Coca-Cola HBC AG - Water Security 2020

W0. Introduction

W0.1

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

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

W-FB0.1a

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

Processing/Manufacturing
Distribution

W0.2

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

	Start date	End date
Reporting year	January 1 2019	December 31 2019

W0.3

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

Armenia
Austria
Belarus
Bosnia & Herzegovina
Bulgaria
Croatia
Cyprus
Czechia
Estonia
Greece
Hungary
Ireland
Italy
Latvia
Lithuania
Montenegro
Nigeria
North Macedonia
Poland
Republic of Moldova
Romania
Russian Federation
Serbia
Slovakia
Slovenia
Switzerland
Ukraine
United Kingdom of Great Britain and Northern Ireland

W0.4

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

EUR

W0.5

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

Companies, entities or groups over which operational control is exercised

W0.6

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

No

W1. Current state

W1.1

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

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Vital	Important	Direct use: we use water directly, as water is by far the largest component of our beverages. So access to high-quality water from sustainable sources is core to our long-term viability. In addition, water is very important to all cleaning, washing and sanitizing processes we perform which are an integral production process step during final beverages production. We work to ensure best practice in our water extraction and have made far reaching commitments to reduce, reuse, recycle and replenish the water we use. Indirect Use: Part of our main ingredients are sugar, juice concentrates. They are produced from agricultural goods which depend very much on water availability and Quality therefore we consider also this indirect use. Our strategy includes working with suppliers and other parties to reduce our indirect water use. The Coca-Cola Company sets standards which suppliers must meet in order to gain authorization. We also use WWF Water risk filter for evaluating water risk at suppliers. With our programs to improve water efficiency in operations and sustainable agriculture programs we foresee that we will make further positive changes in reducing usage of water. To address the importance of water, the efficient water management is part of our strategy by 2020 and new strategy 2025 and 2030 that was set and communicated in 2018. In water risks areas, by 2025 we will reduce water usage in our plants by 20% vs 2017 and we have committed to help communities to secure water in water risk areas. As overarching program for managing water efficiencies, risks and opportunities our target is to have all sites certified EWS or AWS by 2020. Currently 38 of our sites have Gold EWS and AWS certification. We consider future dependancy might not significantly change, as we have strong water efficiency and risk mitigation programs at plants and suppliers.
Sufficient amounts of recycled, brackish and/or produced water available for use	Important	Important	Direct Use: it is important for our company to have sufficient amount of recycled, re-usable water available for use. This water is used solely in non-product related processes: CIP (cleaning-in-place), in equipment cooling. Afterwards water is treated and returned safely to the environment. Therefore our water efficiency depends very much on the water reuse and recycling, as such water is utilized for processes of non direct production equipment flushing, cooling . We have a comprehensive strategy which focuses on: Reduce (decrease water usage and water footprint), Reuse (reuse in production processes as much water as we can), Recycle (ensuring 100% of our wastewater is treated), Replenish (replenish 100% of the water we use in our sold beverages); Protect the local watersheds in which we operate; Promote awareness of water issues in our communities. Indirect Use: via ingredients- our main ingredients are sugar, sweeteners, juice concentrates which depend very much on water availability and quality; water that is treated and recycled is important for agriculture and our suppliers in this sector, who need it primarily for the irrigation of the crop fields; potential water shortages caused by no reduction in use, recycling and reuse of water schemes in place could lead to insufficient soil moisture on the fields and no protective measures available in case of droughts, which could severely damage the crops. We estimate that future dependency might change as we would continue to use innovative technologies to increase re-use of recycled water. We will continue to implement programs that increase re-use and recycling of water in our plants and run programs with our suppliers to improve their water use efficiency. Another strategic program that we have is to help the communities to secure the water - as we helped in Nigeria ro secure water for community in Kano area. Specifically, in water risks areas, by 2025 we will reduce water usage in our plants by 20% vs 2017.

W-FB1.1a

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

Agricultural commodities	% of revenue dependent on these agricultural commodities	Produced and/or sourced	Please explain
Sugar	21-40	Sourced	We source crystal sugar or syrup from our suppliers and use this sugar in our beverages as an ingredient. We don't process/manufacture sugar cane or sugar beet, nr corn for that.
Other, please specify (Fruit juice concentrates)	Less than 10%	Sourced	We source fruit juice concentrate from our suppliers and use the concentrate in our beverages as an ingredient. We don't process/manufacture any raw fruit.

W1.2

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

	% of sites/facilities/operations	Please explain
Water withdrawals – total volumes	100%	We monitor water withdrawals in 100% of our sites, using calibrated flowmeters. Monitoring is done continuously, every second. Water withdrawal data from manufacturing plants and Remote Properties are collected, consolidated for the whole company and reviewed on monthly basis . Monthly data and trends are reported to senior management, to track status of water use ratio goals. We use a specialized tool (CR360) for tracking and reporting. Annual water consumption is included in our Integrated Annual Report and GRI COP report (reporting according to GRI Comprehensive reporting standard).
Water withdrawals – volumes by source	100%	We monitor water withdrawals by source in 100% of our sites, using of calibrated flowmeters. It is measured continuously, every second. Water withdrawal per source is reviewed frequently (depending on the needs from daily to monthly), and on the whole company level on annual basis. The information is included in our Integrated Annual Report and GRI and UN COP reports.
Entrained water associated with your metals & mining sector activities - total volumes [only metals and mining sector]	<Not Applicable>	<Not Applicable>
Produced water associated with your oil & gas sector activities - total volumes [only oil and gas sector]	<Not Applicable>	<Not Applicable>
Water withdrawals quality	100%	We monitor quality of all water withdrawals in 100% of our sites. Each measured parameter has defined frequency and approved method, calibrated equipment which is being used. Once per year full analyses including more than 200 organic and inorganic parameters are performed by the accredited lab Fresenius. Basic microbiological and chemical parameters are analysed minimum 1x day, by our internal labs with accredited methods and quality control.
Water discharges – total volumes	100%	We monitor water discharges in 100% of our sites, using of calibrated flowmeters, and it is measured continuously, every second.The quantity of wastewater is consolidated and reviewed on the company level on monthly basis. All figures are part of our Integrated Annual Report and GRI COP report.
Water discharges – volumes by destination	100%	We monitor water discharges by destination in 100% of our sites, with use of calibrated flowmeters, continuously, every second. Quantity of wastewater discharged by destination is consolidated and reviewed on company level on annual basis. Information are part of our Integrated Annual Report and GRI and UN COP reports.
Water discharges – volumes by treatment method	100%	We monitor water discharges by treatment method in 100% of our sites, using calibrated flowmeters, continuously, every second. Quantity of wastewater discharged by treatment method is consolidated and reviewed on the company level on annual basis, on plant level on monthly basis. Information is included in our Integrated Annual Report and GRI, UN COP report.
Water discharge quality – by standard effluent parameters	100%	We monitor water discharges for quality (11 parameters according to our internal standards) in 100% of our sites, and perform all analysis as required per countries' regulations. We always use approved methods, calibrated equipment, frequencies are defined as per legal requirements. We use internal laboratories and external accredited ones to perform the tests. Key parameters, including pH are measured every hour. Those data are consolidated and reviewed by plants (frequency depends on parameter and impact) and on annual basis it is reviewed and reported on the company level. Information is part of our Integrated Annual Report and GRI, UN COP report.
Water discharge quality – temperature	100%	We monitor water discharge quality in 100% of our sites. We use calibrated termometers and temperature indicators (probes) to monitor water discharge temperature. Frequency of monitoring is 1x hour
Water consumption – total volume	100%	We measure water consumption in 100% of our sites, with use of calibrated flowmeters, and it is measured continuously, every second. Water consumption is monitored on monthly and quarterly basis from all production plants and remote properties. collected, consolidated and reviewed on monthly and quarterly basis. Quarterly data and trends are reported to senior management, to track status of water use ratio goals. All figures are part of our Integrated Annual Report and GRI COP report - it is based on GRI Comprehensive reporting.
Water recycled/reused	100%	We measure water recycled and reused in 100% of our sites, with use of calibrated flowmeters, and it is measured continually, every second. Data are collated and reported monthly for all of our sites and we aggregate for the Corporate level as well. Data of quantities of water reused and recycled are reported on annual basis. It is part of GRI comprehensive reporting, UN COP and IAR
The provision of fully-functioning, safely managed WASH services to all workers	100%	In 100% of our sites we monitor (operational functioning check, visual control, flowmeters). Functioning checks and visual control is done minimum 1x hour, flowmeter measure every second. We continually assure provision wash service to our employees. It is a fundamental element of our commitment to the health, safety and wellbeing of our employees. It is also part of the Food safety standard (FSSC 22000) requirements towards which 99.6% of our volume is certified (audits 1x year). Each of our sites is audited in so-called Workplace Accountability Audit and one of the audited area is the availability of WASH services. The functioning of wash services is part of routine GMP controls (check done daily, weekly, monthly).

W1.2b

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

	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Total withdrawals	24068.02	About the same	Even though the production volume increased by approx 2% in 2019 versus 2018 and last year we anticipated higher total withdrawals in 2019, nevertheless because of our strong focus and progress we did in improving water use efficiency (in line with our strategy we have set water savers programs, invested in water efficient equipment) we eventually managed to maintain almost the same quantity of the total water withdrawal in 2019 - 0.02% decrease in 2019 compared to 2018. We anticipate that in the future total water withdrawal volumes may slightly increase (ca 1.5%), because of the projected further production volume increase, but will still be lower than volume growth.
Total discharges	9778.03	Lower	1.2% reduction versus 2018. This is because of our programs to improve water use efficiency. We foresee the future volume of water discharges may remain the same as our product portfolio evolves and we will progress with implementation of programs to more re-use, recycle water.
Total consumption	14289.99	About the same	Despite the 2% increase in production volume, total water consumption in comparison to year 2018 remained about the same as in 2018 - increased only by 0.3% compare to 2018. Such level of change we consider as minimal therefore rate is as about the same. Our total consumption of water is counted exactly by subtracting total discharges from total withdrawals, therefore no differences in the equation C=W-D are observed. We anticipate that in the future total water consumption volumes may slightly increase (ca 1.5%), because of the projected further production volume increase, but will still be lower than volume growth.

W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress and provide the proportion.

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Identification tool	Please explain
Row 1	Yes	11-25	About the same	Other, please specify (WBCSD Global Water Tool)	In 2019 water stress plants were defined based on Water Risk Filter 1.0 Basin risk =>3.0 , Access to water =>4.0, Global Water Tool Renewable water <1000 m3/pers/yr. We put the data for all of our manufacturing sites and we update the information annually. The tool defines the water stress areas as those where for one person per year the water resources are assessed as less than 1000 m3 and we have applied it. For the last 3 years, the manufacturing sites and the water withdrawal that is coming from water-stressed areas (basins) is about 15-16% of the total water withdrawn. According the 3-year cycle to evaluate water stressed areas, next review is planned in 2020. The volume of withdrawals in water stressed areas is about the same as the year before, despite production volume growth because we have very strong water efficiency programs in plants that helps to save water (increase re-use of water eg. last rinse from CIP cleaning could be used in first rinse of next CIP cleaning - this is all non-product water) and increase efficiency of production water use (water leakages prevention, reduce product losses). We foresee that in the future the % of total withdrawals sourced from water stressed areas remains the same.

W-FB1.2e

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

Agricultural commodities	The proportion of this commodity produced in areas with water stress is known	The proportion of this commodity sourced from areas with water stress is known	Please explain
Sugar	Not applicable	Yes	We don't produce, only source the sugar. By using WWF Water Risk Filter, we plot all of our Tier 1 suppliers, including sugar suppliers, per location. We combined 2 of final scores: Final Score Basin related risk and Final Score Company related risk, and the output of the two gave us an indication about the suppliers which operate in high water risk areas. Scoring system is from 1 to 5. Score above 3.8 is considered High risk.Based on Natural Capital Impact Valuation Study, the focus was placed on Direct Materials. We identified 52 high Water Risks suppliers, mainly Sweeteners, Juice producers. We are currently directly working with them to identify in more detail their water related operational risks, we ask mitigation plans and apply the new GRI 303 requirements by end of 2020.
Other commodities from W-FB1.1a, please specify (orange juice concentrate)	Not applicable	Yes	We don't produce, only source the juice concentrates. By using WWF Water Risk Filter, we plot all of our Tier 1 suppliers, including orange suppliers, per location. We combined 2 of final scores: Final Score Basin related risk and Final Score Company related risk, and the output of the two gave us an indication about the suppliers which operate in high water risk areas. Scoring system is from 1 to 5. Score above 3.8 is considered High risk. Based on Natural Capital Impact Valuation Study the focus was placed on Direct Materials. We identified 52 Water Risks suppliers, mainly Sweeteners, Juice producers. We are currently directly working with them to identify in more detail their water related operational risks, we ask mitigation plans and apply the new GRI 303 requirements by end of 2020.

