

# 2017 ANNUAL GENERAL MEETING

Presentation to Shareholders  
16 May 2017

**CCA**  
COCA-COLA AMATIL

David Gonski, Chairman  
Ilana Atlas, Chairman-elect  
Alison Watkins, Group Managing Director

# DISCLAIMER

**Coca-Cola Amatil advises that these presentation slides and any related materials and cross referenced information, contain forward looking statements which may be subject to significant uncertainties outside of Coca-Cola Amatil's control.**

**No representation is made as to the accuracy or reliability of forward looking statements or the assumptions on which they are based.**

**Actual future events may vary from these forward looking statements and you are cautioned not to place reliance on any forward looking statement.**

# VIDEO

We are Coca-Cola Amatil...



# 2017 ANNUAL GENERAL MEETING

David Gonski AC, Chairman

# WAL KING, AO

## Non-executive Director

- Independent
- Joined Board: February 2002
- Board committees: Related Party Committee, Sustainability Committee, Nominations Committee

### Background

Mr King has worked in the construction industry for over 40 years and was Chief Executive Officer of Leighton Holdings Limited, a company with substantial operations in Australia, Asia and the Middle East, from 1987 until his retirement on 31 December 2010.



# CATHERINE BRENNER

## Non-executive Director

- Independent
- Joined Board: April 2008
- Board committees: Audit & Risk Committee, Related Party Committee, Sustainability Committee (Chair), People Committee, Nominations Committee

### Background

Ms Brenner is a former senior investment banker advising domestic and international clients on a range of mergers, acquisitions, privatisations and capital raisings.

She has been a public company director for more than 12 years in the financial services, building materials, resources, property and biotech sectors including chairing remuneration, nominations, audit and risk and health and safety committees.





# PAUL O'SULLIVAN

## Non-executive Director

- Independent
- Joined Board: March 2017
- Board committees: Related Party Committee and Nominations Committee

### Background

Mr O'Sullivan has experience in the telecommunications, banking and oil & gas sectors, both in Australia and overseas. He has held senior executive roles with Singapore Telecommunications (SingTel) and was previously the CEO of Optus. Mr O'Sullivan has also held management roles with the Colonial Group and the Royal Dutch Shell Group in Canada, the Middle East, Australia and United Kingdom. He is a member of the Board of Commissioners of Telkomsel, Indonesia's largest mobile communications company and a former Director of Bharti Airtel, one of India's leading mobile providers.



# JOHN BORGHETTI, AO

## Non-executive Director

- Independent
- Joined Board: December 2015
- Board committees: Sustainability Committee, People Committee, Related Party Committee and Nominations Committee

### Background

Mr Borghetti is Chief Executive Officer and Managing Director of the Virgin Australia Airline Group, commencing in this role in May 2010. He has had over 40 years' experience in aviation, including a long career at Qantas.





# KRISHNAKUMAR THIRUMALAI

## Non-executive Director

- Nominee of The Coca-Cola Company
- Joined Board: March 2014
- Board committees: Sustainability Committee, and Nominations Committee

## Background

Mr Thirumalai is the President of Coca-Cola India and South-West Asia. He was the Region Director for the India, Bangladesh, Sri Lanka and Nepal bottling operations of TCCC until 30 April 2017. He has significant experience across developing and emerging markets in marketing, sales, distribution and supply chain and more than 30 years in the FMCG sector, handling strategy, sales, marketing and general management. Mr Thirumalai is also Chairman and director of, Hindustan Coca-Cola Beverages Pvt. Ltd. (India); and Director, Coca-Cola Beverages Sri Lanka Limited and International Beverages Bangladesh Pvt. Ltd. (Bangladesh).



# ALISON WATKINS

## Group Managing Director

- Executive Director
- Appointed: March 2014

### Background

Ms Watkins joined Coca-Cola Amatil Limited in March 2014 as Group Managing Director. Previously, Ms Watkins was Managing Director of GrainCorp Limited. She has held other executive and non-executive roles in food, beverage, retail and financial services and was a partner at McKinsey & Company earlier in her career.



