



Nigerian Bottling Company Ltd. RC 902
(A member of Coca-Cola Hellenic Group)

OUR IMPACT

NBC'S **2016/2017** FOOTPRINT ON OUR

PRODUCTS, PEOPLE AND PLANET



OUR

**2016/2017
FOOTPRINT
ON OUR
PRODUCTS,
PEOPLE AND
PLANET**

Genius
is the idea.

IMPACT

however,
is in
action.



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SUSTAINABILITY | OUR KEY PRIORITY

Sourcing | Right People, Quality Products

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Nigerian Bottling Company Ltd. RC 902
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MANAGING DIRECTOR'S MESSAGE



Our Journey to a **sustainable future**

As we celebrate the 67th anniversary of Nigerian Bottling Company's (NBC) operations in Nigeria, we reflect on its journey since inception and how we have made significant impact in the social, economic and environmental landscape in Nigeria.

This maiden NBC Sustainability Report focuses on our social and environmental stewardship for the years 2016 and 2017. This era was quite challenging and marked by economic recession, foreign exchange volatility, insurgency in the North East and rising youth unemployment. Despite the head winds, we have continued on the path of growth. We are proud of our employees for their resilience and commitment.

Sustainability is at the heart of our business model because a sustainable business can only thrive in a sustainable community. This is our major motivation in mainstreaming Corporate Social Responsibility into our business strategy and investing time, energy and enormous resources in positively impacting our communities.



**Sustainability
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community**



For us at NBC, how we do our business is as important as the value we derive, and this underscores our commitment to the highest ethical standards and environmental stewardship.

ENVIRONMENT STEWARDSHIP

Market leadership comes with a responsibility to lead in the right direction. In our plants in Ikeja, Asejire and Port Harcourt, we made significant investment in upgrading our effluent treatment facilities to the latest bio-aeration technology to further enhance the quality of the resulting effluent to be such that continues to support aquatic life in the adjoining recipient environment.

CARBON EMISSION REDUCTION

We reduced direct and indirect CO₂ emissions in our operations to 252.8gCO₂/lpb in 2017 from 308.5gCO₂/lpb in our baseline year. This reflects an 18% reduction from our baseline year in 2010. Similarly, our direct operations emissions also reduced to 73.88gCO₂/lpb in 2017 from 130.78gCO₂/lpb from our baseline year, reflecting a significant percentage CO₂ reduction of 43.5%.

Increasingly we have demonstrated our commitment to packaging recovery, being at the vanguard of incorporating a Producer Responsibility Organisation (PRO) for the food and beverage industry in Nigeria. In the last eight years, we have partnered with our growth partners, Coca-Cola Nigeria Ltd to recover and recycle post-consumer PET waste.

WATER STEWARDSHIP

The challenge of water supply has assumed global prominence. Water is our most critical input, and this explains our prioritization of water stewardship. We are aggressively driving the achievement of an ambitious water use ratio reduction target of 1.86 per litre of beverage by 2020. In 2017, we reduced operational water consumption to 2.31/l from 3.46/l in our baseline representing 33% reduction and we are still committed to our 2020 goals.





We believe our long-term investments in our people is a key driver of the strong performance we continue to record.

CONSOLIDATING FOR EFFICIENCY

Our transformation process to improve efficiency continued in 2017. We optimised our production capability at a total of 9 bottling plants as at year ended 2017. We also continued to improve our logistics capability and accelerated investment in state-of-the-art warehouse to improve efficiency.

ENGAGED PEOPLE

We have continued to improve on our engagement index year on year. It is not only significant in terms of the numbers but the commitment of our people to confidently express their belief in our organization and at the same time boldly highlighting opportunities for growth. We believe our long-term investments in our people is a key driver of the strong performance we continue to record. We are committed to accelerating our bench strength by developing capabilities, rewarding high-performance mindset and attracting and retaining the best talents.

HEALTH AND SAFETY

Our commitment to health and safety across the plants and depots remain strong. We accelerated fleet drivers' training across the country to further ingrain the culture of safety across the company. Total Incident rate/100FTE was reduced by 62% from 0.29 in 2016 to 0.11 in 2017.

GLIMPSE OF THE FUTURE

Our contributions towards sustainability in the years in review have received several recognitions, awards and commendations. These include Environment Award from the Lagos State Environment Protection Agency (LASEPA) and the Coca-Cola Hellenic Best Near Loss Award. Additionally, we received the Nigerian Employers' Consultative Assembly/National Safety Institute Trust Fund (NECA/NSITF) award also the Nigeria Safety Award for Excellence.

We are optimistic about the future of our business in Nigeria. This is anchored on the strong fundamentals driving our operations. We will remain innovative in our approach to sustainability, intentional in our care of the environment while driving social inclusion.

Georgios Polymenakos

General Manager,
CCHBC Nigeria



CHAPTER ONE

ABOUT US

EXECUTIVE SUMMARY
PRIORITISING SUSTAINABILITY
OPERATIONS OVERVIEW
PRODUCT OFFERING



EXECUTIVE SUMMARY



Sustainability is the key driving force of our business growth at The Nigerian Bottling Company (NBC). It shapes our strategy towards our people, local environment and external stakeholders. Our shared value proposition creates the balance that ensures our triple bottom-line is inclusive and delivers measurable outcomes.

As environmental and social challenges grow in number and urgency, we must focus our efforts on offering solutions to address these challenges. We prioritize the issues that are most critical to our business and our stakeholders.

Minimizing our environmental impact across our value chain is a core target for us. Environmental programmes to reduce our use of energy and water as well as addressing potential challenges posed by our post-consumer packaging materials support our drive for cost efficiency and our environmental stewardship.

In this reporting period, we continue to focus on three strategic pillars that drive business growth, while minimizing our impact on the environment as well as contributing to improving the welfare of communities in which we operate.

We are proud of our contribution so far towards the quest to achieving the Coca-Cola Hellenic Bottling Company (CCHBC) Group's target of 40% reduction in its environmental footprints by 2020, through water and energy consumption reduction initiatives. In addition, together with our partners, Coca-Cola Nigeria Limited, we are taking the lead, in collaborating with other social enterprises, for collection and recovery of post-consumer packaging materials as part of our extended producer responsibility initiative.

To ensure economic and social development, we enrich the lives of communities by contributing to the public good and safeguarding the environment. This enhances our corporate reputation and earns the trust of communities. In this first country sustainability report, we will highlight our achievements in the reporting year 2016-2017.

PRIORITIZING SUSTAINABILITY

We continue to integrate Corporate Social Responsibility (CSR) and sustainability across every aspect of our business, which are integral to the way we do business.

Our commitment is embedded in our company's mission and values. CSR is a

key part of our business plans and the way we assess our employee's performance. We also focus on building the right culture and capabilities so that this is simply part of the way we do business.

We prioritise the issues that are most critical to our business and our stakeholders. These include:



WATER
STEWARDSHIP



ENERGY &
CLIMATE
PROTECTION



PACKAGING &
RECYCLING



CONSUMER
HEALTH



DEVELOPING OUR
EMPLOYEES



AN OVERVIEW OF OUR OPERATIONS

NBC is an integral part of CCHBC, which sells more than 2 billion unit cases every year – that’s 50 billion servings – CCHBC is one of the world’s largest bottlers of The Coca-Cola Company’s brands.



2bn

TWO BILLION
UNIT CASES
ANNUALLY



50bn

FIFTY BILLION
SERVINGS
ANNUALLY



180m

MILLION
NIGERIANS



NBC is proud to be one of the world’s largest bottlers of non-alcoholic beverages from The Coca-Cola Company in Africa.

