REFRESHING SUSTAINABLE IDEAS
IN EVERY DROP

2010 Sustainable Development Report
In Essence
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Live Positively Statement
The Coca-Cola Commitment to Sustainability

LIVE POSITIVELY is our commitment to making a positive difference in the world by redesigning the way we work and live so that sustainability is part of everything we do. Forever.

Marketplace

BEVERAGE BENEFITS
Quenching every thirst and need, providing and tailoring beverages for every lifestyle, life stage, and life occasion based on individual needs.
Delivering quality you can trust all the time.

ACTIVE HEALTHY LIVING
Helping to encourage active living and enhance health.
Raising the standards of physical fitness globally through encouragement, sponsorship, and grass-roots programs.

Environment

WATER STEWARDSHIP
Safely returning to nature the amount of water equivalent to what we use in all of our beverages and their production.

ENERGY AND CLIMATE
Growing the business, but not the carbon in our manufacturing operations.
Improving energy efficiency and reducing emissions of greenhouse gases in cold drink equipment.

SUSTAINABLE PACKING
Creating a world in which our packaging is no longer seen as waste, but as a valuable resource for future use.

Workplace

WORKPLACE
Fostering open environments, as diverse as the markets we serve, where workplace rights are respected and people are inspired to create superior results and make a positive difference.

Communities

COMMUNITY
Committing to the needs of our communities, with wide ranging programs in every community where we do business.
Managing Director’s Message

Last year I reported on the adoption of the Live Positively platform at Swire Beverages to capture our on-going commitments to making our business more sustainable in the marketplace where we compete, the communities where we live, the workplace where we collaborate and in the global environment where we are committed to make a positive difference. During 2010, we embarked upon an extensive communications project with our staff to broadly communicate the seven pillars of Live Positively – the sustainability platform that we share with the Coca-Cola system. These pillars will provide the framework for this year’s report, which will go into details about the metrics by which we track our progress and measure our impact in these areas.

The Live Positively commitments require a strong focus on continuous improvement in our production, distribution and packaging of an ever-broadening portfolio of beverages. To identify and rapidly adopt best practices for achieving this continuous improvement requires the support of our 18,000 staff in Hong Kong, Mainland China, Taiwan and the USA – hence the heightened emphasis on staff communications in 2010. Our staff can be our best ambassadors in promoting the benefits of our beverages, encouraging active healthy lifestyles amongst ourselves and within our communities, the efficient usage of natural resources in the manufacturing of our beverages and the adoption of safe working practices – to help look after a colleague when one may forget to look after himself.

We were very proud to open our most environmental friendly plant in Luohe, Henan province of Mainland China in late 2010. Luohe sets a new benchmark for our environmental standards but we are planning to lift this benchmark for our next plant opening!

During 2010, we were the first bottler in Mainland China to adopt the government-sanctioned use of 10% recycled PET (rPET). In the USA, we launched the PlantBottle™, which is made up to 30% plant-based materials, for several of our major brands. Significant advances were made in lightweighting PET bottles with a ground-breaking “Twist” bottle launched in Hong Kong, Mainland China and Taiwan supported by extensive consumer communications to explain the benefits of the “Twist” on reducing the volume of waste entering landfills and reduction of the product’s carbon footprint by 35% compared with the former bottle.

The impact of the various initiatives is captured in the Performance Highlights – clearly we have room to improve and we are conscious that our safety performance in particular requires heightened attention. We are making progress but there is no room for complacency and the visibility of our Live Positively commitments will ensure that we remain focused on continuous improvement.

Challenges Ahead

Road safety in and outside our plants remains a top priority with a number of our plants reporting high road accident rates, we also regrettably had one fatality in Xiamen in 2010. As such, we are taking a fresh look at managing safety and will be rolling out a Safety Roadmap after further study of root causes and gap analyses, targeting areas of greatest concern.

The introduction of the PlantBottle™ was exciting and a true innovation, though the costs associated with this material make it a lot more expensive than traditional PET. Additionally, closed-loop rPET in Mainland China is far from reaching critical mass and has limited points of production. Both these attempts to reduce the carbon impact of our PET packaging will continue to receive attention. We would also like to install more CO₂ coolers however they are more expensive than other models and create new challenges for servicing across our territories so we have not been able to scale up their installation in a manner that is economically viable at the moment.

Feedback on how we are seen to be performing is, as always, keenly sought!

Geoff Cundle
Managing Director
Swire Beverages Limited
Business Overview

Swire Beverages is the principal holding company of Swire Pacific’s Beverage Division and has the right to manufacture, market and distribute The Coca-Cola Company’s products in Hong Kong, seven provinces in Mainland China, Taiwan and territories across 11 states in Western USA.

Our partnership with Coca-Cola began in 1965 and has grown to include 16 bottling facilities with over two million square feet of production premises. Swire Beverages covers a total population of 440 million through 18,000 employees, serving over 800,000 customers who sell our refreshing portfolio of beverages to consumers. By producing beverages locally, our

Sustainability Milestones

- Launched Mainland China 2020 Vision defining key focus areas for sustainable growth.
- Established Sustainability function which takes a holistic approach in engaging staff for integrating sustainability at work and life. Consolidated Environment, Health, Safety and CSR Committees under Sustainability at Head Office.
- Opening of Luohe plant in Henan with over 49 environmental features built in.
- Co-created first delivery truck in Hong Kong utilising solar energy to run its air-conditioning unit.
- First in Hong Kong and Mainland China to introduce new lightweight water bottle reducing use of resin for bottles and closures by 35% and 66% respectively. Overall bottle weight reduced from 18g to 11.9g.
- Introduced sustainable food consumption policy to minimise food wastage.
- First time attained GRI standard at C+ for 2009 Sustainable Development Report.

