





Across the globe and around the clock, we never stop working to give people the drinks they want and to improve the world we all share.

We turn our passion for consumers into the brands people love, and create shared opportunity through growth.

That's the essence of  
**our transformation.**

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Letter from James Quincey

Letter from Our Board of Directors



## Letter from James Quincey

Chief Executive Officer

### On May 8, 1886, a store in Atlanta served the first Coca-Cola.

Today, that now-famous drink forms the foundation for a total beverage company that offers more than 500 brands and 4,300 products worldwide.

While many brands have come and gone during the past 133 years, our success is based in part on our history of investing in the success and sustainability of the communities we call home, from our hometown of Atlanta to more than 200 countries and territories where you can find our products today.

In 2018, we continued to transform our portfolio and, in turn, our company. We delivered strong, geographically balanced revenue growth and value share gains in line with our strategy. There are many highlights, including:

#### More innovation, including options with less sugar:

- Globally, sparkling soft drink volume was up 2% in 2018, fueled by double-digit volume growth of Coca-Cola Zero Sugar, along with strong performance from new, low- and no-calorie versions of sparkling beverages such as Sprite and Fanta.
- Our innovations included Coca-Cola Plus Coffee, now available in multiple markets around the world, and a restage for Diet Coke in North America that included new packaging, marketing and flavors.
- We launched about 600 new products. Of those, more than 250 were low- or no-sugar, and more than 400 were juices, teas, waters and other non-sparkling beverages.

#### Lifting, shifting and scaling brands around the world:

- We used the strength of our distribution system to help launch brands like Fuze Tea, smartwater and AdeS across multiple markets with increased speed and agility.
- Worldwide, we expanded 165 products into additional markets in 2018.

#### Making strategic investments for the future:

- We strengthened and expanded our portfolio through mergers and acquisitions, including Costa Limited, which closed in early 2019 and gives us a global coffee platform.
- We invested in a strategic partnership with the premium sports hydration brand BODYARMOR, one of the fastest-growing beverage trademarks in the U.S.

#### Investing in the Coca-Cola system advantage:

- We are aligned with our bottling partners to capture growth opportunities. Since 2010, we've invested—with our system—more than \$125 billion to strengthen our platform for growth, including technology, such as connected coolers; and in new plants and route-to-market innovation.
- For example, our bottling partner Arca Continental, the first Latin American bottler to operate in the U.S., announced a \$250 million investment in a new facility in Texas to help us get more drinks to the market faster.



**In 2018, we continued to transform our portfolio and, in turn, our company. We delivered strong, geographically balanced revenue growth and value share gains in line with our strategy.”**

**Building leadership for success and a growth culture:**

- We announced several key leadership appointments, including Brian Smith as president and chief operating officer, John Murphy as chief financial officer, and new group and business unit presidents.
- Our new Global Ventures group, led by Jennifer Mann, was created to ensure we connect and globally scale key acquisitions, investments and brands such as Costa, innocent, Dogadan and Monster.
- These changes will help us continue to build a culture that fuels our transformation and supports growth worldwide.

**Creating Shared Opportunity through Growth**

While we're proud of our business results in 2018, companies like ours have a responsibility as leaders. As we grow, we will continue to support local economies and help create economic opportunity.

Our commitment to doing business the right way continued in 2018, as we set out to show the world that the drinks they love can make life more enjoyable, without harming our planet and the natural resources we all depend on.

In early 2018, we announced our World Without Waste initiative with a clear, simple goal: to help collect and recycle a bottle or can for each one we sell by 2030. The company's progress during the first year included:

- establishing or joining 10 global recycling/packaging partnerships;
- announcing four packaging technology advancements including the opening of our PlantBottle™ IP for use across the industry; and
- launching bottles made from 100% recycled materials in multiple markets.

We replenished 155% of the water we use in our finished beverages to communities and nature in 2018, continuing to exceed our 2020 goal. We also economically empowered more than 865,000 women in 2018, adding an additional 17 countries.

We don't just recognize our responsibility to be a part of the solution to challenges we all face—we embrace it.

For us, that means using our size, scale and success to create shared opportunity through growth—creating real opportunity for our communities, our customers, our employees and our shareowners.

**Leveraging Data to Help Us Grow Our Business the Right Way**

Finally, I am a firm believer in the importance of data. In a digital and data-driven world, good information helps us make better decisions. When we share our data, we can help drive collective accountability for us and others.

In this year's report—our first combined business and sustainability report—we created a detailed **Data Appendix** to share more details on our progress

and metrics. This is an idea born from stakeholder engagement and our belief that, working together, we can create a positive impact and respond effectively to the collective challenge of the UN Sustainable Development Goals.

We are pleased with our progress against some of our goals, while recognizing that more needs to be done in other areas. We will continue to take action and grow our business the right way—not the easy way.

Sincerely,



**James Quincey**  
Chief Executive Officer  
April 24, 2019





Letter from James Quincey

Letter from Our Board of Directors

# Letter from Our Board of Directors

Our company's heritage of innovation, growth and value creation includes 133 years of creating beverage brands loved and shared by people around the world.

Today, The Coca-Cola Company is continuing to build on this heritage by opening new horizons for growth as a total beverage company. Our portfolio is evolving and expanding to meet the changing tastes of people around the globe. Our board of directors strongly believes in the bright future of our brands, our business and the positive impact we have, and should have, on local communities.

## New Horizons for Growth

Since becoming CEO in May 2017, James Quincey has led the company in exciting new directions and assembled a strong leadership team with extensive system experience, robust industry and consumer knowledge, and an enhanced focus on innovation and growth. He has also continued our legacy of sustainability with the introduction of the global World Without Waste initiative.

James has demonstrated that he is the right leader to serve as our next board chairman. Our world and our industry are changing rapidly and, as chairman and CEO, James will help The Coca-Cola Company continue to innovate for long-term growth and value creation.

## Accountability for Sustainability

The board's Public Issues and Diversity Review Committee keeps us abreast of the ways broad societal and environmental trends may impact the interests of shareowners and other stakeholders. Throughout the year, the committee receives detailed briefings and updates about progress against our sustainability goals. This is critical to fulfilling its responsibility to provide oversight of the company's sustainability commitments, actions and results.

As we look back on the past decade, we're proud of the Coca-Cola system's sustainability progress. We particularly want to note our progress on water replenishment and women's empowerment.

In 2015, we reached our 2020 target of returning to communities and nature an equivalent amount of the water used in our finished beverages, and we have exceeded our goal every year since. In fact, we have replenished more than 1 trillion liters of water to communities and nature over the past decade.

In 2010, we launched our 5by20 program with the goal of helping to empower 5 million women entrepreneurs by the end of the year 2020. The program is considered one of the most ambitious women's economic empowerment initiatives ever undertaken by a commercial enterprise. By the end of 2018, we had empowered more than 3.2 million women across 92 countries. From the Philippines to South Africa to Poland and beyond, we have provided training, mentorship and other support.

## Looking beyond 2020

Sustainability will of course remain a central focus for our company and our board well beyond 2020. Our longstanding belief is that our business can only be as strong and successful as the communities we serve.

There is an inextricable connection between building a thriving business and strengthening communities. That is one reason we decided to publish a combined business and sustainability report this year. After all, business and sustainability are not separate stories for The Coca-Cola Company—but different facets of the same story.

As we look to our future leadership, we remain a brand business. As a board and a business, we continue to believe that, just as a brand is a promise, a great brand is a promise kept. And we think these words speak to the heart of The Coca-Cola Company and what we're all about.

Our entire board of directors thanks you for your interest in The Coca-Cola Company and for joining us in our ongoing journey of innovation, growth and value creation. Together, let's raise an ice-cold Coke to the bright future ahead!

Very best regards,

**Muhtar Kent**  
Chairman of the Board of Directors

**Alexis Herman**  
Director and Chair of the Public Issues and Diversity Review Committee



**Herbert A. Allen** <sup>4, 5, 6</sup>  
President, Chief Executive Officer and Director, Allen & Company Incorporated

**Ronald W. Allen** <sup>1</sup>  
Former Chairman of the Board, President and Chief Executive Officer, Aaron's Inc.

**Marc Bolland** <sup>1</sup>  
Head of European Portfolio Operations, The Blackstone Group L.P.

**Ana Botín** <sup>2, 5</sup>  
Executive Chair, Banco Santander, S.A.

**Richard M. Daley** <sup>2, 7</sup>  
Executive Chairman, Tur Partners LLC; Of Counsel, Katten Muchin Rosenman LLP

**Christopher C. Davis** <sup>3, 5</sup>  
Chairman, Davis Selected Advisers—NY, Inc.

**Barry Diller** <sup>2, 4, 5, 6</sup>  
Chairman of the Board and Senior Executive, IAC/InterActiveCorp and Expedia Group, Inc.

**Helene D. Gayle** <sup>3, 7</sup>  
Chief Executive Officer, The Chicago Community Trust

**Alexis M. Herman** <sup>3, 7</sup>  
Chair and Chief Executive Officer, New Ventures LLC

**Muhtar Kent** <sup>4</sup>  
Chairman of the Board, The Coca-Cola Company

**Robert A. Kotick** <sup>5, 6</sup>  
Chief Executive Officer and Director, Activision Blizzard, Inc.

**Maria Elena Lagomasino** <sup>2, 3, 6</sup>  
Chief Executive Officer and Managing Partner, WE Family Offices

**Sam Nunn** <sup>2, 7</sup>  
Co-Chairman and Former Chief Executive Officer, Nuclear Threat Initiative

**James Quincey**  
Chief Executive Officer, The Coca-Cola Company

**Caroline J. Tsay** <sup>1</sup>  
Chief Executive Officer, Compute Software Inc.

**David B. Weinberg** <sup>1, 6</sup>  
Chairman and Chief Executive Officer, Judd Enterprises, Inc.

- <sup>1</sup> Audit Committee
- <sup>2</sup> Committee on Directors and Corporate Governance
- <sup>3</sup> Compensation Committee
- <sup>4</sup> Executive Committee
- <sup>5</sup> Finance Committee
- <sup>6</sup> Management Development Committee
- <sup>7</sup> Public Issues and Diversity Review Committee

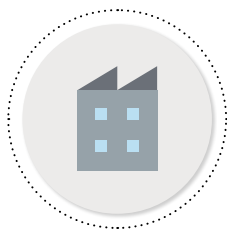


# At A Glance

As a total beverage company, we have been creating shared opportunity through growth since 1886.



133 YEARS OF REFRESHING CONSUMERS



GLOBAL HEADQUARTERS ATLANTA, GEORGIA



PRODUCTS SOLD IN 200+ COUNTRIES & TERRITORIES

## THE COCA-COLA SYSTEM



**~225**  
Bottling Partners Worldwide



**~900**  
Bottling Plants



**>700K**  
Employed by the Company and Bottling Partners



**~28M**  
Retail Customer Outlets

## OUR SUSTAINABLE BUSINESS PRIORITIES



### SUGAR REDUCTION

We are expanding reduced-, low- and no-sugar options across our portfolio.



### WORLD WITHOUT WASTE

We believe a World Without Waste is possible.



### WATER STEWARDSHIP

We replenish water back to nature and communities.



### COMMUNITY

We create value for everyone connected to our business, and we economically empower women.

**\$31.9B**

Net Operating Revenues  
(2018, as Reported)

**\$202.1B**

Market Capitalization  
(As of 12/31/2018)

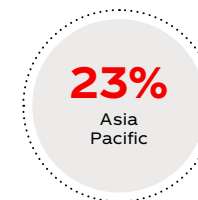
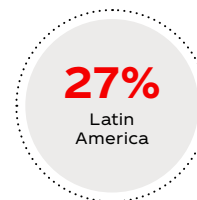
**500+**

Brands

**4,300+**

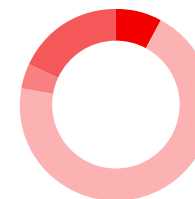
Products

## 2018 GLOBAL UNIT CASE VOLUME BY REGION



## 2018 GLOBAL UNIT CASE VOLUME BY CATEGORY CLUSTER\*

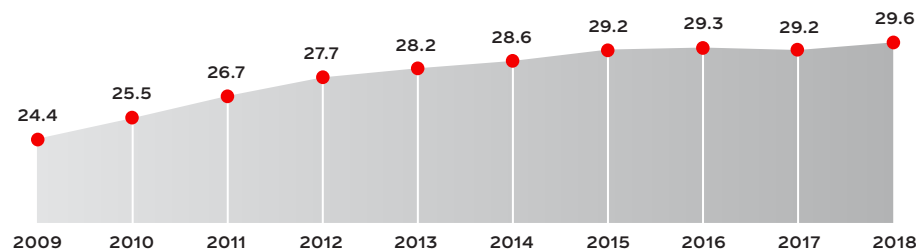
- JUICE, DAIRY AND PLANT-BASED 8%
- SPARKLING SOFT DRINKS 70%
- TEA AND COFFEE 4%
- WATER AND SPORTS DRINKS 18%



\* Excluding energy drinks cluster

## VOLUME GROWTH

Total Company Unit Cases (in Billions)





# How We Operate

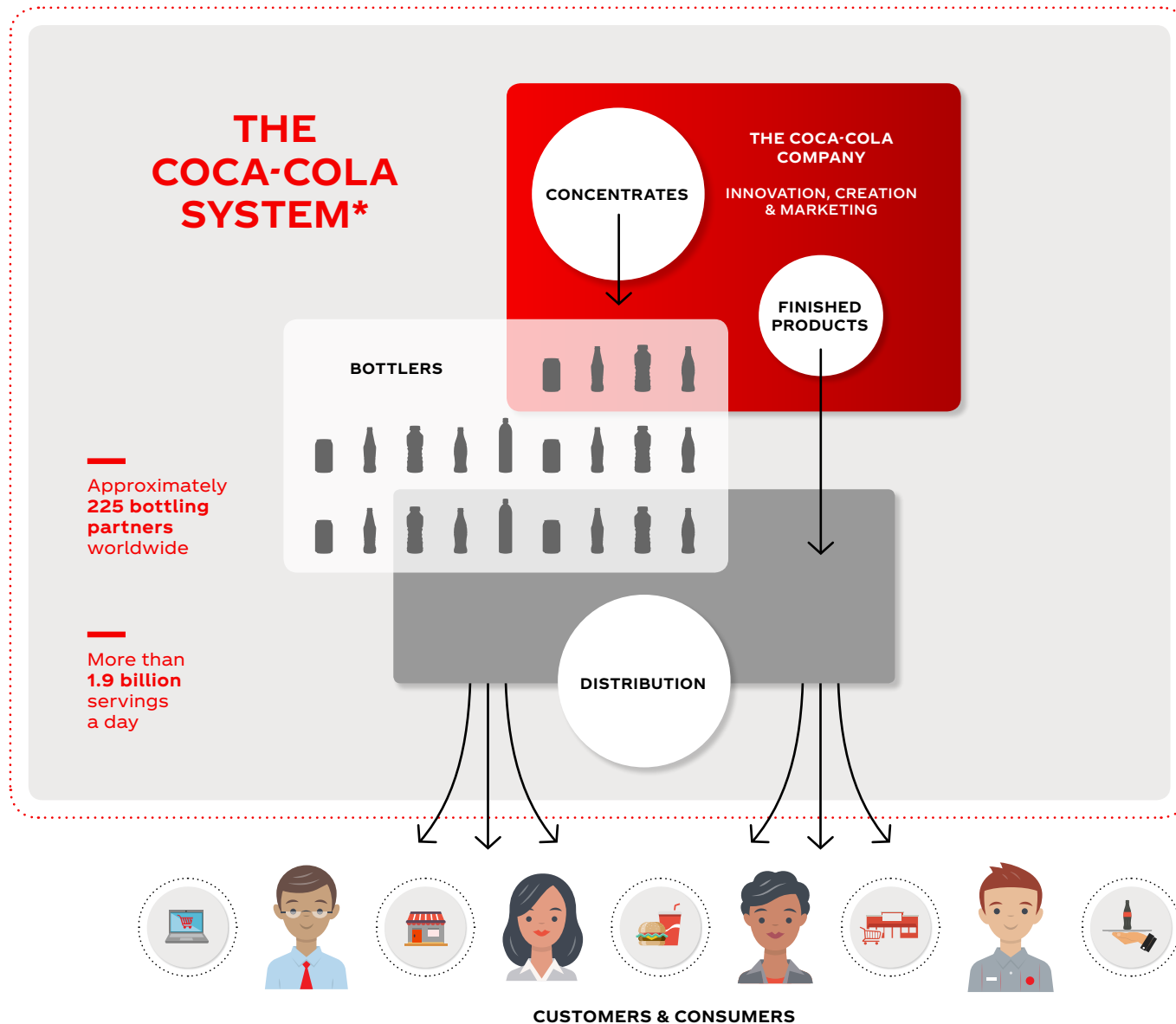
The Coca-Cola Company markets, manufactures and sells:

- beverage concentrates and syrups
- finished beverages (including sparkling soft drinks; water and sports drinks; juice, dairy and plant-based drinks; and tea and coffee).

In our concentrate operations, The Coca-Cola Company typically generates net operating revenues by selling concentrates and syrups to authorized bottling partners.

Our bottling partners combine the concentrates with still and/or sparkling water, and/or sweeteners, depending on the product, to prepare, package, sell and distribute finished beverages.

Our finished product operations consist primarily of company-owned or -controlled bottling, sales and distribution operations.



\* The Coca-Cola Company and its bottling partners are collectively known as the Coca-Cola system. The Coca-Cola Company does not own, manage or control most local bottling companies.





500+ BRANDS

# Total Beverage Portfolio

#1 VALUE SHARE ACROSS ALL CATEGORY CLUSTERS (EXCEPT ENERGY)

## SPARKLING SOFT DRINKS

>50%

2018 Retail Value Share



Coca-Cola

Fresca



Diet Coke



Coca-Cola Zero Sugar



Fanta



Sprite



Schweppes

### Coca-Cola Plus Coffee

Globally, sparkling soft drink volume was up 2% in 2018, fueled by double-digit volume growth of Coca-Cola Zero Sugar, strong growth in the low- and no-calorie offerings of Sprite and Fanta and supported by innovations such as Coca-Cola Plus Coffee.

## JUICE, DAIRY & PLANT-BASED

~10%

2018 Retail Value Share



Del Valle juices and nectars

fairlife ultra-filtered milk<sup>1</sup>



Odwalla

Minute Maid



Simply Juices

Chivita

### innocent Smoothies and Juices

In 2018, we further lifted, shifted and scaled on-trend brands like innocent across markets.

<sup>1</sup> The fairlife® brand is owned by fairlife LLC, our joint venture with Select Milk Producers Inc. Products from fairlife are distributed by our company and certain of our bottling partners.

## WATER AND SPORTS

~15%

2018 Retail Value Share



Dasani waters

smartwater



Aquarius

vitaminwater



ILOHAS

ZICO coconut water



Powerade sports drinks

### Ciel Water

In 2018, we introduced the new bottle made from 100% recycled material for the purified, noncarbonated water brand Ciel in Mexico.

## TEA AND COFFEE

~15%

2018 Retail Value Share



Georgia coffee

Ayataka green tea



Gold Peak teas and coffees

Honest Tea



### Fuze Tea

We launched Fuze Tea across major European markets in 2018.

## ENERGY<sup>2</sup>

~15%

2018 Retail Value Share



Burn

Full Throttle



NOS



### Monster Energy

In 2018, we announced a new operating group, Global Ventures, to ensure we connect and globally scale key brands and partnerships like Monster.

<sup>2</sup> Energy brands are owned by Monster Beverage Corporation, in which The Coca-Cola Company has a minority investment.



At A Glance

The Coca-Cola System

Total Beverage Portfolio

Business Transformation Timeline

Selected Financial Data

Progress Against Our Sustainability Goals

Our System in Context

# Business Transformation Timeline

1886

First Coca-Cola sold in Atlanta, Georgia.

1899

Large-scale Coca-Cola bottling begins.

1955

Fanta Orange introduced in Italy, the first new product distributed by the company since 1886.

1960

The purchase of Minute Maid marks the first venture outside of carbonated beverages.

1961

Sprite lemon-lime beverage introduced.

1963

Tab introduced, the first diet drink produced by the company.

1975

Georgia Coffee introduced in Japan.

1982

Diet Coke introduced as the first extension of the Coca-Cola trademark.

1992

Powerade introduced as a hydration offering.

2005

Coca-Cola Zero introduced.

2007

Acquisition of Energy Brands Inc. (glacéau), maker of vitaminwater and smartwater.

2009

Coca-Cola Freestyle, an innovative fountain dispenser that allows consumers to select from more than 100 beverages, unveiled.

2012

Select Milk Producers entered into a partnership with the company to form fairlife, LLC.

2013

Coca-Cola Life, naturally sweetened with cane sugar and stevia, introduced in Argentina and Chile.



2016

## Total Beverage Company: Our Accelerated Transformation

Announced our support of the recommendation by several leading health authorities, including the World Health Organization, that people should limit their intake of added sugar to no more than 10% of their total energy/calorie intake.

Coca-Cola **invested** in Nigerian beverage leader Chi Limited, maker of popular value-added dairy and juice beverages, and **fairlife** milk captured over one-third of the retail value growth in value-added dairy in its second year.

Introduced Coca-Cola Zero Sugar—a reformulated and rebranded version of Coke Zero—in Belgium, France, Ireland, the Netherlands and the United Kingdom.

Developed new Gold Peak bottled coffee beverages, expanded Honest Tea into Western Europe, and in partnership with Dunkin' Donuts announced a line of branded iced coffee beverages.



Launched more than **500** new products globally in 2016. That's more than one a day!

2017

**Scaled** glacéau smartwater®, ZICO® coconut water and Appletiser® into **new markets**.

Along with our bottling partners, **acquired** AdeS®, the leading soy-based beverage brand in Latin America, now being **rolled out across key markets** in Europe.

Announced Topo Chico®, a premium sparkling mineral water, and Barrilitos Aguas Frescas™, a flavored, noncarbonated water beverage, as part of the company's portfolio in the United States.

**Reduced** sugar in more than 300 of our drinks globally, while introducing more than 500 new products across a **total beverage portfolio**.

**Lifted and shifted** new formula for Coca-Cola Zero Sugar into **20 markets** in 2017.

2018

**Scaled** successful brands like Fuze Tea, smartwater and AdeS across more markets, helping to aggressively **expand our portfolio**.

Invested in the premium sports hydration brand **BODYARMOR** in the United States.

Grew tea and coffee by 1% for the year, largely driven by **innovation and new product launches** including Georgia Craftzman in Japan and Authentic Tea House in China.

Diet Coke mounted a successful comeback in North America, with new marketing and **new flavors**.

Announced plans in 2018 to **acquire the global operations of Costa** coffee, which helps us get into hot beverages.

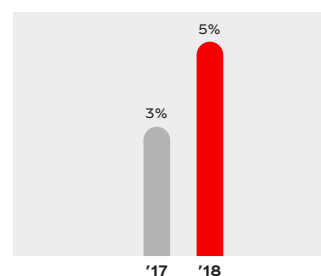




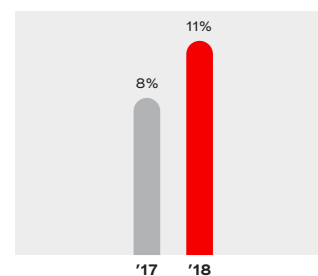
# Selected Financial Data

Year ended December 31,	2016	2017	2018
(In millions except per share data)			
<b>Summary of Operations<sup>1</sup></b>			
Net operating revenues	\$ 41,863	\$ 35,410	\$ 31,856
Net income from continuing operations	6,550	1,182	6,727
Net income attributable to shareowners of The Coca-Cola Company	6,527	1,248	6,434
<b>Per Share Data</b>			
Basic net income from continuing operations	\$ 1.51	\$ 0.28	\$ 1.58
Basic net income	1.51	0.29	1.51
Diluted net income from continuing operations	1.49	0.27	1.57
Diluted net income	1.49	0.29	1.50
Cash dividends	1.40	1.48	1.56
<b>Balance Sheet Data</b>			
Total assets	\$ 87,270	\$ 87,896	\$ 83,216
Long-term debt	29,684	31,182	25,364

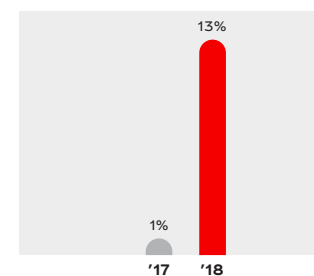
**Organic Revenue Growth (Non-GAAP)<sup>2</sup>**



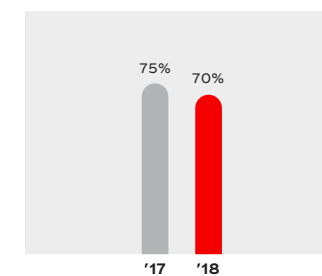
**Operating Income Growth (Non-GAAP)<sup>3</sup>**



**Diluted Net Income Per Share from Continuing Operations Growth (Non-GAAP)<sup>4</sup>**



**Adjusted Free Cash Flow Conversion Ratio (Non-GAAP)<sup>5</sup>**



<sup>1</sup> The financial statement line items in Summary of Operations were unfavorably impacted by the refranchising of bottling territories in North America as well as the divestitures of certain company-owned bottling operations. In addition, net income attributable to shareowners of The Coca-Cola Company for the year ended December 31, 2017 was unfavorably impacted by a net provisional tax charge of \$3,610 million recorded by the company as a result of the U.S. Tax Cuts and Jobs Act signed into law in December 2017.

