PRESIDENT’S MESSAGE

SUSTAINABILITY ACROSS OUR VALUE CHAIN

SUSTAINABLE AGRICULTURE

WATER STEWARDSHIP

RESPONSIBLE USER OF WATER

CREATING SUSTAINABLE COMMUNITIES

SOURCING RESPONSIBLY

HUMAN & WORKPLACE RIGHTS

PRODUCT AND INGREDIENT SAFETY

MANUFACTURING EFFICIENCIES

CLIMATE PROTECTION

SUSTAINABLE PACKAGING & RECYCLING

ENHANCING RETAILER LIVES

DIVERSE PRODUCT PORTFOLIO

BUILDING A FUTURE

A WINNING WORKPLACE CULTURE

GOVERNANCE

COCA–COLA IN INDIA

The Coca-Cola system in India comprises of a wholly owned subsidiary of The Coca-Cola Company (TCCC) namely Coca-Cola India Private Limited (CCIPL) which manufactures and sells concentrates and beverage bases and powdered beverage mixes, a company-owned bottling entity, namely, Hindustan Coca-Cola Beverages Private Limited (HCCBPL), part of the Bottling Investments Group (BIG) of TCCC, and fifteen licensed franchise bottling partners of TCCC, who are authorised to prepare, package, sell and distribute beverages under certain specified trademarks of TCCC, supported by an extensive distribution system comprising of customers, distributors and retailers.

Coca-Cola India, is one of the country’s leading beverage companies, offering a range of healthy, safe, high quality, refreshing beverage options to consumers. Over the last 23 years, ever since its re-entry in 1993, the company has gone on to establish an unmatched portfolio of beverages, refreshing consumers with its leading beverage brands like Coca-Cola, Coca-Cola Zero, Diet Coke, Thums Up, Fanta, Fanta Green Mango, Limca, Sprite, Sprite Zero, VIO Flavoured Milk, Maaza, Minute Maid range of juices, Georgia and Georgia Gold range of hot and cold tea and coffee options, Kinley and Bonaqua packaged drinking water and Kinley Club Soda. The Company along with its bottling partners, through a strong network of over 2.6 million retail outlets, touches the lives of millions of consumers. Its brands are some of the most preferred and most sold beverages in the country.

We, CCIPL, have prepared the Sustainability update 2015/16 report in line with the Global Reporting Initiative (GRI) G4 sustainability reporting guidelines including the Food Processing Sector Supplement (FPSS).

While developing the report we have given due considerations to the GRI content and quality principles in order to be able to present a fair and a balanced picture of our performance to our stakeholders. In this report all of the quantitative data covers the calendar year from January 1 to December 31, 2015, unless otherwise stated.

We have also prepared a supplementary information report which is meant to serve as an accompaniment to the Sustainability update 2015/16 report. This supplementary report (available on CCIPL’s website) provides additional information and data on the sustainability aspects covered in the sustainability report.

The boundary considered for various sustainability aspects includes CCIPL, HCCBPL, independent franchise bottling partners and Anandana, our foundation for CSR projects.

We have also sought external assurance for the report towards which M/s DNVGL Business Assurance India Private Limited (DNVGL) was engaged. DNV GL carried out the independent assurance of this sustainability report based on the GRI principles, Assurance Standard - AA1000AS (Type II moderate) and ‘DNV GL Verisustain’ methodology (Moderate level). The report complies with GRI G4 guidelines in accordance ‘core’ and is aligned to our global sustainability framework – Me-We-World.
As one of the world’s leading organisations, sustainable development remains at the heart of everything we do. We help create sustainable and thriving communities, especially in rural India, by empowering farmers as we link them to our businesses in India and globally. The Coca-Cola Company is one of the largest buyers of Indian agricultural produce. In fact, our growth plans will aid an agriculture sector contribution of INR 4,00,000 crore and lead to 4,0,00,000+ metric tonnes of annual purchase of fruit by 2023, thus playing an important role in realising the government’s focus on doubling farmers’ income by 2022. Our business is closely linked to the farmer community as we source 95% of our ingredients locally, benefitting more than 4,0,00,000 farmers. Our signature sustainable agriculture project, ‘Unnati’, moved into its second phase, with a focus on engaging farmers on a larger scale. The memorandum of understanding (MoU) signed between Hindustan Coca-Cola Beverages Pvt. Ltd., Government of Maharashtra and Jain Irrigation marked the expansion of Unnati into the production of oranges, thereby benefitting farmers with marginal land holdings. At the core of all our engagements is our belief in enabling communities to take ownership of our various projects. In alignment with this belief, the Coca-Cola India Foundation, Anandana, through its 130 community watershed projects has created 6.8 billion litres of water replenishment potential, impacting over 6,0,00,000 lives across 500+ villages in remote and water-stressed areas since 2008.

Water conservation remains central to our sustainability strategy. As an organisation, we are committed to being responsible users of water and by using best-in-class technology, we have reduced our water consumption considerably. Besides recycling and reusing water, our bottling plants are consistently identifying and implementing locally appropriate projects that revitalise watersheds. Through various initiatives, we have created a water replenishment potential of 148% compared to the total water used in the manufacturing processes. We constantly endeavour to elevate our metrics to secure the environment by combating the climate and energy crisis. We envision a 25% reduction in the carbon footprint of ‘the drink in your hand’ by 2020. In line with this vision, we are working to reduce greenhouse gas emissions across our entire value chain by making comprehensive changes in our manufacturing processes, packaging formats, delivery fleet, refrigeration equipment and ingredient sourcing, and also by promoting the use of renewables, especially biofuels, across our bottling units.

As we move forward on our sustainability journey, we are committed to great investments in human capital. In keeping with this, we have identified lack of sanitation infrastructure and awareness as a key issue. The enormity and complexity of the sanitation issue in India has led the Government of India to launch the ‘Swachh Bharat Swachh Vidyalaya’ campaign. Since 2010, through the ‘Support My School’ (SMS) campaign, launched in partnership with NDTV and UN-Habitat, we have been helping children—especially young girls—to continue their studies by providing improved sanitation and access to water facilities. The campaign aims to raise awareness and funds to revitalise schools in rural and semi-urban India, and until December 2015, it successfully revitalised 600+ schools. It is on track to meet its target of 1,000 schools by 2017. Another key initiative, the ‘Parivartan’ programme, started by the company in 2008 along with Coca-Cola University, impacts skill training to small unorganised retailers in order to equip them to deal with the challenges of an increasingly competitive and evolving retail space. Through this programme, we have touched the lives of over 3,00,000 small grocery retailers, including 39,000+ women retailers and over 9,500 Eat and Dine retailers at the end of 2015. Our partnership with Enactus and AIESEC has helped us build socially conscious youth communities in India.

As a part of our emphasis on sustainability, we are committed to further strengthening our positive impact on the community, with a special focus on water, agriculture and recycling. In addition, we are committed to the optimum utilisation and conservation of resources. Our associates and the partnerships we build are the life force behind all our initiatives. Our every day is marked with a passion for making an enduring and positive difference in the lives of the stakeholders and communities we engage with through our business operations. We thank them for their contribution in making our sustainability vision come to life and seek their continued support going forward.

Venkatesh Kini
President and CEO
India and South West Asia Business Unit of The Coca-Cola Company
The core of our business is agriculture and we are committed to working together responsibly with our partners in growth – the 400,000 farmers that are part of the Coca-Cola India value chain.
GROWING TOGETHER – Make in India, Make for India

Agriculture lies at the center of our business and it is important for us to address agricultural challenges system-wide and across our entire value chain. Fifty percent of the Coca-Cola System’s procurement expenditures goes toward agricultural ingredients, linking us closely with agricultural communities worldwide.

TCCC is one of the largest buyers of Indian agricultural produce. India is a strategic market for TCCC and as we grow our operations here, our investments will also provide a boost to the local suppliers and the agriculture sector. We are committed to our investment plans of infusing USD 5 billion in India between 2012 and 2020 and we have commissioned six greenfield projects in the last 2 years. Our bottlers are setting up 5 greenfield projects over the next 2 years, in addition to 57 bottling plants that already exist.