# DAVID GONSKI, AC

## Non-executive Director

- Independent
- Joined Board: October 1997
- Board committees: Related Party Committee and Nominations Committee (Chair), Audit & Risk Committee, Sustainability Committee and People Committee

### Background

Mr Gonski was a solicitor for 10 years with the law firm of Freehills and thereafter a corporate advisor in the firm of Wentworth Associates co-founded by him, which subsequently became part of the Investec Banking Group.



# KATIE NEWTON-JOHN

## Group Company Secretary

- Appointed: January 2016

### Background

Joined Amatil in July 2012 and was appointed Company Secretary in January 2016. Ms Newton-John holds a Bachelor of Laws degree from University College London and a Graduate Diploma of Applied Corporate Governance from the Governance Institute of Australia. She has over 15 years experience as a commercial and corporate lawyer and governance professional.





# ILANA ATLAS

## Non-executive Director

- Independent
- Joined Board: February 2011
- Board committees: People Committee, Audit & Risk Committee, Related Party Committee and Nominations Committee

### Background

Ms Atlas has extensive experience in business and has held executive and nonexecutive roles across many industry sectors. From 2003 to 2010, she held senior executive roles within Westpac Banking Corporation. She practised as a lawyer for 22 years and was the Managing Partner of Mallesons Stephen Jaques.



# DAVID MEIKLEJOHN, AM

## Non-executive Director

- Independent
- Joined Board: February 2005
- Board committees: Audit & Risk Committee (Chair), Sustainability Committee, Related Party Committee and Nominations Committee

### Background

Mr Meiklejohn was the Chief Financial Officer of Amcor Limited for 19 years until retirement in June 2000. Since retirement, he has served on the boards of a number of companies and was at different times Chairman of PaperlinX and SPC Ardmona, Deputy Chairman of GasNet Australia and a Director of the Australia and New Zealand Banking Group Limited, WMC Resources Limited and Treasury Corporation of Victoria. He has strong experience in finance and financial management and as a company director.



# MARK JOHNSON

## Non-executive Director

- Independent
- Joined Board: December 2016
- Board committees: Audit & Risk Committee, Sustainability Committee, Related Party Committee and Nominations Committee

### Background

Mr Johnson was CEO and Senior Partner of PricewaterhouseCoopers (PwC) from July 2008 - June 2012 and held other senior positions (both internationally and in Australia) during his 30 year career at PwC, serving major clients in areas of audit, accounting, due diligence, fund raising and risk and governance. Mark is an experienced company director in the listed, private and not-for-profit sectors.



# TONY FROGGATT

## Non-executive Director

- Independent
- Joined Board: December 2010
- Board committees: Audit & Risk Committee, People Committee, Related Party Committee and Nominations Committee

### Background

Mr Froggatt is a former Chief Executive Officer of global brewing company Scottish & Newcastle plc. Prior to that, he held various senior management positions in Seagram Spirits & Wine Group, Diageo plc, H J Heinz and The Gillette Company. He is experienced in global business and brand development, in both mature and developing markets, as well as having extensive marketing and distribution knowledge particularly in the international food and beverages sector.





# MARTIN JANSEN

## Non-executive Director

- Independent
- Joined Board: December 2009
- Board committees: Audit & Risk Committee, Sustainability Committee and Nominations Committee

### Background

Mr Jansen is the Region Director, Bottling Investments Group for China, Southeast Asia and Middle East and is responsible for TCCC's Bottling Investment interests in China, Singapore, Malaysia, Vietnam, Cambodia, Myanmar, UAE, Oman, Qatar, Bahrain and Egypt. He joined The Coca-Cola System in 1998, when he was appointed as the Chief Operating Officer for Coca-Cola Sabco. In 2001, he was appointed Chief Executive Officer, leading an anchor bottler with operations in 12 countries in Africa and Asia.



