

Coca-Cola

Coca-Cola HBC
Srbija

bambi
1967

SEIS

STUDY OF THE SOCIOECONOMIC IMPACT OF THE COCA-COLA SYSTEM AND BAMBI IN SERBIA



CONTENTS

Key Findings	3	13	Effects on the tax system of the Republic of Serbia
Introduction	6	13	We make it possible to create jobs across the entire value chain
About the Coca-Cola System and Bambi in Serbia	7		
Serbian economy in 2021	9	14	Impact of the Coca-Cola System and Bambi on society and local community
The impact of the Coca-Cola System and Bambi on Serbian economy	11	14	Support to the professional development of young people
Domestic consumers enjoy our products	11	15	Partnerships with local communities
We are growing regardless of challenges	11	15	Protection of the environment and water resources
Impact on the local economy	12	16	Emergency support
Impact on other sectors of the economy	12	16	Our employees
Our positive impact on Serbian GDP	12	17	Methodology
		18	About the author of the study



The COCA-COLA system and Bambi's impact on serbian economy in 2021

KEY FINDINGS

The Coca-Cola System and Bambi are

DOMESTIC COMPANIES

that add value to Serbia's economy and support employment.

The Coca-Cola System produced

649

MILLION LITRES OF
alcohol-free beverages

Bambi produced

30.5

MILLION KG
of confectionary

Together, they purchased goods and services from domestic suppliers worth more than

€96

MILLION

In 2021, the Coca-Cola System and Bambi supported

14.900

JOBS in the value chain, which represents **0.5%** of the total number of jobs in Serbia

The Coca-Cola System and Bambi directly employ

1.614

PEOPLE and indirectly support another **13.300** jobs across the value chain

For each direct job in the Coca-Cola System and Bambi, there are

8

JOBS supported in the value chain





The operation of the Coca-Cola System and Bambi generated

360

MILLION

across the entire value chain, summing up to **0.7% of Serbia's GDP**

The Coca-Cola System and Bambi directly generate

€81

MILLION

in revenue, and indirectly through a network of suppliers and distributors another **€279 million.**

The trade sector is one of the biggest beneficiaries of total System and Bambi activities, where in total

€92

MILLION

million in value added generation was supported.

Each **€1** spent by consumers on Coca-Cola and Bambi products in Serbia contributes **70 cents** in value to the economy.

In total,

€199

MILLION

was paid into the budget across the value chain, which equals **1% of the total tax revenues of the Republic of Serbia.**

The Coca-Cola System and Bambi contribute directly with **€55 million in taxes**, and indirectly with **€144 million**, of which **€86 million** is VAT related to product sales.

OPENING REMARKS

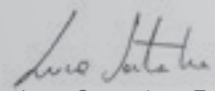
All of us started 2021 with uncertainty, but soon we were filled with hope that the vaccines will stop the pandemic, and the year ended with gradual recovery and a return to "new normality". Being natural leaders, we have recognized our role in supporting the economy in the way we do best – with profitable business, knowledge and expertise, as well as continued investments, thus creating new economic value. We responded to the contraction of economic growth with additional investments – introducing coffee as a new category for us, acquiring a carbonated water factory, as well as investing in a new Plazma production line, which almost doubled the production. In this way, we continued to support the domestic economy in the unpredictable economic environment of 2021.

With the jubilar, fifth Study on the socioeconomic impact of the Coca-Cola System in Serbia, the second one which includes Bambi, we quantify our total contribution in 2021, once again confirming that we are a domestic company whose procurement, production, and distribution strongly affect the local economy.

In the year in which the economy had started recovering from the strong impact of the Covid-19 pandemic, the Coca-Cola System and Bambi contributed €360 million in value added to the domestic economy, representing 0.7% of the GDP of the Republic of Serbia. We paid €55 million in direct tax revenues to the Serbian budget and supported another €144 million in taxes in the entire value chain of the System, which amounts to 1% of the total tax revenue in the country. For each direct job, we support 8 more, as we directly employ 1,614 people, and indirectly support additional 13,300 across our value chain.

We hired a renowned consulting firm, Steward Redqueen, to produce the Study. It was prepared according to the methodology of Nobel Prize winner, economist Wassily Leontief, which implies an input-output model of analysis (more in the Methodology section). This study is based on the financial data from 2021, and it is important to point out that this is the first Study on the socioeconomic impact of the Coca-Cola System in Serbia which includes the entire year of operations and the influence of Bambi.

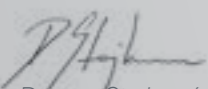
Thank you for helping us to build a better future with the full strength and character of leaders!



