





This is our *Communication on Progress*
in implementing the principles of the
United Nations Global Compact.

Committed to the UN Global Compact

As part of The Coca-Cola Company's international System, we are proud to be a co-signatory to the United Nations Global Compact. We remain committed to its fundamental principles and continuously strive to align our operations with these universally accepted guidelines. Placing them at the core of our business is the bedrock of true sustainability.

The 10 Principles:

Human Rights

- 1 Businesses should support and respect the protection of internationally proclaimed human rights; and,
- 2 make sure that they are not complicit in human rights abuses.

Labour

- 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- 4 the elimination of all forms of forced and compulsory labour;
- 5 the effective abolition of child labour; and
- 6 the elimination of discrimination in respect of employment and occupation.

Environment

- 7 Businesses should support a precautionary approach to environmental challenges;
- 8 undertake initiatives to promote greater environmental responsibility; and
- 9 encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

- 10 Businesses should work against corruption in all its forms, including extortion and bribery.



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Company Information & Territories

South Africa

- Coca-Cola Fortune

Namibia

- Coca-Cola Namibia Bottling Company

Mozambique

- Coca-Cola Sabco Mozambique

Tanzania

- Coca-Cola Kwanza
- Zanzibar Bottlers

Kenya

- Nairobi Bottlers

Uganda

- Century Bottling Company Limited

Ethiopia

- East Africa Bottling Share Company

Sri Lanka

- Coca-Cola Beverages Sri Lanka

Nepal

- Bottlers Nepal
- Bottlers Nepal (Terai)
- Troika Traders

A PROUD ANCHOR BOTTLER OF THE COCA-COLA COMPANY.

Coca-Cola Sabco has been refreshing consumers with superior quality beverages since 1940. What started as a small South African bottling business has become an integral part of the global Coca-Cola System, with manufacturing facilities in nine countries throughout Africa and Asia.

What has not changed however is our commitment to our employees, customers, consumers and communities.

For over 70 years, Coca-Cola Sabco has adhered to the principles of respect for the people we employ and those we serve; pride in what we do and the brands we represent; and a passion for improving the future of our business and the communities in which we operate.

Although we are a privately owned family business, we do not think or act small. Our vision is to be the best Coca-Cola bottler in the world and we strive for Brilliant Execution in all that we do.

Our purpose is to create value for everyone touched by our business by providing, with passion and focus, the right refreshment, at the right price, in the right place.

Success for us is more than sales volumes achieved and the return on capital employed. It is about the long-term prosperity and wellbeing of our organisation, the ripple effects of which are felt far beyond our factory walls.

This responsibility is not a burden we carry, but a privilege we share. And as a proud anchor bottler of the world's number one soft drink brand, we look forward to enjoying the opportunity for many years to come!



Coca-Cola Sabco Board of Directors



Back: From left – Mr DA Jackson, Dr GA Reidy; Mr AR Gutsche; Mr IR Garnett Front: Mr KA Warren; Mr PH Gutsche; Mrs DC Moors



CEO Message



"Global business trends dictate that responsible corporate citizens lead with both great results and meaningful, effective, social investment."

Coca-Cola Sabco is proud to uphold its vision for sustainability in all our territories in Asia and Africa.

Within the Coca-Cola System, we are a bottler that is actively pursuing The Coca-Cola Company's 2020 Vision for a better future and we have also charted a course toward achieving our own goals for sustainability.

In today's business landscape, a truly successful company is one that is mindful, not only of the bottom line, but also conscious of its impact within the communities it serves. Global business trends dictate that responsible corporate

citizens lead with both great results and meaningful, effective, social investment. With that in mind, we have continued to monitor ourselves against our best and against the best of our peers in order to continually strive towards world class results in all our endeavours.

Targets for ongoing improvement are set for our economic, social and environmental goals and measured annually to ensure that we are growing into the company we desire to be. Each financial year has its challenges and its victories, both of which are compounded by the diversity and dynamics of the various countries where we do business. This is what makes us so unique

as a bottler and results in sweeter triumphs and more profound opportunities to learn and grow. There are no generic solutions across the board – each initiative is tailored to the needs of each country – which makes for exciting times, indeed.

This Annual Review is a summary of the best of who we are and is not only a showcase but also a reminder that, in order to progress, we need to remain engaged with our promises and commitments and monitor our progress continuously.

Doug Jackson
Chief Executive Officer



Me.
Together we can promote well-being for the people who enjoy our brand everyday.

*Active Healthy Living
Product Quality
Produce Safe Products*

We.
Together we can create a better future for local communities where our operations help raise the standard of living.

*5by20
Employee Engagement
Learning & Development
Workplace Rights
Equal Opportunity
Workplace Health & Safety
Corporate Social Investment*

World.
Together we can create a better future for the finite resources that we all share.

*Water Stewardship
Energy Efficiency
Sustainable Packaging
Waste Management
& Recycling*

Our Framework for a Sustainable Future

WE ARE COMMITTED TO MAKING A POSITIVE DIFFERENCE IN THE WORLD BY RETHINKING THE WAY WE LIVE AND WORK.

Creating a sustainable future

In an uncertain global economic climate, Coca-Cola Sabco is fortunate to be doing business in the exciting and fast-growing African and Asian markets. Winning in these developing markets demands an ability to manage daily challenges, while maintaining a long-term strategic focus.

As a corporate citizen, it is Coca-Cola Sabco's responsibility to build a sustainable business in all nine of our countries for the benefit of the people we employ and the communities we serve. As part of our alignment with The Coca-Cola Company, we have embraced the 2020 Vision, which encourages us to "get ready for tomorrow today".

Keeping a weather eye on the future allows us to identify trends and forces that could affect our operations and respond timeously. To this end, we are guided by an integrated Sustainability Framework.

Providing a balanced approach to long-term sustainability, this framework is fully aligned to our business strategy and cuts across all functional areas. We know that each of our countries has its own unique opportunities and challenges; therefore the specific focus areas of our sustainability projects are tailored to the business operations of each plant.

Progress is reviewed on a regular basis and best practices shared with the Group. Key learnings are incorporated into the strategic business plan for each country, while on-going challenges are noted and prioritised. Over the past year, Coca-Cola Sabco has been proud to be involved in sustainability projects that vary from simple changes in the way we do things to ground-breaking initiatives.

This review provides a general overview of the various focus areas and how we are succeeding according to the key performance indicators for each.



Seeing things differently

Coca-Cola Sabco is privileged to share the Coca-Cola Company's 2020 Vision for a better future.

Our Mission

To refresh the world...
To inspire moments of optimism & happiness...
To create value & make a difference...

Our Vision

People: Be a great place to work where people are inspired to be the best they can be.

Portfolio: Bring to the world a portfolio of quality beverage brands that anticipate and satisfy people's desires and needs.

Partners: Nurture a winning network of customers and suppliers; together we create mutual, enduring value.

Planet: Be a responsible citizen that makes a difference by helping build and support sustainable communities.

Profit: Maximise long-term return to shareowners while being mindful of our overall responsibilities.

Productivity: Be a highly effective, lean and fast-moving organisation.

Economic Sustainability

Growing our Business Responsibly

Over the past years, Coca-Cola Sabco has seen growth in volume and turnover. The business's economic growth is seen as its most important foundation, as the sustained growth of the company helps to facilitate every one of the other sustainability goals identified by the company.

Financial Overview

During 2013, Coca-Cola Sabco continued to focus on both top-line and bottom-line growth.

Rigorous goals have been set in place to ensure the continued financial growth of the Group in the coming years.



