



Coca-Cola İçecek **Corporate Social Responsibility Report**  
(Turkey) January 2007-March 2008

*Coca-Cola İçecek*

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**Message from the CEO**

Dear Fellow Stakeholders,

Turkey began 2007 under the shadow of elections which touched consumer confidence. The global economy was undergoing a period of uncertainty. We observed the rise and to some extent the fall of commodity prices and in certain markets we had to deal with the ripple effect of the credit tsunami in the latter half of the year. Despite these risks we remain focused on developing a segmented profitable portfolio together with a disciplined application of revenue growth management. We have created a culture which is geared to deliver sustainable profitability for years to come.

The Turkish market with its young population and relatively low per capita consumption has proven to be a market with great growth potential. And due to accelerating GDP growth, we are gaining new consumers every day. In addressing the needs and demands of these new consumers, brand, package and product innovations remain at the core of our portfolio strategy.

As CCI Turkey continues to grow, the Board and I believe that it is imperative that we continue to exercise a leadership position on issues surrounding sustainable development. At CCI, we recognize that the long-term sustainability of our business is possible only when the communities in which we operate are sustainable.

“To achieve the goal of creating value for our stakeholders and our customers we plan to balance financial performance with our social and environmental goals which inherently underpins healthy financial performance.”



Michael A. O'Neill CEO

From this perspective we realize that our sustainable success is not contained in a secret formula and that all of our shareholders are our sources of inspiration.

CCI Turkey is an exceptional organization with great scale and reach. Every day, we directly interact with millions of consumers who enjoy our wonderful products, unparalleled distribution system and the skills and talents of our people. It is these distributors and employees, provided with the right tools and strategies, that continue to create a team who consistently deliver very high levels of day-to-day execution in the marketplace. Our people represent our ultimate competitive advantage and they are our biggest asset.

It is with great pleasure and pride that I present you with CCI's first Corporate Social Responsibility Report as an important step to report back to our stakeholders. This report, being the first GRI checked CSR report in Turkey, shows our dedication to be a leader in the field of sustainability. Corporate Social Responsibility is a journey to reach the destination of a better world. I sincerely believe that working to ensure a better future for the communities in which we operate is imperative for a successful future for our business. This report is a clear commitment of reporting our social impact on the environment and community. Responsibility is at the core of our business.

The scope of our first report consists of our operations in Turkey, where our headquarters are located and from which 80% of our business is derived.

In the future we plan to extend the scope of our reporting to include international operations. Here you will have the opportunity to take a closer look at what we have achieved in 2007 and what we plan to achieve in the future.

First created in 1886, we bottle and sell the oldest and most well known brand in the world: Coca-Cola.

“ The journey that we have embarked upon can in fact be summarized in one short sentence. Our aim is to refresh the world in a responsible manner. ”

We here at Coca-Cola Icecek are aware of the responsibilities that fall upon us. Along with our suppliers, distributors and all of our employees we work hard to ensure the sustainability of our planet.

The business world can only remain sustainable if it continues to develop responsible flexible strategies that are in line with changing conditions of the planet. Increasing demands in developing markets and our desire to meet these demands coupled with our dynamic structure will allow for our continued success.

I am confident that we are building on strong fundamentals from a responsible and sustainable standpoint and I look forward to reporting CCI's success in the years ahead.

Sincerely,

Michael A. O'Neill  
CEO



### Alcohol-free Beverages Sector

The size of the alcohol-free beverages sector in Turkey is estimated to be five billion unit cases\*.

Approximately half of this volume belongs to the traditional drink, tea. The ready-to-drink category, whose size is estimated at 23%\*, has a yearly volume exceeding 1 billion unit cases. Aside from its own effect that creates dynamism within the sector's economy, by acting as a locomotive for the packaging and agriculture sectors to which it is related, this sector makes an indirect albeit quite a significant contribution to employment.



The yearly per capita consumption of sparkling beverages in Turkey, which has a large population, the majority of which is young, lags far behind the European Union average. These results make Turkey a market with high potential for the sparkling beverages sector.

The fact that the consumption of sparkling beverages increases during the month of Ramadan and in high temperatures, and the increases in the number of tourists in the May-September period, positively affect periodic sales figures.

\* Source: Canadean

# Coca-Cola



## About the Report

Today companies are expected to explain to their stakeholders not only their business success, but also how they have achieved such success. This report which has been prepared on behalf of **CCI Turkey** aims to share with our stakeholders our performance concerning our social, environmental, broader economic and ethical responsibilities. This is the first report to be published by **CCI Turkey** in the field of sustainability.



Our 2007 Corporate Social Responsibility (CSR) Report consists of four main sections. The foundation of our CSR performance has been

gathered under the titles **Workplace**, **Marketplace**, **Environment**, and **Community** which are determined by the corporate citizenship guidelines of The Coca-Cola Company. The material issues within the contents of the report are the global problems which are to be found in the Manifesto for Growth of The Coca-Cola Company, and on the solutions of which we are focused within the entire Coca-Cola System. We aim at communicating to our stakeholders the performance we have displayed while seeking solutions to these material global issues within the region where we carry out operations as CCI Turkey, within concrete indicators and international standards, and in a transparent and comprehensive manner.

We are fully aware of the fact that one of the most important principles of Corporate Social Responsibility is a reporting that satisfies stakeholder expectations concerning our social, environmental, broader economic and ethical responsibilities and that meets international standards.

### The Binding Force and Scope of the Report

All CCI performance values have been revealed in our financial data in order to reflect company integrity. However, this report covers the CSR performance of CCI Turkey. This scope has been complied to especially with regard to the GRI indicators. Since 80% of our sales volume is obtained through operations carried out in Turkey we have chosen to report CCI Turkey's performance in our first report. In reports we will be issuing in the following years we plan to include within our CSR reporting the performances of countries within the entire region in which we carry out activities. The binding force of this report consists of CCI Turkey's performance in the social, environmental, broader economic and ethical fields. Subjects within these fields that have been determined as material have been given place within the contents of this report.

In our first report covering our CSR performance between January 2007 and March 2008 we have made use of the principles of the Global Reporting Initiative (GRI) which are CSR reporting guidelines widely used throughout the world. The GRI application level of this report has been determined as Type C for our first year. Coca-Cola Icecek became the first company in Turkey to have received the certification of GRI for its CSR report. While the content of this report was being prepared the main principles of the AA1000AS Assurance Standard, namely materiality, completeness and responsiveness, were also observed.

**Materiality:** Our material fields are social, environmental and economic issues that affect our sustainability and which we have determined keeping in mind the expectations of our stakeholders.

**Completeness:** CCI Turkey addresses its material issues, the spheres of influence and opportunities concerning these issues, and why these issues are important for the company and its stakeholders, as a whole.

**Responsiveness:** We pay attention to our stakeholders' expectations with regard to our impact and are consistently responsive to them with regard to our material issues.

Each feedback communicated to us by our stakeholders in our first report shall be a most valuable guide for us in our quest for sustainability. Please forward all questions, opinions and suggestions to us through the e-mail address [csr@cci.com.tr](mailto:csr@cci.com.tr). Our report can also be accessed via our web site at [www.cci.com.tr](http://www.cci.com.tr)

## The Approach to Corporate Social Responsibility at CCI Turkey

## WORKPLACE

## Our Achievements

- We ranked 5th in Accountability Rating Turkey.
- We prepared the "Workplace Rights Policy."
- We were granted the "Prize for Human Respect" in the Kariyer.net "Choice of the Candidates" field.
- Our intra-corporate employment was 57%.
- We ranked 5th among the best workplaces of the past 7 years.
- Our magazine "The World of Coca-Cola İçecek" began publication.
- The "Coca-Cola İçecek News Line" was started.
- We began "Lean 6 Sigma" applications.
- We started Center of Evaluation and Development works.
- We carried out a total training of 48.2 hours/person.
- A total of 967 hours environmental training was given in 2007. 1,157 of our employees attended these trainings.
- Company Contribution to The Individual Retirement Program began.
- We achieved 95% of purchases from local suppliers.
- We revised our Supplier guiding principles.



## Our Goals

- We will establish a CCI Turkey Sustainability Committee.
- We will carry out our Employee Engagement Survey.
- We will achieve the targeted number of employees with the Fit for the Future Academy Trainings.
- We will increase our internal customer satisfaction.
- We will continue working on enabling relevant employees to have their individual development programs.
- We will increase our stakeholder engagement performance.
- We will increase the number of supplier trainings and audits.



## MARKETPLACE

- We introduced Returnable Pet Bottle.
- We launched Coca-Cola zero.
- We started production of Aseptic Pet Bottle.
- We released 40 new product packages to the market in 2007.
- Damla has taken its place among our products.
- We signed the Data Center Agreement.
- We published the booklet "Everything You Need To Know About Beverages"



- We will broaden the scope of the Returnable Pet Bottle project.
- We will improve our teleconference infrastructure.
- We will develop our product portfolio to meet different consumer choices with respect to calorie, taste and function.
- We will provide extensive information to consumers regarding the ingredients used in our products.





## ENVIRONMENT

## Our Achievements

- Using 19% less water in our production operations in Turkey we decreased our water consumption rate to 1.62 L/L in 2007.
- Our energy consumption rate has decreased to 0.258 MJ/L.
- Our solid waste rate has been 3.574 g/L.
- Our recycling rate has become 90.14%.
- In our Çorlu production plant we started to rinse the pet packages with air, without using water.
- We reduced the waste water rate of 0.39 L/L in 2006 to 0.28 L/L in 2007.
- We prevented the contamination of 4.3 billion liters of clean water.
- With the Sarayköy project we provided clean drinking water to 15,000 people and prevented the loss of 50 tons of water.
- We actualized the rain collecting project in Tekkeköy - Beypazarı.
- In the last 5 years we reduced packaging wastes, reducing the glass bottle waste by 1,265 tons and the pet bottle waste by 4,400 tons.
- We started the Packaging Recycling Box practice in cooperation with Tesco Kipa.
- We installed equipment in our forklifts that reduces LPG consumption by 10%.
- Cooperating with HP we started a toner cartridge recycling practice.



## Our Goals

- We will reduce our energy consumption rate by 10%.
- We aim at making our İzmir production plant the world's best Coca-Cola production plant in energy management.
- We will start the on-line conference system to reduce the carbondioxide caused by travel.
- We will explore light and environment-friendly packaging alternatives that use less raw material.

## Our 2008 environmental performance goals

Indicators	Goal
Water usage rate	1.61 L/L
Energy usage rate	0.26 MJ/L
Solid waste rate	3.39 g/L
Recycling	90.58 %

## COMMUNITY

- We donated 5 million YTL to the Anadolu Foundation in 2007.
- The Soundwave University Tour reached 200,000 youths in its 5th year.
- We established the Coca-Cola Memorial Forest in İzmir.
- We opened our production plants to more than 7,000 visitors, thus obtaining the opportunity to better acquaint the public with our company.



- We will cooperate with related non-governmental organizations to increase public awareness of environmental issues.
- By extending our policy to support the voluntary donations made by our employees, we will continue contributing to social development.



## Our Corporate Social Responsibility Strategy

To assume an active role in the solution of our social problems by taking notice of all of our stakeholders' opinions and suggestions with regard to our impact bears great importance for the sustainability of our business. Our corporate social responsibility strategy as Coca-Cola İçecek Turkey is focused on increasing the prestige of CCI and on the active use of communication channels to solve key issues of the sector.

Thus, our aim is to ensure that Coca-Cola İçecek:

1. Is a trustworthy partner for all our stakeholders,
2. Meets the expectations of our stakeholders and enables all its assets to remain sustainable by displaying continuously developing performance.



## Our Corporate Social Responsibility Management

At our company, corporate social responsibility management is under the responsibility of the Corporate Affairs Department. The *CCI Turkey Sustainability Committee* will be established in 2008 and will be responsible for Corporate Social Responsibility activities and applications.

The CCI Turkey Sustainability Committee will consist of representatives of the CCI Turkey General Manager, Directors that report directly to the General Manager, representatives of the Corporate Human Resources department, Corporate Affairs Department and the Corporate Legal Department.

The CCI Turkey Sustainability Committee will be responsible for making and applying decisions in the fields related to CSR. The Sustainability Committee will carry out its activities in coordination with the CSR team.

### *The Responsibilities of the CSR Team are:*

- Forming the CSR strategy, policies and goals,
- Defining of targets concerning social, environmental and general economic responsibilities by related departments in the company and monitoring of the performances.
- Creation of a system for Stakeholder Participation Practices.
- Increasing awareness on issues concerning CSR among all CCI employees.
- Creating and publishing the Corporate Social Responsibility Report.
- Ensuring the support by senior management of CSR strategies, policies and goals that are to be defined and ensuring the monitoring of the practices thereof.

## The Coca-Cola System and our Stakeholders

**Coca-Cola İçecek (CCI):** Coca-Cola İçecek A.Ş. (CCI) as a listed company on the Istanbul Stock Exchange is one of the leading bottlers of the Coca-Cola System that carries out operations in a region that covers Southern Eurasia (Turkey, the Caucasus, Central Asia) and the Middle East. CCI's operations mainly consist of the production, sale and distribution of sparkling and still non-alcoholic beverages produced under The Coca-Cola Company (TCCC) trademarks, in Turkey, Kazakhstan, Azerbaijan, Jordan and Kyrgyzstan. Also, CCI has a share of 33.3% in Turkmenistan Coca-Cola Bottlers Ltd, a Coca-Cola Bottling company in Turkmenistan. In addition, CCI is a party to joint venture agreements that have the exclusive distribution rights for brands of The Coca-Cola Company in Iraq and Syria and has the option to become the sole Coca-Cola bottler in Iraq and Syria.



**The Coca-Cola Company (TCCC):** It was established in 1886. It is one of the largest companies, that produces, markets and distributes the concentrates and syrups used in the production of more than 450 kinds of beverages. The headquarters of the company that operates in more than 200 countries is in Atlanta, U.S.A.

**The Coca-Cola System:** It is the name of the system comprised of TCCC and more than 300 bottling partners around the world.

**The Coca-Cola Turkey System:** It is the system that covers the TCCC and CCI Turkey operations.

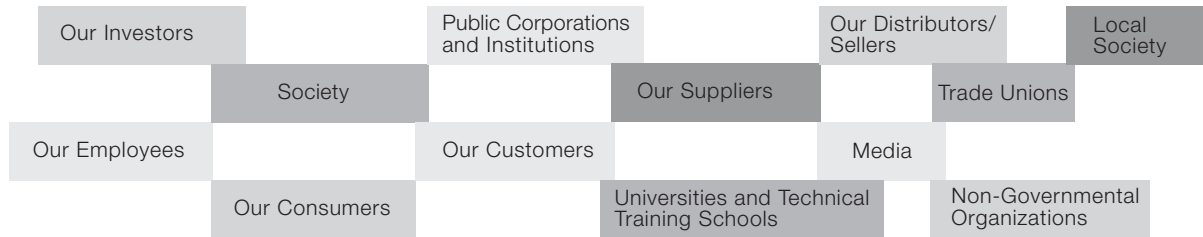
**Coca-Cola İçecek Turkey (CCI Turkey):** It is the part of Coca-Cola İçecek A.Ş. that covers operations in Turkey.



## The Approach to Corporate Social Responsibility at CCI Turkey

### Our Stakeholders

The whole of persons, groups or corporations that we affect through our operations or that affect us are our stakeholders. Aside from the entirety of our stakeholders whose opinions and evaluations are valuable for us, our primary stakeholders are defined as follows:



### Stakeholder Engagement

Our Stakeholders	Platform of Dialogue	Goal of Dialogue
Our Employees	Internal communication publications, employee meetings, open-door policy, employee surveys.	Retaining, developing and attracting talented workers.
Trade Unions	Trade Union representations, collective labor agreements.	Developing methods that will prove mutually useful in sustaining peaceful labor.
Our Distributors/Sellers	Distributor meetings, regular visits, training programs, production plant visits.	Understanding of sustainable partnership providing mutual benefit.
Our Suppliers	Training programs, improvement audits, production plant visits.	Compliance with sustainable quality and operation principles.
Our Customers	Trainings, support programs, regular visits, production plant visits.	Understanding of sustainable partnership providing mutual benefit.
Our Consumers	Call center, online communication platform, informative publications, production plant visits.	Continuity of consumer satisfaction and transparent communication.
Our Investors	Investor meetings, Annual reports, CSR report, web site, conference calls.	Sustainable value and corporate reputation.
Non-Governmental Organizations	Project partnerships.	Contribution in social development and solution partnership.
Media	Press conferences, statements, regular briefings, web site.	Society's right to be informed, corporate reputation and transparency.
Society	Donations, web site, production plant visits.	Assuming an active role in sustainable development.
Universities and Technical Training Schools	Career days, internship possibilities, common projects.	Contributing to the personal development of attending students and attracting skilled labor.
Public Corporations and Institutions	Information aimed at contribution to the development of the sector, full compliance to laws and regulations.	Sustainable arrangements for ethic competition and customer satisfaction.
Local Society	Production plant visits.	Maintaining good neighborly relations



“We know that the most fundamental value is to conduct our business in an ethical and responsible manner.”



## Our Material Issues

### Workplace

In order to actualize our goal of becoming the best employer in the region where we operate and where we create value, we aim at achieving perfect results, thus inspiring our employees and encouraging them to achieve the same. Knowing very well that our success depends on our employees, we believe that “what makes us who we are” is the skill, knowledge, experience and passion of our employees. We have earned our employees' trust not only by carrying out our legal obligations, but also with our fundamental values such as honesty, responsibility and perfection by practicing the highest quality standards.

*Our material issue: To continue to retain, develop and attract a talented workforce.*

### Marketplace

The most important reason of our being is to provide the highest quality while fulfilling our responsibilities towards all our stakeholders, in order to serve the varying expectations of our consumers.

