

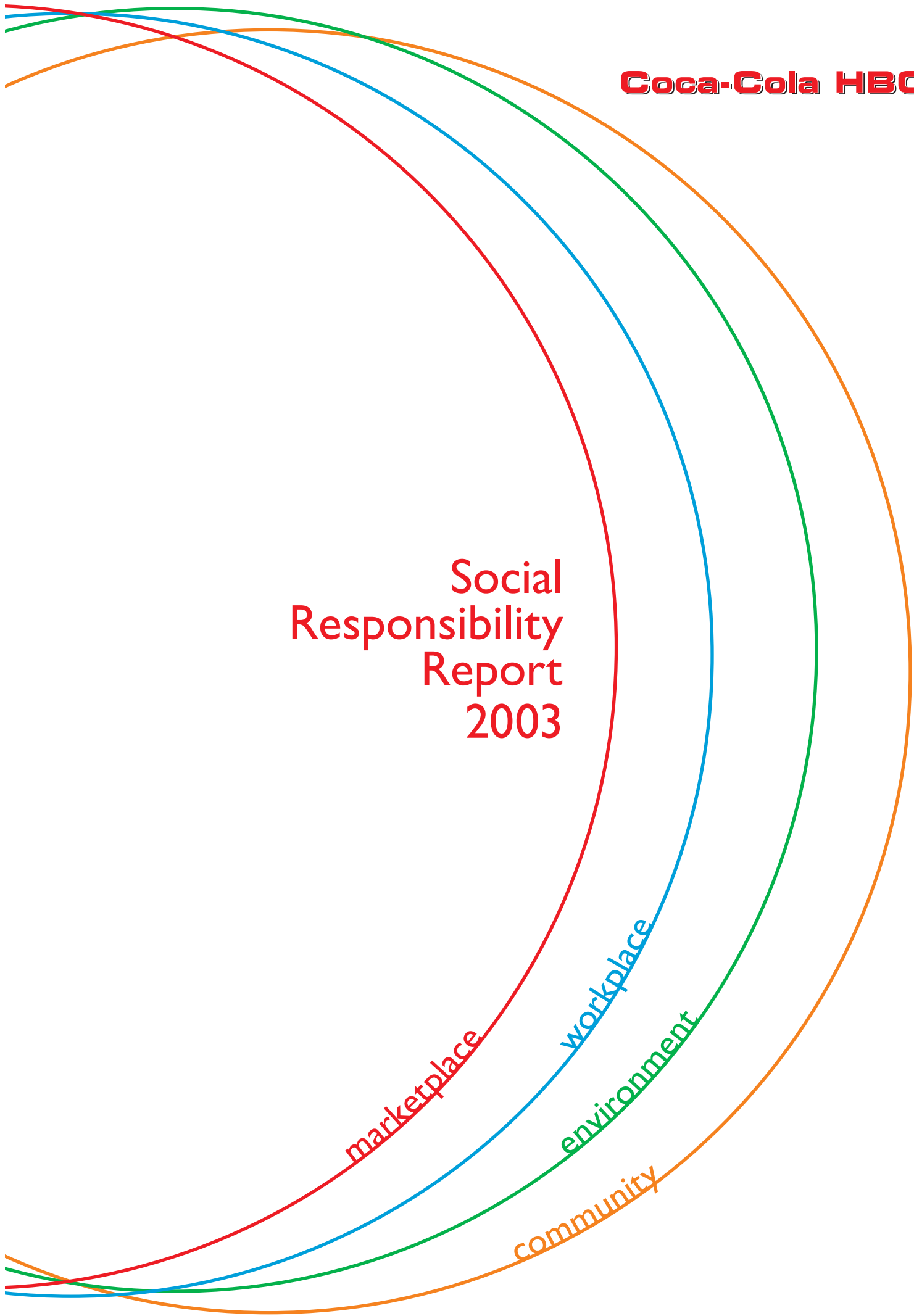
**Social
Responsibility
Report
2003**

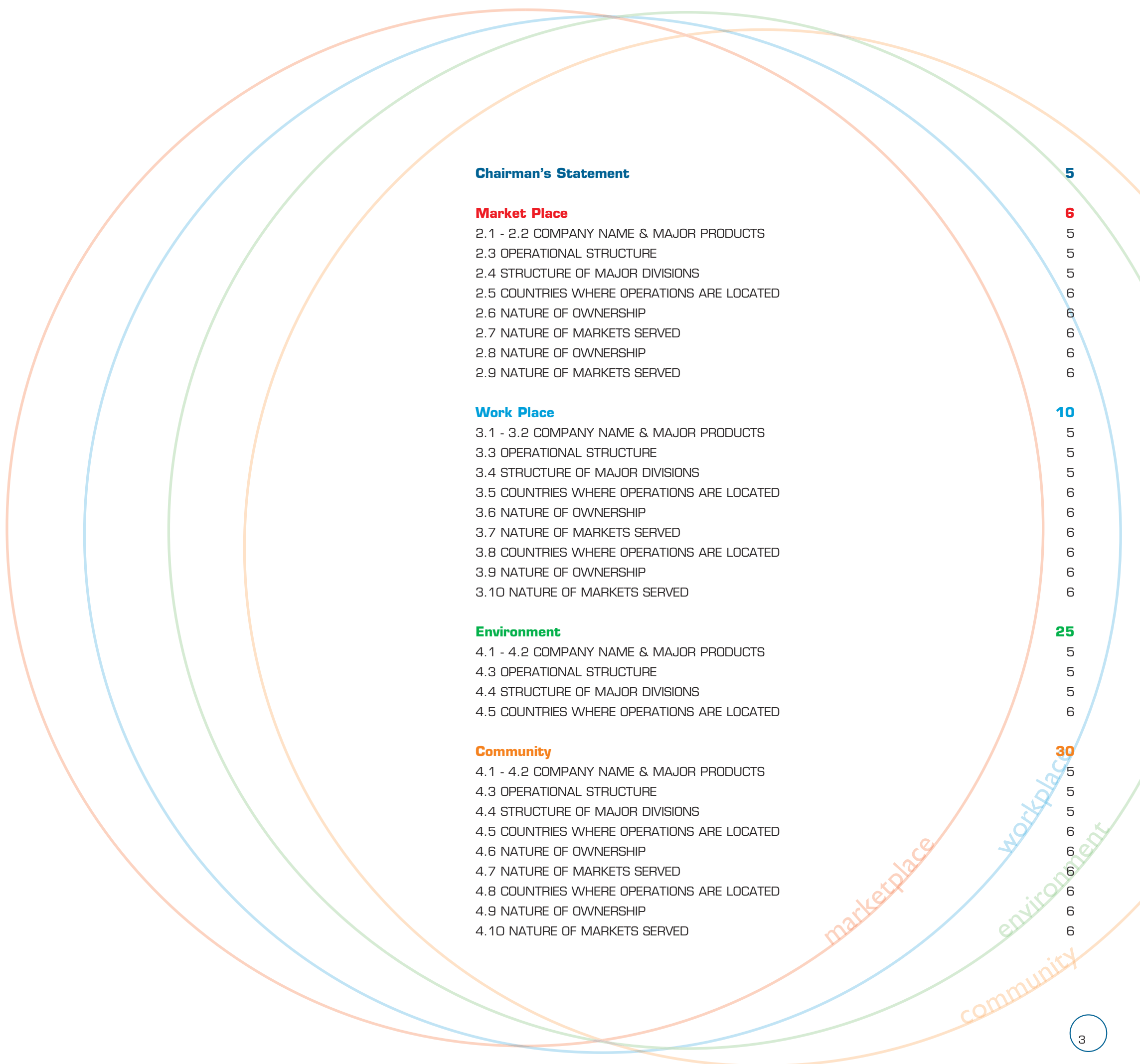
marketplace

workplace

environment

community





Chairman's Statement

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marketplace
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community

Shared Commitment Statement

More than simple business interest and the brands we jointly produce bind Coca-Cola HBC and The Coca-Cola Company together. We also share a view of the world; we see people not as just statistics, but as individuals with aspirations for themselves, their families, and their communities. We see markets as societies that seek sustainable economies and we see differences not as obstacles, but as opportunities that draw us even closer. Together, we accept the responsibility to use our knowledge and resources to help make a positive difference to the world in which we live.

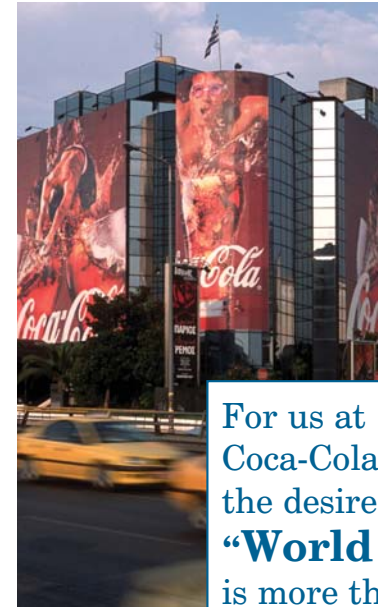
Consistent with this view of the world, we also share a set of values that underpin how we do business and how we interact with our customers, consumers, employees, the environment and the communities we serve. Those values include honesty, integrity, quality, respect for individuals and for the environment, and a fundamental sense of accountability for our actions.

Together, we strive to build and maintain a reputation for excellence in each of the countries in which we do business. That reputation built over many years is our strength. We strive for excellence not just in what we produce, but also in how we do business. This is why people reach for our products every day, and it is why investors place trust in us. That reputation endures because of our shared values and our commitment to conduct business in the right way.

Conducting business in the right way also means conducting business successfully, because the first responsibility of business is to make a profit and create wealth for those people it touches. That concept of building for the long term, profitably, responsibly, and in a principle-based manner, is core to our existence. Ultimately, it is our job, and by doing it well we continue to contribute to society through wealth and job creation, through community involvement and people development, and through philanthropy.

We are committed to acting with honesty and integrity at all times, in the way we conduct our businesses, and in the way we communicate with our respective investors and with regulatory authorities. Our core values will be reflected in all our relationships and actions - in the marketplace, the workplace, the environment, and the community. We work to avoid violations of our principles and act quickly to address violations should they occur.

This document sets out the principles that embody our shared values, and whilst implementation is the independent responsibility of each of our operating companies by following the necessary processes and management routines, we come together to reaffirm our commitment to good citizenship and ethical conduct.



For us at Coca-Cola HBC, the desire to be **“World Class”** is more than merely an ambition to achieve business success.

At Coca-Cola Hellenic Bottling Company S.A. (Coca-Cola HBC) we seek to meet our social and environmental responsibilities through the pursuit of two core principles: continuous improvement and sustainability. We call it our “Journey to become a World Class Selling Organisation”.

In this report, which is the first of its kind to be published by Coca-Cola HBC and covers the year ended 31 December 2003, we aim to demonstrate the progress we are making on this journey.

For us at Coca-Cola HBC, the desire to be “World Class” is more than merely an ambition to achieve business success. It requires us to constantly review and improve our performance in all aspects of the way we undertake our business in each of the 26 countries in which we operate.

As a leading producer in Europe of alcohol-free beverages - serving a population of more than 500 million people - there are many challenges that require constant attention. This report focuses on a number of these challenges, including, human rights, the environment, water management, packaging and packaging waste, legislative requirements, health and safety and our commitment to our employees.

You will find examples in the following pages that illustrate how local knowledge and skills are being combined with the extensive capabilities, resources and relationships across the Coca-Cola “system”.

We hope that this document will help you to appreciate the scope of our social and environmental vision and to gain an understanding of the dedication of our management and employees to building sustainability into our business and the communities in which we live and operate.

