2023 Sustainability reporting methodology

March 2024

What is the purpose of this document?

In this document we set out our approach to reporting, and a detailed overview of the methodology we use in calculating our data.

For details of our recent performance over the past 12 months across our key territories and against a wide variety of sustainability KPIs, please refer to our 2023 Integrated Report. The report provides detailed and transparent information about the progress we are making against the commitments and targets outlined in our sustainability action plan, This is Forward.

Who is this document for?

We aim to share our sustainability data in an accessible format. This document sets out our approach to reporting and a detailed overview of the methodology we use in calculating our data.

Contents

For more information about the progress we are making on sustainability, please see relevant sections of our 2023 Integrated Report.

Integrated Report
ir.cocacolaep.com/financial-reports-and-results/integrated-reports

Our approach to reporting

About our 2023 Integrated Report

Our 2023 Integrated Report includes reporting on progress on CCEP's This is Forward sustainability action plan.

It includes a full year of data from 1 January, 2023 to 31 December, 2023. It covers our global business operations including 13 Western European territories (Andorra, Belgium, France, Germany, Great Britain, Iceland, Luxembourg, Monaco, the Netherlands, Norway, Portugal, Spain and Sweden), our shared service centres in Bulgaria and our markets in Australia, Pacific and Indonesia (API), including Australia, Fiji, Indonesia, New Zealand, Papua New Guinea and Samoa. Also included are illustrative case studies and business activities from 2023.

Read more about This Is Forward here **cocacolaep.com/sustainability/**

Reporting structure

The 2023 Integrated Report is the primary reporting of CCEP's progress on our This is Forward sustainability action plan, including our response to the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, and assured key performance indicators.

We continue to listen to feedback from a broad range of stakeholders, including employees, customers, consumers, suppliers, shareholders, governments, and NGOs, to ensure progress on key sustainability issues, and how we report on it, meets their expectations.

The sustainability section of our website also includes a download centre where you can find a comprehensive collection of sustainability disclosures, including corporate sustainability group data tables, which include disclosures in line with frameworks such as Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB). Our corporate website also provides transparency on progress against our This is Forward indicators at a country level, through country-level data tables.

Reporting boundaries and standards

At CCEP, we have taken a value chain approach in considering our most significant impacts, measuring and reporting data across our value chain, beyond our own operations. Unless otherwise indicated, data covering "our own operations" includes production, sales/distribution, combined sales/production facilities, administrative offices and fleet owned or controlled by CCEP, including our shared service centres in Bulgaria.

In accordance with the precautionary principle, sustainability is taken into account in the development process for any major project, product or new investment, and is built into our annual and long-range business planning processes. Progress against our sustainability commitments and targets will be reported each year.

Reporting data

CCEP aims to ensure that the sustainability data included in this report, which relies on various input sources, including third party information, is collated and calculated in an accurate manner. As the tools, standards and technology used in this environment continue to develop, our processes and presentation of data are regularly reviewed and updated to improve data collection and accuracy. This may result in data changes and amendments subsequent to publication. When standards for calculations, data sources or emissions factors for the current year are updated, we apply these changes retrospectively, where appropriate. Where prior year data has been restated, this has been identified clearly.

Methodology

Methodologies and boundaries

CCEP's carbon footprint is calculated in accordance with the World Resource Institute (WRI) and World Business Council for Sustainable Development (WBCSD) Greenhouse Gas (GHG) Protocol Corporate Standard, using an operational control approach to determine organisational boundaries.

GHG emissions are reported in tonnes of carbon dioxide equivalent (tonnes CO_2e or tCO_2e), accounting for different Global Warming Potentials (GWPs) of the different GHGs.

Assurance

Our carbon emissions have been independently assured against the ISAE 3000 (revised) standard by Ernst & Young LLP (EY) for the latest FY2023 reporting period.

Our 2022 indicators, including our GHG emissions, and our 2019 GHG baseline data were assured in 2023 by DNV. Our 2019 baseline and 2022 data was subject to external independent limited assurance by DNV for the year ended 31 December 2022, and was included within our 2022 Integrated Report and Form 20-F.

Our baseline figures for 2019 and prior years 2020-2022 have been restated to include updated emissions factors and more accurate data. These restated emissions were outside the scope of the latest independent limited assurance review by EY.

A copy of the assurance statement for these periods can be found on **cocacolaep.com/sustainability/download-centre**

Note on sources of data and calculation methodologies

Under the GHG Protocol, we measure our emissions in three Scopes. We disclose the Scope 1, 2, and 3 carbon emissions of our full value chain, including all key emissions related to our production facilities, operational centres, sales offices, distribution centres, cold drink equipment (CDE), our own operated and owned transportation as well as third party distribution, business travel, ingredients and packaging. We also disclose biogenic emissions which are outside of the three WRI/WBCSD GHG Protocol Scopes. GHG emissions are reported on a gross basis, independent of any GHG trades, offsets or carbon credits.

