FUEL MANAGEMENT POLICY

Nigerian Bottling Company Ltd RC 902

(A member of Coca-Cola Hellenic Group)

SUMMARY OF CHANGES

S/N	Changes in Fuel Management Policy
1	Inclusion of Gas as part of fuel used by our assets.
2	Weekly sign-off by Plant Managers on fuel consumed by distribution was removed.
3	The section that talked about processes guiding PMS purchases by staff was removed.
4	Use of Bin Cards to document fuel collected at the filling station was removed.
5	Changes were implemented in Pages 5.

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1.0 DOCUMENT CONTROL

Revision No.	Revision Date	Revision Author	Note
1.0	October 2020	Ossai Nkemdinum	Creation
2.0	March 2022	Darlington Ajayi	Revision
3.0	April 2024	Olajide Abraham	Revision

2.0 OBJECTIVE

The objectives for this standard operating procedure are as follows:

- Streamline our fuel management with Coca Cola Hellenic's policy on providing accurate fuel consumption, distance travelled, as well as Co2 emissions.
- Putting in place the best fuel issuance standard that conforms to our core values.
- Identifying the key stakeholders for the management of fuel (requisition, approval, notification, posting, VMI management and review)
- Proactive monitoring and reduction of fuel usage, keeping to the standards per vehicle type.
- Ensure 100% reconciliation process.
- To provide a mechanism for the purchase of PMS, Diesel and Gas (CNG and LNG) to operate vehicles, forklifts, compressors, generators or boilers used by NBC
- To ensure that only fuel obtained are paid for, fuel disbursements are made into the correct vehicle and are properly classified and recorded.
- To ensure that all fuel purchased are recorded into the correct cost center in a timely manner.
- To measure fuel efficiency for each vehicle or asset versus standard fuel efficiency metric.
- Ensures 100% pump dispense accuracy.
- Highlight utilization of the electronic fuel management system (EFMS).

3.0 SCOPE AND APPLICATION

This procedure will cover effective VMI management, issuance of fuel, usage of fuel card, tracking of fuel consumption, recovery of excess fuel and reconciliation of fuel issued to operate trucks, forklifts, generator, or boiler.

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4.0 PROCEDURE

The process flow on AGO and GAS operated by VMI per department, asset types, requestor, and approval are highlighted in the table below:

DEPARTMENT	DISTRIBUTION	WAREHOUSE	MANUFACTURING
ASSET TYPE	Distribution Trucks	Forklifts	Generators
	Haulage Trucks	Generator	Biolers
	CDE Trucks	Utility Trucks (CO2, Coverbody, Preform)	
REQUISITORS	Distribution Leads or Warehouse Specialist	Distribution Leads, Raw Material Officer, or Warehouse Specialist	Utility Technicians or Utility Controller
APPROVAL	Distribution Manager, Warehouse Manager, Depot Manager or Fleet Manager	Distribution Manager, Warehouse Manager, Depot Manager or Fleet Manager	Utility Engineer or Plant Utility Manager
DISPENSE	Warehouse Manager (Raw Material) Warehouse Clerks (Raw Material)	Warehouse Manager (Raw Material) Warehouse Clerks (Raw Material)	Warehouse Manager (Raw Material) Warehouse Clerks (Raw Material)
SAP POSTING	Warehouse Manager (Raw Material) Warehouse Clerks (Raw Material)	Warehouse Manager (Raw Material) Warehouse Clerks (Raw Material)	Warehouse Manager (Raw Material) Warehouse Clerks (Raw Material)

FUEL CARDS USAGE PROCESS
1. Fuel cards are provided for light vehicles and Mobil compressors.
2. Users take the card to filling station.
3. Unique Pins created are used to purchase fuel.
4. Loading of cards are done centrally.
5. There is a digital platform to track transactions.
6. Efficiency reports are shared with users.
7. Users and drivers are accountable.
8. New requests for cards are treated centrally with Vendor.

