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Coca-Cola, Diageo and WaterHealth International launch innovative water partnership in Africa

New 'Safe Water for Africa' programme set to expand sustainable community model for clean water provision

CAPE TOWN, SOUTH AFRICA, May 4, 2011 – Today, at the World Economic Forum on Africa (WEF Africa), The Coca-Cola Africa Foundation (TCCAF), Diageo plc, WaterHealth International (WHI), and the International Finance Corporation (IFC), a member of the World Bank Group, announced a strategic partnership to provide sustainable access to safe drinking water in Africa.

The 'Safe Water for Africa' (SWA) partnership will work with communities to drive the expansion of WHI's innovative water service delivery model across the continent. TCCAF, Diageo, and WHI have committed over USD\$6 million in seed funding to deliver sustainable safe water access for communities across Ghana, Nigeria, and Liberia in 2011, with new country programmes expected in 2012 and beyond. Building on this core investment, SWA plans to raise a total of over USD\$20 million to fulfill its ambition of providing safe water to at least 2 million Africans by 2012.

The partnership will initially focus on West Africa, in support of a region with tremendous promise, yet one that continues to face significant water challenges. Despite repeated efforts by governments and other organisations to ease the water issues in the region, fewer West Africans today have access to water than 20 years ago.

The SWA partnership is a private sector-led initiative based on the use of an innovative, but most importantly self-sustaining, model of water provision. WHI already installs, operates, and maintains decentralised water treatment facilities - WaterHealth Centres - throughout the developing world. WaterHealth Centres are small modular structures that house water purification equipment to treat locally available water through a combination of sedimentation, pre-filtration, and Ultra Violet technology. Each Centre produces World Health Organization (WHO) quality water that is available, for a nominal usage fee, on site or pumped to additional distribution points depending on the size and density of the community.

WHI has a sustainable business model under which it constructs a WaterHealth Centre, provides long-term (10 year+) operations, maintenance and quality services to vulnerable communities for a low cost one-time investment. The programme has won the backing of the World Bank, International Financial Corporation and other respected organisations.

The company works in partnership with communities to determine the appropriate, affordable, usage fees for the water purification service, allowing community members to directly access safe water from the facility at a minimal cost. Over time, the increased adoption of the service is able to cover the cost of the operation and maintenance of the facility, allowing it to become sustainable.

By providing ongoing operations, maintenance support and regular water quality monitoring for a period of at least 10 years, these WaterHealth Centres will become the reliable source for WHO quality water for these communities.

SWA's partners will work together on an ongoing basis to provide financing and coordinated in-country support to expand WHI's innovative service-delivery throughout Africa.

"Easy access to safe drinking water is critical for the economic development of Africa. The Diageo "Water of Life" programme aims to bring water to 1 million additional people in vulnerable communities across Africa every year and this innovative SWA partnership complements our existing "Water or Life" initiatives. SWA brings together leaders in the private sector who share a common commitment in making a meaningful contribution to the achievement of the Millennium Development Goals" said Nick Blazquez, President, Diageo Africa.

"Africa's resilience draws strength from the continent's entrepreneurs. As one of the largest employers in Africa, we understand the promise of Africa's people and seek out opportunities to foster their economic opportunities" said William Asiko, President of TCCAF. "Through partnerships like SWA, which unlock the power of entrepreneurs, we can more effectively support communities in need of safe water access targeted by our Replenish Africa Initiative (RAIN)."

"Sustainability and quality are the basis of the WaterHealth model. By working with governments, communities and civil society, we can provide those without access to safe water, our customers, a lasting and affordable supply of safe water. We look forward to collaborating with SWA's donors and other water sector participants to address Africa's water crisis and we hope that the WHI model will provide a template for a scalable, sustainable solution for safe water in Africa," said Sanjay Bhatnagar, Chief Executive Officer of WHI.

The SWA partnership is working with leading water sector donors and one of WHI's key shareholders and lenders, the International Finance Corporation, to raise additional funding to provide African communities with safe drinking water.

"IFC is actively supporting the expansion of the WHI model, which will leverage global and regional investment to help alleviate water challenges in Africa," said Thierry Tanoh, IFC Vice President, Sub-Saharan Africa, Latin America and the Caribbean, and Western

Europe. "Our collaboration with WHI in India demonstrates that this model can serve thousands of consumers with quality, affordable water."

The Coca-Cola Africa Foundation and Diageo plc join SWA through their significant, long-term commitments to assist African communities in meeting the UN Millennium Development Goal (MDG) on water and sanitation. Both TCCAF's Replenish Africa Initiative (RAIN) and Diageo's Water of Life programme partner with communities throughout Africa to provide sustainable drinking water, sanitation, and hygiene solutions.