Where we refer to our own operations, unless otherwise indicated, we are referring to our own production, sales/distribution, combined sales/production facilities, administrative offices and fleet owned or controlled by CCEP, including our shared service centres in Bulgaria.

In-scope sales volumes were based on ready to drink litre sales to CCEP customers and reflect changes as they occur based upon sales timings. Sales from distribution agreements are excluded as the GHG emissions associated with these products will be accounted for by the Brand owners. Alcohol sales volume is included if CCEP manufacture the alcohol products. Sales volumes from imports/exports from/to non-CCEP countries are excluded to avoid double-counting.

Less than 5% of our value chain carbon footprint is based on estimated emissions. This includes the site energy emissions for small leased offices where energy invoices or the square metre footage size is not available, or packaging emissions where product specifications are unavailable. We also estimate the electricity consumption for the pure electric and plug-in hybrids in our company car fleet.

2019 Baseline and recalculation methodology

Our baseline years is 2019. The acquisition of API completed on 10 May 2021. The Group and API sustainability metrics are presented on a full year basis for 2019 baselines calculated on a pro forma basis to allow for better period over period comparability.

In line with the WRI/WBCSD GHG Protocol guidance, we restate our baseline and subsequent year data when there are significant acquisitions, new emissions factors, and more accurate data. We apply a significance threshold of 5%, but also re-baseline in line with best practice, in order to retain consistency and comparability across years.

In 2024, we have restated our baseline figures for 2019 and 2020-2022 as necessary; increasing baseline and subsequent year emissions by ~350,000 tCO_2e. Key changes include:

- National packaging collection rate changes in European markets, driven by new EU methodology for calculating packaging collection rates.
- Changes to SBTi boundary which now includes emissions from Category 7 and new sources of emissions for Category 1 (marketing and IT spend).
- Shifts in emissions factor source for Well-To-Tank (WTT)/Transmission and Distribution emissions.
- Shifts in emission factors for CO_2 as ingredient.
- Improvements in data, and inclusion of previously non-included emissions sources.

Methodology continued

Forward on climate

Definitions

Scope 1 GHG emissions sources

Includes direct owned and operated sources of emissions such as:

- Stationary combustion sources, such as Natural Gas, Diesel/Petrol fuel for back up boilers/generators and on-site shunting vehicles, light fuel oil, Liquid Petroleum Gas (LPG) for forklift trucks, Compressed Natural Gas (CNG), Non-biogenic element of biofuels such as HVO100.
- Mobile Combustion such as Diesel and Petrol for CCEP operated customer delivery, vans and car fleet.
- Fugitive emissions of refrigerants.
- Fugitive CO_2 emissions from manufacturing processes (i.e. losses occurring during product carbonisation process).
- On-site renewables including geothermal, solar, water turbine, ground source heat (listed as GHG emission sources, but zero rated in terms of carbon emissions).
- Fugitive biogas from Anaerobic Digesters.

We follow Beverage Industry Environmental Roundtable (BIER) emissions sector guidance on the emissions source for the source of the CO_2 supplied to CCEP to carbonate soft drinks, and whether these are generated from fossil or biogenic sources of CO_2.

Scope 2 GHG emissions – purchased electricity, heat and steam

We report Scope 2 emissions according to the GHG Protocol Scope 2 Guidance. We use the Scope 2 market based approach to report our aggregated Scope 1, 2 and 3 GHG emissions, and to set our aggregated targets.

We include indirect sources of GHG emissions from the generation of electricity, heat and steam we use at our sites.

The carbon emission factors for Scope 2 emissions are applied in terms of the two methods provided by the GHG Protocol:

1. Location based: All electricity purchased is converted into CO_2 emissions using the average grid emissions factor for electricity in the country in which it is purchased. Energy Attribute Certificates (EAC) are not applied to the total Scope 2 emissions.
2. Market based: All electricity purchased is converted to CO_2 using emissions factors from contractual instruments which CCEP has purchased or entered into. EACs are applied based on RE100 guidance which allows for EACs to be used against electricity consumed in the same market as where the EACs are purchased.

Any sites with no contractual instruments for renewable electricity supply will have a residual factor applied (where available), which has had renewable contractual instruments removed.

The quantity of purchased renewable electricity was verified through renewable electricity certificates such as Guarantees of Origin (GoOs) in the EU, Renewable Energy Guarantees of Origin (REGOs) in the UK, Large-scale Generation Certificates (LGCs) in Australia or Power Purchase Agreements (PPAs) from our electricity suppliers in each country and through meter readings of renewable electricity generated on site.

