack types, and premium quality, higher and lower strength, and lower calorie alcohol beverages
  - In 2017 we launched Vonu Export, an ultra-low carbohydrate and low gluten beer in Australia and Fiji, and Rekorderlig Low Sugar cider in Australia

- We expanded the availability of Miller Chill, a lower carbohydrate lager, with the introduction of a can format as an alternative to glass bottles across Australia
- In Australia we are providing more choice in our premium ready-to-drink range, reducing alcohol in Jim Beam Black, from six per cent to five per cent alcohol by volume, and launching new premium varieties, some higher strength, but in smaller pack sizes, to meet consumer preferences
- In Fiji, we are growing sales and distribution of our lower carbohydrate beer Fiji Gold

### **In SPC**

- We continued the rollout of SPC ProVital range, improving wellness and nutritional outcomes for the elderly and patients in aged care facilities and hospitals. This Health Star-rated range has been specifically developed in conjunction with health care professionals and aims to provide a more accessible fruit snack for consumers with fine motor skill difficulties, including the elderly and hospital patients. The range utilises cold fill technology to lock in fruit goodness in recyclable packaging
- We are also expanding the distribution of Perfect Fruit soft-serve. Made from 100 per cent Australian fruit, it is dairy free, fat free and has less than 75 calories.

“  
**WE HAVE MADE  
A COMMITMENT  
IN 2017 TO  
MEASURE THE  
SUGAR INTENSITY  
OF OUR NON-  
ALCOHOLIC  
BEVERAGES  
PORTFOLIO IN ALL  
COUNTRIES OF  
OPERATION**  
”

### **THE WORLD HEALTH ORGANISATION'S 2015 GUIDELINE:**

Coca-Cola Amatil and The Coca-Cola Company support the World Health Organisation's 2015 *Guideline: Sugars intake for adults and children* which recommends reduced intake of free sugars throughout life. In both adults and children, the intake of free sugars should be reduced to less than 10 per cent of total energy intake. A further reduction to below 5 per cent of total energy intake would provide additional health benefits.<sup>4</sup>

1 Based on portfolio-wide weighted volume average total sugar content (g/100ml).

2 Moving Annual Total (MAT) 1 January 2016 to MAT 31 December 2020.

3 Small packs are defined as equal to or less than 300ml.

4 World Health Organisation Guideline: *Sugars intake for adults and children* (2015).

As part of our wellbeing programs Coca-Cola Amatil proudly supported the Under 15 Girls Michael Long Cup in Darwin



## Case Study:

### WELLBEING ACTIONS IN REMOTE INDIGENOUS COMMUNITIES

Health and wellbeing issues in Australia's Indigenous communities are complex, with no single cause or remedy. We work with our customers in remote indigenous communities to proactively play our role in addressing this issue in a way that is sustainable for consumers and for the local store owner. In these communities actions are taken on price, product and promotions to help shape consumer choice.

#### Price

We work with customers to offer price reductions for bottled water and low- or no-sugar carbonated soft drinks.

#### Product

We offer a choice of low- and no-kilojoule products and help to shift consumption habits.

#### Promotions

We develop culturally appropriate marketing materials that put a spotlight on low- and no-kilojoule products for promotional activities in communities.

#### Partners

We partner with major retailers ALPA, Mai Wiru, Outback Stores and Community Enterprises Queensland, with coverage in 103 stores across South Australia, the Northern Territory, Far North Queensland and Western Australia.

#### Outback Stores and Amatil in Remote Indigenous Communities

In 2017 Coca-Cola Amatil renewed our partnership with Outback Stores for three years, covering 37 stores located in the Northern Territory, South Australia and Western Australia.

This partnership builds on a shared vision to actively support Indigenous communities by contributing to their health and wellbeing.

Joint initiatives have included promotion of \$1 bottled water available at the front of the store and allocation of at least 50 per cent of product space to low- and no-sugar products that are 25 per cent cheaper than full-sugar options.

Developing an integrated marketing approach to support these initiatives is vital. All promotions and meal deals prioritise low- and no-kilojoule carbonated soft drinks and bottled water. We also provide easy to understand nutrition information to empower all our consumers with the knowledge to make the choice that is right for them.

David Box, Coca-Cola Amatil's State Business Manager in the Northern Territory said, "Our portfolio diversity and focus on wellbeing enables us to deliver on our business objectives to create real change in these communities."

Outback Stores Chief Executive Officer, Michael Borg, said the strategies we can implement together prioritise wellbeing in a commercially viable way. "In 2017 these strategies of price and product contributed to a sugar reduction in consumed drinks of 2.2 per cent. It's thanks to partnerships with suppliers like Coca-Cola Amatil that we're able to support these outcomes and we look forward to ongoing collaboration with them."

#### Coca-Cola No Sugar in Indigenous Communities

In 2017 Coca-Cola No Sugar launched in Australia. This product represented a significant opportunity to help shape choice in remote indigenous communities, thanks to a taste profile more like Coca-Cola Classic, but with no sugar.

Working with our customers in remote indigenous communities, we identified the need to create tailored, culturally appropriate marketing materials to promote Coca-Cola No Sugar in their stores.

Coca-Cola Amatil and Coca-Cola South Pacific developed a proposal to ensure Coca-Cola No Sugar would resonate with consumers in Australia's remote indigenous communities.

We were delighted that the tailored marketing materials enabled us to implement a program for specific point-of-sale materials such as:

- Fridge Kits – signage in lights, bottom panel and side panels
- Shelf strips promoting Coca-Cola No Sugar inside fridges
- Stickers to be placed inside fridge doors.

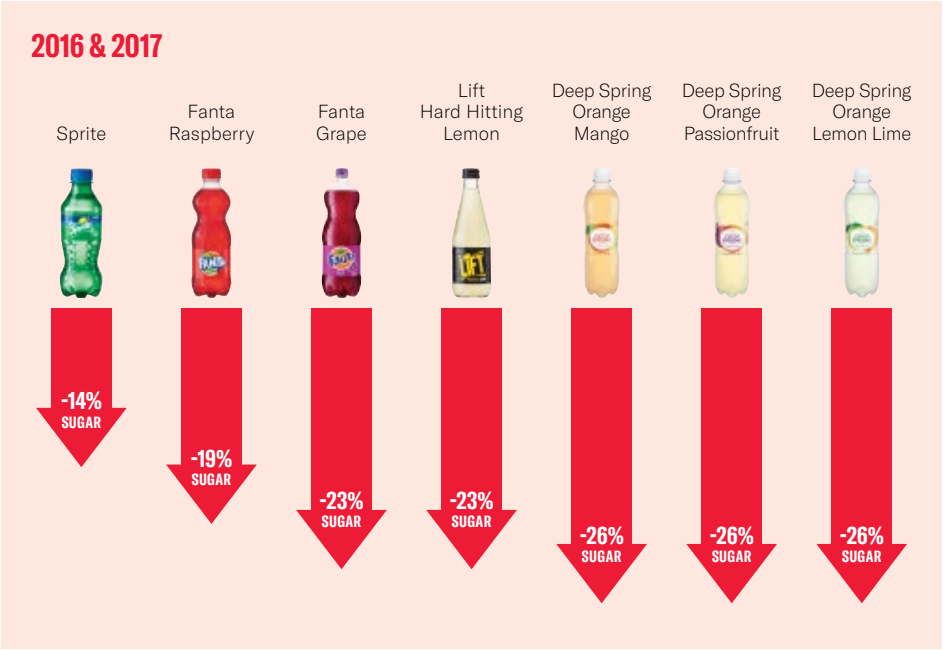
In 2018 this program will extend to menu boards and other in-store items.

Recognising this opportunity, a number of customers have driven their own community-based trial such as:

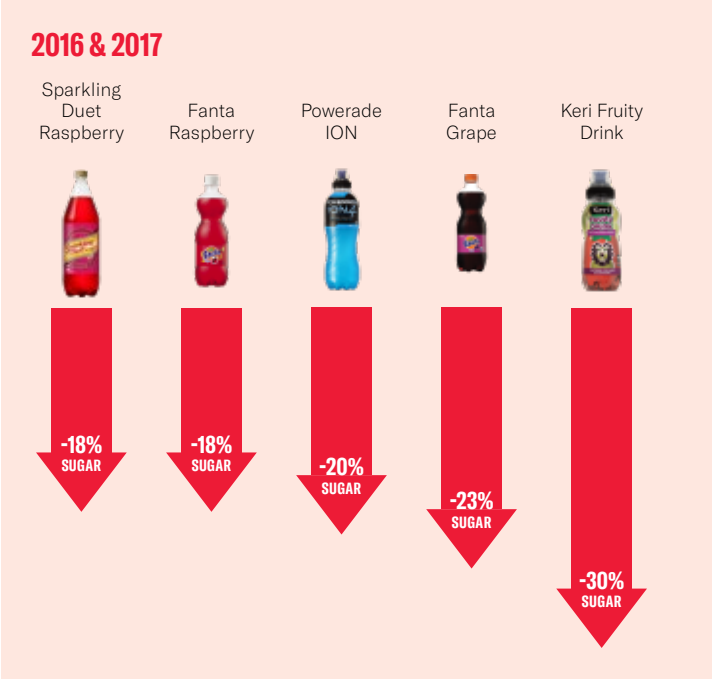
- Making Coca-Cola No Sugar available chilled in the refrigerator
- Making Coca-Cola Classic only available on shelves
- Making Coca-Cola No Sugar available in pack sizes up to 1.25L, but restricting Coca-Cola Classic to a maximum of 600ml per pack.

Coca-Cola Amatil continues to work with these customers to track success, identify challenges and share positive learnings as appropriate.

Examples of Australian Non-Alcoholic Beverages Reformulation and Percentage reduction in Sugar (g/100ml)



Examples of New Zealand Non-Alcoholic Beverages Reformulation and Percentage reduction in Sugar (g/100ml)





#### Case Study:

### COCA-COLA NO SUGAR: SAY YES TO THE TASTE YOU LOVE

Coca-Cola Amatil's and Coca-Cola South Pacific's target to reduce sugar in our Australian Beverages portfolio by 10 per cent by 2020 is supported by introducing new recipes with less sugar, offering smaller and more convenient packaging and increasing our marketing investment in no-sugar and low-kilojoule drinks.

Coca-Cola No Sugar – a brand new sugar-free Coca-Cola innovation from The Coca-Cola Company – was launched in June 2017. After five years of research, recipe mixing and consumer trials, Coca-Cola No Sugar delivered a great tasting sugar-free beverage with a new recipe closer to the taste of the original Coca-Cola.

A major marketing campaign was kicked off with a Coke truck sampling activation in Sydney where consumers had the opportunity to see US singer Kelly Rowland perform and be the first to taste Coca-Cola No Sugar in Australia. The campaign featured a television commercial introducing “Say Yes to the Taste You Love” and supported by the largest sampling program undertaken in Australia, with two million samples of Coca-Cola No Sugar given to consumers.

Then a new member of the Coca-Cola family arrived – Coca-Cola Plus Coffee No Sugar – bringing together two taste sensations in Coca-Cola No Sugar and Australia's favourite hot beverage, coffee. This was the first specialty rotational

flavour to be brought to life from the Coca-Cola No Sugar line-up.

To promote this new product, Coca-Cola South Pacific teamed up with The Urban List, collaborating to showcase Coca-Cola Plus Coffee with some favourite food outlets across Sydney.

The launch results have been very positive. Coca-Cola No Sugar penetration and brand awareness has continued to grow. Brand awareness is now at 59 per cent – a very good figure for a product in its first year in the market. And one in five consumers have purchased a Coca-Cola No Sugar in the last six months. In some markets the launch of Coca-Cola No Sugar has seen the phase out of Coca-Cola Zero.

## 2018 PLANS FOR IMPROVEMENT

#### In Non-Alcoholic Beverages

- Ensure that all new Coca-Cola innovations in Australia and New Zealand are reduced, low- or no-sugar only
- Continue to follow The Coca-Cola Company's *Nutrition Guidelines* in Australia and New Zealand
- Undertake 12 reformulations in our Australian portfolio to reduce sugar in 2018 and 2019
- Undertake seven reformulations in our New Zealand portfolio to reduce sugar in 2018 and 2019
- Continue driving smaller pack-size availability in all distribution channels and countries
- In Fiji we plan to launch Coca-Cola No Sugar and Sprite Zero, and reformulate Diet Coca-Cola to further promote trial and acceptability of our non-sugar portfolio. Additionally, Fiji will locally produce Powerade Zero to provide choice in the rapidly growing Sport category. Fiji will also launch a limited edition Coca-Cola Raspberry, which has 25 per cent less sugar compared to Coca-Cola Classic
- Improve measurement and tracking of choice within our portfolios, including changes to sugar intensity and pack size availability

#### In Alcohol & Coffee

- Trial sugar reductions across our alcoholic ready-to-drink products in the Pacific region

#### In SPC

- Continue to expand the availability of health focused food ranges including SPC ProVital and Perfect Fruit



# INFORMATION

## 2017 PERFORMANCE

- Continued our commitment to availability of information for our non-alcoholic beverages via online product comparison tools and myCCA customer ordering platform, on-pack information and point-of-sale
- Delivered our commitment as a signatory to the Responsible Children's Marketing Initiative in Australia, and New Zealand's Voluntary Schools Agreement, and our alignment with The Coca-Cola Company's *Responsible Marketing Policy* and *Global School Beverage Guidelines*
- Continued our focus on demonstrating our quality production processes and facilities in Indonesia by conducting a free-of-charge Coca-Cola Tour of our manufacturing facilities for over 75,500 members of the public
- Implemented a new Coca-Cola Amatil Group-wide Alcohol Advertising and Marketing Framework and continued our Australia-wide Responsible Service of Alcohol accredited training for all employees working with alcohol
- Launched a Designated Driver campaign to help New Zealanders make safe and responsible choices

## OUR PROGRESS

Coca-Cola Amatil is committed to providing easy access to information about ingredients and recommended serving sizes for products. We aim to equip our consumers with the awareness and information they need to make confident choices that are right for them. We market responsibly and are extending the coverage of responsible service programs in our region.

The quality of our products is a given. We adhere to all required standards including *Food Standards Australia and New Zealand* and the Indonesian Government *Regulation No. 28/2004* on security, quality, and nutrition of food. We also adhere to the stringent quality requirements, including regular audits, of our major brand partner The Coca-Cola Company. We monitor developments in understanding the health impacts of our products and ingredients and follow World Health Organisation guidelines on food and ingredient safety.

Increasingly our customers, consumers and other stakeholders are seeking information on the provenance of our ingredients and we are committed to mapping this, including a focus on the extent of local ingredients supply.