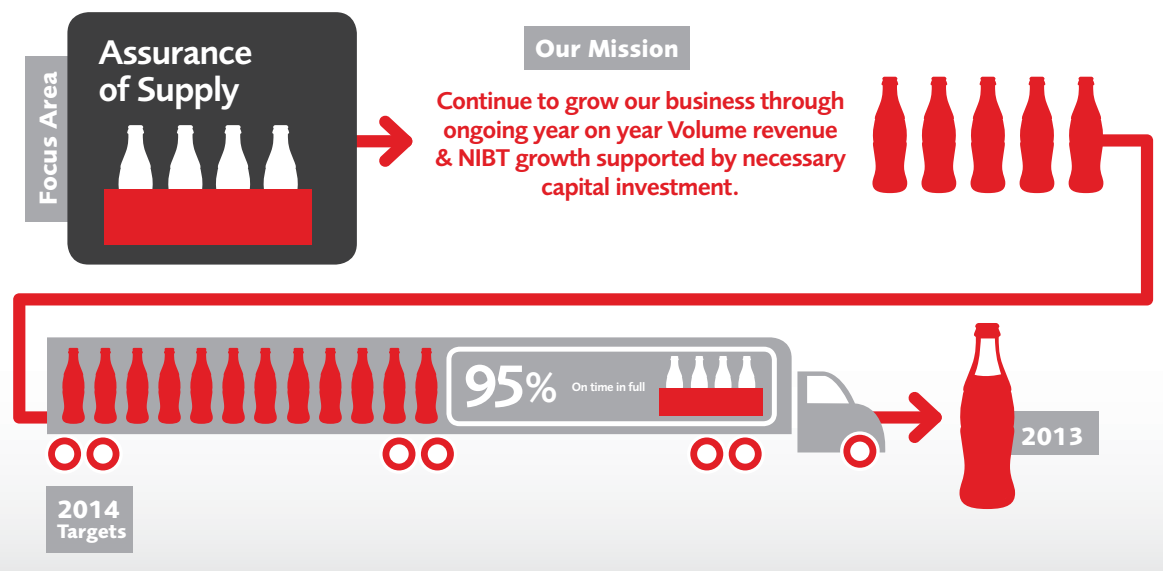
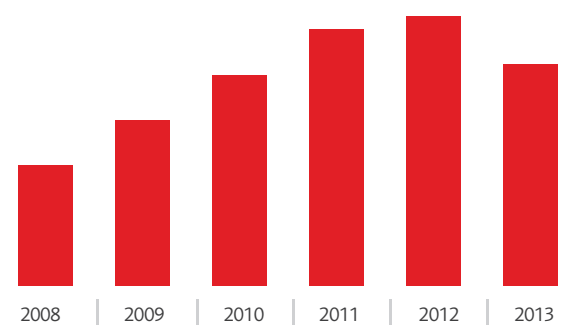
Volume CAGR 2.59%



NSR CAGR 5.57%



NIBT CAGR 12.97%



Corporate Governance at Coca-Cola Sabco

Coca-Cola Sabco's board of directors is committed to ensuring that the Group adheres to the highest standard of corporate governance in the conduct of its business.

Coca-Cola Sabco has a governance framework, which enables the Group to manage and report on the important aspects of our business. The framework comprises six pillars and operates at Country, Division and Group level.

Coca-Cola Sabco is committed to an open policy of corporate governance, which provides the shareholders and other stakeholders with the assurance that the Group is managed ethically and in compliance with the best governance practices.

In this way, the framework protects our financial assets and human investments and assists in ensuring our economic sustainability.

Country Capability (internal controls)

The Board of Directors acknowledges its responsibilities for the systems of internal control. The Group maintains the systems designed to provide reasonable assurance of the integrity and reliability of the financial statements and to adequately safeguard and maintain accountability for the assets.

Internal Audit

The Group has an outsourced internal audit department. This has ensured independence, improved transparency and sustainability of the function. Deloitte is responsible for monitoring the system of internal control in the Group to ensure that it operates as designed. Weaknesses identified during the audit are reported to the audit committees at a Group and Country level.

Authorisation Framework

The Group operates within an approved Chart of Authority, which is managed and monitored throughout the operations.

Governance Routines

The Board of Directors sets the strategic objectives of the Group and is responsible for the monitoring of the financial performance of the operating units and the Group.

The Coca-Cola Sabco Board of Directors consists of two executive and five non-executive directors. They meet at least four times a year. Each subsidiary has a formally constituted Board of Directors who meet at least twice a year.

Well-structured committees, at Country and Group level, oversee audit and finance, remuneration, and overall management of Coca-Cola Sabco.

The Audit and Finance Committee and Group Compensation and Executive Leadership Committee operate under

Board-approved mandates and have defined objectives to help the Board in discharging its duties.

All directors and employees are expected to espouse the highest moral and ethical principles, values and standards of conduct set out in the Group Policy Guidelines.

The Company has an Honest and Bona Fide Policy, which all employees are required to sign acknowledgement of and adhere to. This policy sets out all guidelines on operating in the manner required by the Company and its shareholders. During 2013, this process was further developed into an independent on-line declaration system.

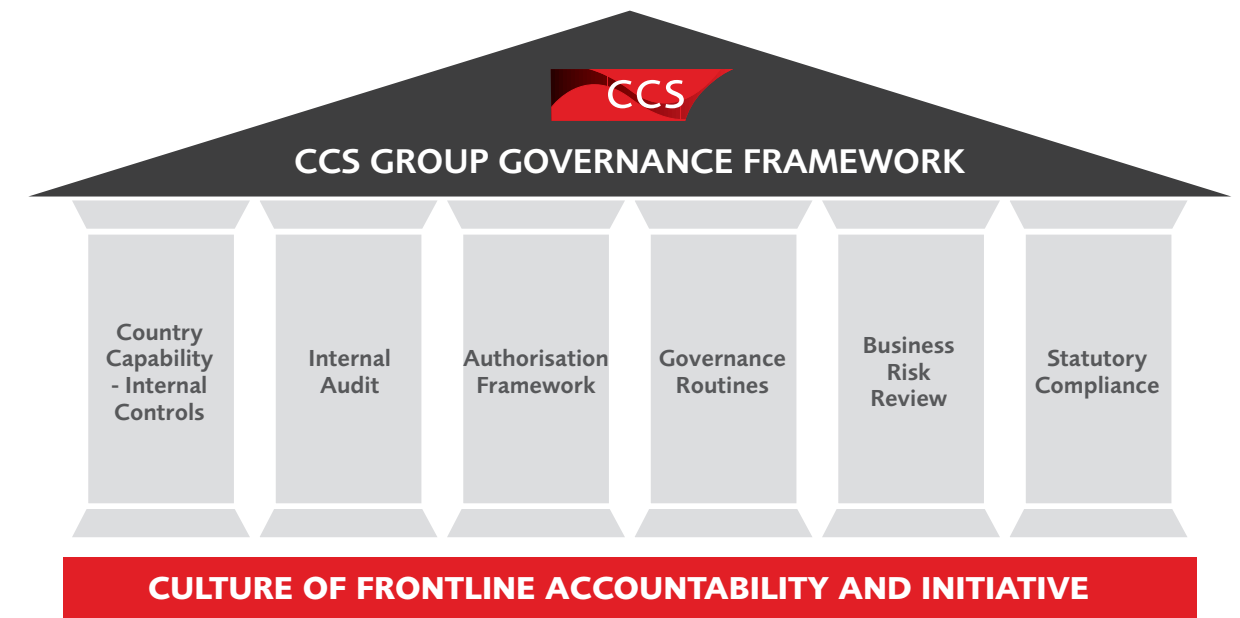
Coca-Cola Sabco operates a fraud and ethics line, which allows callers to report confidentially on any violations of policies and procedures. All reports received are investigated and the outcome thereof is communicated to the Audit and Finance Committee.

Business Risk Review

There is a regular review of Coca-Cola Sabco's strategic and operational risks. Risk management is integrated into the daily operations and is not a periodic or stand-alone intervention.

Statutory Compliance

The Group requires the compliance of all its operations with all legal and governance bodies. This is managed at Country level, with Group support, as required.



The Audit and Finance Committee and Group Compensation and Executive Leadership Committee operate under Board-approved mandates and have defined objectives to help the Board in discharging its duties.





Together we can promote well-being for the people who enjoy our brands every day

Active, healthy living



We will promote active, healthy living through the product choices we offer and our involvement in physical activity programmes.


→

Measure:

- CSI spend



Product Quality





Ensure that all products produced in our manufacturing facilities that are delivered to our customers and sold to our consumers adhere to the quality standards of the TCCC.

→

Measure:

- Product quality
- Package quality

Product Safety



Ensure that all products produced in our manufacturing facilities that are delivered to our customers and sold to our consumers are safe to consume for the shelf-life of the product.

→

Measure:

- No food safety related incidents



Moving matters for better education



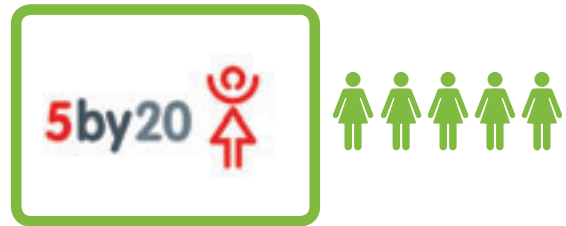
Coca-Cola Fortune is behind an innovative physical education programme that promotes a healthier, happier environment within the public schooling system. Move-It provides progressive, high quality, regular physical education within the existing core curriculum. Based on a "read, do, write" methodology,

each exercise starts with classroom preparation. The learners then move outside to do the physical activity before completing various written exercises about it in their manual. Aside from basic physical development and motor skills, the children enjoy integrated learning that includes numeracy, visual literacy, language development, social

engagement and emotional control. Coca-Cola Fortune has partnered with the Nelson Mandela Metropolitan University to roll out this programme among grade four learners in a number of anchor schools including Charles Duna and Pendla primary schools in Port Elizabeth, as well as the Good Shepherd and Grahamstown primary schools in Grahamstown.



