2012/2013 GRI Report
Human & Workplace Rights
excerpt, pages 34-43
Human and Workplace Rights

An essential ingredient in every one of our products is our profound commitment to human rights and workplace rights. Respecting human and workplace rights is fundamental to our culture and imperative for a sustainable business. In our Company and across the Coca-Cola system, we are working to make sure all people are treated with dignity and respect. Our work in this area is overseen by the Public Issues and Diversity Review Committee of our Board of Directors.

We consider human and workplace rights—as articulated in the United Nations Universal Declaration of Human Rights and the International Labour Organization’s Declaration on Fundamental Principles and Rights at Work—to be inviolable. We take a proactive approach to respecting these rights in every workplace of The Coca-Cola Company, in our bottling system, in our supply chain and in the communities in which we operate.

The foundation of our approach lies in four key documents: our Human Rights Statement; our Workplace Rights Policy; our Supplier Guiding Principles; and our Global Mutual Respect Policy, which we introduced in 2012.

All four documents are consistent with the United Nations (UN) and International Labour Organization (ILO) declarations. Together, they describe our high standards and expectations, addressing such subjects as freedom of association, forced labor, child labor, discrimination, hours of work, safety, workplace security, and community and stakeholder engagement. Our Human Rights Statement, our Workplace Rights Policy and our Global Mutual Respect Policy apply to all entities in which The Coca-Cola Company owns a majority interest. Many of our larger bottling partners have their own human rights policies.

For several years, we have undertaken the complex work of ensuring that our entire business system and supply chain align with our policies. We expect our Company, our bottling partners and our suppliers to avoid causing or contributing to adverse human rights impacts as a result of business actions and to address such impacts when they occur. Furthermore, our Company, bottling partners and suppliers are also responsible for preventing or mitigating adverse human rights impacts directly linked to their operations, products or services by their business relationships.

To meet these expectations, our Company, bottling partners and suppliers are adopting processes for identifying, preventing and mitigating negative impacts on human rights. Additionally, all are required to implement a process for remediation of any adverse human rights impacts they cause or contribute to.

Our efforts to promote respect for human rights across the Coca-Cola system and throughout our supply chain are being recognized. In 2011, Calvert Investments, Inc., announced that we met its “environmental, social and governance criteria as a result of clear progress in labor and human rights.” For more information, read Calvert’s analysis of our progress.

Checklists and good practices: implementing the UN Guiding Principles on Business and Human Rights

In 2011, the UN Human Rights Council adopted the UN Guiding Principles on Business and Human Rights (UN Guiding Principles), which provide guidance for addressing the risk of adverse impacts on human rights linked to business activity. We formally endorsed those principles after working for several years with Professor John Ruggie, the former UN Special Representative for Business and Human Rights. His “Protect, Respect and Remedy” framework for respecting human rights in a business context, along with the UN Guiding Principles, is now among our primary touchstones as we develop our own programs and practices.

According to the UN Guiding Principles, any company implementing respect for human rights in a corporate context must put three primary components into place:

- A policy commitment to meet the responsibility to respect human rights
- A due diligence process to identify, prevent, mitigate and be accountable for human rights abuses
- Processes to enable the remediation of any adverse human rights impacts the company causes or to which it contributes

We are implementing all three of these components in our Company and are working with our bottling partners and suppliers to help them implement the UN Guiding Principles as well.

We continually analyze potential and actual human rights impacts across our value chain, from raw materials to end use. We identify human rights risks, along with policies and actions for mitigating them. In addition, we have developed five human rights—related due diligence checklists for managers across our Company. These easy-to-use two-page checklists cover such topics as migrant labor, child labor, plant siting and more. They offer clear steps our managers can take immediately—not only to comply with our policies but also to integrate an ongoing and reflexive respect for human and workplace rights that is inseparable from our daily operations.
For our bottlers and suppliers, we have identified “26 Good Practices” that we encourage them to adopt. Like the checklists we use in our own Company, these practices enable bottlers and suppliers to move beyond legal compliance to the integrated, systematic and sustained respect for human rights and workplace rights envisioned in the UN Guiding Principles.

Our support of the UN Guiding Principles builds on our work as a participant in the UN Global Compact and member of the Global Business Initiative on Human Rights (and its predecessor, the Business Leaders Initiative on Human Rights). Our work in those partnerships continues. The Coca-Cola Company’s perspective on implementation of the UN Guiding Principles on Business and Human Rights has been featured by the Business and Human Rights Resource Centre, as well.

