**Key performance indicators**

# Tracking our progress

We measure our performance against our strategic objectives using specific KPIs. These KPIs allow us, and our stakeholders, to track our progress against our 2020 targets. These are also the financial and operational milestones which we will focus on for Growth Story 2025.

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**1** GROWTH PILLAR
## LEVERAGE OUR UNIQUE 24/7 PORTFOLIO

**2** GROWTH PILLAR
## WIN IN THE MARKETPLACE

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**How we measure our progress**

Volume is measured in unit cases, where one unit case represents 5.678 litres. For Bambi volume, one unit case corresponds to 1 kilogram. We grow volume as we expand per-capita consumption of our products.
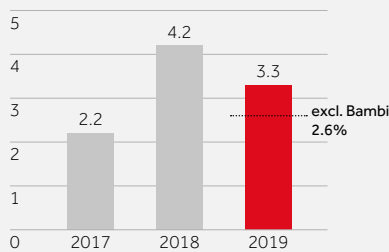
**What happened in the year**

Volume grew by 3.3%, or by 2.6% excluding Bambi.

**Link to remuneration**

Volume is a key component of revenue and revenue is a measure for MIP awards.

**Volume growth** (%)



| | 2017 | 2018 | 2019 |
|---|---|---|---|
| | 2.2 | 4.2 | 3.3 |

excl. Bambi 2.6%

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**How we measure our progress**

We measure revenues on a currency-neutral basis to allow better focus on the underlying performance of the business. We grow FX-neutral revenue per case through pricing as well as driving positive category and package mix.
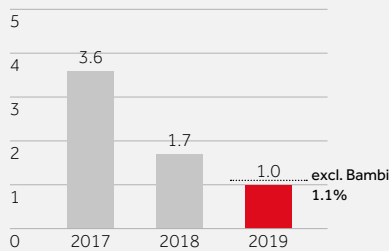
**What happened in the year**

Currency-neutral revenue per case grew by 1.0%, in part impacted by price investments in Nigeria. Currency-neutral revenue grew by 4.4%, 3.7% excluding Bambi, with growth in all geographical segments.
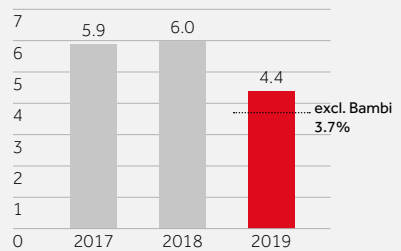
**Link to remuneration**

Revenue is a measure for MIP awards.

**Currency-neutral revenue per case growth** (%)



| | 2017 | 2018 | 2019 |
|---|---|---|---|
| | 3.6 | 1.7 | 1.0 |

excl. Bambi 1.1%

**Currency-neutral revenue growth** (%)



| | 2017 | 2018 | 2019 |
|---|---|---|---|
| | 5.9 | 6.0 | 4.4 |

excl. Bambi 3.7%

## GROWTH PILLAR

### 3  FUEL GROWTH THROUGH COMPETITIVENESS & INVESTMENT

**How we measure our progress**

We measure this by OpEx as a percentage of NSR and by comparable EBIT margin. We generate positive operational leverage as we grow revenues on our efficient cost base.
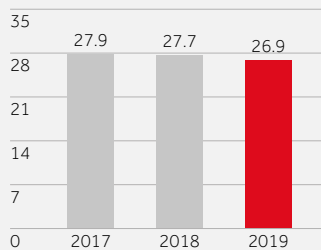
**What happened in the year**

OpEx as a percentage of NSR improved by 80 basis points, and comparable EBIT margin expanded by 60 basis points.
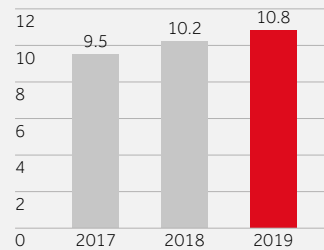
**Link to remuneration**

Gross profit margin, OpEx as a percentage of NSR and comparable EBIT are all measures for MIP awards.

Read more on page 124.