- Created Environment Committee led by senior executives and chaired by the Managing Director to give strategic direction and guidance to bottlers on environmental efficiency projects.
- Created CSR policy and committee led by senior executives and chaired by the Managing Director to give strategic direction and guidance on community partnerships and investments. Same governance structure established at each operating unit.
- All operating units set aside 0.5% of profit after tax or HK$200,000 (whichever is the higher) as CSR fund for community programmes.
- Published first Sustainable Seafood Consumption Policy.
- Swire Beverages’ Mainland operations was the first Coca-Cola bottler globally to introduce 1881 Short Neck PET bottle design. The project won the 2008 Global R&I Innovation award (Productivity category) from The Coca-Cola Company.
- First in Mainland China to overcome regulatory issues in using 10% bottle grade recycled PET resin, supplied by first closed-loop PET recycling supplier – Incom.
- Launched safe driving programmes and incentives in Mainland China.
- Launched “Fly Greener Carbon Offsetting Scheme” for corporate travel.
- Made first purchases of Hybrid cars for USA operations.
- Became the first in Mainland China to overcome regulatory issues in using 10% bottle grade recycled PET resin, supplied by first closed-loop PET recycling supplier – Incom.
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<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>new products (flavours and packaging sizes)</td>
<td>34</td>
</tr>
<tr>
<td>total number of employees</td>
<td>18,000</td>
</tr>
<tr>
<td>tonnes of recycled PET (rPET) used</td>
<td>728 tonnes</td>
</tr>
<tr>
<td>tonnes of recyclable PlantBottle™ resin used for Dasani Water</td>
<td>1,374 tonnes</td>
</tr>
<tr>
<td>water use ratio</td>
<td>1.81 litre per litre</td>
</tr>
<tr>
<td>amount of water treated for reuse</td>
<td>260 million litres per year</td>
</tr>
<tr>
<td>energy use ratio</td>
<td>0.31 MJ per litre</td>
</tr>
<tr>
<td>community investment total in 2010</td>
<td>HK$8 million</td>
</tr>
<tr>
<td># of beneficiaries in community programmes in 2010</td>
<td>300,000</td>
</tr>
<tr>
<td>water use ratio improvement from 2004</td>
<td>37%</td>
</tr>
<tr>
<td>energy use ratio improvement from 2004</td>
<td>38%</td>
</tr>
<tr>
<td>water use ratio improvement from 2004*</td>
<td></td>
</tr>
</tbody>
</table>

*Swire Beverages uses 2004 as our baseline year, this is when the Coca-Cola system set clear targets for reducing water and energy consumption per unit of beverage.

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**Governance**

Swire Beverages’ Head Office (SBHO) in Hong Kong provides strategic direction and guidance for operating units on all matters relating to sustainability including environmental stewardship, health and safety, workplace conditions and community/civil society investment and partnerships. The Sustainability committee oversees sustainable development including initiatives under the Live Positively platform. The Managing Director chairs the committee, with key senior executives acting as members. With the launch of Live Positively in 2010, each plant has established a Live Positively committee to plan and implement projects under the seven areas of Live Positively.

Business brings economic benefits to the local community in the form of investments, job opportunities and taxes, while amplifying this positive influence through the partnerships with customers and suppliers for mutual business growth and supporting local development.

As the 5th largest bottler in the Coca-Cola system, our company offers a wide range of ready-to-drink beverages and we will continue to expand the breadth and depth of our beverage categories to meet the changing needs of our consumers in the territories we serve.
## Delivering Refreshment

### Ingredients and Packaging
- e.g., water, sweeteners, lemon oil, vanilla flavour and CO₂

### Area Commitment  Progress in 2010  Future Goals

<table>
<thead>
<tr>
<th>Area</th>
<th>Commitment</th>
<th>Progress in 2010</th>
<th>Future Goals</th>
</tr>
</thead>
</table>
| Consumer Health           | Provide quality choices to meet changing consumer beverage needs, enabling them to make well informed choices. | • Introduced 34 new products including new flavours, portion sizes and packaging types.  
• Introduced front of packaging (FOP) labelling showing calorie and nutrient content. | • Continue to expand beverage range and package choices.  
• All plants in Hong Kong, Mainland China and Taiwan are ISO 9001 and ISO 14001 certified. |
| Beverage Benefits         | Inspire and engage consumers to lead active healthy living.                 | • Promoted consumer health and well-being through community education and sports programs, engaged about 32,000 participants. | • Continue to support and sponsor Active Healthy Living activities in our communities. |
| Active Healthy Living     | Safety return water used in the production of our beverages back to the community. | • Achieved 100% wastewater treatment in all plants with quality meeting or exceeding government standards.  
• Water Use Ratio improved 37% since 2004.  
• Treated wastewater reused in all plants, with two of them supplying local government for city use.  
• Engaged youth and community in awareness and education programs for water conservation. | • Commission water footprint review for life cycle of one product to identify areas of opportunity.  
• Increase reuse of treated wastewater.  
• First plant to achieve 100% reuse of treated water in 2011 and more plants to follow.  
• Source Vulnerability Assessment and Protection Plan to be completed by 2012.  
• Engage community in Watershed Protection for major rivers in our territories. |

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* Water Use Ratio (WUR) is the KPI used by Swire Beverages to measure water use in bottling plants, expressed in litres of water used per litre of beverage produced.
<table>
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<tr>
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<th>Commitment</th>
<th>Progress in 2010</th>
<th>Future Goals</th>
</tr>
</thead>
</table>
| Energy Management & Climate Protection              | **Grow the business, without growing our carbon footprint.**               | • Energy Use Ratio improved 38% since 2004.  
• Purchased 88 hybrid vehicles in the USA and 53 Euro V in Hong Kong.  
• Pioneered solar powered air-conditioning system for delivery trucks in Hong Kong.  
• Placed 206,000 CDE units (53% of total) with Energy Management System (EMS-55) which can save up to 30% energy.  
• Purchased 126,000 Cassette coolers (32% of total).  
• Seven plants adopted fast reheat bottle blowing process saving 13% of energy vs. former blowing process.  
• Participated in Cancun Climate Conference.                                                                 | • Meet and exceed our EUR reduction targets.  
• Use 5% renewable energy sources.  
• Improve fleet performance efficiency by 20% (vs. 2004) by 2012.  
• Expand installation of GPS for drivers to identify the most efficient delivery routes.  
• Continue to purchase more Cold Drink Equipment with EMS and Cassette technology.  
• Pilot HFC-free coolers for new purchases. |
| Sustainable Packaging                                | **Reduce, Recycle and Reuse.**                                              | • In terms of the lightweighting of mineralised water packaging, the cap and bottle reduced 66% and 35% respectively (vs. before 2008).  
• First beverage company in Mainland China to use rPET consumed 728 tonnes of rPET in 2010, replaced use of virgin PET.  
• Consumed 1,374 tonnes of PlantBottle™ in the USA.  
• Collaborated with customers and schools to promote recycling.                                                                 | • Continue to improve packaging efficiency and light weighting.  
• Increase use of rPET in more packages.  
• Launch PlantBottle™ in Taiwan in 2011.  
• Increase consumer recycling and public education in the marketplace. |
| Workplace                                            | **Improve employee health and safety.**                                    | • Held Staff Day and Family Safety Days.  
• Expanded Buddy Riding System and Employee Call Centre/Hotline.  
• Over 700 managers and supervisors participated in Management and Leadership Development Program (MLDP) supporting our vision of developing world-class talent. | • Develop Safety Roadmap, enhance safety management capability.  
• All plants in Hong Kong, Mainland China and Taiwan are OHSAS 18001 (Occupational Health & Safety) certified. |
| Community Engagement                                 | **Positively impact our communities by supporting Youth Leadership in well-being and environmental programmes.** | • Sponsored competition & training engaging students from over 30 universities in protecting the environment.  
• Support 19 Hope Schools with six newly built in Shaanxi areas damaged during Sichuan earthquake in 2008 educating 16,000 students.  
• Sponsored and carried out community programs with local favours involving over 19,000 residents in our communities, encouraging their physical health and well-being. | • Identify and support social enterprises focused on water conservation and protection.  
• Continue to support youth leadership and passion for social and environmental programmes. |

* Energy Use Ratio (EUR) is the KPI Swire Beverages uses to measure energy consumption in the bottling plant, expressed in mega joules (MJ) of energy consumed per litre of beverage produced.
As the market leader in the beverage industry, we go beyond fulfilling refreshment and hydration needs by actively enhancing our high quality portfolio of beverages. Providing information that enables consumers to make informed choices for their drinking occasions and well-being aspirations.

