



2011/2012

GRI Report

A companion to the *2011/2012 Sustainability Report*

This report was released on October 7, 2012 | v1.8

About This Report

The Global Reporting Initiative (GRI) is “a network-based organization that produces a comprehensive sustainability reporting framework that is widely used around the world.” This year, in 2012, The Coca-Cola Company has set out to report against the Key Performance Indicators (KPIs) that measure economic, environmental and social performance. We have done so within the scope of our Company’s wholly owned operations. Where we have reported information on behalf of the Coca-Cola system (The Coca-Cola Company and our bottling partners), we have flagged this information within the body of the text.

For 2012, and the *2011/2012 Sustainability Report* specifically, our Company has self-declared a grade B against the GRI G3.1 Guidelines. This year’s *Sustainability Report* has also received verification by a third-party external verification agency, FIRA Sustainability BV. Their verification is evidenced by a “+” sign next to our grade B, which reflects their verification and approval of our tracking systems.

Throughout this report, you will find the KPIs that we have addressed, along with additional information regarding our most critical initiatives and programs. While we strive to continuously increase our transparency, some of the information requested in response to additional KPIs could put at risk our ability to compete and therefore are not included in the report.

How to Use This PDF

Two Ways to Navigate

1. Interactive links

Throughout this PDF, interactive links in the Table of Contents, Section names and the footer provide clickable navigation within this report.

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Human Rights

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Product Responsibility

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Economic

2. Bookmarks

When this PDF is opened with Adobe Reader,¹ bookmarks can be viewed and used to navigate among the sections of this report.

Society

Overview of Sustainability Initiatives

From Our CEO

Active Healthy Living

Nutrition

Product Safety and Quality

Responsible Marketing

Charitable Contributions

¹To download the latest free version of Adobe Reader, go to <http://get.adobe.com/reader/otherversions/>.

Table of Contents

The contents are based on the GRI reporting framework.
Click a section name or page number to go to the section you want.

Strategy and Analysis

Indicator	Description and Response
1.1	Strategy and analysis (F)¹ Please refer to the <u>From Our CEO</u> section of this report. page 26
1.2	Description of key impacts, risks and opportunities (F) Please refer to the <u>From Our CEO</u> section of this report. page 26

¹ A (F) indicates that we have fully reported against this indicator. A (P) indicated that we have partially reported.

Organizational Profile

Indicator	Description and Response
2.1	Name of the organization (F)¹ Please refer to the From Our CEO section of this report. page 26
2.2	Primary brands, products or services (F) Please refer to The Coca-Cola System section of this report. page 111
2.3	Operational structure of the organization (F) Please refer to The Coca-Cola System section of this report. page 111
2.4	Location of organization's headquarters (F) Please refer to The Coca-Cola System section of this report. page 111
2.5	Number of countries where organization operates (F) Please refer to The Coca-Cola System section of this report. page 111
2.6	Nature of ownership and legal form (F) Please refer to page 1 of the Company's 2011 Annual Report on Form 10-K .
2.7	Markets served (geographic/types of customers) (F) Please refer to The Coca-Cola System section of this report. page 111

Indicator	Description and Response
2.8	Scale of the reporting organization (F) Please refer to page 5 of our Company's 2011 Annual Review and the Human and Workplace Rights section of this report. page 47
2.9	Significant changes during the reporting period (F) Please refer to our 2011 Annual Review .
2.10	Awards received in the reporting period (F) Please refer to the Awards & Recognition page of our Company website.

¹ A (F) indicates that we have fully reported against this indicator. A (P) indicated that we have partially reported.

Report Parameters

Indicator	Description and Response
3.1	Reporting period (F)¹ Please refer to the Report Parameters section of this report. page 120
3.2	Date of most recent report (F) Please refer to the Report Parameters section of this report. page 120
3.3	Reporting cycle (F) Please refer to the Report Parameters section of this report. page 120
3.4	Contact point for questions regarding the report (F) Please refer to the Report Parameters section of this report. page 120
3.5	Process for defining report content (F) Please refer to the Report Parameters section of this report. page 120
3.6	Boundary of the report (F) Please refer to the Report Parameters section of this report. page 120
3.7	Scope limitations (F) Please refer to the Report Parameters section of this report. page 120
3.8	Reporting of activities not under operational control (F) Please refer to the Report Parameters section of this report. page 120

Indicator	Description and Response
3.9	Data measurement techniques and the basis of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report (F) Please refer to the Report Parameters section of this report. page 120
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/ periods, nature of business, measurement methods) (F) Please refer to the Report Parameters section of this report. page 120
3.11	Significant changes from previous reporting periods in the scope, boundary or measurement methods applied in the report (F) Please refer to the Report Parameters section of this report. page 120
3.12	Table identifying the location of the Standard Disclosures (F) Pages 5–15 list the Standard Disclosures and Key Performance Indicators and where they are located.
3.13	Assurance approach (F) Please refer to the Third-Party Verification and Assurance Statement section of this report. page 114

¹ A (F) indicates that we have fully reported against this indicator. A (P) indicated that we have partially reported.

Governance, Commitments and Engagement

Indicator	Description and Response
4.1	Governance structure of the organization (F)¹ Please refer to the Governance and Ethics section of this report. page 116
4.2	Indicate whether the Chair of the highest governance body is also an executive officer (F) Please refer to the Board of Directors page of the Company website.
4.3	Independent board members (F) Please refer to the Governance and Ethics section of this report. page 116
4.4	Mechanisms for shareholders and employees to provide recommendations (F) Please refer to the Shareowner Information and Contact the Board pages of our Company website.
4.5	Linkage between compensation for management and performance (F) Please refer to page 25 of The Coca-Cola Company's Notice of 2012 Annual Meeting of Shareowners and Proxy Statement.
4.6	Processes in place to avoid conflicts of interest (F) Please refer to the Governance and Ethics section of this report and page 20 of our Code of Business Conduct available on our Company website. page 116

Indicator	Description and Response
4.7	Process for determining board qualifications (F) Please refer to our Corporate Governance Guidelines available on our Company website.
4.8	Mission, values, codes of conduct and principles (F) Please refer to our Company's website to see our mission, vision and values . Please also refer to our Code of Business Conduct and principles relevant to Global School Beverage Guidelines , Online Social Media Principles , Corporate Contributions Policy , Responsible Marketing , UN Global Compact , CEO Water Mandate and Millennium Development Goals .
4.9	Procedures for board overseeing management of economic, environmental and social performance (F) Please refer to our efforts with the Public Issues and Diversity Review Committee , as described on our Company website.
4.10	Process for evaluating board's own performance (F) Please refer to #9 of our Corporate Governance Guidelines available on our Company website.
4.11	Precautionary approach (F) Please refer to the Governance and Ethics page of our Company website.
4.12	Endorsement of charters, principles or other initiatives (F) Please refer to the Global Business Principles section of this report. page 112

¹ A (F) indicates that we have fully reported against this indicator. A (P) indicated that we have partially reported.

Governance, Commitments and Engagement

Indicator	Description and Response
4.13	<p>Memberships in associations (such as industry associations) and/or national/international advocacy in relevant organizations (F)¹</p> <p>Please refer to the Governance and Ethics section of this report. page 116</p>
4.14	<p>List of stakeholder groups engaged by the organization (F)</p> <p>Please refer to the Stakeholder Engagement section of this report. page 119</p>
4.15	<p>Basis for identification and selection of stakeholders with whom to engage (F)</p> <p>Please refer to the Stakeholder Engagement section of this report. page 119</p>
4.16	<p>Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group (F)</p> <p>Please refer to the Stakeholder Engagement section of this report. page 119</p>
4.17	<p>Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting (F)</p> <p>Please refer to the Stakeholder Engagement section of this report. page 119</p>

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Environmental (Management Approach)

Materials

We are focusing on our supply chain as a crucial element in every one of our sustainability initiatives. We are working to embed our sustainability principles in all of our procurement processes and to extend them as far “upstream” in our supply chain as possible. We are also working closely with suppliers to join us in pursuing a joint sustainability agenda. Read more in the [Human and Workplace Rights](#) section of our sustainability report.

Energy

We seek to use energy as efficiently as a growing global business can. Using energy more efficiently enables us to reduce our carbon footprint, conserve natural resources and contain costs. So through measures sweeping and small, we are using energy more efficiently across our business system. A full description of our approach is available in the [Energy Efficiency and Climate Protection](#) section of our sustainability report.

Water

Water is essential to our business and we approach water management accordingly. We are intensely involved in water stewardship around the world. Across our system, we are reducing the amount of water we use per liter of finished product, treating and recycling wastewater (in some cases discharging it cleaner than it was originally), and striving to replenish an amount of water equal to what we use in our finished beverages by 2020. We are engaged in 382 community water projects around the world and working locally and globally to reform water policy and improve management of water resources. A full description of our approach to water stewardship is available in the [Water Stewardship](#) section of our sustainability report and in our [2012 Water Stewardship and Replenish Report](#).

Biodiversity

Generally speaking, we do not address biodiversity directly. Rather, our various environmental initiatives indirectly support biodiversity around the world. Through our water stewardship, for example, we help support and restore marine, riparian and wetland ecosystems worldwide. By addressing marine litter through our partnership with Ocean Conservancy, we are working to make the oceans a place where marine species thrive.

In 2012, we did address biodiversity directly through Arctic Home, our campaign with World Wildlife Fund to raise awareness and funds to protect the polar bear's Arctic habitat.

More detailed information regarding our promotion of biodiversity can be found in these sections of our sustainability report:

- [Water stewardship](#)
- [Sustainable packaging](#)
- [Sustainable agriculture](#)

Emissions, Effluents, and Waste

Our management approach for greenhouse gas emissions is to aim for growing our business without growing our emissions by 2015, using our 2004 emissions as a baseline. Similarly, our effluents-related approach is to return wastewater to the environment at a level that supports aquatic life. (In some parts of the world, our wastewater treatment standards are more strict than local standards.) And we seek to reduce waste through ongoing “lightweighting” and other improvements in our package design, through innovations such as our PlantBottle™ packaging and through our support of recycling programs worldwide.

Environmental (Management Approach)

Details about our approach can be found in these sections of our sustainability report:

- [Energy Efficiency and Climate Change](#)
- [Sustainable packaging](#)
- [Water Stewardship](#)

Products and Services

We strive to minimize the environmental impact of our beverages. We are making progress through our water stewardship initiatives, through our efforts to curb greenhouse gas emissions and increase energy efficiency, through our innovation in packaging, through our efforts to create a more sustainable supply chain and through our promotion of sustainable agriculture (including our membership in Bonsucro, which developed the world's first global metric standard for sustainable sugarcane production.)

We describe our approach in detail in these sections of our sustainability report:

- [Water Stewardship](#)
- [Energy Efficiency and Climate Protection](#)
- [Sustainable Packaging](#)
- [Sustainable Agriculture](#)

Compliance

We comply with all applicable laws and regulations in the countries where we do business.

Transport

More than 200,000 of our signature red delivery trucks transport our products and represent our system around the world. We want them to represent sustainable-oriented transport as well. So we are increasingly powering our fleet with a mix of efficient fuels—including electricity, natural gas, diesel-electric hybrids and biodiesel, along with conventional fuels. At least one of our major bottlers is also using onboard computers to enable its trucks to use fuel more efficiently. Details of our approach are described in the [Energy Efficiency and Climate Protection](#) section of our sustainability report.

Overall

From our board room to our bottling plants, we recognize that environmental sustainability is essential for the sustainability of our business. Consideration of the environment is increasingly built into everything we do. This is reflected in our water stewardship efforts, our procurement practices, our goal for reducing greenhouse gases, our promotion of sustainable agriculture, our packaging innovations and much more. As human beings and citizens of the world, we desire a planet with less pollution and healthy ecosystems—today and for future generations. As employees of The Coca-Cola Company, we recognize that our business will only be viable if communities and their surrounding ecosystems are viable as well. We bring both perspectives to bear on our daily operations and on our longer-term planning.

Environmental

Indicator	Description and Response
EN3	Direct energy consumption by primary energy source (P)¹ Please refer to the Energy Efficiency and Climate Protection section of this report. page 68
EN4	Indirect energy consumption by primary source (P) Please refer to the Energy Efficiency and Climate Protection section of this report. page 68
EN5	Energy saved due to conservation and efficiency improvements (P) Please refer to the Energy Efficiency and Climate Protection section of this report. page 68
EN6	Initiatives to provide energy-efficient or renewable energy-based products and services and reductions in energy requirements as a result (P) Please refer to the Energy Efficiency and Climate Protection section of this report. page 68
EN7	Initiatives to reduce indirect energy consumptions and the reductions achieved (F)¹ Please refer to the Energy Efficiency and Climate Protection section of this report. page 68
EN8	Total water withdrawal by source (F) Please refer to the Water Stewardship section of this report. page 82

Indicator	Description and Response
EN9	Water sources significantly affected by withdrawal of water (P) Please refer to the Water Stewardship section of this report and our 2012 Water Stewardship and Replenish Report available on our Company website. page 82
EN10	Percentage and total volume of water recycled or reused (F) Please refer to the Water Stewardship and Performance Highlights sections of this report, as well as The 2012 Water Stewardship and Replenishment Report . pages 82, 101

	System	Company
Wastewater Reused	2.41%, 3,822,399.57	8.59%, 2,761,230.11

EN16	Total direct and indirect greenhouse gas emissions by weight (P) Please refer to the Energy Efficiency and Climate Protection section of this report. page 106
EN17	Other relevant indirect greenhouse gas emissions by weight (P) Please refer to the Energy Efficiency and Climate Protection section of this report. page 106

¹ A (F) indicates that we have fully reported against this indicator. A (P) indicated that we have partially reported.

Indicator	Description and Response
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved (P) Please refer to the <u>Energy Efficiency and Climate Protection</u> section of this report. page 106
EN21	Total water discharge by quality and destination (F) Please refer to the <u>Water Stewardship</u> section of this report. page 82

	System	Company
Discharge to Natural Body of Water	14%, 22,182,822.00	3%, 925,278.88
Discharge to Onsite WWTP	57%, 91,042,318.69	51%, 16,351,742.43
Discharge to Local WWTP	29%, 45,692,476.48	46%, 14,863,834.04

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Human and Workplace Rights (Management Approach)

Respecting human rights and protecting workplace rights is fundamental to our culture. We consider workplace and human rights—as articulated in the United Nations Universal Declaration of Human Rights and the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work—to be inviolable. We take a proactive approach to respecting these rights in every workplace of The Coca-Cola Company, in our bottling system, in our supply chain and in the communities in which we operate. The foundation of our approach lies in three key documents: *Our Human Rights Statement*, our *Workplace Rights Policy* and our *Supplier Guiding Principles*. All three are influenced by the United Nations and International Labour Organization. Furthermore, we also use the UN Guiding Principles on Business and Human Rights as a key touchstone.

We describe our approach to human rights in detail in the [Human and Workplace Rights](#) section of our sustainability report.

Procurement Practices

We expect our bottling partners and suppliers to avoid causing, or contributing to, adverse human rights impacts as a result of business actions and to address such impacts when they occur. Furthermore, our Company, bottling partners and suppliers are also responsible for preventing or mitigating adverse human rights impacts directly linked to their operations, products or services by their business relationships. To meet this expectation, our bottling partners and suppliers are incorporating processes for identifying, preventing and mitigating their impacts on human rights. Additionally, all are required to implement a process for remediation of any adverse human rights impacts they cause or contribute to. We describe our complete approach to respecting human rights and workplace rights in our supply chain in the [Human and Workplace Rights](#) section of our sustainability report.

Non-discrimination

Our Company values all employees and the contributions they make. We have a long-standing commitment to equal opportunity and intolerance of discrimination. We are dedicated to maintaining workplaces free from discrimination or physical or verbal harassment on the basis of race, sex, color, national or social origin, religion, age, disability, sexual orientation, political opinion or any other status protected by applicable law. The basis for recruitment, hiring, placement, training, compensation and advancement at the Company is qualification, performance, skills and experience.

More information about our approach to inclusiveness is available in the [Human and Workplace Rights](#) section of our sustainability report.

Freedom of association and collective bargaining

The Coca-Cola Company respects our employees’ right to join, form or not join a labor union without fear of reprisal, intimidation or harassment. Where employees are represented by a legally recognized union, we are committed to establishing a constructive dialogue with their freely chosen representatives. The Company is committed to bargaining in good faith with such representatives.

A complete description of our approach to freedom of association and collective bargaining can be found in the [Human and Workplace Rights](#) section of our sustainability report.

Child labor

The Coca-Cola Company adheres to minimum age provisions of applicable laws and regulations. The Company prohibits the hiring of individuals that are under 18 years of age for positions in which hazardous work is required. The Company’s prohibition of child labor is consistent with International Labor Organization standards.

Human and Workplace Rights (Management Approach)

Details of our approach to child labor in sugarcane fields and elsewhere in our supply chain can be found in the [Human and Workplace Rights](#) section of our sustainability report.

Prevention of forced and compulsory labor

Our Company prohibits the use of all forms of forced labor, including prison labor, indentured labor, bonded labor, military labor, slave labor and any form of human trafficking. Our policies are supported by independent assessments of supplier, bottler and Company-owned facilities and are conducted by third party auditors to verify compliance with our standards that prohibit trafficking and slavery in supply chains. A full description of our approach to preventing forced and compulsory labor is available in the [Human and Workplace Rights](#) section of our sustainability report.

Security practices

The Coca-Cola Company is committed to maintaining a workplace that is free from violence, harassment, intimidation and other unsafe or disruptive conditions due to internal and external threats. Security safeguards for employees are provided as needed and will be maintained with respect for employee privacy and dignity.

Assessment

To help our Company, our bottling partners and our direct suppliers achieve compliance with our human rights and workplace rights policies, third-party auditors trained to our standards conduct regular workplace assessments. We conduct annual assessments of new suppliers and suppliers with a history of noncompliance. For suppliers with a history of compliance, we conduct assessments every three years. Over 12,000 workplace assessments have been completed since 2003.

Read the full description of our approach to human rights assessments in the [Human and Workplace Rights](#) section of our sustainability report.

Remediation

We rely on our associates to speak up immediately if they believe our policies on human rights and workplace rights have been violated. Associates can report perceived violations confidentially and without fear of retaliation through numerous channels, including our [EthicsLine](#)—a toll-free, secure phone line and website. In cases where claims are substantiated, we take corrective action. Depending on the violation, corrective action may take the form of back pay, reassignment of duties and in severe cases, separation from the Company.

Human and Workplace Rights

Indicator	Description and Response
HR2	<p>Percentage of significant suppliers, contractors and other business partners that have undergone screening on human rights and actions taken (F)¹</p> <p>Please refer to the Human and Workplace Rights section of this report. page 47</p>
HR3	<p>Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained (F)</p> <p>Please refer to the Human and Workplace Rights section of this report. page 47</p>
HR4	<p>Total number of incidents of discrimination and corrective actions taken (F)</p> <p>Please refer to the Human and Workplace Rights section of this report. page 47</p>
HR5	<p>Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights (F)</p> <p>Please refer to the Human and Workplace Rights section of this report. page 47</p>

Indicator	Description and Response
HR6	<p>Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor (F)</p> <p>Please refer to the Human and Workplace Rights section of this report. page 47</p>

¹ A (F) indicates that we have fully reported against this indicator. A (P) indicated that we have partially reported.

Product Responsibility (Management Approach)

Consumer Health and Safety

We ensure consistent safety and quality through strong governance and compliance with all applicable legal requirements and standards. We manufacture our products following strict policies, requirements and specifications provided through an integrated quality management program that measures all of our operations, systemwide, against the same standards for production and distribution of our beverages. The program promotes the highest standards in product safety and quality, occupational safety, and health and environmental standards across the entire Coca-Cola system.

We further describe our approach to consumer health and safety in the [Product Safety and Quality](#) section of our sustainability report.

Product and Service Labeling

We strive to provide consumers with the information needed to make thoughtful choices from our more than 3,500 products. In 2011, we met our goal of providing front-of-pack calorie information on nearly all of our products. We now provide that information on 98 percent of our products. We would like to provide front-of-pack information on 100 percent of our products, but it is not possible on all packaging, including returnable glass bottles. When this is the case, we make the information available online and elsewhere.

Marketing Communications

We have long been a leader in the area of responsible marketing, particularly with regard to marketing in media that may be seen or heard by children under age 12. Our policy has evolved as media, society and our product offerings have changed. But the core of our policy has remained the same: We believe parents and caregivers are in the best position to make decisions about what children eat and drink.

Our approach to marketing is described in detail in the [Responsible Marketing](#) section of our sustainability report.

Product Responsibility

Indicator	Description and Response
FP6	<p>Percentage of total sales volume of consumer products, by product category, that are lowered in saturated fat, trans fats, sodium and added sugars (P)¹</p> <p>Please refer to our <i>2010 Annual Report on Form 10-K</i> for product categories and to the Performance Highlights section of this report for our global number of low- and no-calorie products. Our product definitions and approach are available in the Active Healthy Living section of this report. Additionally, please find definitions and helpful information regarding sweeteners available on our Company website. pages 101, 28</p>
PR6	<p>Programs for adherence to laws, standards and voluntary codes related to marketing communications, including advertising, promotion and sponsorship (F)¹</p> <p>Please refer to the Active Healthy Living, Nutrition, and Product Safety & Quality sections of this report as well as our Global School Beverage Guidelines available on our Company website.</p>

¹ A (F) indicates that we have fully reported against this indicator. A (P) indicated that we have partially reported.

Economic (Management Approach)

Economic Performance

As a publicly held company, managing our Company for excellent economic performance and steady, sustainable growth is our chief objective. Our goal is to use our Company's assets—our brands, financial strength, unrivaled distribution system, global reach and the talent and strong commitment of our management and associates—to become more competitive and to accelerate growth in a manner that creates value for our shareowners.

In 2011, we built strong momentum toward our 2020 goal of doubling our business over the course of this decade. Over the last two years, we met or exceeded our long-term growth targets. In 2011, we earned \$46.5 billion in revenues and increased operating income by \$1.7 billion to \$10.2 billion. Early in 2012, we announced our 50th consecutive annual dividend increase, raising our dividend 8.5 percent.

More information about our economic performance can be found in our [2011 Annual Review](#).

Market Presence

We make our more than 3,500 branded beverage products available to consumers in more than 200 countries through our network of Company-owned or controlled bottling and distribution operations. We also rely on independently-owned bottling partners, distributors, wholesalers and retailers, making us the world's largest beverage distribution system. Consumers enjoy finished beverage products bearing our trademarks at a rate of more than 1.7 billion servings per day. We continue to expand our marketing presence and increase our unit case volume in developed, developing and emerging markets. Our strong and stable system helps us to capture growth by manufacturing, distributing and marketing existing, enhanced and new innovative products to our consumers throughout the world.

Economic

Indicator	Description and Response
EC1	<p>Direct economic value generated and distributed (F)¹</p> <p>Please refer to the <u>Women's Economic Empowerment</u> section of this report as well as the statements of income and statements of cash flows in our Company's <u>2011 Annual Report on Form 10-K</u> for revenues, operating costs, employee wages and benefits, payments to providers of capital and payments to government. Please also refer to the <u>Charitable Contributions</u> section of this report to see our community investments. pages 65, 41</p>
EC2	<p>Financial implications and other risks and opportunities for the organization's activities due to climate change (F)</p> <p>Please refer to page 21 of our Company's <u>2011 Annual Report on Form 10-K</u>.</p>
EC8	<p>Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind or pro bono engagement (F)</p> <p>Please refer to our <u>Community Water Programs</u> available on our Company website, as well as the <u>Sustainable Packaging</u> section of this report. page 94</p>
EC9	<p>Understanding and describing significant indirect economic impacts, including the extent of impacts (F)</p> <p>Please refer to the <u>Women's Economic Empowerment</u> section of this report to see our efforts with 5by20, Micro Distribution Centers, Haiti Hope and Project Nurture. page 65</p>

¹ A (F) indicates that we have fully reported against this indicator. A (P) indicated that we have partially reported.

Labor Practices and Decent Work (Management Approach)

Protecting workplace rights is fundamental to our culture. We consider workplace rights to be inviolable. We take a proactive approach to respecting these rights in every workplace within The Coca-Cola Company, in our bottling system, in our supply chain and in the communities in which we operate. The foundation of our approach lies in three key documents: Our [Human Rights Statement](#), our [Workplace Rights Policy](#) and our [Supplier Guiding Principles](#). We describe our approach to human rights in detail in the [Human Rights and Workplace Rights](#) section of our sustainability report.

Employment

One of our primary objectives is to maintain a well-managed and desired working environment. We believe work should be a place of exploration, creativity and professional growth—a place where people are inspired and motivated to achieve extraordinary results. We want our employees to take pride in their work as they refresh the world, inspire moments of happiness, create value and make a difference. Our approach to employment is described in greater detail in the [Human Rights and Workplace Rights](#) section of our sustainability report.

Labor/Management Relations

More than 30 percent of workers in our system are represented by trade unions. Of those, more than 70 percent are affiliated with the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers (IUF), one of our business system's most important stakeholders. Twice each year, managers from our Company meet at our Atlanta headquarters with IUF delegates from around the world to discuss labor and workplace issues in our system. These meetings allow us to have frank conversations and address and resolve difficult issues across the table through serious and practical engagement from both sides. We encourage our bottling partners to

collaborate with labor organizations as well. We describe our most recent collaboration with labor in the [Human Rights and Workplace Rights](#) section of our sustainability report.

Occupational Health and Safety

Our Company strives to provide a safe and healthy workplace. We are dedicated to maintaining a productive workplace by minimizing the risk of accidents, injury and exposure to health risks. Our approach to health and safety is described further in the [Human Rights and Workplace Rights](#) section of our sustainability report.

Training and Education

Developing our managers' leadership potential helps keep them engaged and challenged. It also helps ensure strong, expert leadership for our Company well into the future. Our Leading Positively framework includes programs that build skills and provide peer-networking opportunities for managers throughout our Company. One example is our Coca-Cola Way of Leading teams. All first-level through mid-level managers worldwide will participate in the program within the next three years. For the past five years, we have also offered Catalyst, an accelerated leadership program that combines experiential learning, in-market project work and instructor-led training and coaching that helps develop our next generation of senior leaders.

Diversity and Equal Opportunity

We are a multinational business whose brands and operations are deeply interwoven with a multicultural world. Having a workforce as diverse as the people we serve is crucial for our future growth. Given that fact, we see diversity as more than just policies and practices. It is an integral part of who we are as a Company, how we operate and how we see our future.

Labor Practices and Decent Work (Management Approach)

Regarding equal opportunity, our Company values all employees and the contributions they make. We have a long-standing commitment to equal opportunity and intolerance of discrimination. We are dedicated to maintaining workplaces that are free from discrimination or physical or verbal harassment on the basis of race, sex, color, national or social origin, religion, age, disability, sexual orientation, political opinion or any other status protected by applicable law. The basis for recruitment, hiring, placement, training, compensation and advancement at the Company is qualification, performance, skills and experience.

We further describe our approach to diversity and equal opportunity in the [Human Rights and Workplace Rights](#) section of our sustainability report.

Labor Practices and Decent Work

Indicator	Description and Response
LA2	<p>Total number and rate of new employee hires and employee turnover by age group, gender and region (F)¹</p> <p>Please refer to the Human and Workplace Rights section of this report. page 47</p>
LA4	<p>Percentage of employees covered by collective bargaining agreements (P)¹</p> <p>Please refer to the Human and Workplace Rights section of this report. page 47</p>
LA7	<p>Rate of injury and lost days by region and gender. Rate of occupational diseases by region and gender. Rate of absenteeism by region and gender. Work-related fatalities by region and gender. (P)</p> <p>Please refer to the Human and Workplace Rights section of this report. page 47</p>
LA8	<p>Education, training, counseling, prevention and risk-control programs in place to assist workforce members, their families or community members regarding serious disease (F)</p> <p>Please refer to our Company website for details regarding our commitment to fighting HIV/AIDS, our Employee Engagement Commitment to Safety & Health, and Benefits and Rewards, along with our work with The Coca-Cola Company Beverage Institute For</p>

Indicator	Description and Response
	<p>Health & Wellness.</p>
LA10	<p>Average hours of training per year per employee, by gender and employee category (F)</p> <p>Please refer to the Governance and Ethics section of this report. page 116</p>
LA12	<p>Percentage of employees receiving regular performance and career development reviews, by gender (F)</p> <p>Please refer to the Governance and Ethics section of this report. page 116</p>

¹ A (F) indicates that we have fully reported against this indicator. A (P) indicated that we have partially reported.

Society (Management Approach)

Local Communities

With a business model based on local bottling and a presence in more than 200 countries worldwide, the Coca-Cola system is at once global and local. The communities that host our facilities are also where our customers and consumers live. Positive, collaborative, mutually beneficial relationships with local communities are fundamental to our success and are an implicit objective in all of our business dealings. Our impact on local communities and our varied efforts to be good corporate residents is described in detail in these sections, among others, of our sustainability report:

- [Water Stewardship](#)
- [Human Rights and Workplace Rights](#)
- [Women's Economic Empowerment](#)
- [Active Healthy Living](#)
- [Responsible Marketing](#)
- [Sustainable Packaging](#)

Corruption

We follow strict policies and procedures to prohibit bribery and corruption in any form. We comply with the anti-corruption laws of the countries where we operate. Our *Anti-Bribery Policy* provides guidance on how to conduct business in a fair, ethical and legal manner. Further, our Company's Code of Business Conduct—available in 29 languages—guides our business conduct. The Code articulates our expectation of accountability, honesty and integrity in all matters. All associates of our Company and its majority-owned subsidiaries are required to read and understand the Code and follow its precepts, both in the workplace and in the larger community. A full reporting of our anti-corruption measures

is available in the [Human and Workplace Rights](#) section of our sustainability report.

Public Policy

Public policy affects our business, our people and the communities where we do business. On occasion, we use our resources to advance public policy that is consistent with the sustainability of our business and our Company values. Read a full description of our approach to public policy in the [Governance and Ethics](#) section of our sustainability report.

Anti-Competitive Behavior

Please see page 35 of our Company's Code of Business Conduct, which guides our business conduct. The Code articulates our expectation of accountability, honesty and integrity in all matters.

Compliance

The Coca-Cola Company strives to comply with all applicable laws and regulations in the communities where we do business. We expect the same of our bottlers and suppliers, and regularly audit them to measure their compliance with our policies as well as applicable legal requirements. To help our Company, our bottling partners and our direct suppliers achieve compliance with our own policies, third-party auditors trained to our standards conduct regular workplace assessments. Read about our audit process—and recent efforts to make it more robust—in the [Human and Workplace Rights](#) section of our sustainability report.

Society

Indicator	Description and Response
FP4	<p>Nature, scope and effectiveness of any programs and practices (in-kind contributions, volunteer initiatives, knowledge transfer, partnerships and product development) that promote healthy lifestyles; the prevention of chronic disease; access to healthy, nutritious and affordable food; and improved welfare for communities in need (F)¹</p> <p>Please refer to the Charitable Contributions and Women's Economic Empowerment sections of this report. Please also see the Meet Our Partners section of The Coca-Cola Company's 2011/12 Sustainability Report. pages 41, 65</p>
SO2	<p>Percentage and total number of business units analyzed for risks related to corruption (F)</p> <p>Please refer to our policy on anti-corruption and our Code of Business Conduct available on our Company website.</p>
SO3	<p>Percentage of employees trained in organization's anti-corruption policies and procedures (F)</p> <p>Please refer to our policy on anti-corruption available on our Company website and the Governance and Ethics section of this report. page 116</p>
SO6	<p>Total value of financial and in-kind contributions to political parties, politicians and related institutions by country (F)</p> <p>Please refer to the Governance and Ethics section of this report and The Coca-Cola Company 2011 U.S. Political Contributions Report.</p>

¹ A (F) indicates that we have fully reported against this indicator. A (P) indicated that we have partially reported.

Overview of Sustainability Initiatives

me

we

world

Dear friends,

Every now and then, someone asks me if it's even possible for a global business like ours—one that's welcomed by people in more than 200 countries—to grow in a more sustainable way. And my answer is always an emphatic “yes.”

I'm convinced it is the only way we can sustainably grow.

Today, as nations, businesses and institutions all over the world scramble to find ways to solve the calculus for growth, a large part of the solution lies in sustainability-driven innovations.

I was blessed to learn at an early age that everyone has a role to play in making the world a better place and passing along a healthier planet to the next generation. And one of the great things about working in our business is being able to connect with people all around the world and inspire them, in our own small way, to make a difference. To me, that's part of the beauty and specialness of Coca-Cola, and its meaningful way of creating sustainable communities.

As you review this report of our progress, I hope and trust that you'll get a very clear picture of that specialness, which has defined our Company and our brands for more than 125 years.

At The Coca-Cola Company, we believe the most profound and impactful innovations over the next decade and beyond will emerge at the intersection of sustainability and our vast global value chain—the suppliers, retailers, technologies, people and infrastructure that bring our beverages to market every day around the world.