<sup>2</sup> Organic revenue is a non-GAAP financial measure. Reported net operating revenues declined 10 percent and 15 percent for the years ended December 31, 2018 and 2017, respectively.

<sup>3</sup> Reflects comparable currency neutral operating income (adjusted for structural items and accounting changes), which is a non-GAAP financial measure. Reported operating income grew 14 percent and declined 12 percent for the years ended December 31, 2018 and 2017, respectively.

<sup>4</sup> Reflects comparable currency neutral diluted net income per share from continuing operations, which is a non-GAAP financial measure. Reported diluted net income per share from continuing operations grew 474 percent and declined 82 percent for the years ended December 31, 2018 and 2017, respectively.

<sup>5</sup> Adjusted free cash flow conversion ratio = free cash flow adjusted for pension contributions divided by net income from continuing operations adjusted for noncash items impacting comparability. Adjusted free cash flow conversion ratio is a non-GAAP financial measure.

Note: See pp. 54-57 for a reconciliation of non-GAAP financial measures to our results as reported under GAAP.

**For more information about our performance, see the Data Appendix.**



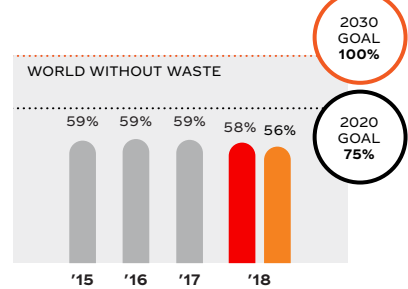


# 2020 Sustainability Goals

Our publicly reported 2020 sustainability goals drive us to continually improve. We aim to achieve our goals through a concerted effort by The Coca-Cola Company and approximately 225 bottling partners in more than 200 countries and territories. We have set ambitious goals to drive system-wide change beyond small operational improvements.

## Packaging

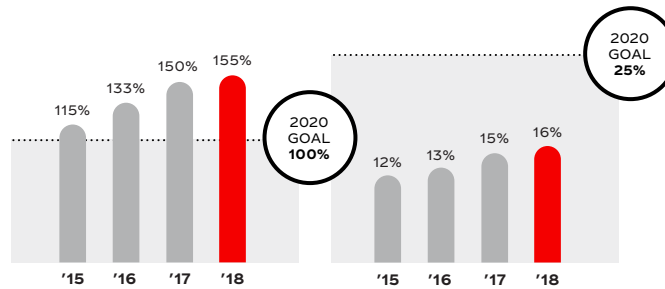
Percentage of bottles and cans we refilled or helped recover equivalent to what we introduced into the marketplace<sup>1,2</sup>



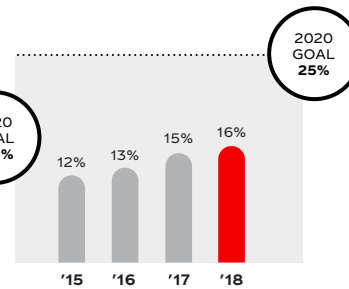
Taking additional packaging types into consideration, our rate was 56% for 2018.<sup>1</sup>

## Water

Percentage of water used in our finished beverages returned to nature and communities<sup>3</sup>

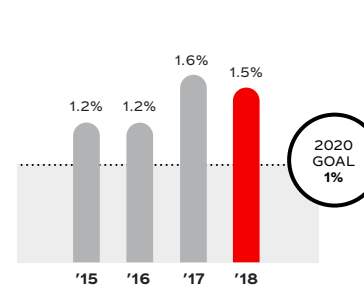


Percentage improvement in water efficiency since 2010



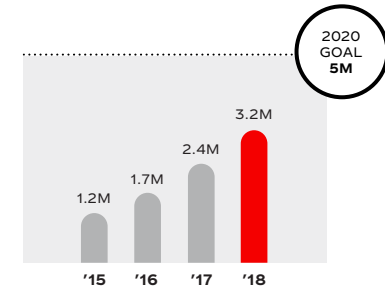
## Giving Back

Percentage of the company's annual operating income invested back into local communities



## Women

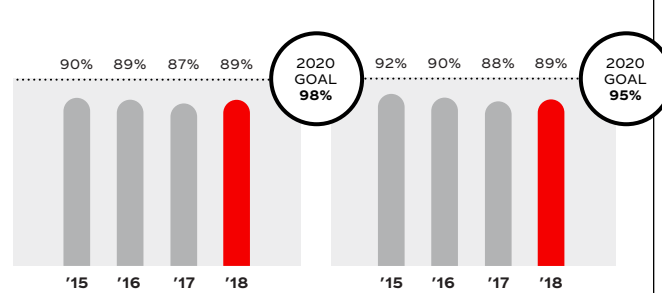
Cumulative number of women entrepreneurs economically empowered across our global value chain



## Human Rights

Percentage of bottling partners that achieved compliance with our Supplier Guiding Principles

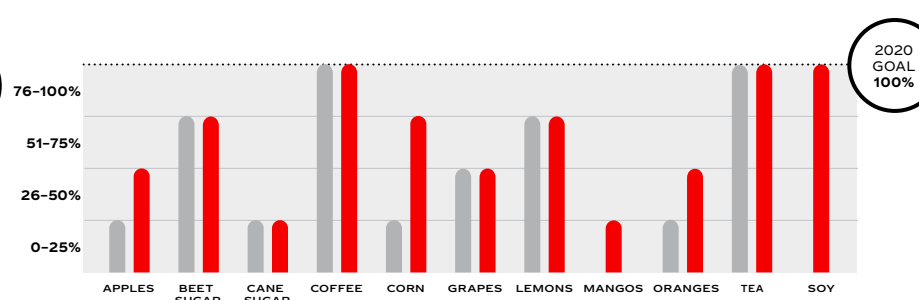
Percentage of direct suppliers that achieved compliance with our Supplier Guiding Principles



## Agriculture

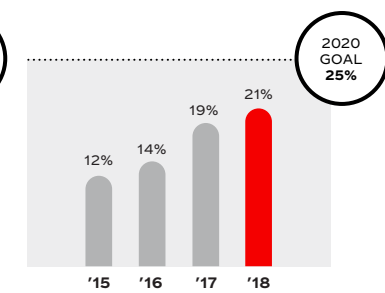
Percentage of ingredients sustainably sourced

● 2017 ● 2020



## Climate

Estimated percentage reduction of the carbon footprint of the "drink in your hand" since 2010<sup>4</sup>



<sup>1</sup> Our method to track our 58% packaging collection rate against our 2020 goal focused on our predominant package types (glass bottles, steel and aluminum cans, and PET plastic bottles), which make up approximately 85% of our portfolio. Because of new data that we have available to us, our 56% collection rate against our World Without Waste goal takes into account a more inclusive collection rate, representing all of our consumer packaging—including beverage cartons, juice boxes and pouches, etc. (see p. 24).

<sup>2</sup> Our percentage calculations of progress toward collection of 100% of the equivalent of the consumer packaging we sell has been internally vetted using relevant scientific and technical methodologies, but those methodologies are evolving as the industry learns more about calculating collection in different markets. We are working to improve our data collection and measuring systems. As systems and methodologies improve, we will revisit our prior estimates to ensure their accuracy and make any necessary corrections to our public reporting.

<sup>3</sup> As estimated working with our many external partners and using generally accepted, independently peer-reviewed scientific and technical methods. Finished beverages based on global sales volume.

<sup>4</sup> The calculation of progress toward our "drink in your hand" goal has been internally vetted using accepted and relevant scientific and technical methodologies, which are aligned with GHG Protocol Scopes 1, 2 and 3. Due to the nature of our franchise bottling system, our manufacturing emissions are normally split between Scopes 1 and 2 for company-owned facilities and Scope 3 for bottling partner facilities. However, in our "drink in your hand" calculations, we consider the full Coca-Cola system (including franchise bottling partners) in the calculation of our manufacturing, distribution and refrigeration emissions.

For more information about our performance, see the Data Appendix.

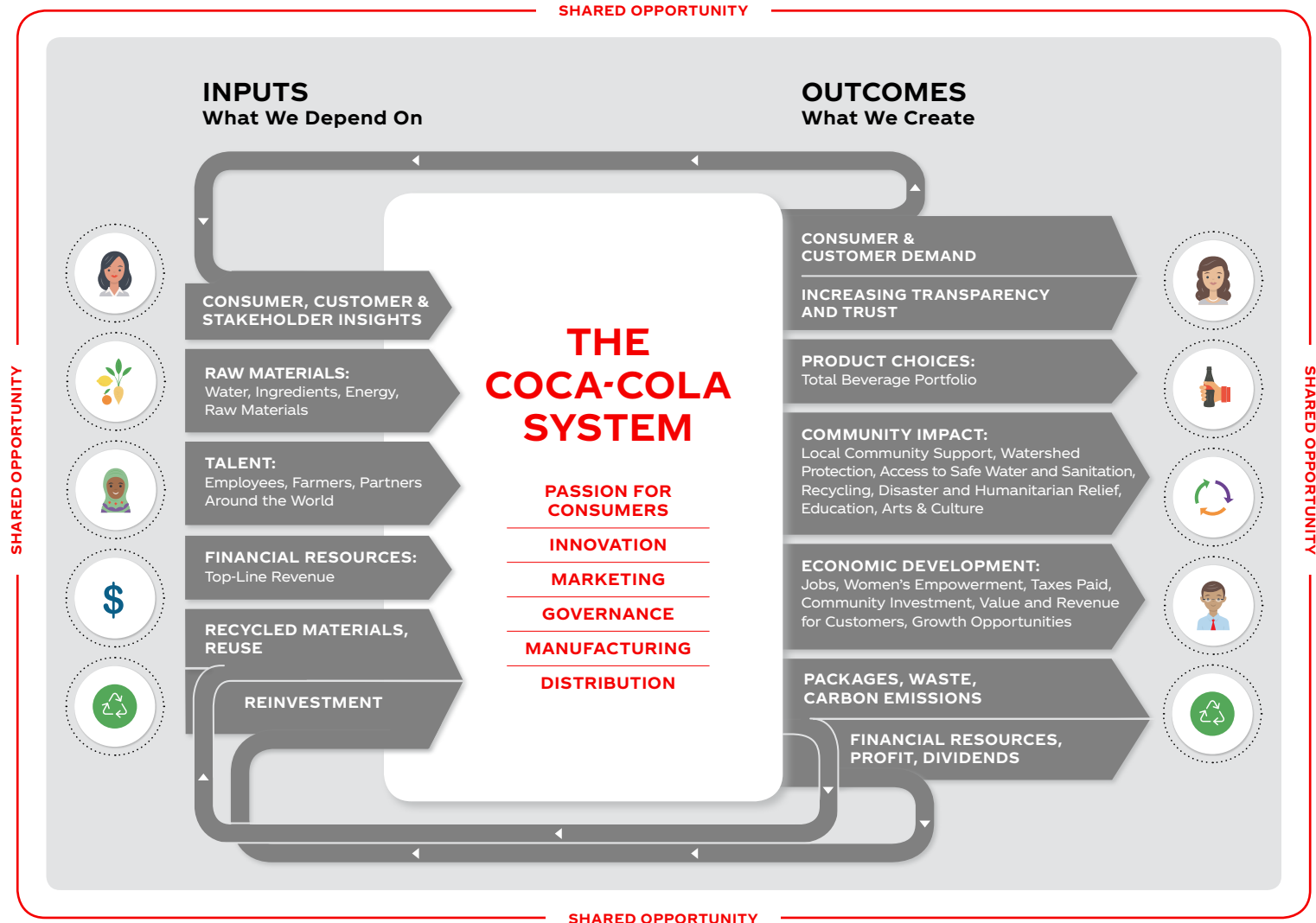


# Our System in Context

Our business operates within a wider context. We consider this context carefully, and we continuously apply what we learn to manage our impacts, aiming to create shared opportunity as we transform into a total beverage company.

Our short- and long-term success depends on a range of inputs, such as ingredients, water and packaging from our many suppliers, and the talents and passion of our global workforce and system employees. And, of course, our business generates revenue from consumers who provide us with their trust and the financial resources to operate, innovate and grow. As a result, we create a range of outcomes including diverse beverage products; economic benefits such as jobs, taxes paid and community investment; ecosystem impacts and initiatives; and customer and shareowner value.

See the [Coca-Cola system diagram](#).





# Our Approach to Managing Our Priorities



Our board’s role is overseeing the company’s long-term business strategy, which includes providing review of and guidance for our ongoing transformation to a total beverage company. I am pleased with how this board works with management toward the common goal of long-term value creation for our shareowners and other stakeholders.”

**SAM NUNN**  
Lead Independent Director

## THE COCA-COLA COMPANY

### Corporate Governance

At The Coca-Cola Company, we set high standards for our people at all levels and strive to meet these standards consistently. Our sound business principles and practices foster a strong innovative, and collaborative culture, which is committed to ethical behavior, accountability and transparency.

Information about the company’s corporate governance, including the company’s Code of Business Conduct, Corporate Governance Guidelines, Certificate of Incorporation and Bylaws are on our website. Information about how to report concerns about the company and our public policy engagement and political contributions policy can be accessed [here](#).

The company’s board of directors has established a number of committees to assist in discharging its duties. These include an Audit Committee, a Compensation Committee, a Committee on Directors and Corporate Governance, an Executive Committee, a Finance Committee, a Management Development Committee, and a Public Issues and Diversity Review Committee. The charter for each committee can be viewed on our [website](#).

## THE COCA-COLA SYSTEM

### Sustainability Approach

We aim to achieve our operating and sustainability goals through a concerted effort by The Coca-Cola Company and approximately 225 bottling partners in more than 200 countries and territories. We have set ambitious goals to drive system-wide change beyond small operational improvements.

We have robust programs in place to identify issues for our business and stakeholders, and cross-functional teams working across our system to gather data and perspectives to inform our actions. Beyond our internal Enterprise Risk Management team, this also includes the work of our dedicated Stakeholder Engagement function that partners with business units, bottling partners, NGOs, governments, and people in communities all around the world.

### Sustainability Governance

The Public Issues and Diversity Review Committee helps the board fulfill responsibilities relating to diversity, sustainability, corporate social responsibility and public issues of significance, especially with regard to ways in which these issues may affect the shareowners, the company, communities in which we operate, and the general public. This entails evaluating and reviewing information pertaining to social, political and environmental trends, with oversight over diversity and sustainability goals, as well as human and workplace rights.

The committee reviews, at least annually, all shareowner proposals, public policy advocacy efforts, political contributions and charitable contributions to ensure alignment with company policy and our overall values.

The committee reports to the board regularly regarding actions and recommendations, and annually conducts a self evaluation, which it presents to the full board.





## Priority Issues Matrix

Focusing on the highest-priority environmental, social and governance issues for our business and our stakeholders is a foundational step in how we conduct business and develop our corporate strategy. It is also foundational to how we build, evolve and report on our business and our sustainability efforts. For example, since we conducted our priority issues analysis in 2015 (see chart to the right), the company has launched strategic global initiatives including Our Way Forward and World Without Waste, and conducted a climate scenario analysis.

During 2019, we will be undergoing a thorough review of our priority issues in collaboration with a cross-functional internal team and key external stakeholders. This will ensure that we take into consideration the changing social, environmental and economic context as we evolve our business, along with wider stakeholder expectations.

[Learn more about our approach to stakeholder engagement here.](#)





# Priority Issues: Risks & Opportunities

As a company operating with a growth mindset and a presence in almost every country and territory in the world, we consider our risks and opportunities in a global context.

Many of the issues we face are interconnected and evolving quickly, and we need to understand them to fulfill our long-term vision to grow in a way that creates value for all people—consumers, customers, suppliers and communities—while working toward solutions that benefit us all.

Throughout this report we reference our transformation to a total beverage company. There are many issues of relevance to our company, both in relation to this transformation, and more broadly as a global growth business, which we explore in more detail in our key sustainability topics and subsequent pages. The following risk and opportunity areas help provide a snapshot of the global context in which our transformation is taking place.

## Product Innovation

Consumers are adopting healthier diets and lifestyles, which include eating and drinking less sugar, creating demand for a wider range of low- or no-sugar products, and new ingredients, such as plant-based protein. This trend presents a growth opportunity for us, and we listen to consumers as we evolve our long-term business strategy.

Along with the business opportunity, there are also real risks. For example, there is a growing concern among consumers, public health professionals, and government agencies about the increased prevalence of obesity, which is correlated to several non-communicable diseases. The food and beverage industry has a responsibility to help adequately address these challenges through innovation and new product offerings.

**We support the current recommendation by several leading health authorities, including the World Health Organization, that people should limit their daily intake of added sugar to no more than 10% of their total energy/calorie consumption.**

## Plastic Waste

Concern about plastic waste has risen sharply as waste collection and recycling infrastructure have not kept pace with plastic manufacturing, causing an increase in plastic waste in the environment. Issues such as changes in local regulations to discourage the use of plastic and the cost of material inefficiencies of linear production models all constitute risks across our global operations. There are hotspots in regions where recycling infrastructure is weakest and/or where ecosystem damage from pollution is most acute, including oceans and coastal areas.

Innovations in packaging materials, such as plant-based raw materials that substitute for petrochemical feedstocks, as well as circular models that turn post-consumer plastics into new, economically viable value streams, present multiple opportunities. These new plastic production models offer improved ecosystem impacts and carbon footprint reductions, accelerate the shift away from single-use plastic, and in some regions also create new employment.



**Approximately 14% of plastic packaging—including beverage packaging as well as that of other consumer products—is collected for recycling globally.<sup>1</sup> Our collection rate for non-returnable PET plastic bottles is approximately 52%, in part because PET plastic has a high value relative to other types of plastics.<sup>2</sup>**

<sup>1</sup> New Plastics Economy—Ellen MacArthur Foundation 2017 report, p. 16.

<sup>2</sup> Our percentage calculations of progress toward collection of 100% of the equivalent of the consumer packaging we sell has been internally vetted using relevant scientific and technical methodologies, but

those methodologies are evolving as the industry learns more about calculating collection in different markets. We are working to improve our data collection and measuring systems. As systems and methodologies improve, we will revisit our prior estimates to ensure their accuracy and make any necessary corrections to our public reporting.



## Water Resources

There are many threats to water quality and availability, including unsustainable agriculture practices, poor sanitation infrastructure, runoff and industrial pollution, and overuse of water resources. Additionally, climate change is exacerbating water scarcity through increased droughts and floods, which in turn impact farmers and other water users who will need to adapt to water stress in many different regions. Our products depend on the availability of high-quality water, as do the people living in the communities where we do business.

By bringing our expertise and other resources to bear, we can ensure that our operations contribute positively to healthy freshwater and marine ecosystems around the world. We can use these same resources to provide access to safe drinking water and sanitation while helping to restore natural water cycles, benefiting multiple aspects of our value chain and the people and communities we serve.

.....  
**According to the World Economic Forum, water crises have been among the top five global risks in each of the last seven years.<sup>1</sup>**  
.....

<sup>1</sup> CEO Water Mandate report, The Business Case for Water Stewardship (2018).

## Climate Change

There is growing concern that an increase in global average temperatures and the resulting changes to the climate will cause significant disruptions in weather patterns around the globe, creating more frequent and severe natural disasters, including fires, storms and floods. In addition to direct impacts on our operations and communities, this may affect food security and also decrease the agricultural productivity—and/or increase the cost—of key agricultural commodities. Policies that incentivize emissions reductions, and initiatives that reduce deforestation or other negative impacts through land-use changes for food production, are also increasing. These changes are important considerations for companies as they assess CO<sub>2</sub> emissions in their value chains as well as key supplier relationships. These and other factors combine to create a growing financial business risk, of which investors and other stakeholders are increasingly aware.

Innovations in ingredients and packaging materials are becoming more scalable, while access to renewable energy is increasingly mainstream. Companies that take advantage of the significant potential of these and other solutions have the opportunity to improve the resilience of their own supply chains, operations and distribution networks, while contributing to greater stability of the planet we all share.

.....  
**Limiting global warming to below 1.5°C will be required to remain below relevant global risk thresholds—and this will entail rapid and far-reaching transitions in land use, energy, industry, buildings, transport and cities.<sup>2</sup>**  
.....

**For more information on our climate risks and opportunities, see p. 45.**

<sup>2</sup> IPCC 2018 report summary.





# Taking Action and Expanding Choice

People’s tastes and preferences are changing, so we’re changing, too.

Driven by our passion for consumers, we have been shifting our mindset and culture, as well as the way we measure our success, resulting in bold action to transform our portfolio.

**Gradually reducing sugar across our entire portfolio<sup>1</sup>**

**Making smaller, more convenient packages so controlling sugar intake is easier**

**Offering more new drinks that provide benefits like nutrition and hydration**

**Giving people the information they need to make informed choices**

## Using Data to Reduce Sugar and Calories

Around the world, consuming less sugar is an increasingly important issue for many people.

To meet these changing consumer needs, we have updated our approach to more effectively measure our sugar and calorie reduction efforts. Since our CEO-led Our Way Forward initiative was launched in 2017, we have been aggressively reformulating recipes to reduce sugar, using our marketing muscle to promote low- and no-calorie beverage options and investing along with our system to make smaller packages more available. We have also been accelerating the expansion of beverage options across our portfolio.

Just as we harness data and analytics to inform and improve our growth efforts at scale, we also track our sugar and calorie reduction efforts from market to market.

We keep track of metrics resulting from the sugar reduction levers we are using, such as total calories from sugar—both added and natural sugars—across all of our brands,<sup>2</sup> sugar reductions from a combination of new recipes,<sup>3</sup> promotion of low- and no-calorie beverages, and reduced package sizes.

The cumulative effect of these actions is lowering the average calories per package in our portfolio.

<sup>1</sup> To maintain consumer acceptance and avoid moving so far that consumers substitute higher sugar alternatives, it is widely accepted that reformulation is a gradual process.

<sup>2</sup> This does not include calories from non-sugar ingredients such as protein or fat.

<sup>3</sup> Due to regulations affecting 100% natural juices, natural sugars must be left intact to be classified as 100% juice.

# 425,000

tons of sugar removed on an annualized basis through innovation such as new recipes and smaller package sizes in 2017/2018

Total Reformulations Globally

2016  
~80

2017  
~310

2018  
~400







## Putting Consumers First

We're exploring and bringing to market new sugar alternatives that help us keep the great tastes people love but with less sugar and fewer calories. For example, Coca-Cola Zero Sugar realized double-digit volume growth in 2018 globally as we continued to invest as a system in marketing and promotions of this zero-calorie sparkling product innovation.

We're also heavily promoting our low- and no-sugar drinks, making them more visible and easier to find. And we're bringing drinks like organic tea, coconut water, juices, purified water and beyond to more people in more places.



## Smaller, More Convenient Packages

Smaller, more convenient packaging helps people control sugar intake more easily for themselves and their families.

- Today, about 44% of our sparkling soft drink brands come in convenient packages of 250 mL (8.5 oz.) or less.
- Smaller packages of sparkling soft drinks in North America again posted double-digit growth led by 7.5-ounce mini cans of sparkling soft drinks like Coca-Cola and Sprite.

**More than 30% growth for mini cans in North America in 2018.\***

\* Nielsen AMC.

## Responding to Local Conditions to Reduce Sugar

We are taking action on sugar reduction even where it means changes to our most popular, time-tested products—putting our strength in innovation to work for our consumers' evolving needs.

Coca-Cola Chile's portfolio is now composed of 95% low- and no-calorie beverages representing a significant reduction in sugar and calories. The Coca-Cola system removed the equivalent of 33,000 tons of sugar from the market through recipe changes across our Chilean beverage portfolio.

Coca-Cola Singapore launched new Sprite and Fanta Orange recipes in 2018, which contain more than 40% less sugar without compromising on taste. In Japan, we continued to offer no-sugar product varieties including Ayataka FOSHU tea and Japan Craftsman Black (no-sugar) coffee.

The commitment we made along with the European soft drinks industry to reduce the average added sugar content of still and carbonated soft drinks by 10% has led to 16 national sugar reduction pledges in the EU to date, and counting.