In Nigeria, we serve approximately 180 million people by producing and distributing a unique portfolio of quality brands, bring passion to marketplace and demonstrating leadership in corporate social responsibility. We operate in 9 plant locations, with presence in 36 States, employing over 3,000 people to support our business growth.

We are uniquely positioned in a key African market, Nigeria in West Africa, a fast-growing economy, a significant population, 70% of which are youths as well as an educated and skilled labour force.

* <https://ng.coca-colahellenic.com/en/about-us/nigerian-bottling-company-at-a-glance/>

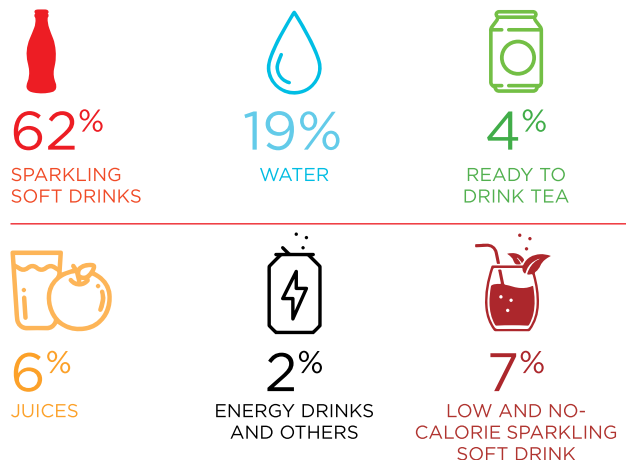
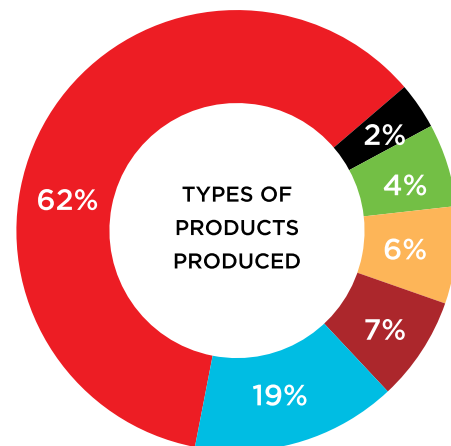
AN OVERVIEW OF OUR OPERATIONS

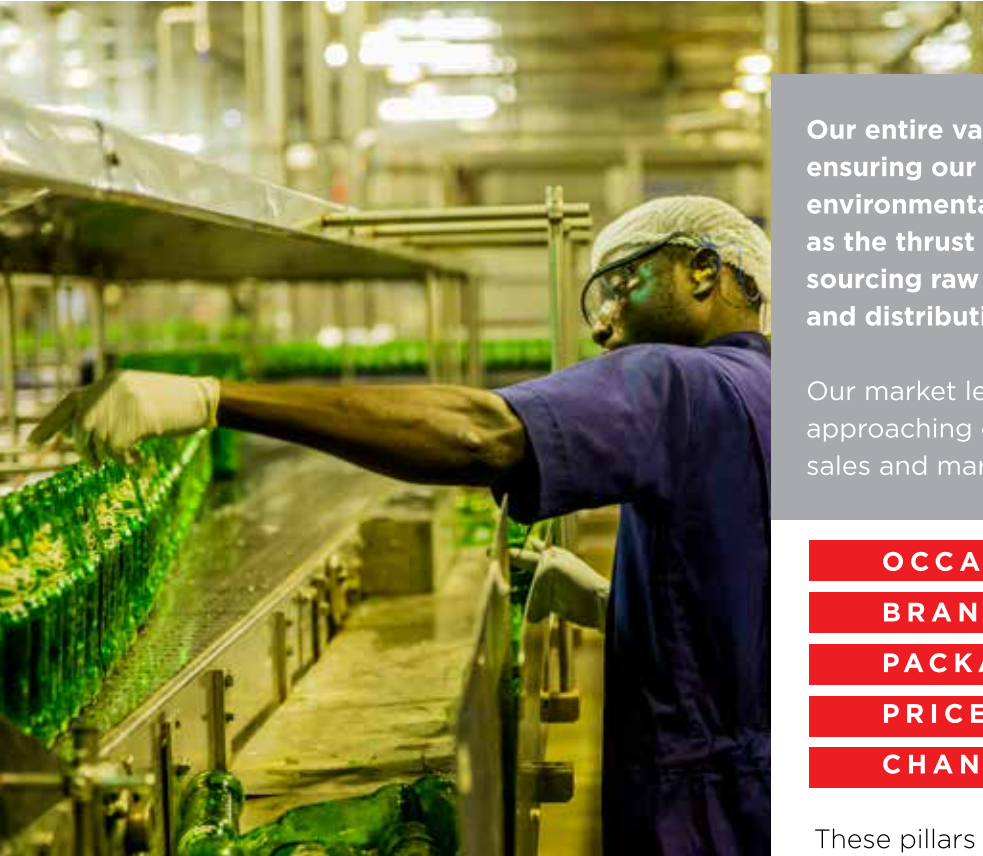
In total, we sell or distribute more than 100 brands in different variants to fully meet consumers' needs. We produce, sell and distribute Coca-Cola, the world's most recognised brand.

We are a leader in our category with diversified portfolio to provide choices to our discerning consumers. We produce, sell and distribute a wide range of beverages, most of which are trademark products of The Coca-Cola Company. Our product portfolio consists of market leading brands such as Coca-Cola, Coke Zero, Fanta and Sprite.

The brands we license from The Coca-Cola Company account for 70% of the volume we sell in Nigeria. We have built a diverse portfolio of brands, which include Eva, Limca, Five Alive, Pulpny and Schweppes - and distribute third-party products, such as Monster energy drinks and premium spirits, in some markets. Premium spirits are an important part of our portfolio.

Our premium spirit business helps us accelerate the growth of our single-serve non-alcoholic ready-to-drink brands as we are able to strengthen our customer relationships and better address important adult consumption occasions through mix activation.





Our entire value chain is focused on ensuring our processes minimize our environmental impact, with sustainability as the thrust of our operations, from sourcing raw materials, manufacturing, and distribution channels.

Our market leadership is due in part to approaching our sales through 5 strategic sales and marketing pillars:

OCCASION

BRAND

PACKAGE

PRICE

CHANNEL



These pillars continue to enable us to expand our product offering as well as expand and maintain critical market share. Innovation remains a key component of our strategic approach leading to development of initiatives to improving the quality of our products by reducing the age of the product on the shelf, in line with our Zero Tolerance Quality culture.

CHAPTER TWO

OUR PEOPLE





**We are committed
to supporting the
local economy and
contributing to its GDP.**

Taking full advantage of the youthfulness of the Nigerian population, we developed a management trainee programme that recruits the best talents from universities and immersing them in a two-year fast track, hands-on programme within our operations.



NBC TALENT PROGRAM
2 YEARS HANDS ON FAST TRACK PROGRAM



Fast Forward	13	2016
	34	2017

TALENT PROGRAM	NUMBER ENROLLED	YEAR	BRIGHT SPOTS
Management Trainee	42	2016	5 Manager of Others
	28	2017	1 on a virtual group assignment



MANAGEMENT
TRAINEE
**BRIGHT
SPOTS**



**FIVE
MANAGERS
OF OTHERS**



**ONE ON A
VIRTUAL GROUP
ASSIGNMENT**

We are committed to ensuring our employees have a holistic and rich work-life that will help them balance their responsibilities in their personal life and career.

