

A Transformative Partnership to Conserve Water Annual Review 2010

World Wildlife Fund (WWF) and The Coca-Cola Company recognize the critical importance of safeguarding our global water supply. Our successful partnership efforts to conserve water around the world have reinforced our belief that collaboration can produce much more powerful results than any single organization could achieve alone.

In 2010, we continued our collaboration to make measurable progress toward five specific goals:

- 1. Conserve seven of the world's most important freshwater basins
- 2. Improve water efficiency within the company's operations
- 3. Reduce the company's carbon emissions
- 4. Promote sustainable agriculture
- 5. Inspire a global movement to conserve water

We made significant progress in each of these areas during the past year. We are pleased to see that our ongoing work is beginning to result in confirmed signs of river, habitat and species restoration; improved water efficiency across Coca-Cola's global bottling operations; and reduced environmental impacts in its supply chain.

This report summarizes our accomplishments throughout 2010, outlined by goal.

2010 Progress

Goal 1: Conserve seven of the world's most important freshwater basins



Though water covers 70 percent of the Earth's surface, less than 1 percent is the fresh water that is needed for the survival of humans, wildlife and nature. This is why conserving our valuable freshwater sources is vitally important to both WWF and The Coca-Cola Company. We are working together to restore and conserve seven of the world's

most important freshwater basins: the Yangtze, Mekong, Danube, and Rio Grande/Rio Bravo rivers; Lake Niassa; the Mesoamerican Reef catchments; and the rivers and streams of the southeastern United States. The following section provides highlights of our partnership's 2010 project work and accomplishments in each of these basins.



Yangtze – The Yangtze River flows for nearly 4,000 miles and provides China with close to 40 percent of its fresh water. In 2010 the partnership worked to protect and conserve the Yangtze by supporting a variety of efforts to

inspire better governance and sustainable river management practices.

One example of an initiative to inspire better governance can be found in the partnership's work in the Huoxi River, a waterway in the Minshan mountains that flows into the upper Yangtze. The Huoxi River is a source of hydropower for the region, and several dams have been built there to divert the river's water for hydropower use. These dams have decreased the flow of water in the river, threatening the well-being of area wildlife, migrating fish, and local fishing and farming communities, which rely on a healthy river to survive.

To tackle these problems, the global partnership between WWF and The Coca-Cola Company engaged industry leaders and officials from key government bureaus in participatory watershed dialogues. These dialogues were designed to address ways to build more sustainable water resource management into policy decisions and business operations.

As a result of these talks, the partnership secured an important milestone in 2010. A prominent hydroelectric enterprise in the upper Yangtze, the Fujiang branch of the HuaNeng Group, made a commitment to adjust its Huoxi River dam operation to restore environmental flows to the river, which will improve the water flow to help cultivate a healthier ecosystem. With this groundbreaking commitment in place, the partnership now plans to document the improvements that result from the HuaNeng Group's commitment and hopes to work with HuaNeng to advocate for the adoption of this type of sustainable hydropower approach at the company's many other branches throughout the Yangtze.

Along with advocating for better governance, the partnership also focused on promoting sustainable river management practices at the community level. From the beginning of our partnership, we have been working in several villages in the Chengdu region of China to help build a more well-rounded approach to pollution control—one that integrates a number of solutions to help protect the watershed, while also providing benefits for local people.

One example of such an effort in 2010 is the partnership's work in the village of Yuantian, where we have helped the community build a new artificial wetland. This artificial wetland functions like a natural wetland—it removes sediments and pollutants from the water that would otherwise end up harming the nearby Youzi River, part of the upper Yangtze River basin. Plus, the wetland also can be utilized as one part of an integrated system of pollution control for the local community. For instance, each household can access cleaner water from the wetland to use for irrigating and growing organic vegetables, which can be sold in the marketplace. Any remaining vegetable food scraps can be used to feed domestic livestock, such as pigs. The livestock's waste can then be put into a biogas digester (provided by the partnership), where it will be converted into green energy that can be used to heat the home and fuel cooking sources in a cleaner and more sustainable way.