Together we can create a better future for local communities where our operations help raise the standard of living



The 5by20 vision aims to empower 5 million women entrepreneurs (CCS target 200 000) across our global value chain by 2020. Women are the pillars of our communities and of our business and are critical to business success and our 2020 vision.

Measure:

- Target - 55 243 women
- 2013 - 60 197 women



A key business priority at Coca-Cola Sabco is to increase the levels of engagement of all our employees. Underlying principles of Engagement are ensuring sound relationships between employees and leaders, placing emphasis on character and driving values-driven behaviour in order to capture the hearts, minds and hands of our employees.

Measure:

- Employee Engagement Scores (75%)



Ensure that our workplaces are safe for all our employees and take pro-active steps to mitigate any occupational health and safety risks.

Measure:

- Lost time incidents (<2)



The Company works within the Coca-Cola System to ensure that we and our suppliers comply with internationally accepted standards at all times in the treatment of our employees. We are committed to fostering open and inclusive workplaces that advance human rights and where all employees are valued and inspired to be the best they can be.

Measure:

- Workplace Rights Audits (100%) Green



Represents an active mechanism to achieve equity in our workplace by promoting equal opportunity and fair treatment whilst eliminating unfair discrimination and implementing measures to redress the disadvantages experienced by previously disadvantaged individuals or groups.

Measure:

- BBSEE Rating: (SA Only – level 5)



The company mission is to significantly increase the investment in and quality of learning and development and to "touch" every employee with opportunities to grow and develop. By providing and managing high quality development initiatives, the company will develop innovative and passionate people.



Corporate Social Investment is an integral part of our broader sustainability strategy and is aimed at uplifting communities in which we operate. Our objectives will be achieved by partnering with the Coca-Cola Africa Foundation and The Coca-Cola Company on sustainable long-term projects.

Measure:

- CSI Spend



Measure:

- Training spend as % of NSR (0.6%)
- Quality of training (global ROI score of 56%)
- Successor cover (62%)

Coca-Cola Fortune empowers women entrepreneurs



With more than 60 percent of the associated small-scale retail businesses run by women, the fairer sex plays a powerful role in Coca-Cola's value chain in South Africa.

In line with The Coca-Cola Company's global 5by20 campaign, local bottler Coca-Cola Fortune has begun empowering these women by offering business skills training courses.

These courses are available to small-scale entrepreneurs throughout the value chain – from spaza shop, restaurant and café owners to informal traders.

"We're providing business skills training, access to financial services and groups of peers and mentors to help women overcome the barriers they face," said CCF Managing Director Philip Nieman.

To date, the bottler has provided business skills training to 280 entrepreneurs in Polokwane, Bloemfontein, Port Elizabeth, George, East London, Mthatha and Port Shepstone as well as business infrastructure to 4 439 women.

Initial findings indicate that successful participants are able to generate an income three to nine times greater than minimum wage.

With South Africa identified as one of the lead countries for the rollout of this global initiative, CCF's goal is to empower 15 000 female-owned businesses in its market by 2020.

The bottler has partnered with KPMG and Rand Merchant Bank to expand the programme and increase access to microfinance and the latest business technology.

"Creating a climate of success for women globally is smart business for a consumer-products company," explained Therese Gearhart, President of Coca-Cola Southern Africa.

"We understand that improving the economic opportunities for women will result in increased incomes, enhanced skills in business, increased stature within the community, and improved potential for communities."

5by20 in Ethiopia

Since its inception in 2010, The Coca-Cola Company's global 5by20 initiative has empowered 300 000 female entrepreneurs, 70 percent of whom live on the African continent. To date, East African Bottling Share Company has provided 2 345 Ethiopian women with business and life skills training. For many impoverished women like Korach it has not just helped their business, it has literally saved their lives. This is her story.

Ethiopian entrepreneur Korach is a smiling, sociable and energetic woman. But things were not always so.

Korach is a 38-year-old single mother of two, living in the capital city of Addis Ababa. Only her elder son is at school, the younger one suffered a severe fall. "He hit his head and got sick and now he has epilepsy and can't go to school."

As she speaks, her eyes dart back and forth, keeping tabs on the movements of her brood. Responsibility is something Korach has known from an early age.

"Life was too tough for us, my mom had a strong work ethic and assigned endless chores to all of us; anything from chopping wood to cooking a meal for the family and I was admittedly the best worker."

Korach had also been a bright and diligent student with a promising future until tragedy struck her family.

"I passed the Grade 8 national exam, scoring a high mark and I was very happy, but my happiness was fleeting as I heard about my sister's death a month later."

With her elder sister gone and her father abandoning the family, there was no one left to pay Korach's monthly school fee of 27 birr (US\$1.50).

So, at age 14, she was forced to quit school and help her mother by selling vegetables on the streets and caring for her three brothers.

Things went from bad to worse when she fell pregnant.

"There was no one by my side and I had to do everything by myself when I had my first baby at home. I remember I was very hungry and there was nothing to eat – I had no money to buy food – until my brother came with leftovers.

"I named my son Ebenezer, which means 'stone of help'. Thus far only the Lord has helped me, if God wasn't there looking down on me, I would have died like my three sisters."

Days after the birth, Korach returned to the streets to earn her living. Then the government demolished the structure she operated from and moved her to a small shopping centre in Kirkos sub-city.

Despite the strategic new position, she lacked the know-how to grow her business effectively and her family barely survived on her minimal income.

Then Coca-Cola Ethiopia discovered her and added Korach's name to a list of 250 women entrepreneurs designated to receive assistance under EABSC's 5by20 "Coke for Better Life" initiative.

The programme threw her the lifeline she needed, with intensive business and life skills training, as well as material support in the form of a cooler, opener and two cases of product.

This gave Korach the tools she needed to grow her small business effectively and believe that she could have a bright future once more.

Today she educates and provides healthcare for her sons, helps her mother and still manages to save 50 birr (US\$2.60) a week. Her great ambition is to one day own a chain of factories.

Never forgetting where she came from, Korach is also a great role model and helps where she can by giving casual employment to the poor.

Although she says she remains restless at night, thinking of ways to finally pull her family out of poverty, Korach is already a 5by20 success story.

By the end of this year, 650 of Korach's fellow countrywomen will have also felt the benefits of EABSC's "Coke for Life Change" and "Coke for Better Life" projects.



Tanzania builds 5by20 businesses



As part of its contribution to the global 5by20 initiative, Coca-Cola Kwanza has assisted 925 women with business skills training and assets. Some have opened small side businesses to meet their families' basic needs, while others run large companies with huge investments. Some could afford to send their children to good schools, while others have saved enough to pay for their own education. But all have benefited from 5by20. Here are two very different success stories:

5by20 in Dar es Salaam booms

Lilian is a key distributor in the Kinondoni district of Dar es Salaam. With monthly sales volumes of 25 000 cases, she is one of 5by20's biggest successes.

She owns a beautiful car, a few plots of land and is currently building her dream home. But life was not always this good.

Lilian started off as a stockist, selling 100 cases per week. Business was fair until her husband suddenly disappeared, taking all their capital with him. Left with a child to feed, clothe and educate, Lilian was on the verge of giving up. Then 5by20 stepped in.

Equipped with soft loans and effective business techniques, a sceptical Lilian

resurrected her business. She sold half the land she inherited from her father to invest in the Coca-Cola business.

Her faith paid off and today she has a thriving business with 11 employees. Lilian is living proof of what hard work and dedication can achieve in overcoming the odds.

Tailor-made success in Morongo

Janeth is a mother of two and well-known tailor in Morogoro in the southern highlands of Tanzania. One ordinary working day, she was given a business opportunity that changed her life.

After a visit from the 5by20 team, she was introduced to the Coca-Cola business and made to see the potential she had. Coca-Cola Kwanza gave her everything

she needed for her start-up – business skills training, a cooler, two tables and five cases of Coca-Cola product.

Janeth started selling half a case per day and, with continuous monitoring and empowerment, found she could sell two to three cases per day. Over time, she increased her stock to 14 cases and grew her profit margin accordingly.

Today, Janeth continues to flourish. She has managed to open a small sideline business selling domestic cooking items, thus adding to her sources of income.

Her children go to good schools and she can afford all basic necessities for her family. She is also planning to open her own grocery store with the capital she raised from her Coca-Cola business.

From a small-scale tailor to a big-time businesswoman, Janeth has 5by20 success all sewn up.

Mozambique equips 5by20 entrepreneurs



There were joyful celebrations aplenty when 150 Mozambican women received their Coca-Cola vendor kits after completing the Shopkeeper Training and Resources (Star) programme in Matola City in September.