With our on-going efforts in offering consumers a broader portfolio of still beverages including a variety of juice drinks, western, oriental and herbal teas, dairy drinks and bottled water; still beverages now made up 40% of our total business in 2010, versus 10% of our total business in 2000.

For example, Minute Maid Juice Drink with Pulp, has become the number one juice brand in Mainland China since its launch in 2004. The brand was later launched in Hong Kong and Taiwan and is contributing to 18.6% of our beverage mix with eight popular juice flavours. In 2009, the brand introduced a new ready-to-drink dairy line with four fruit flavours.

Product Volume Changes by Category (2000 vs. 2010)

<table>
<thead>
<tr>
<th>Category</th>
<th>2000</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sparkling Beverages</td>
<td>90.4%</td>
<td>60.1%</td>
</tr>
<tr>
<td>Juices / Juice Drinks</td>
<td>0.6%</td>
<td>18.6%</td>
</tr>
<tr>
<td>Ready-to-Drink Coffees &amp; Teas</td>
<td>5%</td>
<td>4.8%</td>
</tr>
<tr>
<td>Water</td>
<td>3.4%</td>
<td>13.6%</td>
</tr>
<tr>
<td>Other (Dairy/Soy/Energy/Vitamin Water)</td>
<td>0.6%</td>
<td>2.9%</td>
</tr>
</tbody>
</table>

322 million unit cases

923 million unit cases
No. of flavours: 236
**Making Informed Choices**

To enable our consumers to make choices about what and how much to drink, we print easy-to-read energy information on the front of our package in Hong Kong, Mainland China and the USA. The label clearly states the calorie content of our products in relation to the recommended daily intake.

**New Flavours**
- vitaminwater
  - Mega-c (PRC)
  - Vital (PRC)
- Hi-C
  - Caramel Pudding Flavoured Soya Milk (HK)
  - Sweet Corn Soya Milk (HK)
- Minute Maid
  - Tropical (TW)
  - 10V (PRC)
- Nestea
  - Yinhao Jasmine Green Tea (HK)
  - Honey Pear (HK)
- Schweppes
  - +C (HK)
- Light Weight Bottle
  - Ice Dew Water (PRC)
  - Bonaqua Water (HK, TW)

**Quality Standards**

To maintain high quality standards, we follow The Coca-Cola Operating Requirements (KORE) which sets clear standards and governs the Quality, Environmental and Occupational Safety and Health System as it applies to other bottlers in the Coca-Cola system worldwide.

Swire Beverages pays great attention to and continuously implements the standards set under The Coca-Cola Management System (TCCMS) and conducts regular internal and external audits to ensure compliance with TCCMS requirements.
Consumer Health – Active Healthy Living

Acknowledging our consumer’s aspirations of physical well-being, we will continue to encourage healthy living by sponsoring sports programs and promote the importance of balancing calorie intake with adequate exercise.

A REFRESHING STEP-UP

Coca-Cola Live Positively Community Walks

Hangzhou, Mainland China – Seizing the opportunity to inspire more people to become active in their daily lives, our Hangzhou bottler initiated a local partnership with the Hangzhou Sports Bureau and organised a series of four community walks which combined the pleasures of walking and sight-seeing. Each event comprised of a 1-2 hour walk around a landmark famed for its natural beauty and historical importance. Over 5,500 people, including staff from the Hangzhou bottler, participated in the series of events. We estimate the walkers have burnt about 2.4 million calories (432 calories/person at 288 calories/hour) over the series of walks.

Zhao Rongfu
Bureau Chief, Hangzhou Sports Bureau

“Let’s Balance Diet and Exercise”

No. of participants in Hangzhou Community walks

over 5,500

about 2.4 million calories burnt

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With modern life, we don’t exercise enough and it’s one of the leading factors directly and indirectly causing bad health. With walking, not only do organs receive nutrients, but waste and toxins are removed, enhancing metabolism and balancing our bodies. The Community Walk is unique in that it combines walking with sightseeing, giving us an opportunity to appreciate the scenic beauty of the city.”

Zhao Rongfu
Bureau Chief, Hangzhou Sports Bureau
Promoting Active Living at School

Hong Kong – We supported Kitchee Football Team FCBESCOCLA Hong Kong by inviting staff to be assistant coaches and providing product sponsorship. In 2010, 750 young soccer enthusiasts learnt football skills and positive attitudes from professional players.

USA – Over 800 young players in 63 teams participated in the Northern Arizona Youth Soccer League sponsored by SCCUSA.

Hangzhou, Mainland China – Coinciding with the World Cup in South Africa, we hosted community football tournaments from April to May. About 300 teams including 1,800 players competed and were cheered by over 10,000 spectators.

Keeping Steps With Youth Soccer

Mainland China – To educate a new generation of youth to understand balancing diet and exercise, our Guangzhou, Hangzhou and Zhengzhou bottlers partnered with the Ministry of Health as well as nutrition experts and conducted three conferences in universities and engaged 6,500 students.

Happy Playtime – Initiative helps Chinese children improve their knowledge about health through games and exercises. In Swire territories, nearly 150 schools with approximately 140,000 students participated in Happy Playtime programmes.

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Promoting Active Living at School

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Hangzhou school children engaged in Happy Playtime activities
Water Stewardship

We are committed to safely returning to nature and our communities the amount of water we use in our beverages and achieve the goal of being fully balanced.

As water is the most important ingredient in our beverages, we have pledged to be responsible stewards by seeking ways to reduce water use in our production while establishing partnerships that contribute to sustainable use of water in our communities through education and awareness programs. Our aspiration is to build broad, meaningful, long-term partnerships with community stakeholders to protect the main water sources where our plants are located and where we can make a contribution.

Our Water Stewardship efforts are guided by our commitments under the three guiding principles “REDUCE, REUSE and REPLENISH”.

1. IMPROVING PLANT EFFICIENCIES: REDUCE

Water Use Ratio (WUR) is the metric we use to measure the amount of water used in the bottling process to produce one litre of beverage.

In 2010, we used approximately 5.8 billion litres of water, a 4% decrease since 2004 when we consumed 6.0 billion litres despite a 52% increase in production volume in the same period.

Across our plants, our WUR dropped 5% from 1.90 L/L in 2009 to 1.81 L/L in 2010, saving more than 288 million litres of water with our best performing plant as low as 1.48 L/L.

