



Swire Coca-Cola

Capital Markets Day
29th May 2019



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Agenda

- Welcome Remarks
- Overview
- Financial Highlights
- China Development
- USA Development
- Hong Kong & Taiwan Development
- Digital Leadership
- Sustainability
- Closing Remarks
- Q&A

Welcome Remarks

Michelle Low

Finance Director, Swire Pacific Limited



Overview
Patrick Healy
Managing Director



Highlights and Accomplishments



- Successful integration of new territories in USA 2014-2017
- Successful integration of new territories in China in 2017
- Accelerated revenue growth
- Major investments in portfolio and digital innovation
- A solid platform for future growth

Swire Coca-Cola – Franchise Territories

USA (2013)



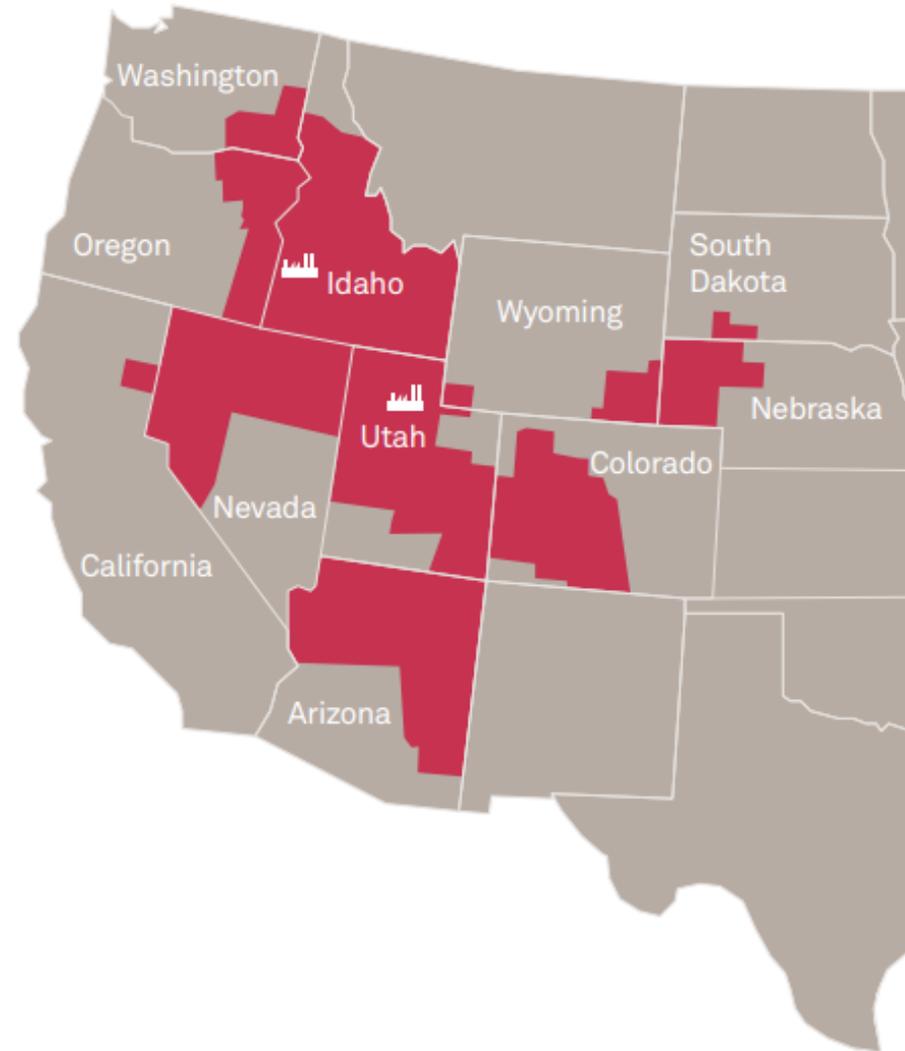
No. of bottling plants

2



Franchise population

6.2 million



Swire Coca-Cola – Franchise Territories

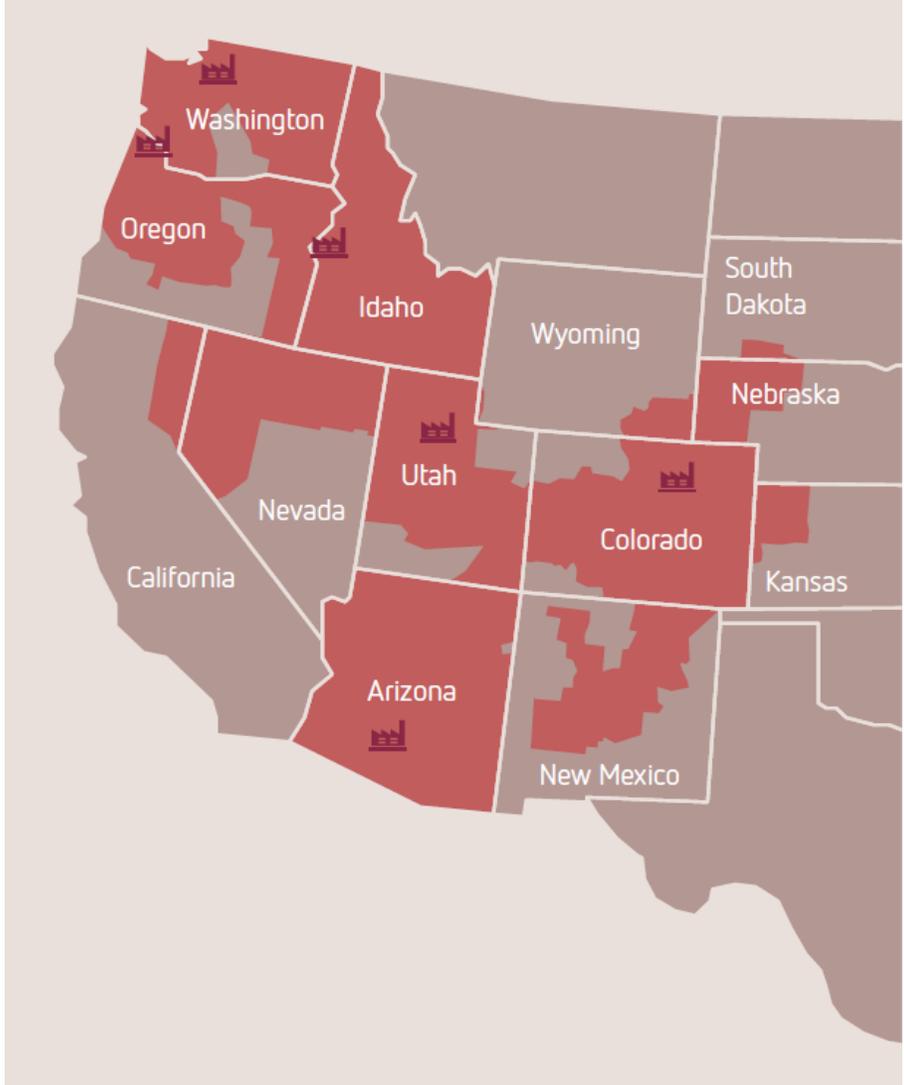
USA (2019)



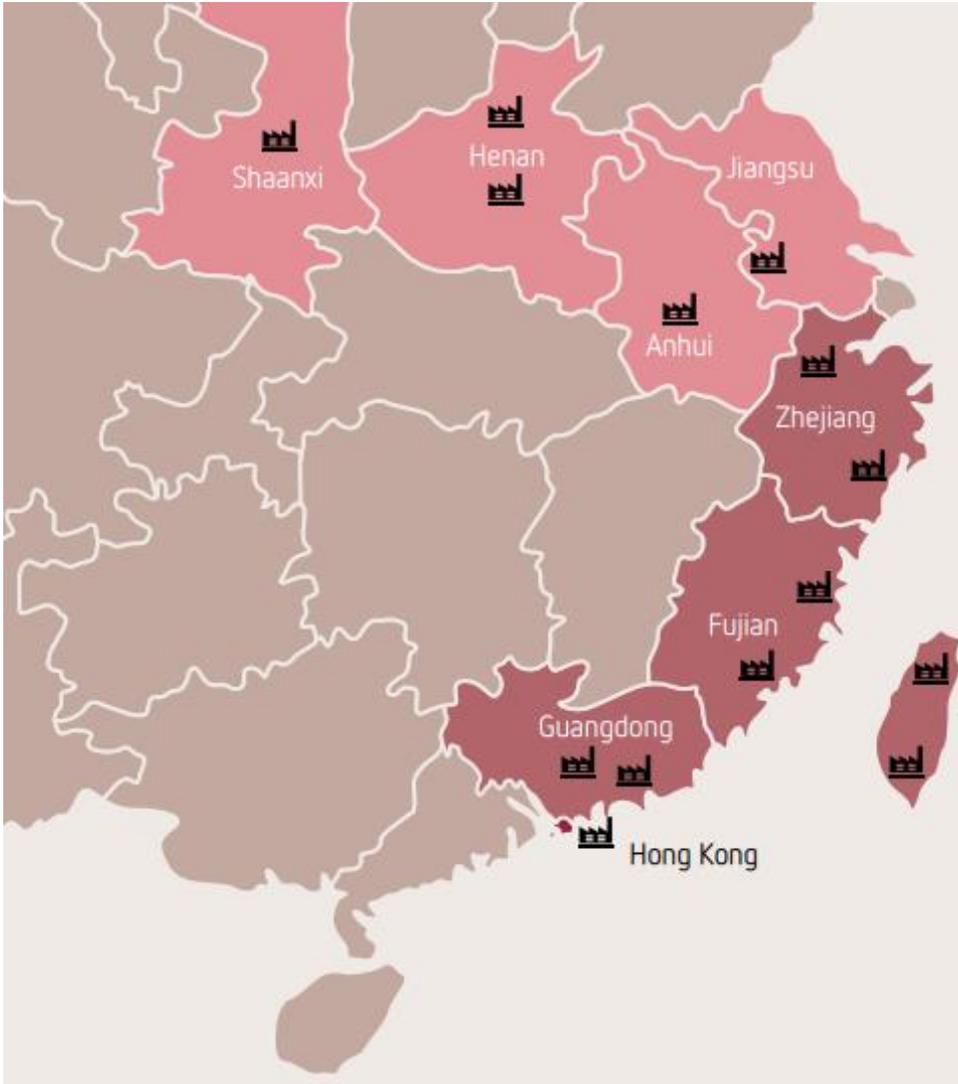
No. of bottling plants **6**



Franchise population **28.8 million**



Swire Coca-Cola – Franchise Territories



Greater China (2016)

	Mainland	HK	Taiwan
 No. of bottling plants	11	1	2
 Franchise population	420.4 million	7.3 million	23.5 million

Swire Coca-Cola – Franchise Territories



Greater China (2019)

	Mainland	HK	Taiwan
 No. of bottling plants	18	1	1
 Franchise population	668.2 million	7.4 million	23.6 million

The New Brand – Swire Coca-Cola



Swire Coca-Cola: Five Strategic Priorities



- ✓ **Portfolio Expansion**
- ✓ **Digital Leadership**
- ✓ **Benchmarking**
- ✓ **Commercial Leadership**
- ✓ **Sustainability**

Financial Highlights

Keith Fung
Finance Director



Key Financial Highlights 2018

HK\$1,354M

Recurring Profit
(v. 2017)

+41%

HK\$42,659M

Revenue
(v. 2017)

+20%

1,755M unit cases

Volume
(v. 2017)

+16%

HK\$3,840M

EBITDA
(v. 2017)

+18%

HK\$2,299M

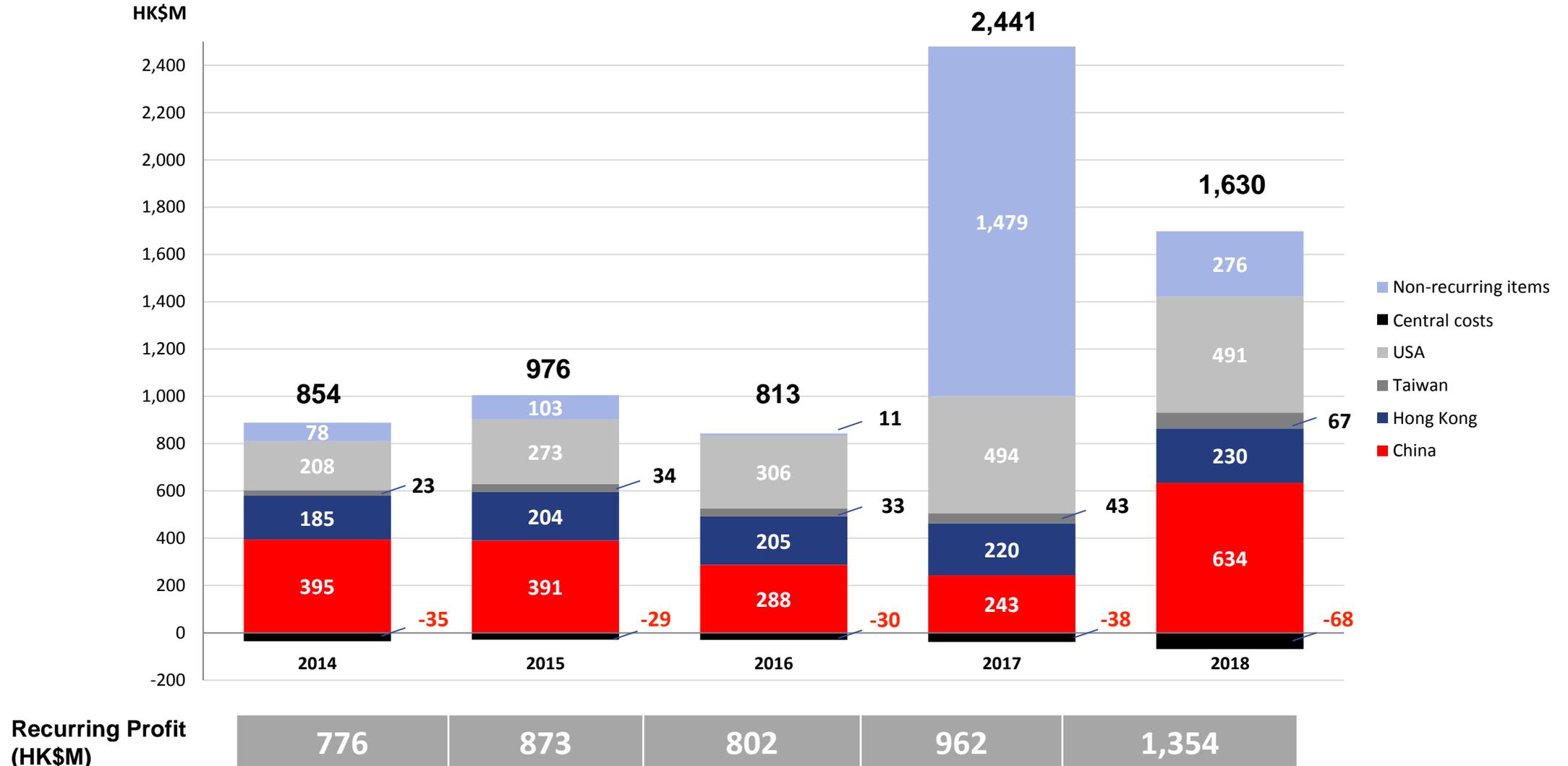
EBIT
(v. 2017)

+18%

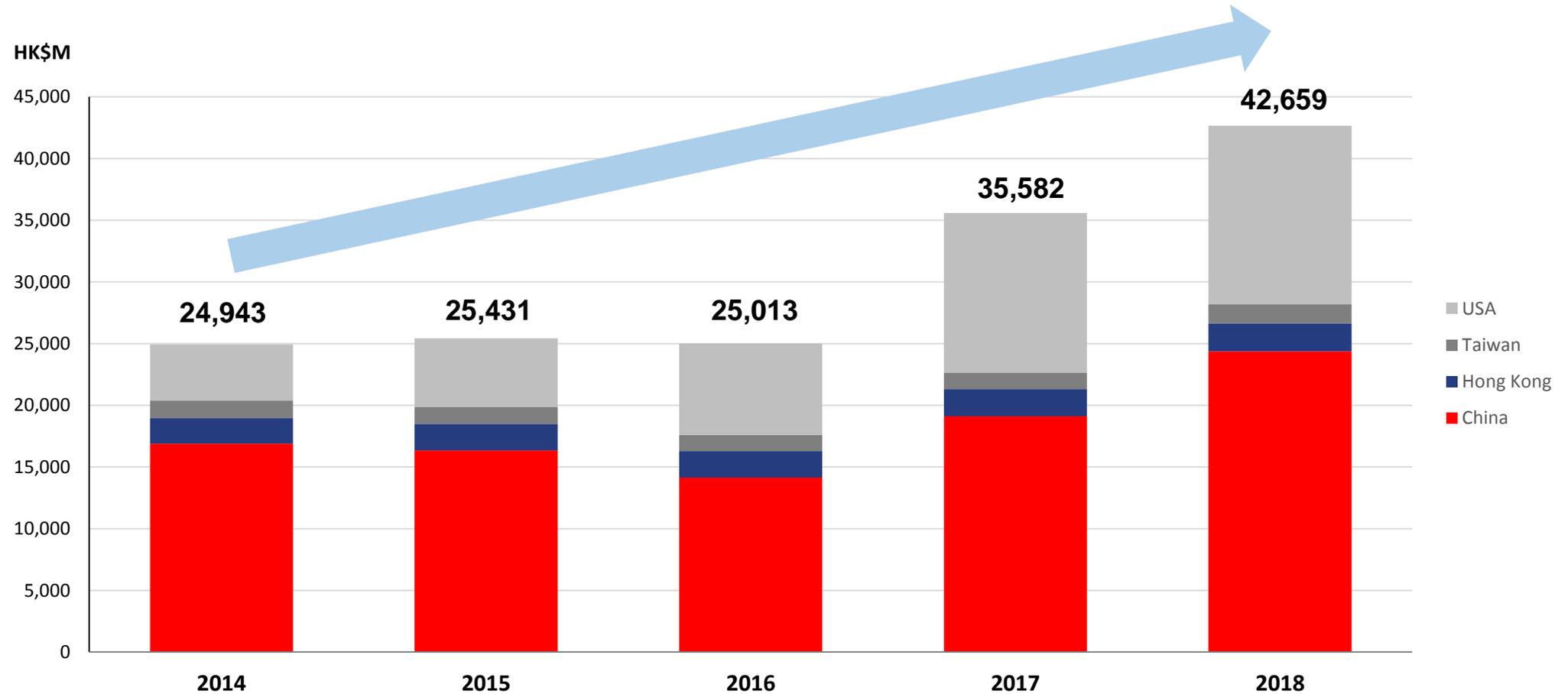
**Cashflow after
Investing Activities** HK\$1,817M

