

Coca-Cola HBC AG - Water 2018

W0. Introduction

W0.1

(W0.1) Give a general description of and introduction to your organization.

Coca-Cola HBC is one of the world's largest bottlers of drinks from The Coca Cola Company and our business has a strong foundation for long-term growth. Coca-Cola HBC (Coca-Cola Hellenic Bottling Company) is a bottling partner of The Coca-Cola Company. This means that The Coca-Cola Company manufactures and sells concentrates, bases and syrups to its bottling partners, owns the brands and is responsible for consumer brand marketing initiatives. We use the concentrates and syrups to manufacture, package, merchandise and distribute the final branded products to our trade partners and consumers. Selling more than 2.1 billion unit cases every year – that's 50 billion servings – we're one of the world's largest bottlers of The Coca-Cola Company's brands. We operate in 28 countries, serving 600 million potential consumers across three continents. We bottle, sell and distribute the world's most recognised soft drink: Coca-Cola. Along with Coca-Cola Light, Sprite and Fanta, also licensed to us by The Coca-Cola Company, these are four of the world's five best-selling non-alcoholic ready-to drink beverages. Still drinks – water, juices, tea and energy drinks – make up to 31 percent of our volume. This diverse portfolio means that we're a strong partner for our customers and provide great choice for consumers. We've integrated sustainability and corporate responsibility into every part of our business, aiming to build long-term value for our stakeholders. Coca-Cola HBC is headquartered in Zug, Switzerland and has a premium listing on the London Stock Exchange and secondary listing on the Athens Exchange.

W-FB0.1a

(W-FB0.1a) Which activities in the food, beverage, and tobacco sector does your organization engage in?

Processing/Manufacturing
Distribution

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

Reporting year	January 1 2017	December 31 2017

W0.3

(W0.3) Select the countries/regions for which you will be supplying data.

Austria
Belarus
Bosnia and Herzegovina
Bulgaria
Croatia
Cyprus
Czechia
Greece

Hungary
Italy
Latvia
Lithuania
Montenegro
Republic of Moldova
Russian Federation
Serbia
Slovakia
Slovenia
Switzerland
Ukraine
United Kingdom of Great Britain and Northern Ireland
Armenia
Estonia
Ireland
Nigeria
Poland
Romania
The former Yugoslav Republic of Macedonia

W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response.

EUR

W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which operational control is exercised

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

No

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

Sufficient amounts of good quality freshwater available for use	Vital	Important	Direct use: Since water is by far the largest component of our beverages, access to high-quality water from sustainable sources is core to our long-term viability. In addition, water is very important to all cleaning, washing and sanitizing processes we perform which are an integral production process step prior to final beverages production. We work to ensure best practice in our water extraction and have made far reaching commitments to reduce, reuse, recycle and replenish the water we use. Indirect Use: Part

			of our main ingredients are sugar, sweeteners, juice concentrates which depend very much on water availability and quality. Our strategy includes working with suppliers and other parties to reduce our indirect water use. The Coca-Cola Company sets minimum standards which suppliers must meet in order to gain authorization. We also use WWF Water risk filter for evaluating water risk at suppliers.
Sufficient amounts of recycled, brackish and/or produced water available for use	Vital	Important	Direct Use: As a beverage manufacturer, our business is about hydrating and refreshing consumers, our main ingredient is water. Around half of the water we use goes into our beverages; the other half is used in manufacturing and cleaning/sanitizing processes, after which it is treated and returned safely to the environment. Our water efficiency depends very much on the water reuse and recycling. We have a comprehensive strategy which focuses on: Reduce (decrease water usage and water footprint), Reuse (reuse in production processes as much water as we can), Recycle (ensuring 100% of our wastewater is treated), Replenish (replenish 100% of the water we use in our sold beverages); Protect the local watersheds in which we operate; Promote awareness of water issues in our communities. Indirect Use: Part of our main ingredients are sugar, sweeteners, juice concentrates which depend very much on water availability and quality.

W-FB1.1a

(W-FB1.1a) Which water-intensive agricultural commodities that your organization produces and/or sources are the most significant to your business by revenue? Select up to five.

Other, please specify (Sugar)	21-40	Sourced	We source crystal sugar of fructose syrup from our suppliers and use this sugar in our beverages as an ingredient. We don't process/manufacture neither sugar cane nor sugar beet, nor corn for that.
Other, please specify (Orange)	Less than 10%	Sourced	We source orange concentrate from our suppliers and use this concentrate in our beverages as an ingredient. We don't process/manufacture any raw oranges.

W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

Water withdrawals – total volumes	100%	We track for all our production sites, monthly and we aggregate at Corporate level. In addition, since 2014 we started tracking our remote properties (these are all our remote Distribution centers, Warehouses and Sales offices in which we have Full Time Equivalent people). Monthly data and trends are reported to senior management. The measurement and monitoring is important as we have water reduction goals which can be achieved only if we measure monthly the outcome. We us

		e a specialized software for tracking and reporting. All figures are part of our Integrated Annual Report and GRI COP report - it is based on GRI G4 Comprehensive reporting.
Water withdrawals – volumes from water stressed areas	100%	We use Global Water Tool and WWF Water Risk Filter (Tool and Questionnaire) and we plot the data for all of our manufacturing sites. Based on that we are able to see the different risks related to the area in which we operate. In addition, we have very comprehensive Water Source Vulnerability Assessment (SVA) which is done regularly, by 3rd party experts, and which evaluate all possible risks related to the water sources in each particular manufacturing site.
Water withdrawals – volumes by source	100%	We track for all our production sites, monthly and we aggregate at Corporate level. The measurement and monitoring by source is important as we can see if there is a risk to the specific source, to monitor the trends and set plans for sources' sustainability or even to change from one source to other. We use a specialized software for tracking and reporting. All figures are part of our Integrated Annual Report and GRI COP report - it is based on GRI G4 Comprehensive reporting.
Produced water associated with your metals & mining sector activities - total volumes	<Field Hidden>	<Field Hidden>
Produced water associated with your oil & gas sector activities - total volumes	<Field Hidden>	<Field Hidden>
Water withdrawals quality	100%	As water is the base ingredient for our beverages, we monitor very strictly all the parameters of the water we withdrawal (from all water sources we use). It is an obligatory part of our quality stan

		dards. Some of the parameters are monitor every hour, the others: per shift, per day or weekly. In majority of the cases, our internal parameters for water quality are more stringent than the local parameters.
Water discharges – total volumes	100%	We track for all our production sites, monthly and we aggregate at Corporate level. We use a specialised software for tracking and reporting. Monthly data and trends are reported to senior management. Water discharge volume is important for our water balance and it is an integral part of our water mapping. In addition, it is part of our water footprint calculation and we have long-term goal for reduction of water footprint. All figures are part of our Integrated Annual Report and GRI COP report - it is based on GRI G4 Comprehensive reporting.
Water discharges – volumes by destination	100%	We track for all our production sites, monthly and we aggregate at Corporate level. We use a specialised software for tracking and reporting. Monthly data and trends are reported to senior management. Volume by destination is important for calculation and minimization of our water footprint (it is part of our goals). We monitor it also for risk identification and mitigation. All figures are part of our Integrated Annual Report and GRI COP report - it is based on GRI G4 Comprehensive reporting.
Water discharges – volumes by treatment method	100%	We track for all our production sites, monthly and we aggregate at Corporate level. We use a specialised software for tracking and reporting. Monthly data and trends are reported to senior management. Treatment method is very important for calculation and minimization of our water footprint (it is part of our goals); also it is important for risk identification and mitigation. Since 2011, 100% of the water we discharge is treated till the levels which support aquatic life: either in our own waste water treatment plants or in municipality plants. We have built 44 own waste water treatment plants in the countries we operate. All figures are part of our Integrated Annual Report and GRI COP report - it is based on GRI G4 Comprehensive reporting.

Water discharge quality – by standard effluent parameters	100%	We track for all our production sites and most of the parameters are tracked weekly. Since 2011, 100% of the water we discharge is treated till the levels which support aquatic life: either in our own waste water treatment plants or in municipality plants. We have built 44 own waste water treatment plants in the countries we operate - very often our internal requirements for effluent parameters are more stringent than the local requirements. It is important part of our water footprint/water impact minimization. All water figures are part of our Integrated Annual Report and GRI COP report - it is based on GRI G4 Comprehensive reporting.
Water discharge quality – temperature	100%	We track for all our production sites and we use a specialized software to report all water discharge parameters, including temperature.
Water consumption – total volume	100%	We track for all our production sites, monthly and we aggregate at Corporate level. In addition, since 2014 we started tracking for Remote properties (these are all our remote Distribution centers, Warehouses and Sales offices in which we have Full Time Equivalent people). Monthly data and trends are reported to senior management. It is important for our commitment to water consumption reduction: we measure in order to improve. We use a specialised software for tracking and reporting. All figures are part of our Integrated Annual Report and GRI COP report - it is based on GRI G4 Comprehensive reporting.
Water recycled/reused	100%	It is a parameter which we report monthly for all of our sites and we aggregate for the Corporate level as well. It is part of GRI G4 standards. In addition, to calculate more correctly the water reused in operations, we developed a special helping tool for our manufacturing sites.

The provision of fully-functioning, safely managed WASH services to all workers	76-99	It is a fundamental element of our commitment to the health, safety and wellbeing of our employees. It is also part of the Food safety standard (FSSC 22000) requirements towards which 99.6% of our volume is certified. Each of our sites is audited in so-called Workplace Accountability Audit and one of the audited area is the availability of WASH services.

W1.2b

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?

Total withdrawals	21753	Lower	3.7% lower than in 2016 (in 2016 it was 22,588 Mega liters). This is due to our efforts and actions in water optimization and all water saving projects we are running across our operations.
Total discharges	9679	Lower	3% lower than in 2016 (in 2016 it was 9,978 mL Mega liters). Again the decrease come from our actions to reduce water usage and implement water saving across all operations.

