

OUR APPROACH TO ENVIRONMENTAL MANAGEMENT

Climate change is the world's most urgent environmental challenge. At Coca-Cola Europacific Partners (CCEP), we believe that urgent action must be taken to tackle it. This is a critical issue for our business, and we are committed to playing our part in global efforts to tackle climate change, in line with the Paris Climate Agreement, and to protect the future of our planet.

This is Forward, our sustainability action plan, relates to our activities in Europe. In 2022 we will extend our commitments to include all of our territories in API¹. Through this plan, we are committed to taking action on several environmental areas, including:

- **Forward on Climate:** We'll aim to reach net zero emissions across our entire value chain by 2040. We'll cut greenhouse gas (GHG) emissions by 30% across our entire value chain by 2030 (versus 2019). This GHG reduction target has been approved by the Science Based Targets initiative (SBTi) as being in line with a 1.5°C reduction pathway, as recommended by the Intergovernmental Panel on Climate Change. We'll ask our suppliers to set their own science based targets and transition to 100% renewable electricity by 2023. We will continue to purchase 100% renewable electricity.

1. In May 2021, Coca-Cola European Partners completed the acquisition of Coca-Cola Amatil, becoming Coca-Cola Europacific Partners (CCEP). We are working to update our sustainability action plan targets to cover our combined business, including Australia, the Pacific and Indonesia (API), by the end of 2022.



- **Forward on Packaging:** We'll collect the equivalent of all of our packaging so that none of it ends up as litter or in the oceans. Specific targets include making sure that 100% of our packaging is recyclable or reusable, working with local and national partners to collect the equivalent of 100% of our packaging in Western Europe, including support for well designed deposit return schemes where a proven alternative does not exist. We'll remove all unnecessary or hard to recycle packaging from our portfolio and we'll make sure that at least 50% of the material we use for our PET bottles comes from recycled plastic (rPET) by 2023 and we'll aim to reach 100% recycled or renewable plastic in the future. We'll also use the reach of our brands to inspire everyone to recycle, and will lead the way in pioneering sustainable packaging, including renewable materials and smart new ways to reduce packaging waste.

- **Forward on Water:** We'll handle water with the care it deserves across our business and our value chain. Specific targets include protecting the sustainability of the water sources we use for future generations, reducing the water we use in manufacturing by 20% and addressing water impacts in our supply chain, and replenishing 100% of the water we use in areas of water stress.

- **Forward on Supply Chain:** We'll source our main ingredients and raw materials sustainably and responsibly. Specific targets include making sure 100% of our main agricultural ingredients come from sustainable sources and continuing to embed sustainability, ethics and human rights into our supply chain.

To achieve these targets, we will work with our stakeholders, suppliers, customers, and other partners (such as logistics providers, cold drink equipment providers, and joint ventures) to identify, manage, and minimise the environmental impact of our activities, both within our own facilities and across our supply chain.

CCEP is committed to:

- Setting environmental targets, including on carbon reduction, renewable energy, packaging and recycling, water usage and replenishment, and sustainable sourcing.
- Including environmental strategies and objectives in our business planning process to ensure that management of environmental impact remains an integral part of our operations.
- Continuously reviewing and improving our environmental performance.
- Ensuring our compliance with local and national environmental legislation and regulations, focusing on effectively utilising resources, energy and fuel, minimising waste and air emissions, and preventing pollution everywhere we operate.
- Using internationally recognised environmental management system ISO 14001 and other environmental standards such as [Alliance for Water Stewardship](#) (AWS), or those environmental standards implemented by TCCC – [The Coca-Cola Operating Requirements](#) (KORE), in all of our operations to ensure accountability and continuous improvement; where possible and commercially viable.
- Continuing to promote [sustainable packaging](#) through increasing the recycled content of our packaging, working with local collection partners to collect the equivalent of 100% of our packaging for recycling, and ensuring that 100% of our packaging is fully recyclable.
- Support our suppliers, service providers and contractors, as well as other key business partners (such as joint venture partners), to help them deliver against their targets; and uphold the environmental standards that they share in their [Supplier Guiding Principles](#) and [Code of Business Conduct](#).

This policy applies to CCEP's:

- Manufacturing sites and business facilities
- Products and services
- Distribution and logistics
- Suppliers, service providers and contractors
- Other key business partners (including co-packers and joint venture partners)

We will monitor, audit, and publicly report progress regarding the implementation of this policy and our commitments in an annual [Integrated Report](#) and [Sustainability Stakeholder Report](#).

This policy will be reviewed annually and published on our [website](#).