**Return on
Capital Employed** 11.6%

Attributable Profits 2014 – 2018

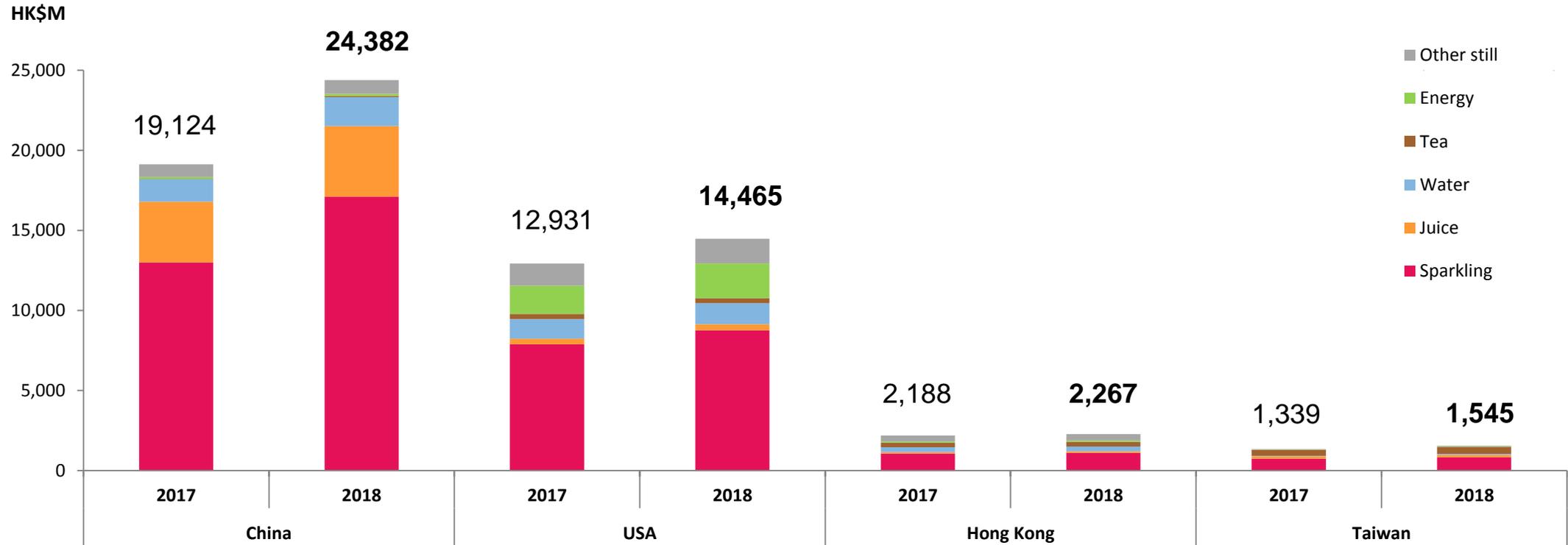


Revenue Growth 2014 – 2018



2018 YoY Growth	China	Hong Kong	Taiwan	USA	Total
Revenue	+23%	+4%	+8%	+11%	+20%
Volume	+20%	+1%	+5%	+6%	+16%

Revenue Analysis – Growth by Region and Category

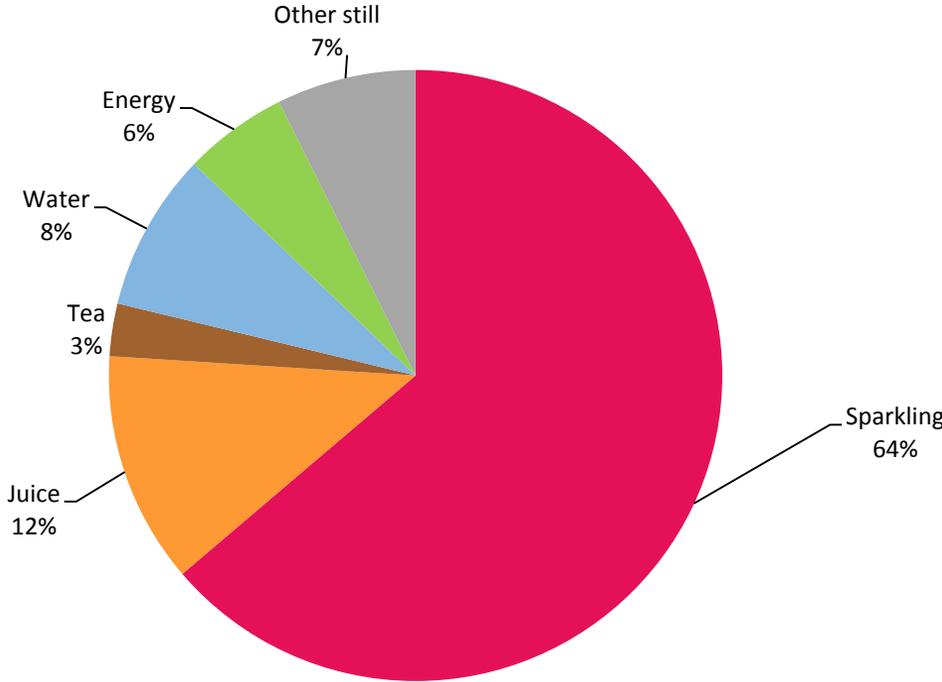


By category growth in 2018

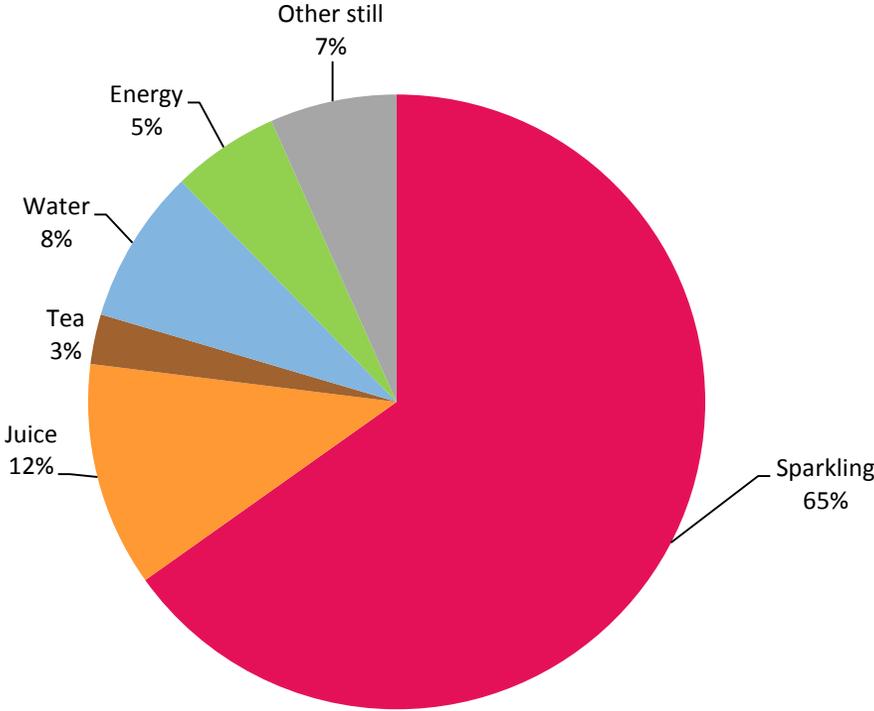
	Revenue	Volume	Revenue	Volume	Revenue	Volume	Revenue	Volume
Sparkling	27.3%	22.7%	10.6%	5.3%	4.9%	3.1%	4.4%	1.3%
Juice	13.0%	13.7%	8.0%	-2.2%	3.5%	1.5%	3.7%	4.1%
Water	24.0%	18.6%	6.7%	7.4%	-5.7%	-2.9%	54.3%	33.2%
Other still	3.7%	-13.8%	10.5%	4.7%	2.8%	2.0%	16.2%	33.4%
Energy drinks	9.2%	6.7%	21.8%	26.7%	16.2%	4.4%	207.7%	212.1%
Tea	408.5%	188.2%	-0.8%	-4.0%	6.4%	3.6%	5.9%	8.5%