# CHAIRMAN'S ADDRESS

David Gonski AC, Chairman



# CHAIRMAN- ELECT'S ADDRESS

Ilana Atlas, Chairman-elect



# VIDEO

Coca-Cola Amatil Strategy



# GROUP MANAGING DIRECTOR'S PRESENTATION

Alison Watkins, Group Managing Director



# COCA-COLA AMATIL

Our people demonstrate a tireless enthusiasm for their role in creating millions of moments of happiness for shareholders, customers and consumers





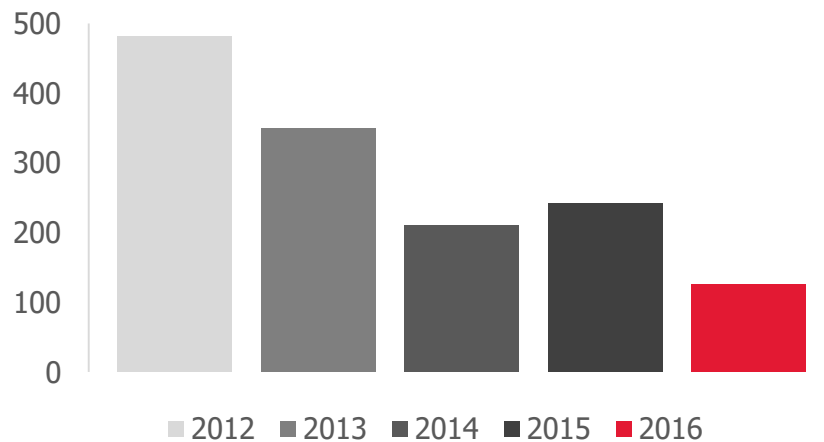
# SAFETY AT AMATIL

**We believe zero harm is the only goal for safety.**

In 2016 we made good progress in safety and wellbeing at work, including:

- 74% reduction in the total rate of injuries since 2012
- 75% reduction in days lost in 2016

## TOTAL GROUP INJURIES



# GROUP LEADERSHIP TEAM



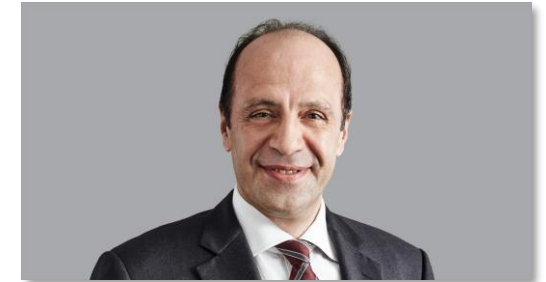
**Alison Watkins**  
Group Managing Director



**Betty Ivanoff**  
Group General Counsel



**Peter McLoughlin**  
Managing Director, Australian  
Beverages



**Kadir Gunduz**  
Managing Director, Indonesia &  
Papua New Guinea



**Martyn Roberts**  
Group Chief Financial Officer



**Libbi Wilson**  
Group Human Resources Director



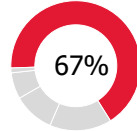
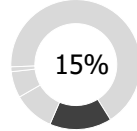
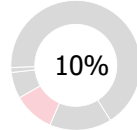
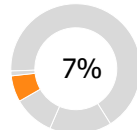
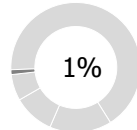
**Chris Litchfield**  
Managing Director, New Zealand &  
Fiji