Our progress in 2017 to offer improved information includes:

### In Non-Alcoholic Beverages in Australia & New Zealand

- Ensuring every product's nutrition and ingredient information is available via our online product comparison tool
- Continuing to offer products that align to health guidelines for school canteens across Australia and New Zealand
- Implementing Promotional Guidelines with key controls such as multi-serve bundles stating they are for multiple people/occasions; and featuring meal and snack bundles only where combined kilojoule content is less than 50 per cent of the Daily Intake for energy
- Voluntarily introducing the "per cent" Daily Intake Guide label on all our products which provides clear information on both the amount of kilojoules per serve and what this represents as a percentage of an adult's total daily energy intake
- Working to ensure our kilojoule information is always available via pack or point-of-sale. Vending decals, new dispensed cup artwork and menu boards are being updated to deliver against this commitment. Recently, we introduced nutrition information panels on our vending machines, reaching 75 per cent by the end of 2015
- Continuing Coca-Cola Amatil's commitment as a signatory to the *Responsible Children's Marketing Initiative* in Australia, and New Zealand's *Voluntary Schools Agreement*, and alignment with The Coca-Cola Company's *Responsible Marketing Policy* and *Global School Beverage Guidelines*. Our marketing communications are designed to not directly appeal to children under 12 years of age in Australia or 14 in New Zealand, and we will not commercially advertise in primary schools, and only offer products for sale when requested by the school
- Providing total transparency on all our health and wellbeing partnerships, research, and any individuals receiving funding support from the Coca-Cola system, dating back to 2010
- In Australia, on our customer ordering platform myCCA, providing information about our products' ratings against green/amber/red lighting systems to ensure our customers are informed about our products
- Highlighting serves-per-pack on the labels of our larger multi-serve bottles to inform consumers how many 250ml serves are in a large bottle
- Launching the Coca-Cola Designated Drivers campaign in New Zealand to celebrate 'Kiwis looking after their mates' and helping New Zealanders make safe and responsible choices during the festive summer period

### In Alcohol & Coffee

- Implementing a new Coca-Cola Amatil Group-wide *Alcohol Advertising and Marketing Framework* and tracking our compliance with it
- Maintaining our long-term position as official signatory to the Australian *Alcohol Beverages Advertising Code* and DrinkWise Australia, an independent, not-for-profit organisation whose primary focus is to help bring about a healthier and safer drinking culture
- Expanding the use of voluntary responsible consumption and pregnancy warning messaging in all our marketing and communications materials, including print and digital
- Continuing our membership and funding agreement with new pan-industry body Alcohol Beverages Australia to support initiatives that encourage responsible consumption of alcohol and contribute to an informed discussion on alcohol beverage issues
- Continuing our Australia-wide Responsible Service of Alcohol accredited training for all employees working with alcohol beyond those who may be serving alcohol

### In Indonesia and Papua New Guinea

- Continuing our alignment with The Coca-Cola Company's *Responsible Marketing Policy* and *Global School Beverage Guidelines*
- Conducting a free-of-charge public Coca-Cola Tour of our manufacturing facilities in Indonesia, to provide transparent information and demonstration of our quality production processes and facilities. In 2017 over 75,500 people enjoyed the Coca-Cola Tour experience



#### Case Study:

#### WELCOMING CONSUMERS TO OUR COCA-COLA PLANTS

Quality and transparency is vital for consumer confidence in our products. Coca-Cola Amatil Indonesia created the Coca-Cola Tour, a half-day program inviting consumers to see how our products are manufactured and how we support customers and communities across Indonesia.

Through the Coca-Cola Tour program, people can inspect our strict quality system, the ingredients that go into our world-class beverage and how our products are manufactured and packed.

Coca-Cola Tours are currently available in Medan, Lampung, Cibitung, Sumedang, Semarang, Pasuruan, and Bali.

The Coca-Cola Tour enables visitors to discover the production process, and also acquire knowledge of the company history, corporate social responsibility initiatives, and facts on our products. The tour is facilitated by our Public Affairs and Communications team and guided by our Quality Assurance team.

The tour starts with a safety briefing, followed by videos on the history of Coca-Cola and on the production and distribution process. Visitors are then guided through the plant and also presented information on our product portfolio and sustainability initiatives. The tour, which takes up to three hours, concludes with a product tasting and question and answer session.

Coca-Cola Amatil Indonesia's Ida Lukitowati, said "*The Coca-Cola Tour program is an important communication tool for people to understand how our products are made and our focus on quality assurance.*"

In 2017, over 75,500 people have had the Coca-Cola Tour experience. Most tour participants are high school and university students, but throughout the year we have also conducted the tour for key customers, media and government officials.

## Case Study:

### NEW ALCOHOL ADVERTISING AND MARKETING FRAMEWORK – AUSTRALIA, NEW ZEALAND, SAMOA AND FIJI

As an industry leader, we are committed to best practice in the responsible service, promotion, and consumption of alcohol. In 2017, we implemented a new Coca-Cola Amatil *Alcohol Advertising and Marketing Framework* with a new set of Group-wide standards, a training manual and program as well as a compliance framework and alcohol marketing approvals process. Our Alcohol Compliance Committee will be tracking our performance annually as part of this framework.

Further demonstrating our commitment, we have also become an official signatory to the *Alcohol Beverages Advertising Code* and *DrinkWise Australia*. The *Alcohol Beverages Advertising Code* is a voluntary system of compliance, running since 1998, that encourages industry to adhere to the *Responsible Alcohol Marketing Code*. Negotiated with the Australian Federal Government, it is funded by the alcohol industry, but all complaints are handled independently. *DrinkWise Australia* is an independent, not-for-profit organisation providing national information and education campaigns and practical resources to help inform and support the community about a healthier and safer drinking culture.

There are three elements to the new *Alcohol Advertising and Marketing Framework*:

1. New set of Coca-Cola Amatil Group *Standards for Alcohol Advertising and Marketing* for the marketing and promotion of our alcoholic beverage portfolio in all the countries in which our Alcohol & Coffee Business operates – Australia, New Zealand, Fiji and Samoa – for all channels.
2. Training manual and annual program, including an interactive workshop, providing specific requirements of the *Alcohol Beverages Advertising Code* and real-life examples for our staff and key agency and brand partners. Eighty employees from Australia, Fiji, and Samoan-based marketing and sales teams have been through the training process, with sessions also run for 20 people from four key agency partners.
3. A new internal approvals process to ensure all material confirms to our standards. The Marketing Approvals Committee for Coffee and Alcohol brings together representatives from legal, risk, brand and public affairs teams to provide a fast and effective weekly approvals forum that accepts online and hard copy submissions. In December 2017,

the system captured a five-fold increase in submissions, compared to the corresponding period in 2016. This integrated approach provides ease of use, reporting, scalability and security benefits. The system is now being expanded by Coca-Cola Amatil's Australian Beverages Business for use across our non-alcoholic beverage portfolio.

*"It feels good to be taking the lead in the industry in Fiji with responsible alcohol marketing. The approval process and feedback from the approvals committee has also challenged us to recreate brand messages that keep our brands, our employees and consumers safe by ensuring we promote responsible consumption and service of alcohol."*  
— Rowena Taito, Head of Marketing and New Product Development, Paradise Beverages, Fiji

## 2018 PLANS FOR IMPROVEMENT

### In Non-Alcoholic Beverages

- Support voluntary industry-led initiatives to reduce portfolio sugar intensity and provide information on progress
- Track the reach of our wellbeing information
- Maintain our commitment to supporting the *Responsible Children's Marketing Initiative* in Australia, and New Zealand's *Voluntary Schools Agreement*, The Coca-Cola Company's *Responsible Marketing Policy* and *Global School Beverage Guidelines*

### In Alcohol & Coffee

- Take the lead in the creation and introduction of Responsible Service of Alcohol training and responsible consumption messaging in the Pacific region

### In all Businesses

- Ensure our consumers are confident about their choices, by supporting responsible suppliers and mapping where our ingredients are sourced. This includes mapping the provenance of priority ingredients and tracking the products and brands where our key ingredients are sourced locally
- Track the number and impact of wellbeing locations in communities, schools, and hospitals where we invest in the promotion of healthier food and beverage options





# ENVIRONMENT



## OUR COMMITMENT

We aim to leave a positive legacy and ensure minimal impact on the environment. We work responsibly in all we do, seeking to make the right choices now, in a sustainable way, for future generations.

Our commitment is focused where we have the most opportunity to make a difference: water stewardship; energy management and climate protection; sustainable packaging; biodiversity; and responsible sourcing.

By 2020,<sup>1</sup> we will continue to drive water neutrality for non-alcoholic beverages; improve water intensity for non-alcoholic beverages to achieve no more than 1.95L/L and target a 25 per cent improvement in water efficiency for alcoholic beverages (compared to 2013) and food; deliver

a 25 per cent carbon reduction for the 'drink in your hand'; ensure that 60 per cent of our energy requirements come from renewable and low-carbon sources; aspire to packaging neutrality with business case development for 50 per cent recycled plastic in PET containers in Australia; lead on habitat regeneration and protection projects; and ensure 80 per cent of suppliers are covered by responsible sourcing assessments.

To achieve this vision we will work closely with partners and environmental experts so that we can understand and mitigate our impact and be proactive in implementing solutions.

## OUR APPROACH

Material aspects and priorities have been identified in our Coca-Cola Amatil Group-wide Environment Strategy *Resources for Today and Tomorrow* and we also ensure that each Business sets their own objectives and priorities on these aspects considering the needs of their operations, partners, communities, people and habitats. We apply the precautionary principle<sup>2</sup> to assessing environmental risks and opportunities. The Board Risk & Sustainability Committee oversees the Group-wide Environment Strategy commitments and achievements. All environment programs are guided by regulatory requirements and relevant company policies including the Coca-Cola Amatil Group-wide *Environment Policy*, *Water Policy*, and *Human Rights Policy*, which confirm our commitment to minimising our environmental impacts. *ISO 14001 Environmental Management* certification at site level ensures appropriate environmental management and stewardship of resources.

Environmental performance is monitored via regular internal and external audits including audits conducted by The Coca-Cola Company to ensure we meet stringent Quality, Safety and Environment requirements. We also follow our own and partner guidelines such as The Coca-Cola Company's *Supplier Guiding Principles* and Coca-Cola Amatil's *Responsible Sourcing Guidelines*, and environmental sustainability is also included as part of supplier sustainability assessments covering the majority of Coca-Cola Amatil's key suppliers. Each year we complete all mandatory external reporting such as that required under Australia's National Greenhouse and Energy Reporting Scheme, National Pollutant Inventory and the Australian Packaging Covenant and also voluntarily complete CDP Climate Change and CDP Water Security questionnaires. Where it is right for our business, we also align our approach and strategies with those of our partner, The Coca-Cola Company, to support their objectives on water replenishment, carbon reduction and packaging neutrality, and leverage their expertise to help achieve broader system-wide goals.

<sup>1</sup> All targets are for 2020 and from a 2010 baseline unless otherwise specified.

<sup>2</sup> *Precautionary Principle* (2005), United Nations Educational, Scientific and Cultural Organisation.



# WATER

## 2017 PERFORMANCE

- Reduced our overall water use across all Businesses in 2017 by 430 megalitres, a five per cent reduction from the prior year
- SPC in Australia delivered water savings in 2017 of over 320 megalitres, a 24 per cent reduction compared to the prior year
- Samoan Vailima brewery reduced water intensity by 18 per cent compared to 2016<sup>1</sup>
- In partnership with The Coca-Cola Company over-achieved our 2020 replenishment goal and ahead of schedule with almost 4,900 megalitres of water being replenished, equivalent to 161 per cent of non-alcoholic beverages finished product volume in litres

## OUR PROGRESS

Water is of vital importance to Coca-Cola Amatil, whether used directly in our beverages, as a key processing agent, or as part of our agricultural value chain. We note that water crises have been listed as one of the top five 'Global Risks to Business' since 2012 by the World Economic Forum.<sup>2</sup> We prioritise maintaining sustainable high-quality supplies across our business. In doing so we recognise that access to high-quality water is also critical for the communities in which we operate, and we take their needs into consideration when assessing a water source's sustainability. In 2017 our direct operations drew 7,750 megalitres from many sources across the territories in which we manufacture, with almost 70 per cent of this coming from municipal water supplies. Compared to 2016 we reduced our overall water use in 2017 by 430 megalitres, representing a five per cent reduction.

### Water Stewardship

As a manufacturer of diverse products ranging across non-alcoholic beverages, alcohol and food we are applying the same strict standards in assessing water sustainability to all aspects of our business.

We commenced hydrogeological studies on groundwater sources for non-alcoholic beverages in 2003, and from 2009 the scope of these studies expanded to all water sources for non-alcoholic beverages, including municipal and surface water, to ensure all stakeholders maintain sufficient supplies of fresh water as, and when, they

need it. Each study is completely revised every five years, at a minimum, considering changes in our business, the community, and all other stakeholders. These studies provide the guidance we need to identify quantitative, qualitative, and community-based risks associated with water withdrawals, and more importantly, serve as the input to develop rigorous management plans to ensure the risks are addressed to maintain ongoing supplies to all users. Each plan is regularly reviewed and updated as actions to mitigate risks are completed.

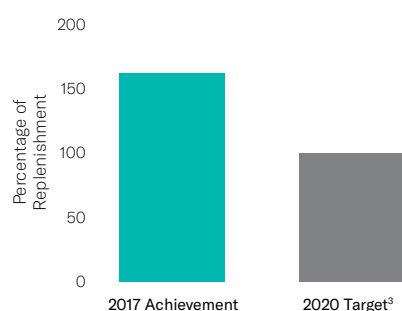
We are rolling out this approach so that we have source vulnerability assessments and sustainable water management plans in place for our brewing, distilling and food processing sites by 2020.

### Water Efficiency

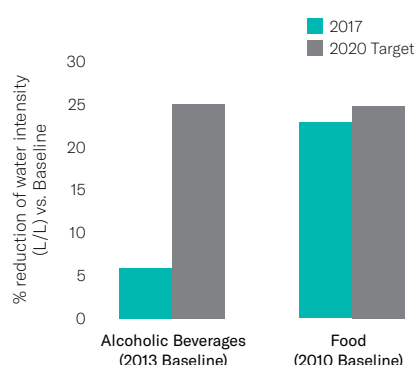
Sustainably sourcing our water is the first step we take; just as important is ensuring we optimise water efficiency within our factory walls. It is here we have the most direct control and where we can have the most impact, and we have long had a water efficiency focus whilst managing the production of an evolving portfolio of food and beverage products.

Our changing product mix impacts our water use, with alcohol, dairy drinks, fruit juices and food generally having higher water intensity than other non-alcoholic beverages. In addition, we are growing our business in some countries where additional water treatment is required due to the varying quality of incoming water.

## Percentage of Water Replenishment vs. Water in Finished Product



## Percentage Change in Water Intensity for Alcohol and Food



<sup>1</sup> Water intensity is the ratio of water volume in litres required to manufacture each litre of finished product taking into account all water treatment and production processes and is expressed as litres per litre (L/L).

<sup>2</sup> World Economic Forum *The Global Risks Report 2018*

<sup>3</sup> The 2020 target of 100 per cent replenishment was set in 2010 and is now being overachieved.

“

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”

Increasing our range of dairy and juices and the growth in our Indonesian and Papua New Guinea businesses has seen an increase in our water intensity from 1.92 L/L in 2010 to 2.06 L/L in 2017. We are however focused on improving water intensity out to 2020 with a target of 1.95L/L, which will be achieved by a continued focus on optimising water use throughout the production process, reclaiming of clean process water and diligent leak identification and repair.

Our SPC business in Australia had particularly impressive water savings in 2017, reducing their water consumption by over 320 megalitres, a 24 per cent reduction compared to the prior year, focusing on reducing leaks, minimising shutdown losses and optimising use during production hours. Similarly, our Samoan Vailima brewery achieved an outstanding water efficiency result, reducing water intensity by 18 per cent on the prior year.

We have also held water efficiency workshops at our sites in Brisbane, Melbourne, Auckland and Suva in the last two years and have another planned in Jakarta in 2018 which will include our environment and sustainability leaders from across Coca-Cola Amatil Indonesia and international experts. The workshops seek to educate on the true value of water and develop a lifecycle approach to water sustainability. We incorporate our suppliers into the workshops, where appropriate, and draw upon their expertise in water treatment and cleaning and sanitation to develop a site-wide tailored plan to reduce avoidable losses, optimise usage and build capability that goes beyond the direct workshop participants to embed a deeper respect for water as valued resource.

## Replenishment

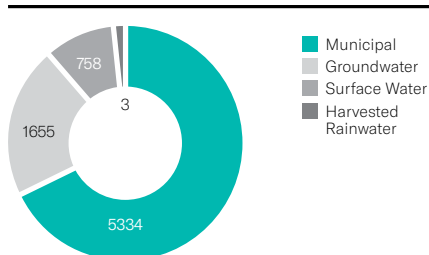
The final stage in our sustainable use of water is discharging waste water responsibly ensuring the safety of the receiving environment. In partnership with The Coca-Cola Company, we made a commitment several years ago to return to nature at least as much water as is in our non-alcoholic beverages by 2020. This commitment was met five years ahead of schedule, and we continued to exceed our replenishment goals in 2017 with almost 4,900 megalitres of water being replenished, equivalent to 161 per cent of non-alcoholic beverages finished product volume in litres.

