AS YOU SOW

2016 Shareholder Resolution
COCA-COLA
Request: Renewable Energy Goals

WHEREAS:

To mitigate the worst impacts of climate change, the UN estimates that the U.S. must reduce its carbon dioxide emissions 80% by 2050. (IPCC, 5th Assessment Report, 2013)

Coca-Cola's carbon emissions are globally significant, exceeding over 80 nations' respective carbon emissions from energy. (Coca-Cola website, "Manufacturing Emissions"/ EIA, International Energy Statistics)

Coca-Cola's carbon emissions from manufacturing are growing, and increased every year since 2010. (Coca-Cola 2014/2015 Sustainability Report) Coca-Cola says its carbon emissions are "off-track", and that "our renewable energy program has not scaled up as quickly as originally intended." (Coca-Cola Website, Manufacturing Emissions, 2015)

Coca-Cola uses "a significant amount of electricity, natural gas and other energy sources […] An increase in the price, disruption of supply or shortage of fuel and other energy sources […] could increase our operating costs and negatively impact our profitability." (Coca-Cola 2015 10k).

Coca-Cola also warns that "Climate change may also exacerbate water scarcity […] which could limit water availability for the Coca-Cola system's bottling operations. Increased frequency or duration of extreme weather conditions [and] the effects of climate change could have a long-term adverse impact on our business and results of operations." (Coca-Cola 2015 10k)

Investing in carbon reduction infrastructure can benefit Coca-Cola's shareholder value. Carbon reduction activities can be lucrative, yielding ROIs exceeding 30%. ("Lower emissions, higher ROI: the rewards of low carbon investment", CDP, 2014)

Research also indicates that when corporations track, manage, and reduce climate impacts, financial performance can improve, including enhanced return on equity, stronger dividends, lower earnings volatility, and minimized regulatory risk. ("S&P500 Leaders Report", CDP, 2014)

Companies including Google, Nike, Walmart, Johnson and Johnson, Goldman Sachs, Microsoft, Whole Foods, the North Face, Kohl's, Apple, and Intel have all committed to 100% renewable energy. (Getting to 100, CleanEdge 2015)

According to Eric Schmidt, Google's CEO: "Much of corporate America is buying renewable energy […] not just to be sustainable, because it makes business sense, helping companies diversify their power supply, hedge against fuel risks, and support innovation in an increasingly cost-competitive way." ("Google's commitment to sustainability", Google Green Blog, 2014)

BE IT RESOLVED:

Shareholders request that Coca-Cola produce a report assessing the feasibility and climate benefits of adopting enterprise-wide, quantitative, time bound targets for increasing Coca-Cola's renewable energy sourcing. The report should be produced at reasonable cost and excluding proprietary information, by October 2016.

SUPPORTING STATEMENT:

The report could include an analysis of a range of options and scenarios for achieving renewable energy targets, using on-site distributed energy, off-site generation, power purchases, and renewable energy credits, or more.