W-FB1.2g

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

Agricultural commodities	% of total agricultural commodity sourced from areas with water stress	Please explain
Sugar	1-10	We don't produce, only source the sugar. By using WWF Water Risk Filter, we plot all of our Group Critical suppliers, including sugar suppliers, per location. We combined 2 of final scores: Final Score Basin related risk and Final Score Company related risk, and the output of the two gave us an indication about the suppliers which operate in high water risk areas. Scoring system is from 1 to 5. Score above 3.8 is considered High risk. Based on WWF we identified 52 Water Risks suppliers, mainly Sweeteners, Juice producers. For all these high risk sites we ask mitigation plans. Our target by 2020 is to certify 90% of key agricultural ingredients against the Coca Cola System's Sustainable Agricultural Guiding Principles, which include: water management, energy management & climate protection, conservation of natural habitats & ecosystems, soil management, crop protection, responsible agrochemical use, biodiversity, harvest & post-harvest handling, reproductive material identity, selection & handling, management systems, transparency, business integrity. By 2025 we plan for 100% of our suppliers to be evaluated in this manner. In 2019 we achieved 74% of the key agricultural ingredients sourced in line with SAGP.
Other sourced commodities from W-FB1.2e, please specify (orange juice concentrate)	1-10	We don't produce, only source the juice concentrates. By using WWF Water Risk Filter, we plot all of our Tier 1 suppliers, including orange suppliers, per location. We combined 2 of final scores: Final Score Basin related risk and Final Score Company related risk, and the output of the two gave us an indication about the suppliers which operate in high water risk areas. Scoring system is from 1 to 5. Score above 3.8 is considered High risk. We identified 52 Water Risks suppliers, mainly Sweeteners, Juice producers. For all these high risk sites we ask mitigation plans. Our target by 2020 is to certify 90% of key agricultural ingredients against the Coca Cola System's Sustainable Agricultural Guiding Principles, which include the following requirements: water management, energy management & climate protection, conservation of natural habitats & ecosystems, soil management, crop protection, responsible agrochemical use, biodiversity, harvest & post-harvest handling, reproductive material identity, selection & handling, management systems, transparency, business integrity. By 2025 we plan for 100% of our suppliers to be evaluated in this manner. In 2019 we achieved 74% of the key agricultural ingredients sourced in line with SAGP.

W1.2h

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

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Relevant	852.77	Higher	We use the fresh surface water in limited amount in our facilities for non-production processes (such as cleaning, flushing of equipment) that's why it is relevant for our company. For 2019 total surface water withdrawal in Ml was higher by 57.2% vs previous year (that's why considered as higher vs 2018), mainly driven by production volume increase and introduction of products that require more strict (aseptic) regime. This increase was partially offset by all water saving initiatives we have in all of our plants and water saving programs implemented. In future we foresee that amount of fresh, surface water used will remain unchanged.
Brackish surface water/Seawater	Not relevant	<Not Applicable>	<Not Applicable>	Brackish surface water, seawater is not relevant for us as we do not withdraw/ consume brackish surface / seawater - this is because of its characteristics which makes it non- suitable for beverage production or use in non-production process (such as cleaning). We do not plan or foresee to withdraw brackish surface water/ seawater in future.
Groundwater – renewable	Relevant	15342.31	Lower	We use renewable groundwater for production of our beverages, that's why it is relevant for us.In 2019 water withdrawal from groundwater (in absolute numbers) vs 2018 was lower (change of 3.6% vs previous year). With the production volume increase of 2% (all plants) higher withdrawal vs 2018 was offset by all water saving initiatives we have in all of our plants and water saving programs implemented. We foresee that in the future the withdrawal of groundwater, renewable might remain about the same(ca 1.5% change), due to future production volume growth, we foresee to keep it lower than volume increase.
Groundwater – non-renewable	Not relevant	<Not Applicable>	<Not Applicable>	We do not use non-renewable groundwater that's why it is not relevant for us. We do not plan or foresee to do it in the future.
Produced/Entrained water	Not relevant	<Not Applicable>	<Not Applicable>	We do not produce/ entrain water and do not plan/foresee to do it in the future.
Third party sources	Relevant	7872.94	Higher	We use water withdrawn from third party sources in production of our beverages, that's why it is relevant. Water withdrawal increased by 2.6% because of production volume increase in 2019 and starting products that require strict regimes (aseptic, high frequency of CIP cleaning), that's why considered as higher vs 2018. This was offset by all water saving initiatives we have in all of our plants and water saving programs implemented. We foresee that amount of water withdrawn from third part sources will remain about the same in the future (ca 1% change).

W1.2i

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

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water	Relevant	5161.03	Lower	As we treat our waste water and afterwards 100% of it fulfils criteria of aquatic life, therefore we discharge it to fresh surface water and it is relevant for us. Overall we discharged 1.7% less than in 2018, despite the production volume increase, so we consider it as lower. We have focused programs to re-use and re-cycle water so this is result of those programs at our plants. We foresee future discharges by destination will be about the same (ca 1% change).
Brackish surface water/seawater	Not relevant	<Not Applicable>	<Not Applicable>	We do not discharge water to brackish Surface water/ seawater, that's why it is not relevant. We do not foresee to do it in future.
Groundwater	Not relevant	<Not Applicable>	<Not Applicable>	We do not discharge water to groundwater, that's why it is not relevant for us. We do not foresee to do it in future.
Third-party destinations	Relevant	4617	About the same	As we treat our waste water to ultimately fulfill criteria to suport acquatic life. In some of locations we discharge it to third party destinations and it is relevant for us. Overall we discharged about the same quantity of water vs 2018 (0.7% less than in 2018) despite the production volume increase because we implement in our plants the projects to increase re-use, re-cycle of water that was withdrawn. We foresee future discharges to third party destinations will be about the same (ca 1% change).

W-FB1.3

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

Agricultural commodities	Water intensity information for this produced commodity is collected/calculated	Water intensity information for this sourced commodity is collected/calculated	Please explain
Sugar	Not applicable	Yes	We don't produce any of the agricultural ingredients. We purchase from our suppliers crystal sugar which is produced by sugar beet or sugar cane through processing. We calculate water footprint from the sugar we use. We consider green, grey and blue water in the calculations - applying green, blue, grey water factors (l water/ kg of ingredient) and multiply by volume of purchased ingredient.
Other commodities from W-FB1.1a, please specify (orange juice concentrate)	Not applicable	Yes	We don't produce any of the agricultural ingredients. We purchase from our suppliers juice concentrate which is produced from fruit through processing. We calculate water footprint from the juice concentrates we use. We consider green, grey and blue water in the calculations - applying green, blue, grey water factors (l water/ kg of ingredient) and multiply by volume of purchased ingredient.

W-FB1.3b

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

Agricultural commodities
Sugar

Water intensity value (m3)
4.96

Numerator: Water aspect
Total water consumption

Denominator
Tons

Comparison with previous reporting year
About the same

Please explain
Figure of intensity is: 4.96 m3 of water consumed per ton of product. This is the value of one of our biggest sugar supplier. The value is about the same vs previous year, agricultural programs are long term programs. We use Sustainable Agriculture Certifications to evaluate suppliers, monitor and engage with them in sustainability programs – Sustainable Agriculture Program Focus on education of suppliers how to reduce water consumption and increase re-use of water in their operations, innovate with suppliers and thus driving positive impact and influencing suppliers' water reduction strategies and water reduction programs. .We anticipate that total water consumption will decrease in future as suppliers progress with implementation of water use efficiency programs (part of our sustainable agriculture strategy and principles that they shall comply with). Our goals is that by 2025 100% of agricultural based ingredients suppliers comply with SAGP.

W1.4

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

W1.4a

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

Row 1

% of suppliers by number
1-25

% of total procurement spend
26-50

Rationale for this coverage
As per our sustainable sourcing strategy we help our suppliers to improve water management. Our direct material suppliers' for Sugar, Juices, Preforms and Closures suppliers where appropriate (Critical Suppliers) gone through water risk assessment using WWF Water Risk Filter to identify suppliers at operational water risk in 2018 . Our rationale is: sugar is water intensive commodity; oranges grow typically in water risk areas. In this way we identify and then through of Sustainable Agriculture Certification promotion we drive suppliers to reduce their water risk, improve water efficiency. We plan to re-evaluate their water related basin and respectively operational risks for Critical Suppliers, and apply the new GRI 303 requirements by end of 2020. In 2019 we run sustainability events in Vienna and Budapest to share with suppliers' information about our Company's sustainability commitments, water programs, water efficiency best practices and initiatives.

Impact of the engagement and measures of success
Some examples with our ingredient's suppliers: Over 80% of sugar which we source is coming from beets and producers are not consuming any water from outside – actually they produce water and use closed loop water systems to cover their water needs (beets consist predominantly out of water and producers are extracting sucrose). Beet sugar needs 50% less water to be produced than cane. We collect the information from our strategic suppliers (Tereos, Suedzucker, Nordzucker & CristalCo) on their water programs, water efficiency to help them to identify areas of improvement and provide our expertise and info of best practices, innovations that they can use to mitigate water risks, improve water efficiency. Measure of success is increase year on year suppliers' compliance to Sustainable Agriculture Guiding Principles (SAGP) and have 100% compliant by 2025- in 2019 achieved 74%, versus 64 % in 2018 (+10%).

Comment
Based on our strategy to source sustainably our programs with suppliers are long term and we have already set the 2025 Strategy that all our our agricultural ingredients suppliers will adhere to Sustainable Agriculture Guiding Principles

W1.4b

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

Type of engagement
Innovation & collaboration

Details of engagement
Encourage/incentivize innovation to reduce water impacts in products and services
Encourage/incentivize suppliers to work collaboratively with other users in their river basins
Other, please specify (Promote Sustainable Agricultural Practices to improve water stewardship)

% of suppliers by number
76-100

% of total procurement spend
76-100

Rationale for the coverage of your engagement
As per our strategy to source sustainably and have 100% of our agricultural origin goods suppliers' compliant to SAGP by 2025, we engage with our suppliers to drive innovations in water management. The rationale is that we want to drive impact on water security, so we focus on innovations and support suppliers to get visibility on new technologies, process that help to reduce water consumption. Especially for Sugar suppliers, the processes is such that sugar production is producing water and not consuming water, securing a positive balance. We organised Sustainability Events, with suppliers such as those in 2019 done in Vienna and Budapest, and motivate innovation and knowledge share amongst other activities, water reduction programs, practices. Through active promotion of Sustainable Agriculture Certification, we help suppliers to understand and embrace the water management basic tools, drive change in mindset and promote necessity to drive water use reduction programs and projects

Impact of the engagement and measures of success
We drive positive impact via our engagement with suppliers and provide insight into innovations in water management, increase their knowledge, expertise and provide possibility to collaborate and have platform to share good practices in water management programs. As an example, we expect all European & Russian suppliers to provide sugar beet base sugar instead of cane, which allows the producers to eliminate the need for external water supply as water comes from the beets during processing and it is re-used in a closed loop approach. We drive positive impact in suppliers' innovations recognising ISO 14001, Rain Forest Alliance, Fair Trade, Bonsucro, Sustainable Agriculture Initiative Platform (SAI Platform), GlobalG.A.P. & GRASP certifications. Based on our strategy to source sustainably our measure of success is to increase year on year suppliers' compliance to SAGP- in 2019 we achieved 74% versus 64% in 2018

Comment
Based on our strategy to source sustainably our programs with suppliers are long term and we have already set the 2025 Strategy that all our our agricultural ingredients suppliers will adhere to Sustainable Agriculture Guiding Principles.

Type of engagement
Onboarding & compliance

Details of engagement
Inclusion of water stewardship and risk management in supplier selection mechanism
Requirement to adhere to our code of conduct regarding water stewardship and management
Other, please specify (Sustainable agriculture (including water management programs))

% of suppliers by number
76-100

% of total procurement spend
76-100

Rationale for the coverage of your engagement
To address water security, we have set our strategy and targets to source sustainably and have 100% of our suppliers compliant to Sustainable Agriculture Guiding Principles by 2025. Our rationale is to cover most of suppliers, to make the bigger impact. SAGP provide guidance of agricultural ingredients in environment: water management, climate, habitats conservation, crop protection, chemical use. All our suppliers shall adhere to Supplier Guiding Principles - comply with applicable water/environmental requirements. We engage with suppliers to assure from the beginning they know expectations related to water management, water use, fertilizers use, pesticides use as part of sustainable agriculture and we select suppliers that will apply those (or have potential to do so), expect tchem to conduct business in ways that preserve water. For suppliers where SAGPs are not relevant, we have introduced Environmental assessments through the Ecovadis Platform, where water practices are included

Impact of the engagement and measures of success
We drive positive impact via our engagement as our suppliers, increase their knowledge, awareness and expertise in water management programs. We maintain transparency throughout our supply base utilizing membership of SEDEX and EcoVadis CSR Platform. Based on our strategy to source sustainably our measure of success is to increase year on year suppliers' compliance to SAGP - in 2019 we achieved 74% - a 10 percentage points increase versus 2018. Based on our strategy to source sustainably our programs with suppliers are long term and we have already set the 2025 Strategy that all of our agricultural ingredients' suppliers will adhere to Sustainable Agriculture Guiding Principles.

Comment
Based on our strategy to source sustainably our programs with suppliers are long term and we have already set the 2025 Strategy that all ouf our agricultural ingredients suppliers will adhere to Sustainable Agriculture Guiding Principles.

