

## Protecting Our Planet, Supporting Our Communities, Sustaining Our Business

The Coca-Cola Company has provided products to over 200 nations for 120 years. As a company, we view sustainable development as a prerequisite in respect of our partners. We have made doing the right thing for our employees, consumers, communities, and our planet, our top priority.

We believe that wherever we are in the world, the measures we have taken and the investments we have made have been done so as efficiently as possible to preserve our planet and its natural resources and that this is important to the health and prosperity of community.

Applying effective environmental management from manufacturing to distribution allows for avoidance of problems, or their facilitated resolution. We constantly apply innovative approaches to development in order to maintain success in all aspects. As The Coca-Cola Company, our commitment to preserving our planet is not only good business; it's good citizenship too. We believe our success is only possible through the sustainability of our natural resources that we are all sharing. Effective environmental management, planning and decision-making processes are integral to this approach.

There are effectively three areas in the scope of our environmental management activities:

**Global water stewardship:** This involves efficient water consumption. While contributing to solutions to global water concerns, we are also developing and applying wastewater treatment processes.

**Sustainable packaging:** We enhance the efficiency of our packaging by reducing raw material usage and encouraging greater and more efficient recycling.

**Efficient energy use and Environmental protection:** When renewing production instruments or establishing refrigeration technologies we always consider the least energy consuming and most effective energy management solutions. We additionally plan waste management for the long-term and work to minimize waste generation.

## WATER MANAGEMENT

Water, our main product component, is also an indispensable resource for sustained life. We recognize our future depends on water. Our planet is experiencing serious water-related concerns. Two thirds of the world's population is estimated to begin experiencing water-related problems by 2025.

Faced with this reality, our company is protecting freshwater sources, performing research on a global scale, and undertaking innovations in particular fields of specialization. These endeavors are aimed at serving not only the needs of our employees, clients, or consumers, but also of our communities.

### BOX

In terms of water consumption, we have improved our water use efficiency by 19 % in a span of 5 years.

Our water management strategies focus on four areas:

**Plant Performance:** Becoming best-in-class at water use efficiency, water quality and wastewater management

**Water Source Protection:** Supporting the protection of watersheds in regions where we operate

**Community Initiative Support:** Contributing to the work of our partners working towards solutions in areas experiencing problems with access to clean water

**Global Awareness and Action:** Engaging in international programs that will broaden any activity aimed at developing global awareness of concern for water

### **Reduce, Recycle, Replenish!**

In June of 2007, The Coca-Cola Company announced an ambitious pledge to “replace every drop of water used in production through our global water management framework.” We asserted that, “We are going to return water used, back to the community”.

We hope to achieve our promise in three ways: reduce, recycle and replenish.

**Reduce:** The Coca-Cola Company, among other peer companies, has established specific goals to be the most efficient user of water primarily by reducing use in production. We aim to reduce our water consumption of 2004 by 20 % by 2012 in accordance to our agreement with the WWF (World Wildlife Fund).

**Recycle:** Water used during production will be completely returned to the environment such that it may fully sustain the aquatic fish life and agriculture. At Coca-Cola, we already have water treatment standards that are more stringent than many local standards.

**Replenish:** Our commitment to replenish means that on a global basis we will give back by supporting healthy watersheds and sustainable water community programs to balance water used in our products. Various projects planned under this framework include watershed protection, efficient water use in agriculture, clean accessible community water, rainwater harvesting, and reforestation.

For The Coca-Cola Company, these initiatives mean years of dedicated work on a continuing journey. We have taken the first step, and will do so with the same decisiveness on the many to follow.

## **BOX**

### **THE CRISIS AT HAND**

- More than a billion people worldwide have no access to clean water; over two billion lack adequate sanitation.
- Over 1.6 million children die each year because of unsafe water and lack of basic sanitation.
- It is estimated that two thirds of the world's population will suffer from chronic water shortages by 2025.

These statistics put forward quite clearly the devastating effects on human life that global water concerns can have. Global water concerns occur due to a number of factors, including pollution, population growth, waste and poor water management policies.

The world has a finite amount of fresh water, but if managed properly, there is enough to meet personal, agricultural, and industrial needs.

## BOX

### Some realities about water

- Water covers about 70 % of the earth's surface.
- 97 % is salt water.
- A large part of the freshwater is frozen in ice caps and glaciers.
- Rivers, lakes, streams and springs make up only about 1 % of the world's water.

## BOX

### Primary water users

- Agricultural Use : % 70
- Industrial Use : % 20
- Domestic Use : % 10

## Tables

In the Coca-Cola system, water use reports include annual comparisons. One of the figures is the amount of water used per 1 liter of drink. Water use from 2002 to the present has shown a steady reduction of 3.12 liters per 1 liter drink to 2.52.

