

# Coca-Cola İçecek

SUSTAINABILITY REPORT 2013



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## About Our Report

This is the sixth Sustainability Report published by Coca-Cola İçecek (CCI). This report includes our practices and performance results obtained during the period 1 January 2013 to 31 December 2013 for four of the ten countries where we operate: Azerbaijan, Jordan, Kazakhstan and Turkey. In the report, we refer to these countries as our "four countries of operation." In addition, we have provided examples of best practices from our Pakistan operations.

### Standards Used

In preparing this report, we were guided by the three principles of the AA1000 Assurance Standard: materiality, inclusiveness and responsiveness. We measure and report our social, environmental and ethical performance using leading standards and methodologies such as those adopted by the Global Reporting Initiative (GRI) G4, CDP, International Labor Organization (ILO), United Nations Convention Against Corruption (UNCAC), and WRI Greenhouse Gas (GHG) Protocol.

The contents of this report have been prepared in accordance with the G4 Sustainability Reporting Guidelines of the Global Reporting Initiative (GRI). The report corresponds to the "Core" level in the G4's reporting standards, and also serves as our Communication on Progress (COP) to the United Nations Global Compact (UNGC).

### Verification

For the third consecutive year, certain data in this report were independently audited. The GHG emissions of CCI Turkey's manufacturing, sales and distribution operations for 2013 were audited, as last year, by a third party auditing organization, SGS, and verified in accordance with the International Organization for Standardization's ISO 14064-3 2006 Standard as meeting the requirements of ISO 14064-1. CCI's Turkey operation has successfully passed the audits. Both GHG Protocol's Scope 1 (direct GHG emissions from stationary combustion, mobile combustion, process emissions, fugitive emissions), and Scope 2 (indirect emissions such as those arising from purchased electricity) emissions were verified as a result of this process. The level of assurance was "reasonable" and materiality required of the verification was considered to be below 5% by the verifier.

\* The Selected Information is covered on page 96 of this report.

In addition to this verification, the selected information as defined in the Independent Limited Assurance Report on page 96 of this report received limited assurance from EY. In 2013, we obtained for the second time limited assurance on Selected Information\* from four of our international operations: Azerbaijan, Jordan, Kazakhstan, and Turkey. The Selected Information covered total energy data, per-product energy use, total water data, per-product water use, per-product total waste produced, and total waste recycling rate as described in the CCI Reporting Guidance included on pages 85 and 86 of this report. Within the context of this audit, 2013 data from CCI's Azerbaijan, Jordan, Kazakhstan, and Turkey plants was assessed to reach a limited assurance conclusion in accordance with the international standard 'Assurance Engagements Other Than Audits or Reviews of Historical Financial Information' (ISAE 3000).

### Feedback

Collecting stakeholder feedback is vital for helping us improve both our practices and reporting processes. We closely examine every issue that comes to our attention, and we use any feedback from our stakeholders to continuously improve our practices.

We invite our stakeholders to forward any opinions, suggestions or complaints to

➔ [corporate.affairs@cci.com.tr](mailto:corporate.affairs@cci.com.tr)





# Message From The CEO

We are very pleased to share with you our sixth sustainability report. Since our first report, we have made considerable progress towards improving our sustainability performance and reporting. This year, for the first time we have used the G4, or most recent, version of the Global Reporting Initiative's Sustainability Guidelines. This report includes sustainability performance and practices of our Azerbaijan, Jordan, Kazakhstan, and Turkey operations which account for approximately 70% of our total business volume. Additionally, we have also included examples of best practices related to our Pakistan operations.

In line with the G4 Guidelines, we strive to respond to the information needs and expectations of our stakeholders and focus on the issues that are deemed most material to our company and our stakeholders. In this context, material issues include those through which we have the most impact and can make a difference not only in our own operations but also in those of our suppliers and others along our supply chain. To maintain a current list of material issues, we used various stakeholder engagement platforms including internal materiality analysis workshops, stakeholder engagement panels, and stakeholder reputation surveys during 2012 and 2013. In addition, for the second consecutive year, we have covered all four countries in the scope of assurance of our main environmental performance indicators.

In 2013, CCI continued its steady course of growth. In yet another year of economic challenges and political instability in many parts of the world, we remained firm and managed to improve on most major indicators. CCI grew consolidated volume by 13.0% in 2013, marking another milestone by exceeding 1 billion unit cases in total sales. Our international operations reported growth of 31.7%, led mainly by Pakistan (99%), Iraq (55%), and Kazakhstan (11%). Consolidated net sales grew 16.6% to TL 5.186 billion, with international sales increasing by 26.2% and sales in Turkey by 5.6%. We also grew consolidated EBITDA to 892 million TL, an increase of 22.2% over 2012.

Moreover, we made significant progress in 2013 in terms of our sustainability journey. Our sustainability-related efforts fall under three broad categories: me, we, and world. We also put great effort into enhancing the sustainability performance of our suppliers, distributors, customers, and others along our supply chain, as well as our own plants.

## me: Enhancing personal well-being

Product safety and quality remains one of our top priority areas. We adhere to The Coca-Cola Company's core operating safety and quality requirements known as KORE whilst continuing to pursue other international standards. In addition, we continue to provide transparent nutrition information.

In every country where we operate, we continue our efforts to raise awareness of the benefits of active healthy lifestyles. For instance, in 2013 we kicked off "3.2.1 Move!" in 44 schools across Turkey, inspiring more than 40,000 young people to be more physically active. In 2014, we plan to kick-off "3.2.1 Move!" program in Pakistan and Iraq. In other countries, similar projects were carried out, such as Azerbaijan's "Active Family, Healthy Community" promoting family sport by engaging parents and children in physical activity in a family environment. In its first year, the program reached more than 5,000 parents and 35,000 school children from 60 schools in 10 districts.

## we: Building stronger communities

Our employees have always been key to our success, and they will continue to be so during our journey towards 2020. We continue to invest in our people and build capabilities ahead of opportunities in order to build a world class organization. In 2013, we introduced our iLead leadership training program to cultivate CCI's future leaders, and we established our Organizational Development Forum. In addition we announced our new Ethics Code, Workplace Rights Policy, and CCI Ethics Service.

2013 was a significant year for our progress towards improved occupational health and safety (OHS). We published an OHS policy and launched the CCI Golden Rules Communication Campaign to increase OHS awareness among our employees. Thanks to our training and awareness activities, we reduced our Lost Time Incident Rate from 0.89 to 0.55 in the four countries of operation. Despite this success, fleet safety remains an area where we strive to improve our performance.

In 2013 we continued to support local communities. We donated 3% of our pre-tax profits, or TL 1.5 million, to The Anadolu Foundation for charitable causes. In addition, we continued to support Coca-Cola Life Plus Foundation in Turkey in its efforts related to promoting active lifestyles and protecting the environment.

In Kazakhstan 1,500 unemployed women are now participating in the Coca-Cola Belestery Program. The aim of the training program is to support women's economic empowerment by teaching the basics of establishing and running a business.

In addition, many of our plant employees throughout our operating region continued to support various community investment projects.

## world: Environment

Also in 2013, we took important steps to further reduce our environmental footprint. By continuing to implement Operational Excellence (OE) projects and best practices and by making additional investments, we try hard to achieve the ambitious reduction targets we have set for our operations. Improving our energy use ratios (EUR) and water use ratios (WUR), reducing greenhouse gas (GHG) emissions, and increasing total waste recycling rates remain key target areas for our operations. We achieved our waste recycling and GHG goals for 2013, but we were unable to achieve our EUR and WUR goals. We will continue to work to improve our performance in energy and water efficiency in all of our manufacturing operations.

CCI was recognized by CDP as one of the carbon disclosure and performance leaders of 2013 in Turkey. We extend our energy-efficiency and carbon emission reduction efforts to our customers by continuously investing in more efficient coolers. In 2013, we helped our customers save more than 165,000 tons of carbon dioxide (CO<sub>2</sub>) emissions by switching to Energy Management Devices in Azerbaijan, Jordan, Kazakhstan, and Turkey.

With respect to our target to reduce our water footprint, all four countries made substantial improvements in 2013. In Jordan, in particular, we achieved approximately 42% water saving per liter of product as a result of efficiency projects implemented between 2006 and 2013. In addition, our Pakistan operation achieved a reduction of 306,551 m<sup>3</sup> as a result of implemented water efficiency projects. Looking ahead, we will continue to implement OE projects to reduce every drop we use, and we will participate in the Water Disclosure Project in Turkey in 2014.

Our efforts to reduce our environmental footprint and to improve our sustainability performance have been recognized, and as a result, we have received a number of awards. For example, CCI has been named as one of Turkey's carbon disclosure and performance leaders by the Carbon Disclosure Project Turkey. Our Elazığ plant achieved Gold status in the US Green Building Council's LEED v2009 "Existing Building" category. In addition, our Ankara plant was awarded as "Best Performing Plant for Quality" and Izmir as "Best Performing Plant for the Environment" for their 2013 performance in the 2014 Coca-Cola Company Eurasia & Africa Group President's Sustainability Awards (CCI's Azerbaijan, Jordan, and Kazakhstan operations were finalists in this award).



MESSAGE FROM THE CEO

CCI became a signatory to the United Nations Global Compact in 2009, and since then we have been committed to integrating the Initiative's ten principles related to the environment, human rights, labor and workplace rights, and anti-corruption measures into our overall business strategy. We eagerly embrace these principles, and we will continue to implement them in our business practices. In 2013, CCI was selected for inclusion in the new UN Global Compact 100 stock index. We are very delighted that both CCI's financial performance as well as its commitment to sustainability are recognized by the UNGC and international investor community.

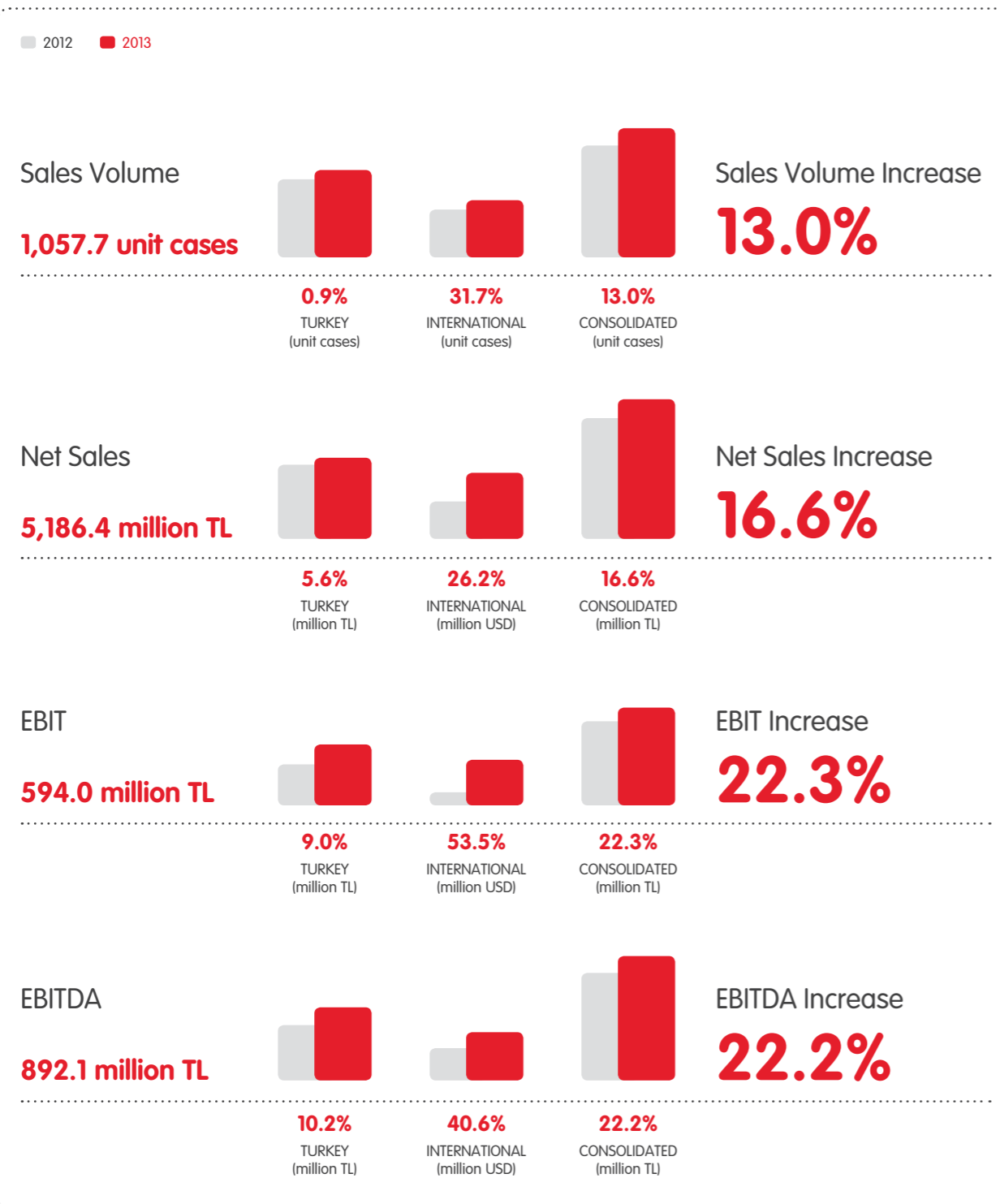
We are confident that with the commitment and drive from our employees, combined with feedback and guidance received from other stakeholders, CCI will continue to succeed and achieve even better results as we progress along our sustainability journey.

Sincerely,  
**Burak Başarı, CEO**

# CCI At a Glance

Coca-Cola İçecek (CCI) is the sixth-largest bottler in the Coca-Cola System in terms of sales volume. CCI produces, distributes and sells sparkling and still beverages of The Coca-Cola Company (TCCC) across Azerbaijan, Iraq, Jordan, Kazakhstan, Kyrgyzstan, Pakistan, Syria, Tajikistan, Turkmenistan, and Turkey.

CCI employs 11,000 people and has a total of 23 plants, offering a wide range of beverages to a consumer base of close to 370 million people. In addition to sparkling beverages, the product portfolio includes juices, waters, sports and energy drinks, teas and iced teas. CCI's shares are traded on Borsa Istanbul (BIST) under ticker symbol "CCOLA.IS" while its American depository receipts (ADRs) are traded over the counter in the United States under "COLAY" and its Eurobonds on the Irish Stock Exchange under "CCOLAT."



	Population (2013) millions <sup>(2)</sup>	Percentage of population below the age of 30 (2013) <sup>(3)</sup>	GDP per-capita (\$) (2013) <sup>(2)</sup>	Per-capita consumption of sparkling beverages (L) (2013) <sup>(4)</sup>	CCI's market share in sparkling beverages (2013) <sup>(5)</sup>
Turkey	76,7 <sup>(1)</sup>	50%	15.264	44	1
Pakistan	184,4	64%	3.144	17	2
Kazakhstan	16,9	50%	14.133	38	1
Azerbaijan	9,7	49%	10.789	26	1 <sup>(6)</sup>
Iraq	34,9	69%	7.132	43	2 <sup>(7)</sup>
Jordan	6,6	65%	6.116	50	2 <sup>(6)</sup>
Turkmenistan	5,3	58%	9.669	36	1 <sup>(6)</sup>
Kyrgyzstan	5,6	60%	2.533	23	1 <sup>(6)</sup>
Syria	21,6	63%	4.843 <sup>(6)</sup>	13	-
Tajikistan	7,2	67%	2.337	8	2 <sup>(6)</sup>

Source: (1) TUIK, (2) IMF, (3) UN, (4) CCI and TCCC Estimation, (5) Nielsen, (6) CCI Estimation, (7) Retail Zoom



<b>Countries</b>	<b>10</b>	<b>Factories</b>	<b>23</b>
<b>Employees</b>	<b>&gt; 11,000</b>	<b>Customers</b>	<b>&gt; 650,000</b>
<b>Consumers</b>	<b>&gt; 370,000,000</b>	<b>Sales Points</b>	<b>&gt; 1,000,000</b>



CCI AT A GLANCE



# CCI's Journey of Sustainability

## The First Half of 2014

- Turkey's Ankara plant is awarded as the Best Performing Plant for Quality and CCI's Izmir plant is awarded as the Best Performing Plant for the Environment in 2014 TCCC EAG President's Sustainability Awards. CCI's Kazakhstan, Jordan and Azerbaijan plants were finalists.
- Awarded the Grand Prize in the ÇEVKO Green Dot Industry Awards which recognizes companies with environmentally-sustainable practices.
- CCI's Corporate Governance Rating score as measured by SAHA increased to 9.25 from 8.8 (as of 1 July 2014).
- Turkey's Elazığ plant achieved LEED v2009 Gold Certificate in the existing building category.
- CCI's 2012 sustainability report is shortlisted in Ethical Corporation's Responsible Business Awards - Best Sustainability Report category in July.

## 2013

- All plants in all operating countries complete Top 10 Energy-Saving Challenge Program.
- Receives Ethics Award from Ethical Values Center Association (EDMER).
- Wins three prizes at 2013 TCCC EAG President's Sustainability Awards including the Best Country Bottling Operation Grand Prize, the Best Performing Plant for Quality, the Best Performing Plant for the Environment.
- Announces its new Code of Ethics, Workplace Rights Policy and CCI Ethics Service.
- Turkey receives ISO 14064-1 certificate.
- Becomes the first and the only company in Turkey and within TCCC system to be included in the UN Global Compact 100 Index.
- Named as one of Turkey's carbon disclosure and performance leaders by CDP in its "Turkey 100 Climate Change Report 2013."
- Turkey is awarded a "Gender Equality Certification" by KAGIDER.

- Turkey's Hazar plant becomes operational.
- CCI's fifth sustainability report is published in accordance with GRI's A+ application level.

## 2012

- Recognized as one of the two top carbon performance leaders of 2012 in Turkey by CDP.
- Izmir and Mersin plants complete the Top 10 Energy-Saving Challenge of TCCC and WWF.
- Named among the best sustainable development practices representing Turkey in the Rio+20 Innovation Competition.
- Ankara plant takes EFQM's "Taking Responsibility for a Sustainable Future" prize.
- Fourth CSR report is approved by the GRI as an A+ level report.
- Turkey, Azerbaijan and Jordan operations are among the finalists in TCCC Eurasia and Africa Group President's Sustainability Awards. CCI Turkey wins Best Country Bottling Operation Grand Prize. Ankara plant recognized as the Best Performing Plant for

Quality and the Izmir plant as the Best Performing Plant for the Environment.

## 2011

- Ankara plant receives KalDer National Quality Award.
- Jordan wins Occupational Health and Safety Management Award.
- Third CSR report is published and includes operations in Turkey, Kazakhstan, Jordan, and Azerbaijan.
- Becomes a charter member of the Climate Change Leaders Group.
- Becomes Turkey's first food company to participate in the Carbon Disclosure Project and one of the country's five carbon disclosure leaders.
- Signs the 2° Communiqué against climate change.

## 2010

- Defines 2020 Vision and Strategic Framework.
- Izmir plant wins TCCC Eurasia & Africa Group President's Environmental Award.
- Wins TCCC Eurasia & Africa Group Environment Award for Best Country Bottling Operations.

- Ankara plant wins KalDer National Quality Achievement Award.
- Publishes second CSR report which includes Jordan and Kazakhstan operations and becomes Turkey's first GRI B-level report.

## 2009

- Places first in Accountability Rating in Turkey.
- Signs the United Nations Global Compact.
- Bursa plant receives 4-Star recognition for excellence.

## 2008

- Establishes CCI Corporate Governance Committee.
- First CSR report is published and becomes the first GRI-approved CSR report in Turkey.

## 2007

- Implements 6 Sigma projects.
- Places fifth place in Accountability Rating in Turkey.

## 2006

- Ankara plant receives first ISO 22000 Food Safety Quality Management System certification.

## 2004

- Izmir plant receives first HACCP TS 13001 Food Safety Quality Management System certification.

## 2003

- Ankara plant wins TCCC Eurasia Africa Group Presidency Quality Award.
- Ankara plant receives first OHSAS 18001 Occupational Health and Safety Management System certification.

## 2002

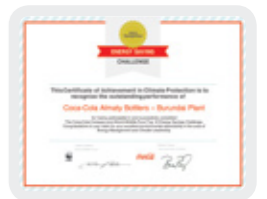
- First environment policy is put in place.
- Receives first ISO 14001 Environmental Management System certification.

## 1997

- Mersin plant obtains first ISO 9001 Quality Certificate and The Coca-Cola Quality System (TCCQS) Certificate of Compliance.

## 1994

- Signs up to TCCC water usage savings commitment.



# Performance Highlights in 2013



## SUSTAINABILITY ACROSS THE VALUE CHAIN

Thanks to our OE (operational excellence) Program, we identified and implemented **168 OE projects** and improvements that are worth about **19.7 million USD**.

# 19.7 million USD

**84%**

Average success rate for SGP (Supplier Guiding Principles) audits at suppliers was **84%**.

## me - ENHANCING PERSONAL WELL-BEING

### Consumer Well-Being

**5,500 employees**

from all countries of operation participated in the "Coca-Cola Ambassador" training programs.



### Product Safety and Quality

As CCI we submitted **17 projects** to The Coca-Cola Company's Quality & Food Safety Award.

### Active, Healthy Living:

**BEZDİ MOVE!** Program kicked off in Turkey at 44 schools, inspiring **40,000 young people** to be more physically active.

## we - BUILDING STRONGER COMMUNITIES

### Workplace

**81,453 employee-hours training** was given, corresponding to 18.9 hours of training per employee.

We reduced the **LTR (Lost Time Incident Rate)** from **0.89** to **0.55** achieving a **38 % improvement**.

**15,597 employee-hours OHS training**, corresponding to 3.6 hours per employee.

### Community

Donated **3% of our pre-tax profits**, equivalent of TL 1.5 million, to The Anadolu Foundation.

**1,500 unemployed women** have been engaged in the Coca-Cola Belestery Program in Kazakhstan.



## world - PROTECTING THE ENVIRONMENT

# 3,972

**3,972 employee-hours** of environmental training was provided to our employees in Turkey, Jordan, Kazakhstan, Azerbaijan, and Pakistan.

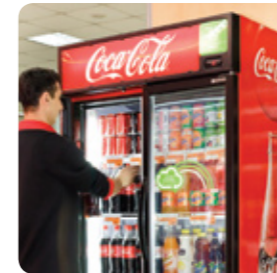


### Energy Efficiency & Climate Protection at Coolers

**57 %** of all coolers in Turkey are **HFC-Free coolers** (81% of new purchases).

**77 %** of our coolers are equipped with EMD in Turkey,

**29 %** in Kazakhstan, **5 %** in Jordan and **0.5 %** in Azerbaijan.



By installing EMDs in our coolers in Turkey, Jordan, Kazakhstan and Azerbaijan, we prevented:

- ▶ **165,289 tons** of CO<sub>2</sub> emissions in 2013.
- ▶ **360,322 tons** of CO<sub>2</sub> emissions between 2009-2013.



Thanks to our eco-friendly coolers, in 2013 we managed to prevent CO<sub>2</sub> emissions equivalent to the amount of CO<sub>2</sub> that **13.8 million trees** extract annually from the environment.

### Energy Efficiency & Climate Protection at Plants

In 2013, we achieved total energy saving of **55,660,462 MJ** through the OE projects conducted at our plants in Turkey, Kazakhstan, Jordan, Azerbaijan and Pakistan which is equal to 0.7 times the annual energy use of our Izmir plant. Through these savings we managed to prevent 5,670 tons of CO<sub>2</sub> emissions equivalent to the amount of CO<sub>2</sub> that **472,500 trees** extract annually from the environment.



### Sustainable Packaging

We started **trial use of PlantBottle packaging** for Damla in 2013 and plan its distribution in 2014 in Turkey.



We increased **total waste recycling rate** to **96 %** in Turkey, **94.7 %** in Jordan, **90.3 %** in Kazakhstan and **99 %** in Azerbaijan.

- ➔ Sold **4.5 million** returnable glass bottle in Turkey as of 2013.
- ➔ Saved **29.4 tons** of glass with returnable glass bottle in Turkey as of 2013.
- ➔ Saved **2,607 tons** of PET material in Turkey, **1,889 tons** in Kazakhstan and **159.7 tons** in Pakistan in 2013 through **Lightweight Projects**.

### Water

Between 2006-2013, we achieved a water use reduction rate of

- ▶ **19 %** in Turkey
- ▶ **42 %** in Jordan
- ▶ **21 %** in Kazakhstan
- ▶ **9 %** in Azerbaijan



In 2013, we replenished in total

# 665 million liters of water

in Turkey, equal to the consumption of approximately

# 7,900 households.





# INTEGRATING SUSTAINABILITY

## CCI 2020 Vision & Strategic Framework

### Vision

Be the outstanding beverage company leading the market, inspiring people, adding value through excellence.

### Mission

Build a sustainable and profitable business by refreshing consumers, partnering with customers, delivering superior value to shareholders and being trusted by communities.

### Values

**Passion:** We put our heart and mind into what we do.

**Accountability:** We act with a high sense of responsibility and hold ourselves accountable.

**Integrity:** We are open, honest, and ethical, and we trust and respect each other.

**Teamwork:** We collaborate for our collective success.

### Building Blocks of our Culture:

- Trust in each other
- Focus on the customer
- Embrace your work
- Inspire innovation
- Collaborate for success
- Be agile
- Be participative
- Enjoy working

CCI Target Fields	Our Goals
People and Organizational Leadership	Build a highly capable organization and be the employer of choice.
Commercial Leadership	Profitably deliver superior value to consumers and customers at the optimal cost to serve.
Supply Chain	Be the best-in-class consumer demand fulfillment organization that exceeds customer expectations, highest in quality and lowest in cost, in a sustainable, socially-responsible manner.
Operational Excellence	Create a culture of Operational Excellence to support continuous improvement of our business process and systems.
Sustainability	<p>Ensure the long-term viability of our business by being proactive and innovative in protecting the environment and be recognized as one of the most responsible corporate citizens by all stakeholders.</p> <p><i>Our key strategies:</i></p> <ol style="list-style-type: none"> <li>1. Embed sustainability in our culture to achieve our commitments           <ul style="list-style-type: none"> <li><b>Environment:</b> Minimize our carbon footprint and water usage by reducing packaging, water and energy.</li> <li><b>Marketplace:</b> Consistently provide the highest quality and food safety compliant beverages.</li> <li><b>Workplace:</b> Ensure a safe place to work, respecting human rights and be fully compliant with workplace rights.</li> <li><b>Community:</b> Make a difference in our local communities by encouraging employee volunteerism and by corporate involvement.</li> </ul> </li> <li>2. Develop all employees and business partners a desire to become proud ambassadors of our products and company.</li> </ol>

## Sustainability Management

An integral part of CCI's operational framework, sustainability is managed together with our core business strategy so as to be effectively deployed throughout every layer and level of the organization.

The CCI Board of Directors' Corporate Governance Committee has ultimate responsibility for the determination and implementation of the sustainability strategy. This responsibility is undertaken by the CCI Executive Committee, headed by the CEO, and comprised of senior management. The fundamental role of the Executive Committee is to identify long-term sustainability targets and monitor performance against those targets. CCI function heads integrate sustainability targets (set by CCI Executive Committee) into their respective functional objectives.

All CCI function heads play a critical role in making sure that sustainability management is connected to field operations. The strategic orientation and objectives that emerge from upper level management processes are conveyed to functional management in order to be transformed into field applications. The CCI Corporate Affairs function is responsible for communicating sustainability targets and performance results.

Moreover, our employees are key enablers allowing CCI to integrate sustainability into its business practices. Our technical operators, in particular, play a significant role in achieving "supply chain" and "operational excellence" targets with improvements they make in production processes by maintaining maximum levels of operational efficiency, maintenance, and quality while maintaining minimum levels of waste, energy and resource consumption, and environmental impact. We work to embed a sustainability culture throughout CCI operations by recognizing our employees through awards programs such as Innovation Competition and Community Champions.



## CCI's Roadmap For Sustainability Reporting

We employed an external review committee to review CCI's Sustainability Report, and we aim to extend our reporting scope in terms of geographical operations starting with our 2014 report.

Materiality analysis to determine key sustainability pillars

2010

Update of the materiality analysis

2011-2012

Stakeholder panel to review CCI CSR 2011 Report

2013

Stakeholder Mapping workshop

2013

Materiality analysis in line with GRI G4

2014

Review of sustainability report by an External Report Review Committee

2014

Extend reporting scope in terms of operational country

2014-2015



## Sustainability Approach





Based on CCI's 2020 Vision and Strategic Framework, sustainability is identified as one of the five main pillars that our company is built on. Our overall sustainability goal is "to ensure the long-term viability of our business by being proactive and innovative in environmental protection and to be recognized as one of the most responsible corporate citizens by all stakeholders." In tandem with this approach, CCI's sustainability strategy focuses on issues that are material for our stakeholders as well as for our company.

Our sustainability framework – what we call "me, we, world" – is our shared vision for how we can work together to create social value, enable positive change for the consumers and communities we serve, and help preserve our environment. While this framework was developed by TCCC, CCI has adapted it to suit our needs. Under this framework, we have identified nine material areas that we manage closely, which are listed in the table below.



The contents of our sustainability report reflect our commitments and progress regarding these areas.

### CCI's Sustainability Framework and Core Sustainability Areas




#### me - Enhancing personal well-being

-  **Product Safety and Quality:**  
We aim to maintain high safety and quality requirements of our products.
-  **Consumer Well-Being:**  
We commit to offering low -or no- calorie beverage options in our markets; providing transparent nutrition information, featuring calories on the front of all of our packages.
-  **Active, Healthy Living:**  
We commit to helping people get moving by supporting physical activity programs.
-  **Responsible Marketing:**  
We aim to market responsibly, including no advertising to children under 12.

#### we - Building stronger communities

-  **Workplace:**  
We aim to provide a fair and safe working environment for our employees while implementing projects and programs that support personal and professional development.
-  **Community:**  
We aim to support sustainable development in communities where we operate and contribute to the welfare of those who live in those communities.

#### world - Protecting the environment

-  **Energy Management And Climate Protection:**  
We aim to reduce the amount of energy we consume, to minimize our carbon footprint, and to be a leading company in climate protection while working with key stakeholders including representatives of local communities, universities and governments.
-  **Water Management:**  
We aim to implement sustainable water management model key business strategy is based on and minimizing our water footprint as well as reducing the amount of per-product water we consume in all operations.
-  **Sustainable Packaging:**  
We aim to minimize the environmental impact of packaging and to increase the use of recycled and bio-based materials.

## Materiality G4-18, G4-24, G4-25, G4-26, G4-27

When deciding which issues to report on, we take into account issues that are material for our sector, our company, and our stakeholders. We derive the contents of our report from a number of different stakeholder engagement initiatives as well as desktop studies as explained below. We also make use of GRI's four Principles for Defining Report Content (Sustainability Context, Materiality, Stakeholder Inclusiveness and Completeness) when developing the contents of our report.

Using TCCC's global sustainability framework as a guide, we conducted a materiality analysis in 2010 in order to identify our key sustainability pillars, and in 2011 we conducted various studies to update our list of material issues.

In February 2013, with the participation of key opinion leaders and participants from academia, civil society and government, we organized an external stakeholder panel with the aim of reviewing our 2011 sustainability report to increase our overall environmental and reporting performance. Following the panel discussion, short-term, mid-term and long-term goals were set for a number of sustainability issues. We implemented a number of the issues throughout 2013. The table below summarizes those issues on which we made progress in 2013:

#### Main expectations expressed at the external stakeholder panel

#### Our progress

Including strategic suppliers' performance for environmental performance in the report.

We provided detailed information about how we support our strategic suppliers in their sustainability efforts. We are working with TCCC in order to develop tools and systems to measure the carbon footprints of our suppliers. There is a plan to calculate product-based carbon footprints on a business unit level, including Turkey, throughout the TCCC system. We are investigating alternative methodologies to calculate our Scope 3 emissions. In 2013, we estimated our Scope 3 emissions with regard to business travel and employee commuting, and we shared a few examples with regard to emissions of third-party fleets and suppliers. We plan to calculate in 2014 the energy and fleet-related Scope 3 emissions of our distributors.

Establishing an External Report Review Committee.

We will receive an external committee review and implement its suggestions for improvement in 2015.

Improve the communication of the report and design with better storytelling and easy-to-understand expressions.

We began in our 2012 CSR report including graphics, and we continue to improve the design of our report. We prepared this report in compliance with GRI's G4 standard at core level, including using an easy-to-understand format.

Start LCA and include a water footprint analysis in the report.

We will respond to the CDP Water Questionnaire in 2014. We are investigating methods to collect supplier data and methodologies to calculate our product-related carbon footprint.





The results of the survey indicate that CCI's reputation management score is 75.3 out of a possible 100. Note that in order to make an objective comparison, this score does not include the opinion of our employees. When we include the opinions of our employees, CCI's reputation management score increases to 77.7. We scored higher than one of Turkey's selected benchmark companies, and we scored lower than two of the other competitors.