W2. Business impacts

W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?
No

W2.2

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

No

W3. Procedures

W-FB3.1

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

In our value chain our direct operations -plants, upstream - agricultural origin ingredients suppliers are most likely to be directly impacted by water pollutants. Within our value chain, across all our operations specific risk assessment (RA) for each chemical substances is done prior to use, and includes evaluation of impact on human health, ecosystems, surrounding environment: potential health chronic, acute effects caused by water pollutants such as nitrogen, phosphorus, COD, BOD, TDS overload introduced to our products or water ecosystems during uncontrolled discharge), ecosystems (were introduction of water pollutants might negatively affect flora and fauna populations' health, cause loss of habitat or biodiversity with e.g. with eutrophication caused by oversaturation of nitrogen and phosphorus released to the water), surrounding environment (e.g. damage to the agricultural fields and soils) biodegradability, accumulation, bio-accumulation. These impacts do not vary across our operations, as we use standard, company approved substances and hence across all our operations mitigation measures and procedures are defined and implemented. We have waste water treatment processes that are designed and set in such way to minimize those impacts (phosphorus, nitrogen, COD, BOD, TDS). The treated effluent is monitored for compliance to regulations and internal requirements, we monitor those parameters at least once per shift. . The plants have effective processes in place that discharge efluent will have the acceptable levels of the pollutants, and parameters that do not pose risk to environment, water fauna and flora and hence to people. The RA includes environmental hazards based on the Material Safety Data Sheet (MSDS) and Hazard Class in accordance with national regulations. Substances which are classified as “Environmental Hazard” by the pertinent regulations or our own risk assessment are considered environmental pollutants and are documented accordingly. The environmental risk caused by the substances are categorized based on legal requirements such as water hazard class (WHC) in the EU. Technical protection measures (storage, sealed floor, secondary containment etc.), handling procedures and labelling are based on this categorization. Employees handling substances which are classified as “Environmental Hazard” are trained adequately and use personal protective equipment when appropriate. Quantities of used substances are strictly registered, monitored and reconciliated to assure robust controls of use and minimise risks. Potential reduction and change to a less hazardous substance (rule of substitutions) are assessed, documented and change always strictly monitored. Our products (beverages) are tested regularly in internal and external laboratories to verify the parameters and characteristics and validate they are safe for consumption. Finally, all our wastewater is treated to support aquatic life before discharged to the environment. We monitor approximately 20 chemical/biological waste water parameters to ensure that wastewater meets legal and internal requirements. Our plants are FSSC 22000, ISO 22000, ISO 14001, ISO 9001 certified and we are using only chemicals which meet food manufacturing requirements. . By 2020 all our plants (at the end of 2019 there were 32plants certified) will be certified according to a water stewardship standard (AWS, EWS). In accordance with this standard, environmental impact of our plant is assessed and continuously improved. In the framework of the Source Water Protection Program, stakeholder (NGO, communities) are contacted to understand their view on potential environmental impact of our operations.

Across value chain, for our suppliers we evaluate and check already at the suppliers' selection stage suppliers water management programs and impacts on environment (water and soil pollutants, water discharges), impact of fertilizers and pesticides usage for environmental and human health impact. This is based on the requirement included in our Supplier Guiding Principles (SGPs) and Sustainable Agriculture Guiding Principles (SAGPs) that all of our suppliers to comply with. Only suppliers that comply with the SAGP and SGPs are awarded contracts. Later on we engage with suppliers to further drive programs that minimise environmental, human health impact - efficient use of fertilizers, pesticides. And yearly monitor and check their compliance to sustainable agriculture through third-party organisations certifications such as Bonsucro, SAI.

W-FB3.1a

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

Potential water pollutant

Fertilizers

Activity/value chain stage

Agriculture – supply chain

Description of water pollutant and potential impacts

Our main ingredients are produced from agricultural goods (sugar we use for beverages is from sugar beet and cane; juice concentrates are from different types of fruit (orange, apple, apricot, peach etc.). Fertilizers used for growing sugar beet, cane and fruit can impact both ecosystems and human health. The scale and magnitude of impact may vary and depends on the local agriculture practices and conditions, it would be evaluated case by case. Potential pollutants from fertilizers impacting water quality include ammonia and nitrates, the chemicals are included in The Coca-Cola Company's Requirements and we conduct assessment for our water sources to identify if potentially nitrate and ammonia from fertilizer could be found in the water sources we would use (because of nitrate polluting groundwaters from surrounding fields) and assess our suppliers for sustainable agriculture practices (use of fertilizers) to minimize impact on ecosystems and human health. Those chemicals could be transferred in the ingredients and in this way could impact the human health. The ecosystems could be impacted by higher ammonia and nitrates levels as their oversaturation causes algal blooms leading to the creation of oxygen-depleted dead zones within an aquatic ecosystem. Those chemicals could also be transferred in the ingredients and in this way could impact the human health, as for example water with high level of nitrates can interfere with the ability of human red blood cells to transport oxygen, which might be especially dangerous for infants. Potentially higher levels of chemical substances from fertilizers transferred from raw materials to our products could decrease quality of our final beverages causing food safety or quality issue and potentially leading to product recall, brand reputation damages, litigation, financial losses). Financial impacts would depend on the brand, product volume, severity of the issue and specific applicable regulations for each case. We measure success by monitoring the quality of ingredients, finished products, measuring adherence of suppliers to Sustainable Agriculture Principles, monitoring of fines, notes of violations related to water, environment pollution and impact and compliance to regulations, lack of incidents identified internally and externally related to contamination of products.

Management procedures

Soil conservation practices

Crop management practices

Sustainable irrigation and drainage management
Fertilizer management
Pesticide management
Waste water management
Product innovation
Follow regulation standards

Please explain

We have set the strategy to source sustainably therefore we have set of management practices and programs with our suppliers that focus on fertilizers use to minimize impact on ecosystems and humans (support suppliers to comply with legal limits). The management practices are implemented for our value chain - both direct operations and suppliers. For suppliers we require the management practices including fertilizers management, product, process innovations , soil conservation, crop management, pesticide management, waste water management, sustainable irrigation and drainage management, strict adherence to regulation standards to be implemented. Those required management practices, compliance to regulations are included Sustainable Agricultural Guiding Principles and we select, assess, monitor and measure suppliers compliance to those requirements. We have set target that 100% of our agricultural ingredients supplier will adhere to those principles by 2025. Our measure of success is increase ratio of suppliers complying to SAGP, year on year - in 2019 achieved: 74% , compared to 64% in 2018. For our operations we have set of management practices related to product, process innovation, regulations compliance, fertilizers and pesticides management, they are implemented at all our operations for all our products. Our final beverages comply with all local regulations and standards for Food & Beverage industry and our internal quality standards, which are more stringent than the local regulations. We monitor quality of withdrawn water, ingredients, produced beverages and our wastewater parameters to verify our management practices are effective and efficient and full compliance to the regulatory and our company requirements and lack of incidents identified internally and externally (product recalls, fines) related to contamination of products is our measure of success. In 2019 we did not have any product recalls, fines because of chemical substances. Another measure of success are external audits results (no major gaps identified) for ISO 9001, ISO 14001, FSSC 2200, ISO2200 - 99.6% of our production volume is certified in FSSC 22000, ISO 22000, ISO 14001, ISO 9001, by an independent international organization. All audits in 2019 were successful.

Potential water pollutant

Pesticides and other agrochemical products

Activity/value chain stage

Agriculture – supply chain

Description of water pollutant and potential impacts

Our main ingredients are produced from agricultural goods (sugar we use for beverages is from sugar beet and cane; juice concentrates are from different types of fruit (orange, apple, apricot, peach etc.). Pesticides used during growing sugar beet, cane and fruit can impact both ecosystems and human health. The scale and magnitude of impact may vary and depends on the local agriculture practices and conditions, it would be assessed case by case. Potential pollutants from pesticides impacting water quality include phosphoroorganic and other chemical substances. The chemicals are included in The Coca-Cola Company's Requirements and we conduct assessment for our water sources to identify if potentially pesticides could be found in the water sources we would use and we assess our suppliers for sustainable agriculture practices (use of pesticides) to minimize impact on ecosystems and human health. Potentially higher levels of chemical substances from pesticides transferred from raw materials to our products could decrease quality of our final beverages causing food safety or quality issue and potentially leading to product recall, brand reputation damages, litigation, financial losses). Financial impacts would depend on the brand, product volume, severity of the issue and specific applicable regulations and would be evaluated for each specific case.

Management procedures

Soil conservation practices
Crop management practices
Sustainable irrigation and drainage management
Fertilizer management
Pesticide management
Substitution of pesticides for less toxic or environmentally hazardous alternatives
Waste water management
Follow regulation standards

Please explain

We have set the strategy to source sustainably therefore we have set of management practices and programs with our suppliers that focus on pesticides use to minimize impact on ecosystems and humans (support suppliers to comply with legal limits). The management practices are implemented for our value chain - both direct operations and suppliers. For suppliers we require the management practices including fertilizers management and efficient use, pesticide management and substitution for less toxic, product, process innovations , soil conservation, crop management, waste water management, sustainable irrigation and drainage management, compliance to regulation standards to be implemented. Our required management practices, compliance to regulations are included Sustainable Agricultural Guiding Principles and we select, assess, monitor and measure suppliers compliance to those requirements. We have set target that 100% of our agricultural ingredients supplier will adhere to those principles by 2025. Our measure of success is increase ratio of suppliers complying to SAGP, year on year - in 2019 achieved: 74% , compared to 64% in 2018. For our operations we have set of management practices related to product, process innovation, regulations compliance, pesticides management, they are implemented at all our operations for all our products. Our final beverages comply with all local regulations and standards for Food & Beverage industry and our internal quality standards, which are more stringent than the local regulations. We monitor quality of withdrawn water, ingredients, produced beverages and our wastewater parameters to verify our management practices are effective and efficient and full compliance to the regulatory and our company requirements and lack of incidents identified internally and externally (product recalls, fines) related to contamination of products is our measure of success. In 2019 we did not have any product recalls, fines because of chemical substances. Another measure of success are external audits results (no major gaps identified) for ISO 9001, ISO 14001, FSSC 2200, ISO2200 - 99.6% of our production volume is certified in FSSC 22000, ISO 22000, ISO 14001, ISO 9001, by an independent international organization. All audits in 2019 were successful.

Potential water pollutant

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

Activity/value chain stage

Agriculture – supply chain
Manufacturing – supply chain

Description of water pollutant and potential impacts

As our main ingredients are produced from agricultural ingredients (sugar we use for beverages is from sugar beet and cane; juice concentrates are from different types of fruits (orange, apple, apricot, peach etc.), some of the chemicals could be transferred in the ingredients. Negative impact of aflatoxins could be on humans (as per toxicological studies publicly available) . During manufacturing (for production of juice concentrate for example) and during distribution/transpiration of the ingredients, it is possible to have cross-contamination. The increased levels of chemicals (i.e. aflatoxins from raw materials) could impact the human health, as per toxicological studies, causing food safety issue and leading to product recall, brand reputation damages, litigation, financial losses. The scale and magnitude of impact would vary and depend on local agricultural practices, local crop quality, supplier management practices - it would be evaluated case by case.

Management procedures

Soil conservation practices

Crop management practices
Sustainable irrigation and drainage management
Fertilizer management
Pesticide management
Waste water management
Adapt processing or cooking methods
Change raw material inputs
Product innovation
Follow regulation standards

Please explain

We have set of management practices and programs with our suppliers that focus on sustainable agriculture and good practices to minimize impact of substances such as aflatoxins on humans , support suppliers to comply with legal limits. The management practices are implemented for our value chain - both direct operations and suppliers. For suppliers we require the management practices including soil conservation, crop management, product, process innovations, change varieties of raw materials, fertilizers and pesticides management, waste water management, adaption of process methods, sustainable irrigation and drainage management, compliance to regulation standards to be implemented. The required management practices, compliance to regulations are included Sustainable Agricultural Guiding Principles and we select, assess, monitor and measure suppliers compliance to those requirements. We have set target that 90% of our agricultural ingredients supplier will adhere to those principles by 2020. Our measure of success is increase ratio of suppliers complying to SAGP, year on year - in 2019 achieved: 74% , compare to 64% in 2018. For our operations we have set of management practices related to product, process innovation, regulations compliance, adaptation of processing methods management. They are implemented at all our operations for all our products. Our final beverages comply with all local regulations and standards for Food & Beverage industry and our internal quality standards, which are more stringent than the local regulations. We monitor quality of ingredients, produced beverages and our wastewater parameters to verify our management practices are effective and efficient and full compliance to the regulatory and our company requirements and lack of incidents identified internally and externally (product recalls, fines) related to contamination of products is our measure of success. In 2019 we did not have any product recalls, fines because of chemical substances. Another measure of success are external audits results (no major gaps identified) for ISO 9001, ISO 14001, FSSC 2200, ISO2200 - 99.6% of our production volume is certified in FSSC 22000, ISO 22000, ISO 14001, ISO 9001, by an independent international organization. All audits in 2019 were successful.

W3.3

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

Yes, water-related risks are assessed

W3.3a

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

Direct operations

Coverage

Full

Risk assessment procedure

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

Frequency of assessment

More than once a year

How far into the future are risks considered?