PROCESS OF GETTING GAS AT THE MOTHER STATION
1. Vendor shares proforma invoice for advance payment.
2. Process PR with the Pro- forma invoice.
3. Get approval from the CFO with the PO and share the advance payment request with procurement.
4. Driver visits the mother stations
5. The vendor shares a tracker showing the quantity with a sign-off document by location to reconcile for SES.

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5.0 ROLES AND RESPONSIBILITIES

5.1.1 Truck Driver or Operator

- Request for fuel by providing current mileage or hour reading.
- Sign off register endorsing quantity collected.
- Ensure accurate and efficient utilization of fuel issued.

- Accountable for the usage of fuel issued to the asset.
- Reports suspected issue(s) with the asset(truck) affecting consumption to the Fleet Lead, Fleet Manager or Fleet Manager (Region).
- Ensures escalation of faulty hour Meter / Hub Odometer for resolution.
- Ensures that tracking (fuel, GPS, Dallas key, Panic buttons, Speed limiters, and cameras) devices installed on truck are not tampered with in any way that either affects the proper working of the device(s) or its durability.
- Is responsible, accountable, and liable for the tracking devices on his truck.
- Ensures quick escalation (within one hour) of noticeable tampering or non-functionality of tracking devices.
- Verifies from Distribution Manager/Lead or Fleet Manager/Lead/Specialist that tracking devices on trucks are still in good working conditions after every maintenance activity done on truck.

5.1.2 Request Initiator or Requestor

- Initiate fuel requisition in the system using standard (known routes for haulage, co2 and cover body trucks) or non-standard (distribution trucks, forklifts) requisition type.
- Ensures a printout of requisition form is given to Truck Driver for submission to the raw material clerk for dispense and posting on S4HANA.
- Investigates through the EFMS or raw history about previous fuel issued to the asset is efficiently utilized; if not, usage should be investigated and reported to the accountable Manager.
- Ensures that requisitions not collected are closed from the system.
- Ensure Weekly/Monthly review of fuel usage and deviations against standard efficiency.
- Ensure distance validation is done for new routes or new assets.
- Process extra fuel.
- Ensures that requisition documents are used to post usage in the system quoting the reference numbers on the requisition.
- Ensures the appropriate use of the type of requisition; standard (for known distances) and non-standard (for not known distances).
- Responsible for accurate data entry into the fuel requisition platform.

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5.1.3 Approving Manager

- Approves requisition after checking previous usage against standard efficiency and/or verification of actual usage.
- Ensures the Weekly/Monthly reconciliation is conducted and posting corresponds to the actual Litres issued in the system.
- Proactively monitors the fleet's fuel consumption and efficiency using historical data or trends from the EFMS and ensure it conforms to the set standards.
- Is responsible for escalating all tracking devices on trucks that are not working properly and updating.
- Ensures monitoring of Weekly/Monthly postings against the requisition document numbers.
- Approves collated fuel quantity/equivalence to be recovered from 3PLs.

5.1.4 Raw Material Manager

- Follows up with the Fuel Clerk on the weekly/monthly reconciliation of fuel usage and stock.
- Collates and advises the appropriate departments on their fuel usage/cost referencing the relevant requisition documents.
- Ensures that requisition documents are signed off by the users and fuel clerks.
- Ensures actual fuel issued (litres) is entered into the requisition document.
- Posts or follows up on the daily posting of fuel usage with duly signed off requisition documents by the user/fuel clerk. The document numbers should be quoted in the system.

5.1.5 Fuel Clerk

- Dispenses fuel with duly approved requisition documents and sign off by the Truck Driver.
- Completes and signs off the register indicating the date, recipient's name, odometer readings, and quantity.
- Ensures that the recipients acknowledge the quantity received.
- Reconciles the fuel stock issued with the Warehouse Clerk (Raw Material) at the end of each day indicating the requisition documents.
- Keeps record of the quantities of fuel issued to ensure daily/weekly reconciliation.
- Ensures sign-off of weekly/monthly report by accountable Manager.
- Ensures fuel not posted over the month because of Untimeliness is accrued for.