Our growth plans will entail 400,000+ metric tonnes of annual purchase of fruit by 2023.

GROWING RESPONSIBLY

When it comes to sustainable agriculture, there are many aspects to consider, including rising demand of key commodities, women’s empowerment, economic development, water management, human and labour rights, and energy and climate impacts. The need to understand the interconnected relationships among all of these areas has led to the conclusion that the most effective approach to address sustainable agriculture is through the development of an integrated Water-Energy-Food strategy. In order to achieve this, we work with our partners for developing and implementing crop-specific programmes to enhance the economic well-being of farming communities, improve yields and protect natural resources across the supply chain. By 2020, our goal is to sustainably source our key agricultural ingredients. Our Sustainable Agriculture Guiding Principles (SAGP) provide targeted guidance on various aspects of sustainable agriculture to our suppliers of priority agricultural ingredients.

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400,000
FARMERS
BY 2023

5 Billion
USD INVESTMENT
+ 5 NEW PLANTS

INR 4000 CRORE CONTRIBUTION TO AGRICULTURAL SECTOR BY 2023

Our growth plans will entail 400,000+ metric tonnes of annual purchase of fruit by 2023.

TO MAKE MAZA THE WORLD’S FIRST USD 1 BN JUICE DRINK BRAND

LAUNCHED FANTA GREEN MANGO CONTAINING 10.4% MANGO JUICE CONTENT

IT’S SUCCESS WILL FURTHER HELP THE INDIAN AGRICULTURAL SECTOR

50% OF THE COCA-COLA SYSTEM’S PROCUREMENT EXPENDITURES GOES TOWARD AGRICULTURAL INGREDIENTS, LINKING US CLOSELY WITH AGRICULTURAL COMMUNITIES WORLDWIDE.

MORE THAN 4 LAKH METRIC TONNES OF MANGO PULP

NEW BOTTLING PLANTS + 5 GREENFIELD PROJECTS OVER THE NEXT 2 YEARS

95% LOCALLY PROCURED INGREDIENTS

5 DECADES OF JUICE LEADERSHIP

4 DECADES OF JUICE LEADERSHIP

FANTA LAUNCHING GREEN MANGO CONTENT

10.4% MANGO JUICE CONTENT

IT’S SUCCESS WILL FURTHER HELP THE INDIAN AGRICULTURAL SECTOR

5 Billion USD INVESTMENT + 5 NEW PLANTS

INR 4000 CRORE CONTRIBUTION TO AGRICULTURAL SECTOR BY 2023

OUR GOAL IS TO SUSTAINABLY SOURCE OUR KEY AGRICULTURAL INGREDIENTS

GROWING RESPONSIBLY

When it comes to sustainable agriculture, there are many aspects to consider, including rising demand of key commodities, women’s empowerment, economic development, water management, human and labour rights, and energy and climate impacts. The need to understand the interconnected relationships among all of these areas has led to the conclusion that the most effective approach to address sustainable agriculture is through the development of an integrated Water-Energy-Food strategy. In order to achieve this, we work with our partners for developing and implementing crop-specific programmes to enhance the economic well-being of farming communities, improve yields and protect natural resources across the supply chain. By 2020, our goal is to sustainably source our key agricultural ingredients.
At Jain Irrigation, we are delighted to be playing our part in celebrating 40 years of Maaza – an iconic juice brand that we all grew up with. Maaza is now a guiding light and a flagpost for new juice brands on what a good product can do for the entire agri-ecosystem. We anticipated Maaza’s growth and therefore the increased demand for fruit pulp and five years ago launched Project Unnati. Unnati is aimed at a large scale adoption of Ultra High Density Plantation (UHDP) in the country and aims to scale up the project to cover end-to-end fruit supply chain and further optimize delivery. The project to be scaled up over a period of 10 years, is aimed at creating an ecosystem that delivers higher growth and income for farmers and ‘Grove to Glass’ fruit supply chain and optimizing delivery.

Anil Jain, Managing Director, Jain Irrigation Systems Ltd

HCCBPL in 2016 signed a Memorandum of Understanding (MoU) with Government of Maharashtra and Jain Irrigation for Project “Orange Unnati”. Under the agreement, the partners will set up a juice manufacturing facility in Vidarbha region. They will also support local farmers in the cultivation of Indian orange mandarins with the adoption of Ultra High Density Plantation (UHDP) technique to boost orange yield.

The partners will also establish a modern hi-tech nursery and develop knowledge sharing processes for the benefit of the farmers including using classroom training and field demonstrations for UHDP. Project “Orange Unnati” will also seek to unlock prospects of leveraging “NOGA” brand (Nagpur Orange Grower Association) of Oranges. NOGA is a subsidiary company of state Government of Maharashtra. This project is estimated to benefit 5,000 farmers with an average landholding of 2 acres each.

In the Chittoor district of Southern India, Project Unnati creates positive impact across many of our sustainability focus areas, including women’s empowerment, community well-being, water and sustainable agriculture. The fifteen year project, started in 2011, aims to harness the higher productivity potential of mango farms, allowing owners of small-sized farms to increase crop yields and improve their livelihoods.

Phase 1 of the programme propagated the method of ultrahigh-density farming for mango plantations, which significantly conserves water and land resources by using drip irrigation and high tree densities in combination with a specialized pruning process. The method also decreases the time it takes to bring new mango plantings to maturity.

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Anil Jain, Managing Director, Jain Irrigation Systems Ltd
2. CREATING SUSTAINABLE COMMUNITIES
   BRINGING WATER TO REMOTE AND SEVERELY WATER STRESSED AREAS

02 WATER STEWARDSHIP

1. BEING A RESPONSIBLE USER OF WATER
   OUR APPROACH IS TO REDUCE, RECYCLE AND REPLENISH

OUR WATER STEWARDSHIP PROGRAM Focuses ON:
Although we are a minuscule consumer of water representing 0.023% of the total water consumed by all industries in India, water is a top priority for Coca-Cola and it lies at the heart of our sustainability approach.

**Responsible User of Water**

1121* (billion cubic meters)  
India’s average annual freshwater withdrawal total in 2014

40# (billion cubic meters)  
Estimated total industrial freshwater withdrawal 2014 (3.6% of Fresh water withdrawal)

0.023%  
Coca-Cola India’s 2015 water consumption (1% of total industrial withdrawal)

Reduce  
We make significant investments on a regular basis in the construction and operation of our production facilities for best-in-class performance. Water efficiency is an outcome of using best-in-class technology and optimized water use in processes like backwash recoveries, secondary use of water by stream segregation, and other water reduction interventions. Our performance trend highlights a continuous decline in water use ratio (water consumed per litre of beverage produced) i.e. our processes are continuously becoming water efficient.

Recycle  
Our bottling plants recycle and reuse water to the extent possible in secondary applications like boiler makeup, cooling towers, gardening, toilet flushing and floor cleaning. Rest of the water is returned to nature at a level that supports aquatic life.

Replenish  
Our bottling partners identify and implement locally relevant projects that revitalize watersheds. Construction of check dams, restoration of ponds and natural water bodies are some examples of projects implemented towards groundwater replenishment. Regular monitoring and evaluation mechanism ensure the benefits are being delivered to the community in the desired manner.

Assessing Water Source Risks  
All our bottling units have undertaken Source Vulnerability Assessments (SVA) for all water sources used by them. Source Water Protection Plans (SWPP) have also been developed to help bottlers successfully mitigate any vulnerabilities identified.

We have created a water replenishment potential of 148% compared to the total water used in the manufacturing process.

In 2009, where we were using 2.8 litres of water to make 1 litre of product, today, we’re using 1.89 litres of water to make 1 litre of beverage, recording a reduction of 32.5% over 2009 and we are constantly working to reduce it further.