More than 6 years

Type of tools and methods used

Tools on the market
Enterprise Risk Management
International methodologies
Databases

Tools and methods used

WRI Aqueduct
WWF Water Risk Filter
COSO Enterprise Risk Management Framework
ISO 31000 Risk Management Standard
Environmental Impact Assessment
Life Cycle Assessment
IPCC Climate Change Projections
Alliance for Water Stewardship Standard
Regional government databases
Other, please specify (The Coca-Cola Company requirements: Water Resource Sustainability programmes include the Source Water Protection Plan (SWPP) and Source Water Vulnerability Assessment (SVA) which we perform regularly for each plant)

Comment

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

Supply chain

Coverage
Full

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

Frequency of assessment
Annually

How far into the future are risks considered?
3 to 6 years

Type of tools and methods used
Tools on the market
Enterprise Risk Management
International methodologies
Databases

Tools and methods used
Water Footprint Network Assessment tool
WWF Water Risk Filter
COSO Enterprise Risk Management Framework
ISO 31000 Risk Management Standard
Environmental Impact Assessment
Life Cycle Assessment
IPCC Climate Change Projections
Regional government databases

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

Other stages of the value chain

Coverage
Full

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

Frequency of assessment
Annually

How far into the future are risks considered?
3 to 6 years

Type of tools and methods used
Tools on the market
Enterprise Risk Management
Databases

Tools and methods used
WWF Water Risk Filter
ISO 31000 Risk Management Standard
Regional government databases
Other, please specify (ISO 14001)

Comment
We use Enterprise Risk Management (ERM) Framework to assess risks across all value chain of our business. Water-related risks are reviewed and updated annually. We utilise a standardised Enterprise Risk Management framework: the process documents all business related and financial risks against impact, likelihood, vulnerability. Key risks are measured inherently, residually, and by target. The process also documents responsible mitigation plans and accountable managers.

W3.3b

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

	Relevance & inclusion	Please explain
Water availability at a basin/catchment level	Relevant, always included	As water is our key ingredient and used for processes of production (cleaning, cooling) , assessment of water availability at basin, catchment level is very relevant and always included, through AWS scheme that is obligatory program for our plants. We use WBCSD Global Water Tool and WWF and our internal SVA, SWPP (incl. Aqueduct tool) tool to identify areas of water risk. According to WBCSD GWT 1.0 water risk areas are defined as those that provide <1000m3 of water/person/year; Basin risk =>3.0; Access to water =>4.0. We also assess the water risk by the scoring system of the total basin related risks (in many risk dimensions - physical, operational, local or global) and access to drinking water score. Based on that assessment, our plants Schimatari in Greece and in Moscow, Russia would operate in area of water stress. To address those, we have defined and are implementing specific programs to further reduce water usage and also have a company program to donate water to communities. We have strict controls and frequent checks of withdrawn water quality to assure the water quality is appropriate for our production. We re-use and re-cycle water, where relevant and possible in operation (not for direct production). In addition, we have solid water risk programmes: Source Vulnerability Assessment, Source Water Protection Plan and Supplier base assessment related to water stress. Since water is by far the largest component of our beverages, access to high-quality water from sustainable sources is core to our long-term viability. Any quality issue or declining water availability can cause production stoppage and thus lack of product to sale and respectively loss sales volume and NSR. Additionally water is needed from our ingredient suppliers (sugar, juice concentrate).
Water quality at a basin/catchment level	Relevant, always included	As water is our key ingredient and used for processes of production (cleaning, cooling), assessment of its quality at basin, catchment level is very relevant and always included. We use WWCSD and WWF Water Risk Filter tool to identify areas of water risk for our ingredients sourcing evaluation. According to WBCSD GWT 1.0 water risk areas are defined as those that provide <1000m3 of water/person/year; Basin risk =>3.0; Access to water =>4.0. we also assess the water risk by the scoring system of the total basin related risks (in many risk dimensions - physical, operational, local or global) and access to drinking water score. Since water is by far the largest component of our beverages, access to high-quality water from sustainable sources is core to our long-term viability. Any quality issue or declining water availability can cause production stoppage and thus lack of product to sale and respectively loss sales volume and NSR. Additionally water is needed from our ingredient suppliers (sugar, juice concentrate). That's why we have solid water risk programmes: Source Vulnerability Assessment tool, Source Water Protection Plan and Supplier base assessment related to water stress.
Stakeholder conflicts concerning water resources at a basin/catchment level	Relevant, always included	As our strategy is to source responsibly and support communities, the possibility of shareholders conflicts about water at basin, catchment level are relevant and always included. We are committed fully support communities and assure no shareholders conflicts. Therefore for assessment we use our SVA (Source Vulnerability Assessment) and Source Water Protection Plan (SWPP) tool, that includes criterion: Public sector local and regional water resource master planning and long term planning; Local and regional water rights, and water resource/watershed management policy. The potential shareholders conflicts evaluation is included into SWPP scope. Specifically we perform an inventory of relevant stakeholders, assess their interests, identify their membership and geographic scope and evaluate how they can affect the facility's reputation and ability to reliably obtain high quality source water in the necessary quantities. It is important as stakeholders conflict can potentially jeopardize our business as a beverage manufacturer. In case we identify stakeholder conflicts, we would put the specific action plans to address those - manage it using AWS (Alliance for Water Stewardship) - tool to identify and mitigate stakeholders conflicts. We have target to have all our manufcaturing sites certified with Alliance for Water Stewardship (AWS) by 2020. By the end of 2019 we have certified 38 sites in Gold EWS and AWS.
Implications of water on your key commodities/raw materials	Relevant, always included	As our main ingredients (sugar, sweeteners, juices) are coming from agriculture where water is very important, the assessment of implications of water on our ingredients produced from raw materials of agriculture is relevant and we always include it. In our Supply base assessment, made by Central Procurement Department, we have Heat map of water stress risk among all our main Tier 1 suppliers (90% of total spend), done using internal standards - SAGP, SGP and acc to GRI303 and WWF Water Risk Filter- for suppliers' water risk identification. Key focus of our Joint Value Creation programmes with sweeteners' suppliers is sustainable sourcing (including water management) and community impact. In Russia we source all of our sugar needs from locally grown beet. Locally sourcing is also cornerstone of our JVC programme with one of the EU sugar suppliers; in addition we reached 100% local sourcing from suppliers in Switzerland, Hungary, Poland, Serbia, Ukraine, Belarus and Armenia.
Water-related regulatory frameworks	Relevant, always included	Our inherent way to operate and run business and strategy is to be fully compliant to regulations, therefore assessment of water related regulatory framework is relevant and always included. We use our assessment tools: Source Vulnerability Assessment and Source Water Protection Plan that include evaluation of regulatory frameworks water related. As beverage manufacturer, the regulations in each of the countries in which we operate are important - from water source permits and discharge fees to water rights for the water sources. They can influence our business strategy and operating cost. As part of our comprehensive Source Vulnerability Assessment and Source Water Protection Plan we include all possible risks (social, political and policy/regulatory, environmental, physical) to the facilities' water supplies, including water discharges; Factors affecting the price of water (municipal-provided and/or own source) and Stakeholder, community, water provider and government engagement are part of these 2 programmes. We make analyses of all sites water bills every 2 years. Back in 2015 we developed our own methodology for "true cost of water with water stress multiplier" which are used for decisions related to capital investments.
Status of ecosystems and habitats	Relevant, always included	As per our strategy to operate in sustainable manner and reduce impact on habitats, assessment of ecosystems and habitants, is relevant and always included. This is because eco-systems can affect the water recharging areas of all of our plants, especially the ones which bottle mineral water. That's why it is included in our Due diligence procedure and tool before acquisition, purchasing, investment or divestment. Also, we are working towards achieving of Alliance of Water Stewardship certification (AWS), that standard is used as tool to evaluate and assess ecosystems and habitats status: where the Principle 3 includes restoration and preservation of water-cycle related High Conservation Value (HCV) areas. By the end of 2018, 32 o Gold certifications in AWS and EWS and we are committed to certify 100% of our sites in Water Stewardship Standard by 2020. 99,6% of our plants are ISO 14001 certified.
Access to fully-functioning, safely managed WASH services for all employees	Relevant, always included	Access to fully functioning, safely managed WASH services for employees is fundamental prerequisite as per company strategy for employees heath and safety, consumer quality and safety and food production requirements , therefore is relevant and always included. This is assured as the company operating standard and assessed via multiple tools: 1/ External audits acc FSSC Standard. We are beverage manufacturer and beverages as such are considered food. It is also part of FSSC 22000 standard which is mandatory for all our plants. Currently 99.6% is certified. 2/ Part of our internal quality/Health&Safety, HACCP requirements is: to provide adequate numbers, locations and means of hand washing, drying and sanitizing; include adequate supply of hot and cold or temperature controlled water, and soap and or sanitizer; provide an adequate number of toilets with hand washing, drying and or sanitizing facilities.
Other contextual issues, please specify	Relevant, always included	Food security (food defense) is relevant and always included, because it is considered as one of prerequisites for our operation and safety of our consumers and employees. We use internal Incident Management & Crisis Resolution process and tool to assess food security. FSSC (and PAS 96 requirements) serves as tool for evaluation and assessment of the risk related to food defense. This is because we are beverage manufacturer and the beverages are considered food security (that include potential intentional water adulteration) is evaluated. Security programs implemented in all premises address those potential risk. Also where potentially relevant the risks from terrorism and extortion to the water source is included into IMCR (Incident Management and Crisis Resolution)

W3.3c

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

	Relevance & inclusion	Please explain
Customers	Relevant, always included	Our customers are key stakeholders in our supply chain as they deliver our product to consumers, customers are contributors to our sales increase and business performance. Therefore our customers are relevant for us and included in the water related risk assessment. production volume depends on . As the customers value our company for being responsible producers, failure to deal with sustainable water management in water risk areas could lead to damage to our reputation & loss of trust of our customers. Hence, based on our strategy to produce sustainably, our customers are relevant and always included in water-related risk assessments, efforts in water reduction and sustainable water resources management. We use Source Vulnerability Assessment tool and stakeholders mapping in our assessment: Source Water Protection Plan and each of the stakeholders is considered separately and in details. We evaluate how to engage with customers while doing regular visits, by dedicated business developers. We do the customer satisfaction surveys to understand what are customers expectations and whether we meet it. At the countries there are customers events- for example in Italy we do Rimini Event with customers engaging, educating, value creation event
Employees	Relevant, always included	Our strategy and commitment to employees is to create and assure safe work environment, as our employees are among our closest and most important stakeholders and they have substantial influence on water management in our operations, therefore they are relevant and always included in risk assessment, using our tool SVA and SWPP (Source Vulnerability Assessment and Source Water Protection Plan). As water is our main ingredient, employees are fully aware of the importance of sustainable water management. There is a water champion and water team in each of our plants and they actively participate in preparation of our SVA and SWPP (Source Vulnerability Assessment and Source Water Protection Plan). Regular trainings are conducted to the employees in the organization to raise awareness about importance of reducing water consumption, raising sensitivity related to water management and offering employees to be involved and engaged into many projects and programs related to water, that build their capabilities, increase expertise. Also we have many volunteering initiatives related to water in which our employees take part (such as Danube day). We encourage employees to submit ideas related to water saving and we reward them for that. As a prerequisite all facilities provide full access to water to our employees and contractors, visitors.
Investors	Relevant, always included	Investors are interested in our total water stewardship as it is directly linked to our business strategy, long-term growth and company acceptance and its performance. Failure to meet the investors expectations concerning sustainable water management practices and reducing water related risks, as well as securing the continuity of operation and business growth to be implemented within our company could lead to potential losses of investors' interest towards our company that is stock listed. Therefore the investors are relevant and always included in our water related risk assessments. This is managed through our materiality assessment tool and water stewardship is always part of our materiality matrix. The water risk and water stewardship are published in our Integrated Annual Report 2019 and are communicated during the Annual Stakeholders forum that in 2019 was dedicated to Water and held in Athens and Shimatari plant in Greece.
Local communities	Relevant, always included	Our strategy is to be a sustainable company and operate as trusted partner within our communities, therefore local communities are relevant and always included. We operate in 28 countries and local communities are our key partners in water stewardship as our activities can affect significantly the communities therefore we always include communities in risk assessment. using our tool SVA and SWPP (Source Vulnerability Assessment and Source Water Protection Plan).The success of our business depends on the strength and well-being of the communities in which we operate. Having a clear direction and focus for guiding community investment and engagement in our countries of operation enables our communities and our business to grow. Our three priority areas for community programmes are: water stewardship initiatives, achieving a World Without Waste, empowering youth and women. Local communities are part of our stakeholders for water risk assessment (our SVA and SWPP programmes).
NGOs	Relevant, always included	As 2 of the UN's Sustainable Development Goals related to water and sanitation issues, we see that strategic directions of NGOs are very close to our company strategy and therefore NGOs are relevant and always included in the risk assessment. These concerns are also high on the NGOs agendas, especially in Emerging markets. We engage with NGOs via our annual Group Stakeholder Forum, our annual materiality assessment, as well as through ad hoc meetings and joint organization of environmental projects in the countries. We have partnered with more than 230 NGOs in 3 priority areas and one of these areas is water stewardship. NGOs are part of our stakeholders and thereofre are included in our water risk assessment tool SVA and SWPP (Source Vulnerability Assessment and Source Water Protection Plan).
Other water users at a basin/catchment level	Relevant, always included	Our strategy is to be a sustainable company and operate as trusted partner within our communities, so other water users at basin/catchment level are relevant and always included into our risk assessment. Other citizens in the municipalities in which we operate and all other users which are with the same water source as our bottling plant, are part of stakeholders mapping and assessment using our tool SVA and SWPP (Source Vulnerability Assessment and Source Water Protection Plan). The other water users can be potentially significantly affected by our water activities that's why we always include them in the risk assessment. Engagement: undertaken water projects impact water users at basin/catchment level, e.g. in Nigeria we are helping to ensure that one million people have greater access to water and water quality has been improved for approximately 10 million people. We also continued to supply 8,000 litres of water per day by tube wells and solar powered boreholes to displaced people in a settlement close to Maiduguri in the north-east of Nigeria.
Regulators	Relevant, always included	As our strategy is to continually assure full compliance to all applicable regulations and cooperate with regulators on the legally defined frames, therefore regulators are relevant and we always include regulators in the legal and regulatory risk assessment. As beverage manufacturer who operate in 28 countries, regulators are very important stakeholder considered in our Source Vulnerability Assessment (SVA) tool and Source Water Protection Plan (SWPP). Potential taxes, strict permits, increased requirements for quality of raw water and discharged water can significantly affect the long-term business strategy and that's why this stakeholder is part of our SVA and SWPP. In 2019, we invited policy makers to participate in our Stakeholder Forum held in Athens and Shimatari, Greece, where two of our manufacturing plants are in water risk area. During the forum we discussed d three main areas: using water more efficiently in our operations and in the value chain; establishing water stewardship initiatives with local communities (stakeholder partnerships); and helping to educate local households on more efficient use of water.
River basin management authorities	Relevant, always included	As our strategy is to continually assure full compliance to all applicable regulations and cooperate with authorities on the legally defined frames, river basin management authorities are relevant and always included in the risk assessment. We operate our own boreholes in some of our countries and also in other countries the waste water after our own waste water treatment plants is discharged into natural bodies of water. That's why the river basin authorities are important stakeholder. They are included in the stakeholders analysis which is part of our Source Vulnerability Assessment tool and Source Water Protection Plan. We engage with them in accordance with set official processes either in written and where appicable via working meetings that allow us to assure that necessary compliance requirements are undertsood and will be applied by us and also will provide information about our plans that are relevant for the river basin.
Statutory special interest groups at a local level	Relevant, always included	Our strategy is to be a sustainable company and operate as trusted partner within our communities therefore statutory special interest groups at a local level are relevant and we always include them into the risk assessment. Currently we don't have any issues with this group, however they have impact on our business (water supply permits, water discharge permits, increased requirements for quality of the beverages etc.) and that's why they are part of the stakeholders mapping in our SVA (Source Vulnerability Assessment) tool and Source Water Protection Plan. based on that we engage to develop action plan that will be fully complaint to regulation and legal aspects.
Suppliers	Relevant, always included	As per our strategy to source sustainably and because we use ingredients that are produced from goods of agricultural origin, suppliers are relevant and we always include suppliers into our risk assessment. In our total water footprint, the ingredients represent 83% out of the total value chain footprint. In order to minimize the risk of supply interruptions, the main Tier 1 Suppliers are included in our Supply base assessment, made by Central Procurement Department. Tier 1 suppliers are assessed by using WWF Water Risk Filter tool. We use Ecovadis platforms. We partner with our suppliers to provide new technologies for equipment, packaging, cold drink equipment, vending machines and with our logistics providers to minimize our impact and environmental footprint, and improve our performance. We also engage with our suppliers through our joint value creation initiatives, supplier awards and sustainability events, industry associations, workshops on sustainable supply, Annual Stakeholder Forum, materiality survey and CSR platform for ethical and sustainable supply chains.
Water utilities at a local level	Relevant, always included	In some of the countries in which we don't operate our own boreholes, we use the water from utility suppliers, therefore water utilities at local level are relevant and always included . We cooperate with them at local level related to water quality, water discharge etc. They are included in the SVA (Source Vulnerability Assessment) tool and stakeholders mapping in our Source Water Protection Plan. The stable and proper Quality of the water used from third parties is very important for operations continuity. In case water is not of proper Quality we could be at risk that would not be able to use it in production. We collaborate and engage with them in written and through the meetings and reviews in order to minimize risk and impact - in countries where we use municipal water we have very close communication with municipalities to engage them early enough in any specific projects related to water, seasonal or temporary changes in sourcing.
Other stakeholder, please specify	Relevant, always included	The Coca-Cola Company (TCCC) as the owner of the brands which we produce, is among our stakeholders and is relevant and always included into risk assessment. It is included in our stakeholder mapping. We cooperate with TCCC in all programmes related to water sustainability, the risk assessment is shared, and action plans are tracked by them as well.