The colourful handover ceremony marked the culmination of a successful 5by20 empowerment partnership between Coca-Cola Sabco Mozambique and the local Matola Municipality. Working with municipal officials, CCSM identified the group of women from different backgrounds who were all

in financial need and could benefit from business training.

The trainee entrepreneurs were then fully equipped with all the business skills and tools they will need to launch their own small business.

At the ceremony, the budding businesswomen received a full vendor kit, comprising an icebox, umbrella, T-shirt, bib and four cases of product. In addition, they will have access to free ice as part of the CCSM Ice Project.

The municipality also came to the party by issuing a free simplified business licence to each of the participants.

To ensure their success, the bottler's sales team will be on hand to give these women full support in their daily business activities and they will also have access to ongoing peer networking as members of the Matola Municipality Women Entrepreneurship Association.

Women mean business in Uganda

Century Bottling Company officially launched its 5by20 campaign in August by showcasing its Young Women in Business programme.

The programme, which is facilitated by non-governmental organisation TechnoServe, has so far trained 100 women from different regions across Uganda.

Aside from learning basic business skills, the successful trainees received coolers and iceboxes on lease from the bottler, as well as a start-up kit of assorted Coca-Cola products and branded apparel.

Speaking at the handover ceremony, CBC Managing Director Norton Kingwill said running a successful business had formerly been an entirely male preserve.

"We are delighted to be part of this initiative, which I believe will alleviate poverty, especially in the rural areas, by giving vulnerable women opportunities to retail Coca-Cola products."

He said empowering women entrepreneurs to develop income-generating activities within the Company's value chain had benefits for everyone.

"By doing this, we affirm our need to build both our business and the communities in which we operate."

In addition to financial literacy, the women were also given a one-day overview of various marketing and merchandising aspects, which will equip them with the basic tools to run their businesses effectively.

Stars shine with Nepal 5by20 programme

A thousand women retailers received the business training and assets they need to shine during the Shopkeeper Training and Resources (Star) programme hosted by Bottlers Nepal Limited this year.

Run under the auspices of 5by20, the Star programme aims to build the knowledge and confidence of small business owners across BNL's value chain. Its ultimate objective is to train 12 500 female retailers by 2020.

The 13-module programme was developed by the Coca-Cola University and customised according to the specific needs of Nepali women entrepreneurs.

The initial training was conducted in various parts of the Kathmandu Valley and Bharatpur, close to the BNL bottling operations, but will be expanded further afield in due course.

As part of the workshop, attendees visited their local bottling plant so that they could better understand the production processes and high quality standards that Coca-Cola products maintain.

Delighted participants also received branded coolers in which to display product and attract customers with a chilled beverage.

The Star programme has garnered enthusiastic support from NBL and Coca-Cola Sabco senior management, as well as representatives of the Coca-Cola India Business Unit.

Speaking at one of the sessions, CCS Group Human Resources Manager Cathy Albertyn thanked participants for accepting the Company's invitation.

"You were born at a time when women had to face lots of challenges and difficulties. Despite such difficulties, all of you are brave enough to run your own business and I am proud to meet such women in Nepal."

"Let's empower our daughters and granddaughters. I desire to serve the next generation just as the Company is serving you."

Given the tools to expand their businesses, these entrepreneurs will be economically empowered to afford better healthcare and education for their children, improve their standard of living and gain the respect of society.



Sri Lanka's 5by20 workshops bear fruit

One of Coca-Cola Beverages Sri Lanka's biggest 5by20 success stories to date is Ranjanees Malkanthi, who was named "Upcoming Entrepreneur of the Year" at the recent Professional and Career Women Awards.

Ranjanees is one of the women who participated in the pilot project last year, where she was taught valuable business, financial and life skills. She runs a broom manufacturing business and supports her daughter and four other family members on her income.

After attending the 2012 5by20 programme in Trincomalee, Ranjanees and her team of 25 women returned to their village, where they are "paying it forward" by taking on students and training them in the skills and knowledge they acquired.

CCBSL received a special award at the same ceremony in recognition of the work the bottler does in the empowerment of women like Ranjanees. Organised by Women in Management, the high-profile awards were also supported by the Ministry of Women's Affairs and Child Development.

This year a further 80 women-owned businesses will start to bear the fruits of economic empowerment, following two more successful 5by20 workshops.

Held in Panama and Anuradhapura in July and August, the workshops were conducted under the Women-Headed Households (formerly known as the War Widows) programme.



Namibia brings happiness to hospital



Coca-Cola Namibia Bottling Company brought new life and happiness to the Walvis Bay Central Hospital with a much-needed upgrade of the maternity ward earlier this year.

When word of the run-down state of the rooms reached CCNBC, a task team was swiftly assembled to tackle this worthy project.

By May, the first room makeover was complete and it was a source of great pride to the host country that it could be unveiled during the Coca-Cola Sabco

General Management Meeting. The room was officially opened by Gutsche family representative Dorothea Moors, CCS CEO Doug Jackson and CCNBC Managing Director Frik Oosthuizen.

At the handover ceremony, hospital officials were overwhelmed with joy when it was announced that the bottler would also upgrade the eight remaining rooms in the ward.

Over the next few weeks, the rooms were transformed into bright, clean spaces – just

right for welcoming new life into the world. In total, 36 adult and infant mattress sets were provided, along with pillows, privacy curtains and three mobile traction beds.

The CCNBC employees were all touched by this special project, which was code-named "Good Start", and it will remain close to their hearts.

Tanzania gives new life to hospital

Concerned Coca-Cola Kwanza employees embarked on an ambitious Touch project to reduce the mother and child mortality rate at the Mwananyamala hospital in the Tanzanian capital of Dar es Salaam this year.

Code-named "Live for Love", the ongoing project is close to the hearts of CCK employees as the hospital is situated in the Kinondoni district just 25km from the bottling plant. Many of their families have been personally affected by the loss of infant children there.

Conditions in the maternity ward, which handles an average of 50 births a day, are very poor and many of the deaths can be attributed to acute medical shortages. Staff visited the hospital, where they cleaned the ward and talked with

patients. They also made a large cash donation for the purchase of essential medical equipment.

The next phase will see the start of a large-scale renovation project, with the ultimate goal of creating a clean and well-equipped ward that brings new life for mothers and babies.

The project is especially meaningful to the bottler because it has given something back to the community in CCK's best volume territory, which provides 30 percent of total volume.

It is hoped that "Live for Love" will act as a positive example to other companies and encourage greater private sector investment in the health sector.

It is hoped that "Live for Love" will act as a positive example to other companies...

Human Resources



Working Culture of Coca-Cola Sabco

"SABCO has a unique, enduring corporate identity; it has soul."



Humble

A humble approach has helped us build trust, capability and in-depth knowledge of emerging markets by being open, generous and co-operative with others.

Our boardroom and business style is both entrepreneurial and unpretentious at the same time.

We have authentic leaders who are congruent and real - values based with high levels of integrity - we can look up to our leaders, emulate and admire them.

We never think that we "have arrived" or have all the answers. We want to learn more and will put our hands up to take on extra on behalf of others.

We know and understand our customers and consumers and thank them with our service on a daily basis.



Family

At our core we are a family based business, with deep respect for the founding family, Sabco's heritage and family values.

Despite growing into a major multinational company, we have not lost the feeling of being a family business. All our employees, distributors and customers are part of the Sabco family.

Many of our people have long tenure, with deep seasoned experience in the bottling game, leaving a legacy.

We have a risk-taking culture that comes right from the owners of the business.

We are a business founded and run by entrepreneurs.



Soft on People

A hallmark of our culture is warmth and a caring attitude to our special people who are valued for their unique differences and contributions.

At our foundation is an organisational spirit that cares for and respects individuals, even if the message is hard.

We are passionate and highly committed to providing our employees with a multitude of world-class unique opportunities for personal growth and development.

We know our people by name and take care to understand them and their family situations; we rally around and show deep compassion and care for our people in difficult personal situations.

We take care of our local communities and those less fortunate than us to make our communities prosper.



Teamwork

Diversity is a strength - five strong voices in a team are stronger than five individuals, especially in a crisis where we consistently respond with speed, a sense of urgency and action.

Everyone counts as someone important. As a result, everyone is willing to give of their best to make this a great company.

Our teams are open, supportive and friendly with strong levels of trust, open dialogue, disciplined routines and absolute commitment to the cause.

No politics - we don't tolerate politics for long - no "smoke and mirrors".

We have a collaborative spirit of working across our organisation, regardless of level or rank.

The greater good is always more important than our own area or space.



Hard on Results

We are competitive and play to win and take accountability for great results in an exciting competitive landscape, with autonomy to win in the market.

