2017 SUSTAINABILITY REPORT UKRAINE
A YEAR OF REFLECTION

The Company started 2017 with a new strategy — Our Way Forward. The key goal of this strategy is to become a growth-oriented, consumer-centered, total beverage company.

We understand that today people want less sugar, new, different flavors, and less packaging — and our new strategy is oriented to satisfying these needs.

Our sustainability strategy remains unchanged, and we’re committed and continue to work on the following directions: water and the environment, community well-being, empowerment of women, and education on waste management. We’re excited about making a positive change in Ukraine, and in the world.

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COCA-COLA IN UKRAINE

The Coca-Cola organization in Ukraine comprises two distinct entities, Coca-Cola Ukraine Limited and Coca-Cola Beverages Ukraine Limited. Coca-Cola Ukraine Limited is a subsidiary of TCCC, and provides consulting services in the area of market insights, marketing strategy, and product quality. Coca-Cola Beverages Ukraine Limited is responsible for the production of ready-to-drink non-alcoholic beverages under the Trademarks of TCCC, and for their distribution and sale in the territory of Ukraine.

25 YEARS OPERATING ON THE UKRAINIAN MARKET

The Coca-Cola Company’s corporate headquarters are located in Atlanta, Georgia, USA. More information on The Coca-Cola Company is available at www.coca-colacompany.com

Coca-Cola Hellenic Bottling Company AG (also reffered to as “Coca-Cola HBC”) is headquartered in Zug, Switzerland. More information on Coca-Cola HBC is available at www.coca-colahellenic.com
2017 SUSTAINABILITY HIGHLIGHTS

HUMAN AND WORKPLACE RIGHTS

1600+ employees

CLIMATE PROTECTION

43% cut in direct emissions of carbon dioxide achieved in 2017

PACKAGING AND RECYCLING

16% less PET was used in 2017 compared to benchmark 2010 due to the implementation of packaging reduction programs

GIVING BACK

$928 000+ donated by Coca-Cola Foundation in Ukraine in 2016 and 2017

WATER REPLENISHMENT

740 mln m³ of water replenished through community projects across Ukraine in 2016-2017

WOMEN’S EMPOWERMENT

23 women-mentors were attracted by the program in 2017

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GLOBAL COCA-COLA STRATEGY — OUR WAY FORWARD

How we’re keeping people at the heart of our business.

At The Coca-Cola Company, we’re evolving to give people around the world more of the drinks they want, the way they want them. We’re providing smaller, more convenient packaging; innovating and introducing new lower and no-sugar drinks; and reducing sugar in existing drinks around the world. This is our new way forward.

INSIDE THE BOTTLE

REDUCING SUGAR
We support the current recommendation by the World Health Organization that people should limit their intake of added sugar to no more than 10% of their total energy/calorie consumption. We’ve begun a journey toward this goal.

EVOLVING BEVERAGES
We’re looking for ways to make many of our beverages better and we’re also adding new, sophisticated flavors to help us keep up with consumers’ rapidly evolving taste preferences.

DIFFERENT DRINKS
We may be The Coca-Cola Company, but we realize not everyone drinks soda. So we’re making many other drinks, like organic tea, coconut water, grab-and-go coffee, juices, and purified water available to more people in more places.

OUTSIDE THE BOTTLE

SMALLER, MORE CONVENIENT PACKAGES
Making smaller packages more available in 140 countries. About 40% of the Company’s sparkling brands are available in packages of 250 mL (8.5 oz.) or less.

SUPPORTING INFORMED CHOICES
Putting clear, easy-to-find nutrition information on packaging to support informed choices.

NO ADVERTISING TARGETED TO CHILDREN
We’re diligently following our longstanding policy not to target advertising to children under age 12—a policy that applies to all products and brands we sell, everywhere in the world.
GIVING BACK

Globally 1% of the Company’s operating income is invested back into the community through The Coca-Cola Foundation and The Coca-Cola Company.

The Coca-Cola Company has always had a strong legacy of giving back. The Coca-Cola Foundation was launched in 1984 as the global philanthropic arm of the Company. It awards grants that support local community initiatives around the world that are aligned with the Company’s core priorities.

97% of the Coca-Cola Foundation’s grants globally are focused on water, women and community well-being.

CORE PRIORITIES:

WATER AND ENVIRONMENT

Over the last few years, the total amounts of water replenishment have reached significant figures, which are regularly confirmed by the Limnotech Company. We are working to do our part to prevent waste over the life cycle of our packaging. Educational training on packaging waste management started in Ukraine in 2017.