W3.3d

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

Water related risks are integrated into the enterprise risk assessment and management process. The Board, Operating Committee, and the Group Chief Risk Officer monitor the risks& opportunities to which the Company is exposed. We consider variety of risks and consider potential impact in the short term and long term horizon. Risks are evaluated quantitatively and qualitatively to understand the potential impact on business and based on that taken decisions to implement appropriate measures. Depending on the severity of risk and exposure decisions related to mitigation measures are taken on country, region or company level. Function, project and BU General Managers own the risk&opportunity responses in the field (point of occurrence). Our strategic priorities provide framework to address risks & opportunities faced by the business. Monthly, senior country, business function and major project management review meetings verify the progress of the identified risk exposure and the associated actions. The significant risks from these reviews, together with progress on agreed management actions, are reported quarterly to the Group Chief Risk Officer, and bi-annually to the Regional Directors for critical review. And those reports serve a basis for management decisions. The Group Risk Forum on a bi annual basis evaluates operational responses and macroeconomic/strategic issues for escalation to the Operational Committee and Board Risk Committee. Water stewardship is part of our Risk register and is one of our Top 12 material issues, publicly described in our Integrated Annual Report. Water& climate change could impact our long-term corporate reputation, could reduce profitability & efficiency in the whole value chain: from suppliers of our agricultural ingredients and manufacturing sites which use water for our beverages to communities in which we operate. For all our manufacturing sites and main critical Suppliers we use GWT and WWF Water Risk Filter (and internal tools) to identify the potential risks related to river basins. Every 3 years we use external experts who work with our plants and by using international tools, local databases, our Natural Capital Impact valuation study and other internal tools (such as Source Vulnerability Assessment) , evaluate and propose mitigations for all possible risks related to our Water sources. Using the above listed tools, we identified our operations (biggest plants Shimatari and Moscow) in water risk areas and 52 suppliers of agricultural source ingredients in the water risk areas. We have set mitigation measures and implement it, monitor progress. For all operations we set regular programmes that consists of Source Vulnerability Assessment tool and Source Water Protection Plan which define detailed action plan how to mitigate all identified water risks. The action plans are set and implementation is monitored quarterly and reported to Senior management for all operations. Based on those reviews management takes necessary decisions and stimulates implementation of any other relevant mitigations measures and actions. We have implemented Environmental Management System which includes an annual regulatory review to ensure we are meeting all applicable regulatory requirements – the environment management system is implemented and certified in 99.6% of operations . Water related risks evaluation and management is part of the water stewardship standards (AWS and EWS) which we implement in all our plants. Currently 32 plants are certified, we target to have all plants certified with AWS, EWS by 2020.

W4. Risks and opportunities

W4.1

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

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

W4.1a

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

Water is very important for us as ingredient in our beverages and we use it for processes in our facilities such as cleaning, cooling. Substantive changes in the business can come from water scarcity (physical risk): it could restrict the ability of individual sites to produce product for sales and it would be a direct business interruption. We apply criteria to differentiate impacts, substantial impact both in direct operations and the rest of value chain. Substantial impact would be one of 1-5% of sales volume of the site (COGS). Measure applied is our volume monitoring, and checking the variations. By using Global Water Tool for projection , we identified that our plants (key ones are 1 in Greece and 2 in Russia) would be situated in an area of water stress by 2025. This means that the whole production in that plants could potentially be impacted as water is our main ingredient- it could be 1% of plant volume impact therefore would consider potentially a substantive change. We observe 5-10% increase of our water bills annually. We developed a methodology for "true cost of water" as we saw that the "real" cost we pay is much more than the cost of raw water. Also, to focus on water stress, each "true cost of water" we multiply by the "water stress multiplier" coming from the renewable water supply figure for the respective river basin. All our plants now use this cost of water for investment projects related to water reduction. Supply Chain: Poor weather conditions globally as well as in specific countries (e.g. Brazil, India, Thailand, Germany, France, Russia, Balkans) could create significant volatility in our sugar costs by affecting yields of beet and/or cane crops. 1% increase in cane sugar prices results in approximately €0.4 Mio impact on our sugar costs. In 2018, world sugar market prices went down driven by very good crops in EU, India, Thailand and Brazil supported by good weather. For juices, extreme weather events (drought, floods, typhoons and atypical temperatures) can heavily affect availability resulting in high volatility in raw materials cost. More severe flooding, storms, heat and droughts have reduced orange trees yields in Greece over the last few years. Even the warmer winters are causing problems, by allowing more pests to survive. Warmer springs also make fruit trees flower earlier, increasing the risk of the blossom being damaged by late frosts. Apple growers in China lost a one third of their fruit in 2018 from spring frost. In Europe we had very good crops in apple, sour cherry and peach as a result of favourable weather conditions. As part of our strategy we use management tools to address this potential risk: 1/ Engagement with suppliers to promote best practices and awareness of supplier diversification. 2/ Ingredients' suppliers to adhere to Sustainable Agriculture Guiding Principles (include requirements on Environment and Farm Management Systems) helping to mitigate water risks. Reputation risk: from failure to meet our stakeholders' expectations in making a positive contribution to the sustainability agenda, particularly relating to water stewardship could have a long-term damage to our reputation. This would impact the number of consumers and customers which have positive attitude to our brands and products. We measure this by an index called CORA (Corporate acceptance).

W4.1b

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

	Total number of facilities exposed to water risk	% company-wide facilities this represents	Comment
Row 1	3	1-25	The 3 of our big facilities which potentially could have an impact on our business are in Greece and in Russia. They are the biggest in these 2 countries and that's why the impact of the local business could be potentially substantive. For them, based on GWT and WWF WRF, there is a potential to have a scarcity of renewable annual water supply by 2025.

W4.1c

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

Country/Area & River basin

Greece	Other, please specify (Asopos River)

Number of facilities exposed to water risk
1

% company-wide facilities this represents
1-25

Production value for the metals & mining activities associated with these facilities
<Not Applicable>

% company's annual electricity generation that could be affected by these facilities
<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities
<Not Applicable>

% company's total global revenue that could be affected
Less than 1%

Comment
Facility for us means a manufacturing plant. Our plant in Schimatari (Greece) is among the big ones within Coca-Cola Hellenic, important for Greek business, if there would be disruption in plant operation, the potential implication on COGS would be less than 1%. Based on WBCSD Global Water Tool, Annual Renewable Water Supply per Person in 2025 would be less than 500 m3/year/person which is considered high stress and this could lead to business interruptions (stoppages of the lines, less volume produced and thus sold products, out of stock and other business impact).We implemented management tools to decrease water consumption (we have comprehensive range of efficiency programs at plant to increase recycling of water, improve efficiency of CIP cleaning by re-use of water from final rinse cycle, increase water re-use in non-direct production scope such as cleaning, improve efficiency water re-circulation from backwash of carbon and sand filters, data driven performance (daily water consumption monitoring data review and setting corrective action plans instantly, avoid water leakages- all leakes closed, bottle rinser optimization. We have set the contingency sourcing plan and assigned factories that would produce as back-up in case of production interruptions.

Country/Area & River basin

Russian Federation	Volga

Number of facilities exposed to water risk
2

% company-wide facilities this represents
1-25

Production value for the metals & mining activities associated with these facilities
<Not Applicable>

% company's annual electricity generation that could be affected by these facilities
<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities
<Not Applicable>

% company's total global revenue that could be affected
Less than 1%

Comment
Facility for us means a manufacturing plant. Our 2 plants located in Moscow area in Russia are among the big ones within the country and important for Coca-Cola Hellenic. Based on WBCSD Global Water Tool, those plants would be in future in water stress areas with renewable water scarcity risk, which could potentially lead to production interruptions (stoppages of the lines, less volume of produced and thus sold products, NSR decrease, out of stock and other business impact). If there would be a disruption in plant operation, the potential implication on total COGS would be less than 1%. We implemented management tools to decrease water consumption at the plants: We implemented management tools to decrease water consumption (we have comprehensive range of efficiency programs at plant to increase recycling of water, improve efficiency of CIP cleaning by re-use of water from final rinse cycle, increase water re-use in non-direct production scope such as cleaning, improve efficiency water re-circulation from backwash of carbon and sand filters, data driven performance (daily water consumption monitoring data review and setting corrective action plans instantly, avoid water leakages- all leakes closed, installing "dry" technologies such as dry lubrication instead of water lubrication of equipment, cooling water re-use and cooling tunnels optimization. We have set the contingency sourcing plan and assigned factories that would produce as back-up in case of production interruptions.

W4.2

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

Country/Area & River basin

Greece	Other, please specify (Asopos River)

Type of risk & Primary risk driver

Physical	Increased water stress

Primary potential impact
Reduction or disruption in production capacity

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

Timeframe
4-6 years

Magnitude of potential impact
Medium-high

Likelihood
More likely than not

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
2880000

Potential financial impact figure - minimum (currency)
<Not Applicable>

Potential financial impact figure - maximum (currency)
<Not Applicable>

Explanation of financial impact
Financial impact estimated based on potential impact on country NSR (Net Sales Revenue) and could be close to 2,88 million EUR, in case of inability of the plant to operate in certain weeks of the year.

