

Sustainability Investments

An Interview with Beatriz Perez,
Chief Sustainability Officer, The Coca-Cola Company



EDITORS' NOTE *Bea Perez is Chief Sustainability Officer of The Coca-Cola Company. Perez joined the company in 1996 and has held various roles of increasing responsibility, including Associate Brand Manager, Vice President, Sports and Entertainment for Coca-Cola North America; Senior Vice President of Integrated Marketing for Coca-Cola North America; and most recently, Chief Marketing Officer for Coca-Cola North America. She holds a Bachelor of Science degree in Marketing from the University of Maryland and is Chair of the GRAMMY Foundation. She also has served as a founding member of The Coca-Cola Company's Women's Leadership Council.*



Beatriz Perez

COMPANY BRIEF *As the world's largest beverage company, The Coca-Cola Company (www.thecoca-colacompany.com) refreshes consumers with more than 500 sparkling and still brands. Led by Coca-Cola, the world's most valuable brand, the company's portfolio features 15 billion-dollar brands including Diet Coke, Fanta, Sprite, Coca-Cola Zero, vitaminwater, Powerade, Minute Maid, Simply, and Georgia. Through the world's largest beverage distribution system, consumers in nearly 200 countries enjoy the company's beverages at a rate of 1.7 billion servings a day.*

LIVE POSITIVELY™ focuses on seven core areas key to Coca-Cola's business sustainability with measurable goals and metrics for the company and the Coca-Cola system. How critical is it to the culture of Coca-Cola?

Businesses today are expected to be profitable and provide a safe, high-quality product or service, but that's no longer enough. We also are expected to be responsible employers who steward the planet's scarce resources wisely and add tangible value to the communities we serve. This means we have to make sustainability strategies key components of our business plans.

LIVE POSITIVELY was created in 2007 to bring structure and visibility to the sustainability programs that already existed at The Coca-Cola Company and throughout the Coca-Cola system. Based on our commitment to making a positive difference in the world, LIVE POSITIVELY provides a framework for how we aim to work, so that sustainability is considered a component of everything we do.

Our sustainability framework is focused on four pillars: water stewardship, energy efficiency and climate protection, sustainable packaging, and healthy communities. We have defined strategies for these core areas and set aggressive goals for each. This framework allows us to measure and report our progress and identify areas for improvement so we can take action.

Would you highlight your efforts around water?

Water is the primary ingredient in every product our company makes and is vital to the health and well-being of the communities we serve. More broadly, clean water is a key determinant of economic growth in developing countries and is critical for stable and growing markets.

We have set an ambitious goal to safely return to nature and communities an amount of water equivalent to what is used in our beverages and their production. Fulfilling our goal requires us to continue to use water more efficiently in our operations; return water used in our manufacturing processes safely to the environment; and support initiatives that protect water resources and help bring safe water and sanitation to communities in need.

Reducing our water-use ratio has been possible through using ionized air instead of water to rinse product packages prior to filling. Our system has improved its water efficiency for the 8th consecutive year, with a 16 percent improvement since 2004, keeping us on track to meet our goal of 20 percent efficiency improvement by the end of 2012.

Recognizing that we have a responsibility not only to provide quality water in our beverages but also to discharge quality water from the manufacturing processes in our plants, The Coca-Cola Company established a stringent internal wastewater treatment standard. The standard applies to our entire global system, with a goal of 100 percent compliance. To date, we have achieved 96 percent alignment with 100 percent alignment expected by the end of 2012.

Since 2005, Coca-Cola has been working collaboratively with other businesses, governments, and civil society to conduct more than 386 community water partnership projects in 94 countries. These projects include watershed protection, community water access, rainwater harvesting, reforestation, and agricultural water use efficiency. Working with external experts to quantify the impact of our community water partnership projects,

we estimate that 35 percent (53.3 billion liters) of the water used in our finished beverages was replenished through these projects from program inception through 2010.

What have you undertaken in your other major sustainability programs?

In the area of climate protection, we are especially focused on our refrigeration equipment and bottling plants. With more than 10 million coolers and vending machines around the world, refrigeration equipment is the largest component of our climate footprint. We're taking action to improve energy efficiency and reduce emission of harmful greenhouse gases by phasing out the use of HFC gases and insulation in our new equipment and using sophisticated energy management systems to improve energy efficiency. We also are working with other corporations and environmental organizations to accelerate the move to more climate-friendly refrigeration through engagement with Refrigerants, Naturally! and The Consumer Goods Forum.

Our sustainable packaging vision is simple: zero waste. We aim to use the least amount of natural resources required in the design of our packages. The majority of our packages are 100 percent recyclable and we are advancing consumer recycling programs that support the collection and recovery of beverage packaging materials. In 2009, we introduced PlantBottle™ packaging, a fully recyclable PET plastic bottle, which is up to 30 percent made from plants. To date, we have introduced 10 billion PlantBottle packages in 20 countries.

Another major area of focus is our global initiative, called 5 BY 20, to enable the economic empowerment of five million women entrepreneurs across our value chain by 2020. Through 5 BY 20, we are developing and implementing programs such as business skills training courses and access to financial services that enable women entrepreneurs to build their businesses and their communities, and to support their families.

How critical is it to continue these efforts during challenging economic times?

Today's consumers are looking at more of their purchases through a sustainability lens. Increasingly, they are making decisions that are based as much on the content of our character as on the content and great taste of our beverages. So it's time to "double-down" on our sustainability investments. ●

Climate friendly Coca-Cola cooler at the Longworth House Office Building