Source:  
# Estimated by CSE  
http://www.cseindia.org/dte-supplement/industry20040215/agriculture.htm  
Coca-Cola India’s 2015 total water consumption (ground and surface) 9,038,349 KL  
Coca-Cola India’s 2015 total (ground water consumption) 5,443,694 KL  
In 2009, where we were using 2.8 litres of water to make 1 litre of product, today, we’re using 1.89 litres of water to make 1 litre of beverage, recording a reduction of 32.5% over 2009 and we are constantly working to reduce it further.

1l

2.8l

2.0l

2.3l

2.1l

1.9l

1.7l

1.0l


In 2009, where we were using 2.8 litres of water to make 1 litre of product, today, we’re using 1.89 litres of water to make 1 litre of beverage, recording a reduction of 32.5% over 2009 and we are constantly working to reduce it further.
ANANDANA – sustainable solutions for sustainable communities

ANANDANA’s water replenishment initiatives

Anandana’s efforts to replenish groundwater are focused on rainwater harvesting, groundwater aquifer recharge, constructing check dams, restoring ponds and other natural bodies of water, and supporting agricultural improvements. In many cases, projects also help improve local livelihoods, help communities adapt to climate change, improve water quality and enhance biodiversity.

After careful consideration and field visits to different water stressed areas, the Foundation has identified Bundelkhand, Mewat and Rajasthan as the most water deficit areas of the country.

A significant feature of these projects is the strong community thrust with women participating in large numbers and attaining a supervisory role as members of village level "Pani Samitis (Water committees)" to formulate and execute norms and procedures around the maintenance and sustainability of the community water projects.

Yogesh Chandra, CEO, Anandana

"Water is an essential human need of which there is no viable substitute and so it finds an important place in Coca-Cola India’s sustainability approach. Through its Foundation - Anandana, several initiatives are planned and successfully executed to replenish water sources that make water available across different parts of the country. Public private partnerships are increasingly gaining credence as governments work alongside corporations, NGOs, and social institutions to tackle some of the most critical problems that affect communities as a whole. Working in partnership with all the stakeholders on restoration of water bodies, waste water management, and water replenishment will help in creating a sustainable approach that could be the surest way of combating water stress and, in the long run, the only known technique for saving water for a thirsty world."

34 WATER REPLENISHMENT PROJECTS SANCTIONED BY ANANDANA SINCE 2008 ACROSS WATER STRESSED REGIONS IN INDIA

States where Anandana projects have been implemented

130 WATER CONSERVATION STRUCTURES COMPLETED SO FAR

6.8 BILLION LITRES OF WATER REPLENISHMENT POTENTIAL CREATED

610,000 LIVES IMPACTED ACROSS 500 + VILLAGES

* The above map is only a graphic representation and in not an accurate or complete depiction of the actual geographical boundaries.
JALANIDHI IS A PROJECT UNDER ANANDANA, WHICH STARTED IN 2010

The project over the last five years has changed lives of over 4000 people. Farmers have not only benefitted from agricultural production and sustained livelihoods but also from the trainings they have attended.

JALANIDHI IMPACT:
- Created a storage capacity of 55,822,000 litres
- 165.5 acres of land made cultivable, resulting in 4x increase in income of the farmers
- Increase in ground water level by 2 to 3 meters
- Cropping intensity increased up to 244 acres from 104 acres

PROJECT JALANIDHI INITIATIVES:
- Construction of 6 check dams
- Farm Bunds in 256 hectares of land
- 8 farm ponds
- Recharging of 69 wells

JALANIDHI IMPACT:
- Since the check-dams have been made in our village, the water level has risen by 3 meters; we are able to farm without problems. Our family that used to live away in the cities has come back and now we are all able to make a living with agriculture. Even though there was a drought last year, thanks to the check-dam, the groundwater level is the same.
- Kastouri, farmer from Tola Swayam

- Today things have changed such that production has gone up from 1 quintal per bigha (0.4 acre) to 3 quintal per bigha (0.4 acre)
- Kashi Prasad, Tola Swayam Village

At HCCBPL, the largest bottling partner of TCCC in India, we remain committed to creating value for entire spectrum of stakeholders including customers, associates, suppliers and communities that we serve. Being an integral part of the world’s largest non-alcoholic beverage company, we strive to touch and refresh all stakeholders, inspire moments of optimism and happiness and create shared value.

In order to achieve this, we, at Hindustan Coca-Cola Beverages, focus on sustainably expanding our distribution reach, world-class execution in the market place, deploying best-in-class technologies in order to minimize our environmental footprint, investing in the communities around our operations and generating enduring economic value across our value chain.

T. Krishnakumar, CEO, Hindustan Coca-Cola Beverages Pvt. Ltd. (HCCBPL)

HCCBPL launched an Integrated Watershed Management initiative in Betul district of Madhya Pradesh in March 2015. The project is spread over a land area of 20,000 hectares covering 36 villages and aims to enhance the livelihood of over 5,200 families. An example of Public-Private-Community partnership between HCCBPL, Advancement for Social Action (ASA), the NGO partner, government institutions and beneficiary communities, the initiative involves the following:

- 35 masonry stop dams, 25 farm ponds, 75 group based dugout wells will be constructed.
- 25 Group based Lift Irrigation systems will also be promoted along with over 1,760 vegetable based Wadi in the selected villages.
- In order to embed sustainability within agricultural activities and ensuring better productivity, technical inputs are provided for the cultivation of soyabean and Paddy. 38 demonstrations have been carried out in all 38 villages of the area leading to wider acceptance and replication of such techniques by the farmers.
- Facilitate formation of 280 SHGs and 2 Farmer Producer Companies. In the first 6 months of the project, 85 Self Help Groups have been formed and 45 have been linked to the banking system making them eligible for loans.

In 2014, Coca-Cola Foundation, CCIPL and TERI University came together to set up the Coca-Cola Department of Regional Water Studies, an academic department for building knowledge and capacity in water-related issues. The department serves to examine water issues in an interdisciplinary framework and develop a globally competitive class of young water management professionals. Presently, it offers Diploma, Master’s and Doctoral programmes in water science and governance.

PREPARING NEXT GENERATION OF WATER PROFESSIONALS AT TERI UNIVERSITY

Integrated Watershed Management Initiative - Enhancing Livelihoods of Farmers in 38 villages, Betul District, Madhya Pradesh
OUR CONSUMERS DESERVE SAFE, REFRESHING AND HIGH-QUALITY BEVERAGES, AND EVERY DAY WE WORK HARD TO MEET THE HIGHEST STANDARDS OF PRODUCT SAFETY AND QUALITY

PRODUCT & INGREDIENT SAFETY

HUMAN & WORKPLACE RIGHTS

Coca-Cola in India is leading the work of upholding the human rights of people across our value chain – from our offices to our factories and all the way to the farms.
Our Human Rights Policy

The Coca-Cola System in India establishes a foundation for managing our business in accordance with the highest standards. At Coca-Cola, it is every employee’s responsibility to maintain a work environment that reflects respect and is free from all discrimination and harassment. If any employee believes that someone is violating the Human Rights Policy or the law, they are asked to report it immediately to their manager, Human Resources, Company legal counsel or KO EthicsLine (a global anonymous reporting service for employees).

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Supplier Guiding Principles

Our Supplier Guiding Principles (SGP) communicate our values and expectations of suppliers and emphasise the importance of responsible workplace practices that respect human rights and comply, at a minimum, with applicable environmental and local labour laws and core international conventions.

The Supplier Guiding Principles are a part of all contractual agreements with direct and authorised suppliers. We expect our suppliers to develop and implement appropriate internal business processes to ensure compliance with the SGP and we routinely utilise independent third parties to assess our suppliers’ compliance with the SGP through audits. If a supplier fails to uphold any aspect of the SGP requirements, the supplier is expected to implement corrective actions. We reserve the right to terminate any contracts with any supplier that cannot demonstrate that they are upholding the SGP requirements.