For this reason, as you'll see in this report, we're working to embed sustainability-minded innovations into every aspect of our business, from sourcing ingredients to increasing beverage options to aspiring to be water neutral and recovering packages for recycling.

As we pursue our 2020 Vision for growth—a system wide plan to double the size of our business over the course of this decade—we're intensifying our efforts across the sustainability spectrum.

We've laid out ambitious, but achievable, goals to grow our business and create additional value for every stakeholder we touch while improving the quality of life for people around the globe and helping preserve the extraordinary natural environments of the communities we're so privileged to serve.

With that said, we realize we can't do this alone. And we don't believe for a moment that we have all the answers.

Partners, in this day and age, are an absolute must. The scope and scale of today's challenges demand cooperation across what we like to call the golden triangle of government, business and civil society.

We work with partners each and every day to enhance the well-being of the people whose lives we touch. These are partners like our producers, who are growing the highest-quality ingredients; partners like our bottlers, who are dedicated to distributing the safest beverages that consumers everywhere can trust; partners like our customers, who are taking our innovations and ensuring consumers have more great-tasting beverage choices from among our growing portfolio; and partners like those in hundreds of local communities who are helping us provide more than 250 active, healthy living programs around the world.

In addition to supporting the United Nations Global Compact, we're striving to enhance the well-being of the communities we serve by working to enable the empowerment of 5 million women entrepreneurs by 2020. In this effort, called 5by20, we're working with UN Women and numerous government and private sector partners on three continents to bring new resources, tools, ideas and inspiration to women business owners who are part of our Coca-Cola system value chain, which

includes The Coca-Cola Company and its bottling partners. We are also strengthening communities through the global partnership we formed in 2011 with the International Federation of Red Cross and Red Crescent Societies. Nearly 100 years ago we began supporting the American Red Cross, and we are honored to help communities in their most trying times.

Our Coca-Cola system is also working with partners to steward and replenish the natural resources upon which we and our communities depend. Since 2005, as part of our efforts to become water neutral by 2020, we've conducted 382 community water projects in 94 countries, working hand in hand with local governments and partners including World Wildlife Fund (WWF), the United States Agency for International Development, The Nature Conservancy and CARE. We also have distributed more than 10 billion fully recyclable PlantBottle™ packages across 24 countries, eliminating the need for the equivalent of more than 200,000 barrels of oil since the debut of this innovative plastic bottle in 2009. While licensing the current technology to the H.J. Heinz Company (Heinz), we're also working with The Ford Motor Company, Nike, Inc., The Procter and Gamble Company and Heinz to help drive a commercially scalable, 100 percent plant-based plastic—the next step in our PlantBottle packaging journey. Over the past decade, we've invested more than \$60 million in the development of highly efficient, HFC-free, more climate friendly, cooling technologies, including, most recently, solar-powered coolers in places such as rural India.

One of the most powerful and valuable assets we have is the global recognition and love of our brands, led by Coca-Cola® and 14 other billion-dollar brands. As such, we have an opportunity—and, to my mind, a responsibility—to act as a catalyst for positive change around the world.

This, to me, takes sustainability to another level, one with the power to go well beyond what we could do directly as a business system, even in tandem with all our wonderful partners. By taking a leadership position on sustainability, we're able to inspire others to act as well, from customers and other partners to the people who make our beverages part of their lives.

Inspiring others was one of the main reasons we teamed up with WWF on the Arctic Home program, which launched in North America in October 2011 as the largest cause-related marketing campaign in our Company's history. Together, we invited fans of our brands to join us in raising awareness and funds to help protect the polar bear and its habitat. Arctic Home resonated well beyond its launch, and I received letters of encouragement and thanks from people as far away as Equatorial Africa and South Asia.

Although we have these great stories to share today, our journey is far from complete. The truth is, it will never be complete. But with an unyielding determination and a restless culture of innovation, it's our hope that The Coca-Cola Company can continue to be a strong and enduring force for progressive growth and positive change for generations to come.

Very best regards,



Muhtar Kent
Chairman and CEO
The Coca-Cola Company

All over the world our consumers are telling us they care about their well-being, and we care too. We recognize the health of our business is interwoven with the well-being of the communities we serve.

That's why through our products, our policies and our programs, we help to inspire people to be active and make informed nutritional choices. To deliver on that promise, we provide consumers with the information they need to choose the product that's right for them. We are offering a wide variety of products so consumers can choose the best hydration options for their individual needs and lifestyle. And we are promoting the benefits of daily exercise and good nutrition through our sponsorship of active, healthy living programs worldwide.

The global problem of obesity

According to the most recently available [World Health Organization statistics](http://www.who.int/mediacentre/factsheets/fs311/en/), worldwide obesity has more than doubled since 1980. More than 40 million children under the age of 5 were overweight in 2010¹². Obesity is a serious, complex problem. Addressing obesity is key to building strong, healthy and sustainable communities.

The impact of obesity on the health of our consumers directly impacts the health of our business. As the world becomes more concerned about the public health consequences of obesity, some researchers and

health advocates have unfairly blamed the consumption of sugar-sweetened beverages as the cause. Such public sentiment, proposed government regulation and other measures intended to discourage the consumption of our beverages is not only ineffective but could undermine finding a true solution. We are committed to being part of workable solutions to address obesity for the health of our consumers, our employees, our communities and ultimately our business.

What we are doing about obesity

We agree with the widespread consensus that weight gain is primarily the result of energy imbalance—too many calories consumed and too few expended. No single food or beverage alone is responsible for people being overweight or obese. But all calories count, regardless of the source—including those in our beverages.

All of our products can be part of an active, healthy lifestyle that includes a sensible, balanced diet and regular physical activity. Consumers who want to reduce the calories they consume can choose from our continuously expanding portfolio of low- and no-calorie beverages, and from our selection of regular-calorie beverages packaged in smaller portions.

¹²<http://www.who.int/mediacentre/factsheets/fs311/en/>

We are helping to develop workable solutions to obesity by partnering with governments, academia, health organizations, communities, businesses and other members of civil society. We've made six commitments to address obesity:

- 1. We use evidence-based science.** We are committed to using evidence-based science to guide the choices we offer and the way we educate about those choices.
- 2. We innovate.** We are committed to investing in the development of products, sweeteners, packaging, equipment and marketing that fosters active, healthy living.
- 3. We provide hydration choices and educate consumers about them.** We are committed to bringing real choice to consumers everywhere and to educating them on the role our variety of beverages can play in sensible, balanced diets as well as active, healthy lifestyles.
- 4. We inform with transparency.** We are committed to transparency about the nutritional content of our products.
- 5. We market responsibly.** We are committed to responsible marketing of our products, honoring the rights of parents and caregivers, and informing and educating consumers about the beverages we provide.
- 6. We promote active, healthy living.** We are committed to being part of workable solutions to the problems facing society related to obesity. We seek to do this by assisting our associates and their families, as well as the communities that we serve, in promoting active, healthy living.

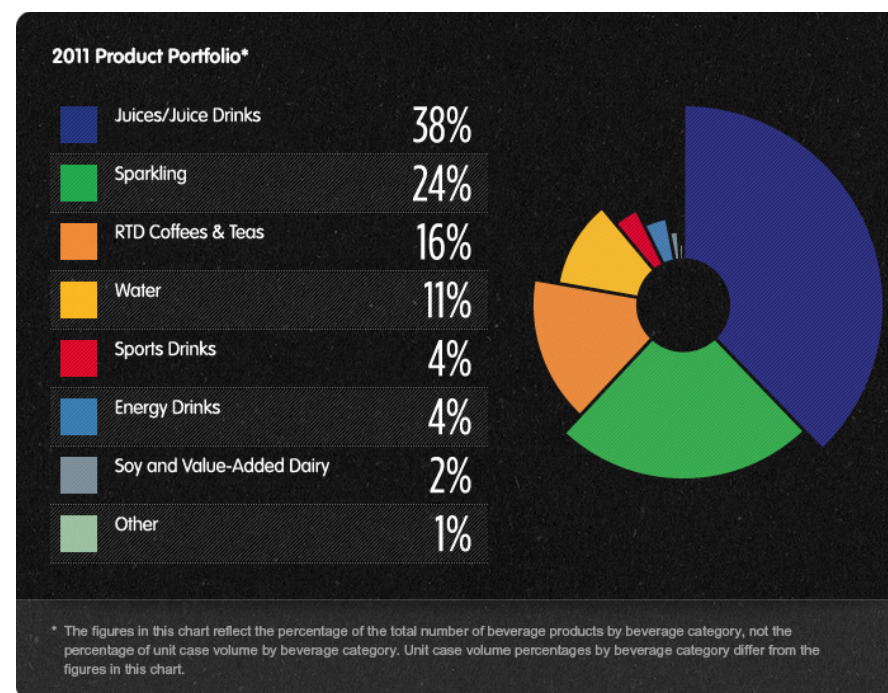
Delivering on our commitments in 2011

We've contributed to the global effort to reduce obesity by introducing new products and packaging, funding evidence-based research and engaging with health care professionals. Following are the highlights of our work.

Greater choice through innovation

Innovation has long been part of our history and remains critical to future success.

We now offer more than 3,500 beverages—three times the number we offered a decade ago and more than 10 times the number we offered 20 years ago. While our Company is best known for Coca-Cola, our portfolio includes full-, reduced-, low- and no-calorie sparkling beverages, waters, juices and juice drinks, sports and energy drinks, teas, coffees, and milk- and soy-based beverages.



For consumers who want low- or no-calorie options, we offer more than 800 options—nearly 25 percent of our global portfolio. Nearly one-quarter of our global unit case volume is attributable to our low- and no-calorie beverage products. Since 2000, our average calories per serving have decreased by 9 percent globally.

To provide sweetness with fewer calories, we continue to innovate with products made with stevia, a sweetener that comes from natural origins and has zero calories. We sweeten more than 30 products in nine countries with our stevia sweetener in combination with other natural sweeteners. These products, as well as all of our products and ingredients around the world, meet not only regulations in the countries where they are sold, but also The Coca-Cola Company's rigorous safety and quality requirements. To learn more about our commitment to provide you safe products of the highest-quality please visit the [Product Safety and Quality section](#) of this report.

In early 2012 in France, we introduced Sprite and three varieties of Nestea sweetened with a combination of stevia and sugar. All four beverages have calorie contents that are 30 percent lower than Sprite and Nestea sweetened with sugar alone. In mid-2012, we began test marketing Fanta Select and Sprite Select in several U.S. cities. Both are reduced-calorie beverages sweetened with stevia and sugar. We are exploring other opportunities to rapidly expand our portfolio of stevia-sweetened products.

Through a partnership with [Chromocell Corporation](#), we are developing flavors that enhance the sweet taste of sugar, natural sweeteners and other ingredients that will help us offer great-tasting beverages with fewer calories.

More variety in our packaging

We are also offering more variety in our serving sizes to help consumers manage their calorie intake and energy balance. Consumers in São Paulo, Brazil, for example, will find 17 different packages of Coca-Cola alone. In 2011, we began offering more beverages in the United States in our 7.5-ounce, 90-calorie mini-cans. Coke, Diet Coke, Coke Zero, Sprite, Fanta and Seagram's Ginger Ale are now all available in mini-cans. Some products are also available in mini-cans in Australia, Canada, Korea and Thailand.

Putting calorie information right up front

Goal: Provide front-of-pack energy (calorie) information on nearly all of our products by the end of 2011.

Progress: Achieved.

In September of 2009, we made a commitment to provide front-of-pack energy labeling (as calories, kilocalories or kilojoules) on nearly all of our packages. At the end of 2011 we met that goal. Front-of-pack information is not possible on all of our packaging, such as returnable glass bottles. When this is the case, we make the information available on the [Nutrition Connection website](#), [The Coca-Cola Company Policy on Nutrition Labeling and Nutrition Information](#) web page and elsewhere.

Supporting evidence-based research

We support research to help address the challenge of obesity.

In 2011, we continued our support of the [Pennington Biomedical Research Center's](#) work on the [International Study of Childhood Obesity, Lifestyle and the Environment](#), or ISCOLE. ISCOLE is a multinational study encompassing data from 12 countries in North America, Latin America,

Europe, Eurasia, Africa and the Pacific. The study seeks to investigate the influence of multiple behaviors on obesity and other conditions. Researchers will ask 500 children in each participating country—as well as their parents and school officials—to complete questionnaires related to diet, lifestyle, neighborhood, home and school environment. Children's body weight, physical activity and dietary patterns will also be measured.

In 2011, we also continued our support of Take to the Streets, a research partnership among our Company, Loughborough University's Institute of Youth Sport, the English city of Manchester's City Council and Nova International, a leading mass-participation event company. The study investigated whether mass-participation events in dance, swimming and running generated the same positive changes in behavior and attitude among children aged 11 to 13 as had been observed in younger children during previous similar studies.

With many governments, academia and nonprofit organizations singling out sugar-sweetened beverages as a leading driver of obesity, we continue to note that while obesity is a serious and complex global health problem, there is widespread consensus that weight gain is primarily the result of an imbalance of energy—specifically too many calories consumed versus expended. In addition, people consume many different foods and beverages, so no one single food or beverage alone is responsible for people being overweight or obese.

But all calories count, whatever food or beverage they come from, including those from our caloric beverages. We will continue to support independent, evidence-based science regarding issues related to obesity.

Sharing sound science with health professionals

The Coca-Cola Company [Beverage Institute for Health & Wellness](#) is a resource for health professionals and others worldwide on the science, safety and benefits of beverages and their ingredients, as well as the importance of diet, nutrition and physical activity to health and well-being. Through its website, the Institute delivers information about hydration, exercise, beverage benefits and nutrition. Also, as part of its continuing effort to make its information relevant to health care professionals around the world, the Institute created country-specific sites for South Africa, India, Indonesia and Thailand.

Promoting active, healthy living

Goal: Sponsor at least one physical activity program in every country we operate in by the end of 2015.

Progress: In progress. We sponsor more than 280 physical activity and nutrition education programs in more than 115 countries around the world.

Many of our community projects promoting active, healthy living are funded through our Coca-Cola Foundation and our foundations worldwide. Read more in the [Charitable Contributions](#) section of this report.

Exercise and being fit are vital to everyone's health and well-being, and important to helping maintain energy balance—the balance between calories in and calories out—that is central to achieving and maintaining a healthy weight. However, the importance of exercise and fitness transcends the scale. Research continues to prove and experts in the field agree—daily exercise and being fit provide health benefits beyond one's weight and shape, including benefits to your body, mind and

spirit. By supporting physical activity and nutrition education programs in the communities we serve, we are working to help provide and advance workable solutions to the problem of obesity and improve health overall.

We sponsor more than 280 physical activity and nutrition education programs in more than 115 countries. In all, millions of people have participated in Coca-Cola–sponsored activities in their communities. In 2008, we set a goal to have at least one physical activity program in each of the more than 200 countries where we operate by 2015.

We develop programs that support an active, healthy lifestyle in collaboration with governmental agencies, community organizations and health experts. We also support research aimed at increasing understanding of consumers' barriers to and motivation for engaging in physical activity. Many of the programs we sponsor are ongoing. Following is just a sampling of our efforts to increase physical activity among people around the world. Read more about our programs in the [Charitable Contributions](#) section of this report.

EPODE. In 2011 we became the first founding global partner of the EPODE International Network (EIN), a public-private partnership committed to preventing childhood obesity and noncommunicable diseases by promoting physical activity and nutrition education. Developed in France and implemented successfully across Europe, EPODE is a globally recognized approach to the prevention of childhood obesity. It promotes active, healthy lifestyles through community-based programs and family education. EIN aims to build international capacity for sustainable EPODE programs around the world by encouraging partnerships among various stakeholders in business, government and civil society. The positive prevention methodology—the world's largest obesity prevention network—currently has 25 community-based programs in 15 countries impacting 150 million people.

Exercise is Medicine™. Because science increasingly shows that physical activity is fundamental to good health, we are a founding global partner of Exercise is Medicine™, a global partnership focused on encouraging health care providers to include exercise when designing treatment plans for patients. Exercise is Medicine™ has a presence in 34 countries and is continuing to introduce physicians and health care providers around the world to the organization and its underlying principles. In early 2012, Coca-Cola Philippines sponsored a presentation on Exercise is Medicine™ by a renowned sports medicine physician at the annual convention of the Nutritionist-Dietitian's Association of the Philippines in Lahug, Cebu City. In addition, Coca-Cola South Africa, together with Discovery Vitality & Technogym, was recently announced as a corporate partner to Exercise is Medicine™ during the Discovery Fitness and Wellness Convention in South Africa.

Copa Coca-Cola™. Copa Coca-Cola is one of our largest, longest-running and most successful physical activity programs, reaching young people around the globe. Started in Mexico in 1998 and soon expanded to countries worldwide, Copa Coca-Cola is a program of youth football (soccer) tournaments in which teams of boys and girls ages 13 to 15 compete at the local, state and national levels to determine the top youth football (soccer) team in a given nation. The national tournaments culminate in a World Cup™-style international tournament each summer. To date, more than 1 million young people have participated in Copa Coca-Cola in Mexico alone.

United States Triple Play. We helped the Boys & Girls Clubs of America develop the Triple Play program to nurture the well-being of the bodies, minds and spirits of club members. The after-school program uses education and activities to encourage participants to eat a balanced diet, become more physically active and engage in healthy relationships. A two-year study of more than 2,000 children ages 9 to 14 showed that Triple Play succeeded in getting them to exercise more, eat

in a more balanced way and feel better about themselves. The study found that Triple Play kids in the study increased daily exercise to 90 percent of the federally recommended amount of daily exercise, which is 60 minutes a day for children, while their peers outside the program decreased daily exercise to 78 percent of the recommended amount. To date, Triple Play has helped more than 1 million children learn the importance of physical activity and proper nutrition.

Netherlands Mission Olympic. Mission Olympic, the flagship school sports program in the Netherlands, helps keep teens active through interschool competitions in 18 different Olympic sports. Nearly half of all secondary schools in the Netherlands participate, making Mission Olympic the largest sports program in the country. Long-standing partnerships include the Netherlands Olympic Committee, the Association of all Teachers Physical Education and MTV. We aim to have 400 schools participate in Mission Olympic by 2016.

Great Britain StreetGames. In 2010, Coca-Cola Great Britain and StreetGames launched a three-year partnership aimed to inspire and encourage positive behavior change among teens in disadvantaged communities who do not have access to sport in their everyday lives. Coca-Cola Britain hopes to deliver an improved sporting experience and reach more than 110,000 young people throughout the country.

Belgium Jeugdsportfonds Camille Paulus. Since 2007, we've partnered with this Belgian organization to provide sports opportunities for young people and those with disabilities by awarding grants to worthwhile projects and local sports clubs in Antwerp. Programs focus on social benefits, such as respect, fair play, perseverance and friendship. One hundred thousand people took part in programs funded by the organization in 2011.

Bosnia and Herzegovina Sarajevo Olimpia Marathon. Marking World Car-Free Day and promoting environmental protection as well as physical fitness, this increasingly popular annual half-marathon is open to all ages and activity levels.

Spain Marxa Beret. This cross-country skiing marathon, which we sponsor with Salomon, is the largest such race in Spain and draws competitors from across Europe to the Pyrenees' Val d'Aran.

Peru Coca-Cola Sports Clinics. Over the course of 33 years, this program in Peru has provided 90,000 people with specialized physical training, including health and diet recommendations.

Venezuela Caimaneras Coca-Cola. Baseball is popular in Venezuela and this program provides teens in that country with the opportunity to play their favorite sport in an organized tournament. It's also a training ground for big-leaguers.

South Korea: Coca-Cola Health Camp. We provided a \$200,000 grant to continue our support for this program, which will provide 550 youths in Seoul, Gyeonggi and Incheon with programs that teach healthy behaviors to the increasing numbers of Korean students at risk for obesity and weight-related health concerns. The class complements the Coca-Cola Health Class program, which our Foundation funded in 2008 and 2009 and which has benefited more than 24,000 students to date.

China: Balanced Diet - Active Living. Balanced Diet - Active Living is an education and awareness program intended to teach university students about the importance of energy balance, diet, exercise and nutrition. Our \$300,000 grant will support the program in 12 cities and 36 universities and help reach more than 50,000 participants.

The Coca-Cola Company recognizes the uniqueness of consumers' lifestyles and dietary choices. Our variety of products is the foundation of our commitment to consumers' health and well-being. We are committed to providing factual, meaningful and easy-to-understand nutrition information about our products. We believe informed choice is important and support fact-based nutrition labeling, education, and initiatives that encourage people to live active, healthy lifestyles.

Nutrition labeling and information

We believe it is the responsibility of food and beverage companies like ours to provide fact-based nutrition information about their products to facilitate consumer choice. Such information, in conjunction with effective consumer education, is essential in helping consumers meet their individual nutritional needs, including their appropriate energy requirements. In addition to the basic nutrition information we include on our product labels, we also provide front-of-pack calorie (kilocalorie or kilojoule) information and, where allowed by applicable regulations, percent Daily Guidance Indicators (DGIs) on nearly all of our packaging.

In 2009, we publicly stated that we would provide front-of-pack energy information on nearly all of our products by the end of 2011, and we've met that target. To read more about how we are putting calorie information right up front, visit the [Active Healthy Living section](#) of this report.

We also provide consumers with information about our products and ingredients through resources like the [Coca-Cola Australia Nutrition site](#),

the [Coca-Cola Spain Scientific Information](#) web page and the [Nutrition Connection](#) site, which is an online resource for U.S. consumers providing nutrition facts, ingredient information, and tips to help consumers achieve energy balance and live active, healthy lifestyles.

Nutrition education

Balance, variety and moderation are the fundamentals of good nutrition. Through our Coca-Cola Foundation and Company foundations around the world, we sponsor nutrition education programs to help educate consumers about the importance of a balanced diet. Among them:

South Korea: Coca-Cola Health Camp. The Coca-Cola Foundation provided a \$200,000 grant to continue our support for this program, which will provide 550 youths in Seoul, Gyeonggi and Incheon with programs that teach healthy behaviors to the increasing numbers of Korean students at risk for obesity and weight-related health concerns. The camp complements the Coca-Cola Health Class program, which our Foundation funded in 2008 and 2009 and which has benefited more than 24,000 students to date.

Italy: The Modavi Project. In Italy, the Coca-Cola Foundation sponsors A Scuola inForma' ("At School InShape"), which aims to educate Italian high school students about the importance of balanced nutrition and exercise. The program has a presence in eight regions of Italy and reaches more than 11,000 students in 64 schools. It is overseen by Modavi, an Italian nongovernmental organization (NGO), and informed by the dedicated support of nutritionists, psychologists and sports trainers.

China: Balanced Diet - Active Living. Coca-Cola China launched this program with China's Ministry of Health in 2009. The program delivers science-based health information to the public, promotes a "walking day" on the 11th of every month, sponsors awards at universities to encourage students to practice healthy living and uses social media to facilitate an exchange of ideas for living a balanced and healthy lifestyle.

Addressing malnutrition through our fortified products.

As a global beverage company with exceptional reach into more than 200 countries, we are positioned to help address malnutrition where it exists. By applying product development expertise along with our supply chain and distribution network, we are helping to make essential nutrition accessible to people in need.

According to the [World Health Organization](#), malnutrition accounts for 11 percent of global disease and is the No. 1 risk to health worldwide. Clinical studies show that nutrient-enhanced beverages can play a powerful role in helping to reduce nutrient deficiencies and improving child health. To help in the global effort to fight malnutrition, we are partnering with governments, leading nutritional experts, prominent NGOs and others to offer a ready-to-drink fortified juice product that addresses micronutrient deficiencies in schoolchildren. We are offering this product under the global trademark name Nurisha as part of our Juice master brand. In markets where we are not able to register the trademark name Nurisha.

We launched Nurisha in Malaysia in October 2011, reaching 3,500 students. In November 2011, in partnership with the World Food Programme and with complementary funding from the [Howard G. Buffett Foundation](#), we began distributing Vitingo to 22,000 students in 42 schools in Colombia. In December 2011, we launched Minute Maid Vitingo in Ghana and will reach nearly 2,500 students.

In developing these products, we drew on lessons learned from other projects aimed at reducing micronutrient malnutrition. We are creating a sustainable business model by forging partnerships on both the supply and demand side of the value chain. We are engaging multiple business, government and civil society partners from grove to glass. And we take care in creating products that can be scaled globally while allowing for local adaptation. In coming months, we will conduct

baseline studies as a starting point for measuring the efficacy of Nurisha/Vitingo.

We also continue to increase the number of our products that are fortified with added vitamins, minerals and other beneficial ingredients. Some examples include:

- Minute Maid Antiox with antioxidants from fruits (Spain)
- Minute Maid Kids+ Orange juice with essential nutrients for children, including vitamins A, C, D, E and calcium (U.S.)
- Minute Maid NutriBoost Dairy and juice drink fortified with essential nutrients (Thailand and Vietnam)
- Minute Maid Pulpy Super Milky fortified with whey protein and containing fruit bits (China)
- NutriJuice fortified with four vitamins and minerals focused on providing iron to children with iron deficiencies (Philippines) nutrients for children, including vitamins A, C, D, E and calcium
- Minute Maid NutriBoost (Thailand and Vietnam)—Dairy and juice drink fortified with essential nutrients
- Minute Maid Pulpy Super Milky (China)—Dairy and juice drink with fruit bits and fortified with whey protein
- NutriJuice (Philippines)—fortified with four vitamins and minerals, including iron children with iron deficiencies

As the world's largest beverage company, we bring safe, great-tasting, quality beverages to consumers at a rate of 1.8 billion servings per day. Our beverages offer hydration, refreshment and moments of affordable happiness for people worldwide. We are committed to making sure all of the thousands of beverages we produce meet the highest standards for safety and quality.

Safety and quality in every serving

We ensure consistent safety and quality through strong governance and compliance to applicable regulations and standards. We manufacture our products following strict policies, requirements and specifications provided through an integrated quality management program that measures all of our operations, systemwide, against the same global standards for production and distribution of our beverages. The program promotes the highest standards in product safety and quality, occupational safety, and health and environmental standards across the entire Coca-Cola system.

Our products are tested in modern laboratories using state-of-the-art methods and appropriate technologies against stringent requirements. We measure key product and package quality attributes by focusing on ingredients and materials, as well as samples collected from the trade. We monitor compliance with our standards in manufacturing and distribution of The Coca-Cola Company products to ensure those products meet Company requirements and consumer expectations in the marketplace.

To create and maintain safety and quality, we stay current with new regulations, industry best practices and marketplace conditions, and engage with standard setting and industry organizations. We consistently reassess the relevance of, and continually improve and refine, our requirements and standards throughout the entire supply chain.

We approach the safety and quality of our products as a primary strategic objective with endorsement from Coca-Cola system leadership. Our management program uses consistent metrics to monitor performance, employs activities to identify and mitigate risks and uses tools to drive improvement.

Ensuring the safety and quality of our products has always been at the core of our business and is directly linked to the success of The Coca-Cola Company.

Coca-Cola and alcohol (ethanol)

In June 2012, the National Institute of Consumption in Paris reported finding traces of alcohol in Coca-Cola and other popular colas, causing confusion among some consumers. In fact, Coca-Cola is not an alcoholic beverage, and we do not add alcohol as an ingredient. Trace levels of alcohol can indeed be found in Coca-Cola, just as they can be found naturally in many foods and beverages, including potatoes, bananas, yogurt, oranges, bread, dates, vinegar, rose water, grapefruit and mushrooms—none of which is considered an alcoholic product.

While we cannot confirm its data, the level the French laboratory reported finding in Coca-Cola was equal to 0.0048 grams of alcohol per kilogram (0.00048 percent). By comparison, a serving of bread may have about 2 grams of alcohol per kilogram (about 400 times more than the amount the French lab reported finding in Coca-Cola).

Governments and religious organizations have recognized that trace levels of alcohol, which exist as a result of natural processes, are completely normal and are acceptable in nonalcoholic foods and beverages.

Our position on BPA

Our top priority is to ensure the safety and quality of our products and packaging through rigorous standards that meet or exceed government requirements. If we had any concerns about the safety of our packaging, we would not use it.

In recent years, some consumers have expressed concern about bisphenol A, or BPA, which is used in making the lining of our aluminum cans. BPA is a chemical used worldwide in making the packages of thousands of products, including the coating inside virtually all metal food and beverage cans. This coating guards against contamination and extends the shelf life of foods and beverages. It also is used to manufacture shatter-resistant bottles, medical devices, sports safety equipment and compact disc covers. BPA has been used for more than 50 years. Currently, the only commercially viable lining systems for the mass production of aluminum cans contain BPA.

While we are very aware of the highly publicized concerns and viewpoints that have been expressed about BPA, our point of view is that the scientific consensus on this issue is most accurately reflected in the opinions expressed by those regulatory agencies whose missions and responsibilities are to protect the public's health. The consensus repeatedly stated among regulatory agencies in Australia, Canada, Europe, Germany, Japan, New Zealand and the United States is that current levels of exposure to BPA through food and beverage packaging do not pose a health risk to the general population.

We will continue to take our guidance on this issue from national and international regulatory authorities, and we will take whatever steps are necessary, based on sound scientific principles, to ensure that any package technology is safe for our consumers.

Meanwhile, we are working closely with several suppliers who are seeking alternatives to can liners containing bisphenol A. Any new material, assuming it has all necessary regulatory approvals, also would have to meet our safety, quality and functional requirements.

About caramel coloring

We use caramel coloring in several of our products. In fact, we have used it in Coca-Cola since 1886. While our caramel comes from a commercial manufacturer, it is just as safe as foods that are "browned" or as the caramel that can be made at home by heating sugar.

The Center for Science in the Public Interest, an advocacy group, has claimed that caramel coloring in our cola products poses a cancer threat to consumers because it contains 4-methylimidazole — also known as 4-MEI. 4-MEI is a byproduct that can form when some foods are heated or browned. Food safety regulators throughout the world, including the U.S. Food and Drug Administration, Health Canada and European Food Safety Authority, have said that the caramel we use is safe, and that 4-MEI in caramel is not a health concern. Caramel color, meeting global specifications, is permitted for use in every country where we sell our products.

In early 2012, under the right-to-know law known as Proposition 65, the State of California began requiring warning labels for some products containing 4-MEI above an extremely low level. It is important to note that the state continues to allow all of these products to be sold, including the ones that require the Proposition 65 warning. In other words, they are safe to use and to consume. We disagree with the

state's decision to require a warning label based on the presence of 4-MEI in certain products, as the scientific evidence does not support the state's position. But we asked our caramel suppliers to make the necessary manufacturing process modifications to ensure that our caramel would be below the level set by California, so that our products would not be required to carry a misleading warning label.

As manufacturing capacity for the modified caramel becomes available, we intend to expand its use globally to allow us to streamline and simplify our supply chain, manufacturing and distribution systems. We are still developing our timeline for this effort.

Our policy on biotechnology

Recognizing and appreciating the trust that consumers place in us every time they reach for one of our beverages, The Coca-Cola Company has an uncompromising commitment to the safety and quality of our products.

We use only those ingredients that have been evaluated for safety based on sound science and that have been approved for use by local health and safety regulators. Wherever we operate, we abide by the laws and customs of the local communities, including regulations pertaining to health, safety and product labeling.

Numerous health organizations, such as the World Health Organization, the Food and Agriculture Organization of the United Nations, the U.S. Food and Drug Administration and the U.S. National Academy of Sciences, have determined that the use of biotechnology is safe. While we acknowledge the benefits that biotechnology can provide to the environment and to addressing the growing pressure on the global food supply, we also respect local communities' preferences in the sourcing of food and beverage ingredients.

Our decision on the use of biotechnology-derived ingredients in any given market depends on safety, regulatory authorizations, types of ingredients locally available and local community preferences.

We have long been a leader in the area of responsible marketing, particularly with regard to marketing in media that may be seen or heard by children under age 12. Our policy has evolved as media, society and our product offerings have evolved, but the core of our policy has not: We believe parents and caregivers are in the best position to make decisions about what children eat and drink.

We do not show children drinking any of our products outside the presence of a parent or caregiver and do not directly target children younger than 12 in our marketing messages or our advertising in children's programming. Additionally, we do not directly market in primary schools. In 2010, we evolved our global [Responsible Marketing Policy](#) and redefined the appropriate audience threshold for what constitutes children's programming. We shifted the threshold for children's programming from audiences that are more than 50 percent children younger than 12 years of age to audiences that are more than 35 percent children younger than 12. This means we will not buy advertising directly targeted at audiences that are more than 35 percent children younger than 12. Our policy applies to all of our beverages and the media outlets we use, including television, radio, print and, where data are available, Internet and mobile phones.