We will sacrifice short term to win in the longer term - we want to do this in a sustainable way.

We are consciously an under-promise and over-deliver culture - meet and beat, committed to hard work and are not afraid to lead and do the work and give our best.

We empower our people and give them freedom to operate, with real chunks of responsibility, minimal bureaucracy, to make decisions quickly in the best interests of the business and let them get on with it, but hold them accountable.

We have a can do, willing to do, will do attitude, using our pragmatic, sleeves-up approach to solve any problem, especially "when the chips are down". Execution is the name of the game.



Love Coke

Our heritage is Coca-Cola.

We are a dedicated Coca-Cola bottler - it is always about Coca-Cola - no distractions!

Our employees are passionate ambassadors of our products who feel privileged to represent the Coca-Cola brands.

We are proud of, enthusiastic and optimistic about our business in the Coca-Cola System and we all understand the market and the beverage business well.

Our culture is infectious and positive; we genuinely love working here and coming to work every day. Sabco is a "play where you can, do what you love" kind of company.

Executive Sponsorship of Talent & Leadership Development



We have recently reviewed the organisation's leadership capabilities which resulted in the development of the Coca-Cola Competency Framework.

The purpose for the review was to gain a fresh understanding of the type of leader required in our business today and in the future. We strongly believed doing this effectively required an objective point of view. Therefore, a decision was made to contract with Heidrick and Struggles, a

consultancy with which the organisation has had a longstanding relationship. They have been regularly involved in the recruitment and appointment of our Executive Leadership and have good insight into the organisation. Heidrich and Struggle also brought with them a strong portfolio of 60 years in Leadership consulting. By doing this they were able to limit, if not eliminate, the biases from internally focused staff members. It also ensured that Coca-Cola Sabco aligned with the changes taking place in global business and worldwide best practices without being

hampered by old organisational knowledge and principles. Heidrick and Struggle's involvement in the co-creation of the new Leadership Model gave them an intimate knowledge of the model which enabled them to implement the first few crucial phases of the Leader Assessment Process. The neutrality of the Heidrich and Struggle consultants enabled a more robust, objective and ultimately honest assessment and feedback process for the development of our senior leaders.

Capability Development for Business Success

Coca-Cola Sabco is recognised by various internal and external stakeholders as having a compelling people development focus. In 2013 we invested \$8,644,000 in quality training, with each employee on average receiving 23 hours of training and on average \$905 spend per employee. Our focus areas and achievements in 2013 included frontline sales, operations training and business skills training. We are fully committed to ensuring a strong Return on Investment for our training and our impact assessment targets were exceeded yet again in 2013.

In June 2012, the development of the "Collaborating for Value: Frontline Sales Training for Emerging Markets" (CFV) began, with the aim of launching in March 2013. The initial stages of development involved the selection of a project management team with the expertise to design training tools and aids and to identify the appropriate Sales Team within the Coca-Cola Sabco Group to pilot the programme.

The uniqueness of this programme lies in its modular nature, which ensures that it is customisable to local conditions, portable and fun. Due to the ease with which the programme can be localised, a full roll-out by Country Sales Teams was completed in early 2014.



Overall results:

- 9% increase in Sales volume for 2013
- 93% delegates highly satisfied with the content and relevance of the training for their roles
- 50% knowledge shift (sales reps currently in roles)
- 80% positive behaviour change six weeks after training (rated by supervisors)
- To date, the feedback and ROI has been extremely positive in all operations.

Comments included:

"The pre-sellers have also been empowered by this training and the relationship between them and the company is greatly enhanced. This warm relationship between the pre-sellers and the company is being replicated between the pre-sellers and our customers."
Country Sales Training Manager

This modularised programme aligns with the Connect, Create, Align, Execute methodology of franchise owner, and meets needs of every market through localisation. There is no PowerPoint, and the learning

depends on the skill of the facilitator, posters, games, handouts, and highly innovative in-market exercises and activities.

This training programme has been endorsed by the franchise owners' learning university, and has included Collaborating for Value – Emerging Market under their Collaborating for Value learning umbrella, to be made available to the other franchises in the system.

Engaging Our People

Innovative technologies support people systems:

Our particular achievement in 2013 was an overall employee engagement score of 75.2% and an extraordinary ratio of 11,4:1 of highly engaged employees to highly disengaged. This means that we have only one disengaged employee per every 11 highly engaged employees, making Coca-Cola Sabco truly a great place to work.

Our People Credo

Our People Credo delivers a clear promise to both employees and managers in terms of what employees can expect when working at CCS.

Each Sabco employee has a right and responsibility to:

- CAP
- PeoplePlan
- Development
- Coaching and mentoring
- Career path
- Honest feedback
- Fair compensation
- Safe work environment
- Meaningful work
- Respect for the whole person

World Class Training & Development
 Responsibility
 Mutual Respect
 Trust
 Supportive Environment
 Excitement
 High performance
 Culture
 Fun

My Launch Pad

My Launch Pad allows employees to: Record PeoplePlans electronically, Complete CAP's and access and manage e-learning.

CCS My Launch Pad statistics:

- Total Pc Users CCS **3 004**
- Total PeoplePlan Loaded **1 426**
- 47% PeoplePlan scored electronically **(vs PY 29%)**

Project Speed

In the world, we may have a product manufactured to world class standard (manufacturing), and we may have customers waiting for that product (sales and marketing), but the vital link is the successful implementation of "the commercial activity of transporting [our products] to [our] customers".



During the second half of 2013, Human Resources partnered with Supply Chain, at a Group level, to drive an organisational Logistics function talent and capability development project. The key objective of this project is to uplift capability, ensure step-change in performance and delivery, and the effective transfer of skills and behaviours across the Logistics landscape.

questions, the process of defining the CAPs for talent within Logistics began. With the sponsorship and support of the Group Logistics Manager, HR found themselves perfectly poised to align all Logistics CAPs with the future vision of Logistics.

The project has been, and continues to be, met with enthusiasm and support by country-based operational Logistics Management teams.

In order to make it more relevant, these profiles were translated into detailed assessment guides that will review the status quo, appraise the level and application of best practice in every step of "the activity of transporting [our products] to [our] customers".

The first step in this process was to review all structures and frameworks within which the Logistics teams exist. Questions such as "Does the structure make sense?" and "Are we comparing apples with apples when looking at all our entire Logistics organisation?" were answered honestly by the Supply Chain and Logistics leadership teams.

These assessments will provide us with the information that we need, in order to successfully provision our Logistics colleagues with the tools, training and tutoring to lift them "to an agreed standard of proficiency," and to open up new opportunities and possibilities to achieve and excel in their relevant areas of value. The L&D team looks forward to an exciting and growing partnership with Logistics, forging the way ahead in the development of the capability of getting products to customers.





Together we can create
a better future for the
finite natural resources
that we all share

Energy Efficiency & Climate Control



We will measure and manage our energy consumption in all areas within our business to reduce the impact of our operations on the carbon footprint.



Measure:

- Energy Ratio: <math><0.31 \text{ MJ/litre}</math>
- Manufacturing plant carbon emissions (grams CO₂ per Unit Case produced) 0.37g per UC



Waste Management & Recycling



We will reduce the impact of waste on the environment by reducing the amount of waste produced and increasing our recycling activities.



Measure:

- % waste recycled

Responsible Packaging



We will constantly work on reducing the impact of our packaging on the environment.

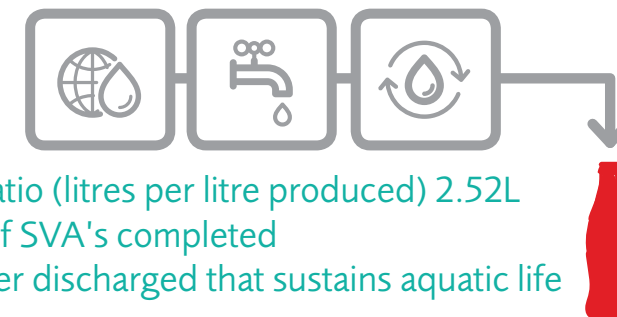


Measure:

- PET (annual gram reduction)
- Keep abreast of technological innovations
- Glass sourced at its lightest weight
- Heavy metal content in new packaging
- Recycled material content for crates
- Package quality indicator
- Percentage waste recycled



We strive to reduce our water usage ratios by focusing on reducing, recycling and replenishment in all our operations.



Water Stewardship

Measure:

- Water Usage Ratio (litres per litre produced) 2.52L
- SWPPs: 100% of SVA's completed
- Total waste water discharged that sustains aquatic life

The Replenish Africa Initiative (RAIN)

Since its launch in 2009, RAIN has made significant progress in achieving its objectives:

- Through its currently programmed projects, RAIN expects to provide 1.58 million people with access to safe water, on track with RAIN's 2 million target.
- RAIN has leveraged \$26.3 million in co-finance to date, on track to match The Coca-Cola Africa Foundation's (TCCAF's) commitment 1:1.
- RAIN expects to replenish 2 billion litres of water in 2013.
- Projects are planned in 31 of Africa's 54 countries.
- The Coca-Cola Company (TCCC) received USAID's 10th Anniversary Private Sector Development Partner Award.