*Our material issue: To achieve the continuity of consumer satisfaction and to maintain our transparent communication strategy.*

### Environment

The Coca-Cola System's promises with respect to the environment are focused on fields such as water stewardship, sustainable packaging, protecting of energy and the climate which are numbered among our top-priority subjects within our sphere of influence.

*Our material issue: Sustainable water sources, energy efficiency and environmental protection, and the recycling of product packages.*

### Community

As Coca-Cola İçecek, we are aware that through the development of the quality of life of the societies we serve, by promising to serve and add value to sustainable societies, we contribute to our corporate development. We know that the most fundamental value is to conduct our business in an ethical and responsible manner.

*Our material issue: To assume an active role in sustainable development.*

“ For CCI Turkey, being a learning organization not only consists of acquiring new knowledge, but also sharing and actualizing such knowledge and developing it through means of support. ”





# Workplace

Our Employees

Our Supply Chain

Our Distributors

Our Corporate Governance Understanding

## Workplace

As CCI Turkey, thanks to our more than 2,200 employees, more than 7,000 active suppliers, 350 distributors, 7,000 distributor employees and 275,000 sales outlets, everyday we introduce beverages of the highest quality to millions.

Within TCCS, our workplace is comprised of our large family entitled our value chain. It is our greatest goal that our work environment becomes a place that inspires our value chain and that increases the creativity of our employees, where they can optimize the use of their personal skills.

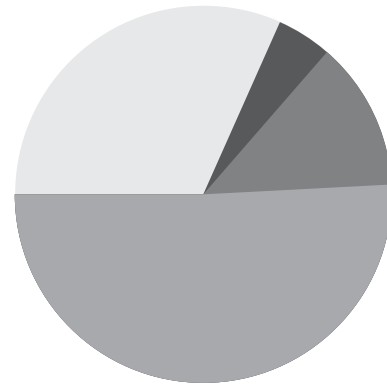
### The External Standards We Employ in the Coca-Cola Turkey System

ISO 9001	International quality management system standard
ISO14001	International environmental management system standard
OHSAS 18001	International occupational health and safety management system standard
ISO 22000	International food safety management system standard
Global Reporting Initiative (GRI)	International sustainability reporting guidelines



## Our Employees

Aside from being oriented to the needs of the company and of its employees, the Human Resources practices at CCI Turkey play an important part in the development of proactive solutions and in the raising of sustainable performance to the highest level. CCI Turkey considers its human resources its greatest competitive advantage and has formed its Human Resources system taking this as a starting point. CCI has concentrated its Human Resources work on skills management, creating equal opportunities, determining successful work and variety in employee profiles. Our target is to provide an interactive and motivating working environment thus enabling to reveal the potential skills and productivity of our employees.



Distribution of our employees according to age

■ 18-25    ■ 26-35    ■ 36-45    ■ 46 and over

CCI Turkey Employees	Average Age	Average Years of Seniority	Sex	%	Senior Management	%	Number of Blue-collars	%	Number of White-collars	%
Women	30	6	235	10.6%	1	14.3%	4	0.4%	231	18%
Men	33	6	1,985	89.4%	6	85.7%	928	99.6%	1,057	82%
<b>Sum Total</b>	<b>33</b>	<b>6</b>	<b>2,220</b>	<b>100.0%</b>	<b>7</b>	<b>100.0%</b>	<b>932</b>	<b>100.0%</b>	<b>1,288</b>	<b>100%</b>

Employee	Employee subgroup	Ankara	Antalya	Asia	Europe	Bursa	Elazığ	GM	İzmir	Mahmudiye	Masc	Mersin	Trabzon	Trakya	Sum Total
Standard	Physician	2		102	1	2		1	1	1				1	9
	Extra-category permanent	328	103	1	143	144	41	154	174	46	20	138	43	83	1519
	Extra-category temporary			3	1			3	3	9		1		3	21
	Part-Time	6	1		6	2		13	3			1	1	1	37
	Intra-category permanent	92				111			81			121		219	624
	Intra-category temporary			106					1					3	4
<b>Total Standard</b>		<b>428</b>	<b>104</b>		<b>151</b>	<b>259</b>	<b>41</b>	<b>171</b>	<b>263</b>	<b>56</b>	<b>20</b>	<b>261</b>	<b>44</b>	<b>310</b>	<b>2214</b>
Retired	Extra-category permanent					1			1	1					3
	Intra-category permanent	2												1	3
<b>Total Retired</b>		<b>2</b>		<b>106</b>		<b>1</b>			<b>1</b>	<b>1</b>				<b>1</b>	<b>7</b>
<b>Total</b>		<b>430</b>	<b>104</b>		<b>151</b>	<b>260</b>	<b>41</b>	<b>171</b>	<b>264</b>	<b>57</b>	<b>20</b>	<b>261</b>	<b>44</b>	<b>311</b>	<b>2220</b>

### ***Workplace Rights Policy at TCCC***

In its Manifesto for Growth, TCCC has explained the importance it places on corporate social responsibility and the responsibilities brought about by being among the most respectable companies of the world. The basis of our being a respectable company rests on our principle of treating our employees with fairness and respect. The Coca-Cola System has secured these principles through the *Workplace Rights Policy* it launched in 2007.

The *Workplace Rights Policy* practiced throughout the entirety of The Coca-Cola System was designed based on the Universal Declaration of Human Rights and the Global Compact. This policy is valid for all employees and suppliers of CCI Turkey.

#### ***Our Workplace Rights Policy:***

Sheds light upon the principles concerning,

- the right to join trade unions,
- not using forced labor,
- not using child labor,
- not practicing discrimination,
- providing for worker health and safety,
- providing working conditions in compliance with the law,
- stakeholder engagement practices,
- providing suitable working hours and wages.

Our employees who believe that there are inconsistencies between our policy principles and the laws and practices they face in the workplace may securely inform Management, the Human Resources, Internal Audit or Legal Departments about their questions and complaints without being under pressure.



### ***CCI Turkey's Responsibilities towards Its Employees***

CCI Turkey,

- in practices such as employment and wages/promotion, does not discriminate from among its employees with regard to properties such as race, color, religion, gender, and/or disability.
- provides for the access of all employees to the senior management of the corporation in keeping with the **Open Door** policy.
- has adopted the principle of "equality" in its working conditions; it follows a wages and promotion policy based on the skills and performance of its employees.
- takes necessary steps to protect confidential information belonging to its employees.
- aiming at continuous development, enables its employees to attend training they will need in achieving expected performance.
- takes necessary steps to maintain workplace safety and the health of its employees.





## Workplace

### Careers at CCI Turkey

The employment policy of our company is based on evaluating the candidates for the related positions in accordance with objective criteria and gaining those suitable to the corporate culture of our company.

For the past two years, CCI Turkey has been awarded the *Prize for Human Respect* in the *Candidates' Choice* branch, by the human resources portal Kariyer.Net which is used within the scope of this policy and through which most of the extra-company employment is carried out. This prize is awarded as a result of the evaluation made by candidates. The award system aims at the appreciation of successful work carried out in the human resources field.

At CCI Turkey we embark upon the career journey by determining accurate goals and by employing suitable talent. We are against any kind of discrimination in language, religion, nationality, and gender in employment. As a local partner of a global brand we believe in the importance of cultural diversity. When the CCI Turkey employee profile is examined it can be seen that 10.7% of the overall employees and 11.9% of the management staff consists of women.

Our colleagues who have newly started work attend an orientation program entitled the Basics of the Coca-Cola System (BOCSS) and are introduced to our values, the compliance of which is necessary to become part of The Coca-Cola System. Within the scope of the training, the history of the company and the most up-to-date operational information is shared with our new employees.



Our employees who have newly started work also receive training on subjects such as occupational health, safety and ethics.

Our corporate vision and values, while determining the aim of our organization, also guide our employees. We believe that in order to continue growing, our primary values such as the sharing of information, being open to change, entrepreneurial spirit, leadership, passion, trustworthiness, accountability, cooperation, innovation, quality, respect and fun should be actualized and that those employed within the entity of CCI Turkey should be able to work in harmony.

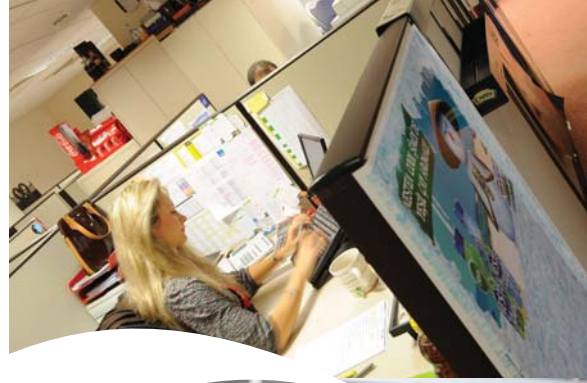


### **Employee Performance Management**

Each year our employees are evaluated according to the performance they displayed the year prior. During the performance evaluation process it is ensured that the employees have a one-to-one interview with their immediate superiors and to what degree and how they actualized the goals set forth at the beginning of the year are measured. Employee success is evaluated from many different aspects taking into account the skills required by the position. At the end of the evaluation process the training necessary for the aspects of the employee that need to be developed is determined and the employee attends such development programs the following year.

A working environment where each of our employees can display, in the best possible manner, their performance and where they are supported so that they achieve success is provided through this system. Interim evaluations are carried out during the year. Goals and programs can be revised in accordance with changes in conditions. CCI Turkey follows the success and performance of its employees closely and applies a certain system for staff management. Hiring, promotion/appointment, appreciation, skill development and career planning are all within the scope of this system. Within the area of our performance management system, all employees from within certain work families and positions have access to *Individual Development Plans*.

In terminations caused by reasons such as low performance, behavioral disorder, absence, insufficiency during the trial period, action is taken keeping the legal notification period and conditions in consideration. Our employee turnover in 2007 was 11.28%.



### **Intra-corporate Employment Management System**

The Intra-corporate Employment Management System is used actively in order to provide successful employees with equal career opportunities thereby maintaining the continuity of the organization. Within this system, prior to the process of hiring from outside or parallel to this process, current employees are provided with development and promotion opportunities through the announcement of vacant positions within the company. *The internal employment rate has been 57% in 2007.* Thus 97 positions have been filled with appointments from within the company.

## Workplace

**Wage Policy: Justice and Transparency**

There is a just and transparent wage policy at CCI Turkey. Criteria that give rise to discrimination in age, gender and the like do not affect our wage policy. While determining our wage policy we make use of commonly accepted work evaluation and grading systematics and of wage research. Among the benefits we provide our employees are private health insurance that also covers family members, life insurance covering our employees and their spouses, vehicles and mobile communication devices as required by position and duty.

In addition to other benefits provided to CCI employees, an Individual Retirement System (BES) commenced at CCI Turkey in March, 2008. Under the coverage of the BES, employees' contributions of 2% of their gross monthly salary will be matched by CCI. In this case the premium paid by the employee for private retirement insurance will be doubled with the contribution made by CCI.

**Coca-Cola Turkey is among the favorite workplaces of the last 7 years**

This year the stability of companies was also evaluated in the research "Favorite Companies" that Capital magazine has been publishing since 2001, and the list was announced under the title **The Favorite Companies of the Last 7 Years**. Leaving many national and international companies behind Coca-Cola Turkey ranked 5th. The main characteristics that carried Coca-Cola Turkey to the favorites league were the success achieved in global organizations, effective human resources policies, successful management teams, strong leaders, customer-focused approach, being a leading corporation in its field, successful corporate management, fulfilling its social responsibilities, and its innovative approaches. Also within the scope of the research the top 20 companies for which CEOs in Turkey wished to work for were determined. Thanks to its innovative structure and the opportunities with which it provides its executives with respect to creating a difference, Coca-Cola Turkey took its place among the first workplaces where many executives wished to work. In the research participated by 105 people at CEO and General Manager level, Coca-Cola Turkey has been chosen the 4th workplace where leaders wished most to work.

Sıra	Şirket	Puan
1	ARGELİK	19,29
2	KOÇ HOLDİNG	18,43
3	VESTEL	17,29
3	TÜRKCELL	17,29
4	SABANCI HOLDİNG	16,29
5	COCA-COLA	14,29
6	GARANTİ BANKASI	13,86
7	ECZACIBAŞI HOLDİNG	13,43
8	ÜLKER	12,43
9	UNILEVER	11,71
10	PROCTER & GAMBLE	10,00
11	MICROSOFT	9,29
12	ZORLU HOLDİNG	6,71
13	AKBANK	5,00
14	T. İŞ BANKASI	4,71
15	DOĞUŞ HOLDİNG	4,29
16	FORD OTOSAN	3,43
17	IBM TÜRK	3,00
18	EFES PILSEN	2,86
19	ALARKO	2,14
19	BEKO	2,14
20	MIGROS	1,86

**Employee Loyalty**

Ensuring that our employees take pleasure in their work and taking their suggestions on improving the work environment is important for us. To this end, beginning in 2008 we will carry out regular biennial **Employee Loyalty Surveys**. Taking suggestions on what should be done to make our workplace a better working environment and forming our human resources policy accordingly is among our important objectives. It is among our most important duties to encourage and support our employees in their development and training so long as they are willing to share their expectations and needs with us.



### Internal Communications

We maintain our internal communications mostly through our intranet system Cokeport. Employees have access to information via the Cokeport homepage that contains a message from the company CEO. Examples of information that can be reached on Cokeport include company news, policy and procedures, organizational charts and extension numbers, daily practical information (currency exchange rates, etc.), electronic forms (expenditure forms, vacation forms, performance evaluation forms, etc.), birthdays of employees, training calendars, information on vacant positions and new appointments. Of our 1288 white-collar employees, a daily average of 700 people visit Cokeport.

The creative ideas and different points of view of our employees comprise the cornerstone of our operational excellence. We value the opinions and suggestions of employees. As stated in the Work Ethics Code, our employees have easy access to the company senior management through our Open Door Policy, and can forward all opinions, suggestions and complaints therein.

**Coca-Cola İçecek Haber Hattı (Coca-Cola İçecek News Line)** that we publish regularly every month and post on notice boards within the company announces to our employees all important events that have taken place that month. This way we can also access our employees who do not use computers.



Our intra-corporate publications also have an important place in our internal communication works. Our intra-corporate magazine that commenced publication in 1999 was redesigned in 2007, and is since being published and distributed in the countries where we carry out operations under the name **The World of Coca-Cola İçecek**. Our magazine where

we share important events concerning the CCI Turkey family and in which we acquaint our readers with different countries is an effective communication device of a large family that do the same work in these countries.

The social organizations that we hold so that our employees have a good time outside of the working environment contribute in developing our intra-company dialogue. We also aim to allow our employees to get to know each other better through picnics and new year parties we hold every year.

### The Suggestions of our Employees on our Quest for Perfection

The Coke Star program which we have been organizing since 2005, and which is open to the participation of all CCI Turkey employees is the channel through which employees communicate their suggestions. The aim of **Coke Star** is to reward and bring to life successful projects. The most important criteria in selection consist of the originality and applicability of the submitted projects, and their having the potential to provide corporate value and sales support. The employee wishing to join the competition is first evaluated with his/her project in the region where he/she works. Winners of regions then take part in the semi-final and final evaluations. The employees whose projects are considered deserving of the award are announced during the distributor meeting held every year in February and receive their prize checks during the specially designed ceremony.

Thanks to a project that began with a suggestion made in the Coke Star competition, the cardboard bases used in pet bottle crates were abolished and **13 thousand tons of cardboard waste was prevented.**



### 2007 Lean 6 Sigma Green Belt Projects

Another of our management models in which we actualize employee suggestions is Lean 6 Sigma. The Lean 6 Sigma Green Belt Project works began implementation in all of our production plants in March.

Location	Project Subject	Aim
Çorlu and İzmir	Saving Energy (Electricity-LPG)	Both protecting the environment through less consumption of energy sources and reducing costs, by meeting the current and increasing energy need with less energy
Bursa	Eliminating transportation between warehouses	Reducing transport and logistics cost and impact on the environment by increasing the direct transportation of products to customers
Mersin	Increasing the can line efficiency	Both being able to respond to sales needs rapidly and reducing cost, by increasing the amount of product output in unit time
Ankara	Increasing product availability	Providing customer satisfaction by responding to demands that may come from sales, fully and punctually

An awards ceremony was held and the official closing of the program was announced. The ceremony was attended by CCI Turkey General Manager Mr. Hüseyin Akin, Supply Chain Director Mr. Kerem Kerimoğlu and Human Resources Manager Mr. Kaan Böke. Mr. Akin handed out the Green Belt certificates and belts to three employees who presented their projects during the ceremony from among the Ankara, Mersin, Çorlu, Bursa and İzmir production facilities and HQ.



### Organizational Development

Being a continuously developing and learning organization is the top-priority item of the CCI Work Ethics Code. Learning new methods and their application for continuous development is the individual responsibility of each of our employees. For CCI Turkey, however, being a learning organization not only consists of acquiring new knowledge, but also sharing and actualizing such knowledge and

developing it through means of support. Together with providing access of each of our employees to learning processes, allowing for local and international experience to be shared is also a fundamental requirement of being a learning organization.

In keeping with these principles we value the relationship we maintain with our employees and focus all of our resources to support their success. The reason for our ability to provide employee development at every level is that our executives allocate an important portion of their time to the development of their employees. This way our employees' loyalty to CCI Turkey increases and they remain better focused on success.

The CCI Turkey Human Resources vision has been developed on the basis of attracting and retaining the most qualified human resource and continuously developing it in accordance with the knowledge, skills and competencies required by changing business conditions, making thereby a contribution to the sustainable success of the company. Departing from this point, employees that possess a high performance and potential are determined and are handled under the scope of the Talent Management System. This system is closely related to other HR systems such as Recruitment, Performance Management, and Training and Development.