(Diagram 1)

Another critical figure is for total water consumption. In the last five years, this figure has steadily declined from 307 billion liters to 288. Between 2002 and 2006 there was a 6 % decrease in total water consumption (from bottle cleaning to finished goods production) despite the fact that production increased by 14 % in the same period.

(Diagram 2)

### Water Consumption in Turkey

Coca-Cola Turkey takes its place as one of the most efficient countries in terms of water consumption within the Coca-Cola system. In the five years leading up to 2007, water consumption was reduced by 7.3 % as production increased by 60 %. **While the average rate of water consumption in the Coca-Cola system was 2.52 per liter of product in 2006, the figure was 1.62 in Turkey as of 2007.**

Coca-Cola Turkey, along with its bottling partner, is highly focused on the amount and recycling of water used in production.

The following are the related measures taken:

- Switch to dry conveyor lubricants instead of wet ones
- Use of compressor cooling water to increase the effectiveness of crate washer
- Vacuum collection of rainwater for irrigation purposes
- Surfacing of irrigation and fire hydrant lines for determining the links easily and quickly

## BOX

### Rinsing with air rather than water

Çorlu plant is setting a modern example for technological investment, infusing its PET and aseptic PET lines with sterile air rather than water for rinsing bottles. It is the first equipment of this kind to be used in the Turkish beverage sector. It conserves 18,200 tons of water annually.

## **Wastewater treatment in Turkey**

The wastewater treatment system in the Turkish production facilities meets both The Coca-Cola Company standards and local regulations. Wastewater from the production process is treated either by municipality approved or on-site wastewater facilities. The water quality is periodically analyzed by the relevant ministry authorities and on-site, in accordance to local and The Coca-Cola Company standards.

**Investment in facilities for wastewater treatment has reached two million Euros.**

### **BOX**

The quality of wastewater out of the on-site treatment systems is such that it supports aquatic fish life.

### **BOX**

## **Less wastewater**

In 2007, 545 million liters of wastewater was treated at the Coca-Cola plants in Turkey. This resulted in the prevention of the pollution of 4.3 billion liters of clean water. Total waste water per liter of product was 0.28 liters. This figure was 0.39 liters in 2006. In 2007, despite an increase in production from the previous year, waste water ratio was improved by 28 %.

## **For a better future**

Ignoring the global water crisis is not possible. Millions of people's lives and futures depend on the successful management of this critical resource. We believe that working together to provide accessible clean water is in the interest of all. We continue our work for sustainable community development, increased water accessibility, and the protection of world's watersheds.

To carry out our ventures aimed at protecting the world's watersheds and providing accessible clean water to troubled regions, we continue to work on projects with organizations such as the United Nations Development Program (UNDP), PlayPumps International, CARE, the Global Water Challenge and the U.S. Agency for International Development (USAID).

We are also working on nearly 70 regional water projects in 40 countries. The initiatives focus on water supply, hygiene, watershed management, productive water use, as well as education and awareness.

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## **SUPPORT FOR YOUTH PROJECTS**

Since the "Life Plus" Youth Program began in 2005, Turkey has called on youth from all corners of the country to think about environmental and community issues, and develop projects aimed at solutions that can be realized through participation of local NGO's. Youth

from the ages of 16-26 receive anywhere from 5 to 50 thousand dollars from “Life Plus” to turn their solutions into reality and get consultancy in project management to create sustainable impact. Coca-Cola Turkey and The United Nations Development Program (UNDP) select projects for the “Life Plus” program in two stages of a technical and content-based evaluation. In 3 years of “Life Plus”, hundreds of youth in 23 cities through 31 projects have reached tens of thousands of people. Two projects between 2007 and 2008 are centred on water concerns.

### **BALIKESİR – ONE DROP, A THOUSAND CROPS**

The continuous depletion of water resources is slowly climbing as a major concern in Turkey and worldwide. 75% of freshwater consumed annually in Turkey is used for agricultural irrigation. The agricultural irrigation methods used produce as much infertile soil as they consume fresh water. The “One Drop, A Thousand Crops” project undertaken by the Balikesir University Biology and Environment Group aims to find solutions to water source depletion and make a positive contribution to life. The project team has spurred everyone from Balikesir University irrigation unions to agricultural associations and public organizations and other related groups, into action. A pilot project aimed at broadening the use of drip irrigation methods is being undertaken by the project team on about a quarter of an acre plot with the participation of a panel of 1,000 farmers and supporting public and community organizations with whom the results will be shared. The youth currently planting and growing the products are also preparing for the “Harvest Festival” that will take place at the end of summer and share the products and findings with farmers and the related organizations.

