Improving Our Water Use and Efficiency

Water remains a high priority for the Coca-Cola system. As the main ingredient in our products and an important part of our manufacturing processes, water is essential to the sustainability of our business. We have more than 900 bottling plants across our systemwide operations. These plants serve markets locally and source the water they use locally. As such, the health of our business is dependent upon the health of the people, communities and ecosystems where we operate.

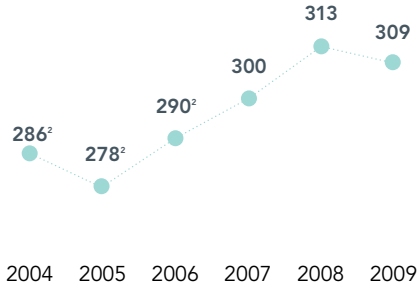
Throughout the Coca-Cola system, we are intensely focused on water stewardship. We focus our water stewardship efforts in three areas: improve our water efficiency; recycle the water used in our operations (wastewater treatment); and replenish[1] through community water access and watershed restoration and protection. All of these efforts are linked to our commitment to the sustainability of the water resources we share.

In 2009, the Coca-Cola system achieved its seventh consecutive year of improved water use efficiency. Across the system, 309 billion liters of water were used to manufacture 130 billion liters of product, with a water use ratio of 2.36 liters per liter of product produced—a 13 percent reduction since 2004. This represents a single-year efficiency improvement of 2.9 percent from 2008 to 2009.

The Coca-Cola system has pledged to improve its water use ratio 20 percent by 2012—compared with a 2004 baseline—and we are on track to meet this goal. This goal also is a key part of our global partnership with WWF. Since 2004, we have achieved an average annual increase in water efficiency of 2.7 percent. Improving our annual efficiency 2.85 percent will achieve our goal of reducing our water use ratio to 2.16 liters of water per liter of product produced by 2012.

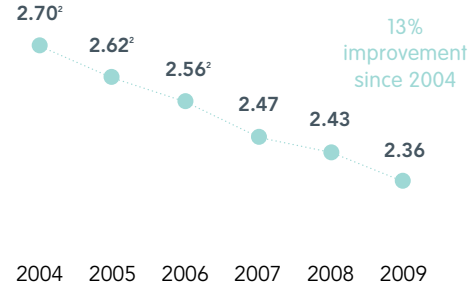
COCA-COLA SYSTEM WATER USE FROM 2004 TO 2009

Systemwide total based on estimated total use (billion liters)



COCA-COLA SYSTEM WATER USE RATIO (EFFICIENCY) FROM 2004 TO 2009

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



[1] We define "replenish" as the Coca-Cola system providing support for healthy watersheds and sustainable community water programs to balance or offset the water used in our finished beverages.
[2] Our water use and water use ratio (efficiency) figures have been recalculated for the Europe Group for 2004, 2005 and 2006, based on changes to the organization. These changes affected our system water use ratio for these three years.

→ Learn more at *www.water.thecoca-colacompany.com.*

2009 TOTAL WATER USE BY REGION

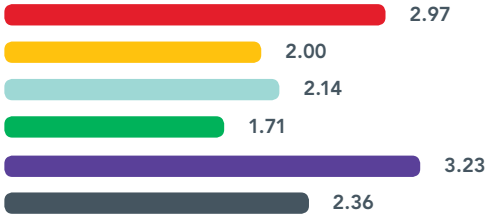
(billion liters, percent of global unit case volume sold)

Eurasia & Africa	62.1B liters, 15%
Europe	44.8B liters, 16%
Latin America	83.9B liters, 28%
North America	39.6B liters, 23%
Pacific	78.7B liters, 18%
Total Water Use	**309.1B liters, 100%**

2009 WATER EFFICIENCY BY REGION

(liters/liter of product produced)

- Eurasia & Africa
- Europe
- Latin America
- North America
- Pacific
- Global



To learn more about the water use of our operating groups and bottling partners, see additional sustainability reports produced by our system on the CD on page 45.