**OpEx as percentage of NSR** (%)

| Year | Value |
|------|-------|
| 2017 | 27.9 |
| 2018 | 27.7 |
| 2019 | 26.9 |

**Comparable EBIT margin** (%)

| Year | Value |
|------|-------|
| 2017 | 9.5 |
| 2018 | 10.2 |
| 2019 | 10.8 |

**How we measure our progress**

We measure CapEx as a percentage of NSR, as well as ROIC, to ensure prudent capital allocation and efficient working capital management. Disciplined investment supports our growth.
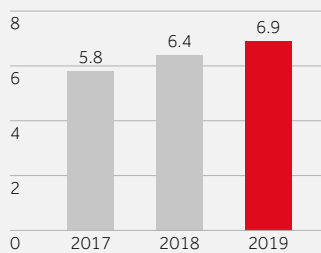
**What happened in the year**

ROIC expanded by 50 basis points to 14.2%. CapEx as a percentage of NSR expanded to 6.9% with the majority of this investment being spent on revenue generating assets. Following the adoption of IFRS 16, CapEx in 2019 includes capital repayments of all leases.
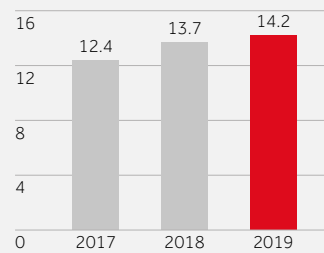
**Link to remuneration**

ROIC is a measure for PSP awards.

Read more on page 123.

**CapEx as percentage of NSR** (%)

| Year | Value |
|------|-------|
| 2017 | 5.8 |
| 2018 | 6.4 |
| 2019 | 6.9 |

**ROIC** (%)

| Year | Value |
|------|-------|
| 2017 | 12.4 |
| 2018 | 13.7 |
| 2019 | 14.2 |

## GROWTH PILLAR

### 4  CULTIVATE THE POTENTIAL OF OUR PEOPLE

**How we measure our progress**

We conduct an engagement survey with an independent third party and measure our results against the norm for companies who perform highly on this metric.
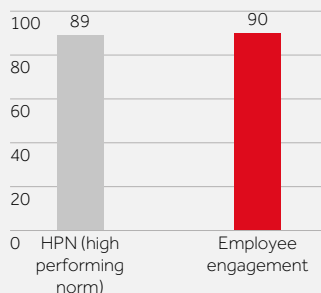
**What happened in the year**

Our employee engagement is above the high-performing norm.

**Link to remuneration**

Maintaining our high engagement score is part of the CEO's individual performance metrics.

Read more on page 122.

| | Value |
|------|-------|
| HPN (high performing norm) | 89 |
| Employee engagement | 90 |

## GROWTH PILLAR

### 5  EARN OUR LICENCE TO OPERATE

**How we measure our progress**

Progress on Mission 2025.

**What happened in the year**

Please see our performance on the following page.

**Link to remuneration**

Maintaining our leadership of the beverage industry in the DJSI index is part of the CEO's individual performance metrics.

Read more on page 122.