Obtaining extensive and objective information on the current and potential skills of our employees, it is our aim both to invest in the correct area, determining their developmental requirements and to gather data for healthy organizational planning. The Evaluation and Development Center programs are carried out to this end. Information obtained from the center is also used as additional data in determining the most appropriate people for appointment to positions that may become vacant. A total of 242 employees have been included in this process since August 2007.



Our corporation develops personnel who can use high technology in relation to the sector and who are capable in marketing strategies. For this reason our employees who are capable in their own fields are brought to various domestic positions and are appointed as executives abroad. In order to provide a learning opportunity free from time and space restrictions, we prepared 'diary of a preseller' training videos in Turkish, Russian, Arabic and English.

Another training field on which we place great importance is employee health and safety. These trainings are offered both to our colleagues who have newly joined us and to other employees and business partners who wish to brush up on their knowledge. Within this scope, forklift operators working in our production plants are put through examinations comprising of the following subjects: Safe Forklift Operation - WHWS - Maintenance. The forklift operators who are successful and who rank in these examinations are awarded their certificates during a specially designed ceremony.

Other trainings we regularly offer to our blue-collar employees in addition to the health and safety trainings are grouped as operational, supportive and technical trainings while the regular trainings we offer to our white-collar employees are gathered under the headings of sales and marketing, and corporate and personal development trainings.

Besides regular trainings held throughout the year, employees can also take advantage of the e-learning portal named CCI Campus. Information on various training activities such as advanced intra-company trainings, trainings in extra-company corporations, apprenticeship trainings, seminar and workshop trainings can be obtained from the aforementioned portal. Thanks to our e-learning program, our employees have the opportunity of acquiring information on many subjects such as the knack of creating a safe working environment or what to do in the case of natural disasters. Occupational Health and Safety trainings are also offered in this context. The training offered separately for employees in three different categories comprising of sales and office workers, warehouse workers and technical/production workers provides an accumulation of knowledge that is useful not only at work, but also in private life.

#### *Trainings offered under the scope of e-learning:*

- Six Sigma
- The Leader of Today
- Consultancy Based Sales
- Change Management
- The Power of the Creativity within Us
- Occupational Safety
- Professional Behavior in Work Life
- Stress Management for Employees
- Managing Difficult People
- Time Management
- Basic Management Skills
- Basic Coaching Skills
- Decision Making
- The Winning Team
- The Executive in Blue Jeans
- Project Management
- Strategy
- Teamwork
- Merchandising Training
- CCI Orientation Training



## Workplace

Training forms the basis of The Coca-Cola Management System (TCCMS) as much as it forms that of our human resources policy. Our executives are responsible for ensuring that each employee is aware of his/her share of the responsibility in the quality system and possesses the knowledge and training required by such responsibilities. ISO 22000, ISO 14001, ISO 9001, OHSAS 18001 trainings are those given regularly to the related employees in keeping with our quality system.

Developing the management skills of our executives will play an important part in future success. Developing others and leadership are among the most important skills sought in employees working at the management level of our company. In order to develop management skills, all management levels of the company have participated in a Development of Management Competency Program consisting of a two-year evaluation and monitoring process. To underline the importance placed on this issue all executives are required to define special goals in relation to developing their management skills and these goals are then included in the performance system. 213 people since 2005 and 30 people in 2007 have been included in this development program. The Leadership Program is a training program aimed at developing the skills of cooperation, enterprise and focusing on results of CCI Turkey's executives. 35 of our executives shall participate in a three-week program designed in cooperation with Sabancı University.



### *Training at CCI Turkey*

- In 2007, the total hours of training per employee at CCI Turkey was 48.52.
- In 2007, a total of 967 hours of environmental training was given in the production plants in Turkey. 1,157 of our employees have attended these trainings.

### *Representation of Employees and Industrial Relations*

At CCI Turkey, great importance is placed on the representation of employees in management, and the right to join unions is protected. According to the agreement between the Öz Gıda-İş trade union and CCI Turkey, our blue-collar personnel working in any of our production plants have the right to join this union. The representatives of the union and the representatives of the employer hold at least one evaluation meeting annually. Regular meetings are also held with union representatives in our production plants with regard to their demands and suggestions. The collective bargaining agreement in 2008 was completed with utmost success and was mutually beneficial. The rate of trade union membership among the blue-collar personnel of CCI Turkey is 83.8%.

Employee	Employee sub group	Ankara	Bursa	İzmir	Mersin	Trakya	Total
Union member	Blue-collar permanent	96.8%	54.1%	82.9%	82.4%	90.1%	83.5%
	Blue-collar temporary	0.0%	0.0%	1.2%	0.0%	0.4%	0.3%
Total		96.8%	54.1%	84.1%	88.4%	90.6%	83.8%
Not member of union	Blue-collar permanent	3.2%	45.9%	15.9%	11.6%	8.5%	15.8%
	Blue-collar temporary	0.0%	0.0%	0.0%	0.0%	0.9%	0.3%
Total		3.2%	45.9%	15.9%	11.6%	9.4%	16.2%
Total		100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

	Not member of union	Member of union	Total
Employees	1,689	531	2,220
Non-member/member employee rate	76.1%	23.9%	100.0%

**HAK-IS Chairman Salim Uslu:**

“A new industrial relations model where the fighting culture is abandoned, where the employees consider themselves responsible for the future of the corporation, and where the corporation has developed the understanding and field of social responsibility is being developed.”

“... The collective labor agreement ceremony is actually a commonplace event, but the process that ends with it is very important. This is because here this stage was achieved through a common mind work where the future of the corporation and the needs of the workers were coincided through negotiations, without mutual decisions of strike and lockout and through completely peaceful approaches. I place great importance on this. This means that no problem in Turkey is without a solution and that the solutions are not impossible. If only we can act a little selflessly in presenting this to the good of the corporation, the employees and the country; it is enough to be a little virtuous and a little courageous.



HAK-IS Chairman Salim Uslu (left) and CCI Turkey General Manager Hüseyin Akın (right)

The philosophy here is important, the approach is important, the model is important. A new industrial relations model where the fighting culture is abandoned, where the employees consider themselves responsible for the future of the corporation, and where the corporation has developed the understanding and field of social responsibility is being developed. I consider this very important. I believe that such an approach is both a turning point in Turkish industrial relations and that we have put forward a model for the future of our country...”

## Workplace

**Employees' Participation in Committees**

Our employees can ensure that their opinions and suggestions are represented in decision-making mechanisms by being members of the Health-Safety Committee, the Food and Cafeteria Service Quality Improvement Committee, the Annual Leave Committee and the Disciplinary Committee.

The tasks and responsibilities of these committees that make decisions on matters important to our employees are as follows:

**Health and Safety Committee:** It works on subjects concerning occupational health and safety. The employees are represented by a representative of the trade union, a representative in the foreman position or a Human Resources and Administrative Affairs officer. The representatives of the employees participate in the health and safety inspections carried out in the workplace and monitor the inspections, demand precautions and make suggestions, and represent the workers in similar issues especially on health and safety.

**Food and Cafeteria Service Quality Improvement Committee:** It was founded to collect the opinions of the workers in improving the food service quality and the choice of the daily menu, in keeping with the dietary suggestions of the company physician. In our cafeteria we have vegetable-intensive options and a diet menu alternative. The employees are represented by a Human Resources and Administrative Affairs Officer or, if the facility concerned is a union member, by the union representative. A hand hygiene machine and anti-bacterial hand disinfectant are found in the cafeterias in order to ensure our employees' health.

**Annual Leave Committee:** It was founded to regulate the employees' leaves in compliance with Labor Law.

This committee also carries out monitoring and inspection to ensure that the annual leaves are used as planned. The Annual Leave Committee consists of a chairperson and two members. The chairperson represents the employer and the members are chosen from among the employees. In facilities that are members to the union the union representative is also among the members of this committee.

**Disciplinary Committee:** The Disciplinary Committee that is to be found in facilities that are members to the union makes decisions on the disciplinary actions to be taken against an employee in the case that such employee has misbehaved and that a request in favor of such action is raised. This committee consists of the chairperson and four members. The members are chosen from among the employees and by the trade union.

**In addition to these committees, in each of the facilities that are a member to the union an authorized union representative carries out the following tasks:**

- Ensuring the cooperation and labor harmony between employee and employer in the workplace,
- Hearing the demands and complaints of the employees and meeting or solving such demands and complaints in tandem with the employer,
- Protecting the rights and interests of the employees,
- Aiding in providing the occupational conditions determined in the Collective Labor Agreement
- Carrying out all other responsibilities with which he/she is charged by the related legislation.

In the process of this reporting our employees have raised no complaints concerning discrimination in the workplace; there are no lawsuits filed against us with regards to this matter.



### Workplace Health and Safety

Developing a responsible management understanding at CCI and becoming a role-model in this subject is among our top priority issues. Our long-term success is connected to our ability to ensure the safety of our employees and the society and this point of view is the cornerstone article of our Work Ethics Code. Our occupational health and safety management system covers the subjects of employee safety and the prevention of loss of labor and is referred to as The Coca-Cola Occupational Safety and Health System (TCCOSH). This standard applied in the same manner in The Coca-Cola System all around the world has been prepared in accordance with the priorities of our company, keeping the international BSI OHSAS 18001 standard in view. The Coca-Cola SMS is a management system integrated in The Coca-Cola Management System (TCCMS) that regulates quality, the environment, work health and safety, and loss of labor within a single framework.

TCCOSH is in compliance with:

- OHSAS 18001:1999,
- The Coca-Cola Management System Standard,
- The Labor and Social Security Regulations of the Republic of Turkey,
- The balance of external sources (training, inspection, etc.) taking into consideration the stipulations of The Coca-Cola System.
- The simplified structure of the Safety Management System Standards and the management requirements for works to maintain employee safety and to prevent loss of labor.

At the root of The Coca-Cola Occupational Health and Safety Management System there are our five values that include the responsibilities of TCCC. Each one of our values is supported by the special requirements and practices that can be found in our daily activities and are important in our achieving our leadership goal.



#### Our Values:

**Promise:** The promise we have made to ensure the safety of our employees and society is valid for the entire organization. We believe that the ensuring of effective safety management systems can be realized only through the participation of each employee across the entire range of levels. Our officers, managers and employees work to provide that the safety management system is applied at every moment of our operations.

**Compliance to law:** Our sensitivity with regard to the safety of our employees and society bears an importance for us that exceeds compliance to laws and regulations. We are determined to continue our strict safety practices during our daily occupational activities. Even in the absence of specialized regulatory stipulations we carry out practices that are responsible and are compliant with systems to prevent loss of labor.

**Decreasing Impacts and Increasing Opportunities:** In order to reduce risks related to our equipment and products in our operations we take advantage of the results of research and new technologies. Our company practices, supports and maintains programs, procedures and activities necessary in effectively determining and controlling harm that may impact our people, assets, business continuity.

**Accountability:** We can account for our activities. CCI practices audits for safety programs and programs to prevent loss of labor, documents the results, and carries out the necessary improvement activities on this subject.

#### Informing our Stakeholders:

Our company forms mechanisms to ensure communication with our employees, consumers, public corporations and institutions, investors and other stakeholders on safety performance.



### ***Safety Management System (SMS)***

At TCCC, the senior management of each organizational unit is obliged to form, document, apply, maintain and continuously improve a Safety Management System (SMS).

The senior management of each organization forms procedures that will determine the parts of their activities, products and services that are related to Safety and Loss Prevention, in order to determine and check any serious or potential impacts that employee or society safety may suffer from. The Safety conditions are determined according to risk groups.

### ***Principles of the Safety Management System:***

- Employee safety, safety of visitor and contractor area,
- Safety of the society,
- Intervention in negative conditions that may cause loss of property or affect the continuity of work,
- Intervention in damages that may befall upon the public image and trademarks of TCCC and CCI Turkey,
- Intervention in the health impacts of the activities,
- Regular risk, safety and accident analyses,
- Risk evaluations in activity zones (Occupational Safety Analysis or comparative risk examinations),
- Evaluation of occupational health and safety risks,

- Evaluations of possible natural disasters and emergency conditions (such as fire, medical cases, revolt, terrorism, etc.),
- Developing and adopting an action plan that will enable intervention in accidents and emergency cases in order to prevent possible impacts on the environment,
- Developing a matrix or a similar device indicating who and what units to contact in an emergency,
- Forming an Emergency Management Team to provide coordination for a data analysis and decision mechanism,
- Keeping other local problems in mind.



Management takes into account the results of the evaluations and the effects of the controls while Safety and Loss Prevention Goals are being formed. The business units document this information and keep it up-to-date. All CCI Turkey employees are responsible for being aware of their duties and responsibilities according to this policy. The application of SMS at CCI Turkey is the responsibility of senior management. Management is responsible for forming communication policies to ensure that the TCCOSH policy is known by all related stakeholders, decides on necessary trainings, appoints authorized personnel, provides necessary equipment and examines the application reports. Continuous audits, improvement, and learning from mistakes are essential to TCCOSH.

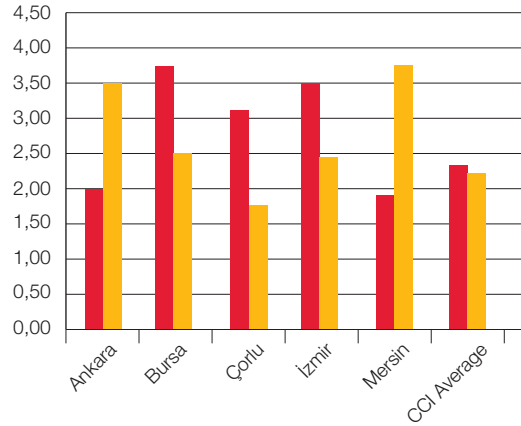
In our workplace drills against natural disasters such as earthquakes and fire, and physical crises are repeated every 3 months.

Production managers, chiefs, engineers, union representatives and employees attend the occupational health and safety information meetings we hold every month.

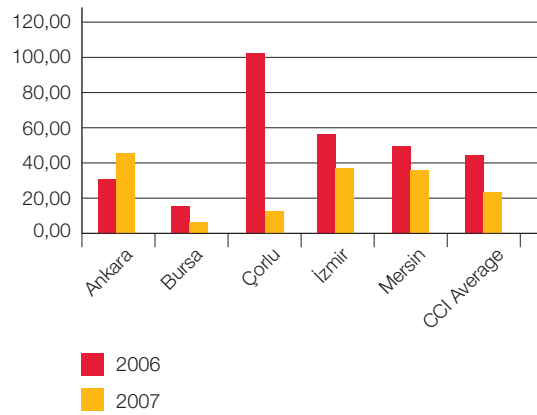
Our system that allows employee health and safety performance to be monitored continuously by senior management operates under the name **Management Cockpit**. This system can be accessed by the related personnel on CokePort. The Management Cockpit that operates on the SAP system displays the basic environmental and worker health and safety indicators comparatively and together with actualized targets.

Key performance indicators within the scope of the policy are added to the performance evaluation system of our related personnel in order to increase the effectiveness of TCCOSH practices.

*Rate of accidents involving injury at CCI Turkey*



*Rate of workdays lost due to labor accidents at CCI Turkey*



#### **Coca-Cola Fit for the Future Academy**

Through the Balanced Nutrition and Physical Activity program that we started in 2008, we give our colleagues information on balanced nutrition, active lifestyle, our products and our understanding of responsible marketing. The training program supported by an academician specializing in nutrition and dietetics also includes an applied workshop to ensure that our employees add more physical activity to their lives.

## Workplace

### Our Supply Chain

Every day, Coca-Cola products help refresh millions of people. In order to present our consumers with the highest quality products, we manage our entire supply chain as a value chain. We establish long-term relations with our suppliers based on mutual benefit and trust.

As CCI Turkey, in order to provide the region in which we operate with the maximum benefit we implement a Local Supply Policy. It is our company policy to work with local suppliers as long as they maintain Coca-Cola Quality Standards. *In 2007, 95% of purchases which exceeded 1 billion dollars was made from local suppliers.*<sup>3</sup>

Many of our active suppliers the total number of which exceeds 7,000 are production plants belonging to large international companies that carry out production in Turkey. Through the local supply policy we both decrease our environmental impact arising from transportation emissions and increase the broader economic benefit we provide. In addition to the taxes we pay and the direct and indirect employment we create, we also serve our country through our local supply policy.

We manage our supply chain in accordance with The Coca-Cola Quality Standard. Our supply chain management policy consists of three sections. The first section comprises the quality standards we expect of our suppliers. All of our suppliers included in our value chain are obliged to comply with The Coca-Cola Quality Standards, and laws and regulations. All processes necessary for our suppliers to achieve the quality standards we expect of them have been defined in detail in our quality system.



### The quality standards we expect of our suppliers

- Compliance with product specifications
- Meeting all legal obligations
- Providing necessary laboratory conditions
- Employment of trained personnel
- Use of chemicals defined by law, in compliance with standards
- Following hygiene and cleanliness rules in production and working areas
- Keeping work reports compliant with inspections
- Establishing necessary systems to control whether or not product quality has been achieved
- Taking necessary precautions to preserve the quality of finished products during packaging and handling
- Providing necessary internal and external standards for ensuring food safety
- Ensuring product traceability
- Carrying out of necessary product labelling to prove compliance with product specifications
- Reporting of changes in management that may affect product quality and relations with the company
- Ensuring employee, product and production plant safety
- Respecting intellectual property rights
- Diligence in keeping company information confidential.

