Coca-Cola Amatil - Climate Change 2019

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Coca-Cola Amatil is one of the largest bottlers and distributors of non-alcoholic and alcoholic ready-to-drink beverages in the Asia Pacific region, and one of the world's larger bottlers of The Coca-Cola Company's range of products. As both brand partner and brand owner, we operate across six countries – Australia, New Zealand, Indonesia, Papua New Guinea, Fiji and Samoa – to manufacture, distribute and sell an unrivalled range of beverages, coffee and ready-to eat food snacks. With decades of experience, we do this safely and responsibly, and are proud that our products delight millions of people every day. With access to more than 270 million potential consumers through more than 880,000 active customers, our product range includes non-alcoholic sparkling beverages, spring water, sports and energy drinks, fruit juices, iced tea, flavoured milk, coffee, tea, beer, cider and spirits. We are committed to leading through innovation, and to building a sustainable future, capturing growth and delivering long-term value to our shareholders. We employ around 13,000 people and create thousands more jobs in the communities in which we operate. Across this team we work as one, united by a shared Vision and common Values. We know that our diverse workforce is our greatest strength, and makes us the vibrant company we are today.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Row 1	January 1 2018	December 31 2018	No	<Not Applicable>

C0.3

(C0.3) Select the countries/regions for which you will be supplying data.

Australia
Fiji
Indonesia
New Zealand
Papua New Guinea
Samoa

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

AUD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your consolidation approach to your Scope 1 and Scope 2 greenhouse gas inventory.

Operational control

C-AC0.6/C-FB0.6/C-PF0.6

(C-AC0.6/C-FB0.6/C-PF0.6) Are emissions from agricultural/forestry, processing/manufacturing, distribution activities or emissions from the consumption of your products – whether in your direct operations or in other parts of your value chain – relevant to your current CDP climate change disclosure?

	Relevance
Agriculture/Forestry	Elsewhere in the value chain only [Agriculture/Forestry/processing/manufacturing/Distribution only]
Processing/Manufacturing	Both direct operations and elsewhere in the value chain [Processing/manufacturing/Distribution only]
Distribution	Both direct operations and elsewhere in the value chain [Processing/manufacturing/Distribution only]
Consumption	Elsewhere in the value chain only [Agriculture/Forestry/processing/manufacturing/Distribution only]

C-AC0.6b/C-FB0.6b/C-PF0.6b

(C-AC0.6b/C-FB0.6b/C-PF0.6b) Why are emissions from agricultural/forestry activities undertaken on your own land not relevant to your current CDP climate change disclosure?

Row 1

Primary reason

Evaluated but judged to be unimportant

Please explain

Coca-Cola Amatil sources all of the agricultural inputs for our products from suppliers including farmers, secondary suppliers such as sugar refiners, barley and hops farmers, etc. and does not own nor operate any of these directly as owners or lease holders for the land on which they are produced. However, we track these scope 3 emissions in our 'drink in your hand' calculation. Our approach to measuring, managing reducing our carbon footprint for non-alcoholic beverages is aligned with The Coca-Cola Company's commitment to reducing the carbon footprint of the 'drink in your hand' by 25 per cent by 2020, compared to 2010 baseline year. In reality this means we are working on reducing the carbon emissions related to each stage in our non-alcoholic beverage' lifecycle, from the ingredients that go into making it, the packaging used to deliver it to our consumers, how it's manufactured and distributed, and finally how we chill it, to create the millions of moments of happiness and possibilities for our consumers no matter where they are, their choice of product, or how they prefer to consume it. We are on track to deliver a 25 per cent reduction vs. 2010 across these stages by 2020 through our focus on the key aspects of packaging, manufacturing and refrigeration, and have already achieved a 20 per cent reduction at the end of 2018.

C-AC0.7/C-FB0.7/C-PF0.7

(C-AC0.7/C-FB0.7/C-PF0.7) Which agricultural commodity(ies) that your organization produces and/or sources are the most significant to your business by revenue? Select up to five.

Agricultural commodity
Sugar

% of revenue dependent on this agricultural commodity
60-80%

Produced or sourced
Sourced

Please explain
The largest percentage of Amatil's revenue is derived from the carbonated soft drink business across all countries of production. To calculate this figure, we have considered our portfolio of sugar sweetened, low and no calorie product offerings excluding those which are 100% juice or contain fruit ingredients that naturally contain sugars rather than any added sugars for the past calendar year.

Agricultural commodity
Other, please specify (Fruit)

% of revenue dependent on this agricultural commodity
Less than 10%

Produced or sourced
Sourced

Please explain
A smaller percentage of derived revenue is attributable to the SPC business and the fruit (including tomato, stone and other fruit) packaged either ready to eat or for further in-home preparation, and the fruit juice concentrates we use in some of our beverages. To calculate this figure, we have considered all fruit products and any minor ingredients (such as herbs) that go into their manufacture for the past calendar year. Please note that in November 2018 Coca-Cola Amatil announced the conclusion of the strategic review process of SPC and the decision to proceed towards divestment. A 100 per cent divestment of SPC was completed on June 30, 2019

Agricultural commodity
Other, please specify (Barley and hops)

% of revenue dependent on this agricultural commodity
Less than 10%

Produced or sourced
Sourced

Please explain
Less than 10% of Amatil's revenue is derived from the alcohol business in Australia, Fiji and Samoa and the key ingredients of barley and hops sourced for brewing. To calculate this figure, we have considered all brewed products and their associated revenue in the past calendar year.

Agricultural commodity
Other, please specify (Coffee)

% of revenue dependent on this agricultural commodity
Less than 10%

Produced or sourced
Sourced

Please explain
Less than 10% of Amatil's revenue is derived from the coffee business primarily in Australia and the beans sourced for all pack formats supplied into the market. To calculate this figure, we have considered all coffee products and their associated revenue in the past calendar year.

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board Chair	Amatil's Chair sits on the Risk and Sustainability Committee, a sub-Committee of the Board. The Risk and Sustainability Committee is regularly informed of climate related issues, at least quarterly with a review of country level and business level (e.g. Alcohol & coffee, Fiji brewing) KPI's relating to climate such as energy and emissions, monitoring and overseeing progress toward achievement of these. Additionally, the Committee provides input to and approves the Sustainability strategy for Amatil of which climate, packaging, water, biodiversity and responsible sourcing are the most material aspects. The Board also approves the release of climate related information through the annual Sustainability Report and in the Risks section of the Annual Report
Director on board	The Risk and Sustainability Committee, a sub-Committee of the Board is made up of 6 members including Amatil's Group Managing Director. The Risk and Sustainability committee of the Board has responsibility for oversight of climate related issues. The full Board has complete oversight of the business of the Risk and Sustainability Committee, with access to the Committee's materials and minutes and a verbal update at Board Meetings from the Chairman of the Risk and Sustainability Committee. The purpose of the Committee is to support and advise the Board in relation to material and emerging risks that may impact Coca-Cola Amatil meeting its corporate objectives and vision, delivering shareholder returns, and its reputation and standing in the community.
Chief Executive Officer (CEO)	Management decisions in relation to sustainability are made by the Group Managing Director, Group Leadership Team and individual members of management who have direct authority. Across the Group functions and within each Business, our health, safety, supply chain, environment, human resources, procurement, and public affairs, communications and sustainability teams are responsible for the day-to-day implementation, management, monitoring and reporting of specific initiatives.
Chief Risk Officer (CRO)	The role of Chief Risk Officer is filled by the General Manager, Risk at Amatil, and this role has oversight of all risk assessments and processes including Climate Risk and participates in Board Risk and Sustainability Committee meetings. The 2018 Annual Report noted that Climate Risk was one of the risks being actively monitored and managed by the organisation. Regular updates to the Committee are provided on climate risk as part of risk reviews and planning.
Chief Sustainability Officer (CSO)	The role of Chief Sustainability Officer is filled by the Group Director Public Affairs, Communications and Sustainability (PACS) at Amatil, and this role has oversight of Sustainability Strategy and Risk assessment including Climate Change risk assessment and management and participates in Board Risk and Sustainability Committee meetings.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding annual budgets Reviewing and guiding business plans Setting performance objectives Monitoring implementation and performance of objectives Overseeing major capital expenditures, acquisitions and divestitures Monitoring and overseeing progress against goals and targets for addressing climate-related issues	From the Board to the Group Leadership Team, Group functions to the Businesses, at Coca-Cola Amatil we are committed to continual improvement and acting responsibly to support a better future for all our stakeholders. The Coca-Cola Amatil Board is committed to achieving the highest standards of corporate governance and business conduct. The Board sees this commitment as fundamental to the sustainability and performance of our business and to enhancing shareholder value. The purpose of the Committee is to support and advise the Board in relation to material and emerging risks that may impact Coca-Cola Amatil meeting its corporate objectives and vision, delivering shareholder returns, and its reputation and standing in the community. Specifically, the Committee will: - oversee and assess the effectiveness of Amatil's risk management framework, and to make recommendations in respect of the development and embedding of the risk management framework and appetite to the Board; - assist the Board with the monitoring and review of Amatil's risk culture; - review, monitor and approve Amatil's sustainability strategy and provide advice to Management on associated implementation plans and other issues that may impact Amatil's sustainability; - approve policies and initiatives that ensure best practice risk management, reflect stakeholder expectations and influence Amatil's reputation as a responsible and sustainable organisation; and - review and monitor Amatil's compliance with legal and regulatory obligations, internal policies and industry standards.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Sustainability committee	Both assessing and managing climate-related risks and opportunities	Quarterly
Chief Executive Officer (CEO)	Both assessing and managing climate-related risks and opportunities	Quarterly
Chief Sustainability Officer (CSO)	Both assessing and managing climate-related risks and opportunities	Quarterly
Chief Procurement Officer (CPO)	Both assessing and managing climate-related risks and opportunities	As important matters arise
Chief Financial Officer (CFO)	Both assessing and managing climate-related risks and opportunities	Quarterly
Environment/ Sustainability manager	Both assessing and managing climate-related risks and opportunities	Quarterly
Environmental, Health, and Safety manager	Both assessing and managing climate-related risks and opportunities	Quarterly
Public affairs manager	Managing climate-related risks and opportunities	Annually
Other C-Suite Officer, please specify (Business Managing Director)	Both assessing and managing climate-related risks and opportunities	As important matters arise

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

The Sustainability Committee (Risk and Sustainability Committee) is a sub-Committee of the Board and has a public charter which incorporates consideration of key sustainability risks and opportunities including climate change. Climate-related issues are monitored and managed at the national and local level by Risk managers, Public Affairs Managers, Sustainability Managers, and Quality, Safety, and Environment Managers. We believe they are best suited to identify, understand, and respond to climate-related issues as they are familiar with the business, political and physical environments governing issues at a local level.