Some of our most recent water savings initiatives that drove further efficiencies included: In Mainland China, eight of our plants use an air system to rinse bottles, Taiwan and Zhengzhou have epoxy floors reducing the amount of water needed in cleaning.
2. REUSE AND RECYCLING AT PLANTS

To reduce the use of municipal fresh water, most of our plants recycle rinse water and treated wastewater for use in other areas of the plant, for example, supplying water to cooling towers, car washing and general cleaning. Annual savings reached 260 million litres of water per year in Mainland China.

Additionally, all of our plants are treating waste water to a level which can support aquatic life and in most cases this exceeds existing local legislation for water quality.

We continuously look for more ways to reuse treated wastewater outside our plants. Xian is a pioneer, having supplied treated wastewater for street cleaning since 2006.

This great initiative was quickly adopted by Zhengzhou which established a partnership with the municipal government. The partnership involves building 230 m of pipes onsite and a further 2,200 m from the plant to the various destination points. The pipeline transports high quality treated water from our plant to the city park nearby for cleaning, watering plants and supplying the lake daily. Zhengzhou will be among the first manufacturers to achieve full reuse of treated wastewater while enabling the city to avoid using 200 million litres of fresh water per year.

3. A REFRESHING LEAP TO REPLENISH

Identifying meaningful “replenish” opportunities

While Coca-Cola’s China system begins to work on improvement of water footprints in the supply chain including agricultural ingredients (i.e. sugar), we realised that a lot needs to be done to understand the local context for water use in meeting our future operation and local community development needs. We aim to complete Source Vulnerability Assessments (SVAs) for all of our plants and develop Source Water Protection Plans (SWPPs) before the end of 2012. The results of the SWPPs will guide our next steps with local stakeholders to mitigate our potential risks associated with quantity and quality of water supplies.

The Coca-Cola system in Mainland China completed the first phase of a replenishment partnership project with WWF in the Yangtze Basin, Sichuan Province. The project has impacted over 60,000 people directly and returned nearly 500 million litres of clean water to natural ecosystems, validated by WWF (see www.cocacolalivepositively.com for more details).

Education & Awareness

We strongly believe in the power of partnerships with government departments, NGOs and engaging the community in the sustainable use of water and water source protection. From 2010 onwards, our community investment strategy is focused on inspiring youth to be practitioners and future leaders of water and environmental conservation through a variety of education and awareness programs (see Community Engagement on p.21).
Energy Management & Climate Protection

We have committed to growing our business but not the carbon. As our business is set to continue to grow rapidly, this aspiration is an aggressive target but important to the way we plan our future expansion.

UNDERSTANDING OUR CARBON FOOTPRINT

In Mainland China, we initiated a “Cradle to Grave” study analysing the carbon footprint of our key products and packaging from returnable glass bottles, aluminium and PET ranging from 330 mL to 2.5 litre packages.

The results clearly showed where the areas of opportunity for improvement exist. The study analysed the carbon footprint for the following categories and highlighted key areas to focus:

- Ingredients
- Packaging
- Manufacturing
- Retailer (coolers and display equipment)
- Consumer Use & Disposal

The largest portion of our carbon footprint came from packaging and at the retail level which includes coolers and vending machines. This study provided useful information for planning synergistic initiatives between production and the supply chain, pursuing energy saving innovations in cold drink equipment.

We consumed a total of approximately 980 million MJ for production in 2010, a reduction of 8.8% from 2009, and 7% reduction compared to 2004 despite an increase in production volume of 52%. Additionally, our overall Energy Use Ratio (EUR) for production continued to show a reduction of 6% compared to the previous year to 0.31 MJ/L.

Our USA operations have reported an 18% reduction in EUR since our baseline year of 2004.

* Calculated per litre of product, by only taking into account of Scope 1 and Scope 2 of carbon emissions.
Key Initiatives Driving Our Energy Efficiency

Bloc Filling Line
In Mainland China, Luohe, Sanshui and Wenzhou have started using an innovative, integrated system where PET bottles are moulded and filled under the same bloc filling machine, saving transportation and operating costs. The bloc lines are compact and result in a seamless flow from blow moulding to filling. Additionally, the heat generated from heating preform during bottle blowing can be collected and recycled to warm up the production area in winter.

Methane Gas Capture Boilers
In Hangzhou, Guangzhou and Xiamen methane is captured from our wastewater treatment system and used to produce steam, reducing our need to purchase oil to run the boilers. Average annual energy savings reached 8.1 million MJ.

Ammonia Waste Heat Recovery
Waste heat is recovered from the ammonia chillers of Guangzhou, Xiamen and Wenzhou bottling plants for use at the bottle warming process. On average, this saves a total of 8 million MJ per year.

Chilled Water Recovery
Hangzhou and Hefei installed a heat exchange unit to recover chilled water from the bottle warmer for refrigeration use at production. This helps increase the efficiency at the warmer unit and reduce the energy consumption for refrigeration. This saves approximately 3.6 million MJ of energy per annum.

Hot Pipes & Tanks Insulation
USA – Insulated hot piping and tanks resulted in an estimated 9.5% reduction of the plants EUR per litre of product.

Carbon Emissions & Greenhouse Gases
The majority of our emissions are indirect as a result of electricity use. The total amount of our CO₂ emissions was approximately 187,000 tonnes, a slightly reduction of over 200 tonnes than 2009.

Reducing indirect emissions
Cold Drink Equipment (CDE)
Placed 206,000 CDE units (53% of total) installed with Energy Management System which temporarily turns off the cooler when target temperature is maintained (e.g. overnight). These units yielded up to 30% of energy saving. 126,000 of these coolers are Cassette Coolers with EMS, which generated additional energy savings. The Coca-Cola cassette system was integrated with better refrigeration design and materials selection that gives equipment of high reliability and lower energy consumption. If needed, the cassette compressor of the cooler can be replaced at customer location by a new one without the need for over-hauling the cooler back into our bottling plant for repair. This reduces carbon and labor associated with transportation of cooler.

Green IT
Swire Beverages’ Information Technology team has successfully integrated and upgraded bottler servers into one consolidated server system, which yielded annual energy saving of 80% or 5.76 million MJ, and reduced 1,345 tonnes of CO₂ emissions.

Packaging
By lightweighting the material in our packaging, we reduced the embedded carbon in our packages by 35% in 2010 (see Sustainable Packaging on p.17).
GO GREENER!

Fleet and Transportation

We are continually looking for opportunities to improve our fleet by exploring renewable energy sources and investing in fuel-efficient vehicles. In Hong Kong we have a fleet of 53 Euro V trucks and in the USA, our sales team is now equipped with 88 hybrid and nine compressed natural gas vehicles.

“The hybrid vehicles are working well and we will continue to expand their number in future years. The use of hybrid vehicles has proven to be the right decision......both from an environmental and financial perspective.”