Luca Santadrea, Franchise Director of The Coca-Cola Company Serbia, Montenegro, North Macedonia



Svetoslav Atanasov, CEO of Coca-Cola HBC Serbia and Montenegro



Dragan Stajković, Bambi CEO





ABOUT THE COCA-COLA SYSTEM AND BAMBI IN SERBIA

Although many perceive the Coca-Cola System as a unique entity, and Coca-Cola beverages as produced by a multinational company based in Atlanta, we are more than that. Our business system employs local labour and generates revenue domestically while supporting employment, salaries and tax revenues across the entire economic chain. It actually means that we are basically a domestic company.

1968
30 PEOPLE
18.000 BOTTLES/h

And it all started back in 1968. With the mission to refresh the whole world, the global brand Coca-Cola arrived in what was then Yugoslavia, bringing not only recognizable tastes, trends in popular culture, music, and art, but also a new business mindset. There were only 30 people working at merely one production line of the first Coca-Cola beverage bottling plant, with a production capacity of 18,000 bottles per hour.

More than half a century later, on the location of the first factory in Zemun stands a modern bottling plant with a regional Juice Center, which covers about 65,000 m², and it makes beverages for both domestic and foreign markets on six production lines.

TODAY
2022, BOTTLING PLANT COVERS ABOUT 65.000m²

While developing the production capacities, the company expanded a network of local partners and distributors, setting new standards in the way of doing business.

Although the overall economic environment has been challenging over the past decades, the Coca-Cola System has been able to adapt, grow and evolve. Today it consists of the Coca-Cola Company, Coca-Cola HBC Serbia, as well as Bambi, who joined the Coca-Cola family in 2019. In addition to the bottling station in Zemun, the Rosa water bottling plant on Vlasina also operates within the System, while the negotiations on the takeover of the Rosa Homolje sparkling water bottling plant in Neresnica, in the municipality of Kučevo, were finalized at the end of 2021.



The Coca-Cola Company

owns the brand and is engaged in the production and sale of concentrates, syrups and beverage bases to its partner companies, such as Coca-Cola HBC. It is also in charge of designing strategic marketing campaigns, brand management, advertising, consumer promotions, packaging improvement strategy, as well as market research.



Coca-Cola HBC Serbia

buys raw materials for the production of beverages from the Coca-Cola Company and is in charge of the production, packaging, sale and distribution of the final product to customers, as well as for work within retail facilities. Moreover, Coca-Cola HBC Serbia initiates and implements numerous socially responsible programs. **This year, Coca-Cola HBC celebrates 25 years of doing business in Serbia.** It started its operations in 1997, and 25 years later, after four acquisitions, it is the industry leader, not only when it comes to improving production processes and range of products, but also in sustainable and socially responsible solutions in the field of environmental protection and support to local communities, as well as in long-term cooperation with partners and customers.



The Bambi Company

For 55 years, **Bambi** has been bringing some of the most beloved confectionary brands to the Serbian and regional markets, the most famous of which is the Plazma biscuit. By joining the Coca-Cola HBC family, Bambi was given the opportunity for further development, expansion of production capacities, and an introduction to new markets. At the same time, investments, production and export growth were accompanied by continuous portfolio improvement and the successful launch of innovative products.

Our brands

The Coca-Cola System produces and distributes some of the world's most famous brands: Coca-Cola, Coca-Cola Zero, Fanta, Schweppes and Sprite, Rosa and Rosa Homolje waters, Next, Next Joy and Next Lemonade juices, Ultra and Monster energy drinks, FuzeTea ice tea, well-known Costa coffee and Vergnano coffee brands, Heineken beer portfolio, as well as premium spirits Jack Daniels, Finlandia, Famous Grouse, Macallan, Brugal, Campari, Aperol, Zlatni Pelin and Zlatna Rakija, domestic alcohol brands owned by Coca-Cola HBC Serbia. Joined by Bambi brands like Plazma, Wellness, Zlatni Pek, LOCO and Bambi wafers, Josh! salty snacks, and aromatic Spekulaas biscuits, the company is an absolute leader in its industry and offers a product portfolio for everyone's taste and every occasion, seven days a week.

For sustainable future

Apart from the fact that as part of the same system we share the same values, we also share a commitment to sustainable business. For us in the Coca-Cola System and Bambi, sustainable business is about taking care of people, taking care of the planet, and taking care of our business at the same time. That is why we have been among the leaders of sustainable and responsible business in Serbia for years, a company that sets standards in the way of thinking and doing business, which inspires and encourages activities for a better and more sustainable future.

Coca-Cola HBC Serbia won the Coca-Cola HBC Group Award for sustainability and implementation of sustainable policies in 2021 among 29 countries.