Investigating rights-related complaints

We require all associates of The Coca-Cola Company to know our human rights and workplace rights standards and to apply them in their work. Managers, in particular, receive intensive training. We also rely on our associates to speak up immediately if they believe our policies have been violated. Associates can report perceived violations confidentially and without fear of retaliation through numerous channels, including our EthicsLine—a global Internet and telephone information and reporting service for associates, customers, suppliers and consumers who perceive violations of our Code of Business Conduct, our Workplace Rights Policy, our Global Mutual Respect Policy, our Human Rights Statement or applicable laws and regulations. We treat all inquiries confidentially and investigate all concerns.

In 2012, we investigated 412 perceived human and workplace rights complaints from employees in our Company, down from 426 in 2011. The largest numbers of complaints were related to discrimination (which includes retaliation and harassment) and work hours and wages. We found no instances where freedom of association had been denied. In cases where claims are substantiated, we take corrective action. Depending on the violation, corrective action may take the form of back pay, reassignment of duties and in severe cases, separation from the Company.

Aligning our system and suppliers

Goal: By 2015, achieve a 98 percent compliance level for Company-owned and -managed facilities upholding the standards set in our Workplace Rights Policy. Also, achieve 90 percent compliance with our Supplier Guiding Principles among independent franchise bottling partners and suppliers.

Progress: As of December 31, 2012:
- 98 percent of our Company-owned facilities had achieved compliance. We met our goal of 98 percent compliance in 2011.
- 77 percent of our bottling partners and 80 percent of our direct suppliers had achieved compliance.

To help our Company, our bottling partners, and our direct suppliers achieve compliance with our policies and principles, third-party auditors trained in our standards conduct regular workplace assessments. We conduct annual assessments of new suppliers and suppliers with a history of noncompliance. For suppliers with a history of compliance, we conduct assessments every three years. More than 15,000 workplace assessments have been completed since 2003.

In 2009, we set a goal of ensuring that 98 percent of our Company-owned and -managed facilities meet our workplace rights standards by 2015. We met that goal in 2011 and maintained a 98 percent compliance rate once again in 2012.

As for our suppliers and bottling partners, we expect them to comply with the higher standards of international norms and applicable laws with respect to workplace and human rights principles. We encourage them to adopt our Human Rights Statement and Workplace Rights Policy or equivalents; to comply with our Supplier Guiding Principles; and to uphold the standards we have set for everyone doing business with us. We convey our expectations and offer compliance assistance through our Supplier Guiding Principles program.

<table>
<thead>
<tr>
<th>2012 Workplace Rights Policy Cases Reported by Category</th>
</tr>
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<tbody>
<tr>
<td>Retaliation/Discrimination/Harassment</td>
</tr>
<tr>
<td>Work Hours and Wages</td>
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<tr>
<td>Safe and Healthy Workplace</td>
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<tr>
<td>Ask a Workplace Rights Question</td>
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<tr>
<td>Workplace Security</td>
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<tr>
<td>Forced Labor</td>
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<td>Freedom of Association</td>
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The Coca-Cola Company GRI Report  >  We  >  Human and Workplace Rights
Our goal is to have 90 percent of our bottling partners and suppliers comply with our Supplier Guiding Principles by 2015. We are making steady progress. By the end of 2012, 77 percent of bottlers and 80 percent of direct suppliers had met the standards of our Supplier Guiding Principles. These represent a 9-point and 7-point increase, respectively, in compliance over 2011.

Reaching deeper into our supply chain

One of our ongoing challenges is ensuring respect for human rights and workplace rights far “upstream” in our supply chain, among our second- and third-tier suppliers and beyond. Such suppliers can number in the tens of thousands, and their operations are often not transparent to us. What’s more, some of our suppliers, lacking stakeholder engagement and oversight from government and advocacy groups, have had little incentive to formalize policies and practices related to human and workplace rights.

To begin to integrate respect for human rights and protection of workplace rights so that they stretch unbroken from our system back to the farm, the forest or wherever the points of origin of our raw materials may be.

Working initially with a fruit supplier, a carbon dioxide supplier and a supplier of paper products—who collectively represent more than $1 billion in procurement spending—we conducted an analysis of each business’s human rights impacts and policies. We found that all three companies generally lacked policies and awareness in regard to their potential impacts on human and workplace rights. We also found that all three were enthusiastic about making improvements and sharing them across the extent of their own supply chain. We are now working closely with the companies as they develop their policies and build their capabilities. The process can be slow, but we believe our approach will ultimately result in greater respect for and protection of human and workplace rights across our supply chain.

