

Coca-Cola India
Coca-Cola India Private Limited

Key CSR Programs / Projects/ Activities to be undertaken during financial year 2017-18

In terms of the attached CSR Policy adopted by the Board of Directors of the Company (hereinafter referred to as "CC IPL") at their meeting held on **June 27, 2016** the CSR Committee of the Board has identified the following CSR Projects/ Activities / Programmes for implementation by the Company during the financial year 2017-18:

CC IPL's contribution in ensuring Environmental Sustainability: Coca-Cola India Foundation:

Water Sustainability and Solar Energy Projects to be undertaken by the wholly owned subsidiary, **Coca-Cola India Foundation** ("the Foundation")

Integrated Water Shed and Community Development Projects:

Water being an essential resource for the country as well as one of the core pillars of CC IPL's CSR and sustainability strategy. CC IPL proposes to undertake integrated water shed and community development projects. It entails multi-partnership projects with the civil society organizations and the local communities.

Multi Stakeholder partnerships on sustainable agriculture:

Sustainable agriculture is one of the key sustainability priorities for CC IPL. Multi partnership projects focused for addressing economic, social and environmental challenges and building capacities of farmers are being undertaken by CC IPL.

Better Waste Management System:

"Alag Karo" Har Din teen Bin - aimed at sensitizing residents and increasing their involvement to bring about a better waste management system through the simple act of segregating wet and dry waste in homes, offices, etc.

Multi Stakeholder Programme on Livelihood Enhancement:

In line with the emerging importance of PET recycling in the light of the **"Swaachh Bharat Abhiyan"** and **"Clean India campaign"** launched by the Tourism Ministry, Government of India and the key role that is played by the informal sector in collection of recyclable waste, CC IPL has decided to design a scalable program on waste management.

Promotion of education as well as awareness generation on waste management:

'Support My School' ("SMS") campaign, aimed at revitalizing schools by providing them with adequate sanitation and basic amenities like toilets and other facilities, especially for the girl child. The objective of revitalizing 1000 government schools across India, will be completed this year. An extension of SMS, on waste management and PET recycling in communities is planned in 4 states of India this year. This will be in sync with CC IPL's priority of recycling while retaining the outreach of a 1000 SMS schools and communities.

Employment enhancing vocation skills: 'Parivartan' training program for retailers:

'Parivartan' training program conducted by CC IPL for retailers (including women retailers), aimed at and focused on enhancing vocation skills.

Donation under Employee Volunteering Programme:

The Employee Volunteering Programme is aimed at facilitating, systematization and quantification of engagement of the employees' with CSR and social initiatives both within and outside CCIPL.

Lake Rejuvenation Project- Gurugram:

In line with CCIPL's commitment to strengthen community engagement and development around its Corporate Office in Gurugram, a six month project will be implemented in the year 2017 towards water rejuvenation in the Sukhrali Lake in Gurgaon.

CSR initiative of CCIPL in the community around its concentrate plant in Pune:

CC IPL proposes to initiate a CSR initiative in the immediate community of its Concentrate Manufacturing Plant at Pune, which will incorporate elements of waste management in the Pirangut community as also water replenishment through check dams.

Other Projects /Programmes /Activities:

In addition to the above, CSR Committee will also identify other projects /Programmes /activities which it will find suitable for implementation by CCIPL during the financial year 2017-18.

CC IPL's contributions in ensuring Environmental Sustainability in India:

Coca-Cola India Foundation: CCIPL had set up a 'not for profit Company' wholly owned subsidiary under section 25 of Companies Act, 1956 namely; **Coca-Cola India Foundation** ("the Foundation") in 2008 with a view to extend its Corporate Social Responsibility (CSR) initiatives to cover the community at large. The Foundation has been working on a systematic plan under four Mission Objectives:

- Mitigating water stress and promoting water sustainability;
- Propagating the use of new and renewable sources of energy as a means of global climate control;
- Promoting active and healthy lifestyles AND
- Subscribing to general social advance.

