How has Coca-Cola integrated human rights into its business decisions and operations?

The starting points for business integration of human rights in business decisions are the company’s Human Rights Statement and Workplace Rights Policy adopted in 2007. Every manager receives in-depth training on these policies, and there is a detailed Managers’ Guide that provides guidance based on extensive human rights advice provided by the Danish Institute for Human Rights. In addition, to date, we have developed five human rights due diligence checklists on plant siting and expansion, child labor, contract labor, migrant labor and micro distribution centers. Other checklists will be developed on an ongoing basis. In 2011, all managers and employees were required to certify that:

• they had read and understood the policies;
• they had acted consistent with those policies, and;
• they knew of no violations of those policies that had not been reported.

Every employee worldwide can file confidential reports on our Ethics and Compliance platform, either by phone or via the internet, if they believe their rights have been violated. These reports are promptly investigated and remedies provided as appropriate to the situation. Our Supplier Guiding Principles, which mirror the Human Rights Statement and Workplace Rights Policy, apply to our franchise bottlers and suppliers. These principles make clear that having grievance procedures for their workers, and the members of the communities in which they operate, is a best practice.

We conduct more than 2,400 audits each year with the company, our franchise bottlers, and our supply chain to ensure compliance with the workplace and human rights policies. We maintain a global compliance scorecard for all our business units, bottlers and suppliers for which business leaders are held accountable.

The company’s Code of Conduct covers various aspects of human rights, such as corruption, for example. In addition, primary responsibility for particular human rights risks are assigned to members of the company’s Enterprise Risk Council, e.g., human resources, strategic security, health and safety, and environment and water, for cross-functional application and integration across the business. Our annual sustainability report, which includes human rights, follows the Global Reporting Initiative framework and is verified through an external agency. Throughout the year, there are several communications to all employees and managers on the corporate responsibility to respect all human rights.

I report regularly to the Board of Directors on human rights, child labor and labor relations issues.

How has the company engaged the bottling system and suppliers on human rights?

In addition to the workplace and human rights audits mentioned earlier, workplace and human rights is a regular agenda item at meetings with our largest bottlers, who produce more than 70 percent of our trademarked beverages. The process leading to adoption of the Human Rights Statement and Workplace Rights Policy involved extensive engagement with the largest bottlers and agreement on the words in the policies. When the policies were announced in 2007, all bottlers were asked by the Chairman to either adopt the policies or adopt comparable policies. On a global and regional basis, we work with the bottlers on human rights issues and share tools, processes and training materials to demonstrate respect...
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for all human rights. Bottlers are invited to attend the annual human rights conferences that we host in Atlanta. We conduct training of our suppliers on human rights principles. In 2009, we were one of five founding companies of the Global Business Initiative on Human Rights. One of its purposes is to bring human rights concepts to companies in the southern hemisphere. We are using GBI to help us scale up awareness, understanding and compliance of our supply chain through regional human rights meetings hosted by GBI. We invite several hundred of our suppliers to these meetings.

*How did trafficking and slavery first become an issue for Coca-Cola?*

Forced labor, trafficking and slavery are expressly prohibited under the Workplace Rights Policy and Supplier Guiding Principles. In 2007, the International Labor Organization (ILO) asked us to host a forced labor conference in Atlanta to introduce U.S. multinational companies to forced labor and trafficking issues. Nearly 100 individuals from 46 companies attended the meeting in which David Schilling participated. In 2009, through our workplace and human rights audits conducted in the Middle East, we found that some bottlers and suppliers were holding the passports of migrant workers.

*What is the company doing to address human trafficking and modern slavery?*

Working with the ILO and its forced labor experts on the Middle East passport issue, we developed and applied a guideline to help prevent possible restrictions on the freedom of movement by migrant workers. We are now focused on recruitment agencies, fees and other factors that could result in human trafficking. The migrant labor human rights due diligence checklist is a direct result of this experience and has benefited from the migrant labor project of the Institute for Human Rights and Business.

*Can you tell us about Coke’s role in the Business Coalition Against Human Trafficking and the recent conference on trafficking and slavery in February?*

The company was an early participant in BCAT. On February 13, we recently hosted a BCAT meeting of the founding companies in Atlanta and expect there will be a public announcement later this Spring regarding the formation of BCAT and its work program.

The February 14 program was our fifth human rights conference. This year’s title is “Engaging Business: Addressing Human Trafficking in Labor Sourcing.” The agenda for the meeting focused on the business case for addressing human trafficking, the legal considerations, company experience with remediating human trafficking, and networks and tools for companies to use.

*What role has ICCR played in Coca-Cola’s development and implementation of human rights policies, specifically trafficking and slavery?*

ICCR was a significant catalyst that led to the company’s adoption of the Human Rights Statement and Workplace Rights Policy in 2007. Through David Schilling, ICCR has been a speaker and participant at three of the five human rights conferences we have hosted including this year’s trafficking conference. David was one of the key sounding boards that we relied on in putting this year’s program together. ICCR was the first organization to bring the importance of trafficking to the company’s attention. As a direct result of the discussion in 2010, we included our migrant labor issue in our 2010 and 2011 sustainability reports.