Initiatives that support our commitment to improving our workplace rights and providing a conducive environment to work include:



FULLY EQUIPPED GYMS WITH INSTRUCTORS AT THE HEAD OFFICE AND IN SOME PLANTS



FLEXIBLE WORKING HOURS



TRAINING AND DEVELOPMENT ACTIVITIES VIA OUR ACCELERATION AND DEVELOPMENT PROGRAMMES



PLANNED CREATION OF A CRÈCHE AND NURSING ROOM FOR MOTHERS OF INFANTS (ON TRACK FOR 2019)



A DELIBERATE MATERNITY LEAVE POLICY, WHERE ACCESS TO E-MAIL AND WORK RELATED PLATFORMS ARE DENIED THE NEW NURSING MOTHERS. OUR AIM IS TO ENSURE THAT THE NEW MOTHERS AND THEIR BABIES ENJOY THEIR TIME TOGETHER, WITHOUT THE PRESSURE OF WORK.



FAMILY ORIENTED PROGRAMMES, SUCH AS THE BRING YOUR CHILD TO WORK DAY



ANNUAL CELEBRATION OF THE **INTERNATIONAL WOMEN DAY**



REST AND RELAXATION SPOTS WITHIN OUR OFFICES, WHERE EMPLOYEES CAN TAKE MUCH-NEEDED BREAKS. THESE SPOTS ARE EQUIPPED WITH A WIDE VARIETY OF GAMES AND 'CHILL OUT' ZONES

“The Management Trainee Program has opened my eyes to what is obtainable in the business sector.

I am certain that it is the pathway to continuity and sustainability.”

Oluwafemi Soetan

We are a listening organization. The MyVoice annual survey is our engagement index to receive feedback from our employees nationwide.

The results from past surveys support the HR department to improve work place rights and introduce new initiatives that support work-life balance. In the reporting year, feedback from employees has resulted in some new initiatives, which include, but are not limited to the following:



REGULAR ENGAGEMENT SESSIONS WITH EMPLOYEES TO IDENTIFY AREAS OF CONCERN



BI-ANNUAL RETREAT SESSIONS WITHIN FUNCTIONS TO REVIEW PLANS, STATUS AND ENSURE OVERALL COMMITMENT AND INVOLVEMENT OF BOTH LEADERS AND ALL EMPLOYEES



IDENTIFICATION OF ENGAGEMENT CHAMPIONS TO FOLLOW THROUGH WITH THE BUSINESS ON ENGAGEMENT PLANS AND ACTIVITIES

“Being a management trainee in CCHBC has exposed me to different facets of the business, from sales to operations. Coupled with the virtual training sessions and presentations, I have developed transferable skills that makes me more flexible on the job whilst driving for excellence and the fulfilment of business needs.”

Jonathan Agbagwa

Our milestone achievements in people development has been outstanding. We recorded a sustainable index of 92% in our 2017 annual survey.

Some initiatives implemented include:



QUARTERLY TOWN HALL MEETINGS
WITH THE MD



INVOLVEMENT OF EMPLOYEES IN COMPANY-WIDE INITIATIVES SUCH AS IDEAS AND INNOVATIVE ACTIVITIES



RECOGNITION FOR EMPLOYEES FOR COMMITMENT AND OUTSTANDING CONTRIBUTIONS



CELEBRATION OF EMPLOYEES E.G. BIRTHDAYS.



EMPOWERING AND SUPPORTING EMPLOYEES TO ORGANIZE REACH OUT PROGRAMMES FOR THE LESS PRIVILEGED IN THE SOCIETY SUCH WIDOWS, ORPHANS, CRITICALLY ILL PERSONS, ETC.



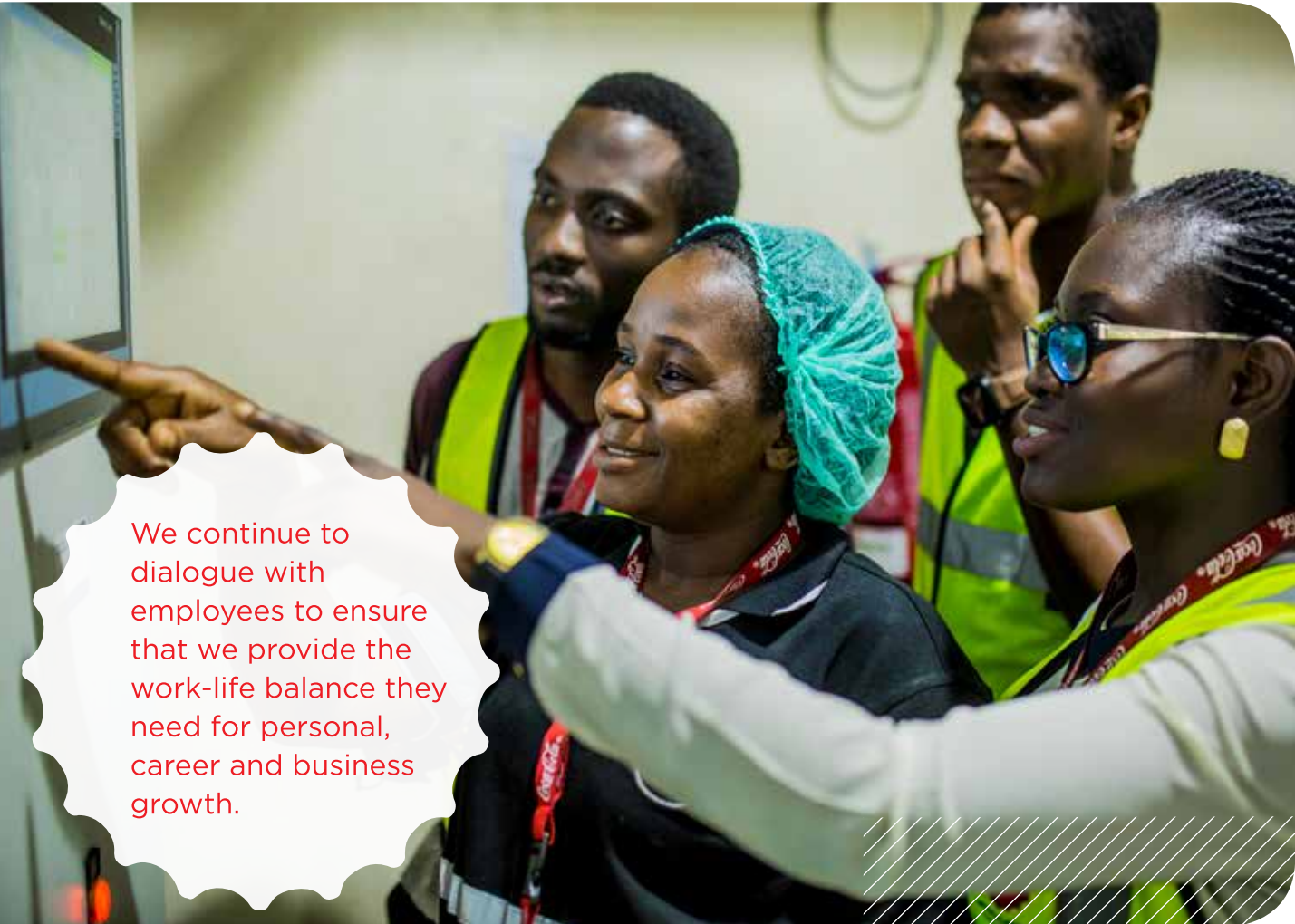
INITIATION OF A NETWORK FOR WOMEN IN NBC

“My experience in the Global Management Trainee program has taught me many things, but this one stands out: To truly become the best at what you do, you must be willing to learn, unlearn and relearn.”

