

<u>Canadian Children's Food and Beverage Advertising Initiative:</u> The Coca-Cola Company's Commitment

FINAL

Section A -- Identifying Information

The corporate name and address of the participant:

Coca-Cola Ltd. 335 King Street East, Toronto, Ontario, M5A 1L1

Point of contact for implementation of Initiative:

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This commitment covers all brands owned by Coca-Cola Ltd. Canada, including:

Coca-Cola

Coca-Cola Zero

Cherry Coke

Diet Coke

Vanilla Coke

Barq's

Diet Barq's

Sprite

Sprite Zero

Fanta

Fresca

Five Alive

Minute Maid

Simply

Nestea

glaceau vitaminwater

glaceau smartwater

Dasani

Odwalla

Fruitopia

Powerade

Core Power

FUZE

ZICO

Section B -- Core Principles - Coca-Cola Canada's commitment to Responsible Marketing

Coca-Cola Ltd. recognizes the positive and important role it can play in helping to shape choice, and developing and promoting a variety of beverage choices for young people that provide refreshment, enjoyment, nutrition and hydration. To help us do that, we define and update our operating guiding principles from time to time. We listen to our customers as well as to our consumers, many of whom are parents, teachers, doctors and community leaders. In response to their needs, our current advertising policy reflects our commitment to support parents and other caregivers in their special roles as gatekeepers in all decisions affecting the lives of their children, including beverage choices. Accordingly, Coca-Cola Ltd. will not directly market to children under the age of 12. We firmly believe that all of our products are of the highest quality and suitable for all consumers. But at the same time, we understand that children are impressionable, and we respect the role of parents and caregivers in raising them.

More specifically:

Television, Radio and Print

Coca-Cola Ltd. will not place any of our brands' marketing in television, radio and print programming made specifically for children. This means that we will not buy advertising in programs with an audience profile higher than 35% of children less than 12 years of age. We are sensitive to the fact that children may also be watching programs with their family, and we make every attempt to ensure that our advertising is appropriate for a general audience.

Internet and Mobile Phones

Coca-Cola Ltd. recognizes the growing use of the Internet and mobile phones amongst children. While we believe the Internet can be a wonderful learning tool and mobile phones may be considered a necessity, Coca-Cola Canada will not buy advertising on Internet sites/mobile phones directly targeted to children. Where data is available, we will not place our marketing messages on Internet or mobile phone programs where more than 35% of the audience is comprised of children under 12.

Use of licensed characters

As we have in the past, Coca-Cola Ltd. will continue to be responsible when pairing our brands in licensing and promotional activities that include other food categories. We will continue to avoid the use of third party licensed characters in any form of company advertising in any media that is primarily directed to children under 12.

Product placement

Coca-Cola Ltd. will not feature our beverages within program/editorial content of any medium primarily directed to children under 12.

Interactive games

Coca-Cola Ltd. does not conduct promotional efforts in interactive games that are directed primarily to children under 12.

Advertising in schools

Coca-Cola Ltd. and its bottling system do not advertise in schools (elementary through high school). We adhere to the Canadian Beverage Association's *Industry Guidelines for the Sale of Beverages in Schools*, which were developed in 2009, to guide all Canadian school agreements. The guidelines limit beverages in schools to:

Elementary Schools f

- Bottled water any size
- Up to 250ml of 100% juice with up to 130 calories/250mL
- Up to 250mL of low-fat and non-fat regular and flavoured milk* with up to 160 calories/250mL

Middle Schools**

- Bottled water any size
- Up to 300ml of 100% juice with up to 130 calories/250mL
- Up to 300mL of low-fat and non-fat regular and flavoured milk* with up to 160 calories/250mL

<u>High Schools</u> (at least 50% of beverages offered in high schools must be water and low- or no- calorie options)

- Bottled water any size
- Low- and no-calorie beverages any size with up to 10 calories/250mL
- Up to 355ml of 100% juice with up to 130 calories/250mL
- Up to 355mL of low-fat and non-fat regular and flavoured milk* with up to 160 calories/250mL
- All other beverages any size with up to 70 calories/250mL

These standards were developed in direct consultation with leaders from the education community. They are designed to support parents and educators in guiding young people to learn how to make responsible choices. They accelerate the shift to lower-calorie and nutritious beverages that children consume during the regular and extended school day.

Additionally, vending machine fronts in schools at all levels reflect brands consistent with the product guidelines above or non-commercial messaging. These guidelines do not prevent the company or its bottlers from offering appropriate, un-branded programs to schools that encourage physical activity, academic achievement and positive youth development.

Compliance of advertising messaging principles

Coca-Cola Ltd.'s Responsible Marketing Policy is already in place in Canada and is being fully implemented. In accordance with the Initiative, we will continue to submit our media plans to the ASC to demonstrate that we are in compliance with our current Responsible Marketing Policy as it relates to children under 12.

^{*} Milk includes nutritionally equivalent milk alternatives, such as almond, rice, or soy milk beverages.

^{**} As a practical matter, if a school has a combined student body of elementary and/or middle and/or high school students with shared access to areas on a common campus or in common buildings, then the school community has the option to adopt the higher age range. September 2012

Coca-Cola Ltd. fully supports self-regulation. We will continue to adhere to all applicable laws and will be guided by our federal, provincial and local governments. We also will continue to abide by self-regulated industry standards such as Advertising Standards Canada's Canadian Code of Advertising Standards, the Canadian Association of Broadcasters' Broadcast Code for Advertising to Children, and the Canadian Beverage Association.

Coca-Cola Ltd. continues to expand our beverage portfolio through package and product innovations and acquisitions in order to offer the broadest range of beverages to meet changing consumer needs. It is our intent to ensure that formulations and messaging are consistent with current Initiative guidelines.

Implementation schedule

Coca-Cola Ltd.'s Responsible Marketing Policy is already in place in Canada and is being fully implemented. Some of our efforts date back more than 50 years. We are working aggressively with our foodservice and bottling partners to ensure we continue to adhere to it.

Coca-Cola Ltd. has always taken seriously its responsibility to be a good corporate citizen. We are committed to offering consumers a variety of beverages to choose from in a broad mix of package sizes to suit all occasions and lifestyles. We are committed to being part of the solution by being a credible business partner and helping to shape informed choice.