5.1.6 Fleet Manager

- Sensitize users on standards.
- Ensures that all odometer of both 3PL and own fleet are working.
- Ensures that all trucks have tracking devices properly installed on them and that these devices are continuously functional.

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- Ensures periodic review of fuel standards.
- Prompts repair of fuel leakages/injection pumps to ensure eradication of high fuel consumption.
- Ensure that forklifts with excessive consumption are isolated and escalated to the 3PL so that the root-cause can be addressed.
- Holds reviews on consumption with stakeholders towards correcting abnormalities/issues.
- Spot check fueling areas and storage tanks to ensure safety standards are observed.
- Keep an ample supply of spill cleanup material on the site.
- Any equipment, tanks, pumps, piping, and fuel dispensing equipment found to be leaking or in disrepair must be escalated.
- Accountable for the use or fuel cards in the location.
- Ensure fuel cards are collected from card users before exiting the NBC.
- Ensures that Fuel Card is maintained in a safe & secure manner and guarded against
- Maintains records of all total card users at the plant and follow-up with full compliance of this policy at the plant/depot levels
- Acts as custodian of fuel cards for ambulances and other vehicles which are not personal official vehicles.
- Liaise with the Head Office as per replacement, blocking and unblocking of fuel cards at the Plant.
- Ensures odometer readings captured at point of fuel purchase tallies with the real physical odometer reading at the Plant/Depot.
- Ensures trucks with non-functioning odometer are grounded.
- Ensures routine validation of dispense pump.
- Ensures weekly fill-up across distribution categories.

5.1.7 Warehouse Manager

- Ensures Weekly fill-up of Forklifts.
- Ensures Escalation of unavailable forklifts due to mechanical failures.
- Approves/rejects fuel requisitions for forklifts based on need.
- Ensure recovery of excess usage by forklifts.
- Monitor S4HANA posting along with the requisition details on workflow platform.

5.1.8 Fuel card user

- Ensures that Fuel Card is maintained in a safe & secured manner and guarded against improper use.
- Ensures that cards are only used for official business purposes and authorized private usage as stated in this policy.

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- Ensures that cards are returned upon exit from the NBC.
- Bears responsibility for any careless loss, damage, and misplacement of card.
- Ensures input of accurate odometer reading and PIN number at the Fuel Station.

5.1.9 Fleet Lead (Head Office)

- Ensure Fuel Cards are collected from users exiting the business or relocating.
- Maintains records of all Fuel Card users at both Head Office and plant and follow-up full compliance of the Policy nationwide
- Ensures Odometer readings are captured at the point of fuel purchase.
- Review the Fuel efficiency performance of all the light vehicles on monthly basis both at the Head Office and Plants.
- Sends monthly reports of fuel card utilization to card users and management for appropriate action.
- Oversees and process the monthly recharge of the fuel cards.
- Handles all replacement, blocking and unblocking of lost Fuel Cards
- Ensures reconciliation of fuel received through the fuel cards and process GRN for quarterly payments to avoid any disruption.

5.1.10 Total Station Operator

- Ensures correct fuel card is used for the correct vehicle.
- Ensures that vehicle registration number matches that on the fuel card.
- Ensures fuel is dispensed only in the vehicle and not made into jerry cans and other containers.

5.1.11 Fleet Managers (Region)

- Ensures periodic review of causes of irregular fuel consumption.
- Undertake appraisal of maintenance strategies deployed to ensuring perfect mechanical and electrical condition of trucks.
- Provides support on requests by fleet managers regarding accessories meant to eliminate wastages.
- Ensure that forklifts with excessive consumption are isolated and escalated to the 3PL so that the root-cause can be addressed.
- Recommend debits against defaulting 3PLs to the Warehouse Manager.
- Enforce adequate protection of all tracking devices and gadgets installed to monitor fuel efficiency and other functions.
- Appraise posting compliance as highlighted in the weekly report shared from head office.