Our guidelines for advertising in schools

In 2010, we announced and began implementing our [Global School Beverage Guidelines](#). As a global business, we recognize and respect the unique learning environment of schools and believe in commercial-free classrooms for children. So through our guidelines, we have committed not to commercially advertise or offer our beverages in

primary schools unless we are requested to do so by a school authority to meet hydration needs.

To ensure that we are meeting our standards with respect to marketing to children, an independent third party conducts an audit of our advertising and other marketing materials annually. A [2011 analysis by Accenture](#), commissioned by the [International Food & Beverage Alliance](#), showed that, with some exceptions, the industry is complying with its own policies. The study, which looked at the practices of 10 companies (including The Coca-Cola Company) in markets around the world, showed that industry compliance in print and online advertising was 100 percent, while industry compliance in television advertising was just over 97 percent—a slight improvement over the prior year's results. A [similar study](#) for the [International Council of Beverages Associations](#), which focused on The Coca-Cola Company and PepsiCo Inc., showed 95.5 percent compliance in television advertising and 100 percent compliance in print and online advertising. Although we must improve compliance in television advertising, these studies affirm that our Company and our industry are moving in the right direction.

The Consumer Goods Forum resolutions on health and wellness

In June 2011, we joined other members of The Consumer Goods Forum in adopting three resolutions intended to provide consumers with choices and information that empower them to make decisions to support a healthy life. Members resolved to:

- Provide consumers with choices and information that empower them to make decisions for a healthy life.
- Encourage a culture of prevention by promoting active, healthy living for all and by engaging with other stakeholders to accelerate and increase the impact of such efforts.
- Monitor and learn from efforts and report on progress.

These resolutions will build upon existing industry initiatives. They encourage retailers and manufacturers to further implement self-regulatory tools to support healthier diets and lifestyles. Implementation of the resolutions, along with development of metrics for assessing progress, is under way.

In addition to working with our peers in The Consumer Goods Forum, we are a founding member of the Healthy Weight Commitment Foundation, a multiyear effort by the U.S. food industry to fight obesity by reducing 1.5 trillion calories annually by the end of 2015 through new lower-calorie options, reduced calorie content of current products and reduced portion sizes of existing single-serving products.

The story of today's Coca-Cola system is in many ways the story of women. Women are the world's fastest-growing economic force, controlling two-thirds of spending worldwide.³² They also account for a disproportionately high percentage of key segments of our global value chain. In the Philippines, for example, women own or operate more than 86 percent of the small neighborhood stores that sell our products, while thousands own and operate our Micro Distribution Centers in Africa and around the world. As we move toward our 2020 Vision of doubling our business by 2020, enabling the economic empowerment of women will undoubtedly be an important contributor to our success.

Given the crucial role of women in our system—and given the economic hurdles too many women still face—we have made the economic empowerment of women a priority among our sustainability efforts. Unleashing the entrepreneurial potential of women is one of the best ways we can make our business sustainable and one of the most effective and lasting ways we can help families and communities prosper. Empowering women provides more choices for women and creates female role models and mentors in places where economic opportunities have historically been limited. By investing in the success of women, we invest in our own success and in the success of communities around the world.

³²Per 2009 study by [Boston Consulting Group](#)

Empowering 5 million women by 2020

Goal: Enable the economic empowerment of 5 million women entrepreneurs across our value chain by 2020.

Progress: In progress. Our 5by20 initiative has already enabled 131,000 women.

5by20 is our flagship initiative aimed at improving the economic lives of women. Launched in the fall of 2010, 5by20 aims to enable the economic empowerment of 5 million women entrepreneurs across our global value chain by 2020. Through collaboration with nongovernmental organizations (NGOs), governments and businesses, 5by20 implements programs to help break down social and economic barriers. These programs include access to business skills training, financial services, assets, and support networks of peers and mentors. We define "entrepreneur" as a woman who owns or operates a business connected to our value chain or has the potential to be connected to our value chain. Examples include farmers, shopkeepers, micro-distributors, recycling collectors, artisans and more.

In just a little over a year, 5by20 has gained exciting momentum. By the end of 2011, the program had enabled 131,000 women. We expect that number to increase to 300,000 by the end of 2012.

We expect to enable the economic empowerment of 300,000 women by the end of 2012.

In 2011, 5by20 focused on four pilot markets: Brazil, India, the Philippines and South Africa. We spent the year testing programs, identifying what worked and learning how to make improvements. Following is a look at our progress.

Brazil. Through the *Coletivo* program, we are working with local NGOs to teach retail skills to young adults in low-income areas to help them enter the job market. Between 30 and 40 percent of the program's graduates go on to get a job. Some go on to share what they have learned by training other women running small businesses. Coletivo offers four training courses:

- *Coletivo Retail* teaches female heads of household how to start a retail store. It includes training in management, pricing and retail concepts.
- *Coletivo Residenciali Entrepreneur* teaches women how to start a home-based business.
- *Coletivo Recycling* supports recycling cooperatives in becoming self-sustaining businesses. It provides investment in materials, infrastructure and skills training.
- *Coletivo Arts* provides artisans with training in design to help them develop a range of handcrafted items made from recycled beverage container materials. The program also provides management skills training to artists who want to build their own businesses, along with access to markets where they can sell what they make.

To date, Coletivo graduates have developed business plans for 6,000 small outlets, a third of which are run by women. Through 125 Coletivo locations around the country, we have reached 25,000 young adults—66 percent of whom are women.

India. In rural areas of the country, many home-based retail shops are run by the woman of the household on a full-time or a part-time basis. But unreliable electricity service can make running such businesses difficult. To address this problem and help increase revenues for shop owners, we are supplying women-run shops with solar-powered beverage coolers. The coolers enable owners to sell chilled

beverages—a novelty in this part of the world—and generate additional income by offering charging services for mobile phones and solar lanterns through the integrated charging ports in the cooler. By using the coolers to power their own lanterns, owners can light their shops in the evenings and give their children light to study by. We are expanding the solar cooler project based on the project's initial success.

Philippines. We partnered with the Philippines Technical Education and Skills Development Authority (TESDA) on a pilot program providing basic entrepreneurial skills training to 300 women in the province of Palawan. We helped enhance TESDA's course curriculum with our own knowledge of entrepreneurial training, making the curriculum competency-based, gender-sensitive and customized for small retail stores. We also helped develop metrics for assessing the trainings. In May 2012, we signed a partnership with TESDA that will expand the training nationwide with the intent of empowering 100,000 women entrepreneurs by 2020. The program will provide training in entrepreneurship, retail management, accessing financial and merchandising assistance, and gender-based values.

South Africa. Through our pilot program in South Africa, we are providing women retailers with business skills training specifically focused on engaging women. In cases where the woman is new to retailing, we provide start-up assets such as a shop or cart, cooking tools and a beverage cooler. We can also provide access to microcredit and e-banking financial services. Initial results indicate women who receive these benefits are earning an income three to nine times more than minimum wage in an area where minimum wage is roughly \$400 per month. Early learning from this program is being applied to how we expand to other markets.

Employing women through Micro Distribution Centers

For more than a decade, we have grown both our business and local economies through our Micro Distribution Centers (MDCs)—small product distribution centers managed by local people, many of them women—in developing countries. MDCs help us do business in hard-to-reach communities while supporting local economies. In exchange, we offer assistance to independent entrepreneurs.

Our original MDC model was developed in Africa, and in many African countries MDCs account for the majority of sales. More than 800 of our 3,400 African MDCs are owned and managed by women, and an additional 850 are co-owned by women. In fact, more than half of the new MDCs created since 2009 are owned and run by women. In faster-growing markets like Ghana and Nigeria, female ownership exceeds 70 percent.

Improving livelihoods for mango farmers

We expect our juice business to triple by 2020. To make sure we can source enough juice to meet that target—and to help improve the livelihoods of small-scale fruit farmers, many of whom are women—we have launched Project Nurture and Haiti Hope, two sustainable projects that are already providing a measure of independence and economic empowerment for female farmers in Kenya, Uganda and Haiti. By the end of 2011, almost 40,000 farmers had been trained through Project Nurture, and 14,000 were women. Read more about these projects in our [Sustainable Agriculture](#) section.

\$2 million to support research for women leaders

In April 2012, The Coca-Cola Foundation granted a \$2 million multiyear award to [Catalyst Inc.'s "Changing Workplaces, Changing Lives"](#) campaign to help women worldwide grow and thrive in business.

Catalyst, a nonprofit working to accelerate the advancement of women globally, will use the funding to create the Center for Corporate Practice Research. The Center will analyze more than 20 years' worth of large company initiatives on inclusion of women in the workforce and share its findings and best practices with global markets working to achieve gender parity. Our Company has previously awarded more than \$1.2 million to Catalyst for sponsorships, general operating costs and program support.

Accomplishing more through strategic partnerships

We collaborate with governments, civil society and other businesses to effectively leverage shared strengths and make a greater impact. In September 2011, we announced a global partnership with [UN Women](#) that will leverage the strengths of both our organizations to advance women's economic empowerment. We also work with the Bill & Melinda Gates Foundation and TechnoServe on a global level and many additional regional partners around the world to provide local expertise.

Looking ahead: measuring outcomes

2011 was a strategic building year for our 5by20 initiative, a year of testing and learning. We are transparently measuring progress against our commitment to enable 5 million women as well as the long-term longitudinal impact on the women. It is through this continuing cycle of testing programs, learning from results and scaling what works that we expect to reach our goal of enabling the empowerment of 5 million women by 2020.

Charitable Contributions

Inside every bottle of Coca-Cola is the story of a business that has, from its earliest days, been a driving force in the ongoing effort to make communities stronger. We are proud to be good neighbors in thousands of cities, towns and villages around the world, sharing our resources, our time and our unique expertise. Here is how we are doing our part to help communities thrive.

Giving through The Coca-Cola Foundation and The Coca-Cola Company

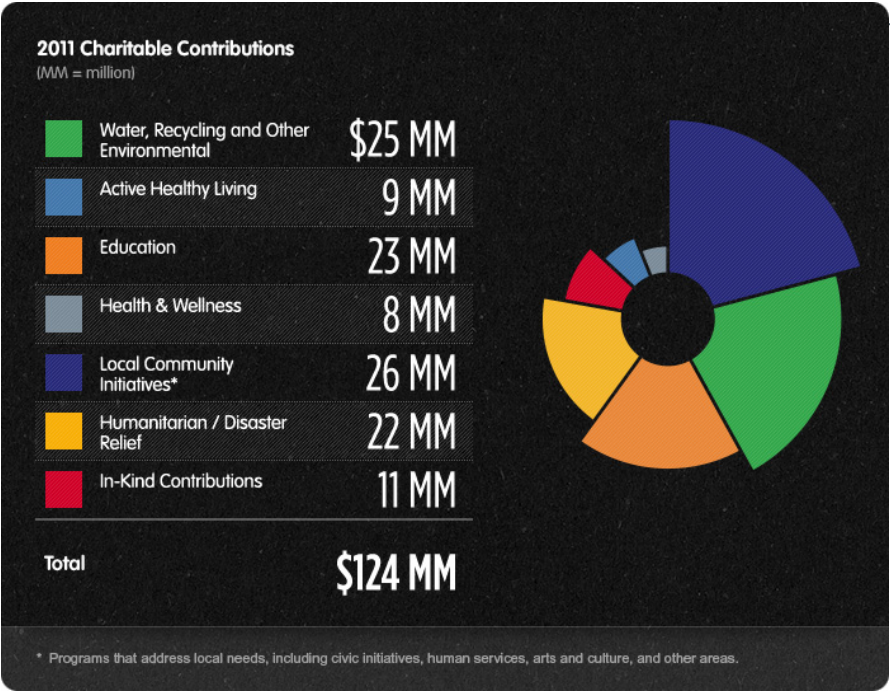
Goal: To give back at least 1 percent of our operating income annually.

Progress: Achieved. We have made a commitment to give back a portion of what we have earned. In 2011, we gave back \$123.5 million—1.2 percent of our operating income.

Since 1984, we have given back to communities through The Coca-Cola Foundation, our global philanthropic organization. Through the Foundation and our 19 local and regional foundations worldwide, we partner with governments, nongovernmental organizations and other charitable organizations to support community improvement in four main areas: water stewardship, healthy and active lifestyles, community recycling and education. We also fund disaster relief in communities facing crisis, HIV/AIDs programs in Africa, and diversity and inclusion initiatives in North America.

Our goal is to give back at least 1 percent of our operating income ⁷⁰ annually to improve the living standards of people around the world. In

2011, we invested \$123.5 million, a 21 percent increase over 2010. Between 2002 and 2011, our total charitable giving has totaled more than \$812 million.



Funding active, healthy living

As part of our global commitment to help find a workable solution to obesity, we fund a variety of programs promoting exercise and sound nutrition. Among the programs we supported in 2011:

United Kingdom: Loughborough University Development Trust/ Peter Harrison Centre for Disability Sport. Using the occasion of the London 2012 Olympic Games as a springboard, this new program is intended to help people living with disabilities become more active. The project's goal is to create lasting change for the 10 million people living with disabilities in Great Britain, specifically targeting the 5.1 million receiving state support and the 93 percent who are estimated to be inactive. We are supporting the program with a grant of \$464,000.

Turkey: Active School Program. In 2011, we donated \$750,000 to provide continued support for the Ministry of National Education's Active School Program, which aims to provide playgrounds, physical education and nutrition education for 70 schools in 15 cities. The program's goal is to help primary school students become physically active through school-based physical activity and education. The expansion of the program made possible through our grant is expected to benefit 35,000 students.

China: Balanced Diet - Active Living. Balanced Diet - Active Living is an education and awareness program intended to teach university students about the importance of energy balance, diet, exercise and nutrition. Our \$300,000 grant will support the program in 12 cities and 36 universities and help reach more than 50,000 participants.

Colombia: Goals for a Better Life. Launched in Bogotá in 2001, Goals for a Better Life uses football (soccer) as a tool to promote active, healthy living among students and encourage them to stay in school. The program, now operational in eight locations, also seeks to stop the cycle

of violence that plagues poverty-stricken communities in Colombian cities. In Bogotá, the program currently enrolls more than 3,500 youth, 98 percent of whom are enrolled in school. Goals for a Better Life has helped reduce crime, violence and drug use in every community where it is present. We donated \$250,000 to fund the program's expansion to Manizales, Colombia.

South Korea: Coca-Cola Health Camp. We provided a \$200,000 grant to continue our support for this program, which will provide 550 youths in Seoul, Gyeonggi and Incheon with programs that teach healthy behaviors to the increasing numbers of Korean students at risk for obesity and weight-related health concerns. The camp complements the Coca-Cola Health Class program, which the Foundation funded in 2008 and 2009 and which has benefited more than 24,000 students to date.

Read more about our support of programs that promote active, healthy living in the [Active, Healthy Living](#) section of this report.

Funding water stewardship

As part of our effort to protect water sources around the world and replenish water in the same amount as we use in our finished products, we provided World Wildlife Fund (WWF) with more than \$4.1 million for water stewardship projects around the world. We contributed those funds in addition to our ongoing partnership with WWF. Following are just some of the projects we funded in 2011. For a complete list of our community water projects, see our [2012 Water Stewardship and Replenish Report](#).

Honduras: Community-based participation in the Integrated Watershed Management of the Manchagua Subwatershed. This project seeks to address the issue of sedimentation in the Manchagua subwatershed in San Pedro Sula. It has three objectives:

To reduce soil erosion and runoff by training 20 farmers in sustainable production of crops through better agricultural practices; to improve the livelihoods of farmers through agroforestry and income diversification; and to establish riparian forests along the Manchagua subwatershed. The project will improve the sustainability of the subwatershed by reducing erosion and improving the area's natural water filtration. We contributed \$60,000 to the project.

Eastern Europe: Wetland restoration in the Danube-Drava-Mura area. Our \$90,000 grant to the WWF Danube-Carpathian Programme will support efforts to protect and restore some of Europe's most valuable wetland areas. The project will help establish the UNESCO (United Nations Educational, Scientific and Cultural Organization) Mura-Drava-Danube Transboundary Biosphere Reserve, which will be the world's first five-country protected area.

Thailand: Improving stewardship in the Chi and Songkhram basins. Our \$600,000 grant will support work with key stakeholders to incorporate climate change adaptation strategies in local-, district- and province-level planning in Khon Kaen Province in Northeast Thailand. It will also help develop and implement climate-change adaptation strategies in the Upper Chi River basin, while documenting lessons learned in order to replicate the program in other areas of the Greater Mekong basin.

Funding education

The Coca-Cola Company and The Coca-Cola Foundation have a long tradition of supporting educational programs. In 2011, we invested more than \$22 million in support of academic scholarships, first-generation college scholarships, mentoring, dropout prevention and literacy and reading programs.

Among our grants was a \$500,000 award to the Abyssinian Development Corporation, a New York City, Harlem-based not-for-profit

⁶⁴<http://www.shorelinecleanup.ca/>

community and economic development organization, to establish a student media center within Bread & Roses Integrated Arts High School, which had been challenged by a severe shortage of materials and a record of persistently low student achievement. The grant will ensure that students at the school will have access to books, technology software and hardware as required by the school's curriculum.

Another program we support is The Coca-Cola First Generation Scholarship Program. In 2011, we awarded a total of \$2.3 million to 16 organizations, including 12 colleges and universities.

We also supported the following educational programs in 2011 and 2012:

India: Support My School. In 2012 we partnered with the humanitarian organization World Vision to revitalize 50 rural and semi-rural schools in India under the internationally recognized Support My School campaign. Through the program, we help provide schools with access to water, sanitation, playing fields and other basic amenities. Support My School has helped improve more than 100 school infrastructure projects across India, benefiting some 50,000 children.

Indonesia (2011): Coca-Cola Scholarship Vocational Program. Indonesia's unemployment rate is over 6 percent. A recent government survey showed that graduates of vocational schools made up the lowest percentage of the nation's unemployed. Our \$50,000 grant will fund scholarships for 28 vocational students currently enrolled in school and lacking the financial means to complete their degrees.

Philippines (2011): Little Red Schoolhouse. We donated \$200,000 to fund construction of four schools built through the Little Red Schoolhouse program, which replaces substandard schools in rural underserved areas with proper school buildings. The program also provides training for teachers and parents. Launched in 1997, the Little Red Schoolhouse

program has built more than 82 schools in 49 provinces, benefiting nearly 51,000 students and providing training to more than 2,300 teachers and 4,900 parents. The program is expected to complete its 100th school by the end of 2012.

Funding community recycling programs

Canada: The Great Canadian Shoreline Cleanup (2012). In 2012, more than 65,000 participants are expected to take part in local shoreline cleanups in every Canadian province. In 2011, the Cleanup removed litter from 3,144 kilometers of shoreline.⁶⁴ We provided \$50,000 to support this project.

To increase litter abatement efforts, advance recovery and reuse, increase community recycling awareness, and support research and innovation, we fund community recycling programs around the world. Among the programs we supported in 2011 and 2012:

The Regional Initiative for Inclusive Recycling (2011). We continued our support of this multiyear effort, which seeks to transform the recycling market in Latin America by improving the socioeconomic status of recyclers and their families enhancing private sector roles so that recycling cooperatives thrive in a competitive market; and supporting public policy so that recycling cooperatives become part of local waste management systems. Our partnership includes the Inter-American Development Bank (IDB), the Multilateral Investment Fund, a member of the IDB and Fundación AVINA.

Keep America Beautiful, Inc. (2011) Since 2009, we have contributed \$600,000 to enable Keep America Beautiful to place recycling bins in public spaces. In 2011, we gave \$200,000, which will provide more than 4,000 bins to approximately 70 community groups, government entities and other organizations to help promote recycling. In addition, we gave \$150,000 to help Keep America Beautiful place 2,500 recycling bins on

40 college campuses.

In 2012, we also contributed \$150,000 to support beverage container recycling programs by Keep New Zealand Beautiful and \$170,000 to public recycling efforts by Keep Australia Beautiful, bringing our total contributions to Australia's program to more than \$500,000 since 2009.

Junior League of Mexico City Reciclable por Naturaleza (Recycle for Nature 2011). Our \$100,000 grant will help Reciclable por Naturaleza expand its program to 80 new schools and reach 40,000 additional students in Mexico City—bringing the number of schools reached by the program to 455. The Junior League estimates that the added schools will recycle 95 tons of cardboard containers, resulting in the recovery of 71,250 tons of paper fiber and saving 665,000 gallons of water, 285,000 kilowatts of energy and over 152 tons of fuel oil. Since 1995, the program has recycled 2,200 tons of cardboard containers.

Fundacion Galapagos Ecuador (2011). We donated \$20,000 to help support the Coastal Clean Up program on the Galapagos Islands. Through the program, cleanup crews make monthly trips to collect debris washed ashore from Costa Rica, Panama and the Pacific gyre, due to the complex currents around the islands. Since 1999, Fundacion Galapagos has organized 124 cleanup trips and has collected more than 104 tons of garbage resulting in reduced harm to sea lions, pelicans, iguanas, turtles and many other animals that make their homes on the islands.

Read more about our support of community recycling programs in the Sustainable Packaging section of this report.

Assisting with disaster relief

From the catastrophic earthquake and tsunami that struck Japan in March to the record droughts that parched the Horn of Africa, we were

part of the global community's response to natural disasters in nine countries in 2011.

Following the tsunami in Japan, we established the Coca-Cola Japan Reconstruction Fund. The fund includes a total pledge of \$31 million for ongoing relief and recovery efforts in Japan, including donations of more than 7 million cases of beverages to national and local government authorities and community groups. We also implemented vending machines that enabled consumers to donate to tsunami relief even if they did not purchase a beverage. Finally, we matched a total of \$424,000 in associate contributions.

In November 2011, our system committed more than \$2 million to "Reunite to Relieve and Rebuild Thailand," an initiative designed to provide emergency relief and rebuilding efforts for victims of Thailand's worst floods in 50 years. Our commitment includes a \$1.25 million contribution to Habitat for Humanity Thailand to rebuild nearly 600 houses and five schools. Additionally, we partnered with the Thai Red Cross and Habitat for Humanity to mobilize groups of volunteers, set up and run mobile kitchens and deliver bottled water and food. Our system committed nearly 1 million bottles of water to support the Thai Red Cross and also helped to provide more than 100,000 meals to flood victims.

In addition to donations through our Foundation, our Pacific Group contributed \$1 million for flood relief in Thailand, and Coca-Cola Thailand donated its media purchases to the effort as well. Advertising for all Coca-Cola brands was put on hold, and new ads were created to encourage donations and volunteerism. The campaign's TV ads reached an estimated 75 percent of the Thai public and helped recruit more than 3,000 volunteers who cleaned, repaired and rebuilt hundreds of schools, shelters and homes across four provinces.

In 2011, we made these additional contributions to disaster relief:

- We provided a \$1.15 million grant for immediate and long-term relief

for communities affected by record droughts in the Horn of Africa. The grant is providing supplies and financial support to people in Ethiopia, Kenya and Somalia.

- Our \$1 million grant to the Turkish Red Crescent Society helped fund immediate relief as well as the restoration of elementary schools affected by the October earthquake in Turkey's Van Province.
- We contributed \$250,000 to provide immediate and long-term relief to the Canterbury region of Christchurch, New Zealand, following the earthquake that struck in February. Our Foundation's donation was in addition to a \$370,000 contribution of in-kind support donated by Coca-Cola Amatil, with an additional \$185,000 contribution by our South Pacific Business Unit.
- We donated \$100,000 to help Habitat for Humanity rebuild five schools and provide 1,600 families in the Eastern and North Central Provinces of Sri Lanka with access to clean water following flooding in that region.
- After tornados and flooding struck the southeastern U.S. in March, we contributed \$550,000 as well as in-kind support to relief efforts in Louisiana, Mississippi and Missouri.

Coca-Cola United also donated \$50,000 to similar relief efforts in Alabama.

- We donated \$50,000 in August to support relief efforts following Hurricane Irene in Vermont and New York. In addition, our North America Group provided in-kind support and a \$25,000 contribution specifically for relief efforts in New Jersey.

In addition to initiatives funded through our foundations, we are partnering to strengthen communities in other ways. Read about those efforts in the [Meet Our Partners](#) section of The Coca-Cola Company's 2011/12 Sustainability Report.

An essential ingredient in every one of our products is our profound commitment to human rights and workplace rights. Respecting human rights and protecting workplace rights is fundamental to our culture and imperative for a sustainable business. In our Company and across our system, we are working to make sure all people are treated with dignity and respect.

We consider human and workplace rights—as articulated in the [United Nations Universal Declaration of Human Rights](#) and the [International Labour Organization’s Declaration on Fundamental Principles and Rights at Work](#)—to be inviolable. We take a proactive approach to respecting these rights in every workplace of The Coca-Cola Company, in our bottling system, in our supply chain and in the communities in which we operate.

The foundation of our approach lies in three key documents: Our [Human Rights Statement](#), our [Workplace Rights Policy](#) and our [Supplier Guiding Principles](#). All three are influenced by the United Nations (UN) and International Labour Organization (ILO) declarations. Together, they describe our high standards and expectations, addressing such subjects as child labor, forced labor, freedom of association, discrimination, health and safety, hours of work and the 30 articles contained in the Universal Declaration of Human Rights. Our [Human Rights Statement](#), our [Workplace Rights Policy](#) apply to all entities in which The Coca-Cola Company owns a majority interest (unless otherwise agreed). Many of our larger [bottling partners](#) have their own human rights policies.

In recent years, we have more clearly defined what we stand for with respect to human and workplace rights. We have also begun the complex work of ensuring that our entire business system and supply chain align with our policies. We expect our Company, our bottling partners and our suppliers to avoid causing, or contributing to, adverse human rights impacts as a result of business actions and to address such impacts when they occur. Furthermore, our Company, bottling partners and suppliers are also responsible for preventing or mitigating adverse human rights impacts directly linked to their operations, products or services by their business relationships.

To meet these expectations, our Company, bottling partners and suppliers are incorporating processes for identifying, preventing and mitigating their impacts on human rights. Additionally, all are required to implement a process for remediation of any adverse human rights impacts they cause or contribute to.

Our efforts to promote respect for human rights across the Coca-Cola system and throughout our supply chain are being recognized. In January 2011, Calvert Investments, Inc., announced that we met its “environmental, social and governance criteria as a result of clear progress in labor and human rights.” For more information, read [Calvert’s analysis of our progress](#).

Implementing the United Nations Guiding Principles on Business and Human Rights

Since 2005, we have worked to support the mandate of Professor John Ruggie, the former UN Special Representative for Business and Human Rights, in developing guiding principles for implementing his “[Protect, Respect and Remedy](#)” framework for respecting human rights in a business context. In May 2011, we formally endorsed the draft UN Guiding Principles on Business and Human Rights, which the UN Human Rights Council adopted in June 2011 [read the news release](#)—providing

for the first time a global standard for addressing the risk of adverse impacts on human rights linked to business activity. These Guiding Principles are now a key touchstone for our policies and programs related to workplace and human rights.

According to the UN Guiding Principles, implementing respect for human rights in a corporate context has three primary components:

1. A policy commitment to meet the responsibility to respect human rights;
2. A due diligence process to identify, prevent, mitigate and be accountable for human rights abuses; and
3. Processes to enable the remediation of any adverse human rights impacts the Company causes or to which it contributes.

Among the many steps we have taken to implement the UN Guiding Principles is an analysis of potential and actual human rights impacts across our entire value chain, from raw materials to end use. We have identified human rights risks along with policies and actions for mitigating them. In addition, we have developed five human rights-related due diligence checklists for managers across our Company, along with instructions for using them. The easy-to-use, two-page checklists cover such topics as migrant labor, child labor, plant siting and more. They offer clear steps our managers can take immediately to move beyond compliance with our policies to an ongoing respect for human and workplace rights that is inseparable from our daily operations.

Another way we are implementing the UN Guiding Principles is through the 25 “Good Practices” we are encouraging bottlers and suppliers to adopt (please see to the right). These practices enable bottlers and suppliers to move beyond compliance to a sustainable, integrated, systematic respect for human rights and workplace rights.



Our support of the UN Guiding Principles builds on our work as a participant of the UN Global Compact and member of the Global Business Initiative on Human Rights (and its predecessor, the Business Leaders Initiative on Human Rights). Our work in those partnerships continues. In January 2011, we joined 17 companies in launching the Global Compact LEAD program, which challenges Global Compact members to achieve a blueprint for sustainable corporate responsibility.

More guidance for our managers

In early 2011, we updated our Human Rights Statement, our Workplace Rights Policy after reviewing a Danish Institute for Human Rights analysis of gaps in our global policies. We addressed the gaps by updating our online Manager's Guide on Implementing the Human Rights Statement and Workplace Rights Policy, adding new guidance regarding hate speech, indigenous peoples and other matters. Through online training, we also reinforced the understanding of our human rights policies among leaders across our Company.

In addition, we annually require that all Company managers and employees certify that they have read and understood the Human

Rights Statement and Workplace Rights Policy, have acted consistent with those policies and were unaware of any unreported policy violations. Over the course of 2011, approximately 8,600 Company associates participated in 45-minute Human Rights Statement and Workplace Rights Policy training sessions, resulting in more than 6,450 hours of training on these Company policies and procedures.

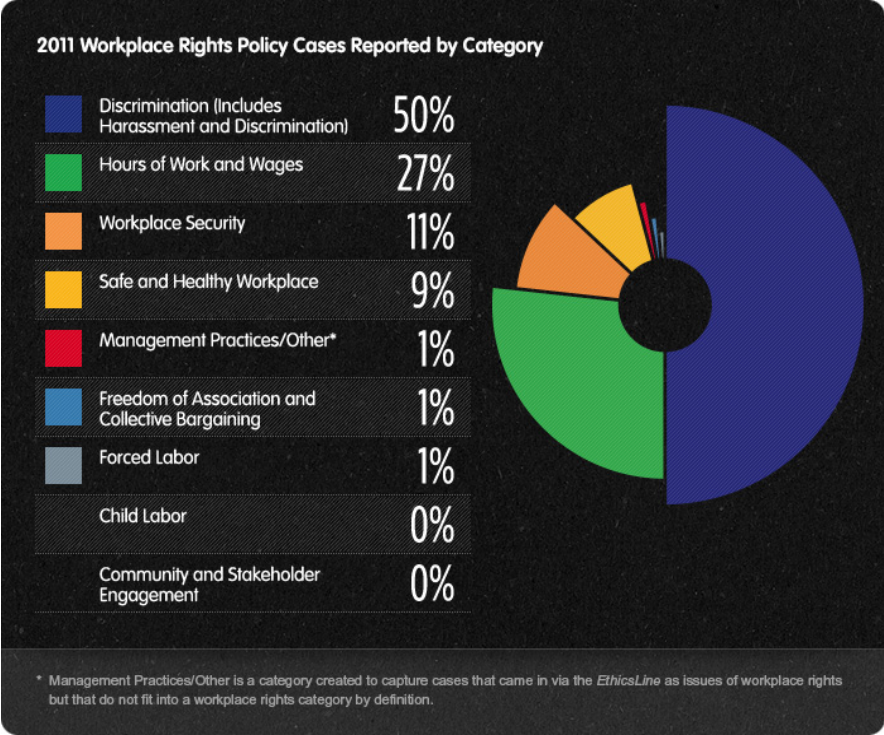
Investigating rights-related complaints

We require all associates of The Coca-Cola Company to know our workplace standards and human rights principles and to apply them in their work. Managers receive particularly intensive training. We also rely on our associates to speak up immediately if they believe our policies have been violated. Associates can report perceived violations confidentially and without fear of retaliation through numerous channels. We urge anyone who has a question or concern about our business conduct to contact our [EthicsLine](#) —a global Internet and telephone information and reporting service for associates, customers, suppliers and consumers who perceive violations of our Code of Business Conduct, our [Workplace Rights Policy](#) or applicable laws and regulations. We treat all inquiries confidentially and investigate all concerns.

In 2011, we investigated 426 perceived human and workplace rights complaints in our Company, up from 118 in 2010. We attribute this increase to the addition of approximately 65,000 associates through our acquisition of the North American operations of Coca-Cola Enterprises (CCE), as well as an increased awareness of our human and workplace rights policies achieved through communication and education.

The largest number of complaints were related to discrimination (which includes retaliation and harassment) and work hours and wages. We found no issues where freedom of association had been denied. In cases where claims are substantiated, we take corrective action.

Depending on the violation, corrective action may take the form of back pay, reassignment of duties and in severe cases, separation from the Company.



Workplace Rights Policy Cases Reported by Category, 2010 and 2011

	2010	2011
Freedom of Association and Collective Bargaining	1	2
Forced Labor	1	3
Child Labor	0	0
Discrimination (Includes Harassment and Retaliation)	84	211
Hours of Work and Wages	19	114
Safe and Healthy Workplace	12	36
Workplace Security	0	43
Community and Stakeholder Engagement	0	0
Management Practices/Other*	1	17
Total	118	426**

* Management Practices/Other is a category created to capture cases that came in via the *EthicsLine* as issues of workplace rights but that do not fit into a workplace rights category by definition.