Revenue Analysis by Category – Division Total

2017 Revenue by Category

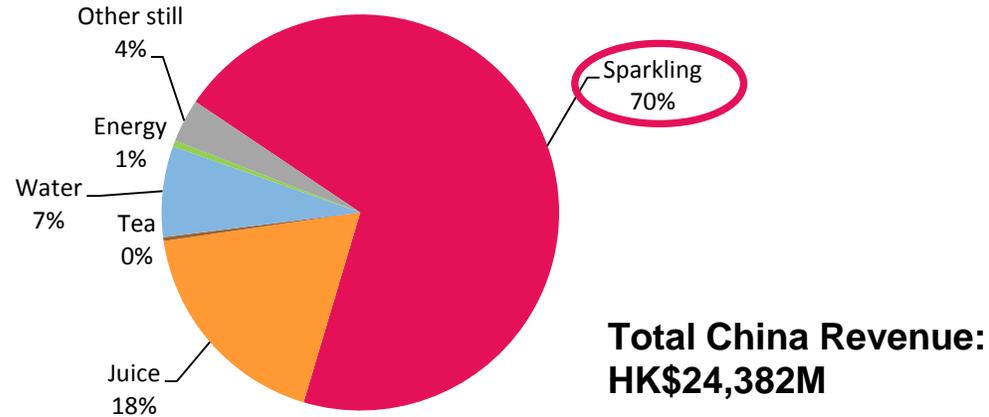


2018 Revenue by Category

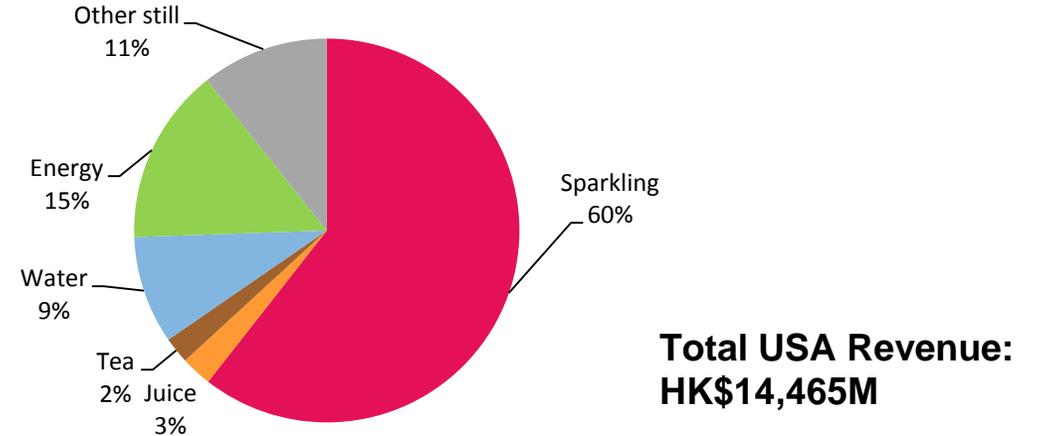


Revenue Analysis by Region and Category

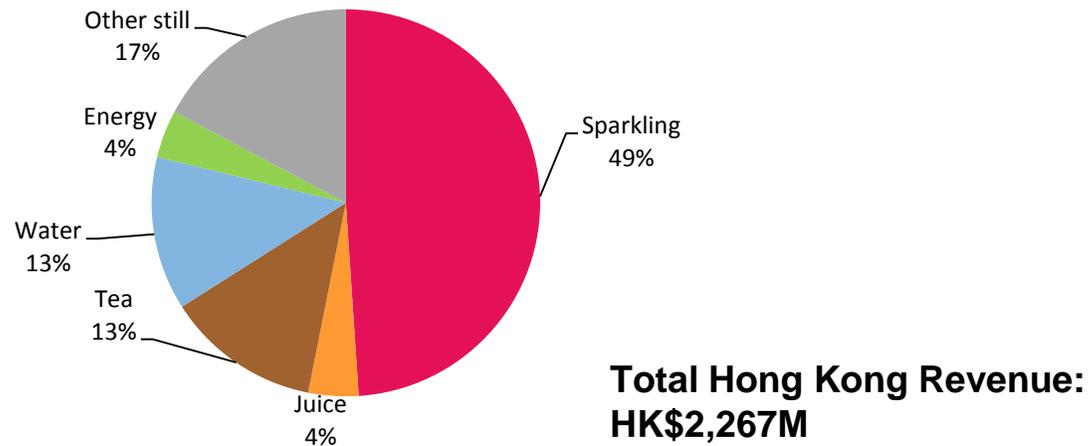
2018 China Revenue



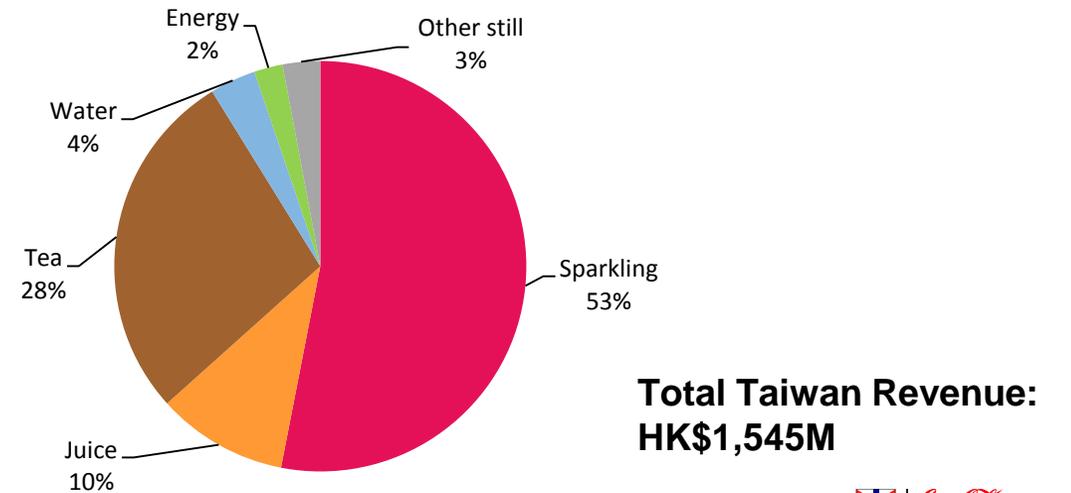
2018 USA Revenue



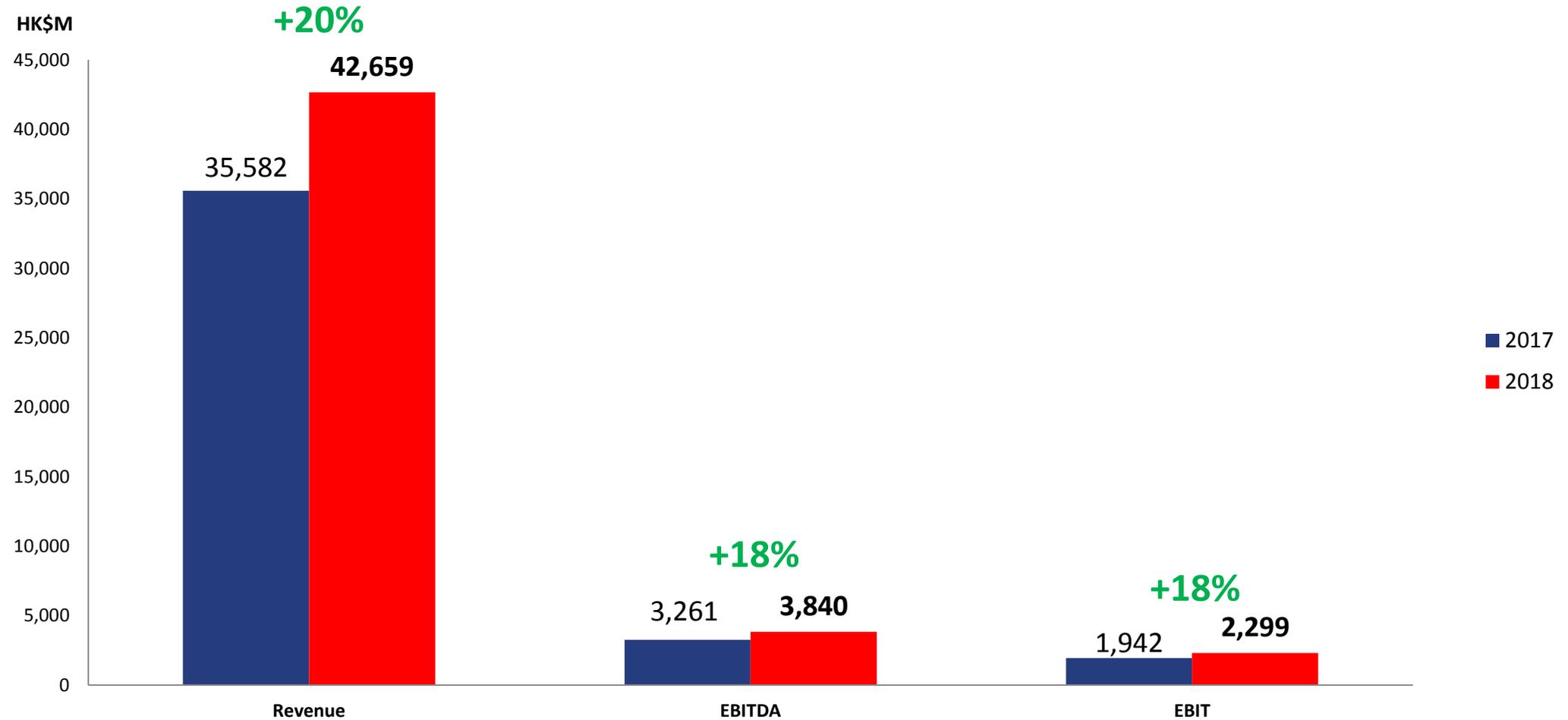
2018 Hong Kong Revenue



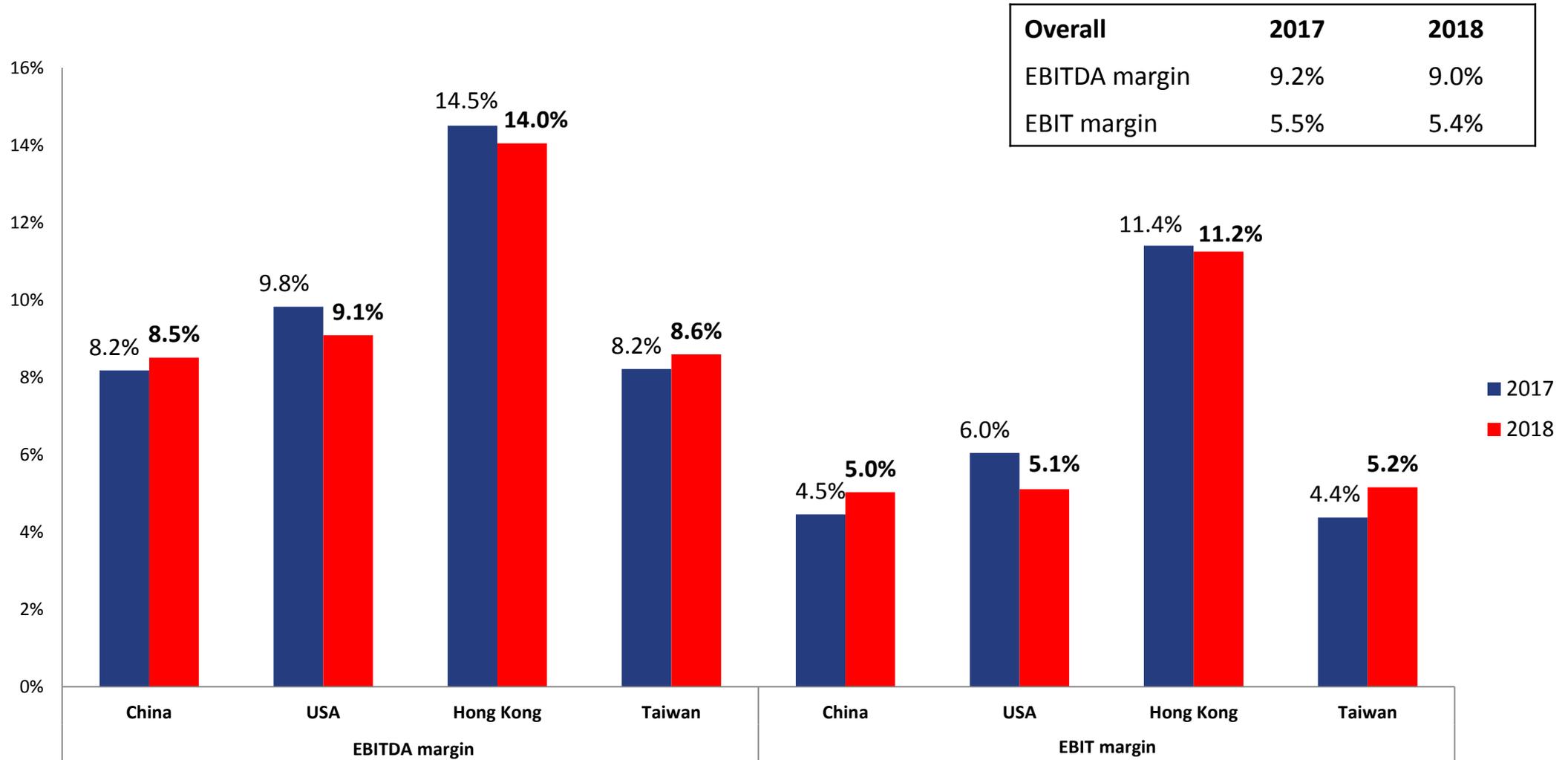
2018 Taiwan Revenue



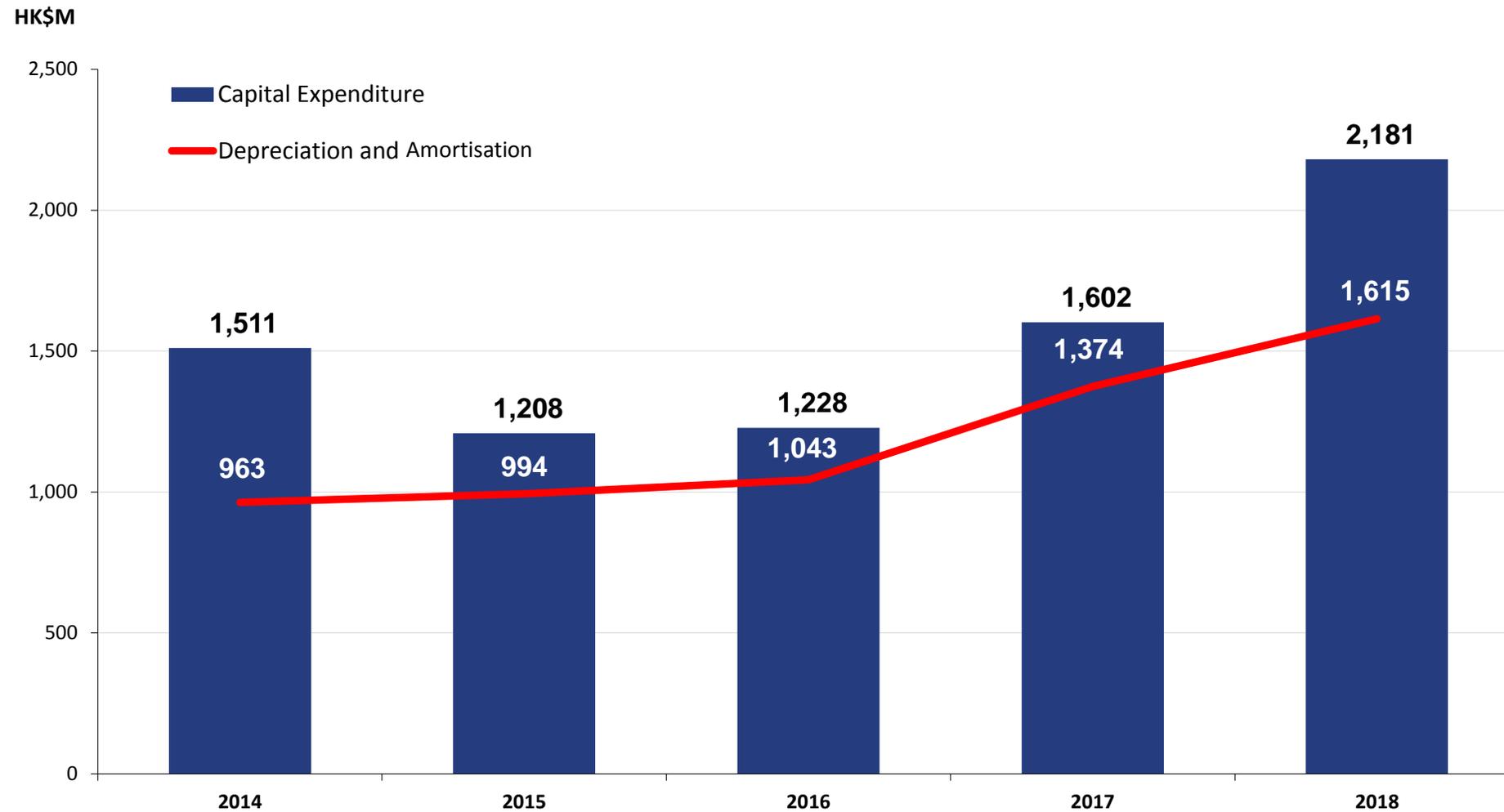
Key Financial Metrics – Division Growth



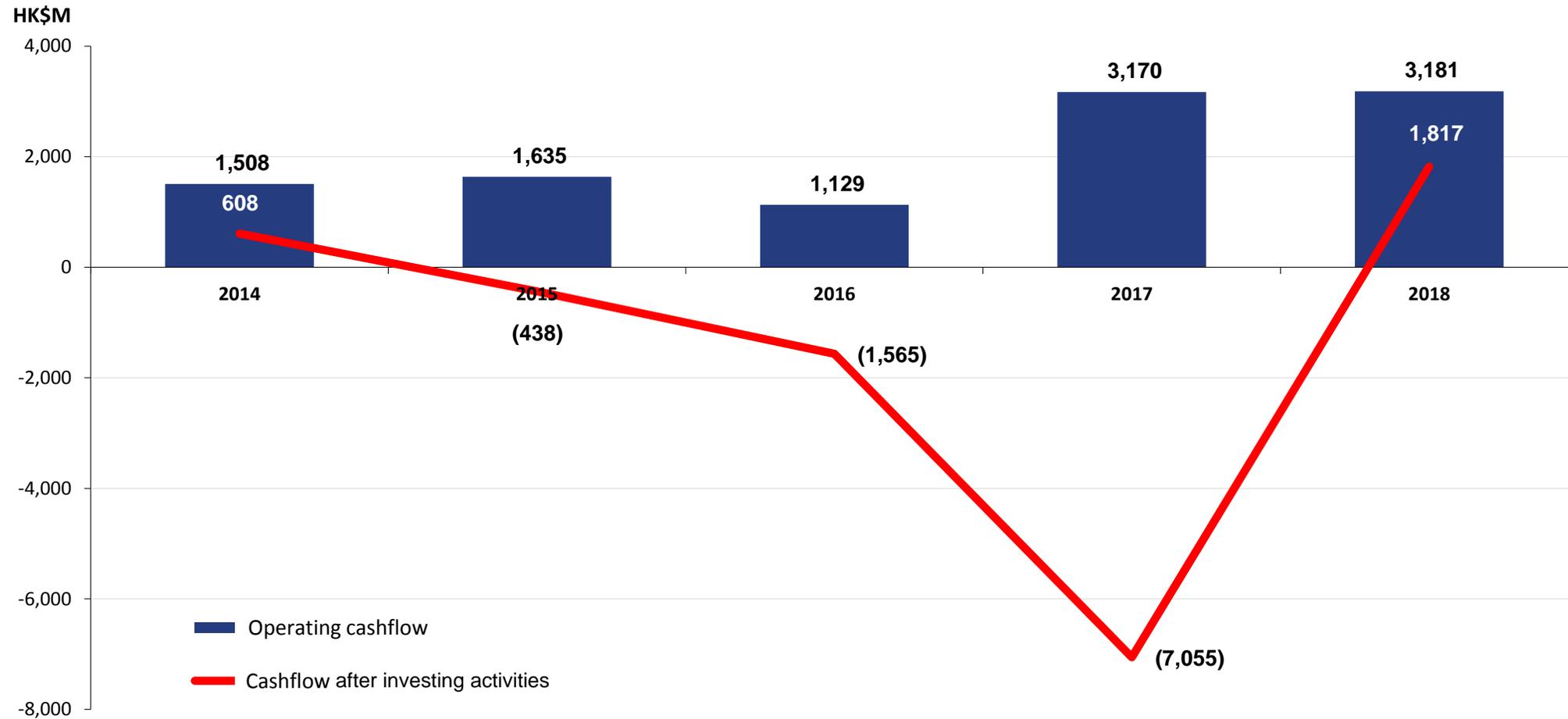
Key Financial Metrics – By Region Performance



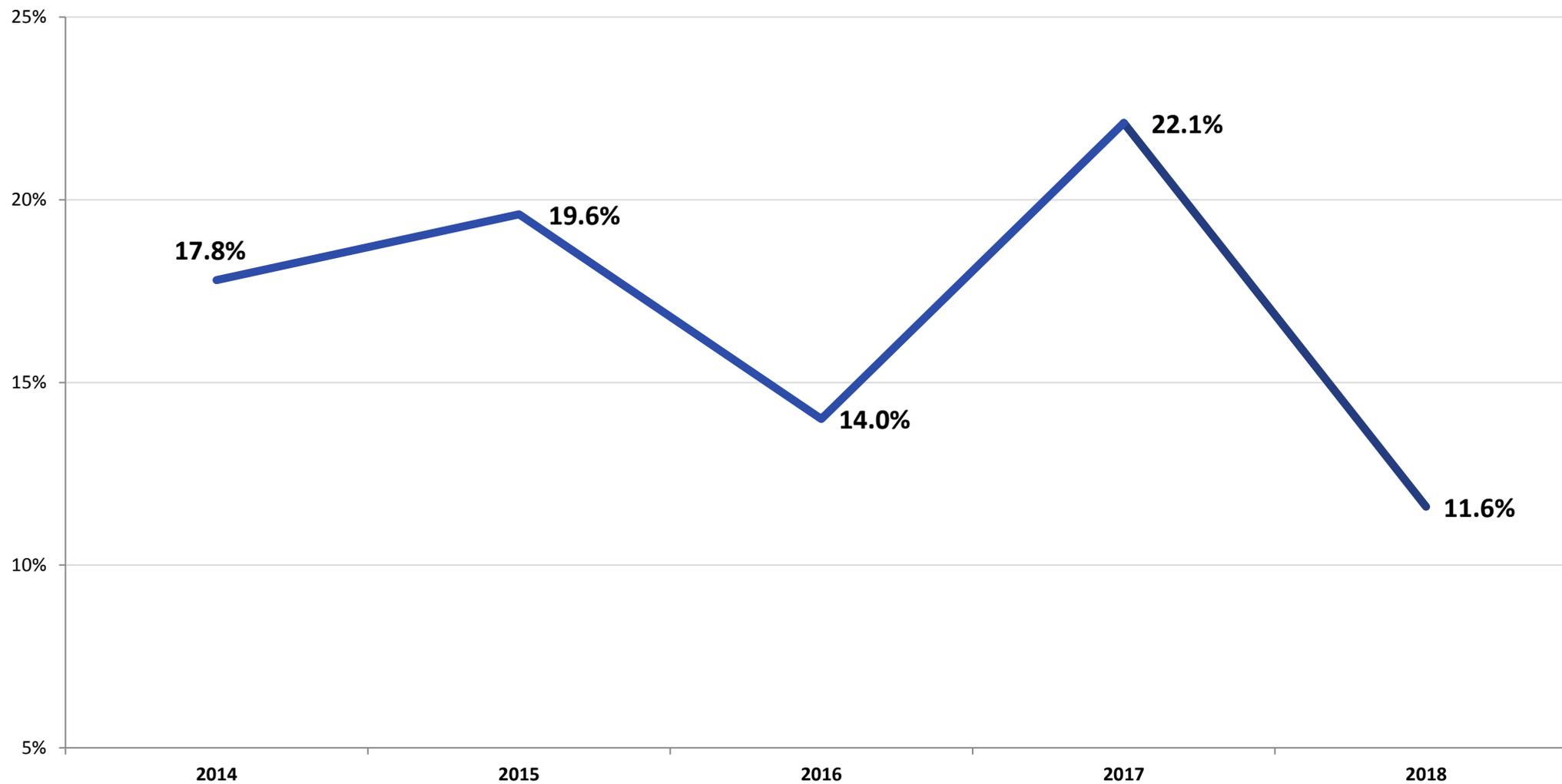
Capital Expenditure, Depreciation and Amortisation 2014 – 2018



Operating Cashflow and Cashflow After Investing Activities 2014 – 2018



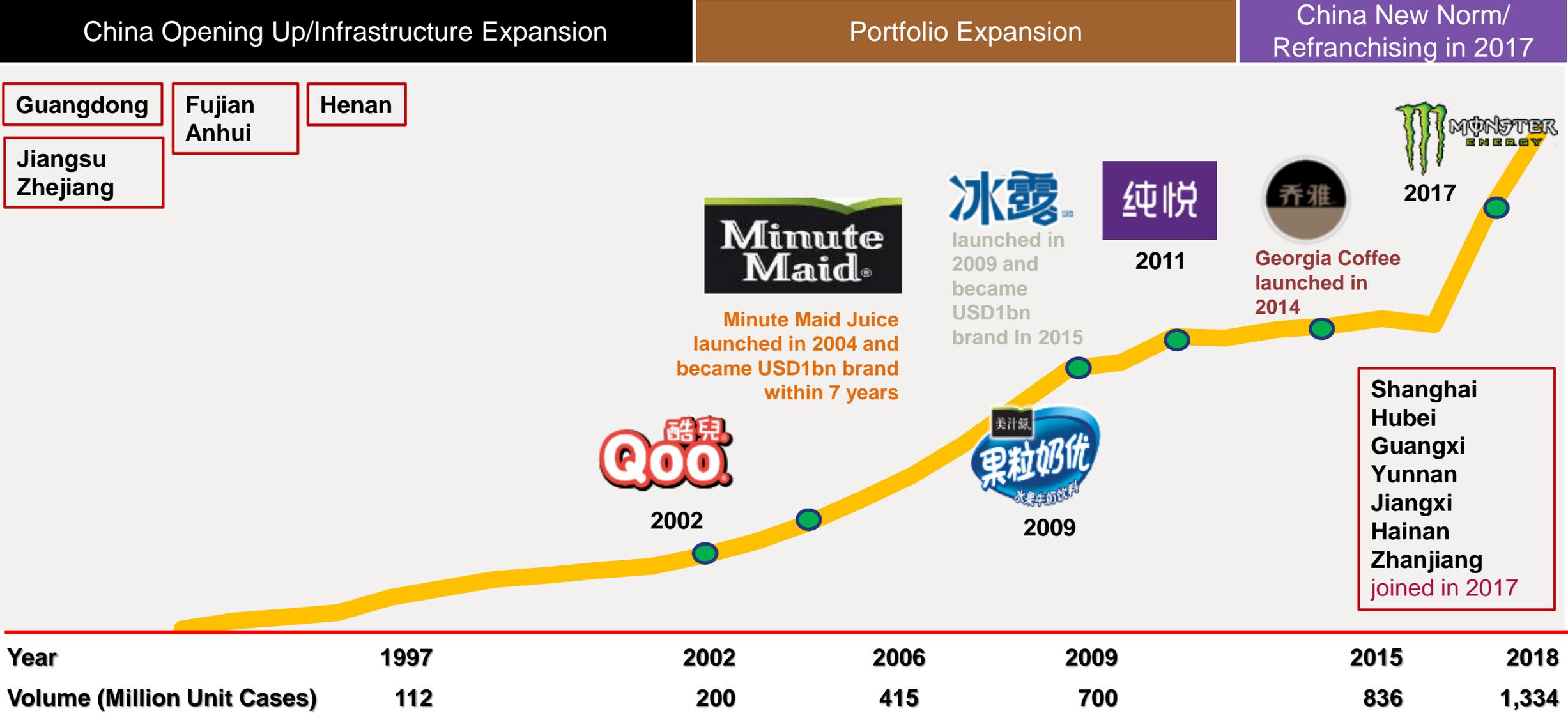
Return on Capital Employed 2014 – 2018



China Development
Karen So
Executive Director, China Operations

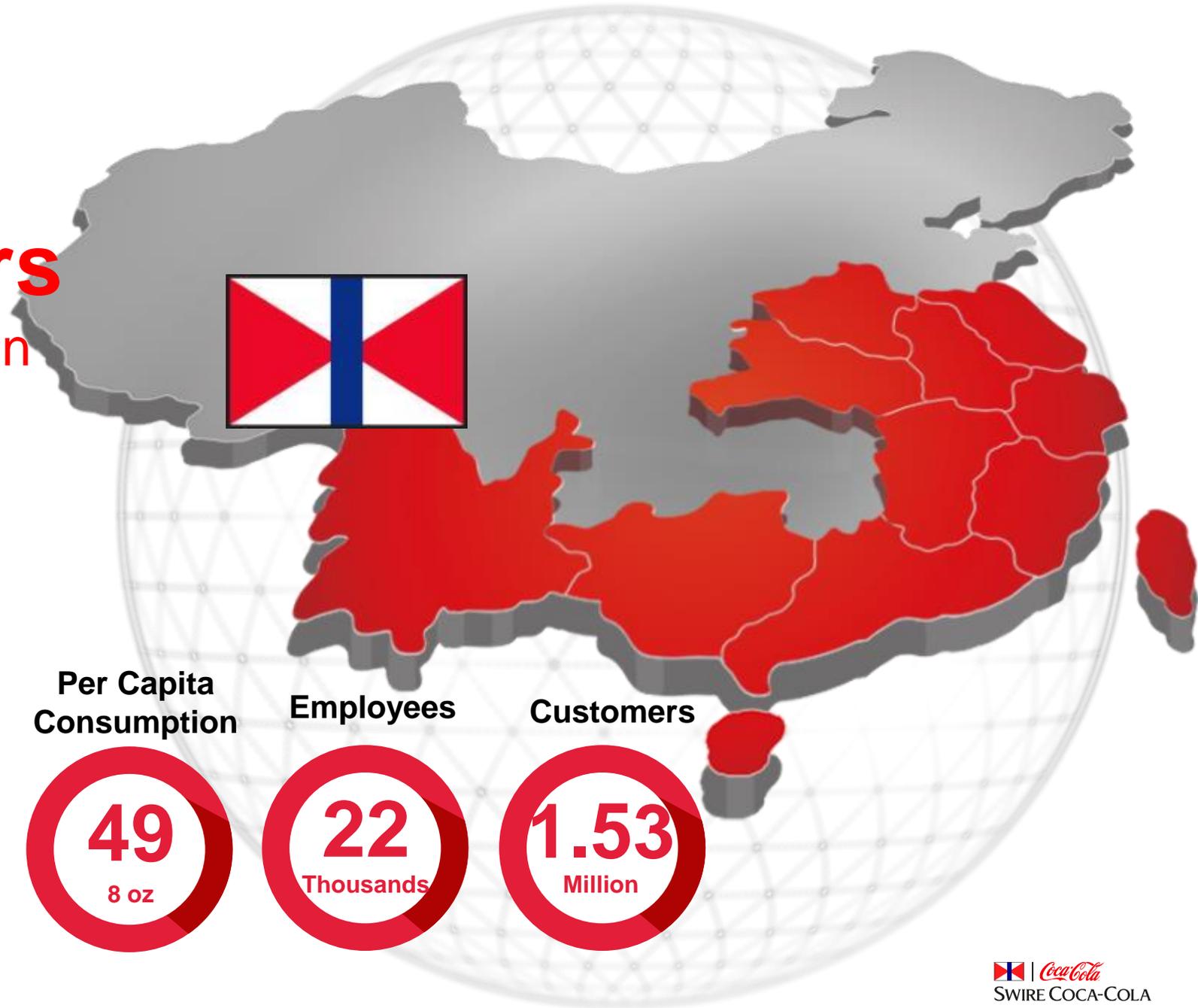


Our 30 Years of Development in China



SERVING 668M consumers

~50% of the total population
in Mainland China



Revenue



Sales Volume



Bottling Plants



Per Capita Consumption



Employees



Customers



Rising Economy

Upper Middle Class Country Status

GDP Per Capita > \$10K

Policy Tailwind

RMB 2tn in Tax Reform

VAT Reduced from 16% to 13%

Young Consumers by 2022

600M Middle Class &

450M Millennials Population

The World's Largest Retail Market

Retail Sales of RMB 38tn

Growing 2.6x the Global Average



*** NARTD +4.7% growth**

*** Sparkling Resurging +7.1%, Out-growing NARTD Industry**

Our Growth is Guided by China Vision and Strategic Pillars



Our China Vision

We will achieve **Sustainable Profitable Growth** by creating value for customers, employees and communities through superior **Commercial Strategies** and World Class **Route-To-Market** and **In-Store Execution Capabilities**

Strategies to Win



超业绩 RESULTS

谋商策 COMMERCIAL STRATEGIES

精网络 RTM NETWORK

强执行 EXECUTION

利武器 TOOLS

提能力 CAPABILITY

人员第一 PEOPLE DEVELOPMENT

安全至上 SAFETY

SWIRE BEVERAGES

2MIKE BEVERAGE2

VM 第一

可口可乐 SWIRE COCA-COLA

Encouraging 2018 Results

Topline Growth

Revenue*



Expanded Margins

EBITDA margin



* The growth represents organic growth rate including 13 PRC franchise territories in both years.