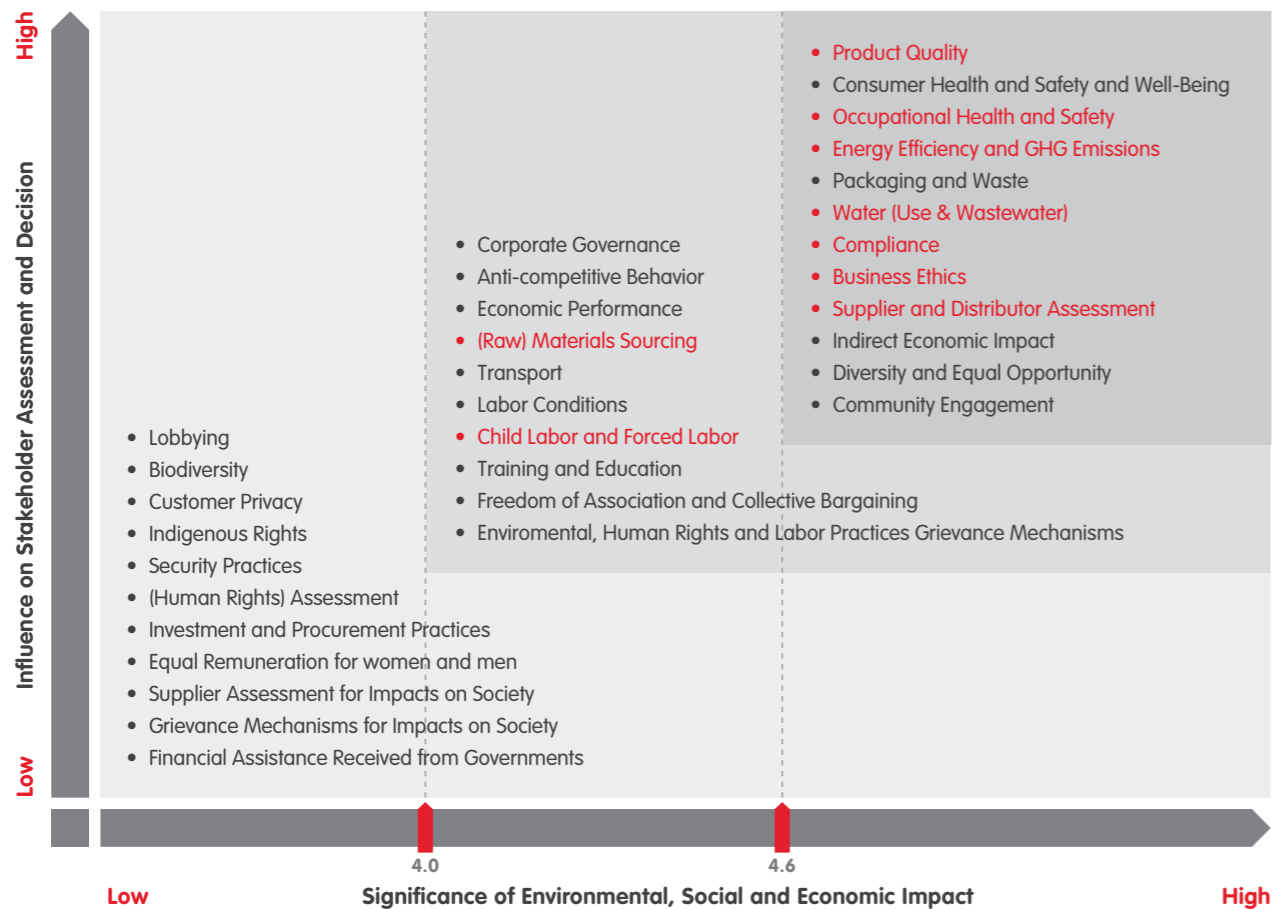
### Stakeholder Mapping Workshop

CCI's Corporate Affairs team, with the participation of managers of key business functions, was responsible for identifying key stakeholders and devising engagement plans in 2013. In this capacity, a comprehensive stakeholder-mapping workshop was held with the participation of all CCI Turkey business units, HQ, plants, and the commercial team. AccountAbility's AA1000 SES Standard and the EFQM Business Excellence Model were utilized in mapping and prioritizing our stakeholders. In this workshop, we updated the engagement methods and the frequency of engagement with our key stakeholders.

### G4 Materiality Analysis G4-19, G4-20, G4-21

At the beginning of 2014, we conducted a materiality

analysis with our senior managers of various business functions. They shared not only their own opinions of what is important for CCI but also the expectations of stakeholders with whom they are in continuous communication. Before identifying the most material issues to report on, we conducted a stakeholder mapping exercise. To focus our reporting efforts, we identified those stakeholders who are more likely to read our report. Within the context of sustainability reporting, our key stakeholders in the order of importance are: investors, NGOs, opinion leaders, shareholders, financial institutions, our employees, and TCCC system. In the second part of the workshop, we assessed a long list of issues regarding their relevance and importance for our stakeholders as well as regarding their impact for our business. The list contained issues of the GRI G4 Guidelines and issues that reflect broad-based societal expectations, especially in relation to a company operating in the food and beverage sector. The results of the materiality analysis conducted with managers were also assessed against the results of the corporate reputation survey. Based on the evaluations, a final materiality matrix was developed and is illustrated below.



NOTE: The issues that are highlighted in red are also material for our supply chain.  
 NOTE: The issues given in the quadrants above are not listed in terms of importance.

Those issues listed in the top right corner of the matrix are material issues, relevant to most of our stakeholders and important for the success of our company. These issues have relatively high environmental, social or economic impact and therefore are included in our priority list for managing and improving our performance. This report focuses on these material issues.

Issues that are important to some of our stakeholders, or issues which we believe have less impact on our business, are listed in the middle of the materiality matrix. We actively monitor and manage these issues and communicate our actions and performance through different media, including our sustainability reports.

The left bottom corner of the materiality matrix includes the list of issues that we have assessed but do not find material enough to report our performance on in this report. These issues are less material to our stakeholders but are still being monitored and/or managed by CCI.

### Aspect Boundaries G4-20

During the materiality analysis we conducted with the senior managers, we assessed the issues not only for our own operations, but also for the operations of other stakeholders in the supply chain, namely suppliers, distributors and customers. While conducting this assessment, we took into account our influence on the issue. For example, energy efficiency and GHG emissions are important both for our own operations and for our customers. We help our customers to reduce their energy consumption by offering them energy-efficient coolers. Another area where we have direct influence is the health and safety performance of our contractors. We actively manage and closely monitor both of these issues. In addition, there are other issues where we do not have direct influence, such as those issues managed by TCCC. For example, child labor and biodiversity during agricultural operations of our suppliers are managed by TCCC through Supplier Guiding Principles (SGP) audits conducted by third parties. Detailed information is available on page 21. In the matrix on the previous page, the issues that are also material for our supply chain and where we have influence have been indicated in red. Information on our efforts and performance on these issues are also available in this report.



**Stakeholder Engagement** G4-24, G4-25, G4-26, G4-27

At CCI, we believe in the importance of stakeholder participation in running our business. We aim to develop long-term relationships with our stakeholders. By holding open dialogues and maintaining transparency in all our dealings, we foster a participative environment where our stakeholders are encouraged to engage in the management of our business. We conduct our stakeholder engagement efforts within the framework of international principles and standards such as AA1000 Accountability Principles. We inform our stakeholders about our sustainability efforts through various communication channels, including our website and annual sustainability reports. Through a stakeholder mapping and prioritizing exercise within the context of sustainability reporting, we identified our key stakeholders as: investors, NGO's, opinion leaders, shareholders, financial institutions, our employees and the TCCC system. For business continuity, we also engage regularly and intensively with other stakeholders including our distributors, customers and suppliers.



**CCI's Stakeholder Engagement Platforms** G4-24, G4-25, G4-26, G4-27

Stakeholders	Engagement Platforms	Frequency of engagement	Examples of issues that were brought up by stakeholders in 2013
Investors	Annual report, investor conferences, analyst meetings, investor presentation, webcast, Investor Relations department, e-mail distributions, special case announcements, Public Disclosure Platform, direct feedback forms through CCI's corporate website, sustainability report, Carbon Disclosure Project report	Regularly and often	CCI's financial and operational performance, future investment plans. Example: We expect to be included in the BIST Sustainability Index.
NGOs	Project partnerships, corporate and employee memberships, participation in conferences and presentations, Reputation Survey, Stakeholder Panel	Regular	CCI's operational, environmental, quality and community-related performance, transparency and reporting.
Opinion leaders	Reputation Survey, sustainability report, External Stakeholder Review Committee	Regular	CCI's operational, environmental, quality and community related performance. Example: We are expected to respond to the Water Disclosure Project's questionnaire.
Shareholders	General Assemblies, website, Public Disclosure Platform (PDP)	Regular	Financial and operational performance and reporting.
Employees	Employee Engagement and Satisfaction Survey Newslite, Newsletter, CokePort, 2020 Vision (CCI Turkey Magazine), press reports, CCI training programs, leadership development trainings, sales incentive programs, Reputation Surveys, CCI Community Champions, Reputation Survey	Regular	Business results, environmental performance, community projects, awards & recognitions, compensation and benefit topics, training & development, performance evaluation. Example: In the 2013 Reputation Survey, one improvement area was identified as "supporting more sportive and healthy life activities at CCI."
TCCC System	Regular meetings and TCCC's Sustainability & Public Affairs & Communication Summits	Regularly, very often	Global 2020 Sustainability Goals were shared. A carbon footprint calculation pilot study was presented.
Distributors/Sellers	Distributor satisfaction survey, distributor meetings, process improvement studies, regular visits, training programs, plant visits, distributor portal, CCI Call Center	Periodic	Business performance, commercial plans, training & development, engagement scores.
Customers	Trainings, support programs, regular visits, plant visits, Coca-Cola Customer Road Show, Customer Satisfaction Survey, CCI Call Center, focus group studies.	Periodic	Business performance, commercial plans, products, marketing plans..
Suppliers	Training programs, improvement audits, plant visits, supplier days, supplier performance scores, supplier surveys, cooperation portal, Green Supplier Awards, industrial development and pilot activities.	Regular	Quality of the materials and services, future plans, strategic initiatives, business performance, sustainability, workplace rights.

Stakeholders	Dialog Platform	Frequency of engagement	Examples of issues that were brought up by stakeholders in 2013
Local community	Stakeholder Survey	Annual	<ul style="list-style-type: none"> <li>CCI's operational, environmental, and quality and community related performance.</li> <li>Sponsorship and donation requests</li> </ul>
Public Institutions and Organizations	Information for contribution to sector development, full compliance with the laws and regulations, support regarding infrastructure investments, Reputation Survey, Environment Days, Presentations.	Annual reputation survey, regular meetings	<ul style="list-style-type: none"> <li>CCI's operational, environmental, and quality and community related performance, compliance with regulations.</li> <li>Expertise sharing in public conference.</li> </ul>
Union	Union representation, collective labor agreements, representative meetings, plant visits.	Regular	<ul style="list-style-type: none"> <li>Human rights</li> </ul>
Consumers	Coca-Cola Social Interaction Center, informative publications, plant visits, product labels.	Regular	<ul style="list-style-type: none"> <li>Product quality, consumer satisfaction, promotion campaigns.</li> </ul>
Sector Groups	Corporate memberships, joint projects, participation in meetings.	Regular	<ul style="list-style-type: none"> <li>Industry wide issues, regulations, compliance with regulations, sustainability initiative.</li> <li>Benchmark visits in the plants.</li> </ul>
Society	Coca-Cola "I Wonder" Platform, donations, plant visits, voluntary practices, product labels, advertisement and marketing activities, social engagement projects, field studies, meetings, survey and eliciting opinions, sustainability reports.	Regular	<ul style="list-style-type: none"> <li>Products, marketing and promotion campaigns, product ingredients.</li> <li>Plant tour and visit requests.</li> </ul>
Media	Periodical information, statements, support programs, regular visits, plant visits, Reputation Survey.	Regular	<ul style="list-style-type: none"> <li>Products, marketing and promotion campaigns, product ingredients.</li> <li>Sustainability performance and community support.</li> </ul>

**Our Corporate Memberships**

CCI continued in 2013 to be a member of the following NGOs:

- ÇEVKO (Environmental Protection and Packaging Waste Recovery and Recycling Trust)
- TÜSİAD (Turkish Industry and Business Association)
- YASED (International Investors Association)
- MEDER (Beverage Industry Association)
- KALDER (Turkish Quality Association)
- DEİK (Foreign Economic Relations Board)
- SUDER (Packed Water Manufacturers Association)
- MEYED (Fruit Juice Industry Association)
- TEİD (Turkish Ethics and Reputation Society)
- TÜYİD (Investor Relations Association)
- TOBB (The Union of Chambers and Commodity Exchanges of Turkey)
- TGDF (Federation of Food and Drink Industry Associations of Turkey)
- Brand Protection Group

By taking part in business NGOs and sector NGOs, we follow reputational and regulation related topics. Additionally, as one of the founding members and steering committee members of ÇEVKO, we plan to initiate a partnership on environmental awareness in the near future.





**External Recognition**

**CCI is Included in the United Nations Global Compact 100 Index**

CCI became the first and the only company in Turkey and within the Coca-Cola system to be included in the United Nations Global Compact 100 Index (GC 100), a new stock index of companies selected based on their adherence to the Global Compact's ten principles as well as evidence of executive leadership commitment and consistent base-line profitability. Among nearly 8,000 members of the Global Compact, 713 companies were considered and assessed worldwide for the index and 100 were selected. The GC 100 tracks the three-year stock market performance of these companies, comparing the results against the broad market benchmark FTSE All-World. The data for total returns shows that there appears to be a correlation between a commitment to corporate sustainability practices and stock performance.



**TCCC Sustainability Awards**

TCCC Eurasia and Africa Group President's Sustainability Awards for 2014 were held in Istanbul in June. This year, our Azerbaijan, Jordan and Kazakhstan operations were among the 10 finalists selected from a pool of 92 Eurasian and African countries competing for the Best Country Bottling Operation Grand Prize. Finalists are selected based on their performances in product safety & quality, environmental standards, occupational safety requirements, and contribution to society. CCI's Ankara and Izmir plants in Turkey repeated their successes from last year, with Ankara being awarded as the Best Performing Plant for Quality and Izmir as the Best Performing Plant for the Environment.



**CDP**

CCI was recognized as one of Turkey's carbon disclosure and performance leaders by the CDP in its "Turkey 100 Climate Change Report 2013." As many as 4,000 companies around the world participate in the CDP each year, with 36 companies participating in Turkey in 2013. The four top-ranking of CDP participant companies were declared as carbon disclosure leaders in Turkey while the seven companies with the highest performance rating were selected as performance leaders. CCI was also awarded as one of Turkey's top two carbon performance leaders in 2012 and cited among Turkey's top five carbon disclosure leaders in 2011.



**Initiatives We Are Signatories To**

- CDP
- United Nations Global Compact
- Turkish Climate Platform – Turkish Climate Change Leaders Group
- The 2°C Challenge Communiqué of the Prince of Wales's Corporate Leaders Group
- Equality at Work Platform established by the Ministry of Family and Social Policies of Turkey within the scope of the World Economic Forum: Closing Gender Equality Gap Program.

# SUSTAINABILITY ACROSS THE VALUE CHAIN

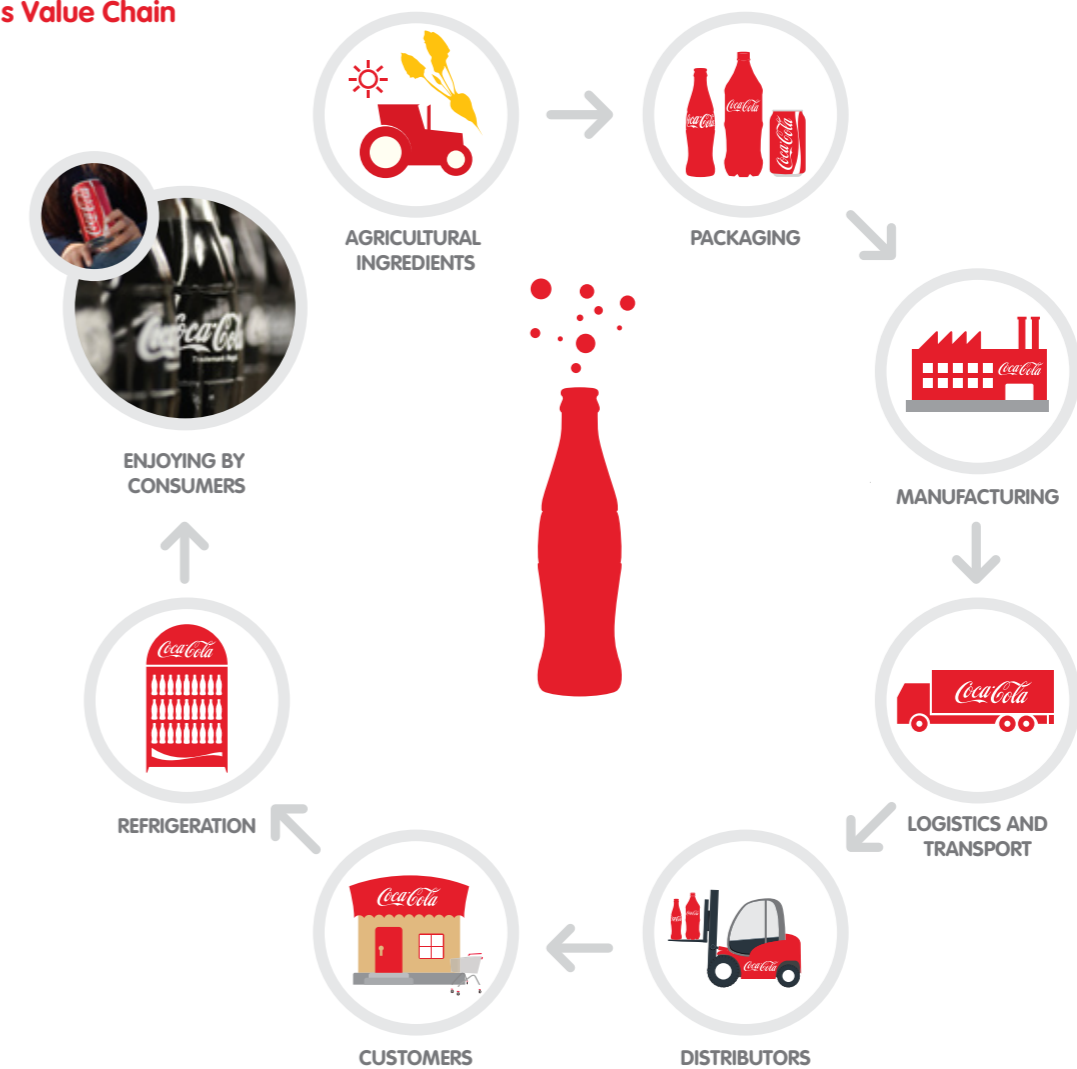
TCCC sources ingredients, and manufactures and sells concentrates, beverage bases and syrups to bottling operations, including CCI. TCCC owns the brands and is responsible for consumer brand marketing initiatives.

As one of the 250 bottling partners of the TCCC worldwide, CCI manufactures, packages, merchandises and distributes the final branded beverages to our customers who then sell our products to consumers. We work closely with our more than 650,000 customers and more than 300 distributors in the 10 countries where we operate. More than 370 million consumers enjoy our products. We purchase ingredients and packaging material

from the "strategic suppliers" selected and authorized by the TCCC.

Meeting the expectations of our stakeholders at every level of our business is our top priority. With this understanding, we give great importance to quality in every stage of our business – from procuring raw materials to marketing finished products. Therefore, we work in compliance with universal rules of the TCCC system and consider regional characteristics of the geographic areas in which we operate. We expect our business partners, namely our suppliers and distributors, to comply with the TCCC Standards and engage only with those that display the best environmental, social and economic performances.

**CCI's Value Chain**



## Goals & Commitments

Priority Areas	2013 Goals	Performance in 2013	Status	Commitments for 2014
Our Suppliers	To conduct a "Supplier Satisfaction Survey" within the scope of C4E.	We conducted for the first time a Supplier Satisfaction Survey where our suppliers evaluated CCI's performance.	A	To conduct a Supplier Satisfaction Survey in 2015.
	To attain a success rate of 84% for the SGP audits in Turkey, Azerbaijan, Kazakhstan, Jordan.	The success rate was 84% for these four countries.	A	To attain a success rate of 88% for the SGP audits in Turkey, Jordan, Kazakhstan and Azerbaijan.
Our Distributors	To continue to develop the capabilities of our distributors.	In 2013 we conducted three specific "Distributor Business Development" trainings aimed at owners, sales representatives and all employees of distributors.	A	To continue conducting training programmes for our distributors.
Our Customers	To improve our customer satisfaction and service levels.	We measured and analyzed gaps between customer expectations and current levels of service. Then, we focused on improving specific areas of service.	O	To achieve a customer satisfaction performance score which is higher than the average score of our competitors.
Our Operations	To continue implementing the OE Model.	We included for the first time our distributors in an OE project.	A	To continue involving our distributors in new OE projects.
	To launch the C4E Program in Turkey aimed at reviewing, redefining and improving our processes to better align our management system with the EFQM Model.	We developed an action plan for "Sales Force Capability Development" program.	A	To implement the "Sales Force Capability Development" program and increase the organizational capability in our countries of operation.
	To prepare our Turkey plants for external EFQM assessments.	We implemented the objectives defined under the C4E Program at our Turkey plants to prepare them for external EFQM assessments.	A	To receive external EFQM assessments at two of our plants in Turkey and to apply for the Kalder National Quality Award.

A Achieved P Partial O Ongoing N Not Achieved

## Our Suppliers

Our suppliers are our business partners who provide us with materials (including ingredients), packaging, machinery, and other goods and services.

Most of our products are produced with concentrates supplied by the TCCC. Our strategic suppliers are those which are authorized suppliers of TCCC, supplying sugar, juices, and carbon dioxide that make up our products. Our packaging materials – aluminum, PET plastic, corrugated cardboard and shrink wrap – are also provided by these strategic suppliers.

### Materials Used

The key materials that form our products fall under two broad categories, namely packaging materials and ingredients. Ingredients are renewable materials such as concentrate and beverage base, sugar and CO<sub>2</sub>. Packaging materials can be either renewable or non-renewable and include steel crowns, PE closure, PET preform and resin, glass, aseptic carton packaging, aluminum cans, can ends and more. Once a product is bottled, it is shrink wrapped in plastic for transportation. In some cases plastic crates and wooden pallets are used. (Please see "Performance Indicators" section for a detailed "Materials Used" table.)

### Supplier Guiding Principles

Our Workplace Rights Policy (WRP) and Supplier Guiding Principles (SGP) communicate our values and expectations of suppliers. Furthermore, they emphasize the importance of responsible workplace practices that respect human rights and comply, at a minimum, with applicable environmental and local labor laws along with core international conventions. These laws and regulations include, among others, those that address working hours, compensation, working conditions and the rights of employees to choose whether to be represented by third parties and to bargain collectively.

Our SGP are a part of all agreements between TCCC and its direct and authorized suppliers. We expect our suppliers to develop and implement appropriate internal business processes to ensure compliance with the SGP. TCCC routinely utilizes independent third parties to assess supplier compliance with the SGP;

these assessments include confidential interviews with employees and on-site contract workers. If a supplier fails to uphold any aspect of the SGP requirements, that supplier is expected to implement corrective actions. TCCC reserves the right to terminate an agreement with any supplier that cannot demonstrate that they are upholding the SGP requirements.

Of the 43 direct suppliers in Turkey who were audited in 2013 for compliance with SGP, 88% of them passed without any major issues, such as concerning overtime. In Kazakhstan, Jordan and Azerbaijan, 12 direct suppliers were audited with a success rate of 67%. Overall, the average success rate for SGP audits of suppliers in Turkey, Azerbaijan, Jordan and Kazakhstan was 84%. For identified issues, an action plan for remediation was sent and follow-up visits will be organized.

### Supplier Satisfaction Survey

In line with our 2020 Vision and within the framework of our C4E Program, we conducted a supplier satisfaction survey for the first time in 2013. Our overall goal with the survey was to improve collaboration with our suppliers by creating a platform where we can learn their opinions and welcome their suggestions for a better and more effective business relationship. More specifically, we aimed at identifying reciprocal improvement areas and to take actions to improve these areas. Our suppliers assessed CCI under four categories: Tendering and Order Management, Payments, Approach, and Communication. We have been conducting supplier assessments for many years, but this was the first time where our suppliers had the chance to assess us.

We achieved an overall score of 84%, and we see this as an indication that our suppliers are mainly satisfied with CCI. For those areas identified as requiring improvement, we have already begun taking action. We aim to conduct this survey every two years to measure the strength of collaboration with our suppliers and to improve our already existing strong business relationship with them.







### TCCC's Green Supplier Awards

We work collaboratively with our suppliers to foster innovative practices and attain sustainable solutions. The Coca-Cola Green Supplier Awards serve this aim while inspiring and motivating us towards our 2020 Vision.

In 2013 we launched the Green Supplier Awards in Turkey where our suppliers are recognized and awarded for their exemplary work in the fields of water stewardship, energy management, waste management, and innovation across the value chain. Seven distinguished jury members, each of them are subject matter expert in their areas, assessed 21 applications in detail and named the winners. We plan to conduct the next Green Supplier Awards in 2015.

### Supplier Compliance With Standards

Just as our plants are required to hold one of the certificates recognized by the Global Food Safety Initiative (GFSI), so are our strategic suppliers. Therefore regarding food safety, all our authorized strategic suppliers hold a relevant and current certificate such as FSSC 22000. Suppliers that hold FSSC 22000 certificate are also required to have ISO 9001 Quality Management Systems in place.

#### Environmental and Health and Safety Certificates of Our Suppliers:

- 80% of the plants of our strategic suppliers have been awarded a certificate for ISO 14001 Environmental Management System.
- 65% of the plants of our strategic suppliers have been awarded a certificate for OHSAS 18001 Health and Safety Management System.

**Note:** This data refers to the 20 plants of our top 10 strategic suppliers who supply us with packaging materials and ingredients.

### Contribution to Local Economy

At CCI, we are committed to making direct and indirect contributions to local economies where we carry out our operations. The proportion of spending on local suppliers (within the same country) for raw materials is provided in the table below. In Jordan we switched to local suppliers for sugar, can and preform in 2013, which resulted in an increased percentage.

Local Procurement %	Turkey*	Jordan**	Kazakhstan***	Azerbaijan***
2013	96	68	17	48
2012	96	20	12	41

\* Concentrate is not included.

\*\* In Jordan we switched to local suppliers for sugar, can and preform in 2013, which resulted in an increased percentage.

\*\*\* There are no approved suppliers in these local markets for some product and service categories.

### Our Distributors

Distributors are our main business partners and, as such, they play a critical role in our sales operations. Consequently, we focus on developing their capabilities and satisfying their business needs. In Turkey we work heavily with distributors, while in our countries of operation where distributor networks are not common, we work with 3<sup>rd</sup> party partners.

In Turkey we conduct around 75% of our distribution operations through our distributors. The responsibilities of our distributors include warehousing, order taking, distribution, invoicing and collection. Some of our distributors even generate orders and conduct merchandising and account management activities, working in tandem with

our sales teams. These sustainable and long-term relationships benefit us in many ways, including 100% market sales monitoring.

As per the end of 2013, we work with 302 distributors in Turkey. Distributors are our strategic business partners and we share our know-how and expertise with them. We support them in building the same high-quality systems at their end. Our overall goal is to bring our business partners up to our standards while we hand over to them our distribution responsibilities.

In 2005 we developed a Distributor Handbook, which explains in detail the minimum requirements according to our standards. We provided training to their employees on the main topics included in the Handbook. In addition, we also developed a checklist

that we use while conducting audits. This checklist is based on the Coca-Cola Company's Management System (TCCMS) and contains requirements on health and safety, requirements for warehousing and technological infrastructure. We conduct regular audits for our distributor. The scores of the audits are evaluated together with the customer satisfaction survey results, and both of them contribute to the result of the "Distributor Service Quality Assessment."

To improve our business relations with our distributors, we engage with them on different platforms such as our Customer Interaction Center, Distributor Business Development Projects and Distributor Engagement Surveys where we learn about their needs, wishes, and complaints. Throughout 2013, we focused on the Distributor Business Development Projects, holding meetings with our distributors to find out from them "what can CCI do better for you?". After collecting the responses, we developed action plans.



In 2013, we developed projects under the three broad categories: People, Business Support, and Technology. Under the "Technology" category, we developed a Distributor Portal whereby distributors have access to all business-related documents and financial statements. It is a unique share point for CCI and our distributors, creating the possibility for online communication with logistics and financial advisors. Under this platform, our distributors can also share their best practices with their peers.

Another initiative we developed within the "People" dimension of the Distributor Business Development Project is a series of capacity-building trainings which we provide to the owners and employees of our distributors. In 2013, we provided a three-hour training program, "It's Your Turn," to around 2,142 employees of our distributors. Other training programs we developed include the Turkish Sales Academy in which 156 distributor chiefs participated, and our Campus 2020 program aimed at 104 owners of our distributors.

In 2014, we aim to increase the number of participants in these capability-building programs in 2014.

To evaluate the satisfaction level of our distributors, a third-party service provider conducts a Distributor Satisfaction Survey including an evaluation of our company image. The results of these surveys for the last three years are provided in the table below.

Distributor Satisfaction Survey	2011	2012	2013
Satisfaction Score	76.0	83.8	84.0
Company Image	81.6	89.2	88.4

### Our Customers

Our customers – supermarkets, restaurants, convenience stores, hotels, and other retail outlets – totaled approximately 650,000 in 2013 in all CCI countries of operation. We have access to more than one million retail points of sale.

We use promotional campaigns and event-based marketing activities to promote customer relations. We continue to invest in coolers to help our consumers gain access to cooled products, and we conduct development programs and quality system inspections for our customers.

### CCI Customer Engagement Studies

Increasing the level of satisfaction amongst our customers is a key factor in achieving our 2020 Vision objectives. We aim to develop strategies that focus on maximizing customer satisfaction. To this end, we apply a holistic approach to customer engagement. In countries such as Turkey where we have strong distributor channels, we include evaluations of our distributors' customers in our customer engagement studies. With this approach we create the chance to broadly assess the level of satisfaction and learn about the expectations of our customers. The results of these engagement surveys help us identify improvement areas against which we develop action plans. An independent research company conducts these surveys by telephone, questionnaires and face-to-face meetings.

To engage with our customers, we use the following:

- Annual Customer Satisfaction Surveys
- Quarterly Distributor Customer Satisfaction Surveys
- Annual Distributor Satisfaction Surveys
- Focus Groups with Customers

## Customer Satisfaction Survey

CCI Turkey conducts customer satisfaction surveys every year. In Azerbaijan, Jordan and Kazakhstan, customer satisfaction surveys were conducted for the first time in 2012 and for the second time in 2013. We have hundreds of thousands of customers, so in order to obtain representative results it is important that we reach a large number of customers during these surveys.

As a result of the surveys, we are able to evaluate our company image, sales performance, supply chain, marketing, finance, and trade promotion. In the CCI Turkey survey, customers were also asked to rate how environmentally and socially responsible CCI is. In addition, customers were also asked to evaluate the performance of eight other fast moving consumer goods (FMCG) companies for the same categories as for CCI's. The average result of these companies was 62, where CCI's overall score is higher than this average. The results of these surveys indicate that our customers believe we are the market leader in this field.

Turkey Operations Satisfaction Survey *	2013
Overall Performance (satisfaction x importance)	64
Overall Loyalty Score **	61

Note: The results are based on 100 points.

\* Average index score consists of 8 questions.

\*\* CCI Turkey's 2013 survey results can not be compared with the 2012 results since a different methodology was used during the 2013 research.

## International Operations Satisfaction Survey

With the help of the International Operations Satisfaction Survey, we aim to determine the level of satisfaction in traditional off-trade sales points and to reveal to what extent expectations have been met by measuring satisfaction levels in terms of these criteria. The survey's main criteria are company image, consumer promotion, sales team, commercial support, order & delivery, and portfolio. We determine our improvement areas in line with these criteria. During this survey, face-to-face interviews are conducted with the person responsible for procurement as per lists provided by CCI International Operations. A separate survey is conducted for each CCI operating country. We work with a third party to analyze survey results.

International Operations Satisfaction Survey		2012
Kazakhstan	Satisfaction Score	9.1
	Company Image	9.4
Azerbaijan	Satisfaction Score	8.2
	Company Image	8.2
Jordan	Satisfaction Score	7.9
	Company Image	7.9

Note: The results are based on 10 points.

Note: Survey results of 2013 will become available in the last quarter of 2014.

## Our Operations

CCI conducts bottling (manufacturing) and distribution operations in 23 plants in 10 countries. We place great importance on continuous development, which is key for the sustainability of our company. We implement various excellence models both at the corporate as well as plant level.

### CCI's Journey to Excellence

To reach our 2020 Vision of "Being the outstanding beverage company, leading the market, inspiring people, and adding value through excellence," our Turkey operations initiated a comprehensive program in 2012 called "Change for Excellence (C4E)." We believe that only a holistic and systematic business excellence approach can bring us closer to our 2020 Vision. Therefore, we based the program on an all-encompassing 2013 EFQM Business Excellence Model which helps companies achieve and sustain outstanding levels of performance that meet or exceed the expectations of their stakeholders.