Data is collected from these managers and is aggregated quarterly at the market, Business Unit, and global level, and communicated to leadership at each of these levels. The Group corporate centre provides oversight, support, and global coordination of sustainability efforts, including those that are climate-related. The Business Managers have the responsibility to ensure that established climate-related initiatives are implemented and on-track, to make the necessary adjustments if they are not on-track, and to report on these efforts to Group leadership. Responsibility is shared between Public Affairs, Communications & Sustainability and Technical managers as climate-related issues span multiple areas.

At the international level, climate-related risks and opportunities are assessed and issues are managed by the Group Manager Sustainability and the Group Head of Sustainability and a team of specialists in areas of Climate Change, Water, Procurement, Risks and Packaging. The Group Head of Sustainability reports directly to the Group Director of Public Affairs, Communications and Sustainability (PACS) who is part of the corporate executive team reporting directly to the Group Managing Director and Board of Directors. The Group Director of PACS' performance evaluation is linked to the assessment and management of climate-related risks and opportunities.

The Group Risk team is headed by the General Manager, Risk and is responsible for implementing an effective Enterprise Risk Management (ERM) framework. The ERM framework is in place to identify, assess, manage, monitor and report all business risks – including climate-related risks. The General Manager, Risk is part of the Group Finance Leadership Team and has a direct reporting line to the Group Chief Financial Officer and Chair of the Audit and Finance Committee, and an indirect reporting line to the Chair of the Risk and Sustainability Committee.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

Yes

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Who is entitled to benefit from these incentives?
Environmental, health, and safety manager

Types of incentives
Monetary reward

Activity incentivized
Energy reduction target

Comment
Various managers within the organisation will have energy efficiency targets within their KPIs which may contribute to their overall incentive plan.

Who is entitled to benefit from these incentives?
Environment/Sustainability manager

Types of incentives
Monetary reward

Activity incentivized
Other, please specify (Risk assessment and management)

Comment
Group and business roles may have specific projects related to scoping climate risk and managing this risk, including supporting procurement and operational teams on renewable energy projects . These projects will be included in their KPIs which may contribute to their overall incentive plan.

Who is entitled to benefit from these incentives?
Procurement manager

Types of incentives
Monetary reward

Activity incentivized
Environmental criteria included in purchases

Comment
Procurement category managers are incentivised upon achievement of KPI's relating to spend reductions, procurement of goods and services compliant with Amatil's supplier guiding principles and sustainable procurement guidelines and engagement of other personnel in the business who procure goods and services on their behalf (typically smaller purchases).

Who is entitled to benefit from these incentives?
Chief Executive Officer (CEO)

Types of incentives
Monetary reward

Activity incentivized
Behavior change related indicator

Comment
Amatil's Group Leadership team headed by Group Managing Director Alison Watkins are incentivised upon achievement of many business indicators including those related to sustainability.

C2. Risks and opportunities

C2.1

(C2.1) Describe what your organization considers to be short-, medium- and long-term horizons.

	From (years)	To (years)	Comment
Short-term	0	3	Amatil's risk management processes consider business risks including climate related in the short term to be those that have or can have an impact upon the business from current to three years in the future.
Medium-term	3	10	Amatil's risk management processes consider business risks including climate related in the medium term to be those that have or can have an impact upon the business from three to ten years into the future.
Long-term	10	30	Amatil's risk management processes consider business risks including climate related in the long term to be those that have or can have an impact upon the business from ten to 30 years into the future.

C2.2

(C2.2) Select the option that best describes how your organization's processes for identifying, assessing, and managing climate-related issues are integrated into your overall risk management.

Integrated into multi-disciplinary company-wide risk identification, assessment, and management processes

C2.2a

(C2.2a) Select the options that best describe your organization's frequency and time horizon for identifying and assessing climate-related risks.

	Frequency of monitoring	How far into the future are risks considered?	Comment
Row 1	Six-monthly or more frequently	>6 years	Strategic risks are reported to our Risk and Sustainability Committee of the Board. This is managed by the General Manager, Risk and overseen by Amatil's Group Leadership Team. Local operational risks are managed by local management teams within each of our business units. These include members of our Leadership Team and other senior leaders.

C2.2b

(C2.2b) Provide further details on your organization’s process(es) for identifying and assessing climate-related risks.

Climate related risks as with all business risks are identified through a multi-stakeholder engagement process to identify, assess and rank those which are material to the business. Data and supplementary information developed internally is also used to develop a better understanding of the likelihood and consequence. This information can come from a number of sources including third party commissioned studies and subject matter experts within the business. Risks are considered in a number of different areas including physical risks (such as weather-related events, flooding, droughts), reputational and brand, commercial, upstream and downstream supply chain (such as ingredient and raw material supply, transport and logistics).

Substantive risks and hence substantive financial impact to Amatil include those risks that can or have the potential to have impacts including one or more of the following:

- EBIT impact for any of Amatil's business units
- disrupt supply of ingredients or raw materials to a major facility such that production curtailment is necessary or customer out of stock situations arise or could arise
- disrupt distribution of finished goods to markets, customers and consumers
- prolonged and or significant negative reputational impact

The approach has two complementary elements, a top-down strategic view of risk at the enterprise level and a bottom-up tactical view of risk at the operational level. The risk assessment methodology includes assessing risks against three factors to identify those of highest priority; These factors are 1. Likelihood; 2. Consequence; 3 Effectiveness of controls and are reviewed at least annually, more frequently if significant risks are identified.

In 2018 Amatil commenced a specific review of the business' Climate Change Risks and Opportunities, prepared by third-party consultants. The review is guided by the framework developed by the FSB's Task Force on Climate Related Financial Disclosures (TCFD), and ASX governance and reporting guidance. The final report from the review is due in 2019.

C2.2c

(C2.2c) Which of the following risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	The risks associated with regulatory interventions such as proposed container deposit schemes and potential sugar and plastics taxes could increase the cost of doing business and/or require significant investment. Amatil includes a regular review of current relevant regulation and its impact upon the business. This is a Group, business and site-specific review to applicable federal and local regulations using where necessary third-party services to ensure the most up to date regulatory information is utilised to conduct the review.
Emerging regulation	Relevant, always included	The rising concern around increasing levels of waste globally, is giving rise to environmental advocates as they push for solutions to broader litter issues. Emerging regulations are particularly relevant to renewable energy targets in our countries of operation, sustainable water access and management, and to the post-consumer use of the packaging of our products (end of life options). Amatil includes a regular review of emerging regulation and its impact upon the business. This is a Group, business and site-specific review to applicable federal and local regulations using where necessary third-party services to ensure the most up to date regulatory information is utilised to conduct the review.
Technology	Relevant, always included	Technology review is particularly relevant to the integration of renewable energy into our facilities whether direct on-site or through pipeline (e.g. grid level) usage. Amatil includes a regular review of technology both current and emerging and its impact upon the business, the purchase intent of our consumers and the security of supply (particularly of utilities) to our facilities. This is a business and site-specific review to applicable regional, federal and local technology changes using where necessary third party's services to ensure the most up to date technology information is utilised to conduct the review.
Legal	Relevant, always included	Amatil includes a regular review of current relevant laws and potential laws and its impact upon the business. This is a business and site-specific review to applicable federal and local law using where necessary third party's services to ensure the most up to date information is utilised to conduct the review.
Market	Relevant, always included	Amatil includes a regular review of current relevant market forces and their impact upon the business. This is a business and product category specific review incorporating information available through our brand partners to ensure the most up to date information is utilised to conduct the review. Market research into the type, content, packaging, manufacturing and distribution of our products is used to inform these reviews.
Reputation	Relevant, always included	Failure to deliver on Amatil's stakeholder expectations in relation to the environmental impacts created by our activities could result in damage to our brand, reputation. That is why, Amatil includes a review of the impact upon corporate reputation and its subsequent impact upon the business in the assessment of all other risks. This is a business and product category specific review incorporating information available through our brand partners to ensure the most up to date information is utilised to conduct the review. Failure to deliver on Amatil's stakeholder expectations in relation to the environmental impacts created by our activities could result in damage to our brand and corporate reputation. Amatil includes a review of the impact upon corporate reputation and its subsequent impact upon the business in the assessment of all other risks. This is a business and product category specific review incorporating our own direct tracking and information available through our brand partners to ensure the most up to date information is utilised to conduct the review. Moreover, we regularly conduct third party market reputation tracking through RepTrak Australia, which among other aspects scores our reputation standing on Citizenship which includes our environmental performance.
Acute physical	Relevant, always included	Amatil regularly reviews and updates risk assessments of acute physical risks including those relating to significant weather events and updates contingency plans accordingly. Most commonly these relate to flooding, storms (such as cyclones) and drought and include both our operations and along the supply chain for major ingredients and raw materials and the distribution of finished goods to our customers and consumers. Whilst there is no direct reference to climate change in insurance policies, our insurance providers cover damage to our business from sudden changes in weather patterns such as storm events, cyclones and floods and the impact of such events is incorporated into future premiums
Chronic physical	Relevant, always included	Amatil also includes a review and update of risk assessments of chronic physical risks including those relating to global warming and sea level rise as examples and updates contingency plans accordingly. Some Amatil facilities are physically located in proximity to coastlines and in emerging economic areas where carbon pollution can also have human health impacts, and include our own operations and along the supply chain for major ingredients and raw materials, and the impact upon our people and the communities in which we operate. Moreover, chronic physical risks are also reflected in increased business costs due to higher insurance premiums. Insurance companies account for the location of our assets and the associated geo-physical risks while determining our premiums.
Upstream	Relevant, always included	Amatil considers upstream climate related risks to our supply chain with respect to major ingredients and raw materials and has developed contingency plans for acute supply disruption (such as alternate sourcing options). We also manage ongoing or chronic issues through a number of processes and programs, including by conducting water source vulnerability assessments, minimising waste in our supply chain and optimising operational efficiencies within our own operations.
Downstream	Relevant, always included	Amatil considers downstream climate related risks to our supply chain with respect to major distributors and consumption of our products and has developed contingency plans for acute disruptions (such as alternate logistics options) We are also managing our downstream impacts by moving to use of natural refrigerants in our cooler fleet, minimising waste in our supply chain, optimising operational efficiencies within our own operations and participating in waste management programs in many countries of operation.