Sustainable Agricultural Guiding Principles

The Sustainable Agriculture Guiding Principles (SAGP) expands on the SGP and provides targeted guidance to our suppliers of priority agricultural ingredients. We are currently collaborating with our suppliers on the journey ahead to ensure that all priority agricultural commodities are sourced sustainably by 2020 in line with the SAGP standards.

1. Information on our safety related policies and performance is given in the Workplace Safety section of the supplementary information report.

Engaging Stakeholders

We believe that dialogue with a wide-range of stakeholders is critical to respecting human and workplace rights within our system. By combining our experience with the expertise, passion and knowledge of our stakeholders and partners we develop robust approaches to respect human and workplace rights.

Launch of Country Sugar Study

The country study is an exercise to enable us to better understand our sugar sourcing supply chain in line with SAGP to give visibility to how our sugar supply companies and bottler partners are addressing such risks and at the conclusion of the research, jointly determine in consultation with relevant stakeholders any mitigation strategies that may be required should any incidents of those risks be found.

The studies will provide a base line understanding of child labour, forced labour and land rights issues in our supply chain. The work on the India country study started in 2015 and will continue into 2016.

The First India Land Rights Training Session

In early 2015, Coca-Cola India convened two sessions for our bottling partners and business unit to better understand land rights issues in India in our supply chain. The session was developed and delivered in conjunction with Landesa, a global NGO with expertise in land rights. In late 2013, TCCC made an industry leading commitment to zero tolerance for land grabs; since then we have integrated land rights into our bottler and supplier audits and initiated a series of country studies focussed on land rights, forced labour and child labour in the sugar industry.
PRODUCT & INGREDIENT SAFETY

KORE is TCCC’s internal quality management system. It is aligned to universally recognised standard requirements like:

- ISO 9001 (Quality Management System)
- GFSI (Global Food Safety Initiative)
- ISO 14001 (Environmental Management System)
- OHSAS 18001 (Occupational Health & Safety Assessment Series)

100% of our manufacturing facilities operate in-line with KORE requirements and are also certified for Food Safety Management systems by third party internationally accredited audit agencies.

OUR MANUFACTURING FACILITIES HAVE BEEN RECOGNISED FOR THEIR COMMITMENT TO SAFETY AND QUALITY AT THE CII NATIONAL AWARD FOR FOOD SAFETY 2015 UNDER BELOW CATEGORIES:

- OUTSTANDING PERFORMANCE IN FOOD SAFETY 2015
- STRONG COMMITMENT TO EXCEL IN FOOD SAFETY
- SIGNIFICANT ACHIEVEMENT IN FOOD SAFETY

QUALITY LIES AT THE KORE

We measure and manage key product and package quality attributes so that our products meet applicable regulations, TCCC requirements and consumer expectations in the marketplace. To ensure such consistency and reliability globally, the Coca-Cola System is governed by the Coca-Cola Operating Requirements (KORE).

KORE is an integrated quality management system that holds all of our operations in over 200 countries to the same standards of production and distribution. It is the framework of governance and management system which enables sustainable performance, allows us to meet customer and consumer demands, and drives continuous improvement. We keep refining our requirements to ensure that our management system (KORE) embodies the most recent and stringent manufacturing requirements and regulations and align to internationally recognised standards in manufacturing and distribution throughout our value chain.

At every step of production and with random sample analysis from market place, we keep testing our beverages for quality and safety attributes.

YOUR SAFETY, OUR PRIORITY

Health and safety impacts of all our products are considered throughout the product lifecycle stages. From product development at the R&D stage to the bottling locations, compliance with the requirements of the Food Safety and Standards Act is ensured at each stage. Our Quality Systems require all our suppliers to comply with safety, environmental and quality standards including:

- Food Safety and Standards Act
- Global Food Safety Initiative (GFSI) recognised Food Safety Management System Certification for all suppliers of primary ingredients and packaging material.

In addition, suppliers are also expected to adhere to our Supplier Guiding Principles (SGP) standards. Refer to page 24 (human rights).

CONSUMER SATISFACTION

We have established multiple channels to connect with our consumers. In India, we are accessible over toll-free number 1800-208-2653 and the consumer helpline email ID: indiahelpline@coca-cola.com. To help enhance understanding of the manufacturing of Coca-Cola products, consumers are also invited to our manufacturing plants across the country.

1. For details on the ingredients that go into a Coca-Cola, please visit http://www.coca-cola-india.com/facts-myths/
2. For more details, please refer to the Human and Workplace rights section.
3. For more information on our consumer connect, please refer to the consumer satisfaction section of our supplementary information report.
OUR LONG-TERM VISION IS TO LEVERAGE OUR SIGNIFICANT SCALE AND RESOURCES TO CONTRIBUTE MEANINGFULLY TO THE “CIRCULAR ECONOMY,” IN WHICH MATERIALS ARE USED AND REUSED TO CONSTANTLY REBUILD NATURAL AND SOCIAL CAPITAL.

CLOSE TO 50% OF OUR PRIMARY ENERGY USE IS MET THROUGH RENEWABLE ENERGY SOURCES. OUR 2020 VISION IS TO REDUCE THE CARBON FOOTPRINT OF ‘THE DRINK IN YOUR HAND’ BY 25%

SUSTAINABLE PACKAGING & RECYCLING

OUR LONG-TERM VISION IS TO LEVERAGE OUR SIGNIFICANT SCALE AND RESOURCES TO CONTRIBUTE MEANINGFULLY TO THE “CIRCULAR ECONOMY,” IN WHICH MATERIALS ARE USED AND REUSED TO CONSTANTLY REBUILD NATURAL AND SOCIAL CAPITAL.
CLIMATE PROTECTION

MANAGING OUR CLIMATE IMPACT

At Coca-Cola India, our mission is to manage our climate impacts by using the best mix of energy sources we can, while improving the energy efficiency of our manufacturing, distribution, and marketplace.

Approximately 10 percent of the emissions from the Coca-Cola System’s value chain stem from manufacturing, which is the “segment” of the chain most directly in our control. While we strive to minimize the effects of manufacturing on the climate, we also want to make an impact on the other 90 percent.

REDUCING OUR CARBON FOOTPRINT

Our 2020 vision for our system is to reduce the carbon footprint of ‘the drink in your hand’ by 25 percent. We are working to reduce greenhouse gas emissions across our entire value chain by making comprehensive changes to our manufacturing processes, packaging formats, delivery fleet, refrigeration equipment and ingredient sourcing. To reach this goal, we have developed a Carbon Scenario Planner to help standardize a forecast methodology for carbon in the system supply chain and to support target setting.

In 2010, we undertook baseline creation for the total carbon impact of ‘Drink in Your Hand’ and are working towards initiatives across manufacturing, packaging, cold drink equipment for reducing this impact.

Our investments in using best-in-class technology and upgrading of infrastructure have paid off in significant improvement in our Energy Use Ratio (EUR) - amount of energy used for producing a litre of beverage.

In 2015, we implemented the top ten energy saving initiatives identified at plants and initiated work on the next top ten initiatives.

ENERGY CONSUMPTION (TJ)

<table>
<thead>
<tr>
<th>Year</th>
<th>TOTAL PRIMARY ENERGY USE (in TJ)</th>
<th>TOTAL SECONDARY ENERGY USE (in TJ)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>1.948</td>
<td>986</td>
</tr>
<tr>
<td>2014</td>
<td>1.944</td>
<td>1,144</td>
</tr>
<tr>
<td>2015</td>
<td>1,878</td>
<td>1,205</td>
</tr>
</tbody>
</table>

113.5 TJ OF ENERGY SAVINGS IN 2015

In 2015, we implemented the top ten energy saving initiatives identified at plants and initiated work on the next top ten initiatives.