**For information about our innovative sugar reduction in Mexico, see p. 20.**





**We're making reduced-sugar products more available through reformulation. We've reformulated hundreds of products around the world. We're also making our zero-sugar products taste better, and promoting them more. As we take these actions, consumers are responding positively in the sense that they are accepting sugar-reduced products at a good rate. We also see growth in our zero-sugar portfolio as well as in smaller pack sizes."**

**ROBERT LONG**  
Chief Innovation Officer

## Delivering Strategic Growth

Prioritizing consumers' preferences means identifying strategic acquisitions and investments in emerging brands. In 2018, we announced the definitive agreement to acquire Costa Limited. Costa is the leading coffee company in the United Kingdom and has a footprint in more than 30 countries in the fast-growing coffee category. We also acquired a minority ownership stake in BODYARMOR, a sports drink that contains potassium and other electrolytes, vitamins and coconut water, with no artificial colors or flavors.

## Offering More New Drinks

We're looking for ways, whenever we can, to make many of our beverages better and more nutritious by providing vitamins, minerals and electrolytes, while also introducing more dairy, plant-based beverages and different sweetness level options to meet an increasing range of consumer choices. With this in mind, we launched more than 600 products in 2018 including:

- Sprite Fiber+, a no-sugar drink with dietary fiber and the flavor and refreshment consumers expect from Sprite, was launched in China.
- Coca-Cola Batch Blends Coffee and Chocolate, a no-sugar beverage combining refreshing Coca-Cola taste with chocolate and real coffee from Brazil, was launched in Vietnam.
- smartwater alkaline, which is ionized to ensure the pH level is 9+, was launched in select U.S. markets.



## Giving People Information

We continue to put clear, easy-to-find nutrition information right up front to support informed choices, without the guesswork.

**We lead the food and beverage industry in voluntary front-of-package calorie labeling. For example, in Europe, we are introducing trials of color-coded nutrition labelling to help people know exactly what is in the drinks they enjoy. Our labels build on a scheme that is already familiar to more than 500 million people across the European Union, adding red, amber and green colors to the numbers for key nutrients (fats, saturated fat, salt, sugar).**

## Responsible Marketing

We do not target our advertising to children under age 12, anywhere in the world. Examples of this longstanding policy in action include:

- We do not place advertising in media where the audience is comprised of over 35% children under 12 years old, including television shows, print media, websites, social media, movies, SMS/email marketing, animation, third-party characters, celebrities/games/contests, branded toys/merchandise, talent selection, point of sale, and merchandise items.
- We do not design our marketing communications in a way that appeals primarily to children under 12.
- We work with industry platforms such as the International Food & Beverage Alliance (IFBA), World Federation of Advertisers (WFA), the EU Pledge initiative, Children's Food and Beverage Advertising Initiative (CFBAI) and others to put meaningful actions in place to reduce the exposure of children to advertising of all products high in fat, salt or sugar.
- We evolve our commitments to respond to changing societal concerns, including advertising on digital platforms, and work with local industry to join these framework commitments and scale collective actions.
- We openly participate in audits by external organizations that monitor our advertising to demonstrate compliance with our standards and all relevant authorities.

**See more information on our approach to responsible marketing [here](#).**



**Shared Opportunity: Sugar Reduction**



## Refreshingly Less Sugar

Nothing is off the table in our pursuit of reducing sugar while keeping the great tastes people love. This includes our marquee brand—Coca-Cola, affectionately known as “Coke.” Everything we do starts with our passion for what people want. Today and going forward, one of those things is less sugar. In this necessary and exciting transformation, we’re rethinking many of our recipes and reducing the sugar content in our brands around the world to help us achieve growth.

[1](#) [2](#) [3](#) [4](#) [READ MORE SHARED OPPORTUNITY STORIES](#)

**In Mexico and several other markets we have piloted a new recipe for Coca-Cola with 30% less sugar, and the innovation has been very well-received.**

### IMPACT

**23%**

of Coca-Cola Trademark volume in Mexico had new recipe in 2018

**63,000**

**tons of sugar removed**

in 2018 initial rollout

### INVOLVEMENT

**9 international markets implemented**

in 2018 with additional markets planned for 2019

Our global innovation teams, always looking to reduce calories without sacrificing taste, regularly conduct extensive consumer testing. The fact that consumers love Coca-Cola but are also increasingly interested in consuming less sugar presents both a strategic imperative and an opportunity for our business to do more. In several markets around the world, we tested an idea that could even further reduce sugar in our beverage offerings.

A key pilot program in calorie reduction included Mexico—an important market as the leader in per capita consumption of our products, and a country where 75 brands and 45% of our portfolio are low- or no-sugar options. We rigorously tested a new recipe for Coca-Cola with 30% fewer calories created in our Mexico R&D lab. We then applied our iterative, deliberate approach to launch and scale the product while applying learnings.

The new recipe performed well among consumers in terms of overall taste compared to Coca-Cola Original Taste in Mexico and other markets. And these consumers expressed a strong willingness to replace the current formulation with the new one, Coca-Cola Original Taste Less Sugar.

In taking on sugar reduction in our leading brands, we seek to both follow and lead the consumer on this journey. There is no “one size fits all” so we innovate market by market. We are looking to scale this idea further and accelerate our sugar reduction efforts by extending this approach in more markets.



**After extensive consumer testing, we launched with a phased approach across Mexico that included tracking results and real-time planning to respond to the market, focusing on the most important occasion in volume for our consumer base: meals. The new bottles displayed the key message on the label: ‘Delicious and Refreshing, Now with Less Sugar.’”**

#### UNAI ALVAREZ

Coca-Cola Brand Director, Coca-Cola Mexico 2018 Global Innovation Award Winner on behalf of the project team





WORLD WITHOUT WASTE

# Make Packaging Waste a Thing of the Past

Though the packaging waste challenge wasn't new to us, 2017 was a pivotal year. We took a fresh look at the issue—and did not like what we saw. Plastic bottles, cans and other containers kept ending up in our oceans and waterways or littering our communities. While we had made great strides in recyclability through the years, we realized we had to do more to make sure our packages are collected and recycled.

OUR INTENT is to dramatically reduce the impact of packaging waste on the environment. To drive results, we are:

- partnering with key stakeholders including our bottling partners, NGOs, regulators, retailers, local communities and even our competitors.
- developing more complete data and metrics which take into account all consumer packaging and a broader array of beverage containers—including beverage cartons, juice boxes and pouches for the first time (see p. 24).

\* Our method to track our 58% packaging collection rate against our 2020 goal focused on our predominant package types (glass bottles, steel and aluminum cans and PET plastic bottles), which make up approximately 85% of our portfolio. Because of new data that we have available to us, our 56% collection rate against our World Without Waste goals takes into account a more inclusive collection rate, representing all of our consumer packaging—including beverage cartons, juice boxes and pouches, etc. (see p. 24).

In January 2018, we established three fundamental goals:

## 1 DESIGN

Make our packaging **100%** recyclable globally by 2025—and use at least **50%** recycled material in our packaging by 2030.

- **88%** of The Coca-Cola Company's consumer packaging is recyclable—up from 85% in early 2018.\*
- **30%** recycled material was used in our packaging globally in 2018.

## 2 COLLECT

Collect and recycle a bottle or can for each one we sell by 2030.

- **58%** of the equivalent bottles and cans we introduced into the market in 2018 were refilled, collected or recycled.\*
- Taking additional packaging types into consideration, that rate was 56% for 2018.\*

## 3 PARTNER

Bring people together to support a healthy, debris-free environment.

- **\$15 million** was committed in 2018 to invest in Circulate Capital, an investment management firm dedicated to incubating and financing companies and infrastructure that prevent the flow of plastic waste into the world's oceans.







In 2018, we launched World Without Waste—a system-wide effort to design more recyclable packaging, increase collection and partner with communities, NGOs and even our competitors to reduce packaging waste. We are measuring and tracking against this goal and will continue to evaluate ourselves on how we can do more, better, and faster.”

**BEA PEREZ**

Senior Vice President and Chief Communications, Public Affairs, Sustainability and Marketing Assets Officer, The Coca-Cola Company

## Designing Waste Out of the System

We are radically rethinking how we produce, recycle and reuse our packaging—and even how we get our products to consumers in the first place.

Technological advances and innovation are helping us identify different and smarter ways to use plastic and to recycle it. For example, in 2018, we announced bottles made from 100% recycled plastic in multiple markets. In many other countries and territories we’re working with governments to find ways to increase the use of recycled materials in packaging sold in their markets.

In 2018, we announced four key technology partnerships:

- Expanded access to our PlantBottle intellectual property to all—even our competitors—to foster further innovation. PlantBottles have up to 30% plant-based materials, reducing the bottle’s carbon footprint.

- Entered into a loan agreement with Ioniqa Technologies to transform hard-to-recycle plastic waste into high-quality, food-grade PET plastic.
- Established a framework with Loop Industries for authorized bottlers to purchase 100% recycled PET plastic.
- Joined the Industrial Advisory Board of DEMETO, a European chemical recycling consortium working to bring to reality a revolutionary new way to chemically recycle PET.

**30%** recycled material used in our packaging globally

**9%** recycled material used in our PET plastic packaging globally

## Recycle 24/7

### Thinking Locally

The 200+ countries and territories in which we operate present widely varying challenges and opportunities in meeting our recycling goals. Bottle and can recycling rates differ dramatically, as does the infrastructure in place and even the quality of recycling data that could help us improve. The solutions to boost recycling are as varied as the countries themselves, so we seek local partners to pilot solutions. Then, as we do with popular new products, we “lift, shift and scale” to adapt successful solutions in other markets.

Each of our business units has a plan in place to help achieve our World Without Waste goals—a plan tailored to the realities and unique needs of their local markets. In some countries, the challenges have to do with getting the right collection systems and processing facilities in place. In other parts of the world, collection and recycling is powered more by people than machines. In those areas, our approach has been to help formalize the recycling sector with appropriate sensitivity to human rights issues and decent livelihoods.

### Acting Locally

In Estonia, where Coca-Cola Hellenic Bottling Company enhanced post-consumer packaging collection and engaged in anti-littering and other public-education campaigns, the municipal waste recycling rate jumped from 17.9% to 31.3% in a single year.

In Brazil, we are investing about \$25 million to launch “a universal bottle,” which is a returnable package that can be refilled with any flavor.

Refillables already make up 20% of packages in Brazil and our goal is to raise that to 50% by 2030.

Coca-Cola Vietnam, together with industry, nongovernmental organizations and government partners, launched a new initiative to implement a circular economy approach in Ho Chi Minh City, within the framework of the Vietnam Centre for Circular Economy.

In North America, The Coca-Cola Foundation is investing to help create seven “model collection markets” to increase recycling participation in communities with existing recycling infrastructure in place.

### The Climate-Waste Connection

Packaging-related greenhouse gases comprise around 35% of the carbon footprint of “the drink in your hand.” We project that increased recycling, use of refillable bottles, plant-based plastics and other solutions will contribute significantly to meeting our climate goal.

Our system’s PetStar facility in Mexico is the world’s largest food-grade PET recycling plant.



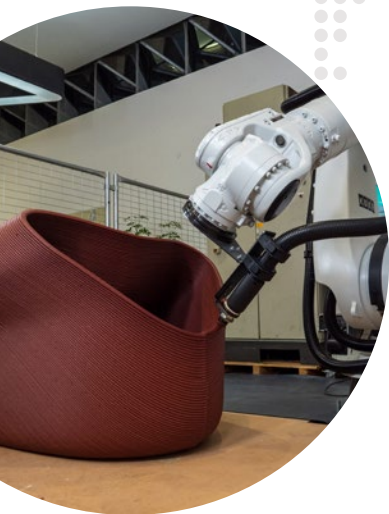
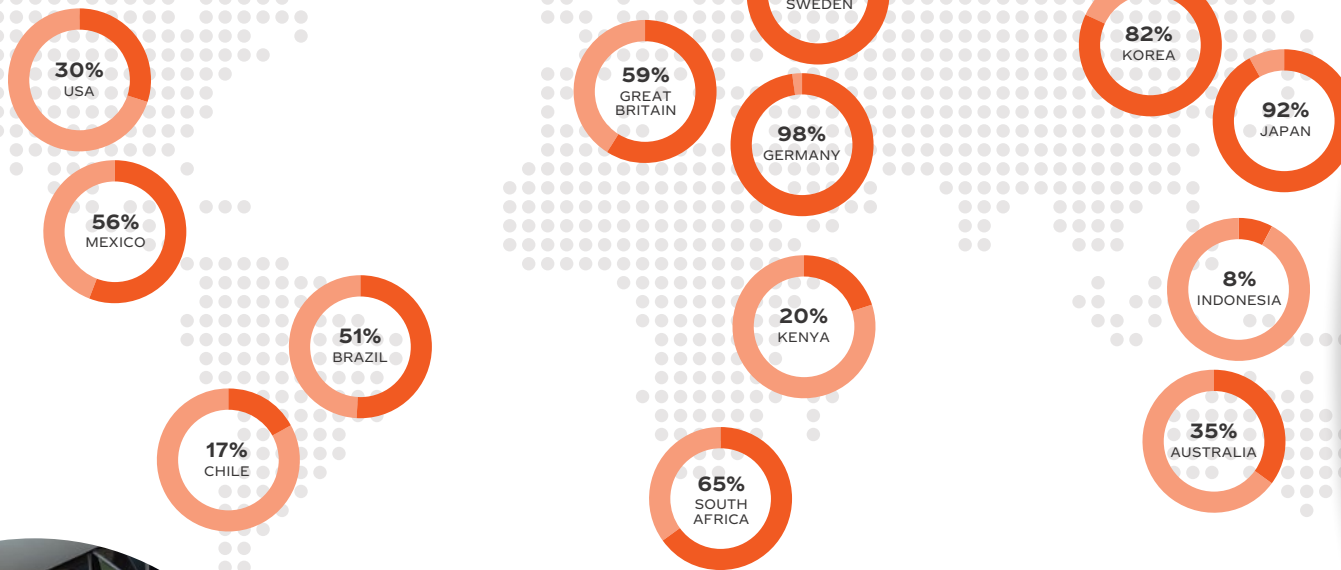
See our [World Without Waste: 2018 Progress Report](#).



## A World of Differences

Recycling rates for PET packaging vary widely around the world. A major driver of the variability is the complex assortment of collection and recycling systems and infrastructure in place. In some countries, governments run the systems, while in other countries, industry leads on a voluntary or mandatory basis. Deposit-return systems may also coexist with government and industry-led infrastructure. Informal, scavenger-based systems are common in some places, and we estimate that approximately 100 countries have no system at all.

### Representative Non-Refillable PET Beverage Packaging Collection Rates



### Inventing a Zero-Waste Urban Environment

In 2018, The Coca-Cola Company launched “Zero Waste Cities,” a new program that aims to make Thessaloniki the first city in Greece with the potential to become a zero-waste municipality. Among the program’s innovations is “Print Your City.” Through an online platform, residents can nominate useful objects that will be 3D printed using plastic waste and installed in various neighborhoods across the city. The first

10 pieces of functional urban furniture demonstrating the concept were placed at the Thessaloniki seaside. Other program elements include a Coca-Cola Foundation-funded waterfront cleanup, outreach and education, a waste collection system, and the first-ever prevention study on how the city can better handle its waste. We plan to roll the program out to additional cities in Europe, the Middle East and Africa.

See additional performance indicators in the [Data Appendix](#).

## Partnering to Tackle Collective Challenges

Tackling plastic waste challenges requires thinking and action from the best and the brightest, including others in the industry, the public sector and civil society. We have established or joined 10 global partnerships that will help us achieve our World Without Waste goals, including:

- The World Economic Forum’s **Global Plastic Action Partnership**, which fosters collaboration to tackle plastic waste issues.
- **Ellen MacArthur Foundation/ UN Environment New Plastics Economy Global Commitment**, which focuses on framing the circular economy as an innovation opportunity, moving beyond traditional risk mitigation thinking, based on a shared vision and concrete, time-bound targets.
- The Coca-Cola Foundation-supported **Ocean Conservancy** and its **Trash Free Seas** program, which work to invest in trash collection and recycling systems to make sure trash never gets in the ocean. Since 1995, 220 million pounds of trash have been removed from more than 375,000 miles of coastline through this partnership with Ocean Conservancy.
- **The Packaging and Recycling Association for Indonesia Sustainable Environment (PRAISE)**, which aims to support integrated and sustainable packaging waste solutions in Indonesia (see [p. 25](#)).



## Driving Results with Better Data

As we implemented our World Without Waste initiative in 2018, we also updated our data collection and tracking procedures to ensure we had the most meaningful metrics in place to help drive collective action and progress to meet our goals. Since packaging collection is by nature a local process, we shifted data collection to our global business units. Our local teams and bottling partners have plans and responsibility for both making progress and measuring that progress toward our systemwide goals.

That means, on a country-by-country level, we are holding our business leaders accountable for doing business the right way. Our intent is to increase collection rates for every package type in our portfolio, in every market.

Previously, our method to track collection focused on our predominant package types (glass bottles, steel and aluminum cans and PET plastic bottles), which make up approximately 85% of our portfolio. According to this method, our main package types served as a proxy for all our packaging. Using that calculation methodology, our collection rate for 2018 is 58%.\*

## More Inclusive Collection Data

Because of new data that we have available to us, we are able to report a more inclusive collection rate, taking into account all consumer packaging—including beverage cartons, juice boxes and pouches, etc. Our 2018 collection rate inclusive of all consumer packaging is 56%, which means that 56% of all our packaging is either refilled or collected for recycling.

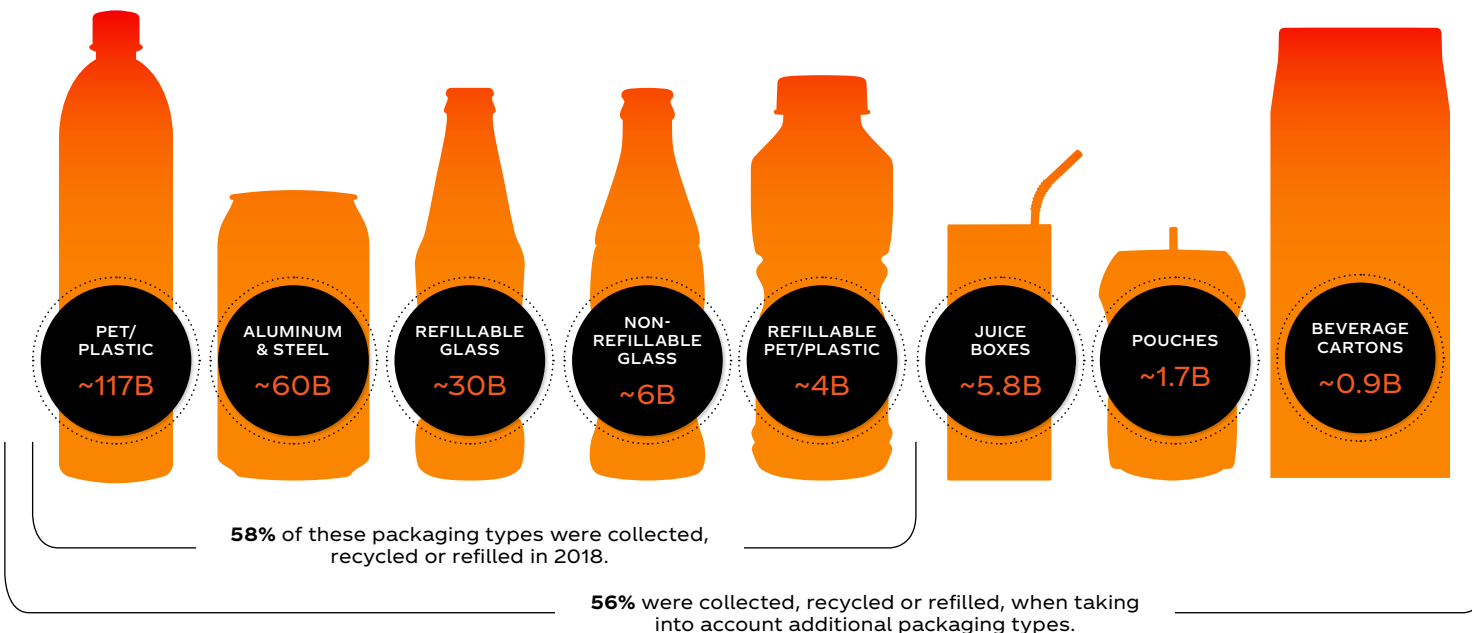
## Accounting for Our Packages

Historically, we reported our packaging mix (the percentage of each packaging type we introduce into the marketplace) based on a volume metric (unit cases). This was a way to simply align commonly used volume indicators with the packaging types we sold. According to this methodology, a two-liter plastic bottle would represent a greater share of packaging mix—perhaps more than triple—than a twenty-ounce plastic bottle, because it contains more liquid. We continue to evolve our data approach as we move our focus as an organization from volume to value.

Moving forward, we have decided to report a packaging mix measure that better reflects the actual breakdown of the number of packages we introduce into the marketplace. The new methodology for packaging mix is based on individual units of packaging sold. This means that a twenty-ounce bottle and a two-liter bottle would represent an equal share of packaging mix. We believe that this will help us as we collectively strive to achieve more meaningful progress against World Without Waste goals.

The graphic to the left represents the number of packages introduced globally in 2018 by package type. Our 2018 packaging mix can be found in our [Data Appendix](#).

### NUMBER OF PACKAGES INTRODUCED IN 2018



\* Our percentage calculations of progress toward collection of 100% of the equivalent of the consumer packaging we sell has been internally vetted using relevant scientific and technical methodologies, but those methodologies are evolving as the industry learns more about calculating collection in different markets. We are working to improve our data collection and measuring systems. As systems and methodologies improve, we will revisit our prior estimates to ensure their accuracy and make any necessary corrections to our public reporting.





Shared Opportunity: Waste

## PRAISE: Transforming Waste into Value in Indonesia

According to Ocean Conservancy, Indonesia is the world’s second-largest source of ocean plastic.\* We are working to transform this challenge into widely shared opportunity through PRAISE, the Packaging and Recycling Association for Indonesia Sustainable Environment. This strategic partnership of industry leaders has a bold 2030 vision: to bring economic, social and environmental benefits to Indonesia by transforming packaging waste into a high-value resource.

1 2 3 4 [READ MORE SHARED OPPORTUNITY STORIES](#)

\* See The Ocean Conservancy’s [Stemming the Tide: Land-based strategies for a plastic-free ocean](#).

### PRAISE FOUNDED IN 2018

**6** founding partners:

Coca-Cola Indonesia, Indofood, Unilever, Danone, Nestlé, Tetra Pak

### PRAISE INITIATIVE: DROP BOX

**200** drop boxes

across Jakarta and Bekasi

PRAISE has helped formulate Indonesia’s first packaging collection and recycling initiatives. This aligns with our World Without Waste vision—helping to enable a collective and holistic approach involving stakeholders across the packaging value chain working toward a circular economy model.

Low collection rates remain a major challenge in Indonesia due to lack of collection infrastructure and awareness. To spur structural and behavioral change, PRAISE’s Drop Box program has placed 100 collection bins across Jakarta, supported by online and offline public education. Each drop box is divided into paper and non-paper recyclables, which Waste4Change—an Indonesian social enterprise—collects, transports, and manages. Through additional support, we helped place another 100 drop boxes in locations in Bekasi, outside Jakarta.

PRAISE also manages Bali Bersih (Clean Bali), a pilot program that seeks to support and enable community-based recycling and reuse to minimize the amount of waste that ends up in the surrounding seas.

### Partnering

The six founding members of PRAISE include Coca-Cola Indonesia, local food and beverage giant Indofood, and leading global companies Unilever, Danone, Nestlé and Tetra Pak. We play an active role in strategy and in implementation. Our local Coca-Cola packaging director sits on the PRAISE steering committee, as does the CEO of Coca-Cola Foundation Indonesia.

PRAISE launched its Drop Box initiative in collaboration with the Ministry of Environment and Forestry of the Republic of Indonesia, DKI Jakarta Environmental Service, and Waste4Change, and directly involves local stakeholders such as schools, retailers, mosques, churches, offices and others.



**It was a wake-up call to everyone in Indonesia when we were listed as one of the top 5 ‘leaking countries’ for plastics. We worked together with everyone—government, concerned citizens, NGOs and industry, even our competitors—to take bold action. PRAISE is a critical forum driven by our desire to improve collection for all plastics. Our efforts will drive results and impact across our region.”**

**TRIYONO PRIJOSOESILO**  
PAC Director, Coca-Cola Indonesia





WATER LEADERSHIP

# Building on a Decade of Water Replenishment

The Coca-Cola Company’s water leadership was born in India more than a decade ago, following a conflict between our business and the local community over the use of local water resources. While we believed we had a solid record of using water efficiently and responsibly, we quickly learned what is now well-accepted: that the availability of freshwater is a defining issue of our times—one that poses risks to a company’s license to operate. It also offers opportunities to make a positive impact on lives and livelihoods around the globe.