To achieve this replenishment goal, all our sites treat their waste water either on-site or discharge to municipal systems, and we meet or exceed the more stringent of either local regulatory requirements or the requirements of The Coca-Cola Company. In addition, The Coca-Cola Company and Coca-Cola Amatil operate several water replenishment projects to provide additional high-quality water to communities, waterways and habitats. These projects include infiltration wells and watershed protection in Sumatra, Java, Bali and Papua New Guinea, reforestation projects in various locations in Indonesia and community access projects which improve water system infrastructure.

In Australia, one of the main replenishment projects funded by The Coca-Cola Company is Project Catalyst which was established to help sugar cane growers in Northern Queensland develop innovative, economically viable, and environmentally sustainable farming practices. Run in conjunction with the Australian Federal Government, World Wide Fund for Nature and local resource management groups, Project Catalyst reduces the total quantity of water run-off as well as sediment, nutrients and chemicals in freshwater entering the Great Barrier Reef. The project therefore has a water replenishment as well as total eco-system benefit.

In East Bali, Coca-Cola Amatil Indonesia, in partnership with the East Bali Poverty Project, has developed the 'Water for Life' Program in 2008. Through the program we have provided water tanks with the capacity to deliver 8,000 litres of clean water daily and have also supported the building of toilet facilities for the community.

Water Sourced by Volume (Megalitres) and Type



# 5%

reduction in overall water use in 2017 compared to 2016

# 4,897 ML

water replenished

# 24%

reduction in total water use compared to 2016 by SPC

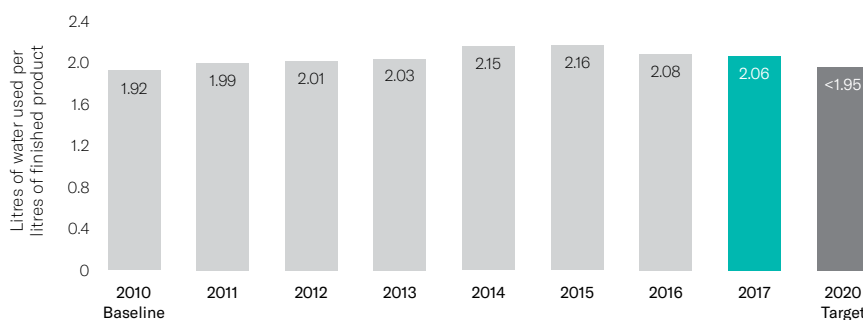
# 18%

reduction in water intensity compared to 2016 by Samoan Vailima brewery

## Water Replenishment by Project Location and Type

Location	Project	2017 ML/Year
Australia	Catalyst	3,745.00
Indonesia	Infiltration Wells (Sumatra and Java)	1,138.00
	Reforestation	0.70
	Community Access	13.87
<b>TOTAL</b>		<b>4,897.57</b>

## Water Intensity Non-Alcoholic Beverages





#### Case Study:

### DELIVERING WATER EFFICIENCY IN SAMOA

In 2017 the Vailima Brewery in Samoa improved water intensity by an impressive 18 per cent on 2016. The brewery, located in Apia, produces Samoa Breweries Limited beers and is also The Coca-Cola Company's contract bottler for non-alcoholic beverages in Samoa.

In late 2016 the Samoa Breweries team identified that its high water usage rate was impacting on the environment and the business. Operational costs were increasing - there was the cost of the water coming in, the cost of treating that water, and then the costs of the effluent going out. It was also resulting in operational inefficiencies, which at times resulted in production shortages versus demand.

The systems within the brewery also could not accurately measure water usage, so the business priority was to establish a baseline and implement a water efficiency plan.

Tulia, Ropati and Jedi from Samoa's Quality, Safety and Environment team received specialist training in Fiji from The Coca-Cola Company's Director of Environmental Sustainability Dr Paul Bowen and returned to Samoa with knowledge and passion to lead change at the brewery.

Water leaks were identified as the most critical factor in improving water efficiency and Dr Bowen's water efficiency training program was subsequently delivered to all employees. A baseline was then established through a manual process of switching off the whole site then opening flow valves one by one, and systematically tracking water usage. Following this, targets for water use ratios were set and were rapidly achieved within three months of the plan being implemented.

In 2017 Samoa Breweries achieved record water efficiency in the history of the brewery.

Coca-Cola Amatil's Group Environmental Sustainability Manager Scott Edwards inspected the new mechanisms for water efficiency and noted, *"The team at Vailima has done a fantastic job of implementing what they learned at the water efficiency workshop. After returning to plant and enacting their plan the team achieved back-to-back months of record efficiencies for the site. Operational leadership, technical capability enhanced by Dr Paul Bowen, and team participation enabled the sustained change in behaviours and performance at Vailima."*

Routine leak checks and training created the behavioural change fundamental for delivering sustainable improvements in 2017 and plans for further improvements in 2018.

### 2018 PLANS FOR IMPROVEMENT

- Each Business has set new targets for 2018 positioning them on the glide-path to achieving our 2020 commitments across non-alcoholic beverages, alcohol and food. These targets collectively ensure we achieve our Coca-Cola Amatil Group targets, taking into account the changes in product mix, new products and the overall trends in production volume and hence the influence of that country or business on the collective total
- We will undertake a readiness assessment for water data assurance and include the recently acquired Feral Brewing business in Australia in the total Group alcohol performance

# CLIMATE CHANGE AND ENERGY

## 2017 PERFORMANCE

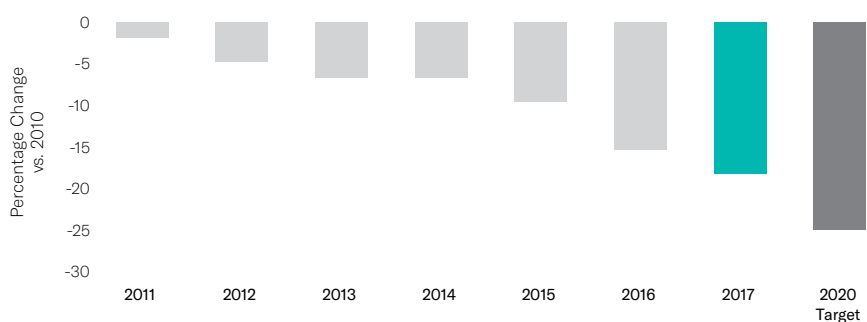
- Continued to reduce the carbon footprint of the non-alcoholic 'drink in your hand', achieving a 19 per cent reduction in 2017 from 2010<sup>1</sup>
- Reduced overall 2017 manufacturing carbon emissions by 9.4 per cent from 2016 with stand-out emissions reduction achieved by our Indonesian (13.2 per cent), Papua New Guinea (33.3 per cent), Samoan (27.5 per cent) and SPC (15 per cent) Businesses
- Achieved emission reductions of 8.5 per cent from 2016 across all non-alcoholic beverages
- Over half of our energy use is now from renewable or low-carbon sources

## OUR PROGRESS

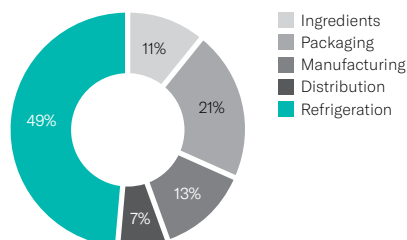
### Carbon Reduction

At Coca-Cola Amatil we are committed to ensuring that we are playing our role in limiting global temperature increases to no more than 1.5 degrees Celsius.<sup>2</sup> Our approach to measuring, managing and reducing our carbon footprint for non-alcoholic beverages is aligned with The Coca-Cola Company's commitment to reducing the carbon footprint of the 'drink in your hand' by 25 per cent by 2020. In reality this means we are working on reducing the carbon emissions related to each stage in our non-alcoholic beverage' lifecycle, from the ingredients that go into making it, the packaging used to deliver it to our consumers, how it's manufactured and distributed, and finally how we chill it, to create the millions of moments of happiness and possibilities for our consumers no matter where they are, their choice of product, or how they prefer to consume it. We are on track to deliver a 25 per cent reduction across these stages by 2020 through our focus on the key aspects of packaging, manufacturing and refrigeration, and have already achieved a 19 per cent reduction at the end of 2017.

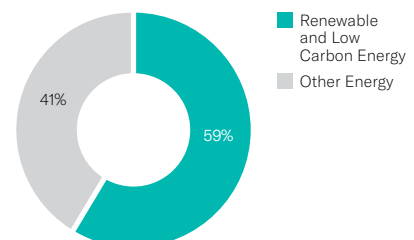
Drink in Your Hand Non-alcoholic Beverage Carbon Footprint  
Percentage Change vs. 2010



2017 Drink in Your Hand Non-alcoholic Beverage Emissions Profile



2017 Renewable and Low Carbon Energy as a Proportion of Total Energy Use (Manufacturing)



<sup>1</sup> We measure our 'drink in your hand' footprint as an intensity figure of grams of CO<sub>2</sub>-equivalent (CO<sub>2</sub>-e) per litre of non-alcoholic beverage produced.

<sup>2</sup> 1.5 degrees Celsius is based on United Nations Framework Convention on Climate Change assessments and globally agreed 2015 United Nations Climate Change Conference in Paris commitments.

<sup>3</sup> Scope 1 greenhouse gas emissions are the emissions released to the atmosphere as a direct result of an activity, or series of activities at a facility level.

<sup>4</sup> Scope 2 greenhouse gas emissions are the emissions released to the atmosphere from the indirect consumption of an energy commodity. For example, 'indirect emissions' come from the use of electricity produced by the burning of coal in another facility.



## 2017 Tonnes of CO<sub>2</sub>-e by Product Type and Country (Manufacturing)

		Australia	NZ	Fiji	Indonesia	PNG	Samoa
Non-Alcoholic Beverages	Scope 1 <sup>3</sup>	12,431	2,812	994	26,377	4,752	344
	Scope 2 <sup>4</sup>	63,319	8,969	814	76,273	1,431	81
	<b>% change from 2016</b>	<b>-3.1%</b>	<b>31.3%</b>	<b>-4.6%</b>	<b>-13.2%</b>	<b>-33.3%</b>	<b>-2.3%</b>

		Australia	
		Food (SPC)	Coffee (Grinders)
Food & Coffee	Scope 1	16,104	1,045
	Scope 2	27,552	400
	<b>% change from 2016</b>	<b>-15.0%</b>	<b>5.8%</b>

		Australia (Beer)	Fiji (Beer)	Fiji (Spirits)	Samoa (Beer)
Alcoholic Beverages	Scope 1	1,416	3,086	27	960
	Scope 2	2,026	1,043	100	227
	<b>% change from 2016</b>	<b>7.2%</b>	<b>-0.1%</b>	<b>-11.2%</b>	<b>-27.5%</b>

Our non-alcoholic beverages emissions profile is evolving over time aligned with our commitments to achieving packaging neutrality via light-weighting and increasing recycled content, investing in energy efficiency and renewable energy at our factories and distribution sites, and phasing out synthetic refrigerants in our coolers and vendor fleets. Though the relative influence of refrigeration has increased over time since 2010, its impact on emissions continues to decrease as we continue to roll out high efficiency coolers with natural refrigerants.

Apart from the drink in your hand intensity measure for non-alcoholic beverages, we also measure the absolute emissions and energy use for each of our operations, including our alcohol and food businesses.

Food and Coffee and Alcohol manufacturing improved their year-on-year carbon footprints in 2017 by 14.4 per cent and 2.6 per cent respectively. This was due primarily to production efficiency improvements.

Our emissions in Coca-Cola Amatil New Zealand increased in 2017 as result of bringing plastic bottle blow-moulding in-house, although the total emissions from this change (Scopes 1, 2 and 3) are a net reduction as we are using the most efficient blow-moulding equipment available, reducing transport of bottles and enabling the light weighting of preforms. Despite the increase in New Zealand, the emissions intensity of the non-alcoholic beverages business improved by 8.5 per cent on 2016 performance coming in at 65.2g CO<sub>2</sub>-e/L.

Our emissions are directly linked to our energy usage and in 2017 our manufacturing energy use across the Coca-Cola Amatil Group was one per cent lower than in 2016.

### Energy Productivity

Our Australian Beverages Business has continued to roll out major LED lighting installations completing two sites and are advanced on three more as at the end of 2017. Combined, these projects are calculated to deliver over 5,800 MWh of saved electricity and average more than an 85 per cent reduction on current lighting energy use. We are undertaking further work in reducing energy use from boilers at our SPC Shepparton plant and our Yenda brewery in regional New South Wales, with both projects expected to improve operational efficiency by 12 to 15 per cent.

### Low Carbon Energy & Security

We are aiming to source at least 60 per cent of our manufacturing energy needs from low- and no-carbon sources by 2020, including natural gas, LPG, wood, direct renewables from on-site sources and indirect renewables supplied through grid connected power purchase agreements. In 2017 total renewable or low-carbon energy use was 58.81 per cent.

In 2017 our Fiji non-alcoholic beverages plant brought online a 1.1 megawatt rooftop solar photovoltaic installation and we signed an offtake agreement in Australia for 40 gigawatt hours of wind power from the Murra Warra project in Victoria. We are investigating further large scale solar rooftop installations in Australia, New Zealand, Indonesia and the Pacific in 2018.

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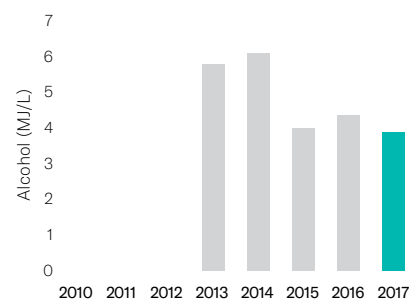
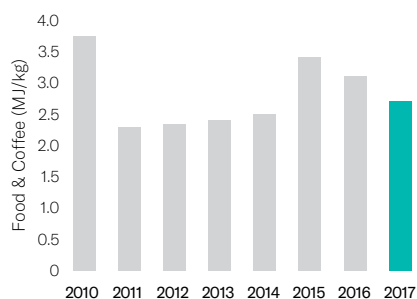
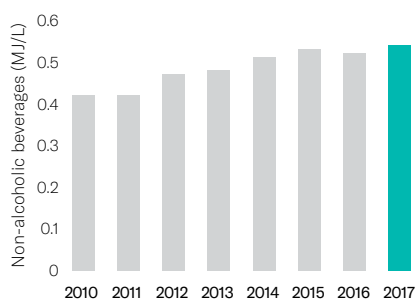
## 2017 Total Group Emissions Tonnes of CO<sub>2</sub>-e

	Non-alcoholic beverages	Food & Coffee	Alcoholic Beverages	Group Total	% of total
Scope 1	47,711	17,149	5,490	70,350	27.9%
Scope 2	150,886	27,952	3,396	182,235	72.1%
Total	198,597	45,102	8,886	252,585	100.0%
<b>% of Group</b>	<b>78.6%</b>	<b>17.9%</b>	<b>3.5%</b>	<b>100.0%</b>	
<b>% change from 2016</b>	<b>-8.5%</b>	<b>-14.4%</b>	<b>-2.6%</b>	<b>-9.4%</b>	

## 2017 Total Energy Use by Fuel/Energy Source (Manufacturing)

		2017 MWh	2017 GJ	2017 % of total
Fuels consumed onsite by source	Natural Gas		1,081,441	48.06%
	LPG		83,247	3.70%
	Diesel & Petrol		144,824	6.44%
	Wood burned		30,051	1.34%
Electricity consumed by source	Grid Electricity	252,115	907,613	40.33%
	Solar Generation	899	3,236	0.14%
		<b>253,014</b>	<b>2,250,412</b>	<b>100.00%</b>

## Energy intensity (MJ/L or MJ/kg of finished product) for Non-alcoholic Beverages, Food and Coffee and Alcohol





#### Case Study:

### LAYING THE FOUNDATIONS FOR OUR LOWER CARBON FUTURE

As part of our commitment to obtaining at least 60 per cent of our energy needs by 2020 from renewable and low carbon sources, Coca-Cola Amatil continues to invest in renewable energy programs and feasibility studies for both on-site and off-site projects across our region.

