Our Position on Obesity

Including Well-Being Facts

The Coca-Cola Company
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Our Position on Obesity

Background

All over the world, our consumers are telling us they care about their well-being, and we care too. We recognize the health of our business is interwoven with the well-being of our consumers, our employees and the communities we serve. The prevalence of overweight and obesity is one of today’s most critical health concerns. According to the World Health Organization (WHO), “Worldwide obesity has more than doubled since 1980. ... In 2008, more than 1.4 billion adults, 20 and older, were overweight. Of these over 200 million men and nearly 300 million women were obese...” (WHO, 2012)

WHO defines overweight and obesity “as abnormal or excessive fat accumulation that may impair health.” (WHO, 2012) WHO states that “[t]he fundamental cause of obesity and overweight is an energy imbalance between calories consumed and calories expended,” due to a global increased intake of energy-dense foods and decrease in physical activity.

“Overweight” is considered to be a Body Mass Index (BMI)\(^1\) greater than or equal to 25, and ‘obesity’ a BMI greater than or equal to 30. (WHO, 2012) The (U.S.) Centers for Disease Control and Prevention (CDC) states that other useful measures of obesity include waist circumference and skin-fold thickness. (CDC, 2012)

Our Position

- Obesity is a serious and complex global health problem that requires the collective efforts of everyone – individuals; academia; professional societies; communities; businesses and governments – to solve. And that includes The Coca-Cola Company.

- There is widespread consensus that weight gain is primarily the result of an imbalance of energy – specifically too many calories consumed versus expended.

- When it comes to managing weight, it is important to balance the calories you take in with the calories you burn. To lose weight, you need to either burn more calories or consume fewer calories or both. The concept of balancing calories in and out is what the experts refer to as “energy balance.”

- People consume many different foods and beverages, so no one single food or beverage alone is responsible for people being overweight or obese. But all calories count, whatever food or beverage they come from, including those from our caloric beverages.

- We recognize the uniqueness of consumers’ lifestyles and dietary choices. All of our products can be part of an active, healthy lifestyle that includes a sensible, balanced diet and regular physical activity.

- Consumers who want to reduce the calories they consume from beverages can choose from our continuously expanding portfolio of low- and no-calorie beverages, as well as our regular beverages in smaller portion sizes.

- We are helping to develop workable solutions to address obesity – by partnering with government, academia, health societies and other responsible members of civil society.

\(^1\) BMI is defined as a person’s weight in kilograms divided by the square of his height in meters (kg/m\(^2\)).
Our Commitments

To help develop workable solutions to address obesity, we have made the following commitments:

- **Use Evidence-Based Science:** We are committed to using evidence-based science to guide the choices we offer and the way we educate about those choices;

- **Innovate:** We are committed to investing in the innovation of sweeteners, products, packaging, equipment and marketing that fosters active, healthy living;

- **Execute & Educate Around Choice:** We are committed to bringing real choice to consumers everywhere, and educating them on the role our variety of beverages can play in sensible, balanced diets and active, healthy lifestyles;

- **Inform With Transparency:** We are committed to being transparent about the nutritional content of our products;

- **Market Responsibly:** We are committed to responsible marketing of our products, honoring the rights of parents and caregivers, and informing and educating consumers about the beverages we provide; and

- **Promote Active, Healthy Living:** We are committed to being part of workable solutions to the problems facing society related to obesity by assisting our associates and their families, as well as the communities that we serve, in promoting active, healthy living.
Well-Being Facts About Our Company and Brands

Our Global Beverage Portfolio

• Globally, we are the largest provider of sparkling beverages\(^1\), ready-to-drink (RTD) juices and juice drinks, and RTD coffee. Our beverage portfolio includes more than 500 brands, including the world’s most valuable brand, Coca-Cola, as well as Fanta, Sprite, glaceau vitaminwater, Powerade, Minute Maid, Simply and Georgia.

• We have 15 billion-dollar brands that showcase the variety and choice in our portfolio: Coca-Cola, Diet Coke, Coca-Cola Zero, Sprite, Fanta, Minute Maid, Powerade, Aquarius, Dasani, vitaminwater, Georgia, Sokenbicha, Simply, Minute Maid Pulpy and Del Valle.

• Through the world’s largest beverage distribution system, consumers in more than 200 countries enjoy the Company’s beverages at a rate of 1.8 billion servings a day.

• We continue to expand our beverage portfolio to meet consumers’ evolving needs and preferences. We offer more than 3,500 beverages around the world, three times the number we offered a decade ago and more than 10 times the number we offered 20 years ago.

• Today, we have a Coca-Cola for everyone with 23 different “Coca-Cola trademark products” for which the trademark incorporates “Coca-Cola” or “Coke,” including Coca-Cola, Coca-Cola Light, Diet Coke, Coke Zero, Caffeine Free Coca-Cola, Caffeine Free Diet Coke and Cherry Coke. (Note: These products are not available in all retail outlets.)

