

A dynamic splash of clear water with many bubbles, moving from the bottom left towards the right across the lower half of the slide.

Water Stewardship: A Journey of Understanding and Action

CEO Water Mandate
World Water Week
August 21, 2008

Denise Knight
Water Sustainability Manager
The Coca-Cola Company

Coca-Cola – The Company and the brands

200 → Countries we operate in

300 → Franchise bottling partners

400 → Number of brands, worldwide

900 → Manufacturing plants

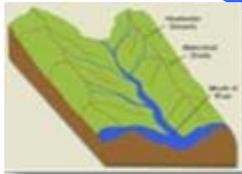
1,500,000,000 → Servings per day



We affect water in many ways



As our volume increases so does water use by our suppliers



We must work with communities to understand and manage our collective use of watersheds



Our system currently uses ~300 billion liters of water



Everywhere we operate, communities downstream rely on the water we do not use and the wastewater we discharge

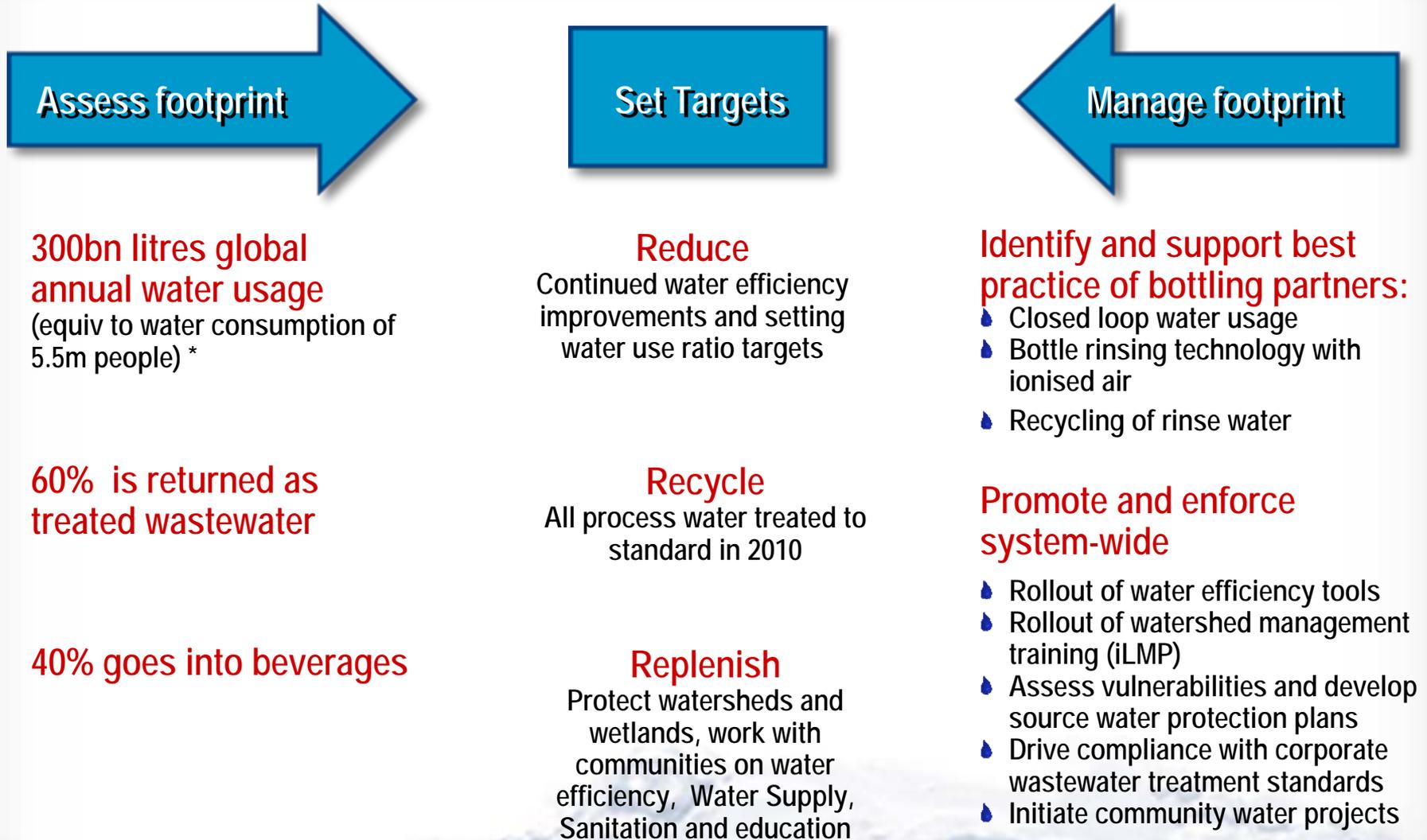


84% of our plants are compliant with our wastewater policy.