** Significant change in data is primarily due to the acquisition of the North American operations of Coca-Cola Enterprises (CCE) and an increased awareness of our human and workplace rights policies.

A key compliance goal achieved early

Goal: By 2015, achieve a 98 percent compliance level for Company-owned and -managed facilities with upholding the standards set in our Workplace Rights Policy. Also, achieve 90 percent compliance with our Supplier Guiding Principles among independent franchise bottling partners and suppliers.

Progress: As of December 31, 2011:

- 98 percent of our Company-owned and -managed facilities have already achieved compliance
- 68 percent of our bottling partners and 73 percent of our direct suppliers have achieved compliance

To help our Company, our bottling partners and our direct suppliers achieve compliance, third-party auditors trained to our standards conduct regular workplace assessments. We conduct annual assessments of new suppliers and suppliers with a history of noncompliance. For suppliers with a history of compliance, we conduct assessments every three years. More than 12,000 workplace assessments have been completed since 2003.

2011 Audits by Region

Pacific	943
Latin America	491
Eurasia	314
North America	198
Europe	152
Africa	143
Total	2,241



In 2009, we set a goal of ensuring that 98 percent of our Company-owned and -managed facilities meet our workplace rights standards by 2015. We are pleased to report that we met that goal four years early. In 2011, assessments showed that 98 percent of company-owned and -managed facilities had achieved compliance.

As for our suppliers and bottling partners, we expect them to comply with the higher standards of international norms and applicable laws with respect to workplace and human rights principles. We encourage them to adopt our *Human Rights Statement and Workplace Rights Policy* or equivalents, to comply with our Supplier Guiding Principles and to uphold the standards we have set for everyone doing business under the Coca-Cola trademark. We convey our expectations and offer compliance assistance through our *Supplier Guiding Principles program*.

We aim to have 90 percent of our bottling partners and suppliers comply with our *Supplier Guiding Principles* by 2015. Our advancement in 2011 was slower than we wanted, but we are pleased to report progress nonetheless.

By 2011, we conducted a total of 2,241 audits. By the end of 2011, 68 percent of bottlers and 73 percent of direct suppliers had met the standards of our Supplier Guiding Principles. This represents a 10 percent increase in compliance over 2010 and a 29 percent increase over 2009.

88% of our direct suppliers were audited by 2011.

Our progress in achieving supplier compliance in 2011 was slower than expected for several reasons. In some cases, natural disasters or civil unrest forced us to suspend supplier auditing. The March 2011 tsunami in Japan and flooding in Thailand interrupted compliance work in those countries. Similarly, the “Arab Spring” events in some Middle Eastern

countries slowed our progress there. We also observed re-offenses among bottlers and suppliers of about 15 percent of previously compliant locations, and we are working to help bring them back into compliance. Our goal is to achieve an 80 percent compliance rate among bottlers and direct suppliers by the end of 2012, putting us well on track to meet our goal of 90 percent by 2015.

Beyond compliance: raising the bar in our supplier program

In the fall of 2009, we began building on our *Supplier Guiding Principles* program by starting a more robust dialogue with bottling partners and suppliers about human rights and other sustainability efforts. Our aim was to move beyond compliance with our policies and work collaboratively with suppliers on a broader joint sustainability agenda.

Continuing this work in 2011, we initiated an update of our Supplier Guiding Principles auditing program, taking into account the UN Guiding Principles on Business and Human Rights, new industry trends and benchmarks, expert guidance and our own experience. The update will improve our program by better aligning it with customer requirements (saving us the significant cost of customer-initiated audits) and leading industry practices. It will encourage our suppliers to move beyond compliance and align to the latest advances in business-related human rights concerns. Updating our auditing program will also lead to more sustainable results by enabling us to help suppliers build capacity for sustainable practices and continuous improvement.

Improvements to our *Supplier Guiding Principles* programs include:

Stronger requirements. We will now assess suppliers for business integrity, workplace security and work environment. Assessing these aspects of our suppliers’ businesses will align us with the expectations of the UN Guiding Principles.

Inclusion of non-employee workers. We are also creating a consistent approach for ensuring that data about non-employee workers are captured in our assessments. All workers in a facility will now be included in the scope of our assessments, whether they are employee or non-employee workers.

Improved detection of human trafficking. We will also help suppliers build capacity for creating worker grievance systems and protection of migrant workers.

Strategies for capability-building. We created a series of 25 “Good Practices” that take into account respect for human rights to facilitate our ability to sustain and continuously improve supplier performance. (These practices are listed on pp. 44-51 of our Workplace Rights [Implementation Guide](#).) We are also developing a “human rights metric” that measures against these practices and will add it to our supplier sustainability scorecard. Though the measurement will not be factored into a facility’s audit rating, we expect it to influence supplier and bottler actions to mitigate human rights impacts. We are offering guidance and training to help bottlers and suppliers improve their performance over time.

Database development. We are creating an online database to improve reporting and better identify trends, opportunities and challenges. This third-party relational database has replaced a series of homegrown spreadsheets that were increasingly difficult to manage. By digitizing audit entry, we eliminate the time delay and errors of data entry and expect to dramatically increase our analytical capabilities.

We expect these changes to our *Supplier Guiding Principles* program to be fully in place by the end of 2012.

The challenge of an extended global supply chain

One of our ongoing challenges is ensuring respect for human rights and workplace rights among our second- and third-tier suppliers and

beyond. We sometimes have difficulty assessing whether suppliers far “upstream” in our supply chain align with our policies and values. Such suppliers can number in the tens of thousands, and their operations are often not transparent to us.

For example, in 2011, a news story casting light on the substandard living conditions among migrant fruit pickers in Southern Italy’s citrus-growing regions, where we source orange juice for some European products, underscored the challenges we face. We are mapping our orange juice supply chain back to individual farms and are identifying the companies that contract with the pickers who harvest the fruit. Our next step will be to organize field research into the causes and conditions that led to the mistreatment of workers. We will continue to work with our juice processors, their fruit suppliers, pickers, government agencies and others to improve conditions for pickers.

Similarly, we are engaged in efforts to address human rights abuses on sugar farms in the Dominican Republic, where allegations of workplace abuse have been prevalent for many years. Four years ago, our Company funded a third-party study of the Dominican Republic sugar industry, which revealed that, while some progress had been made, human and workplace rights abuses still occurred. ([Read the study](#), along with studies of the sugar industries in Costa Rica, Guatemala, Honduras and Nicaragua.) More recently, Dominican sugar producers participated in a study of labor conditions conducted by the U.S. government and a Dominican nongovernmental organization (NGO). We are awaiting the report from that study. We are also awaiting results of a U.S. Department of Labor investigation into allegations of human rights abuses. Based on the outcome of the report and the investigation, we will work with Dominican sugar producers to bring them into alignment with both the law and our policies. We believe that staying engaged with the industry and applying our influence as a major sugar buyer is the best way for us to effect change. Additionally, as a member of

AIM-PROGRESS, we are addressing human rights abuses in the sugar industry and sustainable sourcing generally in collaboration with our peer companies.

Enlisting the aid of suppliers and bottlers

To help extend alignment with our position on human and workplace rights throughout our supply chain, we are working with three of our primary suppliers in piloting a project intended to increase alignment with our policies. We asked suppliers to assess their own suppliers through third-party audits and to demonstrate how they manage their direct suppliers with regard to human and workplace rights. If the pilot project is successful, we may apply similar practices across our supply chain.

Our bottlers play a key role in addressing human rights concerns among local suppliers and farmers. Coca-Cola Europe, as well as bottlers in China, India and the Philippines, have all convened suppliers in recent years to improve the treatment of workers at all levels in the supply chain. These meetings include annual supplier conferences with awards for suppliers who perform well against our *Supplier Guiding Principles*. Suppliers who have not demonstrated a commitment to meeting our principles are not eligible for awards.

Addressing child labor in sugarcane fields

Our *Human Rights Statement*, *Workplace Rights Policy* and *Supplier Guiding Principles* prohibit the use of child labor. While there is no child labor in our Company-owned operations, we are aware that child labor persists on some of the farms that grow cane for our sugar suppliers, driven by poverty and local social norms. Our Company does not typically purchase ingredients directly from farms, nor are we owners of sugar farms or plantations, but as a major buyer of sugar, we are taking action and using our influence to help end child labor in sugarcane fields.

Our approach is both global and local. At the global level, we set corporate policy, convene experts, and engage with governments, NGOs and other companies. At the same time, we collaborate with suppliers, industry groups and local stakeholders to address the issue with farmers. In recent years, we have joined collaborative efforts in El Salvador that have dramatically reduced child labor in cane fields. We are also taking action in Honduras, Mexico, the Philippines and 16 other countries. In 2011:

- As part of our Little Red Schoolhouse project, we continued our work with the ILO-IPEC (International Programme on the Elimination of Child Labour) program in the Philippines, the government of Bukidnon province and the Sugar Industry Foundation, Inc., to eliminate child labor in Bukidnon and enroll child laborers in schools. A grant from The Coca-Cola Foundation funded the construction of a high school in Bukidnon, which has the country's highest incidence of child labor and the highest number of school-aged children not working or attending school. Since 1997, the Little Red Schoolhouse project has built more than 82 buildings benefiting nearly 51,000 public schoolchildren in remote areas of the Philippines.
- We helped Honduras's Sugar Association Board of Directors arrange for all the country's sugar refineries to commit to addressing child labor. The initial plan calls for evaluation, intervention and education; benchmarking and contracting; as well as enforcement and monitoring activities to be implemented on a long-term basis starting with the 2011-2012 harvest. The first stage was developed by completing an independent assessment of child labor in the country's sugarcane supply chain, which revealed minimal presence of child labor in the Honduras sugar supply chain.

- Also in Honduras, we joined [Save the Children](#) in co-sponsoring a major program, including a media campaign and workshops, intended to raise public awareness about the negative consequences of child labor.
- We became the first company to participate in an assessment as part of an ILO and International Organization of Employers project to provide companies with guidance on helping to eliminate child labor in their operations and throughout their supply chains.
- We collaborated with ILO-IPEC Mexico to design and distribute a training guide discouraging the use of child labor among sugar farmers while encouraging more efficient farming practices and improving the living and working conditions of sugarcane workers. We also facilitated ILO-IPEC's access to several farms supplying two of our authorized sugar refineries to enable ILO-IPEC programs to conduct appropriate interventions to address child labor in the agriculture sector.
- Our audits have detected child labor and generally poor compliance with our *Supplier Guiding Principles* at sugar mills in India. We worked with our peers in AIM-PROGRESS to hold a forum for more than 50 sugar suppliers in July 2012. The conference delivered a message of zero tolerance for child and forced labor and offered guidance for suppliers who want to bring their businesses into compliance with our standards and earn [Bonsucro](#) certification. Recognizing that improving mill conditions means little if farm conditions do not improve, we are also working with Indian sugarcane mills to eradicate child labor in the fields.
- We again recognized the ILO's World Day Against Child Labor, raising awareness Company-wide about our policies and the problem of child labor in the sugar industry.

Beyond the cane fields

We are part of the effort to eradicate child labor in other industries as well. In 2011, we used our *Supplier Guiding Principles* workplace audits to detect child labor in the direct suppliers of our potential suppliers. We detected child labor in reviews of several suppliers of marketing materials—such as manufacturers of trademarked promotional items and apparel in China—and did not engage those companies as suppliers. We also detected an instance in which a transport supplier to one of our direct suppliers had employed his son, a minor. With our help, the supplier put new practices in place to prevent such an incident from happening again.

For example, as a sponsor of youth soccer programs throughout the world, we purchase and distribute thousands of promotional soccer balls. We continue to require all the soccer balls that we buy to be machine-stitched in facilities with child-labor monitoring and chain-of-custody controls. We have had no reports of child labor in the facilities that produce our balls since adopting these controls.

Eradicating child labor is a complex and often frustratingly slow process, requiring consensus and cooperation among many stakeholders. It is made all the more difficult by persistent poverty and lack of access to education in cane-growing regions. Still, based on our progress and the lessons we have learned to date, we are hopeful about our opportunities to contribute to substantial, lasting change.

Preventing human trafficking

Our Company addresses human trafficking and forced labor through our [Human Rights Statement](#), Workplace Rights Policy and Supplier Guiding Principles. These policies are supported by independent assessments of supplier, bottler and Company-owned facilities and are conducted by third parties to verify compliance with our standards that prohibit trafficking and slavery in supply chains.

In 2009, through our workplace audits in the Persian Gulf area, we discovered that some bottlers were withholding the passports of migrant workers. Based on that experience, we worked with the ILO and its human trafficking experts to develop a guideline that prevents restrictions on freedom of movement among migrant workers. Our Company operations do not hold employee passports. Our stringent guidelines allow bottlers and suppliers to hold employee passports only at the request of the employee.

In 2011, we developed guidelines related to recruitment agencies and fees often associated with human trafficking. The migrant labor due diligence checklist that we provided to our Company managers is a direct result of this work.

In February 2012, we hosted an International Conference on Human Trafficking in Labor Sourcing, which was attended by more than 150 people from more than 45 companies. The conference focused on exploring solutions to eliminate human trafficking in labor sourcing. In addition, we hosted a meeting of the Business Coalition Against Human Trafficking's founding members, which includes The Coca-Cola Company. The meeting concentrated on the business case for preventing human trafficking, legal considerations, remediation approaches and more.

Collaborating with labor and other stakeholders

We respect the rights of workers in the Coca-Cola system to join unions without the fear of retaliation and engage in collective bargaining without interference or fear of retaliation. More than 30 percent of workers in our system are represented by trade unions. Of those, more than 70 percent are affiliated with the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Associations (IUF), one of our business system's most important stakeholders.

Maintaining a productive relationship with trade unions enables us to collaborate with them on key issues affecting our Company's success. It also enables us to solve problems constructively and manage risk. If we are unable to address legitimate labor union concerns, renew collective bargaining agreements on satisfactory terms or address workplace inequities in a timely way, our business could suffer through strikes, lawsuits, a global corporate campaign or other labor unrest.

Twice each year, we meet at our Atlanta headquarters with IUF delegates from around the world to discuss labor and workplace issues in our system. These meetings enable us to have frank conversations and address and resolve difficult issues across the table through serious and practical engagement from both sides. We encourage our bottling partners to collaborate with labor organizations as well. In 2011, we enhanced mechanisms for identifying workplace rights problems early. We provided bottling partners with resources and human rights due diligence checklists to address such issues as contract labor, plant siting and human rights in the supply chain.

In addition, leaders from our Company participated in the annual June International Labour Organization Conference attended by representatives of trade unions from more than 160 countries and by numerous human rights NGOs. Company leaders have served in a variety of leadership positions at the ILO Conference, including employer spokesperson roles on the Committee on Application of Standards through 2011 (the Committee holds countries accountable for workplace human rights violations), and employer spokesperson roles in 2012 to develop an action plan to energize the 1998 Declaration on Fundamental Principles and Rights at Work, which has had a highly successful outcome. We also have ongoing and regular engagement with a wide variety of human rights groups and socially responsible investors.

Ensuring ethical engagement of contract labor

Like many companies, our Company and bottling partners employ contract and agency labor. We believe there are many legitimate uses of contract labor, and we expect contract workers, through third-party providers, to continue to play an important role in our business. Through enhancements to our *Supplier Guiding Principles* assessments ([please see above](#)), our Company is holding more contract and agency labor suppliers accountable for the ethical treatment of these workers.

Our commitment to human and workplace rights, as well as our commitment to operating a sustainable business, compels us to respect the rights of all workers, including those not directly employed by our Company or bottling partners. What is more, improper treatment of contract laborers would put our business at risk of lawsuits, action by regulatory agencies and damage to our reputation. So, we are working with our business units and our bottling partners to develop a proactive, holistic approach to managing contract labor that protects workers and our Company by addressing critical issues at each phase of a contract worker's engagement with us—from our initial decision to use contract labor through the end of the relationship with labor suppliers or specific workers. We expect our personnel and our bottling partners to understand the risks associated with contract labor and to carefully manage the labor agencies engaged. We also expect them to provide training, a safe work environment and to avoid using termination practices that circumvent legal obligations.

We take a number of steps to ensure responsible engagement of the contract and agency workers we employ, including:

- Our *Human Rights Statement*, *Workplace Rights Policy* and *Supplier Guiding Principles* outline our commitments and expectations for treatment of all workers. Any allegation of worker abuse—including abuse of contract laborers—is a very serious issue that we fully investigate.

- We conduct continuous assessments of our operations and of key authorized contract labor suppliers to ensure the responsible treatment of contract laborers.
- We engage with key stakeholders to understand their perspective regarding potential abuse of contract workers. The subject of contract and agency labor is a standing agenda item for our semiannual meetings with the IUF ([please see "Collaborating with labor and other stakeholders," above](#)). Through these meetings, we have successfully addressed a number of concerns regarding contract workers in India, Pakistan and the Philippines.
- We provide our largest bottling partners with contract labor risk-mitigation checklists and other tools to help them manage contract labor appropriately.

Progress on hours of work

Compliance with local work-hours and overtime laws is a *fundamental component of our Workplace Rights Policy* and *Supplier Guiding Principles*. We have provided guidance on this issue to bottlers and suppliers and helped them develop best practices for managing hours of work. Their improvement is reflected in the increasing numbers of Company, system and supplier facilities that have achieved compliance with our *Supplier Guiding Principles*.

During the second half of 2012, we are working with bottlers and suppliers in South Korea to address extensive noncompliance with our hours-of-work policies. We are developing a unique approach using third-party Operational Excellence resources to better identify and correct the root causes of hours-of-work violations. We hope to apply the tools we develop in this process in managing hours-of-work issues systemwide.

Collaborating to increase sustainable sourcing

We are a leading member of AIM-PROGRESS, a forum of 32 fast-moving consumer goods manufacturers and suppliers working together to promote responsible sourcing practices. Through AIM-PROGRESS's joint training initiative, the group conducts in-person and virtual supplier training sessions around the world. Trainings cover the four major pillars of responsible sourcing: human rights and labor standards, health and safety, environmental compliance and business integrity. Leaders from participating companies provide perspective on why responsible sourcing is important to customers, stakeholders and sustainable businesses. Over the last two years the sessions have reached approximately 2,000 suppliers and 4,000 people.

Member companies recognize supplier audits completed on behalf of another company through a framework called mutual recognition. Recognizing audits conducted on behalf of another company reduces audit fatigue, reduces time and costs on the part of suppliers and shifts the focus from auditing to performance. Our work with AIM-PROGRESS has advanced our mutual audit recognition to 16 percent of the suppliers we audit.

Beyond human rights: addressing all aspects of supplier sustainability

In every bottle of Coke you will find not only the work of our associates and bottlers, but also the contributions of our thousands of suppliers worldwide. Our system depends on suppliers for ingredients and packaging, and for other things you may not think of: technology for our production lines, vending equipment, logistics, marketing and much more. We also depend on our suppliers for the innovations and practices that help make us a more sustainable company.

That is why, in addition to our human rights work with suppliers, we are focusing on our supply chain as a crucial element in every one of our

systemwide sustainability initiatives. For example, we are active members of Bonsucro, which developed the first metric-based sustainable sugarcane production standard. And we are working closely with suppliers to help us realize our goal of delivering 100 percent of our beverages in PlantBottle™ containers by 2020. In all, we are working to embed our sustainability principles in all of our procurement processes and to extend them as far “upstream” in our supply chain as possible. We are also working closely with suppliers to help them reach beyond compliance with the minimum requirements set out in our *Supplier Guiding Principles* and instead join us in pursuing a joint sustainability agenda. Some of the ways we are achieving this include:

Creating playbooks for our commodity procurement groups and scorecards for their suppliers. We are helping our procurement teams understand potential sustainability opportunities for the commodities they buy. We are also providing them with supplier scorecards based on various sustainability criteria so they know which suppliers can best help us meet our sustainability goals.

Engaging supplier-by-supplier. For some years, through our Supplier Relationship Management Program, we have collaborated with suppliers on meeting our mutual goals. We are building on those relationships so we can better integrate sustainability into our joint long-term business planning. In 2011, we established The Coca-Cola Company Supplier Sustainability Council, a group of 34 suppliers who are leaders in sustainability in their respective industries. We see this group as both a means of aligning our sustainability practices with our supply chain and as a birthplace for ideas that will shape our sustainability journey.

Engaging our system. Our bottlers worldwide are crucial to any vision we have toward sustainability. We are helping them to ingrain

sustainability into their own local procurement processes, and in many areas—Europe, China and India among them—their proactive procurement practices are instructing ours at the Company level.

Major initiatives. With programs like PlantBottle packaging, Bonsucro-certified sugar and our eKOfreshment program for making our vending and cooling equipment more climate-friendly and energy efficient, we are advancing sustainability across our global system in increments measured in billions of product units.

Third-party engagement. We cannot achieve supplier sustainability alone. So we partner with the experts: World Wildlife Fund (WWF), Carbon Disclosure Project and many others.

Encouraging transparency among our suppliers

As a member of the [Carbon Disclosure Project](#), we can invite our suppliers to disclose their carbon emissions through the program as well. In 2011, we asked the 34 members of our Supplier Sustainability Council to report their emissions, and 28 took us up on our offer—including eight who had not previously reported. In 2012, we will invite 89 suppliers to disclose through the project. Such joint disclosure gives us a clearer picture of our global carbon footprint while strengthening our connections with the suppliers who are taking our sustainability journey with us.

Regional engagement for greater impact

While our supplier engagement has begun at the Company level with a group of large, mostly global suppliers, many of our system's regional procurement entities have launched their own specific programs on supplier sustainability as well, localizing sustainability and extending it farther up the supply chain. In 2011, Coca-Cola Enterprises, Inc. (CCE) held its second annual Supplier Sustainability Summit and Awards Ceremony. Attended by representatives of more than 50 of CCE's key

suppliers, the summit provided a forum for sharing best practices on carbon reduction and challenged suppliers to measure, reduce and report their emissions. CCE also presented awards to the three suppliers who most contributed to the Company's business in 2010. Our operations in China, India and the Philippines have held similar meetings over the last several years.

Sustainability across every facet of our supply chain

The work we have done to date is really just the beginning of a comprehensive effort to integrate sustainability objectives into our procurement practices and every one of our partner relationships. In the next 12 to 24 months, we expect to have even more to report, including the outcomes—such as money and resources saved—of our supplier initiatives.

Here are just some of the advancements we made in 2011:

- We continued working with equipment vendors like Krones, Sidel, KHS and Tetra Pak to make sure new production lines in our manufacturing facilities are more energy- and water-efficient.
- Our Cross-Enterprise Procurement Group, the global procurement entity funded by our Company and bottlers, collaborated with Ardagh Group to explore ways to increase levels of recycled glass used in our glass bottles with CCE, our largest bottler in Europe.
- We engaged with carbon dioxide (CO₂) suppliers, The Linde Group and Air Liquide, to identify alternatives for the gas we use in our sparkling beverages and to look at how we can expand the use of gases, like hydrogen, for fuel.
- With Cargill, Incorporated, and WWF, we are working to improve agricultural sustainability in the corn-growing regions of northern China. [Read more about our work to promote sustainable agriculture.](#)

- As the world's largest buyer of closures, we have collaborated with suppliers to reduce the weight of our closures by 10 percent over the last three years. We are looking at how we can use one-piece closures made from a single material to help simplify recycling streams around the world.

Managing the costs of sustainability

Often, sustainability comes at a price. Innovations or sustainable practices may be more labor- or capital-intensive for our suppliers, and they sometimes pass those costs on to us. We are working on a supplier-by-supplier basis to negotiate costs and manage their effect on our business. In cases where there are substantial up-front costs for meeting our sustainability goals, we take a long-term view and aim to arrive at cost neutrality over time. But we do not yet have all the solutions to this piece of the sustainability puzzle, and we will be working closely with suppliers to manage costs and mitigate negative impacts on our business as we continue to become a more sustainable enterprise.

Choosing engagement as a way to effect change

A question we always face as we build sustainability into our supply chain is whether it is best for us to remain engaged with a supplier when we learn that the practices of a particular business or industry are contrary to our own policies. Sometimes we can do more to improve the situation by maintaining our connection with a supplier. In the Dominican Republic, for example, we have chosen to remain engaged with sugar producers [\(please see above\)](#) despite years of documented human rights abuses in that industry because we care passionately about respecting human rights and believe

we have far more influence as a customer collaborating with producers than as just another critic on the sidelines. But in other instances, our only choice may be to end our relationship with a supplier. The right choice may not always be clear, and we evaluate each situation individually. This is a challenging aspect of building supply chain sustainability and one we are still learning about.

Making the Coca-Cola system a great place to work

Inside every bottle of Coca-Cola is the passion, hard work and ingenuity of some 700,000 people around the world and across our system—the people who make, market and deliver our products.

One of our 2020 Vision goals is to be a great place to work. And we believe that work should be a place of exploration, creativity and professional growth—a place where people are inspired and motivated to achieve extraordinary results. We want our people to take pride in their work as they refresh the world, inspire moments of optimism and happiness, create value and make a difference.

How do we achieve our vision? By listening to our employees and acting on what they tell us.

Turning employee insights into action

We have conducted regular global employee engagement surveys since 2004. In 2010, our employee engagement score reached 84 percent—aligning for the first time with Towers Watson's High Performing Companies' Norm Index.¹ We also found that compared with the previous survey, more associates said they are proud to be part of The Coca-Cola Company and would recommend it as a good place to work. Associates named "operating effectiveness" and "people

¹The Towers Watson's High Performing Companies' Norm Index is composed of 25 organizations, representing more than 300,000 employee views from companies across a range of industries worldwide. These companies maintain ROIC or net profit margin that is above relevant industry averages and high survey scores on associate engagement and other key cultural factors over a three-year period.

leadership and development” as two areas where additional focus was needed. Since our last survey we have worked to implement action plans at the global and local levels to address those issues. For example:

- To improve operating effectiveness, we integrated Operational Excellence—our program for increasing productivity and eliminating waste—with our annual performance plans. We also offer Operational Excellence training to help associates learn how to integrate solid operational techniques into their day-to-day work.
- To improve people leadership and development, we implemented a manager excellence program for new managers to ensure they understand key people processes and build skills in team development. We also began offering career workshops to teach employees and managers how to use the career planning and development tools we make available to them. And we launched the “Coca-Cola Way of Leading Teams” program to build skills that help team leaders better develop and engage team members.

A globally recognized “Best Place to Work”

In October 2011, The Coca-Cola Company was named one of the “World’s Top 25 Best Multinational Workplaces.”⁶⁶ The 25 companies were selected from more than 350 multinational companies from 45 countries that participated in Best Workplaces lists around the world in 2010/2011. In 2011, our Company was named one of the “Best Companies to Work For®” by the Great Place to Work® Institute in Argentina, Brazil, Chile, Peru, Spain and the United Kingdom and earned a “Best Companies to Work For” in Latin America regional award. In addition, Coca-Cola South Africa was certified “Best Employer in South Africa” by the CRF Institute for achieving the international standard of excellence in human resources strategy and policy.

⁶⁶The award was presented by the Great Place to Work Institute as part of its inaugural World’s Best Multinational Workplaces list. To qualify for the list, companies must appear on at least five national Great Place to Work lists, have at least 5,000 employees worldwide and have at least 40 percent of their global workforce working outside of the company’s home country.

Global hiring and turnover rates

2011 Global Turnover Rates by Group and Gender

	Female	Male	Total
Bottling Investments Group	5.2%	5.6%	5.5%
Corporate Group	7.9%	6.9%	7.4%
Eurasia & Africa Group	14.0%	11.7%	12.6%
Europe Group	17.3%	10.7%	14.3%
Latin America Group	10.0%	8.4%	9.1%
NAG Coca-Cola North America (non-CCR)	22.9%	38.7%	30.3%
Pacific Group	14.0%	12.0%	13.0%
Coca-Cola Refreshments*	9.4%	9.6%	9.6%

2011 Global Turnover Rates by Group and Age Range

	< 25	25 - 29	30 - 34	35 - 39	40 - 44
Bottling Investments Group	0.00%	0.0%	13.9%	0.0%	19.6%
Corporate Group	14.8%	9.0%	8.3%	6.2%	4.9%
Eurasia & Africa Group	0.0%	14.6%	17.9%	9.9%	8.7%
Europe Group	0.0%	13.1%	14.1%	13.4%	16.2%
Latin America Group	13.6%	17.0%	9.7%	7.0%	7.4%
NAG Coca-Cola North America (non-CCR)	0%	2.9%	4.6%	3.9%	4.1%
Pacific Group	6.5%	11.9%	13.5%	12.9%	12.6%
Coca-Cola Refreshments*	4.1%	8.2%	9.3%	8.6%	8.0%

Continued

	45 - 49	50 - 54	55 - 59	> 60
Bottling Investments Group	5.7%	0.0%	0.0%	0.0%
Corporate Group	4.1%	4.6%	13.7%	26.2%
Eurasia & Africa Group	11.3%	12.1%	10.2%	43.1%
Europe Group	14.3%	7.0%	27.8%	22.6%
Latin America Group	3.2%	4.2%	5.6%	28.5%
NAG Coca-Cola North America (non-CCR)	3.2%	3.2%	1.7%	1.8%
Pacific Group	10.7%	12.6%	34.4%	42.4%
Coca-Cola Refreshments*	6.8%	7.5%	6.8%	8.0%

* CCR figures are reported separately from NAG Coca-Cola North America (non-CCR).

Cultivating the future of our Company

Developing our managers' leadership potential helps keep them engaged and challenged. It also helps ensure strong, expert leadership for our Company well into the future. Our Leading Positively framework includes programs that build skills and provide peer-networking opportunities for managers throughout our Company. One example is our "Coca-Cola Way of Leading Teams." All first-level through mid-level managers worldwide will participate in the program within the next three years. For the past five years, we have also offered Catalyst, an accelerated leadership program that combines experiential learning, in-market project work and instructor-led training and coaching to develop our next generation of senior leaders.

In addition, 100 percent of our Company associates have the right to receive regular performance and career development reviews. In 2010, we estimate that 97 percent of our associates completed self-assessments in their performance plans, and approximately 60 percent also completed career and development plans.

Creating a more inclusive workplace

We are a multinational business whose brands and operations are deeply interwoven with a multicultural world. Having a workforce as diverse as the people we serve is crucial for our future growth. Moreover, providing equal opportunity is one of our most closely held values. The following are some of our achievements in increasing diversity in 2011:

- As part of the integration of Coca-Cola Refreshments USA, Inc. (CCR) with our Company in the United States, we established eight new Diversity and Inclusion Councils, which provide strategy reviews, employee advocacy and develop recommendations for senior management.

- The Coca-Cola system's U.S.-based spend with diverse businesses was \$766 million in 2011, an 18 percent increase over our 2010 diverse business spend.
- 5,500 of our associates in the United States self-identified as having served in the military.
- We were named in *Black Enterprise* magazine's list of 40 Best Companies for Diversity for the eighth consecutive year.
- We scored 100 percent in the Human Rights Campaign's Corporate Equality Index, maintaining our perfect score for the sixth consecutive year.
- We were named to *DiversityInc's* Top 50 Companies for Diversity list for the 10th consecutive year.
- We achieved the second-highest score among *Fortune 100* companies on the 2011 Hispanic Association on Corporate Responsibility (HACR) Corporate Inclusion Index.
- *Asian Enterprise* magazine named us as one of its Ten Best Companies for Asian Americans and Pacific Islanders.

Slowly but surely, more women in our global ranks

In 2011, we continued to make progress in recruiting and advancing women across our system. Global representation of women in our senior leadership roles increased to 28.2 percent, up 1.2 points from 2010. External hiring of women at senior leadership levels globally has risen from 13 percent in 2007 to 41 percent in 2011. Female representation in our key assessment and development programs has risen from 21 percent in 2007 to 49 percent in 2011. More than 33 percent of the talent in our immediate pipeline is female. While we are encouraged by this progress, our efforts to significantly increase the

number of women in leadership positions across our global operations still face challenges. Our pool of qualified women in some parts of the world has historically been very low. We are aggressively striving to increase the number of women in our talent pool through recruitment and internal development strategies.

Diversity and CCR

In 2010, The Coca-Cola Company acquired CCE's former North American business (which is now known as Coca-Cola Refreshments USA, Inc. (CCR)) as a wholly owned subsidiary. CCR employs about 65,000 associates in North America. This expansion has presented both opportunities and challenges in regard to our efforts to build a more diverse Company.

In 2011, The Coca-Cola Company ranked No. 12 on *DiversityInc's* Top 50 Companies for Diversity list and had been in the top 20 on that list for eight consecutive years. In early 2012, we were ranked 46th on the list because of the dilution of our diversity data that occurred when we counted tens of thousands of CCR employees for the first time. Viewed separately from the CCR data, our "legacy" diversity data from The Coca-Cola Company—including the representation of women in the organization, the number of people of color in management and senior management, spending on women- and minority-owned suppliers, and membership in our employee affinity groups—actually increased in 2011.