Jack Pelo
President/CEO, Swire Coca-Cola USA

Solar Power

Swire Coca-Cola Hong Kong (“SCCHK”) and the Hong Kong Polytechnic University (PolyU) successfully developed a Solar-powered Air-conditioning System for vehicles, the first of its kind in Hong Kong. The innovative system was developed by Professor Eric Cheng of PolyU’s Department of Electrical Engineering together with Green Power Industrial Ltd. PolyU President Professor Timothy W. Tong hailed this innovation as a practical solution to providing green energy for the much-needed air-conditioning systems.

The Solar-powered Air-conditioning System, made of photovoltaic modules automatically collects and stores solar energy for storage as the vehicle moves. As the truck parks for delivery, driver in the truck can switch off the main engine of the truck to eliminate carbon emission in the air but still be able to enjoy air-conditioning powered by solar energy stored. The sophisticated system can also operate during cloudy or rainy days.

“This solar powered air-conditioning system for vehicles is a prime example of our commitment to a sustainable future. It enables the moving truck to automatically collect and store solar power which supports a stand-alone electric air-conditioner that will be switched on when the engine is idle. This will significantly enhance the working environment for our drivers.”

Lance Wright
General Manager, Swire Coca-Cola Hong Kong

“We look forward to having more fruitful collaboration with Green Power Industrial Ltd and Swire Coca-Cola Hong Kong to build a low-carbon city. Together, we can jointly make a contribution for sustainable development of our community.”

Professor Timothy W. Tong
President, PolyU
EMBEDDING SUSTAINABILITY FROM THE BEGINNING AT LUOHE PLANT, HENAN

We celebrated the opening of our most environmentally efficient plant to date at Luohe, Henan province in October 2010. The plant is built with an aim to meet Leadership in Energy and Environmental Design (“LEED”) standard, an internationally recognised green building certification system. With total investment to reach RMB 900 million, Luohe has a floor area of 166,000 m² with room for eight production lines that will serve Henan’s 100 million residents together with the existing Zhengzhou plant.

SAVINGS
Luohe plant’s annual environmental reductions: Emission reduction, CO₂ equivalent: 1,200-1,500 metric tons per year

Water savings from cooling tower removal: 21,600,000 litres per year

The plant was built with the most sustainable production practices at its core and employs over 49 environment, health and safety elements in order to reduce our energy and water requirements. Chief among these are:

Ground Source Heat Pump (GSHP)
The earth’s temperature below five meters is normally a consistent 15°C. During summer months, when the earth’s temperature is cooler than the air temperature, cold energy is extracted from the earth; while in winter months, heat energy is extracted by circulating clean water through over 120 kilometers of HDPE piping; which is compiled in a matrix of 800 interconnected vertical boreholes of 50 meter depth under the Luohe grounds. The GSHP system provides space heating and cooling to the facility, hot and cold water to the bottling lines and heating to the Luohe waste water treatment plant to improve the waste water treatment efficiency. Carbon savings are estimated to range from 20% (cooling) to 40% (heating).

Lighting Efficiencies
• Reinforced translucent fibre-glass roof panels and 52 skylights were installed on the roofs which can supply natural light to 75% of the total production area.
• 629 LVD induction lights have been installed in the production and warehousing areas and 232 T5 energy-saving lights have been installed in the office area.

Bloc Filling Line
Krones carbonated (CSD) high speed production line is equipped with Eco-driven conveying system. Integrated into the design of bloc filling line, bottle rinser and air conveyor system between filler and blower can be eliminated. It also enabled 20°C ambient filling that eliminates usage of conventional ammonia compressor for chill-filling and subsequent warming process that brings filled product to room temperature for storage.

Methane Gas for Power
The plant uses methane produced during wastewater treatment to power a small-sized boiler for producing steam, which is then used during production, lessening the need for non-renewable energy sources.

Water Savings
• The waste water discharged from the water treatment system for incoming water is recovered and completely reused, saving 25 million litres of raw water a year.
• Installation of underground HDPE pipes which are highly resistant to corrosion will lessen the potential for water leaks and improve water use efficiency.
• Dry-floor using epoxy resin.
Swire Beverages is committed to take a leadership role in reducing our impact on the planet with innovations in packaging design, both in the materials used and also in reducing the material amount in our packages. Swire Beverages has been working closely with our suppliers to look at possible ways to reduce materials used in all of our packaging: lightweighting on returnable bottles, cans as well as PETs. Since 2005, our ongoing lightweighting efforts in small PET for sparkling beverages have successfully reduced the weight of resin used from 29g per bottle to 22.3g in 2010, representing a weight reduction of 23%. Another key improvement made was the shortening of bottle-neck, for which it was 5.1g in 2008 versus 3.8g in 2010 reflecting a weight reduction of 25%.

Additionally with the introduction of the 1881 short-neck opening, the weight of the cap has been reduced by 22% from 3.2g to 2.5g.

Our bottles, cans and other packaging materials are critical to protect the quality of our products and deliver our beverages to consumers. Yet, we are mindful of the environmental impact our packaging has from manufacturing to disposal. Our goal is to turn our packaging into a valuable resource for the future.

**REDUCE, RECYCLE AND REUSE**

**Reducing Packaging**

To promote recovery of post-consumption packages in Hong Kong and educate consumers about the importance of recycling, we have developed a Reverse Vending Machine (RVM). Consumers can deposit PET bottles into this machine to collect redemption credits. We now have 11 RVM units at various Hong Kong locations and are working with other local beverage manufacturers to establish more manual collection points in Hong Kong.
“The vast growth potential in China towards our 2020 vision comes with responsibility – we have this unique opportunity to make the right decisions today particularly on packaging. By thinking innovatively in package weight and content, we will not only do the right thing for the environment but also reduce some pressure from fast increasing material costs. We are committed to innovate with our suppliers to discover new ways of making our packaging a valuable resource.”

Clive Saffery
CEO, China, Swire Beverages Limited
also Chairman of China Bottlers Procurement Consortium (CBPC)

We introduced a bottle which is 35% lighter for our mineralised water in 2010 in Hong Kong and Mainland China markets. When twisted and squeezed after consumption, the twisted bottle reduces in size and average of 70% compared to the original packaging.

Reuse – Increasing Recycled PET content

rPET

Our plants in Mainland China are the first in the Chinese beverage industry to use bottles made from 10% recycled PET (rPET), upon approval granted from the Ministry of Health and AQSIQ on the usage and quality of rPET from Incom, the rPET supplier in Mainland China. In 2010, we avoided using 728 tonnes of virgin PET resin. This saving in materials is sufficient to make 617 million 500 mL Ice Dew PET bottles (calculated at 11.8g per bottle).

