

## Statement from The Coca-Cola Company

The Coca-Cola Company and our bottling partners have long believed that we must conduct our business more sustainably and grow responsibly –striving to do business the right way. With regard to the natural resources we all share, we are focused on lessening our environmental impact per liter of product we produce, and we have institutionalized a focus on improving environmental impact and performance into our operations.

Our environmental priorities and goals are centered on water, packaging, climate and agriculture. Our programs in these areas work toward progressive, and at times industry-leading, goals. In some cases, like water replenishment, and with the help of independent third parties and use of generally accepted scientific methods, we estimate that we exceeded the initial goal and we continue to push forward.

We routinely evaluate and work to advance our sustainability performance, including making it subject to third party verification on some matters, while also looking for opportunities to engage in effective partnerships to drive greater collective action in each of our priority areas. Our continued progress is reflected most recently in our [World Without Waste](#) initiative, and is also evident in our approach to managing our agricultural supply chain (see more below). In addition, we are investing in programs, partnerships and innovation to contribute positively toward the targets outlined in the [Sustainable Development Goals](#), reduce waste and protect the resources we share with communities.

More information on our programs and our progress against our sustainability goals can be found in our most recent [Sustainability Report](#).

### Water

Our water goals are centered around [efficiency](#) (less water use per liter of product produced), [risk management](#), [wastewater treatment and reuse](#), and [working to replenish the water](#) we use back to communities and nature.

We work with our bottling partners to ensure more responsible and sustainable water management in all our production sites worldwide through comprehensive local source water assessments, protection plans and water efficiency programs. Building from there, we work to replenish water in two ways: through wastewater treatment and through community water projects. We estimate working with independent third parties and using generally accepted scientific methods that we achieved our water

replenishment goal in 2015, and have continued to strive to maintain or exceed it since that time. We've invested approximately \$2 billion in upgrading Coca-Cola facilities with wastewater treatment (approximately \$1B), upgrading technology to eliminate water use from manufacturing processes where possible and then engaging with communities and partners on water programs that help address local needs and challenges.

Our programs take many forms from safe water access and education to advocating for needed water policy. We collaborate with partners across government, civil society and the private sector. We believe that we make the greatest impact through our community water programs. They involve more than 400 partners in communities around the world and typically have at least one of four objectives: 1) to improve access to water and sanitation; 2) to protect watersheds; 3) to provide water for productive use; and/or 4) to educate and raise awareness about water issues, including engagement in water policy. In many cases, our projects also help improve local livelihoods, assist communities in adapting to climate change, improve water quality and enhance biodiversity.

Ultimately, our goal is to help protect and conserve water resources, and bring safe drinking water and sanitation to people in the communities we serve. We disclose all of our replenish data, methodology and financial contributions in our comprehensive [Water Replenishment Report](#) and details are outlined in this [peer-reviewed paper](#).

## **Agriculture**

We recognize the need to engage and help manage impacts within our agricultural supply chain.

There are significant differences between management of direct operations and the aspects of our value chain including complexity, our level of control and influence, the scale of water use, geography and setting (mostly urban for our plants and mostly rural for agriculture), financial models and incentives, and regulation.

Our ultimate goal is to more sustainably source 100% of our key agricultural ingredients and to help reduce related environmental impacts. Our agricultural ingredients fall into four primary categories: fruits, sweeteners, coffee and tea. We have a [Sourcing Map](#) that reflects over 90% of our supply volume for 12 ingredients across these categories, and offers a snapshot of some of our programs and performance in this area.

For us, 'sustainably sourced' means that our farm suppliers meet certain standards, among other requirements, relating to human and workplace rights, environmental protection including water use, and responsible farming management, otherwise known

as our [Sustainable Agriculture Guiding Principles](#) (SAGP). Consisting of 15 principles, our SAGP establish the framework for defining our work to more sustainable sourcing and are integrated into internal governance routines and procurement processes.

Over the past five years, we have engaged intensely with our key suppliers to bring the SAGP requirements – or equivalent other guidelines – to the farms. Implementing these guidelines in agriculture requires engagement with farmers, creating understanding and embedding behavior change, which can ultimately be audited and verified.

We believe we have made good progress in this area but acknowledge it is a journey.

## **Packaging**

Food and beverage packaging is an important part of our modern lives to, among other things, ensure the safety of what we eat and drink. We use packaging to deliver all of our products to consumers and we understand the impact that packaging can have on the environment if not properly designed and disposed of responsibly. We also believe in working toward a circular economy, where plastic, glass, and aluminum can and should be reused many times instead of being used once and thrown away.

This was the rationale behind introducing our World Without Waste initiative earlier this year. Through it, we are increasing our focus on the sustainability, reusability and collection of our packaging globally. We're starting by setting a goal to make all of our packaging recyclable by 2025. Today we're 85% of the way there with nearly all of our bottles and cans made of 100% recyclable material. We've also innovated over the years to make our packaging lighter (using less material) and invested in the use of renewable and recycled materials. These investments take time and have limitations.

Our commitment to more sustainable packaging has been underway for some time, however, World Without Waste elevates our focus on performance as well as global infrastructures – to help ensure collection and recycling in a closed loop. We've learned that without effective collection and recycling systems in place, recyclable packaging can have little impact. We are working to help improve the collection and recycling of beverage packaging.

This work is underway and we expect to report against it in the coming years. Our 2016 packaging performance can be viewed [here](#).