We are working with our new colleagues at CCR to accelerate their implementation of programs for ensuring the same kind of leadership in diversity, inclusion and fairness that has characterized The Coca-Cola Company for more than a decade. CCR established eight new Diversity and Inclusion Councils, which help drive diversity policy and are sponsored by CCR CEO and President Steve Cahillane. CCR also continued the process of embedding diversity and inclusion into its various human resources processes, including talent acquisition, talent

management and employee communications. In 2011, CCR also developed its first diversity and inclusion metrics.

The Coca-Cola Company has conducted comprehensive analytical fairness studies in regard to compensation, selection, performance management and decisions regarding restructuring on an ongoing basis since 2001. In 2011, the Company began implementing many of those same workplace monitoring programs for CCR associates, including fairness studies on performance management, annual incentive awards and the granting of stock options and performance share units.

Managing workplace safety

Every worker has a fundamental right to a safe, healthy workplace. Our Workplace Rights Policy demands we take responsibility for maintaining a productive workplace by working to minimize the risk of accidents, injury and exposure to health risks for all of our associates and contractors.

In 2011, The Coca-Cola Company continued to focus on safety improvement. As part of an internal reorganization, we expanded our occupational health and safety team, adding resources with the intention of accelerating our occupational health and safety program.

Our safety record in 2011

The following table shows our Company's lost-time incident rate and lost days for 2011 and the previous five years:

Lost-Time Incident Rate/Lost Days,* 2007 to 2011					
	2007	2008	2009	2010 **	2011
Number of Employees	90,500	92,400	92,800	139,600	146,200
Lost-Time Incident Rate	2.3	2.2	1.9	4.1	3.3
Lost Days	29,407	24,621	19,213	185,608	108,766
<small>* Our lost-time incident rate is based on lost-time incidents per 200,000 hours worked. Our definition of incidents is inclusive of those work-related injuries and illnesses with days lost, restricted or transferred. Please note: The above data reflect the total collected data for associates and casual contractors of The Coca-Cola Company and Company-owned bottling operations, not the Coca-Cola system. ** Significant change in data from 2009 to 2010 is primarily due to the impact of our acquisition of CCE's North American business.</small>					

In 2011, our lost-time incident rate decreased to 3.33 from 4.06 in 2010. We attribute the decline to an ongoing increase in focus on safety across our business units. We are also integrating safety education and training in Operational Excellence, our program for increasing productivity and eliminating waste.

We regret to report the deaths of three Company associates and 12 contractors in 2011. Nine of the deaths were due to traffic-related incidents. One employee was shot during a suspected robbery attempt while in the field. Three contractors suffered fatal injuries while loading or unloading vehicles. Two others died from falls.

We recognize the unacceptable number of deaths in our system in 2011, and the high proportion of contractor fatalities. In response, we are evaluating ways to better implement our safety requirements for contractors, which are among the most stringent in the industry. This is particularly important in countries such as India and the Philippines, where distribution and route sales have historically been handled by contractors. (See more about our policies for protecting contractors in our discussion of our human rights and workplace rights policies, above.)

A tool kit for increasing fleet safety

Any time we experience a significant safety and health incident, especially if one of our associates or contractors dies in the course of duty, we review our practices and take steps where necessary to mitigate risks of similar tragedies in the future. In 2011, to improve the safety of our fleet drivers, we launched a comprehensive online fleet safety tool kit for our system. The kit, which can be customized to fit specific needs from bottler to bottler, includes more than 60 proven tools, such as driver training materials, sample safety policies, vehicle maintenance checklists and more. The kit also encourages sharing of best practices among fleet managers across our system. Our fleet safety tool kit is based in part on successful measures implemented by one of our Mexican bottlers, which reduced accidents-per-million kilometers by 60 percent and cut insurance costs by 20 percent between 2009 and 2011.

Similarly, we have also introduced a tool kit providing fall prevention and fall protection solutions for the loading and unloading of vehicles. Reducing falls was identified as a priority based on our injury and audit data.

Recognition for safety practices in Iberia and New Zealand

In 2011, two of our bottlers were recognized for their advancements in workplace safety. New Zealand bottler Coca-Cola Amatil NZ was recognized by the Business Leaders' Health & Safety Forum after implementing a "zero harm" program and dramatically reducing lost-time incidents and claim costs between 2009 and 2011. And Coca-Cola Iberia was presented with an award by Asepeyo, a health and safety consultant, and the Work Department of the regional government of Madrid for its recent reduction in lost-time incidents.

Looking ahead: a strategy to increase safety systemwide

While we took some important steps toward improving safety in our Company and system in 2011, on the whole we consider our safety results, from the fatalities we suffered to our lost-time incident rate, to be unacceptable. We are working to substantially improve our safety performance. In 2011, we launched our Global Safety Network, convening safety leaders from our Company and our bottlers to develop strategies for safety improvement.

Inside every bottle of Coca-Cola is the story of a company that understands the priceless value of water, respects it as the most precious of shared global resources and works vigorously to conserve water worldwide. We can't imagine treating water any other way.

Clean, accessible water is essential to the health of communities. It is critical to ecosystems and indispensable for economic prosperity. And it is essential for our business. Water is the main ingredient in our beverages, central to our manufacturing process and necessary for growing the agricultural products we use.

Unlike most other global companies, we have a special interest in protecting the local water sources that sustain communities because the communities that host our bottling plants are also our consumer base—we sell our products where we make them. If those communities stay strong, our business will stay strong. So in addition to the ecological and ethical imperatives that drive our water stewardship, we also have a vested business interest in preserving and improving local water sources.

Our global system is becoming more efficient in its water use by reducing the amount it uses per liter of product produced, even as production volumes increase. We are *recycling* wastewater, sometimes returning it to nature cleaner than required by law. And our system is *replenishing*, or balancing, the water used in our finished beverages—an estimated 35 percent so far, with an ultimate goal of being water neutral by 2020 through projects intended, among other things, to protect or conserve water resources or to bring safe drinking water or sanitation to people in the communities we serve.⁶⁷

⁶⁷See the section of this report entitled 'Quantifying Replenishment: An Evolving Methodology' for important qualifying information and perspective on our work to estimate water replenishment and other water-related benefits. We define "water neutral" as the point where we are treating all wastewater and returning it to the environment at a level of purity that supports aquatic life, plus replenishing the amount of water used in the production of our finished products.

We believe the world contains enough water to meet everyone's needs, but only if everyone works to better manage water resources. As a consumer of water and as a company with a presence that is both global and local, we have a particular obligation—and a unique opportunity—to be a steward of the world's water. Here is how we are working to do our part.

Mitigating risk—for communities and for our system

Goal: Assess the vulnerabilities of the quality and quantity of water sources for each of our bottling plants and implement a locally relevant water resource sustainability program by the end of 2012.

Progress: In progress. By the end of 2011, 612 of the 863 bottling plants in our system had completed source vulnerability assessments, 582 had completed source water protection plans, and 251 plants were scheduled to begin source vulnerability assessments in 2012.

Communities and ecosystems need plenty of clean, accessible water to thrive. So does our business. Our bottling plants depend on local water sources. As demand for water increases and stress on water sources intensifies, the communities that host our facilities—and the local consumers who buy our products—may face serious health and economic challenges, and we may face challenges to our growth.

To mitigate water-related risks to our system and to the communities we serve, we have required every one of our bottling plants to conduct a local source vulnerability assessment. These assessments inventory risks to the water sources supplying our facilities and the surrounding communities. Once the assessments are complete, we and our bottling

partners develop a locally relevant water resource sustainability program detailing specific risk-mitigation actions that we can take to help with preserving the sustainability of local water sources, along with deadlines for completing those actions. These programs address water challenges at the watershed level, from hydrological vulnerabilities to local government management. Often, the plans include partnerships and mitigation initiatives with local governments and communities, water agencies and nongovernmental organizations (NGOs). All of our bottling partners are required to be implementing their source water protection plans by the end of 2012, a target we are on track to meet.

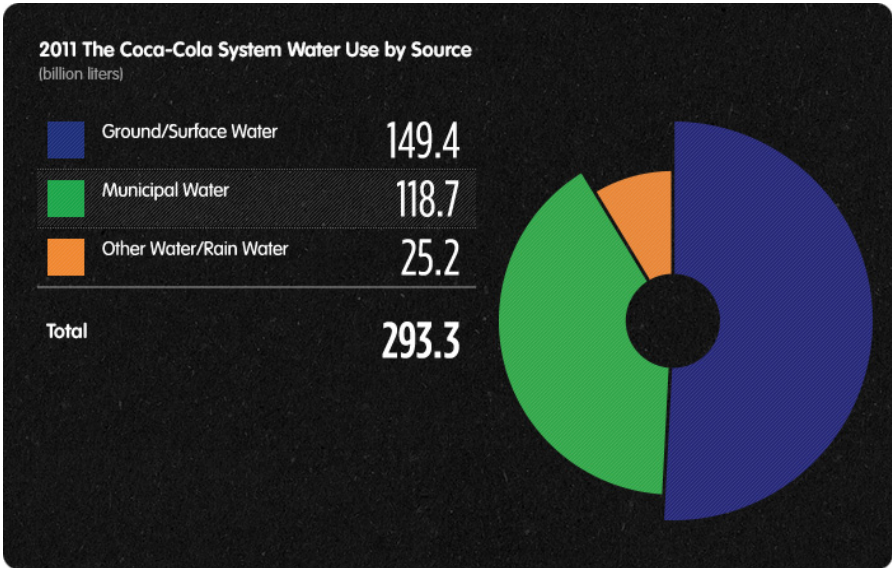
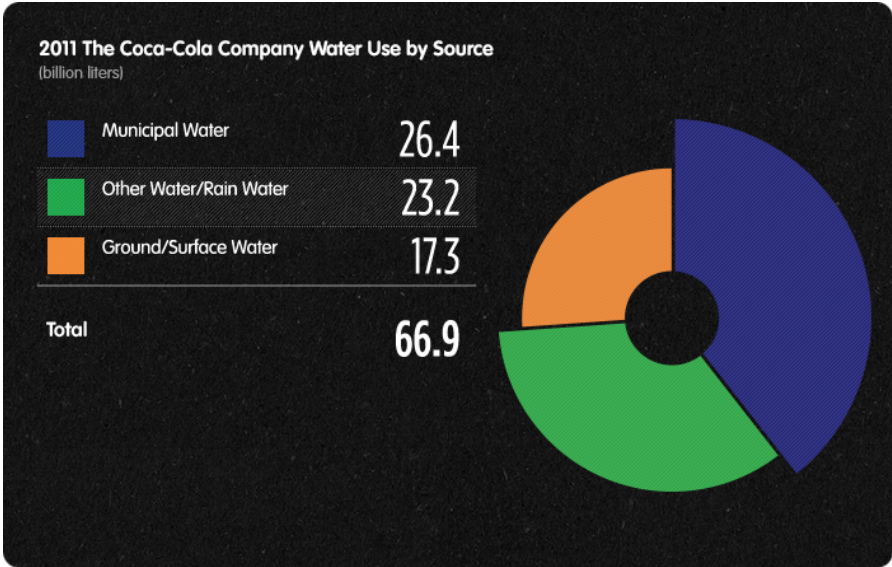
Meeting our goal for water efficiency

Goal: By 2012, improve water efficiency in manufacturing by 20 percent compared with a 2004 baseline.

Progress: Achieved. By the end of 2011, we had reduced our water use ratio by 20 percent, compared to 2004.

Greater efficiency in our water use does not mean making less product. To the contrary, we intend to reduce our water use ratio—the amount of water we use per liter of product produced—while growing our business. Our goal, set in 2008, was to improve water efficiency systemwide by 20 percent by 2012, compared with a 2004 baseline. Despite an expanding product portfolio and increased production levels, we have achieved that goal. In 2011, we used 293.3 billion liters of water to make 135 billion liters of product, giving us a water use ratio of 2.16 liters per liter of product.

We are not stopping there. We are developing a new goal for further improving our water efficiency between now and 2020.

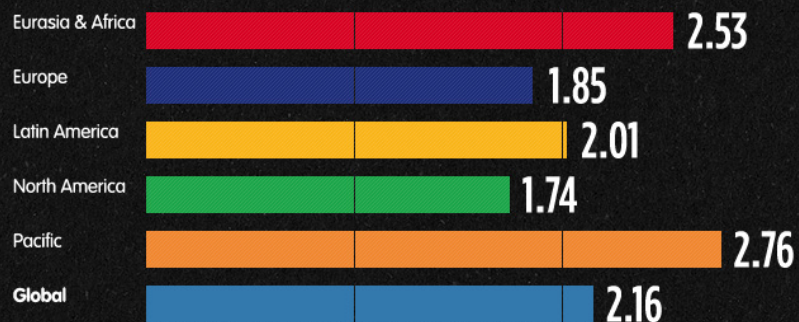


The Coca-Cola System Water Use Ratio from 2005 to 2011
Average plant ratios based on collected data (liters/liter of product produced)



* Our water use and water use ratio (efficiency) figures have been recalculated for the Europe Group for 2005 and 2006, based on changes to the organization. These changes affected our system water use ratio for those two years.

2011 The Coca-Cola System Water Use Ratio (Efficiency) by Region
Average plant ratios based on collected data (liters/liter of product produced)



Recycling wastewater

Goal: By the end of 2010, return to the environment—at a level that supports aquatic life—the water we use in our system operations through comprehensive wastewater treatment.

Progress: In progress. We aspire to treat all wastewater from our manufacturing processes. As of the end of 2011, we had achieved 96 percent alignment with our wastewater standards.

In addition to improving our water use efficiency, we are also reducing our impact on water systems and contributing to improved water quality by appropriately treating wastewater and returning it to the environment. Our stringent treatment process ensures that the wastewater we discharge meets, and in many cases exceeds, standards set by locally applicable law.

Thanks to the efforts of bottlers, our system has invested more than USD \$1 billion US since 2001 to align with our wastewater standards. In 2011, we released 159 billion liters of treated wastewater across our system.

Statistics show that 90 percent of wastewater in the developing world is discharged into the environment without treatment. In some countries, we have introduced the very first wastewater treatment facility. We hope improvements within our own operations will inspire others to make similar changes.

All facilities in our system are required to meet locally applicable legal requirements for wastewater discharge. But we wanted to set our standards higher even though in some cases we can legally discharge to the environment without or with little treatment. So, in 2006, we set the goal that, by the end of 2010, all water used in our system operations would be discharged at a level not only compliant with locally applicable law, but also one that supports aquatic life even when not required to do so. Our internal wastewater treatment standards (please see the chart below) call for all water we discharge to be treated to that level.

To date, 100 percent of our Company-owned plants are compliant with our wastewater treatment standards and either fully treat wastewater on site or use a municipal or government-approved wastewater treatment plant with secondary treatment. As we expected, though, aligning an entire system spanning more than 200 countries and territories has proved to be challenging. Constructing and upgrading treatment systems is a substantial investment for our bottlers. Delays in financing, government permitting and construction have slowed progress, as has civil unrest in countries such as Yemen and Syria. As a result, we have not yet met our goal of 100 percent alignment across our entire system.

By the end of 2010, 93 percent of our system facilities had aligned with our water treatment standards. At the end of 2011, 96 percent had achieved alignment. Though much depends on variables beyond our control, we are working closely with our bottlers and are hopeful that all facilities will comply with our standards by the end of 2013.



Replenishing the water we use

Goal: By 2020, safely return to communities and nature an amount of water equal to what we use in our finished beverages and their production.

Progress: In progress. We estimate we have balanced 35 percent of the water used in our finished beverages (based on 2011 unit case volume).

We are working to balance our water use by replenishing an amount of water equivalent to what we use in our finished products. Between 2005 and the end of 2011, we balanced an estimated 35 percent of the water used in our finished beverages based on 2011 production volume.⁶⁸

⁶⁸See the section of this report entitled ‘Quantifying Replenishment: An Evolving Methodology’ for important qualifying information and perspective on our work to estimate water replenishment and other water-related benefits.

We are on the road to achieving water balance through diverse, locally relevant community water projects—projects that support community and ecosystem needs for safe and sustainable sources of water while protecting our ability to do business responsibly, safely and more sustainably. Since 2005, we have engaged in 382* projects with such partners as World Wildlife Fund (WWF), the United States Agency for International Development (USAID), The Nature Conservancy, CARE and the United Nations Development Programme (UNDP). The water projects we engage in have at least one of four objectives:

- improve access to water and sanitation
- protect watersheds
- provide water for productive use
- educate and raise awareness about water issues, including engagement on water policy

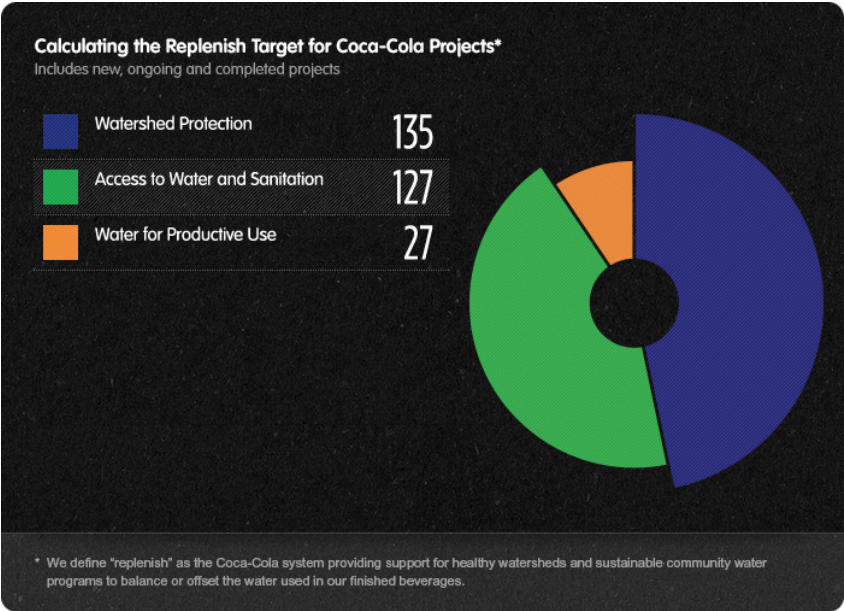
In many cases, projects provide additional benefits, such as improving local livelihoods, helping communities adapt to climate change, improving water quality and enhancing biodiversity. Since 2005, our initiatives for improving water access and sanitation alone are estimated to have benefited more than 1.6 million people. While we are energized by our success to date, we recognize that we have much more work to do if we are to meet our goal of achieving water neutrality by 2020.

Estimated 1.6 million people have benefited from improved water access and sanitation.

In our 2012 Water Stewardship and Replenish Report, we reported engagement in 386 community water projects since 2005. Since the publication of that report, four of those projects have been consolidated with other projects, bringing the total to 382.

Quantifying replenishment: an evolving methodology

The Nature Conservancy, with support from LimnoTech and the Global Environment & Technology Foundation, has helped us calculate our replenishment volume using an approach based on certain accepted tools and methodologies used to calculate water-related statistics. While we believe these methods are sound, we acknowledge that the science and methodology shaping quantification of water replenishment and other water-related benefits are new and developing. It may be premature to rely on our water benefit calculations as hard fact, and we are not claiming that we have everything correct at this point with respect to this emerging discipline. One of our objectives in reporting our efforts to calculate the benefits of our “replenish” work is to contribute to the ongoing exploration of this evolving science and related methodology. For more about how we quantify the water we replenish, read [Quantifying Water Replenish Benefits in Community Partnership Projects](#).



Replenishing water sources around the world

Many of our community water projects are funded through The Coca-Cola Foundation and our foundations worldwide. Read about some of these projects in the [Charitable Contributions](#) section of this report. For a complete review of our 2011 community water projects, please see our [2012 Water Stewardship and Replenish Report](#).

In 2011, we continued work on many existing water projects and joined our partners in launching 54 new ones, including projects in these countries:

India. Our system in India has achieved full balance between the groundwater used in beverage production and the groundwater replenished to nature and communities—ahead of our global target date. Bottlers throughout India have improved water use efficiency by 25 percent since 2005.

Our efforts to replenish groundwater in India are focused on harvesting rainwater, constructing check dams, restoring ponds and other natural water bodies as well as supporting agricultural water efficiency improvements. NGOs and local communities help our bottlers identify priority areas, implement projects and mobilize community members to ensure local input in project planning and assessment.

At the end of 2011, our system in India had installed more than 600 rainwater-harvesting structures across 22 states to capture monsoonal rains for aquifer storage. Ponds are being restored in Sarnath and Varanasi in the state of Uttar Pradesh and check dams have been constructed at several locations, including areas near Bangalore and Mumbai. In the Kaladera area of Rajasthan and elsewhere, we worked with partners to advance water-efficient agriculture through drip irrigation, helping 300 farmers install and use the systems. This long-term initiative is lowering farmers' water and fertilizer costs, increasing

their yields and conserving an estimated more than 1.5 billion liters of water every year across approximately 100 hectares of farmland.

We also launched three new community water projects in India in 2011. Partnering with SOS [Children's Villages](#) and local governments, we've commenced a rainwater-harvesting project on 39 SOS campuses across India. The project is based on a pilot that resulted in over an estimated 10 million liters of harvested water and has the potential to collect another 440 million liters annually, providing clean, abundant water for more than 6,000 women and children.

In the state of Punjab, we are partnering with local farmers, NGOs and others to implement laser leveling as a cost-effective means of leveling irrigated land. Laser leveling allows irrigation to be applied more efficiently, reducing water use by 25 to 30 percent compared with traditional flood irrigation methods. To date, laser leveling is being used on more than 400 hectares in Punjab.

In the Great Indian Desert, we worked with local development partners to help recharge an aquifer. By constructing nearly 150 recharge shafts, the project team provided pathways enabling rainwater to better percolate into the ground and recharge groundwater for nearly 15,000 villagers.

Colombia and Nicaragua. Working with [FEMSA Foundation](#) and the national governments of both countries, we helped establish community water treatment systems in Argelia and Sopó, Colombia, as well as in San Francisco de Cuapa, Nicaragua. The systems provide safe water to 17,000 people. Access to safe water is expected to decrease prevalence of gastrointestinal disease, thereby increasing school attendance and the strength of the local workforce. It is also expected to encourage economic development. Local authorities have been involved throughout to encourage community ownership of the process and equipment.

China. Shuangcheng City, in northeast China, supports widespread agriculture and animal husbandry, but until recently, only about 20 percent of the manure produced by those industries could be properly disposed of. As a result, great heaps of manure accumulated alongside streets and fields, resulting not only in odor but also in water pollution. The city's substandard sewer system discharged wastewater directly into the Lalin River.

In response, we partnered with provincial and national government agencies and others to build a new wastewater treatment plant and rebuild drainage pipelines in Shuangcheng. The project also included a pilot program in water-saving technologies and green agriculture demonstration activities to promote recycling of manure into organic fertilizer.

In 2011, we also worked with local stakeholders to improve water management in the Tarim River basin, the country's largest inland basin and home to 10 million people, most of whom are ethnic minorities. The basin is one of the most arid and ecologically fragile regions in western China and central Asia. Water shortages in the basin aggravated by large-scale land reclamation, along with the resulting degenerated ecosystem, has made the Tarim basin one of China's most impoverished areas. We are helping to mitigate the serious water shortage in the Tarim basin by improving water allocation, enhancing local capacity in ecological agriculture, and improving the management capacity of local farmers and other stakeholders as they manage this all-important resource.

A milestone in our water partnership with WWF

We launched a transformational partnership with WWF in 2007 that included a joint commitment to conserve seven of the world's most important freshwater basins: the Yangtze, Mekong, Danube, Rio Grande/Rio Bravo, Lake Niassa, the Mesoamerican Reef, and key rivers

and streams in the Southeast United States. Together, we committed to addressing four key conservation challenges in each basin: better governance and management; resource protection; conservation in balance with development; and biodiversity protection.

In 2011, after five years of partnership, we met our conservation goals in all seven basins. Results of our work include enhanced water quality improvements, new freshwater reserves and restored habitats. We estimated that we have replenished millions of liters of water, advanced local policies for protecting watersheds and supported livelihoods in 10 countries. To further our impact, we extended our river basin conservation work in three basins through 2012—the Mekong, the Mesoamerican Reef, and Southeast U.S. rivers and streams.

Meanwhile, work continues on the other goals we established as part of our partnership with WWF—improving water efficiency and reducing carbon emissions throughout the Company's manufacturing operations, promoting sustainable agriculture in our supply chain and inspiring a global movement to conserve water. Going forward, we will strengthen our joint efforts to address the impact of the agricultural supply chain on freshwater, particularly the impact of water-intensive crops like sugarcane. [Read more about our sustainable agriculture initiatives.](#) You can also [read a complete report of our work with WWF in 2011.](#)

Progress in our partnership with UNDP

In addition to our partnership with WWF, we have a long-standing partnership with the [United Nations Development Programme](#) to solve challenges related to water supply, sanitation, water resources management and climate change around the world. Our collaboration with UNDP includes Every Drop Matters, a flagship initiative undertaken by the Coca-Cola Eurasia and Africa Group and the UNDP Water and Ocean Governance Programme in East Europe, Central Asia, the Middle East and South Asia.

Our system has more than 50 projects under way or completed with UNDP to date. We have made a contribution of USD \$14 million US to support Every Drop Matters and other UNDP programs by the end of 2012, with an ongoing expectation of a USD \$3 million US annual contribution for at least three more years.

Water for women and girls across Africa

In 2009, we launched the Replenish Africa Initiative (RAIN), the USD \$30 million US flagship program of The Coca-Cola Africa Foundation. RAIN aims to provide at least 2 million people across Africa with safe water by 2015 and to fund water projects in every African country. RAIN-funded projects improve sanitation and hygiene, increase productive use of water and protect watersheds. To date, RAIN has provided access to safe water for an estimated 1.36 million people in 28 of Africa's 58 nations. We estimate that it has helped replenish more than 1.3 billion liters of water and improve 1,600 communities.

The lack of water and sanitation facilities in African nations is particularly hard on the continent's female population. Women and girls spend billions of hours fetching water each year—valuable time that could be spent working, learning or caring for their families. Because of the distance many women must travel to collect clean water, they sometimes resort to unsafe sources, inadvertently putting themselves and their families at risk of life-threatening diseases. Additionally, adolescent girls in many communities miss school when they are menstruating because of a lack of water and sanitation facilities.

\$6 million US to improve the lives of women and girls in Africa.

For these reasons, we focused the USD \$6 million US we invested in RAIN in 2011 on water and sanitation partnerships aimed at improving the lives of an estimated quarter million women and girls across Africa. We helped fund projects in Algeria, Kenya, Liberia, Morocco, Nigeria,

Rwanda, Sierra Leone, South Africa, Swaziland, Tanzania, Tunisia and Uganda. Among our successes:

- Working with [Water For People](#) and other partners in Rwanda, we provided water to two schools and sanitation facilities for four schools in the Gahanga and Masaka districts of Kicukiro. In addition, 17 new tap stands in Gahanga will help reduce the amount of time women and girls spend traveling to collect water.
- We provided access to safe water and improved sanitation for thousands of women and girls through the [Water and Development Alliance](#), our ongoing partnership with [USAID](#).
- The RAIN Water for Schools project is working with the South Africa Department of Basic Education, [The Mvula Trust](#) and [H2O for Life](#) to provide water to 100 schools and more than 60,000 students by the end of 2012. In addition to clean drinking water and hygiene education, the project is providing segregated latrines to help increase school attendance among girls and to empower girls to share proper sanitation and hygiene practices in their communities.

Also as part of RAIN, we made encouraging progress in the Safe Water for Africa program we launched in May 2011 with [Diageo, plc](#), [WaterHealth International](#) and the [International Finance Corporation \(IFC\)](#). Safe Water for Africa is bringing WaterHealth International's WaterHealth Centers to communities across West Africa, where fewer residents have access to water today than 20 years ago. The centers are small, modular structures containing equipment that treats locally available water to World Health Organization standards. Water is then made available to residents for a nominal usage fee. WaterHealth International provides operations, maintenance and water-quality services for 10 years or more to help ensure each center's viability. Over time, the affordable usage fees that residents pay for the service cover the cost of the center's operation and maintenance, enabling centers to

become sustainable. By the end of 2011, three WaterHealth Centers funded through Safe Water for Africa were completed—one in Ghana and three in Liberia. Twenty more are expected to be complete by the end of 2012, and a total of 50 water centers ultimately are expected to be constructed across Ghana, Liberia and Nigeria through the program.

Looking ahead: a more nuanced approach to replenishment

We know that watersheds around the world are under varying degrees of stress. As we make progress toward our 2020 target date for water balance and implement plant-level water resource sustainability plans, our actions are being designed to reflect needs and local water stress levels.

Donating data to speed water risk mapping

Although managing water risk is a business imperative for companies around the world, few tools are publicly available to measure and map water risk at the scale necessary to support sound business strategies. Aqueduct, a collaboration among the World Resources Institute, our Company and others, aims to serve as the leading repository of standardized water risk information and applications in support of multi-stakeholder efforts to address water risk in key basins.

In 2004, we began developing the world's most extensive source of water data, investing more than USD \$1.5 million US compiling crucial water risk data from dozens of public sources. In 2011, we donated the data we compiled to Aqueduct, helping to accelerate the development of the Water Risk Atlas by several years. The Atlas will ultimately enable companies, investors, governments and others to create water risk maps with a high level of detail and resolution. The private sector will be able to better manage water resources in high-risk areas, while government leaders will be encouraged to manage water resources more equitably, efficiently and sustainably.

Water footprinting: beyond quantification

Water Footprint Assessment—a global standard that assesses the total volume of water consumed and polluted to produce a product and the sustainability of that water use—is helping us extend our view of how we use water across our supply chain. As a partner of the Water Footprint Network, we are working with The Nature Conservancy, WWF and others to account for all the water embedded in or used with respect to the sourcing and production of our products and to understand the implications for our business. To date, we have focused studies on the “blue,” “green,” and “grey” water footprints of sugar beets, orange juice and Coca-Cola® to help us pinpoint potential sustainability impacts in specific watersheds.

In August 2011, Coca-Cola Europe published a report on its assessment of the water footprint of sugar use in Europe, 80 percent of which is derived from locally grown beets. The report underscored the importance of assessing the impacts of water used, not solely the quantity. This is a key distinction, because the sustainability of a water footprint entirely depends on local factors. Large water footprints can be sustainable in water-rich areas, while very small water footprints might compromise sustainability in areas where water is scarce. Gaining a clear understanding of impacts not only makes environmental sense but also provides us with clearer guidance for prioritizing areas of concern.

As part of this process, Coca-Cola Europe has proposed a methodology for water footprint sustainability assessments, and we are contributing what we have learned to the global dialogue. Read Coca-Cola Europe's full report.

Promoting reform through the Water Resources Group

We are proud of the difference we are making through our community water partnerships. At the same time, we know that the most meaningful water stewardship begins with effective policy at the national level. It is ultimately the responsibility of governments to provide access to water and to sustainably manage water resources. That is why we are a founding member of the [Water Resources Group \(WRG\)](#).

Created in 2008 with other businesses and governmental organizations, WRG is a neutral public-private-expert-civil society platform, now housed within the IFC, that provides a partnership to help government water officials and their partners accelerate reforms that will ensure sustainable water resource management for the long-term development and economic growth of their countries. WRG is helping to change the “political economy” for water reform by leveraging a wide-ranging and unique network of experts; by convening and promoting ongoing dialogue among communities, civil society, water user groups, experts and government officials (including government ministers not traditionally considered responsible for water resources management); and by building bridges between water experts and non-experts, enabling a wider set of government, community and business leaders to become engaged in the water reform process.

WRG is helping countries perform an initial diagnostic of gaps in their water supplies and consider the economics of various solutions. Then WRG will offer multidisciplinary expertise to help governments develop and test solutions. The ultimate objective is to improve water resources management in specific geographical areas. We are supporting WRG with an investment of \$2 million US for 2012 and 2013. We also engage directly with WRG and with the governments of countries where WRG is working.

As of the end of 2011, WRG had engaged with governments in Mexico, Jordan and India and had been invited to engage with governments in South Africa and Mongolia, and there are also ongoing discussions with Chinese authorities. Following are summaries of WRG’s recent activities, as reported in [WRG’s most recent annual report](#):

India (state of Karnataka). Karnataka, India’s second most water-scarce state, has a vision to grow its agricultural gross state domestic product by 9 to 10 percent over the next decade. In November 2010, the Government of Karnataka and WRG entered into a collaboration on water resource management with the aim of catalyzing water reform. To date, the WRG field team has developed a set of six interventions to transform water use in the state and is helping the government design pilot projects based on the interventions.

India (National Planning Commission). The National Planning Commission and WRG have collaborated to produce the National Water Resources Framework Study, a detailed analysis of the institutional, legal, regulatory and capacity deficiencies in water-related sectors in India. The study covered large-scale irrigation reform, groundwater management, river basin planning, legal and regulatory reform, and urban and industrial water supply and conservation, among other topics. Based on the report, the WRG team has developed a roadmap that will be integrated in India’s 12th Five Year Plan.