WWF and The Coca-Cola Company are helping households in Yuantian convert to this fully integrated, sustainable approach, and will be using these successful examples to demonstrate the benefits to other villages in the region.



Mekong – Sixty million people in Southeast Asia rely on the Mekong River for fresh water and food. The partnership's projects in the Mekong focus on working with local communities to address the interconnection between a healthy forest

and a healthy river basin, and to build working examples of sustainable resource management that also improve quality of life.

For instance, in 2010, the partnership continued to expand its reforestation efforts in Thailand's Chi River Basin, an important sub-catchment area of the Mekong. The partnership team worked with local community volunteers from the areas of Ban Kud Khon Kaen, Ban Kam Noi, and Ban Tha Sa La Cone to plant a total of 11,500 seedlings from 25 different native tree varieties, across approximately 45.5 acres of land near the river.

Volunteers also promoted sustainable agroforestry by planting 8,000 seedlings among local rice, sugarcane and cassava crops. This method of integrating trees with crops helps keep nutrient-rich topsoil in place, which in turn helps to regulate water flow, purify water and improve soil conditions. It also benefits the farmers, because better water and soil conditions bring them improved agricultural yields. Given these many benefits, the partnership wanted to protect the seedlings' survival rates, so during the seasonal drought the team also deployed drip irrigation barrels to provide targeted irrigation to the vulnerable plants.

The partnership also gained important proof this year that such reforestation efforts were making a positive difference. In the fall of 2010, measurements at four community forest plantations showed increases in the amount of vegetation, native tree species, seedlings and wildlife. This indicates that forest restoration is succeeding and benefitting local biodiversity.

Monitoring studies in 2010 also revealed positive impacts in Tram Chim National Park, a wetland in Vietnam that the partnership has been working to restore and reconnect to the Mekong after years of dikes, dams, and road construction had decreased water flow through the park. Last year, the team removed several dikes within the park's boundaries, and this year the benefits of that effort began to reveal themselves. For instance, even in the dry season, bird and fish populations have increased in all areas where dikes were removed—a major indicator of improvement in the health of the river and its surrounding habitat. Water quality also has improved considerably, with water samples in these areas showing higher levels of dissolved oxygen than in areas with more dikes.

This success, in turn, gave the team the evidence and leverage it needed to gain a major breakthrough: approval for extending the reach of our work to a dike that is on the external border of the park. Lowering this border dike will allow us to directly connect Tram Chim's waterways to the Mekong for the first time in nearly 30 years. Construction on this project is expected to be completed in 2011.



Danube – Shared by 19 countries, the Danube basin is the most international river basin in the world. It provides drinking water for more than 20 million people, and is home to more than 5,000 plant and animal species. In 2000, a

major effort to protect the Danube was begun when WWF convened leaders from countries in the lower Danube region to sign the Lower Danube Green Corridor declaration. This multinational declaration pledged to establish a linked corridor of protected areas along the entire length of the lower Danube River.

In 2010, the declaration reached its 10th anniversary. Significant progress toward its end goals has already been accomplished, with 3.5 million acres of river habitat protected—almost twice the declaration's original goal. However, one important declaration objective has been running behind target: wetlands restoration. To address this, the partnership is working to restore the wetlands of the Garla Mare marsh area in southwestern Romania.

Once a part of the Danube River floodplain, the Garla Mare wetland has been completely cut off from the river due to dikes constructed to divert water for fishing ponds and fish breeding nurseries. Working closely with the local community, the partnership aims to reconnect a floodplain near Garla Mare with the lower Danube River in order to restore water flow and habitat, while still maintaining or even improving the livelihoods of the local fish farmers and communities.

The partnership conducted a feasibility study in 2010 to uncover how to attain this goal most effectively. Once the study was completed and a plan was developed, the team worked to engage the local community by creating a virtual wetland model to show local people and land owners how the restoration plans would work, and how they would benefit people as well as nature. Community members are now on board with the plan, and in the upcoming year the team and local community will work together to secure the required environmental permits for restoration projects, as well as the government funds necessary to commence work at the Garla Mare site.