That moment led us to examine and better understand water risks to our company and the communities in which we operate, looking well beyond the four walls of our facilities and into our supply chain. It also led to our pioneering goal, established 10 years ago, to replenish the water we used in the production of our beverages. At the time, the goal was a leap of faith. But we met and exceeded it, and other companies have followed suit. As our understanding of water risks and opportunities continues to evolve, we are refining our approach to continue our leadership and further align with the UN Sustainable Development Goals.

## TRACKING PROGRESS

# 155%

of water used in our finished beverages safely returned to communities and nature in 2018<sup>1</sup>

# 786,452 people

with lives measurably transformed through improved water access<sup>2</sup>

## 2010–2018

# 1T+ liters of water

replenished

# \$124 million

invested in water, sanitation and hygiene (WASH) projects

<sup>1</sup> As estimated working with our many external partners and using generally accepted, independently peer-reviewed scientific and technical methods. Finished beverages based on global sales volume.

<sup>2</sup> Includes WASH, economic empowerment and indirect reach through system strengthening.



By the end of 2018, **RAIN**, the **Replenish Africa Initiative** of The Coca-Cola Foundation, had provided safe drinking water to more than 2.8 million people in Africa and supported water, sanitation and hygiene (WASH) programs in more than 2,000 communities across 41 African countries.





## Water Is Critical for Our Entire Value Chain

Water is needed to grow our agricultural ingredients. It is used in manufacturing and essential in our products. And it is a shared resource: Adequate, clean freshwater is vital to our consumers and the communities they live in. Yet billions of people lack basic access to clean water and sanitation. And as an increase in global average temperatures continues to result in changes to the climate, we can expect more droughts, floods, storms and wildfires that create water-related risks for our business and people all along the value chain.

The foundation of our water stewardship work is our comprehensive risk mitigation strategy that assesses water stress at each plant in our system and in the surrounding communities. The assessments give us a deep understanding of local conditions

and current and future water risks. They also provide the basis for the water management plans that each facility in our system develops and implements to address the risks and opportunities identified.

Over a decade ago, we established our water leadership framework of Protect, Reduce, Recycle, Replenish and set our goal to replenish 100% of the water used in our finished beverages back to communities and nature. We defined how progress against the goal would be measured using peer-reviewed scientific and technical methods. The replenish projects we support focus on improving safe access to water for human consumption and sanitation; protecting watersheds by improving water capture, storage and quality; and providing water for productive use, such as increased water availability or water efficiency in farming.



### Partnering for Progress

- Some of the global partners in our water work are the **World Wildlife Fund, 2030 Water Resources Group, The Nature Conservancy and the Global Water Partnership-Mediterranean**. In 2007, The Coca-Cola Company joined the UN Global Compact CEO Water Mandate, and was an active member of the Mandate's Action Platform in 2018.
- Our local access to water and sanitation programs are implemented by partners such as **Water & Sanitation for the Urban Poor (WSUP), WaterAid, CARE, Water For People** and local utilities and services providers with the support of co-funders such as **USAID through the Water and Development Alliance, One Drop, and Inter-American Development Bank**.

### Water and Communities

- **2.1 billion people** lack access to safely managed drinking water services.\*
- **4.5 billion people** lack safely managed sanitation services.\*
- About **4 billion people**, representing nearly two-thirds of the world population, experience severe water scarcity during at least one month of the year.\*

### Water and Our System

- By 2030, the impacts of climate change will further increase risks to availability and quality of local water resources for our bottling operations and ingredient sourcing regions, including in key markets such as the U.S., Mexico, India, Pakistan and others.

\* [UN Water](#).

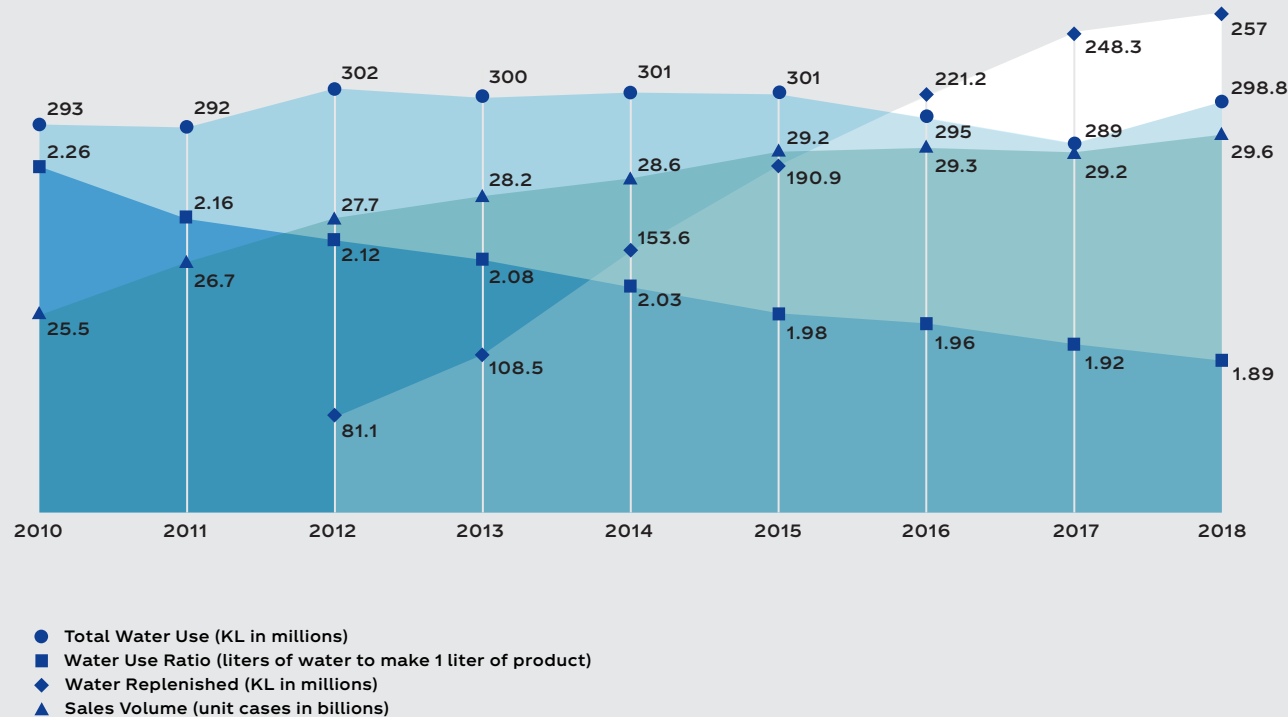
Our 2018 CDP Water disclosure placed us in the leadership range of scores (A-) by providing detailed data and information about how we manage water across our value chain.





## Water Leadership

Water used, sales volume growth, water use ratio and % water replenished over time



See additional performance indicators in the [Data Appendix](#).



## The Benefits of Water Access to Women

Women carry the greatest burden from the lack of access to safe drinking water, spending an estimated 200 million hours every day fetching water—time that could be better used, including on economic activities.\* In 2018, USAID, The Coca-Cola Company and Water and Development Alliance\* collaborated with research firm Ipsos to conduct the Ripple Effect Study, which rigorously assessed how improved access to water and sanitation enables women’s empowerment, and promotes gender equality. The study identified eight pathways to empowerment, including improvements in women’s health, income, nutrition, safety and security, education, leadership and skills, time savings, and shifts in community roles and gender norms. The study and a related research hub can be found [here](#).

\* [UN Water](#).



Shared Opportunity: Water

## Replenishing Cape Town in a Time of Drought

As Cape Town faced the impending threat of “Day Zero”—the day its water reserves would run dry—an innovative ecological intervention to improve how fast and fully the upstream Atlantis aquifer could replenish itself began in early 2018. Funded by the Greater Cape Town Water Fund and implemented by The Nature Conservancy with support from RAIN, the Replenish Africa Initiative of The Coca-Cola Foundation, the program is improving the lives of local residents while increasing water security across Cape Town’s water supply system. The program is also creating economic opportunities for women on the front lines of the restoration effort.

1 2 3 4 [READ MORE SHARED OPPORTUNITY STORIES](#)

### PLANNED IMPACT

**8 million liters**

of water replenished per year

**60,000 residents**

of the Atlantis area positively impacted

**4 million people**

in greater Cape Town area gaining increased water security

By removing invasive species from an aquifer’s primary recharge zone and restoring local vegetation, more water can be made available to communities downstream. This nature-based, restorative approach is the first project being funded by the Greater Cape Town Water Fund, which was funded through RAIN. The guiding principle of such public-private water funds is that it costs less to prevent water problems at the source than to address them downstream.

**This innovative funding mechanism aims to improve long-term water security in the Greater Cape Town area.**

Tapping into municipal jobs listing services, the project hired a team of women from the local communities of Atlantis, Mamre and Pella, bringing welcome opportunities to a region where unemployment is high. Preparation for the work of clearing and restoring the vegetation included handtool and chainsaw training, and a mentorship contractor provided skilled workers to work side-by-side

with the local team. The women take pride in their new skills and in helping to address this widely shared need of freshwater replenishment.

### Partnering to Prevent Crisis

In the face of ongoing water stress and droughts, large cities like Cape Town need long-term solutions to climatic variability. RAIN invested \$150,000 in the Greater Cape Town Water Fund to catalyze its formation and pilot project. To ensure transparency and sensitivity to community needs, the project engages with government officials for the City of Cape Town and the National Department of Environmental Affairs, environmental specialists from Cape Nature and other local stakeholders. Furthermore, The Coca-Cola Foundation also plays a strategic role as a member of the fund’s steering committee. The foundation of FEMSA, our largest independent bottling company, has also partnered with The Nature Conservancy to create similar water funds supporting 24 projects in eight Latin American countries.



**Alien plant invasions in the Greater Cape Town region’s catchments are responsible for the loss of 38 million liters of water each year, equivalent to meeting the water requirements of Cape Town for two months. The Greater Cape Town Water Fund is committed to working with partners to control thirsty invader plants, restore strategic wetlands and riverine areas, and thereby address these water losses.”**

**LOUISE STAFFORD**  
Water Fund Project Director for South Africa, The Nature Conservancy





SUSTAINABLE AGRICULTURE

# On the Journey to More Sustainable Ingredients

Ingredients are at the heart of our products, and our transformation into a total beverage company is also expanding the variety of ingredients we use. We source a wide range of agricultural commodities—including fruit juices, coffee, tea, sugar and soy, as well as special ingredients such as herbs and dairy-based ingredients—from a complex supply chain that spans the globe. Ensuring that these ingredients are produced in a way that respects farmworkers and communities and protects natural resources is a top priority for our company.

We are making good progress. Since 2013, when we set our 2020 goal to sustainably source our 14 global priority ingredients, the percentage of ingredients certified to a sustainable agriculture standard has grown from 8% to 44%.

Priority ingredients represent the vast majority of our total agricultural ingredient purchases.

Increase from

# 8% to 44%

in ingredients certified to a sustainability standard over five years

See additional performance indicators in the [Data Appendix](#).

## Our Approach

For The Coca-Cola Company, “sustainably sourced” means that ingredients sourced from our farm suppliers meet standards for human and workplace rights, environmental protection and responsible farming management that are set out in our Sustainable Agriculture Guiding Principles (SAGP). We have worked with our suppliers to help them demonstrate that they meet the SAGP criteria by using the leading global sustainable agriculture standards for the commodities and products they provide to our company.

Bonsucro and Rainforest Alliance are among the leading sustainable farming standards we support.

Indian mango supplier Foods & Inns was the first company in India to certify farmers using Sustainable Agriculture Initiative’s Farm Sustainability Assessment (SAI-FSA) Silver in 2018 (see [p. 32](#)).





## The Path Ahead

Together with our bottling partners and suppliers, we have made a lot of progress on driving and demonstrating sustainable agricultural practices in our ingredients supply chain. But we know that we still have a long way to go to achieve our goal. Over the past five years, we have learned that certification is not the only way to help farmers continuously improve their practices and become more sustainable. Farm sizes, environmental conditions and social practices differ widely in our global supply chain. For example, there are some 5 million smallholder farmers providing ingredients to our system, often through several intermediaries. Smallholders, many of whom are women, are particularly vulnerable to water and climate fluctuations—interconnected global issues that impact their livelihoods and the stability of our supply base.

We will continue to build on what we've learned and develop a variety of ways to achieve sustainable ingredients sourcing, engaging all farmers in our supply chain on this journey. This includes sharing knowledge and tools with farmers and investing in our supply chain to support a diverse and resilient agricultural supply. We focus where the risks are greatest to help align goals across our supply chain and support the development of standards where they are lacking.

Our major orange juice supplier, Cutrale in Brazil, assured its own farms against the Sustainable Agriculture Initiative's Farm Sustainability Assessment (SAI-FSA) Gold and Silver.



### Sustainable Citrus in Sicily

In Sicily, The Coca-Cola Company is taking a holistic approach to supporting a sustainable supply chain for the citrus used in Fanta, focusing on water, waste, climate resilience and employment. For example, in partnership with the Citrus Fruit District and with technological support from the Euro-Mediterranean Centre for Climate Change, farmers participating in the pilot project receive real-time information on irrigation needs from sensors installed in their orchards.



## Examining Issues in the Sugar Supply Chain

During 2018, we conducted six studies of human rights issues, including child labor, forced labor and land rights, in countries from which we source sugar. These third-party reports are among 18 we have completed on the way to meeting our commitment to conduct 28 country studies. We have followed up on findings of the studies through initiatives including bringing brands together to provide better access to clean water and sanitation at a sugar mill in Mexico and participating in a multi-stakeholder convening on land rights in Malawi.

**18** studies completed including **6** in 2018

The Citrus Fruit District in Sicily is vital for us, as Fanta Orange in Italy—born in the country in 1955—is made with the juice of oranges from the region.





Shared Opportunity: Agriculture

## Sustainable Growth for India's Smallholder Farmers and Our Portfolio

India produces more mangos than any country on earth, mostly from small farms. These growers often face economic challenges for their basic subsistence, so prioritizing more long-term sustainable practices can be difficult. Due to the sheer number of people involved where small growers are the predominant source of agricultural supply, there are a variety of challenges. Our work collaborating with mango growers has seen remarkable results in a few short years, both for the farmers and for our business as we seek to accelerate the growth of our portfolio of sustainably sourced, fruit-based beverages across the region.

1 2 3 4 [READ MORE SHARED OPPORTUNITY STORIES](#)

1,400 farmers certified\* as sustainable since 2015

### IMPACT

Up to

20% more income

15% reduction

in crop protection products

40%

use water conservation methods

Our mango sustainability program began in 2015 in collaboration with one of our key suppliers, Foods & Inns Ltd (F&I), and other partners. Farmers were provided tools, training and best practices in integrated pest management and crop handling. Farmers also benefit from a purpose-built network of F&I direct supply collection centers, allowing them to avoid trader commissions or “mandi” (transport, weighing and unloading charges).

Today, F&I is ready to supply all the mangos we buy from them as sustainably certified—a key factor in our growth plan for our India juice portfolio. The mangos go into products for Maaza in India and Minute Maid in the U.S. and Europe.

\* The Sustainable Agriculture Initiative's Farm Sustainability Assessment (SAI-FSA) standard is recognized as a preferred independent third-party certification on sustainable farming for smallholders. It incorporates requirements that matter the most to farmers and allows for easier data collection at the farm level.

More farmers have approached us to join the sustainability program, which is a testament to its success. This proof that small grower sustainable sourcing is achievable informs our growing investment in the fruit supply chain in India and efforts to make it globally competitive, as we seek to build a stable supply while promoting practices that improve people's lives and livelihoods.

### Partnering

The success of this project arises from the efforts a variety of partners, from F&I who invested money, time, effort and experience, to the Ford Foundation who funded the initial seed money, to Technoserve who conducted a diagnostic study. Subject-matter-expert partnerships include the State Bank of India for farmer financing, Bayer Crop Sciences for integrated pest management, Aries Agro for soil nutrient management, Cropin Technologies for mobile recording and data collection, and Solidaridad for capacity building and record management. This program complements our \$1.7 billion investment over five years in the productivity and circularity of the Indian fruit economy that is expected to help support 200,000 farmers in elevating their practices, in alignment with the Indian government's goals.



**Foods & Inns and Coca-Cola have really helped us, not only in improving our practices and productivity, but also in the transport and direct purchase of our produce.”**

**MS. T. SUCHARITA**  
Farmer in Somala, Andhra Pradesh





# Caring for People and Communities

Our company employees, the employees at approximately 225 bottling partners,\* and others in our value chain are what make our business a success. As we accelerate our move to a total beverage company, we are cultivating a culture that supports this evolution and enables us to grow. This means ensuring all Coca-Cola employees, suppliers and bottling partners can build this transformation together.

Our company culture is curious, empowered and inclusive—believing in making progress rather than worrying about perfection. These behaviors are encouraged throughout the organization and in the many ways we engage our employees, from recruitment to ongoing learning and development, encompassing every role.

Striving to have a positive impact on people extends to all the communities connected to our business. Whether through upholding human rights across our operations and supply chain, empowering women, supporting more sustainable agriculture practices, or giving back to communities we call home directly through our philanthropic initiatives, we are committed to caring for the people who make our success possible.

## Global Workforce Data for The Coca-Cola Company and Its Subsidiaries

**NORTH AMERICA: ~12,100**  
(includes Corporate)

**LATIN AMERICA: ~2,400**

**EUROPE, MIDDLE EAST & AFRICA: ~4,300**

**ASIA PACIFIC: ~2,600**

**BOTTLING INVESTMENTS: ~41,200**

## A Socioeconomic Multiplier

Contributing to the well-being of people beyond our direct employees, the wider Coca-Cola system creates socioeconomic opportunities around the world. Our people, working in collaboration with our local suppliers, manufacturing, and distribution partners, play a significant role in generating new jobs. This employment multiplier effect invigorates both local and national economies in every market where we operate.

\* We typically refer to authorized bottling operations as our “bottlers” or our “bottling partners.” With our bottling partners, we employ more than 700,000 people, helping bring economic opportunity to local communities worldwide.



### Teamwork Brings Innovative Dairy Product to Canada

A cross-functional Coca-Cola Canada team worked with local dairy farmers and other stakeholders to bring fairlife ultra-filtered, lactose free milk to shelves in 2018, making Canada the first international market for the brand. The plan included an \$85 million investment to build a new production facility in Peterborough, Ontario, which will be supplied by local Ontario dairy farms and will create 35 jobs.



# Supporting Human Rights



At The Coca-Cola Company, respect for human rights is ingrained in our culture and guides our interactions with employees, bottling partners, suppliers, customers, consumers and the communities we serve. To ensure that our approach is comprehensive, and as part of our ongoing effort to meet stakeholders' expectations, our policies and practices are aligned with the UN Guiding Principles on Business and Human Rights.

Our human rights commitment starts with our own employees, making sure they have safe, supportive and respectful workplaces where the dignity of every associate is recognized. Our Human Rights Policy, updated in 2017 following consultation with more than 180 stakeholders globally, sets the framework for ensuring that we meet this commitment within our owned operations and those over

which we have management control. Tools and training are provided to help our global operations abide by the policy. We encourage our employees to report any possible violations of the policy through multiple channels, including an ethics hotline.

Our suppliers and system partners are also expected to embrace responsible workplace practices. Our Supplier Guiding Principles (SGP), aligned with our Human Rights Policy, are a part of all contractual agreements between The Coca-Cola Company and our direct and authorized suppliers. We have developed guidance on specific topics and, in 2018, we provided 22 training programs to bottlers, suppliers and auditors across the world to help them uphold the values outlined in the SGP.

## Identifying Human Rights Issues

We have worked to identify, map and prioritize potential human rights risks across our value chain. Our vast supply chain is where many of the identified human rights risks may occur. These include, for example, migrant and child labor in agriculture. Other issues, such as working conditions in the informal recycling sector, may be present in certain geographies and require partnership with organizations in the private and public sectors and civil society to address in a systemic way.

To dig deeper, in 2013 we committed to conduct 28 studies by 2020 that focus on child labor, forced labor and land rights in key sugar supply markets (see p. 31).

Our Human Rights Report identifies 12 salient issues and provides detailed information on our approach.

## TRACKING PROGRESS

At the end of 2018, audits found 96 percent of company-owned facilities in full compliance with our Human Rights Policy. The remaining facilities are working on action plans for alignment in the near term.

Audits of suppliers and independent bottlers were conducted worldwide to verify compliance with our Supplier Guiding Principles:

**25,000+** audits

since 2003

**2,800** audits

in 2018

See additional performance indicators in the [Data Appendix](#).



## Partnering for Progress

In 2018, we helped convene a meeting of the International Organization of Employers and the Child Labour Platform with the support of the International Labour Organization to end child labor in the recycling sector in Mexico. We also hosted the 10th Human Rights Conference at our Corporate headquarters in September of 2018.





# Empowering Women



Women around the world have long been important contributors to the Coca-Cola business system, and they often face significant barriers to realizing their own economic empowerment.

Studies show that the economic empowerment of women has positive multiplier effects on the nutrition, health and education of families,<sup>1</sup> and that better inclusion of women in the world economy propels growth and prosperity.<sup>2</sup>

In 2010, The Coca-Cola Company made a commitment to economically empower 5 million women by 2020 through our 5by20 initiative. We partner with governments and NGOs to address specific barriers to business success that women entrepreneurs face. These programs meet women where they are—in their communities, businesses and online—and provide

enabling activities that include: business skills training, financial services and/or assets, and peer-to-peer mentoring networks.

Across diverse geographies including developed and developing countries, 5by20 has supported the success of individual women and shown how gender-balanced entrepreneurship can increase economic resilience.

Since 2016, nearly 200,000 women have been trained and empowered through “Success is ME,” the biggest and most comprehensive professional activation program for women in Poland. The Coca-Cola Foundation and the Success Written in Lipstick Foundation support job seekers and entrepreneurs through online courses, lectures and workshops. Evaluations show that 98.7% of users would recommend Success is ME to their friends.

<sup>1</sup> Business Fights Poverty, The Coca-Cola Company’s 5by20 Initiative Empowering Women Entrepreneurs Across the Value Chain, Harvard Kennedy School Corporate Social Responsibility Initiative, 2013.

<sup>2</sup> Private Sector Engagement with Women’s Economic Empowerment: Lessons Learned from Years of Practice, Linda Scott, Said Business School, University of Oxford, 2017.



## TRACKING 5by20 PROGRESS

2018:

**865,787**  
women empowered;  
**31%** increase  
over 2017

Cumulative:

**3.2+** million;  
**36%** increase  
over 2017

**17** countries

added in 2018,  
for a total of

**92** countries

See additional performance indicators in the [Data Appendix](#).

## Advancing Sari-Sari Success

Since 2011, we have supported women entrepreneurs in the Philippines who operate “sari-sari stores”—micro-enterprise neighborhood convenience stores. The Sari-Sari Store Training and Access to Resources (STAR) Program, which focuses on making the businesses more financially sustainable, has reached more than 150,000 women. A study of the program’s impact completed in 2017 found that:

- 97% of women felt that the STAR Training was useful for their business management.
- Business revenue increased by 17%, store income by 12%, and the store inventory grew by 20%.
- 65% of women feel very confident about their future financial stability.

We are using a similar approach for woman-owned stores in China, where we have a goal to empower 500,000 women by 2020.





# Employee Safety & Health



A safe and healthy workplace is a fundamental right of every person and also a business imperative.

Our Workplace Rights Policy requires that we take responsibility for maintaining a productive workplace by minimizing the risk of accidents, injury and exposure to health hazards for all of our associates and contractors. In addition, we work with our bottling partners to help ensure health and safety risks are minimized for their employees and contract workers.

## Embedding Health & Safety Across Our Operations

We seek to embed and improve health and safety across all aspects of our business. For example, we developed a Behavioral Based Safety program for the Coca-Cola system and suppliers

to adopt into their operations. This program incorporates the Human Factor Analysis and Classification System (HFACS) to examine why injuries occur and to analyze the influencers in the management system that may allow at-risk behaviors.

Our Quality, Safety & Environment (QSE) capability team has implemented programs designed to improve operational performance, such as the QSE Professional Excellence Program, an intensive training and development program, and the QSE College which provides online quality, safety and environmental training for business units of the company, as well as bottling partners globally.

Additionally, our Coca-Cola Operating Requirements (KORE) define the policies, standards and requirements for managing safety, the environment and quality throughout our operations. KORE goes beyond compliance to require that our manufacturing and distribution facilities implement two internationally recognized frameworks of occupational health and safety management systems and requirements designed to improve employee safety, reduce workplace risks and create better, safer working conditions, all over the world.

To support these programs and ensure continuous improvement, we also regularly conduct unannounced audits, including 237 in 2018, across our direct operations and bottling partners.