Jordan. Jordan is one of the most water-poor countries in the world. A recently completed WRG project aimed to provide a fact-based analysis of how Jordan can take an economy-wide approach to water and ensure the most economically and socially productive use. The analysis has been presented to Jordan’s Minister of Water and Irrigation and to senior leadership from the Ministry of Planning and International Cooperation, the Ministry of Agriculture and USAID Jordan. The analysis will be used to revise Jordan’s long-term water strategy. WRG is now

working with Jordan to help create a National Water Council to plan and manage water resources.

Mexico. WRG has been working with the national water commission, CONAGUA, to develop a fact base and pathway to sustainable water for Mexico. WRG's analysis was an important element in the design of Mexico's 2030 Water Agenda, which featured 38 initiatives to improve the country's water management. WRG is currently helping CONAGUA develop the financial mechanisms to promote a sustainable water economy in Mexico.

Mongolia. Mongolia is embarking on a program of rapid economic growth driven by mining, which will lead to a significant increase in demand for water. At the invitation of Mongolia's president, WRG has conducted a diagnostic of water issues and co-hosted a workshop attended by more than 120 participants from the public, private and civil society sectors. WRG is also helping to form the Mongolia Water Alliance, which oversees water reform in that country.

South Africa. WRG and the South Africa Department of Water Affairs announced a declaration of partnership at the World Economic Forum on Africa 2011 in Cape Town. The partnership is helping to address three priorities: water use efficiency and leakage reduction; supply chain in agriculture; and partnerships for wastewater treatment and reuse.

China (province of Shanxi). Shanxi is a stark example of a Chinese province in which fast economic growth is straining water resources. WRG and the Government of Shanxi are discussing the scope of a potential collaboration. WRG may collaborate with other Chinese provincial governments while it seeks to support water reform as expressed through China's most recent Five Year Plan.

[Read the complete report on WRG's recent activity.](#)

⁶⁹UN.org, [The Human Right to Water and Sanitation](#).

Seeking the "social license" for water use

In some parts of the world where water is acutely stressed, we have encountered opposition to our operations because of perceptions that we are using more than our fair share of water and depleting local water sources to the detriment of local farmers and residents.

We have worked hard to provide data that show we use water responsibly and to make the case that it would be contrary to our own business interests to damage water sources and harm residents in the process. In doing so, we have gained ground in the courts and among regulators. We have been successful in securing the "technical" and "regulatory" licenses for using the water we need. But where we have sometimes been challenged is in securing the "social license" for our operations among the communities that host us.

For us to do business—and to be part of the solutions addressing water stress—it is essential for us to secure the trust and goodwill of the people in the communities where we are located. And that can only come from candid, continual dialogue—an ongoing conversation in which we show residents how much water we are using and how we are using it. It comes from showing residents how we are managing water resources and what we are doing to improve them. And it comes from helping to address residents' specific concerns about water.

The human right to water

In 2010, the United Nations General Assembly passed a resolution recognizing the human right to water and sanitation and declared that clean drinking water and sanitation are "essential to the realization of all human rights." The UN called upon nations and international organizations to provide financial resources and facilitate capacity building and technology transfer to help all countries provide safe, clean, accessible and affordable drinking water and sanitation for all residents.⁶⁹

Our water stewardship journey: what lies ahead

Many of the world's most pressing water challenges will only be resolved through water policy reform. That is why we are collaborating as a member of the Water Resources Group ([please see above](#)) and why we expect to be increasingly involved, along with our peers and other stakeholders, in the development of better water policy. We believe that by working together quickly and decisively to craft sound policy, the global community has an opportunity to manage the world's water resources sustainably and for the benefit of all.

We will also continue to expand the scope of our stewardship "upstream," widening our focus to include not only our bottling plants and the communities we serve, but also our agricultural supply chain, one of the largest in the world. Because embedded water associated with our products—the water used in the product supply chain and manufacturing—is much greater at the farm than in our own operations, we are helping our suppliers improve efficiency and reduce their water use.

To date, we have contributed to 27 sustainable agriculture initiatives in 22 countries, helping farmers enhance their practices, supporting agricultural improvements to protect water, increasing crop yields for small farmers and reducing environmental impacts.

Finally, we will increasingly view water not in isolation but as being inextricably linked to energy, climate and food—as part of the so-called water-food-energy-climate nexus. Our community water partnerships include initiatives that increase the ability of watersheds to absorb threats associated with the uncertainty of climate change and higher demands for water, energy and food. Other initiatives support climate adaptation and the increased food needs of a growing population through water body alterations, agricultural innovations, aquifer recharge, rainwater harvesting and other projects. Also, by promoting

local water sources and eliminating the energy-intensive practice of treating and transporting water, we can help reduce energy demands.

You can read more about our recent progress in water stewardship in our [2012 Water Stewardship and Replenish Report](#). Additional information about specific water stewardship at bottling plants across our system can be found in reports issued by [our bottlers](#).

Open one of our sparkling beverages and you will not only notice the carbon dioxide (CO₂) that gives our sodas their signature fizz—you'll also find the efforts of thousands of people worldwide working to reduce the amount of CO₂ and other greenhouse gases our system emits into the atmosphere.

Climate change is one of the most critical challenges facing our planet. The consensus on climate science is increasingly unequivocal: Global climate change is happening and human-caused greenhouse gas emissions are a crucial factor. The implications of climate change for our planet are profound and wide-ranging, with potential impacts on biodiversity, water resources, public health and agriculture. The potential effects of climate change on people, communities and ecosystems are sobering to consider and demand immediate action. [\(Read our complete position statement on climate protection.\)](#)

Beyond the effects on the communities we serve, climate change could also have direct and indirect effects on our business. By harming global agriculture, changing weather patterns could limit the supply or increase the cost of ingredients we use in our products. Extreme weather could impair our bottling plants, disrupt our supply chain and affect consumer demand. Perhaps most seriously, climate change could seriously limit water resources for our operations, for our supply chain and for the communities we serve. That is why we believe reducing our system's emissions and adapting to climate realities are crucial—for our business and for a sustainable future.

Like most challenges, the climate crisis also presents opportunities. The imperative to reduce greenhouse gas emissions compels us to do business smarter—to work "leaner and greener." It gives us opportunities to lead. And it invites us to collaborate—to work toward a

common goal with people from all sectors of society in developing solutions that are sustainable.

In 2011, we continued working toward our goals of reducing greenhouse gas-related impacts from our operations and increasing energy efficiency. We experienced setbacks in some areas, achieved encouraging progress in others and continued to engage with others in addressing this pressing global issue.

Grow our business, but not our systemwide carbon emissions

Goal: Grow our business but not our systemwide carbon emissions from our manufacturing operations through 2015, compared with a 2004 baseline.

Progress: In progress. Emissions in 2011 related to our global manufacturing operations were 3 percent higher than 2010 and 11 percent higher than our 2004 baseline.

Our system generates greenhouse gas emissions mainly through our manufacturing plants, our distribution fleet and our cold-drink equipment. In 2008, we set the goal of growing our business without growing system-wide carbon emissions in our manufacturing operations through 2015, using 2004 emissions levels as our baseline. Since then and through 2011, our sales volume has increased 35 percent and our emissions intensity—the ratio of emissions to sales volume—has improved by 17 percent. But we have much more work to do.

In 2011, greenhouse gas emissions relating to our system's manufacturing increased by 3 percent compared with 2010 – from 5.20 million metric tons—and were 11 percent higher than our 2004 baseline.

We attribute the increase to a 6.2 percent increase in our Scope 2 emissions, or indirect emissions caused by the generation of the electricity our system purchases around the world. Our global electrical consumption rose by 1.1 percent, which contributed to the increase in our Scope 2 emissions. Our Scope 1 emissions—direct emissions from manufacturing—decreased 3.7 percent in 2011.

Our emissions growth over seven years has been less than one-third of the rate of our product volume growth.

We continued to improve our energy efficiency in 2011 (please see below), but our 2011 emissions results demonstrate that energy efficiency alone won't enable us to meet our goals. To further curtail emissions, we are working to introduce clean energy across our system where feasible. An example of this kind of investment is the 6.3-megawatt combined heat and power or "cogeneration" facility that Coca-Cola Refreshments USA (CCR) constructed in 2011. The facility runs primarily on biomethane gas from a nearby landfill, eliminating approximately 20,400 tons of carbon dioxide emissions annually.

Furthermore, The Coca-Cola Company has collaborated with various beverage gas suppliers on development of bio-ethanol sources throughout our system. Bioethanol sources have provided us with a competitive advantage by expanding our source gas options for things like the CO₂ found in our sparkling beverages, while improving the environmental footprint of our entire beverage gases supply chain through the use of more renewable resources. By using this source gas, we have both reduced the release of 126,000 tons of CO₂ into the atmosphere and used it to continue producing our sparkling beverages throughout the world.

Though total emissions relating to our operations increased in 2011, we continued to make progress toward our goal of reducing emissions from manufacturing in developed countries by 5 percent compared with 2004

levels by 2015. In 2011, we reduced emissions in developed countries by 4 percent compared with 2010 and 9 percent compared with our 2004 baseline.

Common But Differentiated Responsibilities

Goal: Reduce our absolute emissions from our manufacturing operations in Annex 1 (developed) countries by 5% by 2015, compared with a 2004 baseline

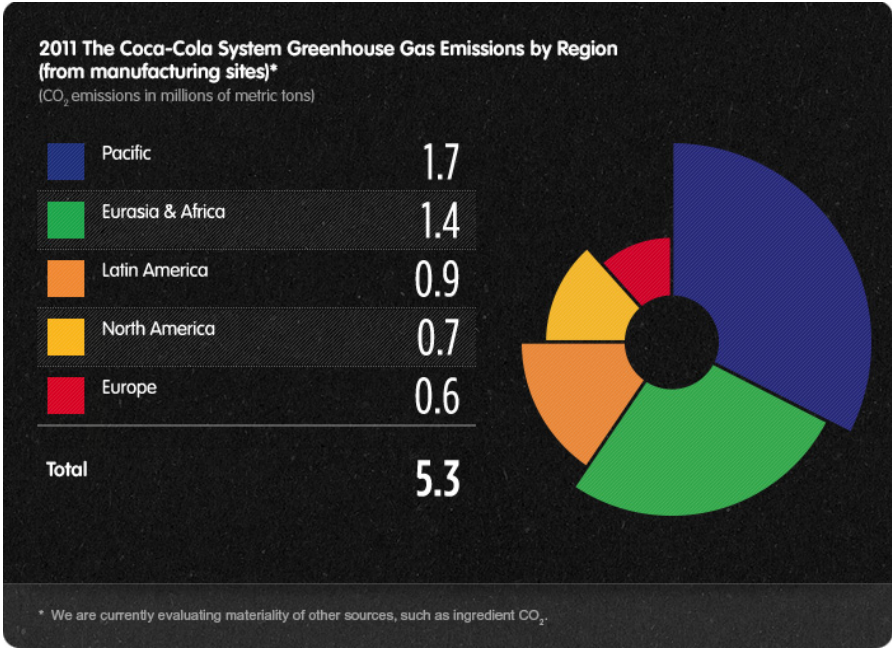
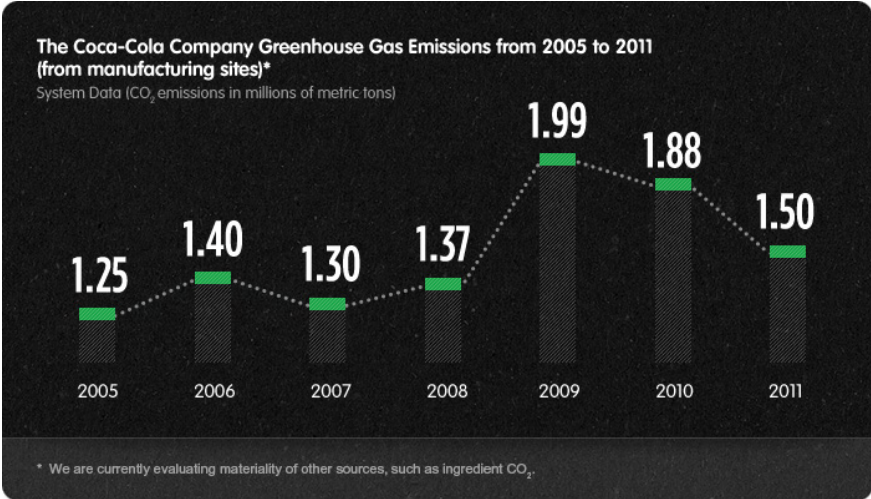
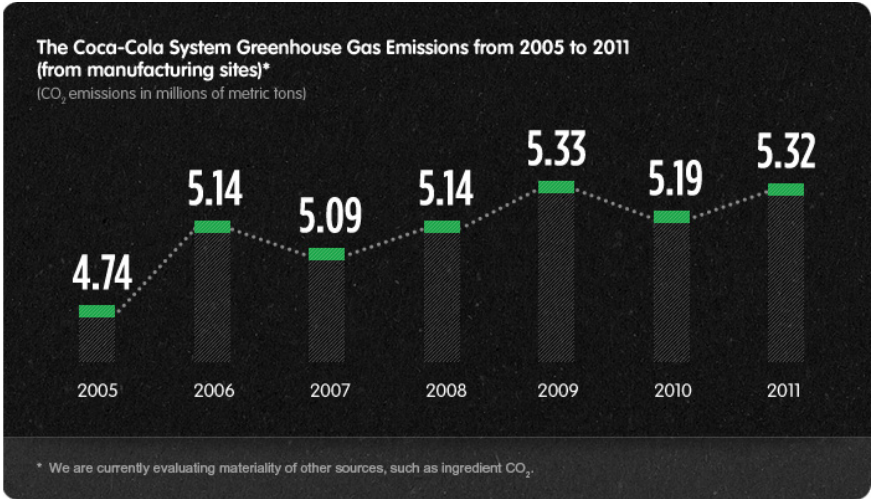
Progress: In progress. In 2011, emissions at our manufacturing operations in developed countries were down 4 percent compared with 2010 and down 9 percent compared with 2004.

We are also working to reduce emissions in developing countries. We view every new plant we build in a developing nation as an opportunity to build better sustainability into our system through integration of best practices and the latest, cleanest technology. One recent example: Coca-Cola South Africa's new bottling plant for Valpré Spring Water. Located near Johannesburg to be near markets, distribution sites and source water, the plant's design makes use of energy derived from non-fossil sources and maximizes use of recycled materials. The facility, a candidate for Leadership in Energy and Environmental Design (LEED) certification, also has a "zero to landfill" target for waste generation.

Our system's South African operations are among facilities in several developing countries that have already achieved levels of energy efficiency that are instructive for our entire business system. Coca-Cola South Africa's efficiency has improved by 33 percent since 2004, and in April 2012, Coca-Cola South Africa was named a "Climate Hero" as part of the South African Climate Change Leadership Awards.

Energy Efficiency and Climate Protection

Meanwhile, our operations in Mexico are the most energy efficient in our global system, with an efficiency ratio of 0.26 megajoules per liter of product produced—an improvement of 9 percent over 2004.



Helping bottlers save energy and reduce emissions

In 2011, we collaborated with World Wildlife Fund (WWF) to introduce the “Top 10 Energy-Saving Challenge” system-wide in 10 languages. The program equipped bottlers and plant managers with 10 high-return, low-risk energy-saving practices to implement in their plants. Each practice delivers high financial return and, when all bottlers implement the practices, together, we expect that the Coca-Cola system will meet 59 percent of our climate target. To date, more than 390 manufacturing facilities (of 863 total) have registered in the program and are implementing the practices.

Savings at Ballina Beverages

In 2011, we achieved significant savings in energy costs and CO₂

emissions at Ballina Beverages in Ireland, one of our key concentrate manufacturing facilities. Ballina's results are instructive for our system. The facility's combined heat and power system, implemented in 2010, is now providing 19 percent of the site's heat and 60 percent of the site's electricity. By capturing heat from electricity generation and diverting it to heating and hot water systems, the new system helped save nearly \$1 million US in energy costs and enabled avoidance of 3,345 tons of CO₂ emissions.

Phasing out hydrofluorocarbons

Goal: As of 2015, all new cold-drink equipment will be HFC-free, with an interim goal of being 50 percent HFC-free by 2012.

Progress: In progress. Approximately 24 percent of our 2011 cold-drink equipment purchases were HFC-free.

Hydrofluorocarbons, or HFCs, are powerful greenhouse gases hundreds of times more potent than CO₂. While they currently have a relatively small impact on global warming, HFC emissions are expected to represent 9 to 19 percent of projected greenhouse gas emissions by 2050. Historically, much of the refrigeration equipment we and other companies rely on has used HFC-based cooling systems. With more than 10.5 million dispensers, vending machines and coolers in the marketplace, we have an enormous opportunity to help reduce HFC use and related potential emissions. Our goal is to phase out the use of HFCs in all new cold-drink equipment by 2015. Toward that end, approximately 24 percent (266,000 units) of our 2011 cold-drink equipment purchases were HFC-free. The total number of HFC-free deployments across our system exceeded 540,000 at year end.

In 2011, we adopted CO₂ as our system's HFC-free refrigerant of choice

for new equipment purchases. To support this new procurement direction, our Company signed a CO₂ compressor supply contract with Sanden Japan that commits us to purchasing 1.1 million CO₂ compressors. By phasing out HFCs, we expect to avoid the emission of more than 52.5 million metric tons of carbon dioxide equivalent over the life of our equipment fleet.

Steering toward a more climate-friendly fleet

Truck exhaust is a source of greenhouse gases, and more than 200,000 of our signature red delivery trucks represent our system around the world. We want them to represent sustainable-oriented transport as well. So we are powering our fleet with a mix of efficient fuels—including electricity, natural gas, diesel-electric hybrids and biodiesel—along with conventional fuels, and we are exploring new options as they become available. In North America, we operate the largest hybrid electric fleet on the continent. It consists of more than 750 trucks that use about 30 percent less fuel than conventional diesels.

In 2011, Coca-Cola Refreshments USA reprogrammed the onboard computers in its 10,000-truck fleet to help conserve fuel and reduce greenhouse gas emissions. Trucks in the fleet now have an automatic engine shut-down capability, which can switch off a truck's engine after five minutes of nonproductive idling. Automatically governed truck speeds were also set to reduce fuel consumption. Together with other initiatives, the changes saved more than 1 million gallons of fuel and eliminated 11.5 million pounds of CO₂ emissions compared with 2010.

All told, our system fleet, which includes our Company and bottling partners, emitted 4.03 million metric tons of greenhouse gases in 2011—a 10 percent decrease from our 4.48 tons of fleet emissions in 2010.

Approximate 10% reduction in fleet emissions in 2011.*

* Based on fleet data from 63% volume reporting in 2011.

More transparency in our reporting

In 2011, we disclosed our most comprehensive and transparent emissions data to date. We disclosed our data through the [Carbon Disclosure Project \(CDP\)](#), our corporate website and our 2010/2011 Sustainability Report. We also reported progress toward our [WWF Climate Savers](#) targets via an annual partnership report, and we tracked progress toward our HFC-free refrigeration goal via the [Refrigerants, Naturally!](#) partnership and [The Consumer Goods Forum](#). Our disclosure in 2011 resulted in a [Climate Counts](#) score that increased from 67 in 2010 to 75 in 2011. Only three companies in the food products sector scored higher.

Additionally, after two of our bottling partners served as “road testers” for the new World Resources Institute and World Business Council for Sustainable Development [Greenhouse Gas Protocol](#) standards (Scope 3 and Product Life Cycle), we have expanded our greenhouse gas inventory and reporting to include key “upstream” emission sources. Our Carbon Disclosure Project (CDP) response this year includes Scope 3 emissions (or indirect greenhouse gas emissions not related to consumption of purchased electricity) from key ingredients we purchase—sweeteners (4.79 million metric tons) and CO₂ purchased as an ingredient (1.35 million metric tons)—as well as primary packaging (17.07 million metric tons).

Calling attention to climate change—and to polar bears

In October 2011, for the first time in our history, we packaged Coca-Cola in white cans rather than our globally identifiable, signature red. We did so for an urgent cause: the plight of polar bears, whose habitat is seriously threatened by climate change. The white Coke cans were just part of our five-year “Arctic Home” program and a five-year commitment initiated with our longtime conservation partners at WWF. The program, whose first phase ran through mid-March 2012 and included ads shown during iconic holiday programming like the Macy’s Thanksgiving Day Parade, contributed more than \$2 million to WWF’s

polar bear conservation efforts. Proceeds included the first installment of our overall \$2 million commitment, along with \$1.8 million in online and text donations from consumers and matching contributions from our Company. The second phase of the campaign will launch in November 2012.

Partnering to make a difference

A challenge as huge and far-reaching as climate protection demands cooperation among all segments of society. We draw hope and inspiration from our ongoing collaboration to address the critical work before us.

In 2011, we joined peer companies, nongovernmental organizations and others in calling for action on climate protection and sustainable development at the annual United Nations Climate Conference in Durban, South Africa (COP17). The Coca-Cola Company’s Chief Sustainability Officer, Bea Perez, and other Coca-Cola leaders, through speaking engagements, media interviews and private meetings, highlighted the progress the Coca-Cola system is making through our ongoing climate protection efforts. They also raised awareness about the role business can play in shaping solutions to move the planet toward a lower-carbon future.

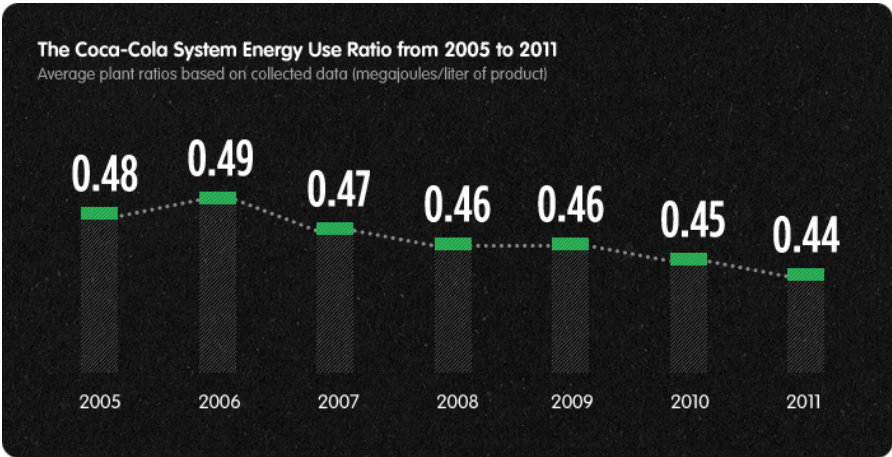
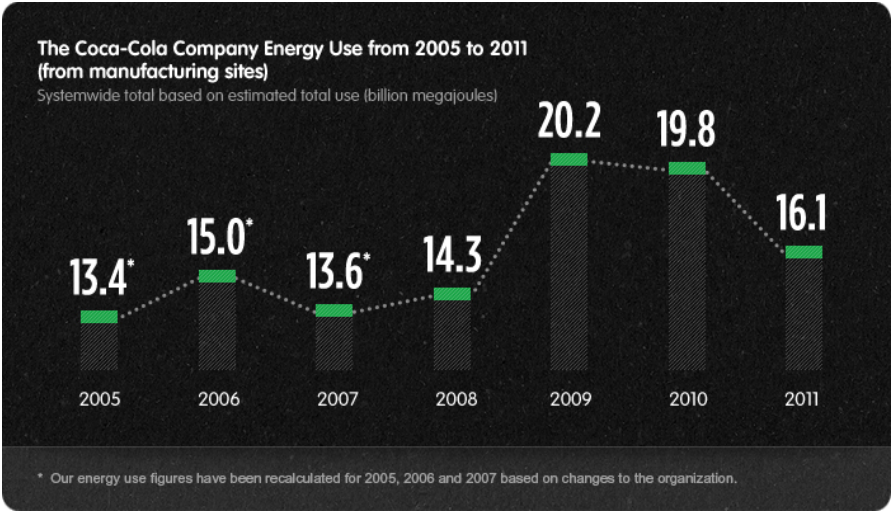
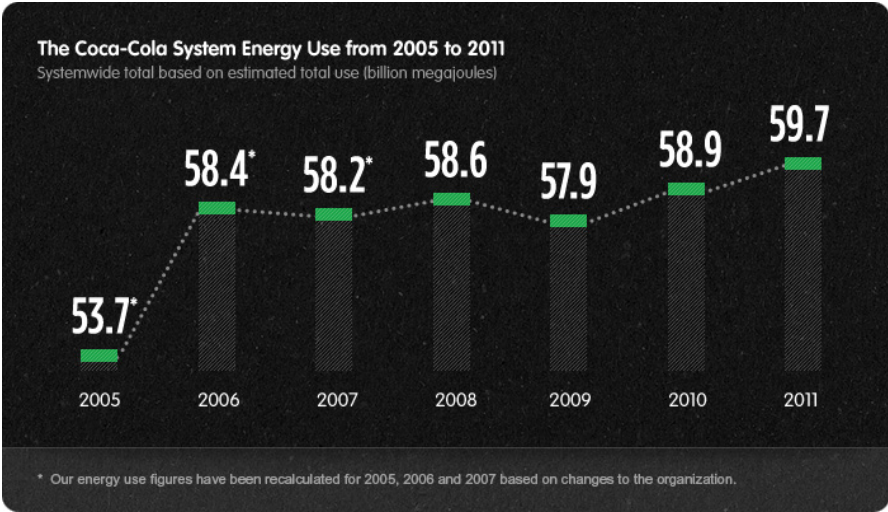
Also, as a co-founder and member of Refrigerants, Naturally!, we received Harvard University’s John F. Kennedy School of Government 2011 Roy Family Award for Environmental Partnership. The Roy Family Award is presented every two years to an outstanding public-private partnership project that enhances environmental quality through the use of novel and creative approaches.

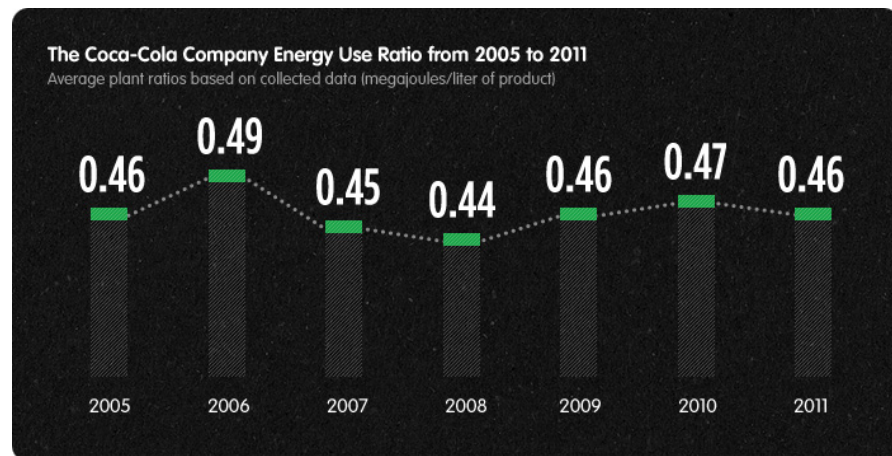
In June 2012, we were named one of 25 Top Performers by [Caring for Climate](#), the United Nation’s voluntary action platform for companies seeking to demonstrate leadership on climate change. We received the

designation based on several criteria, including our collaboration with other enterprises.

Improving our energy efficiency

Using energy more efficiently enables us to reduce our carbon footprint, conserve natural resources and contain costs. So through measures sweeping and small, we are using energy more efficiently across our business system. The total amount of energy consumed by manufacturing sites across our system has grown as our business has grown—from 54.6 billion megajoules in 2004 to 59.7 billion megajoules in 2011. But our energy efficiency ratio—the amount of megajoules used per liter of product produced—has improved. In 2011, our ratio was 0.44 megajoules per liter—a 2 percent improvement over 2010 and a 17 percent improvement overall since 2004. By improving our energy efficiency ratio, we avoided approximately \$36 million in energy costs in 2011—and over \$883 million cumulatively since 2004.





More efficient cold-drink equipment

Goal: By the end of 2010, increase the energy efficiency of our new cooling equipment by 40 percent compared with 2000 levels.

Progress: Achieved. We have achieved our 2010/2011 goal of reducing cold drink equipment (CDE) energy by 40% vs. our 2000 baseline.

Our coolers are using 3 billion fewer kwh compared with 2008.

In 2011, we continued to improve the energy efficiency of drink coolers across our system. While the number of coolers being used to sell our products rose from 9 million to 10.5 million since 2008, electricity use has declined. We have employed a broad use of intelligent energy management devices, or EMDs, which control energy use more efficiently. This has reduced electricity use by 3 billion kilowatt-hours annually—a reduction of over 2 million tons of CO₂. 4.3 million EMDs have been deployed across our system. In addition to reducing

greenhouse gas emissions, these units are saving customers approximately \$336 million per year.

Glass-door coolers, such as the “visi-coolers” found in convenience stores, make up about 75 percent of our total equipment base and nearly 90 percent of the cold-drink equipment we purchased in 2010. All newly certified models of glass-door coolers are now at least 40 percent more efficient compared with year 2000 levels. We estimate that approximately 95 percent of our new vending machines and fountain dispensers, which make up the remainder of our equipment base, also meet our goal of being at least 40 percent more energy efficient than in 2000.

In June 2012, Coca-Cola Japan announced its development of a vending machine that can keep products cool without using power for up to 16 hours per day. Created with Fuji Electric Retail Systems Co., Ltd., the machine “shifts” the use of power for cooling from midday peak times to the nighttime, when there is relative surplus power capacity. In the meantime, the machine keeps products cool through the use of improved insulation.

In Progress

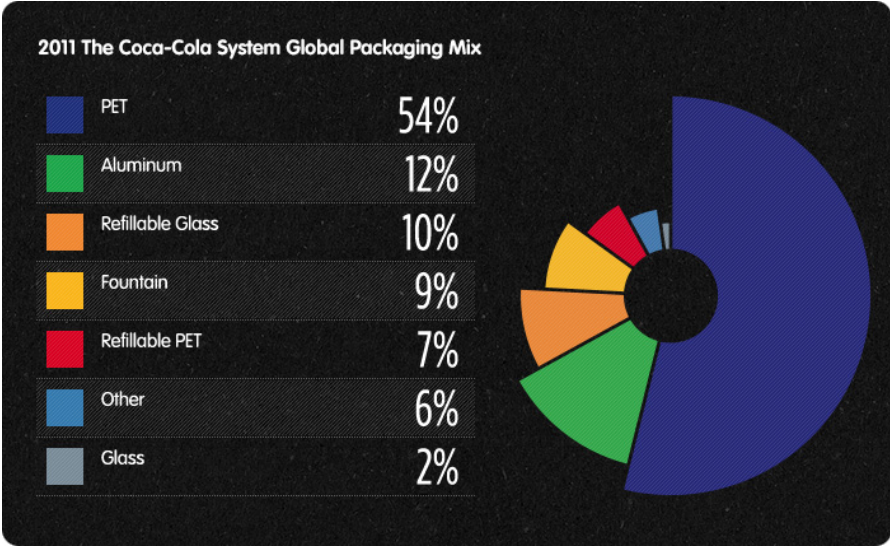
In 2011, we began the process of defining our next set of climate-related targets, which we expect to be more extensive in scope, including more of our supply chain than manufacturing alone. Along with fulfilling our existing mandate to “grow the business, not the carbon” by 2015, our new targets will extend through the end of the decade to align with our corporate vision of doubling our business by 2020.

Our product packages help ensure the quality of our products and safe delivery of refreshment for billions of people around the world every single day. Since 85 percent of our unit case volume is delivered in recyclable bottles and cans, those packages are where our innovation can make the biggest difference—and that is where we are focusing most of our efforts. As we strive to improve our packaging, we balance environmental concerns with our need to protect product quality and manufacturing as well as our need to transport products economically. Our approach is increasingly informed by an understanding of particular packaging needs in different locations around the world and by the impacts of various packages over their entire lifecycle.

We are also looking for packaging ideas that are holistic solutions when viewed in the context of the complete product lifecycle. We are interested in innovations that deliver genuine, measurable long-term advancements toward sustainability and not just eye-grabbing marketing slogans that will earn us public relations points in the short-term. One example: capturing the embodied energy and raw materials in beverage bottles for reuse through recycling, we believe, is a better option for our business and for the environment than biodegradable packaging when considered over the package lifecycle.