Our stewardship cannot stop at the plant but must extend throughout our supply chain and to our customers and consumers.

Start with a focus on core operations



*150l/capita/day)

Move the agenda forward: upstream water footprint

Supply Chain

Operational

End Use

Ingredients & Packaging



Concentrate



Bottling



Consumption



Wastewater treatment



Environment

NB: for illustration only; dimension of arrows does not indicate amount of water used

Agriculture is at the center of the sustainability challenge

Agriculture's footprint

- 50% of world's assets, consumer expenditure, and jobs belong to food system
- 70% human water use (>60% wasted).
- Contributes 25-40% of all GHG emissions
- Uses 55% of all habitable land (and growing).
- Leading source of pollution in many regions
- Causes 95% of all soil erosion
- Accounts for 70% of all child labor (150MM)
- One of the three most hazardous work sectors, in terms of work-related deaths and injuries.

More environmental impact than any other human activity

Agriculture's mandate

- Global food demand will double in next 50 years.
- Increased incomes (+240% by 2050) will increase quantity and intensity of food production.
- Per capita arable land/person is shrinking.
- The poor have no land, spend up to 75% of income for food, and still go hungry.
- Increased bio-fuel demand, reduced crop surpluses, and decline in subsidies causing major changes to agricultural markets and raising commodity prices.