In 2012 we conducted the first phase of the C4E Program where we defined our strategic priorities and goals with the help of the EFQM Excellence Model, aligning it with the goals of our 2020 Strategic Management Framework.

With the C4E Program, we aim to define clearly the CCI way of doing business and also to identify features of our corporate culture, taking into account the expectations and needs of our stakeholders. We are in the process of reviewing and redesigning our business operations. For each of the CCI target fields, such as "people and organizational leadership," and "supply chain," we aim to identify action plans and set them in motion in the coming years. For example,

in 2013 we developed an action plan for the "Sales Force Capability Development" program which we will implement in 2014. The aim of this program is to increase the organizational capability in our countries of operation.

### Operational Excellence

In line with CCI 2020 Vision, one of our target fields is "Operational Excellence" where we defined our target as "to create a culture of Operational Excellence to support continuous improvement of our business process and systems." Operational Excellence (OE) is also the name of our model that we have integrated into our quality systems and apply to all our functions. The focus of the OE Model is to maximize quality and efficiency while minimizing failure and waste.

Our OE Model was developed using Lean Six Sigma

methodologies. We have continued to train our employees on the OE Model since 2008. In 2013, 25 Green Belt and 60 Yellow Belt Certifications were achieved for joining the ranks of continuous improvement in Turkey. Moreover, 100 OE Projects out of 114 were successfully implemented with the participation of more than 300 employees. Approximately 50% of 100 realized OE projects were developed at our production plants. As a result of the completed OE projects in 2013 in Turkey, we expect to save \$ 13 million per year in coming years. The completed OE projects in Jordan, Azerbaijan and Kazakhstan resulted in savings of \$ 6.7 million per year. Since introducing our OE Model, we have implemented a total of 622 projects in Turkey, Jordan, Kazakhstan, Azerbaijan and Pakistan, and we have received 425 certifications.

2008	2013 Goal (Cumulative)	2013 Actual (Cumulative since 2008)	2020 Projected (Cumulative since 2008)
6 Projects	362 Projects	390 Projects	1,200 Projects
42 Certifications	321 Certifications	310 Certifications	1,320 Certifications
\$ 1.2 million per year saving	\$ 34.3 million per year saving	\$ 39.3 million per year saving	\$ 110 million per year saving

Note: These figures correspond to our Turkey operations.

Thanks to our OE projects in 2013, we managed to identify and implement improvements worth approximately \$19.7 million in the four operating countries.

### OE Projects involving our distributors

In 2013, for the first time, we included our distributors in one of our OE Projects. Nine distributors participated in the "Improving Customer Satisfaction" project which was conducted by our Elazığ Plant in Turkey. The project leader gave training to about 265 distributor employees on "OE 8 Waste." The distributor employees conducted 18 quick win projects in their facilities and received a certificate of attendance at the end of the training. We aim to spread "OE 8 Waste" training to other distributors in 2014.

### Distribution of OE Projects Implemented in 2013

Countries	Actual Wave	Number of Certifications	Number of Projects
Kazakhstan	4 <sup>th</sup> wave	0	7
Azerbaijan	3 <sup>rd</sup> wave	5	10
Jordan	3 <sup>rd</sup> wave	8	28
Pakistan	2 <sup>nd</sup> wave	31	62
Turkey	7 <sup>th</sup> wave	85	100
<b>TOTAL</b>		<b>129</b>	<b>207</b>





## Standards and Policies

At our plants, we implement a number of external standards and internal policies to achieve high environmental, social and ethics performance. We ensure consistent safety and quality of products through compliance with applicable regulations and standards.

In the Coca-Cola System, the set of Coca-Cola operating requirements known as KORE governs food safety and quality, environment, and health and safety areas. The system is consistent with the external standards and principles listed in the table below. All our production processes operate in accordance with the requirements of these standards, and required audits are conducted annually.



Issue	External Standards / Principles	Internal Policies
Environmental Management	ISO 14001	CCI Health, Safety & Environment (HSE) Policy, TCCC HSE Policy
Water Management	ISO 14001	KORE - EOSH Requirements
Energy Management & Carbon Emissions	ISO 14001, ISO 50001, ISO 14064-1, GHG Protocol	KORE - EOSH Requirements
Sustainable Packaging & Waste Management	ISO 14001, PAS223	KORE - EOSH Requirements
Quality Management (Production Process)	ISO 9001, EFQM Business Excellence Model, 6 Sigma	KORE - OE
Product Quality & Safety	ISO 9001, ISO 22000, FSSC 22000, GFSI (*)	KORE
Marketing Responsibly		TCCC Responsible Marketing Policy The Global School Beverage Guideline
Occupational Health & Safety	OHSAS 18001	KORE - EOSH (**) Requirements
Anti-corruption	UNGC	Ethics Code, Workplace Rights Policy
Community Involvement	UNGC	TCCC's Policy
Sustainable Supply Chain	UNGC	Supplier Guiding Principles
Overall	UN Global Compact, GRI	Code of Business Conduct, KORE

\* GFSI: Global Food Safety Initiative

\*\* EOSH: Environmental and Occupational Safety and Health

## CCI Plant Certification

All our plants in Azerbaijan, Jordan, Kazakhstan, and Turkey hold the following certificates: ISO 9001, ISO 14001, OHSAS 18001 and FSSC 22000 Standards. Moreover, all our Turkish plants, including our new Hazar plant, sales operation and offices are certified against ISO 50001 Energy Management System & ISO 14064-1 GHG Standard (specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals). With the exception of Azerbaijan, all our plants where we produce preforms (namely Ankara, Çorlu, Sapanca and Kazakhstan), hold PAS 223 Packaging certificates. Our plant in Azerbaijan is expected to obtain the PAS 223 Packaging certificate in 2014.

## Continuous Improvement and Excellence at Turkey Plants

All our plants are assessed and audited regularly by TCCC for their compliance with KORE requirements, their possession of relevant, applicable certifications, and their engagement with approved excellence programs. The results of these assessments are consolidated into a "Maturity Continuum," consisting of five categories: Risk, Compliance, Process, Improvement, and Excellence. Every plant in the TCCC system is categorized according to the Maturity Continuum based on their progress towards these requirements.

Over the reporting period, five CCI plants moved forward from "Process" to "Improvement," meaning that at the end of 2013, seven CCI plants were categorized

as "Improvement" in the Maturity Continuum. Furthermore, one plant, Ankara, advanced during the reporting period to reach "Excellence," one of only three plants in the worldwide Coca-Cola system.

Our plants in Turkey progressed in TCCC's Maturity Continuum in part because they applied a self-assessment methodology according to the EFQM Excellence Model. The EFQM approach helped us not only to identify our strengths and improvement areas but also to put action plans in place. With self-assessment, we gained a holistic overview of our production operations. Next year we aim to further improve our plants so that they progress along the Maturity Continuum.



## CCI Turkey's Quality Award Journey

2009	2010	2010	2012	2014 Goal
Bursa Plant: 4-Star Recognition for Excellence	Ankara Plant: National Quality Prize	HQ and Çorlu plant: Recognition for Excellence 5-Star Ankara plant: National Quality Award	Ankara plant: EFQM prize	Two plants to apply for EFQM National Quality Award



# GOVERNANCE

## Goals & Commitments

Priority Areas	2013 Goals	Progress made in 2013	Status	Commitments for 2014
Risk Management	To establish a Corporate Risk Department to further review corporate policies and procedures with a risk management perspective.	CCI's Risk Management Department was established in 2013. In addition, risk evaluation was carried out and action plans were developed.	A	To monitor action plans that were prepared as a result of risk evaluation.
	To share the best risk-related practices in CCI and The Coca-Cola System.	Best practices are shared within CCI and TCCC.	O	To share best practices with other bottlers in September during the Coca-Cola System Enterprise Risk Management (ERM) Exchange.
	To bring about increased risk awareness in CCI countries via trainings and workshops.	Enterprise Risk Management (ERM) trainings are realized with top management and their direct reports.	A	No new target.
Business Continuity	To implement the "Incident Management and Crisis Resolution (IMCR)" Validation Program in Kazakhstan and Jordan and deliver IMCR training in Azerbaijan.	IMCR Validation Program was completed in Kazakhstan.	P	To complete IMCR validation in Turkey, Pakistan, Jordan & Azerbaijan.  To provide IMCR trainings to country executive committee members in Turkey, Azerbaijan, Kazakhstan and Jordan.
Business Ethics	To publish a revised Ethics Code which will be implemented in all of our operating units.	We updated our Ethics Code in April 2013 and shared it both internally and externally.	A	No new target.
	To form an Ethics Compliance Committee and assign ethics officers to all units.	The Ethics and Compliance Committee was formed and the CCI Ethics and Compliance Director and Local Ethics and Compliance Managers were appointed.	A	No new target.
	To hold Ethics Code awareness meetings in all operations.	In Turkey, we conducted 3-4 hours of training at our headquarters as well as at our Kağıthane sales office and İzmir, Bursa, Ankara and Çorlu plants.	O	To continue giving training to our employees on CCI Ethics Code.
	To establish a grievance procedure and a hotline about ethical issues within the context of the "Code of Ethics Information Program".	A grievance procedure was drafted and a hotline about ethical issues was established.	A	No new target.

A Achieved P Partial O Ongoing N Not Achieved

## Corporate Governance

CCI conducts all of its operations within the framework of existing laws and regulations including the Turkish Capital Markets Board's (CMB) Corporate Governance Principles. In line with these Principles, we publish an annual Corporate Governance Compliance Report that includes information corresponding to each item of the Corporate Governance Principles.

Corporate governance at CCI relates to our relations with shareholders and investors, our public disclosure and transparency policy, our relations with stakeholders and the roles, responsibilities and rights of the Board of Directors.

### Board of Directors

CCI is managed and represented by a Board of Directors comprised of twelve members elected by the General Assembly. Four directors are independent; seven of them are non-executive members including the chairperson. CCI's CEO is also a member of the Board. Currently, there is no female Board member.

The Board Members are elected for one-year terms at Ordinary General Assembly meetings, the last of which was held on May 2013 to officiate until the 2014 Ordinary General Assembly Meeting which is to be held to discuss the results of the 2013 activity year.

There are three committees under the CCI's Board of Directors: Audit, Corporate Governance, and Risk Detection. All members of the Audit Committee and the chairmen of the other committees are independent. CCI's Chief Executive Officer does not have a role in any of these committees.

The Corporate Governance Committee has developed necessary mechanisms for stakeholders to report any illegal or unethical practices to the Corporate Governance or Audit Committees. In addition, the Corporate Governance Committee is, according to its own charter, responsible for monitoring whether management establishes a system regarding the Company's code of business conduct and ethics.

The Audit Committee reviews whether management monitors the Company's compliance with the code of business conduct and code of ethics, assesses the risk of abusing those, and provides trainings on these company codes.

## Risk Management

CCI's management has the ownership of the Risk Management and Internal Control System, where Enterprise Risk Management (ERM), which directly reports to Early Risk Detection Committee, acts as a facilitator and provides assurance and consultancy services in these areas.

Upon a resolution of the Board dated June 2013, the Risk Detection Committee was established. The mission of CCI's Risk Detection Committee is to work on early determination of risks that will endanger the presence, growth, continuity of the Company, to apply due precautions regarding the determined risks and to work to manage the risks.

Under the ERM framework, CCI's top management determines important opportunities and threats and manages them according to the Company's risk appetite. ERM, developed for the aim of determining CCI business strategies, is a systematic and disciplined process consisting of all company processes and implemented by all employees.

We identify our risks under seven main pillars including sustainability and supply chain. In 2013 we formed our ERM system in line with these pillars. Every CCI manager who is authorized to access the ERM system can rank these risks considering their pillar. Some of main topics that are evaluated under our sustainability pillar include energy and climate change, community relations, and hazard loss. Issues such as packaging, water, supplier management, quality and food safety are scored under supply chain pillar. These risks are evaluated thereby considering each country's situation. In 2013, our risks were ranked and we prepared mitigation action plans for our critical risks. Next year, we aim to monitor the status of these mitigation action plans.

In measuring and processing the decisions to minimize existing risks, we used SAP system as a technological tool. The real time operational results provided from SAP eliminates human error and improves the efficiency of the internal control system. Also, our high technology internal communication system enables us to act quickly and to generate immediate solutions to problems as they occur.





All our facilities are insured against environmental risks, and investments for backup systems are made to prevent data loss due to extraordinary events. Environmental and extraordinary incidents are constantly monitored and when they take place investigations are made to take necessary measures against the causes to minimize future risks.

CCI's ERM team determines risks on both a country and group basis, and it submits these to management for evaluation. High priority risks and mitigation action plans are presented to the Early Risk Detection Committee for reporting to the Board of Directors.

CCI's Internal Audit Department evaluates the Company's risk management and internal control system on a regular basis and reports to the Audit Committee as well as to CCI's Management, to ensure:

- Accuracy and reliability of financial and operational information
- Effectiveness and efficiency of operations
- Safeguarding of Company assets
- Compliance with laws, regulations, and contracts

## Ethics

At CCI, accountability and integrity are of vital importance in terms of enhancing our reputation and otherwise representing our Company and our brands in the most appropriate way. To sustain CCI's position as an employer of choice while achieving continuous growth, we launched in all country operations the revised CCI Ethics Code (and the CCI Workplace Rights Policy) in mid-2013. Also at that time, the CCI Ethics and Compliance Committee was formed and ethics and compliance officers were appointed.

We implemented a telephone hotline, the CCI Ethics Line, so that our employees may anonymously report violations of the Ethics Code. Our employees received highlights of the Ethics Code on paper and a detailed Ethics Code Handbook and Guidelines for Handling Code of Ethics Matters was shared electronically. Also in 2013, our employees were trained on the renewed Ethics Code.



### Ethics Code

The CCI Ethics Code, which provides guidance to uphold our corporate values, highlights four main principles:

- Act with integrity and honesty.
- Safeguard business and financial records and keep them accurate, complete, and correct.
- Safeguard the interests of CCI and avoid any conflicts of interest.
- Deal with everyone we encounter fairly and in accordance with the law:
  - Take particular care when evaluating a third party who might interact with a government authority on behalf of the Company.
  - No pecuniary or non-pecuniary interest may be offered to a government official.
  - Bribes are prohibited.

### Communication Channels

Our employees have alternative channels of communication to express their thoughts and concerns. They can directly contact their managers or their Local Ethics and Compliance Officers. Alternatively, they can use the CCI Ethics Service, which is available 24/7 to all our employees. There are translators providing translation services online in Arabic, English, Russian, and Turkish languages.

CCI Ethics Service communication channels are:

1. E-mail. Employee's e-mail address and name are kept confidential.
2. CCI Ethics and Compliance website,
  - ➔ [www.cciethikhat.com](http://www.cciethikhat.com) (in Turkish),
  - ➔ [www.cciethicsline.com](http://www.cciethicsline.com) (in English, Russian and Arabic). Employees can login to the page anonymously and enter their message.
3. Dedicated phone number.

### Procedural Rules & Available Sources

CCI's Corporate Governance Committee ensures full implementation and enforcement of the Ethics Code. Implementation of the Code is the responsibility of the Ethics & Compliance Officer and Local Ethics & Compliance Officers. All investigations concerning Code violations are handled by the Internal Audit Department. All decisions regarding Code violations are taken by the Ethics & Compliance Committee. Certain categories of decision-making authority may be delegated to local managers in accordance with the Guidelines for Handling Code of Ethics Matters.

## Business Continuity

**Integrity is paramount to our long-term success and we will always practice the highest standards of ethics and probity.**

Business continuity is an utmost crucial issue for CCI. We strive to be a model corporate citizen in every country where we operate. Therefore, while ensuring business continuity in case of incidents, we operate in accordance with local laws and with sensitivity to the local culture.

CCI implements The Coca-Cola System's Incident Management and Crisis Resolution (IMCR) Program that is designed to create and maintain efficient and integrated structure for preventing and managing incidents. Through the IMCR Program we build and maintain a robust capability to protect our tangible assets: people, products, infrastructure including our offices, plants, supply chain, distribution channels, information and financial assets. Protection of these tangible assets leads to the protection of our valuable intangible asset, the image and reputation of our business system. Implementing the IMCR Program is a key management activity, but it is everyone's responsibility at CCI.



In order to ensure that we prevent or reduce the impact of incidents on our business, we have incident management teams in each operation. Each team joins our annual trainings, and collectively they work on simulations of complex incidents. In 2013 IMCR Validation Program was completed in Kazakhstan. We aim to give IMCR trainings to country executive committees in Turkey and Azerbaijan.



CCI's security strategy is aimed at identifying, assessing and preventing potential incidents from occurring. This involves providing strategies and tools that build and enhance the capabilities of our business system to implement effective asset protection strategies. It should be noted that even with the very best asset protection strategies in place, incidents may still occur.

### CCI's Disaster Recovery Center

At CCI, we give utmost importance to business continuity and disaster recovery. In 2012, file servers and terminal servers were transferred to the data center in Istanbul. Additionally, CCI's Disaster Recovery Center was restructured in line with international standards in order to take action in case of an emergency and to ensure business continuity.

In case of an emergency, the Disaster Recovery Center will ensure that the BASIS and SAP systems in Azerbaijan, Jordan, Kazakhstan, Pakistan and Turkey are operational within 24 hours using backup data available in the 72 hours immediately prior to the onset of emergency conditions. Additionally, functions such as e-mailing, instant messaging, videoconferencing and corporate portal applications are to be provided by the Disaster Recovery Center via Internet in case of an emergency.



# me



## Goals & Commitments

### Product Safety and Quality

### Consumer Well-being

### Active, Healthy Living

### Responsible Advertising and Marketing

At CCI, “me” implies providing high-quality, safety-compliant beverages while contributing to healthier, happier, and more active communities.



The conscious choice of our customers is crucial to us. In this regard, we conduct awareness-raising activities and utilize various communication platforms to engage our stakeholders in active, healthy living. We make sure that every CCI product meets global standards for product quality and safety as set by TCCC. Also we strive to inform our customers and society at large about our products.

Understanding our consumers’ needs and satisfying their expectations are fundamental to the sustainability of our business. To this end, we serve our products in the healthiest and most hygienic conditions with preferred packaging alternatives and sales points at appropriate prices.



## Goals & Commitments

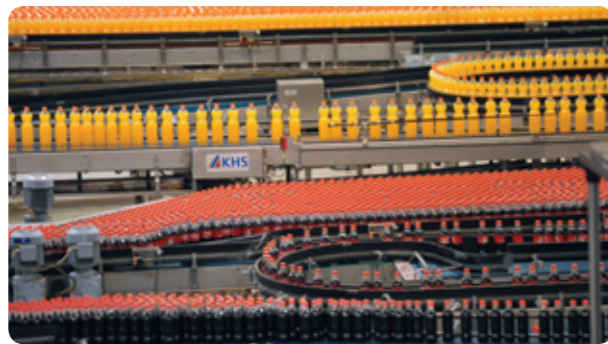
Priority Areas	2013 Goals	Performance in 2013	Status	Commitments for 2014
Product safety and quality	To motivate our plants to continuously improve product safety and quality.	Representing all 10 CCI countries, we submitted 17 projects, 25% of all the projects globally, for TCCC Quality & Food Safety Award.	A	To increase the number of projects submitted for the Award.
Consumer well-being	To prepare “I Wonder” Platform, a digital platform providing answers to consumers’ queries.	To finalize the contents and digital infrastructure of the “I Wonder” Platform, informing consumers about the company, its products and product ingredients in the most clear and transparent way.	O	To launch “I Wonder” Platform.
	To launch plant tours.	Consumers were invited to tour our plants where they received information about our products.	O	To re-launch the plant tours.
Active healthy living	To launch Active Healthy Living projects throughout our operating geography to promote a more active and healthy lifestyle amongst young people.	We kicked-off <b>B2D MOVE!</b> in Turkey where 270 physical education teachers participated by submitting 68 active lifestyle projects, 44 of which were selected for implementation in the 2013-2014 school year.	O	To reach 50,000 young people to inspire them to be more physically active through 50 projects in schools.
Responsible marketing	To provide transparent nutrition information about our products to consumers.	We included the amount of energy (per serving) as kilocalories, calories or kilojoules on the front of all packages in Turkey.	A	To continue to voluntarily include GDA information on the packages of our products.

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Being part of the Coca-Cola System, we submit to TCCC's commitments to contribute to healthier, happier, and more active communities. In so doing, we commit to:

1. Offering low- or no-calorie beverage options in every market
2. Providing transparent nutrition information, featuring calories on the front of all of our packages
3. Helping people get moving by supporting physical activity programs in every country where we operate
4. Marketing responsibly, including no advertising to children under 12 anywhere in the world



## Product Safety and Quality

Our commitment to consumer well-being begins with our commitment to product safety and quality. We make sure that all actors in our value chain, including our own factories and our strategic suppliers, comply with international food safety standards and/or TCCC's Compliance Standard (KORE).

At our plants we implement various globally-accepted standards such as the ISO 22000 Food Safety Standards. Our strategic suppliers, such as suppliers of ingredients and packaging material, are required to hold a certificate that is recognized by the Global Food Safety Initiative. Compliance with product safety and quality requirements is regularly audited, unannounced, by TCCC. In 2013, four CCI plants in Turkey and one plant in Azerbaijan were audited and passed the audit successfully. Third-party external auditors, resulting in either re-certification or follow up, audit the implementation of the ISO 22000 Standard.

Since 2011, TCCC has been conducting TCCC Quality & Food Safety Award. In 2013, 68 projects were submitted from global operations, 17 of which were from CCI plants. In 2011 and 2012, CCI plants submitted one project for the competition.

## Consumer Well-being

CCI provides front-of-pack energy (calorie) information on its beverage products. By informing consumers about the calorie content of products up front, we believe we help them make informed-decisions. Our corporate policy exempts bottled water products that are not flavored or sweetened since water is inherently free of calories.

### Product Calorie Profile

CCI puts on the market various products with different calorie content. The graphic below contains a sample of CCI produced beverages available in Turkey, based on their calorie content.



## Products that fall under "without energy" category (< 4kcal/100 ml)

Product names	Percentage of Sales (excluding tea) (%)
Coca-Cola Light	1.39
Coca-Cola Zero	1.67
Damla, Natural Source Water	17.18
Damla Miner, Natural Mineral Water	0.62
Sensun	0.81
Burn Subzero, Energy Drink Sugarfree	0.01
Cappy Pulpy Lemonade Sugarfree	0.01
Schweppes Soda Water	0.07

Note: The above-mentioned values are for products sold in Turkey in 2013.

### Transparent Nutrition Information

Producing and distributing beverages of various kinds, along with our commitment to properly informing our consumers, require us to include nutritional information on all of our labels. In addition to the minimum, basic nutritional information such as calories, protein, fat and carbohydrate content, we also indicate the amount of energy (per serving) as kilocalories, calories or kilojoules on the front of almost all packages. A "Contains Caffeine" warning is placed on products with caffeine while the use of sweeteners and phenylalanine is addressed on diet products. In Turkey, we are one of the pioneer companies to voluntarily include information about "Guideline Daily Amounts" per serving on our products. Currently more than 90% of our products contain this information. GDA information allows consumers to understand the nutritional content of their food choices and empower them to compose a balanced diet that they can adapt to their individual needs and lifestyle.

### Products with increased nutritional content

Product names	Percentage of Sales (excluding tea)
Cappy Mix Fruit Nectar	1.31
Cappy Mix Fruit Juice	0.002
Powerade Sun Rush, Sports Drink	0.03
Powerade Ice Blast, Sports Drink	0.13
Powerade Snow Storm, Sports Drink	0.02
Cappy Atom	0.26

Note: The above-mentioned values refer only to products sold in Turkey in 2013.



### Awareness raising among consumers

While we apply TCCC's global labeling standards during our commercial activities, we comply with all relevant local laws and regulations in the 10 countries where we operate. Providing our more than 370 million consumers with clear, understandable and scientific information regarding our products not only satisfies our obligation to comply with local legal requirements, but it also represents our commitment to maintaining a healthy, transparent working relationship with our stakeholders.

In addition to our labeling practices, we organize seminars and trainings to inform our stakeholders about our belief that with appropriate consumption of water-based beverages along with physical exercise, all of our products can be healthy components of an active lifestyle. We even offer our stakeholders a booklet called "Straight Facts About Our Beverages," a compilation of frequently asked questions regarding calories, vitamin index, caffeine, aspartame, food additives and obesity. A Turkish-language version of the booklet may be found at:

➔ [www.cci.com.tr/UserFiles/pdf/mesrubatlar-hakkinda-merak-etikleriniz.pdf](http://www.cci.com.tr/UserFiles/pdf/mesrubatlar-hakkinda-merak-etikleriniz.pdf)





### "I Wonder" Platform

As a manifestation of Coca-Cola's global commitment to inform consumers about the company, its products and product ingredients in the most clear and transparent way, a digital platform in Turkey under the name of "I Wonder" ("Merak Ettim") was launched in order to answer all consumer questions. The "I Wonder" platform was extensively communicated in February 2014, and consumer questions are currently being answered based on scientific data and on the experience of Brand Communication, Corporate Communication, Marketing, Quality Control, Production, Scientific and Corporate Relations, Legal Affairs, Human Resources, and Finance departments within TCCC and CCI. For more information:



➔ <https://merakettim.coca-colaturkiye.com>



### Open door policy

We organize tours for those interested in visiting our plants. Consumers may either physically visit our plants or virtually attend online tours to experience the production phases of Coca-Cola products. For more information:

➔ [coca-colafabrikasi.com](http://coca-colafabrikasi.com)



### Ambassador Program

"Coca-Cola Ambassador" is a global initiative designed to ensure that all of our employees use the same language when talking about our company and products, and that they are strong ambassadors of the Coca-Cola brand. The program began in 2011 in Turkey, and in 2012 our employees in Kyrgyzstan and Jordan joined the program. The training module of the program had started in 2011, in Turkey and in 2012, our employees in Kyrgyzstan and Jordan joined this training. In 2013, a total of 5,500 employees throughout CCI participated in the "Coca-Cola Ambassador" training programs in Pakistan, Kazakhstan, South Iraq and Azerbaijan.



To complement our Coca-Cola Ambassador training sessions, the [www.cciambassador.com](http://www.cciambassador.com) went live for CCI employees in August 2013. Easily accessed on the Internet and via mobile devices, the website is a one-stop resource for all the information that employees should know about the company and its products. It also provides answers to questions from employees, especially those in Sales who are just entering the market, as well as from customers and consumers. This portal is accessible only to CCI employees and features rich content, from key facts about our company to product ingredients.

### The Coca-Cola Information Center

To help us continuously improve, we rely on suggestions, requests, complaints and questions from all our stakeholders. The Coca-Cola Information Center, which can be reached in Turkey by dialing 0800 261 19 20, exists to resolve stakeholder issues and is another example of CCI's commitment to listening to and learning from our customers and consumers. All CCI country operations now utilize our call centers which perform different tasks and routines.

### Active, Healthy Living

Throughout our marketing efforts, social responsibility projects, and other practices involving our consumers, we address the fact that all our products can be a part of an active healthy lifestyle. In line with TCCC, we strive to raise the standards for physical activity in countries where we operate. As it is essential to maintain energy balance (the balance between "calories in" and "calories out") for overall fitness and health, we develop community programs that inspire youth not only to be more physically active but also to maintain that habit throughout their lives.

In Turkey we also support the physical activity projects and programs run by the Coca-Cola Life Plus Foundation.

Several projects which are conducted as part of our commitment to active, healthy living are undertaken by CCI, by the Coca-Cola Life Plus Foundation in cooperation with CCI, or by TCCC in cooperation with CCI. These projects are described below.

### 3 2 1 MOVE!

3 Cities - 270 Teachers - 68 Applications

Target: To reach 50,000 young people in 50 projects in schools in Turkey and launch the project in Pakistan and Iraq.

Project Partners: Provincial Directories of Ministry of National Education, School Administrations, Physical Education Teachers



**3 2 1 MOVE!** aims to increase young people's awareness of the importance of leading an active life and to inspire them to not only be more physically active but also to maintain that habit throughout their lives.



We support active lifestyles in our operation areas in tandem with TCCC's global commitments. Under the leadership of physical education (PE) teachers, the program aims to create environments that encourage young people aged between 10 and 17 to participate in sports, both in school and outside of school, to increase their time spent on physical activities.



The pilot phase of the program was carried out in selected secondary schools and high schools in the provinces of Istanbul, Mersin and Bursa during the 2013-2014 academic year. Kick-off meetings were organized in three provinces with 270 PE teachers. Participants learned about the program and its objectives and began developing a common language and approach through workshops carried out on the project's central themes of Active Lifestyle, Olympic Spirit, Participation in the Game, and Volunteerism. PE teachers applied to the program with projects that encourage young people to take part in physical activity, in line with the needs of their schools. Of the 68 applications for projects, 44 were carried out. With the support of the project, young people have started taking active part in various activities, such as korfbal, bocce, handball, badminton and dance. We plan to launch **3 2 1 MOVE!** Program in Pakistan and Iraq in 2014. In each country we aim to reach 20 schools, 20 coaches, 100 youth leaders and 5,000 youth.





## Projects Conducted by CCI in cooperation with TCCC

**Kazakhstan - Coca-Cola Bylgary Dop (Leather Ball)** is a grassroots youth football tournament for schoolchildren throughout Kazakhstan organized by CCAB. The tournament promotes active lifestyles and helps children to be healthy and happy – even realize their dreams. Since 2006, more than 360,000 children from nearly 5,000 schools have participated in this annual tournament. The winning team represented Kazakhstan in the first world tournament “Copa Coca-Cola” in Spain in 2013, placing third. UEFA has twice recognized Coca-Cola Bylgary Dop as the world’s best project for the development of youth football.



**Azerbaijan - National Olympic Run:** In June 2013, the Azerbaijan Republic National Olympic Committee, together with the worldwide partner of the Olympic Games, TCCC, ACCB and International Olympic Committee held a grand celebration in the honor of the founding of the modern Olympic movement. The main aim of this high-profile event was to call on the public, especially young people, to lead a healthy lifestyle by actively joining the Olympic movement. More than 1,500 people joined the traditional National Olympic Run that took place during the event.

**Azerbaijan - Feal Ailem Sağlam Alem (Active Family, Healthy Community)** was launched in 2013 to promote family sport in Azerbaijan by engaging parents and children in physical activity in a family environment. In its first year, the program reached more than 5,000 parents and 35,000 school children from 60 schools in 10 districts where many events, festivals and tournaments took place in order to raise awareness about healthy lifestyles, the benefits of physical education, and Olympic values. The Ministry of Education in Azerbaijan provided full support to the program and expressed interest in continuing cooperation by targeting more schools in the coming years. The final event of the program,

“Baku Open Family Sport Tournament,” was broadcast by Public TV which allowed the message to reach a much wider audience.



## Projects Conducted at CCI Plants

**Jordan - CCBCJ** built **new sports facilities** inside its Madaba factory to encourage healthy and active lifestyles among its employees and the local community. The facilities include a football and a basketball pitch that are available to the local community of Madaba. This means that children are able to play sports in safe environments rather than on the streets. CCBCJ started a series of tournaments for the local community, our employees, stockholders and customers. As many as 300 players participated these tournaments in 2013. CCBCJ plans to expand the tournaments in 2014 to include a wider range of participants including customers, distributors and key accounts.



## The Coca-Cola Life Plus Foundation’s “Let’s Play” Project

**41 Cities - 269 Schools – 2,400 Playgrounds**

**Target:** To reach 100 schools in Turkey in 2014 and to implement the same project at two other CCI’s country of operation.

**Project Partners:** Provincial Directories of Ministry of National Education, School Administrations, Physical Education Teachers

The “Let’s Play” project is a partnership between the Coca-Cola Life Plus Foundation, the Ministry of National Education and the Active Living Association.

The project aims to encourage children to include more physical activity in their daily routines by creating playing areas in primary schools and by ensuring that “play” lies at the core of learning process. In so doing, children are able to develop their creative sides, become physically active and communicate with their peers while playing games. The “Let’s Play” project encourages the establishment of “game clubs” which develop new games and carry out in-school activities.

Play areas intended to promote physical activity amongst children were implemented at 269 schools in 41 cities since as of 2013.

For more information:

➔ [www.hayataarti.org/disari\\_oyunyalim.html](http://www.hayataarti.org/disari_oyunyalim.html)

## Responsible Advertising and Marketing

In line with our principle of complying with legal regulations, we practice only responsible and law-abiding advertising and promotional practices in all countries where we operate. In addition to the various communication mediums we employ to this end, we create the channels whereby our stakeholders can actively participate in our advertising and presentation processes with their valuable suggestions, requests, and complaints.