Rio Grande/Rio Bravo - Called the Rio Grande in the United States and the Rio Bravo in Mexico, this river serves as a freshwater source for over 10 million people. In 2010, the partnership made efforts at both the international and local levels to help increase water flow in this vital freshwater basin.

Realizing that planning and policy laws on both sides of the river did not include any requirements about environmental flows, the partnership worked on addressing this major gap in freshwater protection. We provided key environmental stakeholders in the United States and Mexico with a concept paper that explained the crucial need for adding a bylaw focused on environmental flows to the U.S.-Mexico 1944 International Treaty. Recipients included representatives from Big Bend National Park, Comisión Nacional de Áreas Naturales Protegidas (CONANP) and the International Boundary and Water Commission (IBWC).

The partnership is now supporting that initial paper with informational pieces drafted by WWF experts. These materials will explain the important benefits of environmental flow legislation and will include a presentation to IBWC, a white paper, and a brochure about maintaining environmental flows in transboundary basins. If the treaty is amended to include a new environmental flow bylaw, the partnership's work in this area will set an international precedent.

Along with our policy work, the partnership continued its on-the-ground river habitat restoration work. We provided technical expertise and training in soil conservation and habitat restoration to residents of ejidos (community-shared lands) in Mexico's Rio Conchos region. This training is providing local residents with jobs and experience that can improve community livelihoods over the long term while also protecting and rebuilding the river basin habitat.

As a result of this project, in 2010 the ejido residents built 136 check rock dams in local river streams, which will help slow water flow velocities during high rain events, mitigate flooding damage, and prevent soil erosion. Evaluations conducted this year of similar partnership work that has already been completed in the region have shown very positive results: 86.9 percent of our soil retention construction work is still in place; there has been marked improvement in water flow and health; forests and other local habitats are beginning to replenish themselves;

and small-sized fauna populations have increased. This visible improvement to the environment has positively influenced and energized the local population, and communities are now asking for larger investments to continue extending the restoration areas.



Lake Niassa – Mozambique's Lake Niassa is the ninth-largest lake in the world and is home to over 1,000 species of fish—95 percent of which exist nowhere else on Earth. The partnership's main goal in this region is to conserve the lake

and secure the livelihoods of local communities through the establishment of a new protected area, the Lake Niassa Reserve.

In our 2009 review, we reported that we had received all regional approvals for the reserve and expected final national approval and an official declaration in 2010 from Mozambique's Council of Ministers. Unfortunately, local elections this year postponed this from occurring. Despite this setback, the team and its partners have continued to move forward with the reserve declaration. We have received approval for all reserve documents from the National Council of Sustainable Development, the technical advisory body of the Council of Ministers, and a declaration from the Council of Ministers is now pending. WWF's director of freshwater ecosystems visited with key government officials in December, reiterating the importance of the declaration approval. We hope to receive the official declaration during the first quarter of 2011.

While the official declaration was pending this year, the partnership team continued preparatory work for the reserve—including the development of a plan for how we will monitor and evaluate biodiversity progress and measure the success of the project. To help accomplish this, we obtained IKONOS satellite imagery for the area, which shows the lake's shoreline and reveals the current state of its underwater habitat. This allows us to fully assess the current health of the lake and make informed decisions about which conservation and fishing management approaches will be best. Further, since we know that climate change impacts also will have a significant effect on the lake's restoration, project team members received training in climate change adaptation and mitigation strategies, and will be able to include them in future plans and proposals for oversight and protection of the reserve.

Finally, the team also worked in the area to promote responsible community management of the lake and its resources. In 2010, we continued to train community rangers, members of the Mozambique Navy, and government partners in lake management and monitoring strategies and worked with these groups to patrol the lake. These regular patrols have caught and stopped a number of illegal activities that were harming the lake, including illegal fishing operations, irresponsible timber and firewood export, and the use of unsustainable and harmful fishing gear. As a result of these patrols, there has been a marked decrease in such illegal activities, a sign that the team's outreach efforts to engage local people in protecting their region's watershed have been successful.