Meanwhile, we are considering how to expand Pass It Back to include other suppliers. We recognize that some supply chains may be too complex for the program. In those cases, certification—as under the Bonsucro Standard for sugar—may be a more effective tool for ensuring that our suppliers align with our policies and values.

Addressing human and workplace rights in Myanmar

In 2012, we announced our plans to do business in Myanmar for the first time in more than 60 years. In 2013, we began production at two bottling plants in the country—the beginning of $200 million in investments planned over the next five years that we estimate will create more than 22,000 job opportunities. Through our presence, we hope to contribute to Myanmar’s economic and social success in addition to growing our business.

Prior to re-entering Myanmar, we conducted the most comprehensive due diligence process in our recent history. It included, among many other aspects, extensive local stakeholder engagement and a thorough review of human rights issues in the bottling plants we acquired, in the local supply chain and throughout the country as a whole. Our human rights assessment, conducted in October 2012, drew upon reports from the U.S. State Department, work from the Institute for Human Rights and Business, and from contracted reports by UL (Underwriters Laboratories Inc.), a global safety science company. A team including Coca-Cola personnel and representatives from UL also conducted an in-person Supplier Guiding Principles assessment of our two bottling plants, spending nearly 450 hours over two weeks surveying the communities bordering the plants as well as two independent distributors.

The bottling plants we audited scored in the bottom quarter of audited bottlers and suppliers worldwide. Our assessments revealed issues common in developing economies, including gender- and age-based discrimination, hours of work and wage issues, and health and safety concerns. But rights violations we expected based on our initial research, such as child labor, were not found. Audits of a sample of local distribution centers revealed similar issues.

Following the audit, we worked with plant managers to implement a remediation plan. The plan includes detailed steps for corrective action to
be taken in the near, medium and long term, including continual development of the plants’ and distributors’ capacity for aligning with our policies and guidelines. We will conduct semiannual follow-up assessments until all areas of noncompliance are corrected and annually thereafter until compliance is sustained. At that point, the sites will be placed on our normal assessment schedule of every one to three years, depending on compliance performance.

In addition to remediation work at the site level, we are partnering with local organizations and collaborating with other companies to deliver training on our workplace standards. We will sponsor the training, which will be delivered by the British Council in conjunction with the ILO. The trainings will bring together a broad array of supply chain partners. By working with other companies, we hope to establish the implementation of human and workplace rights safeguards as standard industry practice in Myanmar.

In April 2013, we conducted follow-up audits of our two Myanmar plants, which showed that about 24 percent of the identified issues had been addressed. (Of 33 issues identified, eight had been fully addressed. Additional issues also had been addressed, but the plants have not yet achieved full compliance in those areas.) We recognize that changing some aspects of workplace culture in Myanmar will require a great deal of time, persistence and collaboration. We are optimistic and enthusiastic about the positive contribution we can make to the country’s capacity for respecting and protecting human and workplace rights.

As part of the lifting of U.S. sanctions against Myanmar for human rights violations, and in conjunction with the authorization of new licenses permitting investment in the country, the U.S. State Department required investing companies in Myanmar to report annually, beginning in 2013, on their human rights due diligence. Our report, which also includes results of our due diligence on environmental and technical issues, will be available later this year on the U.S. State Department website. The report will also include an overview of the significant steps we are taking to mitigate corruption risk in our Myanmar operations, including steps within the supply chain and distribution of Company products.

Confronting the “hard issues”: our sixth annual human rights conference

In May 2013, we hosted our sixth human rights conference at our corporate headquarters in Atlanta, convening more than 150 leaders from businesses, government and nongovernmental organizations (NGOs) to discuss the role of businesses in respecting human rights. The conference was aimed at giving attendees a better understanding of how to help their companies implement the UN Guiding Principles and mitigate human rights impacts. The conference addressed a variety of difficult issues facing businesses as they implement the UN Guiding Principles in their businesses and their supply chains. Discussions focused on human trafficking, conflict minerals, doing business in Myanmar and more.