In addition to the legal requirements and the expectations of our stakeholders, TCCC’s standards serve as our fundamental guide in our marketing practices. The Global School Beverage Guidelines, as set by TCCC, grounds our approach to responsible marketing. Beginning in the 2010-2011 academic year, we chose to cease conducting sales operations for sparkling beverages in all elementary schools throughout our operating geography. We made this decision with the cooperation of our business partners. Moreover, in line with our belief that parents should be the ones to make decisions regarding the nutrition of their children, we do not engage in advertising or marketing activities targeting children under 12 years old. Details for our responsible marketing policy can be found at:

➔ [www.coca-colacompany.com/stories/responsible-marketing](http://www.coca-colacompany.com/stories/responsible-marketing)



# we employees

## Our Workplace

## Workplace Rights

## Goals and Commitments

## Employee Profile

## Equality & Diversity

## Recruitment and Placement

## Employee Development & Talent Management

## Performance Management

## Training

## Compensation & Benefits

## Employee Engagement

## Occupational Health and Safety

## Our Workplace

The business success of CCI depends on our employees. While developing, incorporating, and retaining the best talents, CCI's priority is to provide a happy, safe and motivating workplace where our employees can showcase their true potential.

Our main goals in the workplace are:

- To provide our employees with a non-discriminatory workplace that meets the standards of national and international workplace rights policies.
- To protect the rights of employees to unionize.
- To become a leading company which employs only the best practices in occupational health and safety in all our workplaces.
- To provide a fair and pleasant place for our employees to work, enabling them to feel free to be innovative and improve themselves in order to become the most qualified workforce.

## Workplace Rights

At CCI, respect for human rights is a fundamental part of who we are and what we do. We value the relationship with our employees and achieve success through the contribution of each employee. We are determined to develop open and participatory workplaces that are based on recognizing universal human rights. Each and every employee is valued and encouraged to do his or her best. The CCI Workplace Rights Policy (WRP) is based on international standards of human rights according to the United Nations Universal Declaration of Human Rights, International Labor Organization Declaration of Basic Work Principles and Rights, and United Nations Global Compact.

With this strong basis of support, we fully integrate human and workplace rights into our practices, our corporate values, and our sustainability strategy. As one of our key 2020 Vision priorities, we convey this message continually and consistently throughout our supply chain.

We launched CCI's WRP Policy in 2013, and its implementation continued throughout the year. In addition to our WRP implementation efforts, independent audits for WRP and SGP compliance

audits took place in 2013. In 2013, our plants in Azerbaijan, Pakistan (six plants) and Turkey (Ankara, Bursa, Elazığ, and Mahmudiye plants only) were audited.

## Workplace Rights Policy (WRP)

We value our relationships with our employees, as we achieve success through the contributions of each and every one. We are determined to build open and participatory workplaces where universal human rights are recognized, and where all employees are valued and encouraged to do their best.

The CCI Workplace Rights Policy is based on international standards of human rights according to the United Nations Universal Declaration of Human Rights, International Labor Organization Declaration of Basic Work Principles and Rights, and the United Nations Global Compact. The Policy covers the following elements:

- Freedom of Association and Collective Bargaining
- Prohibition of Forced Labor
- Commitment Not to Employ Child Labor
- Arbitrary Discrimination
- Working Hours and Wages
- A Safe and Healthy Workplace
- Workplace Security
- Community and Stakeholder Engagement



we - employees



## Goals & Commitments

Priority Areas	2013 Goals	Performance in 2013	Status	Commitments for 2014
Leadership Development	To establish leadership development programs for employees at various levels.	iLead2020 was established which is a CCI's flagship program that leverages leadership capabilities in leading teams and inspiring others, executing strategic visions, and creating cultures of excellence. Our "Manager on Board" and "Supervisor On Board" programs continued for newly-appointed, first level managers.	A	To outspread iLead2020 Program to mid-level managers in all CCI operations.
Equality & Diversity	To launch "Equality at Workplace" commitment as part of the "Women Leadership Program."	"Equality at Workplace" has been launched and commitments have been made and being tracked. The FEM certification process has been conducted in order to identify the development areas in all business processes that would provide gender equality.	A	To continue focusing on increasing female employees in our workforce.  To continue working on the business processes considering the gender equality goal.
	To hold the first Women Leadership meeting in Istanbul with TCCC in order to raise awareness of the importance of women in the workplace.	A Women Leadership meeting was organized with the participation from CCI Turkey & CCI Group Office. Event was co-hosted by CCI & TCCC.  Our Talent Acquisition Department was given the objective of including women candidates in all vacant positions' shortlists.	A  A	
Workplace Rights	To complete the implementation of the Workplace Rights Policy throughout all CCI operations.	We worked on the implementation of the Workplace Rights Policy throughout all CCI operations.	O	To complete the implementation of the Workplace Rights Policy throughout all CCI operations.
Work-life balance	To roll out the "Sweet Home" project to our sales teams.	CCI's sales force receives weekly briefings, going into the field and returning home without stopping by the office.	A	To set annual leave usage target as a part of management objectives.  To launch "bonus leave" in order to incentivize annual leave usage.

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Priority Areas	2013 Goals	Performance in 2013	Status	Commitments for 2014
OHS policy, procedures and systems	To launch CCI EOSH Policy, Procedures along with "CCI HS Golden Rules" and to conduct a communication campaign on "CCI Golden Rules" in order to strengthen the H&S culture and to deploy safe behavior and habits at all levels.	An OHS policy was published and CCI Golden Rules Communication Campaign was launched.	A	To develop and share internally the CCI OHS Standards.
		We re-organized CCI's OHS Team to monitor OHS performance across all our operations.		To conduct legal compliance assessments in the four countries of operation.
		Health and safety managers and coordinators were appointed to all plants.		To publish Golden Rules Disciplinary Procedure Guidelines.
		OHS audit was included in internal audit processes.		
OHS awareness and training	To increase OHS awareness at all plants.	CCI OHS Golden Rules were communicated at all plants and offices via various campaigns.	A	To conduct a 5-day CCI OHS summit for all OHS managers in for four countries of operation.  To provide "Leadership Safety Training" for leadership teams of four countries of operation.
Safe Driving	To introduce safe driving practices to our employees, starting from Turkey.	We provided 244 man*hours of safe driving courses to 61 employees. (only for Turkey)	A	To launch the CCI Safe Driving Policy.  To provide practical and theoretical defensive driving training for employees driving a company vehicle.
				To install vehicle tracking devices in 50% of the vehicles. (TR)  To conduct a 5-day fleet safety workshop in Azerbaijan.
OHS performance	To improve our OHS performance.	We reduced LTIR from 0.89 to 0.55 in the four countries of operation.	A	To further reduce the LTIR to 0.40 in the four countries of operation.

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we - employees

## Employee Profile

At CCI we enjoy diverse teams in all our operations. Details of our employee profile (gender, contract type and employment category) are indicated in the table below for Azerbaijan, Jordan, Kazakhstan and Turkey.

### Number of Employees by Employment Type and Contract and by Gender

Countries	Number of employees by employment type and contract	2011			2012			2013		
		Male	Female	Total	Male	Female	Total	Male	Female	Total
Turkey	Blue Collar	857	7	864	883	11	894	873	11	884
	White Collar	1,578	378	1,956	1,532	396	1,928	1,447	442	1,889
	Permanent	2,431	382	2,813	2,391	404	2,794	2,319	451	2,770
	Temporary	4	3	7	24	3	28	1	2	3
Jordan	Blue Collar	173	0	173	185	0	185	190	0	190
	White Collar	180	15	195	199	17	216	201	18	219
	Permanent	353	15	368	384	17	401	389	18	407
	Temporary	0	0	0	0	0	0	2	0	2
Kazakhstan	Blue Collar	233	4	237	261	3	264	299	2	301
	White Collar	270	92	362	312	104	416	337	111	448
	Permanent	503	96	599	573	107	680	636	113	749
	Temporary	0	0	0	9	0	9	0	0	0
Azerbaijan	Blue Collar	149	4	153	172	4	176	193	5	198
	White Collar	87	29	116	110	33	143	136	39	175
	Permanent	236	33	269	282	37	319	329	44	373
	Temporary	0	0	0	0	0	0	0	0	0

Note: These figures are as of 31 December 2011, 2012 and 2013.

Note: 2013 Turkey figures include CCI Turkey Operation and CCI Group office employees.

In these four countries of operation, we have no part-time employees. We employ a limited number of temporary employees, often to replace an employee on maternity leave or to conduct a short-term project.

During high season, we employ seasonal workers in Turkey and Azerbaijan. In 2013, we hired 415 seasonal employees in Turkey and 235 employees in Azerbaijan. Despite our policy to rehire seasonal

workers for subsequent years depending on their availability and our needs, seasonal employees are not included in the "temporary" category in the tables. We outsource employees who conduct both core jobs and auxiliary jobs at our operations.

Number of outsourced employees in 2013	Outsource-Core jobs (*)	Auxiliary jobs (**)
Turkey	902	673
Jordan	7	53
Kazakhstan	0	86
Azerbaijan	164	33

\* Outsource-Core Jobs: Employees who are on the payroll of a third-party company and whose jobs are directly related with our own business (e.g., jobs in merchandising, sales, warehouse operations, production etc.)

\*\* Outsource-Auxiliary Jobs: Employees who are on the payroll of a third-party company and whose jobs are not directly related with our own business (e.g., jobs in security, gardening, health services etc.)



## Breakdown of Employees Per Employee Category

Number of employees per employee category	2011		2012		2013	
	Senior Management	Other Employees	Senior Management	Other Employees	Senior Management	Other Employees
Turkey	10	2,810	10	2,812	14*	2,759
Jordan	4	363	4	396	4	405
Kazakhstan	19	580	23	657	25	724
Azerbaijan	5	264	5	314	6	367

\* This figure includes all senior managers in the CCI Group office and CCI Turkey Operations.

## Equality & Diversity

CCI is committed to increasing the percentage of its female employees. As of December 2013, 13.6% of our employees were female. We implement an equal opportunity approach in all HR policies, procedures and recruitment processes. We aim to increase the percentage of women employees in Turkey to 20% by 2020.

In 2012 CCI Turkey, in cooperation with the Women Entrepreneurs Association of Turkey (KAGIDER), signed its "Equality at Work (FEM in Turkish)" commitment which is supported by the World Bank. CCI's processes such as incentives for the employment of women, recruitment, and performance evaluation have been independently audited in accordance with the FEM criteria in 2013. As a result of this thorough evaluation coordinated by KAGIDER, CCI has acquired a certificate which is valid for two years.

Additionally CCI takes an active role in many different platforms in order to support the employment of women. These include CCI's own Women in Leadership global training programs, conducted in cooperation with the TCCC, to which many of our female employees are regularly invited, and the company's membership in the Turkey branch of the World Economic Forum's "Equality at Work" community.

In Jordan 4% of CCI employees are female. In 2013, CCI Jordan established its Women Club which led several women and community empowerment initiatives. In 2013 in Kazakhstan, where 15% of CCI's employees are female, CCI Kazakhstan initiated a social project aimed at economic empowerment of women and giving unemployed Kazakhstani women the chance to realize themselves in business and start their own enterprise.

## Recruitment and Placement

Recruiting the right people with capabilities that are aligned with CCI's culture is a strategic business priority of 2020 Vision. A dedicated Talent Acquisition Department has been formed at the Group level to achieve this, and it is focused on the following key priorities:

- Structured, standardized and simple talent acquisition processes integrated with talent management processes (ODF-Organizational Development Forum); aimed at inducting top talent across all CCI countries.
- Introduce and implement objective assessment tools (psychometric, assessment centers etc.) to make better selection decisions resulting in acquiring the CCI required capabilities and contributing to a performance driven organizational culture.
- Design and implement functional assessment processes.
- Build and enhance CCI's Employer Value Proposition through effective use of social media applications to reach out to Generation Y while focusing on a positive candidate experience to uplift the company's reputation.
- Use technology to automate the TA process; define and implement TA KPIs to monitor and improve TA capabilities.
- Develop social HR platforms similar to CCI Career Website, LinkedIn & Facebook.
- Develop TA professionals' and hiring manager's capabilities and targeted sourcing strategies to tap external talent.

A road map for 2013-2014 has been developed to achieve the above-mentioned key priorities.





## Employee Development & Talent Management

At CCI, we recognize all our employees as “talent.” We promise to invest in our talent based on our organizational needs and the competencies that we want to develop. Talent management is the mechanism through which CCI ensures that it has the right people, optimally deployed and properly engaged to deliver the strategy and business results. Talent management is also a key business accountability that is owned by all our People Managers who co-create and encourage feedback and development.

Through our Organizational Development Forum (ODF), we started executing our talent strategy in all CCI countries in 2013. ODF identifies people and skills for available positions, develops action plans to fulfill those, reviews succession plans for leadership roles across CCI, and identifies high potential employees and mobile talents for critical roles across CCI as well as for opportunities throughout the TCCC System.

With CCI’s leadership’s commitment and support, and with the objective of improving the CCI employee experience, we introduced a new platform called **Career Talk™**. This is a new medium for CCI employees to identify their career goals, establish a plan for pursuing those goals, and take personal responsibility for making those goals a reality.

“Talent Profile” will be an online tool and a forum for employees to create their profiles of their career experience, aspirations, educational background, mobility limitations and skills.

“People Management Objective” will focus more on building capabilities and investing in our talent. It will be applied across CCI to all People Managers and increase engagement with team members, thereby building and maintaining a positive work environment and providing regular feedback to support them in achieving their targets.

### Performance Management

CCI’s Performance Management system helps to ensure that our company delivers successful results by improving performance and developing capabilities of teams and individuals. In our performance management system, we focus on business results as well as the development of our employees.

There are two separate performance cycles for the “development” and “business” target setting and evaluation. Separate development sessions to discuss individual development areas are planned.

All our business targets need to be related and aligned with organizational strategies and objectives. Therefore, it is important to deploy targets from the top to the bottom. There are also two different performance segments in CCI based on job grades: target-based evaluation and competency-based evaluation.

Comprehensive 360-degree evaluation is an important management tool that we use to provide feedback to our employees every two years. Based on the outcome of 360-degree evaluations, employees are able to define their personal and professional development objectives.

For the coming years, we aim to work on increasing our people management capabilities such as setting SMART business objectives, providing feedback and coaching, handling the performance review discussions and evaluating the team success in an objective manner.

We continue to use “SuccessFactors” as CCI’s HR technology platform. SuccessFactors includes performance management, e-recruitment, and 360-degree evaluation to support development objectives and succession plans. Succession plans include potential assessment questionnaire and learning and development plans. With SuccessFactors, our employees follow their performance and development plans.

## Regular Performance and Career Development Reviews for Employees

We conduct performance assessments for all our senior managers. Other employees are subject to performance assessments based on their functions. At CCI, such processes are implemented for all employees regardless of gender.



## Training

Capability development, both at the individual level as well as organizational, is a top priority for CCI. Therefore, we create an environment where learning and development is highly valued. Capability development initiatives in Leadership Development, Professional Development, Commercial and other functions are instrumental in ensuring that all employees are equipped to meet our strategic objectives. Acquiring knowledge and developing managerial and leadership skills are both critical for effective leadership.

All trainings and development solutions are designed to be aligned with our culture and values and only after a thorough needs analysis of strategies, business needs, leadership requirements, challenges, and opportunities.

We believe that our employees are the most important stakeholders in their development. As such, we conduct Development Planning in line with performance review meetings and potential evaluation sessions tracked on a web-based learning management system. This means that employees enjoy many different opportunities throughout any give year to plan their development.

After annual performance evaluations, managers identify key development targets of their employees. These individual development plans are then converted into behavioral development targets and registered on the SuccessFactors system so that they

can be tracked and revised throughout the year. After development and training needs are collected over the system, the necessary competency and behavioral development trainings are designed and assigned accordingly.

In addition, there is a defined Leadership Development path supporting all roles from Supervisor to General Manager. Leadership Development includes three leadership programs: iLead2020, Manager on Board, and Supervisor on Board.

Furthermore, Supply Chain, HR, Finance, and Commercial departments have their own capability development programs in order to leverage their technical knowledge and support them in their functional roles with using of digital platforms, on-the-job learning and in-class training programs.

Total number of hours of training employee-hours	2011	2012	2013
Turkey	97,896	32,550	56,429
Jordan	4,685	13,681	10,788
Kazakhstan	7,959	9,251	10,091
Azerbaijan	2,799	5,574	4,145

Average hours of training per employee	2013
Turkey	20.3
Jordan	26.4
Kazakhstan	13.5
Azerbaijan	11.1

## Compensation & Benefits

CCI aims to provide market competitive, holistic, performance-driven and fiscally reasonable compensation and benefits to all employees.

Beyond complying fully with local labor laws and regulations, our core principle is equal employment, without regard to race, color, gender, nationality of origin and age.

In line with HR priorities, CCI’s compensation and benefits policies focus on “market competitiveness” in order to attract and retain the best people. Our key lever in working toward this objective is remaining market sensitive in all the countries where we operate. We work with both global and local consultancies in order to obtain accurate market data, on which we base our policies related to:



- “Total rewards” in order to provide a holistic view of CCI’s offerings and foster employee engagement. Our key lever to reach this objective is to focus our policies on beyond base salary and even beyond pay,
- “Pay for performance” in order to focus efforts on CCI’s objectives. Our key lever to reach this objective is structure all possible reward elements with

- performance conditions, starting from base salary increases and variable pay programs,
- “Fiscal management” in order to ensure fiscal reasonableness for sustainability of our business. Whatever decision we make, we ensure that CCI has long-term affordability to provide the competitive total rewards.

Benefits Provided to our Full-time Employees in 2013	Turkey	Jordan	Kazakhstan	Azerbaijan
Private Health Insurance	Yes	Yes	Yes	Yes
Private Life Insurance	Yes	Yes	No	Yes
Individual Pension Funds	Yes	No	No	No
Company Products	Yes	Yes	Yes	Yes
Seniority Service Awards	Yes	No	Yes	No

## Employee Engagement

CCI’s 2020 Vision is the catalyst for building a winning culture, being a great place to work, and generating extraordinary business results year after year. Employee insights play an important role in our ability to measure our progress toward reaching our 2020 Vision of sustainable growth.

To gain insight from employees, we conduct biannual employee engagement surveys. Employee engagement surveys offer international and local perspectives to identify strengths and opportunities, reveal common themes in employee feedback, and create synergies in acting upon the feedback which ultimately impacts our ability to drive sustainable growth.

After the surveys were conducted in every country of operation in 2011-2012, workshops and focus groups were held to implement suggestions from our employees. Rewarding mechanisms, career opportunities, and training and development processes were assessed as the areas of focus after the 2011-2012 survey.

In 2013 we followed up the action plans based on the results of these surveys. Employee engagement also provides for HR and business leaders materials and tools that have been proven to work well. Employee insights may be used by leaders to drive improved operating effectiveness and otherwise to help CCI achieve its 2020 Vision.

CCI conducts an engagement survey once every two

years in order to allow time for the business to identify development areas, create robust action plans, and follow up on these actions in order to track the return on this huge investment. Annual engagement action plans will be a part of country reviews, and their progress will be discussed at the Executive Committee level in relevant platforms to ensure that the necessary prioritization and focus are given to this very important area.

In order to focus on prioritized improvement areas, ILEAD Action Learning Teams prepared specific action plans. Action plans of countries can be divided into three parts – Leadership, Capability, Great Place to Work – which are directly aligned with CCI’s 2020 Vision.

### Union Rights at CCI

At CCI, we respect the rights of our employees to join (or not join) unions and to establish a union without the fear of retaliation, threat, or harassment. CCI is committed to constructive dialogue with employees who are members of legally-recognized trade unions. Only employees at Turkey’s Mahmudiye plant are covered by an ongoing collective bargaining agreement. No other employees in the four countries covered by this report are members of unions. In Pakistan, all CCI production plants and warehouses are unionized. The collective bargaining agreement covering all eight plants in Turkey ended on 31 March 2012. The jurisdiction dispute of two different unions was carried to court, hence disrupting the collective bargaining process. This process was still ongoing as 31 December 2013.

## Employee Representation

Employee representation in Turkey operations is ensured at following committees as a member of the Committee:

- Occupational Health and Safety Committee
- Meal and Cafeteria Service Quality Improvement Committee
- Disciplinary Board
- Accident Evaluation Committee

In addition to the above-mentioned Committees, trade union representatives at Turkey’s Mahmudiye plant operate for the continuity of work performance under the provisions of the Bargaining Legislation and Collective Bargaining Agreement and undertake the following responsibilities:

- Protecting and improving the cooperation and occupational peace between the worker and the employer at the workplace
- Taking the demands and complaints of workers, and finding solutions for these demands and complaints in collaboration with the employer
- Protecting the rights and the interests of the workers
- Assisting in the execution of the working standards stated in the Collective Agreement
- Fulfilling all other liabilities imposed by relevant legislation

## Internal Communication Channels

At CCI, we enjoy various channels for internal communication to stay informed and engaged. CCI’s corporate communications portal, CokePort, serves users simultaneously in Azerbaijan, Kazakhstan, Jordan, Pakistan and Turkey as a safe and user-friendly working platform. CokePort helps our operational information flow smoothly. We also make use of “SoCClcl,” a social media platform for CCI employees in Turkey. Our employees share activities, news, comments and ideas with each other through this platform.

In-house publications such as the, monthly CCI News Line, CCI Newsletter and 2020 Magazine issued specifically for our Turkey location every two months are important communication mediums among our employees.

Our Innovation team, along with representatives from different departments and in cooperation with CCI Group Office, established “CCIdea”. Via this platform, a Social Activity Club has been re-launched and action plans have been made according to different interest areas.

## Occupational Health and Safety (OHS)

### Approach

**A healthy and safe working environment for all of our employees and visitors is our priority.**

We reach more than 700,000 sales points every day with 14,000 vehicles covering approximately 400,000 kilometers in order to offer a wide range of beverages to consumers. Our more than 11,000 employees work at our 23 production plants and numerous administration offices spread across 10 countries. We take responsibility for maintaining a safe workplace and minimizing the risk of accidents, injury and health hazards for our employees and our visitors. While the scope of this report is limited to four countries of operation, our OHS approach, as any other sustainability approach, applies to all CCI countries of operation.

At CCI we focus on reducing work-related incidents and creating an OHS awareness in order to lower risks at the workplace and amongst fleet operations. CCI’s ultimate goal with respect to OHS is to achieve “zero OHS incidents” in all operations.



An example of a poster from our OHS Awareness Communication Campaign in Turkey.





## OHS Policy

Our Environment, Operational Health & Safety Policy specifically seeks to:

- Protect the most valuable and important resource of our company – our human capital – from any occupational health and safety risks or hazards.
- Protect the environment and minimize the impacts of CCI's operations on the environment while ensuring a sustainable business.
- Ensure that OHS is an integral part of our business and is actively supported through management leadership and commitment.
- Protect the Company from any legal challenges by complying with (at a minimum) local legal requirements and applying industry best practices to set higher standards than such legal requirements.
- Protect all other resources and assets from any losses that may be caused by work-related risks and hazards.

## OHS Management

CCI's Workplace Rights Policy requires our Company to offer a safe and healthy workplace environment. By minimizing the factors leading to industrial accidents, occupational diseases, and health risks, we establish a safe, healthy and efficient work environment. Throughout our operations, we review and improve our OHS standards in line with the rigorous set of guidelines of The Coca-Cola Company Occupational Health and Safety System (TCCOHS). Additionally, all our plants in the four countries of operation covered in this report have OHSAS 18001 Management System certification, which is a framework for an effective occupational health and safety management system. OHS issues are also handled within the context of collective bargaining agreements signed with labor unions.

In 2013 we launched CCI OHS Golden Rules, which guides our efforts in putting our policy into practice in our offices, in our plants and on the road. We communicate the Golden Rules extensively across our operations. For instance, a Corporate OHS Director was appointed to monitor company-wide OHS performance, and health and safety managers and coordinators have also been appointed to all our 23 plants.

We believe that leadership is crucial in OHS management; therefore, OHS is a priority area for plant managers. While managers make sure that the rules are properly applied, it is the responsibility of all our employees to behave safely in our offices and plants and on the road. At CCI, every employee has the right and is obliged to stop any operation deemed a potential risk. Furthermore, employees may report such threats to an immediate supervisor, HR, OHS manager, or even to the CEO.

In 2013, additional OHS topics were included in the scope of CCI Turkey Workplace Health Audits which are carried out by CCI's Internal Audit Department. The Internal Audit team visited eight CCI locations in 2013, and a CCI Turkey safety audit was also conducted in 2013 with the participation of Turkey's OHS Manager as a joint auditor where seven CCI locations were visited.

Similarly, OHS issues were included in the scope of international audits in cooperation with the Group OHS Manager. By the end of 2015, the Internal Audit Team will have visited all CCI operations.

In OHS audits, the CCI Internal Audit Team focuses mainly on compliance with legal legislations and CCI/TCCC principles. The team uses checklists prepared with the assistance of Group and Turkey OHS Managers. Furthermore, their participation in audit fieldwork as joint auditors has been encouraged in order to strengthen due diligence and support the abilities of Internal Audit Team in OHS perspective.

## OHS Training

We constantly work toward building a company culture regarding OHS, and trainings play an important role in this. Employees, regardless of gender, are offered targeted OHS trainings based on their functions. Periodic refresher training for all employees and contractors conducting work on our behalf are also provided.

In 2013, a total of 15,597 employee-hours of OHS trainings was provided to our employees, corresponding to an average of 3.6 hours per employee. The main topics of the training sessions included site induction, first aid training, confined space, working at height, emergency response, CCI's Golden Rules, and forklift safety.

Country	Total Hours of OHS Training
Turkey	9,268
Jordan	1,043
Kazakhstan	4,370
Azerbaijan	916
<b>TOTAL</b>	<b>15,597</b>

## Health and Safety Committees

In Turkey, joint worker-management team Health and Safety Committee is a legal requirement, whereas in our other operating countries we form them on a voluntary basis. CCI H&S Committees operate at plant, regional office and headquarter levels and include: Head of H&S Committee (Employer or Representative of the Employer), Country President or General Manager in the Head Quarter, Plant Operations Manager or Regional Manager (in Regional Offices), Secretary (H&S Manager or H&S Engineer or HR manager), Company Doctor (Occupational Physician), HR Manager, Security Manager, Administrative Affairs Manager, Foreman or Supervisor, Labor Union Representative (In absence of Labor Union, a Workers' Representative) Workers' (Employees) Representative and other members where necessary (e.g., contractor representatives), etc.

## OHS Performance

At CCI we follow a systematic approach for health and safety and undertake a wide range of initiatives with the ultimate goal of achieving "zero OHS incidents" in all operations by 2020.

In the four countries of operation, the number of lost time incidents (LTIs) in 2013 was 44 (31 employees and 13 contractors), down from 65 in 2012.

## Focus on Road Safety

A very significant portion of the risks to our employees emerges outside the plants (e.g. on the roads while distributing our products). Driving safely to eliminate traffic accidents is therefore important. In 2013 a total of 309 accidents involving CCI-owned vehicles took place in Turkey, Kazakhstan, Jordan and Azerbaijan. The route cause analysis shows that unsafe behavior is the number one cause of these road accidents. Understandably, road safety is a priority for us, and we put substantial effort in continuous improvement of the driving behaviors of our employees. We offer trainings on defensive and safe driving for the sales teams. A total of 61 CCI Turkey's employees attended these training courses in 2013. As an additional measure, we will install vehicle-tracking devices in company vehicles to trace speed limit violations.

OHS Performance Indicators	Turkey		Jordan		Kazakhstan		Azerbaijan		OVERALL* For 2013
	2012	2013	2012	2013	2012	2013	2012	2013	
<b>Lost Time Incidents (day)</b>									
Employee	240	208	186	140	0	0	0	0	348
Contractor	204	79	56	20	0	0	43	21	120
Total	444	287	242	160	0	0	43	21	468
<b>Lost Time Incident Numbers</b>									
Employee	29	21	12	10	0	0	0	0	31
Contractor	22	12	0	0	0	0	2	1	13
Total	51	33	12	10	0	0	2	1	44
<b>Number of Fatalities</b>									
Employee	0	0	0	0	0	0	0	0	0
Contractor	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0
<b>LTIR</b>	0.90	0.55	2.62	1.56	0	0	0.39	0.17	0.55
<b>LTISR</b>	7.84	4.75	52.78	27.67	0	0	8.34	3.58	5.90
<b>Total Vehicle Accident</b>	250	241	34	54	5	8	22	6	309
<b>Vehicle Accident Rate</b>	15.33	13.87	19.40	23.80	1.47	2.93	13.70	3.40	12.97

\* Total value for four countries of operation.



we - employees

# we Community

## Goals & Commitments

### Community Investment

### CCI's Social Development Projects

### The Coca-Cola Life Plus Foundation

### Economic Impact of Coca-Cola in Turkey

### The Anadolu Foundation

## Goals & Commitments

Priority Areas	2013 Goals	Performance in 2013	Status	Commitments for 2014
Volunteerism	To launch the Employee and Families Volunteering Clubs in Turkey.	We launched clubs where 165 people were trained at 10 different locations.	A	To initiate various volunteering projects at different locations in Turkey.  To support Clean Binagadi Project through CCI volunteers in Azerbaijan.
Social Development	To establish a partnership with International NGO's on Youth Empowerment programs by CCI Jordan.	We developed a social development project with the Partnership of INJAZ in Jordan.	A	To promote educational awareness programs on clean water and hygiene in Pakistan.
Economic Development	To conduct Economic Impact Research for CCI Jordan.	Economic Impact Research for Jordan will take start in 2014.	O	To complete the economic impact research for CCI Jordan.
	To conduct Economic Impact Study.	Economic Impact Study was conducted in Karachi and Lahore in Pakistan.	A	
Community Investment	We will continue to donate 3% of our pre-tax profits to The Anadolu Foundation.	Donated 3% of our pre-tax profits, equivalent of TL 1.5 million, to The Anadolu Foundation.	A	We will continue to donate 3% of our pre-tax profits to The Anadolu Foundation.

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## Community Investment

At CCI we strive to respond to the needs and expectations of members of local communities and to support various grassroots initiatives where we operate. While we focus on health, active lifestyle, environment and resource protection, education, youth development and disaster relief, we also engage in continuous dialogue with our stakeholders who are the main drivers of our community investment efforts.

In 2013 we donated 3% of our pre-tax profits, equivalent to TL 1.5 million and TL 22 million in total over the last five years, to The Anadolu Foundation for charitable causes. In addition, we continued to support Coca-Cola Life Plus Foundation in Turkey in its efforts related to promoting active lifestyles and protecting the environment. Additionally, our plants initiated various community investment projects, and our employees volunteered for numerous local social development projects within the communities where the plants are located.

### CCI's Community Investment Strategy

- We contribute to economic growth by contracting with local suppliers and vendors and through our local hiring practices.
- We establish platforms for dialogue with members and representatives of local communities.
- We support the welfare of local communities and national societies at large by contributing to programs on environment and resource protection, health, active lifestyle, education, youth development and disaster relief.
- We encourage employee volunteerism in support of community development programs.





### Employee and Families Volunteering Clubs

In 2013, we launched Employee and Families Volunteering Clubs in Turkey. With the CCI volunteer's movement, we aim to integrate social responsibility into the company culture and encourage employee engagement in social responsibility projects. In our headquarters, Istanbul European Sales Center, and Mersin, Ankara, Çorlu, Sapanca, İzmir, Köyceğiz, Bursa and Elazığ plants, 165 CCI employees led this initiative and joined the CCI Volunteers Training. This training has two modules. The volunteerism module offers a conceptual framework and a discussion ground about civil space, the relationship between civil society organizations and volunteers and participatory democracy. The project management module deals with practical issues such as defining a social problem, setting targets for solutions, stakeholder analysis, action plans, fundraising and budgeting. In this module participants work in groups in order to pinpoint social problems and develop ideas for solving

them. Following this training, CCI volunteers began to design and implement projects to support primary school education in disadvantaged regions, social development of children in orphanages, and domestic waste recycling.

### CCI's Social Development Projects

We care about the needs of local communities where we operate. With the aim of being a reliable partner in finding common solutions to common problems, we conduct and support various social development projects, and we encourage our employees and stakeholders to take part in them. Although social and environmental challenges are common in our operating region, we focus on the most immediate local needs – be it women empowerment in one country or water scarcity in another. We conduct these projects in close cooperation with TCCC.

#### Projects Conducted by CCI in cooperation with TCCC

##### Theme: Empowerment of Women

###### Kazakhstan

**Coca-Cola Belestery** (meaning, stepping stone) is a training program supporting women's economic empowerment. Especially unemployed women in Kazakhstan learn the basics of establishing and running a business through this program. Specialized business-trainings on how to open small businesses in rural areas using "green technologies" will be held in 20 villages in Akmola and Almaty regions. There is also a contest for financial support available for the development of women's businesses. Ten grants in the amount of 600,000 Tenge each will be allocated to support different business ideas. In its first year in 2013, as many as 1,500 unemployed women engaged with the Coca-Cola Belestery Program. In 2014, the program

will focus on developing entrepreneurial skills in rural areas using "green" technologies, including training on business skills and "green" technology opportunities in 20 villages in Almaty and Akmola.