Programme Evaluations and Sustainability

As the mid-point for RAIN, 2011 and 2012 have been years of evaluation and harnessing lessons learned to ensure the greatest impact and sustainability of TCCAF's investments through to 2015 and beyond. Beginning in late 2011, a third party evaluation of the Water and Development Alliance (WADA), TCCC's partnership with USAID, was conducted by Building Partnerships for Development (BPD) to:

- Evaluate field activities, organisation and functioning of WADA.
- Identify actions to increase the effectiveness of WADA development assistance.
- Determine strategic ways to feed this learning into the water development sector.

Overall, the results of the evaluation are positive. It was reported that the relationship between TCCC and USAID is strong and

technical approaches to projects are generally very good. However, WADA should further exemplify its values of Local Ownership, Institutional Synergy, Technical Quality, and Transformational Change throughout project development and implementation. To improve its strategic impact, it was recommended that WADA:

- Implement fewer, larger and deeper programmes, rather than spreading the partnership too thinly across a range of smaller projects in multiple countries.
- Enhance the water source-to-community connection by linking upstream and downstream water demand and use to achieve transformational change.
- Define impact as a function of sector transformation (lessons learned, policy influence, etc.).
- Ensure USAID and Coca-Cola contribute more according to their individual strengths and better embed learning within the broader Agency and Company.
- Ensure more strategically linked projects that leverage local priorities, TCCC water stewardship efforts, and USAID's programmes (Feed the Future, Climate Change).
- Facilitate learning and knowledge management about the partnership and best practices.

Each of these recommendations will be applied to all ongoing and future RAIN projects where appropriate.

In 2013, RAIN's focus is on sustainability and learning. New programme and partnership opportunities will bring RAIN to the next level. Impact, Sustainability and Monitoring RAIN will continue to focus on multi-year, high-impact, high-value, sustainable projects that accelerate progress toward RAIN's 2 million water access beneficiary target. To accurately capture the transformation that these projects have the potential to achieve,

RAIN's monitoring and evaluation plan will highlight metrics designed to measure sustainability and behaviour change. Best practices will be shared more widely to ensure improvements across the whole of RAIN.

Power Partnerships

WADA was a foundational investment that helped build RAIN. In 2012 and 2013, RAIN will use the knowledge and expertise gained through WADA to build new partnerships with at least three of the water sector's leading donors. These institutions are:

- Millennium Challenge Corporation (MCC): William Asiko participated on a World Water Day panel at MCC in 2012. Following that event, MCC and RAIN have been exploring possibilities to partner on water, sanitation and hygiene activities in Africa.
- Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ): GIZ is already working with the Coca-Cola System through the Water Futures Partnership, which aims to drive collective action to address some of the most pressing water risks in cities and watersheds around the world. The partnership will likely concentrate on watershed restoration and/or water and sanitation in schools.
- African Development Bank (AfDB): Since 2000, AfDB has increased its focus on the water sector to achieve the objective of poverty reduction and economic growth.

TCCAF met with the Director of the AfDB African Water Facility at the World Water Forum and has begun discussions around potential areas for collaboration in Chad, Djibouti, The Gambia and Mauritania – all countries yet to be reached by RAIN.

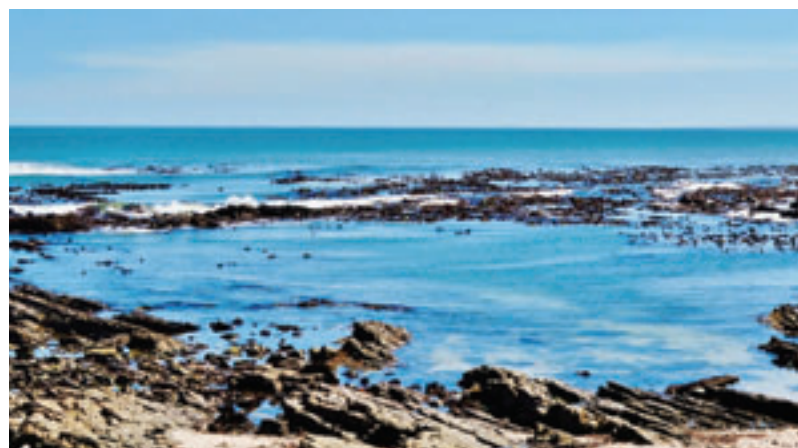
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The Replenish Africa Initiative (RAIN) continued.

Leading to Transformation

RAIN will apply lessons learnt relating to sustainability and monitoring to all programmes in 2013 and beyond, further strengthening the programme, improving its impact and positioning Coca-Cola as a leader in environmental sustainability. RAIN will continue to monitor project progress and

expand upon learnings to facilitate continual improvement of all programmes. By working with leading donors like MCC, GIZ and AfDB, and exploring linkages to TCCC's sustainability priorities, RAIN will continue to advance the water sector and transform the lives of Africans as a leader in innovation, partnerships, and sustainability.



South Africa

Learners from two of Coca-Cola Fortune's 46 Eco-Schools helped clear the way for a greener future when they participated in the International Coastal Cleanup (ICC) in Port Elizabeth, South Africa, in September.

Founded two years ago in partnership with the Wildlife and Environmental Society of South Africa (Wessa), the Eco-Schools initiative promotes environmental education in schools and encourages individual and community action.

The ICC, which takes place worldwide around the third Saturday in September, provided the ideal classroom for the schoolchildren to put their learning into practice.

CCF led the way as more than 60 learners from Masibambane High School helped to clean a 1.5km stretch of the lower Baakens River before its heavy litter load spilled into the sea and onto the city's tourist beaches.

After a lesson from Wessa and municipal Enviro-Educators on the dangers of waste pollution, the learners enthusiastically set about their task. They collected 54 bags of rubbish weighing more than 230kg.

Elsewhere in the bay, almost 50 learners and educators from Cape Recife and Tamsanqa High Schools joined CCF employees and staff of the provincial department of environmental affairs in a beach cleanup.

They cleared a 1km stretch of shoreline that is frequented by fishermen and picnicking families. The eager participants collected 40 bags, or over 106kg, of litter.

The tangible results of the day helped these learners to understand the value of responsible environmental management. It is they, and their 34 000 peers in these 46 Eco-Schools, who ultimately hold the future in their hands.

By setting an example and supporting initiatives that encourage conservation, recycling and the establishment of community gardens, Coca-Cola Fortune is helping to secure a greener and more sustainable future.

Tanzania

Tanzania's Coca-Cola Kwanza has joined forces with a number of stakeholders to restore the heavily polluted Mlalakuwa River in northern Dar es Salaam to its natural, free-flowing state.

Situated on the banks of the river, the CCK plant overlooks this contaminated water source and its impact on the surrounding communities has proved impossible to ignore.

Its current state has created public health and flood risks, damage to ecological systems and devalued riverfront properties.

The bottler has therefore started working with various governmental, environmental and non-governmental organisations to clean up the river and prevent further pollution.

The partners are in the process of creating and capacitating service providers, as well as establishing systems to ensure the sustainable management of liquid and solid waste.

Community consultation plays an important part in this process and it is hoped that, by raising awareness, the project will inspire action to improve the state of other rivers and streams around the capital.

Project partners include the Wami Ruvu Basin Water Organisation, which is responsible for the management of rivers in Dar es Salaam, the National Environmental Management Council and Kinondoni Municipal Council. Community environmental organisation Nipe Fagio helps with awareness building, while Nabaki Africa is responsible for project planning. Two German organisations, the Bremen Overseas Research and Development Association (Sanitation and Waste Management) and Deutsche Gesellschaft für Internationale Zusammenarbeit (Water Sector Reform), also provide valuable international assistance.

Kenya

Communities in Kenya's arid northeast now have a chance at a better life, thanks to a life-giving water project partnership between Nairobi Bottlers Limited and Mamlaka Hill Chapel.

In September, the bottler provided financial support for the sinking of the first borehole, which promises to have a regenerating socio-economic effect on the area.

The local people, who are mainly nomadic pastoralists, survive by herding cattle. The previous lack of water had a disruptive effect on their children's schooling, as girls were forced to skip classes to find water for their households, while boys had to drive cattle over long distances in search of water.

Situated at the local school, the new borehole will support more than 100 households and provide the community with accessible clean water for domestic use. It will also support agricultural activities, to help supplement the scarce food supply.