Managing packaging to manage risk

Most people do not think about business risk when they look at a beverage container. But we do. Our packages help meet our strict quality requirements and safely deliver our products to consumers. If a package is not energy efficient to produce, it could erode our profitability. Similarly, any time the cost of packaging materials like petroleum and aluminum increases, or any time the supply of those materials is disrupted, it means potential harm for our business. Also, changes in laws and regulations relating to beverage containers and other packaging could increase our costs and reduce demand for our products. Finally, being viewed as a contributor to global pollution—even though a significant percentage of our packages are recovered and recycled—could damage our brand. Developing more thoughtful, more sustainable packaging enables us to reduce our business risk along with our impact on the environment.



Creating more efficient packaging

Goal: By 2015, improve packaging material efficiency per liter of product sold by 7 percent compared with a 2008 baseline.

Progress: In progress. Each market around the world is aggressively looking for ways to reduce costs, and our ongoing package lightweighting efforts provide an opportunity to decrease packaging costs while offering environmental benefits.

In the design of our packages, we strive to use the least amount of natural resources required to protect our products and ensure their safe transport to consumers. Over the past two years, our systemwide lightweighting program has resulted in an estimated cost-savings of approximately \$200 million. To date we have:

- Trimmed the weight of our 20-ounce PET plastic bottle by more than 25 percent
- Shaved 30 percent from the weight of our 12-ounce aluminum can
- Lightened our 8-ounce glass bottle by more than 50 percent

Lightweighting is often a market-by-market effort, with our bottlers choosing packaging based on local consumer demand and applicable legal requirements. Our bottlers around the world are continuously looking for ways to further optimize our packages. Below are a few of the recent efforts from across the Coca-Cola system:

- Based on the success of our I LOHAS bottles in Japan, we extended the I LOHAS bottle design to several other markets around the globe. The design, which employs our PlantBottle™ material and is 40 percent lighter than the average bottled water package in Japan, invites consumers to twist and crush the bottle when it's empty,

helping to save space in recycling bins and saving money and energy required for transport.

- Coca-Cola Colombia launched Brisa bottled water in a twistable Eco-Flex package in early 2012. The 600-ml bottle uses 23 percent less PET plastic. Following the lead of I LOHAS in Japan, Coca-Cola Colombia promoted its new package with an advertising campaign encouraging consumers to "drink, twist, re-cap and recycle."
- In a similar campaign, Coca-Cola Costa Rica launched its Alpina bottled water in an Eco-Flex bottle that uses 23 percent less PET plastic.
- Coca-Cola Thailand re-launched its Namthip bottled water brand with a new brand identity and an Eco-Crush bottle that uses 35 percent less PET plastic.

A delay in launching our packaging management system

Two years ago, we announced our planned implementation of a new package management system that will allow us to better track packaging over its lifespan, enabling us to improve efficiency and better share successful packaging designs among multiple markets and multiple bottlers.

We expected to be using our new system by early 2011, but to date, the system has not launched. Our main obstacle is data collection. Gathering information from our bottling partners around the world is taking more time than we expected.

Investing in recycling programs

Goal: By 2015, recover 50 percent of the equivalent bottles and cans used annually.¹

Progress: In progress. We currently estimate that 37 percent of the equivalent bottles and cans we send to market are recovered.

If we are serious about maximizing the value of the packaging material we put into the market, recovering our beverage containers for reuse is essential.

Our beverage containers are recovered through multiple channels: the Coca-Cola system directly, industry-financed collection organizations, community-funded recycling programs, government mandated programs and informal collectors worldwide.

To date, we have only been able to report recovery for a limited number of markets—of those markets, about 37 percent of the equivalent bottles and cans sent to market are recovered. Calculating a comprehensive global recycling rate for any package is a complex undertaking given that many countries, especially in developing and emerging markets, do not collect this data, and there is no practical mechanism for tracking the collection of packaging by the millions of informal collectors that operate in every market in which we distribute our products.

We have become more acutely aware of this challenge as we work to advance recovery in markets worldwide. We are working to identify independently verified recovery and recycling data and, as it becomes available, add this information to our global reporting. Where reliable data is not available, we will be working with stakeholders to identify actual recycling rates.

¹Recover 50 percent of the equivalent bottles and cans” means we intend to help ensure that an amount of bottles and cans equal to 50 percent of the ones we introduce into the marketplace are recovered. This includes packages introduced by us as well as others.

In addition to improving tracking of recycling, through our Coca-Cola Foundation and other means, we are helping to expand and improve community recycling programs while supporting the inclusion of informal collectors as improved waste management practices are adopted in developing markets. Recovery and recycling are strongly impacted by local issues, with different circumstances in every area. We recognize that collaboration is critical to advancing our vision faster, so we work closely with governments, nongovernmental organizations (NGOs), local communities and our industry partners to create stewardship systems that make sense for the markets they serve, and, whenever possible, create jobs. In developing markets, we work with government and industry to help informal collection systems become formal recovery systems that provide sustainable jobs. In developed markets, we support approaches that include comprehensive recovery of materials through industry recovery organizations and other means.

In 2011, we hosted a meeting of the Global Alliance for Recycling and Sustainable Development in Brazil, which brought together industry groups from Brazil, South Africa, Thailand and other nations to collaborate on advancing collection systems in developing markets.

In 2011, we also continued our work with the Regional Initiative for Inclusive Recycling for Latin America, an effort to transform the recycling market in Latin America by improving the socioeconomic status of recyclers and their families; enhancing private sector roles so that recycling cooperatives thrive in a competitive market; and supporting public policy so that recycling cooperatives become part of local waste management systems. The partnership includes the Inter-American Development Bank and Fundación AVINA.

Educating consumers about recycling is also an important part of increasing recycling rates. In 2011, our bottler in Israel launched a campaign to promote recycling that included online advertising, radio coverage, outreach on Facebook and, at its center, “pop-up stores” in central Tel Aviv and elsewhere that sold handbags, T-shirts, hats and other items made from recycled materials, some designed by local artists and fashion designers. The campaign also encouraged consumers to recycle their PET plastic bottles at some 10,000 distinctive recycling receptacles across the country.

In North America, working with NASCAR at race tracks across the United States, we helped divert more than 11.5 million beverage containers from landfills and into recycling streams during the 2010 and 2011 race seasons.

Read more about our support of community recycling programs around the world in the [Charitable Contributions](#) of this report.

Combating marine litter with Ocean Conservancy

When used packaging is not disposed of properly, it too often ends up as trash littering our communities and waterways. Marine litter, though its causes and effects are not fully understood, is a matter of great concern to scientists, to conservationists—and to us. Our packaging is among the debris that can be found improperly disposed of on shorelines around the world, so we have an obligation to help address marine litter in earnest.

We work with a number of organizations, including [Ocean Conservancy](#) and the [National Center for Ecological Analysis and Synthesis \(NCEAS\)](#), to better understand the causes of marine debris. The scientists at these organizations and others believe marine litter is not a problem that is easily characterized or likely to be solved in the near future. However, we are working with them to gather science-based information and to

engage other companies in a collective effort to find sustainable ways to mitigate marine litter.

In 2011, working with Ocean Conservancy, we helped launch the [Trash Free Seas Alliance](#), a cooperative group of businesses, NGOs, scientific institutions and community groups that share the common goal of eliminating ocean trash. By bringing such diverse groups together, we hope to accelerate action among the varied stakeholders who must work together to restore the world’s seas.

One of the first accomplishments of the Trash Free Seas Alliance was development of a proposal accepted by NCEAS to support a working group on marine debris. NCEAS is one of the foremost ecological think tanks in the world. This working group will bring together a group of leading ecologists, oceanographers, social scientists, industry market experts, behavioral economists and polymer scientists to evaluate existing data and published information as well as conduct integrative modeling to significantly advance the scientific understanding of marine debris globally.

We have also partnered with Ocean Conservancy for the past 16 years as a sponsor of the International Coastal Cleanup (ICC). The ICC is the world’s largest volunteer effort for ocean health. Coca-Cola system associates join the more than 9 million volunteers to clean up the world’s waterways during this annual event.

Increasing our use of recycled and renewable materials

Goal: Source 25 percent of our PET plastic from recycled or renewable material by 2015.

Progress: In progress. Five percent of our packaging material currently comes from recycled or renewable material.

Of our beverage volume, 61 percent is delivered in plastic bottles made from polyethylene terephthalate, better known as PET plastic.

Consumers like PET bottles because they are lightweight, resealable, shatter-resistant and accepted in most community recycling systems. We like PET bottles because the processes for making and transporting them are relatively energy-efficient and cost-effective, and PET protects our product quality exceptionally well.

But with increasing pressure on natural resources required to make conventional PET bottles—particularly on petroleum and natural gas—we need alternatives. That is why we are aiming to source 25 percent of our PET plastic from recycled or renewable materials by 2015.

Building momentum with PlantBottle™ packaging

To increase the amount of renewable material in our packaging, we created PlantBottle™ packaging, the first-ever fully recyclable PET bottle made partially from plants. PlantBottle™ packaging is an environmental breakthrough that consumers can hold in their hands, and response to date has been quite positive.

Since introducing PlantBottle™ packaging in 2009, we have distributed more than 10 billion PlantBottle™ packages to markets in 24 countries. With a few exceptions, we are now producing PlantBottle™ packages locally in most major markets. We intend to use PlantBottle™ packaging for all of our PET plastic bottles by 2020.

Our use of PlantBottle™ packaging is already paying environmental dividends, eliminating the need for the equivalent of more than 200,000 barrels of oil and helping to save the equivalent emissions of approximately 100,000 metric tons of carbon dioxide (CO₂)—the amount of CO₂ emitted from burning more than 10 million gallons of gasoline. PlantBottle™ packaging is made from sugarcane-based ethanol from Brazil—designated as an “Advanced Renewable Fuel” by

the United States Environmental Protection Agency—so its manufacture has a low environmental impact and does not consume agricultural resources that could otherwise be used for food production.

PlantBottle™ packaging is proving to be a business success as well as an environmental one. The package is credited with reinvigorating our Dasani bottled water brand in North America, which experienced an 11 percent increase in sales in 2011—a growth rate more than 2.4 times that of the rest of the category. And surveys show that brand loyalty among Dasani consumers has increased with the introduction of PlantBottle™ packaging.

We have distributed more than 10 billion PlantBottle™ packages in 24 countries for multiple brands including Coca-Cola, Diet Coke, Sprite, Dasani and more.

In all, PlantBottle™ packaging is delivering against three key business values: It is a brand differentiator. It is a major advance in our goal to use more sustainable packaging. And by reducing our dependence on petroleum and natural gas, it enables us to control costs and keep our products affordable.

An idea like PlantBottle™ technology has too much good potential to keep to ourselves. So in February 2011, we shared our technology and entered into a partnership with H.J. Heinz Company (Heinz), enabling Heinz to put its ketchup in PlantBottle™ packaging. Moving forward, we will continue to explore the potential of such partnerships with other companies.

Others are noticing the value of PlantBottle™ packaging as well. In April 2011, PlantBottle™ packaging received an Edison Award recognizing the most innovative products from a variety of categories.

Wal-Mart Stores, Inc., recognized PlantBottle™ packaging in June 2011 with their Sustainable Packaging Award. In 2012, McDonald's Corporation selected PlantBottle™ packaging for its *2012 Global Best of Sustainable Supply Report*.

Toward 100 percent plant-based packaging

Currently, 30 percent of the material used in PlantBottle™ packaging comes from plants. We are limited to 30 percent due to the chemistry of PET plastic. Currently, we can only use plant-based material to make one of the two components of PET plastic. Our ultimate goal is to develop PET plastic that is 100 percent plant based. In 2011, we partnered with three biotechnology companies that have been able to create a 100 percent plant-based solution in their labs. Our investment will support those companies' efforts to produce packaging on a commercial scale. To further drive the production of PET made entirely from plants, we entered into the Plant PET Technology Collaborative, a strategic working group, in June 2012. Our fellow members of the collaborative are The Ford Motor Company, Heinz, Nike, Inc., and The Procter & Gamble Company. By leveraging the combined research and development efforts of our companies in ways that are consistent with applicable antitrust/competition law rules, the Plant PET Technology Collaborative is expected to speed development of a completely plant-based PET material and effect positive change across multiple industries.

[Read more about PlantBottle™](#)—how it is made, what it is made of and much more.

Our successes and challenges with rPET

In the early 1990s, we became the first company to use food-grade recycled PET plastic—known as rPET—in packaging. And our enabling of rPET-related research began decades before that. We recognized early that creating end markets for recycled PET plastic would be critical to our bottle recovery efforts and to the success of PET plastic as packaging material.

Over the last decade, demand for rPET across multiple industries has increased. And while that is a positive development for the rPET market and all the more reason for us to continue using PET plastic, increased demand has made it more challenging for us to include rPET in our packaging material.

As a result of the competition for rPET stock, the cost of food-grade rPET, which we require for our packaging, continues to be at a premium for most markets. Also, current rPET processing technology makes it difficult to remove contaminants that must be eliminated from food-grade rPET, further increasing cost and limiting supply.

To date, our system has invested in seven bottle-to-bottle facilities that improve our capacity for using rPET. And we continue to invest in the exploration of technologies and recovery systems that could enable more efficient and cost-effective production of food-grade rPET, which could enable us to increase the amount of rPET we use. Also, because the use of rPET is approved in just a limited number of countries, we are working with governments of the nations where we do business to remove legal barriers to the use of recycled materials in beverage packaging.

Meanwhile, as we work to increase our capacity for using more rPET, we are broadening our strategy for using recycled and renewable content to give our Company and our bottlers more flexibility. Our ultimate goal, after all, is to reduce our dependency on virgin petroleum-based plastics so that we can reduce our costs and our related carbon footprint. We believe there are several ways to meet that goal, including package lightweighting and the use of both renewable and recyclable materials in our packaging.

Helping to create a market for rPET

To help ensure a demand for rPET, we support the creation of merchandise made from the material. We are involved in partnerships that make a variety of consumer goods from rPET, including caps,

T-shirts, bags, notebooks and the [Emeco 111 Navy® Chair](#), whose production has helped divert more than 7 million plastic bottles from landfills. The 111 Navy Chair is available in more than 40 countries and is the chair of choice in more than 200 McDonald's restaurants, more than 17 universities, and in the dining rooms of many companies ([view locations where the 111 Navy Chairs can be found](#)). It recently won Best in Show at the second International Plastics Design Competition.

Through these merchandise programs, we are reinforcing our [Give It Back®](#) campaign, which promotes PET plastic recycling and merchandise made from rPET.

The challenge of getting our message out

One important lesson we have learned on our journey toward zero waste is that more sustainable packaging is a complex issue and a hard one to communicate. Terms like "renewable" and "recyclable" can blur together in the public's mind, and innovations mean little if they are not readily available in the market or if consumers do not perceive them as convenient and beneficial. We have seen that we have to work harder at communicating clearly with consumers and other stakeholders when we believe we have made an important advancement in packaging.

For example, we have found it is important to remind consumers that our PlantBottle™ packaging is still fully recyclable and not biodegradable, despite being made partly from plants. Similarly, we have been challenged in communicating the benefits of our Ultra Glass contour bottle for Coca-Cola. The Ultra Glass design is smaller and, on average, 20 percent lighter. Yet it is also stronger, less expensive to produce and holds the same amount of product as its predecessor. Best of all, the Ultra Glass design has saved tens of thousands of metric tons of glass and related greenhouse gas emissions. But despite these benefits (and our efforts to communicate them), consumers in some

markets have perceived the package as containing less product and have been slow to accept it.

As we continue to advance our efforts in each of our focus areas, we intend to better communicate the work we are doing and why it matters to our business, as well as to governments, consumers and NGOs, as we all work toward eliminating waste and recognizing the value of packaging.

Looking ahead: industrywide metrics

A recent, positive trend we see in the movement toward zero waste is the development of common metrics for more sustainable packaging being facilitated by The Consumer Goods Forum. As a member of the Forum, we are helping to advance this work. We believe a common language along with a framework and measurement system on "packaging sustainability" will help businesses, governments, consumers and NGOs as we all work toward eliminating waste.

Inside almost all of our products is the story of a farm somewhere in the world.

As a general business practice, we do not own or operate farms, and we buy only a small percentage of our ingredients directly from farmers. But through our global suppliers, our system buys millions of tons of fresh fruit, corn, tea, sugar, coffee and other ingredients every year. The future of our business depends on a reliable long-term supply of those ingredients.

At the same time, the futures of farming families and ecosystems around the world depend on crops being grown more sustainably. Agriculture is the world's largest industry, employing more than 1 billion people and generating more than \$1 trillion US of food annually. In the report, Realizing a New Vision for Agriculture: A roadmap for stakeholders, the World Economic Forum and McKinsey & Company estimate that up to 30 percent of greenhouse gas emissions are attributable to agriculture, counting all related impacts, including deforestation. The report also indicates that agriculture accounts for 70 percent of worldwide water withdrawals.

Our global system and vast supply chain provide many opportunities to improve agricultural sustainability, and our purchasing power and long-standing relationships with suppliers and processors give us an influential voice. We are contributing to the global movement toward more viable agriculture through innovative partnerships and a supply chain that increasingly stresses the need for sustainability. We believe that with the wide-scale adoption of better management practices, agricultural production can help preserve and restore critical habitats, protect watersheds and improve soil and water quality, all while meeting the needs of society.

A matter of balance

Our approach to sustainable agriculture is founded on principles to protect the environment, uphold workplace rights and help build more sustainable communities. We seek to mitigate business risk by addressing challenges to the availability, quality and safety of agricultural ingredients; to meet consumer demand for products that align with a healthy and sustainable lifestyle; and to balance the costs of sustainability by leveraging relationships and initiating new opportunities as they make sense.

To support more sustainable agricultural practices, we are:

- incorporating sustainable agricultural criteria into our long-term ingredient sourcing plans;
- working with partners and suppliers to improve livelihoods through efforts to increase crop yields and reduce production costs; and
- helping farmers to improve agricultural practices and reduce environmental impacts, such as minimizing the use of pesticides and optimizing fertilizer applications.

We are carrying out our strategy by working with key partners to identify risks and opportunities; fostering innovation through pilot projects in key regions; and making use of validation mechanisms—including certification in some cases—to verify that we are meeting our sustainability criteria. We have adopted a holistic view and are working with our suppliers to help develop and encourage more sustainable agricultural practices.

Setting priorities, assessing risks and finding opportunities

In 2012 we began a comprehensive baseline assessment to better understand supply and demand as well as risks and opportunities for the top 10 agricultural commodities on which our products and growth

strategy depend. This assessment will lay the foundation for our agricultural commodity strategy going forward. We are partnering with key suppliers to establish baselines and influence producers to improve the sustainability of crop production, focusing our initial efforts on sugarcane, oranges and forestry.

Growing adoption of the Bonsucro standard

Sugarcane farmers, like many growers, face challenges to the social, environmental and economic sustainability of production. For several years, we have helped advocate for an independent, global standard to define and promote continuous improvement for the production of ethanol and sugar from sugarcane.

As a member of [Bonsucro](#), we worked with peer companies, sugarcane producers and nongovernmental organizations, including World Wildlife Fund (WWF), to implement the first global metric standard for more sustainable sugarcane production. The standard is composed of five principles:

1. Obey the law.
2. Respect human rights and labor standards.
3. Manage input, production and processing efficiencies to enhance sustainability.
4. Actively manage biodiversity and ecosystem services.
5. Continuously improve key areas of the business.

Bonsucro launched its production standard and certification program in 2010. The standard requires evaluation against more than 40 indicators on the environmental, social and economic impacts of sugarcane production. In June 2011, a sugar mill in São Paulo, Brazil, became the

first to be certified under Bonsucro's new standard, and our system was the first buyer of the mill's certified sugar. Since then, 16 sugarcane mills have been certified in Brazil and several mills in Australia are undergoing certification audits. By the end of 2011, Bonsucro-certified mills had produced approximately 1.6 million tons of sugar.

Approximately 1.6 million tons of sugar produced in 2011 by Bonsucro-certified mills

Piloting sustainable farming projects worldwide

Many of the sustainable agriculture projects we're involved in are funded in part by our Coca-Cola Foundation or our foundations worldwide. Read more about our Foundation's work in the [Charitable Contributions](#) section of this report.

With partners such as WWF and the [United Nations Development Programme](#) (UNDP), our system has contributed to more than 40 agriculture sustainability initiatives in more than 25 countries.¹ Most of these projects begin as pilot programs so that farmers and suppliers can determine what works and then scale up and sustain those solutions as appropriate.

Improving mango yields in Andhra Pradesh

In 2011, Coca-Cola India and Jain Irrigation announced the launch of Project Unnati, which is encouraging mango farmers in the state of Andhra Pradesh to adopt drip irrigation and a method of farming called ultra-high-density plantation practice. Ultra-high-density plantation practice enables mango orchards to reach their full fruit-bearing potential in three to four years, rather than the seven to nine years enabled by conventional farming, meaning farmers earn money from the fruit sooner. The practice also makes it possible for farmers to plant as many as 600 trees per acre, dramatically increasing yields. Conventional farming methods allow for about 40 trees per acre.

During the first phase of the project, 200 demonstration farms between one and three acres in size will employ the ultra-high-density plantation technique along with drip irrigation, which uses less water per kilogram of mangoes produced. Later, the demonstration farms will be used to train other farmers. In all, Project Unnati has the potential to double mango yields and improve the livelihoods of more than 50,000 farmers in the next five years.

Farming for a healthier Great Barrier Reef

Through our Coca-Cola Foundation, we provide financial support to Project Catalyst, an award-winning, five-year, \$26 million partnership among our Company, WWF, Reef Catchments (Mackay Whitsunday Isaac Natural Resource Management), the Australian government, farmers and others. Project Catalyst promotes farmer-driven innovations that reduce pesticide and fertilizer runoff into the Great Barrier Reef lagoon and the freshwater catchments that drain into it. The project provides funding and technical expertise to farmers who have developed new sustainability practices but need resources to implement them. Communication is also a key part of Project Catalyst; newsletters and a website promote innovations, enabling growers to share best practices and lessons learned.

Since its launch in 2009, Project Catalyst has increased from 19 participating cane growers and 4,800 hectares of farmland to 78 growers and more than 49,000 acres. The project has improved the quality of more than 101,725 megaliters (more than 26 billion gallons) of runoff by reducing the amount of nitrogen, phosphorus, herbicide and other pollutants flowing into the Great Barrier Reef. Through The Coca-Cola Foundation, our Company has contributed more than \$1.77 million to the project.

In 2011, Project Catalyst engaged more land managers. Inspired by the project's outcomes to date, a number of farmers independently emulated practices piloted by Project Catalyst growers, improving runoff and drainage water quality by an additional 17,500 megaliters (4.6 billion gallons) on 8,649 acres.

In November, several Project Catalyst partners hosted the 2011 Bonsucro Annual General Meeting, bringing together Bonsucro growers from multiple countries to learn about the methods developed as part of the project. Additionally, in February 2012, Project Catalyst held its second annual grower's forum, providing an arena for Queensland growers to exchange information on best practices and learn about methods for reducing chemical runoff.

Drought relief in Guangxi

The Guangxi Sustainable Sugarcane Initiative is part of our partnership with UNDP, the Chinese Government and the government of the Guangxi Zhuang Autonomous Region in southern China. Launched in 2010 in the counties of Shangzi and Longzhou and expanded to a few other counties in 2011, the initiative seeks to provide sugarcane farming communities in drought-stricken Guangxi with improved access to drinking water and more efficient irrigation. New infrastructure will direct treated wastewater from a sugar mill to the cropland, providing irrigation and possibly better yields as a result of nutrients in reclaimed water.

With the completion of the Shangzi and Longzhou projects in 2011, the project has benefited about 3,000 farmers, indirectly benefited more than 100,000 rural residents and improved 30,476 acres of sugarcane. Two other projects in Guangxi are under way and expected to be completed in 2012.

Protecting freshwater and small farms in South Africa

Project Khula is helping small-scale sugarcane farmers in the KwaZulu-Natal region of South Africa improve their yields and livelihoods while reducing environmental impacts. The Coca-Cola Foundation provided a \$150,000 grant to help support the project.

Launched in September 2010 and named in 2012 with the Zulu word for “growth,” Project Khula leverages the mentorship program of a local growers association to train smallholder farmers in better land and catchment management practices. It aims to support development of more than 3,000 small-scale growers on over 8,400 hectares, and to help the local sugar mill, the local government and other local stakeholders organize smaller farms into cooperatives. The cooperatives are expected to help improve productivity and provide opportunities for funding expansion of the program.

Mentors will work with farmers to maintain and restore riparian areas and increase pesticide use-efficiency. The project also seeks to remove invasive plant species threatening freshwater ecosystems and to develop improved sustainable practices that can be adopted by other South African sugarcane growers.

In 2011, the project team assisted in the formation of two planned cooperatives, engaging 97 farmers who farm about 250 acres. Cane plantings on the farms could eventually produce as much as 8,000 tons of sugar every two years, providing farmers and their families with a potential collective income of 3 million rand. Farmers also cleared 266 acres of invasive trees and shrubs, helping to conserve local freshwater sources.

Improving livelihoods for mango farmers in Kenya and Uganda

We expect our juice business to triple by 2020. To make sure we can source enough juice to meet that target—and to help improve the

livelihoods of small-scale fruit farmers, many of whom are women—we formed Project Nurture, an innovative four-year, \$11.5 million US partnership with the Bill & Melinda Gates Foundation and TechnoServe. By increasing production of mango and passion fruit suitable for both the fresh fruit and juice markets, Project Nurture is intended to double the farming incomes of more than 50,000 small-scale farmers in Kenya and Uganda by 2014. Our East Africa business unit will invest a total of \$4 million in the project, along with \$1.5 million US in in-kind contributions, including infrastructure investment, technical expertise and fruit purchases.

14,000 female farmers trained through Project Nurture.

Through Project Nurture, local farmers will gain a market for their fruit. Consumers will be able to support their local farmers through the purchase of beverages. And our business will benefit from procuring locally produced fruit, lowering our costs and increasing supply chain flexibility. The program has established a goal of ensuring that by 2014 at least 30 percent of participating farmers will be women.

By the end of 2011, almost 40,000 farmers had been trained through Project Nurture, 14,000 of whom are women. More than 18,000 metric tons of fresh fruit from Project Nurture farms have been sold to date. In late 2010, we launched Minute Maid Mango Nectar in Kenya. It is the first product to use juice sourced from Project Nurture and provides consumers with the opportunity to support local mango farmers.

In 2011, TechnoServe worked with selected farmers and exporters to ship fresh mangos and passion fruit to the Middle East. The program includes training farmers on quality specifications, logistics and negotiation of prices and provides assistance with agronomy and postharvest handling. Work has also recently been completed in the development of two more Kenyan mango varieties, Apple and Tommy, for use in the manufacture of Minute Maid juice and juice drinks. Minute

Maid juice drinks made from Apple mangos will be launched in eight countries beginning in October 2012.

Work has also recently been completed in the development of two more Kenyan mango varieties, Apple and Tommy, for use in the manufacture of Minute Maid juice and juice drinks. Minute Maid juice drinks made from Apple mangos will be launched in eight countries beginning in October 2012.

Building hope for mango growers in Haiti

Based on our Project Nurture model, the Haiti Hope Project is a five-year, USD \$9.5 million US partnership intended to double the incomes of 25,000 Haitian mango farmers. Our partners in the project include the Multilateral Investment Fund, a member of the Inter-American Development Bank, the U.S. Agency for International Development and TechnoServe. The Clinton Bush Haiti Fund, the Soros Economic Development Fund and others are among the supporters of the project. The project has partnered with a local financial institution, Sogesol, to draft credit product criteria for the project. Our project team also works closely with Haitian authorities to make sure the project's goals align with those of the local government.

We began implementing Haiti Hope in September 2010, nine months after Haiti's catastrophic earthquake. Since then, the project team has established relationships with farmer groups representing thousands of mango farmers. More than 7,300 farmers had joined the program by the end of 2011, and 42 percent of them were women. Our company's investment at the end of 2011 totaled USD \$1.4 million US.

The Coca-Cola Company has pledged to invest USD \$3.5 million US to the project over a five-year period. As part of the Company's overall contribution, in January 2011, our Odwalla brand launched Haiti Hope Mango Tango and pledged to donate 10 cents for every bottle sold, up to half a million dollars a year for the duration of the project. Our project

team is researching processing options with the intent of eventually enabling Haitian-grown mangos to be used as an ingredient in Haiti Hope Mango Tango.

Other collaboration

In addition to the projects described above, we are engaged in these partnerships:

- We are piloting a farm-level self-assessment with leading agriculture suppliers. Feedback from this pilot will inform a revised draft that will be used to develop a baseline of our supplier's farm-level sustainability practices, recognize best practices and identify areas for improvement.
- We are mapping the sustainability initiatives of more than 100 fruit suppliers. Results are expected to provide opportunities to help develop and encourage more sustainable agricultural practices in our juice supply chain.
- In collaboration with Conservation International, we have developed tools designed to help identify key social, environmental and agronomic issues and opportunities related to crops of strategic importance to the Company. Conservation International helped develop and pilot a supplier farm assessment survey to better understand the state of knowledge regarding environmental performance within our supply chain.
- We are partnering with EARTH University and our supplier, TicoFrut, to promote sustainable citrus production in Los Chiles, Costa Rica. The project includes the development and pilot use of organic amendments and biofertilizers to reduce the amount of agriculture-based greenhouse gases released in the atmosphere and to increase the amount of organic matter in the soil.
- Through our partnership with WWF, we have partnered with Van Buren Conservation District and The Nature Conservancy to work with

corn farmers in the Paw Paw River watershed in Michigan to implement conservation practices that return water to nature, build healthier soils and conserve biodiversity.

- In partnership with Cargill, Incorporated, and WWF, we launched a sustainable corn project to improve the livelihoods of farmers and protect biodiversity by improving yields, reducing waste, conserving water, protecting wetlands and reducing the environmental impact of agriculture in Jilin Province, China.
- We are helping to advance a lab in La Lima, Honduras, where researchers will develop solutions for controlling agricultural pests in cane fields through biological control rather than pesticides. The lab—developed in partnership with WWF, the Honduran Foundation for Agricultural Research and the AZUNOSA sugarcane mill and refinery—is expected to produce enough biocontrol to treat more than 16,000 acres by its third year and help reduce the agrochemical runoff that imperils the Mesoamerican Reef—the largest reef in the Atlantic Ocean. Pilot application of biocontrols took place at two milling sites in 2011. Wider, commercial-scale application was expected to begin in August 2012.

Effecting change deep in the supply chain: an ongoing challenge

As with our other sustainability efforts, much of our success in promoting sustainable agriculture depends on our relationships with suppliers. We are increasingly embedding our sustainability policies and practices in our procurement processes through our Supplier Sustainability Council and through our Sustainable Agriculture Guiding Principles, which articulate our expectations for all of our suppliers of agricultural ingredients. Also, because it can be difficult to assess whether the thousands of farmers far “upstream” in our supply chain align with our policies and beliefs, we are deepening our partnerships

with primary suppliers to help farmers and farmers’ cooperatives increase transparency and provide us with more information about their practices.

Performance Highlights

me

we

world

Performance Highlights by Year	2011	2010	2009	2008	2007
Number of physical activity and nutrition education programs sponsored by the Coca-Cola system and number of countries where programs are present	280+, 115+	~150, ~100	~150, ~100	120+, 85	N/A, N/A

Performance Highlights by Year					
	2011	2010	2009	2008	2007
Company Global Product Quality Index rating (out of 100)	95	95	94	94	94
Number of new beverage products introduced	500+	600+	600+	700+	700+
Number of low- and no-calorie beverage products launched	100+	150+	180+	160+	150+
Number of low- and no-calorie beverage products in total global portfolio and percent of total global beverage product portfolio	800+, 23%	800+, 23%	800+, 24%	750+, 25%	700+, 25%
Percent of global sparkling volume from low- and no-calorie beverages	13%	14%	15%	15%	16%

Performance Highlights by Year					
	2011	2010	2009	2008	2007
Total Company economic impact, inclusive of global salaries and benefits, shareowner dividends, local capital expenditures, goods purchased and income taxes.	\$36.5B	\$26.6B	\$23.4B	\$22.8B	\$21.2B
Charitable contributions and equivalent percent of operating income	\$124MM, 1.2%	\$102MM, 1.2%	\$88MM, 1.1%	\$82MM, 1.0%	\$99MM, 1.4%

Human and Workplace Rights

Performance Highlights

Performance Highlights by Year

Workforce¹

	2011	2010	2009	2008	2007
Total employees	146,200	139,600	92,800	92,400	90,500
Females on Board of Directors	2 of 17	2 of 15	3 of 14	3 of 15	2 of 12
Females in Senior Roles	28%	27%	26%	25%	23%
Females in Immediate Pipeline Level Roles	34%	32%	31%	32%	N/A
Females in Professional Pipeline Roles	46%	45%	45%	44%	N/A
Board of Directors members over 40	100%	100%	100%	100%	100%
Ethnically diverse members of the Board of Directors	5	5	5	5	2

Workplace¹

	2011	2010	2009	2008	2007
Number of Workplace Rights Policy assessments	74	88	107	93	106
Workplace Rights Policy compliance of Company-owned and -managed facilities	98%	91%	90%	67%	N/A
Number of bottling partner and supplier audits performed	2,241	2,118	1,971	1,898	1,313
Percent of employee base by gender - U.S. only (male, female)	82%, 18%	71%, 29%	50%, 50%	50%, 50%	50%, 50%

Percent of employee base by race/ethnicity - U.S. only¹

	2011	2010	2009	2008	2007
African American	20%	13%	23%	23%	23%
Asian	1%	3%	5%	5%	5%
Caucasian	58%	70%	64%	64%	65%
Hispanic	18%	10%	7%	7%	6%
Other	3%	4%	1%	1%	1%

Company associate and casual contractor Lost Time Incident Rate (LTIR) per 200,000 work hours and total days (includes days lost, restricted and transferred)	3.3 LTIR 108,766d	4.1 LTIR 185,608d	1.9 LTIR 19,213d	2.2 LTIR 24,621d	2.3 LTIR 29,407d
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Total Company spend with minority- and women-owned business enterprises	\$766MM	\$622MM	\$459MM	\$413MM	\$366MM
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Percent of total elected and appointed Company Officers¹

	2011	2010	2009	2008	2007
Men	69%	64%	77%	76%	76%
Women	31%	36%	23%	24%	24%
Minorities	19%	24%	22%	20%	20%

¹ Changes in data since 2009 include the impact of our acquisition of CCE's North American business.

