

GLOBAL COMPACT ANNUAL COMMUNICATION ON PROGRESS – SME VERSION

Company Name
Coca-Cola Nigeria
Limited
**Unit Public Affairs &
Communication**
Address:
Pemberton Place
6 Gerard Road
Ikoyi
Lagos

Country: Nigeria

**Contact name: Irene
Ubah**
**Contact Position:
Director PAC**

**Contact telephone no.
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**Date 23rd of March
2009**

Membership date

**Number of employees:
60**

**Sector: Non alcoholic
beverage
manufacturing
Company**

Brief description of nature of business

The Coca-Cola Company has operated continuously in Nigeria since 1953. We produce sparkling beverages, table water and fruit juice. Our brands include Coca-Cola, diet Coke, Sprite, Fanta, Schweppes, Eva Water, Gold Spot, Krest, Limca, Parle Club Soda and Five Alive. The company's main bottling partners are the Nigerian Bottling Company, Limca Bottlers & Femstar Bottling Company. The Nigerian Bottling Company operates 16 plants Limca Bottlers and Femstar Bottling Company operate 6 plants.

The company and its bottling partners directly employ approximately 6,152 people in Nigeria. For every one direct job created by the production and marketing of Coca-Cola products, up to 10 additional jobs are created in related industries.

Statement of support

We are committed to serving and supporting sustainable communities because our business succeeds where communities thrive. Together with our bottling partners, our business partners and members of the communities where we operate, The Coca-Cola Company works to identify and address existing and emerging social and environmental issues, as well as potential solutions. We may be best known for the shape of our bottle, but we are also passionate about shaping the world —one community at a time. Each of us leaves a mark on the planet and on one another. At The Coca-Cola Company, we are committed to making a positive mark on communities and minimizing our impact on the planet. Together with our bottling partners and suppliers, other businesses, community leaders, governments and nongovernmental organizations, we are working to improve lives, fuel local economies and protect the environment. That is the mark we want to make.

Signature
Irene Ubah

**Position Director Public
Affairs & Communication**

PRINCIPLE 1 BUSINESS SHOULD SUPPORT AND RESPECT THE PROTECTION OF INTERNATIONALLY PROCLAIMED HUMAN RIGHTS

Our Commitment or Policy

The Coca-Cola Company supports fair employment practices in our relationships with our employees consistent with a commitment to human rights in our workplace, and we seek to provide a safe environment in which to work. We abide by all applicable labor laws in the countries in which we do business including local laws addressing working hours, compensation, employees' rights to choose whether to be represented by third parties and to bargain collectively, working conditions and other such workplace practices. We seek to create a workplace where individuals are treated with dignity, fairness and respect. We recognize value, respect and celebrate the cultural differences and diversity of background and thought of our employees.

A brief description of our Processes or Systems

A detailed supplier guideline is provided to all contractors to sign before the commencement of any contract. All employees are expected to have done a due diligence on new and old contractors to ensure they comply with The Company's policy and guidelines.

Actions implemented in the last year / planned for next year

It was made mandatory for all new contractors to sign the supplier guidelines. Our parent company, The Coca-Cola Company has reinvested profits from beverage base sales in Sudan to programs aimed at rebuilding sustainable communities in the troubled country. As part of this initiative, the Company is committing \$1 million annually over the next three years to support the relief and rehabilitation efforts of select NGOs in the Darfur region of Sudan, with a particular focus on water-related projects. In addition, the Company will follow up on its previous commitments to humanitarian aid in Sudan through the Red Cross by committing an additional \$750,000 per year for the next three years to the Red Cross to assist people in Darfur who have been displaced or have suffered from violence in the region's longstanding conflict.

Measurable Results or Outcomes

The finance function ensured that all new companies that were registered included a signed copy of the supplier guideline.

PRINCIPLE 2 BUSINESS SHOULD ENSURE THAT THEY ARE NOT COMPLICIT IN HUMAN RIGHTS ABUSES

Our Commitment or Policy

The Company prohibits the use of all forms of forced labour, including prison labour, indentured labour, bonded labour, military labor or slave labor.

A brief description of our Processes or Systems

The supplier guideline is explicit about the adherence of this policy to all external stakeholders.

Actions implemented in the last year / planned for next year

An audit was conducted by the HR function which included an assessment of all registered contractors' compliance with is policy.

