The “Framework”
The “Human Rights Restructuring Guidelines” are intended to provide a “framework” for the Coca-Cola Company and are made available to its bottling partners to assist in implementing restructuring programs in their respective companies. The evolving human rights landscape; including traditional labor rights transforming into human rights requires unique attention to restructuring decisions and implementations that have people impacts.

These guidelines will assist with minimizing risk, criticism, and concerns on the trademark and business system. This framework aligns with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines on Multinational Enterprises.

Adherence to these guidelines and utilizing the framework is critical as the increase in transactions and restructuring in the system continues. The significant amount of organizational change and people impact associated with restructuring can leave our system at risk of human and workplace rights violations and as well as negative impacts on the trademark and the reputation of our brand. This risk is heightened in union environments if restructuring processes are not appropriately managed.

Purpose
The Human Rights Restructuring Framework is intended to provide a holistic approach on a range of human and workplace rights issues and impacts that often emerge during the restructuring, sale or acquisition of a business or elements of the business. These potential issues are wide-ranging and may be of concern to the business, employees, labor unions, local communities and/or others in the Golden Triangle (business, government and civil society).

Guideline #1: Commitment to Respect Human Rights
Respect for human rights is enshrined in The Coca-Cola Company’s Human Rights Policy and such respect is fundamental to the sustainability of the brand, the Company, bottling partners, and the communities in which we operate. We are committed to ensuring that people are treated with dignity and respect.

The commitment to respect human rights is guided by international human rights principles encompassed in the *Universal Declaration of Human Rights*, the *International Labor Organization’s Declaration on Fundamental Principles and Rights at Work*, the *United Nations Global Compact* and the *United Nations Guiding Principles on Business and Human Rights*. 
In addition, for over 40 years, the actions of multinational companies have been guided by the OECD Guidelines for Multinational Enterprises. In 2014, the OECD Guidelines were endorsed by The Coca-Cola Company.

These Human Rights Restructuring Guidelines should apply to the Company, the entities that it owns, the entities in which it holds a majority interest, and the facilities that it manages. We encourage our franchise bottlers to adopt a similar approach in their activities to respect employee rights, human rights and The Coca-Cola brand.

In our business activities, including any restructuring activities, we are committed to identify, prevent, and mitigate adverse human rights impacts resulting from or caused by our business activities. (OECD Guidelines on Multinational Enterprises, Section IV. Human Rights)

- A human rights lens is required to be applied at the very earliest planning levels for any restructuring or acquisition.

- When a business is acquired or there is consolidation or restructuring of operations, the commitment to respect human rights, including related human rights policies, will be included in corresponding employee communication and people manager training at the earliest stage possible.

- Respect for human rights considerations will be included in transition planning, and, will include the commitment to have contact and dialogue with elected employee representatives.

- When an operation is sold, the commitment to respect human rights, including related human rights policies, corresponding employee communication and people manager training will be shared with management of the acquiring business. The Company will encourage the new business to adopt similar human rights commitments of its own as they are expected to do under the UN Guiding Principles on Business and Human Rights.

**Guideline #2**

**Commitment to Community and Stakeholder Engagement**

(OECD Guidelines on Multinational Enterprises, Section III. Disclosure).

Our business activities impact the communities in which we operate. We are committed to engaging with stakeholders in those communities to ensure that we are listening to, learning from and considering their views as we conduct our business. Where appropriate, we are committed to engaging in dialogue with stakeholders on human rights issues related to our business, including issues related to restructuring. We believe that local issues are most appropriately addressed at the local level. We are also committed to creating economic opportunity and fostering goodwill in the communities in which we operate through locally relevant initiatives.

We recognize that the actions of our Company are closely monitored on an ongoing basis by several external stakeholders, including local and national unions, the International Union of Foodworkers (IUF), social investors, human rights and student groups, and other non-governmental organizations. The Company is committed to engage in appropriate dialogue with these stakeholders to address the impact of business transactions on workers and the community.
The principal issues raised by external stakeholders may include:

- Timely information disclosure on acquisition and sale of an operation, and on structural changes, including impact on employees, before the final decision is made.
- Consultation on the economic consequences on adversely affected employees occurring as a result of acquisition, sale, or structural change.
- Compensation and severance payments for adversely affected employees.
- Commitments (by both the selling and acquiring entities) to respect existing union representation rights and collective bargaining agreements.
- Extensive contracting out and outsourcing of unionized jobs that lower the number of union members.

Guideline #3  
**Commitment to Freedom of Association and Collective Bargaining**  
(OECD Guidelines on Multinational Enterprises, Section V. Employment and Industrial Relations)

The Coca-Cola Company respects employees' right to join, form or not to join a labor union without fear of reprisal, intimidation or harassment. Where employees are represented by a legally recognized union, we are committed to establishing a constructive dialogue with their freely chosen representatives. We are committed to bargaining in good faith with such representatives.

Guideline #4  
**Commitment Regarding Information Disclosure**  
(OECD Guidelines on Multinational Enterprises, Section V. Employment and Industrial Relations)

The OECD Guidelines on Multinational Enterprises expects companies to:

- Maintain open communication with employees and their representatives, while recognizing that communication is vital to fostering open and inclusive workplaces.
- Recognize that employees and their union representatives may want and need notice and information of acquisition, sale or structural change decisions prior to public announcement of the decision and may need access to information greater than that provided to the general public subject to relevant legal, business, or confidentiality considerations.

Guideline #5  
**Commitments Regarding Structural Change and Mitigation of Adverse Effects on Employees**  
(OECD Guidelines on Multinational Enterprises, Section V. Employment and Industrial Relations)
• In considering changes in operations that would have an adverse impact upon employees including plant closings, layoffs, sub-contracting out or outsourcing, a Company should:
  o As early as possible, initiate a process of identifying the potential impact of the business transaction and restructuring activity on employees, including human rights impacts.
  o Make best efforts to provide employees and their union representatives with notice prior to the final decision being taken.
  o Discuss with employees and union representatives the steps being taken to mitigate the adverse effects on employees of ownership and structural change.
  o Ensure the people impacts do not render the trade union unable to function as a legal and legitimate trade union representative.
  o Cooperate with appropriate governmental authorities and community representatives to address effects through local initiatives, where practicable.

• In general, we should be committed to use available means, as appropriate, to ensure meaningful cooperation with employees and their union representatives in order to mitigate adverse effects of business transaction decisions on employees.

**Guideline #6**  
**Commitment Regarding Valuing Diversity**  
*(OECD Guidelines on Multinational Enterprises, Section IV. Human Rights, and Section V. Employment and Industrial Relations)*

We are dedicated to maintaining workplaces that are free from discrimination or harassment on the basis of race, sex, color, national or social origin, religion, age, disability, sexual orientation, political opinion or any other status protected by applicable law.

In implementing restructuring decisions impacting people, the Company should avoid conscious or unconscious discrimination or bias based on any of the stated grounds.

**Additional Resources**

- **Business and Industry Advisory Committee (BIAC) to the OECD**
  o BIAC Website: [http://biac.org/](http://biac.org/)

- **UN Guiding Principles on Business and Human Rights**
  o United Nations Global Compact
• **International Organization of Employers (IOE)**

• **Trade Union Advisory Committee to the OECD (TUAC)**

*Universal Declaration of Human Rights*

*International Labor Organization’s Declaration on Fundamental Principles and Rights at Work*

*Updated-Revised 2020*

“Global Workplace Rights”