**Shane Richardson**  
Managing Director, Alcohol & Coffee

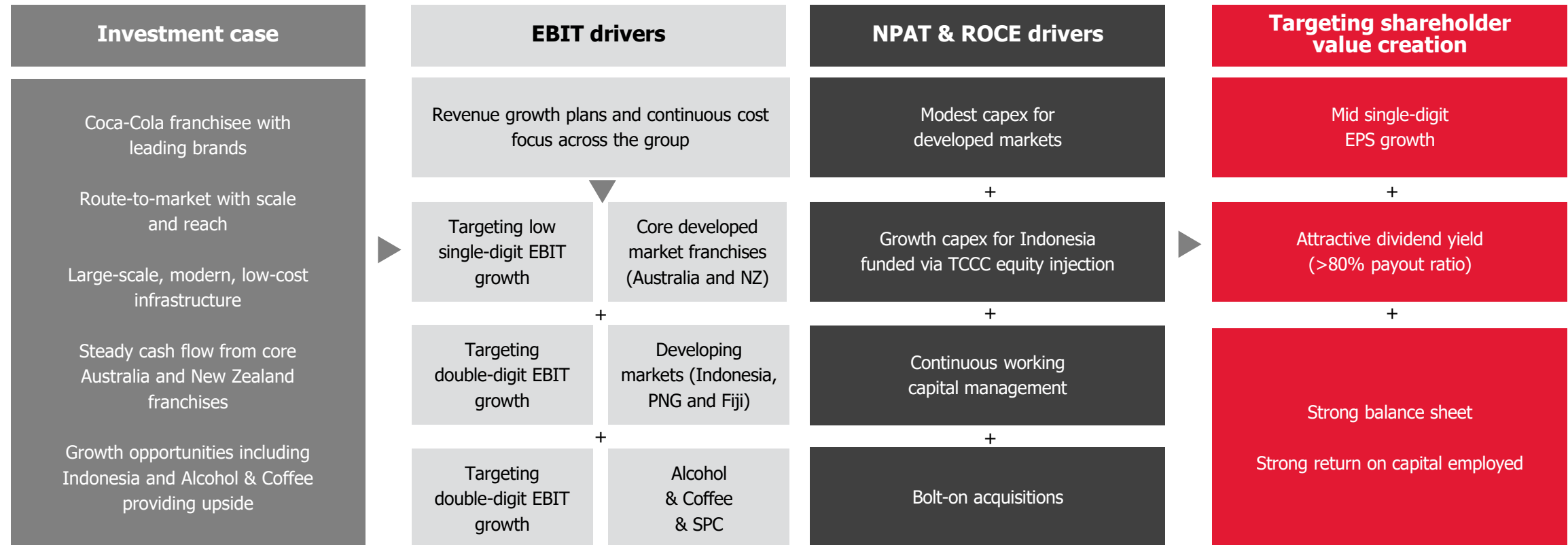


# SEGMENT EBIT CONTRIBUTIONS

Underlying EBIT \$million year ended 31 December	FY16	FY15	Change	% of Group EBIT
<b>Australian Beverages</b>	<b>455.3</b>	463.8	(1.8)%	 67%
<b>New Zealand &amp; Fiji</b>	<b>105.6</b>	98.8	6.9%	 15%
<b>Indonesia &amp; Papua New Guinea</b>	<b>69.6</b>	48.7	42.9%	 10%
<b>Alcohol &amp; Coffee</b>	<b>44.7</b>	34.1	31.1%	 7%
<b>Corporate, Food &amp; Services</b>	<b>8.2</b>	15.2	(46.1)%	 1%
<b>Total</b>	<b>683.4</b>	660.6	3.5%	

# SHAREHOLDER VALUE PROPOSITION

We are focused on generating attractive sustainable returns for shareholders



# AMATIL GROUP STRATEGY

Our Group Strategy is based on three elements – Perform, Grow, and Strong Organisation

**PERFORM**



**STRONG  
ORGANISATION**



**GROW**



# AMATIL GROUP STRATEGY – PERFORM

The Perform element of our Group Strategy guides the detailed plans across each Business

## PERFORM



### LEAD

Strengthen category leadership

### EXECUTE

Step change in productivity and in-market execution

### PARTNER

Better alignment with The Coca-Cola Company and our other partners



**LEAD**  
Strengthen category leadership

We have worked with our brand partners to strengthen our category leadership through innovative marketing and further evolution of our portfolio that puts consumers first.