Supported by Growth in Core Category

Revenue
Mix 2018

70%



Sparkling

YoY
Revenue
Growth

18%



Juice

7%



Water

2018*

+12%

+1%

+7%

And Innovations in New Categories

Contribution to Incremental Revenue in 2018

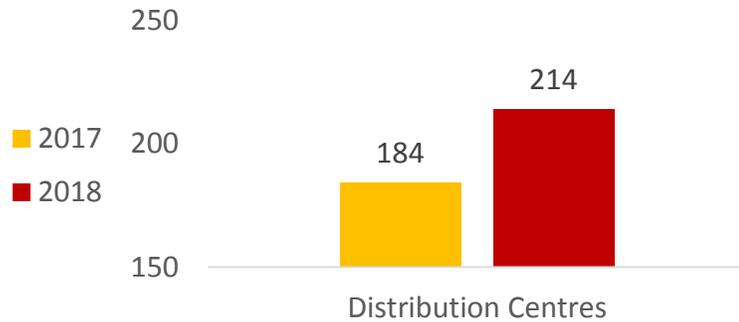


2018
Nutraceuticals
Award

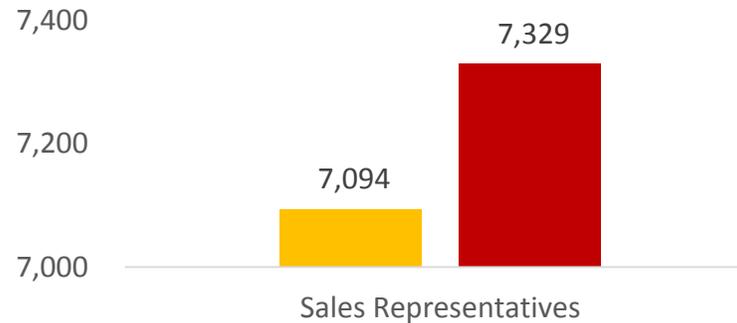
Coca-Cola
Global Innovation
Award

Investing to Win: A Strong Foundation

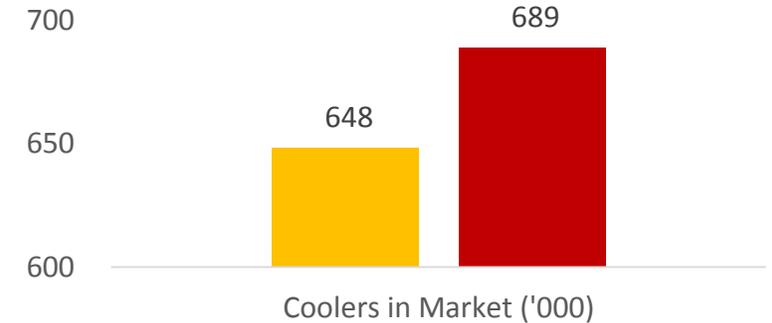
Distribution Centres: **+16%**



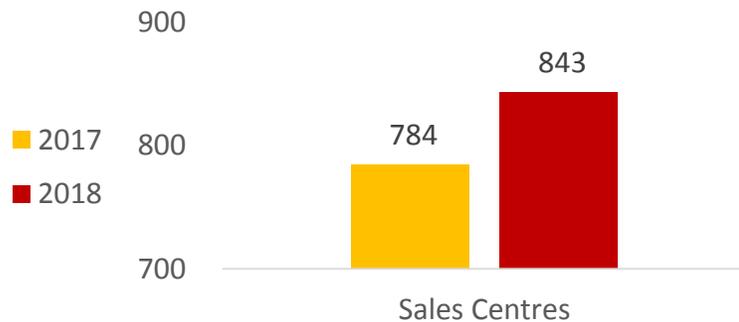
Sales Representatives: **+3.5%**



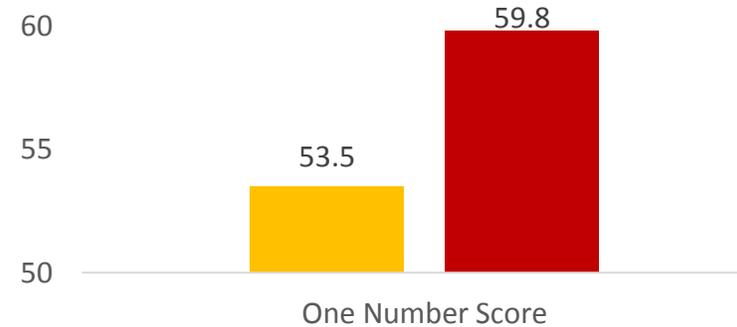
Coolers in Market: **+6.5%**



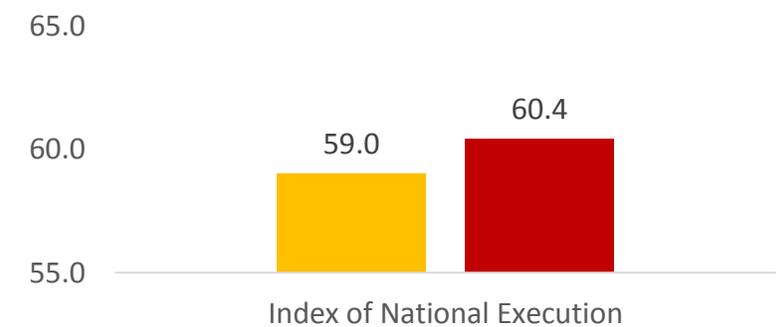
Sales Centres: **+7.5%**



One Number Score*: **+6.3**



Index of National Execution**: **+1.4**



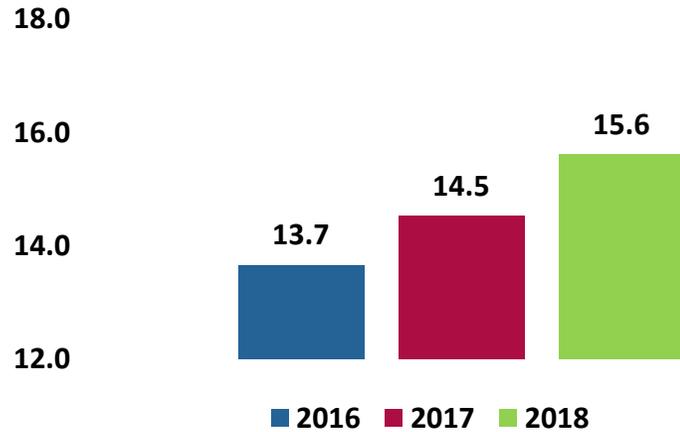
* One Number Score: A Coca-Cola tracking tool conducted by third party to measure general trade availability of 9 key SKUs in rural township.

** Index of National Execution: A Coca-Cola tracking tool conducted by third party to measure urban channel in-store execution performance focusing on key KPIs including availability, share of visual inventory and cooler, etc.

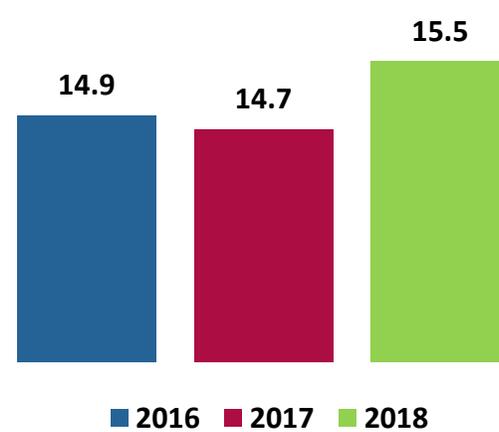
Pricing Platform is on Steady Upward Trend, Especially after Refranchising

RMB per unit case

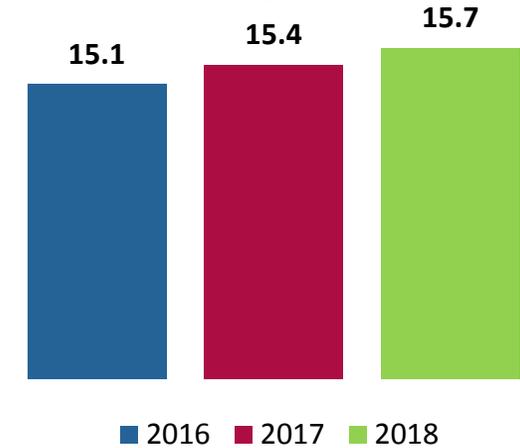
Guangdong



Zhanmao

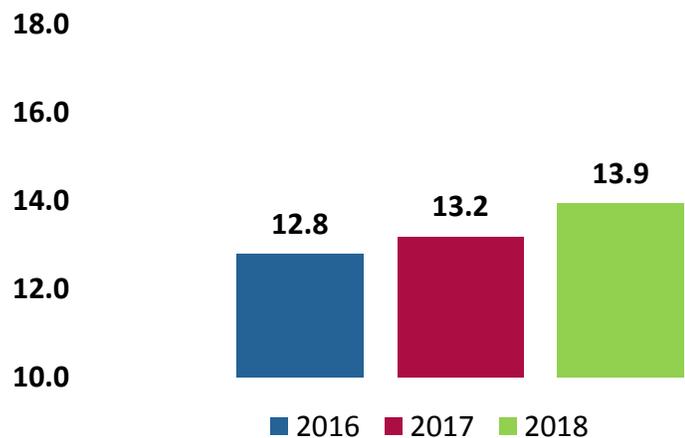


Fujian

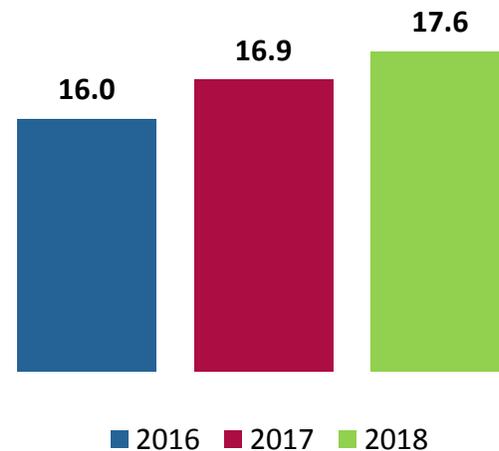


RMB per unit case

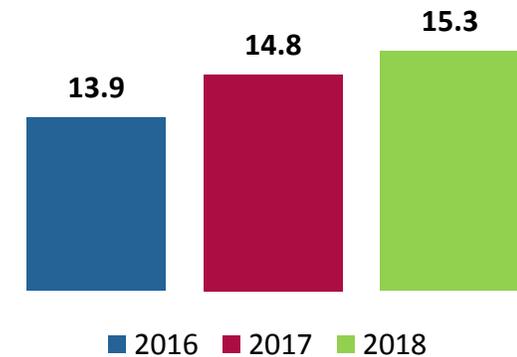
Shanghai



Zhejiang



Jiangsu

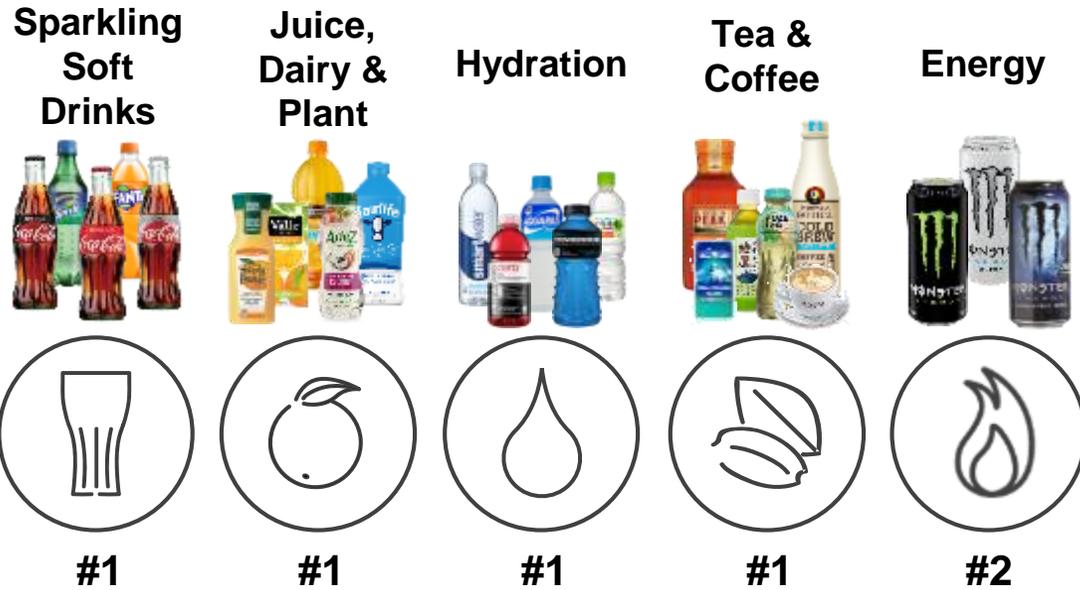


Leverage System Strength – “Lift & Shift” of Global Brands

Half of Coca-Cola Global 1 Billion Dollar Brands Not Launched in China Yet

Strong Global Position

#1 Value Share Position in Global NARTD



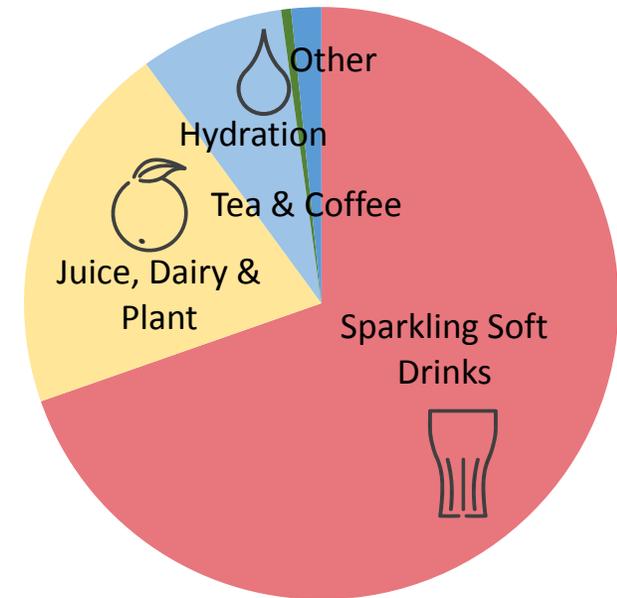
Strong Position in All Category Clusters

#1 in 32 of Top 40 Markets

Global Revenue Mix



Swire Revenue Mix



Source: GlobalData and internal estimates

MONSTER is a trademark and product of Monster Beverage Corporation in which The Coca-Cola Company (“TCCC”) has a minority investment. fairlife is a trademark and product of fairlife, LLC, TCCC’s joint venture with Select Milk Producers, Inc.

Accelerate to Achieve Full Potential of Sparkling

Grocery

¥2.0	¥2.0	¥2.5	¥3.0	¥3.0	¥4.0	¥5	¥6	GT¥7 MT¥6.5	CVS ¥13 / H&S ¥11
200ml (E&D)	300ml	330ml Normal (Mass market)	330ml Sleek	500ml (600ml Battlefield)	680ml (888ml Battlefield)	1L (GT) 1.25L (MT)	1.5 (GT) 2L (MT)	2L (GT) 2L+ (MT)	250ml Aluminium Bottle

Hyper / Super Market

¥9.9	¥10.5	¥10.9	¥11.5	¥13.8	¥18	¥18/15.9	¥21.5/18.5	¥25/ 21.9	¥26	¥35
1L+1.25L	Sleek Can x 4	500ml x 4	2L x 2	Normal 330ml Can x 6	Normal 330ml Can x 8	200ml mini Can x 8 Fridge Pack (CK/SP/FA/Zero)	300ml PET x 12 (CK/SP/FA/Zero)	200ml mini Can x 12 (CK/SP/FA/Zero)	330ml Normal CAN x 12 (CK/SP/FA/Zero)	200ml mini Can x 18 Gift Pack (CK/SP)

Focus on Driving High Value Packs



Lead *Innovation*,
Accelerate Conversion!

Revenue Growth*
+90%

* The growth represents growth of sleek can revenue in 2018.