The Supplier Guiding Principles (SGP) that were developed by TCCC and revised in 2007, can be found in the second section of our management policy. With these principles that take place in each of our agreements, we ensure that our suppliers respect the fair employment policies that are an integral part of Coca-Cola work ethics. In 2007, all of our suppliers attended the briefing held in our headquarters and were given detailed information on the details of the policy and the inspection processes.

### Supplier Guiding Principles

- Not employing child labor
- Not employing forced labor
- Ensuring employee health and safety
- Not discriminating
- Providing occupational conditions compliant to laws
- Carrying out activities in compliance with laws and regulations concerning the environment

<sup>3</sup>Buying of concentrate is excluded.



All CCI Turkey suppliers are obliged to comply with the Supplier Guiding Principles and be audited on these subjects if necessary. Supply chain audits include private interviews with employees and the inspection of occupational conditions in addition to plant examinations and the examination of management records. It is compulsory that suppliers, the inaptitude of whom was established as a result of the audit, take corrective measures in accordance with warnings given. Our company is empowered to cancel agreements made with suppliers deemed inadequate in complying with the Coca-Cola İçecek Supplier Guidelines. In 2007, all of our large suppliers have passed through such inspections. In 2008, the increase in the number of such inspections has been planned.



All suppliers of CCI Turkey are in the supplier portal. Our suppliers in the portal are continuously evaluated by our purchasing specialists in all of our offices. The suppliers who fail to exceed a certain point as demonstrated by the evaluations are warned and negotiations concerning necessary improvements are conducted.

Another section of our supply chain management policy is the document *Coca-Cola İçecek Supplier Working Principles*. We also expect from our suppliers the lawful and ethical forms of working that we expect from all of our employees. We share our belief of doing what is right with our suppliers through this document that covers the subjects of conflicts of interests, accepting gifts, bribery and corruption, information confidentiality and the informing of non-conformities.

**Ahmet Şenocak, KLİMASAN CEO:**

“We observed that when we mentioned CCI as a reference it had a positive impact on our image”

“...for more than 25 years we have been working for CCI as its supplier of cooling equipment in Turkey and abroad. Working with CCI really affected our business processes positively. We had to start anew our way of doing business due to the high performance and quality standards and the uncompromising policies of the company. When we understood that it was almost impossible for us to achieve this then with our current facilities we took a foreign company as a partner and at the beginning of the 1990s we made a brand new investment in the Çigli Organized Industrial Zone.

To summarize what we have gained from this partnership I can first of all mention that we learned to work focusing on the customer. We observed that when we mentioned CCI as a reference it had a positive impact on our image. This reference had a large share in our acquiring of new customers both in Turkey and abroad. Since we were able to carry out production according to CCI standards we were able to begin working with international beer, fruit juice and water companies.

CCI has a significant share in our becoming a company selling 200,000 units of products, while when we had started our company in 1985, we were selling a mere 5,000-6,000 units. We attracted the attention of foreign investors, and selling 71% of the company to a foreign firm we became part of a global group.

We did not have an R&D Department before we started to work with CCI. Since, we have been working with CCI we have made huge breakthroughs in R&D. We produced cooling equipment according to CCI standards and changed our testing procedure in order to obtain an approval certificate from CCI. Today we have six test rooms and one of these is the twin of the cooler

performance laboratory in The Coca-Cola Company's R&D Department in Brussels. 22 engineers and technicians working within the body of our company are currently carrying out product development and innovation works and raw material laboratory tests and approval works.

Inspired by the projects we have conducted together with CCI, we offered our other business partners similar works.

What the experience we gained through more than 25 years of working with CCI has taught us is a rule that looks very simple. The most important asset of a company is the quality of its human resources. Therefore for years we have been investing in our employees, striving to raise their quality to a higher level, and while employing new employees we take care to keep the standard high. Together with the growth in business volume we hired a Human Resources Manager reporting to the CEO and in 2007 we established our Human Resources Department.

Although quality has been Klimasan's primary consideration from its establishment, it gained a new momentum together with our cooperation with CCI. Both our plant founded in the beginning of the 1990s and our new plant founded on a covered area of 43,000 m2 to which we have started to move at the end of 2007 have been constructed keeping the consideration for quality in the foreground. In any case, Klimasan that started the application of the 6 Sigma philosophy four years ago has proved the importance it places on this issue. While, in the present operation, the quality of each process is controlled during that process, each product is subjected to approximately 1 hour of performance testing on the performance belt. Also, the Inspection Section under the Quality Assurance Department randomly takes a section of 2-3% of the production every day and again subjects it to testing; in case it detects any problems it is authorized to put a blockage on the entire lot.

These works are not carried out only because we work with CCI; however, the close cooperation we conduct with the executives and personnel in the Technical Department within the body of CCI with whom we work, more often than not guides us and makes a significant contribution in our developing better, higher-quality products with higher performances.





## Our Distributors

70-75% of our sales volume is attained through our distributors. Our distributors are our cornerstones and an essential part of the sustainability of our business. At the *Coca-Cola İçecek Business Partners Meeting* we hold every year in February we share our annual business plans, find out about our distributors' expectations from us and discuss mutual improvement suggestions. Also, in annual evaluation meetings results and experiences concerning the completed year are shared between distributors and sales managers operating in the same region.

*To be able to become part of this huge family consisting of more than 350 distributors:*

- Having a corporate structure or a structure open to change and development in the direction of institutionalization,
- The financial performance of the candidate distributors,
- Its commercial record in the region it will act as a distributor, its trustworthiness in its market,
- Being a person who is liked commercially and personally in the region,
- Having the personnel and equipment (depot, vehicle, personnel) required by our sales and distribution needs, are evaluated.

Together with these performance criteria, what is most important for CCI Turkey is that the candidate distributor should be willing to achieve his/her goals, he/she should have vision and should be open to innovation and change.



## Sales Support Program

The encouraging practices we carry out in order to ensure the periodic motivation of our sales teams are called *The Sales Support Program*. Trips abroad are presented to those successful in these programs. This way we both contribute in the cultural development of our sales teams and help them to increase their creativities in their work fields through seeing on-site the applications of The Coca-Cola System in the countries they visit.



With the encouraging program carried out for two months at the beginning of 2008, a CCI Turkey group of 320 consisting of personnel from non-sales departments and customers in addition to our team and distributors were entitled to go to Switzerland for the 2008 European Cup games and were given the chance to support our team in the Turkey-Switzerland and Turkey-Czech Republic games.

As CCI Turkey, developing the competence and business of our distributors is a responsibility in which we place great importance. Accordingly, trainings such as customer relations, perfect service, effective store management, communication skills, traditional channel education, on-site consumption channel education, employment techniques, accounting and finance are offered to our distributors by our own tutors throughout the year.

Another practice we carry out so that our distributors can achieve the high standards we expect of them and can maintain their business more effectively and efficiently is the distributor counselling system. Our distributors are given support in subjects they need with this system since 2003.

*To ensure compliance with the obligations stated in the Competition Board decision no. 07-70/864-327 about our Company; first of all, information letters have been served on what the decision imposes for approximately 200,000 sale points, our dealers and our sales team, and then the agreements that had been concluded with the sale points before the enforcement of the decision were amended to comply with the decision and re-executed within the period prescribed in the decision.*



### *The Earliest Distributor of Coca-Cola İçecek Hasan Gürtekin*

“My belief that Turkey as the country that markets Coca-Cola best in the world has become stronger during these past 40 years.”

“... I started being a distributor for Coca-Cola İçecek Turkey in October, 1967.

The secret of my success is no doubt hard work. If you love your work you will be successful in any job. I reached my 41st year working with Coca-Cola İçecek by working hard. Now I work with my son and I will carry on with this work as long as I live.

When Coca-Cola first came to Turkey we had only three packages and we carried out distribution with a three-wheeled handcart. My belief that Turkey is the country that markets Coca-Cola best in the world has become stronger during these last 40 years. We work together, with might and main, to increase our market share. I and my team conduct a sale of 1,300,000 physical cases per year.”

## **Our Corporate Governance Understanding**

### *The Work Ethics Code at CCI Turkey*

The main source that expresses our understanding of work at CCI is our **Work Ethics Code**. We have formed this code in order to set an example in all that we do and to learn from our errors. We expect high standards in ethical behavior too from our employees, as we do in every field. Our most valuable asset is the “Coca-Cola” brand we are entitled to use and our employees who give life to this brand. At the top of the important qualities this brand represents is the reputation our company has earned with respect to honesty and trustworthiness. This reputation stems from our diligence in maintaining our values and in conducting our activities in a proper manner.

The bond of trust established between our company and all of our stakeholders and all third persons with whom we have relations must be maintained and reinforced. To this end, the Work Ethics rules of our company have been updated and rearranged as a Code. This text contains valuable information to guide the behavior of CCI employees each of whom is a representative of Coca-Cola İçecek. Our principles have been simplified so as to provide easier understanding and enriched with examples to illustrate some points more clearly.

The Work Ethics Code consists of two sections. In the first section the values we will maintain wherever we operate, our responsibilities towards our employees, our suppliers, civil servants and the society, and in the second section the business management principles covering the responsibilities of our employees towards the company, are clearly illustrated. The Work Ethics Code explains what course of action must be taken in the event of possible conflicts of interest through clear and intelligible examples.

The Work Ethics Code covers all employees and executives of our company including members of the Board of Directors of our company and its subsidiaries. At CCI Turkey, the Internal Audit Department is responsible for ensuring compliance with the work ethics principles, in cooperation with the Legal, Finance, Human Resources and other departments. The Internal Audit Department reports directly to the Audit Committee of CCI and submits its independent opinion on related issues. All CCI employees are advised to apply to their managers or the Internal Audit Department in conflicting situations or in the face of possible breaches.

As clearly stated in our Work Ethics Code, CCI Turkey does not make donations or contributions to any political party and does not carry out lobbying activities.

*The CCI Work Ethics Code can be accessed through our web site [www.cci.com.tr](http://www.cci.com.tr).*

### Corporate Governance at CCI Turkey

Ethical, transparent and accountable management is an indispensable principle of CCI Turkey as it is for the entire Coca-Cola System. At CCI Turkey a management understanding that creates value and that is aware of its responsibilities governs all operations. By observing decision-making mechanisms that bear our social, environmental and economic responsibilities in mind, our executives set an example for all of our employees. Detailed information on subjects such as relations with shareholders, our company information disclosure policy, the duties and responsibilities of our Board of Directors, the committees formed within the Board of Directors, and the subjects of Risk Management and Internal Control can be accessed through our

**Corporate Governance Principles Compliance Report** published as a part of the Annual Report every year and posted on our web site at [www.cci.com.tr](http://www.cci.com.tr).



The international Accountability Rating research carried out by the British opinion institution **AccountAbility** and **csrnetwork** and their country-partners, published by Capital Magazine, in evaluating the ethical and social accountability of companies was carried out in Turkey for the first time in 2007. In the research that was conducted in Fortune100Global since 2004, and in Russia, South America, Hungary and Greece since 2006, the financially largest companies are evaluated according to their performance in fulfilling their social, economic and environmental responsibilities and in explaining such practices to their stakeholders in a transparent manner. **CCI Turkey ranked 5th according to this research in which Turkey's 50 biggest companies were evaluated.**



Burak Başarır, CCI CFO with the award

Sıra	Şirket	Değer	Değerlendirme	Not
1	AKIS Akademi	54,50	İyi	
2	Ayva	53,60	İyi	
3	Arçelik	49,60	Orta	
4	Tofaş Oto Fabrika	47,80	Orta	
5	Coca-Cola İçecek	43,75	Kötü	
6	Tüpraş	42,50	İyi	
7	Ereğli Demir-Çelik	40,80	İyi	
8	Beko	39,40	Orta	
9	BSH Profilo	37,11	Orta	
10	Migros	36,99	Orta	
11	Anadolu Efes Bira	34,81	Kötü	
12	Petrol Ofisi	34,10	İyi	
13	Vestel Elektronik	32,20	Orta	
14	Vestel Beyaz Eşya	32,10	Orta	
15	Unilever	32,10	Orta	
16	Ford Otosan	32,10	Orta	
17	Shell Türes Petrol	31,70	İyi	
18	Türkcell	30,90	İyi	
19	Selçuk Eczacı	27,31	Orta	
20	Opet Petrol	27,20	İyi	
21	Enka İnşaat	27,10	İyi	
22	Türk Hava Yolları	26,60	Orta	
23	Goldas Kuyumculuk	25,50	Orta	
24	Sisecam	22,40	Orta	
25	Doğuş Otomotiv	21,40	Orta	

### Risk Management at CCI Turkey

At CCI Turkey Internal Audit and Risk Management is the responsibility of senior management. Within this system the Internal Audit Department functions as a safety net by applying a systematic and disciplined approach oriented at evaluating and developing the effectiveness of the risk management, internal audit and management processes on behalf of the company management and Board of Directors. The Internal Audit Department reports directly to the Audit Committee which consists of members of the Board of Directors. Anticipating risks in a timely manner, communicating with executive levels when necessary, employees' compliance with CCI Turkey's Ethics Policy, efficient use of resources, the consistency of activities with goals, encouraging quality and continuous development during the audit process, and the timely identifying and solution of important legal and administrative issues are among the responsibilities of the Internal Audit Department.

Our organization chart, company structure, ownership structure, Board of Directors, committees reporting to our Board of Directors and detailed information regarding our senior management can be accessed via our web site at [www.cci.com.tr](http://www.cci.com.tr).

“Offering our consumers the highest-quality products is our fundamental business strategy and responsibility.”





# Marketplace

The Sustainability of our Business  
Quality Management System at Coca-Cola İçecek  
Our Customers  
Our Consumers  
Our Products  
Information Technologies



As CCI Turkey, we reach our consumers through 36 production lines in six production plants with an approximate annual production capacity of 510 million unit cases, and more than 200 different products.

CCI Turkey touches its consumers with a large variety of products that are continuously enriched through more than 275,000 sales outlets.

### The Sustainability of our business

The financial success we have achieved through responsible corporate practices lies at the foundation of our sustainability. In order to fulfill our obligations towards our planet and society we must ensure that our business will be profitable in the future just as it is today. We proceed in accordance with the vision, mission and strategies we have developed for this aim, thus serving the success of our company.



#### Our Mission:

- Maintaining customer and consumer satisfaction and exceeding ourselves,
- Creating value for our stakeholders,
- Retain, develop and attract the people capable of driving superior growth,
- Be the first in identifying, creating and capturing profitable opportunities.

#### Our Vision:

Our vision is to be an outstanding regional Company within The Coca-Cola System with respect to quality, volume and profitability operating in a geography encompassing Southern Eurasia and the Middle East. Within the scope of this vision CCI Turkey:

- Aims at possessing a team spirit in which trust, respect, openness and social responsibility create organizational integrity.
- Is dedicated to continuous improvement, excellence, innovation, quality and leadership.
- Is committed to improving the environment of the communities we serve.

#### Our Strategy:

- Drive long-term, sustainable and profitable growth,
- Enhance our competitive position through best practices implementation,
- Leverage our key capabilities across all operations,
- Expand into new territories.

Paying 291,826,385.00 YTL in taxes in 2007, we have fulfilled our primary economic obligation as a corporation in Turkey that operates within the beverages sector and has the highest market share. CCI Turkey since its inception has also made a significant contribution in the formation and technological development of the soft drinks sub-industry, a sector that has been immensely beneficial to our country's economy. The development of the glass industry has been parallel with that of the soft drinks sector. The production and technological development of various coolers, the development of the advertisement sector and of marketing strategies, the advances in the packaging industry (pet bottles, caps, lids, plastic containers) are fields in which CCI Turkey's contributions to the development of which cannot be denied. Also, the provision of tools for the soft drinks sector and of the fruits used in fruit juices from domestic sources contributes to the country's economy.

## Quality Management System at CCI

The Coca-Cola brand is synonymous with quality everywhere around the world. Offering our consumers the highest-quality products is our fundamental business strategy and responsibility. In order to offer the Coca-Cola product quality expected of us we cooperate with our suppliers, our distribution network and our sales outlets. For us, quality embodies our entire behavior. Within The Coca-Cola System, quality environmental and worker health and safety is managed through The Coca-Cola Management System (TCCMS).

TCCMS is Coca-Cola's process management system that has become a brand. TCCMS is a system that is open to change and that is revised according to new laws and regulations and new quality control methods. CCI Turkey utilizes the newest production and management systems in accordance with TCCMS. TCCMS which is a sweeping management model is explained to key stakeholders related to the subject, through various communication methods.



### With TCCMS, it is ensured that:

- The understanding of quality becomes a state of corporate culture,
- All management systems are integrated and are executed in cooperation,
- Senior management within each task unit plays an active role in quality management,
- Work focused on precautions is carried out as a management tool,
- Standard reporting principles are formed,
- Easy access is provided to consumer and stakeholder expectations in developing new products and services,
- Problem solving methods and tools are defined for ensuring continuous development.

### How The Coca-Cola Management System Works

TCCMS works through a pyramid model. Each one of the three main façades of the pyramid (Quality, Safety and Environment) consists of four layers, namely The Commitment, Policy, Audit and Control.

**The Commitment:** The Coca-Cola System is committed to being beneficial and providing innovation contributions to all stakeholders within its sphere of influence.

**Policy:** Policies relating to the environment, safety and quality are located on the three façades of the pyramid.

**Audit:** Control and compliance to regulations so as to ensure performance is assured within the management system.

**Control:** The regular control of the entire performance is obligatory for each one of the three façades.

In the Quality façade of the pyramid, in accordance with the Quality Management System Standard the management system is in compliance with the principles of the ISO Standard 9001:2000, ISO 22000 and the Global Food Safety Initiative (GFSI) and with up-to-date expectations expected throughout the world. The Quality façade also covers management system expectations including laboratory operations in ISO 17025.