Performance Highlights by Year

	2011	2010	2009	2008	2007
Water use ratio (efficiency), defined as liters of water used per liter of product produced by the Coca-Cola system	2.16	2.26	2.37	2.43	2.47
Total liters of water used by the Coca-Cola system	293B	294B	300B	305B	306B
Percent of Coca-Cola system plants in compliance with internal wastewater treatments standards (which meet and often exceed applicable laws)	96%	93%	89%	88%	85%
Number of community water partnerships supported by the Coca-Cola system and number of countries where projects exist	382, 94	323, 86	250, 70	203, 56	116, 48
Percent of water replenished ¹ by the Coca-Cola system based on the total water used in our finished beverages	35%	33% ²	22% ³	N/A	N/A

¹ We define "replenish" as the Coca-Cola system providing support for healthy watersheds and sustainable community water programs to balance or offset the water used in our finished beverages.

² As part of our verification process, we learned that the benefits for two projects had to be adjusted to reflect in-the-field construction decisions and the overall percentage of The Coca-Cola Company cost share of the project.

³ Data prior to 2009 cannot be provided because we set this goal in 2007 and used 2008 for data collection.

Performance Highlights by Year

	2011	2010	2009	2008	2007
Direct greenhouse gas emissions for the Coca-Cola system (manufacturing only)	1.84MMt CO ₂ e	1.91MMt CO ₂ e	1.91MMt CO ₂ e	1.95MMt CO ₂ e	2.00MMt CO ₂ e
Indirect greenhouse gas emissions from electricity purchased and consumed (without energy trading) by the Coca-Cola system	3.48MMt CO ₂ e	3.28MMt CO ₂ e	3.42MMt CO ₂ e	3.18MMt CO ₂ e	3.10MMt CO ₂ e
Total greenhouse gas emissions for the Coca-Cola system ¹	5.32MMt CO ₂ e	5.19MMt CO ₂ e	5.33MMt CO ₂ e	5.14MMt CO ₂ e	5.09MMt CO ₂ e
Total megajoules of energy used by the Coca-Cola system	59.7B	58.9B	57.9B	58.6B	58.2B ²
Energy use ratio (efficiency), defined as megajoules of energy used per liter of product produced by the Coca-Cola system	0.44	0.45	0.46	0.46	0.47
Total electricity purchased by the Coca-Cola system, measured in megawatt hours (MWh)	6,760,037 MWh	6,596,462 MWh	6,425,507 MWh	6,162,180 MWh	5,714,036 MWh
Number of HFC-free refrigerated coolers and vending machines placed in markets each year	266,600	162,000	72,600	31,400	8,100

¹ We have not yet evaluated the significance of ingredient CO₂ in our emissions reporting. Ingredient CO₂ will be disclosed in the future if we determine that it is material. Similarly, collection of data on our packaging emissions has not yet been completed. Therefore, emissions from packaging are not yet included in our disclosure.

² Our energy use figures have been recalculated for 2007 based on changes to the organization.

Performance Highlights by Year

	2011	2010	2009	2008	2007
Packaging use ratio (efficiency), defined as grams of material used per liter of product produced by the Coca-Cola system	N/A ¹	N/A ¹	N/A ¹	51.9	50.0
Percent of equivalent ² bottles and cans sold by our system recovered through Coca-Cola system-supported recovery programs	37%	36%	36%	33%	36%
Company Global Packaging Quality Index rating (out of 100)	93	94	92	91	90

¹ Data was unavailable at the time of publishing this report as we are currently implementing a comprehensive product data management system for the entire Coca-Cola system to help track systemwide programs and measure progress against our packaging goals.

² Percent of "equivalent" bottles and cans recovered means recovered by the Coca-Cola system and third parties like government recycling programs and other private parties.

About Our Reporting

Global and local. Corporate and personal. We own the world's most valuable brand and are one small part of the good things happening in communities around the world. To understand our sustainability strategies, it helps to understand our system, which gives us a global reach across more than 200 countries, a local community presence and the opportunity to make an extraordinary difference.

The Coca-Cola system includes our Company and our bottling partners. The system operates in more than 200 countries, markets more than 500 brands and 3,500 beverage products, and sells 1.8 billion servings of beverages each day.

Our Company is headquartered in Atlanta, Georgia, and includes our six operating groups: Eurasia and Africa, Europe, Latin America, North America, Pacific and Bottling Investments. The Company sources ingredients; makes and sells concentrates, beverage bases and syrups to our bottling partners; owns our brands and is responsible for marketing them. Our Company, in consultation with our bottling partners, also sets the sustainability agenda for the system and supports bottling partners, suppliers and customers in meeting the sustainability goals we set.

Our bottling partners: the key to our success and our journey toward sustainability

We have nearly 300 bottling partners worldwide. They manufacture and package our beverages. They also merchandise and distribute our beverages to customers and vending partners, who then sell our products to consumers. Our bottling partners range from large, international, publicly traded businesses to small, family-owned operations. The vast majority of our bottling partners are not owned or controlled by our Company.

Our bottling partners are our most important connection with customers (the people who sell our products) and consumers. Likewise, they are essential to our sustainability efforts. We work closely with them to ensure their operations are aligned with our policies and initiatives. Bottling partners are engaging in water stewardship, reducing the Coca-Cola system's carbon footprint and investing in and improving the communities where their facilities operate. Often, our bottling partners lead the way by finding new sustainability solutions.

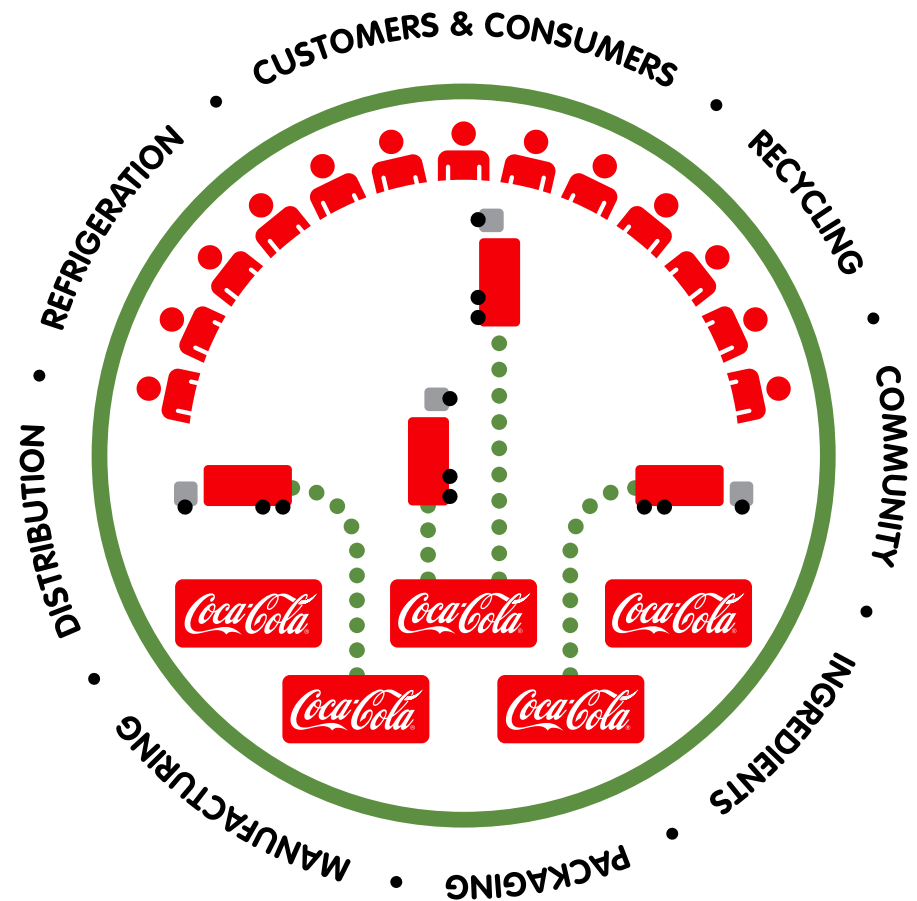
The Coca-Cola System

Our customers: putting our products into the hands of people everywhere

Our customers include just about anyone who sells our products—grocery stores, restaurants, street vendors, convenience stores, movie theaters and amusement parks, among others. Our customers have helped make us the world's largest beverage company, and their ongoing support and partnership is fundamental to our success.

Our customers have a role to play in our sustainability efforts as well. They work with us to install more energy-efficient equipment. Their businesses are often women-owned and -operated, helping us empower more women around the world. They are key to our recovery and recycling efforts. And they are often deeply involved in improving their communities, providing guidance, connection and collaboration for our community improvement efforts. To read more about our Company and our system, please visit our [Company website](#).

Coca-Cola Lifecycle



Global change requires global effort. That is why we measure our progress toward sustainability in part against the principals outlined in the United Nation's Millennium Development Goals, the UN Global Compact and the CEO Water Mandate.

Millennium Development Goals

The eight Millennium Development Goals (MDGs) were born from the actions and targets contained in the Millennium Declaration adopted by 189 nations and signed by 147 heads of state and governments during the UN Millennium Summit in September 2000. The MDGs set a target date of 2015, by which all countries and leading development institutions agree to fight a range of the world's main development challenges, such as poverty, hunger and HIV/AIDS. These goals serve as a blueprint for making the world a better place. Working toward them offers faith and hope, and even more reasons to believe in a better world. We are proud to contribute to the realization of the MDGs through our efforts.

Goal 1: Eradicate extreme poverty and hunger

Goal 2: Achieve universal primary education

Goal 3: Promote gender equality and empower women

Goal 4: Reduce child mortality

Goal 5: Improve maternal health

Goal 6: Combat HIV/AIDS, malaria and other diseases

Goal 7: Ensure environmental sustainability

Goal 8: Develop a global partnership for development

UN Global Compact

The UN Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with 10 universally accepted principles in the areas of human rights, labor, environment and anti-corruption. The Coca-Cola Company committed to the principles of the UN Global Compact in March 2006. Below is an index of our reporting against the UN Global Compact principles within the content of this 2011/2012 Sustainability Report. [For more information on our progress](#), please visit our Company website.

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Coca-Cola plays an active role in a number of Global Compact Local Networks around the world by serving on Steering Committees, conducting business community outreach and supporting Network events. In May 2011, we participated in the UN Global Compact's 9th Annual Local Networks Forum in Denmark, giving us an opportunity to share experiences with

Coca-Cola colleagues who are championing sustainability at the local level.

CEO Water Mandate

Launched in July 2007, the CEO Water Mandate is a unique public-private initiative designed to assist companies in the development, implementation and disclosure of water sustainability policies and practices. Companies that endorse the mandate are required to report progress annually against a set of standard principles. For [information on our progress](#), please visit our Company website.

1. Direct operations
2. Supply chain and watershed management
3. Collective action
4. Public policy
5. Community engagement
6. Transparency

Assurance Statement

The Coca-Cola Company ('the Company') commissioned FIRA Sustainability BV (FIRA) to provide external assurance on its 2011/2012 Sustainability Report (further referred to as 'the Report'). Our assurance statement provides readers of the Report with an independent opinion on the reliability of information, based on our assessment of the Report and underlying systems and evidence. This Statement is intended both for the general readers and for stakeholders who have a professional interest in the Company's sustainability performance and challenges.

Scope and Objectives

The Sustainability Report distinguishes between The Coca-Cola Company and the Coca-Cola system. The Coca-Cola system includes the Company and its bottling partners. Our engagement was designed to provide 'Moderate Assurance' on whether the information in the Report provides a reliable representation of the Company's efforts and performance for the reporting year 2011-2012. The Coca-Cola system claims and story based data are not in scope, the environmental metrics as presented in the Report are in scope and reviewed. Information from third parties, such as NGO's, was not reviewed. Assurance activities performed by FIRA were aimed at determining the plausibility of claims. Evidence gathering is focused at the corporate level with limited sampling at the divisional and site-level (including system). The assurance process focused on reviewing data, the data collection process, data management, programs and the reliability of claims.

Web-based Assurance

The Company's report is published on www.thecoca-colacompany.com. Web pages that are verified by FIRA read as follows: 'The content of this web page has been assured by FIRA. Please click logo for assurance statement.' followed by the FIRA logo. Featured stories and graphs are

included in the assurance engagement; however video messages are NOT included. The content of the Report and appropriate use of FIRA brand are the responsibility of the Company's management. As FIRA does not manage the website, contractual arrangements have been made to ensure FIRA involvement on any changes in website content.

Assurance methodology and principles of auditing

FIRA conducted the verification process in accordance with international assurance standards. The Company applies its own sustainability performance reporting criteria, derived from the Sustainability Reporting Guidelines of the Global Reporting Initiative (GRI). FIRA reviewed The Coca-Cola Company data and claims against the Company's reporting criteria and the GRI, including explanatory notes related to disclosed performance information. The content of the Report and the identification of material issues are the responsibility of the Company's management. The FIRA audit team members have not been involved in the development of the Report nor have they been associated with The Coca-Cola Company's sustainability programs, data collection or information systems. FIRA ensures that our assurance team possessed the required competencies and adhered to the principles of auditing regarding ethical conduct, professional integrity and independence.

Work undertaken

The basis of our work consists of claims disclosed in the Report - including associated information. To arrive at our conclusions, we investigated the integrity of the internal processes, controls and underlying evidence made available to FIRA. We performed the following activities:

1. Review of materiality and stakeholder engagement on sustainability issues related to the Company to obtain information on relevant issues in the reporting period.

Note: Annual Report on Form 10-K related claims have not been reviewed by FIRA.

2. Review of the Company's systems, processes and internal controls for collection and aggregation of quantitative and qualitative information in the Report at the corporate level, including an analytical review of aggregated data and a risk-based analysis of the data collected from individual locations. Metrics and claims regarding replenishing, packaging, specific programs such as women's economic empowerment program and agriculture programs have only been reviewed at the corporate level; in-depth sampling has not been executed.
3. Local site visits at seven sites to assess local systems and controls and reliability of reported data for both Company and system sites.
4. In-depth review and application level check on the Report for The Coca-Cola Company's performances according to the Global Reporting Initiative criteria.
5. Verifying claims and text presented in the Company's report, including Company and system metric related claims, by collecting supporting evidence to determine the accuracy and suitability of each identified claim or assertion. This included interviews with corporate staff and follow-up work to clarify discrepancies in order to gain assurance on the accuracy of presented claims.

Note: *Annual Report on Form 10-K* related claims have not been reviewed by FIRA.

Conclusion

The Coca-Cola Company reports about initiatives and performance related to sustainability. Based on the work undertaken, we conclude that the claims and information portrayed in the Report are reliable and comply with GRI level B.

Accomplishments and Recommendations: Our observations on the

reported company's performances are based upon our expertise combined with the GRI guidelines. The Company runs a large number of CSR related programs touching communities and making a difference to people and the environment.

Stakeholder Engagement: The Company runs ongoing departmental stakeholder engagement with many and diverse stakeholders. The basis for identification and selection of stakeholders at Company level is not disclosed. The Company is challenged to add structure to this engagement (identification, selection, frequency and streamlining results at corporate level). The Report does not show how internal stakeholders are engaged.

Business Planning & Materiality: The Company is in the process of redefining materiality and establishment of next generation goals and policies. It is recommended to increase the use of stakeholder feedback in this process. As part of the business planning process, the Company is discussing strengthening accountability and systems for recognition of social and environmental performance for the board, senior managers and executives in accordance with GRI.

Management Approach: The management approach is being shaped within the Report. We recommend aligning the management approach with the current materiality analysis and goals/policies to be defined. Current KPIs in the Report have been selected based on availability as for the previous report. The Company is challenged to connect KPIs to material issues, policies and goals.

Balance: Topics identified for more in-depth disclosure are (some of which were also requested by stakeholders): view on healthier products; disclosure of further information about how the Company is an excellent employer (benefits, training, human development and equal opportunity); explanation of how waste is turned into valuable resources (beyond packaging); and explanation of how the Company

Third-Party Verification and Assurance Statement

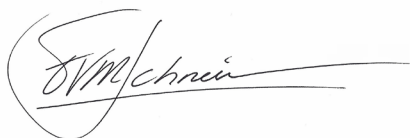
assures compliance with competition laws and international norms of behavior.

Program Management: The Company runs a large number of CSR related programs including specific goals and disclosure on progress. Metrics management for topics such as energy & climate, water use and health & safety are subject to in-depth validation and are sampled beyond corporate level. For topics such as replenishing, packaging and women's economic empowerment, internal controls are currently not established, but efforts to improve these controls are underway. Third party validation on these metrics would add credibility to these material issues. We recommend disclosing how effectiveness and impact of programs is assessed in accordance with GRI.

Uncertainty Fleet Metrics: The data presented represents both Company and 3rd party fleet. Reliability on fleet metrics is marked by high uncertainty as less than 50 percent of the data points passed plausibility criteria.

Note: A separate Green House Gas statement is available for 2011.

On behalf of FIRA,



Ms. F.V.M. Schneider
Managing Director FIRA
October 3rd, 2012, The Netherlands

A business focused on sustainability demands integrity in every respect. From our Board of Directors to our [Code of Business Conduct](#), we have made transparency and accountability two of our most closely held values.

Our Board of Directors

Our [Board](#) is elected by shareowners to oversee their interest in the long-term health and the overall success of the Company's business and its financial strength. The Board serves as the ultimate decision-making body of the Company, except for those matters reserved to, or shared with, the shareowners. The Board selects and oversees members of senior management, who are charged by the Board with conducting the business of the Company. Our Board currently has 17 members, 16 of whom are not employees of The Coca-Cola Company. To learn more about our Directors, visit our [Board of Directors](#) section of our Company website.

In order to fulfill the Board's responsibilities, it oversees the proper safeguarding of the assets of the Company, the maintenance of appropriate financial and other internal controls and the Company's compliance with applicable laws and regulations and proper governance. Inherent in these responsibilities is the Board's understanding and oversight of the various risks facing the Company. The Board does not view risk in isolation. Risks are considered in virtually every business decision and as part of the Company's business strategy. The Board recognizes that it is neither possible nor prudent to eliminate all risk. Indeed, purposeful and appropriate risk-taking is essential for the Company to be competitive on a global basis and to achieve the objectives set forth in the Company's 2020 Vision.

The Board implements its risk oversight function both as a whole and through delegation to Board committees, which meet regularly and report back to the full Board. All committees play significant roles in carrying out the risk oversight function. While the Board oversees risk management, Company management is charged with managing risk. The Company has robust internal processes and a strong internal control environment which facilitate the identification and management of risks and regular communication with the Board. To learn more about the Board's oversight of risk, you can review the discussion beginning on page 30 of the Company's [2012 Proxy Statement](#).

The Board has the following seven standing committees:

- [Audit](#)
- [Compensation](#)
- [Directors and Corporate Governance](#)
- [Executive](#)
- [Finance](#)
- [Management Development](#)
- [Public Issues and Diversity Review](#)

Each Board committee serves an important role in helping the Board fulfill its responsibilities. For example, the Public Issues and Diversity Review Committee was established by the Board to aid the Board in discharging its responsibilities relating to the Company's positions on corporate social responsibility and public issues of significance, which may affect the shareowners, the Company, the business community and the general public; and to perform such other duties as may be delegated by the Board and consistent with the committee's charter.

Another example is the Compensation Committee, which has overall responsibility for evaluating and approving compensation plans, policies and programs applicable primarily to elected officers and senior executives of the Company. Our strong pay for performance philosophy awards executives in a way that motivates them to operate the Company's business in a profitable and sustainable manner. Additionally, our executives are measured across the six areas highlighted in our 2020 Vision which include: people, portfolio, partners, planet, profit, and productivity. Further efforts are underway to strengthen how we recognize sustainability results across the system.

To learn more about our Board committees, you can view each committee's charter by clicking on the committee name above or visiting the [Committee Charter](#) page of our Company website.

Our Corporate Governance

Our [Certificate of Incorporation](#) and [By-Laws](#), the Board's [Corporate Governance Guidelines](#) and other key practices, and the [charters](#) of our Board committees provide the foundation for corporate governance at The Coca-Cola Company. The [Corporate Governance Guidelines](#) address such areas as the Board's mission and responsibilities, Director qualifications, determination of Director independence, Chief Executive Officer compensation and performance evaluation, and management succession planning.

Our Code of Business Conduct

Our Company's [Code of Business Conduct](#)—available in 29 languages—guides our business conduct. The Code articulates our expectation of accountability, honesty and integrity in all matters. All associates of our Company and its majority-owned subsidiaries are required to read and understand the Code and follow its precepts, both in the workplace and in the larger community.

The Code is administered by the Ethics and Compliance Committee—composed of members of the Company's senior leadership—with oversight by the Company's Chief Financial Officer, General Counsel and the Audit Committee of the Board, which is composed solely of independent Directors. The Ethics and Compliance Committee includes seven members representing corporate governance functions and operations, who help ensure consistency in administration of our Code across our enterprise.

Non-employee Directors of our Company and its subsidiaries are bound by our [Code of Business Conduct for Non-Employee Directors](#) which reflects the same principles and values as our Code of Business Conduct. The Non-Employee Director Code is administered by the Board's Committee on Directors and Corporate Governance, which is composed solely of independent Directors.

To ensure an ongoing commitment to, and understanding of, our *Code of Business Conduct*, we offer online training to all associates with Company-provided computers discussing topics related to ethics and compliance, including our [Anti-Bribery Policy](#). All newly hired associates with Company-provided computers receive Code of Business Conduct training upon hire. In 2011, approximately 20,000 management and non-management employees (14% of Company associates) were asked to certify their compliance with the Code of Business Conduct, Human Rights Statement, Workplace Rights Policy and the Company's anti-bribery requirements. In addition to a number of optional training courses on various topics, associates are requested to participate in ethics training on an annual basis, resulting in an average of 60 minutes of ethics training per associate per year.

Reporting ethics violations

We urge anyone who has a question or concern about our business conduct to contact our [EthicsLine](#)—a global Internet and telephone

information and reporting service for associates, customers, suppliers and consumers who perceive violations of our Code of Business Conduct, our [Workplace Rights Policy](#) or applicable laws and regulations. We treat all inquiries confidentially and investigate all concerns.

Remaining vigilant against corruption

Doing business with integrity means avoiding bribery or corruption in any form. It also means complying with the anti-corruption laws of the countries where we operate. Our *Anti-Bribery Policy* provides guidance on how to conduct business in a fair, ethical and legal manner.

We conduct periodic anti-bribery assessments and audits of our business to raise overall awareness, detect potential misconduct and monitor compliance with anti-corruption laws and policy. We have reviewed practices at all our business units for risks related to corruption, and we concentrate our assessments and audits on the highest-risk locations.

We participate in several global forums on anti-corruption, including the World Economic Forum's Partnering Against Corruption Initiative and the UN Global Compact's Anti-Corruption Working Group. Through these engagements, we have been able to continuously identify and share anti-corruption best practices.

Additionally, we have launched a global program to screen vendors and potential vendors deemed to be high-risk and obtain their agreement to abide by the Company's *Anti-Bribery Policy*.

Our public policy engagement

Public policy affects our business, our people and the communities where we do business. Through engagement, we seek to responsibly use our resources to advance public policy that is consistent with the

sustainability of our business and our Company values.

We base our political contributions on several criteria, including legal compliance, Board and management oversight, public policy support and public transparency. While we do use our resources to advance public policy in a number of countries, our main focus is in the United States.

We provide a full report of U.S. political contributions from our Company and from associate-funded programs, which include The Coca-Cola Company Nonpartisan Committee for Good Government (Coke PAC) and various other state political action committees, on our Company website. Find it, along with our political contributions policy [here](#).

In addition, The Coca-Cola Company is active in a number of associations and organizations. To share just a few, we have board membership in the American Beverage Association, the Grocery Manufacturers Association, the Food Marketing Institute and the National Restaurant Association. We also have active partnerships with World Wildlife Fund, the U.S. Agency for International Development and Partners for a New Beginning. We support the UN Global Compact, including the Caring for Climate and LEAD initiatives; the Global Reporting Initiative; the CEO Water Mandate; and the Millennium Development Goals. We participate with the Global Business Initiative on Human Rights, the Global Industrial Relations Network and the Global Networks of the International Organisation of Employers, as well as the U.S. Council for International Business, the U.S. Chamber of Commerce, the HR Policy Association, the Labor and Employee Relations Network and the Brussels European Employee Relations Network.

The story inside every bottle of Coca-Cola is written in part by our stakeholders—consumers, customers, bottlers, suppliers, partners, nonprofit organizations, and many others who have an interest in our business. We value the opinions and insights of our stakeholders and rely on them to help shape our sustainability reporting. In developing this year’s report, we continued to proactively engage stakeholders.

An ongoing conversation

For the last two years, we have engaged internal and external stakeholders to determine what areas in our reporting require further explanation and clarification. One particularly helpful organization in our efforts is Ceres, a national coalition of investors, environmental organizations and other public interest groups working with companies to address sustainability challenges.

In the spring of 2012, Ceres hosted a call bringing together several of their team members, associates from our Company, and several stakeholders, including UCI Environmental Accountability, Walden Asset Management, World Resources Institute, and the Missionary Oblates of Mary Immaculate. (A representative of Alliance for a Healthier Generation provided written comments as well.) That conversation resulted in a report distilling shareholders’ perceptions of what we’re doing well in our sustainability initiatives and reporting—and where they thought we could improve.

We addressed stakeholders’ most reasonable recommendations for this reporting period. We may pursue additional suggestions in future reporting. And we may disregard some suggestions if they do not make sense for our business.

In addition to the session hosted by Ceres, we engage with our stakeholders on a variety of topics almost daily to ensure we are addressing their questions and concerns whenever possible.

We were asked to:	We have included:
Increase disclosure regarding working with suppliers.	Our most robust overview to date on our supplier program and supplier sustainability efforts.
Improve disclosure on efforts related to energy balance and nutrition.	More prominent placement of these topics within the report as well as significantly increased disclosure on our efforts.
Clarify our vision and strategy to advance sustainable agriculture.	Our most robust overview to date on our approach to sustainable agriculture.
Provide further context and strategy around key external trends that can impact the Company.	Third party commentary on four significant global challenges, as well as strategic initiatives to address related environmental risks, as outlined in our 2011 Annual Report on Form 10-K.

We want to hear from you

We are striving daily to live up to our stakeholders’ expectations for transparency and exemplary corporate citizenship. To send comments, suggestions and critiques on our sustainability practices and reporting, please visit the Contact Us page of our Company website.

Here is where you will find our reporting parameters—our guidelines for what we include, who we consult to build the report and how we determine the contents of our report.

Scope of Report

We issue our *Sustainability Report* annually. Our most recent report, the *2011/2012 Sustainability Report*, covers the performance of The Coca-Cola Company and the Coca-Cola system (our Company and our bottling partners) from January 2011 through July 2012. Our previous report, the *2010/2011 Sustainability Review*, was published in December 2011. References to “currently,” “to date” or similar expressions reflect information as of July 31, 2012. In cases where information is tracked by calendar year, the data reflect 2011 and prior calendar year performance, as applicable. All data and information in this year’s report reflect the performance and goals of The Coca-Cola Company, unless otherwise indicated. In cases where we provide information related to the Coca-Cola system, it’s important to note that some of the information comes from operations outside our control. However, we believe the measurements and claims in our report are accurately collected and reported, and that the underlying methodology is sound.

We have included an extensive discussion of potential risks and challenges to our business on page 35 of our [2011 Annual Report on Form 10-K](#) and other filings with the U.S. Securities and Exchange Commission (SEC). We discuss some of these issues and include others of interest to our stakeholders in this report, such as obesity and inactive lifestyles; and water quality and quantity..

Our report is organized according to the Global Reporting Initiative (GRI) framework. For more information on the GRI, please visit www.globalreporting.org. The information reported in each of the core areas

is based on ongoing feedback we receive from internal and external stakeholders, the primary users of our report, as we explain in the [Stakeholder Engagement section](#) of this report.

For 2012, and the 2011/2012 Sustainability Report specifically, our Company has self-declared a grade B against the GRI G3.1 Guidelines. This year’s Sustainability Report has also received verification by a third-party external verification agency, FIRA Sustainability BV. Their verification is evidenced by a “+” sign next to our grade B, which reflects their verification and approval of our tracking systems.

We also structure our reporting on the principles outlined in the UN Millennium Development Goals, the UN Global Compact and the CEO Water Mandate. You can find these principles in the [Global Business Principles](#) section of this report. You can also find a full [GRI Report](#) in the sustainability section of our Company website. This GRI Report is our second report launched to specifically address GRI requirements.

Throughout our report, we include links to third-party websites to make it easier for you to learn more about our partners, projects and goals. These links are included for reference only and we do not endorse or incorporate by reference into our report any of the information contained on these websites.

Goals and Measurement

Every year, we work hard to make our *Sustainability Report* more transparent and forthcoming. We also aim to provide a more robust and informative report while improving our metrics and goal setting. While we strive to collect additional metrics and data with every passing year, we recognize there is always room for improvement in both our data collection and data reporting. A summary of our sustainability goals and our performance against our current metrics can be found in the [Performance Highlights](#) section of this report.

Furthermore, we have made a stronger effort in this report to address a number of Company risks that have been outlined in our *2011 Annual Report on Form 10-K*. Throughout the report, you will see our efforts to address the concerns of our stakeholders on topics including obesity and other health concerns, water scarcity and poor water quality, and climate change. As part of our proactive approach to addressing risk, we appointed a Risk Enterprise Manager within the Company, who is focused on establishing risk management as a leadership capability and enabling the Company to strategically identify and address current and potential business risks.

Transparency

We believe commitment is meaningless without accountability. The scrutiny we face from a global audience is high, and the need for increased transparency continues to grow beyond the requests of our critics. Customers, partners and consumers all expect transparency as well.

We value an open and honest dialogue with our stakeholders, and that is why this year we conducted our second formal session with Ceres as a way to engage stakeholders, listen to their feedback and begin to integrate their suggestions for more transparent and credible reporting. To learn more about our session with Ceres, please visit the Stakeholder Engagement section of this report.

Third-Party Assurance

The content of this report has been assured through a rigorous internal verification process, which included verifying qualitative and quantitative claims and data. We also had all facts, data, claims and corresponding text independently verified to a “moderate” level of assurance by FIRA Sustainability. For this report, we listened to FIRA’s suggestions and addressed many of their concerns. To see FIRA’s critique of this year’s

report, please refer to the Third-Party Verification and Assurance Statement section.

Listening to Our Stakeholders

Listening to our stakeholders is a must. By working together with our stakeholders, bottling partners and customers, we are able to magnify the impacts of our sustainability work. In addition to our formal review with Ceres, we also conducted many informal sessions with internal and external stakeholders on what content should be added to or expanded for this year’s report. These stakeholders include shareowners, associates, bottling partners, suppliers, government partners, students, nongovernmental organizations, customers and consumers.

We also receive feedback by email. We consider this a valuable tool to better understand your thoughts and concerns. We invite comments, suggestions, critiques and feedback on our sustainability practices as well as the content of this report. To send us a message, please visit the Contact Us page of our Company website.

Other Reports

A detailed description of our business operations and financial performance is provided in our *2011 Annual Report on Form 10-K* and our *2011 Annual Review*. These reports, along with several other reports filed with the SEC, are available on our Company website along with regional and bottling partner reports.



We value your opinions and feedback, and we would appreciate your thoughts about our initiatives and communications. Tell us what you liked, what we could improve or what you would like to see in our next report. To do so, please visit the [Contact Us](#) page of our Company website.

