

The Coca-Cola Company



2010/2011



GRI Report



A companion to the *2010/2011 Sustainability Report*

This report was released on December 16, 2011



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 2011, 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 2010 and the 2010/2011 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.

Table of Contents > Environment > EN3-EN21

← 10 →

Main Table of Contents

Section name

Indicator number

Page forward/backward

HR2 – HR6

Human Rights

FP6 – PR6

Product Responsibility

EC1 – EC9

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

The Coca-Cola System

Water Stewardship

Energy Efficiency and Climate Protection

Sustainable Packaging

Corporate Giving

¹ To 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 17
1.2	Description of key impacts, risks and opportunities (F) Please refer to the <u>From Our CEO</u> section of this report. page 17

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

Organizational Profile

Indicator	Description and Response
2.1	Name of the organization (F)¹ Please refer to the <u>From Our CEO</u> section of this report. page 17
2.2	Primary brands, products or services (F) Please refer to <u>The Coca-Cola System</u> section of this report. page 19
2.3	Operational structure of the organization (F) Please refer to <u>The Coca-Cola System</u> section of this report. page 19
2.4	Location of organization's headquarters (F) Please refer to <u>The Coca-Cola System</u> section of this report. page 19
2.5	Number of countries where organization operates (F) Please refer to <u>The Coca-Cola System</u> section of this report. page 19
2.6	Nature of ownership and legal form (F) Please refer to page 1 of the Company's <u>2010 Annual Report on Form 10-K</u> .
2.7	Markets served (geographic/types of customers) (F) Please refer to <u>The Coca-Cola System</u> section of this report. page 19

Indicator	Description and Response
2.8	Scale of the reporting organization (F) Please refer to <u>Workplace and Human Rights and Health and Well-Being</u> sections of this report, and page 5 of our Company's <u>2010 Annual Review</u> . pages 49, 67
2.9	Significant changes during the reporting period (F) Please refer to the <u>From Our CEO</u> and <u>Report Parameters</u> sections of this report. Please also refer to our Company's <u>2010 Annual Review</u> . pages 17, 83
2.10	Awards received in the reporting period (F) Please refer to the <u>Awards & Recognition</u> page of our Company website.

¹ An (F) indicates that we have fully reported against this indicator. A (P) indicates 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 83
3.2	Date of most recent report (F) Please refer to the Report Parameters section of this report. page 83
3.3	Reporting cycle (F) Please refer to the Report Parameters section of this report. page 83
3.4	Contact point for questions regarding the report (F) Please refer to the Report Parameters section of this report. page 83
3.5	Process for defining report content (F) Please refer to the Report Parameters section of this report. page 83
3.6	Boundary of the report (F) Please refer to the Report Parameters section of this report. page 83
3.7	Scope limitations (F) Please refer to the Report Parameters section of this report. page 83
3.8	Reporting of activities not under operational control (F) Please refer to the Report Parameters section of this report. page 83

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 83
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 83
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 83
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 87

¹ An (F) indicates that we have fully reported against this indicator. A (P) indicates 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 90
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 90
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 73  the Company's 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 90

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

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 & 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 93

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 90</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 85</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 85</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 85</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 85</p>

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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 30
EN4	Indirect energy consumption by primary source (P) Please refer to the Energy Efficiency and Climate Protection section of this report. page 30
EN5	Energy saved due to conservation and efficiency improvements (P) Please refer to the Energy Efficiency and Climate Protection section of this report. page 30
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 30
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 30
EN8	Total water withdrawal by source (F) Please refer to the Water Stewardship section of this report. page 21

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 2011 Water Stewardship and Replenish Report available on our Company website. page 21
EN10	Percentage and total volume of water recycled or reused (F) Please refer to the Water Stewardship and Performance Highlights sections of this report. pages 21, 75
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 30
EN17	Other relevant indirect greenhouse gas emissions by weight (P) Please refer to the Energy Efficiency and Climate Protection section of this report. page 30
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved (P) Please refer to the Energy Efficiency and Climate Protection section of this report. page 30
EN21	Total water discharge by quality and destination (F) Please refer to the Water Stewardship section of this report. page 21

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Human 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 Workplace and Human Rights section of this report. page 49</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 Workplace and Human Rights section of this report. page 49</p>
HR4	<p>Total number of incidents of discrimination and corrective actions taken (F)</p> <p>Please refer to the Workplace and Human Rights section of this report. page 49</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 Workplace and Human Rights section of this report. page 49</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 Workplace and Human Rights section of this report. page 49</p>



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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>  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  Health and Well-Being section of this report. Additionally, please find definitions and helpful information regarding <u>sweeteners</u> available on our Company website. pages 67, 81</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 <u>Health and Well-Being</u>  section of this report as well as our <i>Global School Beverage Guidelines</i> available on our Company website. page 67</p>


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Indicator	Description and Response
EC1	<p>Direct economic value generated and distributed (F)¹</p> <p>Please refer to the <u>Economic Opportunity</u> section of this report as well as the statements of income and statements of cash flows in our Company's <u>2010 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>Corporate Giving</u> section of this report to see our community investments. pages 42, 46</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>2010 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 36</p>
EC9	<p>Understanding and describing significant indirect economic impacts, including the extent of impacts (F)</p> <p>Please refer to the <u>Economic Opportunity</u> section of this report to see our efforts with 5 BY 20, Micro Distribution Centers, Haiti Hope and Project Nurture. page 46</p>

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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 <u>Great Place to Work</u> section of this report.  page 57</p>
LA4	<p>Percentage of employees covered by collective bargaining agreements (P)¹</p> <p>Please refer to the <u>Workplace and Human Rights</u> section of this report.  page 49</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 <u>Great Place to Work</u> section of this report.  page 57</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 <u>Employee Engagement and Benefits and Rewards</u>, along with our work with The Coca-Cola Company <u>Beverage Institute For Health & Wellness</u>.</p>

Indicator	Description and Response
LA10	<p>Average hours of training per year per employee, by gender and employee category (F)</p> <p>Please refer to the <u>Governance and Ethics</u> section of this report. page 90</p>
LA12	<p>Percentage of employees receiving regular performance and career development reviews, by gender (F)</p> <p>Please refer to the <u>Great Place to Work</u> section of this report.  page 57</p>

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

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  Corporate Giving and Economic Opportunity sections of this report. pages 42, 46</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 90</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 2010 U.S. Political Contributions Report </p>

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Overview of Sustainability Initiatives



Dear Stakeholders:

As the world's largest beverage system, and as a company that is at once global and local, Coca-Cola has a unique opportunity to make a positive difference in the communities we serve. We take this opportunity seriously and feel an abiding responsibility to make the most of it.

We see our sustainability efforts first and foremost as the right thing to do—the continuation of responsible corporate citizenship that began in our earliest days as a company. At the same time, we know that sustainability is also a business imperative: Our Company can only be as healthy as the people and communities we strive to refresh. If we are to achieve our 2020 Vision goal of doubling system revenue and servings over the course of this decade, we will need to grow in a way that continues to enrich the world around us. I am pleased to report that we have made solid progress toward that end since our last sustainability report, the *2009/2010 Sustainability Review*.

In May 2011, Coca-Cola took an important and exciting step in its sustainability journey by announcing the formation of a new global Office of Sustainability led by Bea Perez, our first Chief Sustainability Officer. While we have been making solid progress in recent years, Bea's appointment gives us an opportunity to create a unified team along with a more focused sustainability strategy.

In October 2010, we announced another important change in our Company that will shape our sustainability efforts and reporting, particularly in North America: our acquisition of the North American operations of Coca-Cola Enterprises Inc. (CCE) and the sale of our Norway and Sweden bottling operations to a new entity, Coca-Cola Enterprises, Inc. (New CCE). We believe this acquisition will result in an evolved franchise system that will enable us to better serve the unique needs of the North American market.

As Chairman and Chief Executive Officer, I travel regularly to markets around the world. Over the past 18 months, I have had the opportunity to visit more than 20 countries across four continents. I have seen firsthand how our commitment to sustainability is playing out in places all over the world. I have been gratified to find dozens of "reasons to believe." Here are just a few from the last year:

- In 2010, we improved our water use efficiency for the eighth consecutive year, reducing the average amount of water required to produce each beverage serving. Since 2005, we estimate that we have replenished 23 percent of the water used in our finished products, and we are gaining momentum toward achieving our goal of water neutrality by 2020. We also aspire to treat all wastewater from our manufacturing processes. As of the end of 2010, we had achieved 93 percent alignment, and by the end of 2011 we estimate 96 percent alignment with our stringent standards. To read more about our water stewardship efforts, please refer to the [Water Stewardship](#) section of this report.
- In 2010, our system reduced its global carbon emissions by 2 percent, even as our production volume increased, putting us a step closer to our goal of growing our business but not our carbon footprint. We also exceeded our goal of installing 150,000 hydrofluorocarbon (HFC)-free coolers in 2010, for a cumulative total of 277,000 such units by year-end. Additionally, we increased that total to 400,000 by August 31, 2011. To read more about our efforts to conserve energy and cut carbon emissions, please refer to the [Energy Efficiency and Climate Protection](#) section of this report.
- Our PlantBottle™ technology, which allows us to replace 100 percent petroleum-based PET plastic with PET plastic that contains up to 30 percent material derived from plants, is becoming more widely used around the world. In 2010, we distributed 2.5 billion PlantBottle™

packages in 10 major markets, saving more than 60,000 barrels of oil and sequestering the equivalent of nearly 30,000 metric tons of carbon dioxide from our PET plastic bottles. To read about our progress in sustainable packaging, please refer to the [Sustainable Packaging](#) section of this report.

- Our goal is to give back at least 1 percent of our operating income to communities worldwide through The Coca-Cola Company and The Coca-Cola Foundation. We exceeded that goal in 2010, giving \$102 million. We provided earthquake relief in Japan and flood relief in the United States. In 2011, we also used our supply chain and logistics expertise to help deliver critical medicines to people in Tanzania. To read more about our corporate giving, please refer to the [Corporate Giving](#) section of this report.
- We began to gain real traction with our 5 BY 20 initiative to empower 5 million women entrepreneurs by 2020. To read more about 5 BY 20, please refer to the [Economic Opportunity](#) section of this report. Furthermore, we have continued our commitment to promoting agricultural practices that are [better for both farmers and the environment](#).
- We continued working to make The Coca-Cola Company—and our entire system—a great place to work, starting with an unwavering commitment to [workplace and human rights](#). We have increased the number of women in system leadership roles, going from 23 percent in 2008 to just over 27 percent in 2010. And we will build on this progress through employee development and recruitment. To read more about our workplace initiatives, please refer to the [Great Place to Work](#) section of this report.

- We take seriously that people want a variety of beverages and packages to meet their needs and lifestyles. Since 2000, our average calories per serving have decreased by 9 percent globally. We have more than 800 low- and no-calorie beverages—nearly 25 percent of our global portfolio. We have committed to include calorie information on the front of nearly all our packages by the end of 2011 and to have a physical activity program in every country in which we operate by 2015. Today we support physical activity initiatives in more than 100 countries.

As I hope you will see as you review this report, we are making steady progress, but we are far from satisfied. As we work toward our 2020 Vision, we will challenge ourselves to quicken the pace of our progress on sustainability. I look forward to sharing future updates with you. Thank you for your interest in the sustainability efforts of The Coca-Cola Company.

Very truly yours,



Muhtar Kent
Chairman of the Board and Chief Executive Officer

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 1.7 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.

For example, in the United States, we are among the newest members of the National Clean Fleets Partnership, a public-private partnership created by President Obama to help large companies reduce diesel and gasoline use in their fleets. The partnership is part of the U.S. Department of Energy's (DOE) broader "Clean Cities" initiative. Each member company will work with the DOE to develop a strategy to reduce petroleum and diesel use by incorporating electric vehicles, alternative fuels and fuel-saving measures into their daily operations.

For some time, we have led the beverage industry in clean fleet technology by having more heavy-duty hybrid trucks in North America than any other fleet. We currently operate more than 700 hybrid electric trucks that reduce fuel consumption and greenhouse gas emissions by up to 30 percent when compared to a conventional truck.

Coca-Cola Refreshments USA, Inc. (CCR), which is the largest bottler in North America and is Company-owned, is also working to deploy more fully electric trucks. CCR currently has two electric trucks from Smith Electric in the Bronx, New York, and plans to deploy six Navistar eStar electric trucks in markets including Los Angeles, New York City, San Francisco and Washington, DC.

The Coca-Cola System

Overview of Sustainability Initiatives

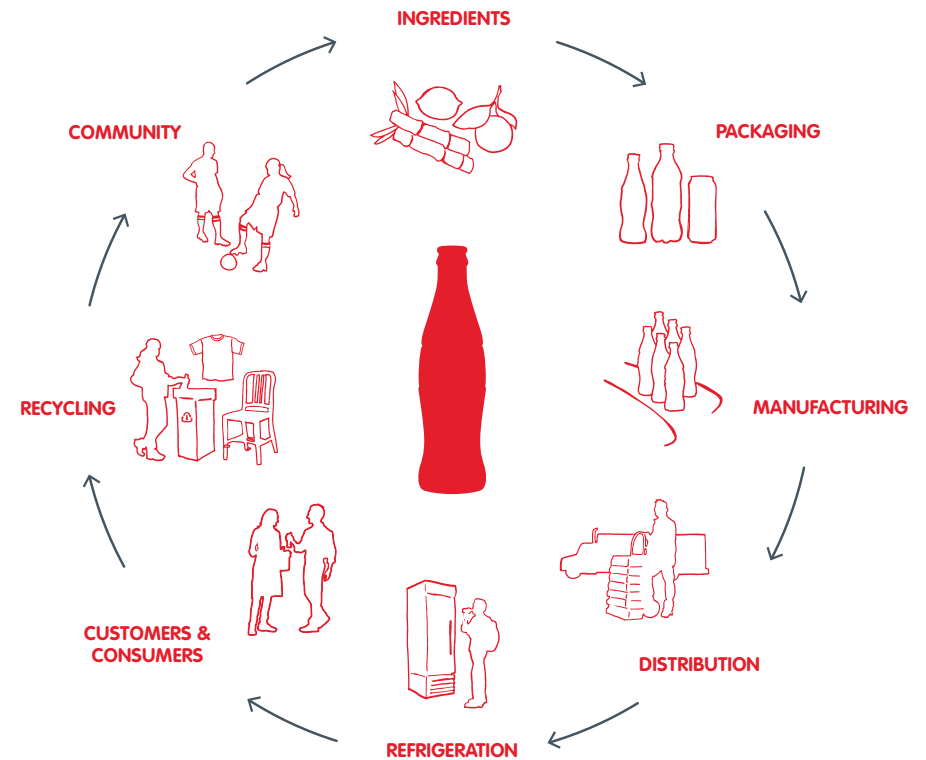
Our customers: putting our products into the hands of people everywhere

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



Clean, safe, accessible water is essential to the health and economic prosperity of the communities we serve, and the ecosystems upon which we all rely. It is also critical for our business. Water is the main ingredient in our beverages. It is central to our manufacturing process and necessary for growing the agricultural products we use. That is why we are intensely engaged in water stewardship and aiming to be water neutral in our direct operations by 2020.

To be responsible stewards of the water we use, we are becoming more efficient in our water use by *reducing* the amount we use per liter of product, even as we increase our production volume. We are recycling wastewater, sometimes returning it cleaner than we found it. And we are *replenishing*, or offsetting, the water used in our finished beverages—an estimated 23 percent¹ so far.

We believe the world contains enough water to meet individual, ecological, agricultural and business 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 at once global and local, we have a particular obligation—and a unique opportunity—to be a responsible steward of this most precious of resources. Here is how we are working to do our part.