GEORGE DAVID
Chairman

<p>January CCHBC Switzerland first operation to achieve OHSAS 18000 certification</p>	<p>July CCHBC Austria acquires mineral water company Roemerquelle</p>
<p>February CCHBC employees take part in Mission Antarctica 2003 to make contribution in environmental sustainability</p>	<p>August</p>
<p>March Poland wins Coca-Cola Company President's Quality & Environmental Award</p>	<p>September CCHBC Northern Ireland wins prestigious UK Charity Award on Corporate Community Involvement</p>
<p>April System Summary Report on WWF "Water Savers" Project</p>	<p>October CCHBC announces completion of Multivita acquisition in Poland</p>
<p>May Greece-Hellenic operation implements a new Graduate Trainee Programme, called "Youth Programme 2003"</p>	<p>November First Waste water Treatment plant commissioned in Nigeria operations</p>
<p>June</p>	<p>December</p>

Romerquelle Acquisition?



The full intent and far-reaching goals resulting from this close alignment of beliefs is set out in the **Commitment Statement**, below.

In reading this report, I hope you will observe the importance Coca-Cola HBC places on the contribution made by its close involvement and participation in the worldwide Coca-Cola system.

We recognise that, by embracing shared visions and uniform values with our partners, The Coca-Cola Company (TCCC) and other Coca-Cola bottlers around the globe, we add depth and a broader perspective to our business.

As CEO of Coca-Cola HBC, I have gained at first hand a deep appreciation of the considerable benefits of this collaboration, by working very closely with colleagues across the system, over many years. A significant feature of our inter-action is not only seen in greater understanding and closer co-operation, but also in the unity of ideas and of ideals.

The full intent and far-reaching goals resulting from this close alignment of beliefs is set out in the **Commitment Statement**, below. It has been my privilege to demonstrate our uncompromising commitment to this agreed set of principles by signing this document on behalf of Coca-Cola HBC.

On the following pages we have set out in detail the ways in which we, through frequent consultation with colleagues across the Coca-Cola system, co-operate in addressing our social responsibilities in four principal areas - the Marketplace, Workplace, Environment, and Community.

DOROS CONSTANTINOU
Chief Executive Officer



Coca-Cola HBC, as a member of the Coca-Cola system, subscribes to fundamental beliefs in regard to operational responsibilities that inform and guide the behaviour of all employees in the system with a unity of purpose.

These mutually accepted and applied beliefs have been established as our core Operating Principles.

While remaining constant, application of the Operating Principles are always being reviewed and assessed to maintain relevance, validity and efficacy as our business continues evolving in an ever-changing world.

Our Operating Principles, briefly are:

The Marketplace

Our commitment is to provide products and services that meet the beverage needs of our consumers. In doing this, we provide sound and rewarding business opportunities and benefits for our customers, suppliers, distributors, and local communities.

The Workplace

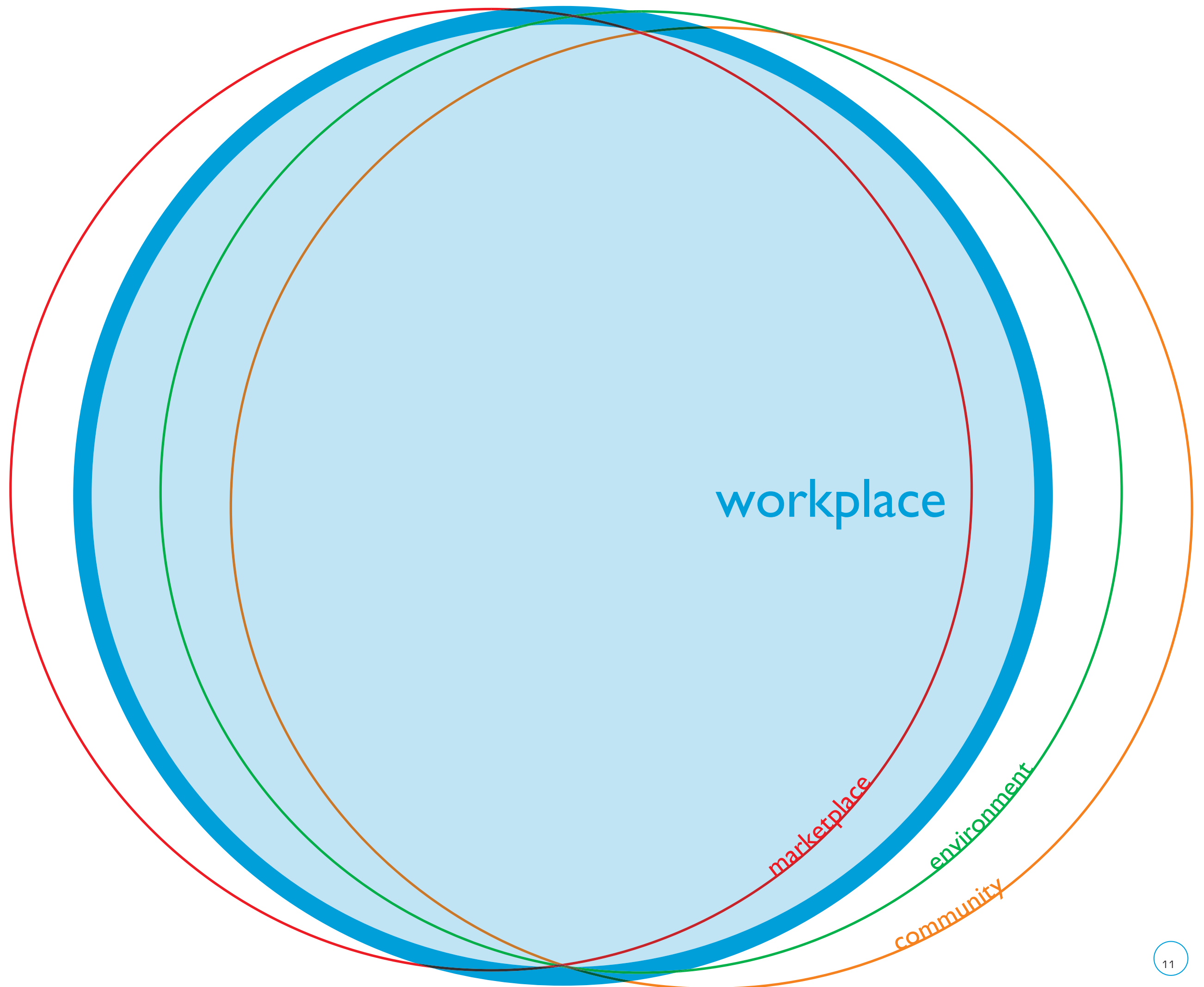
Our commitment is to foster an open and inclusive environment where a highly motivated, productive, and committed workforce drives business success through superior execution.

The Environment

Our commitment is to conduct our business in ways that protect and preserve the environment, and to integrate principles of environmental stewardship and sustainable development into our business decisions and processes.

The Community

Our commitment is to invest time, expertise, and resources to provide economic opportunity, improve the quality of life, and foster good will in our communities through locally relevant initiatives.



penation that that is competitive by reference to other multinational companies similar to Coca-Cola HBC in terms of size, geographic spread, and complexity.

In line with its commitment to maximise shareholder value, Coca-Cola HBC's policy is to link the interests of key executives of the firm to those of shareholders, they are eligible to participate in a Stock Option Plan. Recipients are granted awards by the Board of Directors, upon the recommendation of management, based on a view of competitive market conditions for employee remuneration and employee performance.

While a senior executive's contribution to the financial performance is a key factor, performance feedback is based on their overall performance, including the way it has "impacted on the business as a whole". In addition, a number of General Managers have non-financial targets linked to Corporate Social Responsibility activities such as environmental, occupational health & safety.

In this regard, executives as well as middle ranking employees receive incentives and other compensation based not only on economic factors but also their adherence and contribution to Coca-Cola HBC values and principles. Any employee found to contravene company commitment to its Code of Business Conduct, or who is in breach of regulations relating to the environment, or any such similar matter, is potentially subject to dismissal. Our approach to Directors' and Senior Executive Compensation is reported each year in the **Coca-Cola HBC Annual Report**.

MISSION & VALUES

At the time of the merger that created Coca-Cola HBC in 2000, the country General Managers from each of the then 23 countries, together with the heads of each of the Group functions met to create the company's Mission and Values. These were then extensively communicated throughout the organisation and have been positively embraced by our employees.

Coca-Cola HBC Mission Statement

We, the people of Coca-Cola HBC, will:

- ✓ Refresh our consumers
- ✓ Partner with our customers
- ✓ Reward our stakeholders

...and enrich the lives of the communities we serve.

Coca-Cola HBC Core Values

Commitment

To stretch ourselves to deliver outstanding performance.

Teamwork

To effectively share best practice, support our colleagues to achieve both country and group-wide goals, and to draw from the best resources available within the group.

Accountability

To be individually and transparently accountable to our colleagues for delivering agreed targets and goals.

People

To focus on creating a fun environment, in which a group of highly skilled and motivated people are exceptionally well trained, developed, challenged and respected.



Quality

To be committed, in each part to the business, to total quality of product, customer service, operations, execution in market place and people.

Integrity

We will conduct our business openly and honestly to the highest ethical business standards

Title	Implemented
Mission Statement	August 2000
Core Values Statement	August 2000
Chart of Authority	August 2000
Code of Business Conduct	August 2000
Code of Ethics	December 2000
CCHBC Operating Framework	August 2000
Ethical Trading Policy	December 2003
European Works Council Agreement	November 2002
Core Development Curriculum	

Fig? List of Company Policies and Codes of Practice

OUR STATEMENT OF BUSINESS PRINCIPLES

At Coca-Cola HBC we recognise our responsibility for all of our business operations and the impact that they have on our employees, our products, our customers, our consumers and the communities in which we operate.

We are committed in all our business activities to honesty and integrity, respect for the dignity and diversity of people, support for the communities in which we operate, and protection of the environment.

We are committed to the advocacy of our core values, including the principles of clear ethical standards as outlined within the **Coca-Cola HBC Code of Business Conduct**. This code details our corporate philosophy and our commitment to employees and it includes the responsibilities of employees and the company in terms of compliance with the letter and spirit of laws, regulations and busi-

ness ethics. We have implemented training and awareness programmes to ensure that ensure that employees are fully aware of our philosophy and have confidential access to report breaches of the code.

We are a responsible and ethical business organisation and will respect the principles enshrined in the UN Declaration of Human Rights, while recognising the need to consider the social, economic and environmental implications of our actions. We will respect the nine principles of the UN Global Compact as they address the areas of human rights, labour and the environment.

We will not hire any person below the local legal working age, and will not, in any circumstances, hire anyone below the age of fifteen years. We will not use or condone the use of forced or compulsory labour in any of our operations.

All of our operations, within twenty-six countries, are expected to acknowledge our principles and values as set out in this statement and to comply within an appropriate timeframe. As a basic requirement we expect that all of our operations be in full compliance with all local laws including environmental and labour laws.

We believe that our values and principles will enhance the business reputation of our organisation and accelerate the success and achievement of our business mission.

MONITORING OUR PROGRESS

In 2003 we have implemented **The Coca-Cola HBC Employee Relations Survey** to monitor the performance of our local operations within the areas of employee relations including, equality, occupational health & safety, internal communications and the participation of women within management. We also sought to establish our performance against our ethical and environmental standards.

We are currently working on updating the survey to fully reflect the indicators as outlined within the GRI guidelines. The updated survey will be conducted annually across all of our operations to

We invest consistently in developing all of our 36,000 employees to the best of their abilities, empowering them to achieve superior performance today and in the future. In 2002, we invested over _12 million in external training costs, and we budgeted more than _17 million for the same purpose in 2003.