Primary response to risk
Adopt water efficiency, water reuse, recycling and conservation practices

Description of response
We have solid water reduction programme (opex and capex for water reusing and water reduction initiatives); we set long-term water reduction targets and Schimatari plant year on year would improve their water efficiency. We built our Water saving initiatives which are mandatory for all plants and current implementation ratio of Schimatari plant is 75%. Since 2015 we use the “true cost of water with water stress multiplier” concept which we apply for investment projects. The risk mitigation plans of the site (based on our Source Vulnerability Assessment and Source Water Protection Plan) are monitored quarterly. The site was certified in European Water Stewardship Standard, with Gold. We train employees in water reduction initiatives and we set a special recognition system for ideas related to water saving (our programme Near Loss and local reward programme). We have implemented programs that help to increase recycling of water, improve efficiency of CIP cleaning by re-use of water from final rinse cycle, increase water re-use in non-direct production scope such as cleaning, improve efficiency water re-circulation from backwash of carbon and sand filters, data driven performance (daily water consumption monitoring data review and setting corrective action plans instantly, avoid water leakages- all leakes closed, bottle rinser optimization. In Schimatari we operate our own waste water treatment plant and it is possible in the future to reuse this water for utility purposes and irrigation. We have set the contingency sourcing plan and assigned factories that would produce as back-up in case of production interruptions.

Cost of response
1000000

Explanation of cost of response
Costs are calculated based on CAPEX and non capex improvements (opex). The capex and opex used for a few years in implementing water reusing, water efficiency, water saving and recycling practices. These are part of our obligatory Water savers programs to reduce water consumption and increase water reusing in the manufacturing sites.

Country/Area & River basin

Russian Federation	Volga

Type of risk & Primary risk driver

Physical	Increased water stress

Primary potential impact
Reduction or disruption in production capacity

Company-specific description
Based on the Global Water Tool projections, the area in which our Moscow plant operates would be water stressed. The quality of water might deteriorate and thus potentially might make it difficult to use for production or require additional cleaning processes and technologies to b implemented. This would potentially lead to disruption in production in certain period of the year and business interruptions

Timeframe
4-6 years

Magnitude of potential impact
Medium-high

Likelihood
More likely than not

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure - minimum (currency)
1000000

Potential financial impact figure - maximum (currency)
4000000

Explanation of financial impact
Financial impact estimated based on potential impact on country NSR (Net Sales Revenue), and could be between 1 and 4 M EUR, in case of inability of the plant to operate in certain weeks of the year.

Primary response to risk
Adopt water efficiency, water reuse, recycling and conservation practices

Description of response
We have solid water reduction programme (opex and capex for water reusing and initiatives of water use reduction); we set long-term water reduction targets - currently these targets are realised for 2015- 2020 and already strategy and targets were extended to 2025+. We built our Water saving initiatives which are mandatory for plants and the program runs in Moscow plants, currently the plants implemented approx 70% of all defined progrmas. Since 2015 we use the “true cost of water with water stress multiplier” concept which we apply for investment projects. The risk mitigation plans of the site (based on our Source Vulnerability Assessment and Source Water Protection Plan) are monitored quarterly. We trained employees in water reduction initiatives and we set a special recognition system for ideas related to water saving (our programme Near Loss and local reward programme). Specific investments in water management are considered as well, including new technologies and more water efficient production lines/equipment. There were investments to increase recycling of water, improve efficiency of CIP cleaning by re-use of water from final rinse cycle, increase water re-use in non-direct production scope such as cleaning, improve efficiency water re-circulation from backwash of carbon and sand filters, data driven performance (daily water consumption monitoring data review and setting corrective action plans instantly, avoid water leakages- all leakes closed, installing "dry" technologies such as dry lubrication instead of water lubrication of equipment, cooling water re-use and cooling tunnels optimization, in the plants potentially located in water stress area in Russia. We have also set the contingency sourcing plan and assigned factories that would produce as back-up in case of production interruptions.

Cost of response
500000

Explanation of cost of response
Costs calculated based on capex and opex spend in the 2 plants: includes the capex for water reusing and water minimization initiatives, behaviour based programs in the plants, backwash of sand filters

W4.2a

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

Country/Area & River basin

Greece	Other, please specify (major basins in Greece)

Stage of value chain
Supply chain

Type of risk & Primary risk driver

Physical	Severe weather events

Primary potential impact
Supply chain disruption

Company-specific description
We use agricultural suppliers in Greece (whole country, therefore indicated major river basins in Greece) for our juice concentrate. Potential extreme big droughts and floods could affect the ingredients availability by 30% which would cause supply chain disruption and potentially impact supply chain (company-wide). We run annual supply base assessment (SBA), focusing on water risk management we use WWF Water Risk Filter.

Timeframe
4-6 years

Magnitude of potential impact
Low

Likelihood
About as likely as not

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure - minimum (currency)
500000

Potential financial impact figure - maximum (currency)
1000000

Explanation of financial impact
Costs are calculated based on potential higher cost of the fruit for ingredients due to lower yield and our incremental costs of supplying as a contingency supply (both costs are part of COGS) with high and low impact estimations used. This represents less than 1% of country NSR

Primary response to risk

Supplier engagement	Other, please specify (Engagement with suppliers to promote best practices and increase awareness)

Description of response
We work with all our ingredients' suppliers on the adherence to Sustainable Agriculture Guiding Principles which include clear requirements on Environment and Farm Management Systems helping to mitigate water risks. We have a commitment that by 2025 more than 100% of our main agricultural suppliers will comply with our Sustainable Agriculture Guiding Principles. In 2019, we achieved compliance rate of 74%

Cost of response
1000000

Explanation of cost of response
The costs are estimated based on our cost and long term ingredients price projections - as we support Greek agriculture. The cost is based on the estimated incremental raw material cost from local supplies. We work together with juice suppliers on water management & crop protection systems. We support key Greek orange, apricot & peach suppliers to improve their production capabilities and optimize cost by continuously supporting and focusing on local sourcing vs imports. For agricultural commodities we align with industry to recognize Rain Forrest Alliance, Fair Trade, BonSucro and Sustainable Agriculture Initiative Platform. We performed Sustainability workshop with juice suppliers in Greece.

W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?
Yes, we have identified opportunities, and some/all are being realized

W4.3a

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

Type of opportunity
Efficiency

Primary water-related opportunity
Improved water efficiency in operations

Company-specific description & strategy to realize opportunity
Improving water efficiency is our company strategy- since 2006 we have company-wide water reduction targets. Our current commitment is to reduce water usage ratio (per litre of product) by 2020 vs. 2010 by 30%. To implement this strategy we have our Carbon and Water Corporate team which works with Carbon and Water Champions in each country for development, execution& tracking of water optimization initiatives. We captured opportunities and have built Water Savers, mandatory for all plants (i.e. include reusing of the rinsing water from bottlers' cleaning, CIP water reuse and closed loop circulation, water reuse from sand filters) and specific for each plant. These opportunities are integrated in Business Plan of each country and quarterly the status of the projects is reported to the Management team and Sustainability Steering Committee. To support water efficiency projects , we introduced principle change in our financial project valuation, "Accounting for Sustainability" approach: we introduced "true cost of water with water stress multiplier per river basin" which is used for all capital investment projects for water reduction and it's used for ROI calculation. With this, in 2019 we invested approx €6 million in 60 new water-saving initiatives and saved more than half a million cubic metres of water across all our countries. To capture opportunities from innovative technologies we have set innovation process and a dedicated function that evaluates, proposes innovative technologies for implementation.

Estimated timeframe for realization
4 to 6 years

Magnitude of potential financial impact
Medium

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
150000

Potential financial impact figure – maximum (currency)
200000

Explanation of financial impact
We estimate the financial impact of opportunities realized based on water costs per m3 in the countries (and waste water). In 2019 we invested €6 million in water-saving initiatives, and these saved more than half a million cubic metres of water in the company and the estimated impact figure is calculated based on average est water price in countries of operation that ranges from 0,02 to 12 Eur / m3.

Type of opportunity
Markets

Primary water-related opportunity
Strengthened social license to operate

Company-specific description & strategy to realize opportunity
We, as responsible company, want to make a positive impact and minimize water related risks at our countries of operation. Also the water is at the heart of our beverage company and our primary resource, our strategy is to help and support people and communities in sustainable water management practices. Therefore we implement our Source Water Protection Programme and have committed to certify all of our sites to Alliance for Water Stewardship or EWS standards by 2020. These standards require structure and robust program to capture opportunities and drive excellence at every stage of water management from the protection of water sources, through efficient use of water, to the quality of wastewater released into the environment while requiring engagement with all water users and stakeholders in the community. In 2019 we achieved 38 certifications in EWS and AWS. By 2020 we target to have all of our sites certified AWS or EWS. We also engage into initiatives for communities- in 2019 we secured water for 1 M people in Nigeria.

Estimated timeframe for realization
4 to 6 years

Magnitude of potential financial impact
Medium

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
3500000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact
We estimate the financial impact by estimating potentially higher tax and higher water costs that we would avoid. Up to 10% increase in the overall water spend, would increase our operational costs by 3,5M Euro - the estimated figure is calculated as 10 % of water related costs for whole CCH.

W5. Facility-level water accounting

W5.1

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

Facility reference number
Facility 1

Facility name (optional)
Schimatari plant

Country/Area & River basin

Greece	Other, please specify (Asopos River)

Latitude
38.3182

Longitude
23.5888

Located in area with water stress
Yes

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
779.31

Comparison of total withdrawals with previous reporting year
Higher

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
7.403

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
771.907012

Total water discharges at this facility (megaliters/year)
343.5

Comparison of total discharges with previous reporting year
Lower

Discharges to fresh surface water
343.496

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
0

Total water consumption at this facility (megaliters/year)
435.81

Comparison of total consumption with previous reporting year
Higher

Please explain
Water withdrawals were higher by approx 2% vs. previous year mainly due to producing more beverages - production volume grew by approx 2% vs 2018. The programs to re-use water mitigated this increase. Installation of new equipment contributes to the increase is discharge, as our validation process require very strict and long term evaluation to validate quality criteria for beverages/food. Water consumption (withdrawals- discharges) is higher that in 2018 by approx 6% becasue of programs we implement (re-use, recycle water, optimize CIP)

Facility reference number
Facility 2

Facility name (optional)
Moscow 1 plant

Country/Area & River basin

Russian Federation	Volga

Latitude
55.6263

Longitude
37.3578

Located in area with water stress
Yes

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
879.88

Comparison of total withdrawals with previous reporting year
Higher

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
0

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
879.882

Total water discharges at this facility (megaliters/year)
200.1

Comparison of total discharges with previous reporting year
Lower

Discharges to fresh surface water
0

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
200.098

Total water consumption at this facility (megaliters/year)
679.78

Comparison of total consumption with previous reporting year
Much higher

Please explain
Water withdrawal was higher vs 2018 by approx 6%, while production volume grew by more than 4% vs 2018. Water discharge was much higher than in 2018 (by ca 20%) becasue of further improvements in water efficiency and continue to implemet our water saving programs (reuse, recycling, CIP optimizations, reverse osmosis etc).

Facility reference number
Facility 3

Facility name (optional)
Moscow 2 Plant (Multon)

Country/Area & River basin

Russian Federation	Volga

Latitude
55.7533

Longitude
37.756

Located in area with water stress
Yes

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
1037.67

Comparison of total withdrawals with previous reporting year
Lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
1037.673

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
0

Total water discharges at this facility (megaliters/year)
727.59

Comparison of total discharges with previous reporting year
Much higher

Discharges to fresh surface water
0

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
727.59

Total water consumption at this facility (megaliters/year)
310.08

Comparison of total consumption with previous reporting year
Lower

Please explain
Water withdrawal was lower vs 2018 by ca 8%, production volume was lower by approx 7% vs 2018. Water discharge was higher then in previous year by ca 29 % because of significant progress in implementing our water saving programs (reuse, recycling, CIP optimizations etc) at the same production specificity (juice, aseptic technology) require strict production regime, more water intensive technologies (CIP cleaning frequency). The last risne of CIP is re-used, which helps significantly in water efficient usage.