The rPET bottle and its recycling process – from post-consumed bottles to new born plastic bottles

PlantBottle™ PET

In the USA, Coca-Cola bottlers have pioneered the use of PlantBottle™, a bottle which is partly made from by-products of sugarcane and molasses processing, using up to 30% less virgin materials. In 2010, we used 1,374 tonnes of plant bottle material in the production of DASANI packaging.
IMMERSING IN LIVE POSITIVELY

We launched our commitment to Sustainability and Live Positively by engaging over 9,500 of our staff from all plants in Hong Kong and Mainland China. During the launches, staff learned about our commitments and exciting achievements under Live Positively, inspiring them to integrate sustainability into their work and lives.

Fostering open environments, as diverse as the markets we serve where workplace rights are respected and people are inspired to create superior results and make a positive difference.

Antarctica Competition

To acknowledge our staff’s achievements in sustainability, we held a competition in Mainland China to vote for a role model in Sustainability/Live Positively. One winner was chosen to represent Swire Beverages to join the Antarctica Expedition with Robert Swan, a renowned pioneer explorer and climate change researcher, on a three-week journey in March, 2011. Simon Yip, General Manager of our Zhengzhou and Luohe plants won the honour of representing Swire Beverages. With other winners, he experienced the wonders of Antarctica. On his return, he will share insights from this leadership development and environmental journey.
2010 SUSTAINABLE DEVELOPMENT REPORT IN ESSENCE

Staff of Swire Beverages participated in a volunteer activity as part of MLDP program in Xinjiang

Swire Beverages encourages employees to lead healthy and active lifestyles. This culture is embraced by many staff in the form of weekly sports occasions when groups of colleagues enjoy their favourite sports together like badminton, table-tennis, soccer, basketball, golf or running and hiking. Bottlers also organised cross plant sports competitions and arranged sessions for colleagues to learn from professional coaches and elite athletes.

In 2010, a total of 230 participants across SBHO and our plants took part in their city marathons and running competitions. Colleagues trained together and gave each other advice and support.

SAFETY

Safety Roadmap

Safety is a crucial component of Swire’s sustainability commitment and our business demands the highest attention to safety. As our business evolves and grows in light of the inherent risks associated with manufacturing, operations, distribution of products as well as reaching out to our customers in the community, maintaining employee safety inside and outside the controllable environment of our facilities becomes a business imperative. We are committed to making our effort in improving our safety performance a critical, fundamental component of our growth strategy. Through a review of safety performance and progress in routine management meetings at head office and bottler management level, we plan to modify our current structures, processes and policies to embed safety at all levels down to the individual.

Lost Time Injury Rate

In 2010, there were a total of 269 Lost Time Injuries (LTIs). This represents an average Lost Time Injury Rate (LTIR) of 1.23 injuries per 100 full-time employees. In Mainland China, there were 166 LTIs in total. 50% of them were road related incidents and 80% of these involved motorcycles or electric-powered bicycles – a common mode of transportation that is placing safety challenges for our employees in Mainland China. Our focus is to ensure safety risks at plants are addressed and develop programs to raise awareness of safety amongst staff who are on the road.

In 2010, we saw some improvements in vehicle incidents, reflecting implementation of programs ranging from setting up a hotline number for the public to report inappropriate driving behaviour, a buddy ride system for supervisors to observe driving practices, GPS installed to track speed and routes of drivers, Family Safety Days and a “Road Surveillance” mechanism in which driving behaviour of our delivery drivers are monitored by driving experts in another vehicle.

Regrettably, a fatal accident occurred in one of our warehouses in Xiamen. The accident involved a third party delivery truck and one of our employees. After a full investigation it was found that the driver was totally responsible for the accident.

To prevent accidents at work in the future, we are working hard to improve safety precautions and raise awareness of safety issues among our employees. These efforts include the introduction of a yard control improvement programme for better managing forklifts and facility safety. Warning devices such as reversing, flashing lights, horns, etc. are installed to the forklifts to enhance operations safety. We also launched “Safety Driving Campaign” to develop a responsible driving behavior in the warehouse.

Leadership & Management Development

We aspire to be an “Employer of Choice” and thus we believe passionately in developing future leaders by encouraging individuals to develop both professionally and personally. We also endeavour to provide a supportive environment where staff are recognised for their contribution.

The Management and Leadership Development Program (MLDP) takes participants on a journey that challenges them to understand themselves better, learn about leading others, and understand their leadership role in Swire Beverages. In the first level, 630 managers currently take part, in the higher level, 80 managers are enrolled.

Approximately 100 staff undertook management and development courses run by institutions such as INSEAD, Tsinghua University and MBA courses from Henan University in 2010.

Employee Health and Well-being

Unicef Run Hong Kong with CEO, China of Swire Beverages and running coach for staff, Clive Saffery

Bonaqua Teams at Trailwalker, Hong Kong

Stair climbing competition in Nanjing
Community Engagement

Committing to the needs of our communities, with relevant programmes in every community we serve.

COMMUNITY – THE RIPPLE EFFECT

We remain focused on encouraging healthy active living, developing youth, the environment in our community initiatives. We also emphasise raising awareness internally on these important aspects and create an atmosphere where staff are motivated to volunteer for relevant community initiatives.

Hope School Partnership

Our relationship began in 1994, with our first sponsored school in Jiangsu. We currently support 19 schools in Anhui, Fujian, Guangdong, Henan, Jiangsu, Shaanxi and Zhejiang educating 16,000 students. Our bottling staff volunteer and pay regular visits to these schools to provide English tuition, donate school supplies and sports equipment and help to improve the learning environment. By the end of 2011, Coca-Cola China system will have built 100 Hope schools, many of which will be in earthquake affected regions in Sichuan Province. Among these, six will be built in Shaanxi Province, the territory of our Xian bottler (see www.cocacolalivepositively.com for more details).

Developing Migrant Children’s Health in Guangdong

We have partnered with “Right to Play”, an NGO committed to developing and delivering sport and play programmes that foster the healthy physical, social and emotional development of children and youth since 2009 in Guangzhou and Shenzhen. In the 12 months of the programme, 7,200 migrant children regularly received play-based development activities and 3,800 of them received basic health services in schools and community centres.

Community Investment in 2010

Across our operations, we contributed a total of HK$8 million to various NGOs for disaster relief, development of youth and underprivileged children, and other social and environmental programmes that our local bottlers support.
**Engaging Youth in Water Education and Awareness Programs**

We strongly believe in the power of partnerships with government, NGOs and engaging a new generation in the community in making a difference in the areas of sustainable use of water and water source protection.

**Save a Barrel of Water Campaign**, a nationwide campaign celebrated its 5th year in Mainland China, the program instills water-saving behaviour in youth for long-term environmental protection.

In 2010, Guangdong, Hangzhou, Hefei, Nanjing and Xiamen bottlers organised this program in universities and middle schools, encouraging over 3,000 students who set a goal to impact up to 20,000 people by raising awareness about water saving. Students were also encouraged to explore different ways to conserve water: e.g. Students in Guangdong built a rainwater catchment facility for a Hope School in Heyuan, Guangdong Province.