¹ 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.

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.

To date, 370 of our 859 systemwide plants have completed source vulnerability assessments. And 269 of our plants have begun implementing source water protection plans based on those assessments.

Communities and ecosystems need plenty of clean, accessible water to thrive, and so does our business. We regularly invest in multimillion-dollar bottling plants whose production capabilities are dependent on local water sources. As demand for water increases and water stress intensifies, the communities that host our facilities 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 water resources supplying both our facilities and the surrounding communities. Once their assessments are complete, our bottling partners must then develop a locally relevant water resource sustainability program detailing specific risk mitigation actions and deadlines for completing them. Their programs address water challenges at the watershed level, from hydrological vulnerabilities to local government management. Often, the plans include partnerships with local governments and communities, water agencies and nongovernmental organizations (NGOs).

All of our bottling partners are required to implement their source water protection plans by the end of 2012.

Reducing our water use ratio

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

Progress: In Progress.
We have improved our water use ratio—our measure of efficiency—by 16 percent to date compared to 2004.

Greater efficiency in our water use does not mean making less product. In fact, we intend to reduce our water use ratio—the amount of water we use to make a liter of product—while growing our business.

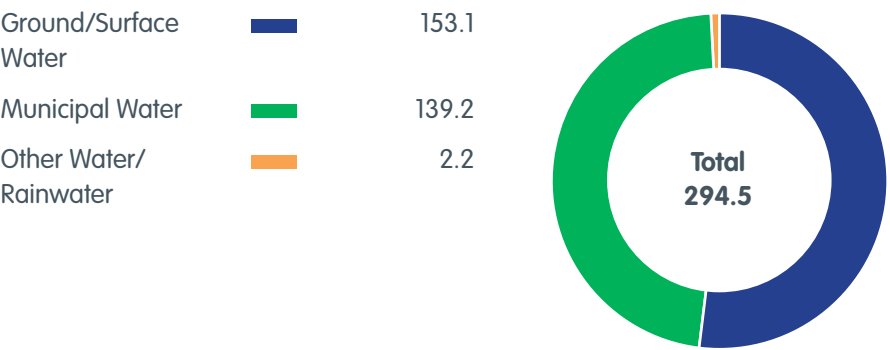
In 2010, we improved our water use efficiency across the Coca-Cola system for the eighth consecutive year. We used 294.5 billion liters of water to make 130 billion liters of product, giving us a water use ratio of 2.26 liters per liter of product. That is a 4 percent reduction over 2009 and a 16 percent reduction since 2004, our baseline year. Within

The Coca-Cola Company, our water use was 64,398,262 kiloliters, of which 78 percent was municipal, 21 percent was “surface/ground” and 1 percent was “other water/rainwater.” Our improvements in 2010 keep us on track to meet our goal of reducing our water use ratio by 20 percent by 2012. Efficiency gains have been achieved through initiatives such as:

- Using ionized air instead of water to rinse product packages prior to filling
- Reuse of treated wastewater for landscape irrigation and truck washing
- Advanced monitoring of water use and efficiency

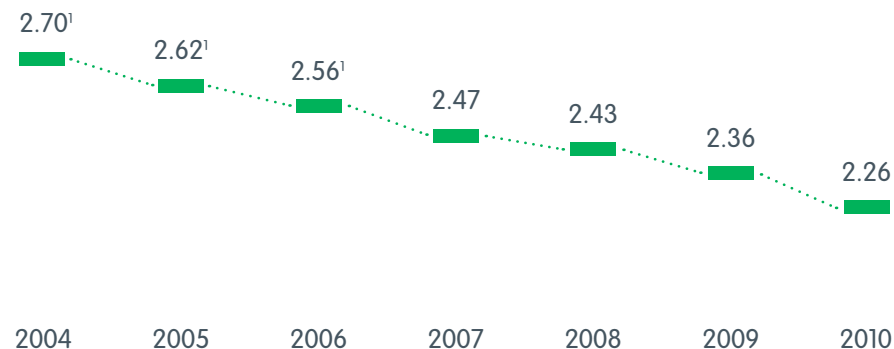
2010 Coca-Cola System Water Use by Source

(billion liters)



Coca-Cola System Water Use Ratio from 2004 to 2010

Average plant ratios based on collected data (liters/liter of product produced)



¹ Our water use and water use ratio (efficiency) figures have been recalculated for the Europe Group for 2004, 2005 and 2006, based on changes to the organization. These changes affected our system water use ratio for those three years.

2010 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 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 2010, we had achieved 93 percent alignment, and by the end of 2011 we estimate 96 percent alignment with our stringent standards.

In addition to improving our water use efficiency, we are also reducing our impact on local water systems and contributing to improved water quality by recycling wastewater—treating it and returning it to the environment. We have established a stringent process to ensure that the wastewater we discharge meets, and in many cases exceeds, standards set by local regulations. In fact, in some countries, we have introduced the very first wastewater treatment facility. With statistics showing that 90 percent of wastewater in the developing world is being discharged into the environment without treatment, we are committed to ongoing improvements within our own operations and hoping to inspire others to help make significant improvements in this area.

At this time, approximately 86 production facilities across The Coca-Cola Company (39 percent of overall facilities) have indicated that they reuse water before or after treatment, or use collected rainwater, and 49 facilities (22 percent of our overall facilities) have entered some statistics for the amount of collected rainwater or water reused after treatment. Although we do not have data at this time for the amount of water reused prior to treatment, our reporting indicates more than 2,294,000 kiloliters of rainwater or treated wastewater has been recycled or reused.

2010 Internal Wastewater Discharge Limits¹

(mg/L = milligrams per liter)

	Maximum Value (unless applicable legal requirements are more stringent)
5-Day Biological Oxygen Demand	<50 mg/L
pH Level	6.5–8 ²
Total Suspended Solids	<50 mg/L
Total Dissolved Solids	<2,000 mg/L
Total Nitrogen	<5 mg/L
Total Phosphorus	<2 mg/L ²

¹ These are six of the 20 water quality parameters established for the Coca-Cola system.

² Depends on receiving stream water conditions

In 2010, we released 164 billion liters of treated wastewater across our system, including 33 billion liters of treated wastewater for our Company-owned plants. By the end of 2010, 100 percent of the 200 Company-owned plants achieved compliance with our wastewater treatment and discharge standards and now use on-site, municipal or government-approved wastewater treatment plants with secondary treatment. Additionally, 93 percent of our bottling facilities achieved compliance with our wastewater treatment and discharge standards. That number fell short of our goal to have 100 percent of the Coca-Cola

system’s facilities compliant by the end of 2010. By the end of 2012, we expect 100 percent of our plants to meet our requirements. Because of delays in construction, government permitting and financing, as well as civil unrest, in some cases, we estimate that 31 of our bottling plants will not meet our requirements until sometime in 2012.

Replenishing the water we use

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

Progress: In Progress.
We estimate that in 2010 we replenished 23 percent of the water used in our finished beverages (based on 2010 unit case volume).

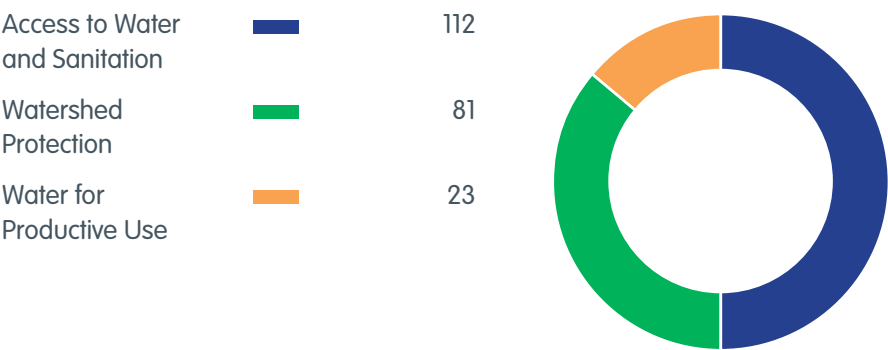
In addition to reducing our water use ratio and recycling wastewater, we are also working to replenish an amount of water equivalent to what we use in our finished products. Our facilities around the world are developing strategies and targets to balance their water use by replenishing how much they use, with a focus on local needs and specific source vulnerabilities.

With the help of The Nature Conservancy, academics and other key water stakeholders, we have developed a methodology to quantify how much water we have replenished through our community water projects. While our most recent analysis has not yet been peer-reviewed, we estimate 23 percent of the water used in our finished beverages (based on 2009 unit case volume) was replenished through projects

we conducted between 2005 and 2010—up from the 22 percent we reported in our last sustainability report,¹ the *2009/2010 Sustainability Review*.

Calculating the Replenish Target for Coca-Cola Projects²

Includes new, ongoing and completed projects



² 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.

Around the world, our bottling partners are engaging in community water projects as a way to achieve their replenish targets and build connections with local residents, governments and NGOs. To date, we have engaged in 320 community water projects in 86 countries, which includes 96 education and awareness programs.

The projects we engage in have at least one of four objectives: to improve access to water and sanitation; to protect watersheds; to provide water for productive use; and/or to educate and raise awareness about water issues. In many cases, projects provide additional benefits, such as improving local livelihoods, helping communities adapt to climate change, improving water quality and enhancing biodiversity.

Of the projects we have launched, just over half are complete. Since our last sustainability report, our partnership teams have completed 166 projects and initiated 64 new ones—including Safe Water for Africa and the Latin American Water Funds Partnership—joining another 90 ongoing projects.

Safe Water for Africa

As part of Replenish Africa Initiative (RAIN)—our six-year, \$30 million commitment to provide access to safe drinking water for communities in Africa—we joined [Diageo plc](#), [WaterHealth International](#) and the [International Finance Corporation](#) in launching the Safe Water for Africa program in May 2011.

Safe Water for Africa will bring WaterHealth International’s WaterHealth Centers, already in use in several African countries, to more communities. 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

¹ We freely acknowledge that the science and methodology governing quantification of water benefits and/or achieving water neutrality are new and developing. We hope the assessment and methodology discussed in this report will contribute positively to the ongoing exploration of this emerging discipline. Our objective in reporting our efforts to calculate the water benefits associated with our “replenish” work is to show how we are doing. But, it also is for the purpose of continuing an open and transparent dialogue on the appropriate science and methodology to be used to quantify water benefits and, ultimately, water neutrality. We do not intend to say through this report that we have everything correct, although we believe that our estimation(s) of water benefits and the underlying methodology that we used are sound. We expressly acknowledge that it may be premature to rely on our water benefit calculations as hard fact.

service cover the cost of the center's operation and maintenance, enabling the community to become sustainable.

Safe Water for Africa will first focus on countries in West Africa, where fewer residents have access to water today than 20 years ago. By the end of 2011, WaterHealth Centers will be built in communities in Ghana, Liberia and Nigeria.

Also as part of RAIN, we announced in March 2011 a \$6 million program to create water and sanitation partnerships aimed at improving the lives of an estimated quarter million women and girls in Algeria, Kenya, Liberia, Morocco, Nigeria, Rwanda, Sierra Leone, South Africa, Swaziland, Tanzania, Tunisia and Uganda. The lack of water and sanitation facilities in African nations affects billions of people every day and has a particular impact on women and girls, who collectively spend billions of hours fetching water each year.

The Latin American Water Funds Partnership

In May 2011, Fundación FEMSA (FEMSA Foundation)—the philanthropic arm of our largest bottling partner in Latin America—joined The Nature Conservancy and the [Inter-American Development Bank](#) in creating the Latin American Water Funds Partnership, which will manage all water funds in Latin America.

Based on the idea of environmental services payments, in which landowners are paid to implement conservation strategies, water funds are trust funds dedicated in perpetuity to the conservation of watersheds. Through the funds, water users downstream—typically governments, businesses and individuals in urban areas—invest to help keep resources in rural areas upstream healthy and productive.

Water funds can be powerful tools for conservation funding. In 2011, FEMSA Foundation, The Nature Conservancy and Inter-American Development Bank created The Latin American Water Funds Partnership based on one

of the first water funds in Quito, Ecuador (known as FONAG). FONAG started with an investment of \$21,000 that grew up to \$10 million in just a decade, with more than \$900,000 in annual interest invested in conservation efforts. FEMSA Foundation and its partners are working today to have 32 Water Funds working in Latin America in the next decade.

Through stewardship of 32 water funds, the Latin American Water Funds Partnership intends to conserve at least 800,000 hectares of protected natural areas, plus an additional 20,000 hectares of key ecosystems. Water fund proceeds will also be used to introduce conservation and sustainability practices in areas encompassing more than 50,000 hectares. The partnership projects that by 2015, more than 12 million people will have better access to water, and at least 1,200 rural families will increase their annual income.

Ongoing partnerships: WWF and UNDP

Two of the partners we work with most closely on water stewardship are [World Wildlife Fund \(WWF\)](#) and the [United Nations Development Programme \(UNDP\)](#).

We launched a transformational [partnership with WWF](#) in 2007 that included a joint commitment to conserve seven of the most important river basins spanning Asia, Europe, Africa and the Americas. In each basin, we address four central conservation challenges: better governance and management; resource protection; conservation in balance with development; and biodiversity protection. We have made notable progress in these efforts since our last sustainability report. The partnership's achievements include:

- In the Yangtze River region, improved water quality through the restoration of 547 yards of original river course; installed biogas digesters and constructed wetlands; and improved agricultural practices and irrigation techniques to reduce water pollution while improving local incomes and livelihoods

- In the Mekong River region, helped pass a new statute that allows for park management in accordance with particular ecosystems, resulting in restored water flows and grassland habitat and the return of two critically endangered bird species—the Sarus crane and Bengal florican
- In the Danube River region, helped purchase and restore Liberty Island, a side branch of the Danube located in southern Hungary, restoring water flow and habitat while maintaining local livelihoods; facilitated the formation of the Danube Network of Protected Areas to improve wetlands management practices in eight countries
- In the Rio Grande/Rio Bravo region, trained residents to perform soil conservation and habitat restoration work to improve 10,000 hectares of upland forest; worked with local citizens to improve the river's flow by removing highly invasive plant species, salt cedar and giant cane, from sites along more than 70 miles of the river
- In Lake Niassa, established the Lake Niassa Reserve; created 12 community fishing councils and 10 fishery associations that have improved fishing yields and created economic and health benefits by helping communities sustainably manage the lake and its resources
- In the Mesoamerican Reef, helped develop sustainable production methods for higher-value agricultural products like cardamom, coffee and honey, which have reduced water use and pesticide impacts to the watershed. The new revenue streams have increased family incomes benefitting more than 500 families involved in the community-based enterprises.
- In the U.S. Southeast rivers and streams, bottling partners donated more than 4,000 syrup containers for conversion to rain barrels allowing for an estimated 220,000 gallons of rainwater to be collected for reuse. The rain barrel program has gone national with the potential to capture nearly 10 million gallons of stormwater each year.

In addition to our work with WWF, we have also had a long-standing partnership with UNDP. In 2006, we joined UNDP in launching Every Drop Matters™, an effort to address water-related challenges in communities across Eastern Europe and Eurasia. The program helps improve sanitation and water quality, install rainwater harvesting systems and educate residents about water stewardship. In all, we have made a \$23.75 million commitment to support the project through 2014.