Skyrocketing demand on a finite planet

Sustainable agriculture challenges are complex



Labor



Air pollution



Water



Soil



Erosion

Coca-Cola's global agricultural supply chain is vast



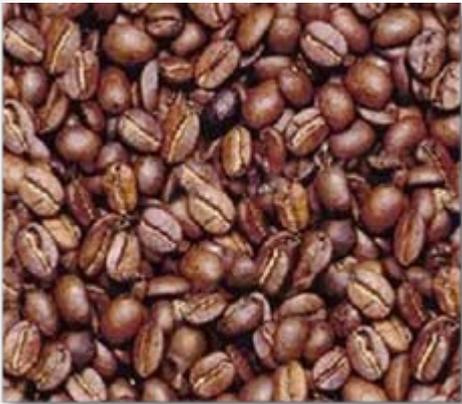
Citrus



Sugar



Vanilla



Coffee

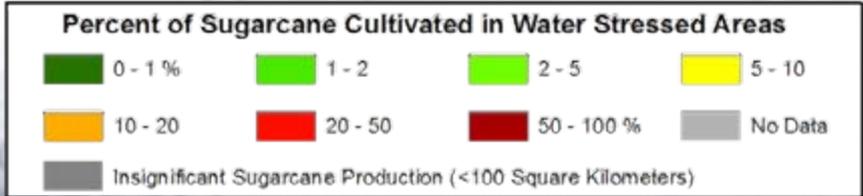
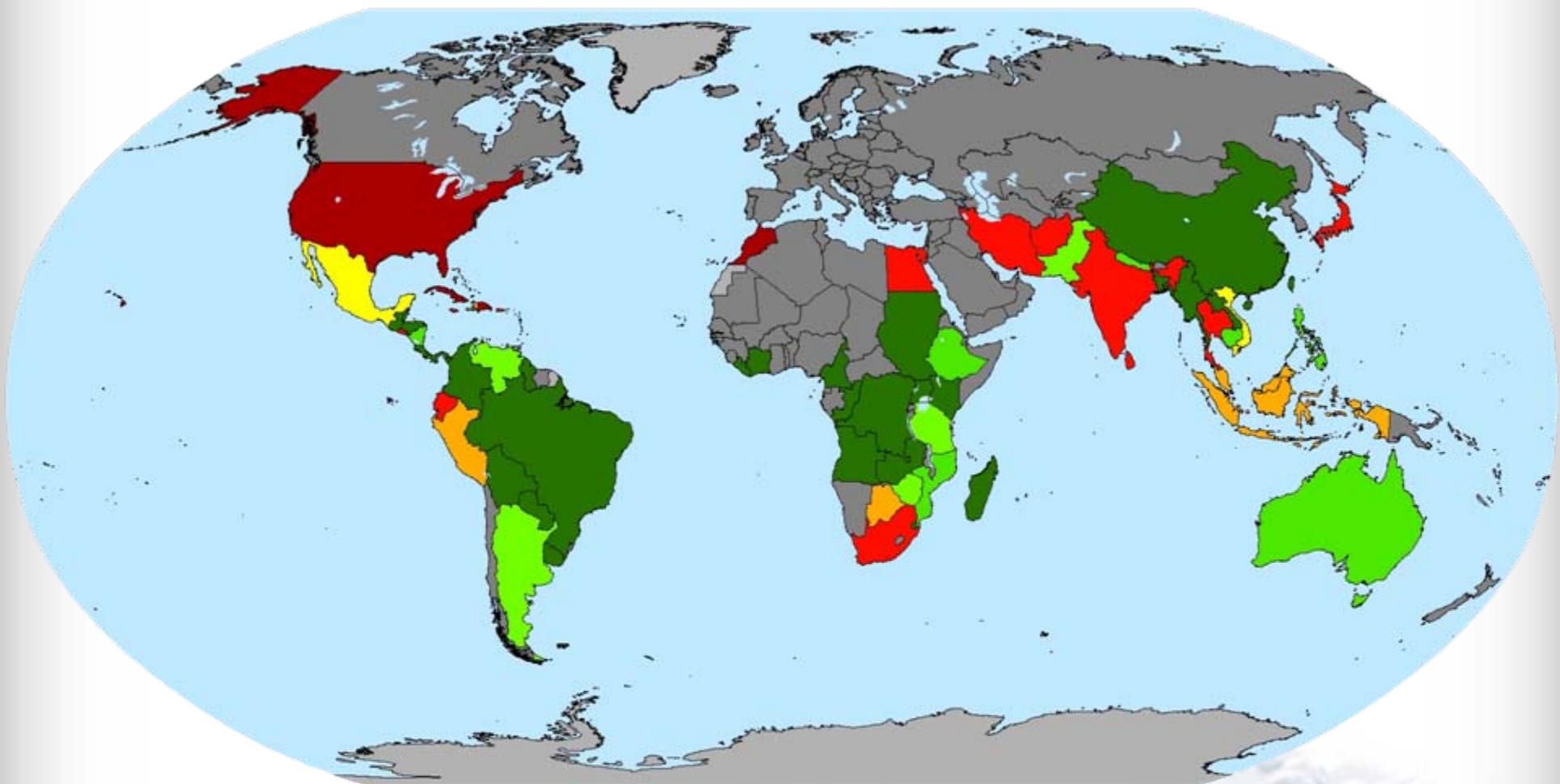