In 2023, we completed a review of our site renewable electricity purchases, and noted that some market based instruments were not in place for a limited number of locations in prior years 2019-2022. This included our PPA solar farm in Wakefield, Great Britain, our water turbine in Chaudfontaine, Belgium, and our purchased electricity in Iceland. We have restated our purchased and consumed Renewable Electricity figures for Wakefield and Chaudfontaine for FY2019-F2022 to reflect this.

In 2023, in line with RE100 technical guidance, we no longer use passive claims for renewable energy use in Iceland. Due to this change, in FY2023, we did not have GoOs available to cover renewable electricity purchases in Iceland. As a result, in FY2023, renewable electricity purchase and use is not claimed for Iceland, and the residual emission factor was applied.

In leased non-production facilities where we do not control the purchase of the electricity, we apply the national grid emissions factor for those sites. Where the landlord has provided evidence that they are purchasing renewable electricity on our behalf, we will report this in line with the market based approach. Emissions related to the generation of electricity for these sites are included in our Scope 2 emissions. In 2023, we used ~20,000 MWh of electricity in non-production facilities, where we do not control the purchase of electricity, or use on-site solar.

Scope 3 GHG emissions

Data is consolidated from a number of sources across our business and is analysed centrally. We use a variety of methodologies to gather our emissions data and measure each part of our carbon footprint.

CCEP uses emission factors relevant to the source data including UK Department for Energy Strategy and Net Zero (DESNZ), Australia's Department of Industry, Science, Energy and Resources factors for state-level electricity factors, and International Energy Agency (IEA) emission factors for all other grid factors at a national level.

Data sources include:

- Energy data: from metered sources, supplier invoices or calculations and estimates based on energy benchmarks published in the Best Practice Programme's Energy Consumption Guide 19 (ECON 19).
- Packaging specifications.
- Recipe data for key ingredients. If a recipe change occurs during a reporting year, it is applied for the full year sales.
- National Recycling Rates, calculated in line with our Collection Rates metric. We have restated prior year 2019-2022 rates in line with updated European methodology for calculating packaging collection rates.
- Supplier data for Recycled Content Rates.
- Consumer CO_2 released from carbonated products.
- Calculations of CDE emissions are based on weighted average daily (kWh/24h) supplier energy consumption rates and by subtracting any savings achieved through carbon/energy use reduction initiatives completed during the reporting period or prior years.
- Transport fuel is calculated according to actual litres used or kilometres recorded with vehicle fuel efficiency rates provided by suppliers.
- Supply of water, treatment of wastewater and waste management are calculated by using litre and weight (kg) data respectively.
- Spend data used to calculate Category 1 purchased goods and services (Marketing and IT spend). Marketing spend includes: sales & marketing agency and services spend and trade marketing. IT spend includes fixed and mobile telecoms, IT hardware and software, and outsourced services.
- Employee headcount and job role used to calculate employee commuting data. Includes WTT assumptions.
- We have started to use supplier specific emission factors for sugar beet in Europe and will extend this to other packaging and ingredient suppliers over the coming years.

Methodology continued

Forward on climate

Definitions

Scope 3 reported categories

The following Scope 3 categories are reported by CCEP in our total value chain figures, and are included in our current Science Based Targets initiative (SBTi) target boundary, representing approximately 90% of our Scope 3 emissions:

Category 1: purchased goods and services (including the packaging we put on the market, the ingredients used in our products, purchased water, IT, telecoms and sales and trade marketing spend).

Category 3: fuel- and energy-related activities not already included in Scope 1 or Scope 2 (e.g. WTT, transmission and distribution from energy supply to our sites and assets).

Category 4: upstream transportation and distribution (transportation of finished products paid for by CCEP).

Category 5: waste generated in operations (emissions from disposal of waste generated at our production facilities).

Category 6: business travel (including employee business travel by rail and air).

Category 7: employee commuting (including commuting and home working emissions).

Category 8: upstream leased assets (including the home charging of company plug-in hybrid electric vehicles (PHEV) and battery electric vehicles (BEV)).

Category 11: use of sold products (including CO_2 emissions released by consumers, in accordance with BIER guidance).

Category 12: end of life treatment of sold products.

Category 13: downstream leased assets (including the emissions generated from the electricity used by our hot and cold drink equipment at our customers' premises).

The following Scope 3 categories are not included in CCEP's current SBTi target boundary. We will provide additional information in our 2024 CDP response, using estimated emission calculations:

Category 1: purchased goods and services (additional purchased goods and services that are not included in the column on the left).

Category 2: capital goods.

Category 11: use of sold products (including home chilling).

Category 15: investments (including investments in joint venture recycling facilities and CCEP Ventures investments).

All other Scope 3 categories (9, 10, 14) are not currently applicable to CCEP.