**AUSTRALIAN BEVERAGES & NEW ZEALAND**

- Strong pipeline reformulation and pack size innovation
- Introduction of new products to market including Monster



**INDONESIA**

- Substantial progress in adding affordable packs to our range



**ALCOHOL & COFFEE**

- Focus on innovation with Beam Suntory
- Added the Miller brands to the portfolio via Molson Coors International



**SPC**

- Encouraging signs in snacking fruit and tomato products
- Exciting 2017 innovation pipeline





We are continuing to drive changes across our businesses to improve our route-to-market and leverage our large-scale, low-cost manufacturing, sales and distribution capability.

# EXECUTE

Step change in productivity and in-market execution

AUSTRALIAN BEVERAGES	NEW ZEALAND	INDONESIA	ALCOHOL & COFFEE
<ul style="list-style-type: none"> <li>• 1st tranche of \$100 million cost optimisation delivered</li> <li>• Second tranche of \$100 million cost optimisation underway</li> <li>• Further \$20 million post 2020 identified</li> </ul>	<ul style="list-style-type: none"> <li>• Completed new juice and sports drinks plant</li> </ul>	<ul style="list-style-type: none"> <li>• Continued progress of the route-to-market transformation program</li> <li>• Further productivity gains across the business</li> </ul>	<ul style="list-style-type: none"> <li>• Deepened specialist capability in spirits, beer and coffee</li> <li>• Extended coffee into the grocery channel</li> </ul>





## PARTNER

**Improved alignment with The Coca-Cola Company and other partners**

**We are proud of the globally renowned companies who choose to partner with Amatil and have established each relationship based on trust, a shared vision for success and aligned objectives.**

- Shared vision with The Coca-Cola Company drives System product innovation and improved ability to anticipate and adapt to changes in consumer preferences
- Continued roll out of new formulations over the last year in Australia and New Zealand including:
  - Coca-Cola with Stevia
  - Coca-Cola with Ginger
- Product innovation will continue – focus on rebalancing the portfolio
- Further growth opportunities with our spirits partner Beam Suntory and our beer partner Molson Coors

# SUSTAINABILITY

We understand our responsibility to keep the environment clean and are committed to working collaboratively to achieve this.

## Container deposit scheme

- We are engaged with each of the state Governments in Australia to ensure any new scheme is operate efficiently and consistently across all states
- Amatil is a member of the industry consortium "Exchange for Change"
- NSW to commence 1 December 2017
- Given the full details of the scheme are not known, any potential implication of the scheme to Amatil is still being worked through





# SUSTAINABILITY

**We are continuing to take action to address community and regulator concerns without the need for regulation**

## **Consumer Wellbeing**

- Our commitment is backed by actions and in partnership with The Coca-Cola Company here in Australia, we are achieving results:
  - ✓ 88% increase small pack sales between 2013-2015
  - ✓ Expanded small pack availability:
    - 86% of grocery stores
    - 69% of convenience stores and petrol stations
  - ✓ 79% of our brands offer low kj or no added sugar alternatives
  - ✓ At least 34% of our volume comprised of low or no kj varieties



# FINANCIAL TARGETS

## GROUP EARNINGS

- Group underlying NPAT will decline 1H17; FY17 expected to be broadly in line with last year
- Medium-term target is to deliver mid single-digit EPS growth
- This will depend on the success of revenue initiatives in Australia, Indonesian economic factors and regulatory conditions in each of our markets

## CAPITAL EXPENDITURE

- 2017 Group capex expected to be around \$375M
- 2018 Group capex expected to be at a similar level to 2017
- This reflects initiatives to rebalance Australian Beverages' portfolio and remodel its supply chain and continued investment in Indonesia

## DIVIDEND OUTLOOK

- Continue to target medium term dividend payout ratio of over 80%
- It is anticipated that from 2017, franking will be lower than current levels

## BALANCE SHEET

- Balance Sheet to remain conservative with flexibility to fund future growth opportunities
- Expecting to maintain strong return on capital employed



# 2017 ANNUAL GENERAL MEETING

David Gonski AC, Chairman

# ITEM 1

## Financial Statements and Reports

To receive and consider the Company's financial statements, Directors' Report and Auditor's Report for the year ended 31 December 2016.