Mesoamerican Reef Catchments – Stretching 700 miles, the Mesoamerican Reef catchments include numerous watersheds that drain into the reef from Mexico, Guatemala, Belize and Honduras. The reef and its surrounding habitat support more than 500 species of fish, numerous reptiles and mammals, and the livelihoods of over 2 million people. This year, the partnership extended our project work in Guatemala to the Teculután area, which is a sub-watershed of the Motagua River, one of the main contributors of the sediment and organic pollutants that threaten the Mesoamerican Reef. Along with the Water Fund, we financed a project run by a development association of Teculután communities, the Asociación de Desarrollo Integral Agropecuario de las Comunidades de Teculután (ADICOMTEC). The partnership funded the distribution of drip irrigation systems across 5.2 acres of okra crops, and in exchange for this support, the ADICOMTEC members maintained reforestation projects previously put in place by the partnership team, covering 195.2 acres in the upper part of the Teculután sub-watershed.

This project also provided new, sustainable ways to generate income for local families—and especially local women—in the watershed. Livelihood-enhancing projects included establishing a local fish pond, practicing sustainable agriculture, and creating agroforestry systems. All of these approaches will not only boost income, but also will help prevent agriculture and fishing from expanding further into the watershed, which would have degraded water quality.

Based on our successes in Guatemala, the partnership also expanded our work this year to Honduras, where we are working in the Chamelecón watershed, an area where water drains directly into the Mesoamerican Reef. We are focused on bringing improved community water management and sustainable agroforestry and agriculture to the area—especially to plantations growing sugarcane, one of the world's thirstiest crops. These efforts will help the region reduce the amount of sediment entering the watershed, decrease pollution from local sugar plantations, and lower water use at local sugar mills and bottling plants.

Southeast U.S. Rivers and Streams – The rivers and streams of the southeastern United States rank among the world's richest temperate river ecosystems and are a globally significant center of freshwater biodiversity. To help ensure that rainwater is able to flow back into the earth and return to local rivers and streams, the partnership's work in this area has centered around storm water management.

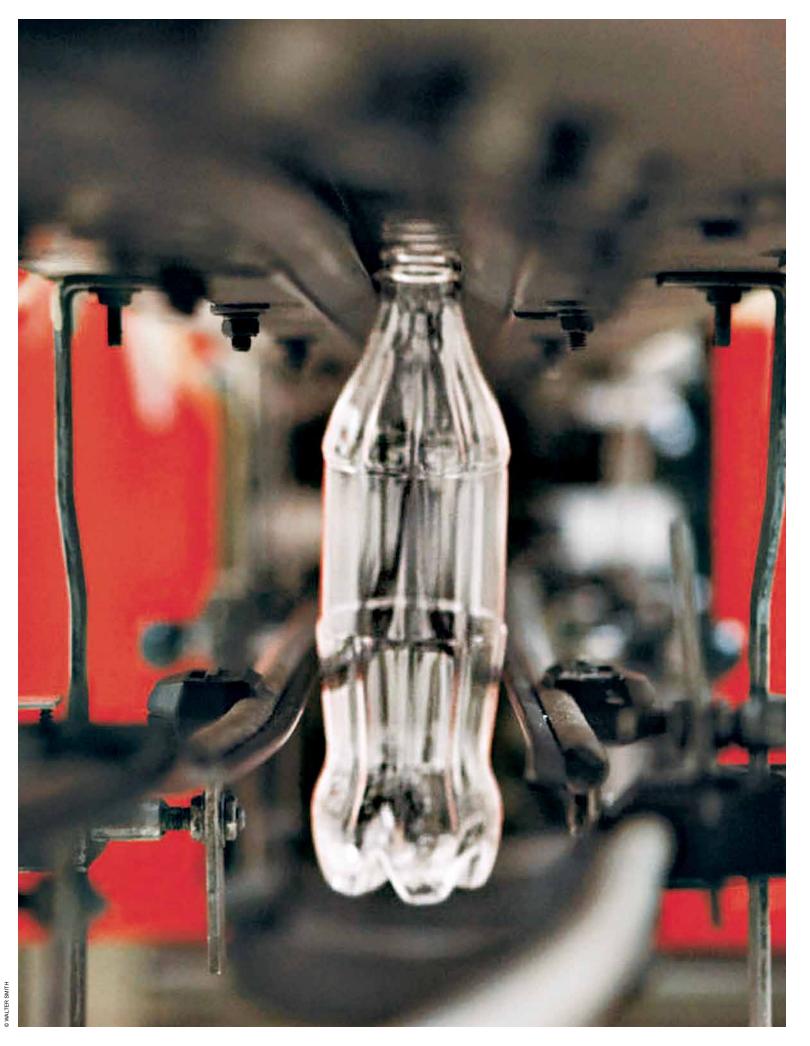
In 2010, the partnership team continued our efforts in this region by hosting storm water management demonstrations, which showcased environmentally friendly solutions such as rain gardens (which allow storm water to absorb back into the earth), bioretention areas (areas of land adapted to treat storm water runoff), and rainwater harvesting (collecting rainwater in containers for future use).