Emissions from biologically sequestered carbon

Methodologies and boundaries

Emissions from biologically sequestered carbon are reported outside of the three Scopes of our reported GHG emissions, in line with WRI/WBCSD GHG Protocol guidance. CO_2 is used to carbonate our soft drinks, therefore we follow the BIER guidance on reporting CO_2 emissions from biogenic sources for fugitive losses and release by consumers.

Our scope for reporting emissions from biologically sequestered carbon includes:

- Biofuels (such as HVO100, Bio-CNG, wood) used in vehicles and sites
- Anaerobic biogas (where CO_2 is released from combustion of the biogas)
- Biofuel where blended with diesel/petrol (forecourt fuels)
- Biogenic-sourced CO_2 ingredient: we follow the BIER emissions sector guidance.

Each source of biologically sequestered carbon is calculated separately using appropriate biogenic carbon emission factors and then aggregated to provide our reported total.

Emissions from the production and transportation of biofuels are accounted for in Scope 3 as part of Category 5 WTT.

Emissions from conversion of biogenic CO_2 to a higher GWP GHG are accounted for in Scope 1, (i.e. anaerobic biogas where organic material is converted to biomethane, and not all of the biomethane fully combusted and is therefore not converted back to CO_2, these biomethane emissions are included under Scope 1).

CCEP uses the most up-to-date emission factors from DESNZ/DEFRA for biogenic CO_2 and anaerobic biogas and for biofuels and bio-blends.

Exclusions

Emissions from carbon removals within our value chain related to biomass feedstock production for bioenergy are well below the significance threshold for CCEP, so removals have yet to be estimated. If the level of significance changes in the future, CCEP will follow the latest guidance from the GHG Protocol on accounting for removals.

Biogenic emissions from electricity generation are excluded for CCEP. Carbon conversion factors are provided by DEFRA/DESNZ for electricity in the UK grid generated by biomass power stations. However, no similar carbon factors for all other CCEP countries is available from credible or reliable sources. Therefore, to be consistent, CCEP does not report these biogenic emissions for only one of our territories. It is hoped that an international data source (e.g. IEA) will provide these conversion factors in future.

Definitions

Biogenic CO_2 emissions are defined as CO_2 emissions related to the natural carbon cycle, as well as those resulting from the production, harvest, combustion, digestion, fermentation, decomposition, and processing of biologically based materials. Biologically based feedstocks, also referred as "biologically sequestered carbon," are non-fossilized and biodegradable organic materials originating from modern or contemporarily grown plants, animals, or microorganisms.

Biogenic emissions are inherently accounted for in the atmosphere's natural carbon cycle. Reporting them within Scopes 1, 2, or 3 would lead to double counting of emissions, as the sequestration of CO_2 during the growth of the biomass is not accounted for in these scopes.

Methodology continued

Forward on climate

Overview of key value chain GHG calculation

Packaging

The carbon footprint of our packaging is captured in our Scope 3, Category 1 calculations. Our packaging carbon footprint is calculated using annual unit case sales volume data by country; and multiplied by standard primary, secondary and tertiary packaging specifications at a stock keeping unit (SKU) level (e.g. 500ml PET bottle in France). This also accounts for trippage (i.e. the number of re-uses) for our refillable products.

GHG emissions associated with packaging recycling content and recycling rates are also included in line with GHG Protocol as well as various Life-Cycle Analysis (LCA) methodologies.

Emissions from End of Life (EoL)

Emissions from EoL disposal of packaging by consumers is captured and included in our reported emissions from packaging in Scope 3, Category 1. Emissions for packaging that is not recycled is captured in Scope 3, Category 12. Recycling rates used for the calculations are obtained from a variety of sources; see "Primary packaging collected for recycling as a percentage of total packaging" on page 11 in this document. The impacts of recycling are included in the emission factors used to calculate the carbon from packaging.

Key Ingredients

The carbon footprint of our ingredients is captured in our Scope 3, Category 1 calculations. GHG Emissions associated with our ingredients were calculated using annual unit case sales volume data by country, multiplied by the types of ingredients at product beverage level (e.g. Diet Coke, Coca-Cola).

Ingredients included within our boundary, including our concentrate together with the top four juices (orange, apple, lemon and mango), sugar and sweeteners also used to produce our products. We only include 'other' juices for non-KO products. Emissions factors used include World Food LCA Database, EcoInvent and bespoke LCA studies.

Cold drink equipment (CDE)

CCEP owned assets (e.g. refrigerated vending and cooler machines, fountain and coffee) are located at, and operated by, third party facilities. CDE emissions are calculated using the weighted average kWh totals per equipment category, per country and applying their related country purchased electricity emission factor. Hourly electricity usage is calculated based on the provided electricity use rate associated with each type of equipment. These calculations are conservative in that they assume that the CDE is operated 24 hours a day, seven days a week.