18% REDUCTION IN EUR BETWEEN 2012 AND 2015

2012 2013 2014 2015
EUR (MJ/Litre) 0.79 0.72 0.67 0.65

RENEWABLE ENERGY

Renewable energy use is another critical component of our strategy and we are promoting use of renewables especially biofuels across our bottling units. We have made significant improvement on this front and for the reporting period biomass comprised 48% of our total primary energy use as compared to 39% in 2014.

<table>
<thead>
<tr>
<th>COMPOSITION OF PRIMARY ENERGY USE</th>
</tr>
</thead>
<tbody>
<tr>
<td>BIOBAD</td>
</tr>
<tr>
<td>PROPANE</td>
</tr>
<tr>
<td>HEAVY FUEL OIL</td>
</tr>
<tr>
<td>NATURAL GAS</td>
</tr>
<tr>
<td>LIGHT FUEL OIL</td>
</tr>
<tr>
<td>OTHERS</td>
</tr>
</tbody>
</table>

In 2015, we introduced CO2-based coolers and are targeting complete replacement of HFC based coolers with these.

REFRIGERATION

Refrigeration is the largest source of our system’s carbon emissions footprint. Because of the high global warming potential of hydrofluorocarbons (HFCs), we are phasing out the use of HFC refrigerants in our cold-drink equipment across our global value chain. In 2015, we introduced CO2-based coolers and are targeting complete replacement of HFC based coolers with these.

CO2 HAS 1,430 TIMES LESS GLOBAL WARMING POTENTIAL THAN TYPICAL HFC REFRIGERANT GAS

IN 2015, BIOMASS COMPRised OF 48% OF OUR TOTAL PRIMARY ENERGY USE

3,02,586.44 tCO2–e EMISSIONS (DIRECT AND INDIRECT) IN 2015, AN 8% REDUCTION OVER 2014

1 Additional data on energy consumption is provided in the climate protection section of the supplementary information report.
OVER PREVIOUS DESIGNS WHICH IS CURRENTLY UNDER PILOT

OUR RECENTLY INTRODUCED PET BULK JAR WHICH IS CURRENTLY UNDER PILOT IS DRIVING A WEIGHT REDUCTION OF OVER 10%
OVER PREVIOUS DESIGNS.

LIGHTWEIGHTING

Sustainable packaging requires us to "reduce, reuse and recycle." One way we reduce is by improving the design of our packages, a process known as lightweighting. Through our sustained efforts over the years, we have leveraged technological advancement to reduce the weight of several of our packaging.

INSPIRING CONSUMERS

We work in partnership with a wide range of stakeholders including consumers, industry and Governments and we use our brand marketing to encourage consumers to recycle more. We also collaborate with relevant authorities and NGOs for running campaigns at events and festivals to promote mass collection and recycling of plastic waste of not just our products but of any brand.

OUR APPROACH TO SUSTAINABLE PACKAGING

Our system-wide analysis of our carbon footprint shows it’s vital for helping to reduce our greenhouse gas emissions. Our efforts to create more sustainable packaging are expected to contribute to our overall goal of reducing the CO₂ emissions associated with the “drink in your hand” by 25 percent by 2020.

Sustainability in packaging requires a wide range of actions, including engaging consumers, policy advocacy through industry bodies, building supply chain partnerships, developing renewable technologies and more. Ultimately, it requires building a system in which many people, institutions and technologies work together to reduce, redesign, recover, recycle and reuse packaging.

RECOVER AND RECYCLE

THE COCA-COLA SYSTEM IN INDIA OFFERS ITS BEVERAGES IN RETURNABLE GLASS BOTTLES (RGBs), ALUMINUM CANS, PET BOTTLES AND TETRA PACKS.

CLOSE TO 50% OF OUR BEVERAGE SALE TAKES PLACE IN RGBs WHICH IS COMPLETELY RECOVERED FROM THE MARKET EXCEPT FOR BREAKAGES.

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POSITIVELY IMPACTING LIVES OF MORE THAN 3,00,000 MÔM-AND-POP RETAILERS

ENHANCING RETAILER LIVES
THE NEED FOR PARIVARTAN – a change towards the better

The 12 million retail outlets which form the unorganised retail sector in India account for over 90% contribution to the overall retail market. However, small unorganised retailers are largely found wanting on the skills required to thrive in the increasingly competitive and evolving retail space. Recognising this, CCIPL along with Coca-Cola University (CCU) started the ‘Parivartan’ programme in 2008. Through Parivartan, we impart skill-training to micro entrepreneurs through a unique blend of training methodologies using customized content related to areas like inventory, working capital management, profitable growth, customer relationship management and growth with Coca-Cola.

DELIVERING PARIVARTAN

The Parivartan course content is carefully curated after intensive market research. The crisp 2.5 hour long training module is delivered in 6 vernacular languages by certified trainers across India. The unique audio-visual programme is delivered in non-peak business hours and is meant to enhance retailer capabilities without entailing any significant changes in their existing investments in resources.

INNOVATION IN DELIVERY

Apart from classroom training, the training module is also delivered through a customized learning bus ‘CCU on wheels!’ Through this innovative delivery method, we ensure that we are able to reach out to retailers even in remote areas where classroom facilities may not be available.

In 2014, to leverage the rising mobile phone penetration in India, we adapted Parivartan to an Interactive Voice Response (IVR) platform as well. This was a first of its kind, industry leading training delivery platform. This innovation features pre-recorded training content available 24*7 to the retailers from the comfort of their homes through a toll free number. More than 600 retailers completed the training in the launch month itself.

EMPOWERING WOMEN, DRIVING ENDURING CHANGE

Unleashing the entrepreneurial potential of women is one of the most enduring ways to help families and communities prosper. Over the years, Parivartan has served as a powerful platform for empowering women entrepreneurs across the country. The ‘CCU on wheels’ buses have enabled us to reach out to women retailers in remote parts of the country as well. Since 2011, the programme has laid special emphasis on training women with 39,097 women retailers receiving training till December 2015.

THE PARIVARTAN IMPACT

Through Parivartan, we have touched the lives of 3,08,520 small grocery retailers including 39,097 women retailers and 9,569 E&D retailers. Based on a survey conducted by an independent third party across 4 locations, covering 700 retailers, majority of the programme attendees feel that:

- their relation with customers have improved post attending the programme
- the programme has helped them manage their inventory better
- Attending Parivartan has helped them in managing their shops better

RETAILER TESTIMONIAL

"I attended Coca-Cola's Parivartan programme and found it very helpful. The programme taught me how to better manage the cooling equipment, ensure cleanliness at my shop and being polite to all my customers. The programme has helped me identify changes I can bring about in myself and my shop in order to improve my business. The trainers were very good and I thank Coca-Cola for this experience."

- Rajwinder Kaur, Woman retailer, Amritsar

1. Coca-Cola University (CCU) provides a wide range of courses through classroom learning, e-learning and field training to help associates develop personally and professionally. CCU’s learning portfolio focuses on leadership, marketing, human rights, ethics and compliance, diversity, sustainability, finance, and other competences.

2. Details of all our initiatives for empowering women is given in the Women’s Economic Empowerment section of the supplementary information report.
SHAPING RESPONSIBLE CONSUMER CHOICES THROUGH OUR PORTFOLIO OF PRODUCTS

DIVERSE PRODUCT PORTFOLIO
WHILE OFFERING NEW, GREATER TASTING, REDUCE AGGREGATE SUGAR CONTENT LOW CALORIE AND NO SUGAR PRODUCTS ACROSS THE PORTFOLIO, WHILE OFFERING NEW, GREAT TASTING, LOW CALORIE AND NO SUGAR PRODUCTS

Our business continues to evolve and respond to the needs of society—from product innovation to responsible marketing to our sponsorships and partnerships. We will continue our work to provide more choices, in smaller pack sizes through our water portfolio, low-calorie and no-sugar drinks.

We help consumers to manage their calorie intake by offering our drinks in multiple package options including smaller serve sizes. This includes:

- 200 ml returnable glass bottle (both for carbonated drinks as well as Maaza)
- 300 ml and 400 ml PET Packs in 2015 and 250 ml PET Pack in 2016
- Maaza - 100 ml TetraPino pack, 200 ml tetrapack
- POP cans - 180 ml

In the Indian markets, our low calorie and no sugar offerings include Sprite Zero, Coke Zero, Diet Coke, Kinley water, Kinley soda and Schweppes soda.

EXPAND PORTFOLIO

In 2015, we launched our 1st ready-to-drink flavoured milk product, VIO in two flavours - VIO Kesar Treat and VIO Almond Delight. Vio has more than 90% milk and is made from milk sourced from dairy farmers. It contains no preservatives and promises to provide consumers with wholesome goodness of milk in every drop. We also launched ready-to-drink iced tea Fuze-Tea in lemon and peach flavours. In early 2016, we launched our new innovation - Fanta Green Mango in the “Juice with Fizz” category.

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EXPAND OUR PRODUCT PORTFOLIO AND OFFER OUR CONSUMERS MORE HYDRATION AND REFRESHMENT CHOICES

PROTECT CHILDREN AND SHAPE CHOICE

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PROMOTE CLEAR FACTS

Coca-Cola was the first beverage company to place Front-of-Pack calorie information on nearly all of our packaging worldwide. We make available nutritional information of our products on the packs and on our website as well. All products manufactured & packaged contain Front-of-Pack calorie declarations with exception of those bottled in Returnable Glass Bottles.

1ST BEVERAGE COMPANY TO PROVIDE TRANSPARENT NUTRITION INFORMATION (FRONT OF PACK CALORIE AND PORTION RECOMMENDATIONS)

MARKET RESPONSIBLY

Prohibition of designing of marketing communications in such manner as may directly appeal to children under 12 and specifically prohibits the use of:

- Celebrities or characters whose primary appeal is to children under the age of 12 with the exception of brand equity characters already in use
- Movie Tie-ins related to movies of primary appeal to children under 12
- Games or contests designed to appeal primarily to children under 12
- Branded Toys whose primary appeal is to children under 12
- Images of our products being consumed by children under 12 without an adult
- Branded sponsorship of sporting and entertainment events which primarily target children under 12
SUPPORT MY SCHOOL CAMPAIGN – CREATING HAPPY, HEALTHY, ACTIVE SCHOOLS FOR OVER 3,00,000 STUDENTS IN 1000 SCHOOLS ACROSS INDIA BY 2017
In 2010, CCIPL, NDTV and UN Habitat came together to launch a unique campaign – Support My School (SMS) – to raise awareness and fund to catalyse a solution to deal with lack of basic infrastructure facilities in government schools and to bring together partners in an effort to revitalize schools in rural and semi-urban India. In 2014, after the announcement of ‘Swachh Bharat’ initiative by Hon’ Prime Minister, the SMS campaign partners accelerated their efforts and worked towards furthering the ‘Swachh Bharat, Swachh Vidyalaya’ initiative of Government of India.

The SMS campaign has laid emphasis on providing the following basic amenities in schools:

- Access to toilets
- Access to water
- Sports facilities and playgrounds
- Environmental upkeep
- Rainwater harvesting

**THE SMS IMPACT**

The campaign that began with just CCIPL, NDTV, Charities Aid Foundation India (CAF) and UN-Habitat has grown to include hundreds of donors, partners and contributors. The campaign’s true strength is its Power of Partnerships, which lies in the combined effort of multiple stakeholders - community, consumers, customers, suppliers, bottlers, government, media, industry associations, national and international NGOs, youth organisations, educational institutions of higher learning, other corporates and their foundations and individuals. It has become one of the biggest campaigns of its kind in India.

**SMS ALSO AIDS IN FURTHERING GOVERNMENT’S ‘SWACHH BHARAT SWACHH VIDYALAYA’ INITIATIVE**

**THE POWER OF PARTNERSHIPS**

Earlier my parents used to debate about sending me to this school as there were no separate toilets for girls, access to clean drinking water and proper playground...

...A turning point came when Support My School (SMS) helped our school grow by providing us with basic necessities as well as other amenities.

...After knowing all these facts my parents didn’t even think twice before sending me or my little sister to this school.

- Santosh, 14 years, Student, Government Middle School, Pabsara District

*The above map is only a graphic representation and is not an accurate or complete depiction of the actual geographical boundaries of India.*
WE ATTRACT, DEVELOP AND RETAIN A HIGHLY TALENTED AND DIVERSE WORKFORCE WITHIN AN INCLUSIVE WORKPLACE, TO FOSTER A WINNING CULTURE
FOSTERING A DIVERSE AND INCLUSIVE CULTURE

As a global corporation operating across geographies, all our business units adopt to the guidelines and principles of the parent organisation, TCCC. Our commitment to diversity principles is embodied in our Human Rights Policy. We are an equal opportunity employer and do not discriminate on the basis of gender, religion, ethnicity, race etc.

TCCC’s global diversity mission is to mirror the rich diversity of the marketplace we serve and be recognised for our leadership in Diversity, Inclusion and Fairness in all aspects of our business. In India, we have a firm focus on nurturing women leaders and promoting diversity.

We have a Diversity and Inclusion Council with balanced representation of both men and women. The council focuses on accelerating the development and movement of women talent into roles of increasing responsibility and influence and in doing so, it aims to enhance business performance while simultaneously increasing representation of both men and women.

We train our employees on functional expertise, leadership and business acumen across functionalities like Marketing and commercial and customer management.

GROOMING OUR TALENT

We believe in the 70-20-10 principle for meeting the learning and development needs for our associates. This means 70% of learning happens on the job, 20% through interpersonal interactions with others and the remaining 10% is addressed through formal classroom trainings.

We train our employees on functional expertise, leadership and business acumen across functionalities like Marketing and commercial and customer management.

Pegasus, our 6-month long development programme, helps our employees to develop holistically across various dimensions - interpersonal, team and leadership skills, cross-functional technical skills, general management and business fundamentals, personal attributes, situational leadership and cultural intelligence. It is one of the many programmes we run to develop our future leaders.

Our training strategy also extends to developing the capability of our franchise bottling partners and their employees.

In our endeavour to provide our associates an open and a vibrant work place that brings out their creativity, we moved our corporate office to a new location: One Horizon Center, Golf Course Road, Gurgaon, Haryana

1. Details of our talent acquisition, employee well-being, employee benefits and employee engagement are given in the Human Capital section of the supplementary information report.
WE HAVE A ROBUST GOVERNANCE FRAMEWORK AND ARE COMMITTED TO EMBEDDING THE HIGHEST STANDARDS OF ETHICS AND INTEGRITY ACROSS OUR OPERATIONS
GOVERNANCE AT CCIPL

We are committed to embedding highest sustainable business standards and standards of governance, ethics and integrity across our operations. As a commitment to pursue the above, we have constituted several expert advisory committees to suitably guide the management on topics of strategic importance. The details of council/board members provided below.

OUR GOVERNANCE STRUCTURE

At CCIPL, the board of directors is the ultimate decision making body and it consists of the following directors:

- Mr. Venkatesh Kini (Chairman)
- Mr. Sanjeev Kumar (Whole time Director, designated as Vice President -Finance)
- Mr. Asim Parekh (Whole time Director, designated as Vice President – Strategy & Insights)
- Mr. Devdas Baliga (Whole time Director, designated as Vice President -Legal)

In addition, several committees have been constituted for advising on operational, environmental and social affairs. Details regarding these Advisory Boards are provided below:

INDIA ADVISORY BOARD (IAB)

The India Advisory Board (IAB) is the foremost advisory body within CCIPL. The IAB guides the management on various business, operational and environment-related matters to help formulate short and long term strategies. The IAB is ably led by its Chairman, Mr. Naresh Chandra, IAS (retd.), who is a former Cabinet Secretary -Government of India and a former Indian Ambassador to the United States.

Other members include:

- Mr. Deepak Parekh (Chairman HDFC Limited)
- Mr. SK Munjal (MD - Hero Corporate Services Limited)
- General VP Malik (Former Chief of the Indian Army)
- Ustad Amjad Ali Khan (Eminent Musician)
- Ms. Kiran Mazumdar Shaw (CMD, Biocon Limited)
- Mr. TV Mohandas Pai (Chairman – Manipal Global Education Services)

HEALTH AND WELLNESS ADVISORY COUNCIL (HWAC)

The HWAC guides and assists CCIPL to:

- Identify and highlight the evolving nutritional needs of Indian consumers
- Suggest viable health & wellness solutions for beverage applications
- Support consumer education programmes that promote a healthy and active lifestyle

The members of the HWAC and their respective area of expertise are as follows:

- Dr. J S Pai (Ex-Professor & Head of Food Technology Department, IITC Mumbai)
- Dr. PSM Chandran (Sports Medicine Expert)
- Dr. Vinay Aggarwal (Medical Professional Expert)
- Prof. R H Singh (Professor Emeritus in the Faculty of Ayurveda at BHU, Varanasi)

ADVISORY COUNCIL ON ENVIRONMENT AND SUSTAINABILITY (ACES)

The ACES advises CCIPL on issues pertaining to environment and sustainability. This council is headed by General V. P Malik (retired), Former Chief of the Indian Army. The other members of the council are listed below and are experts from the fields of water, environment and pollution control. The council meetings are held once in every quarter. The members include:

- Dr. Saleem Romani (former Chairman – Central Ground Water Board)
- Dr. B. Sengupta (retired environmental scientist, Central Pollution Control Board)
- Mr. Vishwanath Anand (IAS (retd.))
- Mr. Ravi Narayanan (Chair, Asia Pacific Water Forum)

INTERNAL COMPLAINTS COMMITTEE

We have constituted an Internal Complaints Committee (ICC) in line with the Sexual Harassment of Women at Workplace Act, 2013.

As on 31st December 2015, the members of the ICC include the following:

- Ms. Alpana Vartak (GM, HR, CCIPL)
- Ms. Barsha Poricha (Director - Programmes, National Foundation for India)
- Mr. Ish Bali (Director Legal, CCIPL)
- Ms. Shubha Sekhar (Director, CSR & Sustainability)
- Mr. Yogesh Chandra (CEO, Coca-Cola India Foundation)

COCA-COLA INDIA FOUNDATION ADVISORY BOARD

This body comprises of eminent personalities who have provided distinguished service to the public. The present members of this Board include:

- Justice R. M. Lodha, Chairman (former Chief Justice of India)
- Mr. Bunker Roy (founder of Barefoot College and was selected as one of TIME 100’s 100 most influential personalities in 2010 for his work in rural India)
- Dr. Naresh Trehan (chairman and managing director and chief cardiac surgeon of Medanta-The Medicity)
- Dr. (Mrs.) Mithu Alur (an educationist and is the founder chairperson of The Spastic Society of India)
- Ms. Dia Mirza (actress)
- Dr. (Mrs.) Shyama Chona (former Principal of Delhi Public School RK Puram, New Delhi)
- Mr. Roshan Seth (actor and theatre personality)

1. Information on our Code of Business Conduct and anti-corruption and anti-bribery policies is given in the “Ensuring ethical conduct in our work” section of the supplementary information report.
2. Designations as on 31st December 2015:
   - Mr. Asim Parekh, (Whole time Director, designated as Vice President – VP Technical)
3. Prof. Subhash Chander (former professor – IIT Delhi), Mrs. B. Basu (IAS (retd.), were ACES members till June 2015, Mr. Kisan Mehta (ex-CEO of Coca-Cola in India was a special invitee to the ACES-meetings till June 2015). Mr. Ravi Narayanan has joined ACES council from June 2015
4. Designations as on 31st December 2015: Ms. Shubha Sekhar (Human & Workplace Rights Director, Global Workplace Rights)
INDEPENDENT ASSURANCE STATEMENT

Scope and approach

Coca-Cola India Private Limited (CCIPL, or ‘the Company’) commissioned by DNV GL Business Assurance India Private Limited (“DNV GL”) to undertake independent assurance of the Company’s Sustainability Report 2015 in its printed formats (the “Report”) for the Calendar year ended 31 December 2015. Our responsibility in performing this work is regarding verification of Sustainability performance disclosed in the Report and in accordance with the agreed scope of work with the management of the Company. The intended users of this assurance statement are the management of the Company. Our assurance engagement was planned and carried out during May to September 2016.

We performed our work using DNV GL’s assurance methodology VeriSustain™, which is based on our professional experience, International assurance best practice including International Standard on Assurance Engagements (ISAE) 3000 Revised*, along with Accountability’s AA1000 Assurance Standard 2008 ((AA1000AS (2008)) and the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines Version 4 (GRI G4) including the Food Processing Sector Disclosures (FPSD).

We evaluated the performance data using the reliability principle together with CCIPL data protocols for how the data are measured, recorded and reported. The performance data in our scope of work was the verification of the qualitative and quantitative information on sustainability performance disclosed in the Report covering Economic, Environmental and Social performance of the identified material aspects undertaken by the Company over the Reporting period 1st January 2015 to 31st December 2015 and based on the GRI G4.

We planned and performed our work to obtain the evidence we considered necessary to provide a basis for our assurance opinion. We are providing a ‘moderate level’ of assurance and no external stakeholders were interviewed as part of this assurance engagement.

Responsibilities of the management of Coca-Cola India Private Limited and of the Assurance Providers

The Top Management team of CCIPL have sole responsibility for the preparation of the Report and responsible for all information provided in the Report as well as the processes for collecting, analysing and reporting the information presented in the printed Report.

In performing our assurance work, our responsibility is to the management of CCIPL; however our statement represents our independent opinion and is intended to inform outcome of our assurance to the stakeholders of CCIPL.

DNV GL provides a range of other services to CCIPL, none of which constitute a conflict of Interest with this assurance work. This is the 3rd year that we have provided moderate level of assurance of the Report.

DNV GL’s assurance engagements are based on the assumption that the data and information provided by CCIPL to us as part of our review have been provided in good faith and free from material misstatements or errors. DNV GL was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement. DNV GL expressly disclaims any liability or responsibility for any decision a person or an entity may make based on this Assurance Statement.

Basis of our opinion

A multi-disciplinary team of sustainability and assurance specialists performed work at corporate office at Gurugram and Company Owned Bottling Operations (COBO) and Franchisee owned Bottling Operations (FOBO) Sites of CCIPL. We undertook the following activities:

- Review of the current sustainability issues that could affect CCIPL and are of interest to identified stakeholders;
- Review of CCIPL approach to stakeholder engagement and recent outputs although we have no direct engagement with stakeholders;
- Review of information provided to us by CCIPL on its reporting and management processes relating to the Principles;
- Interviews with selected Leadership team, Directors and senior managers responsible for management of sustainability issues and review of selected evidence to support issues discussed. We were free to choose interviewees and interviewed those with overall responsibility for the programmes to deliver the Sustainability Commitments 2020 for medium and long term Vision, mission and milestones;
- Site visits were conducted in CCIPL Corporate Office at Gurugram, five operational sites located in India i.e. Hindustan Coca-Cola Beverages Private Limited (Dasna in U.P and Aranya in Karnataka), Franchisee Bottlers located at Brindavan Agro Industries Private Limited at Agra, Diamond Beverages Private Limited at Kolkata & Superior Drinks Private Limited at Nagpur and Anandas project site at Bundelkhand, Jhansi to review process and systems for preparing site level sustainability data and implementation of sustainability strategy. The sites we visited were selected on the basis of their materiality to the group for environmental impacts as well as to give a geographical and divisional spread;
- Review of supporting evidence for key claims and data in the Report. Our verification processes were prioritised according to materiality and we based our prioritisation on the materiality of issues at a consolidated corporate level;
- Review of the processes for gathering and consolidating the specified performance data and, for a sample, checking the data consolidation; and

During the assurance process, we did not come across limitations to the scope of the agreed assurance engagement, except for the disclosures related to product responsibility where we have relied on reports of independent parties where available. Verification of Human Rights Grievance Mechanism was limited to Verification of the Human rights assessment process at India BU level as the CCIPL Workplace right (WRP) guidelines are administered by CCIPL Atlanta.