There is no vote for this item.





# ITEM 2

## Resolution 1 – Remuneration Report

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

**“To adopt the Company’s Remuneration Report for the year ended 31 December 2016.”**

Please note that the vote on this resolution is advisory only, and does not bind the Directors or the Company.

An explanatory note to this item appears on page 3 of the Notice of Meeting.





# ITEM 3

## Election and Re-Election of Directors



**Mr Krishnakumar Thirumalai**



**Mr Mark Johnson**



**Mr Paul O'Sullivan**

# ITEM 3

## Resolution 2(a) – Re-election of Mr Krishnakumar Thirumalai

- Nominee of The Coca-Cola Company
- Joined Board: March 2014
- Board committees: People Committee

### Background

Mr Thirumalai is the President of Coca-Cola India and South-West Asia. He was the Region Director for the India, Bangladesh, Sri Lanka and Nepal bottling operations of TCCC until 30 April 2017. He has significant experience across developing and emerging markets in marketing, sales, distribution and supply chain and more than 30 years in the FMCG sector, handling strategy, sales, marketing and general management.

Mr Thirumalai is also Chairman and director of, Hindustan Coca-Cola Beverages Pvt. Ltd. (India); and Director, Coca-Cola Beverages Sri Lanka Limited and International Beverages Bangladesh Pvt. Ltd. (Bangladesh).



# ITEM 3

## Resolution 2(a) – Re-election of Mr Krishnakumar Thirumalai

Proxy & Direct Votes	For	Undirected	Against	Total
Resolution 1	531,715,636	1,474,704	7,356,756	540,547,096
% of vote	98.37%	0.27%	1.36%	71.52% of issued capital



# ITEM 3

## Resolution 2(b) – Election of Mr Mark Johnson

- Independent
- Joined Board: December 2016
- Board committees: Audit & Risk Committee, Sustainability Committee, Related Party Committee and Nominations Committee

### Background

Mr Johnson was CEO and Senior Partner of PricewaterhouseCoopers (PwC) from July 2008 - June 2012 and held other senior positions (both internationally and in Australia) during his 30 year career at PwC, serving major clients in areas of audit, accounting, due diligence, fund raising and risk and governance. Mark is an experienced company director in the listed, private and not-for-profit sectors.