Operations

Emissions from our operations comes from Scope 1, 2 and 3 sources, including :

- Natural gas
- On-site diesel and petrol fuel
- Light fuel oil
- LPG - e.g. for forklift trucks

Other Scope 1 emissions sources include refrigerant losses, on-site anaerobic wastewater treatment and fugitive CO_2 losses. Scope 2 sources include purchased electricity, steam and heat. A limited amount of Scope 3 sources are included in Operations figures, including those from WTT, waste and purchased water.

Distribution and transportation

We include emissions from our own leased cars and vans, third party distribution and transportation, and business travel within our distribution and transportation emissions.

GHG emissions from our leased cars and vans, full service vending (FSV) trucks and direct store/red fleet (or local distribution) delivery trucks in relevant markets. Where these are using conventional fuels, car and van emissions are included under Scope 1. Where these cars and vans are electric vehicles (EV) and plug-in hybrid vehicles (PHEV), the electricity consumption is accounted for as Scope 3, Category 8.

Emissions from third party transportation and distribution of CCEP finished goods is reported under Scope 3, Category 4. Distance travelled information is supplied by our logistics teams and average fuel consumption rates are then applied using information from our main hauliers to calculate the quantity of fuel used. Emissions are calculated by applying CO_2e conversion factors. Calculation data covers all third party transportation providers including road, rail and ship.

We also include business travel by passenger rail and air, reported under Scope 3, Category 6. Data is gathered from our corporate travel agencies, and emissions are estimated following DESNZ/DEFRA guidance and emissions factors.

Methodology continued

Forward on climate

Scope 1, 2 and 3 GHG emissions – Full value chain

Methodologies and boundaries[A]

Calculation = [Total Scope 1 GHG emissions] + [Total Scope 2 GHG emissions (market based approach)] + [Total Scope 3 GHG emissions]

Definitions

Aggregation of Scope 1, 2 and 3 GHG emissions using the market based approach for Scope 2 emissions.

Scope 1, 2 and 3 GHG emissions – Full value chain per litre

Methodologies and boundaries[A]

Calculation = ([Total Scope 1 GHG emissions] + [Total Scope 2 GHG emissions (market based approach)] + [Total Scope 3 GHG emissions]) ÷ [Total volumes in scope of sales (Ready to drink litres)]

Definitions

Aggregation of Scope 1, 2 and 3 GHG emissions using the market based approach for Scope 2 emissions.

Ready to drink litres equates to the final consumption beverage volume, including diluted post-mix and Freestyle volumes.

Out of scope sales includes items such as certain brands where we only distribute the product (e.g. some products within our alcohol portfolio in API).

In 2023, less than 1% of our Europe and API reported sales volume were out of scope for GHG reporting.

Absolute reduction in total value chain GHG emissions (Scope 1, 2 and 3) since 2019

Methodologies and boundaries[A]

Calculation % of = ([Latest Reporting Period Scope 1, 2 and 3 GHG emissions] - [Scope 1, 2 and 3 GHG emissions]) ÷ [2019 Scope 1, 2 and 3 GHG emissions]

Definitions

Aggregation of Scope 1, 2 and 3 GHG emissions using the market based approach for Scope 2 emissions..

Relative reduction in total value chain GHG emissions (Scope 1, 2 and 3) per litre since 2019

Methodologies and boundaries[A]

Calculation % of = ([Latest Reporting Period Scope 1, 2 and 3 GHG emissions per litre] - [2019 Scope 1, 2 and 3 GHG emissions per litre]) ÷ [2019 Scope 1, 2 and 3 GHG emissions per litre]

Definitions

Aggregation of Scope 1, 2 and 3 GHG emissions using the market based approach for Scope 2 emissions.

GHG Scope 1 and 2 emissions per litre of product produced

Methodologies and boundaries[A]

Calculation = ([Total Scope 1 GHG emissions] + [Total Scope 2 GHG emissions (market based approach)]) ÷ [Total volumes of production from CCEP production facilities (production litres)]

Definitions

Aggregation of Scope 1 and 2 GHG emissions using the market based approach for Scope 2 emissions.

Total production volume is measured in undiluted litres for all inventory produced at CCEP production facilities. Production facilities are defined as our bottling and production facilities for beverages under our operational control. This does not include externally sourced production (or "co-packed") sites or sites from which we source finished packaged goods.

Metric units are reported as gCO_2e/litre.

GHG emissions (Scope 1 and 2) per euro of revenue

Methodologies and boundaries[A]

Calculation = ([Total Scope 1 GHG emissions] + [Total Scope 2 GHG emissions (market based approach)]) ÷ [Total sales revenue (Euros)]

For CCEP, "UK and UK offshore" equates to our operations in Great Britain.