In 2017 we opened the 1.1 megawatt solar photovoltaic installation at our Coca-Cola Amatil production site at Laucala Beach Estate, Suva – the largest rooftop solar installation in Fiji, New Zealand, and the Pacific Islands. As a growing economy, Fiji has increasing reliance on fossil fuel generated electricity to meet demand and the Government of Fiji has called on industry to adopt greener production processes to reduce carbon emissions and protect the environment.

As part of the modernisation of the plant we partnered with Sunergise to install over 3,800 solar panels, to generate 40 per cent of the sites full operational requirements.

Further planned stages will take generation to 80 per cent of required energy at the site and will also extend to our other sites in Labasa and Lautoka. In addition to the environmental benefit, the installation sees net cost savings of around FJ\$60,000 per annum.

*"I certainly encourage other companies and investors to follow this lead, because it's a practical and highly effective way in which the private sector can make its own contribution to the fight against climate change."* - The Right Honourable Commodore Voreqe (Frank) Bainimarama, Prime Minister of Fiji.

The project was also awarded Best Solar PV and/or Storage Grid Connected Implementation at the Sustainable Energy Association of New Zealand Awards 2017.

Coca-Cola Amatil continues to lay the foundations for our lower carbon future.

In December 2017 we entered into a long-term wind-power purchase agreement as part of a consortium of large energy users led by Telstra. The agreement covers the 226 megawatt first stage of the Murra Warra Wind Farm near Horsham in western Victoria owned by RES Australia and Macquarie Capital. Coca-Cola Amatil believes this collaboration between Australian businesses demonstrates how working together, companies can achieve greater control over their energy costs and support the transition to renewable energy.

When construction is completed, the Murra Warra Wind Farm will generate more energy than any other wind farm currently operating in the southern hemisphere. The project is expected to be fully operational in mid-2019 and it is expected the construction of Murra Warra Stage One will create around 150 jobs as well as other opportunities for businesses in the local area.

#### 2018 PLANS FOR IMPROVEMENT

- We plan to continue energy efficiency programs and benchmarking analysis and roll out of renewable and low-carbon energy assessments, business case development and projects
- We will undertake a readiness assessment for energy data assurance and include the recently acquired Feral Brewing business in Australia in the total Group performance for alcoholic beverages
- We will review and continue to refine climate risk due diligence assessments across the entire Coca-Cola Amatil Group

# PACKAGING NEUTRALITY

## 2017 PERFORMANCE

- Mount Franklin 600ml bottle in Australia is now made from 100 per cent recycled polyethylene terephthalate (rPET), with overall rPET content for our total Australian portfolio in 2017 at 24 per cent
- Continued capability sharing, active engagement, investment and leadership in container deposit schemes in Australia and Fiji, including 40 years' experience in South Australia and over 15 years operating Fiji's Mission Pacific, leading the way on investment in packaging recovery and recycling
- With consortium partners, appointed as Scheme Co-ordinator, for the New South Wales Container Deposit Scheme, proactively engaging with government and other stakeholders to ensure the efficient and effective rollout of the scheme

### Light weighting performance Australian PET Bottle (bottle weight in grams)

Carbon reduction equivalent from baseline (carbon reduction as % of baseline)

600ml Carbonated Soft Drink	1997	2010	2011	2012	2013	2014	2015	2016	2017
Weight	29.5g	23g	23g	20g	20g	20g	20g	19.8g	19.8g
rPET	10%	0%	0%	0%	15%	20%	25%	25%	25%
Carbon reduction since 1997	—	17%	17%	27%	35%	37%	39%	40%	40%

600ml Water	2000	2010	2011	2012	2013	2014	2015	2016	2017
Weight	29g	16.6g	16.6g	12.8g	12.8g	12.8g	16.6g	16.6g	16.6g
rPET	0%	0%	100% <sup>1</sup>	0%	0%	0%	50%	50%	100%
Carbon reduction since 2000	—	43%	46%	56%	56%	56%	61%	61%	80%

1 bioPET



## OUR PROGRESS

Our aspiration to achieve packaging neutrality by 2030 is an ambitious one, and we are aligning with The Coca-Cola Company's vision of a 'World Without Waste' sharing the understanding that every package has value and life beyond its initial use and should be collected and recycled into another package or other beneficial use.

### Reduce/Replace

Part of our strategy is to continue to minimise packaging use through better design, light-weighting where possible, and replacing virgin materials with recycled content in both our primary packaging (cans, bottles, cups and capsules) and secondary packaging (cartons and shrink-wrapped packs).

We have had significant success in recent years light-weighting our non-alcoholic beverage packaging and introducing recycled content and in 2017 we achieved another major milestone with the introduction of a 100 per cent recycled content bottle. Australian-made Mount Franklin 600ml bottles were successfully trialled and then rolled out with 100 per cent rPET, an important step toward our goal of having greater rPET across our portfolio. When combined with the light-weighting of the 600ml bottle we have undertaken since 2000, this bottle has reduced its carbon footprint by a significant 80 per cent. As at the end of 2017 our Australian PET portfolio has a weighted average recycled content of 24 per cent.

In Indonesia, our Ades Water bottle remains one of the lightest PET bottles on the market globally, and we continually innovate to reduce the use of virgin materials in all our brands across all our regions.

### Recyclability and Recovery

Whilst most of the materials used for our packaging – PET, glass, aluminium and cardboard – are completely recyclable from a technical perspective, we are aware that much work needs to be done on improving the collection and recycling infrastructure in all countries of operation to ensure that opportunities for recycling are maximised. This is a global challenge for all consumer goods companies, and we are committed to continue providing constructive leadership in improving opportunities for the packaging circular economy to flourish.

In Australia, Coca-Cola Amatil continues to leverage 40 years of experience in the South Australian container deposit scheme, through the wholly-owned subsidiary Statewide Recycling, working with partners and governments to co-design cost-effective and efficient packaging recovery solutions nationally.

The New South Wales container deposit scheme, Return and Earn, commenced operations in December 2017, with beverage industry consortium Exchange for Change, which includes Coca-Cola Amatil, being appointed as the Scheme Co-ordinator. Together with the Northern Territory scheme, there are now three government mandated container deposit schemes in Australia with Coca-Cola Amatil playing a leadership role in all. Further schemes are proposed for Queensland, Western Australia and the Australian Capital Territory and Coca-Cola Amatil continues to work proactively with partners to deliver well-designed recovery solutions.

Our Fijian business has successfully run a voluntary container collection and recycling program, Mission Pacific, for several years, helping to reduce litter and paying consumers FJ\$1 per kilogram of containers they return to the collection sites at Suva, Lautoka and Labasa. The returned containers are separated by package type, baled and processed for recycling offshore. The scheme, managed and funded by Coca-Cola Amatil, provides not just environmental benefits but also economic benefits to the Fijians who rely on it for income support.

In Samoa, our business is now part of the newly inaugurated Samoan Recycling Association, in conjunction with other manufacturers and key stakeholders on the islands, and we are actively driving recycling initiatives and broader strategic planning for this forum.

In 2017 Coca-Cola Amatil supported the Pacific Region Infrastructure Facility (PRIF) solid waste management study, seeking to find effective solutions across 15 island nations, by providing data on waste sources. The study assesses the potential for a regional recovery and recycling network. Coca-Cola Amatil territories of Fiji, Samoa and Papua New Guinea are included in the study which incorporates 15 waste streams including PET, aluminium, glass and paper/board. We continue to work closely with PRIF, a partnership of seven donor agencies, to identify viable solutions and partnerships to integrate our current packaging design and collection processes ensuring that the eventual solutions will be effective and efficient and support ongoing recycling of our packaging.

In Indonesia, together with The Coca-Cola Company, we have engaged in pioneering work through an industry product stewardship alliance called PRAISE, working with the Government of Indonesia to accelerate waste management solutions and reduce marine litter. We are also implementing a practical example of the circular economy in action by providing most of our manufacturing employees in Indonesia with an Eco Uniform made from 50 per cent PET plastic bottles and 50 per cent organic cotton. This initiative directly engages our staff in the effort to preserve the environment and to share our commitment.

**Tonnes of packaging materials (primary & secondary)  
used by type and percentage of recycled content 2017**

Material Used	Tonnes	Total recycled content by weight
PET	66,230	7%
HDPE	2,645	0%
Plastics (Other)	2,669	0%
Aluminium	30,184	58%
Steel	5,817	20%
Glass	17,136	31%
Board & Paper	33,949	53%
<b>TOTAL</b>	<b>158,630</b>	<b>29%</b>

**Case Study:**

**2017 SAVE FOOD PACKAGING AWARD GOES TO SPC PROVITAL**

In 2017, SPC ProVital packaging innovation was awarded the Australian Institute of Packaging/World Packaging Organisation 'Save Food Packaging' Award, recognising innovative and sustainable packaging that reduces food waste. Packaging design improvements include a textured and lengthened pull tab for easier grip, clear instructions for opening, easy-to-read best-before data and packaging recyclability.

SPC recognised an issue with the accessibility of its portion control fruit cup product for healthcare customers and commissioned a project to develop a range of easy-to-open cups to address factors such as the need to reduce food wastage in hospitals and improving nutritional standards within hospitals. This work resulted in the requirement for all portion control packs to have an Initial Scientific Review Accessibility Rating, to predict what percentage of the population can open the product without assistance and to be eligible for use in New South Wales public hospitals.<sup>1</sup>

SPC acknowledges the professional bodies, customers and suppliers who collaborated with us on this project including Arthritis Australia, New South Wales Healthshare, Georgia Tech Research Institute, Amcor, Visy Food Plastics, Molenaar, Passport Design and Labelmakers.

SPC ProVital represents how industry, supplier and corporate collaboration can deliver great outcomes for customers, consumers, the environment, and business.

**Case Study:**

**RECOVERY AND RECYCLING IN  
FIJI: MISSION PACIFIC**

Coca-Cola Amatil has considerable experience in delivering packaging recovery and recycling programs to help support the circular economy and improve recycling rates. In Fiji Coca-Cola Amatil has been running the Mission Pacific recovery and recycling program since 1999. Members of the public are encouraged to help keep the environment clean by bringing empty PET bottles to collection centres and receiving FJ\$1 per kilogram. The PET is bundled and sent offshore for processing and recycling into other PET products.

The program is managed by Coca-Cola Amatil and is also supported by Motibhai's Sprint and Fiji Water, and recycles over 200 tonnes of PET bottles annually.

Not only does the program minimise litter, including waste pollution entering the marine environment, it also stops waste going to landfill. In addition, it provides an important income stream for many individuals and families who are either dependent on recycling for their livelihood or who use the scheme to help supplement their income.

Coca-Cola Amatil Fiji will continue to support this important local initiative including rolling out additional collection centres and improving awareness of the scheme, and will continue to look for more innovative ways to close-the-loop for PET recycling.

**2018  
PLANS FOR  
IMPROVEMENT**

- Develop business cases for increased rPET across our Australian Beverages portfolio
- Continue our leadership in forums and partnerships across our regions to drive effective and efficient recovery and recycling solutions
- With key partners, such as The Coca-Cola Company, support initiatives to deliver packaging neutral outcomes

<sup>1</sup> This Initial Scientific Review benchmarking scale measures the ease with which a product can be opened. The scale ranges from -8 (hardest to open) to +8 (easiest to open) and is issued by Arthritis Australia in conjunction with the Georgia Tech Research Institute.







# BIODIVERSITY

## 2017 PERFORMANCE

- Continued to support the Coca-Cola Forest programs in Indonesia with the development of a third forest in Semarang, Central Java with capacity to supply up to 30,000 saplings per year, and continuing to hold tree planting and tree donation activities across Indonesia with more than 139,000 trees being planted in 2017. Our forests provide watershed protection as well as improve biodiversity. In addition, Coca-Cola Forests provide economic and social benefits, supporting jobs and income for farmers and communities and acting as hubs for environmental education programs
- Celebrated 10 years of the Bali Beach Clean Up program, in partnership with Quiksilver Indonesia, removing more than 35 million kilograms of rubbish and helping to release more than 190,000 baby turtles back to the sea since 2007
- Continued our support of the Mamanuca Environment Society's Sea Turtle Conservation Project in Fiji
- Continued to support the design and implementation of container deposit schemes and packaging return and recovery programs for our glass, aluminium and plastic bottles in Australia, Fiji, Samoa, and Indonesia to help minimise marine and terrestrial pollution

## OUR PROGRESS

Coca-Cola Amatil runs programs in five countries to support biodiversity. These include long-term habitat clean-ups, packaging recovery programs to reduce litter and support reuse, forestry projects including agri-forestry, animal protection and rehabilitation, watershed protection and infiltration well projects to provide water to communities and environments, environmental education, and environmental job creation and support.

Our progress and key programs in 2017 included:

### In Indonesia

- Celebrating the 10th anniversary of Bali Beach Clean Up program, in partnership with Quiksilver Indonesia, and the program's significant achievements including removing more than 35 million kilograms of rubbish from 9.7 kilometres of shoreline and helping to release more than 190,000 baby turtles back to the sea since 2007
- Through Bali Beach Clean Up, inspiring and supporting Seminyak Beach to create their own waste management facility to help reduce the amount of rubbish that goes to landfill and increase recycling

- Establishing the Coca-Cola Forest Semarang, Central Java which is the third Coca-Cola Forest established after Lampung, Sumatra in 2014 and Sumedang, West Java in 2015. It combines programs to both empower our communities through training modules and preserve our environment through tree planting in water catchment areas. It is designed to allow the local communities to continue their rice production in our land, while building capacity to diversify
- Continuing Coca-Cola Forest Fun Learning activities for 240 Zone 1<sup>1</sup> students in Lampung and 400 students in Semarang, providing lessons in tree planting, composting, and waste management
- Providing 19 job opportunities for Zone 1 farmers through Coca-Cola Forest Lampung, Sumedang and Semarang and 30 additional tree-planting job opportunities for local farmers through 'Hutan Asuh Coca-Cola' (Coca-Cola Foster Forest) program in East Java
- Continuing to actively plant and donate trees across Indonesia with more than 139,000 seedlings being planted in 2017 through the Coca-Cola Forest programs

139,000  
trees planted across Indonesia in 2017

190,000  
baby turtles released back to the sea since 2007 in Indonesia

- Celebrating the 25th Anniversary of City Clean Up activities across eight operational areas, from Medan, North Sumatra to Bali, while continuing clean-ups in other areas of Indonesia with a total of 12 tonnes of rubbish removed in 2017. Mobilising thousands of employees in every area, the activities were conducted in collaboration with local government, communities, and top universities such as Institut Pertanian Bogor, Universitas Brawijaya, and Universitas Indonesia

1 Zone 1 is the region within 10km of a factory, warehouse, or commercial office.



- Continuing donations of 1,100 rubbish bins across Indonesia in addition to the 150 bins we distributed for the Bali Beach Clean Up program to support clean-up activities and educate the public on post-consumer waste management
- Initiating a Green School program at an elementary school in Bekasi, West Java, involving 592 students and 21 teachers and parents, to strengthen current green school initiatives in Indonesia and increase student awareness of the local environment, in a fun and hands-on atmosphere
- Continuing our support of the River, Ocean, Land, and Ecology (ROLE) Foundation program, which included delivering training sessions for Bali Beach Clean Up Crews on organic farming, waste and water management, and marine conservation