We also had an opportunity to work with city officials, business leaders and other stake-holders in Nashville, Tenn., to help develop effective storm water management approaches following the severe storms and devastating floods the city experienced in May 2010. Working closely with the city, the Corps of Engineers, and a local engineering firm, we have studied flooding patterns in the area in order to develop land and storm water management practices that may help lessen flooding damage for the city in the future. We also created a model to test rainfall events under a variety of different conditions, so that we could educate key city decision makers on how the combined impacts of various development and climate change scenarios could affect future flooding. The results of these tests showed that projected climate change impacts combined with more sprawl could significantly worsen floods, whereas low-impact development approaches could greatly reduce flooding impacts.

The flooding in May also had a direct effect on the area of Brown's Creek, which is a water source for Nashville and home to a Coca-Cola Consolidated (CCC) bottling plant. During the flood, the creek turned into a raging river, which flooded the plant, shut down operations for six weeks, and created hazardous conditions for the surrounding neighborhoods and habitat. After the flood, the partnership team convened a stakeholder group consisting of CCC leaders and city and state officials, who have agreed to work together, share information, and potentially pool funding to comprehensively restore Brown's Creek. In an additional effort, following a two-year discussion between partnership representatives and the city of Nashville, the mayor announced in November a major restoration project that is due to take place on Brown's Creek.

The partnership team also worked to raise awareness through regional public events. One notable example was our work in partnership with the Upper Etowah River Alliance in Georgia. We helped the fire department in Canton, Georgia, install four 1,700-gallon underground cisterns, which collect the rainwater that flows off the fire station's roof. The water collected in the cisterns is redirected to flush toilets in the station, and also is used to wash fire engines and irrigate the surrounding landscaping. The new system is not only saving the fire station money in water bills—it also is keeping more than 200,000 gallons of rainwater out of the storm water drainage system, cutting down on water treatment costs for the city and reducing runoff into the nearby Etowah River.

The hopeful story behind this effort attracted the History Channel, which filmed the installation of the cisterns and plans to air the story in 2011 during a program on southeastern water issues. This exposure will heighten awareness about alternative methods of water resource management throughout the Southeast and beyond.



Goal 2: Improve water efficiency within the company's operations



In addition to river basin conservation, the partnership is committed to improving water use in Coca-Cola's global bottling operations. Working together with WWF, The Coca-Cola Company and its bottling partners have a goal to improve water efficiency 20 percent by 2012.

Analysis of 2009 water use (the most recent year in which data can be studied in full) shows that for the seventh consecutive year, the Coca-Cola system has successfully improved water efficiency within its operations. Plant performance is measured by looking at the system-wide Water Use Ratio (WUR)—the number of liters of water used to make one liter of product. In 2004, prior to initiating the partnership, Coca-Cola's system-wide WUR was 2.70 liters of water used per 1 liter of product. By 2009, after several years of partnership efforts, the overall WUR had dropped to 2.36-to-1. This reflects a 12.6 percent improvement over the 2004 baseline figure, and a 1.6 percent improvement over the previous year. Early data for 2010 also is showing a continuing downward trend, indicating that the company is on track to meet its ultimate WUR target of 2.16 by 2012.