## Improving Route-to-Market Safety

Our safety program addresses the movement of products and people between our bottling plants and our customers. Because everything from cars and trucks to canoes and motorcycles is used to distribute our products, often involving third-party partners, solutions must be developed and implemented at a local level.

Route-to-market safety encompasses the downstream storage and distribution of our products, as well as any movement of employees along public roadways. Bottling partners assess the risks involved with routes, and they ensure our drivers understand how to avoid collisions or incidents.

At the community level, The Coca-Cola Company is an active Board Member of the Network of Employers for Traffic Safety, a group of organizations that have similar fleet operations, to learn global best practices to improve infrastructure and operational behaviors.

See additional performance indicators in the [Data Appendix](#).

## Coca-Cola Turkey Operations Recognized Externally in Safety Leadership

Coca-Cola Turkey operations were recognized by the British Safety Council for their dedication to excellent health, safety and well-being in 2018. In collaboration with our bottling partners, Coca-Cola İçecek, we focused on creating a culture that emphasizes a safe and healthy environment. In our Dogadan Tea facility, we implemented the Behavioral Based Safety program, which seeks to understand behaviors and perceptions, and to find ways to define breaking points in the system that cause at-risk behaviors. This has reduced lost time incident scores, and it has created more value for our employees.





# Diversity & Inclusion—Strengthening Our Business and Society



As a global business, our ability to understand, embrace and operate in a diverse world—both in the marketplace and in the workplace—is critical to our long-term sustainability and to doing business the right way.

By building an inclusive workplace environment, we seek to leverage the talent, insights and ideas of our global employees. Our aspiration is not only to mirror, at every level of leadership, the diversity of the communities we operate, but also to exceed industry norms. We share diversity and inclusion metrics across our global workforce with our board of directors and senior leaders on a quarterly basis, highlighting progress and driving accountability. Our three leadership councils and eight business resource groups continue to be a driving force in shaping our inclusive culture and serving as a resource to the business to attract, recruit, develop, engage and retain diverse talent.

Gender diversity in the workplace is a priority across all the countries we operate.

Our Gender Strategy is based on four key initiatives led by the Global Women's Leadership Council and Diversity & Inclusion function.

### SPONSORSHIP

Increase the pace of women's exposure and access to opportunities to move the leadership landscape towards 50/50 diversity.

### MOBILITY

Mobility becomes an enabler for women's growth and experiences.

### BIAS AWARENESS

Foster an inclusive culture and engage men.

### STORYTELLING

Highlight stories that showcase female talent and inspire a new generation of leaders.

Approximately

## \$600 million

spent on diverse suppliers in 2018, on the way to our goal to spend \$1 billion.

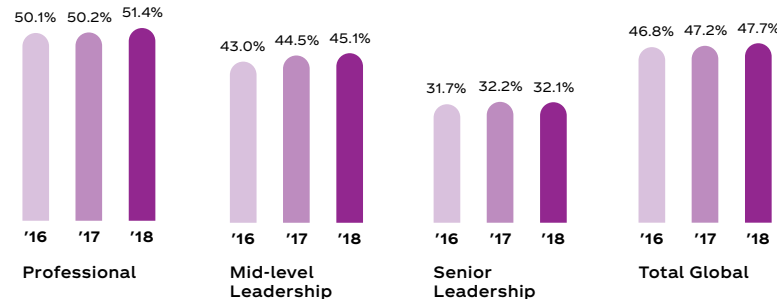
Across the communities served by the Coca-Cola system, we are committed to women's economic empowerment (see p. 35).

We are building a strong and sustainable pipeline of diverse suppliers targeted to the Coca-Cola system's largest spending pools. This is a part of our commitment to creating shared opportunity and economic growth for all communities.

## We want The Coca-Cola Company to be 50% driven by women

In 2018, The Coca-Cola Company named women leaders to key positions. Nancy Quan was elected senior vice president and appointed Chief Technical Officer, reporting to James Quincey, and three women were named business unit presidents. Galya Molinas was promoted to President, Mexico Business Unit. In addition, Lana Popovic was named President of the Central and Eastern Europe Business Unit and Darlene Nicosia was named President of the Canada Business Unit.

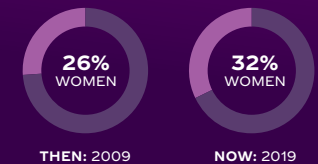
## GLOBAL FEMALE EMPLOYEES BY LEVEL AT THE COCA-COLA COMPANY



BALANCE IS THE KEY TO GROWTH AT THE COCA-COLA COMPANY

See additional performance indicators in the [Data Appendix](#).

### SENIOR LEADERSHIP WITHIN COCA-COLA



3 women announced as business unit presidents in 2018





# Supporting People and Communities



The Coca-Cola Company is committed to giving back to communities 1% of its prior year's operating income annually through The Coca-Cola Foundation and company donations.

In 2018, The Coca-Cola Company and The Coca-Cola Foundation contributed nearly \$125 million (\$89,351,884 from The Coca-Cola Foundation and \$35,394,752 from The Coca-Cola Company) to directly benefit nearly 288 organizations across more than 139 countries and territories. We significantly increased the amount of funding provided for recycling and women's empowerment: The Foundation contributed almost \$20.5 million for recycling programs and committed more than \$10 million for women's empowerment.

## From 2017 to 2018, The Coca-Cola Foundation:

- More than tripled the level of funding to recycling projects
- Increased funding to women's empowerment programs by **38%**

## Supporting Women Around the World

Empowering women is a priority community investment for The Coca-Cola Foundation. In Bangladesh, United Purpose's program will help women become self-sufficient. The program was awarded a grant of \$271,639 to support the economic empowerment of up to 24,000 rural women producers in the Jamalpur District of Bangladesh by expanding its 10 Women's Business Centers in rural and remote areas. The organization will create sub-centers and offer training and support hubs for women business owners.

In October of 2018, The Coca-Cola Foundation reached a major milestone, having donated \$1 billion over 34 years to more than 2,400 organizations globally. This includes \$216 million total funding to protecting the environment, including projects that have created access to clean water for more than 32 million people.

[Download a complete list of 2018 Foundation grants and corporate donations here.](#)

## TRACKING PROGRESS

2018:

**1.5%** of operating income invested back into local communities from The Coca-Cola Company and The Coca-Cola Foundation

Nearly

**\$22.5 million**

committed in support of 59 water projects from The Coca-Cola Foundation

More than

**\$10 million**

to 37 women's empowerment organizations across the world from The Coca-Cola Foundation

See additional performance indicators in the [Data Appendix](#).

## Providing Clean Water to Cities in Madagascar

Since the early 2000s, the population of Antananarivo, the capital of Madagascar, has doubled. Many residents carry water from potentially unsafe sources because they live in informal settlements that the city's water network does not reach. The Coca-Cola Foundation is supporting a project to fix leaks in the city's aging water supply and economically empower hundreds of women in cities across Madagascar to operate laundry businesses where residents can wash their clothes in clean water.

**Impact:** The project will improve water and sanitation services for more than 450,000 people and increase economic empowerment opportunities, especially for women.

### Partners:

- Water and Development Alliance
- U.S. Agency for International Development
- Water & Sanitation for the Urban Poor
- JIRAMA, Madagascar national water utility
- National and local authorities





# Listen, Learn, Act: Informed Stakeholder Engagement

Partnerships are core to our business and enable us to achieve more together. We can progress faster and with more impact by working with stakeholders who can bring their expertise and know-how to help create a better world.

Input from a diverse range of stakeholders helps to advance and further evolve our sustainability goals. Consistent and open communication is fundamental.

Our approach to stakeholder engagement is focused on transparency, inclusiveness, consistency and accountability. Our engagement involves many local and global actors across multiple areas: environmental protection, social and economic improvement, industry initiatives involving some of our biggest competitors, and programs working hand-in-hand with communities where we can make a difference.



Attending the One Young World summit highlighted that we need to maintain our sharp focus on developing the right actions, partnerships and solutions for plastic waste, across all levels of the business.”

**ALKISTIS HOULIARAKIS**  
Communications Manager,  
Western Europe

## Core Principles of Engagement

Improve how The Coca-Cola Company engages with stakeholders in our efforts to act, influence and advocate for responsible business growth.



JOIN THE CONVERSATION!

@oneyoungworld

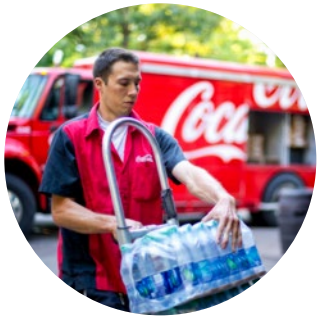
#OYW2018





# Stakeholder Engagement Highlights

Conversations and collaborations with our stakeholders propelled our actions in 2018. Below is just a sample of our engagements.



## BOTTLING PARTNERS

Over 250 Coca-Cola system associates are participating in the implementation of World Without Waste. Together with our bottling partners, we've held over a dozen workshops, including in Mexico in June 2018, where teams visited PetStar, the largest food-grade PET bottle-to-bottle recycling plant in the world.

## SUPPLIERS

The Coca-Cola Company reaffirmed its commitment to spend \$1 billion with diverse partners, and continued to honor leaders in supplier diversity at the annual Partners in Promise awards.



## CONSUMERS

**IOC** Coca-Cola and the IOC celebrated 90 years of partnership in 2018. Coca-Cola ushered in the Winter Olympics in PyeongChang, Korea, starting with the 101-day Olympic torch relay across Korea followed by experiential activations with consumers (giant vending machines, photo cubes) and establishing a legacy water replenishment program to help improve biodiversity and local habitats.

## CUSTOMERS

Working with our customers, we create mutual benefit across the business and communities where we operate via our retail research councils, a customer leadership council, and partner collaboration. As a long-standing sponsor of Enactus, a non-profit representing students across 36 countries, we co-sponsored the 2018 Enactus World Water Race, with our customer partners, to address water and sanitation issues. The winning team: a student group from Brazil working to solve clean water access in the Amazon region.



**FIFA** As an Official FIFA Partner, Coca-Cola created many unforgettable experiences for consumers across the 11 host cities in Russia and in 184 countries around the world, and helped build a lasting community legacy for the games, focused on inclusion, sustainability and youth football development.

## INDUSTRY

The Consumer Goods Forum (CGF) is a CEO-led organization that helps the world's retailers and consumer goods manufacturers collaborate alongside other key stakeholders, secure consumer trust and drive positive change. We are involved in the Environment and Social Sustainability committees, in which we're driving action on CGF's position on key industry topics, including plastic packaging waste and forced labor.



## EMPLOYEES

Our 700,000+ system employees are the heart of Coca-Cola, with a passion for change. For the past five years, Coca-Cola has sent a group of young system employees from around the world to the annual One Young World (OYW) Summit. With the largest Coca-Cola group ever, OYW brings together the brightest young people and inspires them to make lasting connections and create positive change. Through follow-on projects, this group continues to make an impact in their day jobs at Coca-Cola.

## MEDIA

As we continue our journey as a total beverage company, we engaged media to ensure that our story and the evolving consumer landscape was fully understood and told. In December, we hosted CNBC at our Global Headquarters to showcase our transformation, which included interviews with senior leaders and visits to the Coca-Cola Archives and an Atlanta supermarket.

## INVESTORS

We held multiple meetings with the investor community, on topics such as packaging waste, water, climate and human rights, outlining the importance of this work to driving business.



## GOVERNMENT

Global leaders gathered once again for the United Nations General Assembly in September and the High-Level Political Meeting in July, and Coca-Cola was there. Coca-Cola leaders met with senior officials to talk about recycling, reducing plastic waste, and water security, as well as reinforce our contribution to achieving the UN Sustainable Development Goals.

## NGOs

In partnership with Business for Social Responsibility, we analyzed the impact of climate change on Coca-Cola system operations and supply chain, as well as the communities where we operate, focusing on community impacts and ecosystem resilience. In Guatemala, through a collaboration with World Wildlife Fund, we worked with the ministries of environment and agriculture, as well as the forestry institute, to develop climate-smart solutions and policies.

## DISCLOSURE ORGANIZATIONS

We participated in progressive dialogue on effective reporting and disclosure on our business and the long-term interests of our shareowners and other stakeholders, including The Conference Board's Integrated Reporting Working Group and a roundtable entitled "How Can Corporate Sustainability Disclosure Match Investors' Needs?" hosted by Ceres, GRI, Yale University and WBCSD.










# The Coca-Cola Company and the Sustainable Development Goals

The Sustainable Development Goals (SDGs) were first launched in 2015 and are a core part of the agenda developed by the 193 member states of the United Nations to work towards the future we want, one where all people thrive within a healthy environment. The 17 goals—geared towards a 2030 timeframe—and their related 169 targets have become an important framework for companies to rally around as they address an array of complex, interrelated global issues.







We recognize that we cannot achieve any one of the SDGs on our own. Yet, as a global company with a wide supply chain and consumer reach, we have a potentially significant role to play in meeting many of these ambitious aims. We have taken a closer look at where we can make direct contributions to the SDGs, whether through collaboration with our partners and industry peers, supplier engagement, or in other places where we have leverage to amplify our positive impacts.

The following table outlines the SDG goals and specific targets to which we most directly contribute, with links to more information.

Goal	Priority Target	More Information
 <b>Goal 1.</b> End poverty in all its forms everywhere	<b>1.5</b> By 2030, build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters	On the Journey to More Sustainable Ingredients, <a href="#">pp. 30–31</a> Shared Opportunity: Agriculture, <a href="#">p. 32</a>
 <b>Goal 2.</b> End hunger, achieve food security and improved nutrition and promote sustainable agriculture	<b>2.3</b> By 2030, double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, financial services, markets and opportunities for value addition and non-farm employment <b>2.4</b> By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help maintain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality	On the Journey to More Sustainable Ingredients, <a href="#">pp. 30–31</a> Shared Opportunity: Agriculture, <a href="#">p. 32</a> The Coca-Cola Company Joins Climate Resilience Platform, <a href="#">p. 44</a>
 <b>Goal 3.</b> Ensure healthy lives and promote well-being for all at all ages	<b>3.4</b> By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being	Taking Action and Expanding Choice, <a href="#">pp. 17–19</a> Refreshingly Less Sugar, <a href="#">p. 20</a>
 <b>Goal 5.</b> Achieve gender equality and empower all women and girls	<b>5.1</b> End all forms of discrimination against all women and girls everywhere <b>5.5</b> Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life <b>5.a</b> Undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance and natural resources, in accordance with national laws <b>5.b</b> Enhance the use of enabling technology, in particular information and communications technology, to promote the empowerment of women <b>5.c</b> Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels	The Benefits of Water Access to Women, <a href="#">p. 28</a> Empowering Women, <a href="#">p. 35</a> Supporting Women Around the World, <a href="#">p. 38</a> Empowering Afro-Brazilian Women Entrepreneurs, <a href="#">p. 49</a>
 <b>Goal 6.</b> Ensure availability and sustainable management of water and sanitation for all	<b>6.1</b> By 2030, achieve universal and equitable access to safe and affordable drinking water for all <b>6.2</b> By 2030, achieve access to adequate and equitable sanitation and hygiene for all and end open defecation, paying special attention to the needs of women and girls and those in vulnerable situations <b>6.3</b> By 2030, improve water quality by reducing pollution, eliminating dumping and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse globally	Building on a Decade of Water Replenishment, <a href="#">pp. 26–29</a> Replenishing Cape Town in a Time of Drought, <a href="#">p. 29</a> Providing Clean Water to Cities in Madagascar, <a href="#">p. 38</a>





Goal	Priority Target	More Information
 <p><b>Goal 6.</b> Ensure availability and sustainable management of water and sanitation for all (continued)</p>	<p><b>6.4</b> By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity</p> <p><b>6.5</b> By 2030, implement integrated water resources management at all levels, including through transboundary cooperation as appropriate</p> <p><b>6.6</b> By 2020, protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes</p> <p><b>6.a</b> By 2030, expand international cooperation and capacity-building support to developing countries in water- and sanitation-related activities and programmes, including water harvesting, desalination, water efficiency, wastewater treatment, recycling and reuse technologies</p> <p><b>6.b</b> Support and strengthen the participation of local communities in improving water and sanitation management</p>	<p>Building on a Decade of Water Replenishment, <a href="#">pp. 26-29</a></p> <p>Replenishing Cape Town in a Time of Drought, <a href="#">p. 29</a></p> <p>Providing Clean Water to Cities in Madagascar, <a href="#">p. 38</a></p>
 <p><b>Goal 8.</b> Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p>	<p><b>8.5</b> By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value</p> <p><b>8.7</b> Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms</p> <p><b>8.8</b> Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment</p>	<p>Examining Issues in the Sugar Supply Chain, <a href="#">p. 31</a></p> <p>Caring for People and Communities, <a href="#">p. 33</a></p> <p>Supporting Human Rights, <a href="#">p. 34</a></p> <p>The Coca-Cola Company's <a href="#">Human Rights Report 2016-2017</a></p> <p>Empowering Women, <a href="#">p. 35</a></p> <p>Diversity &amp; Inclusion—Strengthening Our Business and Society, <a href="#">p. 37</a></p>
 <p><b>Goal 12.</b> Ensure sustainable consumption and production patterns</p>	<p><b>12.2</b> By 2030, achieve the sustainable management and efficient use of natural resources</p> <p><b>12.5</b> By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse</p> <p><b>12.6</b> Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle</p> <p><b>12.8</b> By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature</p> <p><b>12.a</b> Support developing countries to strengthen their scientific and technological capacity to move towards more sustainable patterns of consumption and production</p>	<p>World Without Waste, <a href="#">pp. 21-25</a></p> <p>Building on a Decade of Water Replenishment, <a href="#">pp. 26-29</a></p> <p>Giving Back by Taking Back, <a href="#">p. 50</a></p>
 <p><b>Goal 13.</b> Take urgent action to combat climate change and its impacts*</p>	<p><b>13.1</b> Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries</p>	<p>A Global Perspective on Climate Change, <a href="#">p. 43</a></p> <p>Climate Resilience: Preparing Our Business, <a href="#">p. 45</a></p>
 <p><b>Goal 14.</b> Conserve and sustainably use the oceans, seas and marine resources for sustainable development</p>	<p><b>14.1</b> By 2025, prevent and significantly reduce marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution</p>	<p>Make Packaging Waste a Thing of the Past, <a href="#">p. 21</a></p> <p>Bringing Circular Thinking to Ocean Plastics, <a href="#">p. 48</a></p>
 <p><b>Goal 17.</b> Strengthen the means of implementation and revitalize the global partnership for sustainable development</p>	<p><b>17.14</b> Enhance policy coherence for sustainable development</p> <p><b>17.16</b> Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries</p> <p><b>17.17</b> Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships</p>	<p>Stakeholder Engagement, <a href="#">pp. 39-40</a></p>



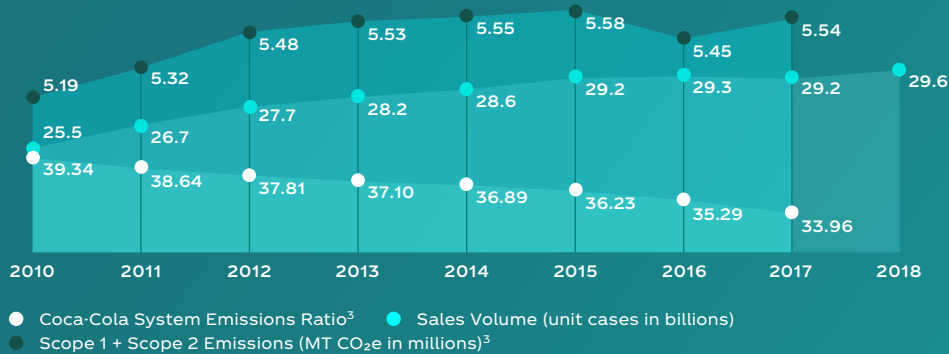
# A Global Perspective on Climate Change

Climate change is already having an impact on our business at multiple points in our value chain, from our ingredient supply to product distribution, as well as creating water stress in some regions. The most recent Intergovernmental Panel on Climate Change report emphasizes the scale and urgency of this challenge,<sup>1</sup> and the recommendations provide specific guidance for businesses to assess the risks and opportunities of climate change.

With this perspective in mind, we are reviewing our relevant goals and impacts across our operations and our wider value chain. We will continue to evaluate and make changes in our operations and throughout the Coca-Cola system to reduce our carbon footprint, and work with partners and suppliers to help slow the warming trend and to increase our resilience as a business.

## YEAR-OVER-YEAR GREENHOUSE GAS EMISSIONS VS. VOLUME GROWTH

As our product sales volume has gone up, our Scope 1 and 2 GHG emissions have gone down. We track our emissions per liter of product sold at a system level, expressed as a ratio (grams of CO<sub>2</sub> in relation to liters of product produced). This is an important performance metric as we continue to address our climate impacts.



See additional performance indicators in the [Data Appendix](#).

<sup>1</sup> IPCC Special Report October 2015. <https://www.ipcc.ch/sr15/>

<sup>2</sup> The calculation of progress toward our “drink in your hand” goal has been internally vetted using accepted and relevant scientific and technical methodologies, which are aligned with GHG Protocol scopes 1, 2 and 3. Due to the nature of our franchise bottling system, our manufacturing emissions are normally split between Scopes 1 and 2 for company-owned facilities and Scope 3 for bottling partner facilities. However, in our “drink in your hand” calculations, we consider the full Coca-Cola system (including franchise bottling partners) in the calculation of our manufacturing, distribution and refrigeration emissions.

<sup>3</sup> 2018 data not available as of April 24, 2019

**GOAL**  
Reduce the carbon footprint of the “drink in your hand” by 25% by 2020 against a 2010 baseline.

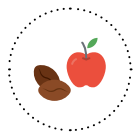
**PROGRESS**  
In 2018, it is estimated we reduced the CO<sub>2</sub> embedded in the Coca-Cola “drink in your hand” by 21% below 2010 levels.<sup>2</sup>



## Our Climate Goal: Reducing Our Impact

We set a goal in 2013 to reduce the carbon footprint of the “drink in your hand” by 25% by 2020, when we brought several climate-related initiatives together to manage and improve our impacts.\*

### Estimated Share of Carbon Across Our Value Chain



INGREDIENTS  
**20–25%**



PACKAGING  
**25–30%**



MANUFACTURING  
**10–15%**



DISTRIBUTION  
**5–10%**



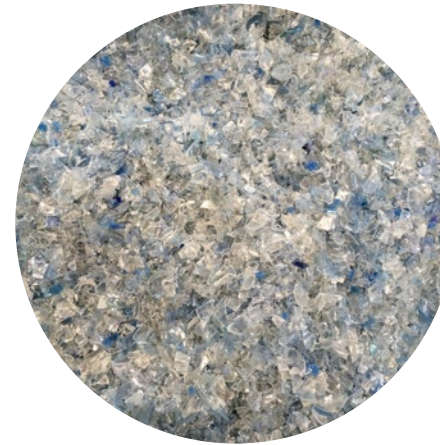
REFRIGERATION  
**30–35%**

\* The calculation of progress toward our “drink in your hand” goal has been internally vetted using accepted and relevant scientific and technical methodologies, which are aligned with GHG Protocol Scopes 1, 2 and 3. Due to the nature of our franchise bottling system, our manufacturing emissions are normally split between Scopes 1 and 2 for company-owned facilities and Scope 3 for bottling partner facilities. However, in our “drink in your hand” calculations, we consider the full Coca-Cola system (including franchise bottling partners) in the calculation of our manufacturing, distribution and refrigeration emissions.

Progress toward reducing the greenhouse gas emissions across our manufacturing processes, packaging formats, delivery fleet, refrigeration equipment and ingredient sourcing is measured toward our “drink in your hand” goal.

Our climate goal is an example of how the Coca-Cola system can work together for a greater impact. Our business units and bottling partners around the world have set reduction targets through 2020, and have been given the flexibility to look across our value chain to implement locally relevant programs designed to help meet their goals. To empower global managers to reach this goal, we have developed a Carbon Scenario Planner to assist in standardizing a forecast methodology for carbon in the system supply chain and to support regional target setting.

We have been working toward implementing a number of recommendations that emerged from the Carbon Scenario Planner, including reducing the GHG emissions of our distribution trucking fleet by introducing a mix of alternative fuels, including electricity, natural gas, diesel electric and biodiesel. Sustainable packaging and recycling—key drivers of our World Without Waste initiative (p. 21), along with sustainable sourcing (p. 30), are also important contributors to our “drink in your hand” progress during 2018.



## The Coca-Cola Company Joins Climate Resilience Platform

In September 2018, The Coca-Cola Company was pleased to announce our participation in the Climate-Resilient Value Chains Leaders Platform. This platform, led by Business for Social Responsibility (BSR), will enable company value chains and communities to thrive in the face of climate change and allow companies to learn from peers addressing climate risks. Data from CDP notes that 76% of suppliers reported climate risk as having the power to significantly alter their business, underscoring the importance of this collaborative resilience effort.