W5.1a

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

Water withdrawals – total volumes

% verified
76-100

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

Water withdrawals – volume by source

% verified
76-100

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

Water withdrawals – quality

% verified
76-100

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

Water discharges – total volumes

% verified
76-100

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

Water discharges – volume by destination

% verified
76-100

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

Water discharges – volume by treatment method

% verified
76-100

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

Water discharge quality – quality by standard effluent parameters

% verified
76-100

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

Water discharge quality – temperature

% verified
76-100

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

Water consumption – total volume

% verified
76-100

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

Water recycled/reused

% verified
76-100

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

W6. Governance

W6.1

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

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

W6.1a

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

	Scope	Content	Please explain
Row 1	Company-wide	Description of business dependency on water Description of business impact on water Description of water-related performance standards for direct operations Description of water-related standards for procurement Reference to international standards and widely-recognized water initiatives Company water targets and goals Commitment to align with public policy initiatives, such as the SDGs Commitments beyond regulatory compliance Commitment to water-related innovation Commitment to stakeholder awareness and education Commitment to water stewardship and/or collective action Acknowledgement of the human right to water and sanitation Recognition of environmental linkages, for example, due to climate change Other, please specify (Transparent reporting)	Because water is main ingredient we use in our beverages and also used in all sites for processes (cleaning, cooling, flushing) we have set company wide policy for water stewardship and environment. We have the Environment Policy, which is publicly available and covers water as vital for our company. Specifically for water, we have publicly available Water Stewardship Policy. The policies include business impact and dependency on water, include employees, suppliers, communities, partners, customers, stakeholders; our commitment to continuously improve water related performance, manage water aspect utilizing international standards, our commitments beyond regulatory compliance- help the people and communities and using more stringent company standards, aligning with public initiatives, commitment to utilize water related innovations, setting water related targets, goals, minimize environmental impact, evaluate, assess and mitigate potential risk, opportunities, assure external verification and validation of our actions and programs, supporting communities, suppliers, customers in trainings, sharing innovations and address holistically environmental aspects (climate, water, waste etc), lead in water stewardship. In addition, in procurement scope, for all suppliers we have Supplier Guiding Principles and Sustainable Agricultural Guiding Principles that include requirements for water related programs, efficiencies. Sustainability (and as part of it - water) is integrated in our total business strategy. We work for minimizing our impact, including water reduction in our operations and in supply chain. Our integrated approach involves using water more efficiently in our operations and engaging in public-private environmental partnerships to protect watersheds and raise public awareness. Coca-Cola HBC is a founder signatory of the UN Global Compact's CEO Water Mandate. In our Integrated Annual Report and our Sustainability commitments are linked to the UN SDG. coca-cola-hbc-water-stewardship-policy.pdf

W6.2

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

Yes

W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position of individual	Please explain
Board-level committee	To assure that water security management (including water-related risks and opportunities) is given the highest level of senior leaders oversight and is embedded into strategy and mission of our company, it is supervised by Board Social Responsibility Committee. The Board's Social Responsibility Committee is responsible for supervision of development of procedures and systems to ensure the pursuit of the Group's social, climate and water, environmental goals. The Committee establishes principles governing sustainability, climate, water and environmental management, and oversees development of performance management to achieve social and water stewardship and environmental goals. The Board Committee focuses on the implementation of our sustainability strategy: water stewardship, water efficiency improvement in operations, water risk management and communities support in water stressed areas; ensure that sustainability, water objectives are fully integrated in the business strategy; review rate of implementation and progress of sustainability commitments, targets: drive certification of water stewardship in plants, improve water efficiency in operations, reduction of water consumption in water risk areas. In 2019, we have done detailed desktop research, peer comparison internal interviews and review of summarized feedback from our external stakeholders to assess material issues - water remains one of top materiality issues - the process confirmed the relevance of water as materiality issue. The Social Responsibility Committee reviewed the result of material issues evaluation, confirmed its relevance and endorsed stakeholders engagement plan and organization of stakeholders forum dedicated to water risk management that was held in 2019 in Greece.
Board-level committee	To assure that water related issues and its management (including water risks and opportunities) is given the highest level of senior leaders oversight and is embedded into strategy and mission of our company, it is supervised by Operating Committee. The Operating Committee (OPCO), led by the Chief Executive Officer, has responsibility for: the development of long-term strategies (include water impact), setting of annual targets and approval of annual business plans which form the basis of the Company performance management. The Operating Committee on monthly basis reviews performance of the company, including environmental scope, in which water related issues and impact are embedded as well as progress against water related targets. And based on the reviews takes necessary decisions related to water management (decide on the implementation, acceleration of water related programs such as provide water for community in Kano area in Nigeria, investing into water efficient production lines - such as dry aseptic line in one of Italian plants). In 2019 the strategic decisions to by OPCO. OPCO (Operating Committee) endorsed the strategic plan to continue to invest in modern, efficient lines and production equipment that helps to save water - we have invested approx 6M Eur in water efficiency projects in 2019.
Chief Risk Officer (CRO)	To assure that water related issues (including water related risks and opportunities) is given the highest level of leaders oversight, the Chief Risk Officer (CRO) leads the company's risk management program. Program sees water risk management integrated into business routines and risks/opportunities are discussed on a monthly basis by our business unit (BU) leadership teams. These are reviewed by the CRO and his team and reported quarterly to the A&RC (Audit & Risk Committee). The CRO is chairperson of our TCFD Committee (Working Party) and works with our risk sponsors in the BUs to ensure that climate related issues (climate change is directly linked with water security- physical risk in TCFD) are on operational agenda and through our Group Risk Forum on our strategic and long range planning radar. Based on reviews the CRO recommends programs, strategy, procedures relevant to water will be embraced by Board Social Responsibility Committee for pursue in the company and actions, decisions for water related risk and opportunities programs will be reviewed by Operating Committee for implementation. As part of our risk management process, in 2019 quarterly risk assessment results (water security is integral part of the risk assessment scope) were reviewed by the Chief Risk Officer. CRO, reviews the emerging as well as the identified risks and presented it to the Operating Committee and Audit& Risk Committee.

W6.2b

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

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - all meetings	Monitoring implementation and performance Overseeing acquisitions and divestiture Overseeing major capital expenditures Reviewing and guiding annual budgets Reviewing and guiding business plans Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding strategy Reviewing and guiding corporate responsibility strategy Reviewing innovation/R&D priorities Other, please specify (Oversight on risks related to environment, climate, water)	The Social Responsibility Committee is responsible for the development and supervision of procedures and systems to ensure the pursuit of the Group's social and environmental, water related goals. Key elements of the Social Responsibility Committee's role include Establishing the principles governing the Group's policies on social responsibility and water and environment to guide management's decisions and actions; overseeing the development and supervision of procedures and systems to ensure the achievement of the Group's social responsibility and water, environmental goals. Reviews during the year focused on specific operational sustainability key performance indicators (KPIs), with particular emphasis on water- multiple aspects of water management are reviewed - from strategy progress, policy updates, water efficiency strategic programs, water related risk and opportunities updates and actions, water reporting and progress on certifications against water stewardship standards, water related initiatives to communities. It also includes climate change, through improved waste management, energy use from renewable sources as well as packaging recovery and carbon emissions reduction across the value chain (all those aspects are impacting water management too). Based on the reviews outcome Board Committee advocates necessary strategic initiatives and directions for the company- e.g. new 2025 strategy that includes water efficiency improvements in plants located in water risk areas. Operating Committee] Board's Audit and Risk Committee is overseeing all business risks, including Environmental risks: water and climate, environment related risks. Operating Committee (OPCO), led by the Chief Executive Officer, has responsibility for: the development of long-term strategies (includewater impact), setting of annual targets and approval of annual business plans that includes major capital expenditures which form the basis of the Company performance management. The Operating Committee on monthly basis reviews performance of the company, including environmental scope, in which water related issues and impact are embedded. And based on the reviews takes necessary decisions related to water impact (decide on the implementation, acceleration of programs for water efficiency by investing in water saving equipment and new lines, in 2019 major capital investment in dry aseptic line in Italian plant).

W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)
Other C-Suite Officer, please specify (Group Supply Chain Director)

Responsibility
Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues
More frequently than quarterly

Please explain
Group Supply Chain Director is a member of the Company Operating Committee - our organisation's highest executive governing body. Group Supply Chain Director reports directly to Chief Executive Officer of the company, therefore he is C-Suite Officer. Group Supply Chain Director is responsible for the whole supply chain and oversees setting water strategies, targets and goals, execution of water management programs in supply chain, realization of identified water related opportunities, mitigating water risks, assuring CAPEX and OPEX for water related programs, projects, capital investments, driving improvements via water efficiencies programs, innovations in supply chain. He holds monthly reviews and gets monthly reports on company water efficiency performance, water issues management, water improvement plans and projects status. Outcome of those reviews is collated into quarterly reports and available to Operating Committee, for company level water related strategic decisions.

Name of the position(s) and/or committee(s)
Chief Risk Officer (CRO)

Responsibility
Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues
Quarterly

Please explain
The CRO, is the senior leader responsible for the operational implementation and oversight of the risk management programs across the group. Climate and water are one of Coca-Cola HBC's principles risks and included in the Materiality assessment. The CRO and team are responsible for assessing the likelihood of occurrence and the potential consequences to our business, mitigation measures. The CRO reviews on the quarterly basis risk management data (identified potential risks, exposure, mitigation measures, opportunities) across organization. He obtains reports via the Group risk forum and reviewing risk data submitted by the counties, BUs. Subsequently, CRO reports to the OpCo (Operating Committee) and indirectly to the Board of Directors (BoD) via the Audit and Risk Committee who are presented with risk summaries/heat maps depicting risk data in person. Interactive dialogue between the A&RC members & the CRO provide for additional in-depth understanding and visibility of the risks.

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water-related issues	Comment
Row 1	Yes	Sustainability performance is part of incentive plan

W6.4a

(W6.4a) What incentives are provided to C-suite employees or board members for the management of water-related issues (do not include the names of individuals)?

	Role(s) entitled to incentive	Performance indicator	Please explain
Monetary reward	Board/Executive board Chief Executive Officer (CEO) Chief Purchasing Officer (CPO) Other C-suite Officer (Chief Public Affairs and Communications Officer (Director)) Other, please specify (Group Suppy Chain Director (C-Suite Officer), Employees)	Reduction of water withdrawals Reduction in consumption volumes Improvements in efficiency - direct operations Improvements in efficiency - supply chain Improvements in waste water quality - direct operations Supply chain engagement Increased access to workplace WASH Implementation of water-related community project Other, please specify (Cascading True cost of water and Accounting for Sustainability)	As water is substantial for our company (used as ingredient in our beverages and in production processes - cleaning, cooling, flushing), our sustainability strategy and public commitments include water stewardship (certification of all our plants by 2020), reduction of product water intensity through water efficiency improvements in operations and supply chain (suppliers), and improve water efficiency in water risk areas. Based on the strategy for each year specific water related goals and targets are set for company and cascaded to all. The Operating Committee receives quarterly updates on the progress of sustainability water related commitments, goals and targets. Thus Group Supply Chain Director performance is measured against delivery of all water related Sustainability commitments and achieving water related yearly goals, targets in supply chain, based on the performance is incentivized . CPO performance is measured against target related to suppliers compliance to Sustainable Sourcing Principles and based on the performance is incentivized. As our Commitments go beyond efficiency and focus on helping communities to access water in water risk areas, our Public Affairs and Communication Director (Chief Public Affairs and Communication Officer) endorse those commitments and his performance is measured against the sustainability targets, based on performance is incentivised. Employees in plants receive incentives for improving water efficiency and meeting water targets.
Non-monetary reward	Please select	Please select	

W6.5

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

Yes, trade associations

W6.5a

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

Water is a key resource for our beverages production. The industry recognizes the value of water in local societies and the need to use it efficiently and without waste. As part of UNESDA (Union of European Beverages Associations), we are engaged with industry water stewardship, fully in line with our sustainability priorities. As a Group, we adhere to publicly available Water Stewardship Policies across our 28 countries, with regular measurement of how much water is utilized, discharged and consumed across our locations. We have developed a water strategy based on 3 fundamental principles: The water we use: protect the water resources supplying our facilities, reduce the amount of water we use to produce our soft drinks and treat waste water to levels that support aquatic life; Partner with suppliers to minimise water footprint across the entire value chain; Invest in community water conservation projects to replenish the water we use through innovative sustainable technologies. Our Public Affairs and Communication team is involved and engaged in associations and reviews company policy and positions and its adherence to regulations. Based on the reviews, if the identified policy influencing activities are found to be potentially inconsistent with our water commitments and policies, SRC (Social Responsibility Committee), Operating Committee would review the potential water policy, commitments inconsistencies and take appropriate decisions aiming to resolve inconsistencies.

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

Yes (you may attach the report - this is optional)

W7. Business strategy

W7.1

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

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	11-15	Our business objectives address key issues: water availability, water access, water quality. 1) The water we use: protect the water resources supplying our facilities, reduce the amount of water we use to produce beverages, and treat waste water to levels that support aquatic life; 2) Partner with suppliers to minimize water footprint across the entire value chain; 3) Invest in community water conservation projects to replenish the water we use in our beverages. Our strategies cover 11+years horizon, as we know the water programs are not a short term single actions, but programs that in some cases run for many years (replenishment of used water, improve quality of discharge water beyond legal requirements, apply sustainable agriculture requirements at suppliers). We require all markets to include water stewardship initiatives in their business plans and report quarterly the progress. Water-related commitments: reduce water use from our plants by 30% by 2020 vs. 2010; certify all our plants in European Water Stewardship or Alliance for Water Stewardship standard by 2025; 100% of our agricultural suppliers will comply with our Sustainable Agricultural Guiding Principles. Besides our 2020 commitments, we have set and communicated our 2025 Commitments and 2030 strategy that continue to focus on addressing issues related to water: reduce water consumption by 20% vs. 2017 and help to secure 100% of water availability for communities in water risk areas.
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	11-15	Our long term business objectives and strategy include water scope. They address key issues related to water: availability, access, quality. We implement the strategy and business objectives in the following way: we communicate our strategy and commitments internally to all employees in the company and externally to our partners. Based on strategic objectives we set specific goals and targets to all functions and levels in the organization that contribute to achieving set goals. For the relevant persons those targets are integrated in their personal objectives and linked with incentives (acc to company renumeration policy). We assign leaders responsible for driving and facilitating execution of water related goals in all appropriate functions and levels of organization (group, region, country, plant) and at external partners. In our yearly business planning process, water related goals are incorporated and thus we assure CAPEX and OPEX required for delivering against set goals. We set the governance and monitor progress and status regularly (typically on monthly basis, with external partners quarterly of 2x year). Progress status reports are shared with our senior leadership team. If there would be the risk to deliver the target we set the mitigation plan and implement even stricter monitoring of progress. Our strategies cover 11+ years, as water programs run for many years (replenishment of used water, improve quality of water, apply sustainable agriculture requirements)
Financial planning	Yes, water-related issues are integrated	11-15	To support the Water stewardship strategy, we made fundamental changes in our financial evaluations of capital projects, using the 'true cost' of water, water scarcity multipliers (per river basin level) and internal carbon prices - all projects are tracked quarterly, and the progress is reported to Board Social Responsibility Committee. In 2016 we developed the concept of Accounting for Sustainability and integrated it in our business planning process: part of the concept is the quantitative measurement of our direct environmental impact (water and carbon) by applying a "true cost" of water, water stress multiplier per plant (per river basin) and internal carbon price. Our World Without Waste 2030 strategy, which implementation will drive decrease of waste, river basin and sea shore clean, would overall improve the water issues. It cover <11 years, as water programs run for many years and require long term horizon actions plan. With the long term strategy, the potential water quality issues and WASH are included in our long term business planning and investments into communities projects (done in Nigeria).