Helping to eradicate child labor in sugarcane fields

Our Human Rights Statement, Workplace Rights Policy and Supplier Guiding Principles prohibit the use of child labor. While there is no child labor in our Company-owned operations, we are aware that child labor persists on some of the farms that grow cane for our sugar suppliers, driven by poverty and local social norms. Our Company does not typically purchase ingredients directly from farms, nor are we owners of sugar farms or plantations, but as a major buyer of sugar, we are taking action and using our influence to help end child labor in sugarcane fields.

Our approach is both global and local. At the global level, we set corporate policy, convene experts, and engage with governments, NGOs and other companies. At the same time, we collaborate with suppliers, industry groups and local stakeholders to address the issue with farmers. In recent years, we have joined collaborative efforts in El Salvador that have dramatically reduced child labor in cane fields. We are also taking action in Bolivia, the Dominican Republic, Honduras, Mexico, the Philippines and 14 other countries.

Most recently, we collaborated with ILO-IPEC (International Programme on the Elimination of Child Labour) to design and distribute a training guide discouraging the use of child labor among sugar farmers in Mexico while encouraging more efficient farming practices. We also facilitated ILO-IPEC’s access to several farms supplying two of our authorized sugar refineries, enabling ILO-IPEC staff to conduct appropriate interventions to address child labor.

In addition, we collaborated with our bottler in Bolivia to encourage our major sugar supplier to address hazardous child labor issues and improve the overall labor conditions in its sugar supply chain. This work was done in collaboration with Hagamos Equipo.

In 2013, we completed our second round of funding to Save the Children Honduras to raise community awareness and support the Honduran sugar industry’s continued efforts to reduce hazardous child labor.

Preventing human trafficking

Our Company proactively addresses human trafficking and forced labor in our Human Rights Statement, Workplace Rights Policy and Supplier Guiding Principles. These policies are supported by independent assessments of supplier, bottler and Company-owned facilities that are conducted by third parties to verify compliance with our standards that prohibit human trafficking and slavery in supply chains.
In February 2012, we hosted a conference on human trafficking in labor sourcing, which was attended by nearly 150 business leaders, human rights experts, investors, NGOs, legal experts and others. The conference focused on exploring solutions to eliminate human trafficking in labor sourcing. In January 2013 in Atlanta, we sponsored a panel discussion on human trafficking that was moderated by former Atlanta mayor Shirley Franklin. In May, in conjunction with our human rights conference, we hosted a one-day multi-stakeholder meeting on human trafficking sponsored by the Institute for Human Rights and Business and Humanity United to address two key contributors to human trafficking: holding of passports and payment of recruiting fees.

We also are a founding member of the Global Business Coalition Against Human Trafficking, a group of global corporations that recognize the critical role business can play in ending human trafficking and all forms of modern-day slavery.

Collaborating with labor

We respect the rights of workers in the Coca-Cola system to join unions without fear of retaliation and to engage in collective bargaining without interference or fear of retaliation. More than 30 percent of workers in the Coca-Cola system are represented by trade unions. Of those, more than 70 percent are affiliated with the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers’ Associations (IUF), one of our business system’s most important stakeholders.

Maintaining a productive relationship with trade unions enables us to collaborate with them on key issues affecting our Company’s success. It also enables us to solve problems positively and constructively and manage risk.

Twice each year, we meet with IUF delegates from around the world at our Atlanta headquarters to discuss labor and workplace issues in our system. These meetings enable us to have frank conversations and address and resolve difficult issues across the table through serious and practical engagement from both sides. We encourage our bottling partners to collaborate with labor organizations as well.

In addition to our work with IUF, we also have ongoing and regular engagement with a wide variety of human rights groups and socially responsible investors.

Ensuring ethical engagement of contract labor

Our Company and bottling partners, like many businesses, employ contract and agency labor. There are many legitimate uses of contract labor, and we expect contract workers, through third-party providers, to continue to play an important role in our business. Through enhancements to our Supplier Guiding Principles assessments, our Company is holding more contract and agency labor suppliers accountable for the ethical treatment of these workers. Our Supplier Guiding Principles also informed our new Sustainable Agriculture Guiding Principles to ensure fair labor practices and the respect of human and workplace rights on farms in our supply chain.

Our commitment to human and workplace rights, as well as our commitment to operating a sustainable business, compels us to respect the rights of all workers, including those not directly employed by our Company or bottling partners. So, we are working with our business units and our bottling partners to develop a proactive, holistic approach to managing contract labor that protects workers and our Company by addressing critical issues at each phase of a contract worker’s engagement with us—from our initial decision to use contract labor through the end of the relationship with labor suppliers or specific workers. We expect our personnel and our bottling partners to understand the risks associated with contract labor and to carefully manage the labor agencies engaged.