The Environment façade of the pyramid accommodates the Environmental Management System Standard. The Environmental Management System Standard meets the requirements of ISO 14001.

## Marketplace

The Safety and Loss Prevention façade of the pyramid builds up an important part of the Safety Management System Standard that meets the requirements of OHSAS 18F001: 1999.

SGS-ICS (Société Générale de Surveillance-International Certification Services) and LRQA (Lloyd's Register Quality Assurance) that are international responsible/financial corporations have compared TCCMS with quality (ISO 9001:200), environment (ISO 14001:1996) and occupational health and safety (OHSAS 18001:1999) standards and have unanimously decided that TCCMS meets the requirements of these three international standards.



Within the operation of our own system TCCMS provides the control of the interaction and integration of works carried out individually. In this way CCI works in order to ensure customer and consumer satisfaction without making quality concessions in any of the steps of its field of activity.

Since 2001, The Coca-Cola Company has been carrying out its documentation inspections in accordance with TCCMS. The production plants inspected must be found compliant with the Management System Standards, and in production operations, with the Environment and Safety Management Systems Standards. The plants earn the right to receive a TCCMS certificate upon completion of the inspections.

Our production facility in Ankara is among the first 10 facilities among the world's Coca-Cola production facilities to be granted this TCCMS certificate. Among the more than 2000 Coca-Cola plants around the world, all of Coca-Cola İçecek Turkey's production facilities rank within the first 20.



### How the Management System Works

TCCMS is a process management system. All of our employees, suppliers, distributors and related stakeholders are informed on the TCCMS Management System and attend necessary trainings.

#### The duties and responsibilities of business units:

Under the scope of the process, all business units are responsible for:

- determining, applying and maintaining a quality management system, determining and reporting a goal related to the system, and also developing this in accordance with the requirements of the standard,
- ensuring that the work plan and goals are understood by all employees,
- ensuring that continuous development with regard to the application of the goals is achieved,
- forming a Quality Guide,
- providing necessary records and documents,
- implementing a documented syllabus on Supply, Contractor and Supply Management,
- implementing a documented syllabus in order to be able to ensure the compliance of all materials, products and services with requirements, preventing the misuse of brand name materials and products,
- preventing the use and distribution of inappropriate materials and products, and in the case of the determination of inaptitude the implementation of a documented syllabus to counteract the current and potential affects of such inaptitude,
- implementing a documented design and development control syllabus in the case that design and development activities are carried out,
- developing and implementing a Case Management and Crisis Solution syllabus in order to prevent any harm from coming to the consumers, assets, image and the TCCC trademarks,



- determining and improving skills necessary for the safe and effective practicing of the work for every position and employee,
- implementing a syllabus for the measuring and analyzing of customer satisfaction,
- implementing an inspection syllabus for monitoring compliance with the Quality Management System Standard, other TCCC requirements, goal evaluation, the effectiveness of the application and quality system,
- implementing a syllabus for monitoring consumer communication,
- continuous improvement of the quality management system by using corrective and preventive measures,
- forming a team empowered to solve problems and that will identify the problem correctly whenever the situation may require.

***The tasks and responsibilities of management:***

Senior management must support the development, implementation and sustainability of the quality system.



The management of all business units are responsible for:

- Forming a quality statement,
- Informing all employees on the work plan and goals,
- Developing and implementing the quality system, ensuring sustainable advancement,
- Providing access to suitable resources,
- Sharing with the organization the importance of meeting the requirements of customer expectations and current foodstuffs laws,
- Practicing ISO 22000 in every one of the production and distribution points of the products produced and distributed by Coca-Cola İçecek,
- Revising the planned management,
- Fulfilling customer expectations in order to increase customer satisfaction,
- Appointing a member of the management as Champion of the Quality System (this person who will be authorized to carry out work necessary for the forming, implementation and continuing of the quality management systems must also be responsible for reporting on the performance of the system and the development of this performance, and for ensuring compliance with customer expectations and current laws),
- Ensuring proper communication within the organization within the frame of the quality management system,
- Defining responsibilities and task distributions,
- Examining the system regularly to ensure the appropriateness, efficiency and effectiveness of the quality management system,
- In case of the occurrence of contradictions between company conditions and current laws applying the most comprehensive rule.

## Our Customers



The customer body of CCI Turkey covers a wide range from international retail and restaurant chains to local small scale enterprises. We strive to establish relations based on mutual benefit with all of our customers, whether large or small. We believe that the growth in our customers' businesses enables a growth in CCI Turkey as well. We also support our smaller customers in rendering their business more efficient and profitable. Our aim is to be the best supplier for our customers.

Our customers are divided into two groups which are the consumption at home and on premise

consumption groups. Our customers belonging to the home group consist of hypermarkets, supermarkets, discount stores and grocery stores while our on premise consumption customers group consists of restaurants, hotels, fast food chains and the like.

We take the world's most valuable beverage brand distributed directly or indirectly to our customers with thousands of vehicles bearing the Coca-Cola trademark. As CCI Turkey, we are able to reach more than 90% of the retail points in Turkey through our own distribution network.

We ensured the conservation of label and paper with the returnable pet bottle we introduced to the Turkish market in 1.5 liter packages in February, 2008. By presenting our consumers with a suitable price we were able both to reduce our environmental impact and to help our customers in achieving an increase in sales. To ensure that our customers would obtain an increasing sales graphics we carried out activities guiding our consumers to our customers by visiting houses of people of those regions and giving them discount coupons or selling REFPET.



The widespread accessibility of our products is one of the key factors of our success. We provide our customers with specially designed coolers in addition to creative visual elements and sales outlet materials in order to increase our availability. In order to give consistent messages to our consumers, in each country where we operate we continue our sales outlet activities integrating them with promotion activities on a national-scale. While monitoring the compliance of sales point practices with our standards in every market within the regions we operate, we believe that the evaluation of conditions specific to the market and the defining of needs is best done by our country sales managers.

### Coca-Cola Call Center



The Coca-Cola Call Center responds to the demands, suggestions and complaints of our consumers and customers through the toll-free telephone number in Turkey 0800 261 19 20. The quality of the service rendered to the consumer calling the Coca-Cola Call Center is tested through the confidential consumer research method. In the meanwhile, the quality not only of the operators of the Call Center, but of all those concerned within the system, including quality department employees and the sales staff that visit consumers, are evaluated. Speedy measures are taken in fields that need improvement, trainings are organized if necessary and teams found successful are rewarded once a year. At the same time, a satisfaction questionnaire designed for consumers calling the Call Center during the year and the current situation is assessed in order to better respond to consumer expectations. With all these qualities the Coca-Cola Call Center strives to keep its service level above world standards. While the world standard for call center service performance has been found to be 90 percent, this figure is at the level of 95 percent for the Coca-Cola Call Center here in Turkey.

### Our Consumers

For years our consumers have been inviting the Coca-Cola brand into their daily lives, their homes and their celebrations. While this invitation makes us proud it also increases our responsibilities. This responsibility can be found behind the importance we place on the quality of our products and the steps we take to always remain a continuously learning organization.

Our policy in communicating with our consumers is focused on developing a communication method through which they can speedily access information on our products, communicate their complaints and questions, and that will be available at any given day or time. To this end, we respond as quickly as possible to the consumer wishes and suggestions that reach us through the Coca-Cola Call Center and consider such feedback opportunities for improvement.

Our consumers' health is very important to us. For this reason we are careful about the effects of our products on consumer health, even more so than is expected. All of Coca-Cola's products have been approved by the related institutions in more than 200 countries where they are sold. These approvals that are granted document the fact that our products are safe. Every day 1.3 billion glasses of our products that have been produced in the same quality are sold around the world. All of our products sold in Turkey are offered to our consumers, being produced in compliance with the Turkish Food Codex and the Communication on Non-alcoholic Beverages.

*We work with might and main so that our consumers make conscious and healthy choices.*



## Marketplace

The responsible marketing activities of The Coca-Cola Company that support balanced nutrition and physical activity in the world and in Turkey focus on four main fields.

### 1 The choices we offer our consumers.

The Coca-Cola Company that owns more than 400 brands around the world offers 13 different brand choices under seven categories in Turkey. We are aware that the preference of beverages changes according to person, age and gender. To this end, by offering choices in sparkling beverages, fruit juices, sports drinks, energy drinks, water, tea and iced tea categories, we aim at increasing the product variety in our sector and supporting balanced nutrition. Accordingly, we offer our products with different energy values in different package sizes.

### 2 Responsible approach in our sales and marketing works.

In accordance with our international sales and marketing principles, we do not conduct direct marketing and advertisement activities that target children under 12 years old since the decision for their nutrition is the responsibility of their parents. We base all communication on our products and their contents only on trustworthy and scientific sources.

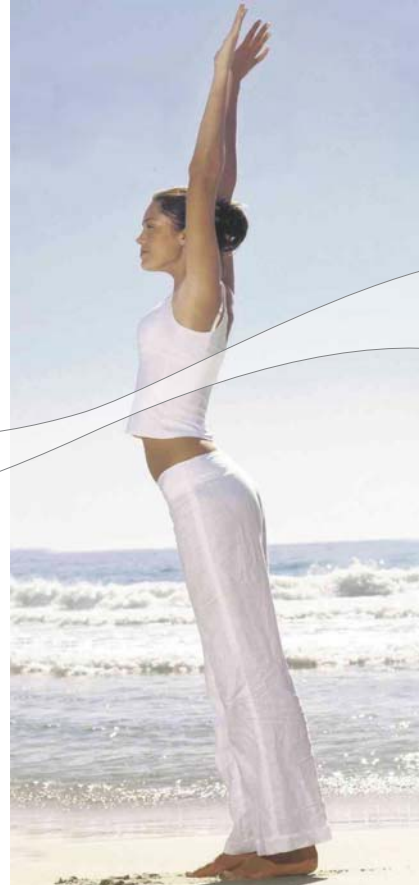
For information on the contents of our products and balanced nutrition, you can consult the informative brochure **Everything You Need To Know About Beverages** on our website.

### 3 Supporting sports in every field.

We support soccer played in every venue from club soccer games to the World Cup, and undertake the sponsorship of many sports activities from local competitions to the Olympic Torch Run.

### 4 Information on our product contents, balanced nutrition and physical activity.

As Coca-Cola Turkey, despite the fact that there is no legal obligation that applies to our products, we have added energy and nutrition facts to our labels in order to ensure that consumers make more conscious choices. With publications such as booklets and brochures we prepare and seminars and activities we organize we aim at aiding the entire society in being conscious of the importance of balanced nutrition and an active life. To this end we organized Balanced Nutrition and Physical Activity trainings for approximately 3,000 people from all over Turkey, beginning with our own company employees.





## Our Products

We strive continuously for innovation through our product range that exceeds 200 products. In addition to sparkling beverages, we are extending our product portfolio with beverages such as fruit juices, water, sports and energy drinks, and iced teas. The ever-widening product range of sparkling and still beverages of CCI Turkey covers within its body the beverages *Coca-Cola, Coca-Cola zero, Coca-Cola light, Fanta, Sprite, Schweppes, Sen Sun, Cappy, Damla, Turkuaz, Powerade, Nestea and Burn*. Four of the best-selling global beverages in the markets where we conduct operations are Coca-Cola, Coca-Cola light, Fanta and Sprite. We are also rapidly extending our product portfolio for low- or no-calorie products.

*To see our entire product portfolio and to get information on our products please visit our web site [www.cci.com.tr](http://www.cci.com.tr)*

[www.cci.com.tr](http://www.cci.com.tr)



## Information Technologies

Information technology systems bear a vital importance for the management of our business. We use advanced information technology systems for planning production, obtaining raw materials, guiding transportation vehicles and issuing customer invoices. We also consider the effective use of information technology an important gain for actualizing a transparent communication model with our stakeholders. All of our customers can, through the same system and whenever they wish, access accounting information and no customer receives different treatment in this matter. BASIS is our sales accounting software system that belongs to TCCC.

With WebBASIS that is a web-based tool developed by TCCC, the foundation of which is formed by BASIS, while ensuring that our independent distributors can place direct orders we monitor the shipments and provide that they access their accounts with us.

Distributors using the BASIS software can also access the sales statistics for their own regions. This indirect business management method we use as CCI Turkey is taken as a model by other bottlers. Thanks to the Distribution System Software implemented in 2007, through BASIS with 250 of our distributors we are able to cover the sales of 97% of the sales of 260,000 CCI customers.

### *How the Distribution System Software Works*

Our sales staff receive orders through portable hand-held devices. These devices also submit to the sales staff up-to-date records such as on the visited sales outlets, equipment, accounts receivable and the shipment for the sales outlets. We use these data we obtain within the system for analyzing different consumer choices and purchase habits extensively and in detail, in each of the channels that have sales potential. Based on this analysis we revise our products, pricing, packaging and distribution strategies and evaluate these results to bring the growth potential of each distribution channel to the highest level. Using information technology effectively we propose fast and effective solutions to consumer inclinations that tend to vary in each channel.



### Green IT

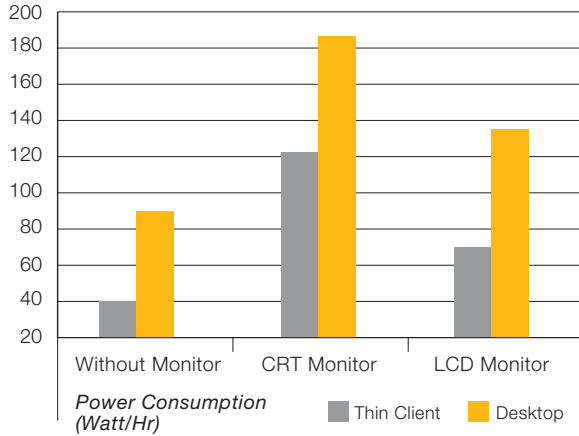
The global IT sector is the cause for 2% of the total carbon emissions in our planet.\* Green IT is the body of work conducted in order to restrict the use of energy and natural sources through the use of computer systems, in addition to the efficient use of computers. Many works we conduct in the field of Green IT on which we place great importance as CCI Turkey have been gathered under the following headings.

#### Recycling:

The toner cartridges used in printers are gathered in recycling boxes. Expended toner cartridges used in different units are collected at our Dudullu office and sent to the related company.

#### Terminal Server & Thin Client:

The terminal servers and the Thin Client machines used by the user have important advantages with respect to energy consumption when compared to standard desktop computers. The product life of Thin Client machines are also longer than standard desktop computers.



	Number of Equipments
Laptop	643
CRT	405
LCD	313
Thin Client	532
Desktop	169

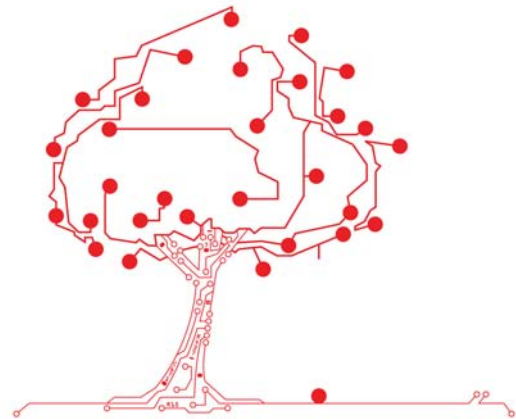
The number of CRT monitors we have replaced with LCD monitors during the first quarter of 2008 is 100 and the number of desktop computers we have replaced with Thin Client last year and this year is 250.

#### Workflow Applications and Paper Conservation:

Our Workflow Applications requires the issuing of 100,000 forms a year. Keeping these forms in a virtual environment has saved an important amount of paper. Assuming that 10,000 pages of paper are obtained from a tree, this method prevents 10 or more trees from being cut down. Also, problems that may be encountered due to paper documents are eliminated through this practice and speed in processes and saving of time is achieved.

#### Virtualization:

Virtualization is the operation of two or more computer systems over a set of physical hardware. A system administrator can unite a number of physical systems in a single and powerful system over virtual machines. This way the need for physical hardware is eliminated and energy consumption is reduced. Since the signing of the Data Center Agreement in December 2007, as CCI Turkey we have been using the Server Virtualization system. We will also meet the need for new servers through this system.



\* Source: Gartner IT, a research and advisory company

**Power Management:**

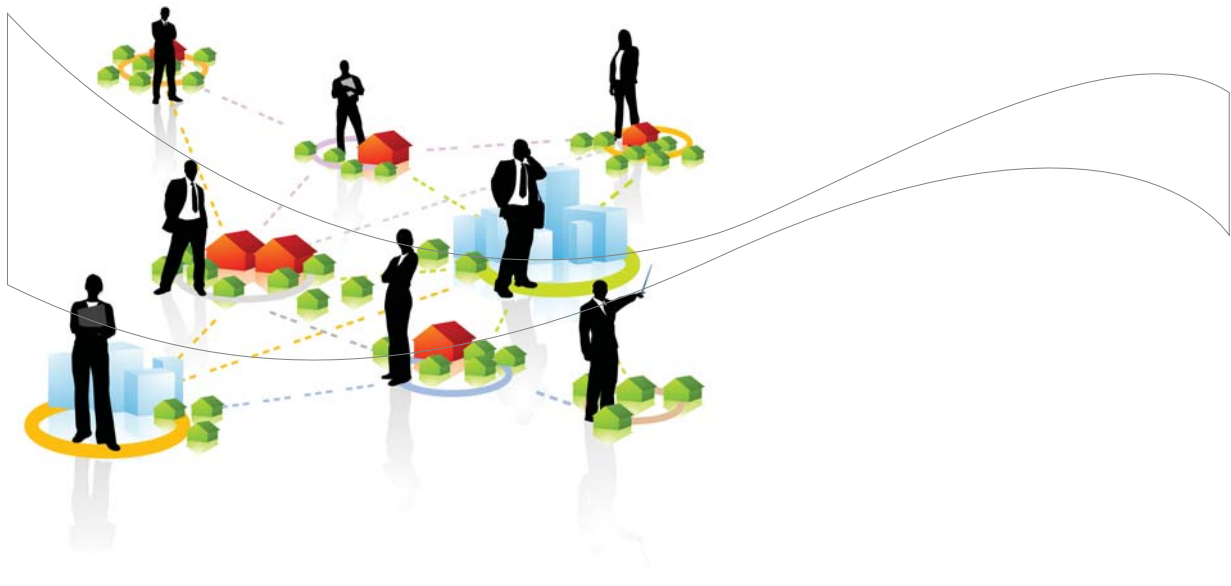
The Advanced Configuration and Power Interface standard that is an open industrial standard enables an operating system to control its power saving aspects. After a certain period of disuse this system enables parts such as monitors and hard drives to shut themselves down, thereby saving energy.