Corn



Tea

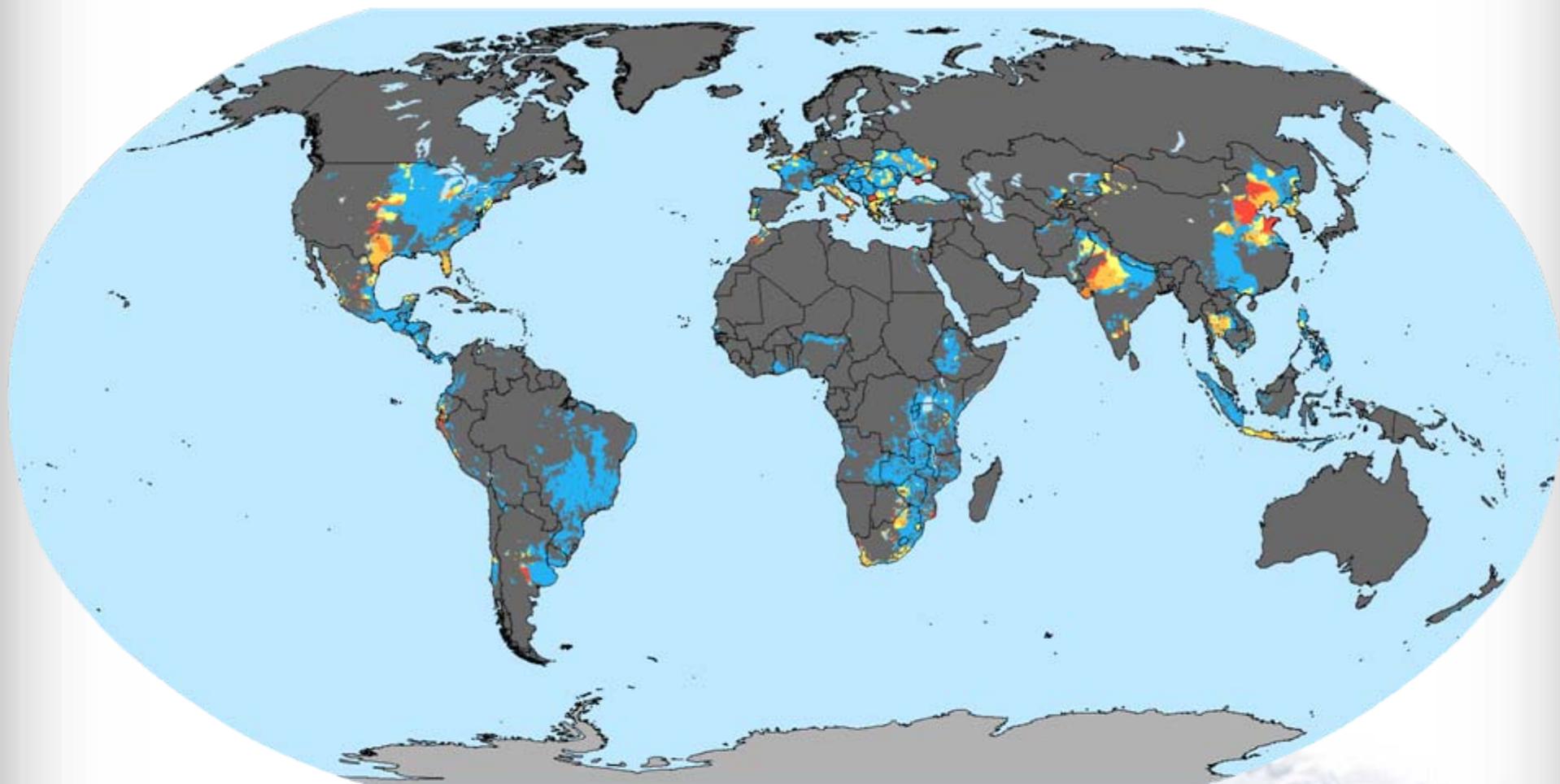
Percent of sugarcane cultivated in water stressed areas* by country



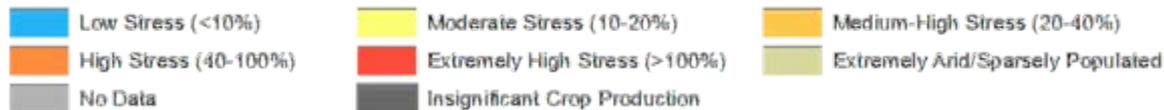
* Total withdrawals as percentage of annual renewable supplies exceeds 20%