Upscale Package
New *Trend* of
Consumer Consumption



Revenue Growth**
+20%



** The growth represents growth of multi-pack revenue in 2018.

Speedy Development of Route-to-Market in Rural

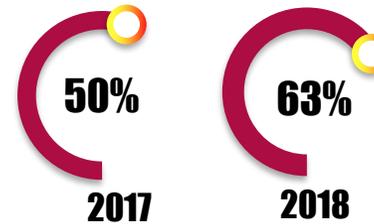


427M Population in Rural Market

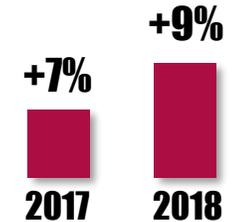
For 64% of the consumers we serve, their annual per capita consumption is only 12

8 oz servings

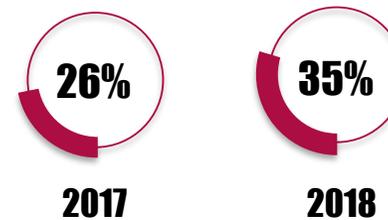
Rural Network Coverage



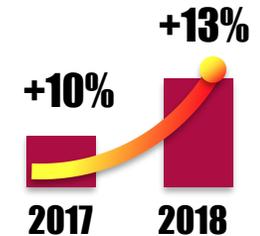
Active Outlets



Contracted Outlets Coverage



Rural Revenue Growth



And Route-To-Market in Urban

1 Mini-Market & Chain Convenience Store

Active Outlets

2017 67,000
2018 +16%

Revenue

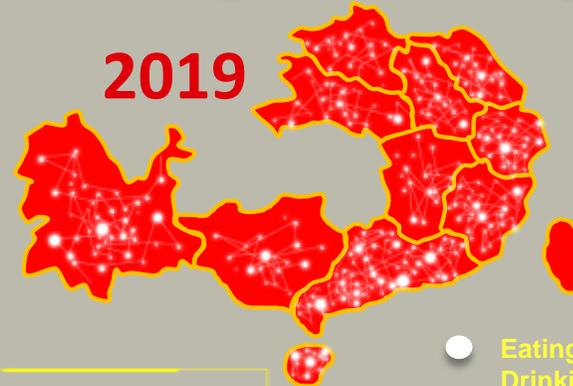
2017 2,749M
2018 +7%

Tools

LINX全店通



2 Eating & Drinking



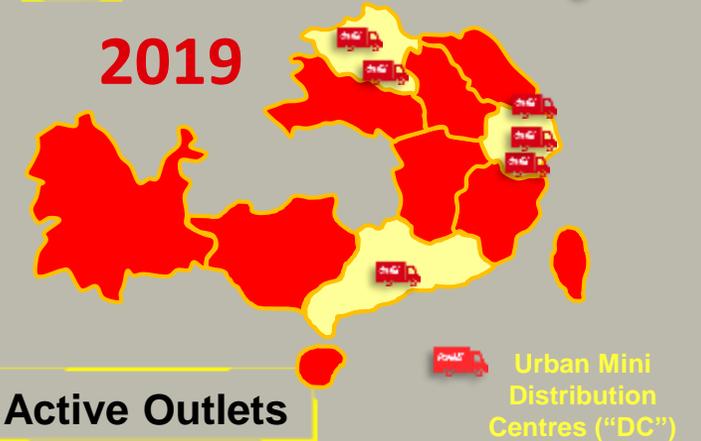
Active Outlets

2017 398,000
2018 +4%

Chain Eating & Drinking Customer Conversion

183/brands 31K/stores 729M /Potential Revenue

3 Direct Delivery



Active Outlets

2017 66,000
2018 +9%

Distribution Centre

	2017	2018
Distribution Centre #	205	227

Innovation

Urban Mini Distribution Centres

Leverage Digitalisation as Our Competitive Edge

32 M bottles per day / **1.5 M** customers / **700 K** coolers / **75 K** orders per day / **22 K** employees

Customer Portal



Direct interface with customers

100% Digitally Connected Equipment

On-line Vending Cooler IoT



Data-driven insight to improve efficiency

Direct Delivery Management (DMS) 2.0



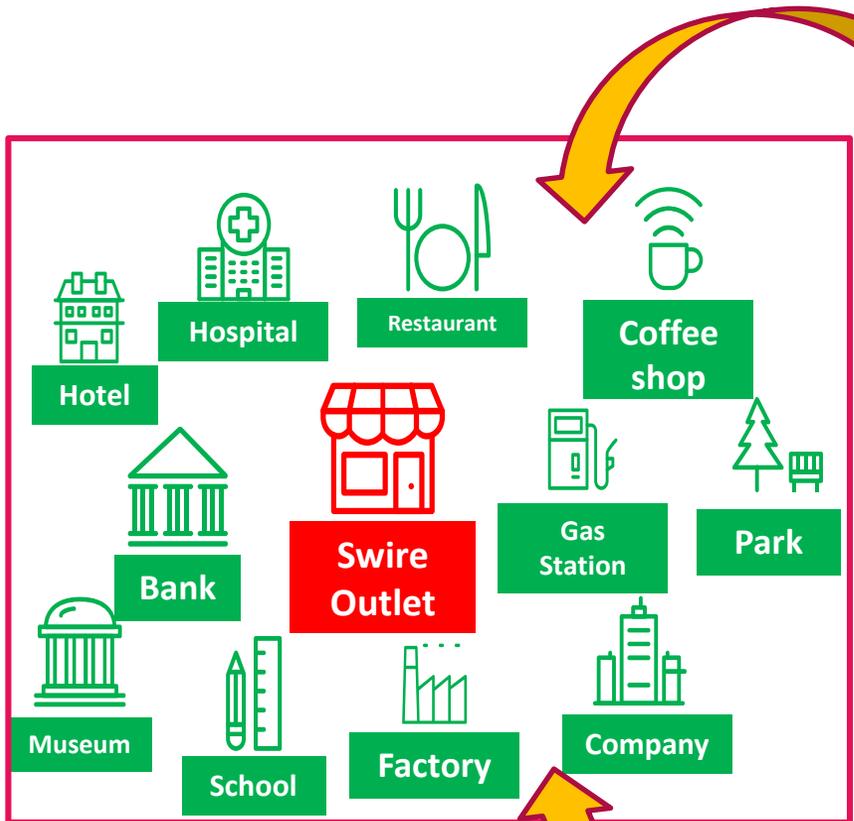
Integrated system platform and mobile application to improve customer service and experience

Enterprise Wechat



Real time digital platform to engage and interact with 22K employees

Big Data Analytics to Enable Revenue Growth



External data:
The macro environment
 # GDP (District / County level)
 # Per Capita Consumption (District / County level)
 # Population (District / County level)
 #

Internal data:
Outlets own activity
 # Number of Promotion Weeks
 # Pricing
 #
 #

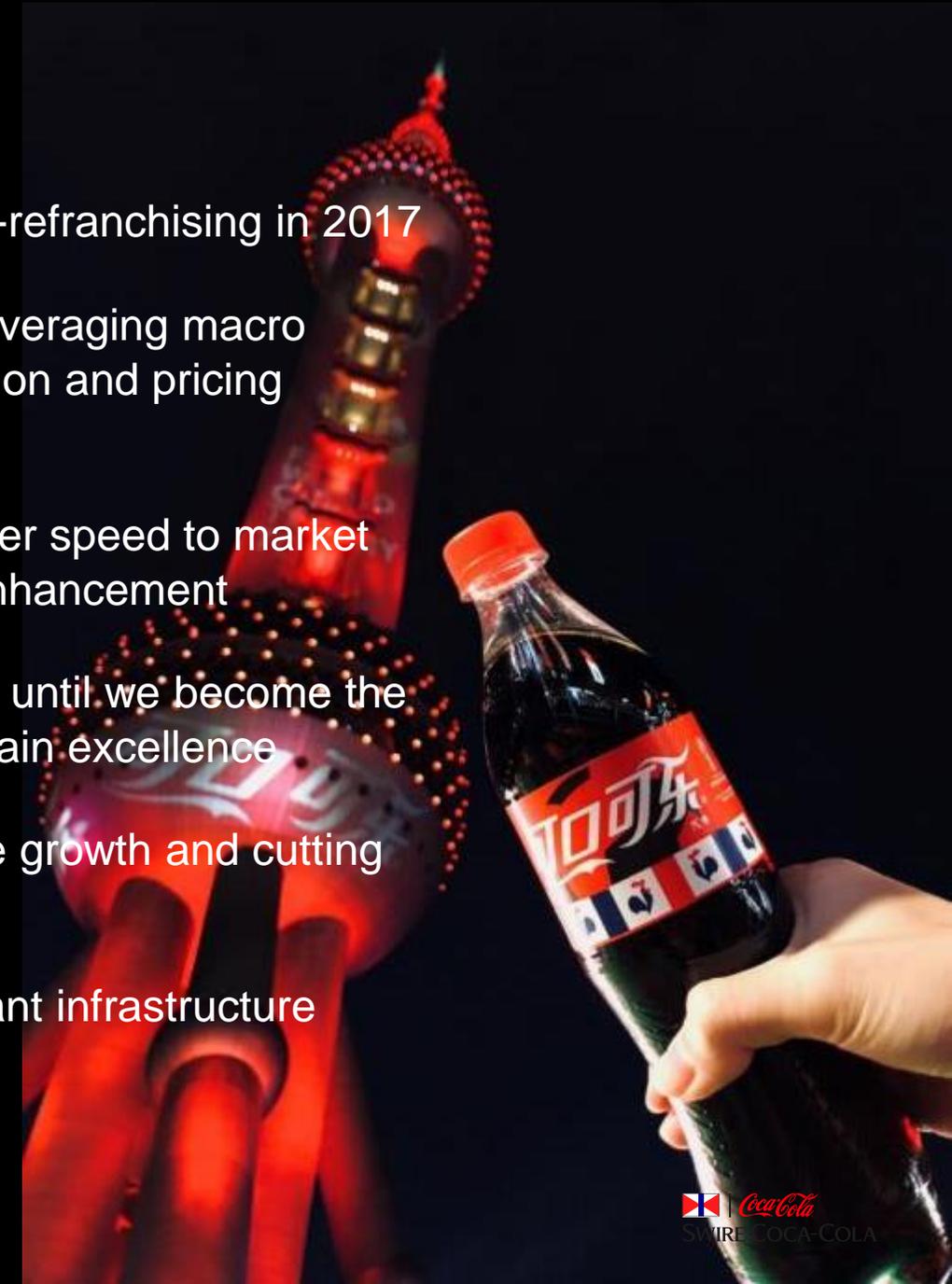
Insight-driven
 customised
 action for retail
 stores

- Cooler Placement*
- Base Price Increase*
- Price Promotion*
- Vending Placement*

**Global learning:
 incremental
 4% pts
 revenue
 growth**

The Best is Yet to Come

- **Proven Growth Record:** for the past 30 years especially post-refranchising in 2017
- **Continuing Focus on Value:** maximise revenue growth by leveraging macro environment tailwind, consumer premiumisation, portfolio expansion and pricing realisation
- **Accelerating Fundamentals of Bottling Operations:** faster speed to market with route-to-market coverage increase and in-outlet execution enhancement
- **Leverage Coca-Cola System Strength:** learn from the best until we become the best, e.g. new category/brand and package innovation, supply chain excellence
- **Achieving Digital Leadership:** with digitally enabled revenue growth and cutting edge technology to support world class execution
- **Investing to Win:** exploit the growth opportunities with significant infrastructure investment



USA Development

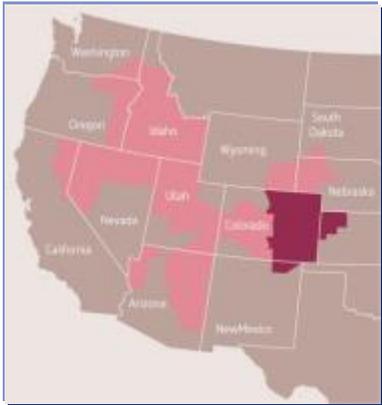
Jack Pelo

President/CEO, Swire Coca-Cola, USA

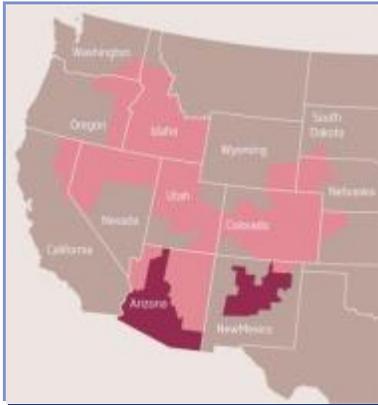


Swire Coca-Cola, USA 2013 – 2018

**Mile High [Colorado]
(Q2 2014)**



**Arizona /
New Mexico
(Q3 2016)**



**Pacific
Northwest
(Q1/Q2 2017)**



2018



Acquisitions

- Mile High – Distribution *May 2014*
- Mile High – Monster *April 2015*
- Arizona – Distribution *July 2016*
- Washington – Distribution & Production *February 2017*
- Oregon – Distribution & Production *April 2017*
- Arizona – Production *August 2017*
- Mile High – Production *October 2017*
- All – BODYARMOR *November 2018*
- Arizona – Monster *March 2019*

HK\$M	2013	2014	2015	2016	2017	2018
Revenue	3,493	4,551	5,561	7,403	12,931	14,465
Attributable profit	217	208	273	306	494	491
Revenue Growth	-	30%	22%	33%	74%	11%

Swire Coca-Cola, USA 2013 – 2018

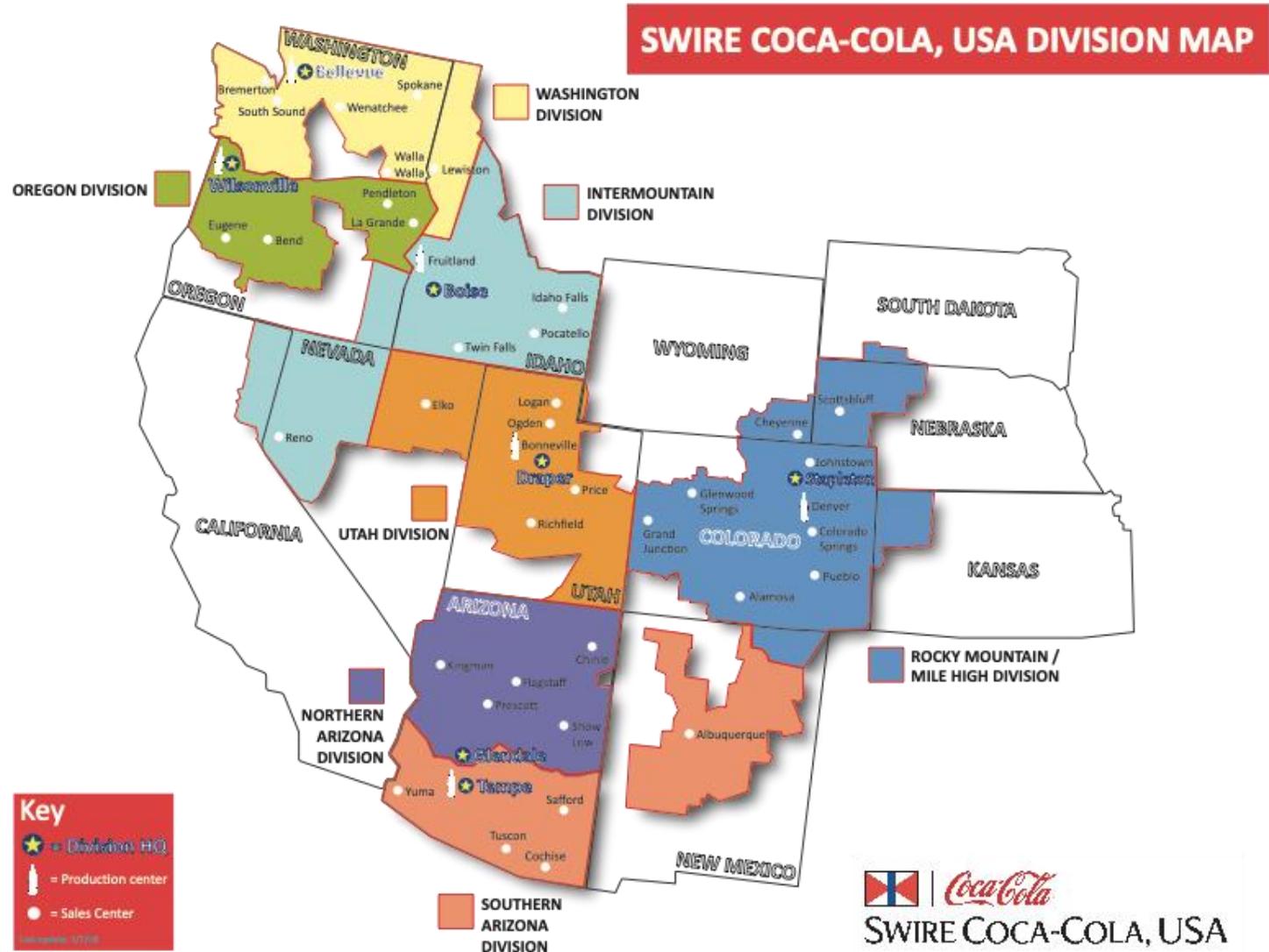
Investments and Initiatives

- Mile High – Built Stapleton, Pueblo, and Johnstown
- Arizona – Expanded Glendale, rebuilding Yuma
- Washington – Building Arlington
- Oregon – Expanding Eugene and Bend
- Added management stability
- Added headcount, as needed (15% in Mile High)
- Added and upgraded fleet assets
- Warehouse equipment upgrades
- Improved product supply
- Shortened decision making lead times

Sales Approach

- Took over all Key Account call points
- Implemented Swire Price Package Plan
- Added Profit Revenue Growth Management and Commercial departments, as needed
- Emphasized Food Service on Premise department to grow Bottle, Can and Fountain, especially Local Market Partners
- Implemented Retail Account Representative and variable pay compensation
- Implemented Look of Success and merchandising standards
- Used key assets in marketplaces such as:
 - Mile High – Denver Broncos and Colorado Rockies
 - Arizona – Arizona Cardinals and Arizona State University in Arizona
 - Washington – Seattle Seahawks and University of Washington
- Replaced leadership at Division VP level and Sales Centre Managers in Bellevue, South Sound, Wenatchee and Spokane (Washington)

Swire Coca-Cola, USA 2018

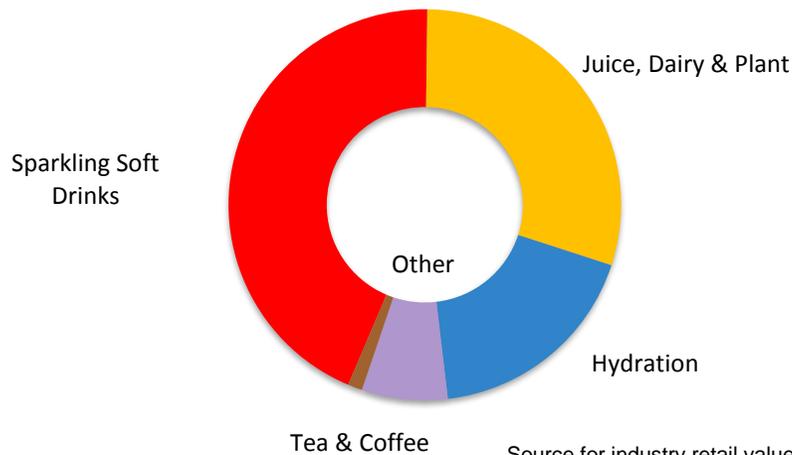


North America Operating Overview

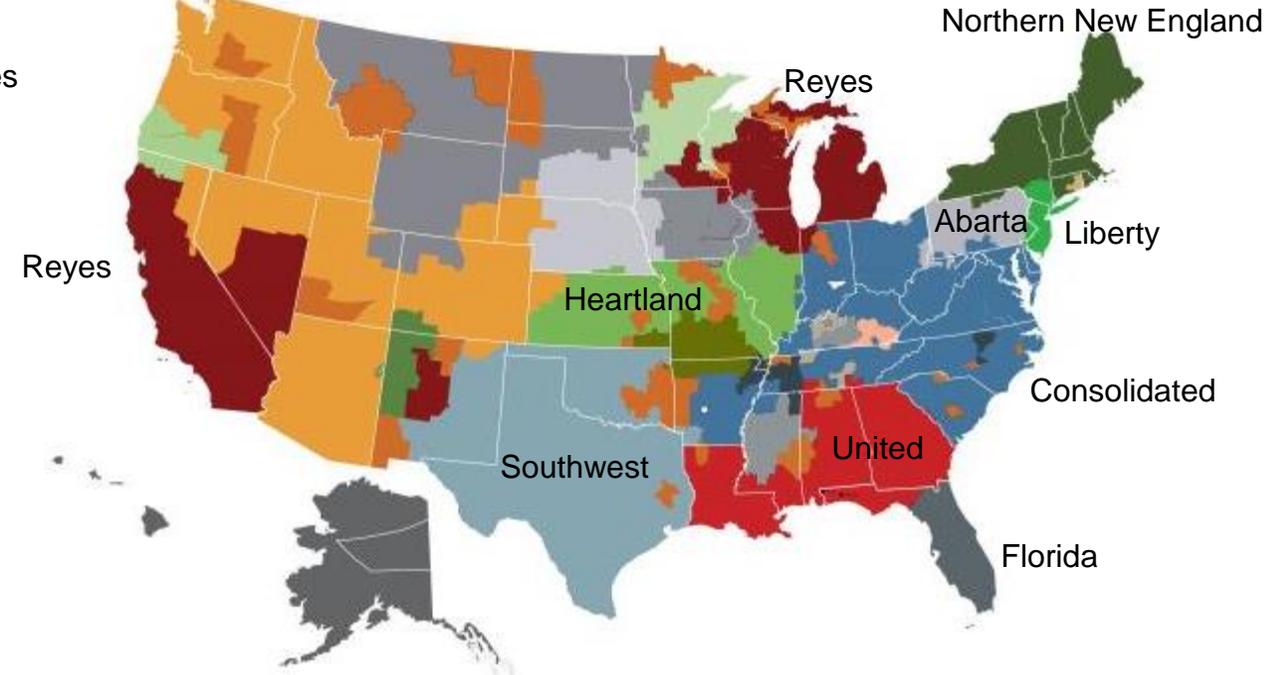
Overview

- Flagship market, includes finished goods, juice and food service businesses
- 360+ million consumers
- US\$230 billion in industry retail value
- Coca-Cola NARTD value share ~30%
- Coca-Cola revenue US\$11.8 billion
- Coca-Cola operating income US\$2.5 billion