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5.1.12 Logistics Operation Manager

- Ensure reviews are done on fuel consumption using national reports and local presentation by head office Fuel Data Officer.
- Authorize route-riding as may be requested/recommended by the Regional Workshop Manager and/or Fleet Manager.
- Ensures efficient compliance to haulage plan to eliminate unproductive movements which can lead to high consumption.
- Regulate adequate use of haulage trucks for plant to depot movements as against using sales trucks for same.
- Ensures governance compliance and COBC for established abuses and breaches.

5.1.13 Fleet Manager (Fleet Services) (FSM)

- Ensure review of this policy in line with group policies.
- Provides strategic support on key areas of innovations and improvement areas.
- Ensures regular analysis of reports and performance by the different locations.
- Appraise contract performance by various vendors involved in fuel management and supplies.
- Ensures governance compliance and COBC for established abuses and breaches.

5.1.14 Fleet Manager (BU)

- Ensures periodic revision of fuel management policy bench marked against CCHBC standards.
- Manage strategic plans on alternative and/or innovative ventures as it concerns fuel management for total country.
- Manage escalations on contracts as may be reported by different locations.
- Ensures governance compliance and COBC for established abuses and breaches.

5.2 Fuel Issuance Process

Fleet department manages the platform for fuel requisition with the support of Digital Technology Platform Services.

In- Plant/Depot

- When a vehicle needs refueling, the Truck Driver makes a request through the supervising Manager.
- The supervising Manager requests for the fuel (after verification that previously issued fuel is effectively utilized) through the system putting into consideration the standard of the asset.
- Approving Manager (Head of Unit/Location) approves the request after examining the standard and prior utilization.
- The approved request is printed out and taken to the fuel clerk/VMI for collection of the fuel.
- The Fuel Clerk ensures that the approved requisition is signed off by the Truck Driver.
- Fuel Clerk refuels the asset.

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- Once the refueling is completed, the fuel clerk will write the quantity issued on the register with S/N, date, odometer reading, quantity supplied as in Appendix 1. The fuel clerk and the Truck Driver will sign the fuel register to acknowledge the quantity of fuel dispensed.

5.2.1 External Source (Head Office Light Vehicles only) – When there is need to purchased fuel outside the Plants.

- The Driver/user should alert the Fleet Lead on the reasons for buying outside.
- The Driver/user send a mail to the Fleet Lead for approval.
- The user attaches the approval and receipt of purchase to request for reimbursement.

5.3. GUIDELINES FOR USING THE FUEL REQUSIITION DATABASE EXTRA FUEL OPTION

- The standard fuel requisition platform for haulage is equipped with an extra fuel option which should **only be used when there is a need for more volume of fuel above the preset standard for a route or on request for additional fuel by the service provider.**

- No additional fuel should be issued to the service provider for any route or on demand by the service provider without been requested and approved on the fuel requisition database by exploiting the extra fuel option.
- Should there be need to use the extra fuel option of the standard fuel requisition database, the justification for such extra fuel should be clearly stated by inputing the right reason code under the reason column on the fuel database.
  The following reason codes should be used when stating the reason for the additional/extra fuel:

- **Debit (Service Provider Name) e.g. Debit(LM)**: This reason code should be stated under the reason column when the extra fuel is demanded by the service provider, hence, debit for such quantity is expected to be passed to the service provider.

- **Diversion (Name of Plant that sent the truck to your location – location to which the truck is been diverted)** e.g. Diversion (Asejire – Elechi): This code should be used in the case where you are diverting to another location a truck initially sent to you. The fuel to execute such diversion should be calculated and raised under the extra fuel column while stating the reason code as stated above. (Remember, the shipping location and the destination point should both carry your plant under this scenario)

  NB: In case the truck was diverted but still expected to come back to your location before it's been sent back to its initial plant, fuel for such diversion should be raised per the normal requisition process.