• We are committed to providing a variety of products for every lifestyle and occasion.

• All of our products can be part of an active, healthy lifestyle that includes a sensible, balanced diet and regular physical activity.

• Consumers who want to reduce the calories\(^2\) they consume from beverages can choose from our continuously expanding portfolio of low- and no-calorie\(^3\) beverages as well as our regular beverages in smaller portion sizes. We provide more than 800 low- and no-calorie beverages, nearly 25% of our global portfolio. Nineteen of our top 20 brands have a low- or no-calorie alternative or are low- or no-calorie.

• As part of our commitment to choice, low- and no-calorie options to our caloric products are commonly available. For example, in many developed countries around the world, consumers can find Diet Coke, Coca-Cola Light or Coke Zero in more than 90% of places where Coke is sold. In some countries, like the U.S., France, Spain, New Zealand, the U.K. and others, availability is even higher – consumers can find Diet Coke, Coca-Cola Light or Coke Zero in nearly every store Coke is sold.\(^4\)
Our Global Beverage Portfolio – Innovation

In 2011, we launched more than 500 new products globally, including portion-controlled options for regular calorie beverages and more than 100 low- and no-calorie beverages, approximately one-fifth of all new product launches.

- We continue to increase the fortified products we offer and have products with added vitamins, minerals and other beneficial ingredients. Some examples include:
  - Minute Maid Antiox - Contains antioxidants from fruits (Spain)
  - Minute Maid Kids+ - Orange juice with essential nutrients for children, including vitamins A, C, D, E and calcium (USA)
  - Minute Maid NutriBoost - Dairy and juice drink fortified with essential nutrients (Thailand and Vietnam)
  - Minute Maid Pulpy Super Milky - Fortified with whey protein and contains fruit bits (China)
  - NutriJuice - Fortified with four vitamins and minerals focused on providing iron to children with iron deficiencies (Philippines)

Our Global Beverage Portfolio – Calories

Total Portfolio
- Since 2000, our average calories per serving have decreased by 9% globally.
- Nearly one-quarter of our global volume is low- and no-calorie.
- More than one-third of incremental volume growth over the last 15 years has been in low- and no-calorie beverages.

Sparkling Portfolio
- Thirteen percent (13%) of our global sparkling volume is in low- and no-calorie beverages.
- Fifteen percent (15%) of our incremental sparkling volume growth over the last 15 years has been in low- and no-calorie beverages.
- Eighteen percent (18%) of our global Coca-Cola trademark volume is low- and no-calorie.
- For each of our key global sparkling brands, there exists a low- or no-calorie version. (Note: “key” is defined as trademarks that cumulatively represent 95% of TCCC volume; “global” is defined as those brands that are manufactured in 2 or more operating groups. These products are not available in all retail outlets.)
Eurasia Africa Beverage Portfolio – Calories

Total Portfolio
• Fifteen percent (15%) of our volume in Eurasia Africa is low- or no-calorie.
• Twenty percent (20%) of our incremental volume growth over the last 15 years has been in low- and no-calorie beverages.

Sparkling Portfolio
• Four percent (4%) of our sparkling volume in Eurasia Africa is low- and no-calorie.
• In Eurasia Africa, 4% of our incremental sparkling volume growth over the last 15 years has been in low- and no-calorie.
• Five percent (5%) of our Coca-Cola trademark volume in Eurasia Africa is low- and no-calorie.

Europe Beverage Portfolio – Calories

Total Portfolio
• Thirty percent (30%) of our volume in Europe is low- and no-calorie.
• In Europe, nearly 59% of our incremental volume growth over the last 15 years has been in low- and no-calorie beverages.

Sparkling Portfolio
• Twenty-two percent (22%) of our sparkling volume in Europe is low- and no-calorie.
• In Europe, more than half of our incremental sparkling volume growth over the last 15 years has been in low- and no-calorie beverages.
• Twenty-six percent (26%) of our Coca-Cola trademark volume in Europe is low- and no-calorie. In 1999, 17% of the Coca-Cola trademark volume in Europe was low- and no-calorie. In 1980, 0% of our Coca-Cola trademark volume in Europe was low- and no-calorie.

Latin America Beverage Portfolio – Calories

Total Portfolio
• Eighteen percent (18%) of our volume in Latin America is low- and no-calorie.
• In Latin America, nearly 29% of our incremental volume growth over the last 15 years has been in low- and no-calorie beverages.

Sparkling Portfolio
• Six percent (6%) of our sparkling volume in Latin America is low- and no-calorie.
• In Latin America, 9% of our incremental sparkling volume growth over the last 15 years has been in low- and no-calorie beverages.
• Seven percent (7%) of our Coca-Cola trademark volume in Latin America is low- and no-calorie.
North America Beverage Portfolio – Calories

Total Portfolio
- Over the past decade, our average calories per serving has decreased nearly 11% in the United States.
- Nearly one-third of our volume in North America is low- and no-calorie.
- In North America, 53% of our incremental volume growth over the last 15 years has been in low- and no-calorie beverages.