Through this initiative, we commit to the development of shared methodologies and approaches to embed climate resilience throughout our value chains, to assess physical climate risk and to build resilience for communities, farmers and workers.

## Designing for Recycling, Solving for Climate

One of the ways we can reduce our carbon footprint is through the design of our packaging. For example, by switching to recycled materials in our PET packaging production we can reduce the carbon footprint of the production process by up to 60%. The design pillar of our World Without Waste initiative is an important part of our climate strategy, and we are making significant progress. And the percentage of recycled material in our packaging is growing. For example, for certain countries in Latin America, the percentages are now as follows:

- **42%** in Colombia
- **25%** in Costa Rica, Ecuador, El Salvador, Honduras, Nicaragua and Panama
- **11%** in Guatemala

This approach to designing recycled materials into our packaging, while building on the strong collection and conversion infrastructure that our system has financed over the past decade, will be critical to delivering on our climate goals and supporting a global shift to more climate-friendly practices.



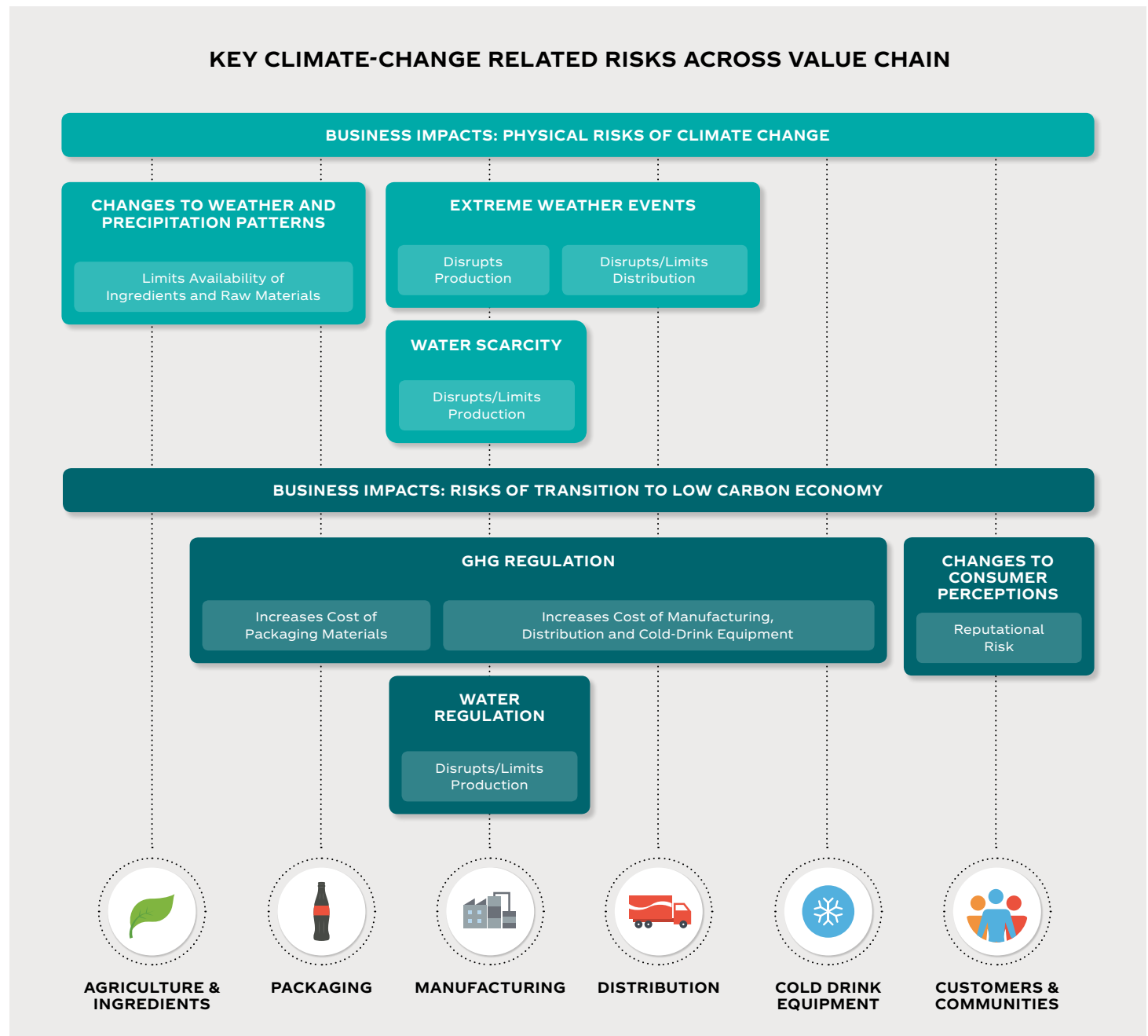


## Climate Resilience: Preparing Our Business

Thinking about things from a value chain standpoint is important in mitigating our own emissions. However, along with our efforts to reduce the impacts our business has in relation to climate change, we must also prepare to be resilient as operating conditions evolve. We think of resilience in two ways: (1) our capacity to recover from natural disasters such as hurricanes, droughts or floods, and (2) our ability to respond to the impacts of policy and market shifts brought about in response to climate change.

We are developing a strategy that will enable us to understand our risks and to seize opportunities to take action. To guide this process, we have mapped the potential risks across our entire value chain and on three dimensions: the effects of extreme weather events; the longer-term impacts of a changing climate; and potential changes to markets in which we operate. An overview of this assessment can be found [here](#). This approach aligns with the recommendations put forward by the Taskforce on Climate-related Financial Disclosures (TCFD).\*

### KEY CLIMATE-CHANGE RELATED RISKS ACROSS VALUE CHAIN



\* <https://www.fsb-tcfid.org/about/#>

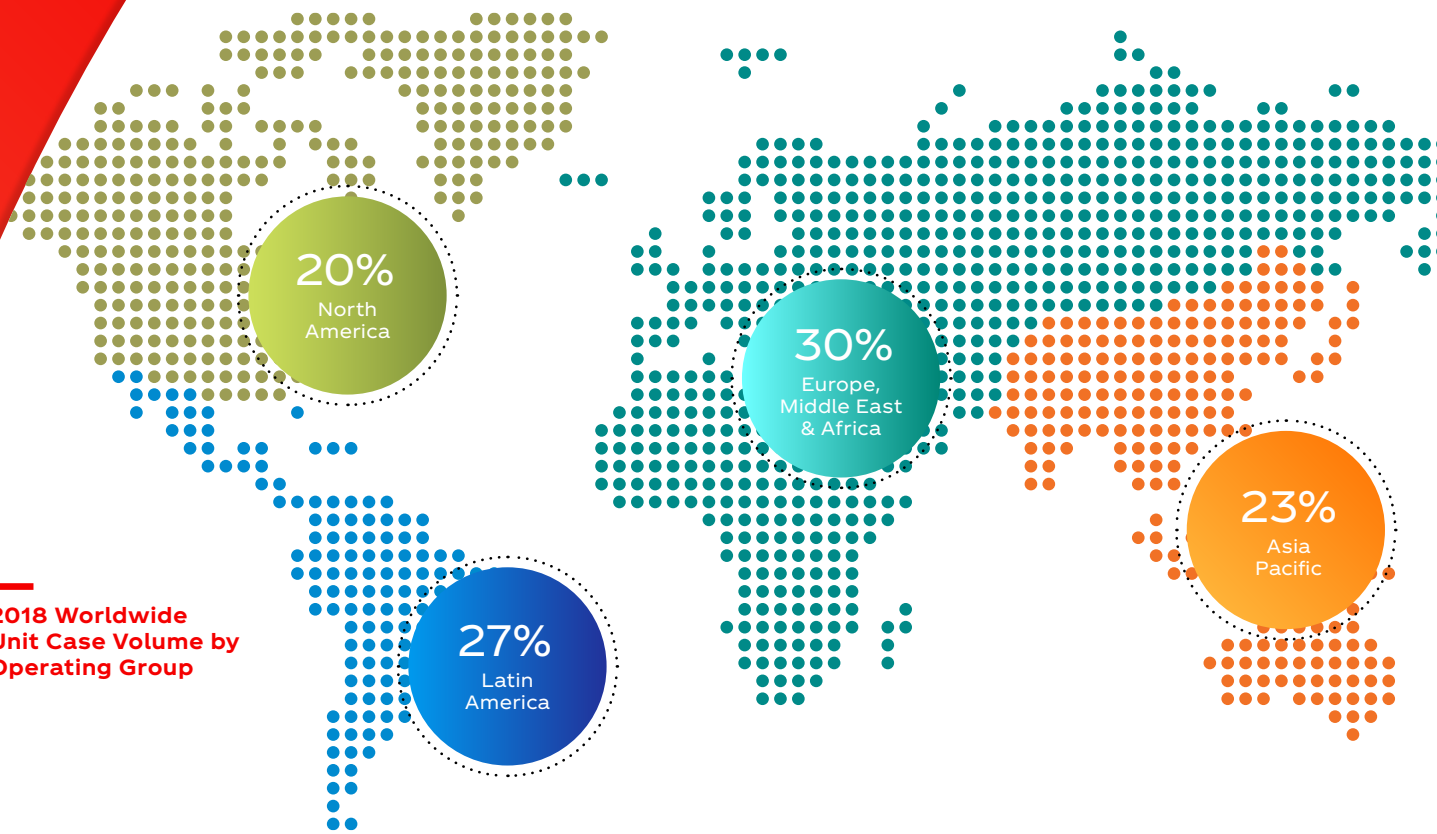


# Regional Highlights

The Coca-Cola Company is organized in four geographic operating groups: North America (including Canada and the U.S.); Latin America (including Mexico and Central and South America); Europe, the Middle East and Africa; and Asia Pacific.

In 2018, the U.S. represented 18% of the company's worldwide unit case volume (our measure of sales), while Mexico, China, Brazil and Japan formed our largest markets outside the U.S., together accounting for 31% of our worldwide unit case volume.

The following pages offer a look at our regional operations, their business results and some key activities in each Region.



# 1.9B+

servings each day in more than 200 countries and territories around the world

## 2018 Global Unit Case Volume by Category Cluster\*

- JUICE, DAIRY AND PLANT-BASED 8%
- SPARKLING SOFT DRINKS 70%
- TEA AND COFFEE 4%
- WATER AND SPORTS DRINKS 18%



\* Excluding energy drinks cluster

## Global Unit Case Volume Growth

	2016	2017	2018
JUICE, DAIRY AND PLANT-BASED	(1%)	0%	(1%)
SPARKLING SOFT DRINKS	(1%)	(1%)	2%
TEA AND COFFEE	3%	2%	1%
WATER AND SPORTS DRINKS	6%	1%	3%



# Asia Pacific

## Providing Clean Water When Disaster Strikes



Through our Clean Water 24 program, we have provided drinking water to 2 million people in China affected by natural disasters. Since 2013, Clean Water 24 has responded to earthquakes, landslides and other emergencies nearly 200 times, providing water in an average of 11 hours and in as little as six hours. The program transforms the traditional donation format into a life-saving model by integrating the logistical and warehousing advantages of the Coca-Cola China system with the resources of local government and civil society groups. This has enabled us to deliver more than 16 million bottles of drinking water to disaster-stricken communities.

### 2018 HIGHLIGHTS

- Unit case volume grew 4%, led by strong growth across India and China.
- Tea and coffee grew 4%, largely driven by innovation and new product launches, including Georgia Craftsman in Japan and Authentic Tea House in China.
- Premium innovations such as Sprite Fiber+ in China helped trademark Sprite grow global volume.
- Coca-Cola Sri Lanka launched “Give Back Life,” a PET collection and recycling program using private-public partnerships to help establish a sustainable model for PET bottle recycling in the country.

### 2018 Unit Case Volume by Business Unit

GREATER CHINA & KOREA	44%
ASEAN	22%
INDIA & SOUTH WEST ASIA	15%
JAPAN	14%
SOUTH PACIFIC	5%



### 2018 Unit Case Volume by Country

CHINA	38%	SOUTH KOREA	3%
JAPAN	14%	INDONESIA	3%
INDIA	14%	VIETNAM	2%
PHILIPPINES	8%	OTHER	8%
THAILAND	6%		
AUSTRALIA	4%		

### 2018 Unit Case Volume by Category Cluster\*

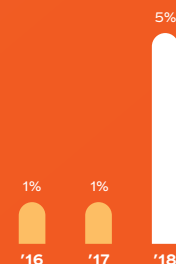
JUICE, DAIRY AND PLANT-BASED	8%
SPARKLING SOFT DRINKS	59%
TEA AND COFFEE	8%
WATER AND SPORTS DRINKS	25%



### Unit Case Volume Growth

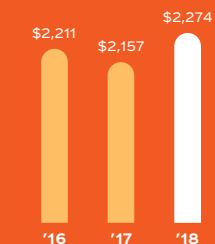
	2016	2017	2018
JUICE, DAIRY AND PLANT-BASED	(5%)	2%	(3%)
SPARKLING SOFT DRINKS	0%	2%	4%
TEA AND COFFEE	4%	0%	4%
WATER AND SPORTS DRINKS	9%	0%	5%

### Organic Revenue Growth (Non-GAAP)



### Comparable Operating Income (Non-GAAP)

(in millions)



\* Excluding energy drinks cluster





# Europe, Middle East & Africa

## Bringing Circular Thinking to Ocean Plastics



In Spain and Portugal, we are supporting Mares Circulares (Circular Seas), a program that brings public sector and civil society organizations together to clean open waters and 270 kilometers of beaches of plastic waste. The program incorporates education, civic involvement and research, and is even recruiting 50 fishing boats to participate in the project. All PET-based plastic waste collected will be used in the Coca-Cola value chain in Spain. The Coca-Cola Foundation, Coca-Cola Iberia and Coca-Cola European Partners joined forces to support the innovative program.

### 2018 HIGHLIGHTS

- The company gained value share in total nonalcoholic ready-to-drink beverages as well as the juice, dairy and plant-based beverages category cluster and the tea and coffee cluster.
- Fuze Tea was launched and rapidly scaled across major European markets, delivering over 100 million incremental cases in Europe, Middle East & Africa.

- Coca-Cola Morocco and UN Women, with support from The Coca-Cola Foundation, are training Moroccan women in sustainable agriculture practices that also boost climate resilience.

### 2018 Unit Case Volume by Business Unit

WESTERN EUROPE	30%
CENTRAL & EASTERN EUROPE	22%
MIDDLE EAST & NORTH AFRICA	19%
SOUTHERN & EAST AFRICA	13%
TURKEY, CAUCASUS & CENTRAL ASIA	10%
WEST AFRICA	6%



### 2018 Unit Case Volume by Country

GERMANY	8%	FRANCE	4%
SOUTH AFRICA	7%	PAKISTAN	4%
TURKEY	7%	ITALY	3%
GREAT BRITAIN	6%	OTHER	50%
SPAIN	6%		
RUSSIA	5%		

### 2018 Unit Case Volume by Category Cluster\*

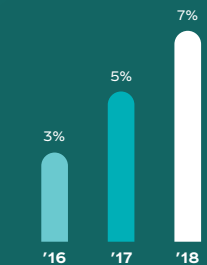
JUICE, DAIRY AND PLANT-BASED	6%
SPARKLING SOFT DRINKS	77%
TEA AND COFFEE	3%
WATER AND SPORTS DRINKS	14%



### Unit Case Volume Growth

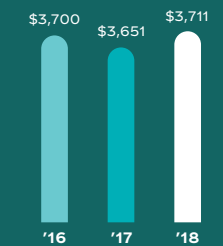
	2016	2017	2018
JUICE, DAIRY AND PLANT-BASED	(2%)	(3%)	(1%)
SPARKLING SOFT DRINKS	0%	1%	2%
TEA AND COFFEE	2%	8%	(1%)
WATER AND SPORTS DRINKS	5%	5%	3%

### Organic Revenue Growth (Non-GAAP)



### Comparable Operating Income (Non-GAAP)

(in millions)



\* Excluding energy drinks cluster



# Latin America

## Empowering Afro-Brazilian Women Entrepreneurs



Coca-Cola's Brazil business unit and the Coca-Cola Brazil Foundation launched Negras Potências, an innovative initiative to empower Afro-Brazilian women and girls, one of the most vulnerable groups in the country. The company joined efforts with Fundo Baobá, a fund whose endowment creation was supported by the Kellogg Foundation to foster racial equality, and Benfeitoria, a crowd funding platform, to launch Brazil's largest matching fund. The partners are supporting projects led by Afro-Brazilian women by building the women's communications and fundraising capacities and matching the funding they raise. 13 of 17 selected projects reached their targets and are now being implemented. Projects raised R\$ 549 thousand including Coca-Cola Brazil's matching funds and R\$ 206 thousand without match (individual donors).

### 2018 HIGHLIGHTS

- In Mexico, launched Ciel blue bottle, a package made from 100% recycled plastic PET.
- In Brazil, launched Coca-Cola Plus Espresso Coffee with 40% more caffeine and 50% less sugar than original Coca-Cola.
- In Chile, the Company focused on encouraging a circular economy through Actitud RE and Vivamos Más Retornable, two nationwide high-impact campaigns aimed at promoting refillable consumption and inspiring reusing and recycling. The Chile Ministry of Environment granted an eco-labeling seal that recognizes products with sustainable packaging. The Vital Mineral Water Eco-flex bottle, which uses 30% less plastic, was the first product to receive the "low in waste" seal.
- In the Galapagos Islands, The Coastal Cleanup Initiative has collected 346,126 kg of solid waste from oceans and the environment.
- In Latin America, the Cada Gota Cuenta initiative supports water access programs in communities and promotes awareness around using water appropriately. More than 80,000 people have benefited from the initiative.

### 2018 Unit Case Volume by Business Unit

● MEXICO	48%
● BRAZIL	21%
● SOUTH LATIN	18%
● LATIN CENTER	13%



### 2018 Unit Case Volume by Country

MEXICO	48%	BOLIVIA	2%
BRAZIL	21%	ECUADOR	2%
ARGENTINA	7%	GUATEMALA	1%
CHILE	5%	OTHER	8%
PERU	3%		
COLOMBIA	3%		

### 2018 Unit Case Volume by Category Cluster\*

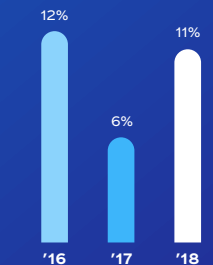
● JUICE, DAIRY AND PLANT-BASED	6%
● SPARKLING SOFT DRINKS	74%
● TEA AND COFFEE	2%
● WATER AND SPORTS DRINKS	18%



### Unit Case Volume Growth

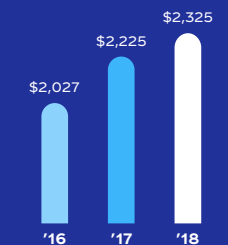
	2016	2017	2018
JUICE, DAIRY AND PLANT-BASED	2%	2%	4%
SPARKLING SOFT DRINKS	(2%)	(3%)	0%
TEA AND COFFEE	5%	(4%)	0%
WATER AND SPORTS DRINKS	3%	(1%)	1%

### Organic Revenue Growth (Non-GAAP)



### Comparable Operating Income (Non-GAAP)

(in millions)



\* Excluding energy drinks cluster



# North America

## Giving Back by Taking Back



At the 2018 Special Olympics USA Games, attendees had the opportunity to give back in more ways than one through unique “reverse” vending machines. Coca-Cola North America’s Customer Sustainability and Digital Platforms & Innovation teams collaborated with Special Olympics, Swire Coca-Cola USA and the New York-based equipment supplier, Atlas RVM Systems, in the weeks preceding the games to develop two special recycling stations in Seattle that accept the deposit of PET bottles or aluminum cans. Each recycled package triggered a five cent donation to Special Olympics Washington through the Coca-Cola Give platform, and consumers were prompted to text a code to learn about additional opportunities to support their local communities.

### 2018 HIGHLIGHTS

- Transaction growth outpaced volume performance, reflecting continued focus on value over volume.
- High single-digit growth in Coca-Cola Zero Sugar, strong performance in Sprite and strong growth in fairlife dairy as well as Honest teas and juices.
- The Coca-Cola USA Food Service & On-Premise business joined the Closed Loop Partners NextGen Cup Challenge, a global open innovation initiative to identify sustainable solutions for single-use hot and cold fiber cups.

### 2018 Unit Case Volume by Business Unit



- UNITED STATES 95%
- CANADA 5%

### 2018 Unit Case Volume by Category Cluster\*

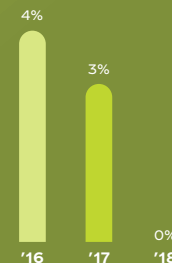


- JUICE, DAIRY AND PLANT-BASED 12%
- SPARKLING SOFT DRINKS 65%
- TEA AND COFFEE 6%
- WATER AND SPORTS DRINKS 17%

### Unit Case Volume Growth

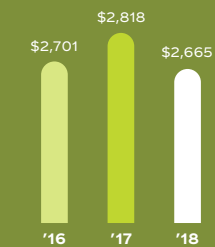
	2016	2017	2018
JUICE, DAIRY AND PLANT-BASED	2%	0%	(3%)
SPARKLING SOFT DRINKS	0%	0%	1%
TEA AND COFFEE	(1%)	1%	0%
WATER AND SPORTS DRINKS	5%	(2%)	2%

### Organic Revenue Growth (Non-GAAP)



### Comparable Operating Income (Non-GAAP)

(in millions)



\* Excluding energy drinks cluster





# About This Report

## SCOPE OF THE REPORT

This 2018 Business and Sustainability Report is The Coca-Cola Company's first report to combine overall business and sustainability performance, data and context, reflecting our journey towards integrating sustainable business practices across the core business. We also provide a Data Appendix and a [Global Reporting Initiative Index](#).

Except as otherwise noted, this report covers the 2018 performance of The Coca-Cola Company and the Coca-Cola system (our company and our bottling partners), as applicable. Therefore, references to "currently," "to date" or similar expressions reflect information as of December 31, 2018. Certain information in this report regarding the company and the Coca-Cola system comes from third-party sources and operations outside of our control. We believe such information has been accurately collected and reported, and that the underlying methodology is sound.

## COMMON STOCK

The Coca-Cola Company common stock is listed on the New York Stock Exchange, traded under the ticker symbol KO. The company has been one of the 30 companies in the Dow Jones Industrial Average since 1987. As of December 31, 2018, there were approximately 4.27 billion shares outstanding and 207,475 shareowners of record.

## DIVIDENDS

At its February 2019 meeting, the board of directors increased our quarterly dividend 2.6 percent to \$0.40 per share, equivalent to \$1.60 per share in 2019. The company has increased dividends in each of the last 57 years. Dividends are normally paid four times a year, usually in April, July, October and December. The company has paid 391 consecutive dividends, beginning in 1920.

## DIRECT STOCK PURCHASE AND DIVIDEND REINVESTMENT

Computershare Trust Company, N.A., sponsors and administers a direct stock purchase and dividend reinvestment plan for common stock of The Coca-Cola Company. The Computershare Investment Plan allows investors to directly purchase and sell shares of company common stock and reinvest dividends.

To request plan materials or learn more about the Computershare Investment Plan, you may contact Computershare, the plan administrator, through the mail, by phone or via the internet—see below.

## SHAREOWNER ACCOUNT ASSISTANCE

For information and maintenance on your shareowner of record account, please contact:

Computershare Investor Services  
P.O. Box 505005  
Louisville, KY 40233  
Telephone: (888) COKE-SHR  
(265-3747) or (781) 575-2653  
Hearing Impaired: (800) 490-1493  
Fax: (781) 575-3605  
Email: [coca-cola@computershare.com](mailto:coca-cola@computershare.com)  
Internet: [www.computershare.com/Coca-Cola](http://www.computershare.com/Coca-Cola)

## SHAREOWNER INTERNET ACCOUNT ACCESS

For account access via the internet, please log on to [www.computershare.com/investor](http://www.computershare.com/investor). Once registered, shareowners can view account history and complete transactions online.

## ELECTRONIC DELIVERY

If you are a shareowner of record, you have an opportunity to help the environment by signing up to receive your shareowner communications, including proxy materials, account statements and tax forms, electronically.

To enroll in e-delivery, please log on to your account at [www.computershare.com/investor](http://www.computershare.com/investor) and click on "go paperless." As a thank you, the company will have a tree planted on your behalf through American Forests.