## COCA-COLA AMATIL RUNS PROGRAMS IN FIVE COUNTRIES TO SUPPORT BIODIVERSITY



### In Australia

- Continuing to leverage our 40 years of experience in the South Australian container deposit scheme, through our wholly-owned subsidiary Statewide Recycling, working with partners and governments to co-design cost-effective and efficient packaging recovery solutions nationally. The New South Wales container deposit scheme Return and Earn commenced operations in December 2017, with beverage industry consortium Exchange for Change, which includes Coca-Cola Amatil, being appointed as the Scheme Co-ordinator. Together with the Northern Territory scheme, there are now three government mandated container deposit schemes in Australia with Coca-Cola Amatil playing a key role in all. Further schemes are proposed for Queensland, Western Australia and the Australian Capital Territory and we will continue to work proactively with partners to deliver well-designed recovery solutions
- Continued sponsorship of conservation projects through Australia Zoo on the Sunshine Coast and Taronga Zoo in Sydney. Australia Zoo's world famous Crocoseum, now proudly sponsored by Mount Franklin for the next five years, is the fulfilment of one of the late Steve Irwin's lifelong dreams: to provide visitors to Australia Zoo with the opportunity to see crocodiles in clear water ponds as part of a show to help educate the public on how crocodiles live and behave in the wild. The renewal of the long-term partnership with Coca-Cola Amatil also includes a major expansion of Australia Zoo's recycling program with new bins being installed with fun animal themes - some even with sound effects, ensuring recycling and environmental care is a major component of Australia Zoo's guest experience

### In Fiji, Samoa, and Papua New Guinea

- Providing ongoing support for the work of the Mamanuca Environment Society, protecting the marine and terrestrial environment of the Mamanuca Islands in Fiji. Vonu is the Fijian word for turtle and therefore it is fitting that Coca-Cola Amatil's Vonu beer is a proud supporter of the Sea Turtle Conservation Project in the Mamanuca Islands which is home to four either critically endangered or vulnerable turtle species
- Supporting the 'Mission Pacific' collection and recycling program in Fiji promoting positive recycling behaviour across the island and helping minimise waste to landfill, as well as participating in regular beach clean-up programs around the Fijian islands
- Participating in Samoa's annual October environmental clean-up day across the island, with around 100 staff volunteering a full day to take part
- Supporting development of water infrastructure and collection programs to support local communities and environments in Papua New Guinea such as the Laloki Watershed rainwater harvesting program



#### Case Study:

### A DECADE OF CLEANING BALI'S BEACHES

When we think of Bali, we think of an idyllic paradise – 'the island of the gods'. However, increasingly litter is impacting this paradise. This is, in part, due to an increasing local and tourist population as well as strong winds and ocean currents, from December to March, that bring garbage from the neighbouring island of Java onto Balinese beaches.

In 2007, Coca-Cola Amatil Indonesia and Quiksilver Indonesia decided to work together to clean up local beaches by starting the Bali Beach Clean Up, a daily clean-up program for the five main beaches: Kuta, Legian, Seminyak, Jimbaran, & Kedonganan.

Concurrently, Coca-Cola Amatil also supports the Kuta Beach Sea Turtle Conservation program, which has released 195,109 baby turtles since 2010.

This is part of the annual Bali Big Eco Weekend where Coca-Cola Amatil aims to educate and gain more support from the community to keep beaches clean and green. On the 10th anniversary of the program, the Bali Big Eco Weekend was held over three days to share our experience of running the program with a broader audience.

As of 2017, the Bali Beach Clean Up team has removed almost 36 million kilograms of rubbish from 9.7 kilometres of Bali shoreline. This is possible thanks to 150 new bins per year, four beach tractors, two barber surf rakes, three garbage trucks, and, most importantly, a 78-strong crew from local communities. This initiative has a positive social impact on the local community by creating economic opportunity for the crews through employment.

Bali Beach Clean Up crews are vital for the program as they act as ambassadors to spread the message locally about the importance of taking care of our environment. The success of the Bali Beach Clean Up inspired Seminyak beach to create their own waste management facility to help achieve the vision of zero waste to landfill.

The Bali Beach Clean Up has been recognised by the United Nations World Tourism Organisation as a successful endeavour, and was runner-up in the 'Innovation in Enterprise' category at their 2016 Awards of Excellence & Innovation in Tourism.

*"...If nobody's taking the job of cleaning the beaches, would our beach get as many visitors as now?"* — I Nyoman Budiana, Tractor Driver, Seminyak Beach

#### 2018 PLANS FOR IMPROVEMENT

- Continue to align our biodiversity program with stakeholder requirements and business strategy
- Continue to improve how we track the scale and impact of our biodiversity projects using the LBG (formerly London Benchmarking Group) framework
- Continue to work proactively with government, industry and non-government organisations, on co-designing packaging recovery solutions and programs

# RESPONSIBLE SOURCING

## 2017 PERFORMANCE

- Assessed 75 per cent of suppliers (by share of spend) using responsible sourcing criteria
- Achieved 95 per cent sustainable sugar supply in Australia and 40 per cent across other countries

## OUR PROGRESS

In 2017, 75 per cent of suppliers (by share of spend) were assessed by responsible sourcing assessments that measure performance against The Coca-Cola Company's *Supplier Guiding Principles* or Coca-Cola Amatil's *Responsible Sourcing Guidelines*. Independent third parties conduct these responsible sourcing assessments. The Coca-Cola Amatil *Responsible Sourcing Guidelines* cover four key areas of supplier performance: business ethics, human and workplace rights, the environment, and providing benefits to communities. Coca-Cola Amatil is committed to fully enforcing these principles and expects our suppliers to develop and implement appropriate internal business processes to ensure compliance.

As at the end of 2017, we are also pleased to have achieved 95 per cent sustainable sugar supply in Australia and 40 per cent across other countries. We support the sustainable sugar accreditation frameworks provided globally by Bonsucro, and in Australia by Smartcane BMP (Best Management Practice).

### Case Study:

#### SPC RESPONSIBLY SOURCING WASTE SOLUTIONS

Recently SPC has used a responsible sourcing approach to solve a business issue and deliver a positive outcome for not just the environment but also for the Goulburn Valley community.

As part of a broader strategy of waste diversion and recycling, Herb Holtham, SPC's Environment Co-ordinator, was investigating options to prevent out-of-specification jam from going into landfill. The format of the jam, containing three waste streams: metal lid, glass jar and contents (jam), were unable to be recycled without the items being separated first. The objective for this project was to find a way to ensure that all, or at least some, of the components of the out-of-specification jam were recycled or on-sold, to minimise waste to landfill and become cost neutral or positive.

In our quest for finding a home for the out-of-specification jam, we came across a company called ConnectGV, a registered National Disability Insurance provider committed to providing employment options for local people with a disability.

Herb worked with the OH&S, Quality and Human Resources teams, as well as relevant Unions, to get a program established at our Shepparton site for ConnectGV. This program now sees the different materials within the jam jars being separated onsite to ensure that each component can be recycled or reused. On average the program employs three teams of five people for six hours a day of paid work.

This program is ongoing and has been successfully running now for the past 18 months. Prior to this project, around 100 tonnes of jam were being sent to landfill each year at a significant cost. As a result of the project, jam jar lids go to recycled metal, glass jars also go to recycling and SPC is paid a rebate for both. Out-of-specification jam goes to stockfeed and SPC also receives payment for this.

*"It's a fantastic opportunity to partner with ConnectGV to provide ongoing employment opportunities, provide a great outcome to the community, minimise environmental impact by reducing waste to landfill, and reduce waste costs."* — Herb Holtham, SPC Environment Co-ordinator

## 2018 PLANS FOR IMPROVEMENT

- Actively work toward achievement of 2020 commitments, particularly focused on accreditation frameworks for sustainable supply of priority ingredients



# OUR COMMUNITY



## OUR COMMITMENT

We make a unique, sustained, and valued collective impact on the communities in which we operate. Our contribution in Australia, Indonesia, Papua New Guinea, New Zealand, Fiji and Samoa delivers outcomes in partnership with local communities to ensure they are relevant to local development needs and circumstances. We embrace the philosophy of *Gotong royong*,<sup>1</sup> or community cooperation, and we will aspire to contribute the equivalent of one per cent of EBIT and track the impact of this investment annually and over time. Our contribution includes:

Significant **philanthropic grants** through the Coca-Cola Australia Foundation and the Coca-Cola Indonesia Foundation as well as the contribution of dedicated funds from sponsorship and marketing activities to support grassroots sports and community development initiatives.

Creating a culture that supports **employee volunteering**, including professional pro-bono services, employee fundraising and matched workplace giving.

Being ready to lend a hand with provision of water, food, and other aid to people impacted by natural disasters and to **support community resilience** beyond the immediate aftermath.

Ensuring we **leverage our significant business** investment in employment, training, ingredient supply, assets and services so that we can also provide community and social development benefits wherever possible.

## OUR APPROACH

Material aspects and priorities have been identified in our Coca-Cola Amatil Group-wide Community Strategy *Gotong Royong* and we also ensure that each Business sets their own objectives and priorities on these aspects considering the needs of their operations, partners, communities, people and habitats. The Board Risk & Sustainability Committee oversees the Group-wide Community Strategy commitments and achievements. All community programs are guided by regulatory requirements and relevant company policies including the Coca-Cola Amatil Group-wide *Human Rights Policy*, *Environment Policy* and *Responsible Sourcing Guidelines*, and The Coca-Cola Company's *Responsible Marketing Policy* and *Supplier Guiding Principles*, which confirm our commitment to contributing positively to our communities.

In partnership with The Coca-Cola Company there are philanthropic foundations in Australia and Indonesia with independent boards and chairpersons. These are governed in accordance with Australian and Indonesian regulations and expectations of philanthropic foundations. In 2017 Coca-Cola Amatil joined the LBG (formerly known as London Benchmarking Group) to provide assistance verifying and benchmarking our community investment across the Group.

<sup>1</sup> *Gotong royong* is an Indonesian phrase that translates as "cooperation in a community" or "communal helping of one another". It celebrates the spirit of volunteerism as well as the idea of reciprocity – helping your neighbour to also help yourself – whilst achieving broader community objectives.

# PHILANTHROPY AND COMMUNITY SPONSORSHIPS

## 2017 PERFORMANCE

- Over A\$5.8 million<sup>1</sup> in cash, product, management costs and volunteering support provided for over 150 community investment activities across the Coca-Cola Amatil Group. This equates to 0.9 per cent of 2017 earnings before interest and tax (EBIT)
- Coca-Cola Australia Foundation, run in partnership with Coca-Cola South Pacific, contributed over A\$1.1 million in philanthropic grants to 37 partners
- Raised over A\$200,000 for Youthline by partnering with Coca-Cola Oceania to hold the 25th year of the Coca-Cola Christmas in the Park in Auckland and Christchurch
- In Fiji, supported the largest secondary school sports event in the Pacific, The Coca-Cola Games, in partnership with The Coca-Cola Company, inspiring the participation of over 50,000 secondary school students
- Delivered, in partnership with the Asian Soccer Academy (ASA) Foundation, Coke Kicks grassroots soccer training to 307 local soccer coaches and 2,279 participants across 161 communities
- Donated 912,914 kilograms of food and beverages to Foodbank in Australia, which provided 775,900 meals for the vulnerable in our community

## OUR PROGRESS

The value of our philanthropic and sponsorship activities – cash contributions, product donations, management costs and volunteering support – has been calculated at A\$5.8 million in 2017, with over 150 different activities being supported across the Coca-Cola Amatil Group. Across our Businesses and countries of operation, Coca-Cola Amatil continues to be a generous and considered benefactor to philanthropic and grass-roots community organisations. We work closely with key partners, such as The Coca-Cola Company, customers, brand-sponsored organisations, and community representatives to ensure that our collective impact is maximised; balancing the need for a structured approach with local focus and flexibility.

### Coca-Cola Foundations

The cornerstone of our philanthropic activity in Australia and Indonesia is the Coca-Cola Australia Foundation and the Coca-Cola Foundation Indonesia, which are run in partnership with The Coca-Cola Company and its Business Units.

In 2017 the Coca-Cola Australia Foundation delivered on its mission to inspire moments of happiness and possibilities for young Australians aged 13 to 19 years by contributing over A\$1.1 million in philanthropic grants to 37 partners, including three Flagship partners – The Song Room, Raise Foundation and The Carers Foundation – who received up to A\$200,000 each per annum. Additionally, 34 Employee Connected grants of up to A\$25,000 were made to charities endorsed by either a Coca-Cola Amatil or a Coca-Cola South Pacific employee.

The Coca-Cola Foundation Indonesia was established in 2000 and aims to support the social welfare of Indonesian communities by focusing on key long-term programs through which it can have the greatest impact. In 2017 the Coca-Cola Foundation Indonesia continued its PerpuSeru nationwide library development project in partnership with the Bill & Melinda Gates Foundation's Global Libraries initiative, which has contributed US\$5 million since 2011 to provide thousands of Indonesians access to IT-based learning activities at 670 district and village libraries.

Other key community investment activities across our countries of operation in 2017 included:

### In Australia

- Neverfail launching a partnership with The Royal Flying Doctor Service, which includes a significant sponsorship contribution as well as a commitment to donate A\$100 for each new cooler sold
- Supporting breast cancer awareness via Mount Franklin's donation of A\$20,000 to the McGrath Foundation, raised from the sale of a limited edition pink Mount Franklin water bottle sold at BP stores in July. This was in addition to a A\$50,000 donation directly to the charity. Since 2010 Mount Franklin has donated more than A\$2 million to the McGrath Foundation and more than A\$2.5 million to breast cancer charities, and was one of the first brands to create pink packaging
- Continuing our partnership with the Avner Pancreatic Cancer Foundation, donating 10 cents from each bottle of Deep Spring Avner Still 600ml and Deep Spring Avner Sparkling 1.25L sold in Woolworths
- Donating 912,914 kilograms of food and beverages to Foodbank which provided 775,900 meals for the vulnerable in our community

<sup>1</sup> Includes all categories of community investment and philanthropic contributions made by the Coca-Cola Amatil Group including cash, product (at-cost), other in-kind donations (for example use of facilities and equipment), management costs, social procurement premiums, biodiversity programs and employee volunteering when it is paid for by the Company. It excludes the value of all contributions made by third parties including partners and employees, and employee volunteering hours outside of business hours.

<sup>2</sup> Cost value.