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Diversion (Approved): This code should be used when diverting on certain route due to either road construction, bad road or insurgency. The extra fuel to be issued must have been aligned with the management team. Incase this distance for the new route will be sustained for more than 3weeks, kindly send a notification to rectify the distance on the system, after which there would not be need for issuance of extra fuel for that route. However, when the reason for this diversion have been rectified and the old route become accessible again, kindly notify us to change back to the initial settings on the system.

5.4. DSD Recoveries

- Fuel is issued to distribution trucks weekly or per trip.
- Daily tracking of quantity issued, and distance travelled on fuel template.
- Reconciliation at month end by Distribution Manager and 3PL Onsite supervisor.
- 3PL Onsite supervisor signs off excess fuel on hard copy print out.
- Distribution Manager sends reconciled fuel template, hard copy signed off to Contract Manager.
- Distribution Contracts Manager consolidates in the Fuel Consumption Template.
- Debit Note, Debit Ticket is signed off by 3PL Relationship Manager in the location.
- Distribution Contracts Manager sends to BSO for treatment.
- BSO uploads the documents on S4HANA and sends to the Fleet Manager (BU) for approval.
- Fleet Manager (BU) approves debits on S4HANA.

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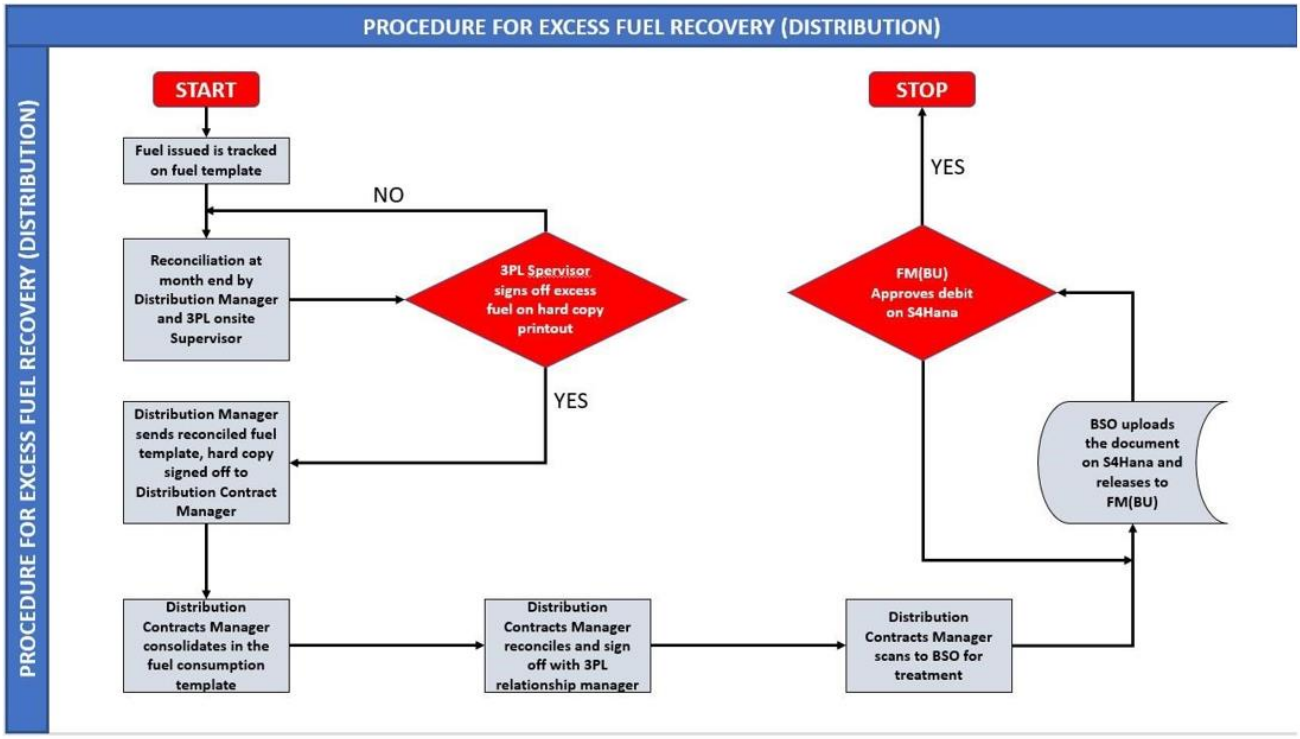