Total consumption	21753	Lower	3.7% lower than in 2016 (in 2016 it was 22,588 Mega liters). This is due to our efforts and actions in water optimization and all water saving projects we are running across our operations. The water consumption was decreased, regardless of the increased production volume.

W1.2d

(W1.2d) Provide the proportion of your total withdrawals sourced from water stressed areas.

Row 1	16	About the same	WBCSD Global Water Tool	We use Global Water Tool for many years; we put the data for all of our manufacturing sites and we update the information annually. For the last 3 years, the manufacturing sites and the water withdrawal that is coming from water-stressed areas (basins) is about 15-15% of the total water withdrawn.

W-FB1.2e

(W-FB1.2e) For each commodity reported in question W-FB1.1a, do you know the proportion that is produced/sourced from water stressed areas?

Other commodities from W-FB1.1a, please specify (Sugar)	Not applicable	Yes	We don't produce, only sourced the sugar. By using WWF Water Risk Filter, we plot all of our Tier 1 suppliers, including sugar suppliers, per location. We combined 2 of final scores: Final Score Basin related risk and Final Score Company related risk, and the output of the two gave us an indication about the suppliers which operate in high water risk areas. Scoring system is from 1 to 5. Score above 3.8 is considered High risk. Out of all 84 sites which were investigated, 4 got a score above 3.8, which is 4.8%. For all these high risk sites we ask mitigation plans.

W-FB1.2g

(W-FB1.2g) What proportion of the sourced agricultural commodities reported in W-FB1.1a originate from water stressed areas?

Other sourced commodities from W-FB1.2e, please specify (Sugar)	4.8	We don't produce, only sourced the sugar. By using WWF Water Risk Filter, we plot all of our Tier 1 suppliers, including sugar suppliers, per location. We combined 2 of final scores: Final Score Basin related risk and Final Score Company related risk, and the output of the two gave us an indication about the suppliers which operate in high water risk areas. Scoring system is from 1 to 5. Score above 3.8 is considered High risk. Out of all 84 sites which were investigated, 4 got a score above 3.8, which is 4.8%. For all these high risk sites we ask mitigation plans. Our commitment by 2020 is to certify >95% of key agricultural ingredients against the Coca Cola System's Sustainable Agricultural Guiding Principles, which include the following requirements: water management, energy management & climate protection, conservation of natural habitats & ecosystems, soil management, crop protection, responsible agrochemical use, biodiversity, harvest & post-harvest handling, reproductive material identity, selection & handling, management systems, transparency, business integrity. We maintain transparency throughout our critical supply base through The Coca Cola Company Supplier Guiding Principles compliance audits, SEDEX membership and the utilisation of the EcoVadis CSR Platform.

W1.2h

(W1.2h) Provide total water withdrawal data by source.

Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Relevant	511	Lower	In 2016 we withdrawn 524 mega liters of surface water. The decrease in 2017 vs. 2016 is 2.5%. It is due to the all water saving initiatives we have in all of our plants, which are part of the Business planning process and the progress is monitored quarterly per plant.
Brackish surface water/seawater	Not relevant	<Field Hidden>	<Field Hidden>	We don't use brackish surface water nor sea water.
Groundwater – renewable	Relevant	14301	Lower	2017 decrease is by 4.8% (2016 figure was 15,028 mega liters). It is due to the all water saving initiatives we have in all of our plants, which are part of the Business planning process and the progress is monitored quarterly per plant.
Groundwater – non-renewable	Not relevant	<Field Hidden>	<Field Hidden>	We don't have this source.
Produced water	Not relevant	<Field Hidden>	<Field Hidden>	We don't have this source.
Third party sources	Relevant	6942	Lower	Lower by 1.3% in 2017 vs. 2016 (2016 figure was 7,036 mega liters).

W1.2i

(W1.2i) Provide total water discharge data by destination.

Fresh surface water	Relevant	5397.5	Higher	4.5% higher in 2017 vs. 2016 (in 2016 the amount was 5 164.3 mega liters). Overall we discharged less water in 2017 vs. 2016, however the split between Fresh surface and 3rd party destination discharged is changed.
Brackish surface water/seawater	Not relevant	<Field Hidden>	<Field Hidden>	We don't discharge to the see.
Groundwater	Not relevant	<Field Hidden>	<Field Hidden>	We don't discharge to groundwater.
Third-party destinations	Relevant	4281.5	Much lower	11% lower in 2017 vs. 2016 (in 2016 the amount was 4 813.7 mega liters). It is due to the all water saving initiatives we have in all of our plants, which are part of the Business planning process and the progress is monitored quarterly per plant.

W1.2j

(W1.2j) What proportion of your total water use do you recycle or reuse?

Row 1	2-10	Higher	2016 figure: 6.1%. We built a tool to help our manufacturing sites to calculate better the water which is reused during different water reusing/saving activities.

W-FB1.3

(W-FB1.3) Do you collect/calculate water intensity for each commodity reported in question W-FB1.1a?

Other commodities from W-FB1.1a, please specify (Sugar)	Not applicable	Yes	We don't produce any of the agricultural ingredients: we purchase from our suppliers crystal sugar which is produced by sugar beet or sugar cane through processing.
Other commodities from W-FB1.1a, please specify (Orange)	Not applicable	No, not currently but we intend to collect/calculate this data within the next two years	We don't produce any of the agricultural ingredients: we purchase from our suppliers orange concentrate. We ask our Agricultural suppliers to adhere to our Sustainable Agricultural Guiding Principles which include sustainable water/soil management. We are planning to ask information from suppliers with quantitative figures as well.

W-FB1.3b

(W-FB1.3b) Provide water intensity information for each of the agricultural commodities identified in W-FB1.3 that you source.

Agricultural commodities

Other sourced commodities from W-FB1.3, please specify (Sugar)

Water intensity value

4.96

Numerator: Water aspect

Total water consumption

Denominator: Unit of production

Tons

Comparison with previous reporting year

Lower

Please explain

The figure of intensity is: 4.96 m3 of water consumed per ton of product. This is the value of one of our biggest sugar supplier. They have set an ambitious reduction target of -20% water consumed/ tonne of product (vs. 2010) for the processing of raw materials by 2020 and they are quite on track to achieve the commitment.

W1.4

(W1.4) Do you engage with your value chain on water-related issues?

Yes, our suppliers

W1.4a

(W1.4a) What proportion of suppliers do you request to report on their water use, risks and/or management information and what proportion of your procurement spend does this represent?

Row 1

% of suppliers by number

1-25%

% of total procurement spend

51-75

Rationale for this coverage

We are working with our suppliers in all areas of sustainability including water. Group Critical Suppliers' exposure to water risks is an integral part of our annual supply base assessment (SBA). Focusing on water risk management we use WWF Water Risk Filter. It quantifies water-related risks for all industries and all countries. The WRF was applied to 100% of our direct material suppliers and selected indirect suppliers where appropriate (Group Critical Suppliers). 138 suppliers were initially identified with high water risk and we are working directly with them to develop releasing a more comprehensive toolset from the platform. Water Management is a focus area in the Sustainable Agriculture Guiding Principles (SAGP). We have a public commitment to comply against the SAGPs with at least 95% of our key agricultural ingredients by 2020 and we have in place a clear roadmap to reach it. In 2017, we achieved compliance rate of 33% with a target to be 64% compliant till end of 2018.

Impact of the engagement and measures of success

Some examples with our ingredients suppliers: more than 80% of our sugar supply is beet sugar. As beet is 75% water, our strategic suppliers (Tereos, Suedzucker, Nordzucker & CristalCo) use this water in the sugar production process. Through this process, beet sugar producers use almost zero amount of water from the environment. Even if our Group Critical suppliers are not exposed to high risks related to water availability, we are working with them for further improvements. For example, we have been working with the Russian beet sugar industry to replace as much imported cane sugar with local beet sugar as possible. Beet sugar needs c.50% less water to be produced than cane. As a result of our joint efforts and investment over \$100million to increase local production of high-quality beet sugar our consumption in Russia is 100% from locally grown beet.

Comment

W1.4b

(W1.4b) Provide details of any other water-related supplier engagement activity.

Type of engagement

Onboarding & compliance

Details of engagement

Inclusion of water stewardship and risk management in supplier selection mechanism
Requirement to adhere to our code of conduct regarding water stewardship and management
Other, please specify (Sustainable Agricultural Principles)

% of suppliers by number

51-75

% of total procurement spend

76-100

Rationale for the coverage of your engagement

Currently, all suppliers to Coca-Cola HBC are required to accept our Supplier Guiding Principles (SGP), which communicate our values and expectations of compliance with all applicable laws, core international conventions and emphasize the importance of responsible workplace practices, water/environmental requirement and other. A prerequisite to become listed as a Coca-Cola HBC supplier is to commit to our Supplier Guiding Principles. We aim to achieve 100% of our suppliers accepting our SGPs by utilising our 'SGP Coverage Triangle' with three checkpoints throughout the Procure-To-Pay process. In addition, for Agricultural ingredients, we commit by 2020 to certify over 95% of key agricultural ingredients against Coca-Cola System's Sustainable Agricultural Guiding Principles.

Impact of the engagement and measures of success

Our Sustainable Agriculture Guiding Principles include clear requirements on Environment and Farm Management Systems, water/oil/chemicals management, harvesting and crop protection practices. This also helps in mitigating water risk in areas which are in certain basin risk. We maintain transparency throughout our supply base utilizing The Coca-Cola Company Supplier Guiding Principles compliance audits, membership of SEDEX and EcoVadis CSR Platform. We also recognize supplier certifications as per international standards including ISO 9001, 14001, 50001, FSSC 2200 and OHSAS 18001. For agricultural commodities, we recognize the Rain Forest Alliance, Fair Trade, Bonsucro, Sustainable Agriculture Initiative Platform (SAI Platform), GlobalG.A.P. & GRASP certifications.