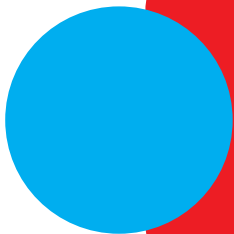
Erukayen Rume

“As a total beverage company, we produce many other things aside excuses. We were exposed to several projects where we learn to work under pressure and deliver best results.”

Management trainees, 2016/2017 set.



We continue to dialogue with employees to ensure that we provide the work-life balance they need for personal, career and business growth.



“Excellence they say is not an act but a habit”. Being a management trainee in CCHBC has exposed me to the world class environment we operate, the opportunity to develop my innate potentials through practical knowledge and on the job training and the drive to strive for excellence in everything I do.”

Oluwatobi Kajero



CHAPTER THREE

**OUR
ENVIRONMENTAL
STEWARDSHIP**





As a responsible company, we ensure that our environmental stewardship is aligned with local as well as international standards from CCHBC. NBC has been setting annual improvement targets since 2004 and we are working towards the group's ambitious 2020 goals. We are proud of our innovative solutions in our plants in Lagos and Edo State.

The plants in Ikeja and Benin have integrated co-generation facilities into their processes, which support a highly efficient integrated green energy solution.

These facilities consist of the Combined Heat and Power Plants, effluent treatment plant, chillers and CO2 extraction systems.



9 NBC PLANTS IN NIGERIA

- ABUJA PLANT | ASEJIRE PLANT | BENIN PLANT
- CHALLAWA PLANT | ENUGU PLANT | IKEJA PLANT
- MAIDUGURI PLANT | OWERRI PLANT
- PORT HARCOURT PLANT





As a result, both plants have evolved in the use of best available technology (BAT) in the practice of sound environmental management of air emissions, waste generation, water consumption and wastewater discharges thus reducing to the barest minimum potential deleterious impacts to the atmosphere as well biodiversity and natural resource protection.

	2016		2017	
	IKEJA PLANT	BENIN PLANT	IKEJA PLANT	BENIN PLANT
WATER REDUCED*	-3%	-7%	-7.0%	-3.9%
CARBON REDUCED*	6.4%	-1.6%	7.0%	-30.9%
ENERGY CONSERVED*	12%	-10%	15.2%	20.0%
SOLID WASTE RATIO	5%	-8%	-4.1%	30.0%
SOLID WASTE RECYCLED	3.8%	2.7%	-7.5%	-2.6%

* Percentage improvement in our eco-efficiency metrics for producing 1 litre of beverage versus previous years

Baseline year: 2015/2016

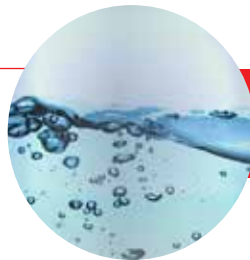
Positive environmental impacts on communities have been enhanced significantly as a result of the eco-friendly innovative installations.

The effluent treatment plant ensure safe water is recycled back into the environment, the CO2 extraction systems ensures near-zero carbon emission to the atmosphere while the waste heat recovery boiler harnesses the exhaust from generators to produce an alternative source of energy, steam.

In Ikeja and Benin, these installations have contributed to significant reduction of the NBC carbon emission footprint and overall enhanced positive environmental impact within our operational areas.



By incorporating water saving technologies on our production lines, we have managed to improve the efficiency with which we use water. Our 9 bottling plants in Nigeria have on-site waste water treatment plants.



2016 AND 2017 WATER REDUCTION RATE

WATER REDUCED*

2016	2017	2020 TARGET
0.8%	7.2%	18.8%

*Percentage decrease, from 2015, of water used in producing 1 litre beverage



To address the urgent threat of climate change, we have adopted an aggressive carbon reduction strategy.

We are improving our energy efficiency, switching to cleaner energy sources and developing low-carbon technologies

The Combine Heat and Power Plant is state of the art. It is a strong commitment from NBC to making positive imprints to soil, water, air and environment.

The Waste Heat Recovery Boiler facility resues the heat from composite boiler and converts to steam in order to use less fossil fuel

Gbenga Familola



2016 AND 2017 CARBON REDUCED

CARBON REDUCED*

	2016	2017	2020 TARGET
	4.62%	3.36%	21.9%

*Percentage decrease, from 2015, of carbon emitted in producing 1 litre beverages



2016/2017 ENERGY CONSERVED*

ENERGY CONSERVED

	2016	2017	2020 TARGET
	4.55%	7.2%	31.82%

* Percentage decrease, from 2015, of energy used in producing 1 litre beverage



2016/2017 WASTE RECYCLED

SOLID WASTE RATIO (G/L)

PERCENTAGE SOLID WASTE RECYCLED

	2016	2017	2020 TARGET
	16.19%	16.82%	13.8
	91.04%	93.52%	96

* Percentage decrease, from 2015, of waste recycled in producing 1 litre beverage

We help set up recycling infrastructure and encourage consumers to recycle their beverage packaging establishing a post-consumer PET Recycling Project

DRIVING BEHAVIOR-BASED HEALTH AND SAFETY

We adopt a proactive strategy in managing health and safety issues by entrenching a behavior-based safety culture. The leading and lagging indicators we use to track performance has consistently shown steady improvement.

We achieved 49.7% increase in Toolbox Talks in 2017 over 2016 moving from 13,162 to 19,704. Similarly, we recorded a 48.73% increase in Near Misses reporting in 2017 versus 2016, signaling improved awareness in employees reporting near misses.



39.4%

improvement in
compliance rate in
2017 over 2016

Within the scope of the leading indicators, the Walk the Talk inspection which was designed to encourage behaviour-based safety approach, witnessed a 39.4% improvement in compliance rate in 2017 over 2016 while Protective Personal Equipment (PPE) compliance rate also increased by 0.7% in 2017.

These were achieved through continuous employee engagement and encouraging them to take ownership of the process.





The number of employee workplace accident is on the decline.

The Lost Time Accident (LTA) in 2016 was 5, compared to 4 in 2017. Consistently, we have made significant progress and we continue to set ambitious targets for ourselves to guarantee employee safety and wellbeing.

Notably in 2017 the company invested 52,000 US dollars to engage a professional fleet consultant Fleet safety consultant, DDS Nairobi (Defensive Driving Systems LTD) to facilitate a driver training program called the 'Hearts and Mind Defensive Driver' training for NBC and 3rd Party Logistics drivers. This is serious demonstration of our commitment to reduce the number of road traffic accidents.



2016		2017		
LEADING INDICATORS				
	Number		Number	%
Near Misses	8,687	Near Misses	12,920	48.73%
Supervisor Led Toolbox Talks	13,162	Supervisor Led Toolbox Talks	19,704	49.70%
Walk the Talk Inspections	5,656	Walk the Talk Inspections	7,887	39.44%
PPE Compliance	98.7	PPE Compliance	99.4	0.71%

2016		2017		
LAGGING INDICATORS				
	Number		Number	%
Lost time accident	5	Lost time accident	4	20%
Road traffic accidents	28	Road traffic accidents	27	3.57%

SUSTAINABILITY

OUR KEY PRIORITY

Sustainability is integrated into every aspect of our business as we look to create and share value for all our stakeholders. We are firmly committed to conducting all our business activities with integrity and with respect for society and the environment.