Goal 3: Reduce the company's carbon emissions



Because climate change poses such a significant threat to freshwater systems, the partnership aims to confront the problem and reverse the trend of rising carbon dioxide emissions around the world. We plan to do so by building awareness among Coca-Cola bottlers and encouraging each bottler to develop an action plan to curb emissions.

The team has two system-wide goals for reducing climate-related emissions by 2015: (1) grow the business, not the carbon, system-wide, and (2) a 5 percent absolute reduction in developed countries. The achievement of these targets will be measured by comparing current emissions levels against those in the baseline year of 2004. These commitments are especially critical—and challenging—because the company's operations are constantly growing, which means that if work is not done now to lower carbon emissions, levels could rise significantly.

In 2009, the most recent year for which data is available, emissions levels from manufacturing operations in developed countries measured 2.28 million metric tons. This means operations within developed countries are 7.7 percent below 2004 emissions levels—already surpassing the planned goal of 5 percent. This decrease has occurred even though there was a marked increase in production and volume across the system.

However, while these statistics are encouraging, the total greenhouse gas emissions released by the entire Coca-Cola system (including both developed and developing countries) in 2009 was 5.39 million metric tons, an increase in emissions levels relative to 2004. This disparity is due to emissions increases in operations located in developing countries, including several in the Latin American and Asian markets.

A primary focus for the team in 2010 has been to address this disparity. The team conducted interviews with bottlers around the globe to understand the bottling communities' perspective on the climate targets and studied a variety of strategies to address growing emissions in developing countries. Through these efforts, the team discovered that 80 percent of Coca-Cola's carbon reduction target can be met by following 10 money-saving, energy efficiency measures at the plant level. If the bottling plants across the system engage in these 10 practices, Coca-Cola will be positioned to meet its climate target.

To encourage participation, the partnership developed a "Top 10" campaign, along with a Web site and communication tools for bottlers. The campaign had a soft launch in December 2010, and during that early phase bottlers provided positive feedback on the campaign and its tools, and pledged their support. The full launch of the campaign (in multiple languages) is scheduled for early 2011.

Goal 4: Promote sustainable agriculture



WWF and The Coca-Cola Company are working together to promote more sustainable agricultural practices in an effort to reduce the impact of the company's supply chain on water resources. Our strategy is to progressively target various agricultural commodities that (1) The Coca-Cola Company

is a major purchaser of globally and (2) are grown in areas that WWF considers to be conservation priorities. This year, our project work focused on three such crops: sugarcane, oranges and corn.

Sugarcane – In our 2009 Annual Review, we discussed our work with the Better Sugarcane Initiative, which has now been renamed Bonsucro. In 2010, we continued our work with Bonsucro, and together we successfully finalized standards for growing and milling sugarcane. This is a significant achievement because, moving forward, The Coca-Cola Company will be able to take positive steps toward more sustainable sourcing of sugarcane.

As part of its sugarcane efforts, the partnership is conducting several pilot projects in sugarcane-producing countries. The goal of these projects is to encourage better management practices at the field level and improve sugarcane production throughout Coca-Cola's supply

chain. Our sugarcane pilot project in Australia, run by the local conservation collaborative Project Catalyst, continued to perform strongly in 2010. The program promotes innovative sugarcane farming methods that improve water quality and thus help conserve the Great Barrier Reef.

This year, Project Catalyst received further support from The Coca-Cola Foundation, as well as from the commonwealth, state governments, and contributions from farmers, and was able to expand beyond the original 19 growers it was working with last year in the Mackay Whitsunday region. We have added 50 additional farmers to the program, some within the original region and others in two new regions: Burdekin and Wet Tropics. Along with this success, Project Catalyst's work also was acknowledged on the national level when it was awarded the 2010 Banksia Environmental Award in the "Agriculture and Food" category, which is given to projects that, "demonstrate leadership and innovation in moving us to more sustainable and productive agricultural and food manufacturing practices and management."