Revenue Category Mix*



Bottling Landscape



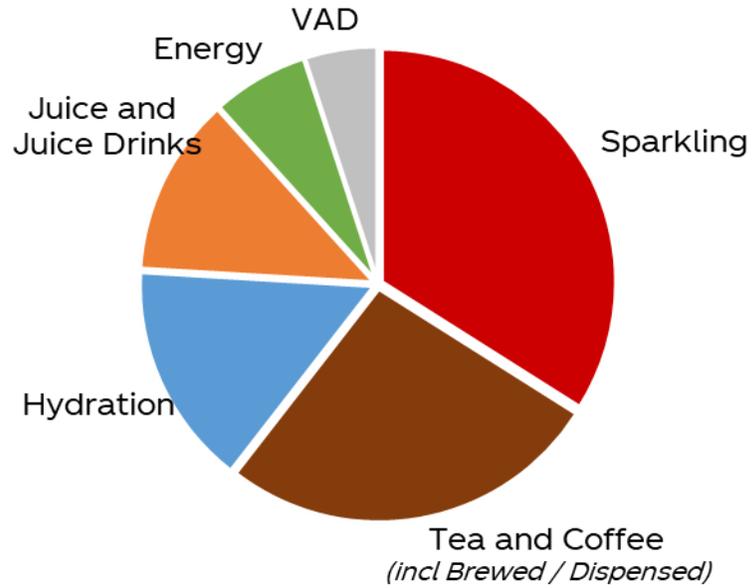
Value Share Position (2017)

Sparkling Soft Drinks	Juice, Dairy & Plant	Hydration	Tea & Coffee	Energy
#1	#1	#2	#3	#1

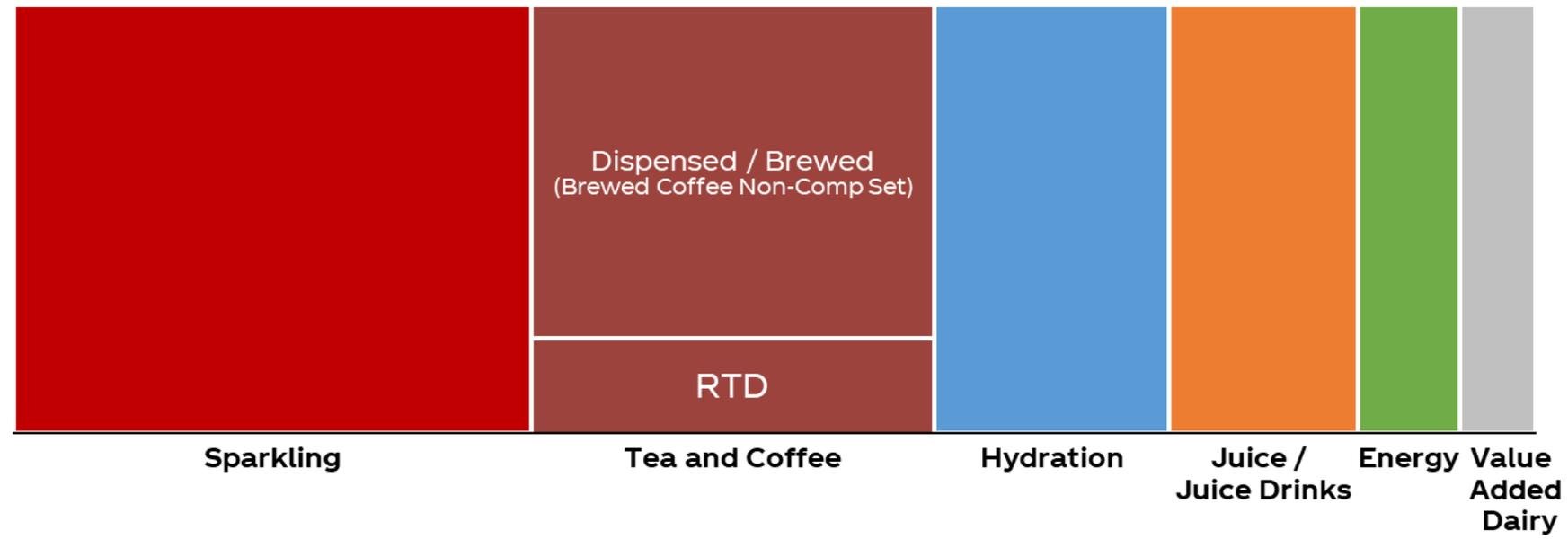
Source for industry retail value is internal estimates. Source for value share position is Euromonitor. All numbers are 2018, unless otherwise noted. Energy brands are owned by Monster Beverage Corporation in which TCCC has a minority investment. * NARTD and NRTD Tea & Coffee, top 40 markets globally.

TODAY, USA NARTD is a ~US\$200B Market

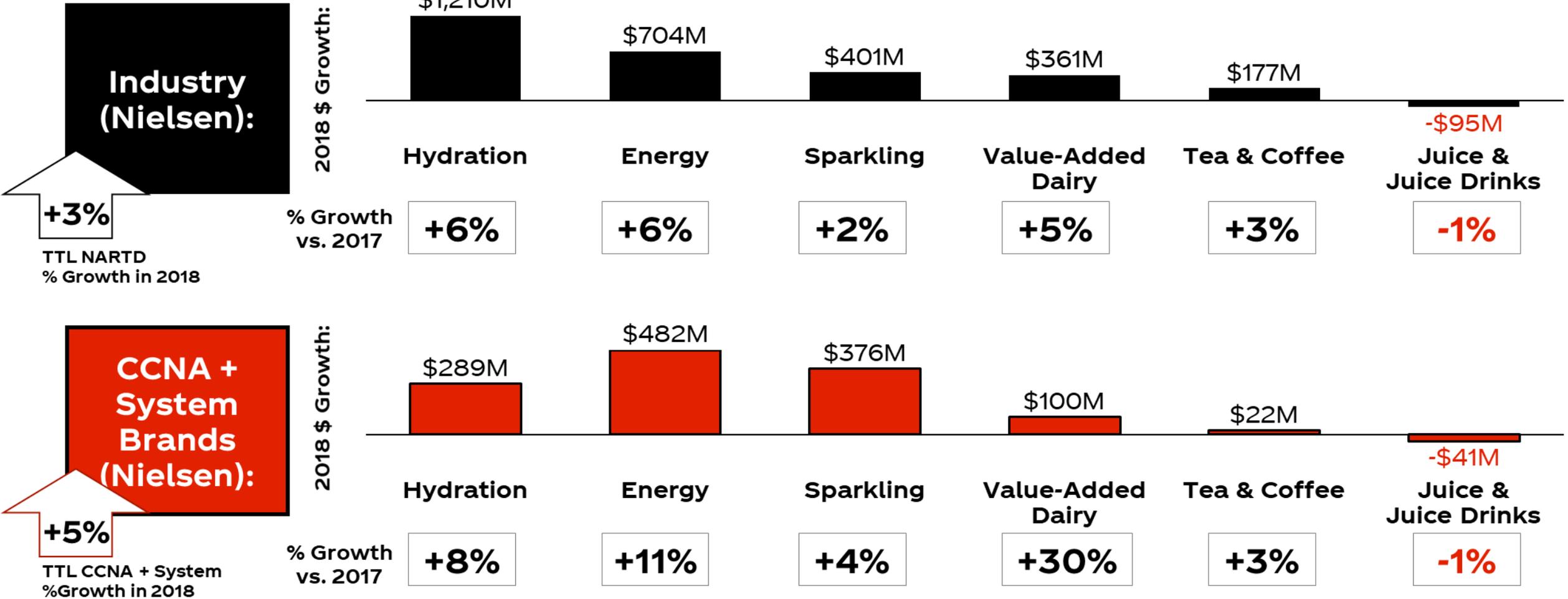
% Value by Category



Retail Value by Category



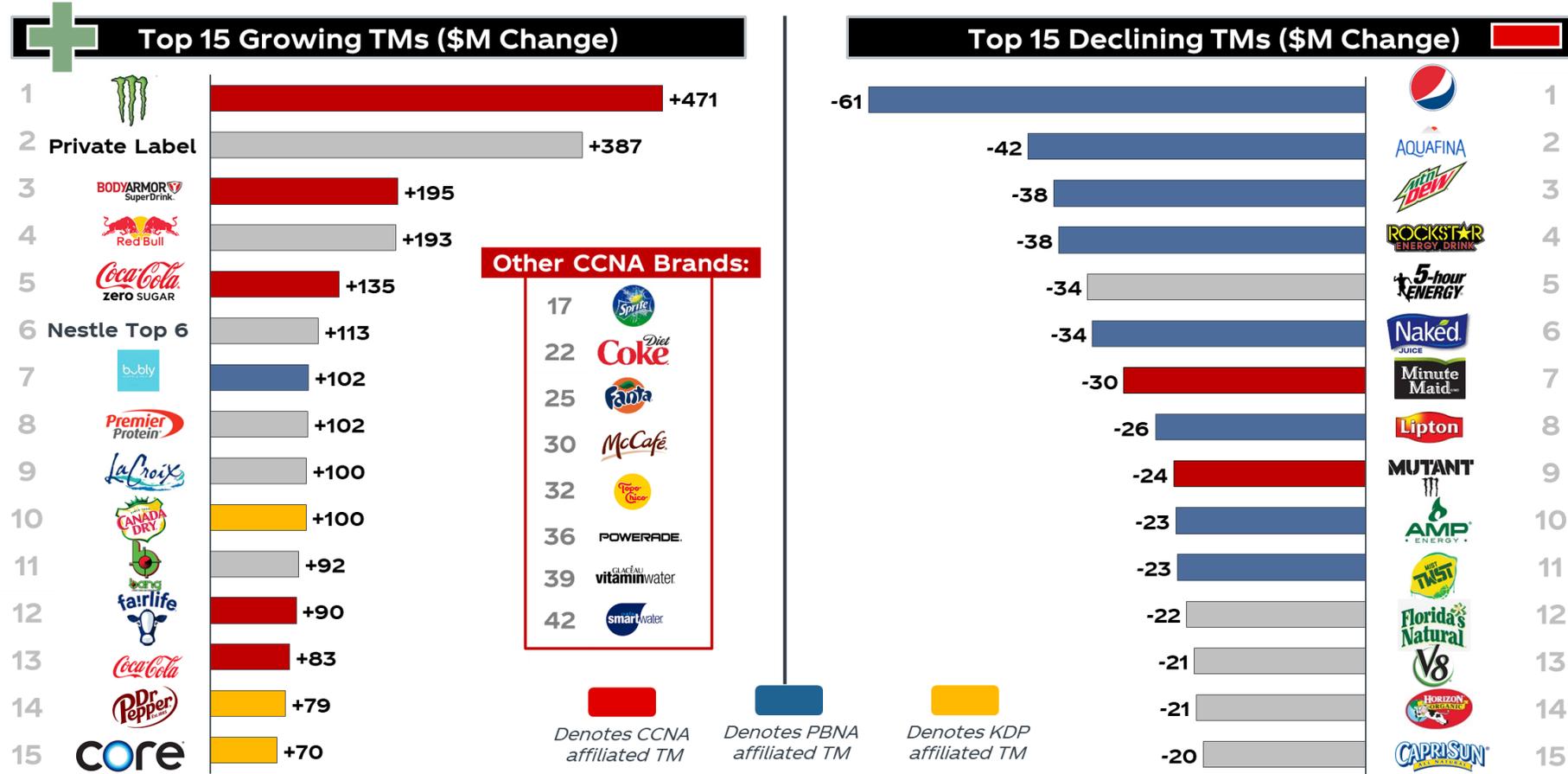
Growth Seen Across Most Category Clusters in Measured Retail



Source: Coca-Cola North America ("CCNA") Internal Estimates; Nielsen Scantrack Database (All Measured Channels), FY 2018 VS. FY 2017
CCNA System Brands include all trademarks from: Monster Beverage Corp, fairlife LLC, BODYARMOR (Full Year 2018), and Suja

In 2018, the Coca-Cola System Had Many of the Industry's FASTEST Growing Trademarks

YTD 2018: Top Growing and Declining TMs within NARTD



Swire USA Territory Overview

Population



28.8 Million

Ethnicity



72% White
21% Hispanic
3.1% Asian
2.2% African

Median Income



Utah: \$63K
Intermtn: \$55K
Mile High: \$67K
Arizona: \$52K
Washington: \$71K
Oregon: \$60K

Industry



Aerospace
Agriculture
High Tech
Health Technology
Craft Beer

Cost of Living Index



Utah: 118
Intermtn: 102
Mile High: 155
Arizona: 96
Washington: 153
Oregon: 129

Unemployment



2018
SW: 3.0%, US: 4.0%
2017
SW: 3.0%, US: 4.4%
2016
SW: 3.3%, US: 4.7%
2015
SW: 3.6%, US: 5.0%

Tourism



\$108 B

Where they shop



62%



50%

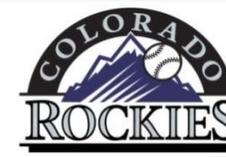


41%



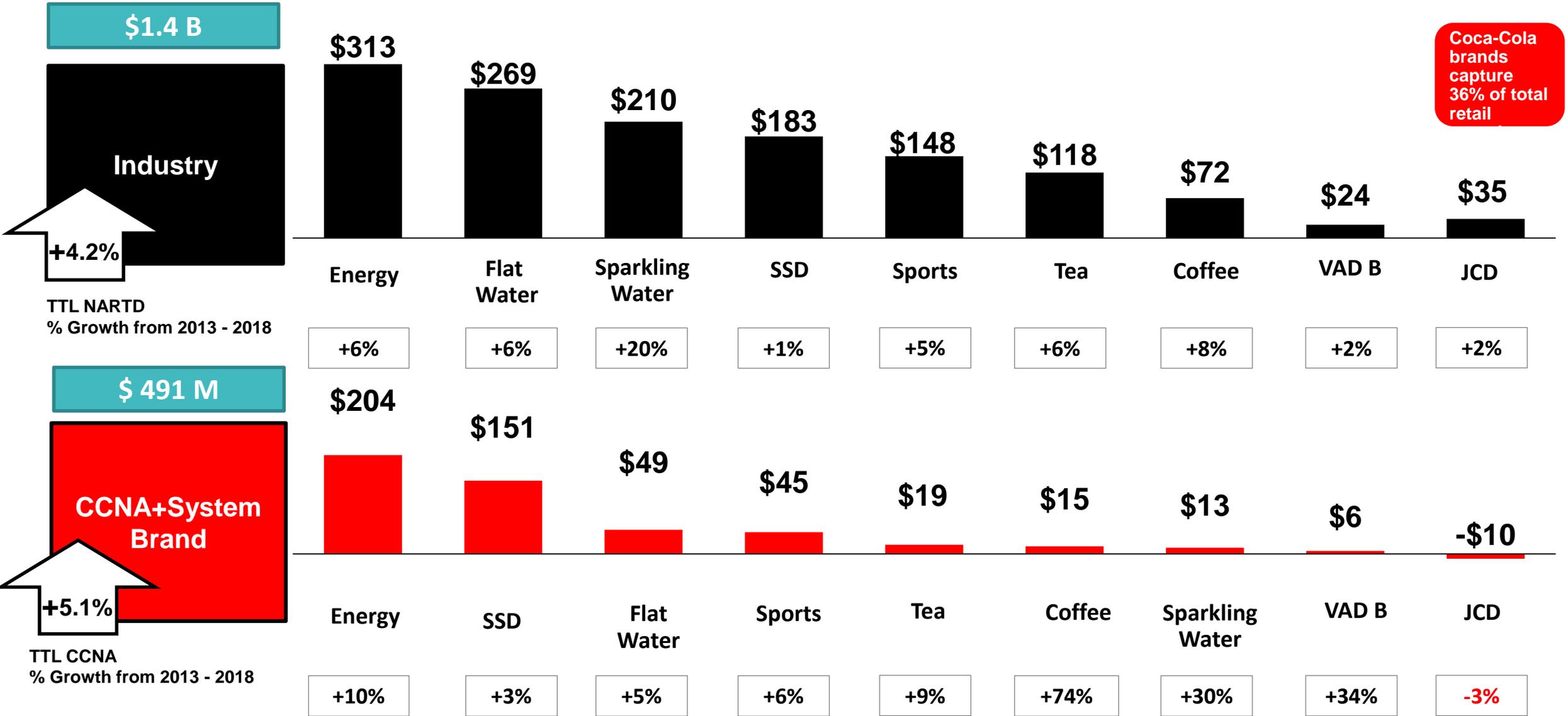
43%

How they spend their money

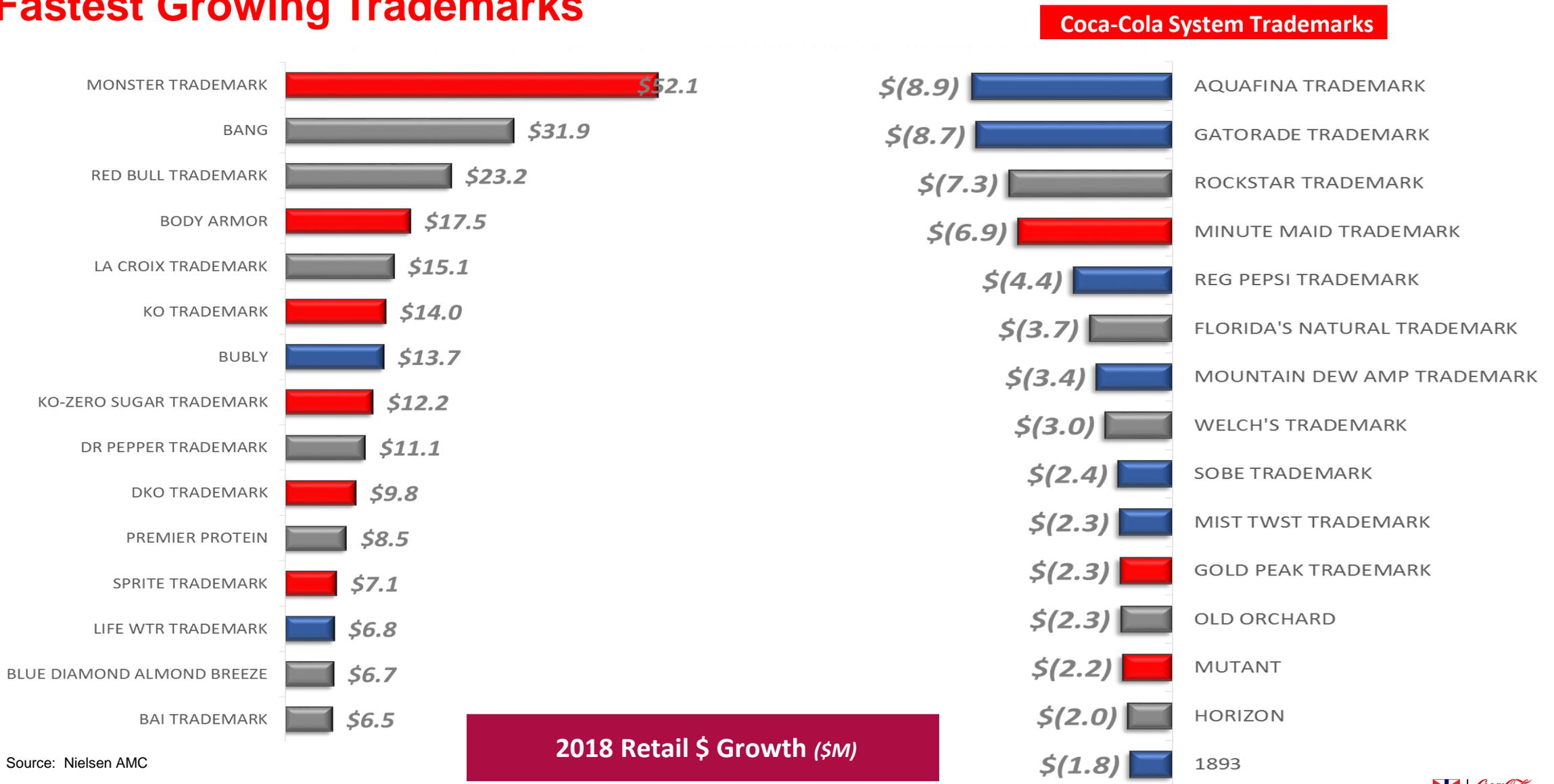


SWIRE COCA-COLA

5 Year Growth: NARTD Seeing Healthy Growth, Swire Grows in All Except Juice



In the Swire USA Territory, the Coca-Cola System Had Six of the Industry's Fastest Growing Trademarks

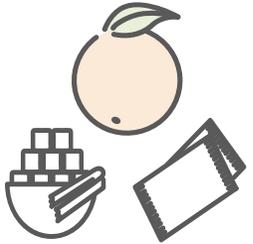


Source: Nielsen AMC

Navigating a Dynamic and Evolving Landscape

Evolving Consumer Trends

Ingredients

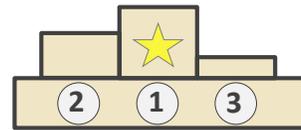


Digital Evolution

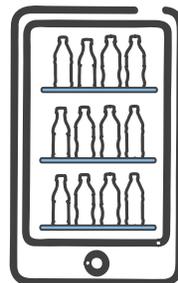


Increased Competition

Strong Global, Regional and Local Competitors



Lower Barriers to Entry



Bifurcation of Growth



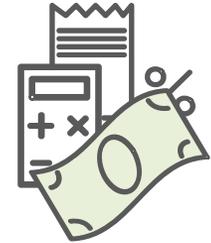
Premium



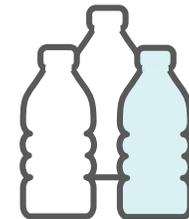
Affordable

Taxation / Regulation Considerations

Sugar / Excise Taxes



Plastic Concerns



We Are Taking Action to Reduce Our Sugar Footprint

1 Focus on Zeros



Global Rollout of
Coca-Cola Zero Sugar

2 Drive Small Packs



Affordable
Small Sparkling
Package

3 Portfolio Expansion of Low- and No Added-Sugar Drinks



250+ Launched in 2018

Beverage Tax Update

- Over a decade of managing of health and wellness issues – beverage taxes, warning labels, portion size restrictions, advertising bans.
- 7 cities have passed beverage taxes, including Seattle and Boulder in Swire territory.
- Last beverage tax passed in USA was Seattle in June 2017, implemented January 2018.
- All other attempts to pass statewide and city beverage taxes have been defeated thanks to strong campaigns and a united front by the American Beverage Association and the global brands.
- In 2019, only California and Connecticut have proposed serious beverage tax legislation.