## FORWARD-LOOKING STATEMENTS

This presentation may contain statements, estimates or projections that constitute "forward-looking statements" as defined under U.S. federal securities laws. Generally, the words "believe," "expect," "intend," "estimate," "anticipate," "project," "will" and similar expressions identify forward-looking statements, which generally are not historical in nature. Forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from The Coca-Cola Company's historical experience and our present expectations or projections. These risks include, but are not limited to, obesity and other health-related concerns; failure to address evolving consumer product and shopping preferences; increased competition; water scarcity and poor quality; increased demand for food products and decreased agricultural productivity; product safety and quality concerns; public debate and concern about perceived negative health consequences of certain ingredients, such as non-nutritive sweeteners and biotechnology-derived substances, and of other substances present in our beverage products or packaging materials; an inability to be successful in our innovation activities; an inability to protect our information systems against service interruption, misappropriation of data or breaches of security; failure to comply with personal data protection laws; an inability to be successful in our efforts to digitize the Coca-Cola system; changes in the retail landscape or the loss of key retail or foodservice customers; an inability to expand operations in emerging and developing markets; fluctuations in foreign currency exchange rates; interest rate increases; an inability to maintain good relationships with our bottling partners; a deterioration in our bottling partners' financial condition; increases in income tax rates, changes in income tax laws or unfavorable resolution of tax matters; increased or new indirect taxes in the United States and throughout the world; failure to realize the economic benefits from or an inability to successfully manage the possible negative consequences of our productivity and reinvestment program; an inability to attract or retain a highly skilled and diverse workforce; increase in the cost, disruption of supply or shortage of energy or fuel; increase in the cost, disruption of supply or shortage of ingredients, other raw materials, packaging materials, aluminum cans and other containers; changes in laws and regulations

relating to beverage containers and packaging; significant additional labeling or warning requirements or limitations on the marketing or sale of our products; unfavorable general economic conditions in the United States; unfavorable economic and political conditions in international markets; litigation or legal proceedings; increased legal and reputational risk associated with conducting business in markets with high-risk legal compliance environments; failure by third-party service providers and business partners to satisfactorily fulfill their commitments and responsibilities; failure to adequately protect, or disputes relating to, trademarks, formulae and other intellectual property rights; adverse weather conditions; climate change; damage to our brand image, corporate reputation and social license from negative publicity, whether or not warranted, concerning product safety or quality, human and workplace rights, obesity or other issues; changes in, or failure to comply with, the laws and regulations applicable to our products or our business operations; changes in accounting standards; an inability to achieve our overall long-term growth objectives; deterioration of global credit market conditions; default by or failure of one or more of our counterparty financial institutions; an inability to renew collective bargaining agreements on satisfactory terms, or strikes, work stoppages or labor unrest experienced by us or our bottling partners; future impairment charges; future multi-employer pension plan withdrawal liabilities; an inability to successfully integrate and manage our company-owned or -controlled bottling operations or other acquired businesses or brands; an inability to successfully manage our refranchising activities; failure to realize a significant portion of the anticipated benefits of our strategic relationship with Monster; global or regional catastrophic events; and other risks discussed in our company's filings with the Securities and Exchange Commission (SEC), including our Annual Report on Form 10-K for the year ended December 31, 2018. You should not place undue reliance on forward-looking statements, which speak only as of the date they are made. The Coca-Cola Company undertakes no obligation to publicly update or revise any forward-looking statements.

Design: [Ideas On Purpose](#), NYC.



# Data Appendix

To respond to stakeholder interest and provide greater disclosure and transparency, we have prepared this Data Appendix. It provides additional financial and sustainability data, including performance data for our sustainability goals as well as other important topics.

Some data provided is for The Coca-Cola Company, while some is for the Coca-Cola system. This is noted with color-coded circles. For more information on the Coca-Cola system see [p. 7](#).

● The Coca-Cola Company    ● Coca-Cola System

<b>REVENUE &amp; PORTFOLIO</b>	<b>53</b>	<b>ADDITIONAL INFORMATION:</b>
Revenue, Operating Income and Unit Case Volume by Group	53	<a href="#">Global Reporting Initiative (GRI) Index: Index to GRI, UN Global Compact Principles</a>
Bottler Investments	53	<a href="#">UN Sustainable Development Goals table (pp. 41-42)</a>
Reconciliation of GAAP and Non-GAAP Financial Measures	54	<a href="#">CDP: The Coca-Cola Company—Climate 2018</a>
Portfolio	58	<a href="#">CDP: The Coca-Cola Company—Water 2018</a>
<b>2020 SUSTAINABILITY GOALS</b>	<b>59</b>	<a href="#">World Without Waste: Our 2018 Progress</a>
<b>PACKAGING</b>	<b>61</b>	<a href="#">The Coca-Cola Company's Human Rights Report 2016-2017</a>
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<b>GREENHOUSE GAS EMISSIONS &amp; WASTE</b>	<b>63</b>	
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<b>THE COCA-COLA FOUNDATION</b>	<b>66</b>	
<b>ASSURANCE STATEMENT</b>	<b>67</b>	



## Revenue & Portfolio

### 2016–2018 Revenue, Operating Income and Unit Case Volume by Group

Year ended December 31,

2016

2017

2018

(Dollars are in millions)

	Net Operating Revenues	Operating Income	Unit Case Volume Growth	Net Operating Revenues	Operating Income	Unit Case Volume Growth	Net Operating Revenues	Operating Income	Unit Case Volume Growth
● Europe, Middle East & Africa	\$ 7,278	\$ 3,668	1%	\$ 7,374	\$ 3,625	1%	\$ 7,702	\$ 3,714	2%
● Latin America	3,819	1,953	(1)%	4,029	2,218	(2)%	4,014	2,321	0%
● North America	10,325	2,614	1%	10,750	2,591	0%	11,768	2,453	1%
● Asia Pacific	5,294	2,210	2%	5,176	2,147	1%	5,197	2,278	4%
● Bottling Investments	19,735	1	(16)%	10,460	(962)	(41)%	3,771	(649)	(15)%

### Equity Method Investments in Publicly Traded Bottling Companies

(Top 5 based on unit case volume)

#### Coca-Cola FEMSA S.A.B. de C.V.

Coca-Cola FEMSA is the largest independent Coca-Cola bottler in the world by volume. Coca-Cola FEMSA operates in Mexico and nine other countries in Central America and South America.

12%

28%

#### Coca-Cola European Partners plc

Coca-Cola European Partners is the second largest independent Coca-Cola bottler by volume and the largest independent bottler by revenues, operating in 13 countries in Europe—serving a population of more than 300 million people.

8%

19%

#### Coca-Cola HBC AG (Coca-Cola Hellenic)

Coca-Cola Hellenic is the third largest independent Coca-Cola bottler by volume, operating in 28 countries across three continents—serving a population of more than 600 million people.

7%

23%

#### Coca-Cola Icecek A.S.

Coca-Cola Icecek is one of the largest independent Coca-Cola bottlers, with operations in Azerbaijan, Iraq, Jordan, Kazakhstan, Kyrgyzstan, Pakistan, Syria, Tajikistan, Turkey and Turkmenistan.

4%

20%

#### Coca-Cola Bottlers Japan Inc.

In 2017, Coca-Cola West Co., Ltd. and Coca-Cola East Japan Co., Ltd. integrated their businesses to establish Coca-Cola Bottlers Japan, the largest Coca-Cola bottler in Japan, serving a population of more than 100 million people.

3%

18%

● Percent of Company's 2018 Worldwide Unit Case Volume

● Company's Ownership Interest as of December 31, 2018





## Reconciliation of GAAP and Non-GAAP Financial Measures

The company reports its financial results in accordance with accounting principles generally accepted in the United States ("GAAP" or referred to herein as "reported"). However, management believes that certain non-GAAP financial measures provide investors with additional meaningful financial information that should be considered when assessing our underlying business performance and trends. Management also uses these non-GAAP financial measures in making financial, operating, compensation and planning decisions and in evaluating the company's performance. Non-GAAP financial measures should be viewed in addition to, and not as an alternative

for, the company's reported results prepared in accordance with GAAP. Our non-GAAP financial measures do not represent a comprehensive basis of accounting.

For additional details regarding the reconciliation of GAAP and non-GAAP financial measures below, see the company's Current Reports on Form 8-K filed with the SEC on February 14, 2019 and February 16, 2018. This information is also available in the "Investors" section of the company's website, [www.coca-colacompany.com](http://www.coca-colacompany.com).

Year ended December 31,	2016			2017			2018		
(In millions except per share data)	Net Operating Revenues	Operating Income	Diluted Net Income Per Share From Continuing Operations	Net Operating Revenues	Operating Income	Diluted Net Income Per Share From Continuing Operations	Net Operating Revenues	Operating Income	Diluted Net Income Per Share From Continuing Operations
(Unaudited)									
● <b>Reported (GAAP)</b>	<b>\$ 41,863</b>	<b>\$ 8,657</b>	<b>\$ 1.49</b>	<b>\$ 35,410</b>	<b>\$ 7,599</b>	<b>\$ 0.27</b>	<b>\$ 31,856</b>	<b>\$ 8,700</b>	<b>\$ 1.57</b>
Items Impacting Comparability:									
Asset Impairments	—	393	0.08	—	737	0.15	—	450	0.22
Productivity & Reinvestment	—	352	0.05	—	534	0.10	—	440	0.09
Equity Investees	—	—	0.01	—	—	0.02	—	—	0.03
Transaction Gains/Losses	—	317	0.21	—	302	0.49	—	158	0.12
Other Items	(9)	131	0.05	6	368	0.06	(9)	58	0.08
Certain Tax Matters	—	—	0.02	—	—	0.83	—	—	(0.02)
Comparable (Non-GAAP)	<b>\$ 41,854</b>	<b>\$ 9,850</b>	<b>\$ 1.91</b>	<b>\$ 35,416</b>	<b>\$ 9,540</b>	<b>\$ 1.91</b>	<b>\$ 31,847</b>	<b>\$ 9,806</b>	<b>\$ 2.08</b>
● <b>% Change — Reported (GAAP)</b>				<b>(15)</b>			<b>(10)</b>		
% Currency Impact				(1)			(1)		
% Change — Currency Neutral (Non-GAAP)				(15)			(9)		
% Acquisitions, Divestitures and Structural Items				(17)			(16)		
% Impact of Accounting Changes <sup>1</sup>				N/A <sup>2</sup>			2		
% Change — Organic Revenues (Non-GAAP)				3			5		
● <b>% Change — Reported (GAAP)</b>					<b>(12)</b>	<b>(82)</b>		<b>14</b>	<b>474</b>
% Currency Impact					(3)	0		(6)	(33)
% Change — Currency Neutral (Non-GAAP)					(9)	(82)		20	506
% Structural Impact					(6)	N/A <sup>2</sup>		(5)	N/A <sup>2</sup>
% Change — Currency Neutral (Adjusted for Structural Items) (Non-GAAP)					(3)	N/A <sup>2</sup>		25	N/A <sup>2</sup>
% Impact of Accounting Changes <sup>1</sup>					0	N/A <sup>2</sup>		0	N/A <sup>2</sup>
% Change — Currency Neutral (Adjusted for Structural Items and Accounting Changes) (Non-GAAP)					(3)	N/A <sup>2</sup>		26	N/A <sup>2</sup>
% Impact of Items Impacting Comparability (Non-GAAP)					(9)	(82)		12	465
% Change — Comparable (Non-GAAP)					(3)	0		3	9
% Comparable Currency Impact (Non-GAAP)					(2)	(1)		(5)	(4)
% Change — Comparable Currency Neutral (Non-GAAP)					(1)	1		7	13
% Comparable Structural Impact (Non-GAAP)					(9)	N/A <sup>2</sup>		(4)	N/A <sup>2</sup>
% Change — Comparable Currency Neutral (Adjusted for Structural Items) (Non-GAAP)					8	N/A <sup>2</sup>		11	N/A <sup>2</sup>
% Comparable Impact of Accounting Changes (Non-GAAP) <sup>1</sup>					0	N/A <sup>2</sup>		0	N/A <sup>2</sup>
% Change — Comparable Currency Neutral (Adjusted for Structural Items and Accounting Changes) (Non-GAAP)					8	N/A <sup>2</sup>		11	N/A <sup>2</sup>

● The Coca-Cola Company ● Coca-Cola System

Note: Certain columns may not add due to rounding. Certain growth rates may not recalculate using the rounded dollar amounts provided.

<sup>1</sup> Impact of adoption of new revenue recognition accounting standard

<sup>2</sup> Not applicable



## Reconciliation of GAAP and Non-GAAP Financial Measures

The company reports its financial results in accordance with accounting principles generally accepted in the United States ("GAAP" or referred to herein as "reported"). However, management believes that certain non-GAAP financial measures provide investors with additional meaningful financial information that should be considered when assessing our underlying business performance and trends. Management also uses these non-GAAP financial measures in making financial, operating, compensation and planning decisions and in evaluating the company's performance. Non-GAAP financial measures should be viewed in addition to, and not as an alternative

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### Free Cash Flow and Adjusted Free Cash Flow Conversion Ratio

Year ended December 31,	2017	2018
(In millions)		
<b>Net Cash Provided by Operating Activities</b>	<b>\$ 6,930</b>	<b>\$ 7,320</b>
<b>Purchases of Property, Plant and Equipment</b>	<b>(1,675)</b>	<b>(1,347)</b>
Free Cash Flow (Non-GAAP)	5,255	5,973
Plus: Cash Payments for Pension Plan Contributions	111	—
Adjusted Free Cash Flow (Non-GAAP)	<b>\$ 5,366</b>	<b>\$ 5,973</b>
<b>Net Income from Continuing Operations</b>	<b>\$ 1,182</b>	<b>\$ 6,727</b>
Noncash Items Impacting Comparability:		
Asset Impairments	631	925
Equity Investees	71	120
Transaction Gains/Losses	1,663	479
Other Items	57	335
Certain Tax Matters	3,583	(92)
	<b>6,005</b>	<b>1,767</b>
Adjusted Net Income from Continuing Operations (Non-GAAP)	<b>\$ 7,187</b>	<b>\$ 8,494</b>
<b>Cash Flow Conversion Ratio<sup>1</sup></b>	<b>586%</b>	<b>109%</b>
Adjusted Free Cash Flow Conversion Ratio (Non-GAAP) <sup>2</sup>	75%	70%

● The Coca-Cola Company ● Coca-Cola System

<sup>1</sup> Cash flow conversion ratio is calculated by dividing net cash provided by operating activities by net income from continuing operations.

<sup>2</sup> Adjusted free cash flow conversion ratio is calculated by dividing adjusted free cash flow by adjusted net income from continuing operations.



## Reconciliation of GAAP and Non-GAAP Financial Measures

The company reports its financial results in accordance with accounting principles generally accepted in the United States ("GAAP" or referred to herein as "reported"). However, management believes that certain non-GAAP financial measures provide investors with additional meaningful financial information that should be considered when assessing our underlying business performance and trends. Management also uses these non-GAAP financial measures in making financial, operating, compensation and planning decisions and in evaluating the company's performance. Non-GAAP financial measures should be viewed in addition to, and not as an alternative

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### • Net Operating Revenues by Operating Segment

Year ended December 31,	2016				2017				2018			
(In millions)	Europe, Middle East & Africa	Latin America	North America	Asia Pacific	Europe, Middle East & Africa	Latin America	North America	Asia Pacific	Europe, Middle East & Africa	Latin America	North America	Asia Pacific
<b>Reported (GAAP)</b>	\$ 7,278	\$ 3,819	\$ 10,325	\$ 5,294	\$ 7,374	\$ 4,029	\$ 10,750	\$ 5,176	\$ 7,702	\$ 4,014	\$ 11,768	\$ 5,197
Items Impacting Comparability:												
Other Items	—	—	(18)	—	—	—	(10)	—	—	—	—	—
Comparable (Non-GAAP)	\$ 7,278	\$ 3,819	\$ 10,307	\$ 5,294	\$ 7,374	\$ 4,029	\$ 10,740	\$ 5,176	\$ 7,702	\$ 4,014	\$ 11,768	\$ 5,197
	2015				2016				2017			
<b>Reported (GAAP)</b>	\$ 7,587	\$ 4,074	\$ 9,951	\$ 5,252	\$ 7,278	\$ 3,819	\$ 10,325	\$ 5,294	\$ 7,374	\$ 4,029	\$ 10,750	\$ 5,176
Items Impacting Comparability:												
Other Items	—	—	(24)	—	—	—	(18)	—	—	—	(10)	—
Comparable (Non-GAAP)	\$ 7,587	\$ 4,074	\$ 9,927	\$ 5,252	\$ 7,278	\$ 3,819	\$ 10,307	\$ 5,294	\$ 7,374	\$ 4,029	\$ 10,740	\$ 5,176
<b>% Change — Reported (GAAP)</b>	(4)	(6)	4	1	1	5	4	(2)	4	0	9	0
% Currency Impact	(3)	(18)	0	1	(2)	0	0	(4)	(1)	(9)	0	1
% Change — Currency Neutral (Non-GAAP)	(1)	12	4	(1)	3	5	4	1	6	8	10	0
% Acquisitions, Divestitures and Structural Items	(4)	0	0	(2)	(2)	0	2	0	1	0	(1)	(1)
% Impact of Accounting Changes <sup>1</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	N/A <sup>2</sup>	(3)	(3)	11	(5)
% Change — Organic Revenues (Non-GAAP)	3	12	4	1	5	6	3	1	7	11	0	5

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Note: Certain columns may not add due to rounding. Certain growth rates may not recalculate using the rounded dollar amounts provided.

<sup>1</sup> Impact of adoption of new revenue recognition accounting standard

<sup>2</sup> Not applicable





## Reconciliation of GAAP and Non-GAAP Financial Measures

The company reports its financial results in accordance with accounting principles generally accepted in the United States ("GAAP" or referred to herein as "reported"). However, management believes that certain non-GAAP financial measures provide investors with additional meaningful financial information that should be considered when assessing our underlying business performance and trends. Management also uses these non-GAAP financial measures in making financial, operating, compensation and planning decisions and in evaluating the company's performance. Non-GAAP financial measures should be viewed in addition to, and not as an alternative

for, the company's reported results prepared in accordance with GAAP. Our non-GAAP financial measures do not represent a comprehensive basis of accounting.

For additional details regarding the reconciliation of GAAP and non-GAAP financial measures below, see the company's Current Reports on Form 8-K filed with the SEC on February 14, 2019 and February 16, 2018. This information is also available in the "Investors" section of the company's website, [www.coca-colacompany.com](http://www.coca-colacompany.com).

### Operating Income by Operating Segment

Year ended December 31,	2016				2017				2018			
(In millions)	Europe, Middle East & Africa	Latin America	North America	Asia Pacific	Europe, Middle East & Africa	Latin America	North America	Asia Pacific	Europe, Middle East & Africa	Latin America	North America	Asia Pacific
<b>Reported (GAAP)</b>	\$ 3,668	\$ 1,953	\$ 2,614	\$ 2,210	\$ 3,625	\$ 2,218	\$ 2,591	\$ 2,147	\$ 3,714	\$ 2,321	\$ 2,453	\$ 2,278
Items Impacting Comparability:												
Productivity and Reinvestment	32	(2)	134	1	26	7	241	10	(3)	4	175	(4)
Other Items	—	76	(47)	—	—	—	(14)	—	—	—	37	—
<b>Comparable (Non-GAAP)</b>	\$ 3,700	\$ 2,027	\$ 2,701	\$ 2,211	\$ 3,651	\$ 2,225	\$ 2,818	\$ 2,157	\$ 3,711	\$ 2,325	\$ 2,665	\$ 2,274



## Portfolio

Year ended December 31,	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>VOLUME</b> (in billions)									
Volume — Unit Cases	25.5	26.7	27.7	28.2	28.6	29.2	29.3	29.2	29.6
Volume — Liters	144.8	151.6	157.3	160.1	162.4	165.8	166.4	165.8	168.1
<b>RESPONSIBLE MARKETING</b> (Market responsibly, including no advertising to children under the age of 12 anywhere in the world. <sup>1</sup> )									
Print			100%	100%	100%	100%	100%	100%	not available <sup>2</sup>
Online			100%	100%	99.5%	99.8%	100%	99.8%	not available <sup>2</sup>
Television			94%	96.9%	88.5%	97.0%	95.2%	95.0%	not available <sup>2</sup>
<b>LOW- AND NO-CALORIE PORTFOLIO</b>									
Low- or no-calorie sales (percent of volume sold that is low- or no-calorie)							25.2%	27%	27.2%
Percent of the Company's sparkling soft drink brands available in packages of 250 milliliters (8.5 ounces) or less							about 40%	> 40%	44%
<b>FRONT OF PACKAGE LABELING</b>									
Provide transparent nutrition information, featuring calories on the front of all of our packages.				Nearly all markets	Nearly all markets	Nearly all markets	Nearly all markets	Nearly all markets	Nearly all markets

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<sup>1</sup> According to an analysis by Accenture Media Management commissioned by the International Food & Beverage Alliance, measuring industry compliance. Accenture's analysis includes a globally representative sample of markets. Some markets are repeated to obtain a comparison year on year. Audience threshold used in Accenture's study was more than 50% children younger than 12.

<sup>2</sup> Not available as of April 24, 2019



## 2020 Sustainability Goals

Year ended December 31,	2010	2011	2012	2013	2014	2015	2016	2017	2018	
<b>CARBON</b>										
Reduce the carbon footprint of the “drink in your hand” by 25% (2010 baseline). <sup>1</sup>						Draft reduction targets have been set through 2020 by business units.	12%	14%	19%	21%
<b>GIVING BACK</b>										
Give back at least 1 percent of the company's operating income annually.										
Total Dollars (in millions) <sup>2</sup>	\$ 101	\$ 124	\$ 102	\$ 143	\$ 126	\$ 117	\$ 106	\$ 138	\$ 125	
% of Operating Income	1.2%	1.2%	0.9%	1.4%	1.3%	1.9%	1.2%	1.6%	1.5%	
<b>WATER</b>										
Safely return to communities and nature an amount of water equivalent to what we use in our finished beverages and their production.										
% of Sales Volume Replenished					94.0%	115.0%	132.9%	150.0%	155.0%	
Total Water Replenished (liters of water in billions)					153.6	190.9	221.2	248.3	257.0	
Improve water efficiency in manufacturing operations by 25%.										
Ratio of Water Used Per Liter of Product Produced					2.03	1.98	1.96	1.92	1.89	
% Water Used Reduction Since 2010					10%	12%	13%	15%	16%	
<b>WOMEN</b>										
Enable the economic empowerment of 5 million women across our global value chain.										
# of Women Economically Enabled (cumulative)	program launched	131,000	296,452	552,164	864,996	1,237,734	1,751,626	2,413,079	3,278,866	

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<sup>1</sup> The calculation of progress toward our “drink in your hand” goal has been internally vetted using accepted and relevant scientific and technical methodologies, which are aligned with GHG Protocol Scopes 1, 2 and 3. Due to the nature of our franchise bottling system, our manufacturing emissions are normally split between Scopes 1 and 2 for company-owned facilities and Scope 3 for bottling partner facilities. However, in our “drink in your hand” calculations, we consider the full Coca-Cola system (including franchise bottling partners) in the calculation of our manufacturing, distribution and refrigeration emissions.

<sup>2</sup> This number includes charitable grants awarded by The Coca-Cola Foundation and donations made by The Coca-Cola Company.





# 2020 Sustainability Goals (continued)

Year ended December 31,

2013

2014

2015

2016

2017

2018

## ● HUMAN RIGHTS

Achieve at least 98% compliance with independent franchise bottling partners and 95% compliance with our Supplier Guiding Principles (SGP) among our suppliers.

% of Direct Suppliers Compliant  
% of Bottling Partners Compliant

86%  
83%

90%  
88%

92%  
90%

90%  
89%

88%  
87%

89%  
89%

## ● PACKAGING<sup>1</sup>

Work with our partners to recover and recycle the equivalent of 75% of the bottles and cans we introduce into developed markets.

% of Bottles and Cans We Refilled or Helped Recover Equivalent to What We Introduced into the Marketplace

61%

59%

59%

59%

58%<sup>2</sup>

% of Bottles and Cans We Refilled or Helped Recover Equivalent to What We Introduced into the Marketplace Taking Additional Packaging Types into Consideration (See p.24)

56%

## ● AGRICULTURE

Sustainably source our key agricultural ingredients.

2014: Developed the seven-step Supplier Engagement Program and convened 14 workshops.

2015: Finalized Supplier Engagement Program guidance document; procured 100 percent of our coffee and tea from sustainable sources; on track to sustainably source our key agricultural ingredients by 2020.

## ● % of key ingredients sustainably sourced

8%

not available

not available

44%

Apples	not available	not available	44%
Beet Sugar	not available	0-25%	26-50%
Cane Sugar	51-75%	51-75%	51-75%
Coffee	0-25%	0-25%	0-25%
Corn	76-100%	76-100%	76-100%
Grapes	0-25%	0-25%	51-75%
Lemons	not available	26-50%	26-50%
Mangos	51-75%	51-75%	51-75%
Oranges	not available	not available	0-25%
Soy	0-25%	0-25%	26-50%
Tea	not available	not available	76-100%
	76-100%	76-100%	76-100%

● The Coca-Cola Company ● Coca-Cola System

<sup>1</sup> Our method to track our 58% packaging collection rate against our 2020 goal focused on our predominant package types (glass bottles, steel and aluminum cans and PET plastic bottles), which make up approximately 85% of our portfolio. Because of new data that we have available to us, our 56% collection rate against our World Without Waste goals takes into account a more inclusive collection rate, representing all of our consumer packaging—including beverage cartons, juice boxes and pouches, etc. (see p.24).