Over the last decade we have integrated corporate responsibility and sustainability into everything we do, being true to our purpose and mission. We continuously invest in our communities, working together on key environmental and social issues.



BY 2020 WE COMMIT TO:

40%

Take 40% of the total energy we use from renewable and clean energy sources

40%

Recover for recycling an average of 40% of total packaging we introduce to our markets

20%

Source 20% of the total PET we use from recycled PET and/or PET from renewable material

25%

Reduce packaging by 25% per litre of beverage produced

95%

Certify over 95% of our key agricultural ingredients against the Coca-Cola system's Sustainable Agricultural Guiding Principles

2%

Invest 2% of our annual pre-tax profit in communities.

15%

Scale the number of employees taking part in volunteering initiatives during work time to 15% of our people

We identify and focus on the issues that have the biggest impact on our business and matter most to our stakeholders. We engage with our Nigerian stakeholders to listen, and to understand their insights into the issues that matter most to our communities and our business. NBC has integrated Coca-Cola Hellenic Bottling Company's policies, and are firmly committed to conducting all our business activities with integrity and with respect for society and the environment. We ensure that all laws and regulatory policies are complied.

SOURCING:**RIGHT PEOPLE, QUALITY PRODUCTS**




NBC has developed a culture of quality across the entire organisation. We require that our tier 1 suppliers be certified to the following standards: ISO 9001 (quality), ISO 14001 (environment) and OHSAS 18001 (health and safety).

We have contracted co-generation plants with Contour Global, who are operating and optimising our combined heat, cooling and power consumption in our Ikeja and Benin Plants. We are developing co-generation solutions for Port Hartcourt, Owerri and Asejire plants.

PET bottles represent our largest primary packaging type, with the highest number of servings sold. Together with bottle light weighting we have also introduced a new shorter bottleneck type, "1881", allowing us to reduce the weight of the plastic closures used in these bottles by up to 15%.

OVERVIEW OF OUR ENVIRONMENTAL PERFORMANCE



	2016	2017	2020 TARGET
 WATER USE RATIO PER LITRE OF BEVERAGE PRODUCED (L/L)	2.4	2.32	1.86
 CARBON EMISSION RATIO PER LITRE OF BEVERAGE PRODUCED (G/L)	68.1	73.8	55.76
 PERCENTAGE WASTE RECYCLED (%)	91.04	93.52	94.18

OUR WATER STORY

“Sustainable development is one big innovation agenda. Not only can we adopt more widespread economic, beneficial solution that has less impact on the quality of our living environment but also, all of them improve our quality of life.”
Engr Bamidele Idris



In our bottling plants, we closely monitor our water sources, minimising the amount of water we use.

By incorporating water savings technologies in our production lines, we have managed to improve the efficiency with which we use water.

For example by implementing our Top 10 Water Initiatives (including water consumption measurement & monitoring; backwash and forward wash water recovery, washer water consumption optimization; data driven backwash management etc.), we have significantly reduced the average operational water consumption of the plants. Each plant conducts routine risk assessments under our flagship water risk management strategy named source vulnerability assessment and the resulting source water protection plan is applied as a tool to guarantee the quality and quantity of local water supply .

We are working closely with local partners to protect local watersheds and promote sustainable water management.

OUR CARBON STORY

We have adopted an aggressive carbon reduction strategy; switching to cleaner energy sources and developing low-carbon technologies through our Combined Heat and Power Plant (CHP).

Through innovation and investment, we aim to turn climate risks into new opportunities for sustainable business development. We currently have five plants on CHP with waste heat recovery boilers. We work with suppliers to reduce the carbon embedded in packaging materials and optimise the route to market, using much more efficient vehicles and application of an Eco-Driving Program.



OUR RECYCLING STORY

We aim to minimize the environmental impact of our packaging at every stage of its life cycle. We do this by following our 3Rs principle: Reduce, Recover, Reuse, increasing our use of recycled or renewable content and implementing light-weighting techniques.

We ensure that all our primary and secondary packaging materials are fully recyclable, initiating a collaboration with a private investor, which resulted in the establishment in 2005 of Nigeria's first large scale and full process PET bottle-to-fibre recycling operation. In addition, about 66% of our beverages are sold in returnable glass bottles, which is fully recovered from trade for reuse.

In addition to minimising waste from our beverage containers in the marketplace, we are increasing recycling and minimising waste in our own bottling plants. Our extended producer responsibility is focused on creating awareness about preserving the environment for future generations.

To celebrate 2016 and 2017 World Environment Day, in line with the theme of both years, NBC employees actively participated in tree planting exercises, walks, and other programs to create awareness about the environment.



CHAPTER FOUR

OUR SOCIAL IMPACT





OUR COMMUNITY INVESTMENT

We bring economic benefits through our core business activities while also supporting community investment programmes. Each year we contribute to our local communities through community investment projects. We work with community leaders, government and non-governmental organisations (NGOs) to develop long-term partnerships and programmes that bring real benefit. We work to ensure economic and youth development in our communities, through our local commitments.

YOUTH EMPOWERMENT

Unemployment among young people remains a significant challenge in many markets. Through our youth development projects (Youth Empowered and the Management Trainee Project), we support enterprise educational programmes and offer internships, as well as empower underprivileged young people by providing skills training and access to funding.

YouthEmpowered is a 3-day intensive workshop aimed at increasing the capacity of 10,000 Nigeria youth in across Nigeria by 2020. Experienced facilitators and mentors are recruited to guide the youth throughout the workshop. Employee volunteering is also a component of project. The workshops are focused on ensuring that participants are empowered with life and business skills needed to succeed in their careers and businesses. The workshop held in Lagos, Port-Harcourt and Kano in 2017.

VOCATIONAL SKILLS TRAINING

NBC has also developed the Maritime Technical Skills Project in Oginigba Community in Port Harcourt.

The project aims to empower the youths in Port Harcourt with skills that will lead to employment and an improved standard of living. The beneficiaries of this project were provided with an intensive course in the maritime sector, as well as the necessary regulatory documentation to gain immediate employment with the international shipping companies, providing unlimited opportunities for international travel.

SCHOOL RENOVATION

We also support investment in education infrastructure in public schools across the country. We have invested in the school renovation of St. Peters Primary school in Asejire, Oyo state and in LEA Kuchingoro Primary School in Abuja, Federal Capital Territory (FCT) .

ECONOMIC EMPOWERMENT

As part of our economic development programmes we partnered with the Lady Mechanic Initiative to sponsor 100 young Nigerian women in Edo State to train, intern and work as automobile mechanics over a three year period.

We manage our CSR performance as rigorously as any other part of our business.

We adopt leading standards, set targets and monitor our progress regularly. In addition, we report our performance in the Group's Intergrated Annual Report.



2016 AND 2017 AMOUNT OF PEOPLE IMPACTED

SOCIAL IMPACT	2016	2017
		100

Each year we contribute to our local communities through community investment projects.

We work with community leaders, government and non-governmental organisations (NGOs) to develop long-term partnerships and programmes that bring real benefit.

NBC'S ALIGNMENT TO NATIONAL AGENDA AND UNITED NATION'S SUSTAINABLE GOALS/ VISION 2020

NBC Objective	Focal Area	Vision 2020	SDGs
Provision of youth empowerment opportunities through training, internships and employment.	Youth Development	<ul style="list-style-type: none"> • Wealth Creation • Employment Generation • Poverty Reduction • Value Re-Orientation • Guaranteeing the productivity and well-being of the people 	<p>Goal 1: End poverty in all its forms everywhere</p> <p>Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p>



<p>Minimizing environmental impact across product value chain.</p>	<p>Water/Sanitation</p>	<ul style="list-style-type: none"> • Housing, water and sanitation • Adequate infrastructure that supports the full mobilization for all economic sector 	<p>Goal 6: Ensure availability and sustainable management of water and sanitation for all</p> <p>Goal 7: Ensure access to affordable, reliable sustainable and modern energy for all</p> <p>Goal 12: Ensure sustainable consumption and production patterns</p> <p>Goal 14: Conserve and sustainably use the oceans, seas and marine resources for sustainable development</p>
<p>Facilitation of economic empowerment of Nigerian citizens</p>	<p>Economic Empowerment</p>	<ul style="list-style-type: none"> • Wealth Creation • Employment Generation • Poverty Reduction 	<p>Goal 1: End poverty in all its forms everywhere</p> <p>Goal 5: Achieve gender equality and empower all women and girls</p> <p>Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p> <p>Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation</p>

PROJECT PROFILES

PROJECT NAME

Renovation of LEA
Primary School,

LOCATION:

Kunchingoro,
Abuja

THEMATIC

AREA:
Education

BENEFICIARIES:

Students and teachers, parents,
and the local community



'NBC has contributed to the growth of our community. They have demonstrated that they are listening organization that is willing and ready for partnership towards the growth of our local community'

- CHIEF IBAHIM WALBI

'I am very impressed with the intervention and the structure of the classroom' The intervention motivated parents to enrol their children in the school. The building serves Primary 1 and Primary 2 pupils'

ZACHARIAH SARIKI (HEAD MASTER)

'The 2 blocks of classrooms have reduced the overpopulation of pupils in the class. We used to have 120 to 130 pupils in a class before the intervention, as against 70-80 we have presently.'

MERCY MARKAFI (CLASS TEACHER)

'I like coming to school because I love to learn and work. I am very proud of my school.' 'I want to be a Doctor. My favourite subject is Mathematics.'

SUCCESS BAKPAH

PROJECT NAME

Construction of 4 blocks of classrooms

LOCATION:

St Peter's Primary School, Asejire, Oyo State

THEMATIC AREA:
Education**BENEFICIARIES:**

Over 5 villages within the community with an estimated population of 5000 and student population of primary school age estimated at 1500.

There are only 2 conducive classrooms in this school, we are eager to start making use of this new blocks. The parents and the community believe this project will facilitate the improvement of their wards. This new blocks of classes makes this school the best primary school in Egbeda LGA. We appreciate the efforts of coca-cola, we hope they open the classroom for use very soon.'

MR MONIRU AKINPELU.

'We do not have enough classes but with this new classes teachers and students will be able to teach and learn in a more conducive environment.

MRS OYEWALE SARAH

'This project will help me and my colleagues improve our performance.

ROKIBU ISHOLA

Once the new blocks of classroom is commissioned for use it will encourage parents to enrol their pupils to this school.

MRS OWOLABI



<p>PROJECT NAME Lady Mechanic Initiative</p>	<p>LOCATION: Edo Line, Opposite John Holt, Mission Road, Benin City Edo State</p>	<p>THEMATIC AREA: Economic Empowerment</p>	<p>BENEFICIARIES: 100 young women between 15-25years, community members (parents, automobile engineers etc)</p>
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‘NBC pioneered the first corporate support and partnership with LMI to help curb the surge of trafficked girls from Edo state to Europe. Coca-Cola girls have become agents of change in the society. With the support and partnership of NBC, the outlook and narrative of the state is changing. Coca-Cola girls are now training other girls. Our relationship and partnership with NBC/Coca-Cola is a big romance.’

SANDRA AGUEBOR

‘NBC has helped to become who I am today. I am self-dependent and have respect from the society and my colleagues. I have over 6 years work experience in automobile repairs through internship and work experience with Peugeot Automobile Nigeria, Kaduna, Toyota in Lagos and God is Good Motors, Benin city.’

HAPPY AGUEBOR

‘NBC has helped me to pursue my passion and hobby, now I want to build a successful career after my graduation.’

ASHIWE VERA



PROJECT NAME Manual Distribution Centres	THEMATIC AREA: Economic empowerment	2017 NET PROFITABILITY There was over 376% increase in profitability from 2016 to 2017	DIRECT BENEFICIARIES: 595 distributors (over 90% are female) INDIRECT BENEFICIARIES: 498,015 which includes (pre-sellers, merchandizers, delivery men, truck assistant, loaders, dispatchers, store keepers, account clerk)
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'I have been financially independent and I have been able to improve the life of people around my community. All thanks to NBC.'

BOLA OLAJOYEGBE.

To work fast you walk alone, to work far, you walk with people. Good partnership with our distributors has been our strength in the last 2years. Change is the only thing that is constant in life. The evolution of Route to market (RTM) over the years has really made our customers more committed to their business because of the benefit that goes with their business expansion.

ANIMASHAUN KOLAWOLE

'I attended sales training at NBC sales academy in 2017, and this has made me a better sales person.

OLASUNBO DAMOLA

Being an NBC distributor has given me the opportunity of influencing decisions, developing my sales capacity and also increase my income.

ALHAJA TOYIN IGE

I have always dreamt in working with a business that will bring out the best in me and this is what NBC is doing, am more competent in my result driven skill not only in career but in everything I find myself doing.

MERCY JEMIKALAJAH

SUSTAINABILITY:

- I. Customers should have succession plan
- II. Continuous training to keep distributors and their employees informed about current realities and opportunities.
- III. Prior consultation/deliberations with distributors on price and policy changes
- IV. Improved product availability during festive periods



<p>PROJECT NAME Oginigba Youth Empowerment Training, NBC First Twelve</p>	<p>LOCATION: Oginigba Community, Port Harcourt, Rivers state</p>	<p>THEMATIC AREA: Economic Empowerment</p>	<p>DIRECT BENEFICIARIES: Oginigba youth community, community members.</p> <p>INDIRECT BENEFICIARIES: Local maritime industries, local industries eg. International Breweries where one of the beneficiaries' work. community members.</p>
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‘The qualifications I got from the training has helped me to better in work. I was selected to be a part of a special safety team within my organization.’

ALERUCHI FRANKLIN

‘The training has increased my value ad to the organization where I work. I am also able to support my family and siblings.’

ALERUCHI FRANKLIN



‘NBC created a platform for me to build and develop professional networks and contacts in the maritime industry. I have equal access to career opportunities’ Thank you to NBC. Out of the numerous companies in our community, NBC is committed to get access to relevant skills and deliver value.’ -

AMADI WISDOM OGECHUKWU



PROJECT NAME

Youth Empowered

LOCATION:Lagos,
Port-Harcourt,
Kano**THEMATIC AREA:**

Youth Empowerment

BENEFICIARIES:1615 (participants) 8075, which includes
(digital hub participants, partners, volunteers,
mentors)

The youth empowered internship opportunity has improved my self-esteem and exposed me to both business and job opportunities.

SALOME JAJA

'To change a nation, there must be sacrifice. All sacrifices are most effective one life at a time. Thank you NBC for changing one life at a time.'

SAM OBAFEMI.

The youth empowered experience was the stepping stone I needed to move forward, I gained a lot and I can now say I am a better person.