###### Turkey

CCI supports different platforms for female employment in Turkey where integration of women into active labor markets is a priority. Among these is Women's Linc, which is a joint initiative of CCI with TCCC. Women's Linc enables participation of our female employees in global training programs, membership to the local branch of the "Equality at Workplace" committee of the World Economic Forum, and the collaborative work with the NGO, Kagider, with the objective of establishing the "Model of Equal Opportunities." In addition, in January 2013 CCI and TCCC held the first "Women Leadership Meeting" with objective of facilitating communication between women leaders, as well as launching the "Women Leadership Platform" which aims for increasing women's employment and awareness of women leadership in the workplace.



#### Projects Conducted by CCI in cooperation with TCCC

##### Theme: Empowerment of Women

###### Jordan

**CCBCJ Women's Club** has been actively engaged with community activities in Jordan since 2012. A total of 18 member-employees organize monthly activities and arrange visits to homes of the elderly, orphanages, disabled children's centers, kindergartens, schools, women's associations, and family centers. So far 15 visits have been paid to communities as a token of support. The Club also works to empower our female employees by hosting guest speakers for inspirational sessions.



##### Theme: Empowerment of Youth

###### Kazakhstan

**"Change the world around you!"** is a competition open to all students who aspire to become social entrepreneurs. The program, organized by the University of Central Asia's School of Professional and Continuing Education in collaboration with TCCC, has attracted more than 270 applicants aged between 19 and 28. Empowering young people for the socio-economic development of the country by reducing youth unemployment has been a key focus of the program. All applicants are invited to training sessions on how to formulate a business idea, write a business plan and present it. Participants are also able to find solutions to a number of social issues through entrepreneurship. In 2013, six winners received financial grants to realize their business ideas. These projects will be monitored and evaluated later by the competition selection committee.

school infrastructure and providing new learning materials.

We send our volunteers, more than 30 people, to help clean and paint schools as well as install new tools provided by us. Additionally, we provide on-the-job training for students, coaching, mentoring and direct trainings sessions for school students and university students. In 2013, the project hosted approximately 1,400 students.

CCBCJ sponsored the first Amman Start UP weekend program that encourages young people and recent graduates to start their first business. The program, featuring three-day workshops, is a global initiative supported by TCCC.

TCCC is conducting the **"Ripples of Happiness"** program in five universities in Jordan. CCBCJ volunteers provide support by way of on-the-ground implementation and execution.

###### Jordan

CCBCJ supports schools by assisting with both school infrastructure and education. As a part of the **INJAZ School Adoption Project**, CCBCJ adopted Om Ayman School in Madaba, a girls-only secondary school with 1,400 students. We support the school by providing training sessions on several topics and skills such as how to plan a career and how to start a small business. More than 30 volunteers from the CCBCJ team participated in the weekly training sessions. A second part of the adoption program focused on enhancing the learning environment of students by maintaining

CCBCJ participates in all university job fairs, providing training sessions during fairs, free consultations on CV preparation, career path development, how to apply for a job, and development plans for university students in order to better them for entering the work force.

CCBCJ blood donors regularly give blood to the Jordanian Blood Bank which visits our facilities once every quarter. In addition, CCBCJ sponsors several mobile clinic activities held by the Ministry of Health throughout Jordan by providing water and juices on top of supplying volunteers.



## Social Projects at our Plants

In addition to large-scale social projects and programs conducted in cooperation with TCCC, CCI plants also take the initiative to improve living conditions in the neighborhoods where they operate. Such programs include:

### CCI Introduces Art to Children in Village Schools!

Led by CCI Turkey's Mersin plant and with support from the Tarsus Association of Artists, this project aims to introduce art to children while also embellishing village schools. The project is planned for 10 village schools within the town of Tarsus and so far has been completed in four schools. Within the scope of the project, members of the Tarsus Association of Artists not only decorate school and garden walls with paintings, but they also give trainings to students on pastel painting, paper marbling and aluminum relief.

### Schools Embellished by CCI!

Employees of Turkey's Çorlu plant and its Pioneering Spouses' Club prepared Çorlu's Karamehmet Elementary School for the 2013-14 academic year.

### Pioneering Spouses Club Continues to Make People Happy

Upon hearing that eight students of the Special Education Class of the 75<sup>th</sup> Year Elementary School in Saray, Tekirdağ, were in need, members of the Çorlu plant's Pioneering Spouses Club supplied uniforms, tracksuits, coats, and shoes for all students in the class.

### Employees at Sapanca Damla Water Factory Continue to Help Local Communities

A campaign initiated at CCI's Sapanca Damla Water plant saw employees clean and iron surplus clothes and then donated them to the Sakarya Association of Orphans. The association distributed 300 clothes to those need.

### Full Support for "Litter-free Sea 2013"

Our Mersin plant gave full support to the "Litter-free Sea 2013" project initiated by the Mersin EKOLOG Association with the aim of raising environmental awareness, keeping coasts clean, and increasing appreciation for a cleaner environment. This two-day event included photographing, documenting, and removing underwater pollution as well as CCI employees participating in coastal cleaning.

### Moneybox for Happiness!

In November 2013, CCI's Bursa plant and sales center initiated a campaign to collect toys and books in a huge moneybox. The provinces of Elazığ and Antalya also supported the campaign. All collected books and toys were distributed to those in need.

### Life Plus Is in Our Blood!

CCI's Sapanca Damla Water plant and the Turkish Red Crescent organized a blood donation campaign entitled, "Donating Blood, We Save Lives DROP by DROP," ("Damla" meaning "drop") in January 2013. Our Bursa plant also organized a blood donation campaign with the Turkish Red Crescent in November and collected 28 units of blood.

### Clean Up (Jordan)

30 CCBCJ employees volunteered for the "Clean Up" campaign held by the Royal Society for the Conservation of Nature in collaboration with the Jordan Tourism Board in 2013. The purpose of this event was to raise awareness of the hazards of waste on the community and the environment and to increase the sense of civic responsibility toward the community and the environment.



### Together Against Hunger (Jordan)

TCCC, in cooperation with the Jordanian Food Bank, organized the "Together Against Hunger" campaign to distribute 180,000 meals and 11,000 bottles of Coke via monthly food packages to 615 unprivileged families. Over a six-month period in ten provinces in Jordan, more than 150 CCBCJ volunteers joined the monthly distribution.

## Social Projects at our Plants

### Helping Children with Disabilities (Jordan)

CCBCJ Women's Club visited the Saedat Al Salam Center for disabled children in 2013. Not only did they check in on the children, but they also contributed to the renovation of the center's Autism Room by providing a new television screen which will be used in providing education.

### Pick It Up, Clean It Up, Sea Change (Azerbaijan)

Within the framework of the "Annual International Coastal Cleanup Day," more than 3.5 tons of litter and debris were removed from the coastal area in Mardakan under the "Pick it Up, Clean it Up, Sea Change!" slogan.

### 2013 Community Champions Awards

The 2013 Community Champion winners were announced in September as part of CCI's Community Champions Awards program which rewards employees who undertake initiatives that contribute to society and the environment. 2013's award winners were recognized for projects such as generating funds from birthday celebrations to supporting social welfare, providing support for children receiving cancer treatment, and mentoring and teaching students in underprivileged areas of countries in CCI's geography. Along with supporting projects initiated by CCI employees and directed at meeting the needs of local communities in different countries, the Community Champions Awards Program also aims not only to raise awareness of social problems among CCI employees but also to encourage volunteering.



## The Coca-Cola Life Plus Foundation

The Coca-Cola Life Plus Foundation, which was founded in 2009 in Turkey, has been conducting projects in partnership with non-governmental organizations, universities and public institutions in order to have an impact at the national level. In every project, the Foundation focuses on public benefit, enabling stakeholder participation to ensure environmental and social sustainability.

The Coca-Cola Life Plus Foundation has conducted 64 projects in 51 cities in Turkey, investing more than TL 20 million in social and environmental development since 2009. Now, the Foundation continues to contribute to the sustainability of communities and the environment via two main programs: "Life Plus Environment" and "Let's Play". In addition, it successfully completed the "Living Rivers, Living Aegean" project in 2013. (More information about these projects can be found under the "me" and "world" chapters of this report.)

➔ For more information: [www.hayataarti.org](http://www.hayataarti.org)

## Economic Impact of The Coca-Cola System in Turkey

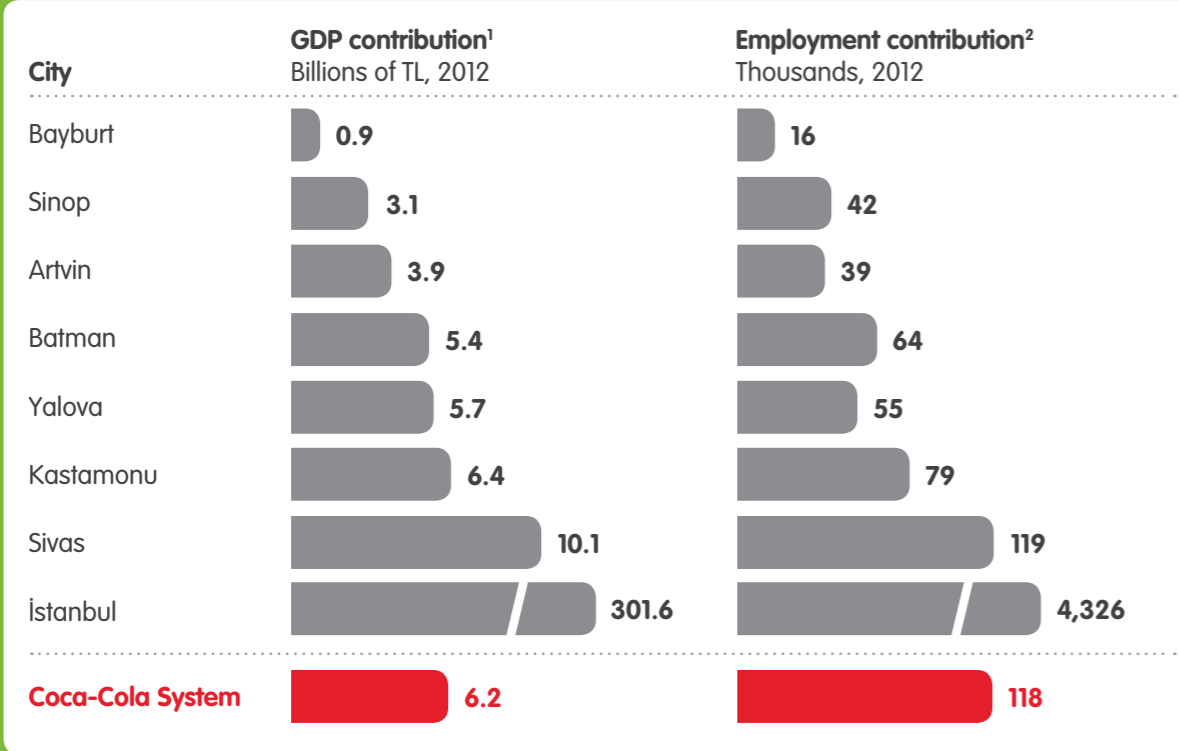
The Coca-Cola System has been a powerful contributor to Turkey, providing a wide range of economic and social benefits. It not only makes strong contributions to Turkey's macroeconomic indicators, but it also improves the country's social and environmental welfare.

In 2012, the Coca-Cola System added TL 6.2 billion (0.44 % of Turkey's GDP) of economic value to the country via its value chain.\* Every 1 TL of value created by Coca-Cola Turkey translated into TL 6.8 for the Turkish economy thanks to a strong local infrastructure. In addition, the Coca-Cola system enabled 20,000 full-time jobs through its core operations and suppliers, or 77,000 jobs if including the impact on customers, or a total of 118,000 jobs (corresponding to 0.51% of the overall employment in Turkey) if taking into account the induced impact. Consequently, as many as 36 new jobs were added to the Turkish economy for every one job created by Coca-Cola Turkey, making the Coca-Cola system's economic contribution equivalent to that of a mid-sized Turkish city.





## The Coca-Cola System's economic contribution to Turkey is in the magnitude of a mid-sized city



<sup>1</sup> 2001 GDP contribution share of cities used to allocate 2012 GDP  
<sup>2</sup> Number of registered employees (source: Republic of Turkey Social Security Institution, SGK)

Source: McKinsey&Company, "The Socio-Economic Impact of the Coca-Cola System in Turkey" Report

Coca-Cola Turkey also provides continuing support to strengthen and sustain Turkey's local economies. The Coca-Cola system is a driving force in Turkey's agriculture industry where it contributed TL 685 million to GDP, generated income for 135,000 to 145,000 farmers, and enabled as many as 14,000 full-time jobs through its beet sugar, corn sugar, and juice concentrate purchases. Additionally, it supports and preserves local retail businesses by providing them with profitable products and by investing in their commercial capabilities and assets. Coca-Cola Turkey's presence in local retailers enabled TL 2.5 billion of added value and 67,000 full-time jobs in local retail businesses. These actions all help Turkey ensure its future prosperity, expand its agricultural impact, and empower its retail base.



## The Anadolu Foundation

The Anadolu Foundation was established by Anadolu Group founders in 1979 with the aim of creating lasting works to serve where needed, focusing initially on education and health. The financial resources of the Anadolu Foundation are shaped entirely by donations from Anadolu Group companies. Group companies donate 1% to 5% of their earnings every year to the foundation. As a group company, CCI donates 3% of its Turkish pre-tax profits to the Anadolu Foundation whose 2013 revenue exceeded TL 30 million.

**Mission:** Making a difference to improve people's quality of life by triggering development in education, health and social issues.

**Vision:** By benefiting from globally innovative and pioneering practices, becoming a "Center of Excellence" in its region with high social influence and corporate structure in social investments.

In tandem with this mission and vision, the Anadolu Foundation:

- Established more than 50 permanent buildings, including schools, dormitories, sports facilities, university buildings, hospitals, and community healthcare centers.
- Supported more than 20,000 students with its scholarship programs.



- Established the Anadolu Health Center in cooperation with Johns Hopkins Medicine, which was selected the best hospital in the United States 21 times in a row.
- Offered 70,000 physical examinations, 185,000 medical workups, 4,600 operations and 11,000 days of in-patient treatment as of the end of 2013.

In addition, the Anadolu Group proudly supports sports by sponsoring the Anadolu Efes Sports Club.

### Anadolu Foundation 2013 Projects

The Anadolu Foundation invested TL 7 million in the Yazıcı Education Campus which became operational in 2013 in Aksaray, Turkey.

In addition to its investments in education and health, the Anadolu Foundation also facilitates the sharing of life experiences through public interviews with young people, assesses problems of youth by analyzing and publishing academic information, and offers experience-based, concrete solutions to the identified problems. To this end, coaching and mentoring practices continue.

Within the scope of its social responsibility efforts, the Anadolu Foundation cooperated with Dilovası Municipality in May 2013 to celebrate World Disabled Week. Thanks to this cooperation, 100 disabled children were helped.

Another project launched in 2013, "Healthy Children, Happy Future" operates in cooperation with neighboring municipalities and aims to:

- Ensure that general check-ups of children of families in need are performed
- Train children on hand hygiene
- Raise awareness in nursing mothers on baby care and breastfeeding
- Create a positive perception of hospitals amongst children

For more information please visit:

➔ [www.anadoluvakfi.org.tr/en](http://www.anadoluvakfi.org.tr/en)



# world.

## Our Environmental Approach

### Goals & Commitments

### Energy Management & Climate Protection

### Water Management

### Sustainable Packaging and Waste

It is CCI's priority to minimize our environmental impact by using fewer natural resources and generating less waste. This approach is essential for the sustainability of our business as well as the sustainability and welfare of the communities in which we operate.

### Our Environmental Approach

With our continuous efforts to minimize water consumption in our operations, to reduce our total carbon footprint, and to preserve natural resources, we aim to deliver on our sustainability commitments and inspire other companies in our industry with our performance. We constantly evaluate the opportunities for reducing, reusing and recycling. In line with our environmental impact management approach, we have determined three main focus areas which we manage by employing internationally-recognized standards:

- Energy Efficiency and Climate Protection
- Water Stewardship
- Sustainable Packaging and Waste

In managing our environmental impact, we are guided by legal requirements, TCCC standards, and industrial practices. Moreover, we listen to our stakeholders, and we do our best to satisfy their expectations regarding minimizing our environmental impact.

In all of our operations we establish environmental management systems in order to monitor and

improve our environmental performance. We develop environmental awareness in our workplace and provide training to our employees on environmental issues. In 2013 we provided 3,972 man-hours of environmental training to our employees in Turkey, Jordan, Azerbaijan, Kazakhstan and Pakistan.



Total Hours of Environment Training	2013
Turkey	2,490
Jordan	80
Kazakhstan	63
Azerbaijan	79
Pakistan	1,260
<b>TOTAL</b>	<b>3,972</b>

### Key performance data

Water and energy use ratios, total waste recycling rates and GHG ratios form the basis of our environmental approach. Our performance in 2013 and targets for 2020 are provided in the table below.

Key Performance Indicators	Turkey		Jordan		Azerbaijan		Kazakhstan	
	2013	2020 Target	2013	2020 Target	2013	2020 Target	2013	2020 Target
Energy use ratio* (MJ/L)	0.26**	0.23	0.41**	0.35	0.41**	0.30	0.44**	0.24
Water use ratio (L/L)	1.41**	1.20	2.00**	1.50	1.92**	1.40	1.65**	1.25
GHG ratio (CO <sub>2</sub> -e/L)	28.47	n.a.	54.76	n.a.	69.38	n.a.	39.22	n.a.
Total waste recycling rate (%)	96.12**	98.00	94.70	95.00	99.60	98.00	90.30**	96.00

**Note:** Please see the Reporting Guidance section of this report for a more detailed description of these KPIs.

\* Energy use ratio refers only to filling (core) operations in the plants. It excludes energy use for preform injection and CO<sub>2</sub> production processes at plants in Turkey, Kazakhstan and Azerbaijan.

\*\* These figures have received limited assurance from the independent assurance firm EY.





## Goals & Commitments

Priority Areas	2013 Goals	Performance in 2013	Status	Commitments for 2014
Energy Efficiency	To set as a minimum standard for all new CCI plants the requirements for LEED certification.	We prepared the LEED certification application for our Elazığ plant in Turkey.	O	To obtain at a minimum LEED Gold certification for CCI Elazığ Plant.
	To achieve an energy use ratio of:  0.24 MJ/L in Turkey 0.39 MJ/L in Jordan 0.37 MJ/L in Azerbaijan 0.32 MJ/L in Kazakhstan	The results achieved:  0.26 MJ/L in Turkey 0.41 MJ/L in Jordan 0.41 MJ/L in Azerbaijan 0.44 MJ/L in Kazakhstan	P P P N <sup>1</sup>	To achieve the following energy use ratios: 0.25 MJ/L for Turkey 0.39 MJ/L for Jordan 0.40 MJ/L for Azerbaijan 0.32 MJ/L for Kazakhstan  To establish energy management systems in Jordan, Azerbaijan and Kazakhstan by 2017.
GHG Emissions	To achieve GHG emission ratios of:  28.75 CO <sub>2</sub> g/L in Turkey 70 CO <sub>2</sub> g/L in Kazakhstan 80 CO <sub>2</sub> g/L in Azerbaijan	The following results were achieved: In Turkey 28.47 CO <sub>2</sub> g/L In Kazakhstan 39.22 CO <sub>2</sub> g/L In Azerbaijan 69.38 CO <sub>2</sub> g/L In Jordan 54.76 CO <sub>2</sub> g/L	A A A -	To achieve a carbon emission ratio of: 27.00 CO <sub>2</sub> g/L in Turkey 45 CO <sub>2</sub> g/L in Kazakhstan 60 CO <sub>2</sub> g/L in Azerbaijan -
	To ensure that 100% of all new cooler equipment purchased is HFC-free by end of 2015 (depending on the availability of the coolers.)	In Turkey 81% of newly purchased equipment is HFC-free. Through this, we reduced 759 tons of fugitive GHG emissions from 2009 until the end of 2013.	O	Ongoing target until the end of 2015.
	To increase our EMD-equipped coolers to 77% in 2013 in Turkey.	We increased our EMD-equipped coolers to 77%.	A	To increase our EMD-equipped coolers to 84% in 2014 and to 89% in 2016 in Turkey.
	To supply renewable energy to the Izmir plant's Postmix line by using solar photovoltaic panels and wind turbines.	Photovoltaic panels and a wind turbine are installed, delivering 7,500-kWh/year electricity and resulting in a savings of 3.4 tons of CO <sub>2</sub> emissions.	A	No new target.
Water Stewardship	To save 12,000 m <sup>3</sup> of water with the use of wastewater discharge after treatment as non-contact water in cooling towers of HP compressors and preform injection machine in the Ankara plant.	We saved 9,295 m <sup>3</sup> of water with the use of wastewater discharge in Ankara Plant.	P	To continue water reuse, reduce and recycle projects in Turkey to achieve our annual water use ratio target.
	To save 30,000 m <sup>3</sup> of water with the reuse of reverse osmosis reject and sanitation final rinse water after treatment by reverse osmosis in the Ankara plant.	We saved 30,736 m <sup>3</sup> of water with the reuse of reverse osmosis reject and sanitation final rinse in the Ankara Plant.	A	To continue water reuse, reduce and recycle projects in Turkey to achieve our annual water use ratio target.

A Achieved P Partial O Ongoing N Not Achieved

## Goals & Commitments

Priority Areas	2013 Goals	Performance in 2013	Status	Commitments for 2014
Water Stewardship	To achieve a water use ratio of:  1.39 L/L in Turkey 1.85 L/L in Jordan 1.90 L/L in Azerbaijan 1.70 L/L in Kazakhstan	The following results were achieved: 1.41 L/L in Turkey 2.00 L/L in Jordan 1.92 L/L in Azerbaijan 1.65 L/L in Kazakhstan	P N <sup>2</sup> P A	To achieve a water use ratio of: 1.40 L/L in Turkey 1.80 L/L in Jordan 1.80 L/L in Azerbaijan 1.63 L/L in Kazakhstan
	Packaging and Waste	To save in Turkey 1,915 tons and in Kazakhstan 1,363 tons of material in 2013 by implementing "Lightweight" and "Short neck" projects. To start "Lightweight" and "Short neck" projects in Pakistan and Azerbaijan in 2013 and in Jordan in 2015.	We saved 1,804 tons of resin in Turkey and 1,594 tons in Kazakhstan. Our production volume has decreased compared to the production plan, resulting in a lower amount of resin savings. At the end of 2013 in Azerbaijan we started "Lightweight" and "Short neck" projects.	P
	To reduce cap weight from 3.25 g to 2.45 g by short neck bottle cap replacement in carbonated drinks in Turkey and in carbonated drinks, carbonated water and still water in Kazakhstan and Azerbaijan. With these projects, we aim to save 785 tons of resin in Turkey and 244 tons in Kazakhstan at our suppliers.	In 2013 we saved the following amount of resin at our suppliers due to cap weight reduction: 772 tons in Turkey 295 tons in Kazakhstan	P A	To continue implementing cap weight reduction projects at our suppliers in Azerbaijan.
	To use 9.4 g of material instead of 10.5 g in Damla 330 ml bottles. With this project we aim to save 20 tons of material.	We saved 31 tons of resin through the lightweight application of Damla 330 ml bottles.	A	To save a minimum of 50 tons of resin with lightweight projects
	To deploy returnable bottle implementations (for example, RB 300ml) in Turkey and to change consumer and customer behavior to prefer returnable products.	4.5 million returnable bottles were sold in 2013 in Turkey. We converted nearly 3 million non-returnable packages to returnable bottles.	A	To increase the returnable bottles we sell to around 5 million in Turkey.
	To achieve a total waste ratio of:  3.75 g/L in Turkey 13.00 g/L in Jordan 1.75 g/L in Azerbaijan 1.73 g/L in Kazakhstan <sup>3</sup>	We achieved: 4.99 g/L in Turkey 6.44 g/L in Jordan 1.28 g/L in Azerbaijan 1.59 g/L in Kazakhstan	N <sup>4</sup> A A A	To achieve a total waste ratio of: 4.5 g/L in Turkey 13.0 g/L in Jordan <sup>5</sup> 1.0 g/L in Azerbaijan 1.6 g/L in Kazakhstan

A Achieved P Partial O Ongoing N Not Achieved

<sup>1</sup> Kazakhstan could not achieve its 2013 EUR target due to a change in the calculation methodology.

<sup>2</sup> Calculation method was revised during the 2012 auditing process.

<sup>3</sup> This goal is revised.

<sup>4</sup> Due to time-lag effect between actual generation of waste and subsequent disposal and recording, target was not achieved. (E.g. coolers and wood pallets are accumulated in the plants for repair and can be disposed after approval.)

<sup>5</sup> Waste generation ratio can be distorted between large quantities of certain waste types, such as glass bottles collected from the market, which are only disposed periodically when a large quantity has accumulated in the plant's waste storage area.



world

## Energy Management & Climate Protection

We prioritize energy efficiency in every area of our operations, from supply to production and from distribution to sales. We measure our carbon footprint and take the necessary measures to reduce it.

Energy management and climate change have priority in our sustainability strategy. We set ambitious energy use and GHG emission reduction targets, and we identify and implement energy reduction measures and explore low carbon technology alternatives to achieve these targets. Our ultimate goal is to achieve high levels of production through low energy consumption and fewer GHG emissions. With this in mind, we systematically seek measures to reduce our energy consumption during production (packaging, design, transportation and cooling processes) while improving efficiency and quality.

### LEED Certification for Elaziğ Plant

CCI Turkey's Elaziğ Plant achieved LEED-certification for its comprehensive energy efficient and environmentally-friendly features. The U.S. Green Building Council recently awarded the plant "gold" status, the second-highest possible status in the "existing buildings" category. The Elaziğ plant is the first amongst all TCCC plants to achieve gold certification in "LEED v2009 Existing Buildings." LEED, or Leadership in Energy & Environmental Design, is a green building certification program that recognizes best-in-class building strategies and practices. The certification is based on an assessment of the building in five categories: sustainable site, water efficiency, energy and atmosphere, materials and resources, indoor environmental quality and innovation in design.

### GHG Emission Management

While advancing towards our 2020 growth targets, we also take firm steps to fully track and minimize our carbon footprint, a measure that is essential for the sustainability of the environment as well as our business. We are aware of the climate change-driven risks on the sustainability of energy, agricultural products and water resources. Therefore, we take a proactive approach to reducing our GHG emissions which are believed to contribute to a global climate change. Since 2011 we have been submitting a detailed annual report to the CDP on our GHG strategy, risk and opportunity analysis, and performance, results.

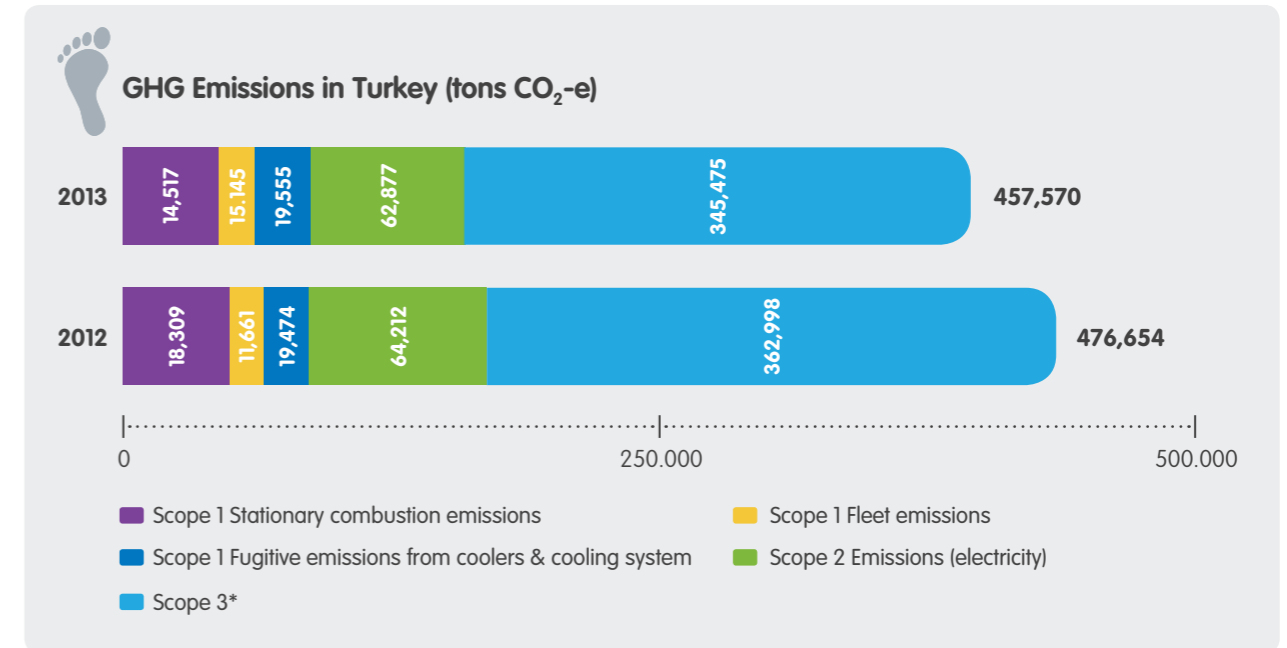
Global studies show that in our industry, ingredients and packaging account for around 65% of the total GHG footprint of a product. Manufacturing and distribution account for a total of 15% while refrigeration accounts for another 20%. We focus our emission reduction efforts on those value chain processes where we have the most control, namely manufacturing, distribution and, to a lesser degree, refrigeration.\*

As in 2012, CCI Turkey successfully completed the ISO 14064-1 verification audit in 2013. Our carbon footprint resulting from our plants, offices, and vehicle fleet in Turkey were verified by SGS. As a result of this verification, our total absolute scope 1 and scope 2 GHG emissions were 112,094 tons of CO<sub>2</sub>-e for 2013, which is 1.34% less compared to 2012.

In 2013, in addition to reporting CO<sub>2</sub> emissions due to cooler electricity consumption, we also calculated and reported some more of our Scope 3 emissions for Turkey for the first time. Accordingly, Scope 3 emissions for CCI Turkey operations in 2013 were:

- 122 tons of CO<sub>2</sub> emissions due to domestic air travel and

- 85 tons of CO<sub>2</sub> emissions due to international air travel
- 174 tons of CO<sub>2</sub> emissions due to employee commuting
- 16,467 tons of CO<sub>2</sub> emissions due to product distribution by third parties
- 328,628 tons of CO<sub>2</sub> due to electricity consumption by coolers located at our customers' premises



\* Scope 3 includes emissions from domestic and international air travel, employee commuting, product distribution by third parties (excluding distributors), and electricity use by coolers at our customers.

Note: In 2012 and 2013, third-party auditing company SGS verified CCI's scope 1 and scope 2 GHG emissions for all its operational facilities in Turkey according to the requirements of ISO 14064-1.

### 2013 GHG emissions in the four countries of operation

GHG Emissions (tons CO <sub>2</sub> -e)	2010	2011	2012	2013
<b>Turkey</b>				
Scope 1	49,123	49,083	49,444*	49,217*
Scope 2	61,557	64,923	64,212*	62,877*
<b>Jordan</b>				
Scope 1	4,067	2,707	1,873	786
Scope 2	3,074	3,027	3,203	3,412
<b>Kazakhstan</b>				
Scope 1	4,276	7,573	8,276	9,597
Scope 2	8,114	8,384	8,929	10,553
<b>Azerbaijan</b>				
Scope 1	4,419	4,420	6,454	5,335
Scope 2	6,136	5,671	8,319	10,399
<b>TOTAL</b>				
Scope 1	61,885	63,783	66,047	64,935
Scope 2	78,881	82,005	84,663	87,241

\* For Turkey, 2012 and 2013 data are verified by SGS according to the requirements of ISO 14064-1.

Note: In all figures (2010-2013 GHG emissions) all processes including filling, preform injection, CO<sub>2</sub> production and electricity production (only in Kazakhstan) are included.

Our energy management and climate protection strategy focuses on the following:



Increasing the energy efficiency of our plants and offices, thereby reducing GHG emissions



Reducing logistics-based emissions with effective fleet and fuel management practices



Reducing indirect emissions by focusing on our climate-friendly refrigeration applications



Increasing awareness of climate protection by collaborating with our distributors, dealers, suppliers and other stakeholders



Researching and investing in clean and renewable energy where possible

\* Reference: Coca-Cola Enterprises 2013 Sustainability Report





In addition to monitoring total emissions for each country of operation, we also monitor our GHG emission ratio which represents CO<sub>2</sub>-equivalent emissions per liter of product produced. This ratio includes all Scope 1 and Scope 2 emissions as included in the table above.








GHG Emission Ratio (g/L)	2010	2011	2012	2013
Turkey	28.95	30.10	28.52	28.47
Jordan	72.44	56.03	55.31	54.76
Kazakhstan	56.90	49.46	41.07	39.22
Azerbaijan	53.54	49.44	62.55	69.38

The Coca-Cola System launched the "Reduce CO<sub>2</sub> emissions embedded in the drink in your hand by 25% by 2020" global initiative in 2013 to reduce GHG emissions across its entire value chain. We are going to integrate our CCI climate protection targets with this initiative in order to achieve comprehensive carbon footprint reductions across the manufacturing processes, packaging formats, delivery fleet, refrigeration equipment and ingredient sourcing. This is a comprehensive approach since this goal covers Scope 1, 2 and 3 emissions.