“SCCT has been concerned about water protection for many years, we have decreased water usage in production and across the total company operation. We also found that Taiwan citizens are not familiar with water resource issues, so we decided to launch the Taiwan Water Bank to increase awareness and promote daily action to save water...”

Doug Klein, General Manager, Swire Coca-Cola Taiwan

**Save a Barrel of Water**

**Taiwan “Water Bank” with an e-touch**

Swire Coca-Cola Taiwan (SCCT) and the Environmental Quality Protection Foundation, launched the “Coca-Cola Taiwan Water Bank”, including an online Water Calculator where consumers can learn about water issues and their personal water footprints. By the end of 2010, the Water Bank had more than 26,000 users.

In December 2010, SCCT took another step and launched the iPhone version of the Water Calculator to reach more people. While promoting water footprints digitally, SCCT sponsored a campus program—“Green Water School” organised by the Environmental Quality Protection Foundation and reached 2,500 students from 31 elementary schools.

“Save a Barrel of Water inspires university students to proactively participate in research and raising awareness of water-saving. The Coca-Cola system genuinely believes in protecting the environment and is a pioneer who actively fosters partnership with us to preserve the natural beauty of our homeland together.”

Liao Minli, Deputy Officer
Huizhou Environmental Protection Bureau Promotion & Education, Guangdong Province

**Green Leadership Competition**

Partnership with Hong Kong Environmental Protection Association (HKEPA), this program engaged student representatives from over 30 universities with a goal to ignite their passion for protecting the environment and becoming ‘Green’ ambassadors through a 3-day Green Leadership training camp and competition to identify top Green ideas. 15 winners were selected to visit Hong Kong to learn best practices in Corporate Sustainability from various Swire Group companies.

“Rip Your Strip”

Our Utah, USA operation was the lead sponsor of the Utah Rivers Council Campaign encouraging residents to remove grass from driveways, so watering is no longer required. Since 2005, almost 5,000 people have pledged to follow the campaign, each saving approximately 19,000 litres of water per year.

**Utah Rivers Council, partner of “Rip Your Strip”**

“Rip Your Strip”

Students cheer with CEO, China of Swire Beverages, Clive Saffery in Hong Kong with a bottle of Coke

“Utah Rivers Council”

Utah, USA

“Utah Rivers Council Campaign encouraging residents to remove grass from driveways, so watering is no longer required. Since 2005, almost 5,000 people have pledged to follow the campaign, each saving approximately 19,000 litres of water per year.”
## Achievements & Awards

### Environment / Community

<table>
<thead>
<tr>
<th>Location</th>
<th>Name of Award/Recognition</th>
<th>Awarding Organisation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nanjing</td>
<td>Clean Production Audit (Exemplary Enterprise)</td>
<td>Nanjing Municipal Environmental Protection Bureau (EPB)</td>
</tr>
<tr>
<td>Xiamen</td>
<td>Xiamen Top Ten Industrial Enterprises</td>
<td>Xiamen Municipal Government</td>
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<tr>
<td>Xian</td>
<td>Clean Production Audit (Exemplary Enterprise)</td>
<td>Shaanxi Provincial Environmental Protection Department</td>
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<tr>
<td>Zhengzhou</td>
<td>Green Enterprise</td>
<td>Zhengzhou EPB</td>
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### Climate Protection

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<th>Location</th>
<th>Name of Award/Recognition</th>
<th>Awarding Organisation</th>
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<tbody>
<tr>
<td>Xiamen</td>
<td>2010 Energy Saving Outstanding Performance Award</td>
<td>China Beverage Industry Association (&quot;CBIA&quot;)</td>
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<tr>
<td>Zhengzhou</td>
<td>Exemplary Organisation for Energy Conservation</td>
<td>Xian Economic and Technical Development Zone</td>
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<tr>
<td>Guangzhou</td>
<td>Cleaner Production Partner Commendation</td>
<td>HK Productivity Council</td>
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<tr>
<td>Hong Kong</td>
<td>Certificate of Appreciation under the &quot;Cleaner Production Partnership Programme&quot;</td>
<td>Environmental Protection Department and HK Productivity Council</td>
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<tr>
<td>Taiwan</td>
<td>In the “Taiwan Green Brand Survey”, Coca-Cola won the first place in the Food and Beverage Industry</td>
<td>Business Next Magazine</td>
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<tr>
<td>USA</td>
<td>Outstanding Achievement in Pollution Prevention</td>
<td>The State of Utah’s Pollution Prevention Association</td>
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### Water

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<th>Location</th>
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<tr>
<td>Hangzhou</td>
<td>2008-2010 Water Conservation Outstanding Performance Award</td>
<td>CBIA</td>
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<td>Hefei</td>
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<td>Nanjing</td>
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<td>Xiamen</td>
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<td>Guangzhou</td>
<td>2009-2010 Water Conservation Outstanding Performance Award</td>
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<td>Huizhou</td>
<td>2010 Water Conservation Outstanding Performance Award</td>
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### Workplace

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<tr>
<td>Hangzhou</td>
<td>Exemplary Organisation for Safe Production</td>
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<td></td>
<td>Exemplary Organisation for Workplace Sanitation, Honorary Credential</td>
<td>Hangzhou Centre for Disease Control and Prevention Bureau</td>
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<td>Exemplary Organisation for Special Equipment Management</td>
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<td>Nanjing</td>
<td>Exemplary Organisation for Occupational Health Surveillance Award</td>
<td>Nanjing Centre for Disease Control and Prevention</td>
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<td>Internal Security Award</td>
<td>Nanjing Municipal Public Security Bureau</td>
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### Global Reporting Initiative - GRI Index

#### Labour / Employment

1. **Total workforce by employment type and region**

<table>
<thead>
<tr>
<th>Region</th>
<th>Total Employees</th>
<th>Permanent Employees</th>
<th>Total Workforce (including Supervised workers and temporary contracts)</th>
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<td></td>
<td>2010</td>
<td>2009</td>
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<tr>
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<td>22,297</td>
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<td>Mainland China</td>
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<td>Taiwan</td>
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<td>USA</td>
<td>1,753</td>
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2. **Total number and rate of employee turnover by age group and gender**

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Total Turnover Rate (%)</th>
<th>Total Turnover Employee</th>
<th>Female Turnover Rate (%)</th>
<th>Female Turnover Employee</th>
<th>Male Turnover Rate (%)</th>
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<tbody>
<tr>
<td>Total</td>
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<td>16,515</td>
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<td>23</td>
<td>3,867</td>
<td>6</td>
<td>3,653</td>
<td>17</td>
<td>17</td>
</tr>
<tr>
<td>Male</td>
<td>27</td>
<td>14,319</td>
<td>17</td>
<td>12,862</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>&lt;30</td>
<td>36</td>
<td>8,829</td>
<td>15</td>
<td>8,021</td>
<td>21</td>
<td>21</td>
</tr>
<tr>
<td>30-50</td>
<td>18</td>
<td>8,369</td>
<td>7</td>
<td>7,708</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td>&gt;50</td>
<td>13</td>
<td>988</td>
<td>1</td>
<td>786</td>
<td>12</td>
<td>12</td>
</tr>
</tbody>
</table>