Church and NBL representatives met with community elders, local leaders, government officials and students to explain and hand over the borehole. The community will take ownership of it and be responsible for borehole maintenance.



Water supply restored in Sri Lankan pre-schools



Coca-Cola Beverages Sri Lanka helped to give the flood-damaged city of Batticaloa a future when it handed over the first of four rebuilt pre-schools to the community at the end of April.

The tiny guests of honour, the Navalar School pupils, dressed in their finery for the handover ceremony, which was also attended by dignitaries from local government, the Coca-Cola India and South West Asia Business Unit, Habitat for Humanity and CCBSL.

Coca-Cola's revitalisation project, run in conjunction with Habitat for Humanity, first started in 2011 after flooding in the Eastern region rendered more than a million people homeless and contaminated 100 000 wells.

CCBSL worked with the local community to restore the water supply in affected areas by clearing over 1 700 wells and also rebuilt four schools, thereby positively impacting more than 3 800 residents.

Aside from access to clean water, Batticaloa residents also received training on proper sanitation and conservation methods, as well as immediate disaster response tactics.

Some 20 training programmes were conducted across eight villages, while a further 43 were held at schools across the region.

Sri Lanka combats kidney disease

Coca-Cola Beverages Sri Lanka and the National Water Supply and Drainage Board joined forces to fight chronic kidney disease with the signing of a memorandum of understanding on July 25.

The newly launched "Programme for the Provision of Safe Drinking Water to Chronic Kidney Disease Affected Areas" will see CCBSL providing millions of rupees for the construction of a reverse osmosis treatment plant in the Padaviya division.

Situated in the northern part of the Anuradhapura district, Padaviya has the highest reported incidence of Chronic Kidney Disease, with over 20 000 resultant deaths. Heavy metals in agrochemicals,

which infiltrate the groundwater, are suspected to be the main cause. In some of the worst affected villages, one in three households are touched by CKD.

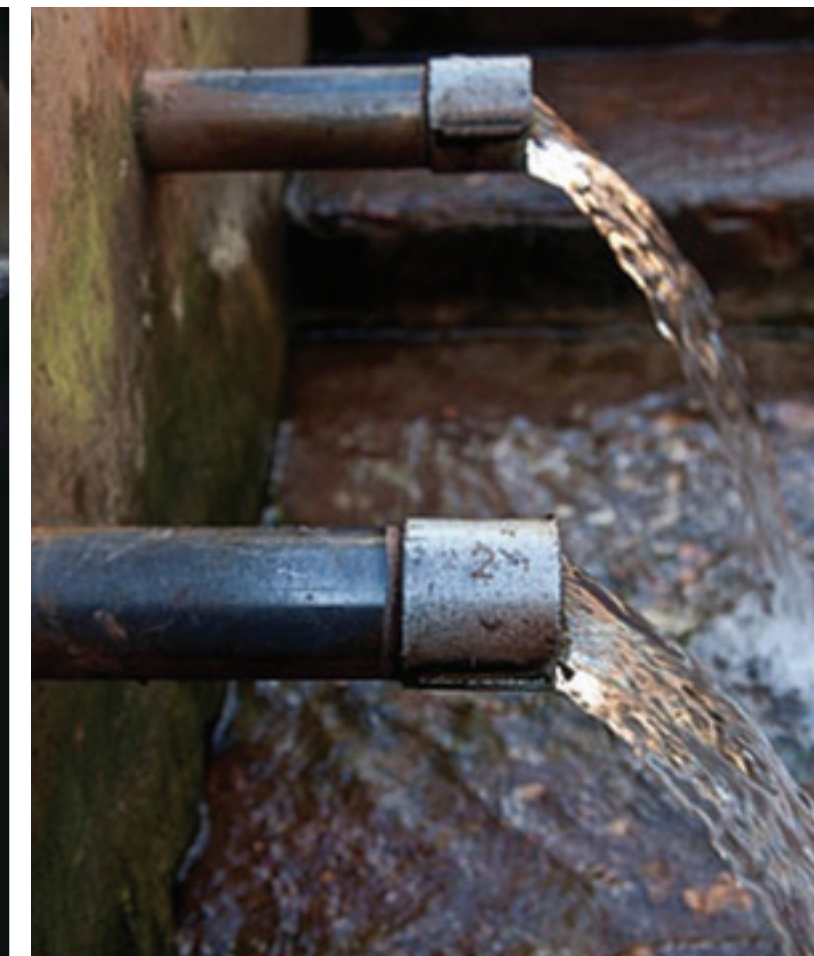
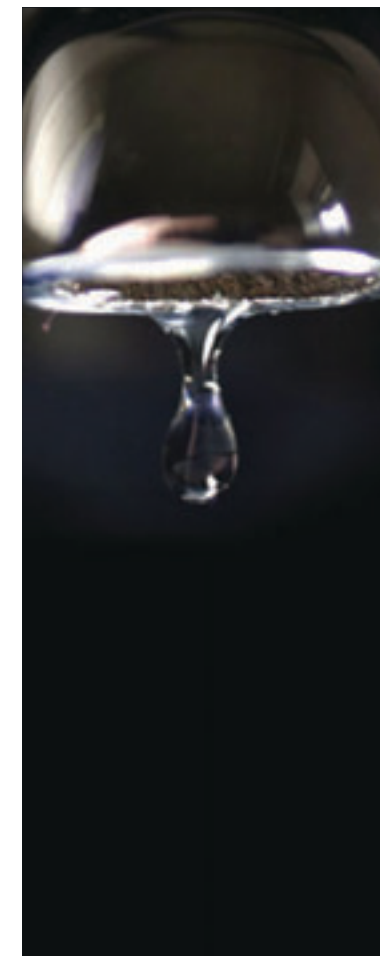
The plant, which will purify approximately 1 500 litres of water per hour, will supply clean water for drinking and cooking purposes to over 1 100 households. It will be maintained by a community-based organisation in collaboration with the NWSDB.

Present at the signing were the Minister of Water Supply & Drainage, various NWSDB officials and CCBSL Chairman Asoka Wickramasinghe and Country Manager Kapila Welmillage.

Speaking at the occasion, Minister Dinesh Gunewardena thanked the bottler for becoming the first corporate to step forward to support this worthy cause that has affected both children and adults.

"We hope that other organisations will take the opportunity to support the provision of clean water for drinking and cooking purposes in other areas of the country affected by CKD and end the suffering of these innocent villagers."

Sri Lanka shows that every drop matters



Coca-Cola Beverages Sri Lanka and the United Nations Development Programme completed yet another successful water stewardship project when they handed over revitalised water and sanitation facilities to communities in the Polonnaruwa and Trincomalee districts in July.

The project partners constructed and renovated a total of 67 toilets and 46 wells under the auspices of the Every Drop Matters campaign, which assists communities in the interior of the country with access to clean water.

In Dalukana village in Polonnaruwa, 45 households were each given basic access to clean water and their own toilet facilities, while 25 wells were renovated

for the benefit of 46 households in Kadakaraichenai in Trincomalee. In Kumpurupitiya, where the project was supported by the Women's Rural Development Society, 22 toilets were also renovated.

Because of the strong community involvement in the revitalisation work, the project partners were also able to renovate a further 21 wells and improve access to water for 190 more households.

During the construction phase, the community members were also educated on personal hygiene, proper sanitary practices and the use and maintenance of toilets.

Three schools from the Kadakaraichenai area – the Tamil Mixed School, Chenaiyoor

Central College and Vipulanantha Vidyalayam – were selected for waste reduction and eco-conservation initiatives, with bins provided for better waste management.

Students and teachers participated in the supporting health and hygiene awareness programmes and a Water and Sanitation Task Force was established at each school.

In addition, an internal water supply system was renovated at the Tamil Mixed School. A well and overhead tank with an internal water supply system were added to help establish a school garden. The produce from the garden is expected to generate an additional income for the school.

Treading Lightly



Environmental Sustainability

Without a core focus on managing and mitigating our environmental impact, Coca-Cola Sabco's sustainability strategy would be incomplete.

The four cornerstones of our Environmental Sustainability strategy are:

- Water Stewardship
- Waste and Waste Water Management
- Energy Consumption
- Climate Protection
- Responsible Packaging

Water Stewardship

Water is an integral part of our operation and the heart of our company as it flows through everything that we do. Water is used as an ingredient, lubrication and cleaning agent for returnable bottles, production environment and no operation can function without potable running water. Because we are aware of water being a scarce natural resource, that is critical for our product supply, it is imperative that we operate with a water saving consciousness in our operations.

