



Coca-Cola Andina inaugurated the most modern plant in the region in Rio de Janeiro, Brazil

Duque de Caxias is the Company's eleventh plant with an area of over 57,000 square meters and a yearly production capacity of more than 600 million liters of beverages and water

June 25, 2019.- With the presence of local authorities such as the governor of Rio de Janeiro, Wilson Witzel, and The Coca-Cola Company's Global CEO, James Quincey, Coca-Cola Andina inaugurated today its Duque de Caxias plant in Brazil. This is the Company's third plant in that country and the eleventh in the four countries in which it operates.

Duque de Caxias began gradually operating in 2018 and has allowed to more than double the beverage production capacity in returnable containers, having its own mineral water in Rio de Janeiro and increase production capacity in non-returnable containers in Coca-Cola Andina Brazil.

The new Duque de Caxias plant is part of an operations expansion project of approximately USD 365 million in the State of Rio de Janeiro that, in the 2012-2018 period involved, in addition to the new facility, the construction of a modern distribution center in Cajú, the port region of the city; the modernization and expansion of the distribution centers of Nova Iguaçu, Campos, São Pedro da Aldeia and Bangú, the acquisition of over 700 trucks and some adaptations to expand and optimize the Jacarepaguá facility.

The plant occupies a plot of 2.2 billion square meters in the municipality of Duque de Caxias, adjacent to the city of Rio de Janeiro, with excellent connections to the city. This facility is one of the most modern in the world and is under the concept of Industry 4.0, with automated processes and the use of artificial intelligence, augmented reality and machine learning. All factory systems are constantly generating information that is stored in a database, becoming the largest Big Data development of the plants within the entire Coca-Cola System.

This plant has three production lines, with a total utilization capacity of 662,000,000 liters of beverages per year. The production lines are: one line for RefPET carbonated beverages (returnable plastic), one line for PET carbonated beverages (disposable plastic) and one line for mineral water. The estimated annual production for 2019 is 308 billion liters. Coca-Cola Andina currently generates more than 7,700 direct jobs in its operations in Brazil, more than 5,300 located in the State of Rio de Janeiro, among which 441 are in the new Duque de Caxias plant.

"We are very happy and proud with the inauguration of this new plant that allows us to bottle mineral water at an extremely competitive cost, ensuring supply and avoiding the transfer freight that we had until now from Ribeirão Preto. In addition, we managed to double the production capacity in returnable containers, a format that allows us to reach more appealing price points and serve more consumers. Another benefit that Duque de Caxias offers us is that it will help us to be closer to our customers in the northeast of Rio de Janeiro and Espírito Santo, which will result in better quality and speedy service", explained Coca-Cola Andina's CEO, Miguel Angel Peirano.

In turn, Coca-Cola's CEO, James Quincey said: "The inauguration of this modern industrial plant is great news for Coca-Cola Andina and The Coca-Cola System. Our strategy is focused on our customers and consumers, and this plant more than doubles the returnability capacity of Coca-Cola Andina in Brazil. This will enable our system to provide consumers with convenient and environmentally friendly packaging, which is key to our plans to contribute to a waste-free world and strengthen the sustainability of our business. The plant also includes a high level of technology and uses clean energy, producing with the highest quality standards. We congratulate Coca-Cola Andina on this milestone and are grateful for this investment in the future of our business."

Sustainability

Duque de Caxias has essential sustainability elements. "Our concern for sustainability has been present since the acquisition of the land where we built the facility. Our first initiative consisted of an extensive process of environmental recovery of the property (where a fabric factory using outdated technologies had operated), a process during which we were rigorously accompanied by the federal, state and municipal authorities responsible for the environment. We are very proud of what we have accomplished", Peirano explained.

The environmental recovery process was essential to the protection of surface and underground water springs in the property and its surroundings, including the Taquara River, whose recovery of its ciliary vegetation has also been promoted with native species of the Atlantic Forest, with the reforestation of more than 20,500 square meters. In addition, an environmental preservation area of 31.2 hectares was created within the property, and a drone monitoring program of the surrounding vegetation is being implemented, among other measures.

The plant was also built according to standards of the LEED certification requirements.

In the social dimension, a comprehensive plan was developed to ensure the well-being of the plant's neighbors, entailing the re-modeling of a health center and donating equipment and performing improvements in the existing school and nursery facilities in the surrounding area.

The hiring of employees from the neighboring communities became a priority in order to build mutually beneficial relationships for the Company and the inhabitants of the region. These actions reflect the constant concern for social and environmental well-being, which is in the DNA of how Coca-Cola Andina does things.