C2.2d

(C2.2d) Describe your process(es) for managing climate-related risks and opportunities.

The Coca-Cola Amatil Board is committed to achieving the highest standards of corporate governance and business conduct. The Board sees this commitment as fundamental to the sustainability and performance of our business and to enhancing shareholder value. The Sustainability Committee of the Board reviews the effectiveness of Coca-Cola Amatil's controls and strategies to manage our climate change related matters by:

− reviewing and monitoring compliance with our legal and regulatory responsibilities, internal policies and industry standards on climate related matters
− approving policies and standards that reflect our reputation
− reviewing and monitoring social issues that could impact our reputation
− reviewing Coca-Cola Amatil's non-financial and operational risks and controls

Management decisions in relation to sustainability in relation to climate related risk & opportunities are made by the Group Managing Director, Group Leadership Team and individual members of management who have direct authority. Across the Group Functions and within each business, health, safety, supply chain, environment, human resources, and public affairs and communications teams are responsible for the day-to-day implementation, management, monitoring and reporting of specific initiatives.

The manifestations of climate change that have the potential to impact Amatil include changes in weather patterns such as increased temperatures, altered rainfall patterns, and more frequent or intense extreme events such as heatwaves, drought, and storms and increased frequency of natural disasters such as floods, cyclones (particularly in Queensland, PNG, Indonesia and Pacific), sea level rise and increased storm surge (for assets close to coastlines).

Climate change is likely to have pervasive affects across all facets of Amatil, examples include:

- Physical damage to key assets and infrastructure resulting in business disruption and manufacturing shutdown
- Disruption to energy supply due to infrastructure failures and increased demand during extreme weather conditions such as heatwaves
- Key input scarcity including water, sugar, fruit and dairy due to drought, heat waves and natural disasters
- Increased insurance costs as incidences of natural disasters and extreme weather conditions increase
- Increased regulation and compliance as energy/carbon reporting and compliance become more prevalent
- Reputational risk as natural resource scarcity increases and becomes more of an issue amongst communities and non-government organisations

Business Case: Physical risk: Due to our reliance on water and agricultural products, the physical location of our assets is a key risk in relation to climate change. To mitigate this risk, we commenced hydrogeological studies on groundwater sources for non-alcoholic beverages in 2003, and from 2009 the scope of these studies expanded to all water sources for non-alcoholic beverages, including municipal and surface water, to ensure all stakeholders maintain sufficient supplies of fresh water as, and when, they need it. Each study is completely revised every five years, at a minimum, considering changes in our business, the community, and all other stakeholders. These studies provide the guidance we need to identify quantitative, qualitative, and community- based risks associated with water withdrawals, and more importantly, serve as the input to develop rigorous management plans to ensure the risks are addressed to maintain ongoing supplies to all users. Each plan is regularly reviewed and updated as actions to mitigate risks are completed. We are rolling out this approach so that we have source vulnerability assessments and sustainable water management plans in place for our brewing and distilling sites by 2020. In 2018, our Papua New Guinea Business completed Source Vulnerability Assessments for all water sources used at each manufacturing site. Water risks were identified and managed through site specific Source Water Protection Plans. We ensured all waste water from our manufacturing sites was treated before disposal.

Business Case: Transitional risk: Coca-Cola Amatil in Australia is using a proportion of renewable and low-carbon energy in our operations, principally with solar, wind and natural gas. In 2018 we commenced a major expansion of our rooftop solar program, which will see 10,000 panels installed across our main Australian Beverages manufacturing sites at Eastern Creek, Richlands and Kewdale. By the end of 2019, Coca-Cola Amatil will be drawing around 14 per cent less energy from the local electricity grid across all three sites, and using solar energy instead. Overall the project will also save Coca-Cola Amatil AUD$1.3 million in electricity costs, including the on-selling of the excess renewable energy certificates, and will see a reduction of 4,163 tonnes of greenhouse gas each year.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier
Risk 1

Where in the value chain does the risk driver occur?
Direct operations

Risk type
Transition risk

Primary climate-related risk driver
Policy and legal: Other

Type of financial impact
<Not Applicable>

Company- specific description
Energy policy within Australia is lacking in substance and stability with government inaction to provide certainty to the energy market over the last decade. Targets for renewable energy and retirement of existing aged infrastructure within the generation of electricity sector have been uncertain and subject to frequent policy change eroding confidence of energy companies to invest in new capacity. Similarly the opening of international gas markets with the development of large scale LNG (Liquefied Natural Gas) facilities in North Queensland have further impacted the price of generation across the east coast of Australia as within the NEM (National Electricity Market) gas fired electricity generation is the marginal price setting mechanism for electricity generation across the east coast states of Australia

Time horizon
Current

Likelihood
Virtually certain

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

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

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

Explanation of financial impact figure
Electricity prices for Australia's east coast states covered by the NEM (National Electricity Market) include Queensland, New South Wales, Victoria, South Australia, the Australian Capital Territory (ACT) and Tasmania have risen from some of the lowest in the world to amongst the highest in the last few years along with a near doubling of domestic natural gas prices within these same territories.

Management method
Amatil has sought to mitigate these impacts on price rises by increasing focus on facility energy efficiency and reducing usage per

unit of production and also a number of financial mechanisms aimed at procuring energy at the best available price. The financial mechanisms employed include direct i.e. on-site usage of solar PV technology for self generation of electricity and indirect through PPA's (Power Purchase Agreements) with grid connected renewable energy program

Cost of management
0

Comment
Cost of management is an estimate based on capex and opex for the various strategies implemented to mitigate the impact of electricity price rises.

Identifier
Risk 2

Where in the value chain does the risk driver occur?
Direct operations

Risk type
Physical risk

Primary climate-related risk driver
Chronic: Changes in precipitation patterns and extreme variability in weather patterns

Type of financial impact
Reduced revenue from decreased production capacity (e.g., transport difficulties, supply chain interruptions)

Company- specific description
Climate change effects that have the potential to impact Coca-Cola Amatil include changes in weather patterns such as increased temperatures, altered rainfall patterns, and more frequent or intense extreme events such as heatwaves, drought, storms and increased frequency of natural disasters. These may cause major business disruption, increased energy costs, and key input scarcity (such as water, sugar and other agricultural ingredients).

Time horizon
Long-term

Likelihood
Likely

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

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

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

Explanation of financial impact figure
Due to commercial reasons, we are unable to share the potential financial impact at this time

Management method
Business continuity frameworks are in place and are tested regularly to reduce the impact of any major disruption. In addition, Amatil has water optimisation strategies, alternate supply arrangements and strong supplier relationships. For example, in 2018, our Papua New Guinea Business completed Source Vulnerability Assessments for all water sources used at each manufacturing site. Water risks were identified and managed through site specific Source Water Protection Plans. We ensured all waste water from our manufacturing sites was treated before disposal.

Cost of management
0

Comment
Due to commercial reasons, we are unable to share the potential cost of management at this time

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Identifier
Risk 3

Where in the value chain does the risk driver occur?
Direct operations

Risk type
Transition risk

Primary climate-related risk driver
Reputation: Increased stakeholder concern or negative stakeholder feedback

Type of financial impact
<Not Applicable>

Company- specific description
Amatil's reputation in taking action against the effects and impacts of climate change may be influenced by negative perceptions of the businesses performance in managing carbon and other sustainability related business activities

Time horizon
Short-term

Likelihood
Exceptionally unlikely

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

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

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

Explanation of financial impact figure
Due to commercial reasons, we are unable to share the potential financial impact at this time

Management method
Our approach to measuring, managing and reducing our carbon footprint for non-alcoholic beverages is aligned with The Coca-Cola Company's commitment to reducing the carbon footprint of the 'drink in your hand' by 25 per cent by 2020. In reality this means we are working on reducing the carbon emissions related to each stage in our non-alcoholic beverages' lifecycle, from the ingredients that go into making it, the packaging used to deliver it to our consumers, how it's manufactured and distributed, and finally how we chill it, to create the millions of moments of happiness and possibilities for our consumers no matter where they are, their choice of product, or how they prefer to consume it. We are on track to deliver a 25 per cent reduction across these stages by 2020 through our focus on the key aspects of packaging, manufacturing and refrigeration, and have already achieved a 20 per cent reduction at the end of 2018 with significant investments in place to help us further reduce our carbon emissions.

Cost of management
0

Comment
Due to commercial reasons, we are unable to share the potential cost of management at this time

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C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?
Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier
Opp1

Where in the value chain does the opportunity occur?
Customer

Opportunity type
Products and services

Primary climate-related opportunity driver
Development and/or expansion of low emission goods and services

Type of financial impact
Better competitive position to reflect shifting consumer preferences, resulting in increased revenues

Company-specific description
Amatil supplies to its customers a range of cold drink equipment for the convenience / immediate consumption channel. Changes in use of synthetic refrigerants as well as potential mandates on efficiency of equipment utilising refrigerants will mean Amatil is in a good position to increase value to our customers and own business with the units presently available and continual improvement in future models.