We are committed to striving to obtain the lowest possible water usage ratios in our operations by:

- Reducing water consumption
- Recycling our process water
- Replenishing water, to balance the water used in our final beverages

As part of our commitment to improving water consciousness and working with the stakeholders responsible for providing potable water to our facilities – which in most cases involves the local communities and municipalities – we have completed a Water Vulnerability Assessment in all our facilities as well as a Source Water Protection Plan, based on the vulnerabilities identified in all our operations in 2012. All our operations are currently tracking the actions arising from the Source Water Protection Plans, and the five-year review of the Source Water Vulnerability Assessments will begin in 2014.

Our strategy also involves actively tracking our water usage, not only at the factory entrance, but also measuring the different streams that enter different lines. By having an updated water balance available, it will be used to firstly understand which areas use more water and secondly act on those high water usage areas first.

We are also focusing on the Top 10 water issues in our operations, where we are working with the Coca-Cola company to validate the actions and outcomes. The backbone of this approach is continued management focus and leadership. While a water conscious approach assists in reducing water wastage in our operations, we have also taken measures to specifically address the usage of water on our new production facilities by building water saving and re-use measures into new designs and making specific water usage targets part of the specifications for new equipment.

Top 10 Water Saving Initiatives

- 1 Detect and eliminate water leaks
- 2 Implementation of dry floor policy
- 3 Daily monitoring & display/visual management
- 4 Recovery of backwash
- 5 Bottle washer optimisation
- 6 CIP & rinse water recovery
- 7 Rotary nozzles in all tanks for CIP
- 8 Reuse of water options
- 9 True cost of water calculated & displayed
- 10 Employee awareness

For 2013, Coca-Cola Sabco Group achieved a total water usage ratio of 2.66, which is a reduction of 5% from the previous year and a 22% reduction from 2010. Our goal is to have a further reduction of 18% by 2020.



GMM Awards for Best Water Usage and Most Improved Water Usage

During the 2013 GMM, Bloemfontein's Gutsche Street plant in South Africa, won the award again. It is the third time in four years that this operation has won the best water usage award in Coca-Cola Sabco.

The plant introduced the following measures to achieve this water usage ratio:

- Ensuring that steam distribution and condensate return systems are not leaking
- Replacing ball valves on main raw water reservoir with solenoid valves to reduce tank overflows
- Dry cleaning in line with the dry floor policy
- Partially closing cooling rods
- Repairing all water leaks
- Reducing crate washer water usage

Dar-es-Salaam plant in Tanzania won the most improved water usage award by achieving a water usage reduction of 22.3% calculated from the end of 2011 to the end of 2012. This was not a once-off achievement, as they have achieved a reduction of 41% between the end of 2010 and end of 2013 (their water usage ratio was reduced from 5.16l/l to 3.04l/l at the end of 2013). This was achieved through continued focus on water leaks, improving awareness among staff and reduction of water usage in high water use areas.

Waste and Waste Water

We are also responsible for the waste water that leaves our factories to ensure that we keep our responsibility to the environment.

We are proud to say that all our facilities discharge effluent either to a municipal effluent treatment works or, if a municipality treatment works is not available, the operation's effluent is treated on site to meet the stringent requirements of The Coca-Cola Company and the local authorities. All our facilities' effluent can sustain aquatic life and is routinely tested for a range of quality parameters.

We are also in process of implementing the ISO 14000 systems in our facilities to assist with system entrenchment and improve system maturity. As at the end of 2013, 13 out of 20 facilities have been certified and it is our goal to have all our facilities certified by the end of 2014.

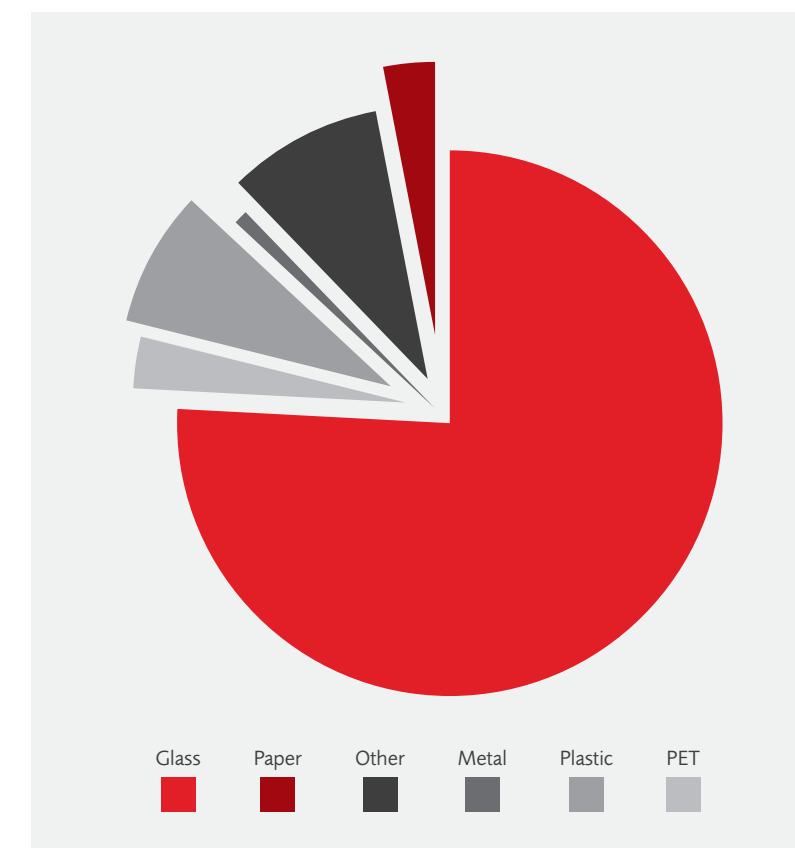
Coca-Cola's waste reduction policy revolves around the following three pillars:

1. Reduce
2. Re-use
3. Recycle

From a waste perspective, the first priority is to reduce the amount of waste produced.

Secondly, we strive to recycle as much of the waste as possible to reduce the amount of waste sent to landfills. To achieve this goal, each waste stream is separated at source (as far as possible) and then measured. Waste going to landfill is also measured by each operation and the percentage of waste recycled is then calculated from these figures. For the period of 2012, Coca-Cola Sabco operations produced a total of 15g of solid waste per litre of beverage produced. 81% of the total solid waste is recycled, which amounts to a total of 22 914 tons of recycled solid waste.

Thirdly, the re-use option is implemented but, due to the sensitivity of our products, our options to re-use the waste are limited. Examples of waste re-use include packaging bin or carton liners that are used as waste containers for other material.





Energy Efficiency and Climate Protection

Coca-Cola Sabco has a responsibility towards the local communities and other shareholders and stakeholders to reduce our greenhouse gas emissions. Our main focus area at this stage has been focusing on the operational energy usage. Energy usage is measured on a daily basis in our operations. Energy usage at our plants is measured in MJ (Megajoules) power usage per litre of beverage produced. Coca-Cola Sabco Group achieved an Energy Usage Ratio of 0.33MJ/L beverage produced. This is a reduction of 17.5% from the 2012 YTD figure. In 2014, the focus will include logistics, to reduce our fleet fuel usage.

Our group target is to reduce the total energy usage by 5% per year to achieve a total of 40% reduction between 2012 and 2020. Further focus areas are the formation of an operations-based steering committee that drives reduction projects in each operation and feeds into a group steering committee to ensure continued focus on the important environmental aspect. An important baseline focus area is still the "Top 10 Energy Saving Challenges", which was developed with the World Wildlife Fund. This programme focuses on implementing 10 high return, low risk energy-saving practices in our plants and this process is tracked on a quarterly basis on a centralised database.

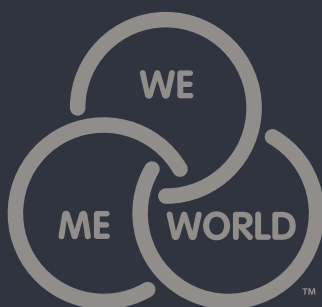
Our Sri Lanka operation in Colombo installed the first biofuel boiler in the Group in 2013. This project was initiated to save energy and operational costs. The boiler uses wood, gliricidia, coconut shells or briquettes as energy sources and has provided savings of \$800 a day to obtain a pay back on the capital investment within one year. The Sri Lanka Carbon Fund, which is a semi-government organisation, promotes gliricidia plantations for industry purposes. This government initiative therefore ensures a sustainable fuel source for our operation's biofuel boiler.

Top 10 Energy Saving Initiatives

- 1 Detect and eliminate air leaks
- 2 Detect and eliminate steam leaks
- 3 Inspect and repair insulation
- 4 Reduce system air pressure
- 5 Air knife removal plan
- 6 Lighting review
- 7 HVAC maintenance plan
- 8 Condensate return
- 9 Set point review
- 10 Employee awareness

Our Sri Lanka operation in Colombo installed the first biofuel boiler in the Group in 2013.





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