WOMEN EMPOWERMENT

We’re developing female leaders by conducting a mentoring program for Ukrainian women, helping them to develop a strong voice and raise their self-confidence.

COMMUNITY WELL-BEING

Supporting vulnerable communities, including via youth development programs, and introducing inclusiveness programs in order to improve the well-being of local communities.

10 YEARS of the Coca-Cola Foundation supporting and investing in local communities in Ukraine

$928,000+ awarded by the Coca-Cola Foundation in 2016 and 2017 in Ukraine

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WATER AND THE ENVIRONMENT

For every drop of water we use, we aim to give one back.

Water quality and availability are key to our business. As we work to establish a more water-sustainable business at the global scale, we are focusing our water replenishment efforts on the areas where we can have the greatest impact.

WATER USAGE IN UKRAINE

In 2003, we were using 3.4 liters of water to make 1 liter of product. At the end of 2016, we were using 1.82 liters of water to make 1 liter of product.

47% improvement since 2003

In Ukraine, with the help of our partners, water replenishment and educational projects have delivered the following results: in 2016 and 2017 the projects implemented provided a replenish benefit of around 740,000,000 m$^3$ of water, as audited by Limnotech.

≈720 mln m$^3$
Kardashynski lakes, Kherson oblast

7 mln m$^3$
Kalanchak river, Kherson oblast

12 960 mln m$^3$
Restoration of degraded peatlands in Chernigiv oblast

18%
reduction in water use intensity in 2017 (compared to benchmark figure of 2010)

PARTNERSHIPS

• UNDP in Ukraine (United Nations Development Program in Ukraine)
• BirdLife International

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WASTE EDUCATION MANAGEMENT AND CLIMATE PROTECTION

The Company is continuously implementing innovative projects to optimize the use of raw materials and input materials used at all stages of production.

PACKAGING

In 2017 a new goal was accomplished — 16% less PET was used compared to the benchmark figure in 2010 through the implementation of packaging reduction programs:
• the weight of the plastic bottle was reduced;
• careful selection of suppliers when purchasing raw materials and materials, etc.

0.3 GRAMS per liter of finished drink — an indicator of the amount of waste entering the landfill because of our company activities in Ukraine as of today. In 2010, this figure was 0.8 grams.

PARTNERSHIP — NGO “NO WASTE UKRAINE”

A youth education program on managing waste packaging was started in Ukraine, with a pilot project in partnership with the NGO “No Waste Ukraine” in 43 SCHOOLS in Chernivtsi.

Our efforts were targeted at:
• trainings in separate waste collection;
• installing waste containers;
• developing a changing mind-set in order to build a civilized model of the waste management.

Two universities were chosen in October and November 2017 for further educational waste management lectures. Waste containers are to be installed in the dorms of these Ukrainian universities.

Educational lectures on waste management collection were held for Coca-Cola employees in Ukraine, and waste containers were installed. A pilot project on separate waste collection in Vyshgorod was also launched.

PRODUCTION IN UKRAINE IN 2017 COMPARED TO BENCHMARK 2010

The intensity of energy consumption is reduced by 33%

direct emissions of carbon dioxide have been reduced by 43%

35% of all energy we receive is from clean sources.

RESPONSIBLE COOLERS

79,000+
total amount of coolers in Ukraine.

16,000+
are environmentally friendly freon refrigerators without ozone-depleting substances — already 20.6% of all coolers in Ukraine.
COMMUNITY WELL-BEING

In partnership with:

THE NATIONAL OLYMPIC COMMITTEE OF UKRAINE
“OLYMPIC MOVES” PROJECT

1,000 of Ukrainian schools with
260,000 students 12+ took part in a multi-functional sport and education contest.

The winning teams (in regional competitions) qualified for the final, which was held in September 2017 as an Olympic camp, and was led by Olympic champions

THE “DO LIKE OLYMPIANS” nationwide educational project, promoting Olympic values and social responsibility among young people, was held around Ukraine.

7 educational video were developed to promote Olympic values:
- RESPECT
- EXCELLENCE
- FRIENDSHIP
- DETERMINATION
- COURAGE
- EQUALITY
- INSPIRATION

SPECIAL OLYMPICS UKRAINE

“LET’S LIVE TOGETHER AND WIN TOGETHER” PROJECT

Competitions and social events for 1,600 SOU members, with and without intellectual disabilities in 14 REGIONS in Ukraine. Rehabilitation of 850 intellectually disabled people through inclusion in community well-being projects.

ASSOCIATION OF AMATEUR FOOTBALL

“LEATHER BALL — COCA-COLA CUP” (COPA COCA-COLA)

Since 2010, The Coca-Cola Company in Ukraine has supported the “Leather Ball — Coca-Cola® Cup” tournament. Partnership with the world of football helps Coca-Cola® implement one of its strategic goals — providing more opportunities for youth development in local communities.

Each year about 650K young girls and boys from all over Ukraine, united in 50 teams, take part in these competitions. Coca-Cola® regularly creates unique and unforgettable opportunities for the best players in the Tournament.

NGO “OSVITORIYA”
“YOUTH EMPOWERED PROJECT”

This program aims to help graduates of orphanages gain better education and a better future.

The program includes practice for entrance testing for higher educational establishments, as well motivational training and professional courses and computer classes to aid studying.

14 orphanages covered in 2016 and 2017 in Ukraine.

1,377 students obtained extra practice for entrance tests.

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WOMEN EMPOWERMENT

5by20™ aims to enable the empowerment of 5 million women across the Company’s global value chain by 2020.

5by20™ and The Coca-Cola Company are proud to continue working toward giving hundreds of women opportunities to enable empowerment of leadership and self-confidence.

1.7M+ WOMEN ENABLED SINCE 2010 GLOBALLY

WOMEN ENABLED AROUND THE WORLD

64 COUNTRIES

4 NEW COUNTRIES ADDED IN 2016

Australia
Guatemala
Italy
Poland

GLOBAL REACH

Asia Pacific 36%
Europe / Middle East / Africa 48%
Latin America 13%
North America 3%

PROJECT “I CAN! INSPIRATION. OPPORTUNITIES. SUCCESS.”

started in 2017 in Ukraine with a flesh-mob #havetherighttosayNO. This flesh-mob attracted:

3,000,000 people
23 mentors joined the project already

PROJECT INCLUDES

• Lectures at High schools/universities
• Mentoring program from successful women
• Building a system of UA women leadership
• Creating pool of opinion leaders and sharing experiences

PARTNER

Olena Pinchuk Foundation

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HUMAN AND WORKPLACE RIGHTS

Respect for human rights is a core component of our business and fundamental to our ability to operate a successful global enterprise.

Our Human Rights Policy and Supplier Guiding Principles are the foundation for managing our businesses around the world. At The Coca-Cola Company, respect for human rights is ingrained in our culture and guides our interactions with employees, bottling partners, suppliers, customers, consumers and the communities we serve.


The report is in line with the United Nations Framework for Reporting and describes how the company has identified and overcome major human rights risks. It also reports on major achievements during the reporting period.

COCA-COLA IN UKRAINE IS:

IN THE TOP 10
leading companies to work for in Ukraine

3,300
Coke family members within 17 locations in Ukraine & Moldova participated in Family Day. It is an annual event for employees and members of their families and friends. In 2017, the Family Day was held with the motto «Be happy. Be together."

1,600+
employees

25 YEARS
of successful & sustainable growth in Ukraine

785 EMPLOYEES
participated in 11 volunteering & CSR events

473 EMPLOYEES
were recognized by our company for high performance

BEST PARTNER
of our customers in all market segments, according to the GfK Champions League report for 2016

7 AWARDS
for high quality beverages

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How Coca-Cola influences economy of Ukraine?

The Coca-Cola System in Ukraine is an important foreign investor, one of the leaders in the food industry. It makes a significant contribution to the country’s GDP and its key economic processes, as shown in the GfK study, presented to the public in the spring of 2017.

- Each hryvnia of the Coca-Cola System contribution to gross domestic product in 2015 created 12 additional hryvnias to Ukrainian GDP from other companies.
- Together it was 4.9 billion hryvnias which corresponds to 0.25% of GDP.
- This volume of product has made possible by the Coca-Cola System investments: in general, the direct investments of the Coca-Cola in Ukraine reached $490,000,000 which is 1% of all direct investments in Ukraine at the end of 2015.
- Of them were invested during 2015 despite the difficult economic and security situation.
- $15,000,000 of these investments were invested in 2015.
- The Coca-Cola increased production volumes by 13% in 2015. Notwithstanding 11% reduction in the food industry.
- The Coca-Cola System reached product growth without increasing consumption of natural resources and minimized environmental impact:
  - +14.3% increase in energy efficiency
  - -2.5mln m³ of water was replenished
  - -6.5% less water saving
  - -2mln tons of CO₂ emissions of Carbon
- About 1.7mln people joined the social development projects with the support of Coca-Cola.
- 12,000 additional workplaces at the Coca-Cola supports 17 work places in the economy of Ukraine.

For more information see www.coca-colaukraine.com

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