### GHG Emission Reductions

In 2013, due to the various projects we implemented, we achieved a GHG emission reduction of 171,425 tons in Turkey.

#### 2013 Emissions Savings in Turkey (ton CO<sub>2</sub>-e)

	Scope	Amount
 OE projects at manufacturing plants	Scope 1+2	4,307
 PET bottle blowing pressure reduction project	Scope 2	6,822
 Cooler EMD improvement	Scope 3	157,077
 Green IT	Scope 1	2,139
 Fleet improvement	Scope 2	176
 Route optimization	Scope 3	584
 HFC emissions reduction in coolers	Scope 1	320
<b>Total</b>		<b>171,425</b>

### Energy Efficiency At Plants

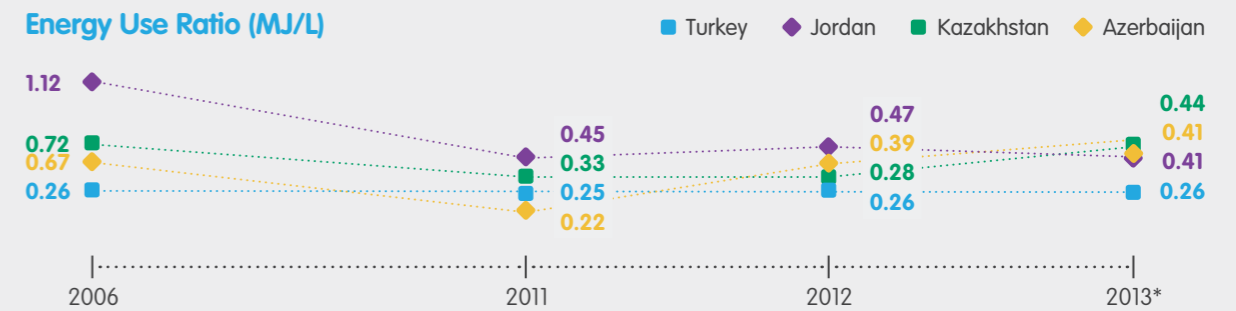
Processes related to energy consumption are managed within the framework of CCI's Energy Management System in line with the Environmental Management System, the Operational Excellence model and key corporate performance indicators related to operational plans. CCI's senior management monitors and evaluates the performance results. An energy coordinator implements the Energy Management System effectively at all our plants in Turkey. All our Turkey plants have been rewarded with TS EN 50001 Energy Management System certificates. In other countries of operation, we continue to lay the foundations for robust energy management systems. Please see "Performance Indicators" section for detailed energy use data.

Energy Use (Core operations) (Million MJ)	2010	2011	2012*	2013*
Turkey	557.93	692.14	720.91	709.66
Jordan	49.91	31.32	36.51	31.38
Kazakhstan	99.89	100.16	112.05	225.92
Azerbaijan	99.25	38.99	83.94	93.47
<b>TOTAL</b>	<b>806.98</b>	<b>862.61</b>	<b>953.41</b>	<b>1,060.43</b>

**Note:** These figures exclude energy use for preform injection and CO<sub>2</sub> production processes at plants in Turkey, Kazakhstan and Azerbaijan. Energy use for electricity manufacturing process which is present only at Kazakhstan plant is included in the 2013 data. For the purpose of benchmarking among plants, the figures for energy use ratios are calculated based on these "core operations" values.

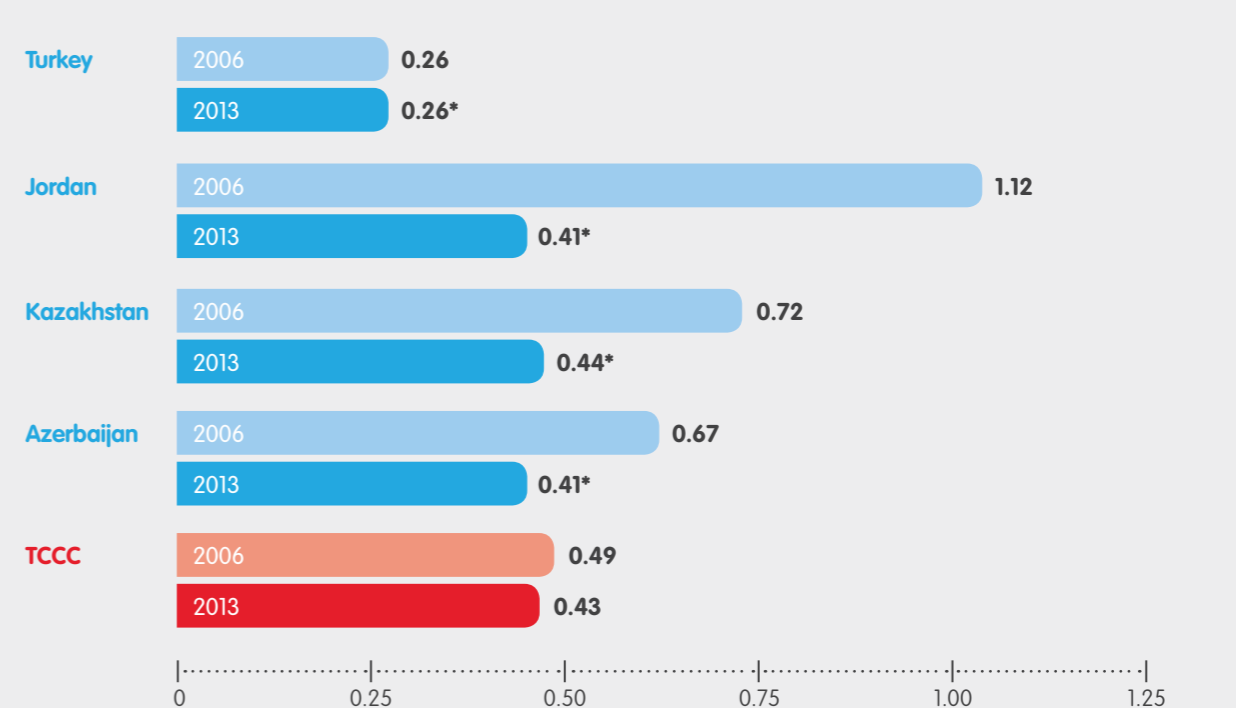
\* These figures have received limited assurance from the independent assurance firm EY.

#### Energy Use Ratio (MJ/L)



\* These figures have received limited assurance from the independent assurance firm EY.

#### Improvements in Energy Use Ratios between 2006 and 2013 (MJ/L)



\* These figures have received limited assurance from the independent assurance firm EY.



## Energy and GHG Emission Reduction

Within the scope of the Operational Excellence 7<sup>th</sup> Wave Program conducted in CCI plants in Turkey, 100 projects have been successfully implemented. As a result we achieved a reduction of 46,786,000 MJ energy and 4,767 tons of GHG emissions.

Within the context of OE, energy efficiency projects similar to those in Turkey have been deployed in other country operations. As a result, we achieved total annual energy savings of 55,660,462 MJ in Turkey, Kazakhstan, Jordan, Azerbaijan and Pakistan plants, corresponding to a reduction of 5,670 tons of CO<sub>2</sub> emissions. Details can be seen in the table below.

Energy saved and GHG emission reduced due to OE projects in 2013	Energy (MJ)	GHG Emissions (CO <sub>2</sub> ton)
Turkey	46,785,900	4,767
Jordan	910,560	108
Kazakhstan	2,148,329	224
Azerbaijan	118,340	11
Pakistan	5,697,333	560
<b>TOTAL</b>	<b>55,660,462</b>	<b>5,670</b>

### Major energy efficiency projects and savings in 2013:

- In Turkey, we decreased pet blowing pressure from 25 bars to 17 bars and saved 1,018,441 kWh of energy.
- In Turkey, CCI's Çorlu plant replaced all chillers with new ammonium ones and saved 1,900,000 kWh of electricity.
- In Kazakhstan, we used less electricity for short-neck preform injection and saved 537,445 kWh of electricity.
- In Jordan, we deactivated degasser tank pumps by sending water directly to raw water tanks and saved 112,000 kWh of electricity.
- In Jordan, we used a VFD air compressor and made FF standby and saved 44,000 kWh of electricity.
- In Azerbaijan, we used natural illumination in the ceilings of a warehouse and garage and saved 18,400 kWh of electricity.

### Energy Efficiency of Transportation and Logistics

We transport millions of goods and products from suppliers to our plants, and from our plants to customers and distributors. CCI's extensive logistics network means that sales and distribution of our products, together, form the largest part of our

### Top 10 Energy-Saving Challenge

TCCC and the World Wildlife Fund (WWF) launched the Energy-Saving Challenge in January 2011 to assist the Company's 1,000 bottling partners in improving plant performance. The Challenge encourages bottling companies to implement energy-saving practices that reduce environmental impacts while increasing cost savings. Through the Energy-Saving Challenge, Coca-Cola and WWF indicated 10 practices that, if implemented across every bottling plant, will enable Coca-Cola to achieve 60-70% of its carbon reduction goal. By 2013 all four countries of operation completed the Global Top 10 Energy Saving Program. CCI Turkey became the first multi-plant country operation in the Coca-Cola system to have completed this Program.

operations. As such, optimization of logistics is crucial to our business performance. We continuously seek opportunities to increase our efficiency by minimizing the daily number of vehicle movements and the daily kilometers driven. In this context, we developed the "Route Optimization Project" in 2013 to further improve the route planning of our sales and distribution teams. There are two subcategories of Route Optimization: Sales Route Optimization and Distribution Route Optimization.

As part of this project, we use a technological platform called "Road Net" which we established in 2013 for our 41 distributors in Turkey. According to our estimates, using Road Net will result in a reduction of 775,000 kilometers and approximately 584 ton of CO<sub>2</sub> as well as USD 538,860 worth of fuel saving. In 2014, we aim to implement Road Net also for our three direct distribution points and 20 high-volume distributors. Additionally, we are testing Road Net for use in Kazakhstan.



Fleet operations have a substantial impact on our carbon performance. To achieve our objectives to reduce energy consumption and CO<sub>2</sub> emissions, we aim to consume less fuel, minimize the number of daily vehicle movements and choose vehicles with lower fuel consumption and carbon emissions. In 2013, 75 company cars were replaced with those using diesel. Our diesel cars consume an average of 7.2 liters per 100 km whereas gasoline-powered cars use an average 9.6 liters per 100 km. Based on these improvements, we estimate a reduction of 35 tons of CO<sub>2</sub> in 2013.

In our fleet we operate EURO 5 trucks with low emissions. Of the 70 trucks that CCI operates directly, we own 10 of them; the remaining 60 are owned by third-parties. In 2013, we purchased five new trucks and leased five more with EURO 5 engine. As a result we saved approximately 11,000 km and 52,800 liters of diesel fuel. This improvement corresponds to savings of 141 metric tons of CO<sub>2</sub> emission.

### Cooling Practices

For the consumer to enjoy the best experience, it is important to serve most of our products cold. We have around 290,000 cooling equipment units at our sales points to maintain display quality and to ensure availability of cold drinks for immediate consumption. During its use, the equipment causes GHG emissions both due to the electricity it consumes and refrigerants which may leak. Reducing the amount of energy consumed per refrigerator and switching to HFC-free cooling equipment are important elements of our 2020 Vision.

### Energy Management Device (EMD) Program

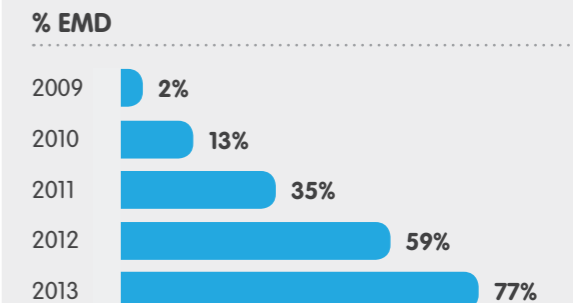
In 2009 we set a target to reduce GHG emissions resulting from the electricity consumed by our cooling equipment. We are committed to increasing the number of coolers equipped with an Energy Management Device (EMD). Coolers equipped with EMDs use about 42% less energy than conventional models. Fitting coolers with EMDs and reducing per-cooler energy consumption form an important part of our 2020 Vision.

As a commitment within our EMD program, we purchase new coolers that are equipped with an EMD. In addition, we convert our customers' non-EMD coolers to EMD-fitted coolers. By the end of 2013, 77% of our coolers in Turkey were equipped with EMDs, an improvement over 2012's 59%. Also, in Azerbaijan, Jordan and Kazakhstan we have been installing EMDs in existing coolers, the ratios of which are available in the table below.

EMD Ratio (%)	2011	2012	2013
Turkey	35	59	77
Jordan	5	5	5
Kazakhstan	12	19	29
Azerbaijan	50	50	50

As a result of the EMD program, in 2013, we reduced the energy consumption from refrigeration by 343,476,882 kWh and by 157,077 tons of CO<sub>2</sub> emissions (equivalent to the amount of CO<sub>2</sub> that 13.1 million trees extract annually from the environment) in Turkey. These results placed CCI among those companies that are closest to realizing 2015 refrigerator inventory goals within TCCC.

### Percentage of EMD-Equipped Coolers in Turkey



Between 2009 and 2013, our EMD program in Turkey resulted in a total energy savings of about 741,600,000 kWh (equal to the annual energy consumption of 130,000 households) and a total reduction of 340,000 tons of CO<sub>2</sub> emissions (equal to the amount of CO<sub>2</sub> that 28 million trees extract annually from the atmosphere).

In 2013, thanks to the EMD program, we managed to save 363,303,087 kWh electricity in the four countries of operation, resulting in a CO<sub>2</sub> reduction of 165,289 tons (equal to the amount of CO<sub>2</sub> that 13.8 million trees extract annually from the atmosphere). We will continue our efforts to reduce CO<sub>2</sub> emissions resulting from our coolers. Please see "Performance Indicators" section for detailed CO<sub>2</sub> emissions data.

Meanwhile, we have been purchasing coolers with LED lighting systems as well. This system renders in-equipment lighting 80% more efficient. As of the end of 2013, approximately 75,000 of our coolers were equipped with LED lighting systems.



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### HFC-Free Program

Hydrofluorocarbons (HFCs) used as refrigerants in coolers are known to contribute to climate change. Together with its bottling partners, TCCC has established a goal that 100% of new cold-drink equipment will be HFC-free by 2015. In December 2013, the one-millionth HFC-free cooler was placed within TCCC, representing a turning point in achieving this ambitious goal. It is worth mentioning that out of these one million coolers, 220,000 of them are placed in Turkey. Compared to HFC versions, the global warming potential of HFC-free coolers is at least one thousand times lower.

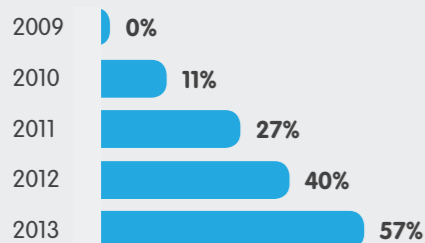
Refrigerants in cooling equipment may slowly leak into the atmosphere during use or may leak completely if the equipment is not properly disposed of at the end of its life cycle. CCI always ensures that coolers are properly emptied of any gases which may remain. In 2013, a total of about 30,300 pieces of old cooling equipment (weighing approximately 2,120 tons) was disposed of properly in our Turkey operations.

By the end of 2013, 57% of the coolers we use in Turkey were HFC-free, a considerable improvement over the 40% in 2012. Due to our use of HFC-free cooling equipment, we managed to reduce our total fugitive CO<sub>2</sub> emissions by 759 tons between 2009 and 2013.



#### Percentage of HFC-free cooling equipment

##### % HFC free



### Green IT Practices

#### Integrated Communication and Cooperation Platform & Video Conference

The accelerated pace of development in recent years requires an effective transfer of both information and experience at the same pace, as well as an efficient control of information and experience. In order for a growing organization to operate in a coordinated and synchronized way, employees should have better communication among themselves. On the other hand, while language and time differences, geographical sizes, and increasing numbers of offices reduce the efficiency of communication within the organization, technology should be used to improve this efficiency. In this context, an integrated communication and cooperation platform not only maximizes employee efficiency, but also directly supports CCI's vision of growth.

In order to meet these needs, we launched an extensive project. The functionalities of the project include e-mailing, instant messaging, corporate portal, corporate documentation and content management, employee and position searching, personal information, individual and collective audio-visual communication, replacement of legacy PBX systems with computers or mobile devices, and ensuring compatibility of these systems with mobile platforms. Corporate social communication platforms were added to these in 2013. Currently the platform consists of 10 countries and 7,500 users.

Major benefits of this project include improvements in work-life balance thanks to fewer business trips and reduction in telephone and travelling costs.

In 2012, we established four new video conference rooms, and these rooms were used efficiently in line with our travel policy. Hypothetically, 100 videoconferences results in 20 fewer business trips. 7,865 videoconferences realized during 2013 and we assumed that 1,573 trips were prevented which corresponds to approximately 2,139 tons of CO<sub>2</sub>-e emissions.

CCI's Business Systems Group obtained the ISO 20000 certification that identifies standards based on the best practices in IT service management and management processes in order to ensure a certain disciplinary level and quality in IT services.

### Water Management

We place the issue of water usage, which is fundamental to our business, at the heart of our environmental policy. Water is one of the most essential resources of life and also the main ingredient of our beverages. Establishing a water-sustainable operation is key to our business success and to the welfare of the communities in which we operate.

Turkey's annual water consumption amounts to three times the volume of Lake Büyükçekmece in Istanbul. The use of water is distributed as follows: 11% in industrial operations, 15% in houses and 74% in agriculture.<sup>1</sup>

Given the many risk factors such as population growth, increasing per-capita consumption of natural resources, and global warming-related threats, we work especially hard to become more efficient in our water use by reducing the amount of water used to produce our products. While increasing our business volume, our goal is "to produce more beverages by consuming less water."



We make use of efficient wastewater treatment techniques and recycle our wastewater. We also support global initiatives to combat water-related issues, and we support local projects to preserve and improve water basins. At the local level, we implement plans to protect water catchment basins in the regions where our plants are located. With our water management efforts we try to set an example in our local communities.

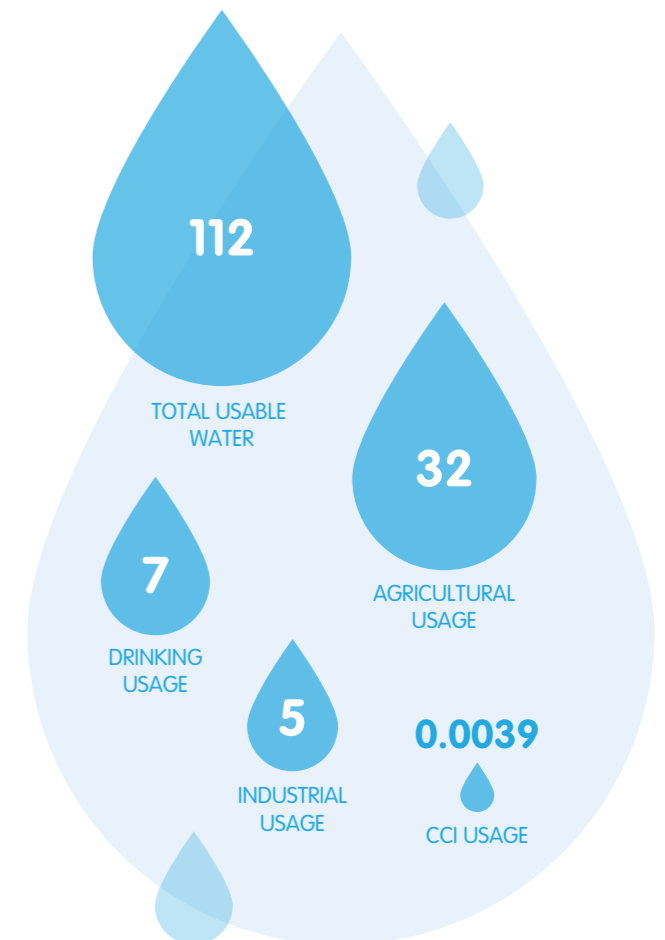
We fully support TCCC's ultimate goal of "replenishing every drop of water used," and to this end we are assisted by global water management studies.

Supporting this ultimate goal, we focus on five methods, namely:

1. Reducing water consumption/reusing water through water efficiency projects
2. Reclaiming and safely discharging wastewater
3. Replenishing water
4. Supporting studies devoted to preserving and improving water basins
5. Supporting studies that raise the awareness of consumers, public institutions and non-governmental organizations

#### Water Consumption

Since water is the main ingredient in our beverages, our use of water resources is significant in the regions where our plants are located. According to a study conducted by Turkey's State Hydraulic Works\*, the amount of annual total usable water in Turkey is 112 billion m<sup>3</sup>, of which 32 billion m<sup>3</sup> is dedicated to agricultural (irrigation) use, 7 billion m<sup>3</sup> is used as drinking water, and 5 billion m<sup>3</sup> is used in industry. CCI's Turkey operations account for 0.0039 billion m<sup>3</sup>, or only 0.078% of Turkey's total water usage.



\* Source: Report entitled "State of Water Resources in Turkey and New Approaches to Water Management" published by Turkish Business Council on Sustainable Development, 2013.



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Our total water consumption amounts for the four countries of operation over the last four years are provided in the table below. Approximately 81% of our water comes from wells whereas 11% comes from spring water (spring water is used only in Turkey) and 8% from municipal water systems.

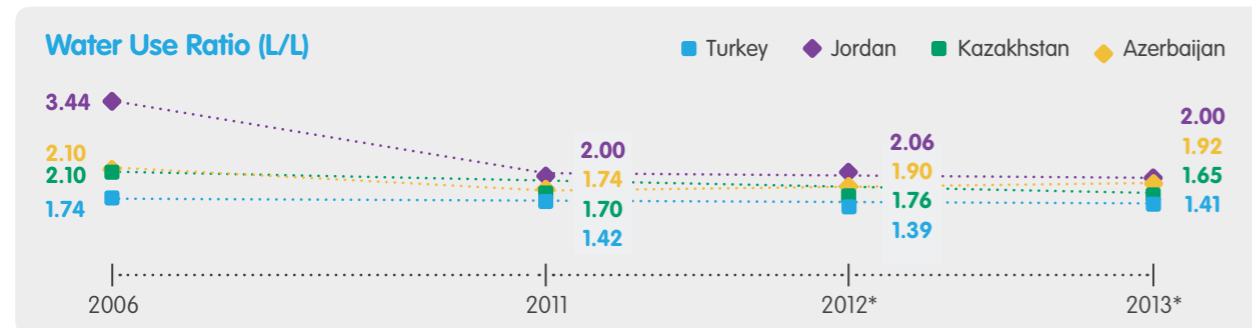
Total Water Consumption by Source (m <sup>3</sup> )	2010	2011	2012*	2013*
Turkey	3,558,449	3,850,537	3,914,531	3,912,240
Jordan	140,904	137,847	160,240	153,656
Kazakhstan	422,064	510,591	706,955	849,980
Azerbaijan	305,164	306,059	412,162	436,075
<b>TOTAL</b>	<b>4,426,581</b>	<b>4,805,034</b>	<b>5,193,888</b>	<b>5,351,951</b>

\* These figures have received limited assurance from the independent assurance firm EY.

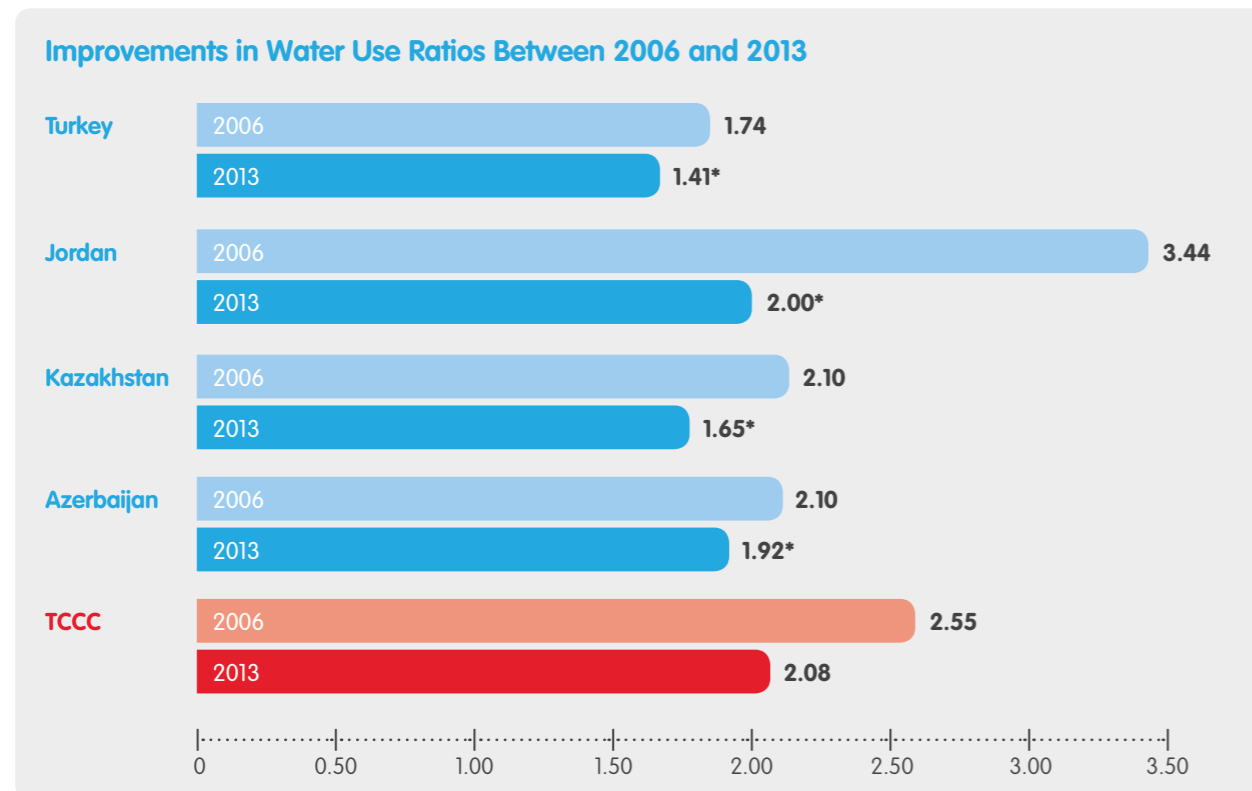
Note: 2013 water withdrawal figures are the same as 2013 water consumption figures in 4 operations.

### Water Efficiency

Our efforts to reduce water consumption go hand in hand with our OE practices. As our business grows, our production volume increases. In order to set measurable objectives, we attempt to reduce the amount of water used for every one liter of product and develop practices in line with this aim. Furthermore, we monitor our water consumption ratio in each country of operation. We also aim to spread good practice throughout our production chain.



\* These figures have received limited assurance from the independent assurance firm EY.



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In Turkey:

- We have reduced the average amount of water used to produce one liter of product to 1.41 L/L as of 2013.
- We achieved approximately 19% water saving per liter of product as a result of efficiency projects implemented from 2006 to 2013.

In line with TCCC's goal to improve the System's water efficiency by 25% (taking 2010 as a baseline) by 2020, CCI will continue to improve water use efficiencies per liter of product produced through operational advancements.

Major OE water efficiency projects in 2013:

- In Turkey, a new sand filter was installed and all backwash water is now filtered and reused, resulting in a high water recovery ratio. Due to this project, we save 30,000 m<sup>3</sup> of water per year.
- In Turkey, by re-adjusting the washing period of the ultra-filtration system we save 8,500 m<sup>3</sup> water.
- In Kazakhstan, by decreasing filling valve rinsing water and reusing vacuum pumps cooling water, we save 19,000 m<sup>3</sup> water year.

### Wastewater Management and Reclamation

"Zero wastewater generation" and "reclamation" are concepts that define our wastewater management approach. In addition to complying with local laws regulating wastewater treatment and discharge in all the countries in which we operate, we also act in accordance with TCCC's standards that determine the wastewater pollutant limits for bottler operations. In many cases the allowed discharge limits set by TCCC are much lower than the limits established by the legal authorities. We monitor our wastewater parameters with periodic analysis and reduce our environmental impact by treating wastewater prior to discharge. In line with our OE objectives, we develop projects for our production chain that will reduce wastewater generated as a result of our activities. These projects include, among others, reverse osmosis, reusing treated wastewater as irrigation water, and reusing final rinse water for floor washing.

### Water discharge between 2006 and 2013

In addition to our total water discharge, we also monitor the amount of wastewater discharged per liter of product produced.

Water Discharge (L/L)	2006	2013
Turkey	0.39	0.35
Jordan	2.43	1.00
Kazakhstan	0.87	0.50
Azerbaijan	1.16	1.05

### Water Preservation and Replenishment

Clean, accessible water is essential to the good health of communities. It is critical to ecosystems and indispensable for economic prosperity, and it is essential for our business. Water is the main ingredient in our beverages, central to our manufacturing process and necessary for growing the agricultural products we use as ingredients.

We have a particular interest in protecting the water sources that sustain communities. Because the communities that host our bottling plants are also our consumer bases, we sell our products where we make them. If those communities stay strong, our business will stay strong; if the watersheds we share with them are conserved, those communities and our business can thrive. So, in addition to the ethical and ecological imperatives that drive our water stewardship, we also have a vested business interest in conserving and improving local water sources.

### Water Assessment

Since the end of 2012, TCCC has required all of its bottling plants to conduct a local source vulnerability assessment (SVA) and to develop a source water protection plan (SWPP) to mitigate water-related risks to our System and to the communities we serve. SVAs allow us to assess vulnerabilities to community sources of water and help us to determine potential impacts of our water usage and wastewater discharge. As of 31 December 2013, all CCI plants with the exception of South Iraq had completed their SVA studies in all countries of operation.

During any SVA study, an analysis of water basins and sub-basins around our plants is conducted, and it will include the topographical, geological, hydro geological and hydrological assessment of the study areas as well as identification of any risks to the sustainability of water resources within these areas. SVA studies include processes such as field surveys, interviews with plant authorities or site representatives, interviews with local and national authorities as well as desktop studies.



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These assessments inventory the social, environmental and political risks to the water sources supplying our facilities and surrounding communities. We evaluate the results of these studies with a "Source Water Protection Plan" and take action on a plant-by-plant basis. CCI plants included in this report have developed a Source Water Protection Plan and have begun implementing improvements.

In line with the information gathered as a result of the assessment studies, various practices were conducted to avoid contamination, to prevent water quality decrease arising out of pesticides contamination, and to foster water usage minimization and recycling. Other studies held in conjunction with assessments focused on alternative water resources, ensuring business continuity, improving the knowledge level of employees, and explaining water policy and facts of TCCC to the community.

For example, in Pakistan we identified access to clean water as an issue and initiated a project together with TCCC where we aim to provide 500,000 people with clean water by 2015 through the use of reverse osmosis.

### TCCC's Ambitious Replenishment Goal

In line with its strategy to replenish every drop of water used, TCCC has set a goal for 2020. Using global water management studies as a guide, the company aims to safely return to communities and nature an amount of water equal to what it uses in its finished beverages and their production. This is called "water neutrality," and it is defined as:

- 1) Returning the water we use back to the communities we serve by treating all wastewater and returning it to the local environment at a level of purity that supports aquatic life
- 2) Replenishing an amount of water equivalent to our product volume through locally-relevant water and sanitation projects.

Between 2005 and the end of 2013, TCCC balanced, or replenished, an estimated 68% (based on 2013 production volumes) of the water used in its finished beverages, an amount equal to 108.5 billion liters. The water replenishment rate for Turkey has reached 23%, equal to about 665 million liters of water. In TCCC's Eurasia region, which excludes Jordan, the replenishment rate has increased to 69%.

## The Coca-Cola Life Plus Foundation's Projects

### "Living Rivers, Living Aegean Region" Project

As a result of industrial developments and ecological problems in the region, the Büyük Menderes river basin in Turkey's Aegean province has been damaged in the last 40 years – threatening the livelihood of 2.5 million people and the local ecosystem. "Living Rivers, Living Aegean Region" aims to maintain the sustainability of water resources in the region through an Integrated River Basin Management (IRBM) system based on a multi-stakeholder collaboration.

The project partners; the Coca-Cola Life Plus Foundation, WWF, EKODOSD, focus on three goals: monitoring Büyük Menderes river's water quality, reducing pollution resulting from agricultural

activities in the water basin, and engagement with stakeholders around the IRBM system. The project was completed by mid-2013, and relevant stakeholders shared the results of the project which included an atlas of Büyük Menderes river basin.



## Sustainable Packaging and Waste

Packaging plays an essential role in our business by protecting our products during delivery. At the same time, it significantly contributes to our environmental footprint. Therefore, we strive to make our packaging more environmentally and economically sustainable. Continuously reducing the materials used in packaging as well as energy consumed in the process makes good business sense and is crucial for establishing a sustainable operation.

We reduce pollution by safely disposing of the waste generated by our operations. We implement recycling programs and, as a result, reduce our consumption of resources.