We also expect them to provide training and a safe work environment and to avoid using termination practices that circumvent legal obligations.

We take a number of steps to ensure responsible engagement of the contract and agency workers we employ, including the following:

- We stand by our commitments and expectations for the treatment of all workers as described in our Human Rights Statement, Workplace Rights Policy and Supplier Guiding Principles. Any allegation of worker abuse—including abuse of contract laborers—is a very serious issue that we fully investigate.
- We conduct continuous assessments of our operations and of key authorized contract labor suppliers to ensure the responsible treatment of contract laborers.
- We engage with key stakeholders to understand their perspective regarding potential abuse of contract workers. The subject of contract and agency labor is a standing agenda item for our semiannual meetings with the IUF. Through these meetings, we have successfully addressed a number of concerns regarding contract workers in India, Pakistan and the Philippines.
- We provide our largest bottling partners with contract labor risk-mitigation checklists and other tools to help them manage contract labor appropriately.

In 2012, we developed a contract labor “gap analysis” tool and a contract labor human rights due diligence checklist for our Company and our bottlers. The checklist enables a quick self-assessment. The gap analysis tool enables bottling partners and business units to conduct a deeper assessment of their current contract labor practices compared to generally accepted good practices and to quickly see their potential risk. Both the tool and the checklist are part of
Collaborating to increase sustainable sourcing

We are a leading member of AIM-PROGRESS, a forum of 37 fast-moving consumer goods manufacturers and suppliers working together to promote responsible sourcing practices. AIM-PROGRESS conducts in-person and virtual supplier training sessions around the world as part of the organization’s joint training initiative. Training covers the four major pillars of responsible sourcing: human rights and labor standards, health and safety, environmental compliance and business integrity. Leaders from participating companies provide perspective on why responsible sourcing is important to customers, stakeholders and sustainable businesses. Over the last two years the sessions have reached approximately 2,000 suppliers and 4,000 people.

Member companies recognize supplier audits completed on behalf of another company through a framework called mutual recognition. Recognizing audits conducted on behalf of another company reduces audit fatigue, saves time and lowers costs on the part of suppliers and shifts the focus from auditing to performance. Our work with AIM-PROGRESS has advanced our mutual audit recognition to 16 percent of the suppliers we audit.

Building capabilities for respecting human and workplace rights

To help increase human and workplace rights–related capabilities among our employees, our Company has organized a series of development sessions and training programs. More than 20 of these training resources are available online via Coca-Cola University. Training programs include Workplace Rights Policy and Human Rights Statement Manager Training; Corporate Responsibility to Respect Human Rights; Business Case for Human Rights; Workplace Rights Policy Employee Familiarization; and many others.
2012 Global Turnover Rates by Group and Gender

<table>
<thead>
<tr>
<th>Group</th>
<th>Female</th>
<th>Male</th>
<th>Overall</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bottling Investments Group</td>
<td>4.1%</td>
<td>14.7%</td>
<td>11.4%</td>
</tr>
<tr>
<td>Corporate Group</td>
<td>6.2%</td>
<td>5.5%</td>
<td>5.8%</td>
</tr>
<tr>
<td>Eurasia &amp; Africa Group</td>
<td>8.8%</td>
<td>8.7%</td>
<td>8.7%</td>
</tr>
<tr>
<td>Europe Group</td>
<td>9.2%</td>
<td>8.1%</td>
<td>8.6%</td>
</tr>
<tr>
<td>Latin America Group</td>
<td>9.4%</td>
<td>8.6%</td>
<td>9.0%</td>
</tr>
<tr>
<td>North America Group</td>
<td>10.7%</td>
<td>8.3%</td>
<td>9.7%</td>
</tr>
<tr>
<td>Pacific Group</td>
<td>11.8%</td>
<td>10.7%</td>
<td>11.3%</td>
</tr>
</tbody>
</table>

Implementing our Global Mutual Respect Policy

In December 2012, on Human Rights Day (December 10), we introduced our Global Mutual Respect Policy. The policy focuses on how the Company expects employees to treat each other and everyone they interact with in their work on behalf of the Company. The policy specifically addresses:

- Valuing diversity and inclusion
- Creating an environment free from discrimination and harassment
- Reporting potential discrimination, harassment or any other type of disrespectful or excessive behavior
- Ensuring that there is no reprisal or retaliation of any kind as a result of reporting or participating in any investigation

Our Global Mutual Respect Policy augments our Workplace Rights Policy by making our already firm stance against discrimination, intimidation and harassment even more explicit. It also provides a single, consistent policy on these topics covering all Company employees worldwide. As with our Workplace Rights Policy, anyone perceiving a violation of our Global Mutual Respect Policy can report their concerns to their manager, to a Human Resources or Employee Relations representative, to Company legal counsel or to our EthicsLine.