The achievements of Every Drop Matters in 2010 included:

- Promotion of “Black Sea Action Day,” which raised awareness of the urgent need to clean up and protect that vital body of water
- Implementation of rooftop water harvesting and water supply systems along with other improvements in two communities in Turkey
- Development of water and waste management strategies for small rural communities in Romania
- Improved access to drinking water in Kazakhstan
- Improvement of wastewater treatment and environmental conditions on the Dilijan River in Armenia
- Enlistment of local residents across Ukraine to rehabilitate natural springs, which are often a significant source of local drinking water
- Pilot projects aimed at cleaning up Russia’s Lake Baikal and promoting tourism in the area

Addressing water scarcity through the Water Resources Group

In partnership with other businesses and governmental organizations, we helped form the 2030 Water Resources Group (WRG) in 2007 to contribute new insights to the increasingly urgent issue of water scarcity. Between 2007 and 2010, WRG offered leading thinking on the availability

of water between now and 2030 and on the economics of various solutions. It focused on raising awareness about the challenge of managing future water needs and piloting partnerships for reform. As a result of the group's work, several governments facing severe water shortages, including India, Jordan and Mexico, have engaged in more substantive dialogue on water security, water management and policy reform.

WRG is now entering the second phase of its work. Its new goal is to support governments as they engage in water analysis, convene multistakeholder collaborations and undertake public-private partnerships. First, WRG intends to help 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.

Measuring and mapping global water risk with the World Resources Institute

In addition to our work with the Water Resources Group, we have also joined the [Aqueduct Alliance](#), a consortium of leading water experts from the private and public sectors, NGOs and academia. Aqueduct Alliance is a program of the [World Resources Institute](#) seeking to measure, map and report on global water risk. At the heart of the initiative is a global database of water risk information that will enable companies, investors, governments and others to create water risk maps with an unprecedented level of detail. We will support Aqueduct Alliance's work by providing our own extensive global database of water risk information.

Water footprinting

Our current water stewardship strategy mainly involves our direct operations and the water sources near them. To better understand how we use water indirectly through our supply chain, we are investing in water footprint assessments.

Water footprinting is a young science whose methods are still evolving. Done properly, it can tell us a great deal about our indirect water use, particularly as it relates to [sustainable agriculture](#).

We have been a partner of the [Water Footprint Network](#) since 2008, supporting the development of the organization and its methodology. And over the past two years, we have collaborated with [The Nature Conservancy](#) on three water footprint studies:

- Coca-Cola® in a 0.5-liter PET bottle produced by Coca-Cola Enterprises, Inc. in the Netherlands
- Beet sugar supplied to Coca-Cola bottling plants in Europe
- Minute Maid® orange juice and Simply Orange® produced for North America

As important as what we discovered about our water use is, the studies told us about footprinting itself. The lessons we have learned include:

- The value of water footprinting is in its ability to break out water use by component and demonstrate how each component affects the watershed from which it came.
- The largest portions of the water footprints we assessed involve the farm, not the factory.

- Supplier information is critical, and the water footprints we assessed were highly sensitive to specific data from farms we use to source ingredients.
- Though the amount of the footprint attributed to operations is relatively small, it is still important for us to manage our direct impacts, especially with regard to wastewater treatment.
- To understand the true impact of water use, consumption must be considered within the cumulative context of all water uses in a watershed. When properly managed, even large volumes of water use can be sustainable in locations where the resource is sufficient to support the use.
- Water footprints are an excellent tool for companies to begin to understand their water use. But numeric footprints alone do not provide sufficient information for consumers to make informed product choices. Where water is used, when it is used and issues affecting quality are all equally important.

Please visit our Company website to read the [September 2010 water footprint report](#) and the water footprint sustainability assessment, [Towards Sustainable Sugar Sourcing in Europe](#).

A lesson learned: 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 telling 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.

Looking ahead: water, food, food energy and climate

We are implementing an increasingly holistic approach to water stewardship, recognizing that water must be considered in the greater context of political, societal and ecological dynamics. As we broaden our focus to look beyond water sources directly connected to our operations, we will be looking more at the stewardship of water in our agricultural supply chain and, even more broadly, at the nexus where water, food, energy and climate—perhaps the most pressing issues of this century—connect.

To learn more about training we have developed and our efforts to understand local needs and build plans to address them, please see our [2011 Water Stewardship and Replenish Report](#) and [Partnership 2010 Annual Review](#).

Climate change is one of the most urgent challenges facing our planet. And like all challenges, it presents unexpected opportunities: to do business smarter; be a better corporate citizen; to reach out and work toward a common objective with people around the world, remembering that we do more good when we work together, and that success is more sustainable when it is shared.

The scientific consensus on climate change is clear, and the effects of climate change are already well documented. The potential effects of climate change on people, communities and ecosystems around the world are sobering and demand immediate action.

Climate change could affect our business in numerous ways. Changing weather patterns could harm global agriculture, limiting the supply or increasing the cost of ingredients we use in our products. Extreme weather could impair our bottling plants, disrupt our supply chain and affect demand for our products. Even our efforts to cut greenhouse gas emissions could result in increased costs for energy, transportation and raw materials.

Cutting our carbon emissions

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

Progress: In Progress.

Our global manufacturing emissions in 2010 were 2 percent lower than emissions from 2009. These emissions, however, remain 9 percent higher than our 2004 baseline.

Goal: By 2015, reduce emissions from our manufacturing operations in developed countries by 5 percent compared to our 2004 baseline.

Progress: In Progress.

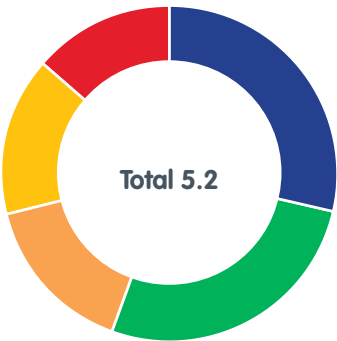
In 2010, emissions at our manufacturing operations in developed countries were down 1 percent compared with the prior year and down 6 percent compared to 2004.

In 2010, we reduced our global greenhouse gas emissions from manufacturing by 2 percent compared to 2009—from 5.33 million metric tons to 5.20 million metric tons—even as our unit case volume increased 5 percent. Though we are trending in the right direction, we still have a lot of work to do to get back to 2004 levels. Our total emissions in 2010 were 9 percent higher than our 2004 baseline of 4.79 million metric tons. The good news? Our productivity is improving. Our global product volume in 2010 was 25.5 billion unit cases—29 percent more than in 2004—and our greenhouse gas intensity (per liter of product) has improved 14 percent since 2004.

2010 Coca-Cola System Greenhouse Gas Emissions by Region (from manufacturing sites)¹

(CO₂ emissions in millions of metric tons)

Pacific	1.5
Eurasia & Africa	1.4
Latin America	0.8
North America	0.8
Europe	0.7



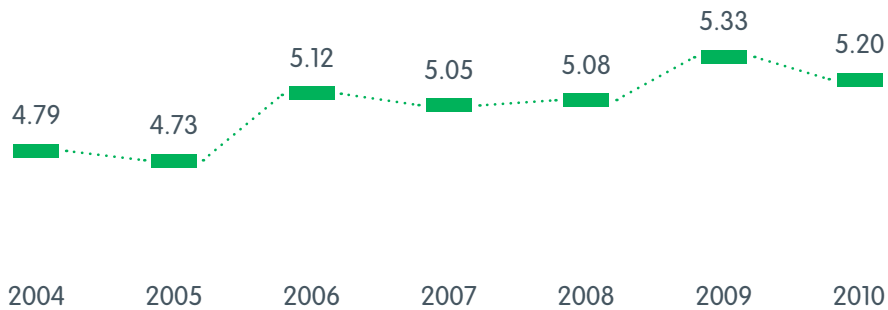
In developed countries, we have made steady progress toward our goal of reducing emissions from manufacturing by 5 percent compared to 2004 levels by 2015. In 2010, we reduced emissions in developed countries by 1 percent compared to 2009 and 6 percent compared to 2004, our baseline year.

We have implemented several measures to cut greenhouse gas emissions since our last sustainability report, the *2009/2010 Sustainability Review*. These measures include:

- Through research with Coca-Cola bottling partners and plant managers worldwide, and with the help of our partner WWF, we developed 10 high-return, low-risk energy best practices for bottling partners to implement by 2012 and a global campaign site for them to register their progress.
- A new combined heat and power plant went online at Ballina Beverages, our Ireland-based concentrate manufacturing facility, in November 2010. The plant captures heat from electricity generation and diverts it to heating and hot water systems. This operation is currently exhibiting 17 percent lower carbon dioxide (CO₂) emissions due to heat and power co-generation.

Coca-Cola System Greenhouse Gas Emissions from 2004 to 2010 (from manufacturing sites)¹

(CO₂ emissions in millions of metric tons)



Phasing out hydrofluorocarbon (HFC) coolers

Goal: Install 150,000 HFC-free coolers in the marketplace by 2010.

Progress: Achieved.

By the end of 2010, we had installed approximately 277,000 HFC-free coolers—including 162,000 in 2010 alone. Additionally, we increased that total to 400,000 by August 31, 2011.

¹ We are currently evaluating materiality of other sources, such as ingredient CO₂.

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.

In 2010, approximately 15 percent of our new cold-drink equipment purchases were HFC-free.

Hydrofluorocarbons, or HFCs, are powerful greenhouse gases hundreds of times more potent than carbon dioxide. While they currently have a relatively small impact on global warming, HFC emissions are anticipated 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 million dispensers, vending machines and coolers in the marketplace, we have the opportunity to contribute to the global response to climate change.

In 2009, we worked with [Greenpeace](#) to set a goal of installing 150,000 HFC-free coolers around the globe.

In 2009, we announced a commitment to achieve 100 percent HFC-free new equipment by 2015, starting with 150,000 units in 2010. In total, we installed 162,000 HFC-free units in 2010—including 25 on Washington, DC's Capitol Hill—bringing our global total to 277,000 by the end of 2010. Additionally, we increased that total to 400,000 by August 31, 2011.

We are also making steady progress against our pledge to have 100 percent of our cold-drink equipment HFC-free by 2015. In 2010, approximately 15 percent of our new cold-drink equipment purchases were HFC-free. 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.

Building a more climate-friendly fleet

Truck exhaust is a source of greenhouse gases. 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. Here are some of our recent achievements:

- We operate the largest hybrid electric fleet in North America. It consists of more than 700 trucks that use about 30 percent less fuel than conventional diesels and could potentially reduce greenhouse gas emissions by approximately 30 percent—more than 1 million metric tons annually.
- Through its Safe and Eco-Driving Program, combined with a complete package of maximum fuel consumption, route management systems, trained drivers and performance monitoring, [Coca-Cola Hellenic](#) has avoided 954 tons of carbon dioxide emissions since 2009.
- In July 2011, Coca-Cola Refreshments, our North American Company-owned bottling operations, announced its membership in the [National Clean Fleets Partnership](#), a public-private partnership sponsored by the U.S. Department of Energy. Clean Fleets is intended to help large companies reduce diesel and gasoline use by incorporating electric vehicles, alternative fuels and other fuel-saving measures.
- CCR is also working to deploy more electric trucks. It currently has two electric trucks in the Bronx, New York, and six Navistar eStar electric trucks in markets including Los Angeles, New York City, San Francisco and Washington, DC. CCR is also training drivers to use driving techniques to conserve fuel and reduce emissions.

Investing in clean energy

As part of our carbon reduction strategy, we are investing in clean energy technology—both in our business and through venture capital funds.

We have installed solar panels at facilities in Macon, Georgia, and Coachella, California. Similar installations are under way at four other North American facilities. We also began construction on a landfill gas-powered co-generation system at our Atlanta syrup branch. The 6.3-megawatt combined heat-and-power system will use biomethane from a nearby landfill as its primary fuel. We expect it to reduce CCR's carbon footprint by approximately 20,400 tons annually.

Partnering around the world 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 with peer companies, NGOs, government officials and others as we all come together to address the critical work before us.

In 2010, we coordinated a Sustainable Refrigeration Summit, bringing together diverse companies to explore more rapid adoption of natural, HFC-free refrigerants. That summit laid the groundwork for [The Consumer Goods Forum's](#) pledge to start phasing out HFC refrigerants by 2015. The Forum's commitment was announced in November to coincide with the COP 16 U.N. Climate Change Conference in Cancún, Mexico.

As a co-chair of The Consumer Goods Forum, our Chief Executive Officer, [Muhtar Kent](#), joined fellow co-chair, [Lars Olofsson](#), former Chairman and CEO of Carrefour, in announcing The Consumer Goods Forum initiatives. In Cancún, Mr. Kent also took part in a [panel discussion](#) on the business case for building a low-carbon economy,

which we co-organized with [World Climate Ltd](#). Panelists included Mexican President Felipe Calderón; Dow Chemical President, Chairman and CEO Andrew Liveris; Duke Energy Chairman and CEO Jim Rogers; FEMSA Chief Executive Officer José Antonio Fernández; and Christiana Figueres, Executive Secretary of the United Nations Framework Convention on Climate Change.

In addition, we joined bottling partners [Coca-Cola Hellenic](#), [Coca-Cola Enterprises](#) and [Coca-Cola İçecek](#) in signing the [Cancun Communiqué](#), which asks for a strong, effective framework for addressing climate change.

Increasing 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 58.8 billion megajoules in 2010. But our energy efficiency ratio—the amount of megajoules used per liter of product—has improved. In 2010, our ratio was 0.45 megajoules per liter—a 1 percent improvement over 2009 and a 14 percent improvement overall since 2004. By improving our energy efficiency ratio, we avoided \$163 million in energy costs for 2010—and over \$600 million cumulative since 2004.

Coca-Cola System Energy Use from 2004 to 2010

Systemwide total based on estimated total use (billion megajoules)



Coca-Cola System Energy Use Ratio from 2004 to 2010

Average plant ratios based on collected data (megajoules/liter of product)



¹ Our energy use figures have been recalculated for 2004, 2005, 2006 and 2007 based on changes to the organization. These changes affected our system energy use ratio (efficiency) only for 2004.

More efficient cooling equipment

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

Progress: In Progress.

By the end of 2010, 100 percent of our new glass-door coolers and 95 percent of our new vending machines and fountain machines were 40 percent more efficient.

Glass-door coolers, such as the “visi-coolers” found in convenience stores, make up about 74 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 to year 2000 levels. For example, approximately 45 percent of our Company-owned coolers now contain energy management devices, resulting in an estimated 16 percent reduction in energy consumption for the cooler fleet. The total decline was from an estimated 10.55 million megajoules of energy that would have been consumed in 2010 without these devices to 8.90 million megajoules of energy actually consumed in 2010 with the devices in place. This decreased energy use has resulted in an estimated emissions reduction of 7 percent. Upon reaching our goal, these energy management devices will allow us to achieve a total of 35 percent in energy reduction.

We estimate that approximately 95 percent of our new vending machines and fountain machines, 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.

Cutting emissions and energy use in developing countries

In the ongoing global conversation about energy and climate change, emerging countries are often considered the most challenging places to reduce carbon emissions and energy consumption. Developing countries, the argument goes, have less access to clean energy technology and have more to lose economically from any restrictions on growth that may result from emissions limits.

But in fact, as we build new plants in developing nations, we view each as an opportunity to build sustainability into our system through integration of best practices and the latest, cleanest, most efficient technology. In this way, bottling partners in developing countries can “leapfrog” developed nations. Several of our facilities in emerging economies have already achieved levels of energy efficiency that are instructive for our entire system.

For example, our operations in Turkey are the most energy efficient in our global system, with an efficiency ratio of 0.26 megajoules per liter. Our operations in South Africa also exhibit remarkable energy efficiency, with a ratio of 0.30 megajoules per liter. Efficiency at operations in both countries improved in 2010 over 2009—by 4 percent and 6 percent, respectively.