With a focus on recyclability, minimizing resources, and increasing the use of recycled and renewable materials, we work to deliver the quality beverages our consumers expect in the most efficient way possible. Additionally, we support programs that encourage consumers to recycle used beverage packaging.

Three fundamental principles define our approach to sustainable packaging:

- Reduce – Continuously reducing the material amount and energy used in manufacturing of packaging material and using recycled materials as much as food safety principles and technology allow

- Reuse and Recycle – Increasing the number of returnable bottles in our portfolio. Working together with various stakeholders to establish an environmentally friendly and economically sustainable infrastructure for post-consumer packaging recovery and recycling
- Renewable – Exploring and testing alternative, renewable materials such as Plant Bottle

Since waste management and sustainable packaging are key components of CCI's general environmental performance, we continuously monitor total waste ratios and total recycle rates against annual targets at all our plants.

We strive to recycle both hazardous and non-hazardous waste with a goal to ultimately recycle 100%.

### Our Sustainable Packaging Strategy

- |                |  |
|----------------|--|
| <b>REDUCE</b>  | <b>PET and Glass Lightweight</b>         |
| <b>REUSE</b>   | <b>Returnable Bottles</b>                |
| <b>RECYCLE</b> | <b>Post Consumed Material Collection</b> |
| <b>RENEW</b>   | <b>Plant Bottle</b>                      |

## The Coca-Cola Life Plus Foundation's Projects

### Life Plus Environment Program

Even though Turkey is considered to be a nearly water-scarce country, with an average allowance of only 1,520 m<sup>3</sup> of water per person, more than 70% of the country's fresh water is being used in agriculture. Not only is such disproportionate use of



water in agriculture exacerbating water scarcity, it is also leading to topsoil erosion in non-agricultural areas. Land is, literally, being swept away by winds that are increasing in strength as a result of climate change.

The Life Plus Environment Program was initiated with a vision to employing a new approach to land and water management – one that is designed to adapt to a changing climate and decreasing water resources. And this can only happen with a "golden triangle" partnership between the public sector, the private sector, and civil society organizations. To this end, the Coca-Cola Life Plus Program partnered in 2013 with Turkey's Ministry of Agriculture and with the Nature Conservation Center of Turkey.



### Reducing Materials Used in Product Packaging

In line with our strategy of reducing the amount of raw materials used in packaging, we continued our tests for using less PET plastic for each bottle we use. With this target in mind we continued our "Lightweight" PET bottles implementation in 2013.

"Short Neck" is another specific application we have been implementing within the Lightweight PET program since 2008. With this application, we aim to decrease the pitch and height of PET bottles so as to enhance product quality and shelf life while simultaneously minimizing resin use. Following the trial processes we conducted at our Izmir plant in 2008, we started implementing short neck in different bottle sizes.

As a result of our "Lightweight" and "Short Neck" projects, we saved 1,804 tons of resin (PET material used in our packaging) in our Turkey operations. In Kazakhstan, we saved 1,594 tons. Our lightweight projects and design changes have resulted in savings of total 1,067 tons at our closure suppliers in Turkey and in Kazakhstan.

In 2013, we continued the lightweight application for glass bottles that we started in 2010. In 2014, we plan to alter 200 ml returnable bottles in our Turkey operations by reducing overall weight from 235 g to 185 g.

Packaging plays an important role in various processes - from production to distribution and from recycling to waste disposal - and directly affects the sustainability and efficiency of all these processes. Reducing materials usage, increasing re-use and recycling rates, and changing the design of our packaging products help us to reduce our carbon emissions. In 2013, in line with our strategy of reducing the amount of raw materials used in packaging, we continued our studies pertaining to the use of "Lightweight" PET bottles. In 2013, we implemented new design changes. We implemented the lightweight and short neck projects in our Turkey operations and resin recycling at Çorlu and Ankara plants. The following reductions in weight were realized for PET bottles of different sizes in 2013 at Çorlu plant: from 24 to 22.5 gr, from 34 to 32 gr, from 42 to 40.6 gr, from 46 to 44 gr, from 52.8 to 51.5 gr. At Ankara plant: from 34 to 32 gr, from 48 to 46 gr, from 46 to 44 gr, from 54.1 to 52.8 gr, from 52.8 to 51.5 gr.

### Recycling of Packaging Materials

CCI's efforts to minimize its environmental impact in terms of packaging processes include several implementations such as increasing material recycling ratios, encouraging the use of refundable deposit bottles, and helping authorized business partners collect packaging waste.

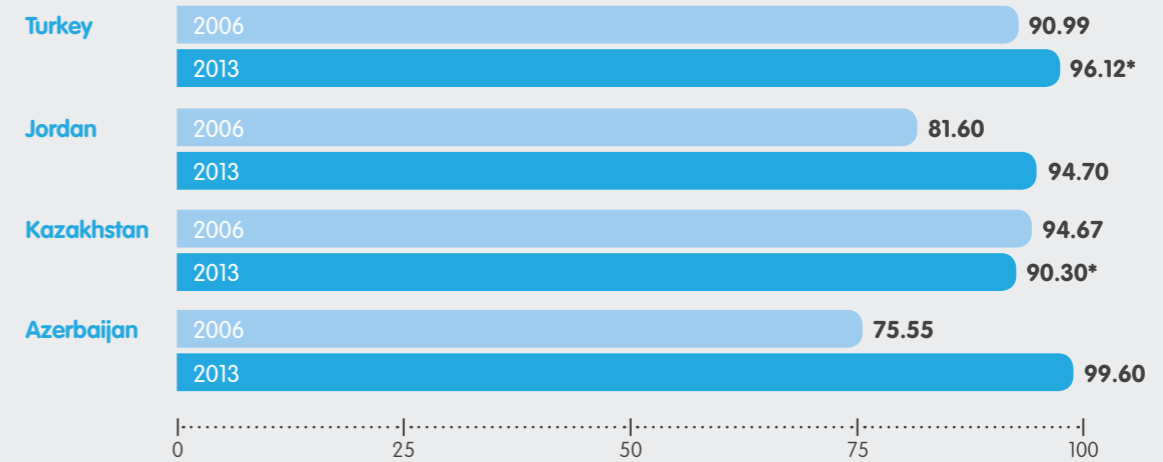
In Turkey, there is legislation mandating recycling of post-consumer packaging waste. The system in Turkey is based on a concept of extended producer's liability. During the reporting period, the recycling rate in Turkey for plastics, glass, metal and aluminum-packaging waste was 42%. We achieved this rate with the help of our authorized business partner, Çevko Foundation. We aim to achieve a 60% post-consumer packaging recycling rate in Turkey by 2020.

In addition, we purchase from our suppliers glass and aluminum produced from recycled materials. In Turkey, our percentage of recycled material in glass is about 20-25% and in aluminum about 50%.

In 2013, we formed a Recycling Task Force, a cross-functional team with the aim of defining CCI's long-term recycling strategy for post-consumer packaging material. The Task Force is established especially for the international operations where there is no legal and organized recycling scheme. The Recycling Task Force conducted a study analyzing the waste infrastructure, legal background and stakeholder expectations regarding "recycling of packaging material" in the countries of operation. As a result of the study we identified priority countries where we aim to contribute to the establishment of a national recycling strategy based on the readiness level in terms of infrastructure, resources and societal expectations.



### Improvements in Total Waste Recycling Rate Between 2006 and 2013



\* These figures have received limited assurance from the independent assurance firm EY.

### Packaging Material

Our sustainable packaging goal is to reduce our environmental footprint by reducing our material use, increasing recycling, using more recycled and renewable material in our packaging, and advancing innovative technologies. PlantBottle packaging fits well into that broader strategy by allowing us to reduce our dependence on non-renewable resources. Bottles made out of PlantBottle are fully recyclable bottles like conventional PET plastic bottles, and their footprint on the natural resources is smaller.

The key difference between PlantBottle packaging and traditional PET plastic bottles is that instead of using petroleum and other fossil fuels to produce a key ingredient in the plastic, PlantBottle packaging uses materials that are up to 30% plant-based. In essence, we are trading fossil fuels for plant-based materials without sacrificing performance or recyclability.

In 2013 we conducted several trials with PlantBottle, and in 2014 we aim to produce a portion of Damla water bottles by using PlantBottle resin.

Detailed information about PlantBottle can be found at:

➔ <http://www.coca-colacompany.com/stories/plant-bottle-basics>

### Waste Management

At CCI, waste management is a vital part of the ISO 14001 environmental management system established in our factories. Waste management is carried out in accordance not only with CCI's Environmental Policy, environmental legislations, and ISO 14001 standards, but also with TCCC's Environmental and Occupational Safety and Health (EOSH) standards. Our approach to waste management includes reducing waste, reuse, and recycling/recovery. All factory waste that can be reused is reused, and that which can be recycled and recovered is delivered to licensed companies. Waste which cannot be recycled or recovered is sorted according to specific, legally-defined categories and delivered to licensed disposal facilities or municipalities. Please see the "Performance Indicators" section for detailed data on waste.

### Total Waste Ratios Between 2006 and 2013

In addition to monitoring our total waste amounts, we also monitor the amount of waste we generate per liter of product produced.

Total Waste Ratio (g/L)	2006	2013
Turkey	3.74	4.99*
Jordan	15.72	6.44*
Kazakhstan	4.14	1.59*
Azerbaijan	0.65	1.28*

\* These figures have received limited assurance from the independent assurance firm EY.



world



# Performance Indicators

This section contains additional data on CCI's sustainability performance.

## Sustainability Across The Value Chain

Materials Used (tons)	Turkey		Jordan		Kazakhstan		Azerbaijan	
	2012	2013	2012	2013	2012	2013	2012	2013
<b>Materials in the product</b>								
Concentrate & beverage base	43,252	40,951	235	4,878	2,755	5,115	1,649	1,809
Sugar	292,123	277,543	7,265	7,293	37,926	48,890	16,360	17,555
CO <sub>2</sub>	25,373	24,255	993	997	3,494	4,588	2,527	2,706
<b>Packaging</b>								
Steel crown	857	945	65	62	77	69	0	0
PE closure	4,964	4,112	104	105	1,305	1,263	720	817
PET preform and resin	51,085	55,369	1,176	1,056	13,245	16,305	7,278	9,939
Glass	24,349	25,664	6,850	7,005	2,169	6,124	0	0
Aseptic carton packaging	4,436	4,580	0	0	712	694	0	0
Carton	8,308	8,481	123	1,362	1,414	1,329	713	786
Aluminum cans & can ends	9,339	10,866	1,006	1,076	289	339	0	0
Plastic shrink & stretch	6,626	6,667	383	370	1,387	1,878	905	850

## we – Our Employees

### Employee Profile

Number of employees per age		2011						2012						2013					
		Under 30		Between 30-50		Above 50		Under 30		Between 30-50		Above 50		Under 30		Between 30-50		Above 50	
		#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%	#	%
Turkey	Senior Management	0	0.0	6	60.0	4	40.0	0	0.0	8	80.0	2	20.0	0	0.0	8	80.0	2	20.0
	Other Employees	932	33.2	1,842	65.5	36	1.3	894	31.8	1,890	67.2	28	1.0	749	27.1	1,973	71.4	41	1.5
Jordan	Senior Management	0	0.0	4	100.0	0	0.0	0	0.0	4	100.0	0	0.0	0	0.0	4	100.0	0	0.0
	Other Employees	121	33.3	230	63.4	12	3.3	130	32.8	249	62.9	17	4.3	143	35.4	243	59.9	19	4.7
Kazakhstan	Senior Management	0	0.0	16	84.2	3	15.8	1	4.4	18	78.3	4	17.4	1	4.0	19	76.0	5	20.0
	Other Employees	259	44.7	276	47.6	45	7.8	304	46.3	305	46.4	48	7.3	361	49.9	312	43.1	51	7.0
Azerbaijan	Senior Management	0	0.0	5	100.0	0	0.0	0	0.0	5	100.0	0	0.0	0	0.0	6	100.0	0	0.0
	Other Employees	97	36.7	142	53.8	25	9.5	124	39.5	153	48.7	37	11.8	156	42.5	169	46.1	42	11.4

### Employee Profile

Local Employment in International Operations		Local Senior Management Employment Rate (%)	Local White Collar Employment Rate (%)	Local Blue Collar Employment Rate (%)
Turkey	2011	90.0	100.0	100.0
	2012	90.0	99.8	100.0
	2013	90.0	99.6	100.0
Jordan	2011	67.0	99.0	100.0
	2012	67.0	97.2	98.0
	2013	60.0	97.0	99.0
Kazakhstan	2011	38.0	99.0	100.0
	2012	38.0	98.8	100.0
	2013	50.0	98.9	100.0
Azerbaijan	2011	40.0	96.0	100.0
	2012	40.0	97.0	100.0
	2013	16.7	96.0	100.0

Note: "Local" means from the country in question.

### Employee Breakdown by Seniority (Year of Service)

Employee Breakdown by Seniority (%)		0 – 5 Years	6 – 10 Years	11 – 15 Years	16 – 20 Years	20+ Years
Turkey	2011	59.00	17.10	16.50	6.20	1.20
	2012	56.84	21.29	13.43	6.84	1.60
	2013	53.81	24.49	10.01	9.36	2.32
Jordan	2011	56.00	14.00	22.00	8.00	0.00
	2012	59.21	13.27	19.66	7.86	0.00
	2013	55.01	14.91	18.34	11.74	0.00
Kazakhstan	2011	68.00	21.00	8.00	3.00	0.00
	2012	60.59	27.94	5.73	5.73	0.00
	2013	61.15	27.77	5.34	5.74	0.00
Azerbaijan	2011	68.40	13.38	17.10	1.12	0.00
	2012	57.05	27.27	6.58	9.09	0.00
	2013	58.45	27.88	4.56	9.12	0.00

Note: These figures correspond to 31 December of 2011, 2012 and 2013.

Note: 2013 Turkey figures include employees of CCI Turkey Operation and CCI Group office.



## Breakdown of Employees Per Employee Category According to Gender

Number of employees per gender		2011				2012				2013			
		Male		Female		Male		Female		Male		Female	
		#	%	#	%	#	%	#	%	#	%	#	%
Turkey	Senior Management	7	70.0	3	30.0	7	70.0	3	30.0	10	71	4	29
	Other Employees	2,428	86.4	382	13.6	2,408	85.6	404	14.4	2,310	84	449	16
Jordan	Senior Management	4	100	0	0	4	100	0	0	4	100	0	0
	Other Employees	348	96	15	4	379	96	17	4	387	96	18	4
Kazakhstan	Senior Management	15	79	4	21	18	78	5	22	18	72	7	28
	Other Employees	488	84	92	16	555	84	102	16	618	85	106	15
Azerbaijan	Senior Management	3	60	2	40	3	60	2	40	3	50	3	50
	Other Employees	233	88	31	12	279	89	35	11	326	89	41	11

Note: 2013 Turkey figures include senior managers of CCI Group office and CCI Turkey Operations.

## New Employee Hires

Total number and rates of new employee hires turnover		New Hire - Male		New Hire - Female	
		Number	Rate (%)	Number	Rate (%)
Turkey	2011	364	14.95	87	22.60
	2012	205	8.49	67	16.46
	2013	179	7.72	95	20.97
Jordan	2011	164	46.46	3	20.00
	2012	215	55.99	2	11.76
	2013	136	34.78	5	27.78
Kazakhstan	2011	100	19.88	13	13.54
	2012	153	26.29	15	14.02
	2013	188	29.56	28	24.78
Azerbaijan	2011	2	0.85	0	0.00
	2012	13	4.61	2	5.41
	2013	82	22.00	1	2.27

Note: "Employee turnover" refers to CCI employees who leave the organization voluntarily or due to dismissal, retirement, or death in service.

Note: "New Employee hires" refers to new CCI employees joining the organization for the first time.

Note: For CCI "age group" is not material data. Therefore this data is not provided in the table above.

## Employee Turnover

Total number and rates of employee turnover		Male Turnover		Female Turnover		Total (%)
		Number	Rate (%)	Number	Rate (%)	
Turkey	2011	275	11.4	52	14.1	11.6
	2012	265	11.2	56	14.8	11.5
	2013	205	8.8	41	9.1	8.9
Jordan	2011	113	31.7	2	13.3	31.3
	2012	84	21.5	3	17.7	21.7
	2013	40	10.2	3	16.7	10.5
Kazakhstan	2011	85	16.9	10	10.4	15.9
	2012	54	9.3	16	15.0	10.2
	2013	109	17.1	19	16.8	17.1
Azerbaijan	2011	19	8.1	4	12.1	8.6
	2012	24	8.5	7	18.9	9.7
	2013	25	7.6	5	11.4	8.0

## world

### Energy Management & Climate Protection

GHG Emissions due to Electricity Consumption by Coolers (tons CO <sub>2</sub> -e)	2010	2011	2012	2013
Turkey	288,559	304,379	338,381	328,628
Jordan	22,572	22,820	20,511	33,842
Kazakhstan	29,611	35,069	31,417	34,836
Azerbaijan	9,121	8,950	9,627	12,716
<b>TOTAL</b>	<b>349,863</b>	<b>371,218</b>	<b>399,936</b>	<b>410,022</b>

Energy Use (Million MJ) (Total) *	Turkey		Jordan		Kazakhstan		Azerbaijan	
Fuel - Factory	2012	2013	2012	2013	2012	2013	2012	2013
Heavy fuel oil	0.00	0.00	0.00	0.00	0.00	0.00	1.30	1.07
Diesel	4.56	3.23	12.59	7.45	0.16	0.54	47.76	49.52
LPG	58.09	59.64	3.53	4.66	13.33	13.90	5.79	5.87
Natural gas	272.85	273.13	0.00	0.00	134.59	184.19	30.06	29.70
<b>Purchased Energy</b>								
Electricity consumption	503.53	482.22	20.39	19.27	83.42	96.04	76.24	84.30
Steam	0.00	0.00	0.00	0.00	46.56	54.63	0.00	0.00
<b>TOTAL</b>	<b>839.03</b>	<b>818.22</b>	<b>36.51</b>	<b>31.38</b>	<b>278.06</b>	<b>349.30</b>	<b>161.15</b>	<b>170.46</b>

Note: This table includes energy use data for all processes at the plants.

\* 2012 and 2013 figures have received limited assurance from the independent assurance firm EY.







Energy Use (Million MJ) (Core Operations) *	Turkey		Jordan		Kazakhstan		Azerbaijan	
	2012	2013	2012	2013	2012	2013	2012	2013
<b>Fuel - Factory</b>								
Heavy fuel oil	0.00	0.00	0.00	0.00	0.00	0.00	1.30	1.07
Diesel	4.38	3.23	12.59	7.45	0.00	0.54	0.00	0.96
LPG	58.09	59.62	3.53	4.66	13.33	13.90	5.79	5.87
Natural gas	254.51	255.56	0.00	0.00	0.00**	106.65	30.06	29.70
<b>Purchased Energy</b>								
Electricity consumption	403.93	391.25	20.39	19.27	52.16	50.20	46.79	55.87
Steam	0.00	0.00	0.00	0.00	46.56	54.63	0.00	0.00
<b>TOTAL</b>	<b>720.91</b>	<b>709.66</b>	<b>36.51</b>	<b>31.38</b>	<b>112.05</b>	<b>225.92</b>	<b>83.94</b>	<b>93.47</b>

**Note:** These figures exclude energy use for preform injection and CO<sub>2</sub> production processes at plants in Turkey, Kazakhstan and Azerbaijan. Energy use for electricity manufacturing process which is present only at Kazakhstan plant is excluded in 2012 data, but is included in 2013 data.

\* 2012 and 2013 figures have received limited assurance from the independent assurance firm EY.

\*\* The increase in natural gas consumption from 2012 is due to a change in the methodology used: In 2012, fuels used to generate on-site electricity were reported within total energy consumption whereas in 2013 energy consumption from on-site electricity generation was allocated to "core operations."

CCI uses two main KPIs to measure energy intensity:

1. Energy Use Ratio (EUR) (MJ/L) which relates only to the core process, filling, so that the energy efficiency of core processes can be compared between plants. (See page 85 of this report for more information.)
2. Total Energy Use Ratio (MJ/L) which is total absolute energy consumption (in MJ) from the plant divided by total production (in liters).

The results for recent years are summarized in the tables below.

Energy Use Ratio (MJ/L)	2010	2011	2012*	2013*
<b>Turkey</b>	0.22	0.25	0.26	0.26
<b>Jordan</b>	0.50	0.45	0.47	0.41
<b>Kazakhstan</b>	0.31	0.33	0.28	0.44
<b>Azerbaijan</b>	0.23	0.22	0.39	0.41

\* These figures have received limited assurance from the independent assurance firm EY.

Total Energy Use Ratio (MJ/L)	2012*	2013*
<b>Turkey</b>	0.30	0.30
<b>Jordan</b>	0.47	0.41
<b>Kazakhstan</b>	0.69	0.68
<b>Azerbaijan</b>	0.74	0.75

\* These figures have received limited assurance from the independent assurance firm EY.

## Water Management

Water Use Ratio (L/L)	2010	2011	2012*	2013*
<b>Turkey</b>	1.42	1.42	1.39	1.41
<b>Jordan</b>	1.97	2.00	2.06	2.00
<b>Kazakhstan</b>	1.75	1.70	1.76	1.65
<b>Azerbaijan</b>	1.73	1.74	1.90	1.92

\* These figures have received limited assurance from the independent assurance firm EY.

Volume of Water Recycled and Reused (m <sup>3</sup> )	2012	2013
<b>Turkey</b>	114,582	284,782
<b>Jordan</b>	10,942	0
<b>Kazakhstan</b>	0	0
<b>Azerbaijan</b>	6,758	5,580
<b>TOTAL</b>	<b>132,282</b>	<b>290,362</b>

Percentage of Water Recycled and Reused * (%)	2013
<b>Turkey</b>	7.28
<b>Jordan</b>	0.00
<b>Kazakhstan</b>	0.00
<b>Azerbaijan</b>	1.28
<b>TOTAL</b>	<b>5.43</b>

\*Percentage is calculated based on water consumption figures.

## Sustainable Packaging and Waste

Total Weight of Waste by Type and Disposal Method (Tons)		Turkey*	Jordan	Kazakhstan*	Azerbaijan
2012	Hazardous	371.3	0.0	0.3	8.7
	Non-Hazardous	10,348.3	4,933.0	705.0	225.2
2013	Hazardous				
	Reuse	0.0	0.0	0.8	0.0
	Recycle	15.4	0.0	0.2	0.0
	Landfill	7.6	0.0	0.0	0.0
	Incineration	8.0	0.0	0.0	0.0
	Recovery	609.8	0.0	0.0	0.0
	<b>TOTAL</b>	<b>640.8</b>	<b>0.0</b>	<b>1.0</b>	<b>0.0</b>
	Non-Hazardous				
	Reuse	6.3	0.0	650.6	77.0
	Recycle	12,510.0	467.5	85.9	212.6
Landfill	520.7	26.2	79.1	1.2	
Recovery	132.6	0.0	0.0	0.0	
<b>TOTAL</b>	<b>13,169.6</b>	<b>493.7</b>	<b>816.6</b>	<b>290.8</b>	

\* 2013 figures for Turkey and Kazakhstan have received limited assurance from the independent assurance firm EY.

## Glossary

**Bottler:** A business that buys concentrates, beverage bases, or syrups made available by TCCC and then manufactures, packages, merchandises and distributes the final branded beverages to customers and vending partners who then sell those products to consumers.

**Coca-Cola Almaty Bottlers (CCAB):** CCI's affiliate in Kazakhstan.

**The Coca-Cola Bottling Company of Jordan (CCBCJ):** CCI's affiliate in Jordan

**CokePort:** CCI's intranet portal.

**Concentrate:** A product manufactured by TCCC or other beverage company and sold to bottlers to prepare finished beverages by adding sweeteners and/or water.

**Crash:** Any collision in which a Company vehicle is involved (whether in motion, temporarily stopped or parked) that results in personal injury and/or material property damage, regardless of who was hurt, what property was damaged, who was responsible, whether the incident was preventable, and/or whether the incident was legally required to be reported.

**Equivalent carbon dioxide (CO<sub>2</sub>e):** Using the functionally equivalent amount or concentration of carbon dioxide as a reference, a measure that describes how much global warming a given type and amount of greenhouse gas may cause.

**Guideline Daily Amounts (GDAs):** are a guide to how much energy and nutrients are present in a portion of a food or beverage and what each amount represents as a percentage of a person's daily dietary needs.

**ISAE 3000:** The International Standard on Assurance Engagements developed by the International Federation of Accountants.

### Leadership in Energy & Environmental Design

**(LEED):** A green building tool that addresses the entire lifecycle of a building and that recognizes best-in-class building strategies.

**Leased Vehicles:** "Distribution" or "all other" vehicles leased by the Company. Rental cars for business travel would be included here only if the rental period coincided with the entire reporting period.

**LTI:** Lost Time Incident; work incident or occupational illness, including incidents involving death, resulting in one or more days off work.

**LTIR:** Lost Time Incident Rate. (Number of lost time incidents / occupational illnesses) x 200,000 / (Total worked hours during reporting period)

**LTISR:** Lost Time Incident Severity Rate (Number of days lost due to occupational incidents) x 200,000 / (Total worked hours during reporting period)

**PET Blowing process:** Manufacturing process by which PET bottles are formed from preforms.

**Preform:** Intermediate product used in the production of PET bottles.

**Preform injection process:** Manufacturing processes of preform.

**The Coca-Cola System (TCCS):** The term used to describe the corporate network consisting of The Coca-Cola Company (TCCC) and more than 300 bottling partners around the world.

**Unit Case:** A unit of measurement equal to 5.678 liters, or 24 8-ounce (US) servings.

**Vehicle Accident Rate:** (Accident number x Total vehicle number) / 100 vehicles.

## CCI Reporting Guidance

### CCI Reporting Guidance for Environmental Indicators That Were Externally Verified or Assured in 2013 <sup>G4-17</sup>

The Reporting Guidance (RG) document covers the data-gathering and reporting obligations for the following indicators: energy consumption, energy use ratio, water consumption, water use ratio, total waste generation, and disposal for CCI's operations in Turkey, Jordan, Kazakhstan and Azerbaijan (the "Company") and GHG emissions in Turkey. It is the responsibility of Company management to ensure that appropriate procedures are in place to prepare its data related to energy consumption, GHGs, water consumption, total solid waste and waste recycling in line with the RG in all material respects.

The data within the scope of this guidance document is for the financial year ending 31 December 2013 and comprises the relevant operations in Turkey, Kazakhstan, Azerbaijan and Jordan only. The data reported for 2013, therefore, does not represent all CCI operations at this stage.

Legal entities covered by this report include:

Coca-Cola İçecek A.Ş., Turkey

Coca-Cola Satış ve Dağıtım A.Ş., Turkey

Mahmudiye Kaynak Suyu Ltd. Şti., Turkey

J.V. Coca-Cola Almaty Bottlers LLP, Kazakhstan

Azerbaijan Coca-Cola Bottlers Limited LLC., Azerbaijan

The Coca-Cola Bottling Company of Jordan Ltd., Jordan

Entities other than those listed above are not covered in this report. For a full list of entities included in CCI's financial statements, please see page 46 of CCI 2013 Annual Report available at:

➔ [www.cci.com.tr/UserFiles/pdf/cci\\_ar\\_2013\\_30may.pdf](http://www.cci.com.tr/UserFiles/pdf/cci_ar_2013_30may.pdf)

### General Reporting Principles

In preparing this guidance document, consideration has been given to the following principles:

- Information Preparation – to highlight the primary principles of relevance and reliability of information; and

- Information Reporting – to highlight the primary principles of comparability, consistency (especially with regard to other data, including that of previous years), understandability, and transparency so as to provide clarity to users.

### Key Definitions

For the purpose of this report, the following definitions apply:

**PLANT:** All on-site facilities including production buildings, water treatment units wastewater treatment units, warehouses, laboratories, administration buildings and technical service operations.

**ENERGY:** Electricity, natural gas, diesel, gasoline, fuel oil, LPG and steam. For the purpose of this report, energy does not include alternative forms of fuel, such as bio-waste, biomass, bio-diesel, or renewable sources of energy such as wind or solar energy, which collectively represent an insignificant share of total energy consumption and carbon emissions.

**ENERGY CONSUMPTION:** The energy consumed during the reporting year (1 January to 31 December). Energy consumption data includes energy used in the operation of on-site industrial facility and manufacturing processes, including electrical systems, heating, lighting, on-site transportation, air circulation, and air conditioning (HVAC system). Energy consumption also includes preform injection for those plants with this energy-intensive process. Manufacturing processes refer to the energy consumed in the core bottling (filling) operation. Total energy consumption also includes energy used for CO<sub>2</sub> production processes at plants in Kazakhstan and Azerbaijan and electricity manufacturing process which is present only in Kazakhstan.

**ENERGY USE RATIO (EUR):** (MJ of energy consumed per liter of product produced) = Sum of all individual energy sources from the filling (core) production processes (MJ) / Production volume (liters). To allow comparability between different CCI plants, energy consumption during preform injection is excluded from the EUR, since only a few sites employ this process. Of those CCI operations within the scope of this RG, only the Turkish bottling facilities in Ankara, Çorlu and Mahmudiye as well as the international







operations in Kazakhstan and Azerbaijan employed an operational preform injection process in 2012 and 2013. Moreover, energy consumption for CO<sub>2</sub> production processes at plants in Kazakhstan and Azerbaijan are also excluded from the EUR calculation. For 2013, electricity manufacturing process which is present only in Kazakhstan is included in EUR calculations. (Energy consumption from preform injection, CO<sub>2</sub> production, electricity production is included in total energy consumption as explained in the “Energy Consumption” paragraph of this RG document.

**GHG EMISSIONS:** Emissions during the reporting year (1 January to 31 December). The GHGs reported are those currently required by the UNFCCC/ Kyoto Protocol. These GHGs are currently: carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF<sub>6</sub>), and nitrogen trifluoride (NF<sub>3</sub>). Other GHGs, including those regulated by the Montreal Protocol, are excluded from “GHG emissions” but analyzed separately. “GHG emissions” refers to all production processes such as bottling and preform injection processes from CCI’s plants in Turkey.

Where the plant generates energy on site, the related energy consumption is defined as the energy of the generation fuel (e.g., for on-site diesel fired electricity generators, the energy consumption would be the diesel used rather than the electricity output of the generator).

**WATER:** Includes water from all sources, including well, spring water, municipality and collected rainwater.

**WATER CONSUMPTION:** All water used during the reporting year (1 January to 31 December). Water consumption data includes water used for production, water treatment, boiler makeup, cooling (contact and non-contact), cleaning and sanitation, backwashing filters, irrigation, washing trucks and other vehicles, kitchen or canteen, toilets and sinks, and fire control.

**WATER USE RATIO:** (Liters of water per liter of product produced) = Total Water Use (Liters) / Production Volume (Liters)

**WASTE:** Waste generated at the site includes waste due to production, construction, food service or any other activities. Examples of the types of solid waste generated by the Company include paper, plastic, corrugated cardboard, metal, glass, sludge from water, waste oils, fleet wastes (tires, batteries, coolants, oils, etc.), damaged ingredients or products, plus all hazardous wastes such as solvents, inks and lab wastes. Liquid wastes disposed of through the wastewater system are not included in the calculations as these wastes are accounted for in wastewater discharge volume and wastewater sludge.

**TOTAL WASTE RATIO (G/L):** Grams of total waste generated per liter of product produced.

**WASTE RECYCLING RATE (%):** Tons of waste recovered, re-used or recycled divided by total waste generated (tons), i.e. the Waste Recycling Rate represents the portion of waste that is not disposed to landfill or incinerated. In the 4 countries covered by the Report, accredited waste contractors collected tons of waste for recycling and re-use. Recycled hazardous wastes are included in the calculation of waste recycling rate.

**WASTE DISPOSAL:** Waste disposal has followed the classification of GRI G4 EN23. CCI has used the legal categories per the disposal documentation provided by its accredited waste contractors to determine the method of disposal. Based on the disposal documentation, the categories of waste generated by CCI during the reporting period were recycling, re-use, recovery, incineration and land-fill. Some hazardous waste is sold for use as fuel in processes such as manufacturing cement. In accordance with the legal categories of accredited waste documentation, this waste is classified as recovery rather than as incineration.

## Scope of Reporting

The following tables summarize the activities that are currently reported within the scope of this Sustainability Report for energy consumption, GHG emissions, water consumption and solid waste.

Total Energy Consumption	Turkey	Jordan	Azerbaijan	Kazakhstan
Industrial sites where bottling processes are conducted together with secondary operations such as preform Injection*, bottle blowing and lift truck operations	X	X	X	X
Technical service operations	X	X	X	X
Administrative buildings located at industrial sites	X	X	X	X
Own transportation of materials and products within industrial plant sites (e.g. forklift operations)	X	X	X	X
Data adjustment for preform injection, CO <sub>2</sub> production and electricity production processes for energy consumption figures*	Yes	There is no preform process	Yes	Yes

\* As explained in the “Report Guidance” section, an adjustment is made to the EUR for energy consumption for preform injection process, electricity production process which is only present at Kazakhstan plant and CO<sub>2</sub> production process which is present at plants in Kazakhstan and Azerbaijan and some of the plants in Turkey. From 2013 onwards energy use for electricity production is included in the EUR data.