SERBIAN ECONOMY IN 2021.

In 2021, the Serbian economy suffered serious consequences of the crisis, caused by the Covid-19 virus pandemic that began in the previous year. Due to very generous state aid in 2020, i.e. €5.8 billion or 13% of GDP, the GDP decline of 0.9% was significantly lower than the GDP decline in most of the developed countries in the world.

Thanks to the extension of state aid in 2021 amounting to €2.2 billion, but also a strong inflow of foreign direct investments of €3.6 billion, and an increase in exports to €21.6 billion, which, compared to 2020 represents a growth of as much as 26.8%, a multi-decade stable inflow from international money orders, i.e. an inflow of funds from abroad in the amount of €3.7 billion and the continuation of big investments in large infrastructure facilities of state importance, Serbia reached the pre-crisis level of GDP in the first quarter of 2021. Our country ended the post-pandemic year of 2021 with significant GDP growth of 7.5%, which placed Serbia among the European countries with the most dynamic growth.

€2.2
BILLION



STATE AID



DIRECT INVESTMENTS

€3.6
BILLION

€3.7
BILLION



FUNDS FROM ABROAD

The Covid-19 pandemic had harmful consequences for industrial development, which recorded a growth of just 0.4% in 2020. Thanks to state aid measures, the presence of foreign companies, as well as to the resilience of domestic companies, in 2021 the industry grew by 6.3%.

In the challenging year of 2020 prices grew 1.3%. In 2021 they increased significantly, but it was still at the single-digit level of 7.9%.

In 2021, Serbia's exports increased by 26.8%, but it should be borne in mind that in the previous pandemic year of 2020 it declined by 2.7%. This came as a result of closed borders, disruption of supply chains, a disorder in the transport of goods, and the lack of components and parts in the highly dependent globalized world economy. Due to the decades of faster growth of imports than exports, the Serbian economy recorded a very high and growing trade balance deficit of almost €7 billion, i.e. 13.1% of the GDP in 2021, while only 75.5% of the imports were covered by exports.

Despite the pandemic in 2020 and the "remedying" of its consequences in 2021, the total number of employed (2.2 million) and unemployed (513,000) people remained at a similar level to the previous year, but the unemployment rate increased from 9.7% to 11.1%.

It is encouraging, though, that **despite the enormous problems caused by the pandemic, retail trade turnover increased by 4% in 2020 and by 10.3% in 2021.** Due to the state of emergency, the number of overnight stays of tourists in 2020 decreased by 38.4%, while with the easing of the epidemiological situation in 2021, the number of overnight stays of tourists increased by 31.6%.

When it comes to inflation, the situation in 2022 is somewhat different. In the conditions of accentuated cost pressures caused by the unfavourable global situation, year-to-year inflation in Serbia, as in other countries, continued to increase during the third quarter of 2022 and amounted to 14% in September. Core inflation (excluding increases in food, energy, alcohol and cigarette prices) was 8.6% in the same period.¹

As in the previous period, a major contribution to inflation growth in the third quarter of 2022 was a dynamic increase in food and alcohol-free beverage prices of 4.9%, with a contribution to total inflation of 1.6%.²

According to the November 2022 National Bank of Serbia (NBS) projection, year-on-year inflation is expected to remain elevated until the beginning of next year, but it is also expected to decline sharply in the second half of 2023 and return to the NBS target (3%, +/-1.5%) in the second half of 2024.³

¹ Source: National Bank of Serbia, Inflation Report, November 2022.
https://www.nbs.rs/export/sites/NBS_site/documents/publikacije/oi/izvestaji/oi_11_2022.pdf, p. 14

² Ibid., p. 14.

³ Ibid., p. 6.



THE IMPACT OF THE COCA-COLA SYSTEM AND BAMBI ON SERBIAN ECONOMY

The contribution of each company to the overall development of the country in which it operates can be measured through direct and indirect impact on GDP growth, employment, value added, investments, the introduction of new technologies, and payments to the country's budget

Domestic consumers enjoy our products

In 2021, the Coca-Cola System produced 649 million litres of alcohol-free beverages, and Bambi produced 30.5 million kg of confectionary intended for the domestic and foreign markets.

Serbian citizens spent €517 million to buy 521 million litres of alcohol-free beverages produced in the Coca-Cola System, 21 million kg of Bambi confectionary, 103,800 JK (UC)⁴ premium spirits and 17,000 kilograms of coffee, on the domestic market⁵.