Comment

W2. Business impacts

W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?

Yes

W2.1a

(W2.1a) Describe the water-related detrimental impacts experienced by your organization, your response, and total financial impact.

Country/Region

Romania

River basin

Danube

Type of impact driver

Technology

Primary impact driver

Other, please specify (Waste Water treatment capacity)

Primary impact

Increased capital costs

Description of impact

In our mineral water bottling plant in Romania, the facility for waste water treatment was constructed in 2010 according with the waste water quality parameters at that time. Meantime drastically changes were made to water technology in the plant. That's why, to treat the waste water, we had to invest in upgrading of the Waste water facility (we increased the capacity from 750m³/day to 1000m³/day). From equipment perspective we have new chemical dosing unit and nutrient dosing, flocculation system, sludge press and full automation. We invested 0.52 million Euros.

Primary response

Adopt water efficiency, water re-use, recycling and conservation practices

Total financial impact

520000

Description of response

In our mineral water bottling plant in Romania, the facility for waste water treatment was constructed in 2010 according with the waste water quality parameters at that time. Meantime drastically changes were made to water technology in the plant. That's why, to treat the waste water, we had to invest in upgrading of the Waste water facility (we increased the capacity from 750m³/day to 1000m³/day). From equipment perspective we have new chemical dosing unit and nutrient dosing, flocculation system, sludge press and full automation. We invested 0.52 million Euros.

Country/Region

Nigeria

River basin

Other, please specify (Osun river)

Type of impact driver

Physical

Primary impact driver

Other, please specify (Lack of waste water facility in the area)

Primary impact

Increased capital costs

Description of impact

Lack of waste water treatment facility (private one or municipal one) close to one of our plant in Nigeria, led to capital investment project: we invested 1.35million Euro in upgrade of the waste water treatment facility in 2017.

Primary response

Increased capital expenditure

Total financial impact

1350000

Description of response

Capital investment in significant upgrade of the waste water treatment facility. Conversion of the current surface aerator type to a more effective and easy to maintain air compression system. With this investment, future production capacity will be covered and we will ensure 100% efficient treatment of the waste water at higher than the local regulation standards.

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

No

W3. Procedures

W-FB3.1

(W-FB3.1) How does your organization identify and classify potential water pollutants associated with its food, beverage, and tobacco sector activities that could have a detrimental impact on water ecosystems or human health?

Specific risk assessment (RA) for each chemical substance is done prior to use. The RA includes environmental hazards based on the Material Safety Data Sheet (MSDS) and Hazard Class in accordance with national regulations. Substances which are classified as “Environmental Hazard” by the pertinent regulations or our own risk assessment are considered environmental pollutants and are documented accordingly. The environmental risk caused by the substances are categorized based on legal requirements such as water hazard class (WHC) in the EU. Technical protection measures (storage, sealed floor, secondary containment etc.), handling procedures and labeling are based on this categorization. Employees handling substances which are classified as “Environmental Hazard” are trained adequately. Consumption of potential hazardous chemicals is monitored, potential reduction and change to a less hazardous substance (rule of substitutions) are assessed. Our plants are FSSC 22000, ISO 22000, ISO 14001, ISO 9001 certified and we are using only chemicals which meet food manufacturing requirements. All our wastewater is treated to support aquatic life before discharged to the environment. We monitor approximately 20 chemical/biological waste water parameters to ensure that wastewater meets legal and internal requirements. By 2020 all our plants (at the end of 2017 there were 26 plants certified) will be certified according to a water stewardship standard (EWS, AWS). In accordance with this standard, environmental impact of our plant is assessed and continuously improved. In the framework of the Source Water Protection Program, stakeholder (NGO, communities) are contacted to understand their view on potential environmental impact of our operations.

W-FB3.1a

(W-FB3.1a) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your food, beverage, and tobacco sector activities.

Potential water pollutant

Fertilizers

Activity/value chain stage

Agriculture – supply chain

Description of water pollutant and potential impacts

As our main ingredients are produced from agricultural ingredients (sugar we use for beverages is from sugar beet and cane; juice concentrates are from different types of fruits (orange, apple, apricot, peach etc.), some of the chemicals could be transferred in the i

ingredients. It would impact the quality of our final beverages causing food safety issue and leading to product recall, brand reputation damages, litigation, financial losses.

Management procedures

Soil conservation practices
Crop management practices
Sustainable irrigation and drainage management
Fertilizer management
Waste water management
Follow regulation standards

Please explain

These are part of our Sustainable Agricultural Guiding Principles and we have committed that >95% of our agricultural ingredients supplier will adhere to those principles by 2020. 2017 progress: 33% of the suppliers. Our final beverages comply with all local standards for Food & Beverage industry, we have our internal quality standards which are more stringent than the local regulations. 99.6% of our production volume is certified in FSSC 22000, ISO 22000, ISO 14001, ISO 9001, by an independent international organization. We performed regular checks of all of our ingredients and finish products in accredited laboratories and each batch of raw materials is checked by our internal laboratories in our manufacturing sites prior to use it in production.

Potential water pollutant

Pesticides and other agrochemical products

Activity/value chain stage

Agriculture – supply chain
Distribution – supply chain

Description of water pollutant and potential impacts

As our main ingredients are produced from agricultural ingredients (sugar we use for beverages is from sugar beet and cane; juice concentrates are from different types of fruits (orange, apple, apricot, peach etc.), some of the chemicals could be transferred in the i

ingredients which we use after that in our manufacturing sites. During the distribution of the ingredients, it is possible to have cross-contamination. It would impact the quality of our final beverages causing food safety issue and leading to product recall, brand reputation damages, litigation, financial losses.

Management procedures

Sustainable irrigation and drainage management
Pesticide management
Waste water management
Follow regulation standards

Please explain

These are part of our Sustainable Agricultural Guiding Principles and we have committed that >95% of our agricultural ingredients supplier will adhere to those principles by 2020. 2017 progress: 33% of the suppliers. Our final beverages comply with all local standards for Food & Beverage industry, we have our internal quality standards which are more stringent than the local regulations. 99.6% of our production volume is certified in FSSC 22000, ISO 22000, ISO 14001, ISO 9001 by an independent international organization. We performed regular checks of all of our ingredients and finish products in accredited laboratories and each batch of raw materials is checked by our internal laboratories in our manufacturing sites prior to use it in production.

Potential water pollutant

Chemicals formed during processing, storage and distribution (e.g., acrylamide, aflatoxins)

Activity/value chain stage

Agriculture – supply chain
Manufacturing – supply chain
Distribution – supply chain

Description of water pollutant and potential impacts

As our main ingredients are produced from agricultural ingredients (sugar we use for beverages is from sugar beet and cane; juice concentrates are from different types of fruits (orange, apple, apricot, peach etc.), some of the chemicals could be transferred in the i

ingredients. During manufacturing (for production of juice concentrate for example) and during distribution/transpiration of the ingredients, it is possible to have cross-contamination. It would impact the quality of our final beverages causing food safety issue and leading to product recall, brand reputation damages, litigation, financial losses.

Management procedures

Soil conservation practices
Crop management practices
Fertilizer management
Pesticide management
Follow regulation standards

Please explain

We have committed that >95% of our agricultural ingredients supplier will adhere to those principles by 2020. 2017 progress: 33% of the suppliers. Our final beverages comply with all local standards for Food & Beverage industry, we have our internal quality standards which are more stringent than the local regulations. 99.6% of our production volume is certified in FSSC 22000, ISO 22000, ISO 14001, ISO 9001 by an independent international organization. We performed regular checks of all of our ingredients and finish products in accredited laboratories and each batch of raw materials is checked by our internal laboratories in our manufacturing sites prior to use it in production.

W3.3

(W3.3) Does your organization undertake a water-related risk assessment?

Yes, water-related risks are assessed

W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Direct operations

Coverage

Full

Risk assessment procedure

Water risks are assessed as part of an enterprise risk management framework

Frequency of assessment

Six-monthly or more frequently

How far into the future are risks considered?

6 to 10 years

Type of tools and methods used

Tools on the market
Enterprise Risk Management
International methodologies
Databases

Tools and methods used

WBCSD Global Water Tool
WWF-DEG Water Risk Filter
COSO Enterprise Risk Management Framework
ISO 31000 Risk Management Standard

Environmental Impact Assessment
Life Cycle Assessment
IPCC Climate Change Projections
Alliance for Water Stewardship Standard
Regional government databases

Comment

The Board, its Committees, Operating Committee, and the Group Chief Risk Officer monitor the risks&opportunities to which the Company is exposed, including water risks. We utilise a standardised Enterprise Risk Management framework: the process documents all business related and financial risks against impact, likelihood, vulnerability, etc. Key risks are measured inherently, residually, and by target. The process also documents responsible mitigation plans and accountable managers.

Supply chain

Coverage

Full

Risk assessment procedure

Water risks are assessed as part of other company-wide risk assessment system

Frequency of assessment

Annually

How far into the future are risks considered?

2 to 5 years

Type of tools and methods used

Tools on the market

International methodologies
Databases

Tools and methods used

Water Footprint Network Assessment tool
WBCSD Global Water Tool
WWF-DEG Water Risk Filter
Environmental Impact Assessment
Life Cycle Assessment
IPCC Climate Change Projections
Regional government databases

Comment

Every year, our Strategic Procurement department updates the water risk per supplier by using different tools available. Suppliers' sites which are considered in water risk area are asked to provide their mitigation plans. We use the principle of dual supply so to mitigate any possible risk of supply disruption. We utilize GWT, WWF Water risk filter, our internal natural capital impact study for the whole value chain, supplier information etc.

Other stages of the value chain

Coverage

None

Risk assessment procedure

<Field Hidden>

Frequency of assessment

<Field Hidden>

How far into the future are risks considered?

<Field Hidden>

Type of tools and methods used

<Field Hidden>

Tools and methods used

<Field Hidden>

Comment

W3.3b

(W3.3b) Which of the following contextual issues are considered in your organization's water-related risk assessments?