Opinion

On the basis of the work undertaken, nothing came to our attention to suggest that the Report does not properly describe, CCIPL adherence to GRI G4 content Principles, General standard disclosure and specific standard disclosures for ‘In accordance’ – Core reporting as below:

a. General Standard Disclosures: The reported information on General Standard Disclosure generally meets the disclosure requirements for ‘In accordance’ – Core option.

b. Specific Standard Disclosures: The Report describes the generic Disclosures on Management Approach (DMA) and Performance Indicators for identified material Aspects as below:

Economic
- Indirect Economic Impacts & Community Development - G4- EC7 & EC8;
- Procurement Practices - G4-EC9;

Environmental
- Energy – G4-EN3, EN5 & EN6;
- Water – G4-EN8 & EN9;
- Emissions – G4-EN15, EN16, EN20 & EN 21;
- Effluents and Waste – G4-EN22 & EN23;

Footnotes:

1 The VeriSustain protocol is available on dnvgl.com.
2 Assurance Engagements other than Audits or Reviews of Historical Financial Information.
Society

The participation of stakeholders in developing and achieving an accountable and strategic response to Inclusivity.

AA1000AS Improvements:

We have evaluated the Report’s adherence to the following principles on a scale of ‘Good’, ‘Acceptable’ and ‘Needs Improvement’:

- Good
- Acceptable
- Needs Improvement

Human Rights

- Child Labor – G4-HR5
- Forced and Compulsory Labor – G4-HR6
- Assessment – G4-HR9
- Supplier Human Rights Assessment – G4-HR10 & HR11

Society

- Local Communities – G4-S01 & S02
- Public Policy – G4-S06
- Compliance – G4-S08

Product Responsibility

- Customer Health and Safety – G4-PR1 & PR2; G4-FPS, FP6, FP7
- Product and Service Labelling – G4-PR3, PR4 & PR5
- Marketing Communications – G4-PR7
- Customer Privacy – G4-PR8

Observations

Without affecting our assurance opinion we also provide the following observations. We have evaluated the Report’s adherence to the following principles on a scale of ‘Good’, ‘Acceptable’ and ‘Needs Improvement’:

- Good
- Acceptable
- Needs Improvement


Inclusivity

The participation of stakeholders in developing and achieving an accountable and strategic response to Sustainability.

The stakeholder engagement process is fairly established to identify sustainability challenges and concerns of diverse stakeholder groups considering the CCPL operational businesses and the Report brings out key concerns of diverse stakeholders like Water Stewardship, Product and Ingredient Safety, Packaging, Performance Measurement, GHG Emissions, Waste Management and Community Engagement. The stakeholder concerns are identified, documented and reported. In our opinion, the level at which the Report adheres to this principle is ‘Acceptable’.

Materiality

The process of determining the issues that are most relevant to an organization and its stakeholders

The materiality determination process was revalidated based on inputs from key stakeholders including employees, customers, suppliers, NGOs, governments, regulatory bodies, local communities and senior management of CCPL and has not missed out key material issues from the Food Processing Sector Disclosures. The management of CCPL has established internal assessment process for monitoring and management. Sixteen material issues on a continual basis for their long term organisational sustainability. In our opinion, the level at which the Report adheres to this principle is ‘Good’.

Responsiveness

The extent to which an organization responds to stakeholder issues.

The Report has brought out key responses to the materiality aspects in a fair manner for stakeholder to make informed decisions and adequately disclosed the strategies and management approach related to identified key sustainability aspects and challenges considering the overall sustainability context of the Food Processing sector disclosures, within the identified aspect boundary. In our opinion, the level at which the Report adheres to this principle is ‘Acceptable’.

Reliability

The accuracy and comparability of information presented in the report, as well as the quality of underlying data management systems.

The majority of data and information verified at the Corporate Office, and five operational sites were found to be accurate and nothing came to our attention to suggest that reported data have not been properly collated from information reported at operational level, nor that the assumptions used were inappropriate. Some of the data inaccuracies identified during the verification process were found to be attributable to transcription, interpretation and aggregation errors and the errors have been communicated for correction. Hence in accordance with AA1000AS (2008) requirements for a Type 2, moderate level assurance engagement, we conclude that the specified sustainability data and information presented in the Report is generally fair. In our opinion, the level at which the Repot adheres to this principle is ‘Acceptable’.

Specific Evaluation of the Information on Sustainability Performances

We consider the methodology and process for gathering information developed by the Company for its sustainability performance reporting to be appropriate and the qualitative and quantitative data include in the Report was found to be identifiable and traceable; the personnel responsible were able to demonstrate the origin and interpretation of the data and its reliability. We observed that the report presents a faithful description of the Company’s sustainability activities.

Additional Parameters as per DNVGL’s VeriSustain Protocol

Completeness

How much of all the information that has been identified as material to the organisation and its stakeholders is reported

The Report has fairly attempted to disclose the General and Specific Standard disclosures including the disclosure on management approach and performance indicators for identified material aspects for GRI G4 – ‘In accordance’ – Core option. The reporting of performance and data is fair except for certain material aspects as systems to report the performance indicators are being established and set the internal time lines for disclosure. Hence in our opinion, the level at which the Report adheres to this principle is ‘Acceptable’.

Neutrality

The extent to which a report provides a balanced account of an organization’s performance, delivered in a neutral tone.

The disclosures related to sustainability issues and performances are reported in a neutral tone, in terms of content and presentation, however Report could further bring out responses related to the challenges faced during the reporting period at various geographical locations of operations in terms of disclosure of all identified material aspects, sustainability goals and targets etc. In our opinion, the level at which the Report adheres to this principle is ‘Good’.

Opportunities for Improvement

The following is an excerpt from the observations and opportunities for improvement reported to the management of the Company and are not considered for drawing our conclusions on the Report; however they are generally consistent with the management’s objectives:

- Future reports may further bring out the impacts of material aspects in the value chain – upstream and downstream i.e. re-evaluate materiality in the value chain for the reporting boundary related to material, social and environmental impacts of its suppliers, products and services.
- Establish a system of monitoring, periodic review and validation of Sustainability related data to strengthen the reporting of key performance indicators to achieve sustainable performance across geo-locations.
- Sustainability performance may be benchmarked across geo-locations for review and monitoring based on long term Sustainability targets in line with Sustainability 2020 commitments.
For and on behalf of DNV GL Business Assurance India Private Limited
New Delhi, India, 29th September’ 2016

Ramesh Rajamani
Lead Verifier,
DNV GL – Business Assurance India Private Limited

Vadakepatth Nandkumar
Assurance Reviewer, Regional Sustainability Manager, Region India & Middle East
DNV GL – Business Assurance India Private Limited

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ABOUT THE COCA-COLA COMPANY

The Coca-Cola Company (NYSE: KO) is the world’s largest beverage company, refreshing consumers with more than 500 sparkling and still brands and more than 3,800 beverage choices. Led by Coca-Cola, one of the world’s most valuable and recognizable brands, our company’s portfolio features 20 billion-dollar brands, 18 of which are available in reduced low-calorie and no-sugar options. Our billion-dollar brands include Diet Coke, Coca-Cola Zero, Fanta, Sprite, Dasani, Vitamin water, Powerade, Minute Maid, Simply, Del Valle, Georgia and Gold Peak. More than 1.9 billion servings of our beverages are enjoyed by consumers in more than 200 countries each day. Together with our bottling partners, we rank among the world’s top 10 private employers with more than 700,000 system associates. For more information, visit Coca-Cola Journey at www.coca-colacompany.com