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About The Coca-Cola Company (TCCC)

The Coca-Cola Company is the world's largest beverage company, refreshing consumers with more than 500 sparkling and still brands. Led by Coca-Cola, the world's most valuable brand, the Company's portfolio features 14 billion dollar brands including Diet Coke, Fanta, Sprite, Coca-Cola Zero, vitaminwater, Powerade, Minute Maid, Simply and Georgia. Globally, we are the No. 1 provider of sparkling beverages, juices and juice drinks and ready-to-drink teas and coffees. Through the world's largest beverage distribution system, consumers in more than 200 countries enjoy the Company's beverages at a rate of 1.7 billion servings a day. With an enduring commitment to building sustainable communities, our Company is focused on initiatives that reduce our environmental footprint, support active, healthy living, create a safe, inclusive work environment for our associates, and enhance the economic development of the communities where we operate. For more information about our Company, please visit our website at www.thecoca-colacompany.com.

The Coca-Cola Africa Foundation's mission is to enable African communities to improve the quality of their lives and fulfill their potential. It focuses on four key areas of community investment: water, preventive health, education and entrepreneurship. Additionally, The Coca-Cola Africa Foundation is involved in humanitarian assistance in Africa, for disaster relief and emergency assistance.

In response to the severe water challenges faced by the nearly 300 million Africans living without access to clean water, The Coca-Cola Africa Foundation introduced the Replenish Africa Initiative (RAIN) in 2009. RAIN recognizes the water projects that The Coca-Cola Company (TCCC) and its bottling partners have already supported on the continent and highlights TCCC's new investment of US\$30-million over six years (2010 to 2015) to water projects in Africa. RAIN aims to provide at least 2 million people in Africa with access to clean water by 2015.

Please visit www.tccaf.org for more information contact Jennifer Leppington-Clark: jleppingtonclark@afr.ko.com

About Diageo plc and Diageo Africa

Diageo is the world's leading premium drinks business with an outstanding collection of beverage alcohol brands across spirits, wines, and beer categories. Diageo is a global company, trading in more than 180 countries around the world. The company is listed on both the New York Stock Exchange (DEO) and the London Stock Exchange (DGE).

Diageo Africa is primarily a beer and spirits company whose brands are sold in more than 40 countries in Africa. Diageo has a long established presence in Africa with the first recorded exports of Guinness to Sierra Leone in 1827. Guinness is a truly pan-regional premium beer brand brewed in over 20 countries throughout the continent and is exported to many others. Diageo's businesses also produce and sell a range of local beer brands including Tusker,

Senator Keg, Serengeti Premium Lager, Harp and Bell. Diageo is also the leading premium spirits company in Africa, and its great brands include Johnnie Walker Scotch Whisky, Smirnoff vodka, Baileys and Gilbeys gin.

Diageo Africa employs over 5,000 people accounting for over 20% of Diageo's workforce worldwide. In some key markets it has built its own in-market businesses with distribution access to trade channels, some of which have listings on local stock exchanges. In other markets, it will look to partner with a local business, through licensing brands or through third party distribution. All of these companies have active community investment programmes, covering initiatives in water, farming and rural value chains, health, education and other areas of value to the communities in which they operate across Africa.

As part of its ongoing commitment to the communities in which it operates, enriching lives and contributing to the UN Millennium Development Goal 7, Diageo Africa created the **Water of Life** programme to support projects that provide access to clean drinking water and advance environmental conservation. The programme which was initiated in 2000 aims to benefit 5 million people by end of 2011, 8 million by 2015 and many thousands more through construction and maintenance of sites, improved sanitation and the empowerment of women. To date, Diageo has funded over 100 different water and sanitation projects, impacting over 4 million people in 15 different countries across the continent. Diageo works with international non-governmental organisations as well as local grass roots organisations to deliver water and sanitation through various types of technology including as borehole construction, water filters, rainwater harvesting and watershed management. Diageo selects projects that, among other criteria, are community driven, include capacity building and training for the community, address sanitation issues and empower women.

<http://www.diageo.com/en-row/csr/community/Pages/water-of-life.aspx>

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About IFC

IFC, a member of the World Bank Group, creates opportunity for people to escape poverty and improve their lives. We foster sustainable economic growth in developing countries by supporting private sector development, mobilizing private capital, and providing advisory and risk mitigation services to businesses and governments. Our new investments totaled \$15 billion in fiscal 2009, helping channel capital into developing countries during the financial crisis. For more information, visit www.ifc.org.

About WaterHealth International (WHI)

WaterHealth's vision is to play a central role in bringing safe, quality water to the two billion people around the world who do not have it. WaterHealth Centres allow underserved communities rapid access to safe water at an affordable cost, helping solve the global challenge of waterborne diseases. The company has a sustainable business model under which it constructs a WaterHealth Centre and provides long-term operations, maintenance and quality services to communities for a low, initial one-time investment. The company currently operates over 450 such WaterHealth Centres in India, Ghana, Bangladesh and the Philippines. For more information, contact Sameer Mithal (smithal@waterhealth.com) or visit the website <http://www.waterhealth.com>.