CEO WATER MANDATE

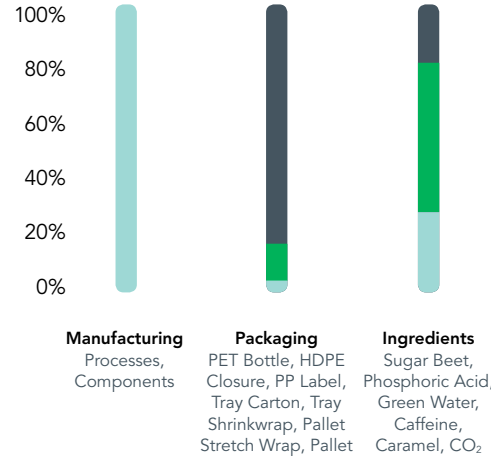
We committed to the UN Global Compact's CEO Water Mandate in 2007. Since that time, we have worked with companies, governments, UN agencies, NGOs and other stakeholders on innovating to improve water processes and product efficiencies; investing in the restoration of ecological systems that affect water resources; and engaging in collaborative strategies and partnerships for maintaining water resources over time. We are an active participant in three work streams on Responsible Business Engagement with Water Policy and Management; Water and Human Rights; and Corporate Water Disclosure. To learn more about our progress and reporting against the principles of the CEO Water Mandate, see page 43.

COCA-COLA WATER FOOTPRINT[1]

Water footprint assessments help us measure and further understand our water use throughout our systemwide direct operations and supply chain. We have been actively involved in water footprinting exploration for several years, including our involvement with the formation of the Water Footprint Working Group—now the Water Footprint Network. In 2010, we worked with The Nature Conservancy to develop a report on three water footprint assessments conducted for our Company, including an assessment of the 500mL PET bottle of Coca-Cola produced in CCE's bottling plant in Dongen, Netherlands. To read our conclusions and additional water footprint details, see our 2010 Product Water Footprint Assessments Report on the CD on page 45.

- Blue Water
- Green Water
- Grey Water

Total Water Footprint: 35 Liters Per 500mL PET Bottle of Coca-Cola Produced



[1] For water type definitions, see the beet sugar water footprint chart on page 19.

We are involved in the World Economic Forum's Water Initiative, which works with government leaders, civil society, multilateral organizations and the private sector to create a network of expertise for countries seeking to transform their water resource management and related policies.

Recycling Water in Our Operations

While we work to improve our water efficiency for each liter of product we produce and increase our conservation efforts across our system, we also recycle the water we use in our operations. Our goal is to return all the water used in our manufacturing processes throughout our system to the environment at a level that supports aquatic life by the end of 2010.

Water used in Coca-Cola system operations is recycled through a stringent treatment and cleansing process to ensure that our wastewater meets or exceeds applicable laws and regulations before being released into the environment.

In 2009, the Coca-Cola system released 179 billion liters of treated wastewater back to the environment and 89 percent of our system facilities—representing 95 percent of product volume—were compliant with our stringent internal wastewater treatment and discharge standards. Significant challenges have had an impact on our system achieving 100 percent compliance. By the end of 2010, we estimate that 94 percent of system facilities will be compliant with our wastewater treatment standards. Work is under way at the remaining plants to be compliant by the end of 2011.

2009 INTERNAL WASTEWATER DISCHARGE LIMITS[1]

(mg/L = milligrams per liter)

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

[1] These are six of the 20 water quality parameters established for the Coca-Cola system.
[2] Depends on receiving stream water conditions

WATER-SAVING TECHNOLOGY

CCE has installed recycle-and-reclaim loops in 12 of its water treatment systems in North America and Europe. These loops allow facilities to reuse processed water in cooling towers, boilers or cleaning, saving an average of 220 million liters of water per system annually. The goal is to equip 30 facilities with these loops by 2012.

→ Learn more at *www.recyclingwater.thecoca-colacompany.com*.

Source Water Use and Protection

To understand and promote management of water resources for the Coca-Cola system's manufacturing operations, we have launched a systemwide water resource sustainability corporate standard. This standard requires each of our more than 900 bottling plants to evaluate the sustainability of the water resources used to produce their beverages, as well as the sustainability of the water resources used by the surrounding community. It also requires identification of associated water risks at the plant level and action plans to reduce such risks.

All Coca-Cola system plants are required to complete this process and be actively implementing their protection plans by 2013. These source water protection plans address critical water challenges at a watershed level, from hydrological vulnerabilities to local government management. As a company, we are providing guidance, planning templates, preparation checklists and training courses to facilitate systemwide engagement with this water resource sustainability corporate standard.