Water availability at a basin/catchment level	Relevant, always included	Since water is by far the largest component of our beverages, access to high-quality water from sustainable sources is core to our long-term viability. Any quality issue or declining water availability can cause production stoppage and thus lack of product to sale and respectively loss sales volume and NSR. Additionally water is needed from our ingredient suppliers (sugar, juice concentrate). That's why we have solid water risk programmes: Source Vulnerability Assessment, Source Water Protection Plan and Supplier base assessment related to water stress.

Water quality at a basin/catchment level	Relevant, always included	Since water is by far the largest component of our beverages, access to high-quality water from sustainable sources is core to our long-term viability. Any quality issue or declining water availability can cause production stoppage and thus lack of product to sale and respectively loss sales volume and NSR. Additionally water is needed from our ingredient suppliers (sugar, juice concentrate). That's why we have solid water risk programmes: Source Vulnerability Assessment, Source Water Protection Plan and Supplier base assessment related to water stress.
Stakeholder conflicts concerning water resources at a basin/catchment level	Please select	In our Source Water Protection Plan (SWPP) criterion we have: Public sector local and regional water resource master planning and long term planning; Local and regional water rights, and water resource/watershed management policy. We perform an inventory of relevant stakeholders, assess their interests, identify their membership and geographic scope and evaluate how they can affect the facility's reputation and ability to reliably obtain high quality source water in the necessary quantities. It is important as stakeholders conflict can jeopardize our business as a beverage manufacturer. We have a commitment to certify in European Water Stewardship (EWS) or Alliance for Water Stewardship (AWS) all of our manufacturing sites by 2020. This issue is considered in the certification methodology. By the end of 2017 we have certified 26 sites out of 52 in Gold EWS.
Implications of water on your key commodities/raw materials	Relevant, always included	As our main ingredients (sugar, sweeteners, juices) are coming from agriculture, in our Supply base assessment, made by Central Procurement Department, we have Heat map of water stress risk among all our main Tier 1 suppliers (90% of total spend). Since 2015 we use WWF Water Risk Filter for suppliers' water risk identification. Key focus of our Joint Value Creation programmes with sweeteners' suppliers is sustainable sourcing (including water management) and community impact. For example, since 2015 in Russia we source all of our sugar needs from locally grown beet. Locally sourcing is also cornerstone of our JVC programme with one of the EU sugar suppliers; in addition we reached 100% local sourcing from suppliers in Poland, Lithuania, Serbia, Ukraine and Armenia.

Water-related regulatory frameworks	Relevant, always included	As beverage manufacturer, the regulations in each of the countries in which we operate are important - from water source permits and discharge fees to water rights for the water sources. They can influence our business strategy and operating cost. As part of our comprehensive Source Vulnerability Assessment and Source Water Protection Plan we include all possible risks (social, political and policy/regulatory, environmental, physical) to the facilities' water supplies, including water discharges; Factors affecting the price of water (municipal-provided and/or own source) and Stakeholder, community, water provider and government engagement are part of these 2 programmes. We make analyses of all sites water bills every 2 years. Back in 2015 we developed our own methodology for "true cost of water with water stress multiplier" which are used for decisions related to capital investments.
Status of ecosystems and habitats	Relevant, always included	Eco-systems can affect the water recharging areas of all of our plants, especially the ones which bottle mineral water. That's why it is included in our Due diligence procedure before acquisition, purchasing, investment or divestment. Also, we are working towards achieving of European Water Stewardship certification (EWS) where the Principle 3 includes restoration and preservation of water-cycle related High Conservation Value (HCV) areas. By the end of 2017, 26 out of all 52 production sites achieved Gold certifications in EWS and we are committed to certify 100% of our sites in Water Stewardship Standard by 2020.
Access to fully-functioning, safely managed WASH services for all employees	Relevant, always included	We are beverage manufacturer and beverages as such are considered food. Part of our internal quality/Health&Safety requirements is: to provide adequate numbers, locations and means of hand washing, drying and sanitizing; include adequate supply of hot and cold or temperature controlled water, and soap and or sanitizer; provide an adequate number of toilets with hand washing, drying and or sanitizing facilities. It is also part of FSSC 22000 standard which is mandatory for all our plants.
Other contextual issues, please specify	Relevant, always included	Because we are beverage manufacturer and the beverages are considered food, at country level we have 1 more point: Security, where we consider the risks from terrorism and extortion to the water source. It is incorporated in our IMCR (Incident Management and Crisis Resolution) procedure.

W3.3c

(W3.3c) Which of the following stakeholders are considered in your organization's water-related risk assessments?

Customers	Relevant, always included	As beverage manufacturer, our customers are interested in our efforts in water reduction and sustainable water resources management. We have stakeholders mapping in our Source Water Protection Plan and each of the stakeholders is considered separately and in details.
Employees	Relevant, always included	As water is our main ingredient, employees are fully aware of the importance of sustainable water management. There is a water champion and water team in each of our plants and they actively participate in preparation of our SV A and SWPP (Source Vulnerability Assessment and Source Water Protection Plan). Regular trainings are conducted to the employees in the organization. Also we have many volunteering initiatives related to water in which our employees take part (such as Danube day). We encourage employees to submit ideas related to water saving and we reward them for that.
Investors	Relevant, always included	Investors are interested in our total water stewardship as it is directly linked to our business strategy, long-term growth and company acceptance. Investors are always part of our materiality assessment and water stewardship is always part of our materiality matrix. The water risk and water stewardship are published in our Integrated Annual Report 2017 and are communicated during the Annual Stakeholders forum.

Local communities	Relevant, always included	We operate in 28 countries and local communities are our partners in water stewardship as our activities can affect significantly the communities. The success of our business depends on the strength and well-being of the communities in which we operate. Having a clear direction and focus for guiding community investment and engagement in our countries of operation enables our communities and our business to grow. Our three priority areas for community programmes are: Minimising our environmental impacts & supporting the creation of a sustainable value chain; Engaging in community wellbeing programmes and Youth empowerment. Local communities are part of our stakeholders for water risk assessment (our SVA and SWPP programmes).
NGOs	Relevant, always included	Two of the UN's Sustainable Development Goals related to water and sanitation issues. These concerns are also high on the NGOs agendas, especially in Emerging markets. We have partnered with more than 230 NGOs in 3 priority areas and one of these areas is water stewardship. NGOs are part of our stakeholders and as such are included in our water risk assessment (our SVA and SWPP).
Other water users at a basin/catchment level	Relevant, always included	Other citizens in the municipalities in which we operate and all other users which are with the same water source as our bottling plant, are part of stakeholders mapping in our Source Water Protection Plan. They can be significantly affected by our water activities.
Regulators	Relevant, always included	As beverage manufacturer who operate in 28 countries, regulators are very important stakeholder considered in our Source Vulnerability Assessment (SVA) and Source Water Protection Plan (SWPP). Potential taxes, strict permits, increased requirements for quality of raw water and discharged water can significantly affect the long-term business strategy and that's why this stakeholder is part of our SVA and SWPP.
River basin management authorities	Relevant, always included	We operate our own boreholes in some of our countries and also in other countries the waste water after our own waste water treatment plants is discharged into natural bodies of water. That's why the river basin authorities are important stakeholder. They are included in the stakeholders analysis which is part of our SVA and SWPP.

Statutory special interest groups at a local level	Relevant, always included	Currently we don't have any issues with this group, however they have impact on our business (water supply permits, water discharge permits, increased requirements for quality of the beverages etc.) and that's why they are part of the stakeholders mapping in our SVA and Source Water Protection Plan.
Suppliers	Relevant, always included	In our total water footprint, the ingredients represent 83% out of the total value chain footprint. In order to minimize the risk of supply interruptions, the main Tier 1 Suppliers are included in our Supply base assessment, made by Central Procurement Department. Tier 1 suppliers are assessed by using WWF Water Risk Filter. Also we are using S EDEX and Ecovadis platforms.
Water utilities at a local level	Relevant, always included	In some of the countries in which we don't operate our own boreholes, we use the water from utility suppliers. We cooperate with them at local level related to water quality, water discharge etc. They are included in the stakeholders mapping in our Source Water Protection Plan.
Other stakeholder, please specify	Relevant, always included	The Coca-Cola Company as the owner of the brands which we produce, is among our stakeholders included in our stakeholder mapping. We cooperate with them in all programmes related to water sustainability, the risk assessment is shared, and action plans are tracked by them as well.

W3.3d

(W3.3d) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

The Board, Operating Committee, and the Group Chief Risk Officer monitor the risks & opportunities to which the Company is exposed. Function, project and BU General Managers own the risk & opportunity responses in the field (point of occurrence). Our strategic priorities provide a strategic framework to address risks & opportunities faced by the business. Monthly, senior country, business function and major project management review meetings verify the progress of the identified risk exposure and the associated actions. The significant risks from these reviews, together with progress on agreed management actions, are reported quarterly to the Group Chief Risk Officer, and bi-annually to the Regional Directors for critical review. The Group Risk Forum on a bi-annual basis evaluates operational responses and macroeconomic/strategic issues for escalation to the Operational Committee and Board Risk Committee. Water stewardship is part of our Risk register and is one of our Top 12 material issues, publicly described in our Integrated Annual Report. Water & climate change could impact our long-term corporate reputation, will reduce profitability & efficiency in the whole value chain: from suppliers of our agricultural ingredients and manufacturing sites which use water for our beverages to communities in which we operate. For all our manufacturing sites and main critical Suppliers we use GWT and WWF Water Risk Filter to identify the potential risks related to river basins. Every 3 years we use external experts who work with our plants and by using international tools, local databases, our Natural Capital Impact valuation study and others, evaluate and propose mitigations for all possible risks related to our Water sources. These regular programmes are our Source Vulnerability Assessment and Source Water Protection Plan (detailed action plan how to mitigate all identified water risks at plants level). The action plan is monitored quarterly and reported to Senior management.