Time horizon
Current

Likelihood
Likely

Magnitude of impact
Medium-high

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

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

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

Explanation of financial impact figure
29-78% lower running costs of Amatil cooler and refrigeration equipment for customers compared to older models for our customers increasing their margins and loyalty to our brand. Additionally the units also include natural refrigerants which have significantly lower GWP (Global Warming Potential) than traditional synthetic refrigerants, these characteristics are advertised on the units providing information to consumers about the lower GWP choice they can make by choosing Amatil products over competitors.

Strategy to realize opportunity
Replacement of older equipment at customers premises with new more efficient units that include improved insulation, energy management systems, LED lighting and natural refrigerants which also include information for consumers on the climate related benefits of the coolers, vending machines and post-mix dispensers. The investments in new durable equipment are made to ensure our customers can reduce their own energy costs and climate impacts and educate consumers with the same.

Cost to realize opportunity
0

Comment
This equipment has evolved to improve its energy efficiency significantly since 2009, improving by between 29% and 78% (depending upon the equipment type). Simultaneously we have included a program to replace synthetic refrigerants with lower GWP ones reducing the GWP from over 1300 to <10. These initiatives combine to enable our customers to save money on their electricity consumption in utilising our coolers to supply products to consumers. This includes year on year roll out of new more

efficient equipment and replacement of older less efficient units

Identifier
Opp2

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Energy source

Primary climate-related opportunity driver
Use of lower-emission sources of energy

Type of financial impact
Returns on investment in low-emission technology

Company-specific description
Amatil is presently investing in both on-site and off-site renewable energy sourcing including solar PV on manufacturing facilities in Australia, Indonesia and Fiji with more under investigation in New Zealand and Samoa. A wind power based PPA has been implemented in Australia, expected to come online following construction completion in mid-2019. Combined these investments are expected to supply Amatil with at least 10GWh annually of renewable energy to our manufacturing sites across our Australian, Pacific Island and South East Asian located facilities.

Time horizon
Short-term

Likelihood
Virtually certain

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

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

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

Explanation of financial impact figure
The financial impact of the investments made to date and planned for the near future are to direct utilities costs for our Supply Chain providing both increased financial return and a decrease in manufacturing related emissions. The investments have been made through either capex or opex resulting in savings in procurement of electricity for Amatil.

Strategy to realize opportunity
Direct investment through capital expenditure or long term PPA (Power Purchase Agreement) as appropriate to the site and business. The type of investment is undertaken following an analysis of the commercial and strategic opportunity, the location and or country of investment and other supply chain related strategic considerations.

Cost to realize opportunity
0

Comment
Due to commercial reasons, we are unable to share the potential cost of management at this time

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Identifier
Opp3

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Resource efficiency

Primary climate-related opportunity driver
Use of recycling

Type of financial impact
Other, please specify (Reduced operating costs in the long term)

Company-specific description
We have an ambitious goal to achieve packaging neutrality by 2030, aligned with The Coca-Cola Company's vision of a World Without Waste, sharing the understanding that every package has value and life beyond its initial use and should be collected and recycled into another package or other beneficial use. We have had significant success in recent years light-weighting our non-alcoholic beverage packaging and introducing recycled content. We reached a milestone in 2018 – all single serve Mount Franklin bottles are now made from 100 per cent recycled plastic, including the 350ml, 400ml, 500ml and 600ml bottles. As at the end of 2018 our Australian PET portfolio has a weighted average recycled content of 25 per cent. Our Indonesian Business worked on a paper-weight reduction project that resulted in the reduction of our paper usage in Indonesia by around 2,131 tonnes in 2018. In addition, the down-gauging of our 330ml cans has reduced the amount of aluminium we use in Indonesia. In Fiji, Coca-Cola Amatil Fiji has successfully run a voluntary container collection and recycling program, Mission Pacific, since 1999, helping to reduce litter and paying consumers a per kilo redemption on PET and aluminium containers. Currently Mission Pacific collects approximately 24 per cent of all non-alcoholic beverages containers sold by us in Fiji. To increase the public awareness and effectiveness of our Mission Pacific recycling program we have invested in media presence and worked with retailers to provide additional collection points for consumers to return their empty bottles and cans. The scheme, managed and funded by Coca-Cola Amatil, provides environmental benefits as well as economic benefits to the Fijians who rely on it for income support.

Time horizon
Current

Likelihood
Virtually certain

Magnitude of impact
High

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

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

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

Explanation of financial impact figure
Due to commercial reasons, we are unable to share the financial impact at this time

Strategy to realize opportunity
Part of our strategy is to continue to minimise packaging use through better design, light-weighting where possible, and replacing virgin materials with recycled content in both our primary packaging (cans, bottles, cups and capsules) and secondary packaging (cartons and shrink-wrapped packs). Whilst most of the materials used for our packaging – PET, glass, aluminium and cardboard – are completely recyclable from a technical perspective, we are aware that much work needs to be done on improving the collection and recycling infrastructure in all countries of operation to ensure that opportunities for recycling are maximised. This is a global challenge for all consumer goods companies, and we are committed to continuing to provide constructive leadership in improving opportunities for the packaging circular economy to flourish.

Cost to realize opportunity
0

Comment
Due to commercial reasons, we are unable to share the potential cost of management at this time

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C2.5

(C2.5) Describe where and how the identified risks and opportunities have impacted your business.

	Impact	Description
Products and services	Impacted	Amatil's beverage products and services in the form of equipment (coolers, vending machines, etc.) provided to our customers have gone through an innovation process upgrade to ensure they continue to meet our customers high expectations of quality and increasingly those on the sustainability on them also. The magnitude of the impact is significant as it directly or indirectly impacts upon the majority of our beverage products and approx. 50% of the channel through which they are sold.
Supply chain and/or value chain	Impacted	Amatil's supply chain in particular the manufacturing facilities have begun to realise opportunities in sourcing (either directly or indirectly) cheaper, cleaner renewable energy which are having a positive EBIT impact and trading in renewable certificates in some jurisdictions. The magnitude of the impact upon utility costs within the supply chain is significant delivering approximately 10-15% improvement in energy procurement savings (depending on the market in which it has been implemented).
Adaptation and mitigation activities	Impacted for some suppliers, facilities, or product lines	Adaptation and mitigation activities are primarily focused in the supply chain area of the business and these have begun to realise opportunities in sourcing (either directly or indirectly) cheaper, cleaner renewable energy which are having a positive EBIT impact and trading in renewable certificates in some jurisdictions. The magnitude of the impact upon utility costs within the supply chain is significant delivering approximately 10-15% improvement in energy procurement savings (depending on the market in which it has been implemented).
Investment in R&D	Impacted for some suppliers, facilities, or product lines	Climate related investment in R&D has been incorporated into the innovation and new product development processes for some time. This involves sustainability indicators and decision points for new and updated products we bring to market. The impact of investment in R&D is not overly significant as this expenditure has been part of the innovation process for some time and is accounted for in budgets year on year.
Operations	Impacted	Amatil's operations within supply chain in particular the manufacturing facilities are the main area of impact. These have begun to realise opportunities in sourcing (either directly or indirectly) cheaper, cleaner renewable energy which are having a positive EBIT impact. The magnitude of the impact upon utility costs within the supply chain is significant delivering approximately 10-15% improvement in energy procurement savings (depending on the market in which it has been implemented).
Other, please specify	Not yet impacted	The are no other risk or opportunity areas for the business as yet impacted

C2.6

(C2.6) Describe where and how the identified risks and opportunities have been factored into your financial planning process.

	Relevance	Description
Revenues	Impacted for some suppliers, facilities, or product lines	The revenue benefit of being able to supply customers a range of cold drink equipment which is energy efficient and uses refrigerants with lower GWP built into BAU financial planning.
Operating costs	Impacted	Energy costs are fully integrated with financial planning.
Capital expenditures / capital allocation	Impacted	Additional capex for energy projects are included.
Acquisitions and divestments	Impacted	On 30 November 2018, the Group announced that the 2018 strategic review of SPC had concluded with a decision to proceed toward divestment. SPC's impacts on emissions and water will be incorporated into the business analysis for 2019.
Access to capital	Not yet impacted	There may be an opportunity to access green finance through implementation of our climate change strategies which in turn will improve our ESG ratings
Assets	Not evaluated	To be evaluated as part of a holistic Climate Risk Assessment process in future.
Liabilities	Not evaluated	To be evaluated as part of a holistic Climate Risk Assessment process in future.
Other	We have not identified any risks or opportunities	To be evaluated as part of a holistic Climate Risk Assessment process in future.

C3. Business Strategy

C3.1

(C3.1) Are climate-related issues integrated into your business strategy?

Yes

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform your business strategy?

No, but we anticipate doing so in the next two years

C-AC3.1b/C-CE3.1b/C-CH3.1b/C-CO3.1b/C-EU3.1b/C-FB3.1b/C-MM3.1b/C-OG3.1b/C-PF3.1b/C-ST3.1b/C-TO3.1b/C-TS3.1b

(C-AC3.1b/C-CE3.1b/C-CH3.1b/C-CO3.1b/C-EU3.1b/C-FB3.1b/C-MM3.1b/C-OG3.1b/C-PF3.1b/C-ST3.1b/C-TO3.1b/C-TS3.1b) Indicate whether your organization has developed a low-carbon transition plan to support the long-term business strategy.

Yes

C3.1c

(C3.1c) Explain how climate-related issues are integrated into your business objectives and strategy.