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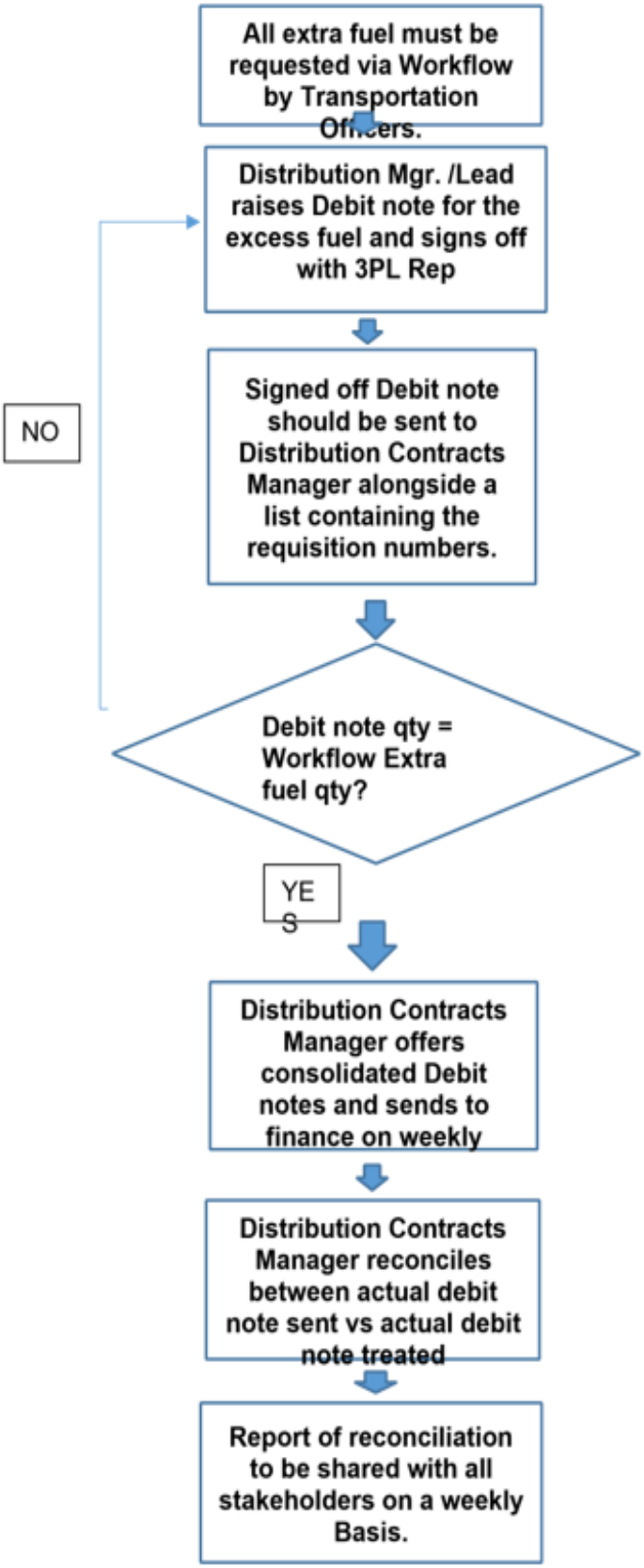
Haulage 3PL Fuel Recovery Flow Chart