Some of our operations in developing countries have also shown reductions in greenhouse gas emissions in absolute or total terms. For example, absolute emissions from our operations in Mexico decreased by about 13 percent between 2009 and 2010, from 450,000 metric tons to 392,000 metric tons. In Latin Center, absolute emissions decreased by 7 percent, from 157,000 metric tons to 146,000 metric tons. In China and Korea—key growing markets for us—our emissions dropped from 748,000 metric tons in 2009 to 685,000 metric tons in 2010. Reductions in both countries were achieved despite increased sales volumes—another example of how we are growing our business but not our carbon emissions.

Our emissions reductions are sometimes a result of a country or municipality deploying a cleaner power grid. We support such efforts whenever we can. In Mexico, for example, our long-term agreement to buy a certain amount of power from a local utility helped enable development of significant wind power infrastructure.

Building facilities according to Leadership in Energy and Environmental Design (LEED) standards is another way we can improve the energy and carbon footprints in developing countries. We now have LEED-certified facilities in progress in Brazil and completed in China.

For more information, please see our [Position Statement on Climate Protection](#).

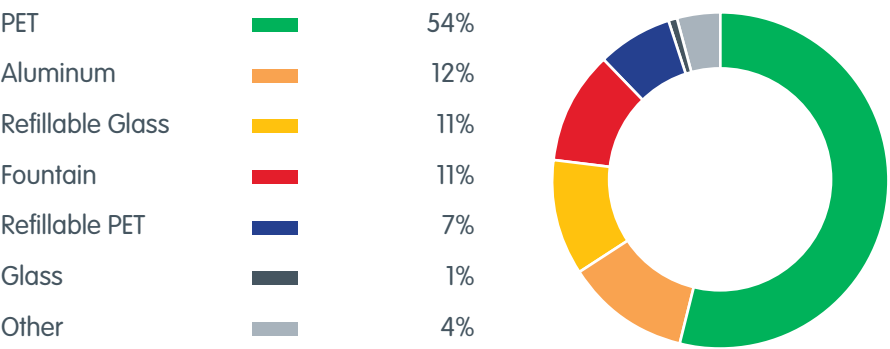
Our product packages help ensure the quality and safe delivery of refreshment for billions of people around the world every day. As we grow our business in a world with finite natural resources, environmental challenges and heightened consumer expectations, our success depends on continuing to find new ways to make our packaging more sustainable and work toward our vision of zero waste.

We strive to advance our zero-waste vision by:

- Designing consumer-preferred, resource-efficient packaging
- Eliminating waste to landfills
- Using recycled and/or renewable materials

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 effort. As we strive to improve our packaging, we balance environmental concerns with our need to protect product quality and manufacture and transport our products economically. Our approach is based on an understanding of the types of packaging we use worldwide as well as an understanding of the impact these packages have over their entire lifecycle.

2010 Coca-Cola System Global Packaging Mix



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 near term. 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 a 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 could damage our brand. Developing 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 the ongoing lightweighting efforts provide an opportunity to decrease packaging costs while offering environmental benefits.

In 2010, we continued the innovative lightweighting of our packaging that has proven to save costs, materials and resources. In fact, in 2010 we saved \$90 million by reducing packaging waste. Here is a snapshot of our efforts from around the world:

- We launched a 10.5-gram Damla 500-ml PET bottle in Turkey.
- Our operations in the Philippines reduced the use of glass material by 20 percent through the continued rollout of Ultra Glass.
- We avoided \$5 million in costs by rolling out the 1881 short-height closure on large polyethylene terephthalate, better known as PET, bottles in North America.

These achievements are a small sample of the latest in a years-long

effort to make our packaging more efficient. Cumulatively, since these packaging types were introduced, 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

Investing in recycling programs

Goal: By 2015, recover 50 percent of the equivalent bottles and cans¹ used annually.

Progress: In Progress.

We currently recover about 36 percent of the equivalent bottles and cans we send to market.

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. We provide leadership and funding for recovery systems around the world. Today, we recover about 36 percent of the equivalent bottles and cans sent to market.

Beverage containers remain among the most recycled consumer product packages in the world. Recovery and recycling is complicated by the fact that waste management is very much a local issue, with different circumstances in every locale. There is no one-size-fits-all solution, and no way we can solve this problem alone. We recognize that collaboration is critical to advance our vision faster, so we work closely with governments, NGOs, local communities and our industry

¹ "Recover 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.

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 advance informal collection systems, helping them become formal systems for the recovery of packaging material while creating sustainable jobs. In developed markets, we support approaches that include comprehensive recovery of materials through industry recovery organizations.

Our support of recycling systems spans the globe. In 2010, the Thailand Institute of Packaging and Recycling Management for Sustainable Environment, an industry organization we are part of, embarked on a new partnership with authorities in Thailand's Pathum Thani province. The project aims to develop a more comprehensive and effective integrated waste management program. In Mexico's Toluca Valley, bottling partner Grupo CIMS A continued its successful PET-bottle collection program. Started in 2002, the program now includes 737 collection points, including locations at schools, churches, hospitals and NGOs. Approximately 233,000 people have participated in the program to date. We also expanded a partnership we initially launched in Brazil to a regional initiative for Pan-Latin America. The Regional Initiative for Inclusive Recycling is a four-year 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, Fundación AVINA and the Bill & Melinda Gates Foundation.

Educating consumers is also key to increasing recycling rates. In North America, Coca-Cola Recycling education vehicles travel to various cities, teaching consumers about the good things that happen when people recycle. Equipped with interactive displays, games and videos, our fleet of five education vehicles will visit venues and events where our products are consumed throughout 2011.

Supporting the RPET market

For recycling programs to work, the programs need to be strong end markets for reprocessed PET plastic, known in the industry as 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](#). Through these merchandise programs, we are reinforcing our [Give It Back®](#) campaign. We are engaging consumers and educating them that their actions can make a difference with simple messaging such as letting them know that five recycled PET bottles can become one of their favorite T-shirts.

Helping to clean up the oceans

Marine litter, though its causes and effects are not fully understood, is a matter of great concern to us, scientists, conservationists and others. Unfortunately, our packaging is among the waste that can be found improperly disposed of on shorelines around the world. So, we have an obligation to help address marine litter in earnest.

For 16 years we have partnered with [Ocean Conservancy](#)—providing funding, in-kind support and volunteer assistance—to help clean up the seas and further investigate the causes and effects of marine pollution. In late 2010, we co-hosted a workshop on accelerating solutions for marine debris with Ocean Conservancy. The workshop, facilitated by The Keystone Center, brought together leading thinkers and practitioners from government, industry, academia and the NGO community who

are committed to advancing research and solutions on the issue. The workshop outcomes provided input into the design and content of the Fifth International Marine Debris Conference that was held in March 2011 by the National Oceanic and Atmospheric Administration and the United Nations Environment Programme. The Coca-Cola Company was invited to serve as the industry representative on the steering committee and as a lead sponsor of the conference.

In 2011, we helped Ocean Conservancy 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. Our hope is that the Trash Free Seas Alliance will accelerate action among the varied stakeholders who must work together to restore the world's seas. One of the first accomplishments of this group was the proposal acceptance by the National Center for Ecological Analysis and Synthesis (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.

Implementing our new packaging management system: slow but steady progress

In our last sustainability report, the *2009/2010 Sustainability Review*, we announced implementation of a new comprehensive product management system that will enable us to improve packaging efficiency and better track packaging over its lifespan—from raw materials through design, manufacturing, use and disposal. Such tracking can help leverage our new package designs from market to market and bottler to bottler, and improve packaging efficiency and resource management.

We had expected to be using the system by early 2011. In fact, while we have collected much of the data we need to implement the system as we envisioned it, a great deal of work remains. Gathering information from our bottling partners around the world is taking more time than we expected. Also, capturing data on packages other than our bottles and cans—wrappers and boxes, for example—has also proved more time-consuming than we predicted.

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.

PlantBottle™ packaging is available in 16 markets, and more than 7 billion PlantBottle™ packages will have shipped by the end of 2011. We also continue to support recycling systems around the world, including our investment in bottle-to-bottle recycling plants.

PlantBottle™ packaging: redefining the performance of plastic packaging

More than 50 percent of our beverage volume is delivered in plastic bottles made from polyethylene terephthalate, better known as PET. We use PET plastic bottles for many reasons. Consumers like them because they are lightweight, resealable and shatter-resistant. They are also highly recyclable, which is one of the reasons we continue to focus our innovation on PET versus another type of plastic. The processes for making and transporting PET bottles are relatively energy-efficient and cost-effective, and PET plastic protects our product quality exceptionally well.

The environmental lifecycle performance of PET combined with its operational performance makes this plastic package a sound business choice.

But with increasing pressure on natural resources—particularly on the petroleum and natural gas required to make conventional PET bottles—businesses like ours are seeking alternatives to conventional PET bottles. That is why our research and development team created PlantBottle™ packaging. PlantBottle™ is the first-ever fully recyclable PET bottle made partially from plants.

While we are proud of the incremental improvements made to enhance PET packaging over the years, we believe more transformative changes are required to stay competitive in a world with increasing pressures on natural resources. With PlantBottle™ packaging, we have a commercial solution today for manufacturing one of the two primary ingredients in PET from plant-based material and are well on our way to discovering a commercial solution for the second ingredient.

In 2010 alone, the use of this breakthrough packaging eliminated more than 60,000 barrels of oil. As our PlantBottle™ packaging is in part made from plants that absorb carbon dioxide (CO₂) from the atmosphere, we estimate that our use of PlantBottle™ packaging in the first two years has helped save the equivalent annual emissions of more than 100,000 metric tons of carbon dioxide, which is equal to emissions from more than 20,000 automobiles. Our target is to have all virgin PET plastic used in our bottles made with PlantBottle™ packaging by 2020.

An idea like PlantBottle™ 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, enabling Heinz to bottle

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™ as well. In 2010, PlantBottle™ won a DuPont Award for Packaging Innovation from among more than 160 other global entrants. In April 2011, PlantBottle™ packaging received an Edison Award recognizing the most innovative products from a variety of categories.

We believe so strongly in PlantBottle™ as a catalyst for change that we are working with our partners to rapidly expand the PlantBottle™ supply chain. In just a few short years, we have expanded from producing PlantBottle™ PET plastic in a single location to now having facilities in most of our major markets, with much more expansion to come. As we continue to grow the capacity of PlantBottle™ packaging material, we are working with partners in academia to ensure that the source of plant-based material also remains environmentally and socially sustainable.

Increasing recycled content

As we look for alternatives to nonrenewable materials, we are also increasing the amount of recycled material in our packages. To date, our system has invested in seven¹ bottle-to-bottle facilities that improve our capacity for using recycled material. We continue to invest in exploration of new technologies that could enable us to increase the amount of recycled material we use. We are also working with countries around the world to remove regulations that bar the use of recycled materials, and to secure additional approvals for the use of such materials.

¹ This figure represents our systemwide investments.

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 is stronger, less expensive to produce and holds the same amount of product as its predecessor. Best of all, it 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 governments, consumers and NGOs, as we all work toward eliminating waste and recognizing the value of packaging.

Looking ahead: industrywide metrics

A positive recent 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](#). 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.

We are part of the community fabric in thousands of cities, towns and villages around the world. From our earliest days, we have understood that being a responsible member of any community means giving—of our money, our time and our unique expertise. Here is how we are doing our part to help communities thrive.

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

Progress: Achieved.

In 2010, we gave back 1.2 percent of operating income, totaling \$102 million.

The Coca-Cola Foundation

Since 1984, we have given to communities through [The Coca-Cola Foundation](#), our nonprofit, 501(c)(3) philanthropic organization. Through The Coca-Cola Company, the Foundation and our [19 local and regional foundations worldwide](#), we partner with governments, NGOs and other 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.

Our goal is to give back at least 1 percent of our operating income annually to improve the living standards of people around the world. In 2010, we invested \$102 million, an increase of 16 percent over 2009. Between 2002 and 2010, our Foundation gave a total of \$273 million. Our total charitable contributions during that period—through our Foundation and contributions from our Company—were more than \$690 million.

Following are some highlights of our giving.

Increased collaboration on disaster relief

In March 2011, we established the Coca-Cola Japan Reconstruction Fund with a total pledge of \$33 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 other community groups.

The Coca-Cola Company and the [International Federation of Red Cross and Red Crescent Societies](#) (IFRC) have collaborated for many decades, but in January 2011 we announced an expanded three-year partnership to enhance the humanitarian impact of our collaboration. The Coca-Cola Company is investing \$2 million to support the IFRC's work in disaster response and preparedness and public engagement. Separately, our Foundation is donating \$1 million to the IFRC's Disaster Response Emergency Fund, which provides immediate financial support to help Red Cross and Red Crescent National Societies respond quickly to disasters around the world. In addition to monetary support, the partnership uses the Coca-Cola system's production, distribution and marketing expertise to improve the partners' joint disaster response and build public support for the efforts of the Red Cross and Red Crescent Societies.

Water stewardship

In China, we support World Wildlife Fund's (WWF) Returning Water to People and Nature project in the Upper Yangtze River Basin. The project focuses on returning more than 1 billion liters of water annually by 2013. The project will also advance freshwater conservation across more than 300,000 hectares of forests and wetlands and will reforest a 150-hectare tract to protect water supplies and forest cover in the Upper Yangtze.

Recycling

We have a strong partnership with the [Ocean Conservancy's International Coastal Cleanup](#). We support the Trash Free Seas Alliance, which focuses on ridding the ocean of harmful trash and debris through global cleanup efforts, education and community engagement. We also support the Regional Initiative for Inclusive Recycling for Latin America, a four-year 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 impacting public policy so that recycling cooperatives become part of local waste management systems.

Active Healthy Living

We partner with the [Girl Scouts of the USA](#) to promote and deliver fitness and nutrition programs to underserved populations across the country. Through this effort, more than 135,000 girls will have the opportunity to benefit, and more than 50 million women and alumnae will be engaged to help solve the issue of childhood obesity in local communities.

In Italy, our Foundation supports [MODAVI Onlus](#), which provides resources for nutritionists teaching healthy eating and active lifestyle classes to students and parents.

Education

Our Foundation awarded six U.S institutions of higher learning with educational grants to promote study-abroad programs in China over the next four years. The grants support the U.S. State Department's "100,000 Strong Initiative," which aims to enhance and strengthen ties between the citizens of the United States and China in the areas of education, culture, sports, science and technology, and women's issues. Recipient institutions include Columbia University, the Georgia Institute of Technology, Michigan State University, Morehouse College, the University of California–Los Angeles and the University of Texas, Austin.

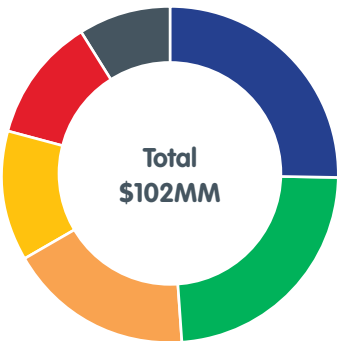
The Foundation also awarded funding to five Historically Black Colleges and Universities in Louisiana to benefit women who are the first in their immediate families to attend college. Recipient institutions include Xavier University, Southern University at New Orleans, Grambling State University, Southern University at Baton Rouge and Dillard University.

Other programs supported by the Foundation include the Thomas Jefferson Foundation's "Liberty Today" initiative, which offers competitive scholarships for history teachers to sharpen their ability to make history relevant through electronic media, and the Statue of Liberty–Ellis Island Foundation's Peopling of America Center, which will tell the story of the immigration experience in America.

2010 Charitable Contributions¹

(MM = million)

Water, Recycling and Other Environmental		\$26MM
Education		\$24MM
Local Community Initiatives ²		\$18MM
In-Kind Contributions		\$13MM
Active Healthy Living		\$12MM
Disaster Relief		\$9MM



¹ The dollar amounts shown reflect direct charitable contributions from The Coca-Cola Company and The Coca-Cola Foundation. Other departments and operating groups within our Company and throughout the Coca-Cola system also make contributions to programs in their communities beyond what is shown here.