Coca-Cola Amatil is committed to making a distinct and positive contribution to the world in which we live. This means that with each decision we seek to deliver the best outcomes for our people, consumer choice and wellbeing, the environment, our communities as well as our shareholders. Coca-Cola Amatil's sustainability framework focuses on four pillars: our people, wellbeing, environment, and our community. In 2017 Coca-Cola Amatil conducted a strategic review of each of the four pillars within its sustainability framework and developed a set of strategies and public goals out to 2020. These 2020 goals are aligned with, and embedded in, our broader business strategies to deliver long-term sustainable business value. The goals have also been developed considering the expectations of all key stakeholders – our people, our partners, our communities, our customers and our investors – and focusing on those areas that are the most material and where we can make the most difference.

Within the environmental pillar, we aim to leave a positive legacy and ensure minimal impact on the environment. We work responsibly in all we do, seeking to make the right choices now, in a sustainable way, for future generations.

Our commitment is focused where we have the most opportunity to make a difference: sustainable packaging; water stewardship; energy management and climate protection; biodiversity and responsible sourcing.

By 2020, we will continue to drive water neutrality for non-alcoholic beverages; target a 25 per cent improvement in water efficiency for alcoholic beverages and food categories; deliver a 25 per cent carbon reduction for the 'drink in your hand'; ensure that 60 per cent of our energy requirements come from renewable and low-carbon sources; aspire to packaging neutrality with business case development for 50 per cent recycled PET in our Australian portfolio; ensure 80 per cent of suppliers are covered by responsible sourcing assessments and lead on habitat regeneration and protection projects.

To achieve this vision, we work closely with partners and environmental experts so that we can understand and mitigate our impact and be proactive in implementing solutions, and are well advanced on each of these goals at the end of 2018. We have taken a leadership role in working with governments and stakeholders across Australia on container deposit and refund schemes, including as a joint venture partner in Exchange for Change, the New South Wales Scheme Coordinator, and a founding partner in Container Exchange, a not-for-profit organisation that is the Product Responsibility Organisation that has established and now manages the Queensland container refund scheme which commenced in 2018. In addition, we have run the South Australian container deposit scheme for over 40 years through our wholly owned subsidiary Statewide Recycling. We also welcome and support The Coca-Cola Company's 'World Without Waste' global packaging strategy, announced in January 2018, that has an industry-first goal of collecting and recycling the equivalent of every bottle or can it sells globally by 2030. In line with this commitment Coca-Cola Amatil has recently approved the business case for 50 per cent recycled plastic in its Australian portfolio which will double the amount of recycled plastic being used by the Australian Beverages Business.

C-AC3.1e/C-CE3.1e/C-CH3.1e/C-CO3.1e/C-EU3.1e/C-FB3.1e/C-MM3.1e/C-OG3.1e/C-PF3.1e/C-ST3.1e/C-TO3.1e/C-TS3.1e

(C-AC3.1e/C-CE3.1e/C-CH3.1e/C-CO3.1e/C-EU3.1e/C-FB3.1e/C-MM3.1e/C-OG3.1e/C-PF3.1e/C-ST3.1e/C-TO3.1e/C-TS3.1e) Disclose details of your organization’s low-carbon transition plan.

Carbon Reduction: At Coca-Cola Amatil we are committed to ensuring that we are playing our role in limiting global temperature increases to no more than 1.5 degrees Celsius.2 Our approach to measuring, managing and reducing our carbon footprint for non-alcoholic beverages is aligned with The Coca-Cola Company’s commitment to reducing the carbon footprint of the ‘drink in your hand’ by 25 per cent by 2020. In reality this means we are working on reducing the carbon emissions related to each stage in our non-alcoholic beverage’ life-cycle, from the ingredients that go into making it, the packaging used to deliver it to our consumers, how it’s manufactured and distributed, and finally how we chill it, to create the millions of moments of happiness and possibilities for our consumers no matter where they are, their choice of product, or how they prefer to consume it. We are on track to deliver a 25 per cent reduction across these stages by 2020 through our focus on the key aspects of packaging, manufacturing and refrigeration, and have already achieved a 20 per cent reduction at the end of 2018. Our non-alcoholic beverages emissions profile is evolving over time aligned with our commitments to achieving packaging neutrality via light-weighting and increasing recycled content, investing in energy efficiency and renewable energy at our factories and distribution sites, and phasing out synthetic refrigerants in our coolers and vendor fleets. Though the relative influence of refrigeration has increased over time since 2010, its impact on emissions continues to decrease as we continue to roll out high efficiency coolers with natural refrigerants.

Energy Productivity: In 2018, our Alcohol & Coffee Business reviewed Grinders’ roasting processes. The process allowed them to implement measures that not only optimised roasting quality and consistency, but also delivered operational efficiencies, resulting in business and environmental benefits. The team reduced the average time per roast of our beans and shut off roasters for an extra day, which delivered environmental benefits and better machine maintenance. Our Indonesian business modified our existing ‘Hydration Station’ double door coolers to lower energy consumptions. We replaced lamps with low-energy LED bulbs, and installed a low-energy motor fan. The resulting modifications resulted in the modified coolers having 46 per cent less energy consumption and requiring 51 per cent less running power.

Low Carbon Energy & Security: We are aiming to source at least 60 per cent of our manufacturing energy needs from low- and no-carbon sources by 2020, including natural gas, LPG, wood, direct renewables from on-site sources and indirect renewables supplied through grid connected power purchase agreements. In 2018 total renewable or low-carbon energy use was 59.2 per cent. Following the 2017 launch of our 1.1 megawatt rooftop solar panel installation in Fiji, we continued to invest in renewable and low-carbon energy in our Australian operations principally in solar, wind and natural gas. This program will see 10,000 panels installed across our Australian Beverages manufacturing sites including Eastern Creek, Richlands and Kewdale. We have also invested in the windfarm project at Murra Warra currently under construction.

C3.1g

(C3.1g) Why does your organization not use climate-related scenario analysis to inform your business strategy?

We have publicly stated our commitment to ensuring that we are playing our role in limiting global temperature increases to no more than 1.5 degrees Celsius, including in our Annual Report and Sustainability Report, and Business and Sustainability Risks, including Climate Change Risk is reported in our Annual Report and used in developing business strategies. However, Amatil in 2018 did not directly use climate related scenario analysis to inform business strategy, although the work to develop scenarios and assumptions relevant to Amatil's operations commenced in 2018, using third-party consultants, with a view to this being completed in 2019. To the extent that our energy procurement strategy is informed by government targets and mandated renewable energy targets in Australia and New Zealand, our energy strategy is informed by climate related scenario analysis. Our approach to measuring, managing and reducing our carbon footprint for non-alcoholic beverages is aligned with The Coca-Cola Company’s commitment to reducing the carbon footprint of the ‘drink in your hand’ by 25 per cent by 2020 vs 2010. In reality this means we are working on reducing the carbon emissions related to each stage in our non-alcoholic beverage’ life-cycle, from the ingredients that go into making it, the packaging used to deliver it to our consumers, how it’s manufactured and distributed, and finally how we chill it in our fridges in customer outlets, to create the millions of moments of happiness and possibilities for our consumers no matter where they are, their choice of product, or how they prefer to consume it. We do however, in 2019, anticipate utilising more conventional climate-related scenario analysis to better inform our business strategy into the future.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Intensity target

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number
Int 1

Scope
Scope 1+2 (market-based) +3 (upstream)

% emissions in Scope
77

Targeted % reduction from base year
25

Metric
Metric tons of CO2e per liter of product

Base year
2010

Start year
2010

Normalized base year emissions covered by target (metric tons CO2e)
1090093

Target year
2020

Is this a science-based target?
No, but we anticipate setting one in the next 2 years

% of target achieved
20

Target status
Underway

Please explain
The intensity target of emissions reduction for Amatil includes all non-alcoholic beverages manufacturing activities and the upstream and downstream supply chain activities related to it. This includes emissions attributable to the procurement of ingredients (such as sugar, juices, etc.) the procurement and processing of packaging materials (such as PET resin, aluminium cans, glass bottles, etc.) the manufacturing of final product ready for sale, its distribution to customers (whether by own or Third Party Logistics fleets) and finally the refrigeration of product for immediate consumption (excluding in-home refrigeration). This represents the majority of emissions in the Amatil business and represents the ability of the business to grow whilst reducing the emission per unit, in this case litres, of product up to the point of consumption.

% change anticipated in absolute Scope 1+2 emissions
38

% change anticipated in absolute Scope 3 emissions
21

C4.2

(C4.2) Provide details of other key climate-related targets not already reported in question C4.1/a/b.

Target
Energy productivity

KPI – Metric numerator
Energy consumed in manufacturing of product measured in MJ

KPI – Metric denominator (intensity targets only)
Per litre of product produced

Base year
2010

Start year
2010

Target year
2020

KPI in baseline year

KPI in target year

% achieved in reporting year

Target Status
Underway

Please explain
The target is set to continually improve upon the energy productivity of manufacturing operations which has a direct and substantial link to emissions

Part of emissions target
Energy productivity is directly linked to emissions and the emissions intensity of the production process, this along with the energy mix in production and the incorporation of renewable energy into the manufacturing process will positively impact upon the emissions intensity of scope 1 and 2 emissions.

Is this target part of an overarching initiative?
Other, please specify (Aligned with The Coca-Cola Company's Global Sustainability Initiatives)

Target
Renewable electricity consumption

KPI – Metric numerator
% of low or no carbon energy consumed in operations

KPI – Metric denominator (intensity targets only)
Total energy use

Base year
2010

Start year
2017

Target year
2020

KPI in baseline year
40

KPI in target year
60

% achieved in reporting year

59.21

Target Status
Underway

Please explain
The total energy usage for Amatil's operations is a mix of energy sources including fuels, grid supplied electricity and sourced (either directly or indirectly) renewable electricity. This target is intended to ensure that Amatil's energy mix moving forth is made up more low and no carbon energy than it is of non-renewable traditional sources.

