



Open Letter to The Coca-Cola Company

March, 26 2010

To : Mr Potter, Director of Global Labor relations
Mr Kaerhoeg , Group Communications Director

Peuples Solidaires is a French NGO of international solidarity associated with the international network ActionAid, present in 50 countries. Its 9 000 members and 70 local groups support men and women who, all around the world, fight for their rights.

In December 2009, Peuples Solidaires was informed by its Chinese partner Students and Scholars against Corporate Misbehaviour (SACOM), of the investigations led in 2008 and 2009 at different Coca Cola Chinese bottlers by the Coke Concerned Student Group (CCSG), and which show severe legal violations, in particular, long term and high volume use of dispatch labour, frequent workplace injuries, insufficient safety measures, wage deductions, wage arrears, excessive overtime, etc. Those violations contravene both to Chinese labour laws and your own commitments towards consumers (as expressed in your Supplier Guiding Principles (cf. http://www.thecoca-colacompany.com/citizenship/supplier_contract_policies.html))

In January 2010, Peuples Solidaires launched a letter campaign to support SACOM's demands and to urge your company to put an end to the labour rights violations at your Chinese bottlers. Thousands of protest messages were sent to Coca-Cola's Director of Global Relations, Mr Potter, by concerned French citizens and consumers.

In an e-mail response to Peuples Solidaires' members, dated from February 2010, the Coca-Cola Company states that it has "robust programs in place to monitor and audit the workplace practices of (its) bottlers and suppliers to ensure full compliance with China's labour laws". It also informs that an independent third party auditor has been hired to "conduct further audits of the relevant bottlers and their contract labour providers".

As you certainly are aware, extensive research and independent investigations have shown that no monitoring program or audits are in capacity to guarantee that workers' rights are implemented all along the supply chains. Peuples Solidaires therefore believes that, no matter how robust the Coca-Cola company's monitoring programs might be, the results of the independent investigations led by the CCSG should be taken into account, and SACOM demands fully addressed by your

company. Providing SACOM with the results of the audits led at your bottlers would help in entering into transparent dialogue with them.

In its response to Peuples Solidaires, the Coca-Cola's Group Communications Director also informed our participants that a meeting between your company and representatives of SACOM and CCSG has taken place on December 17, 2009.

Although Peuples Solidaires recognizes Coca-Cola's effort to enter into dialogue with SACOM, it believes genuine dialogue requires that your company agrees to take into account the findings of the CCSG – as reported in its investigations reports (cf. investigations reports on SACOM's website). By denying the violations observed by the CCSG at your Chinese bottlers, your company does not allow for constructive dialogue. We understand that as a consequence of this behaviour, CCSG and SACOM made the decision that they will not meet again with Coca-Cola until your company brings up concrete proposals for conversion plan for dispatched labour and labour rights training.

Indeed, we note that the Coca-Cola Company did not respond to SACOM's demand for the implementation of a labour rights training programs at its Chinese bottlers. Yet, such a program would allow workers to be aware of their rights and to know how to assert them. A labour rights training program would contribute to Coca-Cola's commitment to get its suppliers to comply with its Supplier Guiding Principles.

Peuples Solidaires therefore renews its demands to the Coca-Cola Company and urges it to:

1. disclose the percentage of the use of dispatch labour in your bottling plants;
2. convert the dispatch workers into regular workers and ensure that no dispatch worker will be unlawfully dismissed;
3. provide labour rights training for all workers in your production facilities.

Sincerely yours,

PEUPLES SOLIDAIRES in association with ActionAid