² Programs that address local needs, including civic initiatives, human services, arts and culture, and other areas.

Other ways we are helping

In addition to giving through our Foundation, we also contribute cash, expertise and in-kind support to initiatives and partnerships intended to strengthen communities. Here are several initiatives we have been part of since our last sustainability report, the 2009/2010 Sustainability Review.

Engaging with Partners for a New Beginning

Partners for a New Beginning (PNB) is an alliance of public-private partnerships designed to deepen engagement between the United States and local communities abroad. PNB formed in response to President Obama’s 2009 speech at Cairo University in Egypt, which addressed a vision for a “new beginning” between the United States and Muslim communities. The initiative formally launched in April 2010 during the White House Summit on Entrepreneurship, a platform that explored the role of the private sector in creating economic growth and fostering entrepreneurship both in the United States and abroad.

Muhtar Kent, Chairman and CEO of The Coca-Cola Company, and Walter Isaacson, President and CEO of the Aspen Institute, serve as PNB Vice Chairs. Former U.S. Secretary of State Madeleine K. Albright chairs the initiative, and a 14-member Steering Committee composed of public and private sector leaders based in the United States supports PNB’s work.

PNB has established local chapters in Algeria, Egypt, Indonesia, Morocco, Pakistan, the Palestine Authority Area, Tunisia and Turkey. Through the operating model of locally owned and locally driven partnership, local chapters assess community needs and priorities, creating an action plan of target initiatives to launch or to expand. Local and international partners collaborate based on the priorities identified. More than 70 projects are currently under way in the focus areas of education, exchange, economic opportunity, science and technology.

Our Company is actively engaged with PNB through participation in local chapters and projects. In Pakistan, for example, the Company partnered with International Relief & Development to assist the recovery of 500 of the most vulnerable small-holder farmer households. The project rehabilitates farmers and distributes seed to restart sugarcane

crop cultivation, while providing farmers with training to increase their yields. This project has ensured a three-year cycle of sugarcane cultivation, giving families a chance for sustainable livelihoods and recovery from flood-induced losses.

Coca-Cola is supporting a number of additional projects, including a youth innovation summit with the Palestinian local chapter and a women's economic empowerment initiative with the local chapter in Turkey.

To learn more, please visit the [PNB website](#).

Also, in March 2011, we announced that we will dedicate \$6 million to our Replenish Africa Initiative (RAIN) to improve the lives of 250,000 women and girls in Algeria, Morocco, Tunisia and elsewhere by improving water and sanitation systems.

Helping to deliver medicine to Tanzania

One of our greatest assets in helping communities is our vast global supply and distribution network. Recognizing this, we began an initiative in August 2010, which taps into our logistics expertise to help resolve bottlenecks in the supply of critical medications to the people of Tanzania. We collaborated on the project with [The Global Fund to Fight AIDS, Tuberculosis and Malaria](#), the [Bill & Melinda Gates Foundation](#) and [Accenture Development Partnerships](#).

Looking ahead

Corporate giving is evolving. In the past, companies (including ours) that wanted to support communities were likely to write a check and wish benefiting communities well. Today, companies are increasingly called upon to effect change by lending expertise and taking part in the change process. While financial support is still crucial, a company's continuing engagement along with application of its core competencies and assets is just as important, if not more so, for creating change that lasts. We expect our giving to continue to follow this trend. Our global system gives us an uncommonly widespread presence, enabling us to engage with communities large and small in more than 200 countries.

While we welcome opportunities for deeper engagement, they sometimes make our work more challenging. It is easy to issue a press release, unveil a plan and hand over a check. It is difficult to do the painstaking, messy work of actually collaborating with multiple partners, often in disparate places and cultures, to solve entrenched problems. Progress is sometimes slower than expected, and the most skillfully conceived initiatives sometimes fail. As we strive to build strong, vibrant communities, we can only pledge to bring the best of our resources to bear, to be clear about our intentions and transparent about our progress, and to learn from our achievements and our mistakes.

Supporting local economies is both a matter of good corporate citizenship and good business. Through jobs, capital investment and targeted initiatives offering opportunities to residents, we are part of the global engine that keeps local economies humming.

As one of the world’s most successful and ubiquitous companies, we consider it an obligation to invest in local economies. From our earliest days, our business has provided opportunities and resources that enable people and communities to raise their standard of living. We know from long experience that when hardworking, talented people are given the chance, they can create abundance that benefits us all.

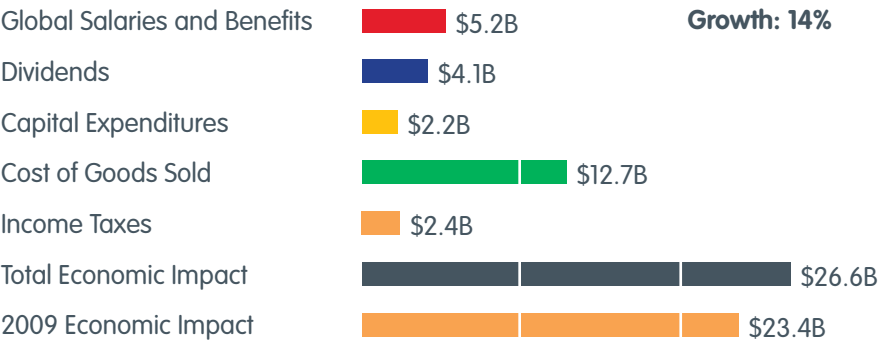
Supporting the economic health of communities also makes our business more sustainable, because our system is only as strong as the economies in which we do business. By creating opportunities throughout our value chain, we increase our access to local procurement and are able to penetrate hard-to-reach markets through local entrepreneurs. By investing in local economies and being a good corporate neighbor, we also earn our “social license” to do business in those places. Our ability to grow in emerging markets, where economic need is often greatest, is particularly critical to our long-term success. So we focus many of our economic initiatives in those places.

Our economic impact

Our system employs approximately 700,000 people around the globe. Our supply chain employs millions more. Add to those numbers the capital we spend in communities, the local taxes we pay and even the dividends we pay to our shareowners, and it is easy to see that our economic impact is considerable. In 2010, our direct global economic impact totaled \$26.6 billion, up 14 percent from 2009.

2010 Company Direct Global Economic Impact

(B = billion)



Creating opportunity through targeted initiatives

In addition to our economic “ripple,” we also support local economies through targeted initiatives that offer opportunity to the people and places that need it most. Here is a progress report on our most recent efforts.

5 BY 20

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

Progress: In Progress.
Although 5 BY 20 is barely a year old, we have made solid progress in laying the foundation for the program and engaging women entrepreneurs.

In September 2010, we launched our commitment to 5 BY 20—an effort to economically empower 5 million women entrepreneurs in our global value chain by 2020. 5 BY 20 aims to enable women entrepreneurs to break down social and economic barriers by providing them with access to skills training, financial services and support networks of peers and mentors. We define “entrepreneur” as virtually any woman connected with our business, including farmers, shopkeepers, micro-distributors, recycling collectors and artisans.

We recognize that we cannot meet 5 BY 20’s ambitious goal single-handedly. That is why we are partnering with governments, NGOs, banks and other companies. By pooling our experience with that of our partners, we can have a profound and lasting impact.

5 BY 20 is already under way in many countries, with an initial focus on four important growing markets: Brazil, India, the Philippines and South Africa. Our business units in these countries are leading the way by embedding 5 BY 20 in their business plans and processes. We have also begun building on existing initiatives, such as our residential entrepreneurship-training program in Brazil, our mobile retail training centers in India and our support of women retailers in South Africa.

Reaching out to women is logical for us because women are not only pillars of their communities but also pillars of our business, making up a disproportionately high percentage of key segments of our value chain. In some markets, women own or operate 85 percent of the small neighborhood stores that sell our products. As we move toward our goal of doubling our business by 2020, small-scale retailers and distributors will be an important contributor to our success. So our initial 5 BY 20 activities will focus on women in these roles. By investing in their success, we invest in our own.

What is more, unleashing the entrepreneurial potential of women is one of the most effective and sustainable ways we can help more families

and communities prosper. Empowering women will also provide more choices for women and help create female role models in places where economic opportunities for women have historically been limited.

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 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. Currently, in Africa there are more than 3,200 MDCs that employ over 19,000 people, generating more than \$950 million in annual revenue.

Many MDCs are in high-density areas, where a lack of good roads and infrastructure makes it difficult for delivery trucks to travel. MDCs in Kenya, Mozambique, Tanzania and Uganda account for the vast majority of our sales in those countries. The number of MDCs in North and West Africa is growing rapidly.

More than 800 of our African MDCs are owned and managed by women, and an additional 800 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.

Since joining the Business Call to Action in 2008, our system has created more than 1,100 new MDCs, which in turn has generated more than 11,500 new jobs. Working with various external partners, we also researched ways to improve the development impacts of the MDC model and shared this learning across our system. We

have seen similar expressions of the MDC model introduced in China and the Philippines. We expect that as our business grows toward 2020, micro-distributors will continue to play an increasing role in our overall route-to-market strategies.

Project Nurture

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

Through Project Nurture, local farmers—many of them women—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.

To date, 36,722 farmers have been trained through Project Nurture. More than 13,550 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.

Haiti Hope

Based on our Project Nurture model, the Haiti Hope Project is a five-year, \$9.5 million partnership intended to double the incomes of 25,000 Haitian mango farmers. Our partners in the Project include the Multilateral Investment Fund (MIF), a member of the [Inter-American Development Bank \(IDB\)](#), the [United States Agency for International Development \(USAID\)](#) and [TechnoServe](#). The [Clinton Bush Haiti Fund](#), the Soros Economic Development Fund and others are among the supporters of the Project. Our Project team works closely with Haitian authorities to make sure the Project's goals align with the government's.

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. As of August 31, 2011, 6,000 mango farmers have joined the program, of which 40 percent are women. This total surpasses the goal of enrolling 5,000 farmers by September of the same year. The Project team has also implemented a comprehensive farmer-training program.

The Coca-Cola Company has pledged to invest \$3.5 million to the Project over a five-year period. As part of Coca-Cola'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. To date, our Company has invested a total of \$1.4 million in Haiti Hope.

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 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 securing 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 profoundly influenced by the United Nations and International Labour Organization declarations. Together, they describe our high standards and our expectations with respect to human rights and workplace rights. Collectively, they address 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.

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, *even if they have not contributed to those impacts*. To meet this expectation, our Company, bottling partners

and suppliers have begun the work of 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.

In recent years, we have more clearly defined what we stand for in regard to workplace and human rights. We have also begun the complex work of ensuring that our entire business system and supply chain align with our policies. It is a long journey. Much of it lies ahead. And we have made notable progress since our last sustainability report, the *2009/2010 Sustainability Review*.

Ensuring compliance across our system and among our suppliers

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

Progress: In Progress.

As of December 31, 2010, 91 percent of our Company-owned facilities achieved compliance, along with 63 percent of our bottling partners and suppliers.

At the end of 2010, 91 percent of our Company-owned facilities had achieved compliance with our *Workplace Rights Policy*. This puts us well on track to meet our goal of achieving 98 percent compliance by 2015.

As for suppliers and bottling partners, we expect them to comply with applicable laws and respect 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 are aiming to have 90 percent of our bottling partners and suppliers comply with our *Supplier Guiding Principles* by 2015. As of December 31, 2010, 63 percent had achieved compliance.

Deepening our engagement with suppliers

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

The result of our efforts—which included a meeting with chief executive officers and chief operating officers of 32 of our top global suppliers, was our “supplier engagement pyramid,” a five-tier engagement model we developed (with our *Supplier Guiding Principles* program as the foundation) to manage our work with suppliers going forward. Our five tiers of engagement are:

1. Dialogue on sustainability opportunities
2. Supplier operational improvements
3. Business-to-business supply chain efficiencies
4. Acceleration of signature programs
5. Emerging opportunities and innovations

While we have started with a small group of large, mostly global and strategic suppliers, we must ultimately broaden integration of sustainability as a value within our procurement process. To that end, many of our regional procurement entities have launched their own specific programs on supplier sustainability. Coca-Cola Enterprises in Europe, for example, held a Supplier Sustainability Summit in 2010, engaging 80 suppliers across a diverse set of categories. Our operations in China, India and the Philippines have held similar meetings.

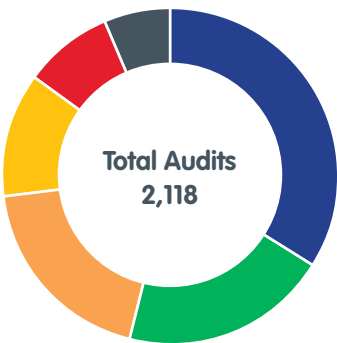
Achieving compliance through third-party audits

In our 3,500 significant supplier locations, our process is to prevent noncompliant suppliers from entering our system. In order to do this, we first screen suppliers according to our guidelines, and if they fail the screening, we do not proceed with a contract.

To help our Company, our bottling partners and our 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. Nearly 10,000 assessments have been completed since 2003.

2010 Audits by Region

Pacific	721 (34%)
Latin America	426 (20%)
Eurasia	403 (19%)
Africa	255 (12%)
North America	180 (9%)
Europe	133 (6%)



By the end of 2010, we assessed 81 percent of our direct supplier facilities, bottling partners and Company-owned facilities. Of those, 63 percent achieved compliance with our *Workplace Rights Policy* and *Supplier Guiding Principles* standards, exceeding our interim goal of achieving 60 percent compliance by 2010. Our Commercial Products Supply facilities achieved 100 percent compliance with our *Workplace Rights Policy* in 2010, and two of our largest bottling partners, *Swire Beverages Limited*, and *Coca-Cola FEMSA*, achieved 100 percent compliance with our *Supplier Guiding Principles*.

Amid these successes, we are addressing increasing reports of audit fraud in China, India and Mexico. Incidents generally involve counterfeit audit reports or suppliers providing false information and documents to auditors. In response, we are improving our detection efforts and assessing our practices to make sure we are not enabling or compelling fraud. We want suppliers to know that accurate assessments are essential, that we support their continuous improvement and that we do not take the “comply or die” approach some suppliers fear. To help solve this problem, we are consulting with peer companies and other experts.

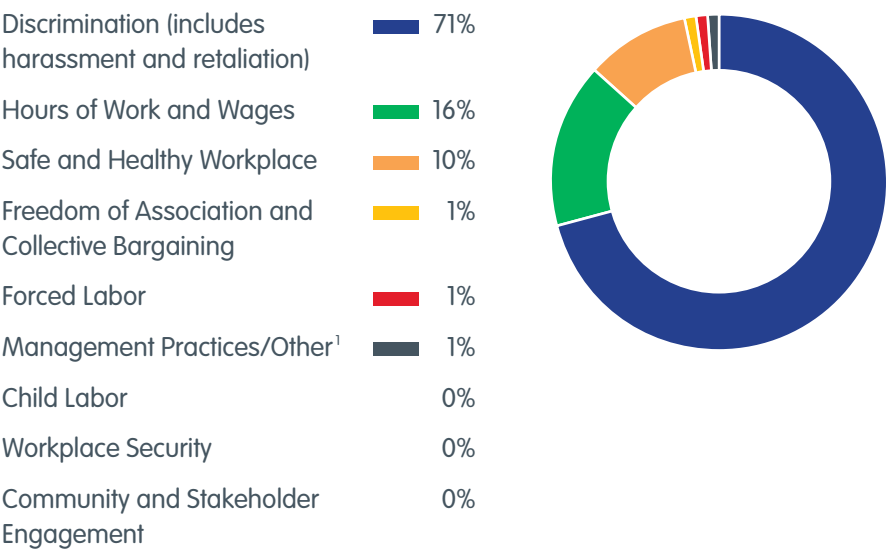
Investigating rights-related complaints

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, including our *EthicsLine*—a toll-free, secure phone line and website.