As part of our new source water protection plan standard, all Coca-Cola system manufacturing plants are required to:

1. Form a water resource management team that includes the plant manager, plant engineers, water resource expert(s), bottling partner and business unit technical and public affairs representatives
2. Work with water resource expert(s) to complete a source water vulnerability assessment that inventories risks to all process source waters
3. Prepare a source water protection plan with actions, roles, responsibilities and resource needs
4. Implement the source water protection plan
5. Maintain and update the source water protection plan with source vulnerabilities and source water protection plans updated at five-year intervals and amended on an as-needed basis

IDENTIFYING GLOBAL WATER RISKS

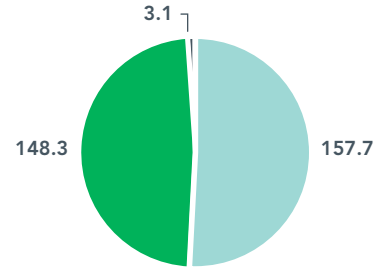
Water risks are a function of a number of factors, including physical availability, infrastructure existence/pressure, pricing, drought, competing use, increasing demand, climate change, regulatory limits and social acceptance. To understand the primary water risks we face in the communities where we operate, more than 90 percent of our bottling plants completed water risk surveys in their regions in 2009. Key findings show that our primary water risks are a result of:

- Growing and competing demands on water coupled with a lack of adequate government policy and action, affecting water quality and quantity
- Rising water acquisition and discharge fees
- Lack of full compliance with internal wastewater treatment requirements

We are working to address these issues as part of our source water protection plans. More information on our water risk evaluation and plans can be found on the CD on page 45.

2009 COCA-COLA SYSTEM WATER USE BY SOURCE

(billion liters)



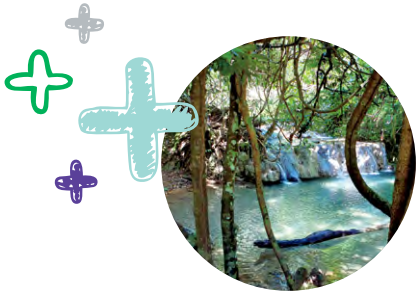
• Surface and Groundwater	157.7B	(51%)
• Municipal	148.3B	(48%)
• Rainwater	3.1B	(1%)
Total Water Use	**309.1B**	

Replenishing the Water We Use

COMMUNITY WATER PROJECTS

PARTNERING WITH WWF

Our partnership with WWF extends through 2012 and includes nearly $24 million in funding support. Through this partnership, we are dedicated to conserving freshwater basins around the world, improving water efficiency, promoting sustainable agriculture within our supply chain, reducing carbon emissions and energy use, and inspiring a global movement to conserve water. To learn more about our partnership and progress with WWF, see our 2009 Partnership Annual Review on the CD on page 45.



ADVANCING OUR PARTNERSHIP WITH UNDP

Since 2006, we have worked in partnership with United Nations Development Programme (UNDP) to identify, support and address water-related challenges in communities across Eastern Europe and Eurasia. We have more than 20 projects with UNDP that range from installing rainwater harvesting systems to improving sanitation, water quality and sources to advancing community water education. We have invested more than $5 million in the partnership and in 2010, we committed to support the partnership through 2014 with an additional $10 million.

Through our membership in the Beverage Industry Environmental Roundtable—a coalition of global beverage companies working together to drive continuous improvement in environmental issues, including water conservation and resource protection—we are part of a working group developing sector-specific guidelines for calculating the water footprint of a beverage product or enterprise.

REPLENISH AFRICA INITIATIVE

In 2009, we announced our Replenish Africa Initiative (RAIN)—a six-year, $30 million commitment to provide access to safe drinking water to communities throughout Africa. RAIN, implemented by The Coca-Cola Africa Foundation, will provide at least 2 million Africans with clean water and sanitation by 2015. Since inception, RAIN has funded 12 projects in 11 countries in Africa, benefiting 200,000 people. For more information, go to *www.rain.thecoca-colacompany.com.*

REFORESTATION

Our bottling partners work closely with communities on a number of reforestation initiatives. In Mexico, they work with the Mexican nonprofit organization Pronatura, relevant governmental authorities and our Company on a major national reforestation project responsible for planting 30 million trees in 25 sites by the end of 2012. In Colombia, Coca-Cola FEMSA developed "Recovery of Species at Risk of Extinction," which contributes to the safeguarding of Colombian water resources by planting 12,000 native species seedlings.

2030 WATER RESOURCES GROUP

In partnership with other private and social sector organizations, we formed the 2030 Water Resources Group to contribute new insights to the increasingly critical issue of water resource scarcity. From 2008 to 2010, this group developed groundbreaking thought leadership on the availability of water between now and 2030 and the economics of various options to help address solutions to global water needs. As a result of this work, the group will start government and stakeholder engagement on water policy and management in China, India, Jordan, Mexico and South Africa and will report on progress at the World Economic Forum in 2012.