Part of emissions target
Sources of consumed energy are directly linked to emissions and the emissions intensity of the production process, this along with the energy mix in production and the incorporation of renewable energy into the manufacturing process will positively impact upon the emissions intensity of scope 1 and 2 emissions.

Is this target part of an overarching initiative?
Other, please specify (Aligned with The Coca-Cola Company's Global Sustainability Initiatives)

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.
Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	8	
To be implemented*	3	1658
Implementation commenced*	6	27885
Implemented*	3	
Not to be implemented		

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative type
Energy efficiency: Processes

Description of initiative
Cooling technology

Estimated annual CO2e savings (metric tonnes CO2e)

Scope
Scope 1

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)

Payback period
<1 year

Estimated lifetime of the initiative
16-20 years

Comment
Our Indonesian business modified our existing ‘Hydration Station’ double door coolers to lower energy consumptions. We replaced lamps with low-energy LED bulbs, and installed a low-energy motor fan. The resulting modifications resulted in the modified coolers having 46 per cent less energy consumption and requiring 51 per cent less running power.

Initiative type
Energy efficiency: Building services

Description of initiative
Lighting

Estimated annual CO2e savings (metric tonnes CO2e)

Scope
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)

Payback period
<1 year

Estimated lifetime of the initiative
16-20 years

Comment
Our Head Office at Coca-Cola Place in North Sydney represents leadership in sustainable design, having been awarded a 6 Star Green Star Office Design and ‘As Built’ rating. The building has also achieved a NABERS Energy rating of 5.5 stars and a Water rating of 4 stars. In 2018 we had an opportunity to build on these sustainability credentials as part of a major fit-out project for the floors that we lease. The project saw a complete refresh of the interiors of our offices, allowing more natural light into working areas and featuring the introduction of flexible working practices and spaces. This saw us being able to move from occupying six floors within the building to five, which will lead to a reduction in our energy and water use as a tenant. Some of the main sustainability initiatives that were included in the fit-out to reduce energy consumption are: - Roll-out of LED lighting and sensors within meeting rooms to reduce energy costs - Installation and re-setting of mechanical and air conditioning timers and degree set points to reduce energy costs and water consumption

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Initiative type
Energy efficiency: Processes

Description of initiative
Refrigeration

Estimated annual CO2e savings (metric tonnes CO2e)

Scope
Scope 3

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

Investment required (unit currency – as specified in C0.4)

Payback period
1-3 years

Estimated lifetime of the initiative
21-30 years

Comment

Cold drink equipment (refrigeration) has been a long term focus for Amatil. Through global procurement forums Amatil has been able to secure significant step changes in the energy efficiency of each type of cooler / vender and is now focusing on the integration of natural refrigerants to replace the present HFC's to further lower emissions intensity of high GWP materials. Avoided emissions from Amatil's Cold Drink Equipment (CDE) is derived from the increase in each units energy efficiency by upto 78% since 2010 meaning, each unit now consumes significantly less kWh per day of grid electricity. Similarly, new units now being rolled out contain natural refrigerants rather than more traditional artificial ones (such as R134a) than have a significantly lower Global Warming Potential (GWP). Our annual CDE replacement rate is around 7-8%. This initiative has helped improve the energy efficiency of our equipment significantly since 2009 with energy efficiency improving between 29% and 78% (depending upon the equipment type). Simultaneously we have included a program to replace synthetic refrigerants with lower GWP ones reducing the GWP from over 1300 to <10. These initiatives combine to enable our customers to save money on their electricity consumption in utilising our coolers to supply products to consumers

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Other	Investment in emissions reduction activities is driven by a number of factors either in isolation or in combination with others. These include Internal Rate of Return and payback, safety and energy security. Reduction in maintenance needs for upgraded equipment, replacement of redundant technology, financial hedges and commitment to climate goals and targets.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation

Group of products

Description of product/Group of products

Cooler fleets including coolers (fridges) placed in customer premises for the chilled immediate consumption of our products as well as vending machines and fountain (post-mix) dispensers used in fast food restaurants, bars, etc. These units now include natural refrigerants replacing artificial ones with significantly higher GWP (e.g. 1 v's 1300 or more) avoiding the fugitive emissions from leakages. They also include advanced energy management systems and high efficiency motors and lighting. These newer model coolers, vending machines and dispensers allow our customers to reduce their energy usage and hence indirect emissions from their own electricity use and also from the impact of refrigerant leakage.

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify (Internal comparison to baseline model)

% revenue from low carbon product(s) in the reporting year

Comment

Whilst not all Amatil products are considered for immediate consumption (typically those in larger pack sizes are not considered immediate consumption units) a considerable number of smaller pack sizes are sold ready chilled and fit for the consumer to consume from the coolers identified here.

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start
January 1 2010

Base year end
December 31 2010

Base year emissions (metric tons CO2e)
33642

Comment
Scope 1 emissions across the Amatil non-alcoholic beverages businesses include those from fuels sources such as natural gas, diesel, LPG, etc. Typically these are used in generating heat through steam or other process heat systems or for on-site transportation such as forklifts.

Scope 2 (location-based)

Base year start
January 1 2010

Base year end
December 31 2010

Base year emissions (metric tons CO2e)
49715

Comment
Scope 2 emissions in the 2010 baseline year were entirely from the purchase of grid supplied electricity in Indonesia, Fiji and Papua New Guinea.

Scope 2 (market-based)

Base year start
January 1 2010

Base year end
December 31 2010

Base year emissions (metric tons CO2e)
69256

Comment
Scope 2 emissions in the 2010 baseline year were entirely from the purchase of grid supplied electricity in Australia and New Zealand

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions.
Australia - National Greenhouse and Energy Reporting Act

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)
39536

Start date
January 1 2018

End date
December 31 2018

Comment
Scope 1 emissions derive from fuels including natural gas, LPG and diesel consumed at operations sites for thermal and electricity generation purposes

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based
We are reporting a Scope 2, location-based figure

Scope 2, market-based
We are reporting a Scope 2, market-based figure

Comment
Location based emissions are reported for Indonesia, Papua New Guinea, Fiji and Samoa, market based emissions are reported for Australia and New Zealand

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based
81068

Scope 2, market-based (if applicable)
62149

Start date
January 1 2018

End date
December 31 2018

Comment
Location based emissions are reported for Indonesia, Papua New Guinea, Fiji and Samoa, market based emissions are reported for Australia and New Zealand

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Metric tonnes CO2e

496043

Emissions calculation methodology

The emissions from purchased goods and services include all ingredients (primarily agricultural ingredients such as sugar) and packaging materials (both primary and secondary). The calculation method utilises an internal carbon accounting tool developed by The Coca-Cola Company to ensure consistency with all bottlers across the globe. This method takes into account emission factors for individual ingredients of differing source (e.g. cane sugar v's beet sugar v's HFCS - High Fructose Corn Syrup) and the different regions of the globe these are sourced from for bottlers. Similarly the emissions factors for the differing types of packaging (PET, v's glass, v's Aluminium, etc.) use developed and validated emissions factors sourced through the Atlanta corporate office on behalf of all bottlers around the globe.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

38

Explanation

Capital goods

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

Amatil does not presently calculate the emissions attributable to capital goods outside of those reported in 'purchased goods and services' as they do not typically make up a significant proportion of embedded emissions .

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation
All fuel and energy usage relevant to scope 1 and scope 2 reporting is already included in data provided, there are no further sources of usage to report.

Upstream transportation and distribution

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation
All upstream transportation and distribution related energy use and emissions are captures under purchased goods and services as part of the total emissions of the goods purchased in each case

Waste generated in operations

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation
Amatil does not presently calculate the emissions attributable to waste generated in operations as over 95% of all waste is recycled and is made up of streams such as PET, aluminium, glass and paper / board.

Business travel

Evaluation status
Not evaluated

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation
Amatil does not presently calculate the emissions attributable to employee travel as these are typically not a significant proportion of embedded emissions.

Employee commuting

Evaluation status
Not evaluated

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation
Amatil does not presently calculate the emissions attributable to employee commuting as these are typically not a significant proportion of embedded emissions.

Upstream leased assets

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation
Amatil has no upstream leased assets that are relevant to the reporting of energy and emissions for scope 3 evaluation

Downstream transportation and distribution

Evaluation status
Relevant, calculated

Metric tonnes CO2e
78322.69

Emissions calculation methodology
The emissions from downstream transportation and distribution include all direct delivery and third party deliveries whether via a customers bulk warehouse or direct to point of sale. The calculation method utilizes an internal carbon accounting tool developed by The Coca-Cola Company to ensure consistency with all bottlers across the globe.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
6

Explanation

Processing of sold products

Evaluation status
Relevant, calculated

Metric tonnes CO2e
548258.83

Emissions calculation methodology
The emissions from processing of sold products include all electricity and refrigerants used in the storage and chilling of immediate consumption products. This is inclusive of coolers, vending machines and fountain dispensers. The calculation method utilises an internal carbon accounting tool developed by The Coca-Cola Company to ensure consistency with all bottlers across the globe. This method takes into account the number, type, size, refrigerant used and the refresh rate (units retired each year and replaced by new models) and uses emission factors developed and validated emissions factors sourced through the Atlanta corporate office on behalf of all bottlers around the globe

Percentage of emissions calculated using data obtained from suppliers or value chain partners
42

Explanation

Use of sold products

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation
All emissions related to the use of sold products are included in the processing of sold products section, no additional emissions are reportable here.

End of life treatment of sold products

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation
All emissions for end of life treatment of sold products is included in the packaging related emissions reported in the purchased goods and services section previously. To account for these the rates of recycling of bottles, cans and cartons are used as well as the recycled content within each packaging type.

Downstream leased assets

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation
All emissions from downstream leased assets are accounted for in the transport and distribution of sold goods section, no additional emissions are reportable here

Franchises

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation
Amatil has no franchise operations.

Investments

Evaluation status
Not evaluated

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation
Amatil does not presently calculate the emissions attributable to investments as these are typically not a significant proportion of embedded emissions.