We Are Helping Make the World's Packaging Waste Problem a Thing of the Past

World Without Waste Goals

- Help collect and recycle one bottle or can for every one we sell by 2030
- Continue to focus on making our packaging 100% recyclable by 2025
- Use 50% recycled materials in our packaging by 2030



Hong Kong & Taiwan Development
Neil Waters
Executive Director, Hong Kong & Taiwan



Highlights

Taiwan

- By 2013, the business had suffered 5 years of steady performance decline and required a total business transformation. This transformation commenced in 2014 and by 2018 had led to a P&L improvement in excess of 190%, driven initially by supply chain improvements and more recently by accelerating top line growth.
- The supply chain transformation has seen the closure of the Kaohsiung plant and upgrade of the Taoyuan plant.
- The sales and marketing transformation elements have seen:
 - ✓ The establishment of Real Leaf Tea as the market leading unsweetened eastern tea within 5 years of launch
 - ✓ A change in portfolio mix that has reduced the profit reliance of the sparkling category by over 30%, whilst growing share
 - ✓ Improved profitability of all modern trade customers and shift of resources in general trade to sources of profit and growth

Hong Kong

- With the Shatin plant approaching the limit of its original design capabilities, a major strategic and operational review was initiated in 2018.
- Significant market opportunities have been identified requiring total business transformation.
- The long-term business re-design will be completed in mid-2019, however a number of supply chain elements of the transformation have already begun.

In 2014, a Long Term Plan was Developed to Turn the Business Around

FOUR STRATEGIC IMPERATIVES

1. TAKE SHARE

2. MINIMISE OUR
DISADVANTAGES

3. RESOURCE TO
TRENDS

4. UP THE GAME

EIGHT CORE ENABLERS

GROWTH

Profitable Category
Expansion

Drive Retail Trade
Returns

Dominate the On
Premise

Vending Profit
Contribution

EFFECTIVENESS & EFFICIENCY

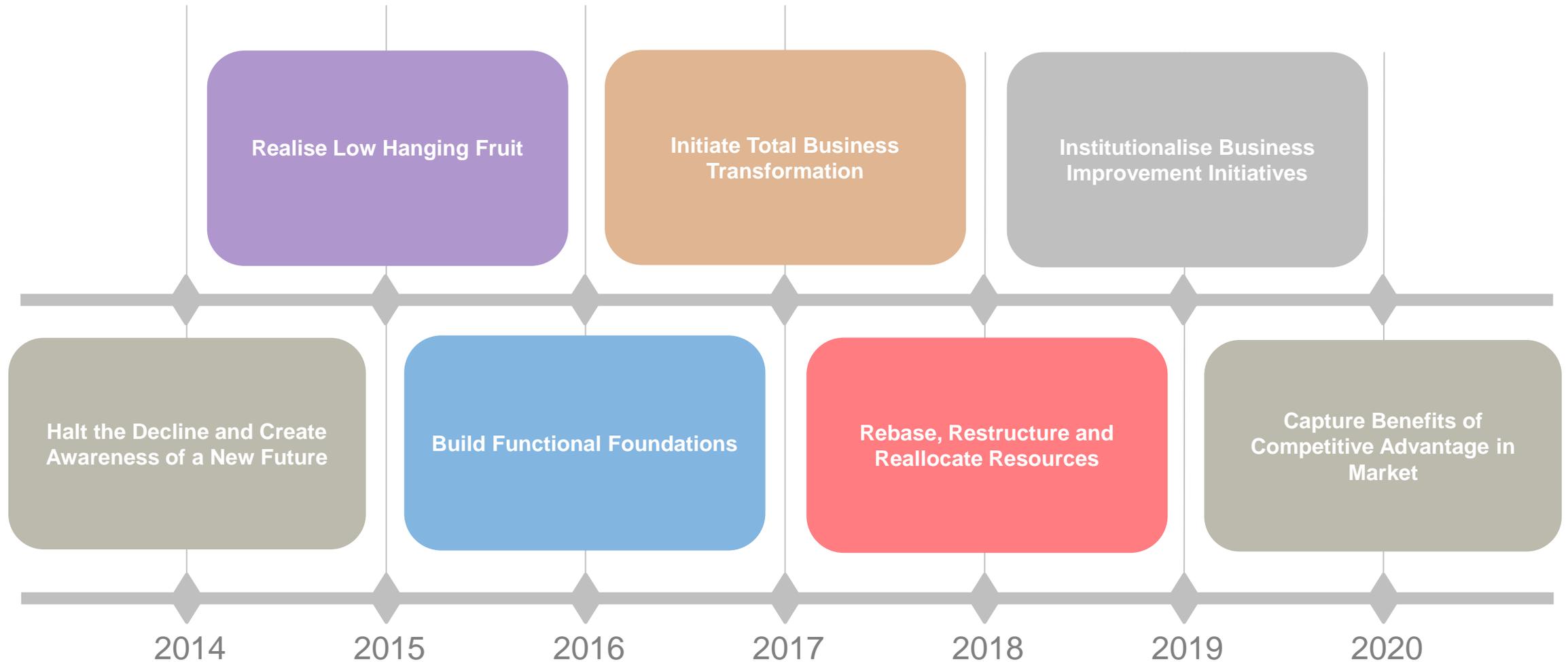
Assets Managed to
Return on
Investment

Efficient and
Flexible Value
Chain

Simple, Fast, and
Integrated Process
and Systems

Capabilities and
Behaviours to
Achieve Vision

A Transformation Roadmap was Developed to Deliver the Strategic Imperatives



A Holistic Supply Chain Restructure to Eliminate Obsolete Infrastructure and Inefficient Operational Practices

Consolidation of Supply Chain Infrastructure and Operations

Manufacturing

- Closure of the Kaohsiung manufacturing plant
- Investment in a new hybrid line in Taoyuan to increase capacity on PET, returnable bottles and new beverages
- Significant increase in the partnership with co-packers on production of still beverages

Logistics

- Development of a new operating centre in Kaohsiung
- New automated storage and retrieval system in Taoyuan and streamline material flows in Taoyuan plant, warehouse and distribution centres



Outcomes

- Consolidation of facilities management and maintenance costs
- Increase sparkling capacity on core packs
- Eliminate unnecessary transfers between North and South
- Reduce unnecessary materials movements and multiple handling of product
- Expand distribution centre service function

Supply Chain Restructure Complemented with Commercial Initiatives

Sales and Marketing Initiatives

Description

Product and Brand

- Reduced reliance on sparkling category by over 30% while increasing market share from 38% in 2014 to 50% as of March 2019*
- Developed, launched and built Real Leaf Tea into the market leading unsweetened eastern tea brand within 5 years*

Modern Trade

- Significant growth in customer profitability / reduction in unprofitable promotional activity
- Investment in and development of commercial and channel strategy capability

General Trade

- Shift of resources away from low profit segments to higher profit segments
- Progressive development of segmented execution

Vending and Equipment

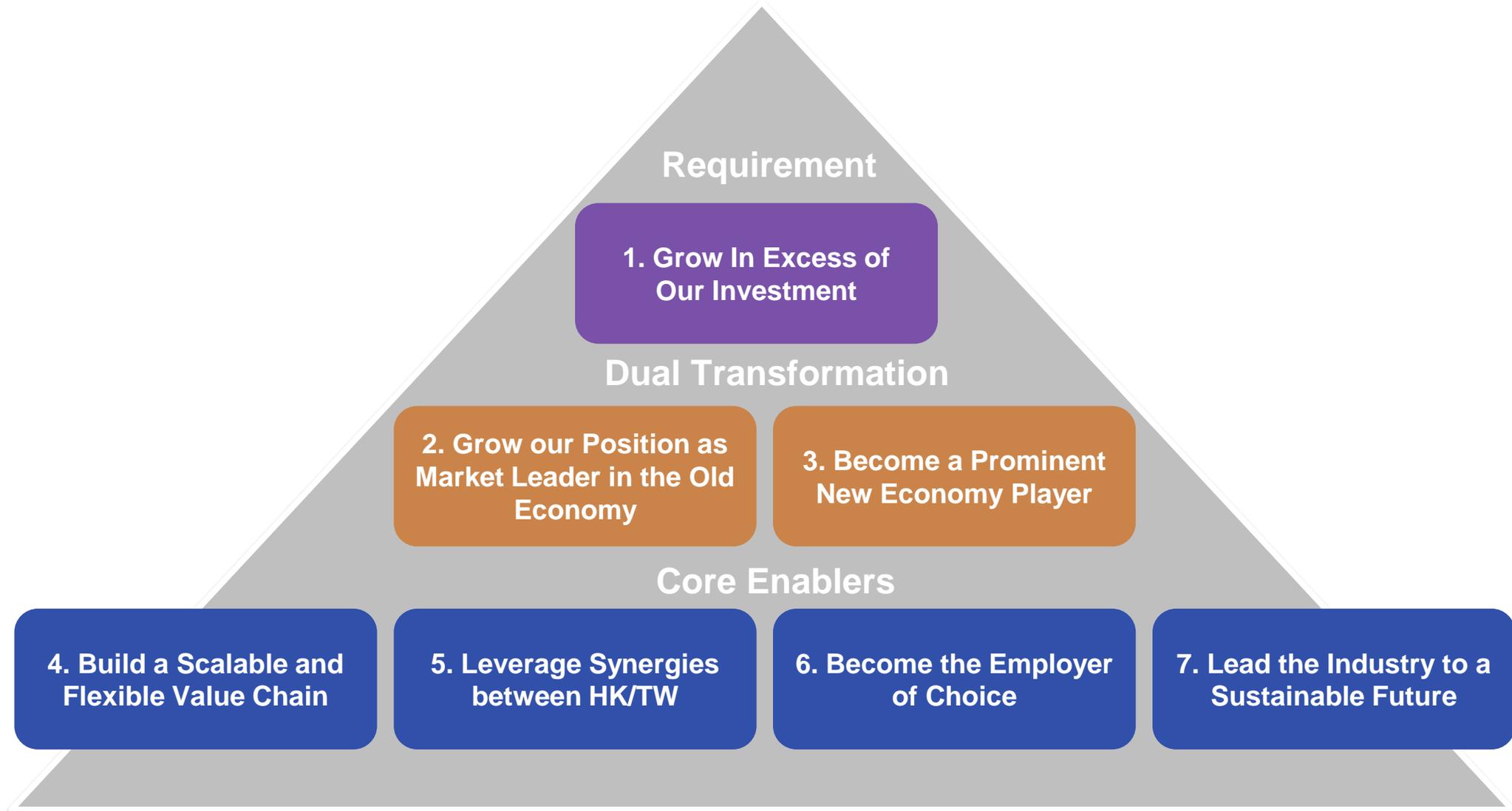
- Achieved vending profitability for the first time in 2018
- Over 50% increase in cooler placements since 2013
- Development of an equipment remanufacturing facility

Background

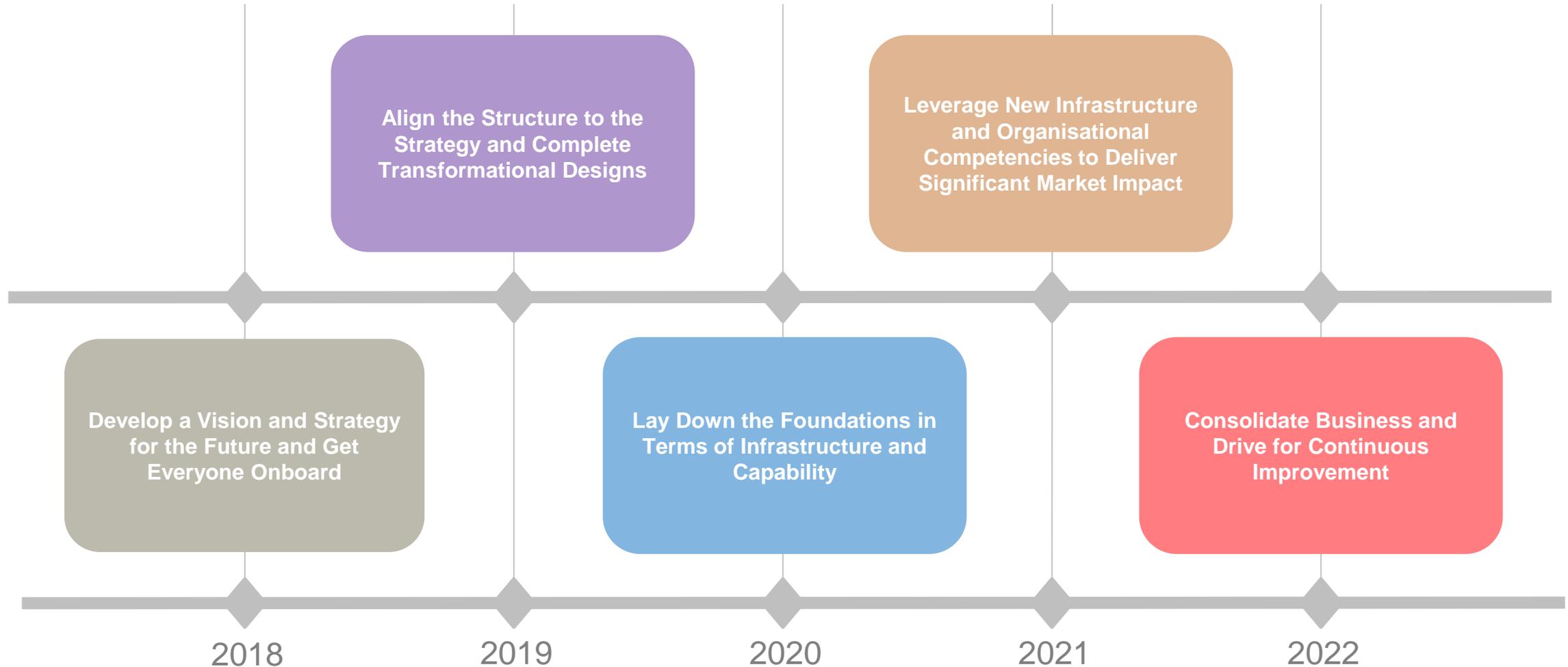


- Opened in 1991, Shatin is the world's tallest Coca-Cola manufacturing facility.
- 54 residential stories in height with 16 production lines and ~7k pallets warehousing.
- Shatin is approaching its original design capabilities and in 2018 a formal strategic and operational review was conducted.
- While the details are yet to be finalised, the optimal way forward to leverage the opportunities that were identified in the review will likely be to modernise Shatin and redesign operations around Shatin.