Sparkling Portfolio
- Nearly one-third of our sparkling volume in North America is low and no-calorie.
- In North America, all of our incremental sparkling volume growth over the last 15 years has been in low- and no-calorie beverages.
- In 2011, Coca-Cola Zero delivered double-digit volume growth for the fifth consecutive year in North America.
- When Diet Coke was introduced in the United States in 1982, 1% of our servings sold were low- and no-calorie. In 1999, 32% of our Coca-Cola trademark volume in North America was low- and no-calorie. Today, 41% of our Coca-Cola trademark volume in North America is low- and no-calorie.

Additional Facts
- Between 2000 and 2010, the number of calories Americans consumed from caloric sweeteners, such as sucrose and HFCS, declined by more than 11%.

Pacific Beverage Portfolio – Calories

Total Portfolio
- Twenty-two percent (22%) of our volume in the Pacific is low- and no-calorie.
- In the Pacific, nearly 34% of our incremental volume growth over the last 15 years has been in low- and no-calorie beverages.

Sparkling Portfolio
- Six percent (6%) of our sparkling volume in the Pacific is low- and no-calorie.
- In the Pacific, 9% of our incremental sparkling volume growth over the last 15 years has been in low- and no-calorie beverages.
- Eleven percent (11%) of our Coca-Cola trademark volume in the Pacific is low- and no-calorie.
Global Responsible Marketing Commitments and Related Facts

Responsible Marketing Policy
We have a Responsible Marketing Policy that covers all our beverages, and we do not market any products directly to children under 12. This means we will not buy advertising directly targeted at audiences that are more than 35% children under 12. Our policy applies to television, radio, print, and, where data is available, to the Internet and mobile phones.

Global School Beverage Guidelines
Honoring the rights of parents and caregivers to make choices for their children is the cornerstone of our responsible marketing practices. We believe in commercial-free classrooms for children and respect the decisions by parents and schools around what beverages are made available.

For several years, we have had voluntary, industry school beverage guidelines in Europe, the United States, Canada, New Zealand and Australia. In 2010, we developed The Coca-Cola Company Global School Beverage Guidelines, which guide our practices across the more than 200 countries where our products are consumed.

- We will not offer our beverages in primary schools unless asked by parents, caregivers or school authorities to meet hydration needs.
- In secondary schools, we will offer a range of beverages (including water, juices and other beverages in both regular and low-calorie/calorie-free versions).
- We will provide fact-based nutrition information to promote informed choice and will make every effort to ensure that vending and cooling equipment is accompanied by messages promoting active and balanced lifestyles.

Global Active Healthy Living (Energy Balance) and Nutrition Education
- All over the world, our consumers are telling us they care about their health, and we care too. We take seriously that people want a wide variety of beverages and packages to meet their needs for refreshment, enjoyment, nutrition and hydration. That’s why we work so hard to provide a variety of products for every lifestyle and occasion. And, it’s why we take a three-pronged approach to educating people on the importance of energy balance, providing variety in our products and package sizes and encouraging active, healthy lifestyles that include a sensible, balanced diet and regular physical activity.
- We believe in the importance and power of ‘informed choice’, and continue to support fact-based nutrition labeling and education and initiatives that encourage people to live active, healthy lifestyles.
- In September 2009, we were the first beverage company to commit to front-of-pack energy labeling globally on nearly all our packaging by the end of 2011, and we have met this target.
- In February 2010, Coca-Cola North America joined the U.S. beverage industry in supporting Mrs. Obama’s childhood obesity initiative with a “Clear on Calories” commitment.
- In addition to our product and packaging innovations, we support more than 250 nutrition education and physical activity initiatives in more than 100 countries. We’re committed to have a physical activity program in every country where we operate by 2015.
• In 2011, we spent approximately $8.5 million on Active, Healthy Living and Health and Wellness programs.

• We offer beverages with and without calories and are helping to develop workable solutions to address obesity – by partnering with government, academia, health societies and other responsible members of civil society.

Notes
1 Sparkling beverages = sparkling soft drinks (sparkling water, juice, tea, coffee and sports drinks are excluded).

2 The term “calorie” is a commonly used term referring to the scientifically-accurate term, “kilocalorie.” An alternate measurement, “kilojoule,” is used in some countries. Both terms are measurements of the energy provided by a food or beverage and the energy used by the body.
   • 1 kilocalorie = 4.18 kilojoules
   • 1 kilojoule = 0.24 kilocalories

3 For the purpose of compiling this data, “low- and no-calorie” is defined as 0 to 25 calories per 8 fluid oz. (240 mL) serving.

4 Data reported are from The Nielsen Company. Data are not available for all countries and do not include all retail outlets or channels.