Measurable Results or Outcomes

All registered contractors were audited and found to be in full compliance with this policy. Last year, as part of an audit process of suppliers, it was discovered that one of our agencies expressly disallows its female employees from getting pregnant. We gave this agency a choice of changing that policy or discontinuing the relationship with Coca-Cola HR and Legal.

PRINCIPLE 3 BUSINESS SHOULD UPHOLD THE FREEDOM OF ASSOCIATION AND THE EFFECTIVE RECOGNITION OF THE RIGHT TO COLLECTIVE BARGAINING

Our Commitment or Policy

The Company respects its employees' right to join, form or not to join a labour union without fear of reprisal, intimidation or harassment. Where employees are represented by a legally recognized union, we are committed to establishing a constructive dialogue with their freely chosen representatives. The Company is committed to bargaining in good faith with such representatives.

A brief description of our Processes or Systems

The Company supports a Cooperative, which is independent of the Company and to which willing employees may subscribe of their volition. The cooperative elects its own officials who oversee the investments and activities of the cooperative union on behalf of members.

Actions implemented in the last year / planned for next year

Through the HR function, the Company provided support to the Credit Union to secure a bank loan for its members. The Cooperative has successfully helped employees to buy houses through a housing scheme and to secure mortgages from banks.

Measurable Results or Outcomes

The Credit Union's bank loan was approved.

PRINCIPLE 4 BUSINESS SHOULD SUPPORT THE ELIMINATION OF ALL FORMS OF FORCED AND COMPULSORY LABOUR**Our Commitment or Policy**

The Company prohibits the use of all forms of forced labor, including prison labor, indentured labor, bonded labor, military labor or slave labor. The Company adheres to minimum age provisions of applicable laws and regulations. The Company prohibits the hiring of individuals that are under 18 years of age for positions in which hazardous work is required. The Company's prohibition of child labor is consistent with International Labor Organization standards.

A brief description of our Processes or Systems

The Company has no legal binding document "forcing" any employee to remain in the Company

Actions implemented in the last year / planned for next year

A review of each employee's file to ensure full compliance to this policy was carried out during an audit.

Measurable Results or Outcomes

Full compliance was recorded by the auditors.

PRINCIPLE 5 BUSINESS SHOULD SUPPORT THE EFFECTIVE ABOLITION OF CHILD LABOUR**Our Commitment or Policy**

The Company adheres to minimum age provisions of applicable laws and regulations. The Company prohibits the hiring of individuals that are under 18 years of age for positions in which hazardous work is required. The Company's prohibition of child labor is consistent with International Labor Organization standards. The Company only employs eligible candidates who are within the legal working age. We expect our suppliers not to employ anyone under the legal working age or to condone physical or other unlawful abuse or harassment, or the use of forced or other compulsory labor in any of their operations.

A brief description of our Processes or Systems

Every employee is asked at the interview stage for proof of their age.

Actions implemented in the last year / planned for next year

All employees were asked to re submit the proof of their age for further verification as part of the external audit.

Measurable Results or Outcomes

HR verified that all employees and contract workers met the country's working age requirement.

PRINCIPLE 6 BUSINESS SHOULD SUPPORT THE ELIMINATION OF DISCRIMINATION IN RESPECT OF EMPLOYMENT AND OCCUPATION

Our Commitment

The Company values all employees and the contributions they make and has a long-standing commitment to equal opportunity and intolerance of discrimination. We are dedicated to maintaining workplaces that are free from discrimination or physical or verbal harassment on the basis of race, sex, colour, national or social origin, religion, age, disability, sexual orientation, political opinion or any other status protected by applicable law. The basis for recruitment, hiring, placement, training, compensation and advancement at the Company is qualifications, performance, skills and experience. The Company has a commitment to maintaining a work environment that is free of all forms of harassment and discrimination. The Company's goal is to create a workplace that is inclusive and respectful, where differences and unique skills are fostered and leveraged to produce enhanced business results.

The diversity of the Company's workforce not only enriches its members' work experience, but also contributes to the profitability of the Company. The Company promotes the principle of equity over equality. Equality means treating everyone the same. Equity means recognizing the unique contributions of all associates and understanding how their differences add value to the Company.