**Saving:**

The smaller form factor hard disks we use often spend less energy compared to physically larger drivers.

**Teleconferences:**

The teleconferencing systems that eliminate the need for being in the same location during meetings brings advantages such as reducing greenhouse effect gases business trips cause and increasing profit rates by reducing costs related to heating, cooling or lighting office areas. In the Sametime application we use as CCI we use the conference and voice over internet protocol (VoIP) tools. We are increasingly extending this application. We are increasing our line capacity to achieve the line capacity required by Sametime applications. We are planning to complete this project by the end of 2008. An important share in our 2009 budget has been allocated for applications to improve our teleconferencing infrastructure.



“ In the face of this global problem like climate change, we fulfill our share of the responsibility by using the correct energy sources and by increasing our energy efficiency in our production and distribution channels. ”





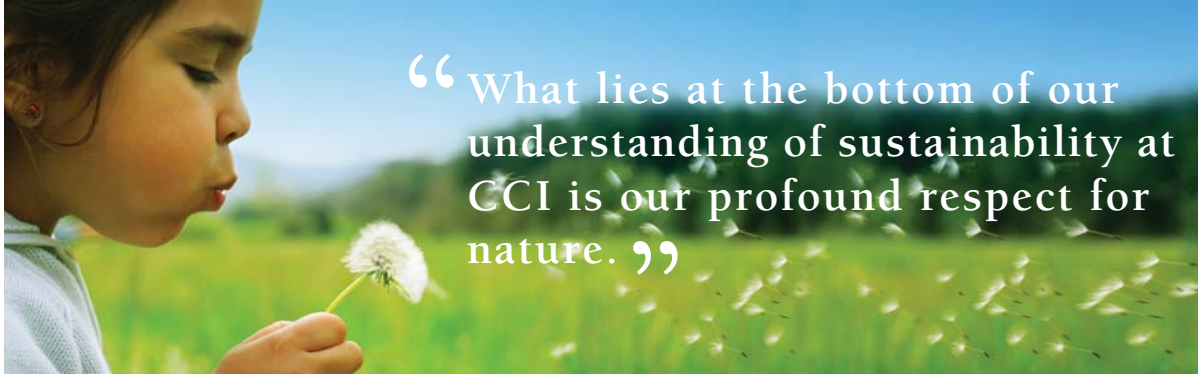
# Environment

Our Environmental Policy

Water Stewardship

Sustainable Packaging

Effective Energy Use and Climate Change



We are aware of the fact that the path to take care of our planet goes through the efficient use of natural resources. As The Coca-Cola System we have made our active environmental management an integral part of our planning and decision-making processes and our daily activities. Setting ambitious goals in the use of natural resources due to our belief in responsible world citizenship, we enjoy the happiness of achieving these goals. Taking advantage of recycling and reuse opportunities, while increasing our efficiency in our production processes and activities we also reduce our impact on the environment.

*In this context our environment policy has been determined in accordance with our sphere of influence and has been set under three main headings:*

- 1 *Water stewardship,*
- 2 *Sustainable packaging,*
- 3 *Effective energy use, protecting the environment, climate change.*

	World Average 2006	Turkey 2007
Average water consumption rate	2.52 litre/litre product	1.62 litre/litre product
Average solid waste rate	10.47 grams/litre product	3.57 Grams/litre product
Average energy consumption rate	0.48 mega joule/litre	0.25 mega joule/litre

Environmental Indicators***	Unit	2005	2006	2007
Water consumption rate	L/L	1.754	1.738	1.624
Energy consumption rate	MJ/L	0.274	0.260	0.258
Solid waste rate	g/L	3.836	3.899	3.574
Recycling	%	91.26%	90.99%	90.14%

\*\*\* The data in the table are only for production plants.

Our 2008 environmental performance goals		
	Unit	Goal
Water consumption rate	L/L	1.61
Energy consumption rate	MJ/L	0.26
Solid waste rate	g/L	3.39
Recycling	%	90.58

No fines were exacted with respect to the environment in 2007, and no leakages arising from our activities have occurred. We carry out no production activities affecting regions with biodiversity. There have been no fines paid within the past year due to inappropriate actions involving the environment.



## Water Stewardship

Today approximately 1.3 billion people in the world have no access to clean drinking water. Every year more than 1,6 million children die due to the inadequacy of clean water and basic hygiene conditions. It is expected that in 2025, a third of the world's population will be suffering from serious and chronic water insufficiencies and that epidemics caused by the lack of clean water will be seen.

Of the water consumption on our planet 70% is caused by agriculture, 20% by industry and 10% by use in houses. It is a known fact that the water on our planet will be exhausted if the current habits of use continue. However, it is known that our personal, agricultural and industrial water requirements can be met with effective water management.

As CCI Turkey, being fully aware of the fact that water is the fundamental material of our products and the most important resource for the continuation of our planet, we practice an integrated and full-range water policy by conducting world-scale works. Being the basic component of sugar production, water also has very important effects on our supply chain. An effective water management policy, together with being responsible towards the society we serve and our planet, is also the fundamental element for the sustainability of our business. We are taking innovative steps in our field of specialization to meet the needs not only of our customers and consumers, but of the entire society. In this context, our water management policy focuses on four main fields:

- 1 ***The performance of our production facilities:*** Our aim is to set an example in the effective use of water and to improve water quality and our wastewater management.
- 2 ***The preservation of water catchments:*** We support efforts aimed at the protection of water reservoirs in the regions where we operate.
- 3 ***Supporting community efforts:*** Together with our stakeholders we seek solutions to the issue of accessing clean drinking water.
- 4 ***Global awareness and action:*** We work to increase awareness in water issues. Cooperating with international initiatives we popularize activities on this subject.



**Reducing consumption:**

Our goal is, as The Coca-Cola Company, to be the company that uses water most efficiently when compared to our peers. Our company that adopts the motto **Less water, more drink** strives to reduce as much as possible the water it consumes for each case of drinks it produces. With this efficiency policy that spread through The Coca-Cola System, CCI Turkey displayed a very successful performance by using 19% less water in its operations in Turkey in 2007. Our goal is to reduce our water consumption rates according to our annual targets. We have cooperated with the Worldwide Fund for Nature (WWF) in order to increase awareness in this field and to spread awareness in its applications.

Within the entire Coca-Cola System, Coca-Cola İçecek Turkey is among the most successful countries with regard to reducing water consumption. One of

the fundamental measurements in the water consumption reports in The Coca-Cola System is the amount of water used in the production of 1 liter of drink. Since 2002, the production water consumption rate has fallen from 3.12 liters to 2.52 liters for 1 liter of drink in the entire Coca-Cola System. In Turkey, however, this value has been realized as 1.62 liters in 2007.

**Water consumption rate in the production plants**

	2006 L/year	2007 L/year
Ankara	544,749,000	584,978,000
Çorlu	928,005,000	895,729,000
Mahmudiye	-	78,942,821
Mersin	641,898,300	608,172,000
İzmir	459,215,000	509,275,000
Bursa	580,860,195	568,837,000

**Cleaning With Air Without Using Water**

We are continuing our technological investments to reduce water consumption. The bottle cleaning method without the use of water has been practiced for two years in the pet and aseptic pet lines in our production facility in Çorlu. **Thanks to this hardware used in the Turkish beverages sector for the first time we are saving 18,200 tons of water every year.**

In this system sterile air is blown or filled into the pet bottle. The neutral electrode connected to the air pipe adds positive and negative ions to the sterile air coming out. The current in the bottle is neutralised during the processing of the sterile air. Foreign substance particles in the bottle caused by the airflow due to this process dissolve. After the process the control valve in the distributor channel blocks the air forming during the processing of the air.





***Some of our activities to reduce water consumption:***

- The dry conveyor belt mover system has been adopted instead of the wet conveyor belt mover system in our production plants.
- The cooling water in the compressors is used to increase the crate washing performance.
- Rain water is collected through the vacuum system and is used for watering gardens.
- Our work to bring subterranean fire and garden watering lines above earth in order to prevent water leakages is continuing.

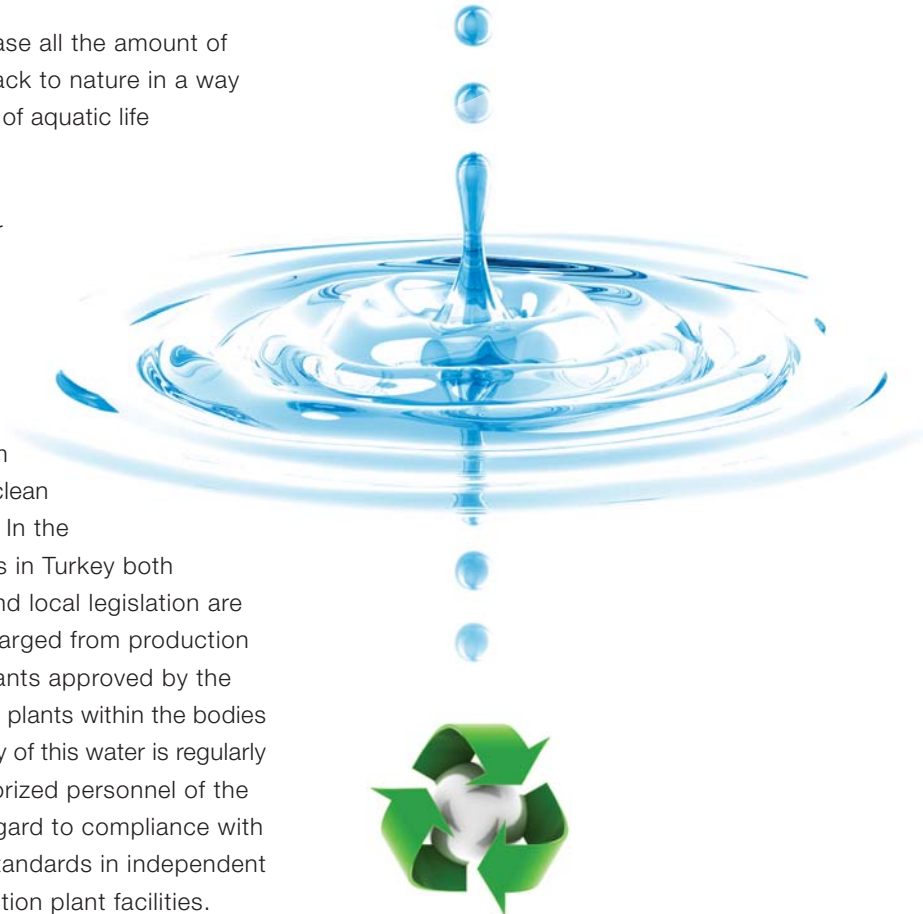
***Recycling:***

Our goal for 2010 is to release all the amount of water used in production back to nature in a way that will protect the balance of aquatic life and support agriculture.

The investments made in our production plants for wastewater purification plants have amounted to approximately 2 million Euros. The purified wastewater discharged from these plants is classified as clean water in which fish can live. In the wastewater purification lines in Turkey both the Coca-Cola standards and local legislation are fully met. Wastewater discharged from production processes are purified in plants approved by the municipality or in purification plants within the bodies of our own plants. The quality of this water is regularly examined both by the authorized personnel of the related Ministry and with regard to compliance with The Coca-Cola Company standards in independent laboratories and the production plant facilities.

While the total amount of wastewater has been 0.39 liters per liter in 2006, this rate has fallen to 0.28 in 2007. Although the amount of production has increased, a 28.2% improvement has been achieved in the wastewater rate.

In the production plants of The Coca-Cola System 545 million liters of wastewater have been processed and purified in 2007, and 4.3 billion liters of clean water were guarded from pollution. Live trout, in our wastewater pools can be found in all of our production plants as evidence of the quality of our wastewater.



## Environment

*Production Plants' amount of wastewater and place of discharge*

	2006 amount of water discharged (L)	2007 amount of water discharged (L)	Place of destination
Ankara	81,581,000	86,408,000	Çubuk Stream
Çorlu	173, 794,000	182,418,000	Çorlu Stream
Mahmudiye	-	12,133,104	Municipality Facilities
Mersin	192,911,000	176,697,000	Discharge Line
İzmir	135,742,000	99,177,000	NİF Brook
Bursa	125,901,000	184,880,000	Green Environment Central Cleaning

\*\* Wastewater is processed and discharged in compliance with local legislation and the TCCC standards.

**Recovery:**

Our goal of replacing water aims at balancing the water we receive from nature and use in our products, at a global scale. From this point of view, the responsibilities we undertake and plan to undertake include the protection of water reservoirs, efficient use of water in agriculture, societies' access to clean drinking water, collecting rain water and forestation projects.

In the awareness of replacing the water we use, we have been conducting the **Every Drop Matters** project primarily in Turkey since 4 November 2006, which aims at increasing access to healthy drinking water, supporting environment-friendly technologies in industry and increasing global awareness on water consumption. The Coca-Cola Eurasia and Africa Group contributed to works oriented at the protection of water sources with a 7 million dollar-budget project conceptualized in cooperation with the United Nations Development Programme (UNDP).



In Tekkeköy, Beypazarı the first rainwater collection pilot project of Turkey was realized in all houses of the village.

**United Nations Development Program “Every Drop Matters” Regional Project Manager  
Boğaçhan Benli**

“Our cooperation on this project along with TCCC/CCI has received great praise from many private sector companies.”

In order for sustainable development to be formed, sustainable communities must exist. This can only be possible with the preservation of the environment and the efficient use of natural resources. Today, the efforts of the government and NGOs is not sufficient. The effective work of the private sector aids in obtaining faster results.

UNDP and TCCC at the end of 2006, commenced a water project encompassing 22 countries, entitled Every Drop Matters. In the first phase of the Every Drop Matters project the catchments in Croatia, Romania, Turkey, Kazakhstan and the Black Sea were worked upon and the project was completed. You may obtain details regarding the aforementioned project by accessing the web site [www.everydropmatters.org](http://www.everydropmatters.org)

The aim with the “Every Drop Matters” project was to fulfill the Millenium Development Goals 7 United Nations, entitled “providing for environmental sustainability.” In this light, the project was constructed upon three fundamentals: to bring innovative solutions to communities who have no access to clean drinking water, to develop solutions regarding industrial water management and to create awareness regarding using water sources in a sustainable manner.

The projects were conducted as a cooperative effort between TCCC and UNDP Environment groups. This project is different in that unlike a typical donation



and application project, both institutions worked together during every stage of the project. Both institutions invested in and added monies to the project budget.

Within the scope of the project, CCI Turkey and the Ankara Saray Municipality worked together. Within a short period of time, we solved the water problems of 15,000 people and stopped the yearly water loss of 50,000 tons and gave trainings to students and local women associations on how to use water in an efficient way. This project is an exemplary project for all towns.

In a day and age where the conservation of our valuable and limited water sources is imperative, our cooperation on this project along with TCCC/CCI has received great praise from many private sector companies. At the beginning of 2008, we presented this project as an exemplary model during the FEDERE forum held in Paris.

Our wish is that projects of this nature become more widespread and that private sector institutions increase their interest in environment-themed projects.



### ***Life Plus and Water Projects***

Since 2005, within the scope of the ***Life Plus (Hayata Artı)*** project youth from 16 to 26 are called from all over Turkey to develop projects for environmental and social problems and to actualize these projects within the body of local non-governmental organisations. The Life Plus project conducted under the cooperation of Coca-Cola Turkey and the United Nations Development Programme (UNDP) provides youth with consultancy in the project design and application phases and in ensuring the sustainability of the projects in addition to financial support ranging from 5 to 50 thousand dollars. In the works that have been continuing for 3 years, 31 chosen projects evaluated in two phases, namely with regard to technicality and content, have been able to reach tens of thousands of people in 23 cities across Turkey. Two among the projects supported by ***Life Plus*** were focused on water.

The ***A Single Drop, A Thousand Crops*** project developed by young people within the body of the Balıkesir University Biology and Environment Society is one of the projects that adds to life by contributing in solving the problem of the gradual decrease in water sources. 75% of the fresh water supplies consumed in our country every year are used in agricultural irrigation. Irrigation methods used in agriculture decrease the output of the soil in addition to exhausting water supplies. The project group has mobilized the university, the irrigation associations, the agricultural institutions and the non-governmental organisations in Balıkesir. The team that will carry out a pilot implementation on a 3-acre land in order to popularize drip irrigation practices in agriculture and that will share the results with farmers and public and non-governmental organisations supporting farmers, continues with its project with a panel discussion it has organized attended by approximately 1000 farmers.



Another one of the Life Plus projects commenced in Manisa. A group consisting of young people who are students in high schools and private education centers is aiming at creating awareness with regard to the Gediz River in Manisa through the ***Clean Gediz*** campaign they are conducting within the body of the Ege Association. The team that has started operations sending 10,000 postcards signed ***I want to fish and picnic at Gediz too*** to the Ministry of Environment is aiming at popularizing in the following terms its activities in all regions through which Gediz flows. As of 2008, the Life Plus project will focus only on environmental issues.