Definitions

Aggregation of Scope 1 and 2 GHG emissions using the market based approach for Scope 2 emissions.

Metric units are reported as gCO2e/€.

Tonnes of CO_2e offset through carbon credits

Methodologies and boundaries

Calculation = Total amount of certificates of Verified Carbon Units retired within the reporting period

All centrally purchased carbon credits are within scope.

Calculation tonnes of offsets are based upon assessed values as provided on carbon credit certificates.

Total tonnes of CO_2e offsets are based upon retired carbon credit certificates.

Definitions

Carbon offset credits are defined as centrally purchased certified carbon credits (e.g., Gold Standard or Verra/VCS). These credits are purchased and certificates are retired centrally.

In 2022, CCEP purchased approximately 100,000 tCO_2e of carbon credits, which we plan to retire against our carbon neutral sites in FY2023 and FY2024.

Please note that CCEP's GHG emissions are reported on a gross basis, independent of any offsets or carbon credits.

(A) See 'Methodologies and boundaries' and 'Baseline year for Scope 1, 2 and 3' sections on page 3 and definitions for each constituent emissions Scope for details of methodology

Methodology continued

Forward on climate

Manufacturing energy use ratio

Methodologies and boundaries

Calculation of ratio = [Total of all energy consumed (MJ) at production facilities] ÷ [Total volumes of production from CCEP production facilities (production litres)]

CCEP's manufacturing energy use ratio is calculated in line with The Coca-Cola Operating Requirements (KORE). All beverage production facilities calculate manufacturing energy use ratio (non-alcoholic ready to drink, breweries and distilleries) as well as coffee related facilities (Grinders coffee).

Where CCEP have joint ventures with recycled PET sites and PET pre-form sites, these are not included.

Geothermal is excluded from our energy consumed (MJ) at production facilities in Great Britain and Belgium as this is an estimated usage.

Anaerobic biogas and CHP electricity output are excluded.

Definitions

This includes the use of electricity, diesel, natural gas as well as other fuels used, where used in our manufacturing operations (e.g. heating, forklift trucks). The fuels used in our distribution fleet (e.g. diesel used in our trucks and vans) are not captured in the manufacturing energy use ratio.

Total production volume is measured in undiluted litres for all inventory produced at CCEP production facilities. Production facilities are defined as our bottling and production facilities for beverages under our operational control. This does not include externally sourced production (or "co-packed") sites or sites from which we source finished packaged goods.

Metric units are reported as MJ/litre.

Direct energy consumption (Scope 1 and Scope 2)

Methodologies and boundaries

Total energy consumption within the organisation = Total of:

- Non-renewable fuel consumed
- Renewable fuel consumed
- Electricity
- Imported heat and steam
- Self-generated electricity which is consumed by CCEP
- Mobile combustion (litres of diesel and petrol converted into kWhs) for CCEP owned and leased vehicles
- Less any electricity, heating, cooling, and steam sold

For CCEP, "UK and UK offshore" equates to our operations in Great Britain.

Definitions

Energy consumption is based upon procurement data from each site, supported by monthly invoices. We report fuel consumption by fuel type using the environmental management system (Integrum). Data is captured as part of our carbon calculation model. Energy and fuel consumption data is collected and converted using local conversion factors to convert fuel to kWh.

Percentage of electricity purchased that comes from renewable sources

Methodologies and boundaries

Calculation = [Quantity of electricity purchased (in MWh) from renewable sources] ÷ [Total electricity purchased]

Our production facilities, distribution sites, warehouse sites and office sites are in scope.

Purchased electricity includes centrally procured electricity bundled or unbundled with Energy Attribute Certificates (EAC), leased asset solar and water turbines and Power Purchase Agreements (PPAs).

Definitions

The quantity of renewable electricity was verified through renewable electricity contracts, EACs, such as Large-Scale Generation Certificates (LGCs) in Australia or PPAs from our electricity suppliers in each country, and through meter readings of renewable electricity generated on site. EACs (such as REGOs / GoOs / LGCs / RECs) are applied based on RE100 technical guidance which allows for EACs to be used against electricity consumed in the same market as where the EACs are purchased (e.g. Norway GoOs being used in Germany).

Any sites with no contractual instruments for renewable electricity supply will have a residual factor applied (where available) which has had renewable contractual instruments removed. Figures in this calculation are based solely on the amount of electricity that CCEP purchases.

Total renewable electricity is reported in MWh. The energy data purchased is calculated based on direct measurement of electricity purchases (i.e. invoices and meter readings).