- Donating a further A\$15,000<sup>2</sup> worth of product to support community events and programs including the Police Legacy Golf Day fundraiser, Village Theme Parks White Christmas event, Raise Foundation, Mission Australia lunches and the Salvation Army Red Shield Appeal
- SPC providing discounted food for the School Breakfast Clubs program, which is an initiative of the Victorian Government in partnership with Foodbank Victoria. The program is delivering healthy breakfast foods to 500 of the most disadvantaged primary schools across Victoria
- Alcohol & Coffee supporting the Bayfield Charity Lunch for the Children's Cancer Institute
- Grinders Coffee providing a coffee cart, baristas, and free coffees for participants in the St Vincent De Paul CEO Sleepout, and supporting the StreetSmart CafeSmart initiative to help fund local homelessness services
- Australian Beer Company supporting fundraising efforts for Cure for Motor Neurone Disease Foundation, and supporting the Children's Cancer Institute through their fundraising Diamond Balls in Sydney and Melbourne

#### **In New Zealand**

- For 25 years Coca-Cola Amatil New Zealand, in partnership with Coca-Cola Oceania, has been mobilising over 200 volunteers and funding the Coca-Cola Christmas in the Park in Auckland and Christchurch, New Zealand's largest free community events. Funds raised from these music spectacles support Youthline, and, for the fifth year in a row, over A\$100,000 was raised with The Coca-Cola Company contributing an additional A\$100,000
- Contributing A\$200,000, together with the Coca-Cola Company, to support Youthline's Good2Great app which provides online support and mentoring to young people
- Supporting the YWCA empowering women programs. For the second year we received the YWCA Compact in recognition of our aligned principles

- Providing financial support, product donations and Cara-Coolers to community events and organisations including the Round the Bays and City to Surf running festivals in Auckland and Wellington, Foodbank New Zealand, Starship Children's Hospital, First Foundation, NZMA and Eat My Lunch, a social enterprise providing thousands of lunches every year to children at 42 low decile schools in Auckland, Wellington, and Hamilton

#### **In Fiji**

- Paradise Beverages and Coca-Cola Amatil Fiji supporting the growing Fijian music industry via contributions to the Fiji Performing Rights Association Music Awards and the Corona Uprising Music Festival
- Supporting The Coca-Cola Games in partnership with The Coca-Cola Company. Hailed as the largest sporting event for students in the Pacific, The Coca-Cola Games inspire the participation of over 50,000 secondary school students. Coca-Cola Amatil funds the pre-event torch relay which visits over 80 schools around Fiji
- Supporting local sporting associations, such as the Fiji Rugby Union, Fiji Rugby 7s, AFL School Development Leagues, Netball Fiji, Fiji Nasinu Netball Association, Coke Zero Deans Rugby, Basketball Fiji, Fiji Golf Open, the Vodafone Hibiscus Festival, and several other community sport and wellbeing events
- Supporting several community programs including providing the Samabula Old People's Home with daily product supplies benefiting 60 residents; supporting Suva's homeless with product donations and volunteering; helping the National Fire Authority hold a fire safety awareness event attended by 40 children in Suva, supporting the Ministry of Health's free medical checks to raise awareness of non-communicable diseases in Lautoka, and funding of the Tikaram Park Children's Christmas Party

#### **In Samoa**

- Paradise Beverages' continuing support for the Mapuifagalele Old People's Home, a charity run by local nuns, and Samoa Victim Support, an orphanage and refuge for victims of domestic violence, and non-profit organisation Samoa Leadership Team, through the provision of guest speakers and student education sessions



## **COCA-COLA AMATIL CONTINUES TO BE A GENEROUS AND CONSIDERED BENEFACTOR TO PHILANTHROPIC AND GRASS-ROOTS COMMUNITY ORGANISATIONS**



#### **In Indonesia and Papua New Guinea**

- Delivering, in partnership with the Asian Soccer Academy Foundation, Coke Kicks grass roots soccer training to 307 local soccer coaches and 2,279 participants in 10 areas across Indonesia from Medan to Nusa Tenggara
- Maintaining partnerships with East Bali Poverty Project, Rivers, Oceans, Lands, Ecology Foundation, and Australian New Zealand Association (ANZA), to run social programs that have benefited more than 1,500 households and more than 650 students. In 2017, through the Bali WISE program, 120 women have completed vocational training internships with more than 75 per cent then finding a job in the hospitality industry. ANZA's Medical Sponsorship Program supports craniofacial operations and other medical procedures for underprivileged children and a Student Sponsorship Program for 517 students in 10 schools. Additionally, 19 university students are sponsored through the Goodwill International Leadership Program
- In Papua New Guinea in 2017 we focused on reviewing our community programs and developed a strategy for the years ahead. Our strategy continues our focus on community development and empowering women, and we will continue to work with The Coca-Cola Company, establishing Coke Kiosks to support women to generate income through commercial activities



#### Case Study:

### COCA-COLA AUSTRALIA FOUNDATION IN-SCHOOL MENTORING PROGRAM: RAISE FOUNDATION

Raise Foundation provides best practice mentoring programs to increase the wellbeing of young people in Australia. Raise believes mentoring from a positive role model during teenage years provides a nurturing pathway for young people and helps them feel supported at a crucial time in their life.

As a Coca-Cola Australia Foundation Flagship Partner, Raise aims for more than 1000 young people to participate in the program and be matched with a Raise mentor as a direct result of the Foundation funding. The Raise Foundation's long-term goal is to extend the program to every high school in Australia.

Vicki Condon, Chief Executive Officer at Raise Foundation said the partnership with the Coca-Cola Australia Foundation had enabled the charity to grow in more ways than one, *"Not only is the financial support extremely generous to help us achieve our stretch goals, but there is a whole extra level of support in terms of credibility, relationships and skill sharing that makes a huge impact in an organisation like ours."*

Raise Mentors support mentees to build relationships, increase resilience and coping skills, advance their goal setting ability, engage with education, build employability skills and most importantly, learn how to find a trusted adult in their lives to ask for help. The program is effective, with 70 per cent of mentees saying things are different for them because of mentoring. They report a significant increase in resilience, increased confidence and academic stability.



#### Case Study:

### NEW ZEALAND CARA-COOLERS ENABLING LOCAL COMMUNITY FUNDRAISING

The Community Cara-Coolers, located in Auckland and Christchurch, are made available by Coca-Cola Amatil New Zealand to assist local communities with their fundraising efforts.

Cara-Coolers are fun, bright, converted caravans that are used to distribute and sell beverages, with very little Coca-Cola branding on them to ensure the focus is on the community fundraising event. Community groups are provided access to the Cara-Cooler and are provided special event product pricing to enhance their fundraising activity.

The initiative emerged from a challenge to the senior leaders in the New Zealand & Fiji Business to identify opportunities for community engagement and build trust with our local communities.

Neil Waka, Corporate Affairs Manager Coca-Cola Amatil New Zealand & Fiji says, *"By giving community groups access to special, low pricing and the facilities to sell the product, they can maximise their fundraising efforts, which is a great way for us to get involved and help them to achieve their goals. Cara-Coolers have been used for community fairs, beach days, festivals and sports teams. It's great to have a solution that helps both logistically and with the final amount raised."*

Community awareness of the Cara-Coolers is constantly increasing through our website and our people promoting access to them with their own local community connections.



# EMPLOYEE VOLUNTEERING AND GIVING

## 2017 PERFORMANCE

- Donated more than A\$125,000 to over 20 charities through the SPC and Coca-Cola Amatil Matched Workplace Giving Programs
- Over 90 employees in Australia used their annual one day of paid volunteering leave to support community activities and charities, including school volunteering, local clean-ups, bush and beach rehabilitation, and provision of emergency services
- Supported more than 100 programs, charities and events with employee volunteering and fundraising across the Coca-Cola Amatil Group with over A\$100,000 being raised for the Cerebral Palsy Alliance September
- Launched the CSR<sup>1</sup> Passport for Indonesian employees, allowing them to collect stickers, that can then be redeemed for prizes, when they participate in a Company-supported volunteer activity

# \$5.8M

in cash, management costs, product and volunteering support for community activities

# 150+

community activities supported across the Coca-Cola Amatil Group

# 90+

employees in Australia used their annual day of paid volunteering leave

## OUR PROGRESS

The value of our philanthropic and sponsorship activities – cash contributions, product donations and volunteering support – has been calculated at A\$5.8 million<sup>2</sup> in 2017, with over 150 different activities being supported across the Coca-Cola Amatil Group. We have generous and community-minded employees and we will continue to build a culture across the Coca-Cola Amatil Group that supports employee giving and volunteering. Not only does volunteering and charitable giving provide benefits for the giver,<sup>3</sup> it also supports employee engagement and team-building, particularly when activities are shared with colleagues. We are also improving systems for tracking and reporting on the amount and impact of our volunteering.

### Our approach covers four aspects:

- **Encouraging & Supporting Volunteers:** Continue to encourage employee volunteering and embrace the concept of *gotong royong*<sup>4</sup> for all our employee volunteering and community activities. We offer one day of paid volunteering leave in Australia to all full-time employees, together with workplace flexibility, to meet community volunteering commitments
- **Sharing Professional Expertise:** We understand that for many of our charity partners, the provision of professional, pro-bono, expertise and support is extremely valuable, and we will seek opportunities to expand the provision of this type of support
- **Matched Workplace Giving:** Continue to offer Matched Workplace Giving to Australian employees, with the total matched amount available being over A\$100,000,<sup>5</sup> and evaluate opportunities to build employee access to this in other countries
- **Supporting Fundraising:** Continue to support employee-led initiatives for fundraising to help build our culture of employee giving and volunteering

<sup>1</sup> Corporate Social Responsibility.

<sup>2</sup> Includes all categories of community investment and philanthropic contributions made by the Coca-Cola Amatil Group including cash, product (at-cost), other in-kind donations (for example use of facilities and equipment), management costs, social procurement premiums, biodiversity programs and employee volunteering when it is paid for by the Company. It excludes the value of all contributions made by third parties including partners and employees, and employee volunteering hours outside of business hours.

<sup>3</sup> When researchers at the London School of Economics examined the relationship between volunteering and measures of happiness, they found the more people volunteered, the happier they were. See *Simple Changes, Big Rewards: A Practical, Easy Guide for Healthy, Happy Living*.

<sup>4</sup> *Gotong royong* is an Indonesian phrase that translates as 'cooperation in a community' or 'communal helping of one another'. It celebrates the spirit of volunteerism as well as the idea of reciprocity – helping your neighbour to also help yourself – whilst achieving broader community objectives.

<sup>5</sup> This is the budgeted amount in 2017, and again in 2018, meaning that the total potential contribution from the program, including employee contributions, is over A\$200,000.

Key employee volunteering and giving programs across our countries of operation in 2017 included:

#### In Australia

- Over 90 employees in Australia using their annual one day of paid volunteering leave to support community activities and charities including school volunteering, local clean-ups, bush and beach rehabilitation, and provision of emergency services. This was equivalent to 740 hours, or two per cent of potential volunteering leave
- Supporting more than 20 charities through our Matched Workplace Giving program, with combined contributions (from employees and matched funds from Coca-Cola Amatil) of A\$125,000. Coca-Cola Amatil matches dollar-for-dollar up to A\$10,000 per employee and to a total of A\$100,000 per annum. A\$15,000 of the combined contribution amount came from the SPC matched payroll giving program for United Way, a collaboration of local charities in the Shepparton and Goulburn Valley community
- Our people being inspired by their colleagues, friends, and families to give generously of their time, money and expertise, volunteering for September and Project Green and raising over A\$100,000 for the Cerebral Palsy Alliance; Kids Under Cover foster care support; Perth Children's Hospital Foundation's annual abseiling challenge; the McGrath Foundation's Pink Test at the Sydney Cricket Ground to help support McGrath Breast Care Nurses in regional communities; Foodbank hamper packing; Beacon Foundation MyRoad mentoring program for disadvantaged young women, and head-shaving, cake-stalls and morning teas in support of the Cancer Council, RSPCA and many other worthwhile causes
- Organising Human Centred Design workshops for each of Coca-Cola Australia Foundation's three Flagship Partners to share our business expertise and help address a business issue identified by the respective charity

#### In New Zealand

- Employees volunteering for a range of worthwhile causes including packing lunches for Eat My Lunch, a social enterprise providing thousands of lunches every year to children at 42 low decile schools in Auckland, Wellington, and Hamilton; collecting donations and providing event staff for the Coca-Cola Christmas in the Park music festivals in

Auckland and Christchurch to help support Youthline; cooking and providing auction prizes for Ronald McDonald House; handing out water at the Round the Bays and City to Surf community running events in Auckland and Wellington; and fundraising for several diversity and inclusion projects, including Loud Shirt Day and anti-bullying initiatives.

- Employees being allocated stock to the value of NZ\$200 to use for community activities through the Coke Gifting program

#### In Fiji

- Through their funding of, and fundraising for, Paradise Beverages sport and social club, Paradise Beverages employees contributing over FJ\$18,000 and volunteering several hundred hours, to support their local community
- Organising an annual Pinktober morning tea at the Fiji Bitter brewery in Suva and raising FJ\$1000 for the Fiji Cancer Society
- Visiting the 20 children in St Christopher's orphanage in Suva, and the 30 children at the Fiji Deaf Society in Suva, delivering food, books, and clothing
- Providing maintenance support at Retired Serviceman's Homes and participating in clean-up days and working bees at local beaches and schools

#### In Samoa

- Participating in Samoa's annual October environmental clean-up day across the island, with around 100 staff volunteering a full day to take part
- Continuing sponsorship of the Samoa Cancer Society through staff donations and regular fundraising events such as Pinktober

#### In Indonesia

- Supporting many of our community and environmental programs with our people volunteering outside work hours, usually on weekends, and often bringing their families and friends along to help. To encourage and reward this behaviour, in 2017 we introduced the CSR Passport, allowing employees to collect stickers when they participate in a Company-supported volunteer activity that can then be redeemed for prizes



#### Case Study:

#### VOLUNTEER MENTORS FOR THE MYROAD PROGRAM

The online mentoring program, 'MyRoad', developed in conjunction with not-for-profit organisation Beacon Foundation, uses online technology to connect young people in remote and 'at risk' communities with volunteer mentors from Coca-Cola South Pacific, Coca-Cola Amatil, and other industries. MyRoad provides young people with the mentoring and advice they need to complete school, build successful careers and achieve brighter futures.

So far, almost 80 schools spanning every state in Australia have signed on to facilitate the MyRoad program in conjunction with the Australian School Curriculum. Since its launch in 2016, MyRoad has helped 1,580 young Australian girls gain employment success.

Coca-Cola Amatil volunteers underwent accredited training in mentoring, then gave their time to have structured and supported conversations with participants.

Involvement in this program also supports The Coca-Cola Company's 5by20 objective to enable the economic empowerment of 5 million women entrepreneurs across the Company's global value chain by 2020.

*"It is a fantastic program and a nice opportunity to share knowledge, experience and advice with the next generation."* – Samantha, Coca-Cola Amatil mentor

# DISASTER RELIEF AND RESILIENCE

## OUR PROGRESS

We operate in regions of great natural beauty and resources, but each year there are risks of natural disasters such as floods, fires, cyclones, major storms and earthquakes. We set aside funding in annual budgets in readiness for any disasters that may impact our communities and employees, and aim to support locally empowered, well-coordinated first-responder aid, utilising our significant product logistics network, as well as providing ongoing support for community resilience beyond the immediate aftermath.

We are pleased to note that compared to the previous year, 2017 saw fewer and, taken altogether, less destructive natural disasters in our areas of operations. Nevertheless, we were called upon and responded with significant additional support to communities impacted by floods, fires, cyclones, major storms and earthquakes.

This included:

- **In Australia:** Donated Pump and Mount Franklin bottled water to the Queensland State Emergency Service to assist with managing the response to Cyclone Debbie, and to firefighter and emergency services around the country
- **In New Zealand:** Donated Pump bottled water to the Kaikoura and Christchurch communities impacted by earthquake and fires
- **In Indonesia:** Provided safe and fresh hydration via 24,000 bottles of Ades water and Minute Maid Apple Crush for victims of the Mount Agung Eruption, Bali and floods across Java





# BUSINESS FOR DEVELOPMENT

## 2017 PERFORMANCE

- Continued our Zone 1 programs in Indonesia providing education and development programs to over 2,000 students, and employment and economic opportunities for more than 200 farmers, women, and young people
- SPC and Australian Beer Company continued their strong association with their local Goulburn Valley and Yenda communities, in Australia, including SPC's support of Ganbina's Indigenous School-to-Work transition program
- Worked with Reconciliation Australia to develop a Coca-Cola Amatil Reconciliation Action Plan with a view to continuing to develop the plan in 2018
- Spent A\$1.2 million with social enterprises in Australia supporting employment opportunities for disadvantaged groups
- 10 years of the Grinders and Fairtrade partnership resulting in over A\$1.1 million of contributions to disadvantaged coffee-growing communities
- Helped empower women in Papua New Guinea through establishing Coke Kiosks in partnership with The Coca-Cola Company

## OUR PROGRESS

The value of our philanthropic and sponsorship activities – cash contributions, product donations and volunteering support – has been calculated at A\$5.8 million in 2017, with over 150 different activities being supported across the Coca-Cola Amatil Group. We know that some of the main ways we make a difference in communities is by ensuring we leverage our significant business investment and capability in employment, training, ingredient supply, assets, and services so that we can also provide community and social development benefits wherever possible. We continue to work with suppliers, customers, partners, and governments to ensure our broader economic impact is understood and maximised.