Other (upstream)

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation
No other upstream elements are relevant to the disclosure that have not already been included

Other (downstream)

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation
No other downstream elements are relevant to the disclosure that have not already been included

C-AC6.6/C-FB6.6/C-PF6.6

(C-AC6.6/C-FB6.6/C-PF6.6) Can you break down your Scope 3 emissions by relevant business activity area?
Yes

C-AC6.6a/C-FB6.6a/C-PF6.6a

(C-AC6.6a/C-FB6.6a/C-PF6.6a) Disclose your Scope 3 emissions for each of your relevant business activity areas.

Activity
Agriculture/Forestry

Scope 3 category
Purchased goods and services

Emissions (metric tons CO2e)
156645.38

Please explain
Emissions related to agricultural ingredients including goods such as sugar, juices, coffee, etc. are calculated using the quantity of goods and related emission factors for them based on the source and country of origin

---

Activity
Please select

Scope 3 category
<Not Applicable>

Emissions (metric tons CO2e)

Please explain

C6.7

(C6.7) Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?
No

C-AC6.8/C-FB6.8/C-PF6.8

(C-AC6.8/C-FB6.8/C-PF6.8) Is biogenic carbon pertaining to your direct operations relevant to your current CDP climate change disclosure?

No

C-AC6.9/C-FB6.9/C-PF6.9

(C-AC6.9/C-FB6.9/C-PF6.9) Do you collect or calculate greenhouse gas emissions for each commodity reported as significant to your business in C-AC0.7/FB0.7/PF0.7?

Agricultural commodities

Sugar

Do you collect or calculate GHG emissions for this commodity?

Yes

Please explain

Sugar related emissions are included in the purchased goods and services section of the report and are calculated using the quantity of goods and related emission factors for them based on the source and country of origin

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Agricultural commodities

Other (Coffee)

Do you collect or calculate GHG emissions for this commodity?

Yes

Please explain

Coffee related emissions are included in the purchased goods and services section of the report and are calculated using the quantity of goods and related emission factors for them based on the source and country of origin

---

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.0000447

Metric numerator (Gross global combined Scope 1 and 2 emissions)

182754

Metric denominator

unit total revenue

Metric denominator: Unit total

4092200000

Scope 2 figure used

Location-based

% change from previous year

8

Direction of change

Decreased

Reason for change

Emissions from our operations declined on the back of energy efficiency initiatives, increase in renewable energy consumption while underlying revenues remained stable year on year.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

No

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
Australia	12860
Fiji	828
Indonesia	20313
New Zealand	2770
Papua New Guinea	2522
Samoa	244

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By activity

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Manufacturing - bottling, canning of product for distribution	39536

C-AC7.4/C-FB7.4/C-PF7.4

(C-AC7.4/C-FB7.4/C-PF7.4) Do you include emissions pertaining to your business activity(ies) in your direct operations as part of your global gross Scope 1 figure?

Yes

C-AC7.4b/C-FB7.4b/C-PF7.4b

(C-AC7.4b/C-FB7.4b/C-PF7.4b) Report the Scope 1 emissions pertaining to your business activity(ies) and explain any exclusions. If applicable, disaggregate your agricultural/forestry by GHG emissions category.

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)
Australia		62149		
New Zealand	0	0		
Fiji	506			
Indonesia	77996			
Papua New Guinea	2388			
Samoa	178			

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By activity

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based emissions (metric tons CO2e)	Scope 2, market-based emissions (metric tons CO2e)
Manufacturing - bottling, canning of product for distribution	81068	62149

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	8969	Decreased	100	Scope 2 emissions in New Zealand declined to zero in 2018 as 100 per cent of its electricity requirements were met through renewable energy power purchase agreements
Other emissions reduction activities	0	Please select		
Divestment	0	Please select		
Acquisitions	0	Please select		
Mergers	0	Please select		
Change in output	0	Please select		
Change in methodology	0	Please select		
Change in boundary	0	Please select		
Change in physical operating conditions	1466	Decreased	1.2	
Unidentified	0	Please select		
Other	0	Please select		

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertakes this energy-related activity
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	0	210810	210810
Consumption of purchased or acquired electricity	<Not Applicable>	29515	1	206683
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	1032	<Not Applicable>	1032
Total energy consumption	<Not Applicable>	30547	387979	418526

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	No
Consumption of fuel for the generation of steam	Yes
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	1032	1032	1032	1032
Heat	0	0	0	0
Steam	192529.81	192529.81	0	0
Cooling	0	0	0	0

C8.2f

(C8.2f) Provide details on the electricity, heat, steam and/or cooling amounts that were accounted for at a low-carbon emission factor in the market-based Scope 2 figure reported in C6.3.

Basis for applying a low-carbon emission factor
Off-grid energy consumption from an on-site installation or through a direct line to an off-site generator owned by another company

Low-carbon technology type
Solar PV

Region of consumption of low-carbon electricity, heat, steam or cooling
Asia Pacific

MWh consumed associated with low-carbon electricity, heat, steam or cooling
137

Emission factor (in units of metric tons CO2e per MWh)
0

Comment
Roof-top solar PV installation for self generation owned and operated by Amatil

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Basis for applying a low-carbon emission factor
Power Purchase Agreement (PPA) without energy attribute certificates

Low-carbon technology type
Solar PV

Region of consumption of low-carbon electricity, heat, steam or cooling
Asia Pacific

MWh consumed associated with low-carbon electricity, heat, steam or cooling
895

Emission factor (in units of metric tons CO2e per MWh)
0

Comment
Roof-top solar PV installation with energy generated acquired through a PPA in a market where energy attribute certificates do not exist. Where excess generation exists the owner of the installation sells the excess generated electricity into the grid in an agreement with the local utility in conjunction with but outside of its agreement with Amatil.

Basis for applying a low-carbon emission factor
Power Purchase Agreement (PPA) with energy attribute certificates

Low-carbon technology type
Solar PV
Other low-carbon technology, please specify (Geothermal)

Region of consumption of low-carbon electricity, heat, steam or cooling
Asia Pacific

MWh consumed associated with low-carbon electricity, heat, steam or cooling
29515

Emission factor (in units of metric tons CO2e per MWh)
0

Comment
Renewable energy power purchase agreement with grid based suppliers

---

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description
Energy usage

Metric value
0.49

Metric numerator
Mega Joules of energy

Metric denominator (intensity metric only)
Finished Litres of Beverage

% change from previous year
8.7

Direction of change
Decreased

Please explain
This energy intensity measure of our manufacturing operations is used as a metric to benchmark our performance amongst peers globally in other bottling operations as well as internally. Internally we use this measure to benchmark individual sites against one another and use this information to inform strategic decisions on where and in which areas to focus attention for maximum improvement potential. The improved energy intensity in 2018 was driven by our Indonesian business. Our Indonesian business modified our existing 'Hydration Station' double door coolers to lower energy consumptions. We replaced lamps with low-energy LED bulbs, and installed a low-energy motor fan. The resulting modifications resulted in the modified coolers having 46 per cent less energy consumption and requiring 51 per cent less running power.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	No third-party verification or assurance
Scope 2 (location-based or market-based)	No third-party verification or assurance
Scope 3	No third-party verification or assurance

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, but we are actively considering verifying within the next two years

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, but we anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Climate change performance is featured in supplier awards scheme

Offer financial incentives for suppliers who reduce your operational emissions (Scopes 1 &2)

% of suppliers by number

2

% total procurement spend (direct and indirect)

76

% Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

Our coverage includes the vast majority of goods, ingredients and raw materials purchased across the company with major and or strategic suppliers. All these suppliers are engaged and evaluated for their current level of performance in responsible sourcing through the Ecovadis assessment process or through The Coca-Cola Company's SGP (Supplier Guiding Principles) assessment which includes evidence based evaluation of compliance and corrective action processes to close gaps in performance to Amatil's standards.

Impact of engagement, including measures of success

All suppliers receive an overall score benchmarking their current performance and individual section scores highlighting areas for focus to drive improvement in performance. Suppliers can then develop a corrective action plan and implement over time. A follow up assessment to the criteria can be undertaken with new scores provided against the reporting criteria and a new benchmark set.

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement
Education/information sharing

Details of engagement
Run an engagement campaign to educate customers about the climate change impacts of (using) your products, goods, and/or services

% of customers by number

% Scope 3 emissions as reported in C6.5

Please explain the rationale for selecting this group of customers and scope of engagement
In 2018, Coca Cola Amatil had more than 880,000 customers and consumers. Increasingly these customers are seeking environment friendly products and packaging. Customer request and evaluate our sustainability credentials including our environmental performance. For example, few leading supermarket chains, educational institutes and government institutions have set targets to reduce their carbon footprint including emissions from the products that they sell. This is built into their tenders which include environmental performance criteria to rate our products and determine if our initiatives and outcomes help meet their sustainability goals.

Impact of engagement, including measures of success
In 2018, we engaged extensively with many customers on our Sustainability framework and programs including our approach to carbon reduction and increased use of renewable and low-carbon energy. A good example of this is the tender process we went through for Taronga Zoo in Sydney, which also covered Western Plains Zoo in Dubbo. Sustainability was an important part of the selection criteria for the tender and our response was to develop a comprehensive presentation which showed the strategic alignment between Amatil's sustainability framework and also Taronga's sustainability targets. Climate change, our shared objective to reduce emissions, improve recycling and waste management, reduce energy use and use more renewable energy, and our shared interest in re-forestation and bio-diversity formed a large part of the tender pitch and subsequent conversations. Amatil was successful in winning this business, and importantly strong relationships were developed between the Sustainability teams for each organisation which is leading to ongoing collaboration and exploration of mutually beneficial projects in introducing more energy efficient fridges, and improving bottle and can recycling.

C12.1c

(C12.1c) Give details of your climate-related engagement strategy with other partners in the value chain.

