



June 12, 2019

Accompanying document to Coca-Cola's entry into the European Commission's Pledge Registry for the uptake of plastic recycled content

The Coca-Cola Company and its leading European bottling partners outline a voluntary Europe-wide pledge to use 50% recycled plastic (rPET) content in their beverage bottles by 2030. The pledge, made jointly by the Company's leading bottling partners Coca-Cola European Partners and Coca-Cola Hellenic Bottling Company, represents more than 180,000 metric tonnes of recycled plastics that will be used annually in beverage containers across Europe by 2030, and advances the average of 18% rPET used in plastic bottles today.

Supporting the European Commission call for industry contributions to increase rPET use and accelerate the circular economy, the companies aim to use an average of 45% rPET use across their beverage portfolio by 2025, equating to more than 160,000 metric tonnes of recycled PET. Furthermore, the companies anticipate that effective waste management programs will help achieve the target of using an average of 50% recycled plastic content in multiple European Union countries already by 2025.

The pledge represents a continuation of the Coca-Cola system's global commitment to investing both in its own packaging and in the planet to help create a *World Without Waste*. Recognizing the importance of effective waste collection systems that will help increase the availability and affordability of recycled material, The Coca-Cola Company aims to help collect and recycle the equivalent of 100% of all its packaging worldwide by 2030. It will also ensure that all its packaging is 100% recyclable by 2025. The European Union pledge also reinforces existing independent goals that have been set by [Coca-Cola European Partners](#) and [Coca-Cola Hellenic Bottling Company](#) which reflect both current recycling and collection rates across the countries they serve, and anticipated availability of food-grade recycled PET.



This pledge is across the bottling partners' packaging portfolio and across geographies. The bottlers are free to apply the committed amount of rPET at any time, in any PET bottle, and in any market, as long as by 2025 they reach the pledged volume annually¹. We do not provide volumes per packaging or per market.

The committed tonnage of rPET use by 2025 is *ceteris paribus* versus 2017. Market developments, packaging portfolio developments and sales volume developments have not been taken into account and kept at the level of our last full year, 2017. Predicting these developments seven years ahead is unreliable.

Recognizing the importance of effective waste collection systems that will help increase the availability and affordability of recycled PET, The Coca-Cola Company aims to help collect and recycle the equivalent of 100% of all its brands' packaging worldwide by 2030. It will also ensure that all its packaging is 100% recyclable by 2025. Significant steps have already been taken in improving the sustainability of packaging and driving down its carbon footprint, including light-weighting programs that have reduced the amount of packaging required by up to 27%, introducing renewable materials such as PlantBottle™ and building partnerships to help overcome technical barriers to recyclability.

Conditions for the attainment of the pledge:

For the above pledge to be successful, it is important that the following conditions are met:

- The successful use of significant quantities of recycled content depends on waste management realities. For the Coca-Cola bottling companies to meet their pledge by 2025, there needs to be a sufficient amount of food grade rPET available at a reasonable price. There are several waste management conditions to achieve this.

¹ The territories covered include all the EU Member States where CCEP & CCHBC operate, including Norway and Switzerland



- Both in the EU Plastics Strategy and Proposal for a Directive on the reduction of the impact of certain plastic products on the environment, the European Commission suggests to Member States to reach high collection rates through any type of collection schemes they choose, without the necessary guidance for implementing them in practice. Similar to the minimum requirements for the functioning of Packaging Recovery Organizations in the Waste Framework Directive, we believe that minimum requirements for the introduction of Deposit Refund System (DRS) are needed in case Member States choose to introduce this form of Extended Producer Responsibility scheme.
- For a DRS to be cost-efficient, economically viable, stable, efficient that fulfils societal needs, the following should be in place:
 - Member States wishing to introduce DRS, should introduce legislation that sets out the: a) product and packaging scope, b) key requirements for a DRS and related obligations for industry and retail and c) conditions for accreditation of the Central Deposit Management Organisation, including its annual reporting.
 - Similar to the original Packaging Recovery Organisation, any DRS should be set up and run by the obliged industry. It is in their direct interest that the system is effective in meeting their legal obligation and as cost-efficient as possible. A Central Deposit Management Organisation would have to be: a) Co-owned by the relevant beverage industry stakeholders (fillers, brewers, retailer), b) run as a not-for-profit organisation, c) accredited by the government and d) operated on national scale (one organisation).
 - National scale: To serve the consumer and reduce complexity and the risk of fraud and free-riding, a DRS would have to be run on a national scale.
- In order to be recycled in the end, packaging needs to be recyclable. We therefore are committed to have all our packaging be 100% recyclable by 2025.
- With the current state of technology and legislation, sufficient food-grade rPET can only come from a relatively clean and homogenous feedstock from food and drink packaging. We therefore are committed to collect the equivalent of 100% of the packaging we put on the market



by 2030. We therefore also support the European Commission's proposal to separately collect 90% of plastic beverage containers by 2029.

- As with the current recycling methods (mechanical recycling), food-grade rPET can only come from food and drink packaging, and in the context of a mandatory collection rate for plastic beverage containers, we urgently call upon the EU legislators to to dedicate feedstock from food and drink packaging sources for use within the EU.

This pledge is submitted in the context of the voluntary exercise proposed by the European Commission, in order to evaluate the quantitative and qualitative enablers and barriers for the uptake of recycled plastic content and achieve the objective of 10mn tonnes of recycled plastic in new products by 2025, across all the industries.

We fully support the Commission's collaborative, cross-sector approach to addressing society's waste problem, and as the largest beverage producer in Europe we are firmly committed to partnering to identify solutions to this complex problem. Coca-Cola and its bottling partners in Europe, Coca-Cola European Partners and Coca-Cola Hellenic Bottling Company, remain at the Commission's disposal to answer any questions relevant to this pledge and its accompanying conditions. Should you require further information, Wouter Vermeulen (wovermeulen@coca-cola.com) in EMEA Public Policy Center will address your questions.

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