NINIOLA TAKURO

'Through Youth Empowered Project 2017, I have taken responsibility to pattern my behaviour in my daily relationship with my environment, to yield the success and change I want to achieve and sustain, by learning, unlearning and relearning, being emotional intelligent, not being afraid of starting small.'

EVIDENCE ANULIKA OBINWA

With NBC empowering youths with this project, it is estimated that 500 youths in Lagos will impact at least 50 youths in their communities which means 25,000 youths from Lagos will have benefitted from this program in 2017.

CHIGOZIE OBUAGBAKA

PROJECT NAME

Solar
Powered Borehole

LOCATION:

Muna IDP Camp (Goli,
Kachalari), Maiduguri,
Borno state

THEMATIC AREA:

Water and
Environment

BENEFICIARIES:

500-700 persons, Over 6,
000 household within the
camp.



Water is life. NBC Coca Cola has given us life.'

BULAM BUKAR.

'We are very happy for the borehole. The borehole has given us comfort in discomfort. Cases of fighting and unrest for water has reduced at the camp. The water is reliable and accessible.'

BULAM MODU.

'We thank NBC for the intervention. There is no cholera outbreak at the camp again due to our access to clean water'

BLAM MODU

'I no longer have to buy water again. The borehole installation is close to my tent and I don't have to fight to get water to do my house chores as a mother and wife.'

HADIZA USMAN



The youth will play a leading role in implementing the 2030 Global Agenda by making significant contributions to the actualization of United Nations Sustainable Development Goals by exploring new and innovative ways to solve problems and create shared value. Enabling and empowering youths to become entrepreneurs and employable can lead to economic self-sufficiency, stability and job creation.

NBC's flagship empowerment initiative - Youth Empowered seeks to support youths aged between 18-30 years old across Nigeria. In 2017, One thousand six hundred and fifteen (1615) young people benefited from workshops on life and business skills development. Youths were provided with a platform to develop their skills, interact with business leaders and mentors and intern with partner organisations.

Over 20 employees from Coca-Cola HBC volunteered as Youth Empowered mentors; sharing personal experiences about their own journey to employment, career guidance and business insights with the youths.















The Digital Hub which is an online platform which offers free e-learning resources to young graduates and budding entrepreneurs while providing a platform for youths to connect with mentors.





Over 20 employees from Coca-Cola HBC volunteered as Youth Empowered mentors; sharing personal experiences about their own journey to employment, career guidance and business insights with the youths.



	YEP TRAINED YOUTH	1,615 517 FEMALE   1098 MALE
	YEP MENTORS	147 mentors across 3 locations (Lagos, Port Harcourt, Kano). 46 LAGOS 56 KANO 45 RIVERS
	YEP INTERNS	93 Youths developed professional skills and competencies through internship placements. 53 LAGOS 14 KANO 26 RIVERS
	YEP LOCATIONS	 321  677  617
	YEP CONTENT	Live workshop featured 6 business skill sessions and 3 life skill sessions  3 LIFE SKILL SESSIONS  6 BUSINESS SKILL SESSIONS
	YEP HOURS	6 partners Collaborated on the project
	YEP PARTNERS	90 90 volunteer hours by 29 volunteers across 3 locations


DATA ANALYSIS:

Registration	Job creation/Business	Training Quality/Mentorship	Recommendation
32% of youths registered were females	54% of YE youths surveyed have either started a business or have been employed after YE	68% of YE youths surveyed rated the quality of the training content as excellent	98% of YE youths surveyed will recommend the training to their friends and colleagues.
77.82% of YE youths surveyed were graduates from 234 institutions in Nigeria	99% of YE youths surveyed improved their personal, social and professional life after YE	83% of YE youths who received mentorship support reported that YE improved their life and business skills	

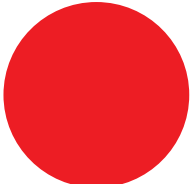
2017 PROJECT IN NUMBERS

11,669 registered
1,615 youths trained
7988 males registered
3681 females registered
313 higher institutions
147 mentors
93 internship placements

90 volunteer hours
29 volunteers
6 corporate partners
6 business-skills session
3 locations
3 life-skill session

SUCCESS STORIES:


Youth Empowered is a process I am grateful I passed through as it helped in discovering, developing and ultimately succeeding with whatever field I am and will be operating in. Skills like Time management, project management learnt during the program has helped a great deal. We were not only taught but given the opportunity to put in practice all we have learned through its internship scheme. I got employed after my internship all thanks to NBC.

Ironondu Isaac | YE Lagos

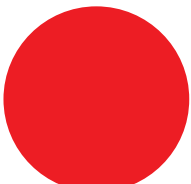
After learning vital business skills during Youth empowered Lagos, I have been able to start my coconut oil business with N1,000 and presently, my business is worth N 100,000.

Anyebe Benedict | YE Lagos

Before YE 2017 workshop held in Port Harcourt, I used to have the wrong notion that capital is the first thing needed to start a business. In the course of the training, I discovered that the most important thing is having a viable business idea. I applied the knowledge acquired during my post-summit business funding application, and my business plan was selected for funding. Am so Empowered! A big thank you to the management of NBC and stakeholders.

Frederick Kelechi Onu | YE Port Harcourt

It has helped change my mindset about volunteering. My work culture and interpersonal relationships have also improved tremendously. It has equally helped connect me to people of like minds who are desirous of carving a niche for themselves.

Okoro Austin Nduka | YE Port Harcourt

By attending YE 2017 Workshop at Kano State I acquired a lot of business ideas and management skills which helped me in my life and business. Thanks to NBC for a good Job.