### **MANISA- YOUTH INITIATIVE FOR A CLEAN GEDIZ**

As Turkey consumes its water resources through overuse, it also loses them through pollution. Having brought richness and fertility to the land for hundreds of years, the Gediz River now brings pollution and toxins. In a time when all public organizations, community groups, and local authorities have given up on the Gediz, a group of Manisa high school and prep-school students are planting seeds of hope. Under the auspices of the Aegean Society, the Manisa youths have initiated the “Clean Gediz” campaign by distributing postcards of a Gediz lost, hopefully to be gained again. The project team has illustrated its determination by delivering 10,000 signed postcards with the phrase “I want to fish, and have a picnic at the Gediz” printed on it to the Ministry of Environment. Currently spreading awareness in Manisa schools, the project team will continue their campaign through all areas touched by the river.

## **BOX**

### **Every Drop Matters**

“Every Drop Matters” is a project designed to contribute to the protection of water sources and increased accessibility of clean water. Coca-Cola Eurasia Group and the United Nations Development Program (UNDP) agreement of 4 November 2006 began the initiative with a number of countries, including Turkey leading the endeavor.

A 7 million dollar budget set aside for five years aims to increase clean water accessibility, support environmentally friendly technologies in the industry, and create increased public awareness of responsible water consumption.

## **Sustainable Packaging and Recycling**

The Coca-Cola Company envisions a world in which product packaging is seen not as waste, but as a valuable resource. We are taking steps towards protecting natural resources by

attempting to reduce the diffusion of greenhouse gas emissions during the life cycle of product packaging.

Our packaging processes focus on grounded sustainable development without sacrificing quality by focusing on the following:

- Developing packaging designs that use less material
- Investing in technologies that enable us to use more recycled materials
- Providing financial assistance and other support for recovery of product packaging

## **Packaging Design**

We have been designing packaging for years with environmental management in mind. The first “impact of packaging on environment” study carried out by Coca-Cola in 1969 is the basis for today’s life cycle assessment methodology.

Introduced in 2000, the Ultra Glass contour bottle is designed to improve impact resistance, and reduce weight and cost. The innovative “Ultra Bottle” is 40 % stronger, 20 % lighter, and 10 % less expensive than traditional contour bottles. The “Ultra Bottle” design has eliminated 52,000 metric tons of glass—resulting in a carbon dioxide reduction of 26 thousand tons or the equivalent of planting 32 thousand square metres of trees.

## **Recycling Programs**

Beverage packaging is one of the world’s most recycled materials. The Coca-Cola Company designs recyclable materials to preserve economic value and utility. We provide a wide range of support on a global scale in order for communities to take up this approach and benefit from the returns. We work closely with community organizations that promote recycling and litter abatement.

## **Package Material Reuse**

We are working to develop technologies that permit for the use of recycled materials. More than half of the metal in our aluminum cans are recycled. We have been investing in recycling technologies since introducing the first-ever beverage container with recycled PET in 1991. Today, we lead the industry in the innovative use of recycled plastic.

## **Packaging in Turkey**

Packaging for Coca-Cola Turkey consists of glass bottles, aluminum cans, PET, HOD, aseptic cans, BIB and Premix containers.

### **BOX**

In the last five years, we have reduced packaging waste in PET containers by 4,400 tons and in glass bottles by 1,265 tons.

## **Solid waste management in Turkey**

In Turkey, inventory is taken of materials and waste at all production facilities and sorted in order that solid waste percentage is reduced to an absolute minimum. Waste is divided into paper, plastic, glass, metal and wood and delivered to recycling facilities.

There are two types of solid waste in the beverage sector:

- Those occurred during production: Packaging materials, wood and metal waste
- Post consumption packaging waste: Packaging wastes produced after consumption

The information here concerns solid waste produced during production.

## **BOX**

Recycling of solid waste occurred during production has reached 90 % in Turkey. Paper, glass, plastic and metal categories have reached 100 %. Turkey is one of the most successful countries in the Coca-Cola system, which has a 79 % recycling rate. Additionally, as production has continually increased in Turkey over the last 5 years, the solid waste output has decreased by 12 %.

## **BOX**

The removal of slip sheets from PET containers is an example of current efforts to reduce solid waste. This prevents 13 thousand tons of cardboard waste.

## **BOX**

Coca-Cola Turkey is a member of the ÇEVKO Foundation. Its activities dating back to 1991, ÇEVKO has joined with local authorities, and in industrial and commercial partnerships, to collect packaging waste and turn it into recyclables and reusables within a single system. The ÇEVKO Foundation carries out work to turn glass, metal, plastic and paper/cardboard-like materials from packaging hygienically back into recyclables and reusables. Doing voluntary work until 2005, the foundation was given full accreditation by the Ministry of Environment and Forestry for Packaging and Packaging Waste Control Management

## **Energy and Environmental Protection**

Climate change is projected to have deep and wide-ranging negative effects on our world, but especially on biodiversity, water resources, public health, and agriculture. We are working to increase energy efficiency and the usage of appropriate energy sources in order to prevent any direct or indirect effects of the above.