### ***The projects which have been deemed suitable for the year 2008, are:***

Kırşehir

#### ***The Seyfe Arid Area is Becoming a Lake***

The Seyfe Lake nominated one of Turkey's 5 Internationally Important Wetlands has almost become a desert due to drought in the last 4 years. The project aims at preparing an action plan comprising the emergency measures necessary for rescuing the Seyfe Lake, submitting this plan to the national wetlands commission, and forming the local initiative to monitor the solution of the problem.

Mardin

#### ***Waste Masterpieces***

"Waste Masterpieces" are created out of solid waste in Mardin. The people of Mardin are going to design works of art from solid waste with the help of an art tutor. With the exhibition of 50 "Waste Masterpieces" in Mardin the creative recycling of solid waste will become apparent and a significant awareness will be created with regard to steps to be taken by the local administrations for the storing and recycling of solid waste in Mardin.

Manisa, Uşak, Kütahya, İzmir

#### ***Step by Step Clean Gediz***

A 401 km. "Gediz Environment Rally" that will begin in Kütahya where the Gediz River begins and end in



İzmir where it flows into the sea shall be held in order to rescue Gediz which is one of the 7 most fertile reservoirs of the world. Non-governmental organizations conscious of the pollution in Gediz, opinion leaders and other related persons and corporations shall be contacted in Kütahya, Uşak, Manisa and İzmir on the way. As a result of the negotiations the **Gediz Environment Initiative** that will ensure the main actors of the pollution in Gediz and of the solution thereof to take emergency precautions in rescuing the river shall be formed.

Balikesir

#### ***A Single Drop, A Thousand Crops Everywhere***

The “A Single Drop, A Thousand Crops” project aims at popularizing drip irrigation in the central villages and districts of Balikesir. With “A Single Drop, A Thousand Crops Everywhere” a consultancy office will be established in Balikesir to facilitate farmers to adopt the drip irrigation technique and coordination will be maintained between farmers-system sellers-public corporations.

Bursa

#### ***100% Cycle***

Although Turkey, through the richness of its natural resources, is one of the countries the renewable energy potential of which is the highest, its use of clean energy is still very sparse. In order to popularize the use of renewable energy sources in daily life the project aims at encouraging the use of renewable energy in Bursa by first obtaining electricity from solar energy in two houses in Bursa and meeting the heating and electricity needs of a 100 square meter greenhouse to be built between the two houses again through solar energy.

Kapadokya

#### ***WETKAP***

Current purification plants are costly and their energy demand is very high. Sown wetlands as a method



of wastewater purification and recycling, however, offer great advantages. With the WETKAP project an ecologic sown wetland less energy consuming and less costly compared to conventional wastewater purification systems shall be founded in the İbrahimpaşa village of Cappadocia thus bringing a new solution to the wastewater problems of small communities, and this project will form a model for the popularization of this practice.

Bandırma-Manyas

#### ***Manyas Wants Its Clean Water Back***

The Manyas Lake which is classified as an International Protection Area and which hosts important bird species of Turkey is getting more and more polluted due to domestic, agricultural and industrial waste and the lake that cannot be protected although it is a National Park is losing its ecological properties. The project aims at first forming a **Manyas Volunteers Initiative** that will draw attention to the pollution in the Manyas Lake and that will struggle to prevent the pollution, then preparing an action plan that will mobilize public corporations, non-governmental organizations and the people of the lake who are affected by the pollution in order to ensure that the Manyas Management Plan becomes applicable.

## Sustainable Packaging

All fast moving consumer products have to be packed to facilitate handling, displaying and consumer use. In the food and beverages sector packaging is important also with respect to product safety and hygiene. However, packaging materials are one of the greatest sources of waste of The Coca-Cola System. Reducing packaging is one of our most important environmental strategies. In order to reduce the greenhouse gas emissions diffused during the life-cycle of the package of a product and ensure sustainability without sacrificing quality we carry out work on the following subjects:

- Package designed so as to use less material
- Technologies suitable for the consumption of more recycled material
- Recovery systems laying the foundation for the reuse of packaging materials

For many years we have been placing importance in environmental management in the design of our packages. The first research carried out by The Coca-Cola Company in 1969, to examine “the total effect of packaging on the environment” forms the backbone of the life cycle evaluation methodology used today.

### Packaging Materials

The packaging materials of Coca-Cola Turkey are comprised of aluminum cans, glass bottles, PET bottles, demijohns, aseptic cans, Premix (special package produced for use in restaurants) and BIB (cardboard boxes containing syrup to prepare the product). Our aim is to reduce the weight of the materials, thereby minimizing their environmental impact. To this end, The Coca-Cola Company continues to develop the E3 packaging design that focuses on efficiency, effectiveness in life cycle and ecological innovation. For instance, thanks to the latest technology computer software, in the recent years we changed the design of our best-known glass contour bottle, reduced its weight and increased its impact resistance. The “Ultra Bottle” we introduced to the market in the year 2000, was designed for this purpose. The innovative “Ultra Bottle” designed so as to be 20% lighter, 40% stronger and 10% cheaper than the conventional contour bottle saved 52 thousand metric tons of glass, thereby enabling a 26 thousand ton reduction in the amount of carbon dioxide. Such an innovation applied only to a single design is an effect equalling the planting of trees on a 32 thousand square metre area.



### Our total waste amount for 2007

		Ankara	Çorlu	Mahmudiye	Mersin	İzmir	Bursa
Paper/Cardboard	kg	129,310	610,530	56,324	203,860	110,992	142,443
Glass	kg	286,860	173,590	-	152,060	275,700	309,000
Plastic	kg	340,341	709,882	38,416	187,826	170,124	178,278
Metal	kg	61,820	72,910	56	140,700	6,541	508,970
Wood	kg	588,794	167,220	3,970	213,450	247,360	234,250
Other	kg	45,980	203,204	14,266	188,238	102,689	267,922





The materials we use in packaging are consistent with the recycling system. It is our goal to minimize our use of raw materials through the use of recycled materials. We cooperate with other corporations that are in the same effort.

Technologies permitting the use of recycled material in our packages are our focus. More than half of the metal material we use in our aluminum cans are obtained from recycled material. Since the introduction of the first product package made from recycled PET to the market in 1991, we have been making investments in the development of recycling technologies in the environmental and economic fields. Today, we are the leader of the sector in the innovative use of recycled plastic.

For the purpose of solid waste management, inventories are kept on all materials used in our production plants in Turkey and on all wastes, and

the categorization of solid waste is practiced. To minimize the solid waste rate, wastes are classified as paper, glass, metal, plastic and wood and sent to recycling plants.

***In Turkey the recycling rate of solid wastes resulting from the production process has reached 90%.***

This rate is 100% for glass, paper, plastic and metal waste. Turkey is among the most successful countries in The Coca-Cola System where the recycling average is 82%. Parallel to this, although the amount of production continuously rises in Turkey, the formation of solid waste during the last 5 years has receded by 12%.

An up-to-date example of these efforts is the discontinuation of the use of cardboard bases in PET bottle cases which resulted in the prevention of 13 thousand tons of cardboard waste.



### Çevko

CCI Turkey is among the founding members of the ÇEVKO foundation. ÇEVKO that has been active since 1991, works for the gathering, recovering and recycling of packaging materials (such as glass, metal, plastic and paper/cardboard) within a sustainable system through the cooperation of local governments, the industry and consumers. Carrying out its activities voluntarily for a long time ÇEVKO was appointed the Authorized Corporation within the

scope of the Regulations Concerning the Control of Packages and Packaging Wastes by the Ministry of Environment and Forestry in 2005. CCI Turkey has transferred to ÇEVKO, the Authorized Corporation, all of its legal liabilities with respect to the collection and recycling of packages put out in the market.



### Effective Energy Use and Climate Change



We in The Coca-Cola System are aware of the fact that climate change may have a serious impact on us and our supply chain over time. In the face of this global

problem, we fulfill our share of the responsibility by using the correct energy sources and by increasing our energy efficiency in our production and distribution channels.

The Coca-Cola Company signed the *UN Global Compact "Caring for Climate: Business Leadership Platform"* in 2007. This platform announced together with *The Global Compact Leaders Summit* is a call to governments and the business world for accelerating actions concerning climate change. Also we work in cooperation with WWF for the efficient use of energy and the reduction of negative effects on climate. To this end we as Coca-Cola İçecek are carrying out our share of these tasks.

In The Coca-Cola System the highest energy consumption goes to correct lining, coolers, production of packaging material, production and transportation. Our aim through the *Energy Management System* that we have started to practice in 2007, is to minimize our impacts in these three fields. Our target for the year 2008, is to reduce our energy consumption rate by 10%. Under the leadership of the energy coordinator appointed for this aim, procedures have been renewed and processes revised. Another ambitious target for the year 2008, is to ensure that our İzmir production

facility will become the best Coca-Cola facility of the world with regard to energy management. We are continuing to work decisively to attain our goal.

We carry out our energy efficiency works under 2 main headings:

**Our Cooling Equipment:** At our on-site consumption channels we are obligated to offer our products to our consumers cold. The large number of coolers that we possess to fulfill this obligation to our consumers are chosen among those that have increased energy usage and lesser impact on the environment. To this end, as The Coca-Cola System we are investing in alternative cooling technologies that protect the ozone layer and climate and do not contain hydro fluorocarbon (HFC).

The aim of the research and development program "eKOfreshment" that TCCC have initiated in 2000, in order to reach commercially practicable cooling technologies that do not contain HFC is based on the development of sustainable insulation and cooling systems. The Coca-Cola Company has announced in 2006, on World Environment Day (June 5th) that we have started to use non-HFC insulation in more than 98% of our new cooling systems. In this context, all of the new coolers bought by CCI Turkey in 2007, have been chosen from among models that consume the least energy.





**Our Production Plants and Offices:** We constantly work to ensure energy efficiency in our production processes in accordance with our energy efficiency goals.

As a result of the research conducted to increase energy efficiency in production, a 16% development has been recorded in the energy consumption rate (the amount of energy consumed to produce a liter of products) in The Coca-Cola System. Thanks to the projects actualized in Turkey and the improvements in the production processes in plants the energy consumption has decreased every year although the amount of production has increased. Parallel to this, while the average energy consumption rate in The Coca-Cola system was 0.48 MJ/L in 2006, this rate was 0.26 MJ/L in the plants in Turkey in 2007.



#### **Emission Rates of Our Production Plants**

Year	2004	2005	2006	2007
CO2 grams	45,510,000,000	47,936,000,000	47,289,000,000	48,374,000,000
Liter produced	1,509,798,000	1,690,287,000	1,815,511,000	1,998,615,000
Emission rate (g/L prod)	30.14	28.36	26.05	24.20

#### **In 2007, in order to consume energy more efficiently:**

- Our Pet blowing pressure was reduced from 38 bars to 19 bars in a practice to set a world example.
- The filling heat rose from 15 centigrade to 20 centigrade Celsius.
- The heat of the kilns in the packaging tunnels was reduced from 180 degrees to 150-160 degrees.
- The insulations of the RB (Returnable bottle) washing machine, the PEM washing machine, the vapor lines, the syrup lines between the mixer and filling, the CIP depots were made.
- Heat indicators were placed in filling rooms and heat controls were made more frequent.
- Leakage controls were carried out to minimize low-pressure air consumption and a frequency controlled air compressor was purchased.
- Our cooling system was renewed in order to reduce energy consumption.
- Control gauges are monitored and recorded by operators.
- We are renewing the roofs of the warehouse and production zone and starting natural illumination thereby saving energy.
- We are continuing works to reduce loss of heat in the lines.
- We are installing optical illumination systems in production lines and offices that work with solar energy.
- We are able to prevent loss of heat thanks to the insulation of the outer surface of the glass bottle washing machine.
- We have posted reminders on necessary places where they can be seen in order to increase the awareness of our employees against water consumption.
- We take advantage of photocell illumination and photocell faucets in the restrooms of our workplaces.
- In order to reduce energy consumption we turn off the lights in our workplaces at 18:30.
- We reduce paper consumption in our workplaces by posting informative notices about saving paper close to our photocopiers.

### Less Energy with Creative Solutions

#### **Providing Heat With Liquefied Carbon Dioxide**

Liquefied carbon dioxide is used by being heated to a gas form during the production of soft drinks. The carbon dioxide in cold liquid form is heated. Heating evaporator equipment is used for this. On the other hand, the water to be used in production must be cooled. For this, coolers called “chillers” are used. In the new system the two equipment called evaporator and chiller have been removed. Water has been cooled and carbon dioxide heated through the nested pipe system. All of these works enable the water to cool down to approximately 5 °C and maximum 8 °C. It was observed that the “Carbon dioxide cooling” was sufficient for 2 PET filling lines without additional cooling being required. With this practice, the energy required to heat CO<sub>2</sub> and cool water has been totally eliminated.



**Our fleet and transportation:** Our goal is to ensure the availability of our products at all times and in all locations. The reasons for the environmental impact of our product transportation are exhaust gas emissions caused by fuel consumption and maintenance activities. We work continuously to reduce the environmental impact of our transportation activities. To this end, in 2007, certain equipment has been installed in our forklifts that reduces LPG consumption by 10%. Keeping transfer frequency in mind the planning of our warehouses have been re-examined.



*The amount of fuel consumed by our fleet in 2007*

	L Prod.	Fuel L
Ankara	520,174,000	3,598,573
Çorlu	486,371,000	1,671,291
Mahmudiye	64,618,000	350,441
Mersin	378,359,000	3,134,709
İzmir	268,232,064	1,650,002
Bursa	385,334,000	3,013,413

Our fleet emissions	Unit	Ankara	Çorlu	Mahmudiye	Mersin	İzmir	Bursa
CO <sub>2</sub>	g/L	18.68	9,28	14,64	22,37	16.61	21.11
NO <sub>x</sub>	mg/L	304.39	151,20	238.62	364,54	270.66	344.09
PM	mg/L	11.76	5,84	9,22	14,08	10.46	13.29
HC	mg/L	12.45	6,19	9,76	14,91	11.07	14.08
CO	mg/L	41.51	20,62	32,54	49,71	36.91	46.92
Diesel fuel consumption rate	L/L	6.92	3,44	5,42	8,29	6.15	7.82

*Certificates and Awards the Production Plants in Turkey Were Awarded*

- Quality Management System Certification ISO 9001:2000
- Environmental Management System Certification TS EN ISO 14001
- ISO 22000 Management System Certification TS EN ISO 13001
- ISG Management System Certification TS EN ISO 18001
- WWF Prize for Water Saving Competition
- TCCMS (The Coca-Cola company quality, environment, work health and safety, joint management systems) Certification



“ As CCI, we promise to contribute and add value to social development because we can only be successful through the advancement of the quality of living in the countries we serve. ”





# Community

Our Social Investment Policy

Our Social Investments



### Social Investment Policy

Our greatest contribution to the regions in which we operate is the job opportunities we create directly or indirectly. Each job The Coca-Cola System creates provides 8-10 jobs in our dominion of influence. Through this system we call the multiplier effect, the other companies that do business with us both create new job opportunities and raise the quality in their sectors by doing work according to Coca-Cola work quality standards.

As Coca-Cola İçecek we employ local workers, pay tax to the government, work with local suppliers and provide resources for local social responsibility projects. Our company, which is the largest corporation in Turkey in the non-alcoholic beverages sector, is a corporation which contributes greatly to the economy of our country and has a great share in the GNP.

As CCI Turkey, we promise to contribute and add value to social development because we can only be successful through the advancement of the quality of living in the countries we serve. We recognize that carrying out our operations ethically and with responsibility is our duty. Our products are both a reliable and a fun part of our consumers' lives, and we celebrate each moment of life with them. Our goal is to contribute to the sustainability of our planet and the societies in which we live and work, as well

as adding wellness to the lives of our consumers with our products that are refreshing, quenching one's thirst and giving energy at the same time. Within the scope of our activities of social contribution, we contribute through product donations in various occasions of celebration. Since the establishment of CCI Turkey, our Board of Directors and executives are fully resolved to improve the quality of life within the societies in which we serve.



### Social Investments

In accordance with the policy of The Coca-Cola Company and the expectations of the regions in which we do business, we have determined our primary fields in our social investments as environmental projects, health, culture and art, and the development of youth.

## Health

### Anadolu Foundation

In 2007, we made a donation of 5 million YTL to the Anadolu Foundation, which was established 25 years ago in order to contribute to society in the fields of health and education and which brought into being more than 40 projects such as hospitals, health care centers, schools, dormitories, and sports complexes. The Anadolu Foundation is the owner of The Anadolu Medical Center, which is in strategic cooperation with John Hopkins Medicine. This center carries out free medical screenings, patient education programs, first aid training courses, and organizes seminars and programs on preventive medicine in order to increase public awareness regarding health-related issues.

### Coca-Cola İçecek Turkey Search and Rescue Team

The Coca-Cola İçecek Turkey Search and Rescue Team was founded in 1999. Its purpose of incorporation is to help primarily company employees and society as a whole during times of natural disasters.

All the members of the team are volunteers who have various fields of interest and expertise. Our team, which is one of the few teams among private corporations that have achieved to survive and has continuously renewed and improved itself since the day it was founded, shares its experiences with our personnel within the company and with other corporations outside of the company through training and seminars it conducts.

## Youth Projects

### Life Plus Youth Program

The "Life Plus" Youth Program formed in 2005, by the United Nations Development Programme (UNDP) and Coca-Cola Turkey supports innovative, creative, participatory and sustainable projects developed and designed by young people with an aim to benefit society. Our aim is to contribute to youth to develop projects that are sensitive to environmental and social problems and create solutions, in other words, to pave the way for young entrepreneurs.