Making the Coca-Cola system a great place to work

Inside every bottle of Coca-Cola is the passion, hard work and ingenuity of some 700,000 people around the world and across our system—the people who make, market and deliver our products. One of our 2020 Vision goals is to be a great place to work. And we believe that work should be a place of exploration, creativity and professional growth—a place where people are inspired and motivated to achieve extraordinary results. We want our people to take pride in their work as they refresh the world, inspire moments of optimism and happiness, create value and make a difference.

Around the world, a “best place to work”

For many years, our Company has been named to numerous “employer of choice” lists—a strong endorsement of our workplace culture and policies, and one component we use to track our progress toward our people goals. Such awards, which take employee opinion into account, are also a great asset in our recruiting. In 2012 and 2013, we earned placement on 20 employer of choice lists, including (see map on page 39):

- World’s 25 Best Multinational Workplaces 2013 from Great Place to Work® Institute
- Best Workplaces in Argentina, Brazil, Chile, Denmark, France, Nigeria, Peru, Spain and the United Kingdom from Great Place to Work® Institute
- Regional Best Workplaces in Europe and Latin America from Great Place to Work® Institute
- Best Employers Middle East (Middle East North Africa Business Unit and CPS Egypt) from Aon Hewitt
- Best Companies to Work For in India from Business Today
- Super Empresas in Mexico from Expansión magazine
- Top Employers, South Africa from CRF Institute

Continuing our commitment to workplace safety

Every worker has a fundamental right to a safe and healthy workplace. Our Workplace Rights Policy requires that we take responsibility for maintaining a productive workplace in every part of our Company by minimizing the risk of accidents, injury and exposure to health hazards for all of our associates and contractors. We’re working to help our bottling partners minimize such risks for their employees and contract workers as well.

The Coca-Cola Operating Requirements (KORE) define the policies, standards and requirements for managing safety, the environment and quality throughout our operations. KORE also requires that our manufacturing and distribution facilities implement BS OHSAS 18001 (British Standard Occupational Health and Safety Assessment Series 18001, a framework for an effective occupational health and safety management system) or an equivalent internationally recognized safety management system.

To guide us in achieving a safe work environment for our associates, KORE defines a rigorous set of operational controls to manage known risks. The controls generally align with top global requirements and consensus standards. In addition, we engage recognized external audit firms to assess the compliance of each of our manufacturing operations with applicable laws and regulations and our Company occupational safety and health requirements.

We provide substantial safety training to our associates using the training requirements defined in KORE as a global baseline. Training covers new-hire induction and periodic refresher training for all associates and other workers conducting work on our behalf.
Lost-Time Incident Rate/Lost Days,* 2008 to 2012

<table>
<thead>
<tr>
<th></th>
<th>2008</th>
<th>2009</th>
<th>2010**</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Employees</td>
<td>92,400</td>
<td>92,800</td>
<td>139,600</td>
<td>146,200</td>
<td>150,900</td>
</tr>
<tr>
<td>Lost-Time Incident Rate</td>
<td>2.2</td>
<td>1.9</td>
<td>4.1</td>
<td>2.2</td>
<td>2.3</td>
</tr>
<tr>
<td>Lost Days</td>
<td>24,621</td>
<td>19,213</td>
<td>185,608</td>
<td>26,251</td>
<td>26,027</td>
</tr>
<tr>
<td>Lost-Day Rate</td>
<td>31.8</td>
<td>24.7</td>
<td>133.3</td>
<td>27.8</td>
<td>31.1</td>
</tr>
</tbody>
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The data above reflect the total collected data for employees. Employees include all hourly, salaried and temporary employees who are on the payroll of ICC and ICEC-owned or -controlled operations, as well as contractors and temporary employees who are not on a facility’s payroll, but for whom safety management provides day-to-day supervision of their work and provides the details, means, methods and processes by which the work objective is accomplished.