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REFILLING PROCESS(FORKLIFTS/TRUCKS)

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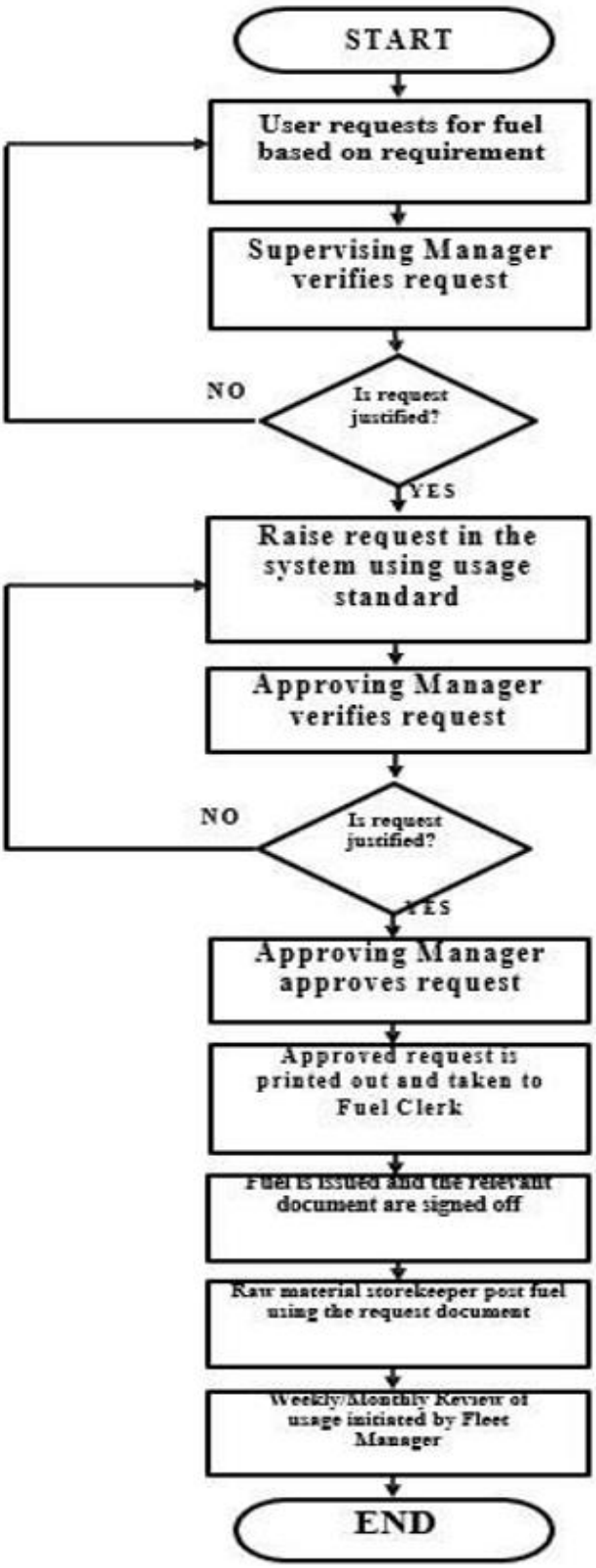

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6.0 POLICY ADMINISTRATION

Fleet Managers BU, Health & Safety Coordinator (Logistics), Distribution Managers, Warehouse Managers (Plant and Distribution Centers), Drivers, Logistics Operation Manager, Plant Safety Managers, are responsible for the administration, and implementation of this Policy.

7.0 EXECEPTION

There is currently no exception to this Policy. Any major change that affects this policy must be recommended by the People and Culture Director and approved by the Country General Manager. The policy will however be updated/ reviewed periodically to keep up with changes in the business.

8.0 EFFECTIVE DATE

This Policy is effective upon the approval of the Country General Manager.