We are growing regardless of challenges

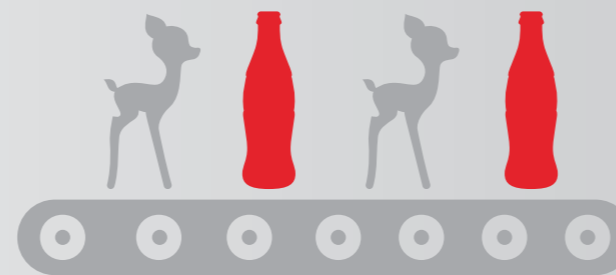
From 2017 to 2021, the average growth rate of sales volumes in Coca-Cola HBC was 4.1%, and the growth rate of net sales revenue was 5.00%. At the same time, the total production of the domestic alcohol-free beverages industry decreased by 4.2% between 2017 and 2021, which reveals even more the conquest of the Coca-Cola System within the industry of production and placement of alcohol-free beverages. The sales volume growth, as well as net revenue growth in Bambi, have been steadily increasing in all five observed years.

Due to the Covid-19 pandemic in 2020 and the closure of bars and restaurants, sales of alcohol-free beverages and spirits have plummeted. **During the first half of 2021, the implementation of epidemiological measures that included the introduction of Covid passes for visits to bars and restaurants continued, as well as shorter working hours. With the easing of measures, through smart and courageous market moves, as well as continuous investments, in 2021, the net income significantly increased, exceeding the level from the pre-pandemic year of 2019.**

⁴ JK (UC) - unit case, unit of measure for 5678 liters, or 24 serving of 8 US ounces (size of original Coca-Cola bottle).

⁵ Part of the total production of both companies was exported. Only the part that was realized in Serbia is analyzed.

CCHBC SYSTEM



649 MIL L
ALCOHOL-FREE BEVERAGES

30,5 MIL KG
CONDITOR PRODUCTS



- 521 BILLION L**
alcohol-free beverages of CCHBC
- 21 BILLION KG**
conditor products of Bambi Company
- 103.800 JK**
premium spirits
- 17.000 KG**
coffee



Impact on the local economy

In 2021, the Coca-Cola System and Bambi generated €285 million in revenue from sales on the domestic market. This income made it possible for employees to be paid salaries, together with taxes and social contributions to the state and local communities, which represents the business' direct impact on the economy. In 2021, the state budget alone, as a result of the operations of the Coca-Cola System and the Bambi, accounted for €86 million of VAT, while our distributors and retailers charged €146 million in profit for their services. On the other hand, spending money to buy various products and services generated new employment, new taxes and social contributions, which added, in a capillary manner, to the local, but also to the country's overall development. This is, indeed, an indirect influence. You can see more about social impact in the Impact on society and the local community section.

Impact on other sectors of the economy

The value of goods and services purchased from domestic suppliers amounted to **€96 million**.

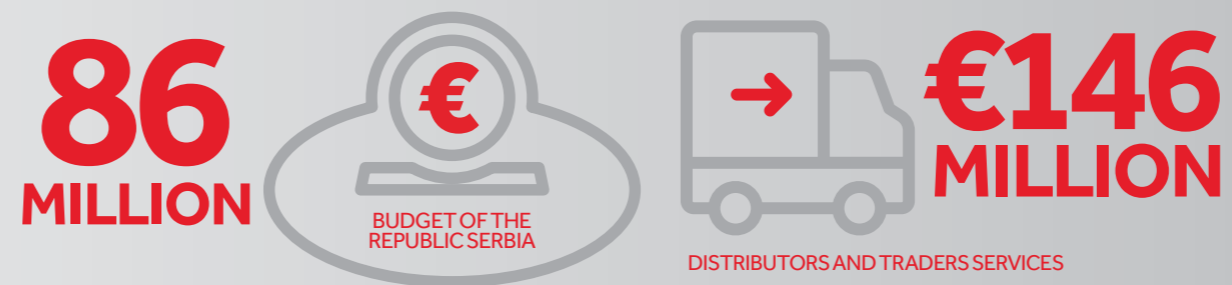
The operations of the Coca-Cola System and Bambi have had a positive impact on the operations of key sectors of the Serbian economy:

- **The trade sector** generated €92 million in value added.
- **The services sector** generated €50 million, of which €22 million were related to the marketing, advertising, communication and other services provided by domestic companies.
- **The production sector** charged €23 million, of which €13 million were related to the **first-tier suppliers**.
- **Other industries, transport and agriculture** generated €29 million in value added.

Our positive impact on Serbian GDP

In 2021, the total value added, across the entire value chain, amounted to €360 million. This actually means that the Coca-Cola System and Bambi indirectly contributed 0.7% of the Serbian GDP. For every €1 spent on Coca-Cola and Bambi products produced in Serbia, the additional contribution to the economy amounts to 70 cents.