In 2023, we completed a review of our site renewable electricity purchases, and noted that some market based instruments were not in place for a limited number of locations in prior years 2019-2022. This included our PPA solar farm in Wakefield, Great Britain, our water turbine in Chaudfontaine, Belgium, and our purchased electricity in Iceland. We have restated our purchased and consumed Renewable Electricity figures for Wakefield and Chaudfontaine for FY2019-F2022 to reflect this.

In 2023, in line with RE100 technical guidance, we no longer use passive claims for renewable electricity use in Iceland. Due to this change, in FY2023, we did not have GoOs available to cover renewable electricity purchases in Iceland. As a result, in FY2023, renewable electricity purchase and use is not claimed for Iceland, and the residual emission factor was applied.

Methodology continued

Forward on climate

Percentage of electricity consumed that comes from renewable sources

Methodologies and boundaries

Calculation = [Quantity of electricity consumed (in MWh) from renewable sources] ÷ [Total electricity consumed (in MWh)]

Our production facilities, distribution sites, warehouse sites and office sites are in scope.

This includes centrally procured electricity bundled or unbundled with Energy Attribute Certificates (EACs), on-site solar, leased asset solar and water turbines and PPAs, as well as owned assets (solar facilities).

Definitions

The quantity of renewable electricity was verified through renewable electricity contracts, EACs, such as LGCs in Australia or PPAs from our electricity suppliers in each country, and through meter readings of renewable electricity generated on site. EACs (such as REGOs / GoOs / LGCs / RECs) are applied based on RE100 technical guidance which allows for EACs to be used against electricity consumed in the same market as where the EACs are purchased (e.g. Norway GoOs being used in Germany).

Figures in this calculation are based solely on the amount of electricity that CCEP consumes (i.e. purchased electricity, self-generated electricity and electricity supplied via a lease agreement).

For non-production sites where we do not control the electricity purchasing, standard grid electricity is consumed. Emissions related to the generation of electricity for these sites are included in our Scope 2 emissions. This is the main driver for the difference between our consumed renewable electricity percentage and purchased renewable electricity percentage.

In 2023, we completed a review of our site renewable electricity purchases, and noted that some market based instruments were not in place for a limited number of locations in prior years 2019-2022. This included our PPA solar farm in Wakefield, Great Britain, our water turbine in Chaudfontaine, Belgium, and our purchased electricity in Iceland. We have restated our purchased and consumed renewable electricity figures for Wakefield and Chaudfontaine for FY2019-FY2022.

In 2023, in line with RE100 technical guidance, we no longer use passive claims for renewable electricity use in Iceland. Due to this change, in FY2023, we did not have GoOs available to cover renewable electricity purchases in Iceland. As a result, in FY2023, renewable electricity purchase and use is not claimed for Iceland, and the residual emission factor was applied.

In API across multiple locations including Australia, Indonesia and Fiji we have on-site solar capacity. This helped our percentage of electricity consumed that comes from renewable sources exceed our percentage of electricity purchased that comes from renewable sources.

Percentage of carbon strategic suppliers having targets approved by the Science Based Targets initiative (SBTi)

Methodologies and boundaries

Calculation = [Total number of carbon strategic suppliers with SBTi approved science based targets] ÷ [Total number of carbon strategic suppliers]

SBTi targets are clearly-defined, science based pathways for companies to reduce GHG emissions, which have been reviewed and validated by the SBTi. The SBTi target can be near-term, long-term or a Net Zero target. Approved targets are those that have been approved/validated by the SBTi, and there is evidence to support this on the SBTi website, or through an SBTi validation letter.

Suppliers with a 'committed' status are excluded from the total number of carbon strategic suppliers with SBTi approved science based targets, however we do track this list of suppliers separately. Suppliers whose SBTi target status is 'committed' have made a commitment to set a science based target aligned with the SBTi's target-setting criteria within 24 months. Additionally, we count Small and Medium sized Enterprises (SME) as 'committed' if they inform us of their plans to submit the SME Target Setting Form by target year date.

A business with a group science based target approved by the SBTi can consist of various legal entities or operational divisions. Where these divisions operate independently, akin to individual suppliers in their dealings with CCEP, they are designated as independent carbon strategic suppliers for the purpose of this metric. As a result, several different carbon strategic suppliers may form part of the same group associated with a singular approved group SBTi science based target.

Definitions

Carbon strategic suppliers are defined at the start of the reporting period for Europe and API. All carbon strategic suppliers are directly managed and influenced by our procurement teams. The list of carbon strategic suppliers represents 80% of prior period Scope 3 GHG emissions.

For 2023, CCEP carbon strategic suppliers totaled approximately 200 suppliers.