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9.0 ACKNOWLEDGEMENT AND APPROVAL

By signing off, I confirm that I am aware of the process and the main requirements of this Procedure and that the statements of the Procedure are acceptable. Furthermore, I agree to use the given authority according to the requirements determined by this Procedure.

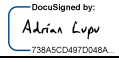
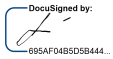
POLICY & PROCEDURE CODIFIED BY:

Name	Position	Signature	Date
Patrick Eronini	Fleet Lead		27/5/2024

POLICY & PROCEDURE REVIEWED BY:

Name	Position	Signature	Date
Abraham Olajide	Fleet Manager (BU)		03/06/2024
Niyi Giwa	Logistics Finance Manager		02.07.2024
Ismaila Yusuf	Country Logistic Director		07-08-24
Anthony Obichie	BSO Alliance Manager		07-08-24

APPROVED BY:

Name	Position	Signature	Date
Neil Spickett	Supply Chain Director		07-08-24
Abiodun Peters	Legal Director		09-08-24
Adrian Lupu	Chief Financial Officer		09-08-24
Goran Sladic	Country General Manager		22-08-24

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8. 0 *Appendix i - Fuel Bin Card*

NIGERIAN BOTTLING COMPANY PLC

FUEL REGISTER

DATE	REQUISITION NO	QTY SUPPLIED (Ltr)	ODOMETRE (KM)	LOCATION	TRUCK DRIVER'S NAME & SIGN	FUEL CLERK'S NAME & SIGN

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Appendix ii - Fuel Standards (Ltrs/Km,Ltrs/Hr)

TRUCK FUEL EFFICIENCY CHART (L/Km)											
MANAGED BY	PALLET CAPACITY										
	4P	6P	8P	10P	12P	14P	16P	20P	24P	28P	30P
NBC	0.22	0.22		0.35	0.35	0.38	0.38	0.40	0.40	0.44	
NBC-AQUILA (SINO)							0.38			0.44	
NBC-MEDESSY	0.22	0.22	0.35								
NBC-COBIL (SINO & TATA) - Finance Lease				0.35			0.38		0.42	0.44	
AMINBAKS									0.42		0.45
AQUILA	0.22	0.22		0.40					0.42		
A Y HUSSAINI									0.42		
BALFOUR									0.42		
BAWAL									0.42		
COBIL (TATA)				0.40							
COBIL (SINO) - Operating Lease				0.35		0.40	0.40			0.45	
FUTURIS									0.42		
GTJ									0.42		
HAMIDU BAKO									0.42		0.45
LEVENTIS				0.40					0.42		
MAIYAKI									0.42		0.45
MAOTECH									0.42		
MEDESSY									0.42		
STRATEGEM									0.42		
YAU ADAMU									0.42		0.45

Category (NBC Owned)	Ltrs/KM	Ltrs/Hr
Sales Vehicles		
- SV 4P	0.22	
- SV 8-12P	0.35	
- TTD DIST	0.40	
- 28P	0.44	
Haulage		
- 24P Trucks	0.40	
- 28P Trucks	0.44	
Forklifts		
- AGO		2.0
- PMS		3.0
Light Vehicles		
- Peugeot 504	0.11	
- Toyota Coaster PMS	0.13	
- Toyota Coaster AGO	0.22	
- Toyota Corolla	0.09	
- Toyota Hiace	0.10	
- Toyota Prado	0.13	
- Toyota RAV4	0.12	
- Mitsubishi ASX	0.08	
- Mitsubishi L200	0.10	
- MitsubishiLancer	0.06	
- Mitsubishi Outlander	0.08	

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- Mitsubishi Pajero	0.13	
- Hyundai Santa FE	0.11	
- Hyundai Tucson	0.08	
- Isuzu Tiger	0.12	
- Nissan Xtrail	0.10	
- Honda Accord	0.08	
- Honda Civic	0.06	

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