<sup>2</sup> Our percentage calculations of progress toward collection of 100% of the equivalent of the consumer packaging we sell has been internally vetted using relevant scientific and technical methodologies, but those methodologies are evolving as the industry learns more about calculating collection in different markets. We are working to improve our data collection and measuring systems. As systems and methodologies improve, we will revisit our prior estimates to ensure their accuracy and make any necessary corrections to our public reporting.



# Packaging

Year ended December 31,

## ● WORLD WITHOUT WASTE<sup>1</sup>

Percentage of recycled material in our packaging<sup>2</sup>

Percentage of bottles and cans we refilled or helped recover equivalent to what we introduced into the marketplace

Percentage of packaging sold recovered, taking additional packaging types into consideration (see p. 24)

Percentage of packaging recyclable globally

	2014	2015	2016	2017	2018
Percentage of recycled material in our packaging <sup>2</sup>	61%	59%	59%	59%	30%
Percentage of bottles and cans we refilled or helped recover equivalent to what we introduced into the marketplace					58% <sup>3</sup>
Percentage of packaging sold recovered, taking additional packaging types into consideration (see p. 24)					56% <sup>3</sup>
Percentage of packaging recyclable globally				85%	88%

## ● PACKAGING MIX<sup>1</sup>

Plastic (primarily PET) bottles

Aluminum and steel bottles and cans

Other

Refillable glass bottles

Non-refillable glass bottles

Juice boxes

Refillable (primarily PET) plastic bottles

Non-refillable glass bottles

Pouches

Beverage containers

Plastic (primarily PET) bottles	45.5%
Aluminum and steel bottles and cans	23.5%
Other	12.1%
Refillable glass bottles	11.7%
Non-refillable glass bottles	2.3%
Juice boxes	2.2%
Refillable (primarily PET) plastic bottles	1.6%
Non-refillable glass bottles	2.3%
Pouches	0.6%
Beverage containers	0.3%

## ● NUMBER OF PACKAGES<sup>1</sup>

Plastic (primarily PET) bottles

Aluminum and steel bottles and cans

Refillable glass bottles

Non-refillable glass bottles

Refillable (primarily PET) plastic

Juice boxes

Pouches

Beverage cartons

Plastic (primarily PET) bottles	~117B
Aluminum and steel bottles and cans	~60B
Refillable glass bottles	~30B
Non-refillable glass bottles	~6B
Refillable (primarily PET) plastic	~4B
Juice boxes	~5.8B
Pouches	~1.7B
Beverage cartons	~0.9B

## ● PLASTIC PET BOTTLES<sup>1</sup>

Percentage of recycled material used in PET plastic packaging globally<sup>1</sup>

9%

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<sup>1</sup> Our method to track our 58% packaging collection rate against our 2020 goal focused on our predominant package types (glass bottles, steel and aluminum cans and PET plastic bottles), which make up approximately 85% of our portfolio. Because of new data that we have available to us, our 56% collection rate against our World Without Waste goals takes into account a more inclusive collection rate, representing all of our consumer packaging—including beverage cartons, juice boxes and pouches, etc. (see p. 24).

<sup>2</sup> 2018 is the first year tracking this measurement.

<sup>3</sup> Our percentage calculations of progress toward collection of 100% of the equivalent of the consumer packaging we sell has been internally vetted using relevant scientific and technical methodologies, but those methodologies are evolving as the industry learns more about calculating collection in different markets. We are working to improve our data collection and measuring systems. As systems and methodologies improve, we will revisit our prior estimates to ensure their accuracy and make any necessary corrections to our public reporting.



# Water

Year ended December 31,	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>● WATER USE AND WATER WITHDRAWN</b>									
Water Use Ratio <sup>1</sup>	2.26	2.16	2.12	2.08	2.03	1.98	1.96	1.92	1.89
Total Water Withdrawn (megaliters)	292,920	292,402	302,103	299,756	301,068	300,733	294,925	288,990	298,797
Fresh Surface Water Sources (megaliters)								15,058	12,986
Brackish Surface Water (megaliters)								2,681	2,738
Third-Party Sources (megaliters)								140,588	135,217
Ground Water – Renewable (megaliters)								130,663	147,857
<b>● WATER CONSUMPTION (megaliters)</b>									
								182,455	186,642
<b>● WASTEWATER</b>									
Wastewater Discharged (megaliters)								106,534	112,154
<b>● WATER RETURNED TO NATURE AND COMMUNITIES</b>									
Percentage <sup>2</sup>	33%	35%	52%	68%	94%	115%	132.9%	150%	155%
Amount (billions of liters) <sup>2</sup>			81.1	108.5	153.6	190.9	221.2	248.3	257

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<sup>1</sup> Liters of water used per liter of product produced by the Coca-Cola system

<sup>2</sup> As estimated working with our many external partners and using generally accepted, independently peer-reviewed scientific and technical methods. Finished beverages based on global sales volume.





## Greenhouse Gas Emissions & Waste

Year ended December 31,	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>GHG EMISSIONS</b>									
Direct, from manufacturing sites (metric tons) <sup>1</sup> (in millions)	1.9	1.8	1.8	1.8	1.7	1.7	1.6	1.78	1.79
Indirect, from electricity purchased and consumed (without energy trading) at manufacturing sites (metric tons) <sup>1</sup> (in millions)	3.3	3.5	3.7	3.7	3.6	3.8	3.8	3.76	3.76
Indirect, from electricity purchased and consumed (without energy trading) at manufacturing sites (using GHG protocol market-based method) (in millions)								3.44	3.35
Total, from manufacturing sites (metric tons) <sup>1</sup> (in millions)	5.19	5.32	5.48	5.53	5.55	5.58	5.45	5.54	5.55
Total, from manufacturing sites (using GHG protocol market-based method) <sup>3</sup> (in millions)								5.22	5.14
Emissions Ratio (gCO <sub>2</sub> /L)	39.34	38.64	37.81	37.10	36.89	36.23	35.29	33.96	34.83
<b>ENERGY USE<sup>4</sup></b>									
Total Energy Use (megajoules) (in millions)	58,583.5	59,477.5	61,853.2	61,599.8	61,764.0	61,037.4	61,558.7	59,070.9	61,464.0
Energy Use Ratio (megajoules per liter of product)	0.45	0.44	0.43	0.43	0.42	0.41	0.40	0.40	0.39
<b>HFC-FREE COOLERS</b>									
Number of pieces of HFC-free refrigeration equipment placed							623,160	730,876	886,693
Percentage of all coolers introduced in year that are HFC-free <sup>4</sup>							61%	65%	80%
<b>WASTE<sup>4</sup></b>									
Total Waste Generated (kilograms) (in millions)							1,441.3	1,360.5	not available <sup>2</sup>
Total Waste Ratio (grams per liter)							9.42	9.42	not available <sup>2</sup>
Total Waste Recovered (kilograms) (in millions)							1,264.6	1,181.3	not available <sup>2</sup>
Waste Recycling Percent (%)							87%	86%	not available <sup>2</sup>

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<sup>1</sup> Due to the nature of our franchise bottling system, our manufacturing emissions are normally split between Scopes 1 and 2 for company-owned facilities and Scope 3 for bottling partner facilities.

<sup>2</sup> Not available as of April 24, 2019

<sup>3</sup> This metric accounts for renewable energy usage.

<sup>4</sup> Systemwide total based on estimated total use



## Workplace & Safety

Year ended December 31,	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>● LOST-TIME INCIDENT RATE</b>	4.1	2.2	2.3	1.9	1.9	1.6	1.29	0.57	<b>0.38</b>
<b>● NUMBER OF EMPLOYEES</b>									
Global Workforce	139,600	146,200	150,900	130,600	129,200	123,200	100,300	61,800	<b>62,600</b>
North America	3,800	3,900	3,500	3,900	7,000	10,000	10,700	11,000	<b>12,100</b>
Bottling Investments	66,900	69,600	71,000	69,200	64,700	57,200	46,600	7,700	—
Latin America	2,100	2,200	2,300	2,400	2,500	2,400	2,500	2,500	<b>2,400</b>
Bottling Investments	10,300	10,400	12,000	2,200	2,200	2,000	2,000	1,900	—
Europe, Middle East & Africa	4,600	4,800	4,800	5,200	5,100	4,900	4,400	4,100	<b>4,300</b>
Bottling Investments	11,200	12,900	12,800	12,000	10,400	10,700	—	15,300	<b>15,400</b>
Asia Pacific	2,800	2,700	2,800	3,000	2,800	2,600	2,600	2,600	<b>2,600</b>
Bottling Investments	37,900	39,700	41,700	32,700	34,500	33,400	31,500	16,700	<b>25,800</b>
<b>● WORKFORCE — WOMEN</b>									
Entry Level							50.1%	50.2%	<b>50.3%</b>
Professionals							51.9%	51.1%	<b>51.4%</b>
Mid-level Leadership							43.0%	44.5%	<b>45.1%</b>
Senior Leadership							31.7%	32.2%	<b>32.1%</b>
Total Global Female							46.8%	47.2%	<b>47.7%</b>
Corporate							44.8%	44.3%	<b>44.2%</b>
North America							46.0%	46.2%	<b>46.7%</b>
Europe, Middle East & Africa							56.9%	53.9%	<b>55.6%</b>
Latin America							50.2%	51.3%	<b>52.3%</b>
Asia Pacific							52.8%	51.2%	<b>51.3%</b>
<b>● WORKPLACE RIGHTS CASES REPORTED BY CATEGORY</b>									
Ask a Workplace Rights Question						20	11	8	<b>2</b>
Child Labor						1	—	—	—
Discrimination						88	55	42	<b>59</b>
Forced Labor						3	—	—	—
Freedom of Association						3	4	1	<b>1</b>
Retaliation						47	37	23	<b>17</b>
Safe and Healthy Workplace						55	33	22	<b>31</b>
Work Hours and Wages						64	42	34	<b>36</b>
Workplace Security						20	10	13	<b>15</b>
Total Cases						300	192	143	<b>161</b>

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## Human Rights, 5by20 & Agriculture

Year ended December 31,

	2011	2012	2013	2014	2015	2016	2017	2018
<b>● HUMAN &amp; WORKPLACE RIGHTS</b>								
% of Direct Suppliers Compliant with our Supplier Guiding Principles			86%	90%	92%	90%	88%	89%
% of Bottling Partners Compliant with our Supplier Guiding Principles			83%	88%	90%	89%	87%	89%
<b>● ANNUAL SPEND WITH DIVERSE SUPPLIERS</b> (in millions)							\$ ~675	\$ ~600
<b>● HUMAN RIGHTS AUDITS BY REGION</b>								
Total <sup>1</sup>					2,318	2,789	3,204	2,823
Africa <sup>2</sup>					120	188	259	236
Eurasia <sup>2</sup>					116	93	133	109
Europe <sup>2</sup>					218	339	356	280
Latin America <sup>2</sup>					563	705	775	627
Middle East & North Africa <sup>2</sup>					57	77	109	107
North America <sup>2</sup>					171	180	266	208
Pacific <sup>2</sup>					1,073	1,207	1,306	1,256
<b>● NUMBER OF WOMEN ECONOMICALLY ENABLED</b> (cumulative)								
Through 5by20 program (launched in 2010)	131,000	296,452	552,164	864,996	1,237,734	1,751,626	2,413,079	3,278,866
<b>● AGRICULTURE</b>								
Sustainably source our key agricultural ingredients								
2014: Developed the seven-step Supplier Engagement Program and convened 14 workshops.								
2015: Finalized Supplier Engagement Program guidance document; procured 100 percent of our coffee and tea from sustainable sources; on track to sustainably source our key agricultural ingredients by 2020.								
<b>● % of key ingredients sustainably sourced</b>			8%			not available	not available	44%
Apples						not available	0-25%	26-50%
Beet Sugar						51-75%	51-75%	51-75%
Cane Sugar						0-25%	0-25%	0-25%
Coffee						76-100%	76-100%	76-100%
Corn						0-25%	0-25%	51-75%
Grapes						not available	26-50%	26-50%
Lemons						51-75%	51-75%	51-75%
Mango						not available	not available	0-25%
Oranges						0-25%	0-25%	26-50%
Soy						not available	not available	76-100%
Tea						76-100%	76-100%	76-100%

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<sup>1</sup> Includes reports and allegations raised through The Coca-Cola Company's Human Rights Policy reporting process

<sup>2</sup> Independent third-party audits





# The Coca-Cola Foundation

Year ended December 31,	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>INVESTMENT BACK INTO LOCAL COMMUNITIES</b>									
Amount of the company's operating income (in millions)*	\$ 101	\$ 124	\$ 102	\$ 143	\$ 126	\$ 117	\$ 106	\$ 138	\$ 125
Percentage of the company's operating income	1.2%	1.2%	0.9%	1.4%	1.3%	1.9%	1.2%	1.6%	1.5%

● The Coca-Cola Company ● Coca-Cola System

\* This number includes charitable grants awarded by The Coca-Cola Foundation and donations made by The Coca-Cola Company.



# Independent Accountants' Review Report



## To the Management of The Coca-Cola Company

We have reviewed The Coca-Cola Company Schedule of Selected Sustainability Indicators (the "Subject Matter") included in the Schedule of Selected Sustainability Indicators Appendix (pp. 68-70) for the year ended December 31, 2018 in accordance with the Selected Sustainability Indicators Criteria set forth in Note 2 (the "Criteria") included in the Appendix (pp. 68-70). The Coca-Cola Company's management is responsible for the Subject Matter included in the Appendix, in accordance with the Criteria. Our responsibility is to express a conclusion on the Subject Matter based on our review.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA) AT-C section 105, *Concepts Common to All Attestation Engagements*, and AT-C section 210, *Review Engagements*. Those standards require that we plan and perform our review to obtain limited assurance about whether any material modifications should be made

to the Subject Matter in order for it to be in accordance with the Criteria.

A review consists principally of applying analytical procedures, making inquiries of persons responsible for the subject matter, obtaining an understanding of the data management systems and processes used to generate, aggregate and report the Subject Matter and performing such other procedures as we considered necessary in the circumstances. A review is substantially less in scope than an examination, the objective of which is to obtain reasonable assurance about whether the Subject Matter is in accordance with the Criteria, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. A review also does not provide assurance that we became aware of all significant matters that would be disclosed in an examination. We believe that our review provides a reasonable basis for our conclusion.

In performing our review, we have also complied with the independence and other ethical requirements set forth in the Code of Professional

Conduct and applied the Statements on Quality Control Standards established by the AICPA.

As described in Note 3 of the Appendix, non-financial information is subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

Based on our review, we are not aware of any material modifications that should be made to the Schedule of Selected Sustainability Indicators for the year ended December 31, 2018, in order for it to be in accordance with the Criteria.

May 3, 2019



## Appendix – Schedule of Selected Sustainability Indicators

For the year ended December 31, 2018

Indicator Name	Scope	Unit	Reported Value
Greenhouse gas emissions (manufacturing activities)	The Coca-Cola System	CO <sub>2</sub> e emissions in millions of metric tonnes	5.55
Water replenish	Projects funded by The Coca-Cola Company, The Coca-Cola Foundation and/or The Coca-Cola System	Liters of water replenished per liters of finished beverages sold	More than 100%
Water use ratio	The Coca-Cola System	Liters of water used per liter of product produced	1.89
Number of women enabled by the 5by20™ Program	Projects funded by The Coca-Cola Company, The Coca-Cola Foundation and/or The Coca-Cola System	Number of women	865,787
Lost Time Incident Rate	The Coca-Cola Company	Number of lost time incidents multiplied by 200,000 and divided by the number of hours worked	0.38

### Note 1: Scope of Reporting

The Coca-Cola global business system is composed of the Coca-Cola company (TCCC) and 225 bottling partners. TCCC markets, manufactures and sells beverage concentrates, syrups and finished sparkling soft drinks and other nonalcoholic beverages. The bottling partners manufacture, package, merchandise and distribute the final beverages to customers and/or consumers. TCCC and its bottling partners together are collectively known as the Coca-Cola system (TCCS), or simply "system." TCCC does not own, manage, or control most local bottling companies.

Although the system is not a single entity from a legal or managerial perspective, TCCC strives to positively influence environmental activities and policies throughout the bottling system and to become more transparent by reporting information from both company-owned operations and the broader system. Contract manufacturers are also used to manufacture and distribute Coca-Cola brands.



## Note 2: Selected Sustainability Indicators Criteria

Indicator Name	Criteria
Greenhouse gas emissions (manufacturing activities)	<p>The criteria can be found in the “<b>Carbon Accounting Manual</b>.” This includes scope 1 and 2 carbon dioxide (CO<sub>2</sub>e) emissions from manufacturing and scope 3 CO<sub>2</sub>e emissions from franchises. Emissions from standalone (i.e., not co-located) warehouses, distribution centers and offices (based on emissions being lower than the threshold of five percent of total Scope 1, 2 and 3 emissions) are excluded, CO<sub>2</sub> loss during production and AC/Chiller are excluded.</p>
Water replenish	<p>The intent of the replenish program is to develop a global portfolio of Community Water Partnership (CWP) projects that yield an annual volumetric water benefit equivalent to the company’s annual global sales volume. Water replenish is defined as the ratio of water safely provided to communities and to nature by the community water partnership portfolio divided by sales volume of company beverage products as disclosed in the 2018 10-K.* Volumetric project benefits are quantified using TCCC’s peer reviewed methodology as outlined in the <b>Corporate Water Stewardship: Achieving a Sustainable Balance</b> paper published in the Journal of Management and Sustainability in November 2013. There are three primary CWP project types:</p> <ol style="list-style-type: none"> <li>1. Watershed Protection and Restoration</li> <li>2. Water Access and Sanitation</li> <li>3. Water for Productive Use</li> </ol> <p>While public education, awareness programs and business engagement on water policy reform are critical responses to water risks and challenges, the water replenish contributions from such efforts cannot reliably be quantified and are not included in the water replenish indicator. As many replenish projects are co-financed with partners, TCCC claims the portion of the total water benefits equivalent to the company’s cost share for the project. TCCC also claims the annual water benefits from each project following a benefit duration framework of 15 years as long as the projects remain in productive service.</p> <p>For individual projects with benefits greater than 5% of global sales volume, benefits are capped at 5% of global sales volume or 100% of the business unit sales volume, whichever is greater.</p>
Water use ratio	<p>Water use ratio (efficiency) is defined as liters of water used per liter of product produced. Total water used is the total of all water used by the Coca-Cola system in all global production facilities and co-located distribution centers, from all sources, including municipal, well, surface water, and collected rain water. This includes water used for: production; water treatment; boiler makeup; cooling (contact and non-contact); cleaning and sanitation; backwashing filters; irrigation; washing trucks and other vehicles; kitchen or canteen; toilets and sinks; and fire control. This does not include return water or non-branded bulk water donated to the community. Liters of product produced include all production, not just saleable products.</p>
Number of women enabled by the 5by20™ Program	<p>A woman is considered enabled if she has represented that she is at least in her 16th year of age and has completed a validated program. Locally submitted programs are validated by The Coca-Cola Company’s global 5by20 core team. The Coca-Cola Company’s global 5by20 core team and a third party review a program proposal form and validate that each program has one or more economically enabling activities which meet the needs of the women of the local community. The Coca-Cola Company’s global 5by20 core team then approves the program.</p> <p>Economically enabling activities include skills training relevant to their current or future business (i.e., business or management skills to run a business and/or technical skills that could be relevant to the business received in classroom, in-person and/or through online self-study activities); access to finance, assets and markets (e.g., loans, financing, cold drink equipment, marketing material, and access to sell goods in new areas); or mentoring or peer networks (e.g., supplier mentoring programs, access to people that can share their knowledge, experience and expertise to help further business).</p> <p>The number of women enabled reported for the year ending December 31, 2018 includes women who participated in programs during 2018, as well as adjustments to the number of women enabled from the previous year ending December 31, 2017. These adjustments are necessary due to further review and/or additional information assessed and verified after the reporting cutoff timing. For 2018, adjustments represented less than 1% of the total annual results reported. 2018 adjustments will be accounted for in the 2019 reported number.</p> <p>The Coca-Cola Company strives to be transparent and conservative reporting the number of women enabled by only collecting results for validated programs and taking measures to count women only once during the life of the program. However, there is possibility that a minor number of duplicates could be included in the reported number of women enabled due to the inherent limitations and legal considerations of gathering personal data and the nature of projects in remote areas with women in varying situational environments.</p>





## Note 2: Selected Sustainability Indicators Criteria (continued)

Indicator Name	Criteria
Lost time incident rate	<p>The Lost Time Incident Rate (LTIR) represents the number of Lost Time Incidents (LTI) per 100 employees. Total LTI is multiplied by 200,000 (100 full time equivalent employees working 40 hours per week for 50 weeks) then divided by the number of hours worked for the reporting period.</p> <p><b>Scope:</b> The scope of reporting is limited to self-reported data collected for TCCC and company-owned or controlled production facilities, distribution centers, offices and route-to-market (fleet) operations as of December 31, 2018</p> <p><b>Lost Time Incident:</b> A LTI is a self-reported work-related injury or illness, including fatality that results in one or more Lost Days. TCCC's LTIR was determined as of March 11, 2019, for the year ended December 31, 2018 as a minor incident developing into an LTI over time could result in additional LTIs.</p> <p><b>Lost day:</b> A Lost Day occurs when, in the opinion of the medical professional of record, the employee's work-related injury or illness prevents the person from being able to work. The first counted Lost Day is the first day following the injury, regardless of whether it was a scheduled workday, and ends when the person is able, in the opinion of the medical professional of record, to return to work, leaves employment, or reaches 180 Lost Days.</p> <p><b>Hours worked:</b> The hours worked include total hours worked during the reporting period by all employees. This excludes hours not worked, such as vacation, holidays, or absences.</p> <p><b>Employees:</b> Employees include all hourly, salary and temporary employees who are on the payroll of the company (as well as non-payroll contractors and temporary employees for whom facility or fleet management provides day-to-day supervision of their work and provides the details, means, methods and processes by which the work objective is accomplished).</p> <p><b>Uncertainties in reported LTIR:</b> LTIR is subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The number of LTIs is based upon employees self-reporting work-related injuries or illnesses to TCCC which may be affected by culture, societal norms and/or regulations. To the extent a LTI is not self-reported, it would not be included in the LTIR calculation.</p>

## Note 3: Measurement Uncertainties

Nonfinancial information is subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

\* Sales volume is measured in number of unit cases (or unit case equivalents) of company beverage products directly or indirectly sold by the company and its bottling partners ("Coca-Cola system") to customers as reported by TCCC and the bottlers to TCCC and disclosed in the 2018 10-K. A "unit case" is a unit of measurement equal to 192 U.S. fluid ounces (5.678 liters) of finished beverage (24 eight-ounce servings). Refer to TCCC 2018 10-K for additional information regarding the 2018 measured Unit Cases.



# 2018 GRI Content Index

The Global Reporting Initiative (GRI) Sustainability Reporting Standards provide a globally recognized framework for companies to measure and communicate their environmental, economic, social and governance performance. We prepared this report in accordance with the 2016 GRI Standards: Core option. This is the eighth consecutive year that these reporting principles have informed our reporting process, and we assess our progress against these guidelines.

In this report, the GRI General Disclosures are solely for The Coca-Cola Company. For all other indicators, the scope is identified in the referenced documents. Beyond reporting on performance indicators required by the GRI, we report on additional indicators important to our broad range of stakeholders. We review our reporting regularly, and aim to be as responsive as possible to our stakeholders' feedback.

Click [here](#) to access our complete GRI Index with links to our disclosures.

## Additional Reporting Frameworks

This report also meets the requirements of the United Nations Global Compact (UNGC) Advanced Communication on Progress and aligns with the United Nations Guiding Principles Reporting Framework (UNGPRF). Please see our 2018 Business & Sustainability Report Partnerships section, [p. 41](#), for a table on where our programs most directly contribute to the UN Sustainable Development Goals.



THE COCA-COLA COMPANY

The FIFA World Cup™ Trophy Tour by Coca-Cola kicked off in Moscow in September 2017, traveling to over 50 countries across six continents, including 125 days in Russia. As the exclusive organizer of the Trophy Tour, Coca-Cola got the unique opportunity to illuminate the roof of Luzhniki Stadium, the arena that hosted the opening and the closing matches of the 2018 FIFA World Cup Russia™.

[www.coca-colacompany.com](http://www.coca-colacompany.com)