In 2010, we investigated 118 perceived workplace rights violations, up from 93 in 2009. The largest number of complaints related to discrimination (which includes retaliation and harassment) and work hours and wages. 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.

Furthermore, we detected no issues where freedom of association had been denied in 2010, as determined through both our workplace assessment process, which includes more than 2,000 assessments, and contacts made to the Company through our *EthicsLine*. This hotline is a grievance mechanism available to our associates, bottling partners and suppliers, as well as our customers and consumers, and we take action in response to every allegation.

2010 Workplace Rights Policy Cases Reported by Category



¹ 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.

Workplace Rights Policy Cases Reported by Category, 2009 and 2010

	2009	2010
Freedom of Association and Collective Bargaining	4	1
Forced Labor	1	1
Child Labor	0	0
Discrimination (includes harassment and retaliation)	36	84
Hours of Work and Wages	21	19
Safe and Healthy Workplace	0	12
Workplace Security	1	0
Community and Stakeholder Engagement	0	0
Management Practices/Other¹	30	1
Total	93	118

¹ 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.

Refreshing our policies and management training

In early 2011, we updated our Human Rights Statement and 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 *Manager’s Guide on Implementing the Statement and Policy*, adding

new guidance regarding hate speech, indigenous peoples and other matters. We also refreshed the understanding of our human rights policies among leaders across our Company through online training. In September 2011, we updated our audit protocols and supplier training based on the Danish Institute's analysis, further aligning suppliers and bottling partners with our Company policies and practices. Additionally, over the course of 12 months, approximately 15,000 Company associates participated in 45-minute *Human Rights Statement* and *Workplace Rights Policy* training sessions, resulting in more than 11,000 hours of training on our Company policies and procedures.

A new framework for respecting human rights

Since 2005, we have worked to support the mandate of John Ruggie, the 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. As part of that work, we have hosted several meetings of business leaders and others to increase understanding of human rights and share best practices. The meetings were co-sponsored by the International Organization of Employers, the U.S. Council for International Business and the U.S. Chamber of Commerce. In May 2011, we formally endorsed Professor Ruggie's framework, which the UN Human Rights Council adopted in June.

Our support for the mandate of Professor Ruggie 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 Compact members to achieve a blueprint for sustainable corporate responsibility.

Preventing human trafficking

Our Company addresses human trafficking and forced labor through both our Workplace Rights Policy and our Supplier Guiding Principles. These policies are supported by independent assessments of both supplier 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 2010, we expanded research into the recruitment and employment practices of migrant labor in our supply chain and Persian Gulf area. We will use this research to develop expanded efforts to combat forced labor.

Collaborating with labor

We respect the rights of workers in our 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 Foodworkers (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 since 2005, we have met 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 a table through a serious and practical engagement from both sides. For example, in 2009 and 2010, we were able to resolve a number of contentious labor issues in Pakistan. In October 2010, we joined the IUF in [reaffirming our commitment](#) to our semiannual meeting process.

We encourage our bottling partners to collaborate with labor organizations as well. In September 2010, we presented a program to Equatorial Coca-Cola Bottling Company to help that company implement our [Workplace Rights Policy](#). That same month, we hosted a meeting in Athens, Greece, where we achieved further alignment among bottling partners in addressing issues related to labor relations and human and workplace rights. In 2011, we are enhancing our systems for identifying workplace rights problems early. We are also providing 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.

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. We do not track the aggregate number of contract laborers working in our system due to the highly seasonal nature of our business in many parts of the world, and because of the varying circumstances in which our bottling partners and business units engage with contract labor.

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 carefully manage the labor agencies engaged. We also expect them to provide training and 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,"](#) above). Through these meetings, we have successfully addressed a number of concerns regarding contract workers in India, Pakistan and the Philippines.

- We are providing our largest bottling partners with contract labor risk-mitigation checklists and other similar tools to help them manage contract labor appropriately.

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 the farms that grow cane for our sugar suppliers. The Company does not typically purchase ingredients directly from farms, nor are we owners of sugar farms and plantations. Sugarcane harvesting is especially hazardous because of the machetes used in the work. Yet poverty and local social norms often result in children working in the cane fields.

We have taken an approach to child labor in sugarcane fields that is at once global and local. We set policy, convene experts, and engage with governments, NGOs and other companies around the world. At the same time, we collaborate with suppliers, industry groups and local stakeholders to address the issue with farmers at the local level.

Since our *2009/2010 Sustainability Review*, we have taken action in countries including El Salvador, Honduras, Mexico and the Philippines. Here are our recent activities:

- In El Salvador, we have continued participating in collaboration with ILO-IPEC, the Salvadoran sugar industry, governments, NGOs and others. These efforts have helped to reduce child labor in cane fields by 72 percent between 2003 and 2008.
- 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; and enforcement and monitoring activities to be implemented on a long-term basis starting with the 2011 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.

- Our partnership with IPEC in Mexico resulted in a commitment by two sugar suppliers to pilot child labor awareness and education programs at their mills' cane farms. If the pilot succeeds, other mills will replicate it through the 2011–2012 harvest.
- In September 2010, The Coca-Cola Foundation joined the ILO-IPEC director for the Philippines, the government of Bukidnon province and the Sugar Industry Foundation in launching a four-year initiative to eliminate child labor in Bukidnon.

In addition to our farm-focus work, we are also engaged in the ongoing global conversation about eradicating child labor. We are part of a 13-member U.S. Department of Agriculture consultative group on child and forced labor that will serve by U.S. Congressional mandate through 2012. Also, in 2010, our workplace rights team participated among 450 delegates from 80 countries at a two-day Global Child Labor Conference in The Hague organized by ILO-IPEC and the government of the Netherlands. Delegates adopted *A Roadmap to 2016*, which sets measurements for eliminating the worst forms of child labor over the next five years.

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.

Progress on hours of work

In addition to our work on child labor, we have made progress in addressing several other human rights and workplace concerns since our *2009/2010 Sustainability Review*.

Compliance with local work-hours and overtime laws is a fundamental component of our *Workplace Rights Policy* and *Supplier Guiding Principles*. To help bottling partners and suppliers understand and manage hours-of-work issues, our business unit in Brazil—where regulations cap worker hours at 40 per week—identified reasons for overtime and rest-day violations and sought to mitigate them. Bottling partners first noted that overtime was often logged mistakenly because workers were not clocking out for coffee and meal breaks and other “off the clock” activities. Once they addressed that issue and others, bottling partners then tracked hours of work per month compared to the previous year, as well as the associated economic impact. After a year of focusing on stricter compliance, 11 bottling partners reported an 86 percent reduction in overtime, \$3.8 million in annual savings and increased “off work time” for more than 34,000 workers. Based on the work in Brazil, we have developed a guidance document to help other facilities in our system reduce overtime.

Calvert adds us to its Social Investment Fund Index

Protecting human and worker rights in a company as large and complex as ours is a challenging and continual process, so we welcome signs that we are moving in the right direction. In January 2011, Calvert Investments 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](#).

As well known and as far-reaching as our brands are, the spirit of The Coca-Cola Company is not found in a bottle. It is in the hearts of our people—approximately 700,000 of them across our business system—who make, market and deliver our products around the world.

We want to be the employer of choice for smart, talented, hardworking people. Since our last sustainability report, the *2009/2010 Sustainability Review*, we have continued to engage and inspire our associates, increase diversity and improve our systems for protecting the health and safety of our workers. Here is a look at our progress.

Fresh insights from our employee survey

Our biannual *Employee Insights Survey* asks associates to voice their opinions and tell us about their experience as employees of The Coca-Cola Company. In 2010, 90 percent of associates worldwide completed our survey. For the first time, our employee engagement score—84 percent—aligns with Towers Watson's High Performing Companies' Norm Index.¹ Compared to our 2008 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 leadership and development" as two areas where additional focus is needed. Action plans have been developed and implemented at the global and local levels to address these issues.

Global recognition as a great place to work

In October 2011, The Coca-Cola Company was named one of the "World's Top 25 Best Multinational Workplaces."² 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 addition, our Company was recently named one of the "Best Companies to Work For[®]" by the Great Place to Work[®] Institute in Argentina, Australia, 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.

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,

¹ The 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.

² The 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.

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. Here are several examples of the progress we have made toward increasing diversity since our 2009/2010 Sustainability Review:

- Globally, our representation of women in leadership roles is 27 percent, up from 23 percent in 2008. More than 33 percent of the talent in our immediate pipeline is female, up from 28 percent in 2008. Although we are making programmatic progress in recruiting, developing and advancing women, 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.
- Our efforts to increase diversity at our U.S. operations have been recognized by multiple media and advocacy groups over the last year. In 2011, we ranked No. 12 on DiversityInc’s Top 50 Companies for Diversity list. We were named to Black Enterprise’s list of Top Companies for Diversity for the seventh consecutive year, and we received a 100 percent rating from the Human Rights Campaign for the sixth consecutive year. We also received the highest score awarded on the 2010 Hispanic Association for Corporate Responsibility Corporate Inclusion Index (HACR CII) with a positive rating score of 85 out of 100 points. The HACR CII measures Hispanic inclusion strategies of the Fortune 100 and HACR corporate partners. While we do not consider such recognition as an

end in itself, we are pleased at the signal that our inclusion strategies are on the right track.

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.

The following table shows our Company’s lost-time incident rate and lost days for 2010 and the previous five years:

Lost-Time Incident Rate/Lost Days,¹ 2005 to 2010

	2005	2006	2007	2008	2009	2010 ²
Number of Employees	55,000	71,000	90,500	92,400	92,800	139,600
Lost-Time Incident Rate	2.6	2.1	2.3	2.2	1.9	4.1
Lost Days	15,226	20,837	29,407	24,621	19,213	185,608

¹ 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.

² Significant change in data from 2009 to 2010 is primarily due to the impact of our acquisition of CCE’s North American business.

We regret to report the deaths of seven Company associates and nine contractors in 2010. Eleven of the deaths were due to traffic-related

incidents. Four contractors died in a single boiler incident in India. One employee died as the result of local violence while outside the gate of one of our facilities in the Philippines.

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. For example, to improve the safety of our fleet drivers, we are developing a toolkit of best practices in fleet safety. We have also joined the board of the Network of Employers for Traffic Safety in an effort to expand our own capabilities to help drive progress in this critical area.

Also, given the nature of the diverse geographies in which we operate, the security of our people and property are a key focus for us. Our Strategic Security organization works closely with leaders within each of our geographies to ensure robust security plans are in place and implemented effectively.

In 2009, we took several other steps to better protect the health and safety of our workers worldwide. These steps included the following:

- We improved our data reporting accuracy. Reporting now includes approximately 98 percent of our Company associates, up from 84 percent in 2010. While we are pleased with this improvement, ensuring consistent application of measures across our Company's global operations remains a challenge.
- We created a Director of Occupational Safety and Health position, with the intent of elevating the focus on this critical area and strengthening integration throughout our Company.
- We updated and reissued all of our Occupational Safety and Health Requirements in order to increase their relevance and improve implementation in the field. These requirements apply to all

Company-owned and franchise operations and establish minimum global standards for safe operation and design, including fleet safety, chemical handling, machinery safety and other areas.

Careers at The Coca-Cola Company

Each associate of The Coca-Cola Company helps lead our success in the beverage industry by committing to benefit and refresh everyone who is touched by our business. Details regarding global hiring and turnover rates are as follows:

2010 Global Hires/Rehires by Region and Gender

	Female	Male	Total
Bottling Investments Group	2	6	8
Corporate	344	419	763
Eurasia & Africa	118	77	195
Europe	91	64	155
Latin America	105	83	188
North America	160	379	539
Pacific	93	51	144
Coca-Cola Refreshments	1,455	7,447	8,902
Total	2,368	8,526	10,894

2010 Global Hires/Rehires by Region and Age Range

	Age Range									Total
	<25	25–29	30–34	35–39	40–44	45–49	50–54	55–59	>60	
Bottling Investments Group		1	1	–	2	2	–	2	–	8
Corporate	146	230	139	117	57	48	19	4	3	763
Eurasia & Africa	68	45	46	18	12	6	–	–	–	195
Europe	28	53	39	13	9	6	6	1	–	155
Latin America	53	63	44	15	10	3	–	–	–	188
North America	112	109	86	83	49	54	30	13	3	539
Pacific	8	45	44	29	14	3	–	1	–	144
Coca-Cola Refreshments	2,991	1,821	1,281	994	778	542	316	142	37	8,902
Total	3,406	2,367	1,680	1,269	931	664	371	163	43	10,894

2010 Global Turnover Rates by Region and Gender

	Female	Male	Total
Bottling Investments Group	4.9%	4.6%	4.7%
Corporate	7.6%	8.3%	8.0%
Eurasia & Africa	15.1%	11.7%	13.1%
Europe	13.4%	10.3%	12.0%
Latin America	10.7%	6.8%	8.5%
North America	10.3%	11.7%	11.2%
Pacific	10.3%	10.4%	10.3%
Coca-Cola Refreshments	20.7%	18.9%	19.1%

2010 Global Turnover Rates by Region and Age Range

	Age Range									Total
	<25	25–29	30–34	35–39	40–44	45–49	50–54	55–59	>60	
Bottling Investments Group	0.0%	0.0%	0.0%	9.0%	11.2%	0.0%	0.0%	0.0%	80.0%	4.7%
Corporate	16.3%	6.2%	7.9%	7.8%	7.1%	5.0%	5.6%	14.7%	27.8%	8.0%
Eurasia & Africa	31.6%	13.7%	16.2%	13.5%	14.9%	5.4%	1.7%	12.5%	0.0%	13.1%
Europe	0.0%	21.2%	16.2%	11.9%	8.5%	7.0%	3.8%	0.0%	25.5%	12.0%
Latin America	38.8%	12.3%	9.1%	6.8%	5.2%	6.9%	2.0%	3.3%	16.0%	8.5%
North America	48.6%	23.0%	16.6%	11.8%	7.9%	6.1%	5.3%	9.4%	20.9%	11.2%
Pacific	12.8%	10.8%	14.2%	9.3%	8.7%	6.2%	6.4%	17.0%	104.3%	10.3%
Coca-Cola Refreshments	63.0%	28.3%	20.6%	15.3%	12.7%	9.7%	8.7%	9.5%	21.3%	19.1%

The future of our business depends on a reliable supply of the ingredients we use in our products. The future of farming families and ecosystems around the world depends on crops being grown more sustainably. We are contributing to the global shift toward more viable agriculture through innovative partnerships and a supply chain that increasingly stresses the need for sustainability.

Agriculture is the world's largest industry, employing more than 1 billion people and generating more than \$1 trillion of food annually. 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 while meeting the needs of society.

Our Company has an opportunity to advance more sustainable farming practices. As a general rule, we do not own or operate farms, and we buy only a small percentage of our ingredients directly from farmers. But our system is a major buyer of fresh fruit, corn, tea, sugar, coffee and other ingredients. Our global scale and long-standing working relationships with suppliers and processors give us an influential voice—and we are using it to help effect change.