Global maize cultivation and water stress

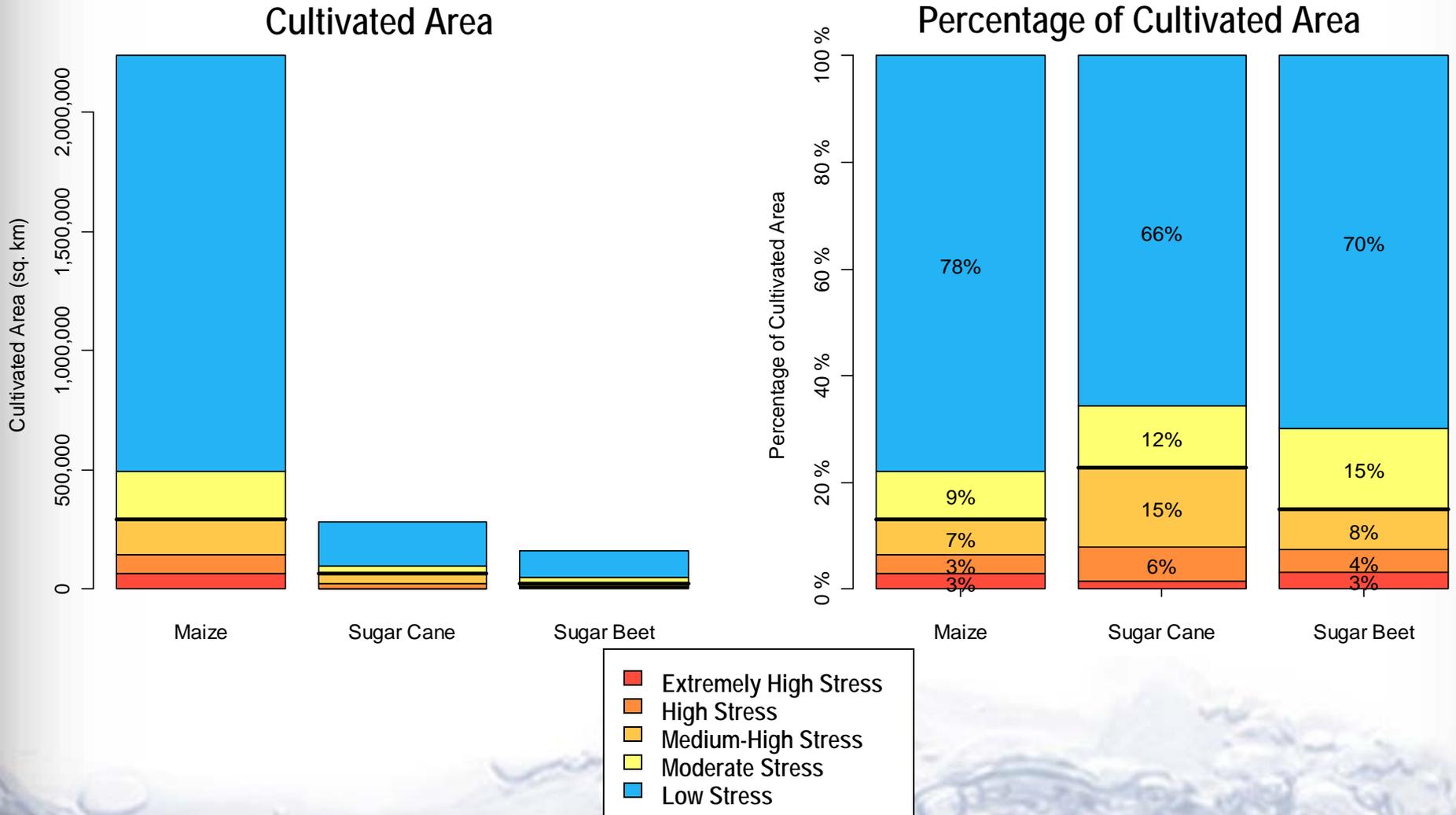
Example Outputs from TCCC's Water Stress Model



Total Water Withdrawals as a Percentage of Renewable Supply



Global sweetener cultivation by water stress category



The importance of multi-stakeholder initiatives

Working together to:

1. Calculate the amount of virtual water in the supply chain (footprint)
2. Assess impacts of water footprint (water stress, pollution)
3. Find ways to reduce the impacts in the context of the wider water challenges (Poverty Reduction, Water Supply etc)

TCCC Key Issue - Sugar



Better Sugarcane Initiative



India Sugar Project



El Salvador Sugar & Labor

Multi-stakeholder Initiatives



Sustainable Agriculture Program



Sustainable Agriculture Initiative



Water Footprint Network

Leadership support: A business imperative

“In this era of great need and unique opportunity, we intend to create **positive change**. We are determined to **use our strengths and our presence** to help protect the health of our planet and to improve the lives of the people who inhabit it.”



“We are taking steps to improve our social and environmental footprint. These actions are becoming **more integrated into our business processes than ever before.**”



The mark we make today shapes the future.