### Zone 1 Local Community Development

In 2017 we funded several programs focused on the communities closest to our operations. We call this 'Zone 1', defining it as the region within 10km of a factory, warehouse, or commercial office. These programs included:

- In Indonesia, supporting the education of 115 economically marginalised students in Zone 1 areas that demonstrate good academic standing and the right aptitude to pursue higher education
- Delivering organic and hydroponic training to women to help generate income and increase quality of life through programs such as Desa Mandiri Lestari

- Continuing the Indonesian Coca-Cola Forest suite of Zone 1 programs including fun learning activities for 640 students in Lampung and Semarang, and providing 50 job opportunities for farmers through Coca-Cola Forest activity in Sumatra and Java
- Through the Coca-Cola Foundation Indonesia, engaging with four schools in Semarang Regency, Central Java to improve sanitation facilities and provide hygiene education, encouraging the development of healthy behaviours for 1,244 students and 80 teachers
- Providing free medical services for the community members and support for infrastructure, such as clean water facility installation in Cibitung and Bali, Indonesia
- In Shepparton, Goulburn Valley, Australia, SPC's continuing support of SPC Kids Town, a local eight-hectare playground and picnic facility with mazes, train rides, gardens, and function centres, and SPC matched payroll giving for United Way, a collaboration of local charities in the Goulburn Valley community
- Australian Beer Company's supporting of local grassroots sporting organisations and events including the Yenda Tigers Football team, Blue Healers Rugby League team, Tolland Open cycling event in Wagga, and Leeton Rugby Club's Grand Final. Additional philanthropic support for Ronald McDonald Foundation House Balls in Wagga Wagga and Bathurst, and Griffith Can Assist, a local community program

- In Papua New Guinea we worked with The Coca-Cola Company to establish Coke Kiosks, which provide economic empowerment to women in regional areas. This program aims to benefit 5000 women by 2019

### First People's Resilience

We acknowledge the special place of indigenous First Peoples in all our countries of operation and recognise that they often require additional support to meet standards of living, health, education, and employment enjoyed by non-indigenous community members. Our aim is to partner with First Peoples to ensure they have the same opportunities and resources, to ensure a thriving and resilient Indigenous population.

A priority for Coca-Cola Amatil is Australian Aboriginal and Torres Strait Islander engagement and empowerment, and in 2017 activities to support this focus area included:

- Working with Reconciliation Australia to develop a Coca-Cola Amatil Reconciliation Action Plan with a view to finalising and launching the plan in 2018
- Continuing our commitment to support grassroots programs of our major sporting sponsorships and provide employment and training opportunities through the Ganbina Indigenous School-to-Work transition program and Grinders Coffee expansion of the Indigenous Barista training program



## Case Study:

### AUSTRALIAN ABORIGINAL & TORRES STRAIT ISLANDER EMPOWERMENT

As one of Australia's larger companies and employers we know that Coca-Cola Amatil has an important role to play in engaging with Aboriginal and Torres Strait Islander Australians, and supporting their rights for recognition, reconciliation, and empowerment. We support an inclusive workplace for all our employees, and we partner with organisations, such as the employment agencies that we use, to support and enable Indigenous employment and participation. In 2017 we also launched our *Human Rights Policy*, which formalises our commitment to respecting the human rights of vulnerable or marginalised groups.

We invest in many programs that provide employment training and skills development for Indigenous Australians. This includes the third year of SPC's commitment to the Shepparton-based, but wide-reaching, Ganbina Indigenous School-to-Work transition program, recognised as one of Australia's most successful programs of its type. The SPC supported Year 10 Leadership Program provides seasonal employment and mentoring for Indigenous youth and

opportunities for SPC's people to volunteer. Grinders Coffee is also planning to expand the Indigenous Barista training program, run in partnership with key hospitality service providers, such as the Voyages Hotel Group. The program has already trained more than 20 young Aboriginal Australians and is aiming to support training in 2018 for 50 people across multiple states, expanding to 100 people from every state and territory by 2020.

Coca-Cola Amatil is also continuing our commitment to support grassroots programs of our major sporting sponsorships to bring moments of happiness and possibilities to young Indigenous Australians aged 13 to 19 years. Through this commitment we are proud supporters of the National Rugby League School-to-Work Program and the Michael Long Under 16 Girls and Under 16 Boys Australian Football League Cup.

Our community investment includes support for DrinkWise Australia, an independent, not-for-profit organisation whose primary focus is to help bring about a healthier and safer drinking culture in Australia, and through this organisation we

support Red Dust Role Models to improve the health and wellbeing of young Indigenous Australians. And our philanthropic partnership between Neverfail and the Royal Flying Doctor Service continued in 2017, providing health and wellbeing services to outback Australia including remote Indigenous communities. This support includes significant sponsorship and a donation of \$100 from Neverfail for every new annual water cooler placed in the Australian health sector.

In addition, the Coca-Cola Australia Foundation, run in partnership with Coca-Cola South Pacific, has provided over A\$500,000 in funding over the last two years to Indigenous organisations focused on the wellbeing and empowerment of young Aboriginal and Torres Strait Islanders Australians.

In 2017 we submitted our first Reconciliation Action Plan to Reconciliation Australia for their approval. In 2018 we are refining this plan further to enable its approval and implementation. The plan will bring together several programs and initiatives already under way and will also set goals for the future.

- Ongoing support for Red Dust Role Models via our DrinkWise Australia membership, and Neverfail's Flying Doctor Service partnership which provides support to remote Indigenous communities

#### Social Procurement

As part of our broader responsible sourcing approach, we continue to be committed to leading on social procurement to benefit disadvantaged or marginalised individuals and communities. In 2017 we made a public commitment to match our social procurement spend to the amount that the Coca-Cola Australia Foundation donates to charities each year – which equates to over A\$1 million. We are also committed to continuing to incorporate social impact criteria as part of the screening process for suppliers, aiming to have 80 per cent of supplier spend covered by responsible sourcing assessments by 2020.

Coca-Cola Amatil's social procurement activities in 2017 included:

- With our membership of Social Traders in Australia, continuing to support social enterprises and achieving a social enterprise spend of A\$1.2 million supporting over 18,000 hours of employment for disadvantaged groups
- Grinders Coffee maintaining its long-term partnership with Fairtrade Australia, generating over A\$232,000 in Fairtrade Premiums, taking our total contribution over 10 years to more than A\$1.1 million.

The funds were reinvested into coffee-growing communities across Nicaragua and Papua New Guinea, creating opportunities for new schools, fresh water projects and organic systems

- Assessing 75 per cent of supplier spend using criteria aligned with Coca-Cola Amatil's *Responsible Sourcing Guidelines* and The Coca-Cola Company's *Supplier Guiding Principles*
- Becoming a signatory to the voluntary Supplier Payment Code and committing to pay eligible Australian small business suppliers on-time and within 30 days of receiving a correct invoice
- Launching our *Human Rights Policy* and encouraging our suppliers to uphold these principles and to adopt similar policies within their businesses

#### Positive Indirect Economic Impacts

Coca-Cola Amatil is proud of the positive impact we make on the broader economies of the regions and countries in which we operate. We employ over 13,000 people and engage more than 30,000 contractors. We support agricultural industries such as sugar, fruit, and dairy, and build manufacturing and distribution capability and infrastructure. We develop our people and invest significantly in their ongoing education and training. Our community investment aims to leave a positive and sustainable legacy and further foster thriving, viable communities – financially, socially, and environmentally.

A 2016 third party assessment of the indirect economic impact of just our Australian Beverages Business calculated that for every job at Coca-Cola Amatil a further four jobs are created elsewhere in the Australian economy, and that our spending on goods and services helped generate value of over A\$3.5 billion in the agriculture, manufacturing, utilities, transport and freight and other service sectors.

Our indirect economic impact is most evident from our Businesses operating in developing nations such as Indonesia, Papua New Guinea, Fiji, and Samoa and in regional and rural areas of Australia and New Zealand. In these locations not only are we a major employer and purchaser of local goods and services, but we also play a key role in infrastructure development and the building of capability in local people.

Our *Tax Transparency Report*, available on our website, is released on a voluntary basis in accordance with the recommendations and guidelines contained in the Board of Taxation's Voluntary Tax Transparency Code.



#### Case Study:

#### **DESA MANDIRI LESTARI: COCA-COLA AMATIL INDONESIA'S ZONE 1 INDEPENDENT SUSTAINABLE VILLAGES**

Coca-Cola Amatil Indonesia recognises that seven out of our eight bottling plants are in communities with high unemployment, lack of access to education, skills shortage and poor access to health services. The majority of people living in our neighbourhoods are low-income families.

We also accept our social responsibility to help build community capacity to generate steady incomes and stimulate job growth. Small-scale farming is the current focus for community development under the 'Desa Mandiri Lestari' – Independent Sustainable Village – program, which is part of our broader Zone 1 program that focuses on communities within 10 kilometres of our factories, warehouses or commercial offices.

In 2016 the Desa Mandiri Lestari program was launched with the Zone 1 community in Pasuruan, East Java. In 2017, the program has been expanded to Zone 1 communities in Medan, Lampung, and Bali areas, with our impact being:

- **25 women in Pasuruan** provided with monthly organic and hydroponics training and kits, in collaboration with the farmers' association, to help them gain basic home farming skills. Each woman can harvest 48 kilograms of leafy vegetables per year

- **50 households in Medan** provided with training from North Medan University, kits, and guava trees, which are expected to produce fruit in a one-year period. Once the fruit is harvested, we will train the community on marketing and earning income from the fresh produce
- **25 community members in Lampung** provided with organic chilli and vegetable farming and marketing training, as well as demonstration plots. This program included farmers and Karang Taruna, the local youth association, with supervision from Sukanegara Village educators' forum. Since September 2017, 58 kilograms of chilli has been harvested and sold, generating revenue at the value of IDR1,220,000
- **30 women in Bali** provided with hydroponic kits and training for planting near our operations

*"This education program is extremely beneficial. I acquired new skills to fill my spare time and relieve the stress. By growing the organic vegetables on our own, I can save money and live a healthier life"* — Patichah, Kepulungan Village's Family Welfare Organisation leader, Pasuruan, East Java

*"I appreciate Coca-Cola Amatil Indonesia giving us an opportunity to work in a Coca-Cola Forest and gain a better understanding of agriculture through Desa Mandiri Lestari"* — Apendi, Sukanegara Village educators' forum leader, Lampung

#### Case Study:

#### **PARADISE BEVERAGES: AN ENDURING LOCAL CONTRIBUTION**

Established 60 years ago, Paradise Beverages is now one of Fiji's leading beverage companies and makes an enduring contribution to the country's social, community and economic wellbeing.

Each year Paradise Beverages invests time and resources to support our local community through a variety of activities including natural disaster relief funds, sponsoring community and local sporting events and village projects the length and breadth of the country, funding the Fiji Performing Right Association Music Awards and the Uprising Music festival, supporting the Mamanuca Environment Society turtle conservation programs, and providing regular assistance and funding for a number of old people's homes and homelessness services.

Belinda Chan from the Fiji Cancer Society, recognised Paradise Beverages' enduring contribution at our 60th anniversary celebrations, saying, *"Sincere appreciation and heartfelt gratitude for the generous contribution. You all have touched more lives than you can ever imagine. God bless."*

The Prime Minister of Fiji, the Honourable Voreqe Bainimarama said, *"Paradise Beverages is a significant contributor to the local economy and the financial wellbeing of many ordinary Fijians. This is not only an important sector of economic activity, but an important economic contributor to our ability to provide the Fijian people with the services they deserve across the board, whether it is education, health or the full range of Government services."*

In addition to voluntary contributions to the community, Paradise Beverages is one of Fiji's biggest contributors to the economy as a taxpayer, employer of local people, customer and supplier, with an overall contribution of 1.6 per cent to Fiji's GDP in 2017.



#### Case Study:

### GRINDERS COFFEE SUPPORTING FAIRTRADE FARMERS

Sustainability, particularly ethical sourcing and the environment, is of increasing importance to coffee consumers. Coca-Cola Amatil's Grinders Coffee is committed to playing its part in leading a sustainable future for the coffee industry, and building on our ongoing relationship with Fairtrade is a key part of this commitment. Grinders is the largest branded roaster of Fairtrade green beans in Australia. Since 2008, Grinders has sold more than 1.7 million kilograms of Fairtrade Coffee and generated over A\$1.1 million to support 844,311 Fairtrade farmers and their communities in 475 cooperatives from 31 countries across the world.

Fairtrade is an independent certification system that provides farmers and workers in developing countries with practical and technical support to grow their businesses and support their local communities, and a fair price - the Fairtrade Price - for their produce, helping protect them from damaging fluctuations in world market prices.

They also receive an additional sum of money - the Fairtrade Premium - for investment in social, economic, and environmental development in their community, such as educational and medical facilities.

Whilst the specific challenges facing each coffee growing community are unique, many of the common challenges faced by farmers relate to the lack of infrastructure and basic social and community facilities.

Ronah Peve is a member of the Highland Organic Agriculture Cooperative (HOAC) in Papua New Guinea's Eastern Highlands and works as a farmer and extension officer - traditionally a man's job. She says, *"In Papua New Guinea, coffee is something that men talk about, but I have been trying my best and now women in the village come to me for advice about caring for their coffee trees. They see it is not only a man's job."*

For many members of HOAC secure housing is a significant issue. Traditionally homes are rebuilt every five years, so they remain strong, and local kunai grass is used for thatched roofs. However, the kunai grass is becoming increasingly difficult to find due to invasive weeds. Fairtrade funding was used to provide 12 sheets of iron roofing to 200 households, providing longer lasting and durable homes. One member of the cooperative states, *"Our dream in the next five years is to sleep under an iron roofed house and to have power/electricity"*, and Grinders is playing a key role in making this dream a reality.



In 2017 Coca-Cola Amatil became a member of LBG (formerly known as London Benchmarking Group) to better track, understand, benchmark and report on our community investment and impacts. We will continue to improve our data collection and reporting systems in 2018 so that our collective impact can be better understood and communicated.

We also plan to:

- Develop Community Investment Guidelines and an assessment tool
- With Reconciliation Australia's support, develop and launch our Reconciliation Action Plan in Australia
- Continue to support our major programs across the organisation, including our philanthropic foundations
- Continue to support and encourage employee workplace giving and paid volunteering in Australia and look to extend to other Businesses, including Paradise Beverages in Samoa and Fiji



#### **LBG VERIFICATION STATEMENT**

The LBG model helps businesses improve the measurement, management and reporting of their corporate community investment programs. It covers the full range of contributions (cash, time, and in-kind donations) made to community causes.

As managers of LBG Australia & New Zealand, we can confirm that we have worked with Coca-Cola Amatil to verify its understanding and application of the LBG model with regard to the wide range of community programs supported across Australia, New Zealand, Fiji, Samoa, Indonesia and Papua New Guinea.

Our aim has been to ensure the evaluation principles have been correctly and consistently applied, and we are satisfied that this has been achieved. It is important to note that our work has not extended to an independent audit of the data.

We can confirm that Coca-Cola Amatil has invested the following amounts in the community in the 2017 reporting year as defined by LBG methodology.