The World Economic Forum (WEF) and McKinsey & Company estimate that up to 30 percent of greenhouse gas emissions are attributable to agriculture, counting all related impacts, including deforestation. Agriculture accounts for 70 percent of worldwide water withdrawals. Agriculture both contributes to and is impacted by environmental stress. To read more, please visit the [“Realizing a New Vision for Agriculture: A roadmap for stakeholders”](#) report. At Coca-Cola, our approach to sustainable agriculture is multidimensional and founded on principles

to protect the environment, uphold workplace rights and help build more sustainable communities. Our sustainable agriculture strategy focuses on agricultural ingredients within the Company's supply chain and seeks to:

- **Mitigate risk** by working with partners and suppliers to address challenges to the availability, quality and safety of agricultural ingredients
- **Meet consumer demands** for healthy and sustainable lifestyles
- **Balance costs with the overall value proposition** by leveraging relationships and partnerships as well as by initiating new opportunities where they make sense for the supply chain

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.

Agricultural products are ingredients in almost all of our beverages, so the health of our business depends on the health of our agricultural supply chain. Our global system and vast supply chain provide countless opportunities to improve agricultural sustainability. We have adopted a holistic view and are working with our suppliers to help develop and encourage more sustainable agricultural practices.

A new sustainability standard for sugarcane

Sugarcane farmers, like many growers, face challenges related to the social, environmental and economic sustainability of sugarcane 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](#) (formerly known as the Better Sugar Cane Initiative), we worked with peer companies, sugar producers and WWF to develop the first global metric standard for 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.

In November 2010, Bonsucro launched its production standard and certification scheme. The standard evaluates 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.

Promoting more sustainable farming worldwide

With partners such as WWF and [United Nations Development Programme \(UNDP\)](#), we have contributed to 27 sustainable agriculture initiatives in 22 countries. The projects we are a part of are improving livelihoods for farming families, increasing crop yields while reducing costs and reducing environmental impacts. Here are summaries of three recent projects.

Farming for a healthier Great Barrier Reef

Innovations by Queensland's sugarcane farmers are the focus of Project Catalyst, an award-winning, five-year, \$26 million partnership among our Company, WWF, [Reef Catchments \(Mackay Whitsunday Natural Resource Management\)](#), the Australian government and others. The overall aim of the project is to foster farmer innovation to create more sustainable solutions for the community of sugarcane farmers, the Great Barrier Reef and the freshwater catchments that drain into the reef by reducing fertilizers and pesticide runoff. Project Catalyst is providing funding and technical expertise to farmers who have developed new practices focused on sustainability and need resources to catalyze implementation. Communication is a key part of Project Catalyst; the project team has developed newsletters and a website to share innovations among sugarcane growers, with the expectation that growers can share best practices and lessons learned, facilitating knowledge transfer and broader adoption of the practices.

Launched in 2009, Project Catalyst has increased from 19 participating cane growers and 4,800 hectares of farmland to 53 growers and more than 15,000 hectares. The project has improved the quality of more than 77,500 million liters (more than 20 billion gallons) of runoff by reducing the amount of nitrogen, phosphorous, herbicide and other pollutants flowing into the Great Barrier Reef. Through The Coca-Cola Foundation, our Company has contributed more than \$1.7 million to the project.

Project Catalyst Particulate Load Reduction

As of July 2011

	Annual Load Reduction
Particulate Nitrogen	55 tons
Phosphorus	26 tons
Dissolved Inorganic Nitrogen	48 tons
Filterable Reactive Phosphorus	10 tons
Herbicide	420 kilograms

Drought relief for farmers and communities in Guangxi

The Guangxi Sustainable Sugarcane Initiative is a five-year, \$3.5 million partnership with UNDP, the Chinese government and the government of the Guangxi Autonomous Region in southern China. The project seeks to provide sugarcane farming communities in drought-stricken Guangxi with improved access to drinking water and more efficient irrigation. New infrastructure will treat wastewater from sugar mills and direct it to cropland, providing irrigation and possibly better yields as a result of nutrients in reclaimed water. The project team will also install wells, pipes and disinfection equipment to provide farming families with greater access to drinking water.

Launched in 2011, the program seeks to train smallholder farmers in better management practices while improving catchment management. It will support development of more than 100 smallholder growers on 100 hectares and organize smaller farms into two cooperatives to help improve productivity and seed production.

Protecting freshwater and small farms in South Africa

A project aimed at small-scale cane growers in the KwaZulu-Natal region of South Africa seeks to leverage the mentorship program of the Noodsberg Cane Growers Association for disadvantaged and previously disadvantaged smallholder farmers. Efforts focus on creating well-planned farms that improve yields and livelihoods while reducing and mitigating environmental impacts. The Coca-Cola Foundation provided a \$150,000 grant to help strengthen and expand collaboration between commercial farmers and smallholder farms.

Launched in 2011, the program seeks to train smallholder farmers in better sustainable management practices while protecting catchment areas. It will support development of more than 100 smallholder growers on 100 hectares and organize smaller farms into two cooperatives to help improve productivity and seed production. Commercial farmers will work with smallholder 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 addition to the projects in Queensland, Guangxi and KwaZulu-Natal, we have recently engaged in the following partnerships:

- A joint effort with WWF, United States Agency for International Development (USAID), sugar suppliers and others to encourage sugarcane mills and farms in El Salvador and Guatemala to voluntarily adopt the Bonsucro sustainability standard and industry best practices for water stewardship.

- Development of 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 of Agricultural Research and the AZUNOSA sugarcane mill and refinery—is expected to produce enough biocontrol to treat 6,500 hectares by its third year and help reduce the agrochemical runoff that imperils the Mesoamerican Reef—the largest reef in the Atlantic Ocean.
- We are formalizing a policy within our system for sourcing more sustainable paper and paperboard fiber to ensure that our packaging comes from well-managed forests or recycled material. Our policy is also aimed at promoting markets for responsibly grown forest products.

We are also continuing our participation in two major initiatives reported in our last sustainability report, the *2009/2010 Sustainability Review*—the [Haiti Hope Project](#) and [Project Nurture](#), both multi-partner initiatives aimed at increasing sustainable agriculture and improving the lives of farming families. Our [water stewardship programs](#) increasingly address sustainable agriculture as well.

People are increasingly making informed choices about what they eat and drink. We think that is good news for everyone. We are innovating to provide consumers with more choices and information while helping to promote active, healthy living in communities around the world

Addressing obesity

According to the World Health Organization, 500 million adults over age 20 are obese—and so are about 43 million children under the age of five. Obesity is a serious, complex problem, the solution to which will require effort from every segment of society, including our Company. That is why we are working in a variety of ways to help people around the world “think, drink and move” their way to more active, healthy lifestyles.

Obesity as a business risk

Addressing obesity is an imperative for anyone who cares, as we do, about building strong, healthy, sustainable communities. For us, obesity also affects our business. As the world becomes more concerned about the public health consequences of obesity, some researchers and health advocates are encouraging reduced consumption of sugar-sweetened beverages like those we make. Such public sentiment, as well as potential government regulation or other measures intended to discourage the consumption of some of our beverages, could reduce consumer demand and our profitability. It is in our shareowners’ best interest for us to be part of workable solutions to this complex problem.

Our position on obesity

All over the globe, our consumers are telling us they care about their well-being. We care, too. That is why we have carefully considered our position on obesity and are working to address obesity in communities around the world.

There is widespread consensus that weight gain is primarily the result of energy imbalance—too many calories consumed and too few expended. People consume many different foods and beverages, so 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 caloric beverages. We offer beverages with and without calories, and we are helping develop workable solutions to address obesity—by partnering with government, academia, health societies and other responsible members of civil society.

We believe all foods and beverages can have a place in a sensible, balanced diet combined with regular physical activity. We believe a healthful diet is not about avoiding any one food, beverage or ingredient. Rather, it is about making sensible choices that include consuming a variety of foods and beverages in moderation and ensuring individual nutrition needs are met and energy balance is achieved at a level consistent with a healthy weight.

Consumers who want to reduce the calories they consume from beverages can choose from our continuously expanding portfolio of no- and low-calorie beverages as well as our regular beverages in smaller portion sizes. We provide more than 800 no- and low-calorie beverages, nearly 25 percent of our global portfolio. Nineteen of our top 20 brands have a low- or no-calorie alternative or are low- or no-calorie.

How we are helping to address obesity

In addition to offering consumers more than 800 low- and no-calorie beverages, we are joining with others to help address obesity and physical inactivity. Guiding our work are six commitments:

- **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.
- **We innovate.** We are committed to investing in the development of products, sweeteners, packaging, equipment and marketing that fosters active, healthy living.
- **We provide 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 and active, healthy lifestyles.
- **We inform with transparency.** We are committed to transparency about the nutritional content of our products.
- **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. (Read more about our marketing policy below and on our [Company website](#).)
- **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.

Supporting evidence-based science

We support independent, peer-reviewed research to help increase the body of knowledge available to help government, business and civil society find solutions to obesity. We also use evidence-based science to help us develop new products to meet consumer demand and to ensure our efforts educate consumers about our products.

In 2010 and 2011, we supported 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.

One thousand children from four Manchester secondary schools took part in the study. They prepared for events during and after school, mentored by local elite athletes. All events were linked to the city's sports development and education teams to provide additional connections to the community.

In the first phase of the study, students choreographed their own "Great Sports Dance" and performed their routines in front of an audience and celebrity judging panel. In the second phase, students chose from three activities. They could continue with dancing, train for and participate in a sprint competition held on Manchester's busiest shopping street, or train for and participate in a swimming competition.

Loughborough University researchers are analyzing the data gathered during the study and are scheduled to issue a report in 2011. Meanwhile, response to the events from the Manchester City Council has been

encouraging. The city is looking into making the Great Sports Dance an annual event, citing its popularity among students and its lack of barriers related to gender, ethnicity and disability.

Innovating to find sweetness with fewer calories

Great-tasting low- and no-calorie sweeteners play a critical role in our ability to offer consumers greater variety and choice. For nearly 50 years, we have been an innovator in sweeteners. Recently, we have increased our investment in sweetener research. In December 2010, we announced a partnership with Chromocell Corporation to develop sweetness enhancers, natural sweeteners and other ingredients that will help us to offer great-tasting beverages with fewer calories.

We also continue to innovate with sweeteners made from stevia, which come from natural origins and have zero calories. Today, we sweeten more than 25 products in eight countries with our stevia sweetener and other natural sweeteners.

We know from experience that developing sweeteners takes time, capital and creative thinking. We are investing in all three, and we are optimistic that we will continue to discover new safe and delicious options for consumers.

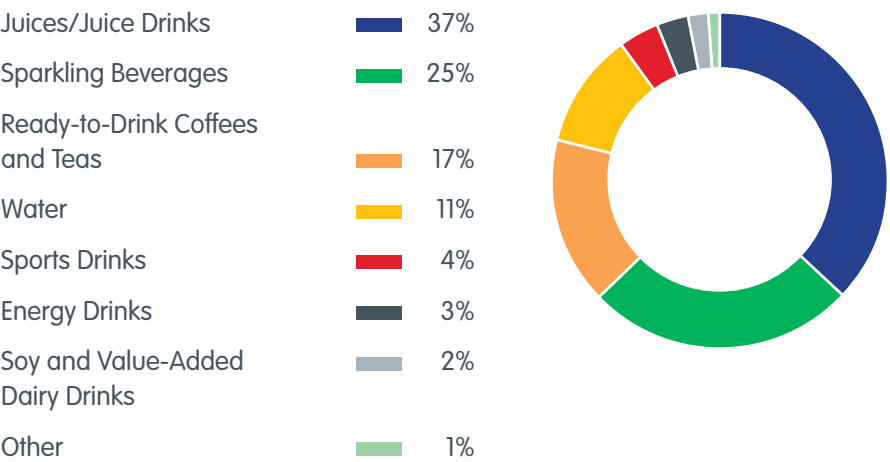
Executing and educating around choice

As people’s tastes and needs change, our product offerings change with them. That is why we are committed to providing both a variety of products for every lifestyle and occasion, as well as a variety of options available for purchase in each outlet. For example, in many developed countries, consumers can find Diet Coke®/Coca-Cola light® or Coca-Cola Zero® in more than 90 percent of locations where Coca-Cola® is sold. In some countries—Belgium, New Zealand, the UK and the U.S.,

to name a few—consumers can find Diet Coke/Coca-Cola light and Coca-Cola Zero in nearly every store where Coca-Cola is sold.

With more than 3,500 beverages in our product line, we are the largest provider of sparkling beverages, juices and juice drinks, and ready-to-drink coffees. We offer more than 800 low- and no-calorie beverages—nearly 25 percent of our global portfolio. We developed more than 150 of our low- and no-calorie beverages in the last year alone, and 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.

2010 Product Portfolio¹



¹ The figures in this chart reflect the percentage of the total number of beverage products by beverage category, not the percentage of unit case volume by beverage category. Unit case volume percentages by beverage category differ from the figures in this chart.

We are also offering more variety in our serving sizes to help consumers manage their calorie intake and energy balance. One example: Our 7.5-ounce, 90-calorie mini-can servings of Coca-Cola are now available throughout the United States. Mini-cans are also available in Australia, Canada, Korea and Thailand.

Informing consumers with transparency

We are working to provide factual, meaningful and understandable nutrition information about all our products. We believe in the importance and power of informed choice and continue to support fact-based nutrition labeling and education and initiatives that encourage people to live active, healthy lifestyles.

Goal: Provide front-of-pack energy (calorie) information on nearly all of our products by the end of 2011. When that is not possible (e.g., small package size or when such labeling is not allowed by national governments), we make that information available online and elsewhere.

Progress: In Progress.

Marketing responsibly

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 directly target children younger than 12 in our marketing messages or our advertising,¹ and we do not show children drinking any of our products outside the presence of a parent or caregiver. 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.

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 for marketing to children, we conduct an audit of our advertising and other marketing materials annually.

Since our last report, the *2009/2010 Sustainability Review*, we received an encouraging indication that industry self-regulation is working when it comes to marketing to children. A 2010 analysis by Accenture, commissioned by the International Food & Beverage Alliance, showed that, with some exceptions, the industry is complying with its own

¹ This means we will not buy advertising directly targeted at audiences that are more than 35 percent children younger than 12.

policies. The study, which looked at the practices of eight 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 96 percent. A [similar study for the International Council of Beverage Associations](#), which focused on The Coca-Cola Company and PepsiCo Inc., showed 95.7 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. The next step for The Consumer Goods Forum will be to define implementation plans and metrics for assessing progress.

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 reduce obesity by 2015.

Promoting active, healthy living

Goal: We sponsor more than 250 physical activity and nutrition education programs in more than 100 countries around the world. Our goal is to sponsor at least one program in every country where we operate by the end of 2015.

Progress: In Progress.

One new program we are sponsoring is an international walk-to-school competition, currently being tested in schools in London, site of the London 2012 Olympic Games. Our plan is to include former Olympic cities in this international event, with focus on Atlanta (site of the 1996 Olympics) as the next pilot. Based on the belief that walking to school provides an excellent opportunity for increasing physical activity as part of active, healthy lifestyles, connecting with the community and building social skills, the competition will encourage hundreds of schoolchildren to forego cars and buses and instead walk along safe, prescribed routes to school. Along their way to school, participants will swipe magnetically striped cards at checkpoints that tell them how far they have walked. Students who walk the entire route will receive small, activity-related prizes, with a grand prize being awarded to the winning city's students.

One of our largest, longest-running and most successful programs is [Copa Coca-Cola™](#). Started in Mexico in 1998 and soon expanded to countries worldwide, Copa Coca-Cola is a program of youth football tournaments in which teams of boys and girls aged 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 600,000 young people have participated in Copa Coca-Cola.

We have also helped the Boys & Girls Clubs of America develop Triple Play to nurture the well-being in mind, body and soul of club members. The after-school program uses education, projects 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 increased 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 to 78 percent. To date, Triple Play has helped more than 1 million children learn the importance of physical activity and proper nutrition.