Coca-Cola Amatil recognises the importance of having ethical and sustainable procurement practices that support its business and sustainability goals. As such, our Procurement Policy encompasses the Coca-Cola Amatil Responsible Sourcing Guidelines that are aligned with The Coca-Cola Company's Supplier Guiding Principles. Amatil's Responsible Sourcing Guidelines clearly set out our expectations of suppliers regarding business ethics, human rights and labour standards, the environment, society and the communities within which we operate. Amatil remains committed to fully enforcing these guidelines and expects its suppliers to develop and implement appropriate internal business processes to ensure compliance. We expect all our suppliers to adhere to our Supplier Guiding Principles (SGPs), a set of standards that includes criteria on environment, water and climate change. We expect our direct suppliers to follow these guiding principles to ensure respect for all human rights. Ecovadis evaluates our suppliers based on four areas: environmental, social, ethical and supply chain management and then scores suppliers accordingly. In collaboration with our suppliers this information is used to develop action plans to raise their rating and reduce their sustainability risk. If suppliers receive low SRM sustainability scores and take no action to improve them, this will have an impact on our future relationship with them. Over time, as suppliers improve their performance, our classifications and performance expectations can change.

We also engage closely on our approach to measuring, managing and reducing our carbon footprint for non-alcoholic beverages with our brand partner - The Coca-Cola Company's and we are aligned on the commitment to reducing the carbon footprint of the 'drink in your hand' by 25 per cent by 2020. We are working on reducing the carbon emissions related to each stage in our non-alcoholic beverages' lifecycle, from the ingredients that go into making it, the packaging used to deliver it to our consumers, how it's manufactured and distributed, and finally how we chill it. We are on track to deliver a 25 per cent reduction across these stages by 2020 through our focus on the key aspects of packaging, manufacturing and refrigeration, and have already achieved a 20 per cent reduction at the end of 2018 with significant investments in place to help us further reduce our carbon emissions.

C-AC12.2/C-FB12.2/C-PF12.2

(C-AC12.2/C-FB12.2/C-PF12.2) Do you encourage your suppliers to undertake any agricultural or forest management practices with climate change mitigation and/or adaptation benefits?

Yes

C-AC12.2a/C-FB12.2a/C-PF12.2a

(C-AC12.2a/C-FB12.2a/C-PF12.2a) Specify which agricultural or forest management practices with climate change mitigation and/or adaptation benefits you encourage your suppliers to undertake and describe your role in the implementation of each practice.

Management practice reference number

MP1

Management practice

Fertilizer management

Description of management practice

Working with sugar cane farmers in northern Queensland and in conjunction with the World Wildlife Fund (WWF), the Australian Federal Government and local resource management groups, Project Catalyst's objectives were to: —— Reduce sediment, nutrient and chemical loss in freshwater entering the Great Barrier Reef —— Reduce runoff and increase infiltration from sugar cane farming regions around the Mackay Whitsunday region of Queensland Project Catalyst was established to help sugar cane growers develop innovative, economically viable and environmentally sustainable farming practices.

Your role in the implementation

Financial

Procurement

Explanation of how you encourage implementation

Through financial support The Coca-Cola Company working with WWF and the Australian Federal Government and local resource management groups aids and encourages the use of optimal farming practices to reduce water usage, fertilizer usage and hence run off into the catchments directly into the Great Barrier Reef area of North Queensland as well as the procurement of sugar from the farms producing it using the practices developed as part of the Catalyst project.

Climate change related benefit

Increasing resilience to climate change (adaptation)

Reduced demand for fertilizers (adaptation)

Reduced demand for pesticides (adaptation)

Comment

Management practice reference number

MP2

Management practice

Biodiversity considerations

Description of management practice

Five years ago, Coca-Cola Amatil Indonesia initiated a tree planting and environment education program called Coca-Cola Forests, aiming to create a healthier, safer, and more sustainable place to live while strengthening the economy of the local community where we operate. This program is now focused in three areas in Indonesia; Lampung, Sumedang, and Semarang. Through the Coca-Cola Forests program, we plant trees that will be donated to communities and help them preserve water, combat climate change, and reduce the risk of natural disaster. Coca-Cola Forests also act as hubs for community education on environment protection and provides opportunities for members of local communities to work as farmers and educators.

Your role in the implementation

Financial

Knowledge sharing

Operational

Explanation of how you encourage implementation

At Lampung, Forum Pendidik Lampung (Lampung Educators Forum) and Sahabat Gajah (Friends of the Elephants) are initiatives based within Coca-Cola Forest that have inspired the community to create a bigger movement—and most importantly, to run the program independently. The Forum Pendidik Lampung serves as a channel for educational advocacy and communications, encouraging teachers of Lampung to act as agents of change for their own community. Sahabat Gajah has been established to protect the forest in the region and in particular, protect the icon of Lampung, the Sumatran elephant, whose population in the wild has fallen dramatically in recent years. The initiative is funded by the local community and supported jointly with Coca-Cola Amatil Indonesia, non-government organisations, schools, media, local government and local youth organisations

Climate change related benefit
Emissions reductions (mitigation)
Increasing resilience to climate change (adaptation)
Increase carbon sink (mitigation)

Comment

Management practice reference number
MP3

Management practice
Other, please specify (Increasing on-farm productivity while reducing environmental and social risks)

Description of management practice
In 2018, Coca-Cola Amatil committed to sourcing all sugar in its non-alcoholic beverage range in Australia from growers who are independently accredited as following sustainable production frameworks. Under purchasing contracts running to 2021, Amatil's sugar purchases are now a mix of Bonsucro and Smartcane Best Management Practice (BMP) certified sugar. Bonsucro and Smartcane BMP are production frameworks which aim to increase on-farm productivity while reducing environmental and social risks.

Your role in the implementation
Financial
Knowledge sharing
Operational
Procurement

Explanation of how you encourage implementation
The decision means Coca-Cola Amatil's sugar is obtained from farms with frameworks covering: • decreased herbicides and pesticide use per hectare; • prohibitions on some herbicide and pesticide use in sugar production; • reduced water use in sugarcane growing and milling; • natural systems management to protect adjacent wetlands and waterways and reduce runoff into sensitive areas such as the great barrier reef; • support for on-farm systems management; • increased use of ethanol (rather than fossil fuels) in growing and milling; • a chain of responsibility process from production to final use; and • independent auditing of sugar industry safety and worker training, with issues addressed via published Health and Safety Management Plans.

Climate change related benefit
Increasing resilience to climate change (adaptation)
Reduced demand for fossil fuel (adaptation)
Reduced demand for fertilizers (adaptation)
Reduced demand for pesticides (adaptation)

Comment
The switch to sustainably accredited sugar in Australia also reflects a global commitment by The Coca-Cola Company to source all priority ingredients from sustainable sources by 2020. This commitment sits alongside Project Catalyst, a collaboration between The Coca-Cola Foundation, sugarcane farmers, WWF Australia, natural resource management bodies and the Federal Government which aims to reduce agricultural runoff impacting the Great Barrier Reef. Since 2013 Project Catalyst has improved the quality of 150 billion litres of water flowing into the reef and reduced runoff by 180 tonnes per year

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C-AC12.2b/C-FB12.2b/C-PF12.2b

(C-AC12.2b/C-FB12.2b/C-PF12.2b) Do you collect information from your suppliers about the outcomes of any implemented agricultural/forest management practices you have encouraged?
Yes

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Trade associations

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

Business Council of Australia

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The Business Council of Australia's position on climate change and energy policy is as follows: Energy can be a comparative advantage for Australia's economy for many years to come, but we need a clear and comprehensive suite of policies to realise our energy future. The Federal Government's Energy White Paper and the global agreement at the Paris climate change talks set out a range of energy challenges for our economy. The Business Council of Australia is developing a suite of integrated energy and climate change policies to meet Australia's 2030 emissions reduction target and transform the energy sector. Underpinning this work is our vision for Australia's energy future, and policy principles to realise that vision, which aim to provide a stable and predictable environment for investment and business activity and lock in energy as a comparative advantage. Our energy vision requires the Australian Government's national energy policy to: • maximise Australia's competitiveness through efficient markets • drive growth in our energy resources development and exports • deliver reliable, efficient and competitively-priced energy to households and business • realise these growth opportunities while meeting best practice environmental standards and managing Australia's greenhouse gas emissions in line with our 2030 emissions reduction target.

How have you influenced, or are you attempting to influence their position?

We contribute our perspective and influence the overall Business Council of Australia (BCA) position and also as an influential in our own right we communicate our position on climate change very clearly in the Coca-Cola Amatil Group Sustainability Report.

Trade association

Is your position on climate change consistent with theirs?

Please select

Please explain the trade association's position

How have you influenced, or are you attempting to influence their position?

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

Within Coca-Cola Amatil Group, Sustainability and Government Relations / Public Policy are within the same function, so that our participation and contribution to public policy development is aligned with our sustainability framework including the environment pillar and climate change activities. Any position put forward by Amatil to public policy discussions on climate change are developed in consultation with the custodians of our climate change strategy and endorsed by Executives with responsibility for managing our climate change programs.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication
In mainstream reports

Status
Complete

Attach the document
2018 Annual Report.pdf
Coca-Cola Amatil-2018-Sustainability-Report.pdf

Page/Section reference

Content elements
Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment
Our climate related risks are disclosed in our Annual Report. Our performance on emissions, climate change and other sustainability topics are presented in detail in our Sustainability Report.

C13. Other land management impacts

C-AC13.2/C-FB13.2/C-PF13.2

(C-AC13.2/C-FB13.2/C-PF13.2) Do you know if any of the management practices mentioned in C-AC12.2a/C-FB12.2a/C-PF12.2a that were implemented by your suppliers have other impacts besides climate change mitigation/adaptation?
Yes

C14. Signoff

C-FI

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

C14.1

(C14.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Group Managing Director (Alison Watkins)	Chief Executive Officer (CEO)

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

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

Please confirm below

I have read and accept the applicable Terms