W4. Risks and opportunities

W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes, both in direct operations and the rest of our value chain

W4.1a

(W4.1a) How does your organization define substantive financial or strategic impact on your business?

Substantive changes in the business can come from water scarcity (physical risk): it could restrict the ability of individual sites to produce product for sales and it would be a direct business interruption. We estimate this in a timeframe >6 years with likelihood “likely” and high severity. By using Global Water Tool for projection of renewable water supply per person, we identified that 5 of our plants (1 in Greece and 4 in Nigeria) will be situated in an area with <500m³/person annual renewable water supply by 2025. This means that the whole business in that plants can be jeopardized as water is our main ingredient- it would be 5% sales volume less totally. We observe 5-10% increase of our water bills annually. We developed a methodology for “true cost of water” as we saw that the “real” cost we pay is much more than the cost of raw water. Also, to focus on water stress, each “true cost of water” we multiply by the “water stress multiplier” coming from the renewable water supply figure for the respective river basin. All our plants now use this cost of water for investment projects related to water reduction. Supply Chain: Poor weather conditions globally as well as in specific countries (e.g. Brazil, India, Thailand, Germany, France, Russia, Balkans) create significant volatility in our sweeteners’ costs by affecting yields of beet and/or cane crops. Luckily during 2017, world sugar market prices went down driven by very good crops in India, Thailand and Brazil supported by good weather. 1% increase in cane sugar prices results in approximately €0.4 Mio impact on our sugar costs. For juices, extreme weather events such as drought, floods, typhoons and atypical temperatures, can heavily affect availability resulting in high volatility in raw materials cost. The Irma hurricane severely damaged citrus crops in Florida resulting in higher prices for orange and grapefruit. Climate conditions and a number of hard frosts in EU. Germany was hit particularly hard with a crop reduction of 46%. The crop in Poland, the largest producer of AJC, was 30% lower than 2016 bumper crop. Reputation risk: from failure to meet our stakeholders’ expectations in making a positive contribution to the sustainability agenda, particularly relating to water stewardship can have a long-term damage to our corporate reputation. This would impact the number of consumers and customers which have positive attitude to our brands and products. We measure this by an index called CORA (Corporate acceptance).

W4.1b

(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?

Row 1	2	1-25	The two of our biggest facilities which potentially could have an impact on our business are in Greece and in Nigeria. They are the biggest in these 2 countries and that's why the impact of the local business would be significant. For both of them, based on GW T and WWF WRF, there is a potential to have a renewable annual water supply <500m3 per person by 2025.

W4.1c

(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive impact on your business, and what is the potential business impact associated with those facilities?

Country/Region

Greece

River basin

Other, please specify (Asopos River)

Number of facilities exposed to water risk

1

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

<Field Hidden>

% company's annual electricity generation that could be affected by these facilities

<Field Hidden>

% company's global oil & gas production volume that could be affected by these facilities

<Field Hidden>

% company's total global revenue that could be affected

1-25

Comment

Facility for us means a manufacturing plant. Our plant in Schimatari (Greece) is among the biggest ones within Coca-Cola Hellenic and its COGS is appr. 4% of the total COGS (all plants). Also, It is the biggest plant we operate in Greece and it is very important for our Greek business. Based on WBCSD Global Water Tool, Annual Renewable Water Supply per Person in 2025 will be less than 500 m³/year/person which is considered high stress and this would lead to serious business interruptions (stoppages of the lines, less volume of produced and thus sold products, NSR decrease, out of stock and other business impact).

Country/Region

Nigeria

River basin

Other, please specify (Ogun-Oshun)

Number of facilities exposed to water risk

1

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

<Field Hidden>

% company's annual electricity generation that could be affected by these facilities

<Field Hidden>

% company's global oil & gas production volume that could be affected by these facilities

<Field Hidden>

% company's total global revenue that could be affected

1-25

Comment

Facility for us means a manufacturing plant. Our plant Ikeja (Nigeria) is among the biggest ones within Coca-Cola Hellenic and its production volume its COGS is 4% of total COGS. This plant is very important for our Nigerian business (the biggest plant in Nigeria, in the biggest city- Lagos). Based on WBCSD Global Water Tool, Annual Renewable Water Supply per Person in 2025 will be less than 500 m3/year/person which is considered high stress and this would lead to serious business interruptions (stoppages of the lines, less volume of produced and thus sold products, NSR decrease, out of stock and other business impact).

W4.2

(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Region

Greece

River basin

Other, please specify (Asopos River)

Type of risk

Physical

Primary risk driver

Increased water stress

Primary potential impact

Reduction or disruption in production capacity

Company-specific description

Based on the Global Water Tool projections, the area in which our Schimatari plant operates will be water stressed. This would lead to business interruptions, lack of possibility to produce our beverages in certain period of the year. In addition, increase of the water cost is expected - the biggest part of the water we use in that plant is supplied by the municipality.

Timeframe

4 - 6 years

Magnitude of potential impact

Medium-high

Likelihood

Likely

Potential financial impact

3000000

Explanation of financial impact

Potentially the impact on country NSR (Net Sales Revenue) could be up to 3 million EUR, in case of inability of the plant to operate in certain weeks of the year.

Primary response to risk

Adopt water efficiency, water re-use, recycling and conservation practices (Specific water savers)

Description of response

We have solid water reduction programme (opex and capex for water reusing and water reduction initiatives); we set long-term water reduction targets - for the time being these targets are till 2020 and will be extended. We built our Top 10 Water saving initiatives which are mandatory for all plants and current implementation ratio of Schimatari plant is 73%. Since 2015 we use the "true cost of water with water stress multiplier" concept which we apply for investment projects. The risk mitigation plans of the site (based on our Source Vulnerability Assessment and Source Water Protection Plan) are monitored quarterly. The site was certified in European Water Stewardship Standard, with Gold. We train employees in water reduction initiatives and we set a special recognition system for ide

as related to water saving (our programme Near Loss and local reward programme). We operate our own waste water treatment plant and it is possible in the future to reuse this water for utility purposes and irrigation.

Cost of response

2000000

Explanation of cost of response

The capex used for a few years in implementing water reusing, water efficiency, water saving and recycling practices. These are part of our obligatory Top 10 water savers to reduce water consumption and increase water reusing in the manufacturing sites.

Country/Region

Nigeria

River basin

Other, please specify (Ogun-Oshun)

Type of risk

Physical

Primary risk driver

Increased water stress

Primary potential impact

Reduction or disruption in production capacity

Company-specific description

Based on the Global Water Tool projections, the area in which our Ikeja plant operates will be water stressed. This would lead to business interruptions, lack of possibility to produce our beverages in certain period of the year.

Timeframe

4 - 6 years

Magnitude of potential impact

Medium-high

Likelihood

Likely

Potential financial impact

1500000

Explanation of financial impact

Potentially the impact on country NSR (Net Sales Revenue) could be up to 1.5 million EUR, in case of inability of the plant to operate in certain weeks of the year.

Primary response to risk

Adopt water efficiency, water re-use, recycling and conservation practices (Water savers)

Description of response

We have solid water reduction programme (opex and capex for water reusing and water reduction initiatives); we set long-term water reduction targets - for the time being these targets are till 2020 and will be extended. We built our Top 10 Water saving initiatives which are mandatory for all plants and current implementation ratio of Ikeja plant is 80%. Since 2015 we use the "true cost of water with water stress multiplier" concept which we apply for investment projects. The risk mitigation plans of the site (based on our Source

Vulnerability Assessment and Source Water Protection Plan) are monitored quarterly. We train employees in water reduction initiatives and we set a special recognition system for ideas related to water saving (our programme Near Loss and local reward programme). Specific investments in water source are considered as well, including new technologies and more water efficient production lines/equipment.

Cost of response

2000000

Explanation of cost of response

We invest (capex) in our own wells (deep boreholes) in order to secure water supply for the future. Includes the capex for water reusing and water minimization initiatives in the plant.

W4.2a

(W4.2a) Provide details of risks identified within your value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Region

Greece

River basin

Other, please specify (Major basins in Greece)

Stage of value chain

Supply chain

Type of risk

Physical

Primary risk driver

Severe weather events

Primary potential impact

Supply chain disruption

Company-specific description

We use Greek agricultural suppliers for our juice concentrate for peach and apricot. Potential extreme big droughts and floods could affect the ingredients availability by 30% which would cause supply chain disruption.

Timeframe

1 - 3 years

Magnitude of potential financial impact

Medium

Likelihood

More likely than not

Potential financial impact

1000000

Explanation of financial impact

Potential higher cost of the crop due to less yield and alternative cost for finding contingency supply (both costs are part of COGS).

Primary response to risk

Other, please specify (Engagement with suppliers)
Engagement with suppliers to promote best practices and awareness.

Description of response

Engagement with suppliers to promote best practices and awareness; We work with all our ingredients' suppliers on the adherence to Sustainable Agriculture Guiding Principles which include clear requirements on Environment and Farm Management Systems helping to mitigate water risks. We have a commitment that by 2020 more than 95% of our main agricultural suppliers will comply with our Sustainable Agriculture Guiding Principles.

Cost of response

1000000

Explanation of cost of response

We work together with juice suppliers on water management & crop protection systems. We support key Greek orange, apricot & peach suppliers to improve their production capabilities and optimize cost by continuously supporting and favoring local sourcing vs imports. For agricultural commodities we align with industry to recognize Rain Forrest Alliance, Fair Trade, BonSucro and Sustainable Agriculture Initiative Platform. We performed Sustainability workshop with juice suppliers in Greece.