All employees (from team leader upwards) are supported to have an annual skills assessment that includes both technical and professional as well as managerial and behavioural skills. The assessment identifies strengths and development areas that form the basis of the annual individual development plan. The development plan sets learning objectives and identified specific training programmes and other development activities, to be undertaken during the year. This process improves each individual's capability to perform their current role and prepares them for future opportunities.

RECOGNISING & REWARDING PERFORMANCE

Our Total Compensation programmes are structured to drive value creation, provide cost-effective rewards that are meaningful to employees, and encourage continuous learning, in order to make the company and its employees as successful as possible.

Where possible and appropriate, employees have some proportion of compensation at risk in relationship to business unit, team, or individual performance.

Our Total Compensation programmes are competitive with other appropriate large, high-performing companies of comparable size, thereby allowing the Company to attract and retain the level of talent necessary to grow the business. Compensation practices may be customised as necessary by country or regions within countries to address specific, local business needs and local market conditions, but must be consistent with the Coca-Cola HBC principles of total compensation.

A consistent philosophy in the design, application, and administration of Total Compensation programmes throughout the Company ensures fair and equitable treatment for all employees. The Total Compensation programmes of the Company are clearly defined, explained, and communicated to all employees in ways that are relevant to the employees.

DEVELOPING EMPLOYEE ENGAGEMENT

The Coca-Cola HBC **internal communications strategy** emphasises the objective of ensuring that employees at every level of the workforce are fully engaged and focused on the plans, actions and behaviour that will consistently exceed consumer and customer expectations.

COCA-COLA HBC CULTURAL SURVEY 2003 TOP TEN RESPONSES	Agreement %
1. My organisation is committed to producing products of the highest quality	94%
2. My organisation is committed to world class market execution	90%
3. I have a clear and consistent understanding of what is expected of me within my department	89%
4. I understand how my actions have an impact on external customer satisfaction	88%
5. I understand how my performance has an influence on achieve our Mission Statement.	88%
6. I understand how my actions impact the quality of our products and packages	86%
7. In my organisation we stretch ourselves to deliver outstanding performance.	86%
8. People in my organisation prioritise quality above all other considerations.	84%
9. I understand the financial implications of my work activities, which enables me to make better decisions	84%
10. My organisation works collaboratively with our customers to serve consumers better	83%

The company believes that the more engaged employees are, the more passionate, productive and committed they will be to the achievement of stretching business goals and capable of being rewarded for their efforts. To this end Coca-Cola HBC has established and continues to develop excellent two-way internal communications systems across all of its business units, and at all levels.

Coca-Cola HBC celebrates the uniqueness of its employees as individuals, while seeking to harness and share the synergies presented by teamwork both within country operations and across the entire organisation.

The company respects the right of employees to join or not to join trade unions, and to consult with management on issues of joint interest. **The Coca-Cola HBC Employee Relations Survey 2003** indicates that 32% of the workforce are members of a trade union. The company is committed to communicating directly with all employees, whether unionised or not, about major change initiatives. Almost 50% of employees are covered by collective labour agreements.

In 2002 Coca-Cola HBC established the **Coca-Cola HBC European Works Council** (EWC) under the European Works Council Directive 94/45/EU. This forum is made up of employee and management representatives from Austria, Greece, Italy, Northern Ireland and the Republic of Ireland. With EU enlargement, participation in this forum will be expanded to include representation from the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia, and Slovenia.

The Coca-Cola HBC Employee Relations Survey 2003 indicates that all of its country operations have direct communication systems, including open door policies, cascading communication networks, employee forums, newsletters, confidential employee opinion surveys, 360 degree and other confidential feedback surveys.

Coca-Cola HBC has a strictly enforced policy requiring every business unit to carefully record and report all accidents and illnesses. Any incident of a serious nature or in the case of illness, of a sickness that may be potentially infectious must be immediately reported to management whereupon

Conclusion

Coca-Cola HBC is aware that much has already been accomplished, but is by no means complacent, and realises there are many challenging tasks still ahead. The company has implemented many social and environmental programmes and projects while, at the same time, pursuing policies and adhering to values it has imposed upon its own operations.

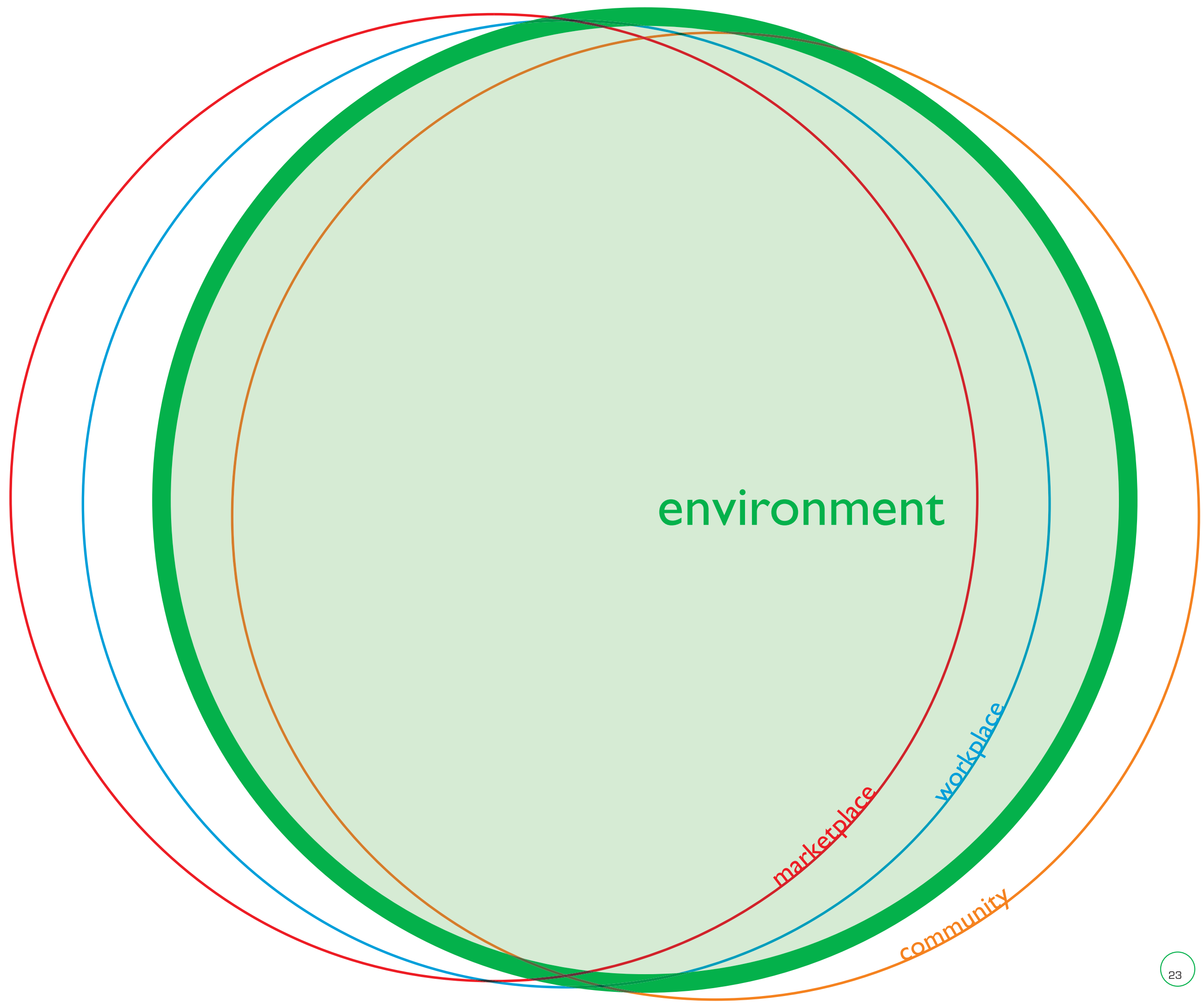
Coca-Cola HBC is committed to achieving, and subsequently reporting even better results, and is confident of doing so because of the relentless dedication of everyone throughout the company to continue moving forward on a journey toward becoming a world-class sales organisation.

In stimulating and heightening self-examination through preparation of this report, the company has gained greater appreciation of the fact that environmental management and sustainability are much more than just compliance. It is about finding and seizing opportunities to simultaneously enrich the lives of those in the communities served while improving our business. Saving resources makes the company not only more eco-friendly, but also more competitive. Communicating, sharing and reporting these achievements is of benefit to all.

The journey has started, but it is still just beginning!

uation in the country in question. As part of our OHSAS implementation programme, Coca-Cola HBC is in the process of standardizing occupational health and safety indicators and these will be consolidated centrally from January 2004 and published in future reports.

The data compiled from across the company allows health and safety personnel to swiftly identify and take remedial measures if they are of a singular nature, and to note and speedily rectify problems if, in a very rare and isolated instance, there is appearance of a trend.



Our commitment is to conduct our business in ways that protect, preserve, and enhance the environment, and to integrate principles of environmental stewardship and sustainable development into our business decisions and processes.

We deliver this commitment through the consistent application of key principles, including:

- ✓ Minimizing the use of natural resources, and maximizing opportunities for the recovery and re-use of resources.
- ✓ Implementing an environmental management framework that addresses issues such as water, energy, and solid waste.
- ✓ Assessing our environmental performance and taking action towards continuous improvement.
- ✓ Abiding by applicable local environmental laws and regulations.

We will follow practices that support these principles, including:

1. We implement eKOsystem and other recognized environmental management systems compliant with the norm ISO14001¹, that meet specific local business objectives.
2. We continuously examine our business for opportunities to reduce our consumption of resources, minimize the generation and disposal of waste, and maximize the amount of recycled content in our packaging and other materials.
3. We follow good environmental practices to increase water usage efficiency in every stage of the beverage production process.
4. We follow good environmental practices to reduce the volume and improve the quality of wastewater discharges.

ENVIRONMENT

Environmental Policy

The Coca-Cola HBC Environmental Policy is fundamental to its operations as the company believes its employees and everyone associated with its activities has an important role to play in achieving environmental goals.

In accordance with this objective, Coca-Cola HBC is committed to putting in place reliable measures and effective management systems to monitor and report upon its business, and the impact it has on the environment.

Responsibility for overseeing the implementation of this policy lies with the Citizenship and Environmental Committee of the Board of Directors as part of its mandate.



Environmental Policy

Coca-Cola HBC is committed to dealing responsibly with the environment in carrying out all its business activities in a sustainable manner.

We continuously increase our environmental standards and minimise any negative impact on the local and global environment, while fulfilling consumer and customer expectations of the quality and safety of our products and ensuring safe working conditions.

To reach these targets, we:

- play a leading role within the beverage industry by conducting operations in compliance with local and national laws and regulations and apply everywhere our high Coca-Cola HBC environmental standards including The Coca-Cola Company's eKO System.
- develop an internationally recognised management system in all of our operations that is based on continuous improvement.
- include environmental considerations in our business planning process to ensure that environmental management and advancement remains an integral part of our operations.
- set environmental goals, monitor results and audit our processes, and judge our achievements and improvements against our high environmental standards
- identify and implement ways to improve the efficiency with which we use resources, including water, packaging, energy and other raw materials.
- minimise discharge of emissions and waste material into the environment; reduce, recover, recycle and reuse our on-site solid and liquid wastes wherever practicable and ensure that we dispose of our unrecoverable wastes safely and with minimal impact.
- encourage and equip our employees to identify and act upon opportunities to improve environmental performance and waste management in the areas where they work.
- Co-operate with stakeholders in seeking solutions to those environmental problems on which we can make an effective and long-lasting contribution and we communicate openly on our environmental performance.

This Policy applies to all CCHBC employees.