W7.2

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

Row 1

Water-related CAPEX (+/- % change)

100

Anticipated forward trend for CAPEX (+/- % change)

0

Water-related OPEX (+/- % change)

0

Anticipated forward trend for OPEX (+/- % change)

3

Please explain

In 2019 year we invested roughly 6 million Eur in water saving initiatives. We invested into new efficient equipment and lines which contributed to water reduction as well. Opex is almost the same. In the next years we anticipate no increase in the capex and increase in opex by 3%. We included into capex the exchange of pumps, backwash of sand and carbon filters, CIP cleaning equipment to improve water efficiency, reverse osmosis equipment installation, additional pumps, valves and process controls IT modules for re-cycling and re-use of water in our plants.

W7.3

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

	Use of climate-related scenario analysis	Comment
Row 1	Yes	Yes, we use qualitative and quantitative analysis. We were among the first 12 companies globally that have science based carbon reduction targets in both direct operations and in the value chain (since February 2016) and in 2017 our CFO signed off the support letter to TCFD with a commitment to implement the TCFD requirements. In 2018 a working party was set to design and plan the implementation of core elements of its four pillars of governance, strategy, risk management and metrics and targets. During 2019, discussions on climate-related risk were integrated into the overall risk management process across our business units and Group functions.For climate related scenario we use 2DS and Water-related topics are included there: from water in direct operations, to water in our value chain (supply chain). In 2019 we set priority for 2020 to agree next set of Science Based Targets for carbon emissions reduction aligned with new methodology.

W7.3a

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

Yes

W7.3b

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

	Climate-related scenarios and models applied	Description of possible water-related outcomes	Company response to possible water-related outcomes
Row 1	2DS	Aspects of climate change which have impact: Transitional: a) Increased water prices and the introduction of bigger taxes would increase our operational cost; b) Failure to meet our stakeholders' expectations in making a positive contribution to the sustainability agenda, particularly relating to climate change and water can have a long-term damage to our corporate reputation. This would impact the number of consumers and customers which have positive attitude to our brands and products. Physical: a) Impacts on the supply chain and cost of key raw materials: Poor weather conditions creates significant volatility in our sweeteners' costs by affecting yields of beet and/or cane crops. This could impact COGS and could cause some business disruptions; b) Water scarcity could restrict the ability of individual sites to produce. Climate change impact on water quality, availability have influenced short-term, mid- and long-term strategy in the aspects of risk management, cost leadership, community trust.	Integration of water stewardship in business strategy; setting commitments related to reduction of water in operations (commitments: 30% reduction of water use ratio by 2020 vs. 2010; 20% reduction of water use ratio in water risk areas by 2025 vs. 2017) and certification in AWS (Alliance for Water Stewardship) for all manufacturing sites we have (commitment: 100% certified by 2020); Requirement of suppliers to adhere to our Sustainable Agricultural Guiding Principles (commitments: 90% compliant by 2020; 100% by 2025); Joint value creation initiatives with supplier to mitigate water risks; Full detailed Water Risk assessment for all our plants (by using GWT and by our internal comprehensive Source Vulnerability Assessment and Source Water Protection Programmes); Full water risk assessment of Suppliers by using WWF Water Risk Filter; Integration of Water risks into Company's principle risk; Partnering with NGOs and INGOs on common issues such as nature conservation; Partnering with local communities to minimise environmental impact and in water replenish projects; We are in a process of developing of context-based water targets beyond 2020 which will be announced soon.

W7.4

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

Row 1

Does your company use an internal price on water?

Yes

Please explain

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

W8. Targets

W8.1

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

	Levels for targets and/or goals	Monitoring at corporate level	Approach to setting and monitoring targets and/or goals
Row 1	Company-wide targets and goals Activity level specific targets and/or goals Site/facility specific targets and/or goals Country level targets and/or goals Basin specific targets and/or goals	Targets are monitored at the corporate level Goals are monitored at the corporate level	We have set company-wide 2020 & 2025 Sustainability commitments which is our water, climate, waste strategy and sets the direction for whole company. Water-related commitments are critical part of 2020 Sustainability commitments and water related goals and specific targets are set based on those commitments. They include: 30% reduction of water usage rate till 2020 vs. 2010 baseline, 20% less water consumption per litre of produced beverage by 2025 vs. 2017 baseline, certification of our sites in EWS and AWS. The commitments (targets) are cascaded to all functions and levels of company (down to the plants) and based on the company commitments, the specific goals and detailed targets are set by functions, countries, plants. They are reviewed and approved on the company level to assure that all those detailed targets of each plant, country and function will deliver the company goals (commitments). This is managed in the company wide process to set business plan (BP) - which is run yearly and thus we assure that water, climate, waste goals also have secured budget CAPEX and OPEX for realization of goals. Monitoring, reporting and performance reviews for these targets are done monthly. To assure we set the goals that address potential risks for environment and needs of communities and people, we use tools such as Global Water Tool and WWF Water Risk Filter, we know the sites/basins which potentially will be in water stress, and also company specific developed tool that help to evaluate water and source (Water Source Vulnerability Assessment). In 2019 we achieved 24% water usage ratio reduction vs. 2010 baseline (2pp better than in 2018), we certified 38 plants in EWS and AWS (6 more than in 2018), 74% of suppliers of agriculture origin ingredients achieved compliance with Sustainable Agriculture Principles (change from 64% in 2018).

W8.1a

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

Target reference number
Target 1

Category of target
Water use efficiency

Level
Company-wide

Primary motivation
Reduced environmental impact

Description of target
As water is critical for us, is used as ingredient in our beverages production and in production processes (cleaning, cooling) we have set strategies and goals and targets across our operations to actively improve our water efficiency. Primary motivation to set the target was to help minimize our impact to environment and support communities. We want to focus efforts of our company to scope that we can control and influence so we have set programs and projects to minimize water consumption, increase re-use and re-cycle of water, optimize CIP cleaning processes. Having reached 30% water use ratio reduction vs. our baseline year of 2004, in 2015 we set a new commitment to further reduce water use ratio by 2020 vs. 2010 by 30%. 2010 figure was 2.3l/litre produced beverage. In 2019 we achieved 1.74l/lpb (2.8% better than in 2018)

Quantitative metric
Other, please specify (% reduction of water use per unit of production (litre of produced beverage))

Baseline year
2010

Start year
2010

Target year
2020

% of target achieved
81

Please explain
In 2015 we set a new commitment to reduce water use ratio by 2020 vs. 2010 by 30%. 2010 figure was 2.3l/litre produced beverage. In 2019 we achieved 1.74l/lpb. Our 2020 goal is 1.61l/lpb. In 2019 we achieved 24.3% reduction company-wide (we reached 81% of target). (24.3*100/30 = 81%).

Target reference number
Target 2

Category of target
Other, please specify (Water Stewardship certification)

Level
Company-wide

Primary motivation
Water stewardship

Description of target
As water is critical for us, is used as ingredient in our beverages production and in production processes (cleaning, cooling) we have set strategies and goals and targets across operations to actively and holistically manage water stewardship programs. Our motivation to set EWS, AWS certification as our company -wide goal was driven by the fact that the AWS and EWS set comprehensive requirements for water management programs, efficiency, monitoring and measuring usage at different stages of production, risks and opportunities management and in this way put even more robust structure in our plants helping in water management. We have a company-wide target to certify in European Water Stewardship (EWS) or Alliance for Water Stewardship (AWS) all our manufacturing sites by 2020.

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

Baseline year
2014

Start year
2014

Target year
2020

% of target achieved
73

Please explain
By the end of 2019 we have certified 73% (38 sites out of 52 plants) in Gold EWS and AWS . (38/52 = 73%).

Target reference number
Target 3

Category of target
Water use efficiency

Level
Other, please specify (Facilities operating in water stress areas)

Primary motivation
Risk mitigation

Description of target
As water is critical for us, is used as ingredient in our beverages production and in production processes (cleaning, cooling) in as part of our 2025 sustainability agenda we have set further strategies, goals and targets across our operations to actively improve our water efficiency specifically in water risk areas, as focused , long term effort and targetted work of the company. Primary motivation to set the target was to help minimize our impact on environment and mitigate the risk of disruption in water availability in the most vulnerable areas, as well as support communities. We want to focus efforts of our company to scope that we can control and influence so we have set programs and projects to minimize water consumption, increase re-use and re-cycle of water, optimize CIP cleaning processes. Our target is to decrease water consumption in water risk areas by 20% by 2025 vs. 2017. Our 2017 figure was 2.05 l/lpb; our 2025 goal is 1.94 l/lpb. In 2019 we have achieved 1.9 l/lpb.

Quantitative metric
Other, please specify (% reduction of water use per unit of production (litre of produced beverage))

Baseline year
2017

Start year
2018

Target year
2025

% of target achieved
36.5

Please explain
Our target is to decrease water consumption in water risk areas by 20% by 2025 vs. 2017. Our 2017 figure was 2.05 l/lpb; our 2025 goal is 1.65 l/lpb. In 2019 we achieved 1.9 l/lpb, which makes up a 7.3% reduction vs. baseline (we reached 36.5% of our target). 7.3*100/20=36.5%

W8.1b

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

Goal
Promotion of sustainable agriculture practices

Level
Company-wide

Motivation
Reduced environmental impact

Description of goal
Along with our strategies to improve water efficiency and stewardship in our operations, we actively aim to make a significant positive impact in water stewardship and thus reduce environmental impact in value chain, especially that we use ingredients produced from agriculture based raw materials (sugar, fruit juice concentrates). And fruit are grown in areas that could potentially be water stressed (e.g. Greece). Therefore we have set strategy that goes beyond direct operations and focus on sustainable agriculture, we have set goal that 100% of our key agricultural materials suppliers shall comply with our Sustainable Agriculture Guiding Principles (SAGP) by 2025, and will reach 100% suppliers' compliance in 2025. Those SAGP contain requirements and guidelines related to minimization of water usage, water efficiencies, minimizing impact of fertilizers and pesticides, manage water effluents, so are very relevant for the areas of water risk. We implement it via our Procurement tools and having SAGP compliance being part of our business agreements with suppliers, also supporting them by organizing forums - we held them in Vienna (Austria), Budapest (Hungary) and Schimatari (Greece), where we provide our know-how and expertise, insight on innovations, but also suppliers are sharing their practices. Ultimately we assess their compliance to SAGP.

Baseline year
2014

Start year
2015

End year
2025

Progress
By the end of 2019, 74% of our suppliers are complying with our Sustainable Agriculture Guiding Principles. It is measured as ratio of all ingredients supplier/ ingredients suppiers complying to SAGP (based on the assessment checking SAGP compliance). Our success criterion is improvement versus previous year and we achieved it: in 2018 64% of suppliers were complaint to SAGP, while in 2019 we increased the ratio by 10 percentage points to 74%.

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?
Yes

W9.1a

(W9.1a) Which data points within your CDP disclosure have been verified, and which standards were used?

Disclosure module	Data verified	Verification standard	Please explain
W8 Targets	All Sustainability commitments are verified, including water ones: water consumption improvement, Water Stewardship certifications, Waste water quality, Water replenish initiatives and results. The data we published in our Integrated Annual Report are verified as well.	AA1000AS	Independent third-party assurance, done by the international accredited company, in accordance with the AA1000AS Assurance Standard, the Global Reporting Initiative (in accordance with GRI Comprehensive Option) standards and the advanced level requirements for communication on progress against the 10 Principles of the United Nations Global Compact. The verification is done by data checks, interviews, site visits, on-spot checks. Details in the IAR 2019
W1 Current state	All data in W1.2b, W1.2d, W1.2h, W1.2i and W1.2j are verified as they are part of our Integrated Annual Report: GRI and UN COP. Also data in all W5. facility level accounting	AA1000AS	Independent third-party assurance, done by the international accredited company, in accordance with the AA1000AS Assurance Standard, the Global Reporting Initiative (in accordance with GRI Standard Comprehensive Option) standards and the advanced level requirements for communication on progress against the 10 Principles of the United Nations Global Compact. The verification is done by data checks, interviews, site visits, on-spot checks.

W10. Sign off

W-FI

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

W10.1

(W10.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	Chief Financial Officer	Chief Financial Officer (CFO)

W10.2

(W10.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate's Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

Yes

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission
I am submitting my response	Investors	Public

Please confirm below

I have read and accept the applicable Terms