The Company defines diversity broadly to include not just differences in race or gender, but every quality that makes persons unique: age, experiences, education, marital status, family size, whether persons come from urban or rural backgrounds. The list is as long as each person is different, and as people share perspectives and opinions, all people benefit.

Embracing diversity is a business imperative for a global company like the Coca-Cola Company that operates in more than 200 countries. To succeed, the Company and its associates must create a culture of inclusiveness: the Company must comfortably relate to virtually every language, culture, religion and political system. That is only possible when the workforce mirrors the consumers served all around the globe.

Cooperation and participation among all associates is essential in helping the Company maintain an environment that is conducive to individual productivity, growth and development.

The harassment and discrimination policy applies to the conduct of all Company employees and business associates:

- a. in the workplace,
- b. off-site while on Company-related duties, and
- c. Towards fellow associates, supervisors/managers, customers and suppliers.

Our HIV/AIDS Charter

Our commitment to fighting HIV/AIDS

- The Coca-Cola Company and its Bottling partners remain committed to the wellbeing of all staff. Our mission is to reduce the impact of HIV/AIDS on our associates, their families and the Company through effective workplace programs, effective partnerships and community involvement.
- The Coca-Cola Company and its Bottling partners are committed to non-discrimination on the basis of an associate's HIV/AIDS status.
- Every associate has a right to privacy. We will ensure that information relating to associates' counselling, care, treatment and receipt of benefits is kept strictly confidential.
- To enable associates to benefit from the company's social and medical programmes, we encourage voluntary disclosure by an HIV positive associate.
- The Coca-Cola Company and its Bottling partners supports voluntary testing and therefore will not at any point require new and existing associates to be screened or tested for HIV/AIDS.
- We believe in the principles of reasonable accommodation, and therefore associates with HIV/AIDS are free to continue with their work responsibilities until such time as they are considered medically unfit to perform the inherent requirements of their job.
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- We will encourage behavioural change and seek to minimise the implications of HIV/AIDS

through comprehensive, proactive HIV/AIDS workplace education and awareness programs and treatment.

- We will identify community outreach opportunities that can be offered on a voluntary basis to associates with full Company sponsorship and support. We will establish and foster partnerships and linkages with non-governmental organisations (NGO's) and government for the implementation of our HIV/AIDS programmes.

A brief description of our Processes or Systems

The Company's programs will allow all its associates to:

- Demonstrate awareness regarding diversity
- Value and embrace diversity differences
- Demonstrate greater understanding of inclusive behaviour at work
- Leverage working in diverse teams
- Improve communication across business units
- Manage resistance of change in others regarding diversity

We expect our suppliers to judge their employees and contractors based upon their ability to do their jobs and not upon their physical and/or personal characteristics or beliefs, affirming the principle of no unlawful discrimination based on race, color, gender, religion, national origin or sexual orientation.

Actions implemented in the last year / planned for next year

A refresher campaign of the work place rights policy was implemented.

A HIV/AIDS awareness programme is provided for all staff and World AIDS Day is always "celebrated" in the Company.

Measurable Results or Outcomes

An internal company audit gave the company a "green" pass mark, which translates into 100% compliance. In recent times, VCT services were provided to all employees, including contract staff.

PRINCIPLE 7 BUSINESS SHOULD SUPPORT A PRECAUTIONARY APPROACH TO ENVIRONMENTAL CHALLENGES

Our Commitment or Policy

At the core of The Coca-Cola Environmental Management System are five values that affirm the responsibilities of The Coca-Cola Company and serve as guidelines for our business partners around the world. Each of these values is supported by specific requirements and practices that govern our daily operations and are fundamental to achieving results consistent with environmental leadership.

Our commitment to protecting and preserving the environment extends throughout our organization. We believe that having effective environmental management systems requires the involvement of employees at all levels. Our officers, managers and employees assume responsibility for daily implementation of our environmental management system. The environmental impact of our business occurs primarily within plant operations and distribution networks, as well as from vending machines and coolers. We concentrate on three principal areas of environmental responsibility: water stewardship; sustainable packaging; and energy and climate protection.

A brief description of our Processes or Systems

In alignment with our bottler, The Nigerian Bottling Company, we ensure that our bottling plants treat all its waste water.