Responsibility for overseeing the implementation of this policy lies with the Citizenship and Environmental Committee of the Board of Directors as part of its mandate in the area of Corporate Social Responsibility.

Doros Constantinou

ENVIRONMENTAL MANAGEMENT ORGANISATION

A Citizenship and Environmental Council has recently been formed under the guidance of the Citizenship and Environmental Committee of the board of directors. Its objective are:

- ✓ review environmental goals and targets to ensure their continuing relevance
- ✓ allocate responsibilities and time scales for progressing actions
- ✓ sett and agree environmental objectives and targets
- ✓ review and progress environmental corrective action plans and recommendations

¹ ISO 14001-compliant environmental management systems are implemented in 73 of 87 CCHBC production facilities as of Jan 31st 2004.

- ✓ allocate responsibilities where appropriate
- ✓ provide a forum for discussion and action on social and environmental matters
- ✓ review policies and recommend change to the operating committee
- ✓ review and comment on environmental & social impacts of products and packages

The Council reports to the Citizenship and Environmental Committee of the Board on a regular basis.

At country operations level, the local responsibilities are carried by the General Managers and Plant Managers, who designate Environment Coordinators as necessary to provide the advice, assistance and controlling necessary for environmental compliance.

THE ENVIRONMENTAL CHALLENGE

The identification of environmental risks and opportunities has taken place over a number of years in the Coca-Cola System. Numerous internal and external ecological footprint and life cycle analyses have shown what our main environmental impacts are. Various stakeholders have contributed to an awareness of downstream problems and in addition, dialogue with NGOs, and media coverage have reinforced the social and political significance of many issues.

Multi-criteria analyses based on these inputs have led to the definition of the following three top environmental priorities:

- 1. Water:** As the single most important substance for the human environment, water is a key priority. Due to the volume of our bottling operations, consumption of raw water and the discharge of wastewater will always be a priority for our business, this is especially so in countries with low water resources and low technicality in water treatment. Impacts tend to be local and can affect groundwater as well as aquatic ecosystems.
- 2. Energy:** Because of its global significance, energy is our next priority. Environmental impacts occur mostly where energy is extracted or transformed, and globally, since air emissions bring about climatic disruption (greenhouse effect), as well as soil acidification and water eutrophication. Energy is used not only in our plants, but also in all our distribution activities and by all our sales and marketing equipment.
- 3. Waste:** Solid waste has been recognised as an environmental concern for many years and cannot be eliminated without impacting the local environment. It is an output of our production facilities and an outcome of consumer behaviour (littering). Packaging is among the most politically important environmental issues.

BUSINESS PLANNING

Having identified the three key impacts, the group has agreed objectives and targets for country operations for 2004. These environmental targets are as follows:

- ✓ Reduce water ratio by 5% vs. 2003
- ✓ Reduce energy ratio by 5% vs. 2003
- ✓ Reduce waste ratio by 5% vs. 2003
- ✓ Improve waste recycling by 5% vs. 2003.

Country Operations elaborate their business plans accordingly and report them centrally. Each country details its national and local planning and defines action plans. The projects and actions relevant to the environment in those action plans determine the content and conduct of their environmental programmes.



Environmental Coordinators: Six environmental training workshops took place in 2002, focussing on developing and implementing ISO 14001 environmental management systems. They were carried out in Vienna, Moscow and Sofia and attended by 51 environmental coordinators from 19 countries, totalling 348 session days. In May 2003, a follow-up meeting with ten participants was organized in Vienna, and the next meeting is planned to take place in Nigeria in 2004.

In addition to training on the practical implementation of environmental management systems in house, we also provide regular training workshops on environmental legislation and the implementation of waste and packaging waste recovery schemes for all countries.

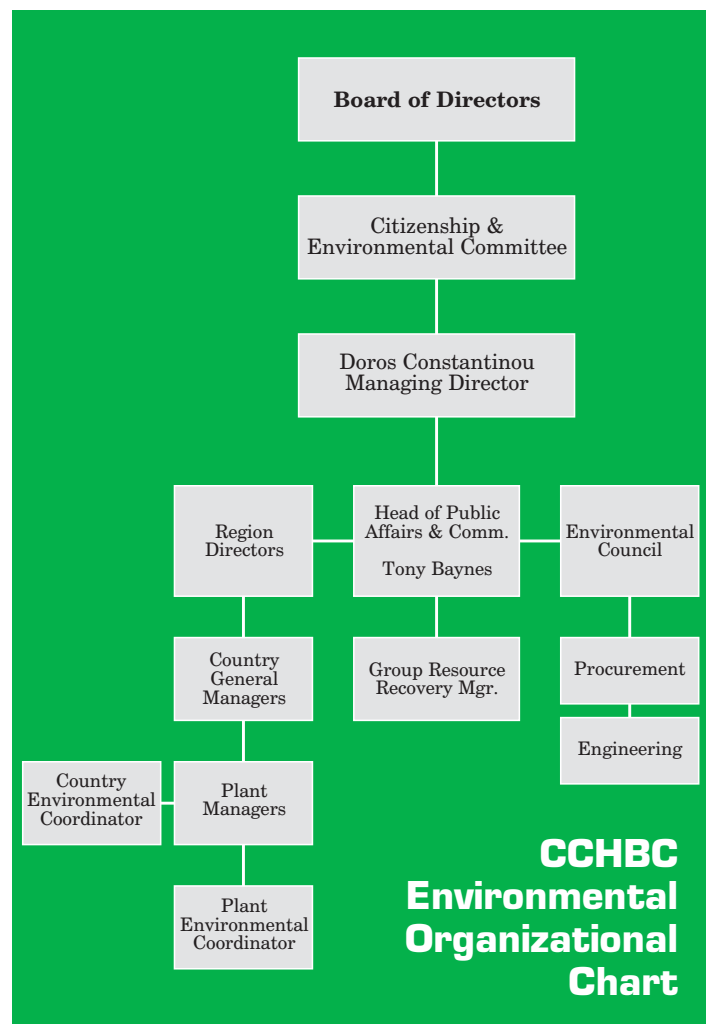
Local Implementation

A large degree of autonomy is left to countries, because it is understood that in order to be fully effective, solutions to local problems must be implemented locally. Each country and each plant define and implement their action plans according to their priorities and capabilities, taking into account Group objectives and targets.

Reporting

Environmental reporting serves to evaluate and track our impacts, prove the effectiveness of our programmes, detect problems and successes, communicate with interested parties, and identify ways to improve performance and introduce new initiatives.

The most important environmental Key Performance Indicators (water, energy and waste)



ISO14001 Certification

A cornerstone of the company's environmental actions is the ISO 14001 certification of all operations.

Coca-Cola Beverages Switzerland AG, a wholly-owned subsidiary of Coca-Cola HBC became the first Coca-Cola bottler in the world to obtain ISO14001 certification in 2001, achieving as it did so, significant reductions in water usage, improvements in waste recovery and recycling and improvements generally in efficiency. More information is available in the Coca-Cola Beverages Environment Report 2002 (www.coca-cola-shop.ch/environment).

At present 84% of Coca-Cola HBC alcohol-free beverage operations have achieved Environmental Certification ISO 14001, with all other operations in Europe, planned to reach the same standard in the first six months of 2004. Nigeria, due to historical reasons is scheduled to achieve ISO14001 certification in 2006.

ENVIRONMENTAL TRAINING

Training in this area is organised by the business units within the individual countries and included several workshops specifically for Country

are reported on a quarterly basis. These figures are consolidated centrally and used for benchmarking. In addition, each production facility reports a multitude of data to The Coca-Cola Company on an annual basis.

Reporting standards are described in the internal document Good Environmental Practices on Environmental Reporting. The reporting process is audited during eKO System audits.

Public reporting of environmental impact is made from time to time in line with the requirements of the ISO 14000 standards.

Controlling

Numerous internal and external audits take place at plant and country level. Environmentally relevant audits include those for ISO 14001 and for The Coca-Cola Company eKO system that will cover all bottling plants by mid 2004 (except Nigeria). Environmental due diligence audits are carried out prior to acquisitions, and Safety and Loss Prevention audits have been completed at 83% of Coca-Cola HBC plants.

EFFECTIVE SYSTEMS FOR EFFICIENT STEWARDSHIP

Consideration is given to improving economic and environmental aspects associated not only with the design, production and packaging of products, but also their transportation and ultimate disposal. Responsibility for this lies with the company's Citizenship and Environmental Council comprising managers from a range of functional areas including Supply Chain, Quality Assurance, Risk Management, Public Affairs, Human Resources and General Management. The Council also has external representation from The Coca-Cola Company and external consultancies and NGOs.

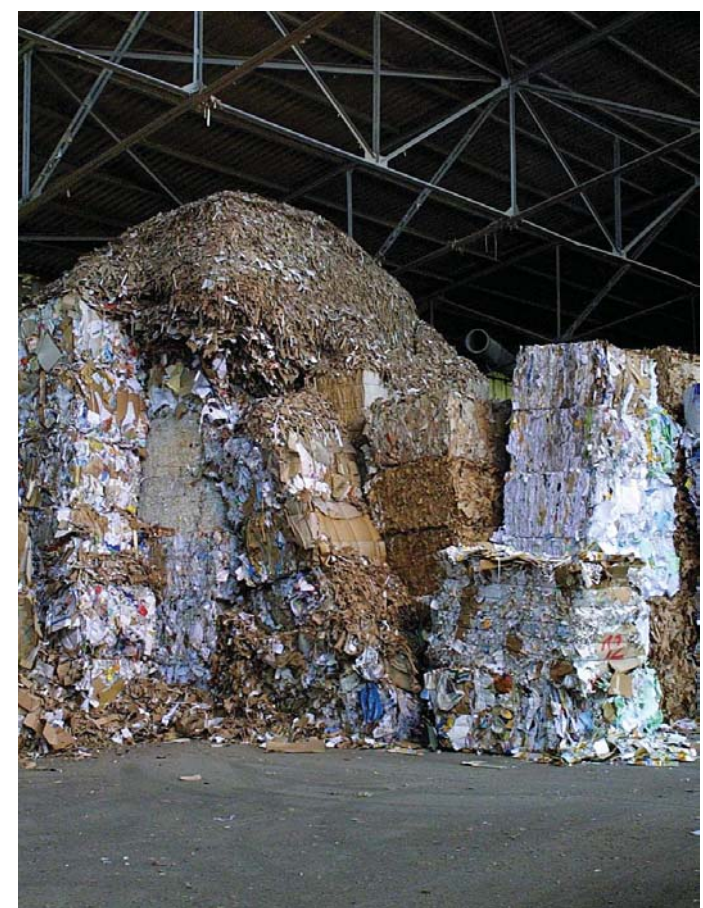
The Council co-ordinates environmental affairs and discusses packaging and equipment design to obtain optimum impacts both up and downstream. For example, by working with our suppliers, the weight and quantity of material used in packaging has been significantly reduced and the efficiency of chilling equipment greatly increased.

ENVIRONMENTAL MANAGEMENT SYSTEM VERIFICATION

The environmental part of this report is verified by Denkstatt, an independent environment-counselling firm which has worked with The Coca-Cola Company and has an in-depth knowledge of business in the beverage sector.

DENKSTATT Umweltberatung und -management GmbH (DENKSTATT) were commissioned to provide a third party validation of the key performance indicator data (KPI) and EMS implementation progress data included in this report based on site visits and reviewing existing audit data from both internal and external sources. A summary of the key findings is as follows:

1. The description of our business and environmental activities, commitment and progress is a fair description of the current reality.
2. The environmental impacts and KPI's reported and included are those identified as being the most important, based on the companies specific business activities. The accuracy of the data collected by each operation is plausible and accurate and the traceability will become more effective as the EMS matures further.



The ISO14001 implementation work at country level has made substantial progress given the aggressive and challenging targets for accreditation set by the company and should be used as an example to other multinational corporations.

The company also remains focused on international priorities, NGO requirements and in-depth life cycle analysis (see Coca-Cola Beverages Environment Report 2002 (www.coca-cola-shop.ch/environment) which are monitored through the formation of a centralised Citizenship and Environmental Council.

3. The data provided are coherent with the companies processes and spot-checks were carried out in 3 countries their selection being based from each of the three business development categories (established, developing and emerging) as well as an in depth review of environmental system audit data from several of the companies other operations
4. The companies environmental organisation includes country Environmental Coordinators who are trained comprehensively. They actively develop the EMS (Environmental Management Systems), corrective action and continuous improvement plans in conjunction with senior operations management and are encouraged to exchange best practice ideas and experiences within the Coca-Cola HBC group.

A copy of the report submitted by Denkstatt is available at www.coca-colahbc.com

ENVIRONMENTAL STANDARDS

The following environmental internal and external regulations are applicable to all Coca-Cola HBC Operations.

- ✓ The eKOsystem comprises the environmental management standards of The Coca-Cola Company and is applicable to all bottling plants operating under its licence.
- ✓ There are Good Environmental Practice (GEP) manuals on Wastewater, Fleet Management, Managing Hazardous Materials, Ozone Protection, Measuring and Reporting



Environmental Performance, Auditing Environmental and Safety Systems, and Environmental Due Diligence.

- ✓ The international standard ISO 14001 lists requirements for environmental management systems based on a continuous improvement process.
- ✓ All relevant local, national and (for EU members) European environmental legislation must be respected by each operation.

ENVIRONMENTAL PERFORMANCE INDICATORS

The Coca-Cola HBC environmental indicators are focussed on the environmental impacts that have been identified as being the most relevant to the company's operations, and therefore within its scope of influence. Yearly figures are shown in the environmental data table.

Materials

Raw materials are used as ingredients for the company's beverages, as constituents of packaging and as auxiliary materials in production processes. Because most of the environmental impacts in the use of raw materials actually occur in the supply chain, company suppliers are being required to be more and more involved in Coca-Cola HBC's environmental endeavours.

Ingredients

The following are the main ingredients used. Yearly consumption figures are shown in the environmental data table.

Water

The main ingredient of the company's products is water. About 20 million m³ of water were used across our operations in 2003, which amounts to 2.58 litres per litre of produced beverage.

Concentrates

Our beverages are manufactured from concentrates mainly supplied by The Coca-Cola Company. Depending on the final product, they contain concentrated fruit juices, plant extracts, colourings and other ingredients. About 36,600 tonnes were used in 2003.

Sugar

The main nutritive sweetener used in our beverages derives from sugar beet cultured in Europe. 545,000 tonnes were used in 2003. Other sweeteners utilised amounted to 102,000 tonnes.

Carbon Dioxide

In 2003 Coca-Cola HBC utilised 95,000 tonnes of carbon dioxide in its carbonated beverages. This is approximately 12.4 grams per litre.

Other raw materials

Packaging materials are used to contain, transport and protect beverages.

The following approximate quantities of materials were used in 2003 as shown in the table below:

Other Raw Materials	Tonnes
Glass	190,000
Metal Crowns	9,200
Aluminium	126,000
PET	263,000
Polyethylene	59,100
Paper	65,500
Plastic labels	4,900
Shrink film	17,900
Cardboard	14,800
Wood pallets	73,400

Auxiliary materials

Auxiliary materials are those needed in the production phase, such as chemicals for cleaning processes. Two of them, which are used in bottle washers and in the cleaning of installations, are considered hazardous. These are hydrochloric acid and sodium hydroxide. Chlorine is used in the disinfection of production water.

The company Good Environmental Practice on Hazardous Materials sets very strict rules on the storage and handling of chemicals, both from a safety and an ecological point of view. Furthermore, the company is optimising its management of chemicals by concentrating on only two suppliers, and standardising procedures, documentation and safe handling.

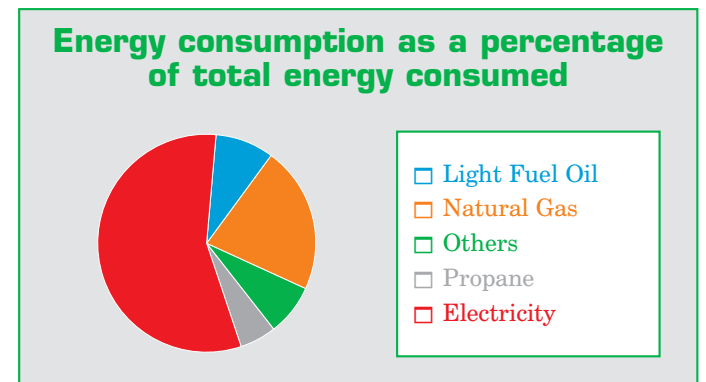
Auxiliary Material	Tonnes	Grams per litre of produced beverage
Hydrochloric acid	4,320	0.56
Sodium Hydroxide	6,000	0.78
Chlorine	492	0.064

Energy

Like much of the world today, Coca-Cola HBC relies on fossil fuels. The impacts arising in the extraction, transport and use of these fuels contributes to pollution and global warming. Saving energy diminishes all these impacts and is one of the company's top environmental priorities.

The beverage industry requires production, distribution and sales, for which energy is essential. For example:

Inside production plants, thermal energy from natural gas or heating oil typically serves for washing, pasteurising and sterilising containers and equipment as well as for heating the factory. Electricity activates production lines, blowers, conveyors, rinsers, mixers, fillers, labellers, wrappers and palletisers, as well as utilities; lighting, ventilation and compressed air.



The total energy consumed by the company's 87 production facilities is 5000 million MJ.

The country averages are shown in the benchmarking section and more detailed numbers are in the data table.

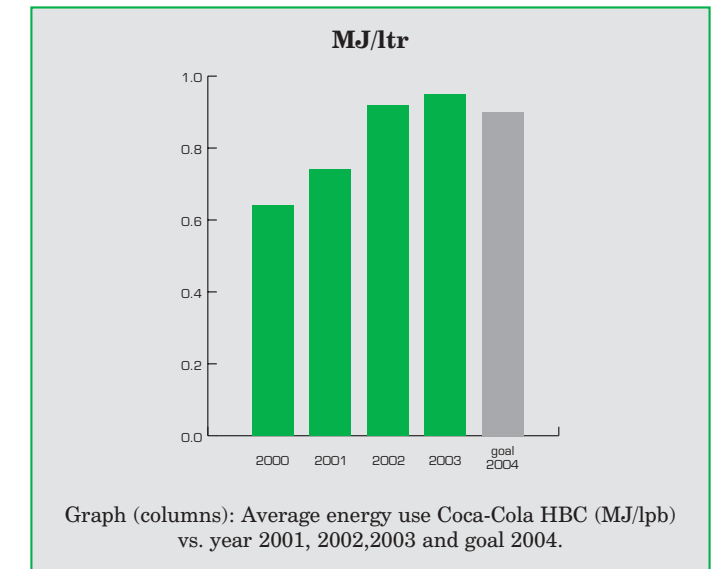
Some 14,650 vehicles consume petrol and diesel to transport salespersons and technicians as well as goods to and from customers. As one of the largest fleets of vehicles in the markets served by Coca-Cola HBC, the company is well aware of the environmental impact of noise, traffic and emissions from combustion engines. Some company operations have implemented projects and activities leading to the reduction of these impacts. The energy used by the distribution fleet in 2003 is estimated to be 2100 million MJ.

Refrigeration equipment located on customers' premises also consumes electricity. The total electricity used by sales and marketing equipment is evaluated at 1800 million MJ.

Even though the costs are with the customers and the ecological impacts are with the electricity generation plant, Coca-Cola HBC has initiated and taken part in the development of electricity saving systems that are being introduced as part of our on-going energy reduction programme.

As a developing business within expanding markets, the energy requirements of Coca-Cola HBC continue to grow. To minimise the adverse implications of this, the company is committed to continuously improving its processes in order to reduce relative energy use (MJ per litre produced beverage). The graph below shows past perform-

ance as well as goals set for 2004. The company's stated objective is to reduce the average energy ratio by 5% vs. 2003.



ENERGY IMPROVEMENT PROGRAMMES

Various energy saving projects have been implemented and are underway in many plants. For example:

- ✓ Heat recovery from blowing machine captures uses excess heat resulting from PET bottle blowing to heat the workspace during winter-time, or to pre-heat water for other uses such as washing.
- ✓ Re-using hot air within the shrink wrapper saves electricity.
- ✓ Energy-saving lighting in warehouses reduces the demand for electricity
- ✓ Recharging electrical forklift trucks in phases lowers the peak electricity demand

The Kyoto-derived targets for CO₂ emissions in some countries in the Coca-Cola HBC system will drive further endeavours towards greater energy efficiency. It is anticipated that this will lead to valuable innovations that will be shared with other operations. Alternative renewable energy sources are to be used whenever economical.

Water

As a prime user of water for our core products, we are keenly aware of the ecological impacts of beverage production on water resources and are improving our management of them.

Water consumption

The Coca-Cola system takes stringent measures to ensure that water it is treated and purified to the highest standards prior to use. Measures involve multi-barrier filtration and other methods, to ensure that we achieve the appropriate level of water purity.

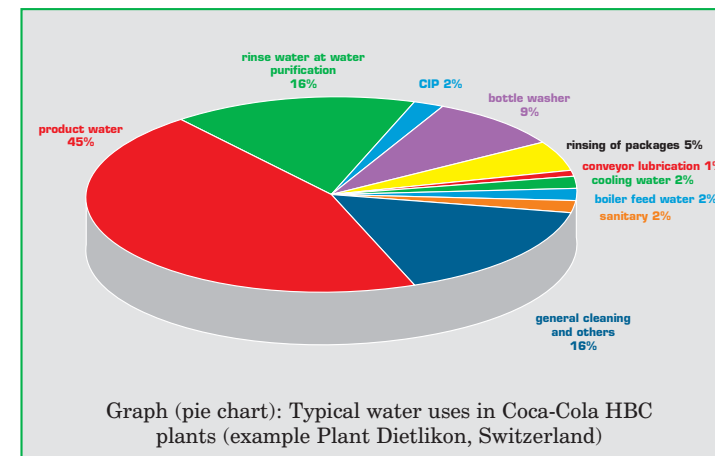
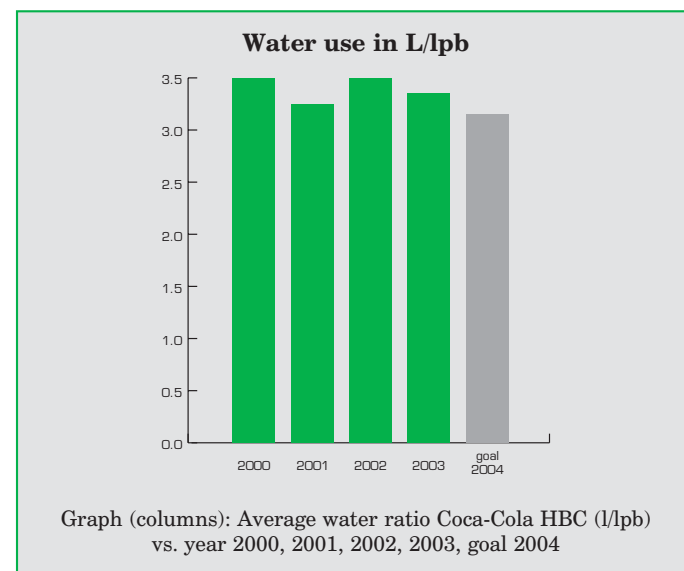
Water is also used in cleaning processes, for rinsing, washing, cooling and disinfecting beverage containers and manufacturing installations.

The ratio of total water consumed to volume of produced beverage is defined as a water ratio and represents one of the main environmental Key Performance Indicators. The average ratio for Coca-Cola HBC operations in 2003 was 3.3 litres per litre of finished product.

In 2003 the company's plants used 20 million cubic meters of water. The country averages are shown in the benchmarking section.

WATER IMPROVEMENTS PROGRAMMES

Water recovery projects have led to durable water savings in many plants. For example, clean cooling water from pasteurizers or rinsing water has been recuperated and re-used. Despite increasingly complex product mixes and stricter cleaning standards requiring more water, water use has remained stable across our operations (see graph).



LOOKING AHEAD

Because water is a key resource in the production of beverages, Coca-Cola HBC makes it a high priority to protect water sources and aquatic ecosystems. Most operations have projects for 2004 for reducing water use, recovering water, or improving wastewater quality. The company's objective for 2004 is to reduce the average water ratio by 5% vs. 2003 (see graph).

As market leaders within the beverage segment, Coca-Cola HBC is focussed on increasing water savings, conservation and protection activities. In collaboration with local authorities and NGOs, Coca-Cola HBC strives to protect the biodiversity in living ecosystems, in particular forests, grassland, wetlands and all bodies of water that are essential for water supply. Much remains to be done, but we strongly believe that the programmes put in place will yield long-term results and benefit the communities we serve.

EMISSIONS AND EFFLUENTS

Emissions

There are no significant specific emissions of substances from Coca-Cola HBC operations, such as volatile organic compounds. The emissions from beverage production activities result from the combustion of fossil fuels such as heating oil, natural gas, petrol and diesel, similar to those from household heating and vehicle use. The quality of the fuel, in particular its sulphur content, has a large influence on the resulting emissions. The consumption of electricity indirectly produces air emissions, not where the electricity is used but where it is produced. The resulting calculated emissions are included in the reported emissions using the euro-mix definition.

Burning fossil fuels produces various air emissions. Among them, carbon dioxide (CO2) that contributes to global warming; nitrous oxides (NOx) that may lead to summer smog and water eutrophication (over-fertilisation of lakes); sulphur oxide (SO2) that results in acid rain; and particulates (PM10) that have a negative effect on breathing. The calculated air emissions resulting from energy consumption are reported in the Environmental data table.

Wastewater

The main substances emitted with wastewater in the production process are residues of cleaning and disinfecting substances, and to a lesser extent beverage residues and sanitary wastewater. Most of these substances can be biodegraded if treated properly.

Coca-Cola HBC ensures that its wastewater is treated before reaching natural bodies of water. The methods of treatment differ among plants and among countries. Approximately 90% of European operations have on-site neutralisation of production water, 60% have an on-site wastewater treatment system, and 20% are connected to a public wastewater treatment plant.

Production plants with their own wastewater treatment plants typically have a fish tank or pond which serves to test the effluent. The live fish are indicators of an acceptable water quality.



Waste Water

Coca-Cola HBC is actively engaged in efforts to conserve and protect water used in its own facilities and in each of the communities it serves.

It is a goal of the Coca-Cola system to eventually make every production unit a "green plant", with zero liquid discharge.

Operations in **Croatia** are achieving significant progress toward this goal on a continuing basis, with the redesign of wastewater treatment equipment and drainage systems that exceed regulatory requirements. The effort has been cited as an eco-

efficiency case study by the World Business Council for Sustainable Development.

The Croatian efforts have to date succeeded in reducing wastewater, recycling cleansed water for re-use, elevating water quality levels and enabling distribution of by-products for farming.

In **Poland**, in 2003, a comprehensive programme was begun that is reducing water use by as much as 17% so far, through recycling and effective water management methods, and cutting discharge levels.



Wastewater treatment plant, Maidugury, Nigeria

Nigeria is in the process of equipping its facilities with wastewater treatment plants. The first was commissioned in November 2003 and the second is scheduled for completion in the first quarter of 2004. Our objective is to complete the installation of wastewater treatment plants in our Nigerian operations by the end of 2006.

The base minimum of Coca-Cola HBC environmental standards is full compliance with local and national regulations. In addition the systems, procedures and standards contained in Good Environmental Practices manuals build on the basic requirement of local and national legislative compliance. Operations are regularly audited in order to check their conformity and improve their processes.

Solid Waste

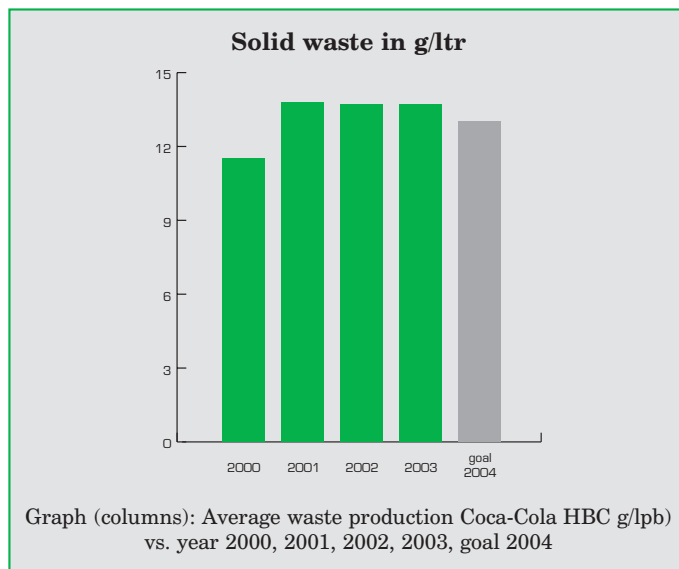
Solid waste is a by-product of every industrial activity. Waste also occurs at consumer level in the form of used beverage containers and packaging. Solid waste data quoted in this report refers to the company's beverage production facilities only since it at this point that we have the maximum influence over environmental impacts.

Waste can be classified according to its final method of treatment; landfill, incineration, hazardous waste disposal, energy recovery (incineration with heat recovery), recycling and composting. Energy recovery and recycling are included in the company's statistic of "percentage recycled", even though this classification differs in some coun-

tries². Hazardous waste is dealt with by special legislation in most countries. However, Coca-Cola HBC requires that the minimum internal Good Environmental Practice (GEP) for Hazardous Waste is followed.

The total amount of solid waste generated in company plants in 2003 was 72,000 tonnes. The average rate of recovery or recycling was 59%. The country averages are shown in the benchmarking section. The average rate of recycling and recovery quoted in the The Coca-Cola Company Environmental Report 2003 was 76%. This variance is as result of the inadequate recycling capability in number countries of Central and Eastern Europe and the Balkan and the fact that there is little infrastructure for energy recovery.

Coca-Cola HBC activities in solid waste management have initially focussed on proper, conformity in elimination. All plants have put in place waste separation and collection procedures, so that much of the valuable waste can be recycled instead of being disposed of. The company is currently striving to decrease the total amount of waste while increasing the recycling ratio and has set goals to reduce overall waste production by 5% in 2004 compared with 2003 results.



Packaging

Coca-Cola HBC uses the following types of beverage containers, which differ in their main environmental impacts.

- ✓ **Glass bottles** are mostly re-used; impacts occur mostly in manufacture (glass melting), transport and washing
- ✓ **Aluminium cans** are made of recyclable material, the recycling rate varies among countries; impacts occur mostly in metal extraction and fabrication
- ✓ **PET bottles** have recycling rates varying from 0 to over 75%, depending on country legal frameworks; impacts occur mostly in manufacture (resin fabrication) and bottle blowing
- ✓ **REF-PET** bottles are re-fillable plastic bottles

made from PET; impacts occur mostly in washing

- ✓ **Steel kegs** for post-mix syrup used are reusable, refillable metal containers; impacts occur mostly in washing

- ✓ **Bag-in-box** is a multi-material plastic film contained in a cardboard box. Since this is an commercial package, impacts are relatively low.

The purpose of packaging is to contain, protect, inform and advertise.

PET Lightweighting

PET bottles were first introduced by the Coca-Cola system in 1978. By 2002, 2-liter PET bottles had been developed weighing 47.2 gm a cumulative reduction of 30 per cent compared to the first 67.1 gm of the late seventies.

Coca-Cola HBC continues it's drive to improve the environmental impact of PET packaging and to reduce the overall resin content used in manufacture. In 2003 the company achieved a weight reduction of 4.4% (an average weight reduction of 1.7-2.00gms per bottle) and a corresponding reduction of 2.5% in PET resin usage totalling 4,950 tonnes.

Glass bottles

The weight for our 250ml non-refillable glass bottles has been reduced from 225 gm to 190 gm in certain markets. A 170 gm bottle we are using in ??? is nearly 25 percent lighter than the standard weight of a 250 ml bottle, 225gms.

In the case of refillable glass bottles, 300 ml bottles weighing 425 grams have been replaced by 330 ml bottles weighing 380 grams, which is 19% lighter per ml served.

Aluminium Cans

When Coca-Cola was first packaged in aluminium cans in 1965, a 12 oz can (330ml) weighed 24.5 gm. By 2002, an aluminium can had been developed weighing 13.2 gm. A reduction of 47 per cent.

Single piece closures

In Greece the company is saving 125 tonnes of polyethylene annually through the use a lightweighted one piece closure for Avra Mineral water. This is a 25% material saving over alternative closures. It is planned that in 2004, this new closure will be introduced in Nigeria and expanded to other countries for use in low and non carbonated beverages in the next two to three years.

The weight of steel crowns is also targeted for reduction by as much as 10% by 2006.

Secondary packaging

Coca-Cola HBC has developed and established standards to significantly minimise secondary packaging, such as shrink-wrap and cardboard. For example, by standardising pallet formats, a significant reduction of cardboard layer-board and stretch wrap can be achieved.

The material minimisation program will reduce the amount of polyethylene film usage by 3,000 tonnes over the next year and will minimise the amount of other materials used as secondary and tertiary packaging.

² Certain countries do not accept or have no facility to capture 'energy recovery'. In these cases only material recycling is counted.

In order to increase the recovery rate of used beverage containers, Coca-Cola HBC works both upstream, to use as much recycled material as possible, and downstream to have as much material collected and recovered as possible.

Coca-Cola HBC is an active member of Packaging Associations and Recovery Organisations in all of the countries where they have been formed with the exception of Latvia (where for historical reasons, the company uses the services of an pre-existing organisation) to improve the collection and recovery of packaging materials, enhance the collection infrastructure and promote anti-littering campaigns to encourage a shift in consumer behaviour. However, the fact remains that despite these efforts, littering remains an issue.

From the most recent studies carried out³, only 5 per cent of littering consists of packaging materials and only 0.5 per cent is beverage containers.

However, certain countries fall far below this standard and we continue our efforts to encourage good consumer behaviour and improvements in anti-littering infrastructure.

POST CONSUMER PACKAGING WASTE MANAGEMENT

1. Littering and Consumer Education

While a number of countries mandate packaging disposal methods, through recycling or 'take-back' obligation of containers, Coca-Cola HBC has voluntarily engaged in a number of consumer education activities, including placement of the Tidyman and Recycle symbols on all products as well as conducting special educational and information programmes across numerous communities, from time to time. In addition the company is an active participant in recovery and recycling programmes.

Country	Packaging Associations	Recovery Organisations
Austria		ARA Altstoff Recycling Austria AG
Bulgaria	Funding member of BAPE	Founding committee member for the future Bulgarian Recovery Organisation, Ecopak
Croatia	Funding member of GIUPAK,	
Czech Republic	Funding member of CICIPEN	EKO-KOM, a.s.
Estonia	Funding member of Eesti Pak	
Greece	Funding member of HERRA	HERRCO Hellenic Recovery and Recycling Corporation
Hungary	Funding member of HAPEC	OEKO Pannon p.b.c.
Ireland		REPAK Ltd.
Italy		CONAI
Latvia		CCHBC uses the services of Latvijas Zalais Punkts, NPO, limited, the Latvian Green Dot Organisation
Lithuania		Zaliasis taskas
Poland	Funding member of EkoPak	Rekopol- Organizacja Odzysku S.A.
Romania	Funding member of ARAM	ECO-ROM AMBALAJE The Recovery Organisation
Slovenia	Funding member of ODEM	Slopak d.o.o.
Slovakia	Funding member of Slicpen	Envy-Pak, a.s.
Switzerland		Funding member of Pet Recycling Switzerland, the PET recovery association. Coca-Cola was involved in the development of bottle-bottle recycling together with RecyPET, the PET recycling company
Ukraine	Funding member of Ukrapak	

2. Country Collection and Recycling Schemes

Since 1992 Coca-Cola HBC has been an active participant in the structured dialogue of packaging waste management. Together with other industry members, the company organises Packaging Associations as a cross-sectoral platform to facilitate the legal development process. In the process efforts are made to achieve practical solutions suited to the social, economical and environmental situation in particular countries. Coca-Cola HBC within the Packaging Associations works with local authorities to identify practical and acceptable packaging waste management solutions. As soon as packaging legislation is in force, the company then actively participates in being a pro-active driver of its implementation.

Coca-Cola HBC is among the funding members of packaging associations and in most cases is a founding shareholder of the national recovery organisation which implements the waste packaging management scheme.

A recovery scheme takes over the legal 'take-back' obligation of obliged industry and ensures the management of packaging waste according to the national packaging legislation. In many of the countries in which Coca-Cola HBC operates, the European Packaging Directive 94/62 has been transposed and implemented.

Working with the Swiss authorities and the local beverage industry CCB Switzerland pioneered the use of RecyPET permitting bottle to bottle recycling. The plant, located in Frauenfeld was the first of its kind in Europe and has the capacity to recycle 16,000 tonnes of PET bottles each year. The long-term objective is to produce PET beverage bottles with no more than 20% virgin material. The Coca-Cola system assisted in the funding of the project and the development of the technology.


COLD DRINK EQUIPMENT

The cooling equipment used in Coca-Cola HBC sales services comprises three main categories: refrigerators, vending machines and fountains. This equipment is company-owned and is located

at shops, restaurants and various public places in order to assist customers in offering chilled beverages to consumers. This equipment belongs to the company and is primarily serviced by our technicians. As of end 2003, there were 550,000 coolers, 56,000 vending machines and 49,000 fountains in the marketplace. As such, Coca-Cola HBC is one of the primary user of refrigeration equipment in Europe.


All these devices have a cooling unit with an electrical compressor and refrigeration fluids.

ELECTRICITY CONSUMPTION




555,000 Coolers

Coolers are used to display and chill Coca-Cola HBC beverage bottles and cans. They may have one or two doors, or an open top, or an open front.



56,000 Vending Machines

Automatic vending machines deliver cooled bottles and cans after payment by the consumer.



49,000 Fountains

Fountains are used where large amounts of Coca-Cola HBC beverages are consumed on the premises.

³ Littering Evaluation in Vienna & Other European Cities. Prof. Vogel University of Economics, Vienna LITTER – The Challenge of Prevention and Cleaning up. SVM-PACT, Netherlands

The electricity consumption of all cooling equipment amounts to 1,200 million MJ. An ecological analysis⁴ has shown that the electricity use of cold drink equipment has a higher ecological impact in terms of eco-points than other parts of the company's business.

Projects are currently underway to reduce the electricity consumption of refrigerators by up to 50%. The Coca-Cola system is currently examining ways in which to reduce these levels even further including the use of alternative power sources and various power-saving technologies.

ENERGY MANAGEMENT SYSTEM

An Energy Management System (EMS) using a patented "self-learning" technology has been developed by The Coca-Cola Company to reduce cooler electricity consumption. Coca-Cola HBC is testing it in five of its countries: Greece, Ireland, Italy, Poland and Russia.

The EMS self-management module works by establishing a pattern for operating hours. The EMS module automatically controls the temperature, lighting and ventilation of the cooler.

Overall energy savings are expected to be between 35 and 54%, depending on the cooler's placement and usage pattern.

Coca-Cola HBC will begin to rollout EMS-equipped coolers in 2004 that in the long-term should deliver considerable savings in the use of electrical energy.

OZONE DEPLETING SUBSTANCES

Cooling agents such as CFCs contribute to the destruction of the ozone layer. Under the Montreal Protocol, this introduction of new equipment containing CFCs is prohibited. By December 1994, Coca-Cola HBC, like many other Coca-Cola bottlers, had stopped buying new equipment containing CFCs. Simultaneously, a robust capture and recovery programme for all refrigerants was implemented.



Because typical refrigeration equipment can have a useful life of between 10-20 years, and there are about 550,000 cooler units in our markets, about 55,000 CFC-containing units (10%) remain in use. This proportion is being steadily reduced as part of a continuing equipment replacement programme and it is expected that the phase-out will be completed by 2007. We will continue to monitor the use of refrigerants within our business during 2004 and further quantify the replacement programme in future environmental reports.

GREENHOUSE SUBSTANCES

The HFCs, the replacement for CFCs, are not free of concern. Their global warming potential is far greater than that of CO₂ and enhances the greenhouse effect. HFCs have therefore become the target of global warming reduction programmes.

In June 2000, The Coca-Cola Company stated its intention to no longer purchase new cold-drink equipment containing HFCs wherever cost efficient alternatives are available. The Coca-Cola Company has spent millions of US\$ in research and development with suppliers and business partners, and although not yet available commercially, a number of these new units will be in use at the Olympic Games in Athens in 2004.

TRANSPORT

The transport and distribution system of Coca-Cola HBC products varies from country to country, and includes:

- ✓ Owned and leased trucks,
- ✓ Third party carriers
- ✓ Arrangements with wholesalers and smaller customers.

Coca-Cola HBC owns 2,950 route delivery trucks (<16 tonnes) and 2,280 haulage trucks (> 16 tonnes), which transport about 45% of distributed volume.

In 2003 these trucks drove 110 million kilometres and consumed approximately 38.6 million litres of diesel fuel. The resulting air emissions are in the Environmental data table.

The company owns about 1,800 minibuses and vans for sales services as well as about 6,000 company cars used mostly by sales representatives.

The Coca-Cola HBC Good Environmental Practices Manual on Fleet Management describes the environmental practices necessary to reduce environmental impacts.

REDUCING FUEL CONSUMPTION

Individual country initiatives have been put in place to reduce fuel consumption and air emissions these include:

- ✓ Vehicle maintenance and inspection programmes
- ✓ Driver training programmes (leading to 5-10% fuel savings).
- ✓ Software to plan and optimise journeys.
- ✓ Provision of lower emission clean-burn engines.

Coca-Cola HBC is undertaking an overall appraisal of its transport system, recognising that is clearly one of the areas where the company's environmental efforts can be enhanced, and where many opportunities can still be found to reduce both fuel costs and environmental impacts.



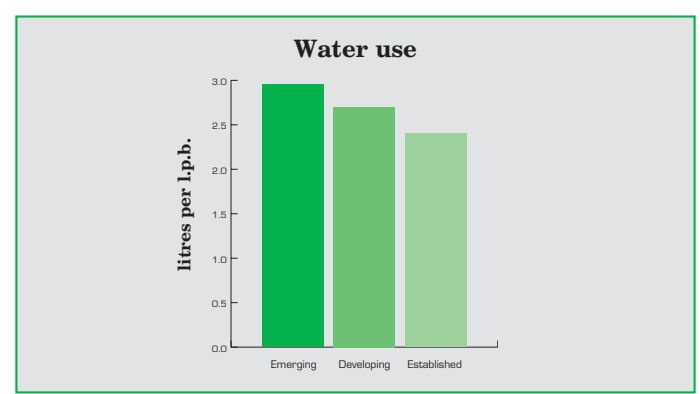
BENCHMARKING

Plants and countries differ in their production volume, product mix, age and type of installations, and other factors therefore data has been aggregated at country level.

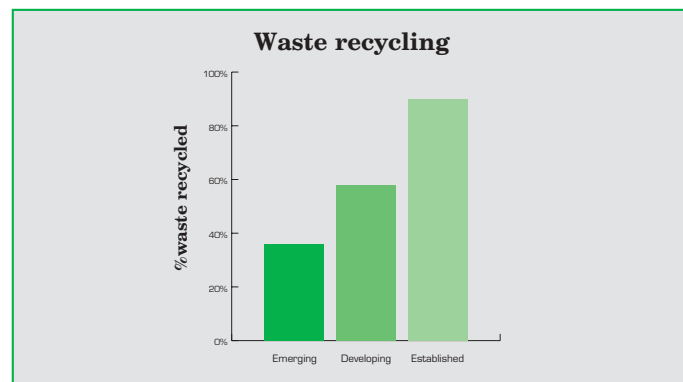
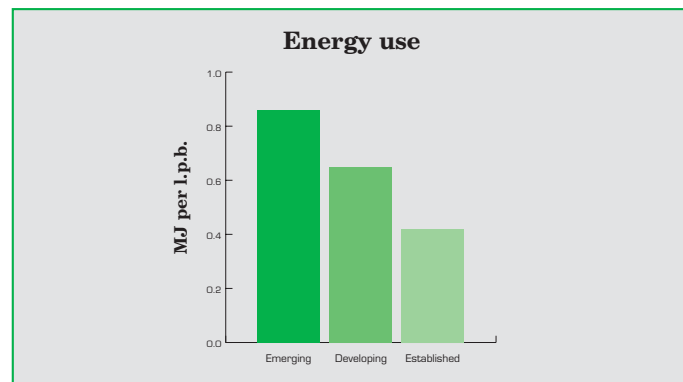
The Key Performance Indicators for water, energy and solid waste are compared in the tables below. Countries are shaded according to their status as established (darkest), developing or emerging (lightest).

Established countries tend to have better environmental Key Performance Indicators because they have more modern installations and have had the ability to invest more in environmental projects.

COUNTRY BENCHMARKING



⁴ Eco-balance study, Coca-Cola HBC Switzerland



COMMUNITY ENVIRONMENTAL SUPPORT

Coca-Cola HBC takes its commitment to environmental protection into the communities in which it operates.

In **Austria**, the group's business unit launched a Junior Ranger Camp in January 2003 in conjunction with the country's National Park Board, with the aim of teaching young people the importance of nature and environmental awareness.

Since 1998, operations in the **Republic of Ireland** have been working in partnership with the environmental group An Taisce and the Department of the Environment to encourage people to take personal responsibility for litter and keep their local communities clean. In 2003 more than 250,000 people participated in the National Spring Clean initiative in some 3,000 events, collecting about 400 tonnes of litter – 12% of which was recyclable.

Coca-Cola HBC **Greece** joined with the World Wildlife Fund Hellas in 2003 to conduct volunteer activities involving young volunteers visiting eight areas around the country, helping to preserve their natural beauty.

In **Hungary**, together with a national recycling organization, _ko-Pannon, the group's business unit has developed a special roadshow that demonstrates to visitors, in an entertaining way, the importance of selective waste collection, and how to select and sort different materials.

VOLUNTEER STAFF ENVIRONMENTAL ACTIVITIES

Coca-Cola HBC encourages and supports employee participation in environmental protection programmes.

In 2003, about 100 members of staff and their families in **Romania** launched a "Spring Day" initiative to refurbish six parks in five cities. In the city of Ploiesti, the team transformed a barren area into a park for local children with the endorsement of the mayor, who took part in the work.

In **Greece**, the operations support a staff volunteer association called Alyssos, meaning "chain".



Health & Safety at Work

Coca-Cola HBC is constantly pursuing increasingly heightened standards of workplace safety and health.

While the group is proceeding to achieve OHSAS 18000 certification across all plants, business units are, at the same time, seeking to achieve levels of protection that go beyond those already established, or required.

Coca-Cola Beverages Croatia received an award in 2003 for Outstanding Performance from the Croatian Association for Development of Protection at Work (HUUZ) for recording superior levels of safety through the company's policies, procedures and practices.

In Switzerland, a Safety and Eco-Drive Training scheme was commenced in 2002. Drivers completing this course have recorded a substantial reduction in accidents. A further bonus has been seen in environmental protection through a lowering of fuel use of between 10-20% and of around 40% in polluting emissions.



This formal body, with established policies and procedures, develops partnerships with local businesses, non-profit organizations and other volunteer centers. Activities engaged in include beach-cleaning and various other environmental efforts such as a four-year reforestation project in Patras.

PROTECTING HERITAGE

Coca-Cola HBC extends its partnership with communities into many areas of life, including the preservation and promotion of national heritage sites.

In 2003, in **Croatia**, the business unit gave its support for the creation of an "educational" pathway in response to an idea presented by children attending the Dubrovnik High School. Working together with the students and the Ministry of Regional Planning and the local Environmental Protection and Tourist associations, the pathway was built along soaring, majestic cliffs that rise some 200 metres from the sea at Popovi_i in the region of Konavle.

The new route at this natural heritage site includes signposts and information boards providing facts about the rich variety of plants, animals, birds and reptiles that are to be found in the area.

In **Greece**, an historic footpath along the Cladeus River in ancient Olympia was restored in 2003 through assistance provided to the non-profit group Conservation Volunteers Greece by Coca-Cola HBC. The pathway, said to be taken by athletes attending the Olympic Games, was reconstructed and a leaflet produced with maps and information to enable visitors to understand and appreciate the full significance of its cultural and historical importance.

Environmental Education

Coca-Cola HBC is engaged in initiatives to support greater awareness of environmental protection methods – and benefits.

The group's business unit in the **Ukraine**, in November 2003, cooperated with the European Union under TACIS (???) to prepare an informational film on "Environmental Management Standards for Enterprises." The film, which features the environmental and economic advantages gained at the Coca-Cola bottling plant through achievement of ISO 9000 and ISO 14000 certification, is aimed at informing and encouraging other industries in the Ukraine to take a similar approach.

Group operations in the Republic of Ireland supports a continuing "Green Schools Education and Action" programme, begun in 1998, that encourages children school-children to be more environmentally conscious. Conducted in association with the Republic's Department of Environment and the environmental group An Taisce, it promotes behavioural change towards litter and recycling in Ireland.

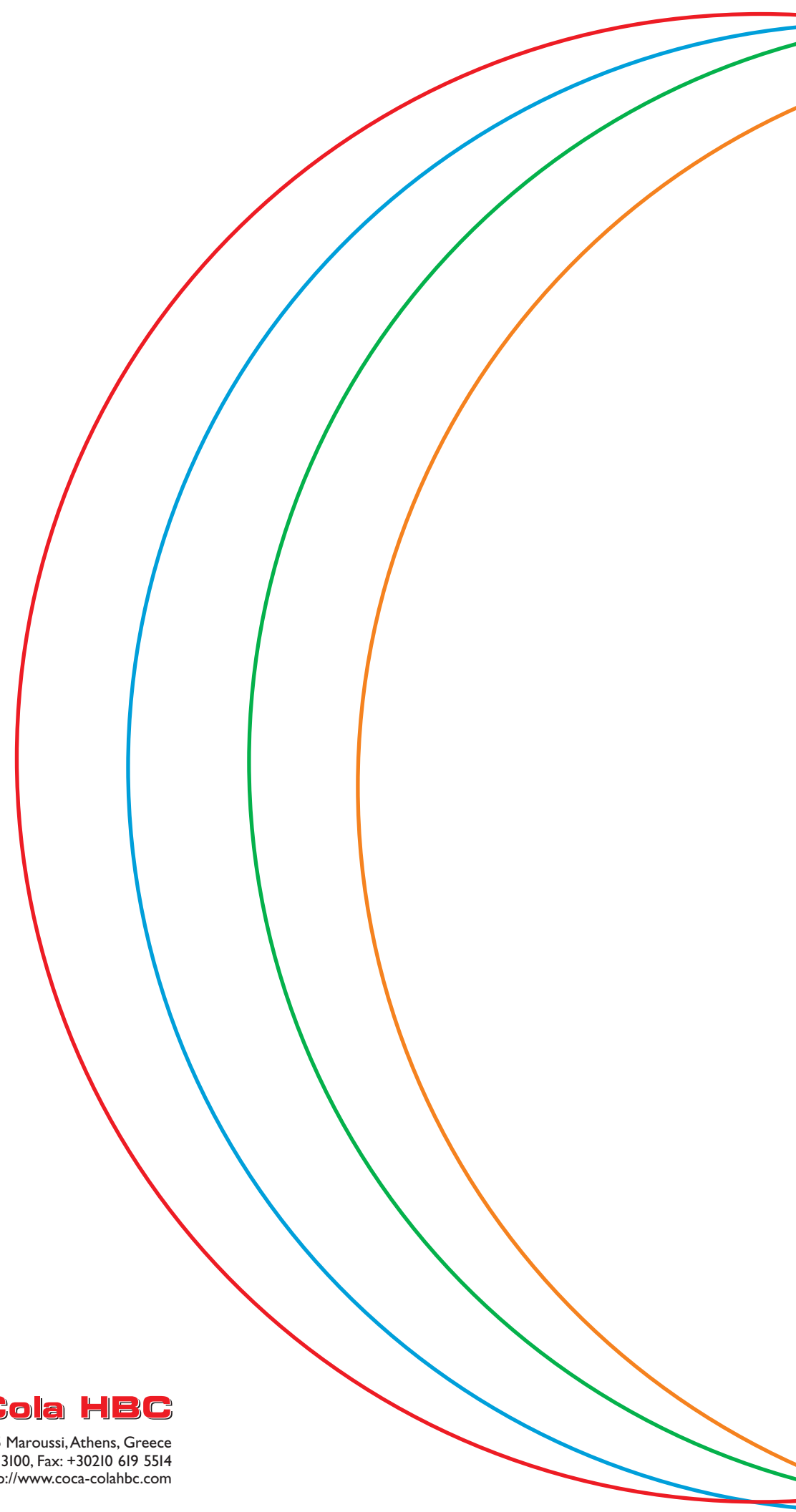
ENVIRONMENTAL DATA TABLE 2003

Table with the most relevant environmental data, for reference and for avoiding that the main text becomes too technical. This is based on the KPIs of the GRI

guideline. The table will be completed with technical comments or explanations on calculations, and might be modified depending on final availability and reliability of data. Air emissions will be calculated with final data.

Indicator	Amount [unit]	Relative Amount [Unit/lpb]	Comment
These figures are based on incomplete data as of 28.1.04 and will be updated when all countries have submitted their data.			
PRODUCTION total beverage production	7,724 Mio liters		
MATERIALS			
EN1 Material use other than water			
Sugar and other sweeteners	656,353 tonnes	84.9 g/lpb	
Concentrate	42,042 tonnes	5.44 g/lpb	
PET	251,576 tonnes	32.56 g/lpb	
PE	17,880 tonnes	2.31 g/lpb	
Glass	196,165 tonnes	25.4 g/lpb	
Aluminium (Cans)	14,598 tonnes	1.89 g/lpb	
Cardboard	31,872 tonnes	4.13 g/lpb	
Wood	84,149 tonnes	10.9 g/lpb	
Plastic closures	49,454 tonnes	6.40 g/lpb	
Metal crowns	9,115 tonnes	1.18 g/lpb	
PET labels	3,677 tonnes	0.476 g/lpb	
Paper labels	60,059 tonnes	7.77 g/lpb	
EN2 Percentage of waste-materials			
Recy-PET			
Recycled Aluminium			
Recycled Cardboard			
ENERGY			
EN3 Direct energy use			
electricity [MJ]	2,585 TJ	0.335 MJ/lpb	
light heating oil [kg]	430 TJ	0.056 MJ/lpb	
heavy heating oil [kg]	35 TJ	0.005 MJ/lpb	
natural gas [MJ]	1,568 TJ	0.203 MJ/lpb	
coal [kg]	0 TJ	0 MJ/lpb	
others in plants [MJ]	223 TJ	0.029 MJ/lpb	
diesel [l]	53,087,000 liters	0.007 liters/lpb	
petrol [l]	Not available	Not available	
others in fleet [MJ]	0	0	
EN4 Indirect energy use (primary energy use)			calculated
electricity [MJ]			
light heating oil [kg]			
heavy heating oil [kg]			
natural gas [MJ]			
coal [kg]			
others in plants [MJ]			

diesel [l]			
petrol [l]			
others in fleet [MJ]			
EN19 Indirect energy use (upstream/downstream)			
Cold Drink equipment electricity consumption	1,899 TJ	0.246 MJ/lpb	
Coolers	1677 TJ	0.217 MJ/lpb	
Vendors	112 TJ	0.015 MJ/lpb	
Fountains	105 TJ	0.014 MJ/lpb	
WATER			
EN5 Total water use	20,336,448 m3	2.63 l/lpb	
EN22 Total recycling and reuse of water	5,210,904 m3	0.67 l/lpb	
BIODIVERSITY			
EN6 Land owned in biodiversity-rich habitats	No data	No data	
EN7 Major Impacts on biodiversity	No data	No data	
EMISSIONS, EFFLUENTS AND WASTE			calculated
EN8 Greenhouse gas emissions			
CO2 emissions, direct (fuel + gas)	1,972,882 tonnes	255.4 g/lpb	
CO2 emissions, indirect (electricity)	354,145 tonnes	45.8 g/lpb	
CH4 emissions, indirect	No data	No data	
EN9 Ozone-depleting substance emissions			
R12	683 kg	0.1 mg/lpb	
R134a	5,956 kg	1 mg/lpb	
EN10 Other significant air emissions			
Nox	5,021 tonnes	650 mg/lpb	
SO2	6,445 tonnes	834 mg/lpb	
CO	No data	No data	
Particulate Matter	615 tonnes	80 mg/lpb	
EN11 Amount of solid waste			
Total amount	73,725 tonnes	9.54 g/lpb	
Recycling and energy recovery	44,587 tonnes	5.77 g/lpb	
EN31 Hazardous waste	3,399 tonnes	0.44 g/lpb	
EN12 Discharges to water			
Quantity of waste water	11,974,936 m3	1.55 l/lpb	
Average COD	3,787 tonnes	490 g/lpb	
EN13 Spills of chemicals, oils, fuels	48,107 kg	6.23 g/lpb	
PRODUCTS AND SERVICES			
EN14 Significant environmental impacts			
Upstream: Eutrophication due to sugar production	No data	No data	
Downstream: Littering of (PET-)Bottles	No data	No data	
EN15 Percentage reclaimable products			
Possible recycling rate of PET bottles			
Achieved recycling rate of PET bottles			
Recycling of other packaging products			
COMPLIANCE			
EN16 Incidents and fines	5		
TRANSPORT			
EN34 Environmental impacts of transport			
fleet size trucks	5230		
fleet size vans	1800		
fleet size cars	6000		



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