Carbon strategic suppliers has been defined according to the following methods for Europe and API:

Categories of carbon strategic suppliers:

Packaging and ingredients: GHG emissions for each sub-category (e.g. aluminum, glass, sugar, etc.) are used to select suppliers. The sub-category types are ranked in descending order of absolute GHG emissions. Then for each sub-category, suppliers are ranked by weight of annual purchased quantities and selected until at least ~90% coverage is established within each sub-category. This is repeated across the ranked sub-categories of packaging and ingredients until approximately 80% of GHG emissions are covered by the selected suppliers.

Third party transportation: For third party transportation suppliers are ranked by spend and selected until approximately 80% coverage is established.

CDE: We select the suppliers who are linked to approximately 80% of equipment in the market.

Other suppliers: We also include a specific selection of suppliers outside of the categories above due to their significance within our decarbonisation plan (e.g. an energy provider). In 2023, there were fewer than 8 suppliers within this 'other suppliers' category.

Methodology continued

Percentage of all primary packaging that is recyclable

Methodologies and boundaries

Calculation = [Total volumes of sales of products qualifying as recyclable (Unit cases)] ÷ [Total volumes of sales (Unit cases)]

This indicator refers to our primary packaging that is used by the end consumer and includes bottles and closures, cans, beverage cartons and pouches.

It is calculated based upon the definition of recyclability according to Ellen MacArthur Foundation that; "a packaging or packaging component is recyclable if its successful post-consumer collection, sorting, and recycling is proven to work in practice and at scale.

A unit case equals approximately 5.678 litres or 24 eight ounce servings, a typical volume measure used in our industry.

Our packaging data is representative of the material specifications, as of 31 December in each reporting period.

Note that in 2023 national packaging collection rate used for recyclable criteria changed in European markets, driven by new EU methodology for calculating packaging collection rates. The percentage of all primary packaging that is recyclable disclosed for Europe for 2022 has not been restated.

For details on how we calculated this metric for prior year from 2019-2022 see our 2022 Sustainability reporting methodology document on **cocacolaep.com/sustainability/download-centre/**

Definitions

Packaging can be considered to be "recyclable" when one of the follow criteria is met:

- Reusability: If more than 70% of the packaging material by weight can be separated and effectively reused in another application, it meets the criteria for reusability. For example, in aseptic fiber packaging consisting mainly of paper with components like aluminium, glue, and plastic, the paper portion can be isolated and repurposed. Reusability also includes a recycling process where materials are transformed into new products of alternative use or functionality compared to the original product.
- Effective recycling at scale: a packaging type is considered recyclable if it is widely collected and effectively recycled across a cumulative geography of 400 million consumers. The extent of recycling is determined not just by the type of packaging but also by the available collection and recycling infrastructure. 'Effectively recycled' means that the packaging is transformed into a raw material for use in a new application.
- Accessibility of collection: Packaging is considered to be collected at scale if at least 65% of the population has access to recycling collection facilities. This threshold of 65% is what CCEP would regard as a minimum standard in its markets, barring any stricter local regulations.
- Local recycling rates are met: On a local scale, if at least 30% of the packaging introduced to the market is effectively recycled, the packaging is deemed recyclable. This assessment is based on the actual recycling performance of the packaging material within the local market.

Our preference is for beverage packaging to be converted into secondary raw material that can be used again in beverage packaging (i.e. bottle to bottle). At present some of our packs are recycled into other materials (such as fibre, plastic strapping, etc.). These are also deemed recyclable under our definitions. Over time, we will aim for all our materials to be recycled into either new beverage packaging, or have multiple use cycles.

Packaging which can only be sent for incineration with or without energy recovery or sent to landfill is not considered to be recyclable by CCEP.

Methodology continued

Forward on packaging

Primary packaging collected for recycling as a percentage of total packaging

Methodologies and boundaries

Calculation = Percentage of ready to drink primary consumer packages collected for recycling or collected and refilled expressed as a weighted average based on CCEP individual unit sales

Collection rate represents a weighted average of national collection rates; collected for recycling rates[A]; recycling rates[B] or refillable rates. The calculation is based on CCEP's sales of individual units by package type, by country and is used to express the overall percentage of equivalent bottles, cans and other primary consumer packaging types introduced into the market. This is an estimate to represent the percentage of primary consumer packages that have been collected and refilled or collected for recycling for the year.

Collection rates are determined by country for each packaging type based on either national studies of collection or recycling data by packaging material type, fact based data from collection partner, production facility standards for refillable packs, or internal estimates (approximately <1%).

Given the delay in publication of national collection data and statistics there is a time lag between the availability of this data and our reporting. Therefore the national collection rates for the latest reporting period (often prior year) are applied to the reporting period volumes.

National studies are performed by external third parties such as governments, industry organizations, non-governmental organizations, recyclers, and consultancies, which may include those engaged by CCEP. Production facility standards are applied for refillable glass and PET. