



How can a drink build  
**a more sustainable tomorrow?**

## About this report

This is Coca-Cola Enterprises' (CCE's) seventh annual Corporate Responsibility and Sustainability (CRS) Report. It replaces CCE's 2010 CRS Report as the company's most recent CRS disclosure and contains a full year of data from January 1, 2011 to December 31, 2011 for our business operations covering seven European territories: Great Britain, France and Monaco, Belgium, Luxembourg, the Netherlands, Norway and Sweden, and our offices in the United States. It also includes some illustrative case studies and business activities from 2012.

For news on CCE's sustainability initiatives and further resources, see our website:  
[www.ccesustainabilityplan.com](http://www.ccesustainabilityplan.com)



### REPORTING BOUNDARIES AND STANDARDS

Unless otherwise indicated, the environmental and workplace data in this report covers all operations owned or controlled (production, sales/distribution, combination sales/production facilities, administrative offices and fleet) by Coca-Cola Enterprises (CCE). Our workplace, community and carbon data includes our offices in the United States.

Our carbon footprint is calculated in accordance with the [WRI/WBCSD Greenhouse Gas Protocol](#) and we use an operational consolidation approach to determine organizational boundaries. For example, our carbon and energy data includes only the distribution impacts of beverages that we distribute but do not produce, such as Ocean Spray products. Data is consolidated from a number of sources, including our manufacturing facilities, fuel use information, estimated cold drinks equipment energy use, and is analyzed centrally. Our baseline year is 2007 and our emissions are independent of any greenhouse gas trades.

Under the Protocol, we measure our emissions in three 'scopes':

- **Scope 1**  
The fuel we use for manufacturing, our own fleet of trucks, vans and cars, and our process and fugitive emissions
- **Scope 2**  
The electricity we use at all our sites
- **Scope 3**  
The electricity used by our coolers and vending machines at our customers' premises, our business travel by rail and air, and the fuel used by our third-party distributors.

Further detail of our emissions by scope can be found online at [www.ccesustainabilityplan.com](http://www.ccesustainabilityplan.com).

The water use data in this report refers to production facilities, where we have the greatest water use. All financial data in this report is in US dollars, unless otherwise stated.

This report has been verified by SGS (see page 40) and is aligned with the [Global Reporting Initiative \(GRI\)](#), self-assessed at level B+. The report also serves as our Communication on Progress (COP) for the [United Nations Global Compact \(UNGCI\)](#) and the Water Stewardship chapter serves as our COP-Water, as part of our endorsement of the UNGC CEO Water Mandate.

### MATERIALITY

Coca-Cola products are made by over 300 bottling companies worldwide on behalf of The Coca-Cola Company, which creates and markets brands and trademarks, and manufactures syrups and concentrates. Coca-Cola Enterprises is one of the licensed, independent bottling companies which purchases these items and produces and packages beverages to sell and distribute to retail and wholesale customers. Our relationship with The Coca-Cola Company influences the way we work, our spheres of responsibility and how we determine our material issues.

The Coca-Cola system has determined seven material sustainability focus areas, which make up its Live Positively framework. These are a result of work and consultation over many years. Each has a set of global measurable targets. As the Western European manufacturer and

distributor of Coca-Cola products, CCE has developed a sustainability plan aligned with these seven focus areas. By delivering progress against the 37 targets in our plan, we support The Coca-Cola Company in attaining its own global goals and targets. Each of our seven commitments is stated at the beginning of each chapter of this report and a review of progress against each of the 37 plan targets is on pages 36 and 37.

Our sustainability plan was built during 2011 following significant consultation with a wide range of stakeholders. This report has also been shaped by the input we received – each chapter answers a question posed by a third party at our roundtable events – showing how we are listening and responding.

### MATERIAL INFORMATION – WHERE TO FIND IT

CCE's CRS programs are communicated in a variety of publications:

**This report**  
Provides an overview of CCE's progress against our commitments in 2011 and our ambitions for the future. It includes information on our business, our governance and management of CRS, our stakeholders and the work we are doing in each focus area. It contains a summary GRI Index and indices showing our compliance with the UN Global Compact and its CEO Water Mandate.

**Online**  
[www.cokecce.com](http://www.cokecce.com)

Our corporate website provides further detail on some of our initiatives, our governance structure and corporate CRS policies.

[www.ccesustainabilityplan.com](http://www.ccesustainabilityplan.com)

Our sustainability plan website provides further detail on our CRS commitments and targets, a full GRI Index, progress updates and details of awards and events which have occurred since the plan's launch.

**Country reports:** Each of CCE's territories produces a Coca-Cola system report in conjunction with The Coca-Cola Company, giving local examples of how CCE's CRS commitments are being brought to life in our communities. These reports can be found online at each of the following websites:

**Great Britain:**  
[www.cokecorporateresponsibility.co.uk](http://www.cokecorporateresponsibility.co.uk)  
[www.cokecce.co.uk](http://www.cokecce.co.uk)

**France:**  
[www.coca-cola-entreprise.fr](http://www.coca-cola-entreprise.fr)

**Belgium and Luxembourg:**  
[www.cocacolabelgium.be](http://www.cocacolabelgium.be)

**Netherlands:**  
[www.coca-colanederland.nl](http://www.coca-colanederland.nl)

**Norway:**  
[www.coca-cola.no](http://www.coca-cola.no)

**Sweden:**  
[www.coca-cola.se](http://www.coca-cola.se)

**The Coca-Cola Company**  
Provides many sources of Coca-Cola system sustainability information. In particular, its website, [www.thecoca-colacompany.com](http://www.thecoca-colacompany.com), contains corporate codes and policies which inform CCE's own approach to CRS. Its 2010/2011 Sustainability Report, [www.thecoca-colacompany.com/sustainabilityreport/index.html](http://www.thecoca-colacompany.com/sustainabilityreport/index.html), contains a summary of the global Coca-Cola system sustainability work.

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How can a drink build  
**a more sustainable tomorrow?**

By creating a sustainability plan  
 that will enable us to...

**deliver, lead  
 and innovate.**

## Q&A with John Brock and Hubert Patricot

### What does our new sustainability plan mean for CCE?

The plan sets out our new sustainability vision, commitments and targets. It demonstrates how we'll grow our business while we build a more sustainable tomorrow.

**DELIVER FOR TODAY** | **INSPIRE FOR TOMORROW**

#### Our sustainability vision

We will deliver for today, growing a low-carbon, zero-waste business, and inspire and lead change for a more sustainable tomorrow.

#### Our strategic priorities

##### Deliver for today

On our commitments and targets



##### Lead the industry

In Energy and Climate Change and Sustainable Packaging and Recycling



##### Innovate for the future

Opportunities for innovation, collaboration and partnership

**Hubert Patricot**  
(right)  
Executive Vice President  
and President, European Group  
Coca-Cola Enterprises, Inc. (CCE)

**John Brock**  
(left)  
Chairman and CEO  
Coca-Cola Enterprises, Inc. (CCE)

#### Q&A WITH JOHN BROCK AND HUBERT PATRICOT

**John Brock (Chairman and CEO) and Hubert Patricot, (Executive Vice President and President, European Group) discuss our 2011 CRS achievements, future plans and challenges.**

#### Q/ What was your greatest Corporate Responsibility and Sustainability (CRS) achievement in 2011?

**A/ John Brock:** In September 2011, we produced a new sustainability plan – 'Deliver for Today, Inspire for Tomorrow', the next milestone on our CRS journey. Over the last two years, we have examined how leading companies should engage on societal issues and the ways in which we can continue to embed sustainability in everything we do. This plan is our new roadmap to becoming an increasingly sustainable company.

#### Q/ How did you build the plan?

**A/ Hubert Patricot:** The strength of the plan is in the stakeholder input we sought every step of the way. While we have a strong CRS foundation, after becoming a wholly European business, we wanted to listen again to the expectations of our stakeholders to understand how we can lead in sustainability. They told us to embed CRS deeper into the heart of our business, to take further responsibility for impacts which extend into our value chain, and to be more visionary and innovative. The plan sets out a framework in which we can do all this – and more.

#### Q/ What is new in the sustainability plan?

**A/ John Brock:** We've defined, for the first time, our vision for CRS at CCE. We want to build a sustainable tomorrow – and to do so we have set seven commitments and 37 challenging and measurable targets which we aim to achieve by 2020. We have developed three strategic priorities around three themes which are core to making our vision reality – Deliver, Lead and Innovate.

**A/ Hubert Patricot:** We've also set stretching, value chain-based goals which address some of the bigger issues that society as a whole faces. And we've said

we want to lead our industry in the two focus areas where we believe we can make the biggest difference – Energy and Climate Change and Sustainable Packaging and Recycling.

#### Q/ How will you innovate for the future?

**A/ Hubert Patricot:** Our plan opens new opportunities for us to work with a wide range of stakeholders, building on strong, existing partnerships with the UN Global Compact and its CEO Water Mandate, and generating new alliances to create innovative solutions and drive thought leadership. We want to harness the power of our own employees to generate new ideas and we are already working with our suppliers to encourage them to reduce carbon and launched a 'Carbon Challenge' in 2011.

**A/ John Brock:** Innovation and partnership will become even more important over time, particularly in the context of the macroeconomic challenges we continue to face in our operating environment. On issues such as public health and climate change we are determined to be part of the solution.

#### Q/ How have you 'delivered for today' in 2011?

**A/ Hubert Patricot:** We reduced the carbon footprint of our business operations by around 70,000 tonnes CO<sub>2</sub>e (8.4 percent) from 2010, while growing our volume by 3.5 percent. This is part of an overall 10 percent decrease in emissions from our 2007 baseline. We are also working hard to drive down the amount of water we use to make our products. We used an average of 1.43 liters of water to produce one liter of product, down from 1.48 liters/liter in 2010.

**John Brock:** We have also started to address impacts related to the raw materials we purchase. In a joint venture with ECO Plastics, we have built a new recycling facility, 'Continuum'. This is one of the biggest plastics reprocessing facilities in Western Europe. It will recycle the packaging from every Coca-Cola product consumed at the London 2012 Games later this year.

#### Q/ What is in store for 2012?

**A/ Hubert Patricot:** Our stretching environmental goals mean that we must better understand and measure the impacts of our value chain. We'll be working hard with our suppliers to identify and reduce these impacts, focusing first on carbon.

**A/ John Brock:** We'll also be looking for ways to innovate for the future, and are looking forward to showcasing how we 'deliver for today' on a world stage at the London 2012 Olympic and Paralympic Games. We'll be a key part of the most sustainable Games in history, using environmental technologies such as biogas trucks, encouraging consumers to recycle and offering unique opportunities for representatives from our communities to be part of this amazing event.



# Our business

## Where we operate

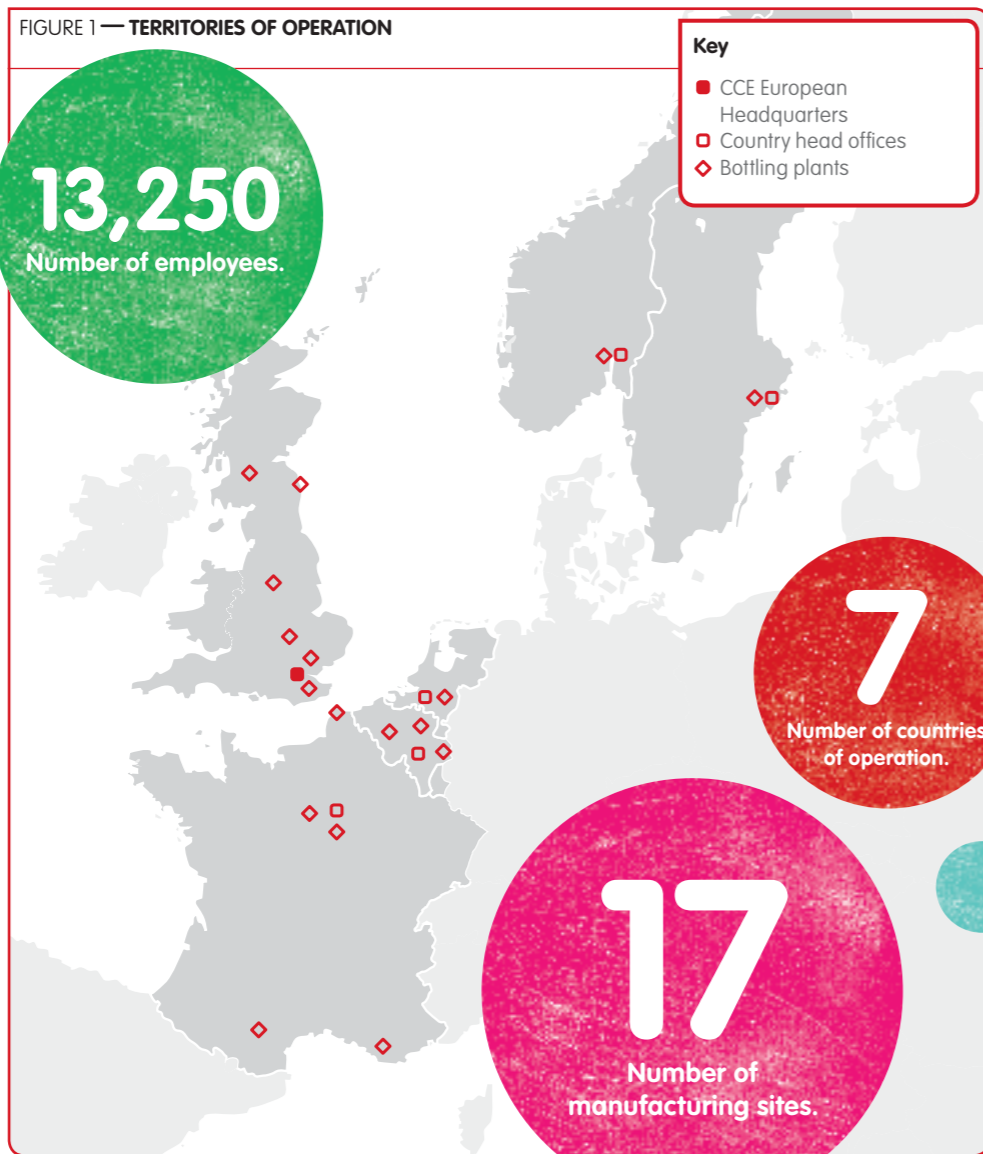
Serving 170 million people across seven countries in Western Europe, Coca-Cola Enterprises (CCE) is one of the world's largest independent bottlers of Coca-Cola beverages. We operate in Great Britain, France, Monaco, Belgium, Luxembourg, the Netherlands, Norway and Sweden.

**Our business**  
Our operations have achieved growth in volume and operating income for the last six consecutive years. In 2011, we sold approximately 12 billion bottles and cans (or 620 million physical cases) across our territories, and generated approximately \$8.3 billion in revenues and \$1.1 billion of operating income.

We remain a public company, incorporated and headquartered in the United States and publicly traded on the New York Stock Exchange under the symbol CCE. In May 2011, we announced CCE's secondary listing on the NYSE Euronext in Paris.

**Our products**  
CCE manufactures and distributes some of the most popular beverage brands in the world.

The foundation of our business is the world's most recognized brand, Coca-Cola, alongside Diet Coke, Coca-Cola light, Coke Zero, Fanta and Sprite, as well as a growing range of water, juices and juice drinks, sports drinks, energy drinks and ready-to-drink teas. One of our strategic business priorities is to be number one or a strong number two in each of these categories. The Coca-Cola Company is our primary strategic partner. While beverages owned by The Coca-Cola Company and its affiliates represent more than 90 percent of our volume, we distribute several brands for other franchise partners, such as Capri Sun and Ocean Spray.



**FIGURE 2 — COCA-COLA ENTERPRISES: KEY STATISTICS**

Territory	Employees	Manufacturing Sites	Carbon footprint ('000s metric tonnes CO <sub>2</sub> e)	Water use ratio (liters to make 1 liter product)
Belgium & Luxembourg	2,500	3	92	1.65
France	2,970	5	115	1.32
Great Britain	4,580	6	415 <sup>1</sup>	1.31
Netherlands	830	1	107	1.42
Norway	1,380	1	20	2.23 <sup>2</sup>
Sweden	830	1	15	1.89
USA	160	0	6	n/a
<b>TOTAL</b>	<b>13,250</b>	<b>17</b>	<b>769<sup>3</sup></b>	<b>1.43</b>

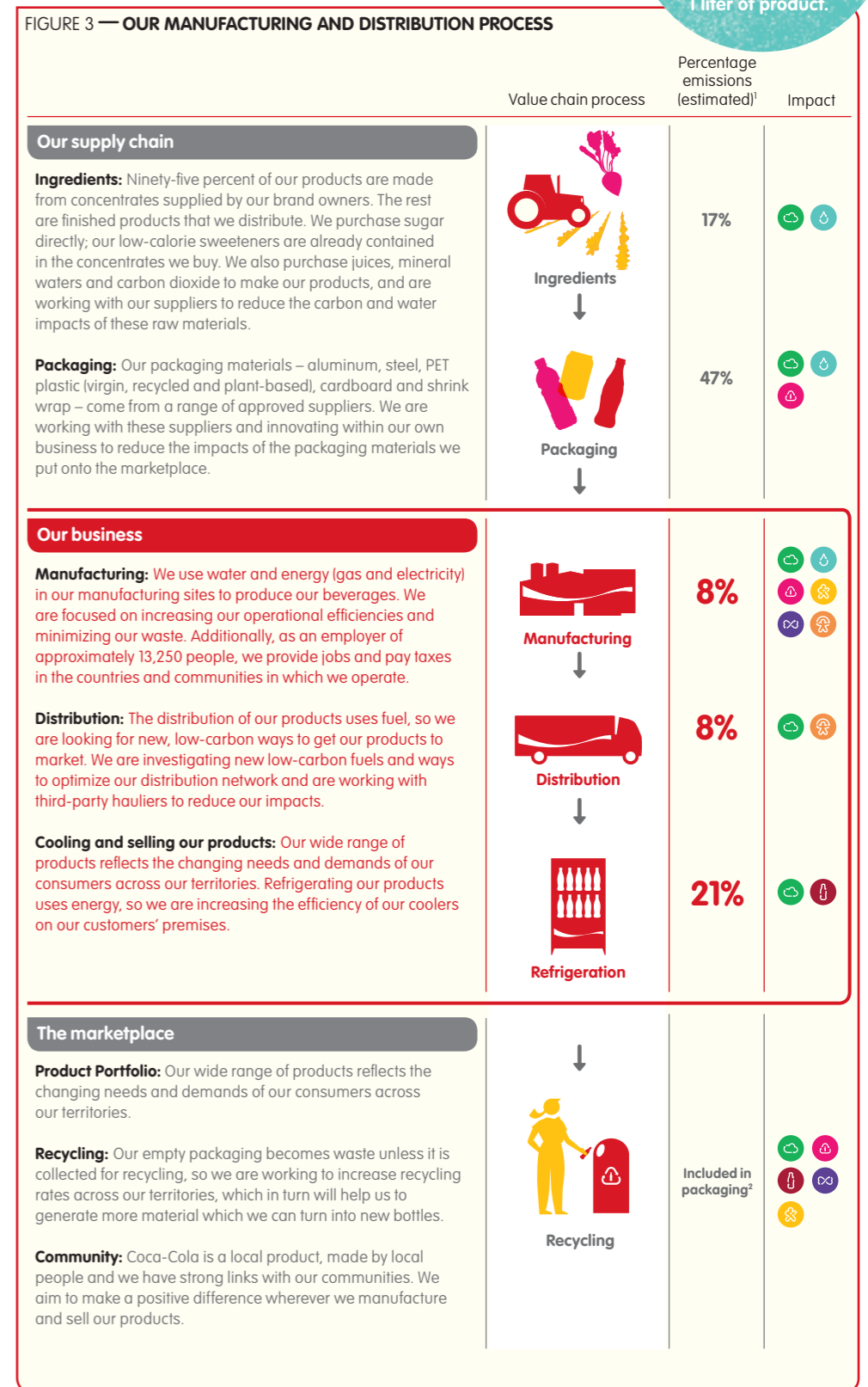
1. Great Britain is our largest market and has carbon-intense electricity.  
2. Norway's water use ratio is higher as we use water to wash our refillable plastic bottles.  
3. Column does not add to 769,000 tonnes CO<sub>2</sub>e as a result of rounding.

# Our manufacturing and distribution process



Our business has environmental and social impacts across the life cycle of our products, from the sourcing and use of raw materials and ingredients, to the manufacturing of our products and their disposal.

The goals we have set in our sustainability plan focus on reducing our impacts at each stage of our value chain and making a positive difference to the communities in which we operate. Figure 3 shows the different impacts of our business at each stage of the value chain, and identifies where, in the remainder of this report, you can read about how we are seeking to reduce them. We have directly focused on measuring and reducing our operational impacts and the impacts we can control, such as emissions from our cold drinks equipment. Our sustainability plan will require innovation, collaboration and partnership with suppliers and customers to identify ways to reduce impacts across our value chain.



**KEY — OUR AREAS OF IMPACT**

- Energy and Climate Change
- Sustainable Packaging and Recycling
- Water Stewardship
- Product Portfolio
- Community
- Active Healthy Living
- Workplace

1. We have modeled emissions for ingredients and packaging using industry average conversion factors linked to our own procurement data for each raw material. This value chain footprint has not been audited by third party independent verifiers.  
2. As a result of packaging carbon footprint methodologies.

# Our stakeholders

**Q/ "Will CCE deliver the sustainability plan alone or will you seek partnerships?"**

**Stefan Crets**  
Executive Director, CSR Europe

**A/ "Listening to and working with a wide range of stakeholders was key to the development of our sustainability plan in 2011. Once we had stated our ambition – to be the leader in Corporate Responsibility and Sustainability within the food and beverage industry – we drafted new commitments and targets."**

We then convened a group of 25 key stakeholders from across our countries of operation to advise us how to develop our goals and programs further to ensure leadership. Their counsel, along with benchmarking studies and advice from regular advisors and internal experts, pushed us to develop the vision, plan and framework as well as the commitments and targets which now guide CRS at CCE.

Continuing engagement and partnership with thought leaders, NGOs, suppliers, customers and many others will be fundamental to achieving the stretching goals we have set and in helping us innovate for the future."

**Laura Brightwell**  
Senior Vice President, Public Affairs and Communications, CCE

**FIGURE 4 — WORKING WITH STAKEHOLDERS TO SHAPE OUR SUSTAINABILITY PLAN**

What they said... Characteristics of leading sustainability companies	What we did...
<b>A holistic approach, taking broad responsibility</b>	→ Set new goals focusing on the seven most material issues for our business and reaching into our value chain
<b>Having a compelling vision for sustainability</b>	→ Developed a new vision for CRS at our company – "We will deliver for today, growing a low-carbon, zero-waste business, and inspire and lead change for a more sustainable tomorrow."
<b>Strong leadership</b>	→ Renewed commitment from our Chairman and CEO to focus on sustainability leadership that ensures we meet external expectations and drive CRS throughout our business
<b>Development of innovative solutions</b>	→ Included 'Innovate for the future' in our framework as a strategic priority for CRS at CCE
<b>Leading-edge aspirations</b>	→ Set commitments and targets which require us to measure and reduce impacts outside the scope of our own operations
<b>Transparency</b>	→ Encouraged ongoing stakeholder input during the development of our sustainability plan, which was launched to a wide variety of stakeholders
<b>Focusing on material issues</b>	→ Designated two 'leadership' focus areas for our business on which we will aim to lead the industry: Energy and Climate Change and Sustainable Packaging and Recycling
<b>Collaborating and networking</b>	→ Challenged ourselves to build an 'Innovate for the future' platform through collaboration and partnership

## LAUNCHING OUR SUSTAINABILITY PLAN

Our sustainability plan was launched to a wide range of stakeholders through a virtual panel discussion in September 2011<sup>1</sup>.



1. Watch our launch video at [www.ccesustainabilityplan.com](http://www.ccesustainabilityplan.com)

## AWARDS & RECOGNITION

In 2011, CCE was ranked #1 in the food and beverage industry for the third consecutive year in Newsweek's Green Rankings, and also ranked higher than any other US consumer goods company. This year we also became the first soft drinks company to receive the Carbon Trust Standard award (see page 15).



## SUPPLIER CARBON CHALLENGE 2011



As part of our commitment to reduce our carbon footprint across the value chain, we launched a 'Carbon Challenge' for 129 of our suppliers at our Supplier Sustainability Summit in 2011. Suppliers were surveyed about their carbon emissions attributable to their supply to CCE and their responses have allowed us to evaluate their carbon impact and carbon performance. Over the coming months, we'll be using these results to work with our suppliers and identify areas of best practice and methods for reducing the total carbon emissions.

**\$3.6bn**

spent with over 16,000 suppliers in 2011<sup>1</sup>.

**#1**

ranking in Advantage Group customer satisfaction survey in Great Britain, France, Belgium and the Netherlands in 2011.

## KEY 2011 PARTNERSHIPS

While all our stakeholder groups are important, we have focused our CRS engagement on our employees and on subject matter experts who have been able to provide valuable insight into how we can improve our efforts.



### Academics and thought leaders

We have provided input into a number of academic studies. We have shared our experiences on embedding sustainability into our company with Ashridge Business School. We have also explained the ways we use communication to collaborate with supply chain stakeholders on sustainability initiatives with researchers at Brunel University.



### Investors, shareowners and analysts

In addition to announcing a secondary listing on the NYSE Euronext in Paris, we completed our sixth submission to the Carbon Disclosure Project and our third application to the Dow Jones Sustainability Index. We continue to be a member of the FTSE4Good Index. CRS also forms a regular part of each presentation we make to financial analysts.



### Media and social media

We have enhanced the use of our social media pages to tell our CRS story, and carried out a virtual sustainability panel discussion to launch our sustainability plan. This was a discussion about building sustainable value chains and was broadcast online so that our stakeholders could engage in dialogue with our leaders in real time. At the same time, we launched a new website – [www.ccesustainabilityplan.com](http://www.ccesustainabilityplan.com) – which provides all the details of our sustainability plan, and will aim to seek dialogue with stakeholders using social media.



### Suppliers

We spent more than \$3.6 billion with over 16,000 suppliers in 2011. Of this, 74 percent was spent in our countries of operation and 86 percent within the EU. We expect all our suppliers to adhere to our Supplier Guiding Principles (SGPs), a set of standards that includes health and safety, human rights, labor, environment and business integrity. We also incorporate environmental criteria into our Supplier Relationship Management process, which covered 80 percent of our 2011 spend with suppliers. We held our second Supplier Sustainability Summit for our top 60 suppliers to investigate ways to work together to encourage innovation throughout our value chain.

*Coca-Cola Enterprises*

### Leadership networks

We have been invited to join the EU Corporate Leaders Group on Climate Change to communicate the support of business for the European Union to move to a low-carbon society. In 2012, we will join SustainAbility's Engaging Stakeholders network of peer companies dedicated to advancing transparency and accountability.



### Employees

In 2011, we continued our partnership with the University of Cambridge Sustainability Leadership Programme and conducted two additional courses for more than 50 members of CCE's senior management. In 2012, we will continue our partnership, focusing on embedding CRS into our commercial decision-making. We also held our fourth 'CRS in Action Week', engaging in community and environmentally focused activities from sporting challenges to clean-up events across all our countries (see pages 28 and 31). We are planning another week of action in 2012.



### Customers

We have over one million customers, ranging from small independent retailers to large international chains. Our strategic business priority is to be their most valued supplier, so we are constantly examining and improving our distribution methods, our customer service processes and our internal operating systems to ensure we are meeting their needs. We set annual targets for customer satisfaction and measure our performance using surveys such as those by the Advantage Group, which assess suppliers on factors including category development, customer service, innovation and logistics. In 2011, we were rated the leading consumer goods company in Great Britain, France, Belgium and the Netherlands. This was the first time in which our French business unit achieved this #1 ranking.

### Non-governmental organizations

We are a signatory to the UN Global Compact and its CEO Water Mandate, and work closely with the International Business Leaders Forum (IBLF). In 2011, our Chairman and CEO, John Brock, engaged with the IBLF to inform its work on embedding sustainability leadership. We have also entered into a water replenishment partnership with the World Wildlife Fund (see page 23) and we maintain a wide range of relationships with national NGOs such as those involved in packaging recovery (see page 19).



# Innovation and collaboration

**Q/ "What will be demanded of any company in 2020 is significantly greater than what is demanded now. How is CCE going to innovate to meet these challenges – in its supply chain and its own business?"**

**John Gummer**  
Former UK Environment Secretary and Chairman, Sanicroft International

**A/ "We've made 'Innovate for the future' one of our strategic priorities in our sustainability plan. We know we don't have all the answers, so we want to collaborate and partner with others who can help us to find ways of working and thinking to address the global challenges we all face."**

**Hubert Patricot**  
Executive Vice President and President, European Group, Coca-Cola Enterprises, Inc.

## INNOVATE FOR THE FUTURE

We are developing our framework around the concept of innovation that benefits our company, our industry and society as a whole. While our business has already contributed technologies and ways of working that benefit each of these three areas, we know there is more we can do. For example:

### Our company

We continually innovate within our own systems and processes to drive efficiency and effectiveness. We are installing equipment such as monitoring and targeting systems which save energy and water on our production lines (see pages 12-15 and pages 20-23). We encourage our employees to share their ideas for innovations with us via our ICON Awards and we have introduced new plant-based packaging through technologies such as PlantBottle™ across our territories (see page 17).

### Our industry

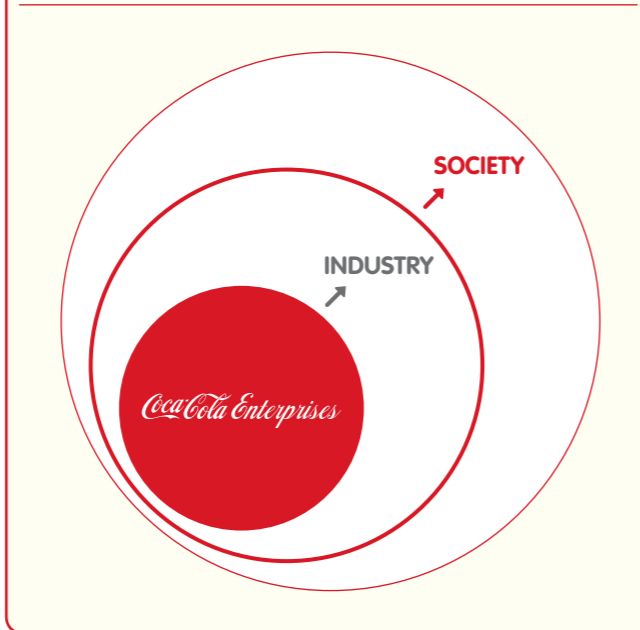
We are commercializing new technologies which have wider industry-related benefits. Working with partners, we have tested and helped to bring biogas trucks to market (see page 14). We're also exploring how a zero-carbon manufacturing site might operate.

### Society

We are working to become thought leaders in recycling, particularly through finding innovative ways to encourage consumers to recycle. With the Carbon Trust we examined the concept of 'Personal Carbon Allowances' and how these could be measured and implemented – work which could have implications for wider society across our territories over time.

However, we know there is more to do. Over the coming year we will further develop our 'Innovate for the future' strategy and find ways in which we can innovate to meet our own needs – and needs beyond those of our own business.

FIGURE 5 — OUR INNOVATION FRAMEWORK



**Innovative thinking: encouraging consumers to recycle** (top)  
Our innovative recycling concepts such as Swap for Swag have won awards for their creativity.

**PlantBottle™** (above)  
We have introduced new packaging technologies such as PlantBottle™ across our territories.

## DELIVER/INSPIRE SPOTLIGHT



**Vincent Strivay**  
Coordinator, Technical Training Chaudfontaine, Belgium

**Delivering:** Vincent was the winner of an award in the 'Effectiveness, Efficiency and Innovation' category at CCE's 2011-2012 internal 'ICON' Awards for repairing a labeling machine in an innovative way at our Chaudfontaine site.

**Inspiring:** Thanks to Vincent's work, the number of line interruptions due to this machine dropped from 7.5 to just 2.5 percent between April and June 2011 – saving the business \$93,600.

# A low-carbon, zero-waste London 2012 Olympic & Paralympic Games

**Q/ "What is Coca-Cola doing to make these Games the greenest ever?"**

**A/ "CCE is partnering closely with The Coca-Cola Company to help deliver the most sustainable Games yet. Our unique contribution as a bottler will focus on making the Games low-carbon and zero-waste, working with our suppliers and using state-of-the-art technologies and innovative concepts to encourage our consumers to recycle."**

**John Brock**  
Chairman and CEO, Coca-Cola Enterprises, Inc.

## A ZERO-WASTE GAMES

- At all London 2012 venues, packaged Coca-Cola products will be served in 100 percent recyclable plastic bottles which will contain up to 25 percent recycled content.
- In addition, Coca-Cola, Diet Coke and Coke Zero will be served in PlantBottle™ packaging containing up to 22.5 percent plant-based material, and up to 25 percent recycled PET (rPET).
- We aim to reprocess every piece of clear PET plastic waste that is recycled at the London 2012 Olympic and Paralympic Games, and to use that material to make new bottles within six weeks. The plastic will be re-processed at 'Continuum', our joint venture plastics reprocessing facility (see page 18).
- We will encourage visitors to London 2012 to recycle their empty packaging. Recycling bins will be provided around the park and we will use fun ways to prompt people to recycle.
- All of our staff uniforms and our signage around the park will contain as much recycled material as possible.

## A LOW-CARBON GAMES

- Every Coca-Cola cooler installed in an Olympic or Paralympic venue will be HFC-free and energy efficient and will use LED lighting. After the London 2012 Games, these will be installed in customer premises across Europe.
- We will deliver products to London venues from our environmentally friendly warehouse, known as 'Voltaic'. This includes low-carbon features such as solar PV cells and solar water heating, sky lights and motion-sensor lighting, a ground source heat pump and a rainwater harvesting system.
- We will use 14 biogas trucks to deliver to our customers in the London area during the London 2012 Games. These are powered by methane from a landfill site in Surrey and each has a carbon footprint less than half that of a typical diesel truck. We will incorporate these trucks into our fleet after the Games.
- Together, our Voltaic warehouse and our biogas trucks mean that the carbon footprint of our distribution system for the London 2012 Games is cut by one third.



**Images (clockwise from top):**  
Biogas trucks  
Recycled PET staff uniforms will be used – similar to those used at the 2010 Vancouver Winter Olympics (pictured)  
Branded signage  
Bins made from post-consumer waste  
Voltaic warehouse is equipped with environmentally friendly technologies

# Governance

CCE's vision is to be the best beverage sales and customer service company. Our Operating Framework is our roadmap to long-term, profitable growth and Corporate Responsibility and Sustainability (CRS) is a key component of this framework.

## OUR GOVERNANCE STRUCTURE

We're committed to doing business responsibly. As a result, we strive to maintain CRS leadership in the food and beverage industry and to embed CRS into our everyday decision-making processes.

Our strategy is guided by the CRS Committee of the Board of Directors, which meets five times a year to review progress against our sustainability plan targets and to discuss emerging CRS issues. The Committee is chaired by Cal Darden, former Senior Vice President, US Operations, United Parcel Service, Inc. Our leadership team also participates in The Coca-Cola Company's European System CRS Board, a pan-European leadership group which includes other Coca-Cola bottlers. This group meets bi-annually to evaluate policy on matters of strategic environmental and

social importance to our business. Outputs from these meetings influence our own internal policy and decision-making.

Our CRS Advisory Council is a cross-functional body of senior managers who chair steering groups for each CRS focus area. It meets five times a year to review progress, discuss challenges and identify the future direction and priorities for CRS at CCE. Reporting to the CRS Board Committee, the Council is chaired by Laura Brightwell, Senior Vice President of Public Affairs and Communications.

Supporting our CRS Advisory Council is a network of CRS managers and an Environmental Stewardship team that manages quality, environment, safety and health across our operations. Members of this team also participate in the Global Coca-Cola Environment and Safety Council.

## RISK MANAGEMENT AND BUSINESS PLANNING

Social and environmental risks are treated as strategic business risks and are assessed annually as part of our standard enterprise

risk management processes. Risks that could affect our business and financial results are disclosed in the Form 10-K in our company's Annual Report and in quarterly financial reporting. CRS is one of the 49 risks on our register and includes risks relating to adverse weather and global climate change. Other risks include global health and wellbeing trends, health and safety, the cost and availability of raw materials, procurement and supplier management, ethics and compliance, governance, reputation, and business interruption.

The top 19 risks from the list of 49 are allocated to specific board committees and the members of the Executive Leadership Team (ELT) responsible for those committees. As the ELT member responsible for CRS, Laura Brightwell is accountable for CRS and health and wellbeing risks. In 2012, we will introduce an Enterprise Risk Council, responsible for ensuring that all risks are understood, considered in decision-making and appropriately handled and mitigated. This council will report to the ELT and the Audit Committee of the Board of Directors.

CRS is one of the performance objectives that determine the variable compensation of ELT members. In addition, the development process for any major project, product or new investment now takes account of its impact on our CRS commitments. CRS is built into the business plan of each business unit and CCE maintains a five-year, long-range plan for CRS.

## DELIVER/INSPIRE SPOTLIGHT



**Janice Piacente**  
Chief Compliance and Risk Officer

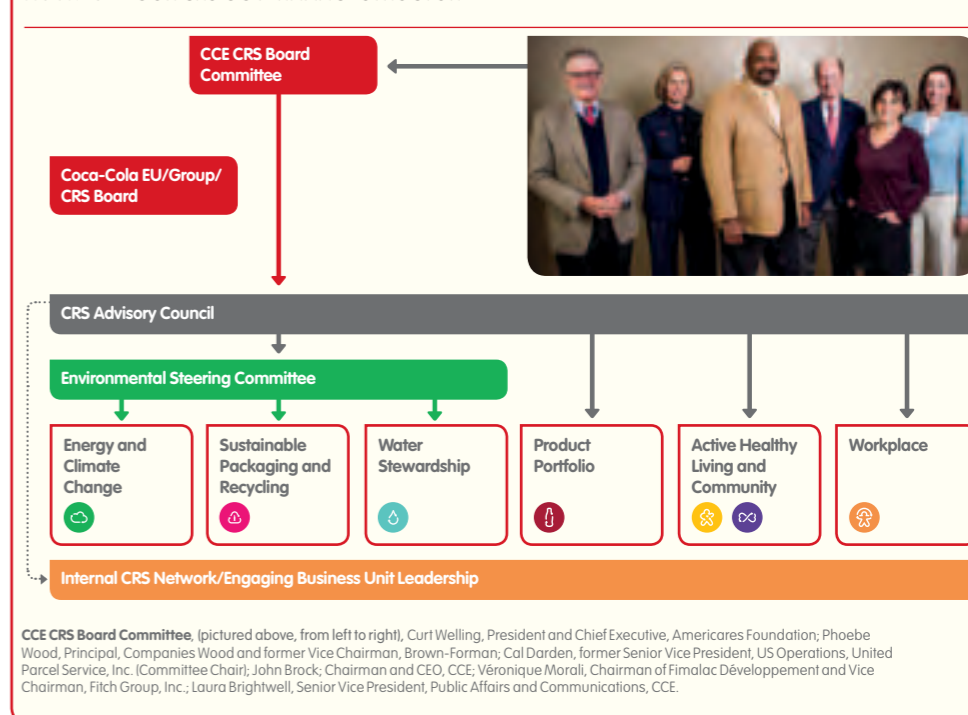
**Delivering:** The core part of my role is supporting CCE's employees in upholding the highest standards of ethics and integrity – nurturing a culture where people do the right thing. As a key part of my team, the Internal Control Group helps us to strengthen our monitoring systems and further supports alignment with our Code of Business Conduct and policies.

**Inspiring:** This integration of ethics, risk management and controls monitoring provides a real opportunity for the creation of a world-class system of effective checks and balances, underpinned by a strong ethical culture.

FIGURE 7 — CCE OPERATIONAL STRUCTURE



FIGURE 8 — OUR CRS GOVERNANCE STRUCTURE



CCE CRS Board Committee, (pictured above, from left to right), Curt Welling, President and Chief Executive, AmeriCares Foundation; Phoebe Wood, Principal, Companies Wood and former Vice Chairman, Brown-Forman; Cal Darden, former Senior Vice President, US Operations, United Parcel Service, Inc. (Committee Chair); John Brock, Chairman and CEO, CCE; Véronique Morali, Chairman of Fimalac Développement and Vice Chairman, Fitch Group, Inc.; Laura Brightwell, Senior Vice President, Public Affairs and Communications, CCE.

FIGURE 6 — OPERATING FRAMEWORK



## ETHICS AND COMPLIANCE

At CCE, our culture of ethical behavior is guided by the RIGHT Way model of ethical values – our actions, decisions and behavior must always demonstrate respect, integrity, good judgment, honesty and trust.

Our revised global Code of Business Conduct is based on these values and outlines the behavior we expect of every employee. It identifies 12 guiding principles, such as promoting health and safety in the workplace, complying with anti-corruption laws and upholding our environmental commitments. The Code is one of the ways we comply with the ten universal principles of the UN Global Compact which CCE signed in 2007. It is published on our website and intranet and we inform all new employees of the Code during their induction.

The Code also forms the cornerstone of our Ethics and Compliance program and ensures we comply with the US Foreign Corrupt Practices Act and the recent UK Bribery Act. In 2011, we introduced a Bribery Act toolkit to educate managers on compliance and to provide managers with the tools to educate their teams. Also in 2011, we established a new, global anti-corruption policy which also applies to all our interactions with third parties – suppliers, contractors and agents – supplementing the standards we expect of suppliers which are detailed in our Supplier Guiding Principles.

CCE's Compliance and Risk function monitors compliance with the Code of Business Conduct and provides training, communication and change management related to the Code and other key risks. In 2011, all training procedures were reviewed and a three-year training curriculum on ethics and

compliance was developed. This will be rolled out in 2012, focusing initially on the Code of Business Conduct, insider trading and the UK Bribery Act. All employees with access to e-learning will receive the training via their computers, while non-computer users will be reached through site visits and presentations. All CCE employees will receive this training with refresher courses at least every three years. Further training on specific compliance risks will also be introduced in 2012; for example, a new handbook and training program for employees to help them comply with European Competition Law.

For our Code of Business Conduct to be effective, employees must feel confident in raising concerns or questions without fear of retaliation. CCE has an Ethics and Compliance hotline for reporting suspected breaches of the Code. Employees are also encouraged to speak to their manager or to call or

email the Ethics and Compliance office directly. All reported incidents are investigated and all activity is reported to the Audit Committee of the Board of Directors. Serious breaches are discussed by 'The RIGHT Call' committee, a new, cross-functional group of senior leaders.

## MANAGEMENT SYSTEMS, POLICIES AND STANDARDS

The Coca-Cola system has recently moved from its own management systems to ISO standards. Notably, 16 out of 17 production facilities now comply with ISO 14001, ISO 9001, ISO 22000 and OHSAS 18001. We're working to certify other non-production facilities. Guiding our management systems is a series of overarching corporate policies which cover a range of issues from environment to equality and diversity. These are available at [www.cokecce.com](http://www.cokecce.com).



## District heating in Norway

In 2011, our plant in Norway was connected to a district heating facility, fueled by wood chippings. Connection to the district heating facility gave a significant reduction in the use of its fuel and its carbon emissions.

## Leading Energy and Climate Change

### OUR COMMITMENT

We will reduce the carbon footprint of the drink in your hand by a third by delivering carbon reductions throughout our entire value chain.

### INTRODUCTION

We believe that climate change, caused by man-made greenhouse gas emissions, is the greatest threat to our planet. There is an urgent need for a step-change to achieve not only the significant emission reduction targets we have set but also a low-carbon future.

35%

of our energy from manufacturing will come from renewable sources by 2020.

**Q/ "As CCE has ambitious growth plans, how will it decouple its business growth from emissions growth?"**

**Sandrine Dixon-Declève,**  
Director, The Prince of Wales's EU Corporate Leaders Group on Climate Change and EU Office, University of Cambridge Programme for Sustainable Leadership

**A/ "From 2010 to 2011, we grew our volume by 3.5 percent and reduced our emissions from manufacturing, distribution and the cooling of our products by 8.4 percent. Our new commitment to reduce the carbon footprint of the drink in your hand by a third raises the bar even higher and we must now focus on accurately understanding our value chain emissions and identifying reduction strategies with our suppliers."**

**Nick Collins**  
Vice President, Cooler Services and Chair, Energy and Climate Change Steering Group, Coca-Cola Enterprises

### OUR ENERGY AND CLIMATE CHANGE STRATEGY

To date, we have focused on reducing carbon emissions from our own operations – the manufacture, distribution and cooling of our products. To build a low-carbon future, we must take responsibility for emissions within the entire value chain. As a result, in 2011, we announced a new commitment to reduce carbon emissions throughout the value chain and ensure that the average carbon footprint of our products is a third less in 2020 than it was in 2007.

Our new strategy will require examining our business in a more rigorous way and reducing emissions at six key stages – ingredients, packaging, manufacturing, distribution, refrigeration and recycling – in collaboration with suppliers and other stakeholders.

We're still at the start of this journey. In this year's reporting, we'll continue to concentrate on emissions from our own core business with the aim of widening our scope in coming years.

### REDUCING OUR CORE BUSINESS EMISSIONS

In 2011, we invested \$23 million of capital expenditure in carbon reduction projects. While a key focus has been on our cold drinks equipment, we've also invested in improving efficiencies in manufacturing and distribution.

### MANUFACTURING

Around 80 percent of our carbon emissions from our manufacturing and distribution sites come from electricity and gas. Our new target is to halve the carbon emissions involved in making a liter of product between 2007 and 2020 by driving efficiencies in our facilities and investing in renewable energy.

In 2011, we used six percent less energy in our manufacturing operations than in 2007, our baseline year – 541,803 megawatt hours (MWh), down from 577,018 MWh. This reduction has been

achieved by improving our energy management and deploying energy-efficient technologies.

### Energy management

In 2011, we moved from training and planning for carbon reductions to improving our carbon management, establishing accountabilities and reporting lines and rolling out best practice across the business.

A key part of this is our introduction of monitoring and targeting (M&T) systems which are now widely installed on production lines and energy-intensive equipment. They show us how efficiently we're using energy and help cut energy use and therefore carbon emissions. Over time, we will link our M&T with business systems, such as SAP, to improve our carbon management further. The first M&T-SAP link was implemented this year in Dongen in the Netherlands (see page 23).

In addition, we are working to certify our manufacturing sites to the new energy management standard, ISO 50001, as a way of strengthening our site energy management practices. In November 2011, our Wakefield plant in Great Britain became the first in the global food and beverage industry to achieve this certification, followed by our plants in Chaudfontaine, Belgium, and Dunkirk, France. This year, we also became the first soft drinks company to receive the Carbon Trust Standard award (see page 15).

### Renewable energy

We've set a target of sourcing 35 percent of the energy we use in our manufacturing from renewable or low-carbon sources by 2020. We already have several sites and projects making use of renewable energy; in Sweden we have been using 100 percent energy from renewable sources since 2008.

### District heating

Our Norwegian and Swedish sites use district heating fueled by biomass. District heating is where businesses and homes use a centrally generated source of heat – a technique that provides significant efficiencies. Although

district heating depends on local conditions, we are investigating its implementation at other CCE sites.

### Combined Heat & Power (CHP)

Our plant at Wakefield in Great Britain is investing in a CHP solution that will enable it to produce electricity from natural gas and then reuse the heat generated in this process on site.

### Solar photovoltaic

In 2011, we installed solar photovoltaic panels on the roof of our new green distribution center at Heppignies, Belgium (below). In early 2012, we installed further panels at our Sidcup,



Solar panels on the roof of our new green distribution center in Heppignies, Belgium.

### ENERGY-EFFICIENCY IMPROVEMENTS

**We're developing and rolling out best-practices and energy-efficient technologies and ensuring our sites implement them consistently. These include:**

- **Bottle blower** We are installing ceramic reflectors in the ovens used to heat our pre-formed bottles and reducing the amount of compressed air needed to blow the bottles. In these ways we can reduce the energy used in our bottle blowers by around 20 percent.
- **Boiler upgrade/replacement** We are replacing older steam boilers with new hot water boilers or efficient steam boilers, as appropriate.
- **Detection and repair of compressed air leaks** We are continuing our work to repair leakages in our compressed air systems across our sites and embedding this work into our maintenance routines.
- **Ambient filling** We are investing in new fillers which work at ambient temperatures so we don't have to cool down the beverage to fill the package.
- **CO<sub>2</sub> vaporization** We buy liquid CO<sub>2</sub> for carbonation and must vaporize it to add it to our drinks, which traditionally requires heat. We are implementing alternative solutions, alleviating the need to apply heat and instead using the cooling effect of the vaporizing gas to help chill the water we use.
- **Adiabatic cooling** Our air compressors require cooling and we are moving from standard, energy-intensive cooling towers towards adiabatic coolers which use less energy and water.



**DISTRIBUTION**

Transporting our products generates a relatively small part of our carbon footprint, but we're keen to identify opportunities to reduce emissions further.

**Reducing emissions from our own fleet**

• **Alternative technologies**

In 2011, we introduced three additional 'Eco-Combi' trucks to our existing fleet in the Netherlands, bringing the total to eight. These reduce emissions per pallet by 20 percent. In January 2012, we introduced a more efficient dual-fuel (diesel-biogas) version which will reduce emissions by an estimated 35 percent per pallet. We are looking to develop our dual-fuel fleet further, particularly in France (see page 15).

• **Alternative fuels**

In Great Britain, we trialed a biogas-powered vehicle, fueled by treated landfill gas in 2011. Results included well-to-wheel CO<sub>2</sub>e reductions of up to 60 percent, improved air quality and noise-level benefits. This initiative was awarded the Low Carbon Fuel Initiative of the Year by the Low Carbon Vehicle Partnership and we have invested a further \$2.71 million to run 14 of these vehicles for the London 2012 Games. In the Netherlands, we have introduced the first larger heavy-duty biogas trucks. In Paris, France, we are delivering our GLACÉAU vitaminwater™ in electric vehicles. In Sweden, we have changed from using fossil fuels to using biodiesel in our trucks, with the goal of running 90 percent of all our Swedish fleet on this biofuel.

• **Driver training**

Following successful trials in 2011, we are rolling out 'eco-driving' training to our drivers in Great Britain and Belgium. We've also installed computers that record how a vehicle is being driven so drivers can improve their fuel-saving techniques.

• **Emission 'caps'**

We've reduced emissions from our corporate car and van fleet by introducing CO<sub>2</sub>/km caps for our list of cars, offering eco-friendly models to our employees and choosing energy-efficient vans. We're also testing electric cars to better understand if they may be suitable for our needs.

**Reducing emissions from third-party vehicles**

Most of our deliveries are made by third-party hauliers with whom we work closely to save road miles and reduce CO<sub>2</sub>e emissions. Joint projects in 2011 included:

• **Trialing dual-fuel HGVs**

Based on the successful trials of dual-fuel 40-tonne vehicles, we have agreed with a supplier that it will purchase 20 of these vehicles in order to deliver our products to the Olympic Park during the London 2012 Games.

• **Road to rail**

In 2011, we have continued to increase our use of rail transportation in France. In Sweden, we increased the use of trains from our long distance co-packers.

• **River transport**

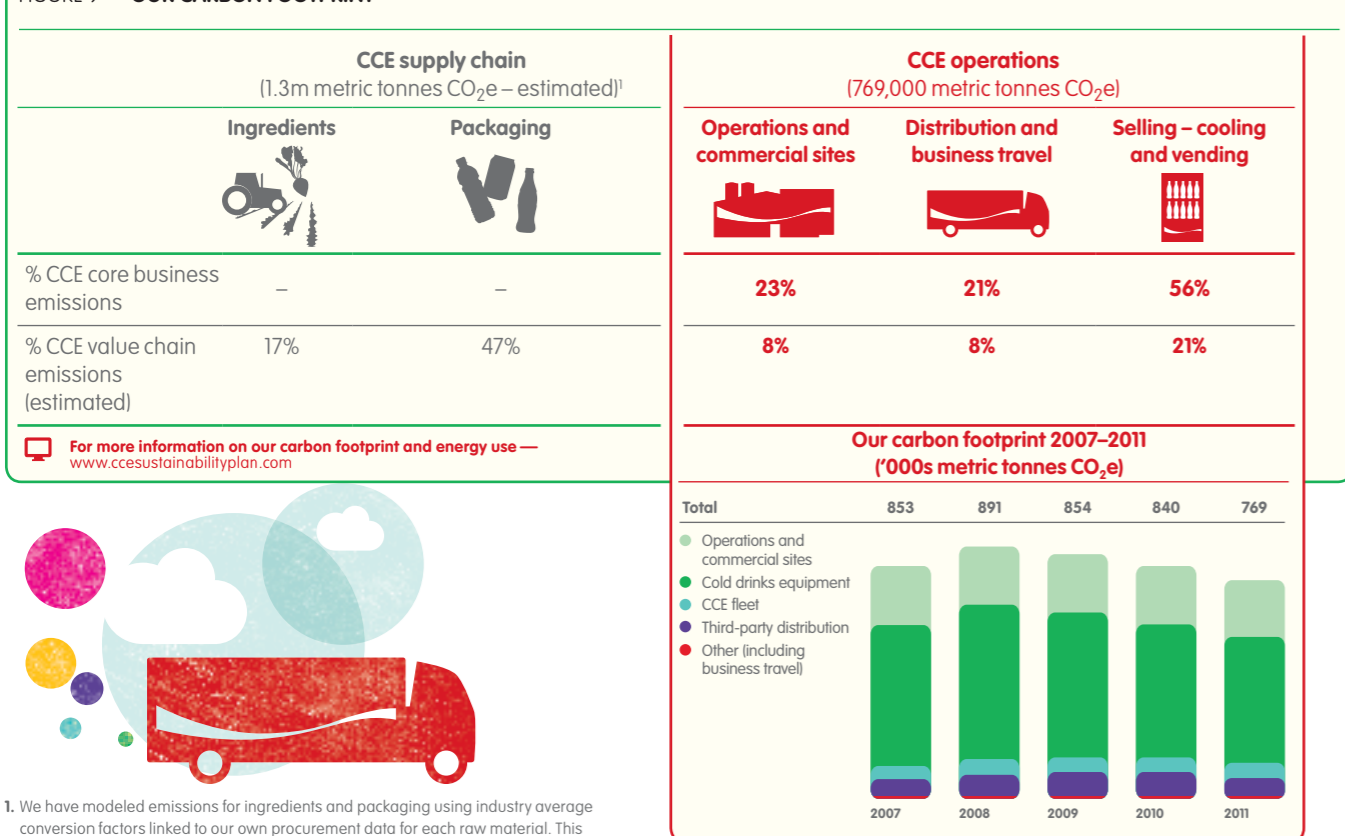
Our 2011 trial in the Netherlands demonstrated good results and we are continuing discussions with our river transport provider to review future possibilities.

**Backhauling and network optimization**

This year we have expanded our backhauling systems in Great Britain, Sweden and France, requiring significant flexibility within our own operations and smooth execution. As a result we have cut 1,580 deliveries and removed 390,000 road miles.

The process of network optimization continues to reduce carbon emissions by making our distribution more efficient. Developing more production and storage capacity at key sites is minimizing our long distance freight, especially in France and Great Britain.

FIGURE 9 — OUR CARBON FOOTPRINT



1. We have modeled emissions for ingredients and packaging using industry average conversion factors linked to our own procurement data for each raw material. This value chain footprint has not been audited by third party independent verifiers.

**DELIVER/INSPIRE SPOTLIGHT**

**Wayne Boden**

Senior Manager, Environment, Great Britain.



**Delivering:** I was proud to manage the process of preparing CCE's application for the Carbon Trust Standard, an award scheme that recognizes companies that demonstrate effective carbon management. The 12-week assessment period included an audit of our carbon footprint data and two site visits to Clamart in France and Edmonton in Great Britain to see carbon management in practice.

**Inspiring:** In October 2011, CCE became the first soft drinks company to receive the award, obtaining the best-ever score out of 675 companies.

**OUR COLD DRINKS EQUIPMENT**

At the end of 2011, we had approximately 581,000 pieces of cooling equipment (coolers, vendors and fountain machines) in the marketplace, operated by CCE customers on their own premises. As the largest source of carbon emissions from our core business, we have made significant investments in our cold drinks fleet over the last few years.

**Existing coolers**

We continue to make existing coolers and vendors more efficient. In total, we retrofitted or refurbished 54,000 units of equipment in 2011. The addition of Norway and Sweden to our business added a fifth service center in Sweden, which we will extend in 2012 to refurbish equipment in both countries.

We're making our existing coolers more efficient in a number of ways:

• **Fitting doors**

By fitting doors to our large, open-fronted coolers, we can reduce their energy use by up to 50 percent. We've fitted new doors to 49 percent of our total open-fronted cooler fleet and aim to reach 90 percent of the fleet by 2014; the remaining 10 percent are models we will phase out over time. We'll then start to fit doors to our 14,000 smaller, open-fronted 'impulse' coolers.

• **More efficient lighting**

We continue to replace the standard fluorescent lighting in our coolers and vendors with long-life LEDs, which can be up to 80 percent more efficient. Around 14,500 LEDs were fitted in 2011.

• **Energy management devices**

Our intelligent EMS-55 device recognizes patterns of use and responds by shutting off lights and adjusting temperatures when the cooler is not being opened regularly. This can reduce the cooler's energy consumption by up to 35 percent. In 2011, we fitted 28,000 EMS devices, so that 32 percent of our coolers and 18 percent of our vendors now have this device. We aim to install a further 24,000 in 2012.

In 2012, we will introduce the EMS-25 device for smaller units. This can also save up to 35 percent of the cooler's energy use.

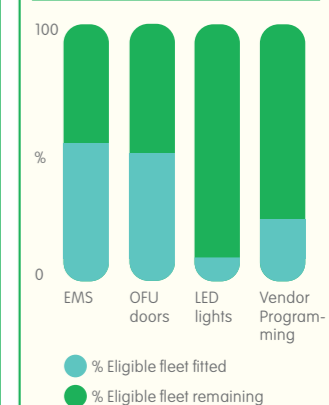
• **Programming our vending machines**

Certain models of our vending machines can also be programmed to save 30 percent of energy used. In 2011, we programmed 4,600 machines.

**WORKING WITH OUR CUSTOMERS IN FRANCE TO REDUCE CARBON IN DISTRIBUTION**

Backhauling requires complex logistics and information-sharing with our customers. So far, we have established arrangements with three major customers for some delivery routes and we are looking to expand these in 2012. We have also been working with French supermarket Monoprix to achieve our joint environmental objectives. In 2011, we started using a green, dual-fuel truck to deliver our products to the store's distribution center in Paris, reducing our carbon emissions on this route by 25 percent.

FIGURE 10 — COLD DRINKS EQUIPMENT – ENVIRONMENTAL TECHNOLOGY ROLL-OUT



**REDUCING EMISSIONS ACROSS OUR VALUE CHAIN**

Increasingly, we're working with our stakeholders to reduce the carbon footprint of our value chain. As we report on pages 16 to 19, we're making solid progress in reducing emissions from the manufacture of packaging materials and in boosting recycling rates to save more energy. As a further step, we recently challenged each of our suppliers to measure their own carbon footprints and work with us to develop carbon reduction plans (see page 7). Through wider and deeper collaboration with suppliers, customers and others, we intend to be a catalyst for change throughout the chain. In 2012, we aim to establish systems and processes which will allow us to calculate emissions and reductions across our whole value chain.

**New coolers**

We have high standards for the new coolers that we buy and install in our customers' premises. We no longer buy open-fronted units and all new coolers with a capacity of over 250 liters now come with our EMS device pre-installed.

**Removing HFCs**

Hydrofluorocarbon (HFC) refrigerants are greenhouse gases that can be harmful to the environment if they leak or are released when equipment is disposed of incorrectly. To prevent leakage, our equipment is maintained to high standards by our technical centers and field engineers. We also have systems in place for safe disposal and we no longer purchase equipment that contains HFC insulation.

We aim to purchase 100 percent HFC-free coolers from January 2013. In 2011, approximately 82 percent of all our new cooler purchases were HFC-free.

**Other cooling innovations**

We're constantly looking at new ideas and opportunities for reducing the carbon footprint of our cooling equipment. We plan to trial an energy-saving solution for the units used to cool fountain drinks in venues such as pubs and cinemas.



Our HFC-free, energy-efficient cooler with LED lighting.



In March 2011, we partnered with ASDA in Great Britain to offer a free recycling box made from rPET to consumers buying Coca-Cola products to recycle at home. As part of the promotion, shoppers talked to CCE employees in the store and were encouraged to make a recycling commitment in our 'recycling tunnel'. Eighty-eight percent of those surveyed afterwards said they were using the box for recycling at home.

# Leading Sustainable Packaging and Recycling

## OUR COMMITMENT

We will set the standard for sustainable packaging, achieve zero-waste in our operations and recycle more packaging than we use.

## INTRODUCTION

Packaging ensures the quality of our drinks and enables us to deliver them safely to our customers and consumers. It can be carbon-intensive in its manufacture and too often ends up in landfill, despite the fact that nearly all our packaging materials can be recycled. We want to change this pattern and have established Sustainable Packaging and Recycling as a leadership focus area.

**Q/ "An important issue in Europe is getting young people to recycle. How is CCE working on this?"**

Elizabeth Reiss  
Ethicity, France

**A/ "We've set an ambitious new goal to recycle more packaging than we use and are working in a variety of ways to increase awareness of the need to recycle and to make it fun. Our festival recycling program is a great example of this, and we intend to do much more in this space."**

Patrick McGuirk  
Director, Recycling and Chair, Sustainable Packaging and Recycling Steering Group, Coca-Cola Enterprises

In 2011, we used a total of 384,521 tonnes of packaging materials of different types across our countries of operation.

## OUR SUSTAINABLE PACKAGING STRATEGY

We estimate that our packaging currently accounts for 47 percent of the carbon emissions in our value chain. Reducing this carbon footprint means reassessing our packaging from design to disposal and making better use of natural resources.

Our goal is to set the standard in low-carbon, sustainable packaging. To this end, CCE will use renewable and reusable materials, and make sure all our bottles and cans are easily recyclable. We'll continue to innovate and to look at every aspect of packaging from design, weight and recycled content to renewable materials and the recycling process. Our work to make our packaging more sustainable will help us to achieve our commitment to reduce the carbon footprint of the drink in your hand by a third.

- Developing ultra-light film in Great Britain, France, Belgium, the Netherlands and Sweden.
- We are also using Diamex technology to reduce weight in our labels and will save 86 tonnes of material annually, once implemented.

In 2012, we'll continue to reduce the amount of plastic in our bottles, concentrating on our 500ml bottles for still and sparkling drinks and our 1 liter bottles. We will also lightweight can ends in Great Britain, based on the success of our work in the Netherlands.

## Using less secondary packaging

A successful trial in 2010 indicated it was possible to remove the cardboard trays from cases of small PET bottles. The new trayless format was rolled out in Great Britain, Antwerp in Belgium, and the Netherlands in 2011 and the process will continue in France and Belgium in 2012. Once completed we will save 4,481 tonnes of corrugated cardboard a year (14 percent of the total used by our business).

## USING SUSTAINABLE MATERIALS

A crucial step in developing sustainable packaging is to make sure that our raw materials come from sustainable, renewable sources.

## PlantBottle™ – plastic from plants

Although PET (the plastic we use for our bottles) is widely recycled, the virgin product still comes from non-renewable fossil fuels. We're looking for ways to make PET from renewable materials instead and have made excellent progress in recent years.

PET is made up of two components, MEG (30 percent by weight) and PTA (70 percent). Since the introduction of PlantBottle™ technology by The Coca-Cola Company, we can replace MEG with chemically identical plant-based material. Launched in 2009, the first generation of PlantBottle™ packaging is a 30/70 blend of plant-based MEG and virgin PTA. We have also ensured

that each bottle includes 25 percent recycled PET (rPET). The resulting material looks, functions and recycles like traditional PET but has a lower carbon footprint.

PlantBottle™ for selected products was introduced in Norway and Sweden in 2010 and CCE rolled it out across all territories in 2011 to our popular 500ml PET Coca-Cola, Diet Coke and Coke Zero products. This PlantBottle™ packaging contains up to 22.5 percent plant-based material. As a result, we're now using more recycled and biomaterial in our PET packaging – and using it on a larger scale – than any other beverage bottler in Europe.

In December 2011, the Coca-Cola Company announced an agreement with three leading biotechnology companies to develop and commercialize the second generation of PlantBottle™ packaging made from 100 percent biomaterial. The possibility of making both the MEG and the PTA components from plants before 2020 will mean we can lead the industry away from materials based on fossil fuels and set new standards of sustainability in our packaging.

We anticipate that the best solution environmentally will be a combination of plant-based PET and rPET, minimizing the amount of virgin materials. We're currently developing our carbon analysis systems to be able to identify the blend that will give us the lowest carbon footprint in the future. By 2020, we intend that all PET bottles will contain a combination of plant-based material and rPET.

## Using recycled materials

We have committed to using more recycled aluminum, steel, glass and plastic in respective packaging formats by 2020.

Using recycled materials reduces our carbon footprint: for example, it takes 95 percent less energy to produce recycled aluminum than aluminum from bauxite ore, and it takes around 60 percent less energy to produce rPET than the virgin product. Given current availability, the maximum level of recycled aluminum or

steel we can use in each can is around 50 percent. We continue to work with our can suppliers to improve recycling rates and increase the amount of recycled material we use.

Levels are lower for PET as the market for rPET is less developed. We have invested \$7.75 million in an rPET joint venture (see page 18) and in 2011, we allocated \$440,000 of our CRS capital expenditure to technology linked to rPET. This enabled us to reach an average of 22.5 percent rPET in our PET packaging across all territories in December 2011. We continue to invest to meet our target of 25 percent rPET by 2012.

## Sustainable secondary packaging

Most of the cardboard we use is made from recycled sources, but needs to be mixed with a small portion of virgin cardboard. In 2011, we ensured that all our cardboard suppliers are certified to Forestry Stewardship Council (FSC) standards and the vast majority of the virgin cardboard content in our packaging is now from FSC-certified sources. We continue to work with our suppliers towards full FSC certification for virgin material across all product lines.

FIGURE 11 — OUR 2011 PACKAGING FOOTPRINT

Materials used	Tonnes
Aluminum	54,582
Steel	49,175
PET	125,858
Glass	76,269
Other (primary)	15,646
Secondary and tertiary packaging	62,991
<b>Total</b>	<b>384,521</b>

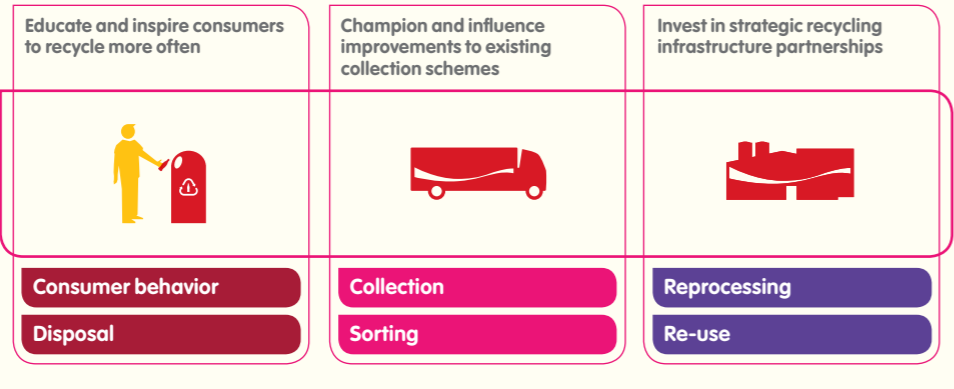


**RECYCLING AT OUR OWN SITES**

We're working to recover and recycle waste materials from our own sites and to encourage recycling by our employees. We have recently invested in improving recycling solutions at our offices. We also recovered 99.6 percent of all the waste generated at our facilities in 2011 and we're looking to minimize the waste

we produce in the first place.

FIGURE 12 — RECYCLING THE CCE WAY



**OUR RECYCLING STRATEGY**

For any package to be recycled, it must be recyclable. Our recycling strategy is focused on ensuring our own packaging is recyclable and on working with trade associations to encourage wider recyclability in the industry. At the same time, we aim to play a wide role in supporting the recycling of packaging when the consumer has finished with it, working in three key areas:

**1. Consumer behavior and disposal:**

We'll use our brand marketing to continue influencing consumer behavior, educating and inspiring people to recycle more often. We'll collaborate with customers, consumers, suppliers and local authorities to do so.

**2. Collecting and sorting:**

In markets with high packaging recovery rates, we'll continue to support existing collection schemes. Where recovery rates are lower, we'll champion improvements to national collection schemes.

**3. Re-use and reprocessing:**

By 2020, we aim to ensure that the amount of packaging collected and reprocessed through national recycling infrastructure and our own initiatives is greater than the amount of packaging that we ourselves use. We will achieve this target by investing in recycling and reprocessing infrastructure.

**MAKING OUR PACKAGING RECYCLABLE**

In 2011, we modified our Sprite Zero and Powerade bottles in Great Britain and our GLACÉAU vitaminwater™ bottles in Great Britain, France and Sweden to make an extra 2,275 tonnes of material recyclable. We aim to do the same for other packages in the future.

**CONSUMER BEHAVIOR AND DISPOSAL**

In partnership with our customers and other stakeholders, we're using our brand marketing to encourage recycling, especially in Great Britain and France, where less than 55 percent of PET bottles are recycled. Initiatives in 2011 included:

**• Festivals and events**

In France, we ran a campaign to encourage event-goers to enter a competition and make a recycling pledge on Facebook to win an Emeco 111 Navy Chair made from 111 recycled plastic bottles.

In Great Britain, we brought our 'Swap for Swag' recycling initiative to six major events, including the V Festival and the Notting Hill Carnival. At each venue, our 'Swap for Swag' activation encouraged festival-goers to exchange used bottles for T-shirts, rain ponchos, picnic blankets and other rPET 'swag'. We also set up booths made of recycled bottles where visitors could be photographed making a

**OLD-TO-NEW PLASTIC BOTTLES IN SIX WEEKS: OUR CONTINUUM RECYCLING JOINT VENTURE**



In 2011, construction began on Continuum Recycling, our joint venture with ECO Plastics in Great Britain. Our \$7.75 million investment, when operational, will extend ECO Plastics' existing operations to become the biggest plastic bottle reprocessing facility in Western Europe. Continuum Recycling will produce 25,000 tonnes of recycled PET (rPET) annually, more than doubling the amount of high-quality rPET currently produced in Great Britain.

As a result, CCE in Great Britain will be able to meet its target to use 25 percent recycled PET, in all its plastic packaging by the end of 2012. The rPET produced will help save over 33,000 tonnes of CO<sub>2</sub>e per year, the same as removing over 15,000 cars from the road. The site will also feature a fifth CCE education center to teach students about the importance of recycling. The new facility will open in Lincolnshire in May 2012, creating 30 additional jobs. It will process collected bottles into new Coca-Cola bottles in as little as six weeks and will be able to recycle all soft drinks bottles from the London 2012 Olympic and Paralympic Games.



www.cokecce.com

recycling pledge and have the picture loaded onto Facebook. Recyclers could also be photographed with the Olympic Flame as a result of Coca-Cola's role as official recycling sponsor of the London 2012 Olympic and Paralympic Games. On-site recycling points at each event collected more than 300,000 used plastic bottles and over the course of 2011 we connected with a total of 4.7 million consumers.

At all events, our booths and recycling areas were powered by portable solar panels to minimize their carbon footprint.

**• Programs with major customers**

Partnerships with retailers are an excellent way to reach shoppers and influence their recycling behavior at home. This year we ran programs with ASDA and Carrefour.

**• Recycle Zones**

Our Recycle Zone program installs branded bins in public areas such as shopping malls and transport hubs for consumers to recycle their bottles and cans. During 2011, we introduced a high-profile Zone at Disneyland Paris and others are being developed at the O2 Arena in London and the Scottish Exhibition & Conference Center in Glasgow. By the year-end, we had more than 140 Zones in France and Great Britain.

**• Support for industry-led communication campaigns**

In Great Britain, CCE is the first branded manufacturer to join the Metal Matters scheme run by the aluminum industry campaigning organization Alupro. This scheme helps local authorities run targeted communications campaigns to encourage households to recycle metals. The scheme has delivered exceptional results with increases in recycling rates of around 14 percent in the areas where it is run.

**• Local partnerships**

CCE has a number of partnerships with retailers, cafes and fast-food outlets in areas such as tourist locations and city centers. In 2011, we added recycling solutions to a number of these partnerships in Belgium, providing our own 'Boost Zone recycling solution'.

**• TV advertising in France**

Using our marketing and advertising to promote sustainability, we ran a TV advertising campaign in France to encourage consumers to recycle.

In 2012, the London Olympic and Paralympic Games will provide major opportunities to spread the recycling message. We plan to mount promotions during the Games at the Olympic Park and to promote recycling beforehand at every city celebration as the Olympic Flame travels across Great Britain.

**COLLECTION AND SORTING**

To reduce the amount of packaging sent to landfill, especially in Great Britain and France, we're investing and working with others to develop recovery infrastructure and boost recovery rates. In particular, we want to work with policymakers and regulators to improve household recycling programs and make them simple to understand and use.

As a board member of the French national recycling system, Eco-Emballages, we continued to support the scheme during 2011 in its ambitious aim of achieving a 75 percent recycling rate in France.

We also continued our dialogue with policymakers in Great Britain, encouraging ministers to increase recycling targets. We remain committed to ensuring a higher recycling target for the industry and to playing our part in achieving it. We are members of Recoup, the plastics industry's association promoting the collection and recycling of plastics. We are also leading contributors to the UK Government's Advisory Committee on Packaging Plastics Taskforce. The role of this organization is to support government, local authorities and waste management companies to meet ambitious targets for the collection of plastics.

**Packaging recovery**

We believe we should lead the effort to raise recovery rates in each of our countries of operation. We work closely with national recovery systems such as FostPlus in Belgium, Nedvang in the Netherlands, Eco-Emballages in France, Returpak and REPA in Sweden, Norsk Resirk and Rentpak in Norway, and WRAP, DEFRA and Valpak in Great Britain. On a smaller scale, we're involved in local programs such as our Recycle Zones and are working with others to help build the packaging recovery infrastructure.

**RE-USE AND REPROCESSING**

Our research on consumers' attitudes to recycling showed householders are more likely to recycle if they understand what happens to the materials they collect. It is essential to have a credible domestic infrastructure in place which can take collected materials and reprocess them for reuse in our packaging so we can tell consumers about it.

At present, recycling rates vary by material and we find it hard to obtain high-quality, food-grade rPET to increase the recycled content of our PET packaging. We have a long-term strategy to boost supplies, especially in Great Britain and France. By helping to build the infrastructure in these countries, we aim to generate enough rPET to meet our target of 25 percent recycled material in all our bottles by 2012.

**DELIVER/INSPIRE SPOTLIGHT**

**Claire Deuchar**

Associate Director, Commercialization, Uxbridge, Great Britain

**Delivering:** I lead a team of commercialization project managers who innovate packaging across the Coca-Cola system. In 2011, we continued the journey to reduce the carbon footprint of our packs by lightweighting initiatives, increasing rPET in all PET packs and introducing the 'trayless' program, removing cardboard on small PET bottles in Great Britain and the Netherlands.

**Inspiring:** We removed 3g of packaging from nearly every 500ml bottle produced by CCE, so they now weigh 21.7g compared to 24.7g in 2010. Our work to improve the recyclability of Limonada packaging in France, and GLACÉAU vitaminwater™ and Powerade in Great Britain, means that we will achieve our commitment to provide only packaging that is completely recyclable at the London 2012 Games.



Festival recycling  
Corporate Responsibility & Sustainability Report 2011/2012



## River cleanup

CCE Volunteers clean up the River Cray near our facility in Sidcup, Great Britain, during CRS in Action week in 2011.



# Delivering Water Stewardship

### OUR COMMITMENT

We will set the standard for water efficiency, establish a water sustainable operation and minimize water impacts throughout our entire value chain.

### INTRODUCTION

Water is a precious resource and fundamental to our business. It's the main ingredient in our products and is also used for cooling, washing and rinsing at our manufacturing plants. Although Europe is generally regarded as water-abundant, we have experienced some scarcity in recent years and water can be unreliable in some of the more densely populated areas where CCE operates. We aim to be responsible stewards of water and to use as little as possible for each liter of beverage we produce.



100% of our wastewater was treated to standards supporting aquatic life in 2011.

**Q/ "Water scarcity and quality are key issues not just for your company but for other water users and for the environment. How will you use innovation and improved performance standards to reduce water-related risks that you share with others and to ensure that rivers and wetlands benefit? How will you measure all of this?"**

David Tickner  
Head of Freshwater Programmes, WWF-UK

**A/ "We continue to drive new levels of efficiency in our plants by piloting and rolling out new technologies for cleaning, rinsing and monitoring water use, and we are now looking for new and innovative ways to work with our sugar suppliers to reduce water use across the value chain."**

Bruno Van Gompel  
Chair, Water Steering Group

### OUR WATER STEWARDSHIP STRATEGY

Becoming a water-sustainable operation involves four elements:

- Protecting our water sources for our operations and communities.
- Reducing the amount of water we use by becoming more water-efficient.
- Recycling the water we use by ensuring it is treated and returned to the environment at standards supporting aquatic life.
- Replenishing the water that goes into our beverages in areas of water stress or where water quality may be an issue – in our case in Flanders, Belgium, South East England and around Marseille, South East France.

### PROTECTING OUR WATER SOURCES

We work hard to preserve the long-term quality of our water sources and to minimize our impact on local communities and ecosystems. We draw less than 22.5 percent (2.1 million m<sup>3</sup>) of our water from on-site wells, all of which are licensed by government. The remaining 77.5 percent (7.3 million m<sup>3</sup>) of the water we use comes from municipal sources.

Since 2009, we have undertaken Source Water Vulnerability Assessments (SVAs) at each plant to assess the potential water risks to our business, the local community and the ecosystem. In conjunction with water providers,

government agencies and community organizations, these SVAs have led to the development of Source Water Protection Plans (SWPPs) for each production site.

We've now begun a process of reviewing and updating each plan on a two-year cycle. In these second iterations we aim to encourage greater community and stakeholder involvement in the plant and its water protection plan.

- Our first SWPP at Clamart, France in 2009 focused on internal issues, reducing technical water supply risks and addressing issues of water quality and quantity. The actions detailed in this first plan have now been completed and the SWPP has been revised to focus on the plant's engagement with the local community. The plan now includes a program to ensure the site receives visits from schools and local officials, and is helping to ensure that the plant's environmental and community work is externally understood by stakeholders.

- In parallel to revising its SWPP, our plant in Dongen, the Netherlands, has signed an agreement with the province of North Brabant to set up a 25-year groundwater protection zone. The aim is to protect groundwater quality and quantity and ensure its sustainable use. Under the European Water Framework Directive, different protection options were analyzed, including their impact on local stakeholders. It was determined that the regulation of new boreholes would help to minimize impacts on the

protective clay above the aquifer and reduce the risk of contamination by surface pollution. This zone will also contribute to the competitiveness of the North Brabant province, where high-quality groundwater is of major economic importance.

### REDUCING OUR WATER USE

As a drinks manufacturer, water is a core ingredient of our products. Our total consumption in 2011 was 9.4 million m<sup>3</sup>, down from 9.5 million m<sup>3</sup> in 2010.

While we cannot reduce the volume of water in the product itself, we can try to use less in our cleaning and manufacturing processes. We're making progress. Over the past six years, we've increased our production by around 15 percent but managed to reduce our water use by around six percent<sup>1</sup>. Our operations in France and Great Britain remain the most water-efficient in the global Coca-Cola system. In Great Britain, we have signed the [Federation House Commitment](#), which aims to reduce overall water use across the food and drink sector by 20 percent by 2020. Our continuous progress in driving efficiency puts us firmly on track to meet this target.

We measure our water efficiency by calculating the amount of water needed to create one liter of product – a term we call our 'water use ratio', expressed as liters/liter. In 2011, we used 1.43 liters per liter, down from 1.48 in 2010.

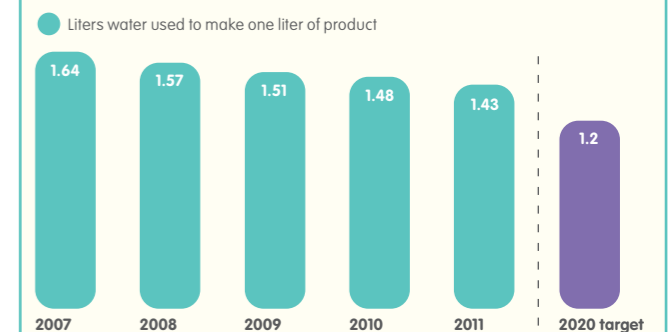
In 2011, we demonstrated strong progress at our Morpeth plant in Great Britain. Acquired in 2008, Morpeth produces Abbey Well, the official natural mineral water of the London 2012 Olympic and Paralympic Games, and the plant has placed special priority on reducing its water use ratio. The site mapped and analyzed its water consumption, installed sub-metering to monitor water use accurately on daily and weekly time frames, reviewed its cleaning processes, optimized its rinse water consumption, and raised employee awareness of saving water. As a result, Morpeth's water use ratio reached 1.24 liters/liter in 2011 (down from 1.74 in 2010) and is on course for 1.2 in 2012.

Across CCE, we've set a 2012 water use ratio target of 1.4 liters/liter. Looking further ahead, our target for 2020 is an average water use ratio of 1.2 liters/liter across our entire business.

These are challenging targets, especially as it becomes more difficult over time to keep reducing our consumption. The task is made harder by the increasing use of all-natural ingredients in some of our products such as Fanta in Sweden, which means we must use a different process. Similarly, our growing range of flavors calls for more cleaning of our lines between batches, while processes such as the aseptic filling of Powerade bottles also increase our water consumption. We continue to seek new technologies and believe that further innovation can help us meet our targets.

**No.1**  
CCE's operations in France are ranked the most water efficient in the Coca-Cola system. Our operations in Great Britain are ranked number two.

FIGURE 13 — WATER USE RATIO PROGRESS 2007 – 2011 AND TARGET<sup>2</sup>



1. Legacy CCE countries only (i.e. excluding Norway and Sweden)  
2. Including Norway and Sweden for 2010 and 2011

**DELIVER/INSPIRE SPOTLIGHT**

**Stéphane Heckly**  
Process Technology Manager,  
Supply Chain, Issy-les-  
Moulineaux, France

**Delivering:** I helped to reduce the water consumption of our Dunkirk plant in France, together with a team of colleagues from the site. We use special resin granules at the plant to purify the water used to make our drinks. To work continuously, these granules need to be regenerated regularly and then rinsed with water. Last year, we trialed re-using some of the water from the rinsing process and found that the results were excellent.

**Inspiring:** We've been able to halve the amount of fresh water needed for the technology, and we're saving around 15,000m<sup>3</sup> of water in the plant per year. We're looking to introduce this to other CCE facilities in the future.



**RECYCLING THE WATER WE USE**

Our 2020 water use ratio target of 1.2 liters/liter consists of 1 liter of water that goes into our product and 0.2 liters that become wastewater. Although we aim to reduce the amount of wastewater in our processes, it's our responsibility to ensure this water is treated to a level that supports aquatic life before returning it to the municipality or ecosystem.

In 2011, 100 percent of our wastewater was treated to this high standard. While most of our plants pre-treat their wastewater on site and then send it to municipal water treatment plants, four of our facilities carry out full wastewater treatment on site. In 2011, we discharged a total of 3.2 million m<sup>3</sup> to the environment at standards supporting aquatic life. Of this amount, 2.4 million m<sup>3</sup> were treated by municipal wastewater treatment stations and 800,000 m<sup>3</sup> by our own treatment plants. Our water recycling effort uses a number of new technologies (see below).

**REPLENISHING AND PROTECTING OUR WATERSHEDS**

The Coca-Cola system globally has committed to replenish 100 percent of the water it uses in its finished beverages by 2020, through projects such as reforestation, protecting aquifers and revitalizing rivers. In 2011, it replenished 54.8 million m<sup>3</sup> of water – equal to 35 percent of global production volume.

CCE's replenishment strategy is to invest in water-based community programs in areas of water stress within our countries of operation – Flanders, South East England and the area around Marseille in South East France, which together accounted for about 36 percent of our production in 2011, or around 2.2 million m<sup>3</sup> (see Figure 14). Our aim is to replenish all the water we use in our products in these areas. We are currently identifying quantifiable projects to do so.

**CCE's replenishment projects**

In early 2012, in partnership with The Coca-Cola Company and the World Wildlife Fund UK (WWF-UK), CCE launched a three-year replenishment project focusing on rivers in Great Britain. The project is aligned with WWF-UK's Freshwater Strategy, and working together, we have identified two river catchment projects in South East England, the part of the country where water quality and quantity issues are most acute. We will work with local communities in Norfolk – the source of some of the sugar beet used in Coca-Cola drinks made in Great Britain – and in South London, near to one of our manufacturing plants. We will develop local catchment plans and implement on-the-ground projects, involving our employees where possible, to restore water and improve water quality.

We also want to use the lessons we learn from these projects to influence the national water policy agenda and encourage measures to reduce water abstraction and demand. We will measure the results of the project using The Coca-Cola Company's global methodology for calculating water replenishment.

Other projects during 2011 included:

- **Protecting aquifers**  
Our site at Chaudfontaine in Belgium is working with the authorities and the University of Liege to protect the local natural hot spring from pollution. Between 2008 and 2013, the partnership will implement 300 local protection measures to prevent contamination from filling stations, fuel tanks, cattle farms and sewerage systems.

**Reforestation**

Our plant at Marseille continued its project with the Pennes-Mirabeaux city authorities and the French National Forest Authority to reforest areas ravaged by fire in 2009. Investing \$52,000 since 2009, we have planted around 2,000 trees that will help to retain rainwater and reduce run-off.

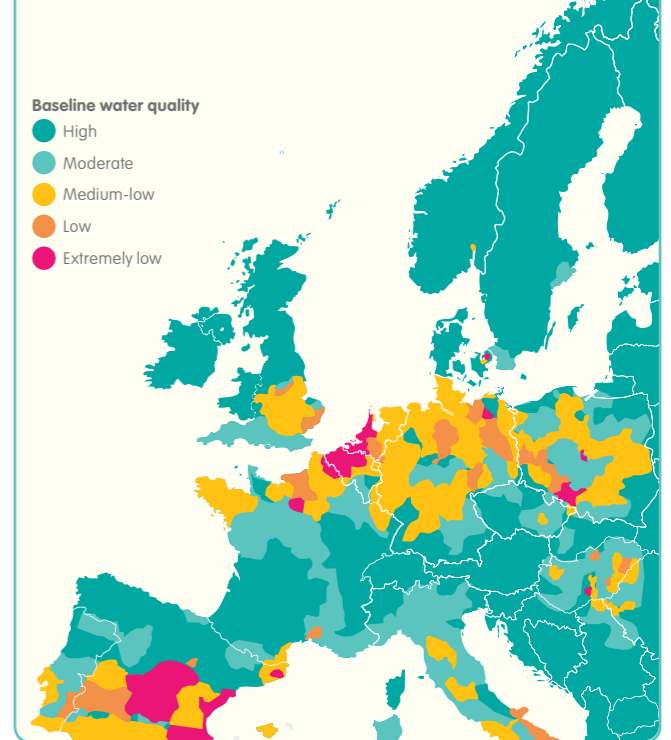
**Replenishment in our supply chain**

Our studies have shown that the majority (around 80 percent) of the total water footprint of our products comes from our agricultural supply chain<sup>1</sup> – in particular the production and processing of sugar beet. As a result, further work has been undertaken to understand more about the water footprint of this crop.

In terms of sustainability, the amount of water used is less important than the impact of that use: a large water footprint might be sustainable in a water-rich area, while a smaller one in a water-scarce region can have a far greater environmental impact. The Coca-Cola Company has worked to determine the true impact of the use of water in European sugar beet farming. The resulting report, 'Towards sustainable sugar sourcing in Europe', was published in August 2011 and showed that the impact varies significantly by region. In CCE's territories – France, Belgium, the Netherlands and Great Britain in particular – sugar beet farming tends to have a low environmental impact. CCE will continue to work closely with The Coca-Cola Company to develop our understanding of water impacts in our supply chain and focus our replenishment efforts on minimizing them.

**FIGURE 14 — MAP OF BASELINE WATER QUALITY IN EUROPE**

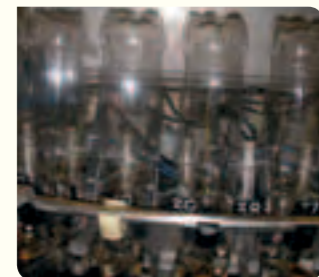
Source: The Coca-Cola Company Europe Group Water Resources Risk and Sustainability Report, March 2009



**NEW TECHNOLOGIES**

In 2010, we developed CRS masterplans which prioritize potential water-saving projects in each plant over the short, medium and long term. This year, we spent more than \$1 million in implementing proven technologies and piloting new ones to achieve even greater efficiencies in water reduction and recycling. Developments included:

- **Dry and semi-dry lubricants**  
All conveyors used to move cans and PET bottles along production lines now use a dry lubricant in place of soapy water. We have also trialed a semi-dry lubricant for the stainless steel conveyors that move glass bottles. Although this process uses some water, the trial showed an annual saving of more than 4,000 m<sup>3</sup> and in 2012, we will look to expand the use of this technology further on our glass lines.



- **Recycle and reclaim loops**  
We are optimizing our 'Clean in Place' (CIP) sanitation systems to recover and reuse final-rinsing water for further cleaning processes, to use cold rather than hot water, and to clean by blowing with air rather than using water.

- **Air rinsers**  
Whenever machinery is replaced or new lines are installed, ionized air is used instead of water to rinse pre-blown bottles and cans. This year, we made the change on our PET lines in Marseille and Grigny in France. Thirty percent of our plastic bottle and can lines now use air rinsers.

- **Electro chemically activated water**  
Electro chemically activated water electrolyses salt added to water to create a chlorinated cleaning solution. This can save up to 2,000 m<sup>3</sup> of water per year. The technique was implemented this year in Marseille and will be rolled out in three further sites in 2012.

- **Bottle washers**  
In 2011, we aimed to reduce the water consumption of our bottle washer in Chaudfontaine by a third, saving 25,000 m<sup>3</sup> of water across our operations. We did so by injecting a small proportion of CO<sub>2</sub>e to rinsing water to neutralize caustic traces, which means we need less water for rinsing.

- **Adiabatic coolers**  
We have replaced the existing cooling towers used for the high-pressure compressor at Antwerp with 'adiabatic' cooling towers which mainly use air for cooling. This technology saves considerable amounts of energy and around

70,000 m<sup>3</sup> of water per year, as well as requiring less maintenance. We also use this technology in Toulouse and are looking for other opportunities to roll it out further.



- **Rainwater harvesting**  
We have implemented rainwater harvesting in several sites, and we use the water collected for washing vehicles and for flushing staff toilets. This technology is in place at Northampton in Great Britain, in Chaudfontaine in Belgium, and is being introduced in Antwerp, Belgium.

**MONITORING AND TARGETING**

In 2011, we installed a sophisticated Monitoring & Targeting (M&T) system at our Dongen plant in the Netherlands. M&T allows us to track our consumption of utilities such as water, electricity, gas, steam and compressed air in real time, so we can act immediately when we exceed agreed targets. Most of our manufacturing facilities in Great Britain already have M&T systems, but the one at Dongen is an advanced version based on learnings from other sites. Through M&T, we've already identified opportunities to save around 3,000 m<sup>3</sup> of water per year and \$93,000 per year in energy costs in our Dongen plant. Over the coming months, we expect to identify many further opportunities for utilities savings before launching the system at other CCE sites.



1. Data taken from 'Towards Sustainable Sugar Sourcing in Europe, Water Footprint Sustainability Assessment', August 2011, The Coca-Cola Company.



## Delivering Product Portfolio

### OUR COMMITMENT

We will provide a wide variety of quality, refreshing beverages with nutritional and ingredient information so consumers can make informed beverage choices.

### INTRODUCTION

We continue to expand our product range to offer more choice and convenience, meet new consumer needs, serve different lifestyles and occasions and ensure that our products meet the high quality and food safety standards that consumers expect. We aim to inform consumers about the health and hydration benefits of our products and the ingredients and calories they contain through clear nutritional labeling and responsible sales and marketing.

**Q/ "Health and nutrition are key issues for your company. How are you developing your product portfolio?"**

**Graham Baxter**  
Senior Adviser, International Business Leaders Forum

**A/ "Our sustainability plan renews our ambition to offer a wide range of products to our consumers. We want to accelerate the growth of no- and low-calorie products within our portfolio, to offer new, smaller portion sizes, and to remove artificial colors, flavors and preservatives wherever possible."**

**Kieran Hemsworth**  
Vice President, Strategy, Portfolio and Innovation and Chair, Product Portfolio Steering Group, Coca-Cola Enterprises

**+372**

new brands and packages since 2008.

### OUR PRODUCT PORTFOLIO STRATEGY

Our Product Portfolio strategy has three priorities:

- Developing our portfolio – introducing new products to offer greater choice, ensuring products of the highest quality, accelerating the growth of no- and low-calorie products, using more natural ingredients where possible and providing package sizes to suit every occasion.
- Providing clear, informative nutritional labeling to educate consumers about the ingredients and calories in our products.
- Ensuring that our products are sold and marketed in a responsible way – engaging, in particular, with parents, nutritionists and educators to ensure the right portfolio of school beverages.

### DEVELOPING OUR PORTFOLIO

At CCE, we manufacture and distribute beverages owned by other companies. To ensure a successful portfolio, we select a wide range of products and work with The Coca-Cola Company and our other brand owners to develop and introduce new products to meet consumer trends and expand the choice available. We also aim to distribute all our brands consistently to ensure maximum choice in every outlet.

Our core sparkling brands such as Coca-Cola, Fanta and Sprite represent 56 percent of the products in our portfolio. The rest consists of categories such as waters, sports drinks, and functional and energy drinks. Nearly half (43 percent) of our volume growth over the last two years has come from no- and low-calorie beverages such as Diet Coke, Coca-Cola light, Coke Zero and juices, stills and waters.

Our portfolio continues to develop in line with the objectives set out in our sustainability plan: greater choice and quality, more no- and low-calorie products, new natural ingredients and smaller portion sizes for more of our sparkling soft drinks.

### Choice

We aim to offer a wide choice of products so that people can decide which of our beverages best meet their needs and lifestyles. Through innovation, reformulation, acquisition and new distribution agreements, we have launched more than 372 new brands or new packages (small packs, multipacks and others) since 2008. New additions in 2011 include:

- Fanta Natural, a product free of preservatives and artificial colors and containing only natural flavors – launched in Sweden and Norway.
- Libertus, a sugar-free stimulation drink which is part of our Relentless range of energy drinks in Great Britain.
- Powerade Energy, a new soft drink introduced in Great Britain to energize fast and sustain performance.
- Two new flavors of Capri-Sun – apple in the Netherlands and apple, tea and peach in Belgium.
- Capri Sun H<sub>2</sub>O+, a flavored still spring water drink in two flavors, blackcurrant and apple, in re-sealable pouches in Great Britain.

In 2012, we'll continue to develop the portfolio with particular emphasis on juices and still drinks. Plans for the coming year include:

- Introducing 100 percent juice under the Ocean Spray brand in Great Britain.
- Increasing our production of Appletiser, a 100 percent sparkling fruit juice, and making it available in PET bottles.
- Expanding the distribution of Capri H<sub>2</sub>O+; introducing red fruit Capri-Sun in Belgium and the Netherlands, and a Capri Sun tea and red fruits in France.

### Quality

We're proud of the standards to which we manufacture our products and want to ensure that consumers trust our products and are satisfied with the quality we offer. Notably, 16 out of 17 production facilities have quality standard ISO 9001 and our consumer response centers in every country constantly monitor

the feedback we receive. Of the 108,403 consumer contacts we received in 2011, 16 percent related to the quality of our products. This represents 1.32 product quality complaints per million units sold.

### No- and low-calorie beverages

No- and low-calorie products make up 30 percent of the drinks we sell by volume and 32 percent by numbers of brands in our portfolio. We continue to raise these percentages by introducing reformulated versions of our popular drinks, including the addition of new, low-calorie sweeteners from natural sources, by expanding sales of our existing low-calorie products, and by ensuring that no- and low-calorie products are consistently distributed alongside our regular soft drinks.

This year we introduced the no-calorie fitness drink, Powerade Zero, in France after its successful launch in Great Britain in 2010. We'll also be introducing the first zero-calorie Monster energy drink in 2012. Also in 2011, the European Union approved the use of the naturally sourced, zero-calorie sweetener, stevia. This new sweetener offers exciting possibilities and we'll be introducing more drinks reformulated with stevia as a

way of expanding our no- and low-calorie products. New, lower-calorie, stevia-based products in 2012 will include Sprite and Nestea.

### Ingredients

Since 2008, we've increased the number of drinks with added vitamins, minerals or other nutrients along with drinks such as Ocean Spray which consumers value as part of their healthy lifestyle. In some cases, by removing ingredients such as caffeine, we've created new products with further benefits to some of our consumers. After its launch in France in 2010, Caffeine Free Coke Zero was rolled out in Belgium in 2011.

We're also increasing our use of natural ingredients. GLACÉAU vitaminwater™ – naturally flavored and free of artificial colors – has now been introduced in all our markets except Norway and we're working with our brand owners to reformulate other beverages to meet consumer needs. One example is the newly-launched Fanta Natural (see page 27). We're also expanding our range of juices and juice drinks such as Ocean Spray and Minute Maid in Great Britain and France.

**30%**  
of our portfolio, by volume, are no- and low-calorie products.

### SPRITE WITH STEVIA IN FRANCE

**In 2012, as a result of the approval of stevia by the European Union, we will launch a reformulated Sprite with stevia in France. This will lower the calories of the product from 33 to 27.7 calories per 100ml, meaning that the drink will have 30 percent less sugar than most other soft drinks containing sugar in France. This reformulated product will be available instead of, rather than in addition to, regular Sprite in France.**



**ASPARTAME**

Aspartame is a low-calorie sweetener that is 180 to 200 times sweeter than sugar. It is used, together with many other sweetener options, to sweeten many of the beverages offered by the Coca-Cola system around the world. In use for more than 25 years,

aspartame is one of the most thoroughly researched food ingredients, with more than 200 studies supporting its safety. It is used in more than 100 countries and in over 6,000 food and beverage products around the world, from chewing gum and

gelatins to yogurts. The European Food Safety Authority (EFSA) reconfirmed the safety of aspartame in 2011, reassuring its consumption as an authorized sweetener throughout the European Union.

**Smaller portion sizes**

Another way we provide choice and help consumers to manage their calorie intake is to offer more of our sparkling drinks in smaller packages. Around 19 percent of our products are now available in units of less than 250ml – our 150ml cans, for example – and we're looking to increase this figure. In 2012, we will introduce 'pocket-sized' 375ml

Coca-Cola, Diet Coke and Coke Zero bottles to be sold alongside our 500ml bottles.

We've also limited our cup sizes for fountain beverages in France and Belgium, where we no longer sell branded cups larger than 500ml in restaurant chains, leisure parks and most cinemas. Similar proposals are under discussion in Great Britain.

**Nutritional labeling**

To make the right personal choices, consumers need to know what their food and drinks contain and how this information relates to a balanced diet. Our 'Guideline Daily Amount' (GDA) labeling now covers 97 percent by volume of all the drinks we sell (excluding waters which do not require GDA labeling). This compares with 85 percent in 2007.



FIGURE 15 — OUR PRODUCT PORTFOLIO AS SOLD BY VOLUME



FIGURE 16 — SOME OF OUR MOST COMMON COCA-COLA PACKAGING SIZES

We continue to develop our packaging sizes to make sure we offer a wide range of options to suit any occasion.



Our pack labels also include extra information on ingredients and nutrition. Our energy drinks, for example, are labeled for caffeine content. Where our products contribute to the recommended targets for fruit and vegetable consumption (the Capri-Sun 100 percent juice range, for example), this information is highlighted on the pack and on the brand website.

**RESPONSIBLE SALES AND MARKETING**

In line with The Coca-Cola Company's Global Responsible Marketing Policy, we do not market any of our products directly to children under the age of 12. We also respect the need for school classrooms to be free from commercial influences. Working with the Union of European Soft Drinks Associations (UNESDA), CCE has helped to develop a set of industry commitments that define beverage sales in schools throughout our territories. We have also signed the UNESDA initiative to ensure that energy drinks are not marketed to under-16s. Depending on local concerns and legislation, each country in which we operate has different policies on the distribution of our products in schools. We adhere strictly to national requirements and independent monitoring has shown high levels of compliance across the industry. During 2011, sales of our products in schools represented less than one percent of our total sales volume.

CCE fully supports efforts to provide consumers with more information about our products. The new European Union nutritional labeling directive was introduced at the end of 2011 and requires nutritional labeling information per serving and GDA. We intend to be fully compliant by the 2014 deadline.

**FANTA NATURAL**

In 2011, we launched Fanta Natural in Sweden. The drink is free of preservatives and artificial colors, and contains only natural flavors. To achieve this our Stockholm plant uses pasteurization techniques, heating the product to 85 degrees celsius for 30 seconds, then rapidly cooling it. This process means the product's shelf-life remains the

same, but without the need for preservatives. This is the first time we have used this technique on such a large scale at CCE.



**DELIVER/INSPIRE SPOTLIGHT**

**Veronique Surget**  
Director, Portfolio Development, Issy-les-Moulineaux, France

**Delivering:** At the start of 2012, I took on a newly created role at CCE as the Director for Portfolio Development, focusing on our sparkling products. I'll be working closely with teams around CCE and The Coca-Cola Company to accelerate our Product Portfolio strategy.

**Inspiring:** I'll look at how we can use new ingredients like stevia to expand our low-calorie products and how we can ensure our packages stand out on the shelf by making them more informative for consumers

– showing how they can recycle their bottles, for example. I'll also be looking at developing new, smaller-size packages to provide choice and working with The Coca-Cola Company to communicate these improvements to consumers.



**Did you know...?**

At the London 1948 Olympic Games, we offered only one drink in one size – Coca-Cola. During the London 2012 Games, we will offer the widest range of drinks we have ever offered at an Olympic and Paralympic Games. We expect that 75 percent of the drinks we sell during the Games (by volume) will be no- and low-calorie products, water, juice or smoothies.



## CRS in Action week

As part of CCE's global week of Corporate Responsibility and Sustainability activities, CCE employees in Atlanta volunteered at a local elementary school to beautify an outdoor courtyard for students to enjoy.



# Delivering Community

### OUR COMMITMENT

We will make a positive difference in our communities, work with local partners and support the active involvement of our employees.

### INTRODUCTION

Coca-Cola is a local product, made by local people, and over the years our individual manufacturing sites have built strong relationships with surrounding communities. We value these links and aim to make a positive difference in the community wherever we manufacture and sell our products. This means being a good corporate citizen, engaging with local partners, developing programs that address the community's needs and encouraging our employees to be actively involved.



1. We use the London Benchmarking Group reporting model to calculate our contributions to the community. The LBG model provides a standardized way of managing and measuring a company's community involvement.

### Q/ "How will CCE go beyond reducing negative impacts to make a positive impact?"

Veronique Graham  
Business and Society, Brussels

A/ "CCE has a strong heritage as a local bottler in the communities where we operate. Each of our sites supports a range of local activities, and we also have a range of national community partnerships. We aim to see further partnerships aligned with our CRS focus areas and to increase our employee volunteering in order to meet our one percent pre-tax profit investment target."

Arnaud Rolland  
CRS Manager, France, Coca-Cola Enterprises



www.cokecce.com

### OUR ECONOMIC IMPACT

Our business makes a significant economic contribution to the countries where we operate. At the end of 2011, we employed around 13,250 people, paid salaries and benefits of \$1.1 billion, and contributed \$1.3 billion in taxes.

### OUR COMMUNITY STRATEGY

By 2014, we aim to invest one percent of our pre-tax profit in the communities where we operate. Our calculation is based on the following types of activities<sup>1</sup>:

- Direct investment in community projects and partnerships aligned with our CRS objectives.
- Time volunteered by our employees.
- Giving in kind.
- Relevant management costs.

### INVESTING IN CHARITABLE AND COMMUNITY CAUSES

In 2011, we invested \$5.7 million, around 0.6 percent of pre-tax profit, to support a range of community initiatives across our territories, focusing on business education, disadvantaged communities, diversity, active healthy living and recycling.

We have a mix of national signature programs (detailed below) and smaller scale community partnerships at each manufacturing site. For example, France's five plants support 20 local projects each year.

#### Great Britain

In Great Britain, our focus has been on education. Initiatives include:

- **Education centers**  
Our four education centers at our East Kilbride, Wakefield, Edmonton and Sidcup plants are visited by over 15,000 secondary school students a year. A fifth center will open at our new recycling facility in Lincolnshire in 2012.
- **The Real Business Challenge**  
This is an enterprise education competition in which secondary

school students work together to develop strategies to respond to business-related challenges such as recycling. Groups are mentored by CCE volunteers and over 45,000 students participated in 2011.

#### • Future Flames

Promoted throughout the UK, Coca-Cola Great Britain's Future Flames initiative offers young people making a real difference in their communities a chance to run with the Olympic Flame in the London 2012 Olympic Torch Relay. At CCE we will offer 60 employees who have made a difference in their community the opportunity to run with the Olympic Flame.

#### France

In France, our focus is on underprivileged young people. The Passport to Employment program brings high school students and recent graduates to CCE's offices and prepares them for the workplace. It has benefited 12,000 people since 2003. Under CCE's public 'Hope for the Suburbs' commitment, CCE volunteers have offered advice and professional networking to help 125 young graduates find a job, and has ensured that 14 percent of CCE's new recruits come from disadvantaged areas.

#### Benelux

We donate the €5 fee paid per person by non-student groups visiting our European Visitors Center in Antwerp to community causes. In 2011, we helped two holiday homes for sick children (Villa Indigo in the Walloon and Brussels region and Villa Pardoes in the Netherlands) and a child's helpline, Kinder-en Jongerentelefoon (KJT), in the Flanders region. In the Netherlands, CCE employees have personally volunteered and have organized events to raise money for Villa Pardoes. In addition, CCE makes numerous contributions to other causes, including the Queen Paola Foundation in Belgium.

#### Norway

In Norway, we seek to improve the local environment and to encourage culture and diversity. We donate money and arrange events and courses for the youth resource centers belonging to the

Red Cross in Oslo. CCE Norway also supports the 14th August Committee that seeks to build bridges between Norwegian society and the Norwegian-Pakistani community.

#### Sweden

In Sweden, we focus on environmental responsibility and the health and education of young people. In 2010, we initiated our 'Clean the Beaches' project with Ståda Sverige (Clean Sweden), an organization working with Swedish sports clubs to promote environmental awareness among young people. During 2011, 115 sport clubs removed over 55 tonnes of litter from 265 beaches, enabling them to contribute to the environment while also raising money to spend on equipment, training camps, tournaments and other running costs.

Every year, in collaboration with the local unemployment agency, we offer 30 long-term unemployed people a two-month internship in our production and distribution department to help them find their way into the workplace.

#### United States

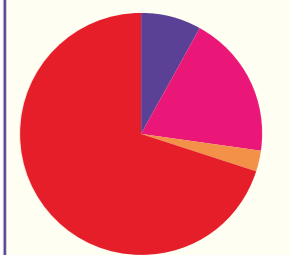
We run a program that matches employees' contributions to charity up to a total of \$10,000 per employee per year, mainly focused on education, arts and culture.

### EMPLOYEE VOLUNTEERING

Employee volunteering is central to our plan to contribute one percent of our pre-tax profit to charitable and community causes. It also helps employees to enhance their own skills and experience. We're developing a formal CCE-wide volunteering policy and encourage informal volunteering as part of existing community initiatives. In 2011, we recorded approximately 14,000 employee volunteering hours and piloted a formal policy in Sweden, under which employees could support two specified local causes during work hours.

FIGURE 17 — CCE 2011 COMMUNITY INVESTMENT CONTRIBUTIONS

In 2011, CCE invested \$5.7 million in the communities in which we operate.



### DELIVER/INSPIRE SPOTLIGHT

#### Caroline Mounter

Professional, Education Center, Sidcup, Great Britain

**Delivering:** Each week I welcome around six groups of students to our education center at Sidcup. I give presentations on topics linked to the national curriculum, talk about career opportunities within CCE and explain how we are reducing our water and energy consumption.

**Inspiring:** I like to highlight the importance of recycling – visitors are always impressed to learn that a PET bottle can be recycled to make a t-shirt! It's

great to get CCE's employees involved too, through Q&A sessions with students and family visits to the center.







## Mission Olympic

In the Netherlands, CCE supports the secondary schools sports competition, "Mission Olympic". In 2011 we started to sponsor the same program in Belgium.

# Delivering Active Healthy Living

### OUR COMMITMENT

We will encourage active healthy living by supporting physical activity and nutrition education programs.

### INTRODUCTION

We promote active healthy living by offering products that help people to manage their calorie intake and energy balance and by encouraging physical activity. We seek to make sport and fitness activities more accessible to more people and to demonstrate their importance as part of a healthy lifestyle.



**Q/ "What is CCE doing to promote healthy and active living, what targets is it setting and how is it measuring against these?"**

**Eric Bouwmeester**  
Founder, HECHT!, Hilversum

**A/ "We want to work with our brands and support local partnerships to make sport and fitness accessible everywhere we operate and to demonstrate their importance in a healthy lifestyle. We have developed an Active Healthy Living steering committee to further develop our strategy and bring our commitment to life."**

**Joe Franses**  
Director, CRS and Chair, Community and Active Healthy Living Steering Group, Coca-Cola Enterprises

### OUR ACTIVE HEALTHY LIVING STRATEGY

Our Active Healthy Living strategy is linked to our Community strategy and focuses on three areas:

- **Local collaboration**  
Encouraging people to adopt active healthy lifestyles by supporting local partnerships and by using our brands to sponsor relevant events and activities.
- **Physical activity**  
Helping people to participate in programs that encourage active healthy living.
- **Nutrition education**  
Working with community partners to highlight the importance of good nutrition, balanced diets and active healthy living.

### ENCOURAGING PHYSICAL ACTIVITY

Some of our brands are aligned with healthy living and sports initiatives. In Great Britain, Powerade will be hydrating all the athletes at the London 2012 Olympic and Paralympic Games. It also supports the Powerade Fives five-a-side football tournament at GOALS Soccer Centers.

Across our territories, we are involved in further active healthy living initiatives:

#### Great Britain

- **StreetGames**  
Launched in 2007, StreetGames helps to make sport accessible to young people in disadvantaged communities. It establishes and supports local projects that bring street-based activities to the heart of the community and encourages young people to get involved.

With a three-year partnership reaching over 110,000 young people, Coca-Cola Great Britain is helping StreetGames to expand its network of projects, create 300 neighborhood festivals and train coaches. Drawing on the excitement of the London 2012 Olympic and Paralympic Games, the partnership will encourage

thousands of young people to be more active. In addition, 46 StreetGames participants have been given the chance to join the Coca-Cola teams working in Venue Operations and Showcasing for the London 2012 Olympic Games.

- **Abbey Well 'Schwim' cap**  
In advance of the London 2012 Olympic and Paralympic Games, Schweppes Abbey Well water, the official water of the London 2012 Games, manufactured at our Morpeth plant, has been offering consumers a free swim on presentation of a 'Schwim' bottle cap from 500ml or 750ml bottles. Since the program began in 2009, 475 swimming pools across the country have provided over 277,500 free swims. The program's popularity increased in 2011 as nearly three times as many 'Schwim caps' were exchanged than in 2010. The program has also supported the training of 120 swimming teachers.

- Other initiatives in Great Britain in 2011 include a family triathlon at our facility in East Kilbride and a long-term partnership with Special Olympics Great Britain, which provides opportunities for learning disabled athletes to take part in year-round sports training and competition.

#### France

The program 'Le Sport Ca Me Dit' ('I Like Sport') is led by Coca-Cola France. Operating in 533 municipalities, the scheme encourages young people to take part in sports and games in the streets, in parks, on the beach and in other urban spaces. Since its creation in 2008, it has involved more than 400,000 young people.

#### Benelux

In Belgium we support the French and Flemish national sports associations, Bloso and Adeps, which train coaches and organize sporting events for their own linguistic communities. We also help to fund the Jeugdportfonds Camille Paulus program which encourages teenagers to take part in organized sport.

#### Norway

In Norway, we encourage active, healthy lifestyles through campaigns and sponsorships backed by CCE sports drinks such as Powerade. The Powerade-sponsored 'Gi Jerne!' ('Never Give Up!') program, for example, challenges people to take part in three specific sports events which demand training and hard work. Help on training and nutrition is provided online, in the press and through the television show, 'Gi Jerne!'.

CCE Norway is also a sponsor of the Norway Cup, one of the world's biggest youth football tournaments with an emphasis on cultural co-existence. The 2011 tournament brought together 1,389 teams from 52 nations.

#### Sweden

In collaboration with Sweden's Stadium Sports Camp and Ungdomens Hus – an organization that helps young people in the Haninge

municipality where our bottling plant is situated – we sponsor eight young people from the local area. They spend a week at Stadium Sports Camp every summer, where they can try different sports.

#### USA

Our US office sponsors a number of sports-related activities in Atlanta, including the Winship 5k run in support of Winship Cancer Institute at the city's Emory University.

#### NUTRITIONAL EDUCATION

Along with encouraging physical activity, we aim to form partnerships with relevant community bodies to promote the importance of good nutrition and active healthy living. We'll continue to develop these partnerships in the coming year.

### DELIVER/INSPIRE SPOTLIGHT

#### Kevin Parke

Director, Indirect Procurement  
Uxbridge, Great Britain

**Delivering:** During CRS in Action Week, I wanted both to raise money for charity and to encourage other CCE employees to get involved, so I ran seven marathons (a total distance of 293 km) at seven locations in each of CCE's territories, from Gent to Atlanta.

**Inspiring:** I was joined by over 100 employees who ran part or all of the routes with me. Several of these participants achieved their personal best time.



### MISSION OLYMPIC

Mission Olympic was started by The Coca-Cola Company and the Dutch Olympic Committee in 2003. It is now the biggest annual school sports competition in the Netherlands. Over 300 schools (almost half the national total) take part and students compete in 20 different sports. Alongside the national program, CCE has also developed 'Mission Olympic The Tour' which brings sports workshops to secondary schools and raises the profile of the program. In 2011, we

also started organizing Mission Olympic in Belgium. During a four-day event in Brussels, more than 11,000 students from 116 secondary schools came together to try out 30 different sports under professional supervision. In May 2012, we aim to engage over 13,000 students in their own schools through workshops focused on two Olympic sports – taekwondo and fencing. We will expand the program and get more young people involved in both countries over the coming years.



78%

CCE's 2011 engagement survey score. In September 2011, 81.5 percent of our employees shared their views on working at CCE. Questions covered diversity and inclusion, leadership, learning and development – and more. Our score held steady from 2009 and the top three drivers for engagement identified by our employees were leadership, learning and development, and CRS.

## Delivering Workplace

### OUR COMMITMENT

We will attract, develop and retain a highly talented and diverse workforce within a safe and healthy workplace, to foster a winning and inclusive culture.

### INTRODUCTION

People make a company successful and sustainable. Attracting, developing and retaining a talented and diverse workforce is a fundamental part of our Corporate Responsibility and Sustainability (CRS) agenda and one of our three strategic business priorities.

### Q/ "Has CCE set targets for employee engagement and how will it meet them?"

Estelle Lauvergne  
Corporate Philanthropy Professional

A/ "In CCE's first global engagement survey in 2009, the company scored above the norm for Fast Moving Consumer Goods companies, and scored at a similar level this year. CRS remains one of the top three drivers of engagement. We aim to reach the norm for Global High Performing companies by working to encourage employee wellbeing and improving learning and development opportunities."

Pam Kimmet  
Senior Vice President, Human Resources, Coca-Cola Enterprises



### OUR WORKPLACE STRATEGY

Within our workplace, we focus our CRS efforts on three priorities:

- Fostering a diverse and inclusive culture.
- Working towards world-class safety status in our manufacturing and sales operations.
- Developing a wellbeing program to encourage our employees to live positively.

### FOSTERING A DIVERSE AND INCLUSIVE CULTURE

CCE welcomes and celebrates diversity. We aim to create a workplace in which people of every background, race, nationality, sexual orientation, disability, religion and gender can feel they belong and can make a contribution. Our efforts to encourage diversity and inclusion focus on four aspects of the business:

- **The workplace environment**  
Ensuring that we treat people well and fairly, that we support diversity and that CCE is an attractive place for all our employees to work.
- **Workplace representation**  
Making sure we recruit and retain a diverse workforce and offer equal opportunities to all.
- **Education**  
Developing our employees, helping them advance their careers and training our managers to take full account of diversity and inclusion.
- **Connection**  
Improving the way we engage and connect with our employees and others outside the business.

Each CCE business unit is required to submit a quarterly update on its activities in each of these four areas.

### The workplace environment

In 2011, we reviewed our corporate Diversity and Equality Policy and will publish a revised version in 2012. Our European Diversity Council and our Business Unit Diversity Councils in Great Britain, France, Belgium, the Netherlands and our Supply Chain help to ensure that diversity and inclusion are integrated throughout the business.

As a signatory to the UN Global Compact, we support internationally recognized human rights within our own workplace and in those of our suppliers. A large percentage of our employees in Europe are covered by collectively bargained labor agreements and we support their right to membership of relevant trade unions. For more than a decade we have worked closely with members of the CCE European Works Council (EWC). In January 2012, we entered into a new agreement with the EWC to comply with the EU Directive on European Works Councils. This ensures that Sweden and Norway are fully represented.

More informally, we encourage the formation of employee associations in the workplace and want to create a women's resource group in each country. In France, together with The Coca-Cola Company, our female employees have formed 'Elles@Coca-Cola' to share ideas and experiences.

Our compensation and benefits strategy seeks to offer competitive rewards and to cater for our employees' diverse needs at work, at home and in retirement. We regularly benchmark our compensation arrangements. Health and welfare benefits and retirement plans vary according to the rules, practices and social security arrangements of the countries in which we operate. Our plans are funded by our general assets, asset-holding trusts and insurance contracts.

In 2011, we reviewed salary structures and job titles across the business to set out clearer career paths, better enable employees to move into roles in different territories and improve transparency in salary levels. In 2011, we've also been investigating the benefits of flexible working for our employees and the organization. In 2012, we plan to launch a series of policies on attendance and flexible home working arrangements.

**Did you know...?**

In 2011, CCE sent a delegation to the Women's Forum for the Economy and Society for the first time, a body that gives women a voice on the major issues facing today's society.

### DIVERSITY RECOGNITION

In 2011 we became the first company in the French food and beverage industry to gain the national 'Label Diversité'. Granted by a committee chaired by the French government, the award recognizes our work in tackling discrimination, promoting equal opportunities and fostering diversity.



FIGURE 18 — OUR WORKPLACE PROFILE

		2010	2011			2010	2011	
Workforce	Total employees	13,500	13,250	Age	Age profile of workforce	<20	1%	1%
	Full-time employees	96%	94%			20-29	19%	19%
	Voluntary turnover	6.5%	5.7%			30-39	34%	33%
Learning and development	Average training days per employee	3	3	40-49	31%	32%		
				50-59	13%	14%		
Gender	Females in workforce	23%	23%	60+	2%	2%		
	Females on Board of Directors	30%	33%	Board of Directors members over 40	100%	100%		
	Females in executive roles <sup>1</sup>	25%	29%	Ethnic diversity	Ethnically diverse members of the Board of Directors <sup>4</sup>	17%	17%	
	Females in management roles <sup>2</sup>	32%	33%					
	Females in non-management roles <sup>3</sup>	21%	22%					

1. Percentage of women on the Executive Leadership Team at CCE.  
2. Percentage of females Grade 101 and above.

3. Percentage of females below Grade 101.  
4. Based on official US definition of diversity.

**DELIVER/INSPIRE SPOTLIGHT**



**Iain McKay**  
Maintenance Coordinator, East Kilbride, Great Britain

**Alan Agnew**  
Delivery Driver, East Kilbride, Great Britain

**Delivering:** In 2011, we identified road safety as a critical issue for both our manufacturing site and our community, so we organized a road safety awareness campaign during CRS in Action Week.

**Inspiring:** We felt the importance of the campaign required an ongoing safety drive within the company. By the end of 2011, we had run five campaigns on different topics such as observation and distraction and shared them with other CCE sites in Great Britain. We plan to create a sixth campaign on fuel efficiency later this year.

**Workplace representation**

One of our top priorities is to achieve greater representation for women, particularly in CCE's leadership and in commercial and operational roles. For every open leadership position at CCE, we aim to have at least one female on the candidate list as well as on the interview panel. Our efforts are showing results: in 2011, 36 percent of our newly hired or promoted employees were women and 23 percent of our total workforce was female.

We continue to develop our recruitment procedures to encourage applications from a wide range of candidates. We advertise specifically to minority groups and, in 2011, we launched a new recruitment campaign, 'Thirst', which illustrates the wide variety of employees currently working and succeeding at CCE. We've also established management guidelines on bringing in a wider cross-section of people for interviews.

In 2009, we launched our University Talent Program (UTP) to recruit and train top graduates and develop a pipeline of future leaders across all our territories. This year, we've expanded the program from the commercial and supply chain fields into Human Resources and IT. Seventeen graduates were recruited in 2011, bringing our total to 50 since launching the program in 2009. Fifty-two percent of all graduates are female.

Our semi-annual Talent Management Review (TMR) process ensures that diverse talent is developed and prepared for leadership positions. Managers

identify talented employees and prepare appropriate development plans to create a strong, diverse pipeline of candidates. Where such a pipeline is lacking, we work to recruit a wider variety of candidates to reflect the communities in which we operate.

**Education**

In our 2009 engagement survey, our employees asked for more learning and development opportunities. In response, we continue to enhance our training programs and to make sure they include diversity and inclusion. In 2011, we invested \$14.8 million in training and resources, delivering an average of three days per employee.

We introduced Individual Development Plans (IDPs) in 2011. CCE leaders work with their employees to create plans for each member of their team, identifying personal development opportunities and further training that supports the direction they wish to take. Every employee is encouraged to create an IDP and 47 percent of employees had a personal plan by November 2011.

In August 2011, we launched the CCE Academy, an online learning curriculum to provide the business skills needed by our employees. Our initial focus has been on the Academy's commercial arm and on building skills such as negotiating, shopper marketing, selling and team development. In 2011, over 1,000 employees undertook nearly 12,000 hours of Academy-related training. In 2012, we'll continue to roll out the commercial curriculum and develop training for other parts of the business.

This year, we are launching our Leadership Development Program which builds skills for leading and managing individuals and teams at every level of the organization to achieve business success. Our 'Leading to Win' program, for employees at the leadership level, includes a section on diversity and inclusion. Almost all our managers have taken the first module and a second module was launched in 2011. We're also training mid-level management about prejudices that may be held unconsciously.

**Connection**

An inclusive workplace depends on free and open communications within the company and with the rest of society.

We're working towards greater flexibility in the way our people work and how we communicate with them. Launched in 2009, our 24-hour HR portal, 'HeRe Online', has become the place for employees to manage their working lives. Employees can view their payslips, enroll for benefits and set their performance objectives online.

We will re-launch the CCE intranet in 2012 with social media tools to allow employees to connect, share ideas and post successes. Employees are encouraged to raise any workplace concerns or issues through a variety of channels – online, by speaking to our team of HR professionals, or through our 24-hour confidential Ethics and Compliance hotline.

**WORKING TOWARDS WORLD-CLASS SAFETY STANDARDS**

We aspire to world-class safety standards and are working towards a consistent approach and level of performance across all our countries.

At the end of 2011, 16 of our 17 production facilities and three regional distribution centers were certified to Occupational Health and Safety management system OHSAS 18001. Our lost-time accident (LTA) rate was 1.24 accidents per 100 full-time-equivalent employees, down from 1.56 in 2010. There were no fatalities.

We have strong safety governance with Business Unit Safety Councils at a national level and health and safety committees at each of our production, sales and distribution sites.

To help towards our goal of zero accidents, we're developing a Europe-wide health and safety training curriculum under which we'll align and consolidate our training activities over time.

While continuing to record our safety performance in terms of lost time accidents (LTAs), we're looking more carefully at other indicators such as incidents requiring a first-aider. We're also focusing on planned safety inspections and safety tours by site management which can potentially reduce the number of accidents. Also important is the systematic investigation of the root causes of accidents. For example, in our manufacturing business these tend to be manual handling, slips, trips and falls and contact with stationary or moving objects.

Our health and safety programs are targeted at these key areas of accidents and we're extending our behavioral-based safety program across territories to address these issues.

We recognise that the safety of our contractors is also important. We are piloting a portal in Belgium to help monitor the experience and qualifications of contractors along with hours worked and numbers on site at any one time.

Away from our sites, we continue to focus on safe driving. Our different countries have various programs in place such as an online assessment of a driver's risk rating and a safety program for drivers of our branded vehicles and company cars. Our strong safety performance has been recognized this year with a number of awards across the business (see page 39).

**EMPLOYEE WELLBEING**

We offer a comprehensive range of benefits to both full and part-time employees across our company. These range from providing gym facilities at head offices to ensuring that each of our employees has access to health provisions through both private and government schemes, depending on geography.

As an employer, we want to help our employees to live healthy, active lives and have developed a company-wide strategy and a three-year action plan to promote a holistic culture of wellbeing at CCE. 2011 was the first year of implementing this strategy and a number of initiatives designed to ensure a healthy, safe and positive working environment were launched:

- A new wellbeing section on our HR portal, 'HeRe! Online', to provide information on healthcare arrangements, local wellbeing initiatives and other health-related topics relevant to employees.
- An expanded flu vaccination program with increased communication.
- A network of wellbeing champions to engage our people in local wellbeing initiatives. Nominations for champions are being invited and the system will be implemented in 2012.

In 2012, we will also implement an Employee Assistance Program, a confidential information service designed to support employees who have work or personal problems such as bereavement, stress or financial concerns. We will also provide a Health Risk Assessment program that will enable employees to receive an analysis of the state of their own health and risks they might be facing.



**47%**  
of our employees had completed Individual Development Plans by November 2011.

**FORKLIFT TRUCK SAFETY PROGRAM, NORWAY**

At our Oslo, Norway site, we have launched a project to make our forklift trucks safer. By installing an Information Management System (IMS) on each truck, we can track its movements. If it experiences a major impact, the truck goes into 'slow mode' and the driver must report the incident to regain normal driving speed. This allows us to provide targeted driver training where necessary. Following a successful trial period, we

have now installed IMSs on 17 of the site's forklift trucks and two shuttle trucks. Employees have demonstrated safer driving behaviors and there have been fewer accidents.



**KELLY FLADGER**

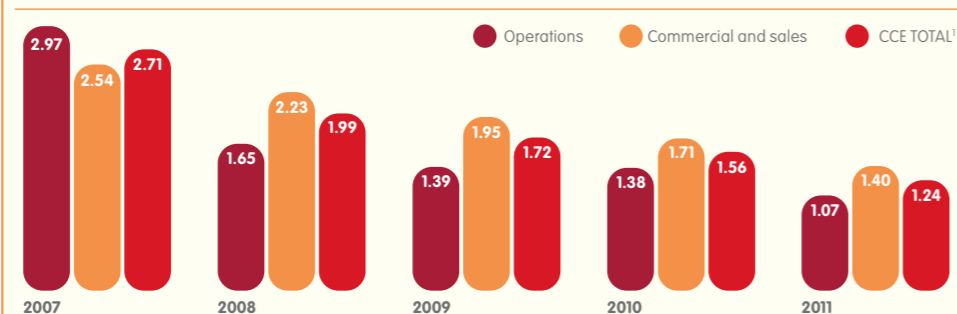
Georgia Multicultural Leadership Award

In November 2011, CCE's Chief Diversity Officer, Kelly Fladger, received a 2011 Georgia Multicultural Leadership Award – a recognition given to individuals who have demonstrated leadership excellence while committing to the highest ethical standards of professional excellence. This award was presented by the National Diversity Council, a non-profit organization that champions diversity as a business imperative.



See more at — [www.nationaldiversitycouncil.org](http://www.nationaldiversitycouncil.org)

**FIGURE 19 — LOST TIME ACCIDENT RATE 2007–2011**  
Number of lost time accidents per 100 full time equivalent employees.






1. Nordics are included from the year 2010 onwards




1. Not including Norway and Sweden.  
Corporate Responsibility & Sustainability Report 2011/2012

# Our targets

## Keeping us on track

We have set 37 stretch targets across our seven commitments. These act as a roadmap to delivering progress against our sustainability plan. We're still working on measuring our progress in a number of these areas and hope to have a full set of indicators by our next report. Unless footnoted these numbers include Norway and Sweden. The baseline year is 2007 unless otherwise stated.

	TARGET	KPIs	BY WHEN	PROGRESS			
				2009	2010	2011	
 Energy and Climate Change	<b>Carbon Footprint</b>	Reduce the carbon footprint of the drink in your hand by a third.	2020	Measurement in progress			
	<b>Carbon Footprint – Core Business</b>	Grow our business, but reduce the absolute carbon footprint of business operations by 15 percent.	2020	854	840	<b>769</b>	
	<b>Manufacturing</b>	Manufacture every liter of product with 50 percent less carbon emissions.	CO <sub>2</sub> e reduction from 2007 baseline (%)	2020	0%	-2%	<b>-10%</b>
			CO <sub>2</sub> e per liter of product manufactured	2020	30.78 <sup>3</sup>	27.76	<b>25.37</b>
	<b>Transportation</b>	Deliver a case of product with 20 percent less carbon emissions.	Energy Use Ratio (KWH/liter)	2020	88.20 <sup>3</sup>	88.37	<b>81.67</b>
			CO <sub>2</sub> e per case of product delivered	2020	Measurement in progress		
	<b>Cold Drinks Equipment</b>	Reduce the carbon emissions from our cold drinks equipment by an average of 35 percent.	Average CO <sub>2</sub> e per unit of equipment	2014	0.91	0.88	<b>0.74</b>
			CO <sub>2</sub> e reduction from 2007 baseline (%)	2014	-4%	-5%	<b>-19%</b>
	<b>Cold Drinks Equipment</b>	Purchase only HFC-free coolers from 1 January 2013.	HFC free coolers purchased (%)	2013	4%	50%	<b>82%</b>
	<b>Alternative Energy</b>	Source 35 percent of manufacturing energy from renewable/low-carbon sources.	Energy sourced from renewable/low-carbon sources (%) <sup>1</sup>	2020	Measurement in progress		
<b>Supplier Collaboration</b>	Work in partnership with our suppliers to reduce carbon emissions across each stage of our value chain.	Number of suppliers completing CCE's carbon challenge	Ongoing	n/a	n/a	129	
 Sustainable Packaging and Recycling	<b>Lightweighting</b>	Reduce by 25 percent the amount of material we use across all packaging formats.	2020	n/a	131	<b>127.5</b>	
	<b>Recycled Material</b>	Include recycled aluminum, steel and glass in respective packaging formats.	Total weight of packaging used (tonnes)	2020	355,626 <sup>3</sup>	363,062	<b>384,521</b>
			Recycled aluminum, steel and glass (%)	Ongoing	n/a	41%	<b>42%</b>
	<b>PET Bottles</b>	Ensure that our PET bottles set the standard for sustainable packaging, using the optimal combination of recycled PET and PET from plant-based materials.	Total recycled materials used (tonnes)	Ongoing	n/a	123,624	<b>130,035</b>
			PET that is rPET <sup>2</sup> (%)	2020	10% <sup>3</sup>	17.9%	<b>22.5%</b>
	<b>Recyclability</b>	Ensure 100 percent of our cans and bottles are fully recyclable.	PET bottles that are PlantBottle <sup>2</sup> (%)	2020	n/a	0.5	<b>25%</b>
			Cans and bottles recyclable (%)	2014	99% <sup>3</sup>	99%	<b>99%</b>
	<b>Manufacturing</b>	Send zero waste to landfill from our own manufacturing sites and reduce the amount of waste we generate.	Total waste produced (metric tonnes)	2014	27,911 <sup>3</sup>	29,810	<b>34,480</b>
			Waste recycled (%)	2014	99.3% <sup>3</sup>	99.5%	<b>99.6%</b>
	<b>Packaging Recycling</b>	Recycle more packaging than we use, by championing improvements to collection schemes and investing in strategic recycling infrastructure projects.	Packaging recycled as percentage of total used	2020	Measurement in progress		
<b>Inspiring Consumers</b>	Increase packaging recovery rates by using our brands to educate and inspire consumers to recycle more often.	Number of consumer opportunities provided to view brand-led recycle/recover messaging	Ongoing	N/A	N/A	<b>4.7 million</b>	
 Water Stewardship	<b>Protect</b>	Protect the future sustainability of the water sources we use.	Ongoing	12% <sup>3</sup>	88%	<b>100%</b>	
	<b>Reduce</b>	Reduce the amount of water we use, aiming to manufacture every liter of product using an average of 1.2 liters of water.	Water use ratio (liters water/liter product)	2020	1.51 <sup>3</sup>	1.48	<b>1.43</b>
			Total water used (million cubic meters)	2020	8.7 <sup>3</sup>	9.52	<b>9.42</b>
	<b>Recycle</b>	Safely return to nature 100 percent of the waste water from our manufacturing operations.	Water returned at standard supporting aquatic life (%)	Ongoing	100% <sup>3</sup>	100%	<b>100%</b>
	<b>Replenish</b>	Return to nature the water used in our beverages, where it is sourced from areas of water stress, by investing in community-based water programs.	Water replenished (% vs liters in our beverages where sourced from areas of water stress)	2020	Measurement in progress		
	<b>Value Chain</b>	Work with partners to find innovative ways to minimize water impacts throughout our value chain.	Number of projects/partnerships established	Ongoing	Work in progress		
<b>Ingredients</b>	Work with our sugar suppliers to ensure that the sugar we use is sustainable.	Sugar sourced from sustainable sources (%)	Ongoing	Work in progress			

	TARGET	KPIs	BY WHEN	PROGRESS				
				2009	2010	2011		
 Product Portfolio	<b>Choice</b>	Develop and market a wide choice of products so people can decide which of our beverages best meets their needs and lifestyles.	Ongoing	Measurement in progress				
	<b>Quality</b>	Ensure that our products meet the highest quality and food safety standards, in line with consumer expectations.	Full sugar brands with a no- or low-calorie alternative (%)	Ongoing	Measurement in progress			
			Facilities accredited to ISO9001 and ISO22000 (%)	Ongoing	75% <sup>3</sup>	94%	<b>94%</b>	
			Number of product quality complaints per million units sold	Ongoing	1.33 <sup>3</sup>	1.39	<b>1.32</b>	
	<b>Low-Calorie Products</b>	Accelerate the growth of no- and low-calorie products.	Products which are no- or low-calorie (<40 calories per 250ml) (%)	Ongoing	34.6% <sup>3</sup>	33.4% <sup>3</sup>	<b>32%</b>	
	<b>Portion Size</b>	Increase the availability of small portion size choices for sparkling soft drinks.	Products in packs that are 250 ml or less (%)	Ongoing	19.8% <sup>3</sup>	20.8% <sup>3</sup>	<b>19%</b>	
	<b>Ingredients</b>	Remove all artificial colors, flavors and preservatives in our products, where possible.	Products without artificial colors, flavors and preservatives (%)	Ongoing	Measurement in progress			
	<b>Nutritional Information</b>	Provide easy-to-understand nutritional and ingredient information so that consumers are able to make informed beverage choices.	Volume with on pack GDA labeling (%)	Ongoing	97 <sup>3</sup>	97 <sup>3</sup>	<b>97</b>	
	<b>Responsible Marketing</b>	Ensure that our products are sold and marketed in a responsible way.	Compliance with responsible marketing, marketing to children, education channel and digital marketing guidelines (%)	Ongoing	Measurement in progress			
	 Community	<b>Social Investment</b>	Invest 1 percent of our annual pre-tax profit to support charitable and community partners and make a positive difference in the communities in which we operate.	2014	N/A	0.5%	<b>0.6%</b>	
<b>Community</b>		Invest in community projects and partnerships where we can make the biggest impact, aligned to our core business and CRS focus areas.	Total value of community contributions (million \$)	Ongoing	N/A	4.3	<b>5.7</b>	
			Number of hours volunteered by CCE employees (hours)	Ongoing	N/A	12,000	<b>14,000</b>	
<b>Employee Volunteering</b>		Support the active involvement of our employees by encouraging them to volunteer.	Investment in Active Healthy Living activities (\$)	Ongoing	N/A	N/A	<b>867,000</b>	
<b>Local Collaboration</b>		Encourage people to lead an active healthy lifestyle by working with our brands and supporting local partnerships.	Numbers of people engaged in Active Healthy Living programs	Ongoing	Measurement in progress			
<b>Physical Activity</b>		Support people to participate in programs which encourage active healthy living.	Investment in nutrition education (\$)	Ongoing	Current focus on providing nutrition and ingredient information on pack. We are looking to take this further in coming years.			
<b>Nutrition Education</b>		Support community partnerships to highlight the importance of good nutrition, balanced diets and active healthy living.	Voluntary turnover rate (%)	Ongoing	N/A	6.5	<b>5.7</b>	
 Workplace		<b>Workplace Diversity</b>	Attract, develop and retain a highly talented, engaged and diverse workforce.	Average training days per employee	Ongoing	N/A	3	<b>3</b>
				Females in workforce (%)	Ongoing	23%	23%	<b>23%</b>
				Females in management roles (%)	Ongoing	N/A	32%	<b>33%</b>
	Employees with individual development plans			Ongoing	N/A	N/A	<b>47%<sup>3</sup></b>	
	Last time accident rate (number of lost time accidents per 100 full time equivalent employees)			2020	1.72 <sup>3</sup>	1.56	<b>1.24</b>	
<b>Workplace Safety</b>	Provide a safe and healthy work environment with a vision of achieving zero accidents, and attaining world class health and safety status.	Number of fatalities	2020	N/A	0	<b>0</b>		
<b>Employee Wellbeing</b>	Provide access to health and wellbeing programs for 100 percent of our employees.	Employees with access to health and wellbeing programs	2014	Measurement in progress				

1. Including grid renewable energy  
 2. Year end figures  
 3. Does not include Norway and Sweden  
 4. Including grid renewable energy



# GRI

The summary table below shows where CCE's information and data corresponding to the Global Reporting Initiative's G3.0 Guidelines can be found. Page numbers refer to pages in this Corporate Responsibility and Sustainability report. Information

disclosed on the Front Cover, Inside Front Cover and the Back Cover is labeled respectively 'FC', 'IFC' and 'BC'. Where information is disclosed in the Annual Report (AR), 10-K and the Proxy Statement, it is also labeled accordingly. For some of the indicators we have

also included information from the Corporate Responsibility section on our corporate website ([www.cokecce.com](http://www.cokecce.com)) and from our sustainability plan website ([www.ccesustainabilityplan.com](http://www.ccesustainabilityplan.com)).

 A full GRI index is available online at — [www.ccesustainability.com](http://www.ccesustainability.com)

## GRI SUMMARY TABLE

Indicator	Location	Indicator	Location	Indicator	Location	Indicator	Location
1.1	2-3	3.11	IFC, 2-3, cokecce.com	Economic management approach	2-3, 4, 9, 10-11, 15-17, 28-29, 32-33, 36-37, AR, 10-K, PROXY	Labor management approach	11, 14, 32-34, 37, 39, PROXY
1.2	2-3, 4-5, 10, 10-K	3.12	38, cokecce.com	EC 1	4-5, 28-29, AR, 10-K	LA 1	4, 33
2.1	FC, AR, PROXY	3.13	IFC, 40-41	EC 2	10-K	LA 2*	33-34
2.2	4, 26, AR	4.1	10-11, PROXY, 10-K	EC 3	33, 10-K	LA 4*	33
2.3	10-11, 10-K	4.2	PROXY	EC 6	7	LA 7*	34-35
2.4	BC, AR	4.3	PROXY	EC 7*	28-29	LA 8	35
2.5	4, AR	4.4	cokecce.com	EC 8	18, 23, 29, 31	LA 10	33-34
2.6	4, 10-K	4.5	10, PROXY	Environment management approach	7, 10-11, 12-15, 16-19, 20-23, AR, PROXY	LA 13	33, PROXY
2.7	4, AR	4.6	PROXY	EN 1	17, 36	Human Rights management approach	7, 9-11, 32-35, AR, PROXY, cokecce.com
2.8	4, AR	4.7	PROXY	EN 2	17, 36	HR 2*	7
2.9	IFC, AR, 10-K	4.8	2-3, 10-11, PROXY, cokecce.com	EN 3	ccesustainabilityplan.com	HR 5	33
2.10	6, 39, cokecce.com	4.9	10-11, PROXY, cokecce.com	EN 4	ccesustainabilityplan.com	Society management approach	7, 10-11, 28-29, 30-31, PROXY
3.1	IFC	4.10	PROXY, cokecce.com	EN 8	20-21, 36	SO 1*	28-31
3.2	IFC	4.11	10, 10-K	EN 12*	22-23	SO 5	7, 19, 23, 27
3.3	IFC	4.12	IFC, 2-3, 38-39	EN 16	14, ccesustainabilityplan.com	Product responsibility management approach	7, 10, 24-27, 36-37, 10-K
3.4	BC, cokecce.com	4.13	6-8, 19, 27, 30-31	EN 17	ccesustainabilityplan.com	PR 1*	11, 24-25
3.5	IFC, 6-7	4.14	2-3, 6-7, 12-13, 18, 20-21, 28-29, 31, 38-39	EN 19	ccesustainabilityplan.com	PR 3	26-27
3.6	IFC	4.15	6	EN 21	22	PR 6	27
3.7	IFC	4.16	6-7, 32	EN 26	12-23		
3.8	IFC, cokecce.com	4.17	IFC, 6, 36-37	EN 27	18-19		
3.9	IFC, cokecce.com						
3.10	IFC						

\* partial compliance

# United Nations Global Compact

CCE is a signatory of the UN Global Compact and has committed to supporting its ten principles in the areas of human rights, labor, environment and anti-corruption. Opposite is an index detailing where you can find our progress against these principles within this report.



Principle	Page
Principle 1: Support and respect protection of internationally proclaimed human rights	7, 11, 33-35
Principle 2: Make sure business is not complicit in human rights abuses	7, 11, 33
Principle 3: Uphold freedom of association and right to collective bargaining	11, 33
Principle 4: Support elimination of all forms of forced and compulsory labor	7, 11, 33
Principle 5: Support effective abolition of child labor	7, 11, 33
Principle 6: Eliminate discrimination in employment and occupation	32-35
Principle 7: Support a precautionary approach to environmental challenges	11, 12-15, 16-19, 20-23
Principle 8: Undertake initiatives to promote greater environmental responsibility	12-15, 16-19, 20-23
Principle 9: Encourage the development and diffusion of environmentally friendly technologies	8-9, 13-15, 17, 22
Principle 10: Work against all forms of corruption, including extortion and bribery	7, 11, 33, 34

## Awards 2011



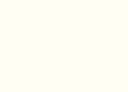
### Edie.net Awards for Environmental Excellence 2011

Waste and Resources Award – for outstanding commitment to reducing waste in packaging and changing consumer behavior when recycling.



### Food and Drink Federation Community Partnership Awards 2011

Awards received for:  
– Education  
– CCE Education Centers  
– Environmental Consumer and President's Award – Festival Recycling.



### Newsweek Green Rankings

CCE was ranked first in the food and beverage category of the 2011 Newsweek Green Rankings, for the third year in a row.



### ROSPA

Food, Drink & Tobacco Manufacturing Industry Sector Award – CCE East Kilbride facility.

President's Award – Coca-Cola Enterprises Ltd – Edmonton, Wakefield and Sidcup facilities.



### Carbon Trust Standard

Carbon Trust Standard Award – for our carbon management and carbon reduction achievements, obtaining the best-ever score out of 675 companies.



### Low Carbon Vehicle Partnership's Low Carbon Champion Awards

Low Carbon Fuel Initiative of the Year – investment in bio-methane trucks.



### Maplecroft Climate Innovation Index, Cycle 3

Maplecroft CII Leaders – CCE ranked #17 and the only company in the Food and Beverage Industry in the top 20.

### Golden Peacock

2011 Global Award for Sustainability – Winner.



### Corporate Register Reporting Awards (CRRA 2012)

Best Overall Report: Winner  
Best Carbon Disclosure: Winner  
Relevance and Materiality: 2nd Runner Up.



### PR News CSR Awards 2011

CSR Professional of the Year – Joint Winner – John Brock, Chairman and CEO, CCE. Corporations with more than 10,000 employees – Joint Winner.



### 2011 European Supply Chain Excellence Awards

Logistics Strategy – Winner – for work to centralize the multi-drop planning operation in Great Britain.  
Customer Service – Highly Commended – for work in delivering top class service metrics for key customers and industry leading supply chain projects.

# CEO Water Mandate

## COMMUNICATION ON PROGRESS-WATER (COP-WATER)

CCE signed the UN Global Compact's CEO Water Mandate (CEOWM) in early 2009. This public-private partnership helps us develop and implement water sustainability policies and practices. Endorsing companies

are required to report progress annually against its six core principles. Our progress detailed in the report is indexed opposite.



Principle	Page
1. Direct operations	21-22
2. Supply chain and watershed	21, 23
3. Collective action	21, 23, 29
4. Community engagement	21, 23, 29
5. Public policy	21, 23
6. Transparency	20-23, 29

# Assurance statement

**SGS United Kingdom Ltd's report on sustainability activities in the Coca-Cola Enterprises, Inc. Corporate Responsibility and Sustainability Report for 2011/2012**

## NATURE AND SCOPE OF THE ASSURANCE/VERIFICATION

SGS United Kingdom Ltd was commissioned by Coca-Cola Enterprises, Inc. (CCE) to conduct an independent assurance of the Corporate Responsibility and Sustainability Report 2011/2012. The scope of assurance, based on the SGS Sustainability Report Assurance methodology, included text and selected 2011 data in accompanying tables of this report as described below.

The information in the Corporate Responsibility and Sustainability Report 2011/2012 of CCE and its presentation are the responsibility of the directors and the management of CCE. SGS United Kingdom Ltd has not been involved in the preparation of any of the material included in the Corporate Responsibility and Sustainability Report 2011/2012. Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of verification set out below with the intention to inform all CCE's stakeholders.

The SGS Group has developed a set of protocols for Assurance of Sustainability Reports based on current best practice guidance provided in the Global Reporting Initiative Sustainability Reporting Guidelines (2006) and AA1000 Assurance Standard (2008). These protocols follow differing options for Assurance depending on the reporting history and capabilities of the Reporting Organization.

This report has been assured as an AA1000AS Type 2 assurance at a moderate level of scrutiny using our protocols for:

- Evaluation of the report content and supporting management systems against the AA1000 Accountability Principles (2008); and
- Evaluation of content veracity and systems for reporting and collation of data at site level through to corporate level.

Alignment with the Global Reporting Initiative Sustainability Reporting Guidelines (2006) was not included in the assurance.

The assurance comprised a combination of pre-assurance research, interviews with relevant employees at the European Headquarters (Uxbridge, UK) and visits to a sample of operational sites (Clamart, France; Lørenskog, Norway). Documentation and records were reviewed and validation was conducted where relevant. Additional interviews and site visits were conducted for verification of greenhouse gas reporting as detailed in our separate verification statement (available on [www.ccesustainabilityplan.com](http://www.ccesustainabilityplan.com)). Financial data drawn directly from independently audited financial accounts has not been checked back to source as part of this assurance process. Financial data drawn directly from independently audited financial accounts has not been checked back to source as part of this assurance process.

## VERIFICATION/ ASSURANCE OPINION

On the basis of the methodology described and the verification work performed, we are satisfied that the information and data contained within the Corporate Responsibility and Sustainability Report 2011/2012 and within the scope verified is accurate, reliable and provides a fair and balanced representation of CCE's sustainability activities in 2011/2012. The assurance team is of the opinion that the Report can be used by the Reporting Organization's stakeholders. We believe that the organization has chosen an appropriate level of assurance for this stage in their reporting.

## AA1000 ACCOUNTABILITY PRINCIPLES (2008) CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

### The Foundation Principle of Inclusivity

The inclusion of all stakeholders is fundamental to the AA1000 standards and an organization needs to demonstrate that it identifies and understands stakeholders, their capacity to engage, and their views and expectations.

- The sustainability plan, which has been implemented this year involved stakeholder engagement from all geographical areas where the company operates in order to set and establish goals and targets for the coming years for a variety of sustainability issues.

- Key stakeholder groups have been involved in setting the future strategy of the organization and these have included groups whose opinions are considered to be in conflict with the organization. The formalizing of the stakeholder mapping and engagement processes is in development and the resulting tool should allow for smaller stakeholder groups having greater input to the organisation and its strategy and reporting.
- Stakeholder engagement has to be a two-way process with the organization receiving feedback from all stakeholder groups and using this information to make decisions at all levels of the organization. To maintain a position as a leader in sustainability issues it is important that Coca-Cola Enterprises seek to do this at every possible opportunity.

## The Principle of Materiality

To make good decisions and actions an organization and its stakeholders need to know the issues that are material to the sustainability performance of the organization. A material issue is an issue that will influence the decisions, actions and performance of an organization or its stakeholders.

- Coca-Cola Enterprises has worked with independent agencies to identify and prioritise material issues and establish in which areas it can lead how these issues are addressed. The development and review of material issues is ongoing which is reflected in the report and future reports should follow through feedback from stakeholder engagement.
- The work done on the sustainability plan involved a detailed analysis of material issues for the organization and based on the work performed with a range of stakeholders the organization has identified areas where it wants to be regarded as a corporate leader.
- A total of thirty-seven (37) material issues have been identified in the sustainability plan, however materiality analyses should be ongoing and the organization should therefore ensure it performs regular re-evaluations to ensure issues that may not be considered currently material are included and addressed if they are considered to be material in the future.

## The Principle of Responsiveness

Responsiveness is how an organization demonstrates that it responds to its stakeholders and is accountable to them.

- At a top-level the organization seeks input from key stakeholders and includes their feedback in the decision making process.
- The report would benefit from linking the content to feedback received from the organization's stakeholders on the previous year's report and the performance information contained within.
- To establish the organization's stated aim of being a leader on sustainability issues and allow stakeholders to form a balanced view of the organization's performance the report it is important that information is included even when it is considered to be negative.

A detailed internal management report with results and recommendations against this standard has been provided to CCE.

Signed:  
For and on behalf of SGS United Kingdom Ltd



**Jan Saunders**  
UK Systems and Services  
Certification Business Manager  
Camberley, May 2012  
[www.sgs.com](http://www.sgs.com)



## STATEMENT OF INDEPENDENCE AND COMPETENCE

The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS United Kingdom Ltd affirm our independence from Coca-Cola Enterprises, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders. The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with IRCA (Certified Sustainability Assurance Practitioner) and IEMA (Environmental Auditor).



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