	Amount A\$
Cash	3,553,603
Time	124,360
In-Kind	1,856,220
Management costs	314,200
<b>TOTAL</b>	<b>5,848,383</b>

In addition to LBG verified figures, Coca-Cola Amatil also reported the following outputs in their submission:

Leverage <sup>1</sup>	A\$1,848,073
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1. Leverage refers to additional third party contributions facilitated by the company



# STAKEHOLDER ENGAGEMENT

## 2017 HIGHLIGHTS

- Engaged with government and regulatory stakeholders in Australia, Indonesia, Papua New Guinea, New Zealand, Fiji and Samoa including the Australian Department of Foreign Affairs and Trade embassies and consulates in countries with Coca-Cola Amatil operations
- Participated in our business and industry associations including Business Council of Australia, Australian Beverages Council Limited, Australian Food and Grocery Council, Alcohol Beverages Australia and the Australian Hotels Association
- Coca-Cola Amatil Indonesia is a member of ASRIM (Association of Beverages Industry), GAPMI (Association of Food and Beverages Producers), APINDO (Association of Employers), KADIN (Indonesian Chamber of Commerce and Industry), Indonesia Business Council for Sustainable Development, and the Indonesia-Australia Business Council
- Engaged with non-government organisations including consumer health groups and environmental organisations as well as community organisations seeking partnership opportunities through our community investment programs
- Coca-Cola Amatil Fiji joined the Fiji Minister for Health and World Health Organisation for a Parliament Speakers Debate on Non-Communicable Diseases in Suva, Fiji in March 2017
- Participated in multi-stakeholder forums on extended producer responsibilities including consumer health groups and public officials in Australia, the Packaging Forum in New Zealand, the Committee for Shepparton Water Working Group in Victoria and Environment Protection Authority Container Deposit Scheme Working Groups in both New South Wales and Queensland
- Engaged with investors, proxy and governance advisors through the course of the year
- Coca-Cola Amatil external communications channels enhanced to improve the flow of information to stakeholders
- Published our inaugural Tax Transparency Report in April 2017, available on our website
- Became a signatory to the voluntary Supplier Payment Code committing to pay eligible Australian small business suppliers on-time and within 30 days of receiving a correct invoice

### Case Study:

#### PACIFIC REGION INFRASTRUCTURE FACILITY SOLID WASTE MANAGEMENT STUDY

In 2017 Coca-Cola Amatil supported the Pacific Region Infrastructure Facility (PRIF) – a partnership of seven donor agencies – solid waste management study seeking to find effective solutions across 15 island nations, by providing data on waste sources. The study assesses the potential for a regional recovery and recycling network. Coca-Cola Amatil territories of Fiji, Samoa and Papua New Guinea are included in the study which incorporates 15 waste streams including PET, aluminium, glass and paper/board. We continue to work closely with PRIF to identify viable solutions and partnerships to integrate our current packaging design and collection processes, ensuring that the eventual solutions will deliver effective, efficient and ongoing recycling of our packaging.

Coca-Cola Amatil is diverse by geography and product category, and so too is the sphere of stakeholders and their interests in relation to Coca-Cola Amatil. Stakeholder engagement and communications enables us to discuss priority areas of interest and informs our approach to sustainability commitments, with the intention to focus our performance on areas that are meaningful and relevant to our stakeholders.

Direct and open engagement occurs with stakeholders at each level of the organisation with supportive, open and constructive dialogue. Engaging with our investors, customers, consumers, employees, community groups, suppliers, regulators and NGOs provides us with insights into concerns and aspirations that inform our business plans and the ways in which we conduct our operations.

Coca-Cola Amatil made no political donations or other contributions in 2017 across all its operations. In all of our countries of operation our focus is on community partnerships and participation in public policy development.

In New South Wales, we are prohibited from making any political contributions under the Election Funding, Expenditure and Disclosures Act 1981 (NSW) and the Board has extended this to a policy of no political contributions across Australia.

Coca-Cola Amatil is committed to reporting sustainability performance in focus areas that are relevant to our diverse stakeholders. Stakeholder engagement and input into materiality assessment will continue to be integrated into our management practices to reflect developments in our business activities, sustainability standards and stakeholder expectations.

#### Case Study:

### CONTAINER DEPOSIT AND REFUND SCHEMES

Waste recovery and recycling is a priority focus area for Coca-Cola Amatil in consideration of the level of interest from our stakeholders including governments, industry, environmental and community groups, and The Coca-Cola Company.

Governments across Australia are following the lead of South Australia and implementing container deposit schemes to address the issues of litter, landfill and recycling. Coca-Cola Amatil, through Statewide Recycling, has over 40 years' experience in operating container deposit schemes in South Australia and the Northern Territory.

The New South Wales Government in Australia commenced its container deposit scheme in December 2017. Through the scheme, consumers can receive a 10-cent refund for every eligible container returned through designated collection depots. The Queensland Government passed legislation in October 2017 and intends to implement a scheme

in 2018 as does the Australian Capital Territory Government. The West Australian Government also announced plans to introduce a scheme in the future and is in active consultation with stakeholders.

Coca-Cola Amatil has a leading role in these schemes as they are rolling out across Australia. In New South Wales, Coca-Cola Amatil is one of five beverage companies that owns Exchange for Change, the company appointed by the Government to be the Scheme Coordinator, administering the scheme and liaising between all beverage suppliers and the Network Operator accountable for the collection and recycling of materials. Exchange for Change has a Board made up of representatives of each of its shareholders and two Independent Directors one of whom is the Chairman. Exchange for Change will also be appointed to operate the Australian Capital Territory container deposit scheme.

In Queensland, we are a founding partner in a not-for-profit organisation called Container Exchange Company that has been appointed by the Government to the role of Product Responsibility Organisation, which also includes the Australian Beverages Council and will be governed by a Board of Directors made up of shareholder representatives and independent directors.

Whilst the West Australian Government has not yet finalised its approach to the structure, operations and governance of their scheme, Coca-Cola Amatil is participating in the stakeholder consultation process and representing the Australian Food and Grocery Council on the Government's advisory committee.

At this stage the governments of Victoria and Tasmania do not have plans to introduce a container deposit and refund scheme and we continue to engage with them to discuss potential initiatives to address litter, landfill and recycling issues.



#### Case Study:

### BALI'S BIG ECO FORUM

#### **New Generation of Tourism: For the Love of Our Environment**

Bali's Big Eco Weekend in 2017 commenced with an eco-forum, *New Generation of Tourism: For the Love of Our Environment* – a collaboration between Coca-Cola Amatil Indonesia and Quiksilver, together with the Greeneration Foundation and Indonesian Government representatives.

Bali's Big Eco Forum involved 79 participants from local communities, environmental non-government organisations, and local Bali public officials from across all sectors to discuss waste management as an important factor in Indonesia's plan to boost the "10 New Balis" – the 10 new tourism destinations identified for growing the tourism sector in Indonesia.

Discussions in the forum were robust and productive, resulting in the identification of seven priorities considered to be crucial in establishing responsible and sustainable waste management in tourist destinations. These priorities are being consolidated as a valuable reference for future consideration by the tourism and environment sectors.

#### Case Study:

### CONSUMER WELLBEING

We are committed to making a distinctive and positive contribution to the wellbeing of all consumers in all our countries of operation. Our wellbeing strategy prioritises choice for consumers and a commitment to make information available about our products – both to consumers and wider stakeholder groups. This means regularly updating interested stakeholders on progress of our wellbeing strategy and working with them to understand their position and identify, monitor and address areas of concern.

In March 2017 Coca-Cola Amatil Fiji participated in the Parliament Speakers Debate on Non-Communicable Diseases in Suva, Fiji alongside the Minister for Health and World Health Organisation. Coca-Cola Amatil's Neil Waka talked openly at the forum about wanting to work with governments, consumer groups, regulatory authorities and others to ensure consumers have the information they need about the food and beverages they consume and the choice to make consumption decisions that are right for them and their children.

We continue to meet stakeholders including representatives of health charities, health professionals and community organisations. Together we discuss the patterns and trends they see emerging and create a deeper understanding of how our wellbeing strategy can help to address some of these. We are proud of our ongoing, open and transparent engagement with identified interest groups whose views bring an additional dimension to our business.

#### Environment: Our Perspective

We operate responsibly to minimise the impact of our operations on the environment. There is sustained and increasing stakeholder interest from a wide spectrum of society in our environmental approach. From engaging via digital channels to responding to individual requests for information on highly visible areas, such as litter, to making formal submissions to Senate enquiries on topics such as marine plastics, we are committed to being engaged, informed and transparent with our stakeholders in this area. Some of our initiatives to meet stakeholder expectations include:

- Publicly reporting on our approach to developing sustainable packaging through the Australian Packaging Covenant
- Actively engaging with industry through the Australian Packaging Covenant Organisation of which Coca-Cola Amatil is a founding member
- Reporting annually on greenhouse gas emissions and energy consumption through the National Greenhouse & Energy Reporting Scheme and CDP Climate Change Response
- Publicly supporting the NSW Government's targets to reduce 40 per cent of litter by 2020, and alongside industry partners actively participating in the Container Deposit Scheme consultation and implementation

# GLOBAL REPORTING INITIATIVE CONTENTS INDEX

The table below outlines the *Global Reporting Initiative (GRI) Standards* that have been referenced in developing this 2017 Sustainability Report. We are working actively to continually improve our reporting quality and are identifying ways and measures for addressing the gaps we have in our current reporting.

Section	Pages	Disclosure <sup>1</sup>	Section	Pages	Disclosure <sup>1</sup>
About This Report	2	102-46 Defining report content and topic Boundaries 102-50 Reporting period 102-51 Date of most recent report 102-52 Reporting cycle 102-54 Claims of reporting in accordance with the GRI Standards 103-1 Explanation of the material topic and its Boundary	Sustainability at Coca-Cola Amatil	12-13	102-15 Key impacts, risks, and opportunities 102-18 Governance structure 102-20 Executive-level responsibility for economic, environmental, and social topics 102-21 Consulting stakeholders on economic, environmental, and social topics 102-22 Composition of the highest governance body and its committees 102-23 Chair of the highest governance body 102-29 Identifying and managing economic, environmental, and social impacts 102-30 Effectiveness of risk management processes 102-31 Review of economic, environmental and social topics 102-44 Key topics and concerns raised 102-46 Defining report content and topic Boundaries 102-47 List of material topics 102-49 Changes in reporting 102-54 Claims of reporting in accordance with the GRI Standards 103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach
Assessing What is Important	3	102-15 Key impacts, risks, and opportunities 102-21 Consulting stakeholders on economic, environmental, and social topics 102-29 Identifying and managing economic, environmental, and social impacts 102-44 Key topics and concerns raised 102-47 List of material topics	Sustainability Progress and Commitment	14-15	102-14 Statement from senior decision-maker 102-12 External initiatives 102-20 Executive-level responsibility for economic, environmental, and social topics
Coca-Cola Amatil Overview	6-9	102-1 Name of the organisation 102-2 Activities, brands, products, and services 102-5 Ownership and legal form 102-6 Markets served 102-7 Scale of the organisation 102-9 Supply chain 102-10 Significant changes to the organisation and its supply chain 102-16 Values, principles, standards, and norms of behaviour 102-45 Entities included in the consolidated financial statements	2020 Goals and Strategy Development Process	16-17	102-44 Key topics and concerns raised 102-47 List of material topics 103-1 Explanation of the material topic and its Boundary
Where We Operate	10-11	102-3 Location of headquarters 102-4 Location of operations 102-8 Information on employees and other workers			



Section	Pages	Disclosure <sup>1</sup>	Section	Pages	Disclosure <sup>1</sup>
<b>Our People</b> Pillar Statement	18-19	102-12 External initiatives 102-29 Identifying and managing economic, environmental, and social impacts 102-40 List of stakeholder groups 103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	Climate Change & Energy	46-49	302-1 Energy consumption within the organisation 302-3 Energy intensity 302-4 Reduction of energy consumption 305-1 Direct (Scope 1) GHG emissions 305-2 Energy indirect (Scope 2) GHG emissions 305-3 Other indirect (Scope 3) GHG emissions 305-4 GHG emissions intensity 305-5 Reduction of GHG emissions
Health, Safety and Wellbeing	20-24	102-48 Restatements of information <sup>2</sup> 102-49 Changes in reporting 403-1 Workers representation in formal joint management-worker health and safety committees 403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Packaging Neutrality	50-52	301-1 Materials used by weight or volume 301-2 Recycled input materials used
Diversity, Engagement and Human Rights	25-29	102-8 Information on employees and other workers <sup>3</sup> 102-41 Collective bargaining agreements 404-2 Programs for upgrading employee skills and transition assistance programs 405-1 Diversity of governance bodies and employees	Biodiversity	54-56	304-3 Habitats protected or restored
<b>Wellbeing</b> Pillar Statement	30-31	102-12 External initiatives 102-29 Identifying and managing economic, environmental, and social impacts 102-40 List of stakeholder groups 103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	Responsible Sourcing	57	308-1 New suppliers that were screened using environmental criteria
Choice	32-36	416-1 Assessment of the health and safety impacts of product and service categories	<b>Our Community</b> Pillar Statement	58-59	102-12 External initiatives 102-29 Identifying and managing economic, environmental, and social impacts 102-40 List of stakeholder groups 103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach
Information	37-39	416-1 Assessment of the health and safety impacts of product and service categories 417-1 Requirements for product and service information and labelling	Philanthropy & Partnerships	60-62	413-1 Operations with local community engagement, impact assessments, and development programs
<b>Environment</b> Pillar Statement	40-41	102-11 Precautionary Principle or approach 102-12 External initiatives 102-29 Identifying and managing economic, environmental, and social impacts 102-40 List of stakeholder groups 103-1 Explanation of the material topic and its Boundary 103-2 The management approach and its components 103-3 Evaluation of the management approach	Employee Volunteering & Giving	63-64	413-1 Operations with local community engagement, impact assessments, and development programs
Water	42-45	303-1 Water withdrawal by source 303-3 Water recycled and reused	Disaster Relief & Resilience	65	413-1 Operations with local community engagement, impact assessments, and development programs
			Business for Development	66-70	102-56 External assurance 203-1 Infrastructure investments and services supported 413-1 Operations with local community engagement, impact assessments, and development programs 414-1 New suppliers that were screened using social criteria
			Stakeholder Engagement	71-73	102-13 Membership of associations 102-15 Key impacts, risks, and opportunities 102-21 Consulting stakeholders on economic, environmental, and social topics 102-29 Identifying and managing economic, environmental, and social impacts 102-40 List of stakeholder groups 102-42 Identifying and selecting stakeholders 102-43 Approach to stakeholder engagement 102-44 Key topics and concerns raised 415-1 Political contributions

1 All disclosures are from the GRI Sustainability Reporting Standards 2016

2 Scope for reporting of fatalities has changed

3 Information is not provided on the split between temporary or permanent employees

# DIRECTORIES

## CORPORATE OFFICE

Coca-Cola Amatil Limited  
Coca-Cola Place  
L14, 40 Mount Street  
North Sydney NSW 2060

Ph: +61 2 9259 6222

## CONTACTS

### Liz McNamara

Group Director - Public Affairs,  
Communications and Sustainability

### David Akers

Head of Investor Relations

### Tanya Baini

General Manager Sustainability  
and Government Relations

### Mary Ann van Bodegraven

Group Manager, Sustainability

MaryAnn.vanBodegraven@ccamatil.com

[www.ccamatil.com](http://www.ccamatil.com)

**LinkedIn:** Coca-Cola Amatil

**Twitter:** CocaColaAmatil

## FURTHER INFORMATION

Further information on our sustainability approach and programs can be found at [www.ccamatil.com/our-contribution](http://www.ccamatil.com/our-contribution).

Copies of previous and current years' Sustainability Reports, Workplace Gender Equality Agency Annual Compliance Reports, and CDP Climate Change and CDP Water Responses can be found at [www.ccamatil.com/our-contribution/reporting](http://www.ccamatil.com/our-contribution/reporting).