In 2007, The Coca-Cola Company signed the UN Global Compact's "Caring for Climate: The Business Leadership Platform". The Platform, which was announced in conjunction with the Global Compact Leaders Summit, is a global call to businesses and governments to speed up action on climate change. As a signatory, we are working to increase energy efficiency and reduce emissions. At the same time, we are directing efforts with our global supply chain towards the joint aim of finding practical solutions.

We are also working with the WWF to reduce the negative effects of inefficient energy use on climate change. Turkey, among the countries involved, aims to reduce its carbon emissions by 5 % lower than 2004 levels by the year 2015.

### **"Ozone Friendly" refrigeration technologies**

As The Coca-Cola Company takes on the challenge of climate change, it is also investing in alternative refrigeration technologies that do not use hydrofluorocarbons (HFC's) which adversely affect the ozone and climate change. In this framework, we have helped launch the "Refrigerants, Naturally!" initiative as representatives of the food and beverage industry.

Begun in 2000, “eKOfreshment” is a research and development program to find commercially viable HFC-free refrigeration technologies. We have progressed steadily each year since in the area of sustainable refrigeration. On 5 June 2006, World Environment Day, we announced that we have achieved the conversion to HFC-free insulation for more than 1,300 models of cold-drink equipment, representing over 98 % of the new equipment we purchase. Our investments in this area continue.

By the end of 2006, we placed 6,000 units with carbon dioxide refrigeration in the market, including 2,000 at the FIFA World Cup™, earning us a Cooling Industry Award. Additionally, comprehensive research on energy efficiency during the manufacturing process reveals that since 2002, the Coca-Cola system has reduced the energy consumption rate (the amount of energy required to produce one liter of product) by 16 %.

### Ongoing projects in Turkey

Despite continual increase in production volume in Turkey, the implementation of various projects and improving of facility processes continues to see energy consumption decreasing year by year.

**In 2006, the Coca-Cola system reported average energy consumption of 0.48 MJ/L, while the facilities in Turkey ran at 0.26 MJ/L in 2007.**

### More efficient energy consumption

A series of studies are ongoing at the plants in Turkey:

- Heat loss reduction in the lines
- Renewal of warehouse and production area roofing to accommodate more natural light and reduce energy spent on lighting
- Installation of Photo Voltaic Cells for the lighting of production lines and offices
- Preventing loss of heat by insulating exterior of bottle washer

### BOX

In 2007, despite increased production volume, all plants in Turkey recorded a decrease of 1.6 % in carbon emissions. In 2006, 287.44 grams of carbon emissions were produced for every liter of product; this figure declined to 282.93g in 2007. This is the equivalent of removing 3,200 vehicles from traffic.

### Worldwide Average - 2006

<b>Average Water Use</b>	<b>2.52</b> liters/liter of product
<b>Average Solid Waste</b>	<b>10.47</b> grams/liter of product
<b>Average Energy Use</b>	<b>0.48</b> megajoules/liter of product

### Turkey - 2007

**Average Water Use** **1.62** liters/liter of product



**Average Solid Waste**

**3.57** grams/liter of product

**Average Energy Use**

**0.25** megajoules/liter of product

### **CERTIFICATES AND AWARDS RECEIVED BY PLANTS IN TURKEY**

- Quality Management System Certification ISO 9001:2000
- Environmental Management System Certification TS EN ISO 14001
- HACCP Management System Certification TS EN ISO 13001
- OHSAS Management System Certification TS EN ISO 18001
- WWF Water Savers Project, Letter of Recognition
- TCCMS (The Coca-Cola Company Quality, Environment, OSH Combined Management System) Certification

### **ENVIRONMENT TRAININGS IN TURKEY**

In 2007, 967 hours of training was provided to 1,157 individuals at the manufacturing facilities.

### **BETTER ENVIRONMENTAL MANAGEMENT, MORE PROMISING FUTURE**

We do not possess the capacity to alter the path of nature, but we and future generations can take on the responsibility of preservation, and should do what is in our power to do.

We, The Coca-Cola Company, have turned this responsibility into an ambition and have since taken some critical steps forward. We realize however, that there is still much to do. Our top priority from here on will be to invest our efforts in the environment, the community we find ourselves in, and the future of our planet.

#### Legend:

The Coca-Cola Company: Is Atlanta based **The Coca-Cola Company**.

Coca-Cola Turkey: The Coca-Cola Company is a shareholder of Coca-Cola Turkey.

Coca-Cola System: Denotes The Coca-Cola Company and its Bottling partners.