3. **Rates of injury, occupational diseases, lost days and absenteeism and number of work-related fatalities by region**

<table>
<thead>
<tr>
<th>Region</th>
<th>Hours worked (hours)</th>
<th>Total Injuries</th>
<th>Total Fatalities</th>
<th>Lost Time Injury Rate</th>
<th>Lost Day Due to Injuries (days)</th>
<th>Lost Day Rate</th>
<th>Change in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Regions</td>
<td>43,805,618</td>
<td>269</td>
<td>1</td>
<td>1.23</td>
<td>6,764</td>
<td>25.85</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>42,080,279</td>
<td>242</td>
<td>1</td>
<td>1.15</td>
<td>5,650</td>
<td>20</td>
<td></td>
</tr>
</tbody>
</table>

4. **Average hours of training per year employee by employee category**

<table>
<thead>
<tr>
<th>Category</th>
<th>Average Number of Hours Trained</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Management</td>
<td>38</td>
</tr>
<tr>
<td>Middle Management</td>
<td>44</td>
</tr>
<tr>
<td>Professional</td>
<td>40</td>
</tr>
<tr>
<td>General Staff</td>
<td>45</td>
</tr>
</tbody>
</table>

#### Environmental

1. **Direct energy consumption by primary source**

<table>
<thead>
<tr>
<th>Source</th>
<th>2010 (GJ)</th>
<th>2009 (GJ)</th>
<th>Change in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>791,557</td>
<td>894,956</td>
<td>-12</td>
</tr>
</tbody>
</table>

2. **Indirect energy consumption by primary source**

<table>
<thead>
<tr>
<th>Source</th>
<th>2010 (GJ)</th>
<th>2009 (GJ)</th>
<th>Change in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>625,352</td>
<td>653,401</td>
<td>-4</td>
</tr>
</tbody>
</table>

3. **Total water withdraw by source**

<table>
<thead>
<tr>
<th>Source</th>
<th>2010 (m³)</th>
<th>2009 (m³)</th>
<th>Change in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>5,793,486</td>
<td>6,210,545</td>
<td>-7</td>
</tr>
</tbody>
</table>

4. **Water recycled and reused**

<table>
<thead>
<tr>
<th>Source</th>
<th>2010 (m³)</th>
<th>2009 (m³)</th>
<th>Change in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Treated</td>
<td>117,105</td>
<td>95,085</td>
<td>23</td>
</tr>
<tr>
<td>Untreated</td>
<td>475,536</td>
<td>471,641</td>
<td>1</td>
</tr>
</tbody>
</table>

5. **Total direct and indirect greenhouse gas emissions by weight**

<table>
<thead>
<tr>
<th>Scope</th>
<th>2010 (tonnes)</th>
<th>2009 (tonnes)</th>
<th>Change in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct</td>
<td>61,653</td>
<td>70,201</td>
<td>-12</td>
</tr>
<tr>
<td>Indirect</td>
<td>132,012</td>
<td>137,795</td>
<td>-4</td>
</tr>
</tbody>
</table>

6. **Emission of ozone-depleting substances by weight (in terms of CFC-11) equivalent**

<table>
<thead>
<tr>
<th>Source</th>
<th>2010 (kg)</th>
<th>2009 (kg)</th>
<th>Change in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>50</td>
<td>31</td>
<td>61</td>
</tr>
</tbody>
</table>

7. **Total water discharged**

<table>
<thead>
<tr>
<th>Source</th>
<th>2010 (m³)</th>
<th>2009 (m³)</th>
<th>Change in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>To sea</td>
<td>2,079,232</td>
<td>2,221,052</td>
<td>-6.4</td>
</tr>
</tbody>
</table>

#### Economic

1. **Direct Economic Value Generated**

<table>
<thead>
<tr>
<th>Component</th>
<th>2010 (HK$M)</th>
<th>2009 (HK$M)</th>
<th>Change in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover</td>
<td>8,553</td>
<td>8,399</td>
<td>1.8</td>
</tr>
<tr>
<td>Valuation gains on investment properties</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Finance income</td>
<td>7</td>
<td>7</td>
<td>-</td>
</tr>
<tr>
<td>Profit on sale of investments / other gains</td>
<td>113</td>
<td>69</td>
<td>64</td>
</tr>
<tr>
<td>Share of profits of associated &amp; jointly controlled costs</td>
<td>334</td>
<td>381</td>
<td>-12</td>
</tr>
<tr>
<td>Total</td>
<td>9,007</td>
<td>8,856</td>
<td>1.7</td>
</tr>
</tbody>
</table>

2. **Economic Value Distributed**

<table>
<thead>
<tr>
<th>Component</th>
<th>2010 (HK$M)</th>
<th>2009 (HK$M)</th>
<th>Change in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchases of goods and services</td>
<td>6,309</td>
<td>6,111</td>
<td>3.2</td>
</tr>
<tr>
<td>Employee wages and benefits</td>
<td>1,427</td>
<td>1,427</td>
<td>-</td>
</tr>
<tr>
<td>Payments to providers of capital</td>
<td>108</td>
<td>114</td>
<td>-5.3</td>
</tr>
<tr>
<td>Payments to government</td>
<td>152</td>
<td>140</td>
<td>8.6</td>
</tr>
<tr>
<td>Charitable donations and community investments</td>
<td>8</td>
<td>3</td>
<td>167</td>
</tr>
<tr>
<td>Total</td>
<td>8,000</td>
<td>7,795</td>
<td>2.6</td>
</tr>
</tbody>
</table>

---

1. Permanent Employees = Total Employees / Total Workforce
2. The difference of figures set out in Swire Beverages’ Sustainable Development Reports of 2009 and 2010 was due to different conversion factors.
This Sustainable Development Report forms an integral part of our ongoing dialogue with the communities where we live and our business operates. We intend to provide you with a clear understanding of the ways in which we generate long-term values for our consumers, customers, employees, communities and, in a broader sense, the global village.

We hope you have enjoyed reading this Report, which serves also as a platform for us to communicate with you on this important topic – Sustainability.

We invite you to give us feedback on this Report and our efforts on sustainable development. With an aspiration to create a better world for our future generations, you are encouraged to reach us via an electronic channel: sustainability@swirebev.com.

Key contacts at Swire Beverages’ Sustainability Department:

© Maureen Lee, General Manager, Sustainability: maureenlee@swirebev.com
© Pat Poon, Senior Manager, Sustainability & Alliance: patpoon@swirebev.com

Office address: 33/F, Dorset House, Taikoo Place, 979 King’s Road, Hong Kong