The Coca-Cola System and Bambi directly generated €81 million in value added, representing as much as 5.2% of the total value added in the food and beverage production sector in Serbia⁶.



⁶ The total value added of food and beverage production in Serbia in 2021 amounted to €1.6 billion (Source: Eurostat)

Effects on the tax system of the Republic of Serbia

The Coca-Cola System and Bambi paid €55 million directly to the budget of the Republic of Serbia and local governments. This includes corporate income tax, payroll tax, various social contributions, customs fees, and property and excise taxes.

In the value added structure of €360 million, the largest part, €199 million, or 55.2%, refers to supported tax payments across the value chain. **This means that the total indirect taxes that were paid actually stand for 1% of Serbia's tax revenues.**

The value of salaries in the entire value chain amounted to €80 million, of which €26 million were salaries of Coca-Cola System and Bambi employees, and €54 million were salaries of suppliers and buyers of company products.

Domestic companies across the value chain generated a profit of €82 million.

We make it possible to create jobs across the entire value chain

In the Coca-Cola System and Bambi, a **total of 1,614 people were directly employed in 2021**. Within the value chain, additional 13,300 jobs were generated indirectly.

The Coca-Cola System and Bambi, throughout the value chain, support the employment of a total of 14,900 people, which represents 0.5% of the total number of jobs in Serbia⁷, compared to the total estimated employment in 2021.

One employee of the Coca-Cola System and Bambi indirectly supports another 8 employees in the Serbian economy, with 2 related to local procurement and 6 related to sales.

⁷Total employment in 2021: 2.7 million (Source: Eurostat)



The Coca-Cola System and Bambi, throughout the value chain, support the employment of a total people



IMPACT OF THE COCA-COLA SYSTEM AND BAMBI ON SOCIETY AND LOCAL COMMUNITY

Business, if not socially responsible, cannot generate positive results. That's why everywhere we do business, we try to be the driver of positive change.

There are four priority areas of our support:

- **Professional development of young people**
- **Partnerships with local communities**
- **Protection of the environment and water resources**
- **Emergency situations**

In 2021, we invested RSD92 million in projects aimed at improving the local community, donated over half a million drinks and 14 tons of food. At the same time, our employees donated over 1000 volunteer hours to the community.

Supporting the professional development of young people

Young people are the future pillar of the development of our society, our economy, and our companies. To support their development, we implement our projects and support the initiatives of numerous organizations dealing with the improvement of the position of young people.

- Since 2017, we are operating the Coca-Cola Support for Young People umbrella program, through which we have empowered more than 9,000 unemployed young people with new knowledge and skills in Serbia, and in 2021 alone about 3,000 of them. The program includes free education in the form of online and offline training, workshops, and lectures, with carefully selected lecturers and topics that are attractive to young people.
- For nine years, the Coca-Cola HBC Serbia has been opening its doors to final-year students through Coke Summership - a summer internship program. A total of 270 students had their first work experience in our company, of which 70 are now part of the Coca-Cola HBC family.
- By supporting new generations in professional development, Bambi has shown a strong attachment to talent and youth energy through its six-month paid internship program **Bambi for YOUng**, opening the door to the second generation of trainees after the majority of first-generation trainees received the opportunity to work in the company. This program was named the best internship program at the first Emmple, employer branding festival, in Serbia. Bambi regularly organizes a program of summer internships in cooperation with vocational schools, and since the 2021/2022 school year, it participates in the dual education programme with the Požarevac agricultural school.

Partnerships with local communities

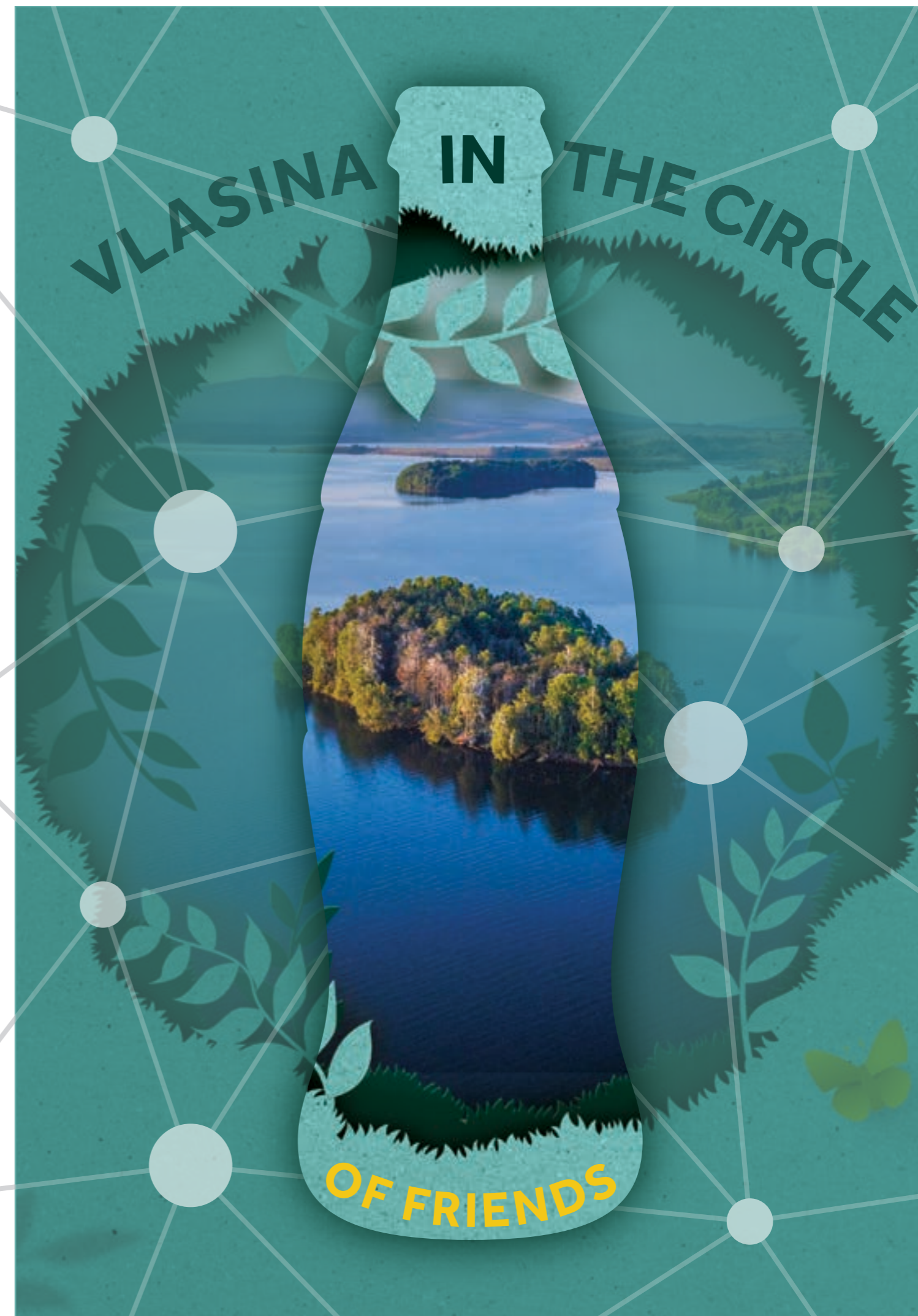
In 2021, the Coca-Cola System designed a unique project aimed at the development of the local community of Vlasina, an area of exceptional natural beauty, which is at the same time the home of the source of our Rosa water. As part of the Vlasina – Pure Love project, we organized free workshops for hospitality industry workers from this region to help them better develop and promote their businesses, and thus the whole Vlasina area, to attract more tourists and create economic benefits for the entire region.

The project was implemented in partnership with the Municipality of Surdulica, the Tourist Organization of Surdulica and the Cabinet of the Minister for the Development of Underdeveloped Municipalities.

Protection of the environment and water resources

Sustainable business is the essence of our business practice. We believe that responsibility is the key word of the future, and that's why we talk about all the challenges of today in a transparent and open manner.

- In everything we do, we try to minimize the impact on the environment. Between the years of 2007 and 2021, CCHBC managed to reduce water consumption per litre of produced drink by 53.45%. That means we save roughly 20 Olympic swimming pools a year. In Bambi, from 2017 to 2021, water consumption per ton of product dropped by 24.7%.
- Our relationship with water resources was recognized in 2021, when we obtained the prestigious AWS certificate of the Alliance for Water Resources Management. This international certificate confirms the highest level of care and commitment to water conservation.
- As part of the Coca-Cola HBC World Without Waste mission, our goal is to recycle or reuse as many bottles or cans as we place on the market by 2030. We are an active partner in the social dialogue about the best solutions for packaging waste management, supporting local projects and raising awareness of the importance of primary waste selection and recycling.
- We are constantly introducing innovations in packaging, all our Next juices packaging is 82% made of vegetable materials, while the KeelClip innovation on joint can packaging saves up to 144 tons of plastic in five years.
- Coca-Cola HBC Serbia: Between 2007 and 2021, we reduced energy consumption per litre of the produced beverage by 56%. In 2021, we reduced CO2 emissions by 67% compared to 2020.
- Since 2021, 100% of the energy used at all our bottling stations and in Bambi is obtained from renewable energy sources.
- In 2021, we formed the ESG Advisory Board, the first of its kind in Serbia, but also in the entire Coca-Cola HBC Group. This unique external body consists of distinguished members from various fields: business associations, international organizations, educational institutions, local governments, the civic sector, business partners, and media representatives.





Emergency support

In 2021, while the Covid-19 pandemic is still ongoing, the focus of support is on **donations to health institutions, on communities after major floods, as well as traditional support to numerous humanitarian organizations.**

- Donations of Coca-Cola HBC Serbia in products in 2021 reached the value of €185,000, while Bambi allocated 14 tons of food for the most vulnerable groups.
- By donating more than a ton of products to socially disadvantaged citizens across Serbia, Bambi joined the Save Food, Save Humanity campaign in 2021, led by the Coalition for Charity, headed by the Ana and Vlade Divac Foundation.
- Coca-Cola HBC Serbia and Bambi are the winners of the Award for Food Donation to the Most Deprived, which is awarded, in support of donations, by the Coalition for Charity and the Forum for Responsible Business.

Our employees

1000 HOURS OF VOLUNTEERING

In 2021, Coca-Cola and Bambi volunteers devoted as much as 1000 hours to **volunteering**. Cleaning and tree planting activities were organized.

One of the sustainability goals by 2025 at the level of the Coca-Cola System is to achieve **full gender equality in managerial positions**. Coca-Cola HBC Serbia's top management consists of 67.7% of women. *The Women in Leadership* programme has been launched to further empower women within the company to take on leadership roles. In Bambi, 47% of women are in the management structure, and the goal for 2030 is that their participation will be greater than 50%. Bambi initiated the campaign *Equality Comes from Home*, sending a strong message about the necessity to overcome gender-based stereotypes in the private and professional environment.

FULL GENDER EQUALITY





METHODOLOGY

The methodology that the Coca-Cola System has used for the fifth year in a row (the second time together with Bambi) to assess its economic effects is based on the so-called input-output analysis, developed by the Nobel Prize winner, economist Wassily Leontief.

In the assessment of the Coca-Cola System and Bambi's impact on the economy, **the cash flow is monitored, i.e. the value that end consumers spend on the final products from our company portfolio, but also through how money circulates in the economy and creates value added.**

In the process of manufacturing, packaging, promoting and delivering their products, the Coca-Cola System and Bambi stimulate and influence a whole range of economic activities, influencing partners and associates throughout the chain. The effect is created on local suppliers of raw materials or services, while on the other hand distributors and retail chains have a direct effect of the Coca-Cola System and Bambi through the process of distribution and sale of final products. All these activities result in tax revenues and new jobs, which additionally stimulate the economy.

In other words, when a consumer buys a Coca-Cola System or a Bambi product, out of the total amount they allocate for the purchase of the final product, part of the value belongs to the system/company as the manufacturer, while the remaining part refers to the payment of the distributor who transported the product from the production plant to the point of sale, as well as the retailer's profit. All the aforementioned parties – companies, suppliers, distributors, and sellers, invest funds in further improvement of production and make a profit, procure goods and services from local suppliers, and pay social contributions and taxes on salaries that go into the local and state budgets.

To calculate the impact of the Coca-Cola System and Bambi on the local economy, the total value of product consumption serves as an initial input element that is inserted into the so-called **social accounting matrix**, which shows all cross-sectoral links and impacts on the local economy.

The impact on the economy can be direct and indirect.

Direct impact - depends on the size of the system, i.e. production and administrative facilities, but also other factors, such as workforce, profitability, and national tax levels;

Indirect impact - can be upstream and downstream.

Upstream impact refers to the procurement, i.e. the purchase of goods and services in the country from suppliers, while the money remains in the local economy. This revenue obtained by the Coca-Cola System and Bambi suppliers allows them to further hire people, pay taxes and social contributions, pay salaries, and continue to finance their business.

Downstream impact refers to sales volume and buyers' profit margins. Buyers and distributors profit by placing beverages on the market, and the profit margins themselves depend on the type of buyer. The revenue generated by buyers in this way is used to purchase materials and services, in turn activating more earnings, taxes, profits and employment at the level of their suppliers.

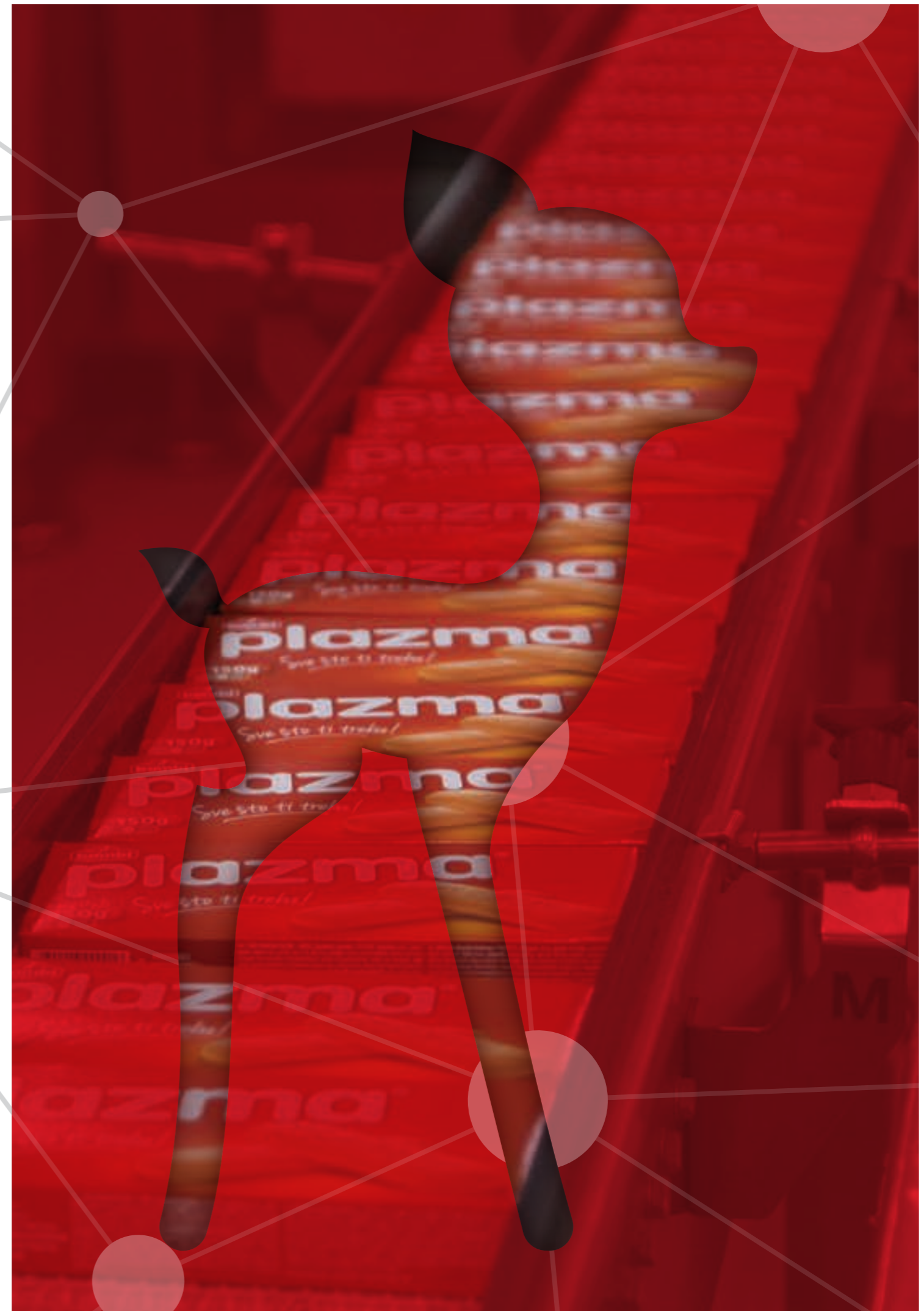
ABOUT THE AUTHOR OF THE STUDY

Steward Redqueen is a strategic consulting company that, through advising organizations on the development of clear and practical sustainable business and impact strategies, helps to make the business work for the benefit of society.

The analysis evaluates the impact on the economy and the extent to which the Coca-Cola System and Bambi contribute to the domestic economy through employment, salaries and taxes, and where the impact is defined in relation to value added and job creation.

Based on extensive assessments of the impact of these organizations on society, an opportunity is created to strengthen the position and identify potential opportunities to improve the positive impact in the markets in which clients operate.

Steward Redqueen has conducted numerous studies for the Coca-Cola System to better understand its socioeconomic impact in 45 markets across Africa, Asia, Europe, and Latin America. The firm's representative offices are located in Amsterdam, Singapore, Barcelona and Princeton, and the beneficiaries of this influential consulting company are multinationals in more than 70 countries around the world. For more information about the company's studies and activities, please visit www.stewardredqueen.com.





Coca-Cola



Coca-Cola HBC
Srbija