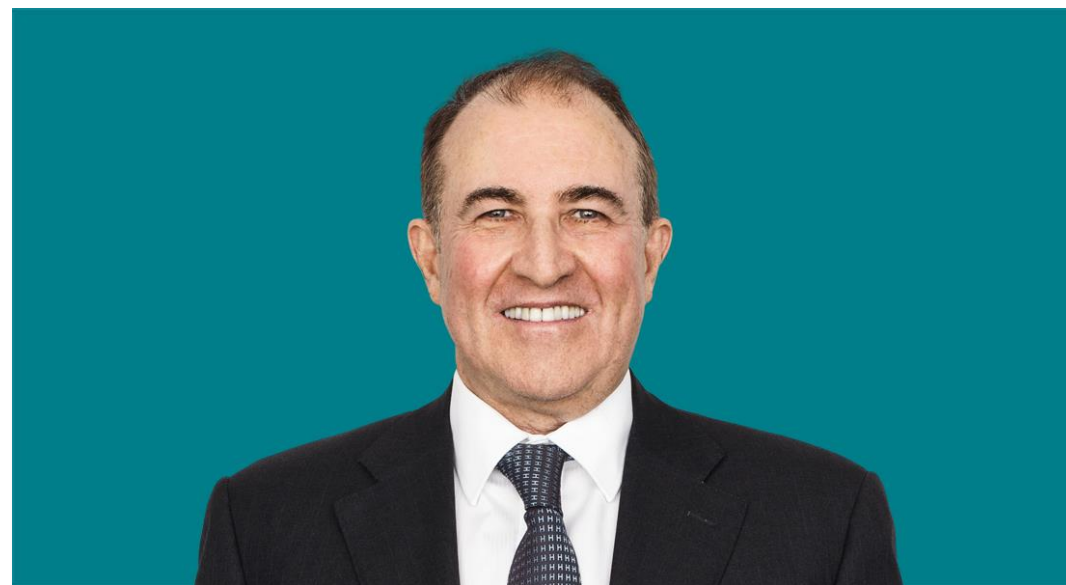




# ITEM 3

## Resolution 2(b) – Election of Mr Mark Johnson

Proxy & Direct Votes	For	Undirected	Against	Total
Resolution 1	535,436,088	1,486,882	3,628,085	540,551,055
% of vote	99.06%	0.28%	0.67%	71.52% of issued capital



# ITEM 3

## Resolution 2(c) – Election of Mr Paul O’Sullivan

- Independent
- Joined Board: March 2017
- Board committees: Related Party Committee and Nominations Committee

### Background

Mr O’Sullivan has experience in the telecommunications, banking and oil & gas sectors, both in Australia and overseas. He has held senior executive roles with Singapore Telecommunications (SingTel) and was previously the CEO of Optus. Mr O’Sullivan has also held management roles with the Colonial Group and the Royal Dutch Shell Group in Canada, the Middle East, Australia and United Kingdom. He is a member of the Board of Commissioners of Telkomsel, Indonesia’s largest mobile communications company and a former Director of Bharti Airtel, one of India’s leading mobile providers.



# ITEM 3

## Resolution 2(c) – Election of Mr Paul O’Sullivan

Proxy & Direct Votes	For	Undirected	Against	Total
Resolution 1	535,438,631	1,483,198	3,630,610	540,552,439
% of vote	99.05%	0.27%	0.67%	71.53% of issued capital



# ITEM 4

## Resolution 3 – Participation by Executive Director in the 2017-19 Long Term Incentive Plan (LTIP)

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

**“That approval is given for the purposes of ASX Listing Rule 10.14 and for all other purposes, for the grant of performance share rights to Ms A M Watkins, the Group Managing Director of the Company, under the Coca-Cola Amatil Limited 2017-2019 Long Term Incentive Plan, as described in the Explanatory Notes which form part of this Notice of Meeting.”**

An explanatory note to this item appears on pages 4-6 of the Notice of Meeting.

# ITEM 4

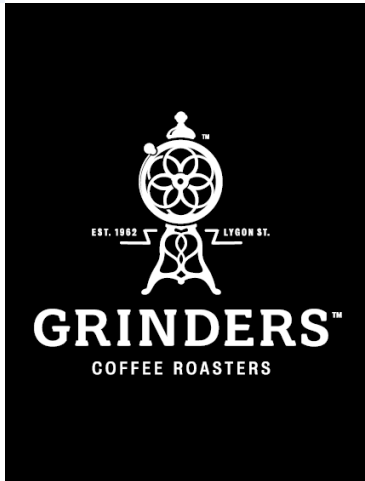
## Resolution 3 – Participation by Executive Director in the 2017-19 Long Term Incentive Plan (LTIP)

Proxy & Direct Votes	For	Undirected	Against	Total
Resolution 3	528,477,025	1,509,772	10,550,233	540,537,030
% of vote	99.77%	0.28%	1.95%	71.52% of issued capital



# 2017 ANNUAL GENERAL MEETING

David Gonski AC, Chairman



**CCA**  
**COCA-COLA AMATIL**