*Our lost-time incident rate is based on lost-time injuries and illnesses per 200,000 hours worked. The lost-day rate is based on the number of lost days per 200,000 hours worked. To build this benchmark, in 2013, we updated our definition of lost day to exclude days restricted or transferred.
**2011 and 2012 data have been restated to match our current definition.

Our safety record in 2012

Despite improvements in 10 of the 17 countries where we have Company-owned bottling facilities, our overall lost-time incident rate increased 5 percent between 2011 and 2012—from 2.2 to 2.3. This increase was driven primarily by improved reporting of on-site contractors and ancillary operations in Europe.

In addition, we regret to report the deaths of five Company associates and 10 contractors in 2012. Vehicle-related incidents in India, China and the Philippines accounted for all but two of those deaths. The remaining two deaths were due to falls from height—one in the United States and one in India. We continue to educate workers on fleet safety, contractor safety and fall protection. We also have work under way to further enhance our response to serious safety incidents.

Working to improve safety systemwide

In 2012 and 2013, we took a number of steps to improve safety in our Company and across our system. The senior leaders of our three operating businesses—Coca-Cola Americas, Coca-Cola International and Bottling Investments Group—designated themselves as senior executive sponsors for safety and health and will engage our system leadership in efforts to raise standards and performance on safety systemwide. Also, we incorporated our Global Safety Council within our Global Supply Chain Council, ensuring integration and alignment with operations at a higher level than ever before. The Global Safety Council includes senior safety leaders from within our Company and from our bottling partners and works to support our system vision of creating and maintaining a “zero-incident” culture. The Global Safety Council is working to develop the safety capabilities of our leadership, ensure robust safety-management processes, align and enhance our metrics systems and advance behavior-based safety programs.

We also improved results reviews at the Operating Committee level and above, ensuring the necessary leadership focus on safety improvement.

In 2012 and 2013, we launched or enhanced several platforms to increase safety capabilities across our system, including:

- A “Safety and Environment Successful Solutions” portal, which provides a common online location where safety leaders can create and share successful safety practices from across the system.
- A monthly online training series geared especially toward safety and environmental professionals and available to all Coca-Cola system associates.
- Local initiatives led by our bottlers and business units.

Ongoing focus on route-to-market safety

Improving safety in our manufacturing facilities is just part of our work. A significant portion of the risks to our employees and contractors can be found outside the walls of our plants—in distribution centers, on the road and when delivering our products to our customers. Further improvement in these areas will take time, but we took some significant steps in 2012 and 2013, including:

- Designating a dedicated corporate “Route-to-Market Safety and Environment Principal” to engage our system in creating and implementing our improvement strategy.
- Increasing system resources, including the addition of a new fleet safety manager for our Company-owned bottler in India. Focus on India is a priority based both on the number of safety incidents in that country as well as the high reliance on contractors for distribution and route sales there.
- Beginning implementation of fleet safety workshops to engage bottling partners in assessing their operations and creating action plans to address any gaps.
- Maintaining our presence on the board of directors of the Network of Employers for Traffic Safety.
In addition, our bottlers and business units led local initiatives. One example of such an initiative is Coca-Cola Iberia’s comprehensive safety program, which was launched in 2013 and intended to reduce accidents not only in its own fleet but also among distributors and third parties distributing Coca-Cola products in Spain and Portugal.

**Greater adoption of behavior-based safety programs**

Like many companies, we are expanding our focus on behavior-based safety in order to continually increase the level of employee engagement in the safety improvement process. Organizations throughout our system have the flexibility to evaluate and implement locally relevant programs, and early results are encouraging. As an example, since implementing its behavior-based program in 2010, our French concentrate production facility, Coca-Cola Midi S.A.S., has reduced its lost-time incident rate by 78 percent, its medical treatment cases rate by 83 percent and its lost-time incident severity rate by 93 percent.

**Looking ahead: raising the bar**

Our work to improve safety systemwide will accelerate in 2014. The improvements we are preparing to implement include:

- Improvement of safety audits. We will create an “always audit-ready” culture by conducting only unannounced safety audits. Frequency of audits will vary by facility based on risk. We will also shift from contracted auditors to an in-house auditing team.

- Enhanced capability and development systems for Quality, Safety and Environment personnel. We will implement more robust methods of ensuring our talent pipeline is in place and will improve our capability assessment tools.

- Continued focus on fleet safety and other priority areas. We will create focused networks to more effectively tap the expertise of existing safety resources throughout our Company and across our system.