## GHG emissions as CO<sub>2</sub>-e verification scope for Turkey

Industrial sites comprising bottling facilities together with secondary operations such as lift truck operations	X
Technical service operations	X
Preform manufacturing, bottle blowing processes	X
Administrative buildings located at industrial sites	X
Administrative buildings located away from industrial sites and headquarters	X
Own transportation of materials and products within industrial plant sites (eg forklift operations)	X
Own transportation of materials and products out of industrial plant sites	X
Employees commuting with CCI-owned vehicles and sales fleet operations	X
Energy used in the cooling of products (off site)	X
Fugitive emissions from the cooling of products (off site)	X
Fugitive emissions from the cooling system (on site)	X
Fugitive emissions from fire extinguishers	X
Fugitive emissions of CO <sub>2</sub> filling process	X
Fugitive emissions from off-site coolers	X
Fugitive emissions from on-site coolers	X

## Water

	Turkey	Jordan	Azerbaijan	Kazakhstan
Industrial sites comprising bottling facilities	X	X	X	X
Technical service operations at the site	X	X	X	X
Administrative buildings located at industrial sites	X	X	X	X

## Waste

	Turkey	Jordan	Azerbaijan	Kazakhstan
Industrial sites comprising bottling facilities	X	X	X	X
Technical service operations located at the site	X	X	X	X
Administrative buildings located at industrial sites	X	X	X	X

## Data Preparation

### Energy Consumption

Energy consumption data are reported for electricity and primary fuel sources including natural gas, diesel, LPG, heavy fuel oil and steam. Electricity and natural gas data are obtained from supplier meters and reconciled with internal meters (when available) and/or service provider invoices. Diesel, LPG, steam and fuel oil consumption data are obtained from supplier invoices.

CCI Operations used the following published conversion factors:

- For electricity, the unit of supply is invoiced in kWh. To calculate energy use ratio, kWh is converted to Mega Joule (MJ) at a factor of 3.6.
- For natural gas, the unit of supply for most suppliers is invoiced in m<sup>3</sup>. To calculate energy use ratio, cubic meters is converted to Mega Joule (MJ) with a conversion factor of 37.3, except for Kazakhstan where a factor of 35.4 is used based on 2013 analyses from an accredited local laboratory of the natural gas used on site.
- For fuels other than natural gas (diesel, and heavy fuel oil), energy conversion factors (from liters or kilograms to Mega Joule) are obtained from the calculation tool provided by TCCC Default Factors.
- For LPG (MJ/L) a conversion factor (net calorific value) of 50.0 was used as part of GHG verification process as meeting the requirements of ISO 14064-1.

### GHG Emissions

GHG emissions are calculated by CCI using published conversion factors. Conversion factors enable an estimate of the amount of GHGs released into the atmosphere per unit of energy consumed. Different types of energy sources have different conversion factors reflecting their carbon dioxide intensity. In future periods, conversion factors may be updated to reflect changes to and/or improvements in published data. The following conversion factors are used: For fuels such as natural gas, diesel, and LPG, conversion factors are derived from calculation tools based on GHG Protocol Standards found on the GHG Protocol website ([www.ghgprotocol.org](http://www.ghgprotocol.org)). The Global Warming Potentials (GWPs) used to calculate emissions of different GHGs in terms of CO<sub>2</sub>-equivalents are taken from the IPCC 4<sup>th</sup> Assessment Report.

### TCCC Default Factors

Natural gas (MJ): 0.05049 kg CO<sub>2</sub>  
 LPG (MJ): 0.0594 kg CO<sub>2</sub>  
 Diesel (MJ, light fuel oil): 0.0704 kg CO<sub>2</sub>  
 Heavy Fuel Oil (MJ): 0.0735 Kg CO<sub>2</sub> (Azerbaijan operation only)  
 Steam (GKAL): 4,186.8 (Kazakhstan operation only)  
 For electricity, conversion factors are obtained from The International Energy Agency (IEA, 2011) and shared by TCCC to be used throughout the entire TCCC System.

IEA (2011) combined Electricity and Heat conversion factor for Turkey, Kazakhstan, Jordan and Azerbaijan:

### Electricity (kWh)

Turkey 457.314 kg CO<sub>2</sub>  
 Jordan 637.428 kg CO<sub>2</sub>  
 Kazakhstan 395.557 kg CO<sub>2</sub>  
 Azerbaijan 444.116 kg CO<sub>2</sub>

### Water Consumption

Water consumption data is obtained from internal meters where ground water is utilized. Moreover, water consumption data is obtained from supplier meters and reconciled with internal meters (when available) and/or service provider invoices where the water is supplied by the network.

### Restatements

The measuring and reporting of assured environmental data inevitably involves a degree of estimation. In exceptional circumstances restatements of prior year reported data may be required. Restatements are considered where the data differs by more than 5% at Company level.

## GRI G4 Content Index for "In Accordance: Core"

This report is developed in accordance with GRI G4 "core" requirements, which received a "Materiality Matters" check from GRI.

This index table lists our standard and specific disclosures with reference to G4 categories, aspects and indicators, and refers to the pages where these issues are addressed in this report.

### GENERAL STANDARD DISCLOSURES

Profile Disclosure	Description	Reported in	Scope of Reporting	Reference page/ Explanations	External Assurance	UNGC Principle
<b>STRATEGY AND ANALYSIS</b>						
G4-1	Statement from the CEO.	CEO Message	Full	2-3	Not Assured	
<b>ORGANIZATIONAL PROFILE</b>						
G4-3	Name of the organization.		Full	Coca-Cola İçecek	Not Assured	
G4-4	Primary brands, products, and services.		Full	<a href="http://www.cci.com.tr/en/our-company/our-geography">http://www.cci.com.tr/en/our-company/our-geography</a>	Not Assured	
G4-5	Location of the organization's headquarters.		Full	Istanbul, Turkey	Not Assured	
G4-6	Number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report.		Full	10 countries. This report contains data for Turkey, Jordan, Kazakhstan and Azerbaijan. Best practices from Pakistan are also included in the report.	Not Assured	
G4-7	Nature of ownership and legal form.		Full	2013 Annual Report, page 46	Not Assured	
G4-8	Markets served.	CCI At a Glance	Full	4-5	Not Assured	
G4-9	Scale of the organization.	CCI At a Glance	Full	4-5	Not Assured	
G4-10	Breakdown of workforce.	we-Employees Performance Indicators	Full	44-45 78-80	Not Assured	Principle 6
G4-11	Percentage of total employees covered by collective bargaining agreements.	we-Employees	Full	48	Not Assured	Principles 1, 2, 3
G4-12	Describe the organization's supply chain.	Sustainability Across the Value Chain	Full	19	Not Assured	
G4-13	Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain.		Full	During the reporting period there were no significant changes in the Company's size, structure or ownership, or in its supply chain.	Not Assured	





Profile Disclosure	Description	Reported in	Scope of Reporting	Reference page/ Explanations	External Assurance	UNGC Principle
<b>ORGANIZATIONAL PROFILE: COMMITMENTS TO EXTERNAL INITIATIVES</b>						
G4-14	Addressing the precautionary approach or principle.	world	Full	61	Not Assured	
G4-15	External charters, principles or initiatives endorsed.	Integrating Sustainability	Full	18	Not Assured	
G4-16	Membership of associations and advocacy organizations.	Integrating Sustainability	Full	18	Not Assured	
<b>ORGANIZATIONAL PROFILE</b>						
G4-17	Report coverage of entities included in the consolidated financial statements.	CCI Reporting Guidance	Full	85 CCI has operations in 10 countries. In this report, data for only Turkey, Jordan, Azerbaijan, Kazakhstan operations is included.	Not Assured	
<b>IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES</b>						
G4-18	Process for defining the report content and the aspect boundaries.	Integrating Sustainability	Full	13	Not Assured	
G4-19	Material aspects identified.	Integrating Sustainability	Full	14	Not Assured	
G4-20	For each material Aspect, report the Aspect Boundary within the organization.	Integrating Sustainability	Full	14-15 All material aspects are considered material for all operations.	Not Assured	
G4-21	For each material Aspect, report the Aspect Boundary outside the organization.	Integrating Sustainability	Full	14	Not Assured	
G4-22	The effect of any restatements of information provided in previous reports.		Full	There are no material misstatements.	Not Assured	
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries.		Full	There are no significant changes from previous reporting Periods in the Scope and Aspect Boundaries. As this is a new requirement under G4, this report marks the first time that CCI has defined the boundaries at the Aspect level.	Not Assured	
<b>STAKEHOLDER ENGAGEMENT</b>						
G4-24	List of stakeholder groups engaged by the organization.	Integrating Sustainability	Full	13, 15-17	Not Assured	
G4-25	Basis for identification and selection of stakeholders.	Integrating Sustainability	Full	13, 15-17	Not Assured	

Profile Disclosure	Description	Reported in	Scope of Reporting	Reference page/ Explanations	External Assurance	UNGC Principle
<b>STAKEHOLDER ENGAGEMENT</b>						
G4-26	Approaches to stakeholder engagement.	Integrating Sustainability	Full	13, 15-17	Not Assured	
G4-27	Response to key topics and concerns raised.	Integrating Sustainability	Full	13, 15-17	Not Assured	
<b>REPORT PROFILE</b>						
G4-28	Reporting period.		Full	1 January 2013 – 31 December 2013	Not Assured	
G4-29	Date of most recent previous report.		Full	2012	Not Assured	
G4-30	Reporting cycle.		Full	Annual	Not Assured	
G4-31	Contact point for questions.		Full	Corporate.affairs@cci.com.tr	Not Assured	
<b>REPORT PROFILE: GRI CONTENT INDEX</b>						
G4-32	'In accordance' option, the GRI content index and external assurance.		Full	In accordance with "Core" requirements. 89-95 (GRI Table) External Assurance Reports are provided on pages 96, 97, 98 and 99.	Not Assured	
<b>REPORT PROFILE: ASSURANCE</b>						
G4-33	Policy and current practice regarding external assurance.	About Our Report	Full	1 CCI Board of Directors' Corporate Governance Committee was involved in seeking external assurance for this report.	Not Assured	
<b>GOVERNANCE</b>						
G4-34	Governance structure of the organization.	Integrating Sustainability	Full	11	Not Assured	
<b>ETHICS AND INTEGRITY</b>						
G4-56	Values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	Integrating Sustainability Governance	Full	10 30	Not Assured	Principle 10
<b>SPECIFIC STANDARD DISCLOSURES</b>						
<b>Economic</b>						
<b>Aspect: Economic Performance</b>		World we-Community		64 53, 57-58	Not Assured	Principle 7
G4-EC2	Risks and opportunities due to climate change.	world	Full	64 (also provided in 2013 CCI CDP Report)	Not Assured	Principle 7



Profile Disclosure	Description	Reported in	Scope of Reporting	Reference page/ Explanations	External Assurance	UNGC Principle
<b>Economic</b>						
<b>Aspect: Indirect Economic Impact</b>		we-Community		53	Not Assured	
<b>G4-EC7</b>	Development and impact of infrastructure investments and services supported.	we-Community	Full	59	Not Assured	
<b>G4-EC8</b>	Significant indirect economic impacts, including the extent of impacts.	we-Community	Full	57-58	Not Assured	
<b>Aspect: Procurement Practices</b>		Sustainability Across the Value Chain		22	Not Assured	
<b>G4-EC9</b>	Proportion of spending on local suppliers.	Sustainability Across the Value Chain	Full	22	Not Assured	
<b>Environmental</b>						
<b>Aspect: Material</b>		world		75	Not Assured	Principles 7, 8
<b>G4-EN1</b>	Materials used by weight or volume.	Performance Indicators	Full	78	Not Assured	Principles 7, 8
<b>G4-EN2</b>	Recycled materials used.	world	Full	76	Not Assured	Principle 8
<b>Aspect: Energy</b>		world		64	Not Assured	Principles 7, 8, 9
<b>G4-EN3</b>	Energy consumption within the organization.	world Performance Indicators	Full	67-81-82	Assurance statement of EY on page 96	Principles 7, 8
<b>G4-EN5</b>	Energy intensity.	world	Full	67	Assurance statement of EY on page 96	Principle 8
<b>G4-EN6</b>	Reduction of energy consumption.	world	Full	68	Not Assured	Principles 8, 9
<b>Aspect: Water</b>		world		71	Not Assured	Principles 7, 8
<b>G4-EN8</b>	Total water withdrawal by source.	world	Full	72	Assurance statement of EY on page 96	Principles 7, 8
<b>G4-EN10</b>	Percentage and total volume of water recycled and reused	Performance Indicators	Full	83	Not Assured	Principles 7, 8
<b>Aspect: Emissions</b>		world	Full	64-65	Not Assured	Principles 7, 8, 9
<b>G4-EN15</b>	Direct greenhouse gas (GHG) emissions (Scope 1).	world	Full	65	Assurance statement of SGS on pages 97-99	Principles 7, 8

Profile Disclosure	Description	Reported in	Scope of Reporting	Reference page/ Explanations	External Assurance	UNGC Principle
<b>Environmental</b>						
<b>G4-EN16</b>	Energy indirect greenhouse gas (GHG) emissions (Scope 2).	world	Full	65	Assurance statement of SGS on pages 97-99	Principles 7, 8
<b>G4-EN17</b>	Other indirect greenhouse gas (GHG) emissions (scope 3).	world	Partial	65. Data provided for Turkey operations only.	Not Assured	
<b>G4-EN18</b>	Greenhouse gas (GHG) emissions intensity.	world	Full	66	Not Assured	Principle 8
<b>G4-EN19</b>	Reduction of greenhouse gas (GHG) emissions.	world	Full	68	Not Assured	Principles 8, 9
<b>Aspect: Effluents and Waste</b>		world		73, 75	Not Assured	Principle 8
<b>G4-EN22</b>	Total water discharge by quality and destination.	world	Full	73	Not Assured	Principle 8
<b>G4-EN23</b>	Total weight of waste by type and disposal method.	Performance Indicators	Full	83	Assurance statement of EY on page 96	Principle 8
<b>Aspect: Product and Services</b>		world		76	Not Assured	Principles 8, 9
<b>G4-EN28</b>	Percentage of products sold and their packaging materials that are reclaimed by category.	world	Full	76	Not Assured	Principle 8
<b>Aspect: Compliance</b>		Governance		29	Not Assured	Principles 8, 9
<b>G4-EN29</b>	Fines and sanctions for non-compliance with environmental regulations.		Full	There were no significant* fines.	Not Assured	Principles 8, 9
<b>Aspect: Transport</b>		world		68, 69	Not Assured	Principle 8
<b>G4-EN30</b>	Significant environmental impacts of transportation.	world	Full	68, 69	Not Assured	Principle 8
<b>Aspect: Supplier Environmental Assessment</b>		Sustainability Across the Value Chain	Full	21	Not Assured	Principle 8
<b>G4-EN32</b>	Percentage of new suppliers that were screened using environmental criteria.		Full	All suppliers are screened.	Not Assured	Principle 8
<b>Social: Labor Practices and Decent Work</b>						
<b>Aspect: Employment</b>		we-Employees		41	Not Assured	Principle 6
<b>G4-LA1</b>	New employee hires and employee turnover by age group, gender and region.	Performance Indicators	Full	80	Not Assured	Principle 6
<b>G4-LA2</b>	Benefits provided to full-time employees that are not provided to temporary or part-time employees.	we-Employees	Partial	48	Not Assured	

\* Fines of USD 200,000 are deemed significant by CCI.





Profile Disclosure	Description	Reported in	Scope of Reporting	Reference page/ Explanations	External Assurance	UNGC Principle
<b>Social: Labor Practices and Decent Work</b>						
<b>Aspect: Occupational Health and Safety</b>		we-Employees		49, 50	Not Assured	
<b>G4-LA5</b>	Percentage of total workforce represented in formal joint management-worker health and safety committees.	we-Employees	Partial	51	Not Assured	
<b>G4-LA6</b>	Injuries, lost days, absenteeism and fatalities.	we-Employees	Partial	51	Not Assured	
<b>Aspect: Training and Education</b>		we-Employees		47	Not Assured	Principle 6
<b>G4-LA9</b>	Average hours of training per year per employee by gender, and by employee category.	we-Employees	Full	47	Not Assured	Principle 6
<b>Aspect: Diversity and Equal Opportunity</b>		we-Employees		45	Not Assured	Principle 6
<b>G4-LA12</b>	Composition of governance bodies and breakdown of employees.	we-Employees Performance Indicators	Full	45 80	Not Assured	Principles 1, 6
<b>Aspect: Supplier Assessment for Labor Practices</b>		Sustainability Across the Value Chain		21	Not Assured	
<b>G4-LA14</b>	Percentage of new suppliers that were screened using labor practices criteria.		Full	All our suppliers.	Not Assured	Principles 1, 6
<b>Social: Human Rights</b>						
<b>Aspect: Freedom of Association and Collective Bargaining</b>		we-Employees		48	Not Assured	Principle 3
<b>G4-HR4</b>	Supporting right to freedom of association and collective bargaining in risk areas.	Sustainability Across the Value Chain we-Employees	Full	21 48	Not Assured	Principles 1, 2, 3
<b>Aspect: Assessment</b>		Sustainability Across the Value Chain		21	Not Assured	Principle 1
<b>G4-HR9</b>	Total number and percentage of operations that have been subject to human rights reviews or impact assessments.		Partial	All our operations are subject to HR reviews and audits.	Not Assured	Principles 1, 2, 3, 4, 5, 6
<b>Aspect: Supplier Human Rights Assessment</b>		Sustainability Across the Value Chain		21	Not Assured	Principle 2
<b>G4-HR10</b>	Percentage of new suppliers that were screened using human rights criteria.		Full	All our suppliers.	Not Assured	Principles 1, 2, 6
<b>Social: Society</b>						
<b>Aspect: Local Communities</b>		we-Community		53	Not Assured	Principle 1
<b>G4-SO1</b>	Local community engagement, impact assessments, and development programs.	we-Community	Partial	53-59	Not Assured	Principle 1

Profile Disclosure	Description	Reported in	Scope of Reporting	Reference page/ Explanations	External Assurance	UNGC Principle
<b>Social: Society</b>						
<b>Aspect: Anti-Corruption</b>		Governance		30	Not Assured	Principle 10
<b>G4-SO3</b>	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified.		Partial	All operations are assessed for risks related to corruption.	Not Assured	Principle 10
<b>G4-SO4</b>	Anti-corruption training.	Governance (Ethics)	Full	30	Not Assured	Principle 10
<b>Aspect: Anti-competitive Behavior</b>		Governance		30	Not Assured	
<b>G4-SO7</b>	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes.		Full	There were two cases where pre-investigation was carried out. The cases were closed without any negative results for CCI.	Not Assured	
<b>Aspect: Compliance</b>		Governance		29	Not Assured	
<b>G4-SO8</b>	Fines and sanctions for non-compliance.		Full	We did not have any significant* fines.	Not Assured	
<b>Social: Product Responsibility</b>						
<b>Aspect: Customer Health and Safety</b>		me		33	Not Assured	
<b>G4-PR1</b>	Assessment of health and safety impacts of products.		Full	100% of our products.	Not Assured	Principle 8
<b>Aspect: Product and Service Labeling</b>		me		34	Not Assured	
<b>G4-PR3</b>	Product and service information required by procedures for product and service information and labeling.	me	Full	34-35	Not Assured	Principle 8
<b>G4-PR5</b>	Results of surveys measuring customer satisfaction.	Sustainability Across the Value Chain	Full	24	Not Assured	

\* Fines of USD 200,000 are deemed significant by CCI.





## Independent Assurance Letter



### Independent Assurance Statement

To,  
The Board of Directors and Management  
Coca-Cola İçecek A.Ş., İstanbul, Turkey

The Coca-Cola İçecek A.Ş. Sustainability Report 2013 ("the Report") has been prepared by the Management of Coca-Cola İçecek A.Ş. ("the Company"), which is responsible for the collection and presentation of information contained in the Report. Our responsibility, in accordance with the instructions of Coca-Cola İçecek A.Ş. Management, is to provide independent assurance on the Report in accordance with the International Standard for Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000). The assurance statement should not be taken as a basis for interpreting the performance of Coca-Cola İçecek A.Ş. across the scope of issues covered in the Report.

Our responsibility in performing our assurance activities is to the Management of Coca-Cola İçecek A.Ş. only and in accordance with the terms of reference agreed with them. We do not therefore accept or assume any responsibility for any other purpose or to any other person or organization.

#### What did we do to form our conclusion

Our assurance engagement has been planned and performed in accordance with the International Federation of Accountants' International Standard for Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000). Our evidence-gathering procedures were designed to obtain a 'limited' level of assurance (as set out in ISAE 3000) on reporting principles.

#### The scope of our assurance

The scope of our assurance is limited to the information marked with ("\*\*") as set out in the Report on pages 61, 67, 72, 77, 81, 82, 83 and comprising the relevant on-site operations in Turkey, Jordan, Kazakhstan and Azerbaijan (together "the Selected Information") which has been prepared based on the Reporting Guidance document set out in pages 85 to 88 of the Report, that consists of:

- Total mega joules of energy used, energy use ratio (mega joules of energy used per liter of product);
- Total liters of water withdrawn/consumed and water use ratio (liters of water used per liter of product);
- Total kilograms of waste generated and total waste ratio (grams of total waste generated per liter of product produced);
- Total waste recycling ratio (%): tons of waste recovered, re-used or recycled divided by total waste generated (tons) for Turkey and Kazakhstan
- GRI G4 Indicators: G4-EN3, G4-EN5, G4-EN8, G4-EN23

#### In order to form our conclusions we undertook the key steps outlined below:

We planned and performed our work, as summarized below, to obtain the evidence we considered necessary to reach our limited assurance conclusion on the Selected Information:

1. Interviewed select key senior personnel of Coca-Cola İçecek A.Ş. to understand the current processes in place for capturing the Selected Information pertaining to the reporting period;
2. Reviewed Selected Information on site covering Coca-Cola İçecek A.Ş. Corporate Office in Turkey and five plants at Bursa and Sapanca in Turkey and the plants in Azerbaijan, Jordan and Kazakhstan as well as off site review of Selected Information pertaining to the Company's other plants in Turkey, against evidence, on a sample basis;
3. Used Coca-Cola İçecek A.Ş.'s Reporting Guidance document (given within the Report) to evaluate and measure the Selected Information;
4. Evaluated the design and implementation of key processes and controls over the Selected Information;

5. Re-performed, on a sample basis, calculations used to prepare the Selected Information for the reporting period;
6. Assessed the disclosure and presentation of the Selected Information in the Report.

#### The limitations of our review

Our assurance scope excludes:

- Aspects of the Report and data/information other than those mentioned above;
- Data and information outside the defined reporting period i.e. 1<sup>st</sup> January 2013 to 31<sup>st</sup> December 2013;
- The Company's statements that describe expression of opinion, belief, aspiration, expectation, aim or future intention provided by the Company;
- The conversion of different energy measures to megajoules (MJ) is based upon, inter alia, information and factors generated internally and/or derived by independent third parties as explained in the Reporting Guidance. Our limited assurance work has not included examination of the derivation of those factors and other third party information
- Review of the information on economic and financial performance included in the Report, which we understand, are derived from the Company's audited financial records.

#### Our conclusion

As a result of our procedures, nothing has come to our attention that indicates the Selected Information reviewed for the year ended 31 December 2013 is not prepared in all material respects in accordance with the Company's Reporting Guidance.

#### Our assurance team and independence

Our assurance team, comprising of multidisciplinary professionals, has been drawn from our climate change and sustainability network and undertakes similar engagements with a number of significant international businesses. As an assurance provider, we are required to comply with the independence requirements set out in International Federation of Accountants (IFAC) Code of Ethics<sup>1</sup> for Professional Accountants. Our independence policies and procedures ensure compliance with the Code.

We permit this report to be disclosed in the Coca-Cola İçecek A.Ş. Sustainability Report for the year ended 31 December 2013, to enable the Directors of Coca-Cola İçecek A.Ş. to show they have addressed their governance responsibilities by obtaining an independent assurance report in connection with the Selected Information. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Directors as a body and Coca-Cola İçecek A.Ş. for our work or this report except where terms are expressly agreed between us in writing.

for Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik A. Ş.  
A member firm of Ernst & Young Global Limited

Zeynep Okuyan Gökylmaz, SMMM  
Partner  
İstanbul, 30 September 2014

<sup>1</sup> International Federation of Accountants (IFAC) Code of Ethics for Professional Accountants. This Code establishes ethical requirements for professional accountants. The guidance related to network firms was updated in July 2006.

## Greenhouse Gas Verification Statement



GREENHOUSE GAS VERIFICATION STATEMENT



### Greenhouse Gas Verification Statement Number CCP190819/1/2013/05/13

The inventory of Greenhouse Gas emissions in the period  
01/01/2013 – 31/12/2013 for

### COCA-COLA İÇECEK A.Ş.

Esenkent Mah  
Deniz Feneri Sok  
No:4 Ümraniye 34776  
Turkey

has been verified in accordance with ISO 14064-3:2006 as  
meeting the requirements of

### ISO 14064-1

To represent a total amount of:  
**112,094 tCO<sub>2</sub>e**

For the following activities  
soft drinks manufacture and distribution

Lead Assessor: Lisa Brough  
Technical Reviewer: Paulomi Raythatha

Authorised by:

Jonathan Hall  
Business Manager

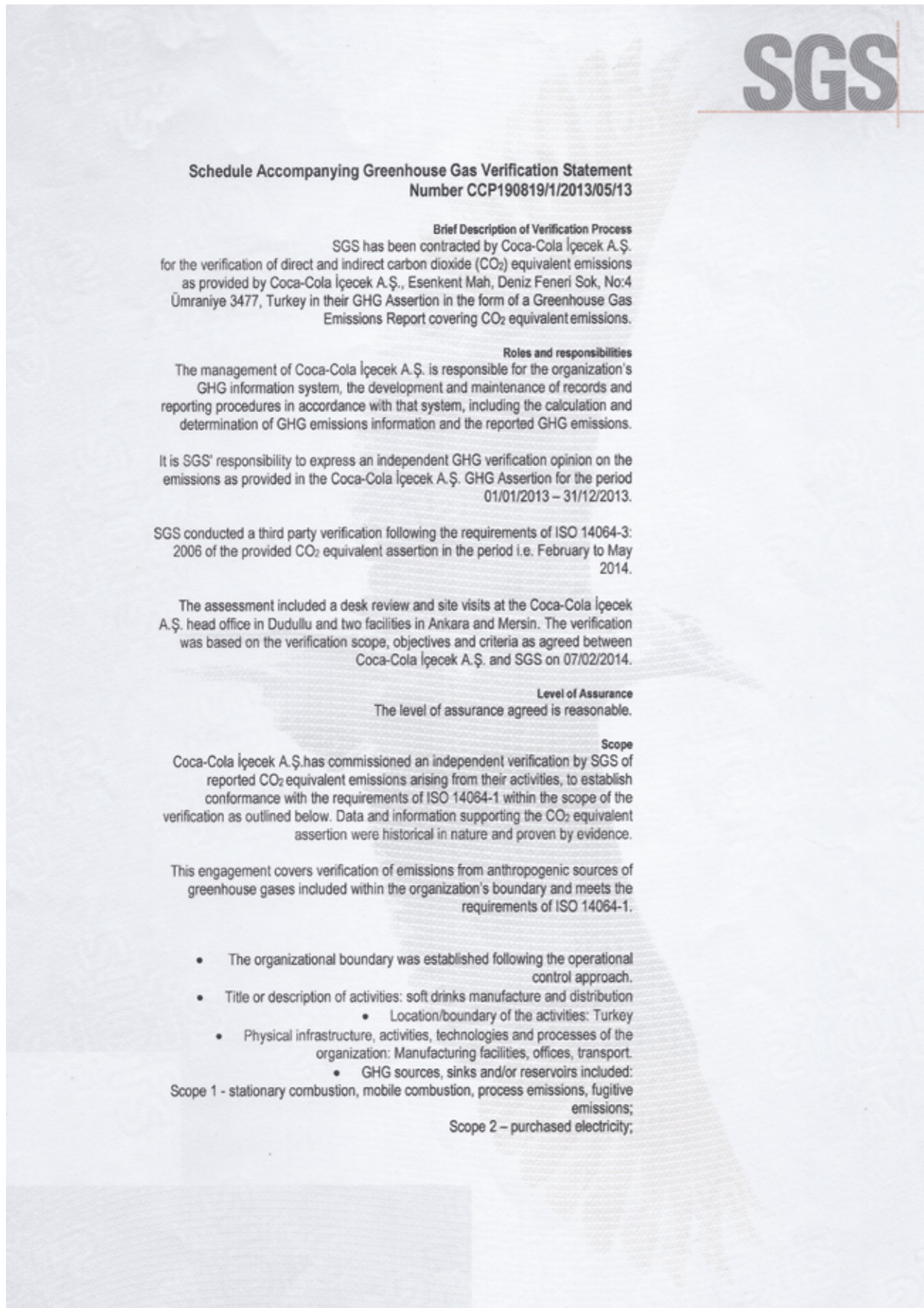
Verification Statement Date: 30<sup>th</sup> May 2014

This Statement is not valid without the full verification scope, objectives, criteria and conclusion available on pages 2 to 3 of this Statement.

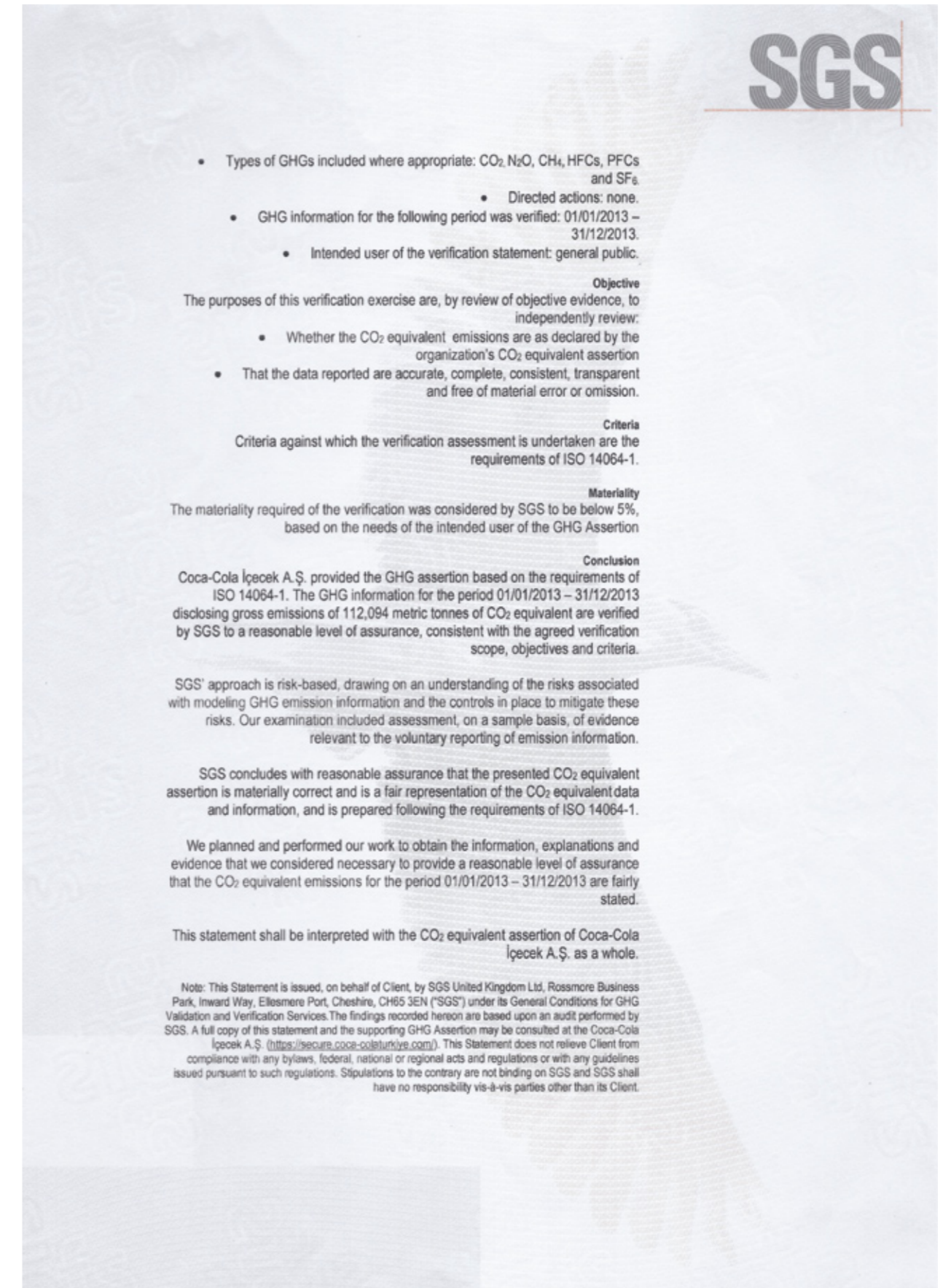




# Greenhouse Gas Verification Statement



# Greenhouse Gas Verification Statement



### Legal Disclaimer

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