W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes, we have identified opportunities, and some/all are being realized

W4.3a

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

Type of opportunity

Efficiency

Primary water-related opportunity

Improved water efficiency in operations

Company-specific description & strategy to realize opportunity

Since 2006 we have a company-wide water reduction targets. Our current commitment is to reduce water usage ratio (per litre of product) by 2020 vs. 2010 by 30%. We have our Carbon and Water Corporate team which works with Carbon and Water Champions in each country for development, execution&tracking of water optimization initiatives. These are integrated in the Business Plan of each country and quarterly the status of the projects is reported to the Management team and Sustainability Steering Committee. To support water efficiency, we introduced a fundamental change in our financial project valuation, "Accounting for Sustainability" approach: as part of it, we introduced "true cost of water with water stress multiplier per river basin" which is used for all capital investment projects for water reduction. True cost of water with water stress multiplier is calculated every year, per manufacturing site and it's used for ROI calculation. In 2017 we invested €3.1 million in water efficiency initiatives and saved 1.5 million m3 of water across all our countries. We continue with our mandatory for each plant Top 10 Water Savers: in 2017 the implementation rate was 72.3%. E.g: in 2017 in our plant in Radzymin, Poland we invested €320'000 in water reuse projects: reusing of the rinsing water from bottlers' cleaning, CIP water reuse and closed loop circulation, water reuse from sand filters which saves 162'000 cubic metres of water annually.

Estimated timeframe for realization

1 to 3 years

Magnitude of potential financial impact

Medium

Potential financial impact

500000

Explanation of financial impact

In 2017 we invested €3.1 million in water efficiency initiatives in 14 of the countries in which we operate, and these saved 1.5 million m³ of water across these countries, which is € 500 000 (based on the raw water cost in each country). If we consider the True cost of water, the financial saving would be € 1.7 million.

Type of opportunity

Markets

Primary water-related opportunity

Please select

Company-specific description & strategy to realize opportunity

We have advanced our Source Water Protection Programme and have committed to certify all of our sites to either the European Water Stewardship or Alliance for Water Stewardship standards by 2020. These standards recognize excellence at every stage of water management from the protection of water sources, through efficient use of water, to the quality of wastewater released into the environment while requiring engagement with all water users and stakeholders in the community. By the end of 2017 we achieved 26 Gold certifications in European Water Stewardship Standard.

Estimated timeframe for realization

4 to 6 years

Magnitude of potential financial impact

Medium

Potential financial impact

600000

Explanation of financial impact

By demonstrating Water Stewardship, we would avoid eventual bigger taxes for water or higher raw water cost. Up to 10% increase in the overall water spend, would increase our opex by more than half a million Euro.

W5. Facility-level water accounting

W5.1

(W5.1) For each facility referenced in W4.1c, provide coordinates, total water accounting data and comparisons with the previous reporting year.

Facility reference number

Facility 1

Facility name (optional)

Schimatari plant

Country/Region

Greece

River basin

Other, please specify (Asopos River)

Latitude

38.3182

Longitude

23.5888

Primary power generation source for your electricity generation at this facility

<Field Hidden>

Oil & gas sector business division

<Field Hidden>

Total water withdrawals at this facility (megaliters/year)

734.76

Comparison of withdrawals with previous reporting year

Higher

Total water discharges at this facility (megaliters/year)

276.34

Comparison of discharges with previous reporting year

Higher

Total water consumption at this facility (megaliters/year)

734.76

Comparison of consumption with previous reporting year

Higher

Please explain

Water withdrawal and consumption in 2017 are bigger by 5.6% vs. 2016 mainly due to production capacity increase and producing more beverages: 6.7% more production volume in 2017 vs. 2016. In addition, our water reusing activities mitigated this increase. Installation of new lines contributed to the increase due to line validation process we have (as we produce beverages/food) and each line needs to meet certain quality criteria for beverages/food.

Facility reference number

Facility 2

Facility name (optional)

Ikeja plant

Country/Region

Nigeria

River basin

Other, please specify (Ogun-Oshun)

Latitude

7.0018

Longitude

3.5943

Primary power generation source for your electricity generation at this facility

<Field Hidden>

Oil & gas sector business division

<Field Hidden>

Total water withdrawals at this facility (megaliters/year)

975.66

Comparison of withdrawals with previous reporting year

Much lower

Total water discharges at this facility (megaliters/year)

455.1

Comparison of discharges with previous reporting year

Much lower

Total water consumption at this facility (megaliters/year)

975.66

Comparison of consumption with previous reporting year

Much lower

Please explain

In 2017 the water consumption and withdrawals was 12.2% lower than in 2016 which is due to our huge efforts in water reduction. Production volume decrease in 2017 vs. 2016 was only 5.6%. Water discharge in 2017 was 18.6% lower vs. 2016.

W5.1a

(W5.1a) For each facility referenced in W5.1, provide withdrawal data by water source.

Facility reference number

Facility 1

Facility name

Schimatari

Fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Brackish surface water/seawater

0

Groundwater - renewable

30.99

Groundwater - non-renewable

0

Produced water

0

Third party sources

703.77

Comment

Facility reference number

Facility 2

Facility name

Ikeja

Fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Brackish surface water/seawater

0

Groundwater - renewable

975.66

Groundwater - non-renewable

0

Produced water

0

Third party sources

0

Comment

W5.1b

(W5.1b) For each facility referenced in W5.1, provide discharge data by destination.

Facility reference number

Facility 1

Facility name

Schimatari

Fresh surface water

276.34

Brackish surface water/Seawater

0

Groundwater

0

Third party destinations

0

Comment

Schimatari plant has its own waste water treatment plant with aerobic treatment, combined with membrane treatment- the waste water is treated to the levels which support aquatic life. In 2016 and 2017 we invested in expansion of the waste water treatment capacity.

Facility reference number

Facility 2

Facility name

Ikeja

Fresh surface water

455.1

Brackish surface water/Seawater

0

Groundwater

0

Third party destinations

0

Comment

Ikeja plant has its own waste water treatment plant with full aerobic treatment - the waste water is treated to the levels which support aquatic life.

W5.1c

(W5.1c) For each facility referenced in W5.1, provide the proportion of your total water use that is recycled or reused, and give the comparison with the previous reporting year.

Facility reference number

Facility 1

Facility name

Schimatari

% recycled or reused

2-10%

Comparison with previous reporting year

Higher

Please explain

Reused water in 2017 was 6% of the total water consumption and in 2016 was 4%.

Facility reference number

Facility 2

Facility name

Ikeja

% recycled or reused

11-25%

Comparison with previous reporting year

Much higher

Please explain

Reused water in 2017 was 15% of the total water consumption and in 2016 was 1%.

W5.1d

(W5.1d) For the facilities referenced in W5.1, what proportion of water accounting data has been externally verified?

Water withdrawals – total volumes

% verified

76-100

What standard and methodology was used?

Independent third-party assurance, done by the international accredited company, in accordance with the AA1000AS Assurance Standard, the Global Reporting Initiative (in accordance with GRI G4 Comprehensive) standards and the advanced level requirements for communication on progress against the 10 Principles of the United Nations Global Compact. The verification is done by data checks, interviews, site visits, on-spot checks.

Water withdrawals – volume by source

% verified

76-100

What standard and methodology was used?

Independent third-party assurance, done by the international accredited company, in accordance with the AA1000AS Assurance Standard, the Global Reporting Initiative (in accordance with GRI G4 Comprehensive) standards and the advanced level requirements for communication on progress against the 10 Principles of the United Nations Global Compact. The verification is done by data checks, interviews, site visits, on-spot checks.

Water withdrawals – quality

% verified

76-100

What standard and methodology was used?

Independent third-party assurance, done by the international accredited company, in accordance with the AA1000AS Assurance Standard, the Global Reporting Initiative (in accordance with GRI G4 Comprehensive) standards and the advanced level requirements for communication on progress against the 10 Principles of the United Nations Global Compact. The verification is done by data checks, interviews, site visits, on-spot checks.

Water discharges – total volumes

% verified

76-100

What standard and methodology was used?

Independent third-party assurance, done by the international accredited company, in accordance with the AA1000AS Assurance Standard, the Global Reporting Initiative (in accordance with GRI G4 Comprehensive) standards and the advanced level requirements for communication on progress against the 10 Principles of the United Nations Global Compact. The verification is done by data checks, interviews, site visits, on-spot checks.

Water discharges – volume by destination

% verified

76-100

What standard and methodology was used?

Independent third-party assurance, done by the international accredited company, in accordance with the AA1000AS Assurance Standard, the Global Reporting Initiative (in accordance with GRI G4 Comprehensive) standards and the advanced level requirements for communication on progress against the 10 Principles of the United Nations Global Compact. The verification is done by data checks, interviews, site visits, on-spot checks.

Water discharges – volume by treatment method

% verified

76-100

What standard and methodology was used?

Independent third-party assurance, done by the international accredited company, in accordance with the AA1000AS Assurance Standard, the Global Reporting Initiative (in accordance with GRI G4 Comprehensive) standards and the advanced level requirements for communication on progress against the 10 Principles of the United Nations Global Compact. The verification is done by data checks, interviews, site visits, on-spot checks.

Water discharge quality – quality by standard effluent parameters

% verified

76-100

What standard and methodology was used?

ISO14001 audits: 99.6% of our production volume is certified. Also: Independent third-party assurance, done by the international accredited company, in accordance with the AA1000AS Assurance Standard, the Global Reporting Initiative (in accordance with GRI G4

Comprehensive) standards and the advanced level requirements for communication on progress against the 10 Principles of the United Nations Global Compact. The verification is done by data checks, interviews, site visits, on-spot check.

Water discharge quality – temperature

% verified

76-100

What standard and methodology was used?

ISO14001 audits: 99.6% of our production volume is certified. Also: Independent third-party assurance, done by the international accredited company, in accordance with the AA1000AS Assurance Standard, the Global Reporting Initiative (in accordance with GRI G4 Comprehensive) standards and the advanced level requirements for communication on progress against the 10 Principles of the United Nations Global Compact. The verification is done by data checks, interviews, site visits, on-spot check.

Water consumption – total volume

% verified

76-100

What standard and methodology was used?