The "Life Plus" Youth Program, consists of a two phase application process. Young people who have ideas that could be turned into projects are provided with consultancy, and the teams whose project ideas are found successful in the first phase are trained by specialists on project design and management, and communications, and workshops are held before they submit their final applications for consideration. The projects selected from among the main applications presented after the trainings are provided with fund support and consultancy. Publicity activities are carried out during the implementation stage of the projects, and suggestions for the reviewing and improvement of the projects are developed through regular visits of experts.

As of today, "Life Plus" has supported 31 projects in total in the cities of Trabzon, Kocaeli, Van, Mardin, Siirt, İstanbul, Mersin, Bursa, Adana, Konya, Kahramanmaraş, Batman, İzmir, Mersin, Bitlis, Hakkari, Şırnak, Çankırı, Ankara, Amasya, Erzurum, Manisa, Balıkesir and Antalya.

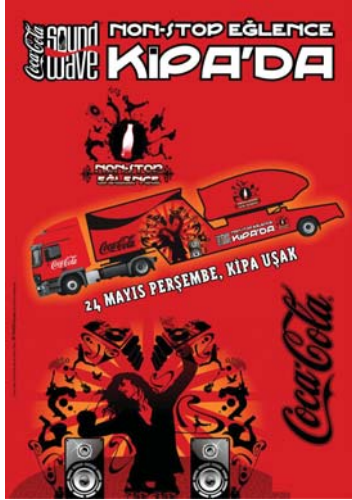
In 2008, the environment has been determined as the theme for the Life Plus Youth Program.

[www.hayataarti.org](http://www.hayataarti.org)

### Soundwave University Tour

Through the Soundwave University Tour CCI Turkey provides youth with unlimited entertainment by organizing free concerts in various universities in Turkey. By means of the **Soundwave University Tour** that has been continuing for the past five years, the various games, contests and free concerts held under the scope of the spring festivals of universities has created new experiences of excitement on campuses throughout the country. The Soundwave University Tour, that has now become a tradition, brings together

youth at universities in Anatolia with the live performances of the groups they like. The Soundwave University Tour, which was attended by 200,000 people in 2007, attracts the attention of youth as well as people of all ages. [www.soundwave.com.tr](http://www.soundwave.com.tr)



#### Fanta Youth Festival

The Fanta Youth Festival, which brought many artists together with more than two million young people in the past years, is Turkey's most widespread musical activity.



#### Environment

##### İzmir Coca-Cola Memorial Forest

On 14 January 2007, the employees of the İzmir production plant, together with their families, accomplished the planting of the *Coca-Cola İçecek A.Ş. Memorial Forest*. The starting point of the project is the *Personnel Suggestion System* that began at the İzmir production plant during the second half of

the year 2006. A group of our employees entered the suggestion to our system, and receiving the consent of the production plant management, undertook the responsibility of the whole process and completed the project with success. We have planted a 30,000 square meter area on the planting area on the highway that is to be opened between Bornova and Karşıyaka, and 750 pine trees have been planted in the district in question.

You can find detailed information on our social investments on environment in the environment section of our report.

#### Employee Donations Contribution Program Fund

While CCI Turkey management and employees continue their work on increasing the number of resources to support the social responsibility fund, they also continue their search on determining the points to support. We support the current efforts of our employees in volunteering and social contribution through the *Employee Donations Contribution Program Fund*. From 2008 onwards, in order to encourage our employees' donations of social contribution, we match the amount to the donations our employees made to the NGOs they chose with the same amount of their donation.

#### Our Doors are Open to Everyone:

##### Production Plant Visits

We are proud to share our standards of high quality applicable to our production processes, our understanding of technology and our quality assurance system, with our consumers, employees, distributors, experts, university students and other industrialists in other branches of business.

Under the scope of this program, we first give information on the history of the Coca-Cola trademark and the place of Coca-Cola in Turkey today and then take our visitors on a tour in our production facility. During the tour, our visitors get a chance to observe closely the departments of production, packaging, and quality control. Those who wish to join our production facility visits may contact us through [www.cci.com.tr](http://www.cci.com.tr)



## GRI Indicators Table

GRI Indicators	Reference	Page	Notes	Response
Profile Indicators				
Strategy and Analysis				
1.1	CEO Statement	1-2		Full
Organizational Profile				Full
2.1	About the Report	4		Full
2.2	Our Products	42	<a href="http://CCI.com.tr/en/content/detail.asp?cid=65&amp;navId=1&amp;navId2=64&amp;navId3=65">http://CCI.com.tr/en/content/detail.asp?cid=65&amp;navId=1&amp;navId2=64&amp;navId3=65</a>	Full
2.3	Corporate web site		<a href="http://CCI.com.tr/en/content/detail.asp?cid=4&amp;navId=1&amp;navId2=4">http://CCI.com.tr/en/content/detail.asp?cid=4&amp;navId=1&amp;navId2=4</a>	Full
2.4	Identity of the report	72		Full
2.5	The Coca-Cola System and Our Stakeholders	8	<a href="http://CCI.com.tr/tr/content/detail.asp?cid=8&amp;navId=1&amp;navId2=8">http://CCI.com.tr/tr/content/detail.asp?cid=8&amp;navId=1&amp;navId2=8</a>	Full
2.6	Corporate web site		<a href="http://CCI.com.tr/en/content/detail.asp?cid=3&amp;navId=1&amp;navId2=3">http://CCI.com.tr/en/content/detail.asp?cid=3&amp;navId=1&amp;navId2=3</a>	Full
2.7	Corporate web site		<a href="http://CCI.com.tr/en/content/detail.asp?cid=8&amp;navId=1&amp;navId2=8">http://CCI.com.tr/en/content/detail.asp?cid=8&amp;navId=1&amp;navId2=8</a>	Full
2.8	Our Employees, Corporate web site	13	<a href="http://CCI.com.tr/en/content/subpage.asp?cid=13&amp;navId=13">http://CCI.com.tr/en/content/subpage.asp?cid=13&amp;navId=13</a>	Full
2.9	GRI Indicators Table	66	No significant changes occurred during the reporting period regarding the organizational structure	Full
2.10	Careers at CCI Turkey, Our Corporate Governance Understanding	32,15		
Report Parameters				
Report Profile				
3.1	About the Report	4		Full
3.2	GRI Indicators Table	66	CCI Turkey 2007 Corporate Social Responsibility Report is the first CSR report published by the company	Full
3.3	About the Report	4	CSR Reports will be published annually	Full
3.4	About the Report	4		
Report Scope and Boundary				
3.5	About the Report	4		Full

GRI Indicators	Reference	Page	Notes	Response
3.6	Report Scope and Boundary	4		Full
3.7	Report Scope and Boundary	4		Full
3.8	GRI Indicators Table	67	Report excludes the CSR performance of subsidiaries	Full
3.10	GRI Indicators Table	67	CCI Turkey 2007 Corporate Social Responsibility Report is the first CSR report published by the company	Full
3.11	GRI Indicators Table	67	CCI Turkey 2007 Corporate Social Responsibility Report is the first CSR report published by the company	Full
GRI Content Index				
3.12	GRI Indicators Table	66-69		Full
Governance, Commitments and Engagement				
Governance				
4.1	2007 Corporate Governance Compliance Report	54,55 57,61	<a href="http://CCI.com.tr/en/invertor-relations/reports.asp?cid=8&amp;navld=13&amp;navld2=82&amp;navld3=90">http://CCI.com.tr/en/invertor-relations/reports.asp?cid=8&amp;navld=13&amp;navld2=82&amp;navld3=90</a>	Full
4.2	2007 Corporate Governance Compliance Report	57,58	<a href="http://CCI.com.tr/en/invertor-relations/reports.asp?cid=8&amp;navld=13&amp;navld2=82&amp;navld3=90">http://CCI.com.tr/en/invertor-relations/reports.asp?cid=8&amp;navld=13&amp;navld2=82&amp;navld3=90</a>	Full
4.3	2007 Corporate Governance Compliance Report	57,58	<a href="http://CCI.com.tr/en/invertor-relations/reports.asp?cid=8&amp;navld=13&amp;navld2=82&amp;navld3=90">http://CCI.com.tr/en/invertor-relations/reports.asp?cid=8&amp;navld=13&amp;navld2=82&amp;navld3=90</a>	Full
4.4	2007 Corporate Governance Compliance Report, Stakeholder Engagement at CCI Turkey	9 (CSR) 50-51,55	<a href="http://CCI.com.tr/en/invertor-relations/reports.asp?cid=8&amp;navld=13&amp;navld2=82&amp;navld3=90">http://CCI.com.tr/en/invertor-relations/reports.asp?cid=8&amp;navld=13&amp;navld2=82&amp;navld3=90</a>	Full
Stakeholder Engagement				
4.14	Stakeholder Engagement at CCI Turkey	9		Full
4.15	Our CSR Strategy, The Coca-Cola System ve Our Stakeholders, Stakeholder Engagement at CCI Turkey	7-9		Full

## Performance Indicators

Economic Performance Indicators				
EC1	Consolidated Financial Statements as of December 31, 2007 With Report of Independent Auditors	17-43	<a href="http://CCI.com.tr/uploads/documents_d/ENG%202007%20FAALIYET-15.05.08.pdf">http://CCI.com.tr/uploads/documents_d/ENG%202007%20FAALIYET-15.05.08.pdf</a>	Partial
EC3	Consolidated Financial Statements as of December 31, 2007 With Report of Independent Auditors	27	<a href="http://CCI.com.tr/uploads/documents_d/ENG%202007%20FAALIYET-15.05.08.pdf">http://CCI.com.tr/uploads/documents_d/ENG%202007%20FAALIYET-15.05.08.pdf</a>	Partial
EC4	Consolidated Financial Statements as of December 31, 2007 With Report of Independent Auditors	33	Government is not present in the ownership structure of the company <a href="http://CCI.com.tr/uploads/documents_d/ENG%202007%20FAALIYET-15.05.08.pdf">http://CCI.com.tr/uploads/documents_d/ENG%202007%20FAALIYET-15.05.08.pdf</a>	Partial

GRI Indicators	Reference	Page	Notes	Response
EC6	Our Supply Chain	27	Local procurement means purchasing from Turkey, no international payments are done. Total amount excludes concentrate purchase.	Full
EC8	Water stewardship, Community	48-54 62-65		Full
Environmental Performance Indicators				
EN8	Water stewardship	49		Full
EN11	Environment	47		Full
EN16	Effective Energy Use and Climate Change	58-60		Full
EN20	Effective Energy Use and Climate Change	60	Fleet emissions are disclosed	Partial
EN21	Water stewardship	51		Full
EN22	Sustainable Packaging, Water stewardship	51,55		Full
EN23	Environment	47		Full
EN26	Water Stewardship, Sustainable Packaging, Effective Energy Use and Climate Change	47-60		Full
EN28	Environment	47		Full
Labor Practices and Decent Work Performance Indicators				
LA1	Our Employees	13		Full
LA2	Employee Performance Management	16		Full
LA4	Employee Representation and Industrial Relations	21-23	All the unionized workers are covered by collective bargaining agreements, Mahmudiye plant is not covered by collective bargaining agreements	Full
LA5	Employee Performance Management	16		Full
LA7	Workplace Health and Safety	26	Data on contractors are excluded from the performance in 2007 reporting	Full
LA8	Workplace Health and safety	26		Full
LA10	Organizational Development	21		Full

GRI Indicators	Reference	Page	Notes	Response
LA13	Our Employees	13		Partial
LA14	Wage Policy	17	Ratio of basic salary of men to women is 1 since there is no gender-based wage discrimination	Full
Human Rights Performans Indicators				
HR2	Our Supply Chain	27-29		Partial
HR4	Employee Representation and Industrial Relations	21-23		Full
HR5	Employee Representation and Industrial Relations	21-23		Full
HR6	Our Supply Chain, TCCC Employee Rights Policy, Work Ethics and Code of Conduct at CCI Turkey	27-29, 14,31		Full
HR7	Our Supply Chain, TCCC Employee Rights Policy, Work Ethics and Code of Conduct at CCI Turkey	27-29, 14,31		Full
Society Performance Indicators				
SO2	Risk Management at CCI Turkey	32		Partial
SO3	Organizational Development	19-21		Partial
SO4	Risk Management at CCI Turkey	32		Full
SO5	Work Ethics and Code of Conduct at CCI Turkey	31		Full
Product Responsibility Performance Indicators				
PR1	Quality Management System at Coca-Cola İçecek, Our Consumers, Our Products	36-39, 40-42	All our products meet the required quality and safety standards.	Full
PR3	Quality Management System at Coca-Cola İçecek, Our Consumers, Our Products	36-39, 40-42		Full
PR6	Our Consumers	40-41		Partial
PR9	GRI Indicators Table	69	No significant fines are paid for non-compliance within the reporting period regarding the provision and use of products and services.	Full



## Glossary

**AA1000 Standards:** Is a series that was developed in 1999, by AccountAbility, a British opinion institution, that can be implemented by companies of all sectors and sizes, and that aims at increasing ethical accountability and transparency within the frame of a standard. (<http://www.accountability21.net>)

**AA Audit Standard (AA1000AA):** The only standard in the world that inspects the sustainability disclosures of corporations with respect to their priorities, integrities and principles.  
(<http://www.accountability21.net/publications>)

**Anadolu Efes:** Anadolu Efes Biracılık ve Malt Sanayi A.Ş. is the parent company of Efes Beverage Group, that carries out the production and marketing of beer, malt and non-alcoholic beverages in a region comprising Turkey, Russia, Commonwealth of Independent States and countries of Southeast Europe.

**Bottler:** A business like Coca-Cola İçecek that buys concentrates, beverage bases, or syrups made available by The Coca-Cola Company, converts them into finished packaged products, and markets and distributes them to customers.

**CCI:** Coca-Cola İçecek.

**Coca-Cola İçecek Turkey (CCI Turkey):** The area which encompasses Coca-Cola İçecek A.Ş.'s Turkey operations.

**CokePort:** Corporate portal of CCI.

**The Coca-Cola System:** The Coca-Cola Company and its bottlers to which Coca-Cola İçecek belongs.

**Cold Drink Equipment:** A generic term encompassing point of sale equipment such as coolers (refrigerators), vending machines and post mix machines.

**Concentrate:** A product manufactured by The Coca-Cola Company or other beverage company sold to bottlers to prepare finished beverages through the addition of sweeteners and/or water.

**Corporate Social Responsibility:** Corporations and institutions voluntarily making the social, environmental and economic concerns of the society part of their

activities and their relations with their stakeholders, thereby acting towards all of their stakeholders and the entire society in an ethical and responsible manner, and by making and implementing decisions accordingly.

**Customer:** An individual store, retail outlet, restaurant, or a chain of stores or businesses that sells or serves our products directly to consumers.

**Global Reporting Initiative (GRI):** It is the world's most widely used reporting frame that was founded in 1997 and that became a partner of UNEP (United Nations Environment Programme) in 1999. Multinational companies, SMEs, public corporations, municipalities, NGOs and Universities around the world report their social, environmental and economic performances in accordance with GRI guidelines. The contents of the GRI reporting guidelines which is an open source is prepared on an online platform in which universities, companies, NGOs and anyone interested can participate. (<http://www.globalreporting.org>)

**G3 Guidelines:** The latest reporting guidelines published by GRI in 2006.  
(<http://www.globalreporting.org>)

**Per capita consumption:** Average number of 8-ounce servings consumed per person, per year in a specific market.

**PET:** Polyethylene Terephthalate. The material from which CCI's plastic bottles are manufactured.

**RGB:** Returnable glass bottle.

**Sparkling Beverage:** Non-alcoholic carbonated beverage containing flavorings and sweeteners. Excludes, among other beverages, waters and flavored waters, juices and juice drinks, sports drinks, teas, iced teas and coffees.

**Stakeholder:** Persons or groups who directly or indirectly affect or are affected by the activities of corporations and institutions.

**Stakeholder engagement:** Mechanisms that enable stakeholder expectations and suggestions to be represented in the management structure of the company.

**Still drinks:** All non-alcoholic and non-carbonated drinks, including but not limited to, waters and flavored waters, juices and juice drinks, sports drinks, teas, and coffees.

**Sustainability:** The ability to render development sustainable by meeting the needs of the present without compromising the ability of future generations to respond to their own needs. (United Nations Commission on Environment and Development - 1987)

**Sustainable Development:** Sustainable development is the actualization of economic growth and welfare increasing efforts while protecting the environment and the quality of life of all human beings living on earth. (United Nations Commission on Environment and Development - 1987)

**TCCC Manifesto for Growth:** In 2004 The Coca-Cola System made a decree in favor of renewing its long-term business strategy. At the beginning of 2005, 150 executives working under The Coca-Cola System in various regions came together and evaluated the most important risks and opportunities facing the world of business. At the end of the discussions the "Manifesto for Growth" which is today The Coca-Cola System's sustainability strategy was published. Different from other strategies in the history of the company the Manifesto for Growth was prepared in a way that covers all aspects of our business - our people, our portfolio, our profitability, our partners, and our planet.

**TCCOSH:** The Coca-Cola Occupational Safety and Health System.

**Unit case:** Unit of measurement equalling 5.678 liters.

**Unit Case Volume:** Number of unit cases that the company sells to its customers. It is considered an excellent indicator of the underlying strength of soft drink sales in a particular market.

**Volume:** The number of physical cases of products directly or indirectly sold to our customers.

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Compulsory	Declaration of Corporation		Report has received external inspection		Report has received external inspection		Report has received external inspection
Optional	3rd party certified						
	GRI certified						

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