A Long Term Plan was Developed around Seven Strategic Imperatives



Similar to Taiwan, a Business Transformation Roadmap Has Been Developed



The Business to Transform Over the Next Five Years

Current Initiatives

Description

Product and Brand

- Creation of a dedicated Innovation Team and new product development pipeline
- Return to growth of juice and tea
- Launch many innovative and consumer centric products, e.g. Coke Plus, Sprite Plus, Sleek Cans and Mini cans

Manufacturing

- 2 x combi lines commercialised in 2018
- Sleek can line commercialised in Q1 2019
- Aseptic dual-filler under construction and to be installed in Q4 2019
- Installation of a new tea extractor in 2019

Other

- Changes to personnel in key roles (2018)
- Channel and commercial structure in place in Q1 2019

Digital Leadership
Dominic Wheeler
Executive Director, Information Systems

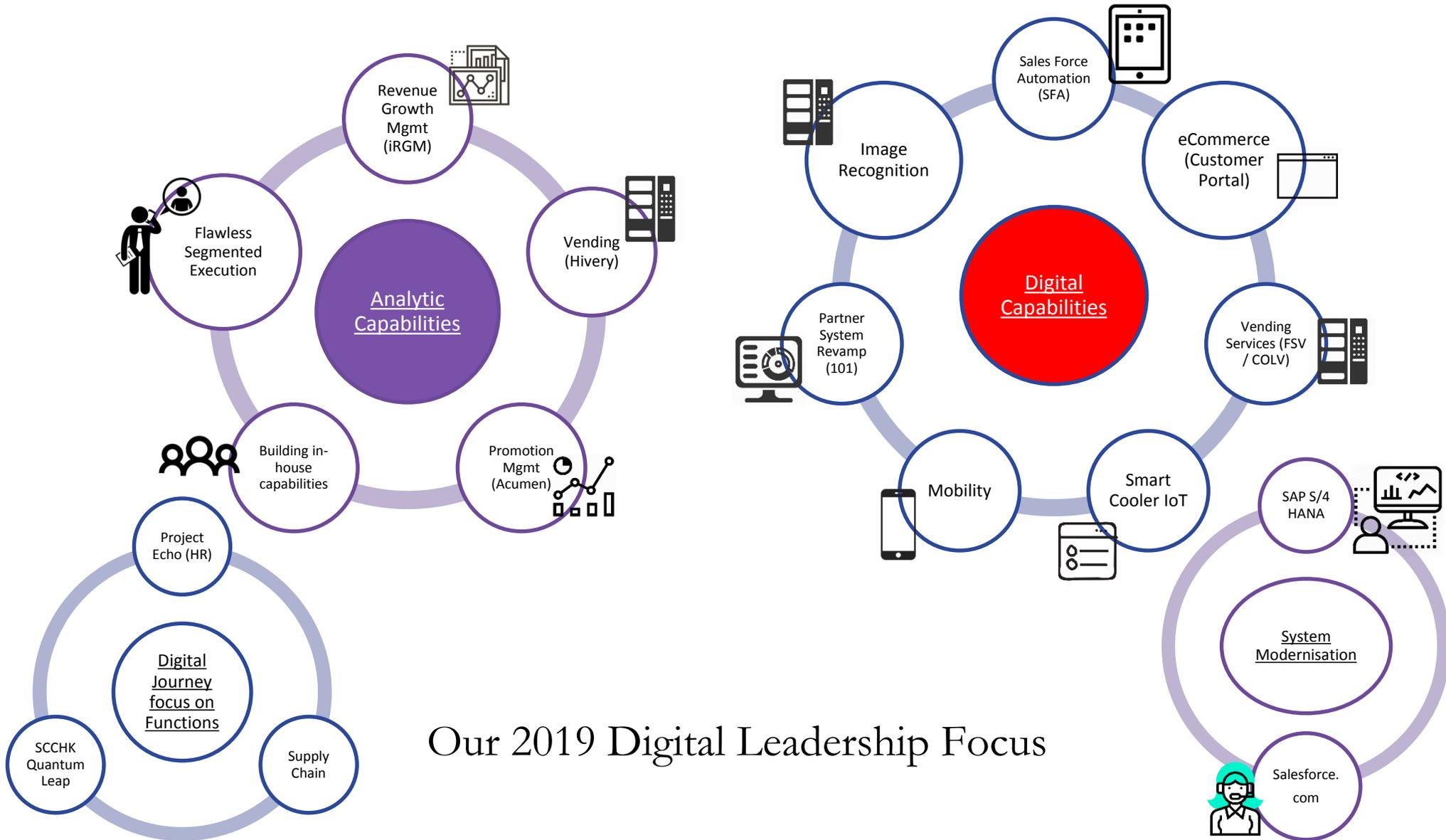


Digital Leadership



“Becoming the Clear Digital Leader within the Beverages Industry, ultimately within the FMCG Industry, in our markets”

- Use of latest **technologies, innovation and disruptive technologies** to add business value
- World class **Sales Force Automation** tools, driven by:
 - Exploitation of internal and external **data** to drive outlet-specific action
- Best-in-class **Customer Portal** providing superior service vs third party B2B platforms
- **Digitally Enabled Equipment (IoT)**

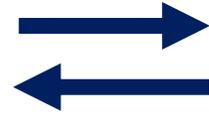
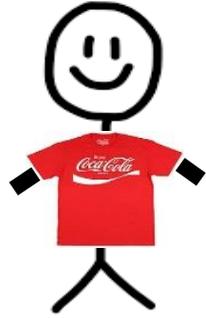


Our 2019 Digital Leadership Focus

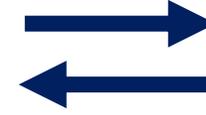
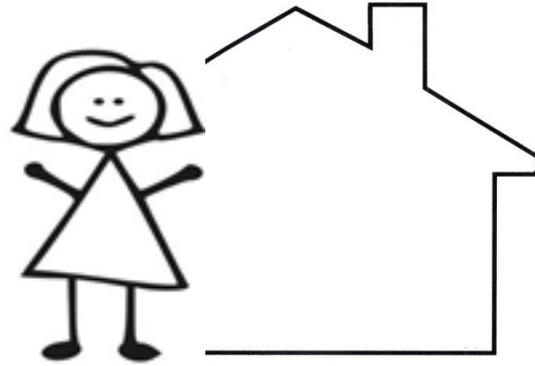
Providing Speedy, Flexible and Scalable IT Platform with Cloud



Frontline Sales



Customer



Consumer



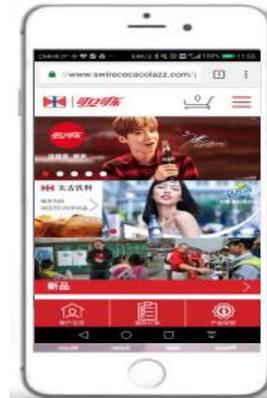
Route	Customer
Orders	Equipment
Execution	Contracts

Ordering	Accounting
Delivery	Contracts
Equipment	Marketing

Transactions



FRONT LINE AUTOMATION



CUSTOMER PORTAL



CONNECTED EQUIPMENT

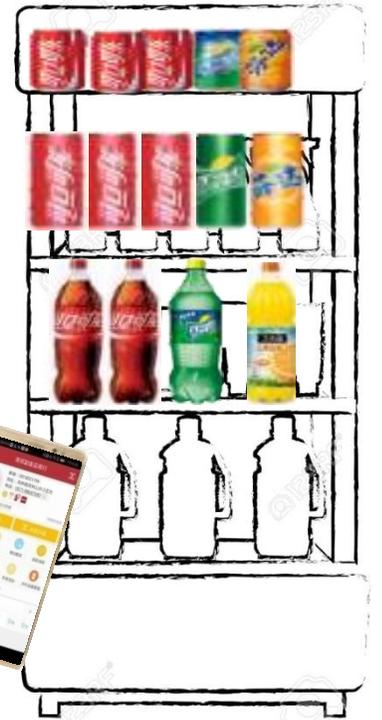
Front Line Automation Enabling Closed Loop Execution Management

Store Level Execution Standards

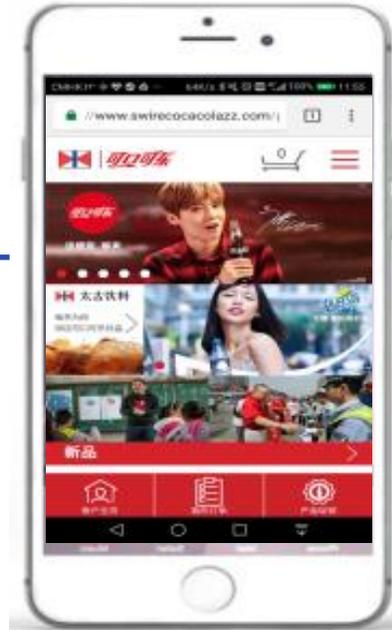


Execution Checking

In Store Execution



B2B Digital Interaction with Customers



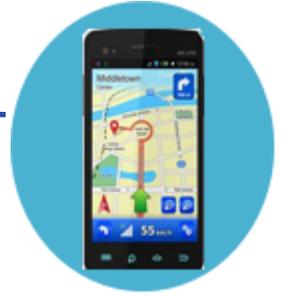
530k+ = **74%**
Customers **Contract**
 Outlets



Orders



Logistics



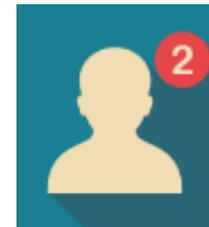
Accounts



Contracts



Equipment



Info

Connected Equipment – IOT Beacons in All Swire Coolers



- 720k+**
Coolers in market in 2019
- 
Asset Management
- 
Door Openings
- Operational Data**

Lighting and Temperature
- 
Consumer Engagement

GAMES

COMMUNICATION

CONSUMER PROMOTIONS



Sustainability

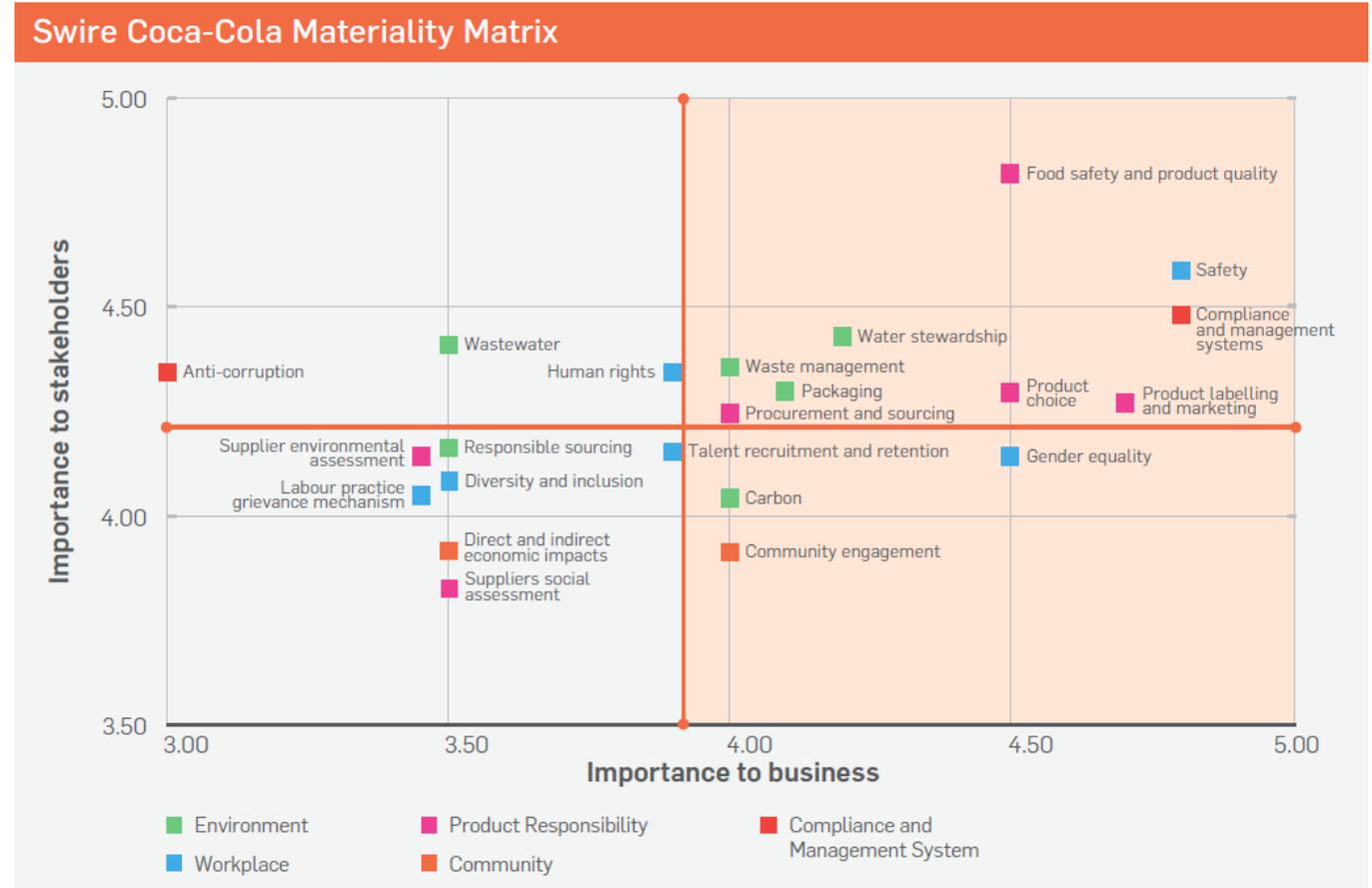
Peter Mills

Executive Director, Supply Chain



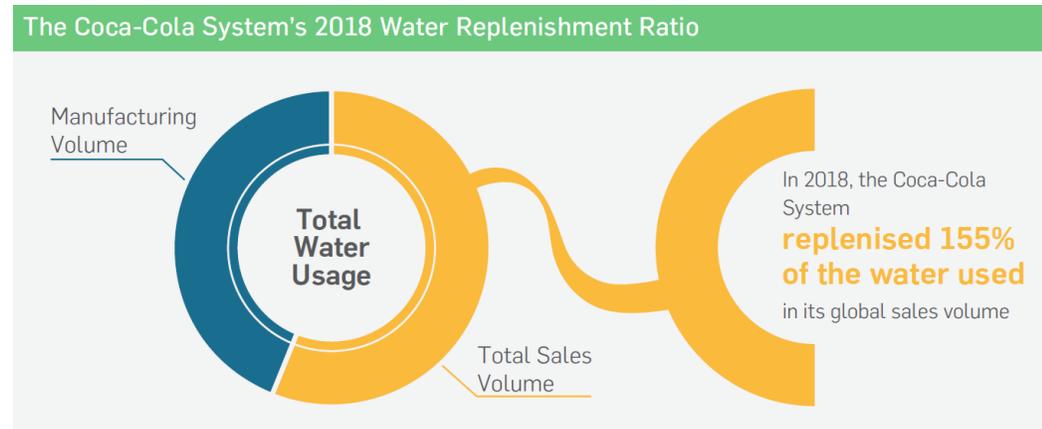
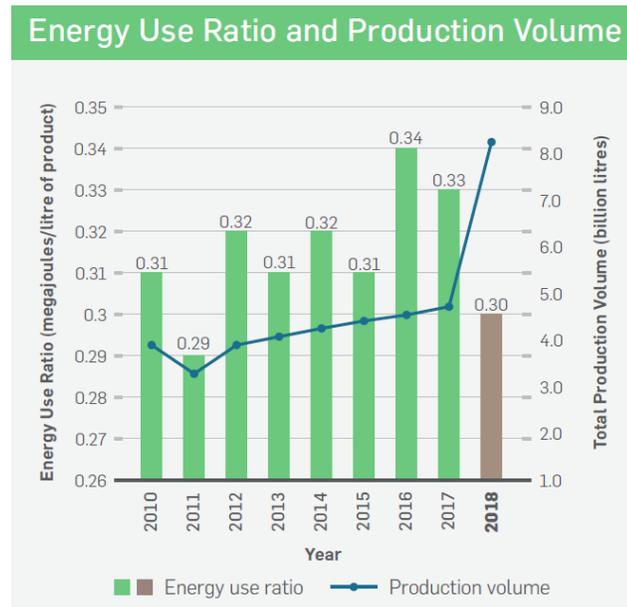
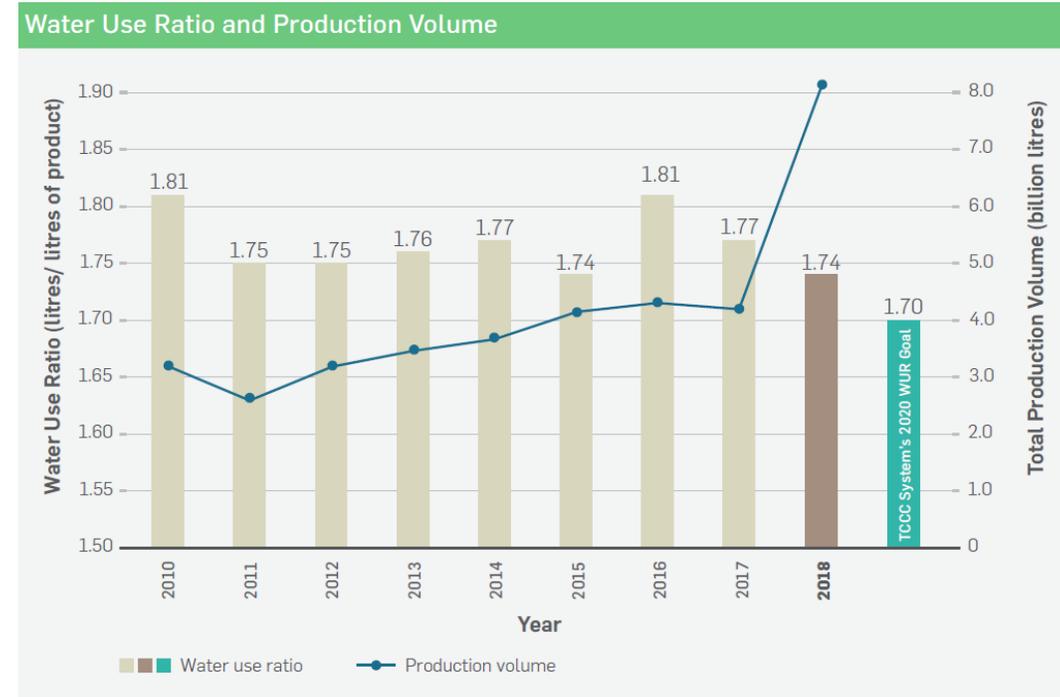
2018 Sustainable Development Report – Highlights

- A comprehensive GRI-compliant 2018 Sustainable Development Report was published in May 2019
- Key material subjects identified were:
Water Stewardship, Packaging and Waste Management, Carbon
Gender Equality, Safety
Community Engagement
Product Choice and Labelling, Product Quality and Food Safety, Procurement and Sourcing
- QR code for access to the 2018 Swire Coca-Cola Sustainable Development Report



Water and Energy Use

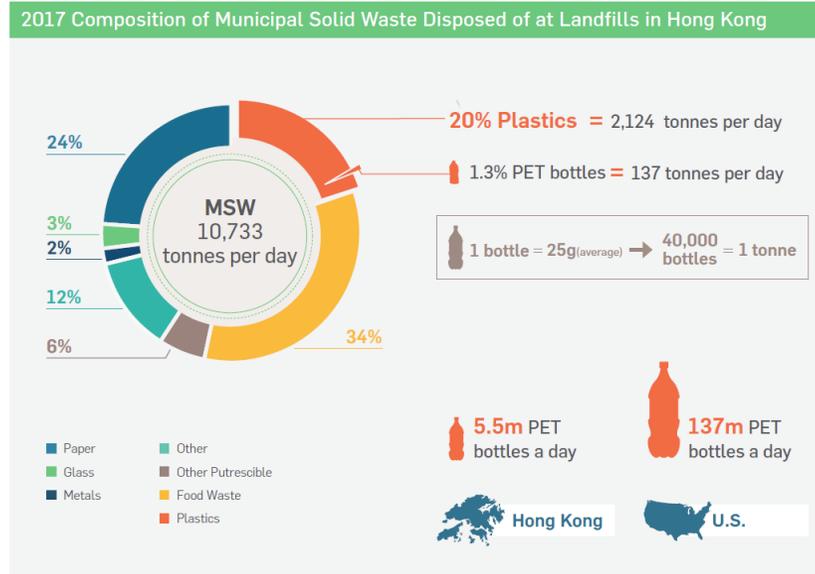
- Water Use Ratio (WUR) is tracking down with volume growth
- Water replenishment > total water usage for the system
- Energy Use Ratio (EUR) is tracking down with volume growth



#Drink Without Waste (#DWW) – a Hong Kong Initiative

- #DWW is a coalition of NGOs, industry, retailers, recyclers, universities, a think tank and other leading Hong Kong companies
- Swire Coca-Cola was a founding member of this initiative
- Phase I = An independent research study was commissioned and completed by Deloitte: “How to keep single-use soft drink packaging from landfill in HK” – Dec 2018
- Phase II (now) = Participate in the design of a Producer Responsibility Scheme for beverage packaging under a Hong Kong legal and regulatory framework

www.drinkwithoutwaste.org



Source: EPD statistics HK Government

PET & HDPE Recycling Facility – a Hong Kong Initiative

- In 2018, Baguio (a local waste management company), ALBA (a German resource management company) and Swire Coca-Cola decided to form a joint venture to build, own and operate a 35,000tpa plastics recycling facility
- Location: EcoPark in Tuen Mun
- It is expected to be operational in 3Q 2020
- 80%/20% split on PET and HDPE
- The 80% PET represents most of the collected soft-drink post consumption PET in HK
- The output will be food grade rPET flake and rHDPE pellet
- These products will be sold on the international markets at the best prices available



Packaging and Waste Management

Ellen MacArthur Foundation's New Plastics
Economy - Global Commitment



- Swire Coca-Cola joined Ellen MacArthur's New Plastics Economy 'NPEC' in 2017, and in 2018 signed the Global Commitment alongside The Coca-Cola Company
- NPEC provides access to what has become the default authority on plastic waste – and specifically plastic waste packaging, as well as a forum to discuss collection and recovery methods with many of the world's leading FMCG companies

Carbon

- In 2019, Swire Coca-Cola will conduct a study as to whether it can submit a Science Based Target (SBT) to the SBT Initiative (SBTi)
- This project is co-funded by The Coca-Cola Company



Closing Remarks

Patrick Healy
Managing Director



Swire Coca-Cola: Five Strategic Priorities



- ✓ **Portfolio Expansion**
- ✓ **Digital Leadership**
- ✓ **Benchmarking**
- ✓ **Commercial Leadership**
- ✓ **Sustainability**



Swire Coca-Cola

Capital Markets Day
29th May 2019