Along with our work in Australia, the partnership also has begun sugarcane pilot projects as planned in Brazil, Honduras, and South Africa, with similar initiatives under way.

Oranges and Corn – This year we expanded our sustainable agriculture efforts to include two new crops, oranges and corn. Both of these projects are in their developmental stages.

In 2010, the partnership rolled out a survey to several of The Coca-Cola Company's major orange suppliers, in order to better understand the production practices of orange farmers and the impacts of orange tree plantations. The information gathered from these surveys has allowed us to assess risks and opportunities for reducing growers' environmental footprints, and to develop a sustainable management strategy for orange crops. Beginning in 2011, we will take steps to implement this strategy.

To develop plans for more water-friendly corn farming strategies, in 2010 the partnership held extensive talks with conservation and agriculture organizations with the goal of working together to develop pilot projects. We have begun an assessment in the Paw Paw Catchment of Michigan in order to understand agricultural trends and management practices in the corn farming industry, and from that information we will develop recommendations for better management practices and strategies for community outreach and education. The partnership also developed a study that can be used to measure the results of 12 to 20 farmers in the area who have volunteered to implement better management practices.

Goal 5: Inspire a global movement to conserve water



In 2010, the partnership raised awareness about freshwater issues and our work through media outlets and public events worldwide. We also continued to promote our partnership model in ways that inspired similar collaborations between other business and conservation communities around the globe.

Raising global awareness – During 2010, our partnership team not only worked on our conservation goals, but also promoted awareness about our project work and its benefits through media exposure, communications campaigns, and a presence at water and climate-themed summits and international conferences. Below are just some examples of the kind of global awareness outreach work the team engaged in this year.

Media coverage – During 2010, 1,451 stories about the partnership and its work were featured by major media outlets and publications around the globe, including CNN International, the *Los Angeles Times, Financial Times, Harvard Business Review, The Guardian* and *Bangkok Post*.

World Water Week – The partnership continued its annual participation in World Water Week in Stockholm, which brings together experts, practitioners, decision makers, and leaders from around the globe to exchange ideas and develop solutions to freshwater issues. This year, the conference theme was "Responding to Global Changes: The Water Quality Challenge—Prevention, Wise Use and Abatement."

The partnership team participated in a number of events and panels, including meetings of the Water Footprint Network, the CEO Water Mandate, and a stakeholder meeting focused on assessing and reducing corporate water footprint. These events provided opportunities to share partnership work and successes. Additionally, the partnership team promoted our work by launching the "Water Sustains Us, Conservation Unites Us" partnership video, which provided an overview of partnership work, interviews with partnership leaders, and an in-depth look at two of our river basin projects.

Keystone Youth Policy Summit – Since 2004, The Keystone Center has gathered youth together in discussions with leaders in the public, private, and civic sectors to confront and solve society's most challenging environmental, energy, and public health problems. In 2010, the center's Youth Policy Summit was held in Birmingham, Ala., where the partnership team hosted two programs that challenged youth to address water resource issues in the southeastern United States.

The first program was a rain barrel workshop, where youth learned about the environmental benefits of rainwater harvesting. The partnership team provided materials so participants could construct their own rain barrels, which they could then take back to use at their schools and to educate others in their communities about storm water issues. The second event was a panel discussion, in which leaders from The Coca-Cola Company, Alabama Power, Birmingham Water, and Vulcan, an energy company, talked to youth about building water efficiency and reuse efforts into company operations, and how these decisions can affect the community.

UN Climate Change Conference (COP 16) - Because climate change is one of the most significant threats to freshwater ecosystems, it is important that the partnership participates in both water and climate change events to discuss and promote our work. During this year's UN Climate Change Conference in Cancun, The Coca-Cola Company hosted a kick-off event called "Business Action for Climate 2010," to discuss ways in which private sector leadership can take action on climate change. The event featured Mexican President Felipe Calderón; Christina Figueres, executive secretary of the UN Framework Convention on Climate Change; Carter Roberts, president and CEO of WWF; Muhtar Kent, chairman and CEO of The Coca-Cola Company; Andrew Liveris, chairman and CEO of The Dow Chemical Company; Jim Rogers, chairman, president and CEO of Duke Energy; and José Antonio Fernández, chairman and CEO of FEMSA.