**As diverse and inclusive as our brands**

Diversity is one of our seven core values. It is also imperative if our business is to continue to thrive in a multicultural world.

We work hard to ensure an inclusive and fair work environment. Our workplace diversity strategy includes programs that attract, retain and develop diverse talent; provide support systems for groups with diverse backgrounds; and educate all associates through regular diversity training. For more information, see our Global Diversity Strategic Framework.

In 2012 and 2013, we continued to move toward our vision of a more diverse and inclusive Company and system. Following are some highlights of our progress.

**Our Global Women’s Initiative wins Catalyst Award**

We were honored to receive the 2013 Catalyst Award for the achievements related to our Global Women’s Initiative (GWI), a program led by our Chairman and CEO, Muhtar Kent.

Catalyst is a leading nonprofit organization with a mission to expand opportunities to women and business. The Catalyst Award annually honors innovative organizational initiatives with proven, measurable results that address the recruitment, development and advancement of women.

Created in 2007, GWI is a broad program that develops female leaders inside the Coca-Cola system, economically empowers women entrepreneurs in the marketplace through our 5by20™ initiative and supports community organizations serving women through philanthropic outreach.

Through GWI, we have:

- Increased the percentage of women at leadership levels in our Company from 23 percent in 2008 to just over 30 percent at the end of 2012.

- Improved the number of women on our Company’s immediate leadership pipeline from 28 percent in 2008 to just over 34 percent at the end of 2012.

**Additional diversity-related recognition**

In addition to the Catalyst Award, we were honored to receive the following recognition during our 2012–2013 reporting period for our efforts to build a diverse and inclusive Company:

- On the DiversityInc Top 50 Companies for Diversity list for the 11th straight year.

- A perfect score on the Human Rights Campaign Corporate Equality Index for the seventh straight year.

- One of the Black Enterprise Magazine Best Companies for Diversity for the ninth straight year.

- A score of 90 on the Hispanic Association on Corporate Responsibility’s Corporate Inclusion Index—an increase of five points from 2011. Only one company received a higher score.

- The Hispanic Federation’s Corporate Leadership Award, given to companies showing outstanding commitment to the Hispanic community by supporting causes important to that community. This was the first time a major corporation in the nonalcoholic beverage industry received the top award.

- Empowered approximately 300,000 female entrepreneurs across our value chain through the 5by20 initiative.

- Contributed more than $7 million and immeasurable human hours to organizations around the world that serve women.

- Increased external recruitment of women for leadership positions from 13 percent in 2007 to 40 percent in 2012.

- Advanced the percentage of women in key leadership programs from 21 percent in 2007 to 44 percent in 2012.

- Expanded Women’s Linc, our Company’s affinity group for women, to ten business units globally, with further expansion planned for 2013 and 2014. Prior to this expansion, Women’s Linc was mainly active in the United States.
Launching our Multicultural Leadership Council

In late 2012, we announced the establishment of our Multicultural Leadership Council, a panel of U.S.-based employees working together to accelerate leadership opportunities within our Company for multicultural associates. While we have long focused on the hiring, development and advancement of multicultural associates, our Multicultural Leadership Council will bring additional momentum and employee insight to those efforts.

“Gold” partnership with the Human Rights Campaign

In 2012, we also became a gold-level partner of the Human Rights Campaign (HRC), the largest advocacy organization for lesbian, gay, bisexual and transgender (LGBT) people in the United States. As an HRC partner, we sponsor the organization and collaborate with it on initiatives to establish equality for LGBT people in the Coca-Cola system and elsewhere.

Progress on diversity at Coca-Cola Refreshments

In 2010, our Company acquired the North American business of Coca-Cola Enterprises Inc. and formed Coca-Cola Refreshments USA, Inc. (CCR), as a wholly owned subsidiary. Since then, we have helped CCR implement programs for ensuring the same leadership in diversity, inclusion and fairness that have characterized our Company for more than a decade. Among other measures, we helped CCR establish eight new Diversity and Inclusion Councils, which help drive diversity policy. CCR continues to further embed diversity and inclusion in its human resources processes.

In 2012, CCR completed implementation of many of the same workplace fairness monitoring and reporting processes that our Company has used for more than a decade, including fairness studies of performance management, annual incentive awards and the granting of stock options and performance share units. In addition, CCR provided workplace fairness and inclusiveness training to all of its 8,000 people managers and established a three-year roadmap for diversity and inclusion.