The Foundation has been implementing projects in various states and will continue to undertake new projects that will promote inclusive growth and sustainable development with programs that replenish and rejuvenate water resources for the benefit of the community and also commission projects utilizing women in promoting different instruments of solar energy.

India is predominantly an agriculture based nation where over 60 % of the population is engaged in agriculture. There are several ways of improving water supply for agricultural crops. In the absence of assured irrigation facilities, optimum use of rain water is the only alternative. It is estimated that only about 40 % of the rain water is being utilized, while the remaining flows back to the ocean. In this process of water run-off, a huge volume of top soil is also washed away. Agriculture can be sustainable and economically viable, only through moisture conservation.

The solution adopted by the Foundation in partnership with NGO's is to block the flow lanes through effective check dams and other conservation structures that impede the passage of water and enable it to seep down to replenish underground sources of water supply. The check

dams are not storage dams per se but only create blocks to stop the precious rain water from draining away. The funds are being utilized to create assets for the community that are sustainable.

As part of women's empowerment program the Foundation has been lighting non- electrified households in some of the most backward districts of India, still not connected through grid through solar lanterns and solar systems assembled, maintained and repaired by women specially trained on this job. This helps women earn a decent livelihood, increased time for household and leisure activities, savings from use of kerosene/ other household fuel, reduced indoor air pollution and overall improvement in standards of living. In all such remote places the quality of life of the poor is vastly improved through the provision of energy through solar lanterns and unitary solar systems.

Apart from implementing projects on its own, out of donations made by CCIPL, the Foundation has simultaneously been facilitating grants from The Coca-Cola Foundation- Atlanta ("**TCCF**"), directly, to various NGO's in India working on community development projects to help them meet their need for funds for implementation of various community development projects. The beneficiaries constitute the marginalized communities in the backward, predominantly rural and in some cases, the tribal areas of the country. The vast majority of the villagers are among the poorest, the neediest and the socially deprived and the action of the Foundation is, therefore, at the most deserving level of social intervention. Over the past eight years (since 2009) Foundation has reached out to over **570 villages** in India impacting the lives of over **760,000 people**.

Even during the financial year 2017-18, the Foundation plans to continue to focus on these two areas of priority but need to spread across the country. While Foundation will continues to operate in the existing geographies, execution priority will be to new geographies where there is a dire need for such interventions in the southern and western parts of the Country. It is extremely difficult for the Foundation at the beginning of each financial year to quantify the amount that will be spent on various projects during the financial year, as proposals are submitted to it by various NGOs on a continuous basis, throughout the financial year. However, for the current financial year, till the date of approval of this document, the Foundation has approved following three proposals for funding:

- 2017 tranche of the earlier ongoing water conservation projects : INR 1.20 Crore
- Watershed project in Mahoba district of Uttar Pradesh : INR 1.50 Crore
- Water conservation project in Anantpur district of Andhra : INR 0.50 Crore
- Water conservation project in Dharmapuri district of Tamil Nadu : INR 0.80 Crore

Integrated Water Shed Projects and Community Development: Recognizing the importance of water in ensuring sustainability of the largely agrarian communities in which CCIPL operates, large community development and water shed projects in partnership with the local communities and civil society organisations are being explored in Punjab, Uttar Pradesh, Orissa and Madhya Pradesh. CCIPL is in the process of finalizing locations after an assessment of community needs and technical evaluation of the regions. CCIPL proposes to spend **INR 3.85 crores** on such water shed and community development projects during the financial year 2017-18

Multi Stakeholder partnerships on sustainable agriculture: Farmers are an integral part of India's agrarian economy as well as CCIPL's value chain, as CCIPL locally sources its primary ingredients. CCIPL will hence, continue to expand its engagement on sustainable agriculture through multi stakeholder partnerships for empowerment of small landholders. In order to bring farm efficiencies and responsible production of sugarcane CCIPL in partnership with IFC,

Solidaridad and DCM Sriram launched the '*Unnati Meetha Sona*' Programme. It addresses the economic, social and environmental challenges by building capacities of farmers, developing good management systems, including labour practices and technology adoption. The project is working not only to achieve productivity in sugarcane cultivation and improvement in soil health but also to create a sustainable ecosystem for every stakeholder involved in sugarcane cultivation – by building capabilities for farmers – both male and female as well as promoting effective on-farm mechanization.

The envisaged impact includes;

- To work with about 48,000 farmers for 3 years;
- 8000 lead farmers and 40,000 smallholders trained on good agriculture practices (GAP) and human and social workplace rights;
- 35,000 Ha. area under Good Agriculture Practices ("**GAP**"), Integrated Pest Management ("**IPM**") and efficient water usage;
- Implement farmer practices to improve demand side water efficiency.

An investment of **INR1.80 Crore** is envisaged on sustainable agriculture project during the Financial Year 2017-18.

CCIPL's initiative on better waste management system – 'Alag Karo' : In line with CCIPL's strategic focus on re-cycling and evincing good model on waste management, particularly PET, a three year project was launched in January 2017, in Gurugram City in partnership with GIZ, Tetra Pak and NGO Saahas. The project titled '*Alag Karo*' – *Har Din teen Bin*, will provide insights into how environmental awareness on waste segregation and handling, waste management and recycling could be strategized in partnership with local governments, business establishments, citizens and civil society. Additionally, the segregation and collection of waste at source in Gurugram is enhanced.

Project activities and proposed impact: The following outcomes are envisaged:

01. 9000 households in 60 selected RWAs segregate wastes at source;
02. At least 500 waste pickers in Gurugram city are equipped to handle the segregated waste;
03. Engagement with 50 schools on environmental awareness & waste management;
04. Engagement with 50 Commercial Establishments on waste segregation and re-cycling;
05. At least 2 policy recommendations are available for adoption by the residential associations and in the municipal plans

The project consists of 5 components:

Component 1: Enhanced awareness of RWAs and other points of consumption on source segregation

Component 2: Implementation of source segregation in RWAs and other points of consumption

Component 3: Strengthened capacities of waste pickers for handling segregated packaging waste and improve recovery

Component 4: Municipal decision makers are enabled to make decisions on the basis of policy recommendations on source segregation & resource recovery

Component 5: A guiding steering structure will be established for monitoring and evaluation and capture learnings from this project.

The total budget to be donated from CCIPL during the financial year 2017-18 would be **INR 25 Lakhs** to the NGO Saahas. It is on the same lines as the donation made in the financial year 2016-17.

Promotion of Education as well as Waste management project across “Support My School” schools and communities: Several studies have shown that inadequate sanitation and basic amenities in schools has a huge impact on the children, especially the girl child. Absenteeism, drop outs are accelerated because of lack of a healthy and active environment, especially amongst girl children. The Honorable Prime Minister of India, Mr. Narendra Modi, is spearheading a drive to build separate toilets for boys and girls in schools and has called out to everyone for joining the mission. The Prime Minister’s laudable vision is now visible through a mass campaign on air with leading Bollywood actress Ms. Vidya Balan encouraging community as a whole to build toilets, especially for women and also the ‘Swachh Bharat, Swachh Vidyalaya’ initiative on ground.

CC IPL through its ‘Support My School’ (“SMS”) campaign is doing its bit towards **Swachh Bharat Swachh Vidyalaya** and backing the Prime Minister’s vision of **Swachh Bharat**. CC IPL in partnership with NDTV had launched a mass media campaign to bring further focus on this issue including finding solutions to the issues and impact of healthy and active schools, which have sanitation and access to water as its primary focus across India.

Through the efforts of several partners involved, nearly 850 schools have already been revitalized till March 31, 2017 across 29 states. The total number of children benefitted positively is 2,80,000. The project objective to reach out and **revitalize a 1000 schools under the campaign will be completed this year, positively impacting 3 Lakh+ children**. This mass media campaign has made several lakhs sit up and take notice of the issue and also offered them an opportunity to join.

Waste Management and PET Recycling project - In March 2017, SMS Mission Recycling has been initiated for ensuring an extension of the SMS platform towards the Company’s priorities of Waste Management. A donation of 1.03Cr was made to Plan India Chapter in March this year towards this project. The project focusses on waste management and PET recycling. It will be launched in four states of India, namely Lucknow, Hyderabad, Bangalore and Chennai. This will further strengthen Coca-Cola’s focus on Recycling in schools through the Support My School platform, and the communities around these schools.

At present, SMS has a well-established outreach/platform of its 1000 SMS schools and 900+ children’s groups. It spreads across 100 communities across 29 States, and will benefit around 3 Lakh children directly by the end of 2017. The **SMS Mission Recycling** is estimated to reach out to more than 1 Lakh 20,000 individuals including students, school management committees (SMCs) and community members. This extension of SMS being termed as SMS Mission Recycling. Further investments on SMS Mission Recycling will be made basis the outcomes of the above initiated pilots in four states. The estimated allocation for the current financial year is **INR 1.00 Crore**.

Multi Stakeholder Programme on Livelihood Enhancement: In line with the emerging importance of PET recycling in the light of the **Swachh Bharat Abhiyan** and **Clean India campaign** launched by the Tourism Ministry, Government of India and the key role that is played by the informal sector in collection of recyclable waste, CC IPL decided to design a scalable program with a multi stakeholder approach that evinces a model of waste segregation at source, institutional mechanisms that facilitate segregated waste is processed in the right manner including backward and forward linkages with industries that use processed waste, linkages with recyclers and engagement with social enterprises and NGOs that can organize waste pickers and ensure their occupational health, fair payment of services and recognition of their role in the recycling value chain. This initiative is under design stage and planned for launch by

end of 2017 or early 2018. The project cost is estimated to around **INR 1.00 Crore** for the Financial Year 2017-18.

CSR initiative of CCIPL in the Pirangut community in Pune: CCIPL proposes to initiate a CSR initiative in Pirangut, Pune. A need assessment study of the community has been undertaken, basis which projects would be centered on water replenishment and waste management and recycling will be undertaken. This project is under development stage and is expected to involve an expenditure of **Rs. 1.00 Crore**, for the financial year 2017-18.

Vocation skills: 'Parivartan' training program for retailers: This business skills capability program started by CCIPL in 2007 is led by the capability development center of CCIPL, namely; Franchise Capability Services. Training under this program is aimed at improving use by retailers (traditional Kirana store owners) of all their resources, through better handling of finances, stocks, customers and merchandising, which will ultimately lead to improving their livelihood, in the evolving large retail format scenario in India. All training programs are absolutely free of cost to the retailers. Apart from classroom training which is typically conducted in cities, training module is also delivered through CCIPL's customized learning buses in rural and semi-urban areas, which enables CCIPL to reach out to the retailers in far flung areas where classroom facilities may not be available. The 'Mission' of CCIPL through this program is to equip traditional retailers with the skills, tools and techniques to meet consumer expectations created by these demands. The traditional 'mom and pop' shops which constitute around 95 per cent of India's grocery retail market are experiencing challenging times in evolving modern organized retail scenario. As a responsible corporate and a long standing partner to them, CCIPL believes that ensuring their success is important. The program is conducted in multiple vernacular languages.

In India, women entrepreneurs face barriers due to lack of business knowledge and access to finance and/or assets. Hence, as part of CCIPL's focus to drive women's empowerment through entrepreneurship for inclusive growth in the year 2011, this Programme was customized and extended to women retailers as well. Enhancing economic opportunities for women will result in increased incomes, enhanced skills in business, increased stature within the community and improved potential for communities. These trainings are led by 'Certified Trainers' of the capability development center of CCIPL, Franchise Capability Services. For the financial year 2017-18 CCIPL targets to train around 30,000 retailers across India. Out of the above, the number of women retailers to be trained is 3500.

In addition, CCIPL in association with FSSAI has recently launched "**Parivartan – Food Safety and Hygiene**" training program, targeted at building capabilities of small food vendors across the country. Content for the program has been jointly developed by CCIPL and FSSAI. The participants are awarded certificate of participation jointly signed by CCIPL and local municipal council. The program is delivered in vernacular languages across the regions in the country and also involves collaboration with local stakeholders like the Municipal corporation and State FDA offices to execute the program. The program targets to train around 1000 small food vendors during FY 2017-2018. The total cost of implementing Parivartan retailer capability building and Parivartan – Food Safety and Hygiene programs (including 5by20) for the financial year 2017-18 will be around **INR 50 Lakhs**.

Providing Entrepreneurial skills: Jagriti Yatra is set up under a non-profit charitable organization **Jagriti Sewa Sansthan ("JSS")** and is headquartered in Mumbai. The vision of Jagriti is 'building India through enterprise'. It aims to inspire the young Indians living in the middle of the Indian demographic diamond to lead development by taking to enterprise, thus unleashing a movement of Enterprise-led-development. With Jagriti Yatra train journey successfully running for past few years, JSS is now focusing on building Jagriti Enterprise

Network, an ecosystem to support the young entrepreneurs from Middle India. After supporting the Jagriti Yatra train journey for last few years, CCIPL will now work with JSS on supporting the Jagriti Enterprise Network. CCIPL plans to make a donation of **INR 30 lakhs**, during the financial year 2017-18 to support JSS quest to find and support entrepreneurs in middle India especially in field of Water, Agriculture and Recycling, which are also the Companies Sustainability priorities. JSS will host a special competition to unearth and encourage entrepreneurs in this sector and support them.

Contribution made by the Company under the 'Employee Volunteering Policy':

CC IPL has been promoting the Employee Volunteering Policy ("EV Policy") – 'SWAYAM' to encourage its employees to volunteer their time as individuals OR as a department OR as a group (of any size), towards a variety of community involvement initiatives and opportunities offered by CCIPL. CCIPL has tied -up with "Give India", a reputed NGO, to drive its initiatives on this front. There are three ways in which employees volunteer under the Policy. Under the first one, an employee dedicates one day every calendar quarter for volunteering initiatives. The initiatives are chosen from amongst several of company's CSR initiatives. Under the second, any employee can choose to volunteer for a cause of his/her choice and CCIPL will support this endeavor through the option of a day's paid leave in a year.

Finally, CCIPL has also encouraged donations by employees to charitable organizations. CCIPL will do an equal match to the contributions made by the employees, up to a maximum of INR 60,000 per annum, per employee as per the list of beneficiary organizations decided and announced by CCIPL. CCIPL may donate around **INR12 Lakhs** towards this project in the financial year 2017-18.

Sukhrali Lake Rejuvenation Project, Gurugram: In line with CCIPL's commitment to strengthen community engagement and development around its Corporate Office in Gurugram, a six month project was implemented from June 2016 towards water rejuvenation in the Sukhrali Lake in Gurugram. The lake forms an integral part of the community eco-system in Sakhralin village and has depleted in its recharge potential due to vagaries of unplanned city expansion, weather conditions, and unplanned/unchecked discharge of waste. The project entails community mobilization and technical activities and benefit approximately 30,000 residents of Sakhralin Village. The total budget for the project was **INR 14. 51 Lakhs**, and was disbursed to the implementing partner CAF India in the financial year 2016-17. The project work is in progress and will be completed during the financial year, 2017-18.

Other Projects /Programmes /Activities: Apart from the above, the CSR Committee will also identify other projects /programmes /activities, which it finds suitable for implementation by CCIPL during the financial year 2017-18.

Impact of all of the above: It is estimated that the CSR activities listed above will result in spends of around **INR. 15 Crores** during the financial year 2017-18. In addition, the Foundation as well as CCIPL, are planning to arrange direct funding to NGOs of around **USD 2 Million** by **TCCF**, Atlanta. It will be utilized for implementation of various community development projects in India, during the financial year 2017-18. Thus, all the above activities are expected to result in an overall spend of approximately **Rs.15 Crores** under the **2% CSR budget**, as well as **INR 1283 Lakhs** (approx. 2 million USD) **from TCCF (Atlanta)**, directly and indirectly towards CSR activities in India.