The discussion, moderated by PBS's Charlie Rose, identified the kinds of progress that the international business community wants to see from governments on creating policy and financing for private investment in a clean economy. The partnership provided extensive support to this ambitious event, including planning, media relations and communications materials.

Inspiring global collaboration - During 2010, our partnership model inspired other business, government and conservation organizations around the world to join together to address water issues. Below are three examples of these growing worldwide collaborations, which are now under way in more than 40 countries.

Panama: Vigilantes del Agua ("Water Watchers") - WWF and Coca-Cola in Panama, in partnership with the Institute of Aqueducts and Sewers and the Ministry of Education, are training schoolchildren to become "water watchers." Through workshops and visits to a water treatment plant, the Vigilantes del Agua project teaches children the importance of water and promotes efficient water use in their homes, schools and communities. Additionally, the partnership has transformed three public schools into models for sustainable water use in the area by installing water-saving equipment such as low-flow toilets and improved piping to avoid water leaks.

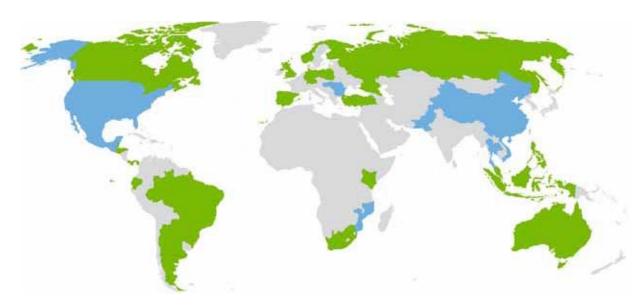
Poland: Rivers for Life, The Vistula – An important part of ensuring river health is maintaining a healthy population of river species. The Rivers for Life program in the Vistula River region of Poland is a collaboration between Coca-Cola and WWF in Poland that works to reintroduce and protect salmon in the Vistula Basin and educate secondary school students on the conservation of this species and the importance of protecting river habitats. To date, a total of 1,800 students from 50 schools have participated in these interactive "Salmon Reactivation" education programs, and 700,000 young salmon have been released into the Vistula River.

Malaysia: Protect Our Water, Protect Our Lives - Recognizing the numerous threats and challenges facing Malaysia's freshwater ecosystems, this collaborative project between WWF and The Coca-Cola Company in Malaysia is promoting conservation, integrated management, and the sustainable use of freshwater resources. In three key locations in Peninsular Malaysia, we are advocating for integrated policies and approaches that will protect local river catchments. The project also is working with government decision makers, natural resource managers, and local communities to monitor biodiversity, promote a Payment for Ecosystem Services (PES) scheme at two sites, and develop a water action plan for selected schools that will include hands-on water learning stations and a toolkit for water quality monitoring and rainwater harvesting.

In Conclusion

In 2010, WWF and The Coca-Cola Company continued to make progress on our partnership goals, witnessing a variety of successes, and refining and developing new approaches for river basin restoration and sustainable water management. We will carry this work forward in the upcoming year and report the results in our next annual review. In the meantime, we will continue to spread the word about the power of partnership. By doing so, we hope to set an example that inspires even more organizations to collaborate to protect one of the world's most precious resources, our freshwater.

The WWF and Coca-Cola Freshwater Collaboration 2010



Countries in our initial collaborative partnership:

Bulgaria China Guatemala Hungary Mexico Mozambique Romania

Thailand **United States** Vietnam

Countries involved in active discussions and collaborations inspired by our initial partnership:

Honduras

Indonesia

Malavsia

Norway

Pakistan

Panama

Paraguay

Philippines

Kenya

Argentina Australia Belize Brazil Canada **Ecuador** El Salvador Finland Germany

Poland Portugal Russia South Africa Spain Turkey United Kingdom

To follow our partnership work throughout the year, visit

worldwildlife.org/water/cocacola wwf.thecoca-colacompany.com