## Sustainability performance

**5** **EARN OUR LICENCE TO OPERATE**

# Mission 2025 – our sustainability commitments

| Sustainability areas | Material issues | UN's Sustainable Development Goals (SDGs) and their targets | | |
|---|---|---|---|---|
| **Climate and renewable energy** | • Carbon and energy<br>• Economic impact | 7 AFFORDABLE AND CLEAN ENERGY — 7.2 7.3<br>12 RESPONSIBLE CONSUMPTION AND PRODUCTION — 12.2 | 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE — 9.4<br>13 CLIMATE ACTION — 13.1 | 11 SUSTAINABLE CITIES AND COMMUNITIES — 11.6 |
| **Water reduction and stewardship** | • Water stewardship<br>• Economic impact | 6 CLEAN WATER AND SANITATION — 6.1 6.4 6.5 6.6<br>12 RESPONSIBLE CONSUMPTION AND PRODUCTION — 12.1 12.2 12.4 | 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE — 9.4<br>15 LIFE ON LAND — 15.1 | 11 SUSTAINABLE CITIES AND COMMUNITIES — 11.6<br>17 PARTNERSHIPS FOR THE GOALS — 17.17 |
| **World Without Waste** | • Packaging, recycling and waste management<br>• Economic impact | 8 DECENT WORK AND ECONOMIC GROWTH — 8.4<br>12 RESPONSIBLE CONSUMPTION AND PRODUCTION — 12.1 12.2 12.5 | 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE — 9.4<br>14 LIFE BELOW WATER — 14.1 | 11 SUSTAINABLE CITIES AND COMMUNITIES — 11.6<br>17 PARTNERSHIPS FOR THE GOALS — 17.17 |
| **Ingredient sourcing** | • Product quality and integrity<br>• Human rights, diversity and inclusion<br>• Economic impact<br>• Sourcing | 8 DECENT WORK AND ECONOMIC GROWTH — 8.3 8.8<br>13 CLIMATE ACTION — 13.1 | 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE — 9.4 | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION — 12.1 12.2 12.4 12.6 12.7 |
| **Nutrition** | • Product quality and integrity<br>• Nutrition<br>• Marketing | 3 GOOD HEALTH AND WELL-BEING — 3.4 | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION — 12.8 | |
| **Our people and communities** | • Human rights, diversity and inclusion<br>• Employee wellbeing and engagement<br>• Corporate citizenship and youth empowerment<br>• Packaging, recycling and waste management<br>• Economic impact | 3 GOOD HEALTH AND WELL-BEING — 3.4 3.6<br>8 DECENT WORK AND ECONOMIC GROWTH — 8.5 8.6 8.8<br>12 RESPONSIBLE CONSUMPTION AND PRODUCTION — 12.2 12.4 | 4 QUALITY EDUCATION — 4.3 4.4<br>10 REDUCED INEQUALITIES — 10.2 10.4<br>16 PEACE, JUSTICE AND STRONG INSTITUTIONS — 16.7 | 5 GENDER EQUALITY — 5.5<br>11 SUSTAINABLE CITIES AND COMMUNITIES — 11.6<br>17 PARTNERSHIPS FOR THE GOALS — 17.16 17.17 |

Note: The 17 Sustainable Development Goals (SDGs) are an urgent call for action by all countries – developed and developing – in a global partnership. Each of the 17 goals has very specific targets, referenced by the numbers shown above. You can read more about the SDGs and these targets here: https://sustainabledevelopment.un.org/sdgs

**Key for performance status**

→ Partly on track with internal annual plans

✓ On track, progress in line with internal annual plans

| 2025 Commitments[1] | | 2019 Performance | Status | |
|---|---|---|---|---|
| 30% | reduce carbon ratio in direct operations | 19% | ✓ | |
| 50% | increase in energy-efficient refrigerators to half of our coolers in the market | 28% | ✓ | |
| 50% | of our total energy from renewable and clean[2] sources | 42% | ✓ | |
| 100% | total electricity used in the EU and Switzerland from renewable and clean[2] sources | 89% | ✓ | |
| 20% | water reduction in plants located in water-risk areas | 7% | ✓ | |
| 100% | help secure water availability for all our communities in water-risk areas | 25% | ✓ | |
| 75% | help collect the equivalent of 75% of our primary packaging | 48%[5] | ✓ | |
| 35% | of total PET used from recycled PET and/or PET from renewable material | 12% | → | Due to availability and cost of high-quality food-grade feedstock. Roadmap developed up to 2025. |
| 100% | of consumer packaging to be recyclable[3] | 99.9% | ✓ | |
| 100% | of our key agricultural ingredients sourced in line with sustainable agricultural principles | 74% | → | We have recently introduced new suppliers that are currently in the process of certification and expect to be completed within 2020-2021. |
| 25% | reduce calories per 100ml of sparkling soft drinks (all CCH countries)[4] | 12% | ✓ | |
| 10% | community participants in first-time managers' development programmes | 4.5% | ✓ | |
| 1 MIL | train one million young people through #YouthEmpowered | 203,865 | ✓ | Cumulative number 2017-2019, 2019-only number is 118,053. |
| 20 | engage in 20 zero waste partnerships (city and/or coast) | 7[6] | ✓ | |
| 10% | of employees take part in volunteering initiatives | 17% | ✓ | |
| ZERO | target zero fatalities among our workforce | ZERO | ✓ | |
| 50% | reduced (lost time) accident rate per 100 FTE | 18% | → | Not reached due to increased number of incidents related to contact with machinery in production and 19% of accidents caused by public vehicles, out of our control and influence. |
| 50% | of managers are women | 38% | ✓ | |

1. Baseline 2017.
2. Clean source means CHP.
3. Technical recyclability by design.
4. Baseline 2015.
5. Calculation methodology changed in 2019. See page 14 from 2019 GRI Index.
6. Supported by The Coca-Cola Foundation.