Actions implemented in the last year / planned for next year

Two new plants were built and commissioned during the year

Measurable Results or Outcomes

Treated waste water from plant is either re-used in the plants for general cleaning or returned into the community, resulting in amount of water we use in our operations.

PRINCIPLE 8 BUSINESS SHOULD UNDERTAKE INITIATIVES TO PROMOTE GREATER ENVIRONMENTAL RESPONSIBILITY

Our Commitment or Policy

Coca-Cola Nigeria is committed to returning the drops of water that we use in our products by

REDUCING: The water used to produce our beverages,
RECYCLING: The water used for beverage manufacturing processes, and
REPLENISHING: The water in communities and nature.

A brief description of our Processes or Systems

- Plant Performance -water efficiency, wastewater treatment and water quality
- Source Protection -municipal supply, water safety plans, watershed assessment and conservation, etc.
- Community engagement -working with partners to help enable access to clean water, sanitation and hygiene education, and many other community water partnerships
- Global leadership -mobilizing others and strategic partnerships with WWF and the Global Water Challenge

Actions implemented in the last year / planned for next year

Community Project: Two water projects totalling \$540,000 were carried out in Kano State and Imo State
Plant Performance: 8 of our plants now have standard waste water treatment plants. We renewed an agreement with our recycling partners that enable them at our expense, use small business men and women to collect and sort PET (plastic) bottles for recycling.

Measurable Results or Outcomes

80% of the community projects have been completed and to date over 10,000 people have benefited from the projects. About 100 metric tons (approximately 15 million PET bottles) monthly from various manufacturing sources are recycled monthly

PRINCIPLE 9 BUSINESS SHOULD ENCOURAGE THE DEVELOPMENT AND DIFFUSION OF ENVIRONMENTALLY FRIENDLY TECHNOLOGIES

Our Commitment or Policy

Our sustainable packaging strategy is focused on package design, community recovery programs And package material reuse. Our system focuses on reducing both waste and the consumption of natural resources. Recycling rates for beverage containers are among the highest of any consumer product packaging in the world. We are focused on designing packages with high end-use value and helping communities advance sustainable collection systems that realize this economic value.

A brief description of our Processes or Systems

Supporting the only PET recycling plant in West Africa to recycle our PET bottles

Actions implemented in the last year / planned for next year

Continued to support the PET recycling plant

Measurable Results or Outcomes

About 100 metric tons (approximately 15 million PET bottles) monthly from various manufacturing sources are recycled monthly. Since 2005 over \$500,000 has been spent on recycling our PET bottles in Nigeria.

PRINCIPLE 10 BUSINESS SHOULD WORK AGAINST CORRUPTION IN ALL ITS FORMS, INCLUDING EXTORTION AND BRIBERY

Our Commitment or Policy

It has always been the policy of the Company to conduct its business activities and transactions with honesty and integrity, and in accordance with moral, ethical and legal standards of the countries in which the Company operates. Employment by the Company carries with it a responsibility to be constantly aware of the importance of ethical conduct.

A brief description of our Processes or Systems

- A. The Code of Business Conduct applies to the Company's business worldwide and to all Company associates.
- B. Generally stated:
 - Associates must never accept gifts, gratuities, or rewards from customers, suppliers, government official, or any other stakeholder for any service that they perform in the course of their job. Gifts are defined as any item or contribution intended to influence the decision of an associate.
 - Associates must refrain from taking part in, or exerting influence in, any transaction in which their own interest may conflict with the best interest of the Company.
 - Associates are not permitted to approach or negotiate with customers the Company serves under any circumstances that would in any way result in personal gain for the associate.
- C. The Code of Business Conduct applies to an associate's conduct while on company business outside of formal working hours and away from company sites.
- D. Business associates are informed about the Code upon entering into a business agreement with the Company.
- E. Behaviour reflecting unethical business conduct will result in immediate suspension leading up to dismissal.

Actions implemented in the last year / planned for next year

Continued to ensure that all associates take the course on the Code of Business Conduct. Stricter compliance rules introduced and monitored by Legal to ensure compliance by all staff.

Measurable Results or Outcomes

Three separate investigations of suspected cases of infractions took place although all were eventually cleared. All associates who took the course passed.

How do you intend to make this COP available to your stakeholders?

This will be included as part of our CSR report, which will be distributed to all our stakeholders.