Independent third-party assurance, done by the international accredited company, in accordance with the AA1000AS Assurance Standard, the Global Reporting Initiative (in accordance with GRI G4 Comprehensive) standards and the advanced level requirements for communication on progress against the 10 Principles of the United Nations Global Compact. The verification is done by data checks, interviews, site visits, on-spot check.

Water recycled/reused

% verified

76-100

What standard and methodology was used?

Independent third-party assurance, done by the international accredited company, in accordance with the AA1000AS Assurance Standard, the Global Reporting Initiative (in accordance with GRI G4 Comprehensive) standards and the advanced level requirements for communication on progress against the 10 Principles of the United Nations Global Compact. The verification is done by data checks, interviews, site visits, on-spot check.

W6. Governance

W6.1

(W6.1) Does your organization have a water policy?

Yes, we have a documented water policy that is publicly available

W6.1a

(W6.1a) Select the options that best describe the scope and content of your water policy.

Row 1	Company-wide	Description of water-related standards for procurement	We have publicly available Water Stewardship Policy which includes direct impact, employees, suppliers, communities, partners, stakeholders. In addition, to all supplier we have Supplier Guiding Principles and Sustainable Agricultural Guiding Principles. Water is by far the largest ingredient in our beverages. Sustainability (and as part of it - water) is integrated in our total business strategy. We work for minimizing our impact, including water reduction in our operations and in supply chain. Our integrated approach i

		<p>Commitment to stakeholder awareness and education</p> <p>Acknowledgement of the human right to water and sanitation</p> <p>Other, please specify (Transparent reporting)</p> <p>Reference to international standards and widely-recognized water initiatives</p> <p>Company water targets and goals</p> <p>Commitments beyond regulatory compliance</p> <p>Commitment to water stewardship and/or collective action</p> <p>Description of business dependency on water</p> <p>Description of business impact on water</p> <p>Description of water-related performance standards for direct operations</p>	<p>involves using water more efficiently in our operations and engaging in public-private environmental partnerships to protect watersheds and raise public awareness. Coca-Cola HBC is a founder signatory of the UN Global Compact's CEO Water Mandate. In our Integrated Annual Report and our Sustainability commitments are linked to the UN SDG.</p>

		Commitment to align with public policy initiatives, such as the SDGs	

W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?

Yes

W6.2a

(W6.2a) Identify the position(s) of the individual(s) on the board with responsibility for water-related issues.

Director on board	The Board's Social Responsibility Committee is responsible for the development and supervision of procedures and systems to ensure the pursuit of the Group's social and environmental goals. The formal role of the Social Responsibility Committee is set out in the charter for the committees of the Board of Directors in Annex C of the Company's Organizational Regulations. This is available online at pages 81, 102, 103 in our Int

	egrated Annual Report 2017: https://coca-colahellenic.com/Campaigns/AnnualReport2017/assets/pdf/COC122_CCH_IAR_2017_Final_Web_Ready_PDF_180315.pdf

W6.2b

(W6.2b) Provide further details on the board's oversight of water-related issues.

Row 1	Scheduled - some meetings	<p>Monitoring implementation and performance</p> <p>Overseeing acquisitions and divestiture</p> <p>Reviewing and guiding risk management policies</p>	<p>The Social Responsibility Committee is responsible for the development and supervision of procedures and systems to ensure the pursuit of the Group's social and environmental goals. Key elements of the Social Responsibility Committee's role include Establishing the principles governing the Group's policies on social responsibility and the environment to guide management's decisions and actions; overseeing the development and supervision of procedures and systems to ensure the achievement of the Group's social responsibility and environmental goals. Discussions on ways to expand the scope and breadth of the Group's sustainability commitments, particularly in the area of carbon and water intensity reduction, packaging, recycling and waste management, incorporating these in our business planning and investment decision making processes. Board's Audit & Risk Committee is overseeing all business risks, including Environmental risks.</p>

		<p>Reviewing and guiding strategy</p> <p>Reviewing and guiding corporate responsibility strategy</p>	

W6.3

(W6.3) Below board level, provide the highest-level management position(s) or committee(s) with responsibility for water-related issues.

Name of the position(s) and/or committee(s)

Chief Financial Officer (CFO)

Responsibility

Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Half-yearly

Please explain

The Group's Chief Financial Officer (CFO) is a member of the Operating Committee, the organisation's highest executive governing body. The CFO is responsible for the development, implementation and monitoring of our Accounting 4 Sustainability initiatives, as well as the development of the TCFD reporting framework.

Name of the position(s) and/or committee(s)

Chief Risk Officer (CRO)

Responsibility

Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

Chief Risk Officer (CRO), is the senior leader responsible for the operational implementation and oversight of the risk management programs across the group. Visibility of risk management across streams is obtained via the Group risk forum and reviewing risk data submitted by the operations. The CRO reports to the Operating Committee and indirectly to the Board of Directors (BoD). Climate and Water is one of Coca-Cola HBC's principles risks, included in the Materiality assessment, and the CRO and his team are responsible for assessing the likelihood of occurrence and the potential consequences to our business.

W-FB6.4/W-CH6.4/W-EU6.4/W-OG6.4/W-MM6.4

(W-FB6.4/W-CH6.4/W-EU6.4/W-OG6.4/W-MM6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

Yes

W-FB6.4a/W-CH6.4a/W-EU6.4a/W-OG6.4a/W-MM6.4a

(W-FB6.4a/W-CH6.4a/W-EU6.4a/W-OG6.4a/W-MM6.4a) What incentives are provided to C-suite employees or board members for the management of water-related issues?

Monetary reward	Chief Financial Officer (CFO) Chief Purchasing Officer (CPO) Other C-suite Officer (Chief Technical Officer)	Reduction of product water intensity Supply chain engagement Other, please specify (Cascading True cost of water and A4S)	We have 12 publically available Sustainability commitments, among them the water related are: certification in Water Stewardship (EWS, AWS), reduction of product water intensity and Sustainable Agricultural supply for key ingredients. Chief Technical Officer is incentivized on performance of all water related Sustainability commitments. Chief Procurement Officer is incentivized on performance of the commitment related to Sustainable Supply. CFO is incentivized on cascading of Accounting for Sustainability concept which includes True Cost of water for decision making.
Recognition (non-monetary)	No one is entitled to these incentives	<Field Hidden>	
Other non-monetary reward	No one is entitled to these incentives	<Field Hidden>	

W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

Yes, trade associations

W6.5a

(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?

Water is a key resource for our beverages. The industry recognizes the value of water in local societies and the need to use it efficiently and without waste. As part of UNESDA (Union of European Beverages Associations), we are engaged with industry water stewardship, which is fully in line with our sustainability priorities. As a Group, we adhere to publicly available Water Stewardship Policies across our 28 countries, with regular measurement of how much water is utilized, discharged and consumed across our locations. We have developed a water strategy based on 3 fundamental principles: The water we use: protect the water resources supplying our facilities, reduce the amount of water we use to produce our soft drinks and treat waste water to levels that support aquatic life; Partner with suppliers to minimise our water footprint across the entire value chain; Invest in community water conservation projects to replenish the water we use through innovative sustainable technologies.

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

Long-term business objectives	Yes, water-related issues are integrated	5-10	<p>Our vision: to be undisputed leading beverage company in every country where we do business. It comes with 4 strategic priorities: community trust, consumer relevance, customer preference and cost leadership. Water stewardship is incorporated within 4 of them. Water is our primary ingredient, central to manufacturing process and necessary to grow the agricultural ingredients of our suppliers. We have integrated sustainability, including water, into the way we run our business. We identified material issues to our business with our stakeholders and developed ambitious strategies, demanding targets, rigorous governance and integrated reporting. Water stewardship is one of the Top materiality issues. We have publicly issued our Sustainability commitments and Water ones are: reduce water use from our plants by 30% by 2020 vs. 2010; certify all our plants in European Water Stewardship/Alliance for Water Stewardship standard. Also, we set a target that >95% of our agricultural suppliers will comply with our Sustainable Agricultural Guiding Principles. Our water strategy is based on three fundamental principles: 1) The water we use: protect the water resources supplying our facilities, reduce the amount of water we use to produce beverages, and treat waste water to levels that support aquatic life; 2) Partner with suppliers to minimize water footprint across the entire value chain; 3) Invest in community water conservation projects to replenish the water we use in our beverages.</p>
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	5-10	<p>Our water strategy is based on three fundamental principles: 1) The water we use: protect the water resources supplying our facilities, reduce the amount of water we use to produce beverages, and treat waste water to levels that support aquatic life; 2) Partner with suppliers to minimize water footprint across the entire value chain; 3) Invest in community water conservation projects to replenish the water we use in our beverages. Water stewardship is one of the Top materiality issues. We require all markets to include water stewardship initiatives in their business plans and report quarterly the progress. Water-related commitments: reduce water use from our plants by 30% by 2020 vs. 2010; certify all our plants in European Water Stewardship or Alliance for Water Stewardship standard by 2020; >95% of our agricultural suppliers will comply with our Sustainable Agricultural Guiding Principles. We have our comprehensive Water Source Vulnerability Assessment (evaluating of all possible water source' risks), Source Water Protection Program, the Top 10 mandatory Water savers programs, water replenishment and conservation projects with communities. Each country has a Wat</p>

			er Champion working on planning& execution of all activities to achieve water targets. Water Due Diligence is part of each Merging&Acquisition. Physical aspects have triggered the business strategy to have contingency plans, assessments & prevention measures for potential interruptions of business operations.
Financial planning	Yes, water-related issues are integrated	5-10	To support the Water stewardship strategy, we made fundamental changes in our financial evaluations of capital projects, using the 'true cost' of water, water scarcity multipliers (per river basin level) and internal carbon prices - all projects are tracked quarterly, and the progress is reported to Board Social Responsibility Committee. In 2016 we developed the concept of Accounting for Sustainability and integrated it in our business planning process: part of the concept is the quantitative measurement of our direct environmental impact (water and carbon) by applying a "true cost" of water, water stress multiplier per plant (per river basin) and internal carbon price.

W7.2

(W7.2) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1	-29	5	0	5	Each year we invest 3 to 4 million Eur in water saving initiatives. In 2017 we invested less as we used some of the investments in capacity increase which indirectly helps in water reduction as well. Opex is almost the same. In the next years we expect to increase the capex by 5% and also opex to raise by 5%.

W7.3

(W7.3) Does your organization use climate-related scenario analysis to inform its business strategy?

Row 1	Yes	Yes, we use qualitative analysis. We were among the first 12 companies globally that have science-based carbon reduction targets in both direct operations and in the value chain (since February 2016) and in November 2017 our CFO signed off the support letter to TCFD with a commitment to implement the TCFD requirements. We use 2DS and Water-related topics are included there: from water in direct operations, to water in our value chain (supply chain).

W7.3a

(W7.3a) Has your organization identified any water-related outcomes from your climate-related scenario analysis?

Yes

W7.3b

(W7.3b) What water-related outcomes were identified from the use of climate-related scenario analysis, and what was your organization’s response?

Row 1	2DS	<p>Aspects of climate change which have impact: Transitional: a) Increased water prices and the introduction of bigger taxes would increase our operational cost; b) Failure to meet our stakeholders’ expectations in making a positive contribution to the sustainability agenda, particularly relating to climate change and water can have a long-term damage to our corporate reputation. This would impact the number of consumers and customers which have positive attitude to our brands and products. Physical: a) Impacts on the supply chain and cost of key raw materials: Poor weather conditions creates significant volatility in our sweeteners’ costs by affecting yields of beet and/or cane crops. This could impact COGS and could cause some business disruptions; b) Water scarcity could restrict the ability of individual sites to produce. Climate change impact on water quality, availability have influenced short-term</p>	<p>Integration of water stewardship in business strategy; setting commitments related to reduction of water in operations and certification in AWS (Alliance for Water Stewardship) for all manufacturing sites we have; Requirement of suppliers to adhere to our Sustainable Agricultural Guiding Principles; Joint value creation initiatives with supplier to mitigate water risks; Full detailed Water Risk assessment for all our plants (by using GWT and by our internal comprehensive Source Vulnerability Assessment and Source Water Protection Programmes); Full water risk assessment of Suppliers by using WWF Water Risk Filter; Integration of Water risks into Company's principle risk; Partnering with NGOs and INGOs on common issues such as nature conservation; Partnering with local communities to minimise environmental impact and in water replenish projects; We are in a pro</p>

		erm, mid- and long-term strategy in the aspects of risk management, cost leadership, community trust.	cess of developing of context-based water targets beyond 2020 which will be announced soon.

W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

Yes

Please explain

To support the Water stewardship strategy, we made fundamental changes in our financial evaluations of capital projects, using the 'true cost' of water, water scarcity multipliers (per river basin level) and internal carbon prices - all projects are tracked quarterly, and the progress is reported to Board Social Responsibility Committee. All of these are part of our Accounting For Sustainability (A4S) concept. For true cost of water, we developed a tool which could be easily used by each of our manufacturing sites to evaluate all the variables which impact the "true cost". In addition to that, based on the results from Global Water Tool, we use so called "water stress multiplier" which is a figure from 5 to 2 based on the renewable annual water supply per person projection for the respective river basin.

W8. Targets

W8.1

(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.

Row 1	Company-wide targets and goals Site/facility specific targets and/or goals Country level targets and/or goals Basin specific targets and/or goals	Targets are monitored at the corporate level Goals are monitored at the corporate level	We have official Sustainability commitments and among them are included water-related ones: for reduction of water usage, for 100% treatment of the waste water till the level supporting aquatic life; for water replenish. In order to achieve these commitments, we have cascaded targets per country level and production site level. Monitoring, reporting and performance reviews for these targets are monthly; they are included in the Business plan of each site/country. By using Global Water Tool and WWF Water Risk Filter, we know the sites/basins which potentially will be in water stress - for the plants in these areas we have specific targets for water reduction.

W8.1a

(W8.1a) Provide details of your water targets that are monitored at the corporate level, and the progress made.

Target reference number

Target 1

Category of target

Water consumption

Level

Company-wide

Primary motivation

Water stewardship

Description of target

Having reached 30% water use ratio reduction vs. our baseline year of 2004, in 2015 we set a new commitment to further reduce water use ratio by 2020 vs. 2010 by 30%. In 2017 our water ratio was 1.82 litres/litre of beverage and our 2020 goal is 1.61l/lpb. 2010 figure was 2.3l/lpb.

Quantitative metric

% reduction per product

Baseline year

2010

Start year

2010

Target year

2020

% achieved

70

Please explain

In 2017 our water ratio was 1.82 litres/litre of beverage and our 2020 goal is 1.61l/lpb. 2010 figure was 2.3l/lpb. The target is for 30 % reduction by 2020 vs. 2010. In 2017 we achieved 21% reduction which is 70% of the target ($21 \times 100 / 30 = 70\%$).

Target reference number

Target 2

Category of target

Other, please specify (Water Stewardship certification)

Level

Site/facility

Primary motivation

Water stewardship

Description of target

We have a commitment to certify in European Water Stewardship (EWS) or Alliance for Water Stewardship (AWS) all our manufacturing sites by 2020. This issue is considered in the certification methodology. By the end of 2017 we have certified 26 sites out of 52 in Gold EWS.

Quantitative metric

Other, please specify (100% of the plants to be certified)

Baseline year

2014

Start year

2014

Target year

2020

% achieved

50

Please explain

By the end of 2017 we have certified 26 sites out of 52 in Gold EWS (26/52 = 50%).

W8.1b

(W8.1b) Provide details of your water goal(s) that are monitored at the corporate level and the progress made.

Goal

Promotion of sustainable agriculture practices

Level

Other, please specify (Main Agricultural ingredients suppliers)

Motivation

Water stewardship

Description of goal

95% of our key agricultural materials suppliers to comply with our Sustainable Agriculture Guiding Principles by 2020. Our main agricultural materials are sugar and juice concentrates coming from different fruits.

Baseline year

2014

Start year

2015

End year

2020

Progress

By the end of 2017, 33% of our suppliers are complying with our Sustainable Agriculture Guiding Principles.

Goal

Watershed remediation and habitat restoration, ecosystem preservation

Level

Basin level

Motivation

Shared value

Description of goal

Water Replenishment initiative: till 2020 to replenish (through different projects) 100% of the water quantity used in our final beverages by working in the areas in which we operate.

Baseline year

2013

Start year

2013

End year

2020

Progress

In 2017, through different water replenish programmes and projects, we have saved the equivalent of 297% of our final beverages' volume (35464.4 million litres of water replenished).

W9. Linkages and trade-offs

W9.1

(W9.1) Has your organization identified any linkages or tradeoffs between water and other environmental issues in its direct operations and/or other parts of its value chain?

Yes

W9.1a

(W9.1a) Describe the linkages or tradeoffs and the related management policy or action.

Linkage or tradeoff

Linkage

Type of linkage/tradeoff

Decreased energy use

Description of linkage/tradeoff

Implementation of new technologies for Cleaning of the production lines (CIP - Cleaning in Place).

Policy or action

New technologies for cleaning lead to less water, energy and chemical used in our production sites: e.g. dry and semidry lubrication on the conveyers, ECA CIP etc.

Linkage or tradeoff

Linkage

Type of linkage/tradeoff

Improved levels of ecosystem services

Description of linkage/tradeoff

High Conservation Value areas related to water life-cycle considered within the Water Stewardship certifications.

Policy or action

As part of the European Water Stewardship certification we consider 25km area of the water source and we evaluate the risks to habitats/biodiversity - in case of risk, we put mitigation actions.

Linkage or tradeoff

Tradeoff

Type of linkage/tradeoff

Please select

Description of linkage/tradeoff

Some water reduction initiatives require more energy use and therefore the GHG emissions would be increased - e.g. using air rinsing instead of water rinsing; using more pumps to transfer the reused water from different part of the manufacturing process.

Policy or action

Some water reduction initiatives require more energy use and therefore the GHG emissions would be increased - e.g. using air rinsing instead of water rinsing; using more pumps to transfer the reused water from different part of the manufacturing process.

W10. Verification

W10.1

(W10.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1d)?

Yes

W10.1a

(W10.1a) Which data points within your CDP disclosure have been verified, and which standards were used?

W8. Targets	All Sustainability commitments are verified, including water ones: water consumption improvement, Water Stewardship certifications, Waste water quality, Water replenish initiatives and results. The data we published in our Integrated Annual Report are verified as well.	AA1000AS	Independent third-party assurance, done by the international accredited company, in accordance with the AA1000AS Assurance Standard, the Global Reporting Initiative (in accordance with GRI G4 Comprehensive) standards and the advanced level requirements for communication on progress against the 10 Principles of the United Nations Global Compact. The verification is done by data checks, interviews, site visits, on-spot checks.
W1. Current state	All data in W1.2b, W1.2d, W1.2h, W1.2i and W1.2j are verified as they are part of our Integrated Annual Report: GRI List	AA1000AS	Independent third-party assurance, done by the international accredited company, in accordance with the AA1000AS Assurance Standard, the Global Reporting Initiative (in accordance with GRI G4 Comprehensive) standards and the advanced level requirements for communication on progress against the 10 Principles of the United Nations Global Compact. The verification is done by data checks, interviews, site visits, on-spot checks.

W11. Sign off

W-FI

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

W11.1

(W11.1) Provide details for the person that has signed off (approved) your CDP water response.

Row 1	CFO of Coca-Cola HBC AG	Chief Financial Officer (CFO)

W11.2

(W11.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate’s Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

Yes

Submit your response

In which language are you submitting your response?

English

Please confirm below

I have read and accept the applicable Terms