Because science increasingly shows that physical activity is fundamental to good health, we are a founding corporate 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 now has a presence in 25 countries.

As part of our commitment to promote active, healthy living, we are helping our associates to become more active. That is why we have joined the World Economic Forum's Workplace Wellness Alliance as part of our goal to help our associates achieve active, healthy lifestyles. Workplace 2020, our ambitious endeavor to re-imagine, renew and renovate our headquarters campus, is being completed with associate well-being and sustainability as key objectives.

Our position on product safety and quality

At The Coca-Cola Company, we strive to deliver safe products of the highest quality. 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 which 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.

Our products are tested in modern laboratories utilizing stringent methods and appropriate technologies. 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 to 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 value, 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 quality and safety 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.

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.

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.

Looking ahead

In many ways, we are still learning where our Company can make the most meaningful difference in the global fight against obesity. We are discovering where our products, system and expertise can best add value and are developing meaningful measurements to guide our work. We expect to take additional steps in the coming 12 to 24 months to further our six commitments to help address obesity.

Performance Highlights

Performance highlights by year	2010	2009	2008	2007	2006
Water use ratio (efficiency), defined as liters of water used per liter of product produced by the Coca-Cola system	2.26	2.36	2.43	2.47	2.56
Total liters of water used by the Coca-Cola system	295B	300B	305B	306B	303B
Percent of Coca-Cola system plants in compliance with internal wastewater treatment standards (which meet and often exceed applicable laws)	93%	89%	88%	85%	83%
Number of community water partnerships supported by the Coca-Cola system and number of countries where projects exist	320, 86	250, 70	203, 56	116, 48	65, 38
Estimated percent of water replenished ¹ by the Coca-Cola system based on the total water used in our finished beverages	23% ²	22%	N/A 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.

Energy Efficiency and Climate Protection

Performance Highlights

Performance highlights by year	2010	2009	2008	2007	2006
Direct greenhouse gas emissions for the Coca-Cola system, measured in million metric tons carbon dioxide equivalent (MMt CO ₂ e)	1.90 MMt CO₂e	1.94 MMt CO ₂ e	2.00 MMt CO ₂ e	1.98 MMt CO ₂ e	2.00 MMt CO ₂ e
Indirect greenhouse gas emissions from electricity purchased and consumed (without energy trading) by the Coca-Cola system	3.30 MMt CO₂e	3.45 MMt CO ₂ e	3.26 MMt CO ₂ e	2.98 MMt CO ₂ e	2.97 MMt CO ₂ e
Total greenhouse gas emissions for the Coca-Cola system ¹	5.20 MMt CO₂e	5.33 MMt CO ₂ e	5.08 MMt CO ₂ e	5.05 MMt CO ₂ e	5.12 MMt CO ₂ e
Total megajoules of energy used by the Coca-Cola system	58.8B	57.9B	58.5B	57.5B	57.9B
Energy use ratio (efficiency), defined as megajoules of energy used per liter of product produced by the Coca-Cola system	0.45	0.46	0.46	0.46	0.49
Total electricity purchased by the Coca-Cola system, measured in megawatt hours (MWh)	6,596,462 MWh	6,425,507 MWh	6,162,180 MWh	5,714,036 MWh	5,565,379 MWh
Number of HFC-free refrigerated coolers and vending machines placed in markets each year	162,000	72,600	31,400	8,100	2,500

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.

Performance highlights by year	2010	2009	2008	2007	2006
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	51.9	50.0	46.3
Percent of equivalent ² bottles and cans sold by our system recovered through Coca-Cola system–supported recovery programs	36%	36%	33%	36%	35%
Company Global Packaging Quality Index rating (out of 100)	94	92	91	90	89

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.

Workplace	2010	2009	2008	2007	2006
Number of <i>Workplace Rights Policy</i> assessments	88	107	93	106	N/A
<i>Workplace Rights Policy</i> compliance of Company-owned and -managed facilities	91%	90%	67%	N/A	N/A
Number of bottling partner and supplier audits performed	2,118	1,971	1,898	1,313	1,029
Percent of employee base by gender—U.S. only (male, female)	71%, 29% ¹	50%, 50%	50%, 50%	50%, 50%	51%, 49%

¹ Significant change in data from 2009 to 2010 is primarily due to the impact of our acquisition of CCE's North American business.

Healthy Communities

Performance Highlights

Percent of employee base by race/ethnicity—U.S. only	2010	2009	2008	2007	2006
African American	13% ¹	23%	23%	23%	23%
Asian	3% ¹	5%	5%	5%	5%
Caucasian	70% ¹	64%	64%	65%	64%
Hispanic	10% ¹	7%	7%	6%	7%
Other	4% ¹	1%	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)	4.1 LTIR ¹ 185,608 ¹ days	1.9 LTIR 19,213 days	2.2 LTIR 24,621 days	2.3 LTIR 29,407 days	2.1 LTIR 20,837 days
Total Company spend with minority- and women-owned business enterprises	\$622MM ¹	\$459MM	\$413MM	\$366MM	\$297MM

¹ Significant change in data from 2009 to 2010 is primarily due to the impact of our acquisition of CCE's North American business.

Percent of total elected and appointed Company officers	2010	2009	2008	2007	2006
Men	64%	77%	76%	76%	75%
Women	36%	23%	24%	24%	25%
Minorities	24%	22%	20%	20%	21%

Workforce	2010	2009	2008	2007	2006
Total employees	139,600¹	92,800	92,400	90,500	71,000
Females on Board of Directors	2 of 15	3 of 14	3 of 15	2 of 12	1 of 11
Females in senior roles	26%	26%	25%	23%	N/A
Females in immediate pipeline level roles	32%	31%	32%	N/A	N/A
Females in professional pipeline roles	45%	45%	44%	N/A	N/A
Board of Directors members over age 40	100%	100%	100%	100%	100%
Ethnically diverse members of the Board of Directors	5	5	5	2	1

¹ Significant change in data from 2009 to 2010 is primarily due to the impact of our acquisition of CCE's North American business.

Healthy Communities

Performance Highlights

Beverage Benefits	2010	2009	2008	2007	2006
Company Global Product Quality Index rating (out of 100)	95	94	94	94	94
Number of new beverage products introduced	600+	600+	700+	700+	~600
Number of low- and no-calorie beverage products launched	150+	180+	160+	150+	150+
Number of low- and no-calorie beverage products in total global portfolio and percent of total global beverage product portfolio	800+, 23%	800+, 24%	750+, 25%	700+, 25%	575+, 22%
Percent of global sparkling volume from low- and no-calorie beverages	14%	15%	15%	16%	15%

Active Healthy Living	2010	2009	2008	2007	2006
Number of physical activity and nutrition education programs sponsored by the Coca-Cola system and number of countries where programs are present	~250, ~100	~150, ~100	120+, 85	N/A, N/A	N/A, N/A

Economic Opportunity	2010	2009	2008	2007	2006
Total Company economic impact, inclusive of global salaries and benefits, shareowner dividends, local capital expenditures, goods purchased and income taxes	\$26.6B	\$23.4B	\$22.8B	\$21.2B	\$17.4B
Charitable contributions and equivalent percent of operating income	\$102MM, 1.2%	\$88MM, 1.1%	\$82MM, 1.0%	\$99MM, 1.4%	\$70MM, 1.1%

About Our Reporting



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 *2010/2011 Sustainability Report*, covers the performance of The Coca-Cola Company and the Coca-Cola system (our Company and our bottling partners) from October 2010 through August 2011. Our previous report, the *2009/2010 Sustainability Review*, was published in December 2010. References to “currently,” “to date” or similar expressions reflect information as of August 31, 2011. In cases where information is tracked by calendar year, the data reflect 2010 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.

In October 2010, The Coca-Cola Company acquired the North American operations of Coca-Cola Enterprises Inc. (CCE) and sold our Company’s Norway and Sweden bottling operations to a new entity, Coca-Cola Enterprises, Inc. (New CCE). Some of the data found within the report reflects this acquisition and is footnoted, where appropriate, to explain large changes in numbers between the 2009 and 2010 calendar years.

We have included an extensive discussion of potential risks and challenges to our business on pages 13 to 22 of our *2010 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 responsible water use; energy efficiency and climate protection; sustainable packaging; obesity and other health concerns; workplace and human rights; worker health and safety; anti-corruption; and product quality.

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.

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* on the [sustainability section](#) of our Company website. This *GRI Report* is our first report launched to specifically address GRI requirements.

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 *2010 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 recently 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 a 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](#). This is a significant step in our progress, as we have

undergone a more thorough assurance process for this report. For this report, we listened to FIRA’s suggestions and made sure to address 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 *2010 Annual Report on Form 10-K* and our [2010 Annual Review](#). These reports, along with several other reports filed with the SEC, are available on our [Company website](#). [Regional and bottling partner reports](#) are also available for review.

We value the opinions and insights of our stakeholders and rely on them to help shape our reporting. This year, we took a more proactive approach to stakeholder engagement and, more than ever, incorporated what we heard as we developed this report.

Reaching out, listening up

Our report is shaped by the people who use it—consumers, NGOs and shareowners, just to name a few. We also look to our bottling partners, customers and others in our system because we care about addressing their concerns.

Since our last sustainability report, the *2009/2010 Sustainability Review*, we engaged internal and external stakeholders to determine what areas in our reporting require further explanation and clarification. One particularly helpful organization in our efforts was Ceres, a national coalition of investors, environmental organizations and other public interest groups working with companies to address sustainability challenges.

In the summer of 2011, Ceres hosted a call with several of their team members, associates from our Company, and several stakeholders, including UCI Environmental Accountability, Walden Asset Management, CalSTRS, World Resources Institute, the Environmental Defense Fund and the Missionary Oblates of Mary Immaculate, a member of the Interfaith Center on Corporate Responsibility. Together, we embarked on a mission to understand how we can improve our reporting, and we intend to repeat this process annually. Ceres spoke to us candidly, noting

specific areas for improvement. While we addressed the most reasonable recommendations for this reporting period, there were additional suggestions that we may pursue in future reporting or disregard if they do not make business sense.

We were asked to:	We have included:
Achieve better content balance—successes versus challenges.	Increased transparency of Company challenges and our role in global challenges. Clear language on the status of our goals: Achieved and In Progress.
Provide context and strategy around key external trends that can impact the Company.	Related environmental risks, as outlined in our <i>2010 Annual Report on Form 10-K</i> , and strategic initiatives to address these issues within the report.
Increase verification and engagement.	Our first-ever Coca-Cola Company <i>GRI Report</i> . An overview of our proactive stakeholder report feedback session.
Improve interactivity and better use website capabilities.	Hyperlinks to related initiatives, resources and Company documents. An interactive report providing a more user-friendly experience.

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

We are excited about the improvements we have made in our reporting. And we realize we have more improvements to make. We are striving daily to live up to our stakeholders' expectations for transparency.

We want to hear from you

To send comments, suggestions and critiques on our sustainability practices and reporting, please visit the [Contact Us](#) page of our Company website.

Assurance Statement

The Coca-Cola Company ('the Company') commissioned FIRA Sustainability BV (FIRA) to provide external assurance on its *2010/2011 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 2010-2011. Claims and quantitative data for the Coca-Cola system were also reviewed, as presented in the Report. 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.

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 come to 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.
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 regarding *replenishing claims* and *packaging data* have only been reviewed at the corporate level; in-depth sampling has not been executed.
3. Local site visits at six 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 performance 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.

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 performance are based upon our expertise combined with the GRI guidelines. The Coca-Cola Company Report shows significant progress in several areas. A stakeholder engagement process for this year's report was initiated. Additionally, goals were set for material issues and progress is reported. By appointing a CSO, the Company's sustainability strategy will become more focused and centralized.

- **Stakeholder Engagement & Materiality:** The Company has initiated stakeholder engagement specifically for this Report, in addition to their ongoing departmental stakeholder engagement to confirm materiality for reporting. Merging these engagement results will

deepen the understanding of material issues supporting development of the Company's sustainability strategy and the claims published.

- **Report Balance:** The Report touches on a large variety of complex topics.
 - The Company is becoming increasingly transparent as goals, short- and long-term, are disclosed, progress is reported and challenges are discussed.
 - As structure within stakeholder engagement is enhanced, balance within the Report will grow. Topics identified for more in-depth disclosure are (some of which were also requested by stakeholders): access to full product portfolio, including low-calorie beverages and activities to address malnutrition; disclose more information on how the Company is an excellent employer (benefits, training, human development and equal opportunity); explain how waste is turned into valuable resources (beyond packaging); and explain how the Company assures compliance with competition laws and international norms of behavior.
- **Goals & Performances:** For all sustainability sections goals are now reported and performance is reviewed. Some goals set in years past have already been achieved and have even been intensified. The Company is challenged to be more transparent on shifting goals, e.g. why goals have been intensified or why goals have not been attained, including which additional measures will be taken for goals that are not on track.
- **Governance & Remuneration:** We recommend that the Company grow incentive-based compensation (remuneration) on social and environmental performance for the board, senior managers and executives in accordance with the GRI.

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

Third-Party Verification and Assurance Statement

- **Human Rights Progress:** Risk analysis has been renewed in cooperation with stakeholders resulting in new guidance. We commend the Company on their robust approach of human rights and labor practice, both within the Company and in the communities the Company serves.
- **Data Collection:** The Company uses a large number of KPIs for various reasons. Current KPIs in the Report have been selected based on availability. As materiality evolves over time and is further shaped by the stakeholder engagement process we recommend to review the selection of KPIs based on the material issues identified for next year's report.
- **Replenish & Packaging:** As metrics regarding *replenishing claims* and *packaging data* have only been reviewed on the corporate level, we recommend the Company seek third-party validation. Calculations on replenishing claims are currently outsourced to a knowledge partner, enhancing the credibility of data. Third-party validation on both the methodology and the calculations would add credibility to this material issue. Third-party validation on packaging data should become possible as the product lifecycle management system is further refined.

Note: A separate Green House Gas statement is available for 2010.

On behalf of FIRA,



Ms. F.V.M. Schneider
Managing Director FIRA
November 16, 2011, 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 the long-term health, financial strength and success of our Company. 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 has seven standing committees:

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

The Board selects and oversees members of senior management. Our Board currently has 15 members, 14 of whom are not employees of The Coca-Cola Company.

Our *Corporate Governance Guidelines*, along with the Board Committee Charters and the key practices of the Board, 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.

One important committee to note is the Public Issues and Diversity Review Committee, which is 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 charter. To view the group's responsibilities and frequency of Company reviews, please visit the Public Issues and Diversity Review Committee page of our Company website.

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. Our executive compensation programs enable the Compensation Committee of the Board to consider environmental and social objectives, in addition to our financial and operational goals, when rewarding executives.

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 receive the training upon hire and all others receive the training at least once every three years. In 2010, approximately 22,000 employees (management and non-management) certified their compliance with the *Code of Business Conduct* 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 website and secure toll-free telephone line 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.

In 2010, we conducted an anonymous survey of more than 600 associates who directly and indirectly manage our interactions with government officials across our global operations. The survey collected direct feedback on how our anti-corruption program is working to ensure compliance with our policy and supporting procedures. Survey results indicated a very high degree of knowledge of the Company's *Anti-Bribery Policy*. Since conducting the survey, we have shared the results with our Board and have begun implementing the lessons gleaned from the survey.

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*.

Political contributions

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. 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 donation 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](#).

Association memberships

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. Additionally, Muhtar Kent, our Chairman of the Board and Chief Executive Officer, is the Chair of the US-China Business Council. We also have active partnerships with WWF, USAID 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.

Global change requires global effort. That is why we measure our progress toward sustainability in part against the principles 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. 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.

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

The Coca-Cola Company

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.

