



Beverages

Driving forces

In the global beverage industry, the focus on health and nutrition continues to drive changes in the market and therefore companies' strategies. Demand for carbonated soft drinks (CSD) has been in decline for years, particularly in developed markets. Consumer preferences are shifting towards healthier alternatives and/or lower-calorie substitutes such that companies must innovate to re-formulate products which promote well-being by increasing nutritional content while lowering the amounts of artificial additives. While opportunities exist in emerging markets where favorable demographic trends are boosting consumption, company's also must ensure their businesses operate sustainably in terms of marketing practices and environmental management. Given the large proportion of calories consumed through CSDs, sugar and other ingredients as well as advertising strategies have increasingly come under scrutiny and face new regulations or taxes. Producers of alcoholic beverages have long faced similar legal barriers in developed markets, but must also maintain effective and responsible marketing strategies in emerging markets with less regulation. Given its status as a key ingredient in beverages, water quality is an abiding concern for producers and local governments. The management of water-related risks is key to ensuring a sustainable, long-term production base especially in regions with increasing water scarcities.

Highlighted criteria

Economic Dimension
 – Health & Nutrition
 – Corporate Governance
 – Strategy for Emerging Markets
 – Supply Chain Management

Environmental Dimension
 – Operational Eco-Efficiency
 – Raw Material Sourcing
 – Water Related Risks

Social Dimension
 – Human Capital Development
 – Talent Attraction & Retention

Sustainability leaders 2018

RobecoSAM Gold Class	
Coca-Cola HBC AG	Switzerland
RobecoSAM Silver Class	
Coca-Cola European Partners PLC	United Kingdom
Diageo PLC	United Kingdom
Thai Beverage PCL*	Thailand
Sustainability Yearbook Members	
Asahi Group Holdings Ltd	Japan
Coca-Cola Femsa SAB de CV	Mexico

* RobecoSAM Industry Mover

Industry statistics

Number of companies in universe	42
Number of companies assessed by RobecoSAM in 2017	39
Assessed companies to total companies in universe (%)	93
Market capitalization of assessed companies to total market capitalization (%)	99

Results at industry level

Dimension	Average score	Best score	Dimension weight
Economic	51	85	48%
Environmental	56	100	26%
Social	51	90	26%

Total score