Nasir Nuhu| YE Kano

SOCIAL RETURN ON INVESTMENT

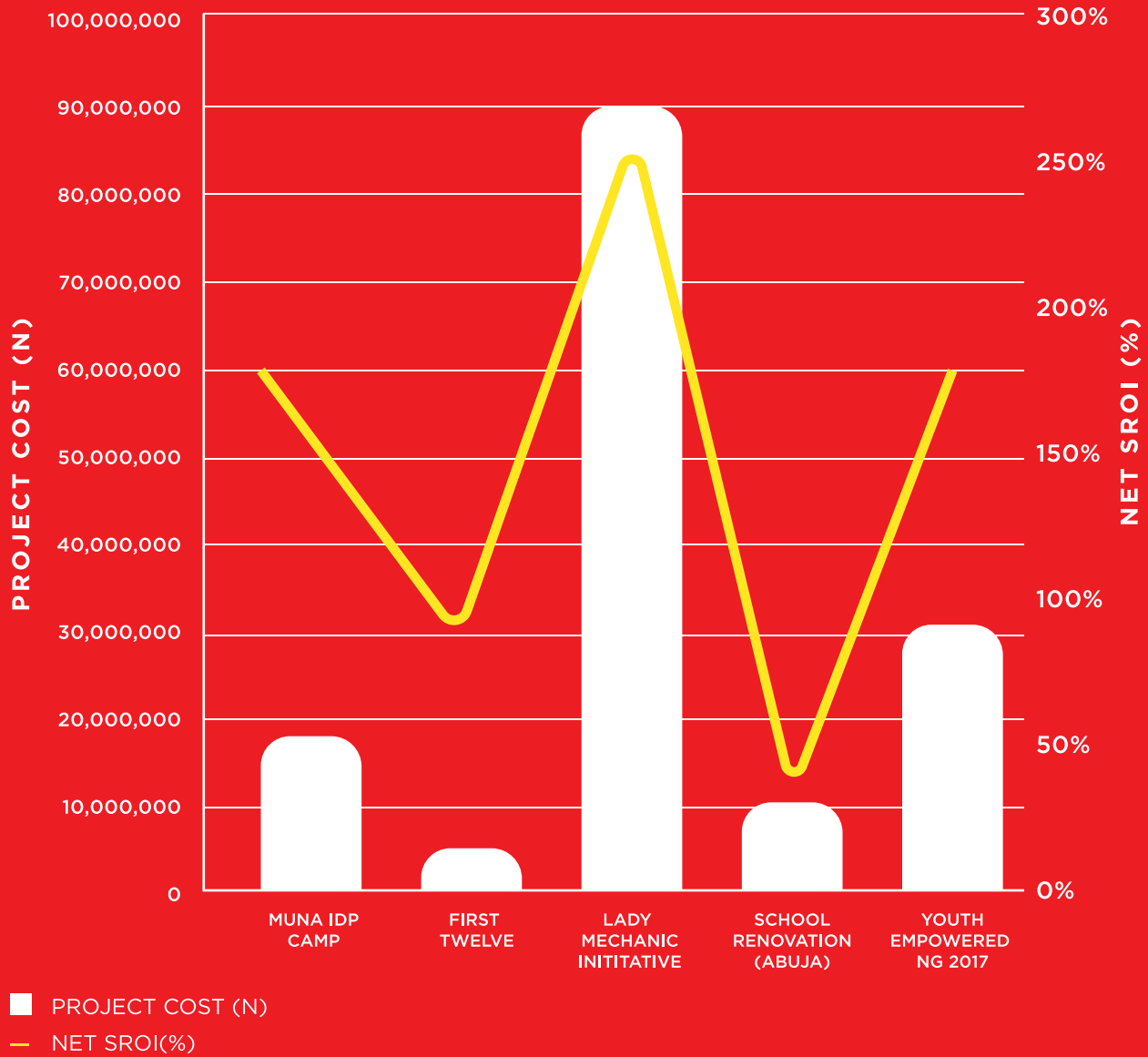
SROI is a relatively new and interesting tool for communicating the value of a non-profit's impact on the community.¹ According to The New Economics Foundation, SROI "captures social value by translating outcomes into financial values." SROI has been most frequently used in Europe, and its origin is from the financial sector.

ROI (Return on Investment), a performance measure used by investors, calculates "the rate of revenues received for every dollar invested in an item or activity." The SROI is similar to ROI but shows the double bottom line: the financial impact and the social impact of a non-profit's work. The social return on investment component of the study is focused on measuring tangible and intangible value (financial) of the projects' impact using clearly defined outcome indicators. This is an evaluative SROI conducted retrospectively and based on actual outcomes that have already taken place; a useful assessment, following project implementation, to determine social value and cost benefit of the project.

Overview of SROI performance of projects implemented

The comparison of the social return on investment on projects implemented in the reporting year shows a substantial positive return across the 5 projects in four thematic areas. The Lady Mechanic Initiative is a five-year project and therefore records the highest return on investment and social value, (for every N1 invested, N4 worth of value was created). The other 4 projects are less than a year old, however, the significant gap filled by the project as well as the reach are indicative of a longer-term increase in their social return on investment for the business.

SOCIAL RETURN ON INVESTMENT



Location	Maiduguri, Borno State	Benin, Edo State	Port Harcourt, Rivers State	Abuja, FCT	Lagos, Kano, Port Harcourt
Project Name	Solar Powered Borehole Project	Lady Mechanic Initiative	Maritime Operations Training	School Renovation	Youth Empowered NG
Category	Water & Environment	Economic Empowerment	Economic Empowerment	Education	Youth Development
Project Cost (N)	18,000,000	90,000,000	4,784,000	10,000,000	30,619,100
Benefits/Impact (N)	50,346,000	321,000,000	9,360,000	14,280,300	86,907,188
SROI	3	4	2	1	3
net SROI (%)	180%	257%	96%	43%	184%
	<p>The SROI is positive</p> <p>The net social return on investment exceeds the cost of the project</p> <p>The results from the assessment show that the intervention earned a net gain of 180% on the cost of the project</p> <p>The social value created by N1 of investment is 3 (3:1)</p>	<p>The SROI is positive</p> <p>The net social return on investment exceeds the cost of the project significantly</p> <p>The results from the assessment carried out on the Lady Mechanic Initiative, Benin Edo State show that the intervention earned a net gain of 257% on the cost of the project</p> <p>The social value created by N1 of investment is 4 (4:1)</p>	<p>The SROI is positive</p> <p>The net social return on investment exceeds the cost of the project</p> <p>The results from the assessment show that the intervention earned a net gain of 96% on the cost of the project</p> <p>The social value created by N1 of investment is 2 (2:1)</p>	<p>The SROI is positive</p> <p>The net social return on investment exceeds the cost of the project cost slightly</p> <p>The results from the assessment on the infrastructural intervention in LEA Primary School Kachingoro in Abuja FCT show that the intervention earned a net gain of 43% on the cost of the project</p> <p>The social value created by N1 of investment is 1 (1:1)</p>	<p>The SROI is positive</p> <p>The net social return on investment exceeds the cost of the project.</p> <p>The results from the assessment carried out on the Youth Empowered NG Project (Lagos, Kano & Port Harcourt) show that the intervention earned a net gain of 1846% on the cost of the project.</p> <p>The social value created by N1 of investment is 3 (3:1)</p>

CHAPTER FIVE

CONCLUSION AND ACCOLADES



CONCLUSION

AWARDS & ACCOLADES

We are proud to have won many awards that recognize our hard work and achievements. Here are just a few of our recent accolades.

Gem Woman Publications Award

We received an 'Award of Honour' in October 2016, in recognition of our consistent holistic empowerment of Nigerian woman.

NECA Safety Workplace Intervention Project (SWIP) AWARD

In recognition of our continuous compliance to standards in occupational health and safety, we received this prestigious award.

NECA Safety Workplace Intervention Project (SWIP) Award.

NBC Benin Plant has been named as a Plaque Award Winner for 2016 Occupational Safety and Health Audit Exercise. The award is in recognition of our safe work environment and practices. The Award ceremony took place in Port Harcourt on the 29th of November 2016.

Guardian Manufacturing Excellence Awards

We received the Master Class Guardian Manufacturing Excellence Awards in November 2017.

2017 National Productivity Order of Merit Award (NPOM)

The NPOM Award was presented to NBC in January 2017 by the Federal Ministry of Labour and Productivity, to acknowledge organizations that are self-reliant in their adaptations and application of technology, in order to ensure a cost effective operation and production efficiency.

Nigeria Safety Award

In recognition of our continuous compliance to standards in occupational health and safety, we received the prestigious Nigeria Safety Awards for Excellence from credible national and international professional safety organizational bodies, which include the Institute of Safety Professional Organisation of Nigeria (ISPON), Society of Occupational and Environmental Health Physicians of Nigeria (SOEHPON), World Safety Organisation (WSO) and American Society of Safety Engineers (ASSE) in September 2017.

1ST NIGERIAN COCOA AWARDS 2017

We were awarded with the 1st Nigerian Cocoa Award by the Eti-Oni Community in Osun State, in recognition of our contributions to community development which includes agriculture and tourism.

Coca-Cola HBC has been named Industry Leader

The top-performing company in the beverage sector – and awarded a Gold Class distinction in RobecoSAM's annual Corporate Sustainability Assessment.

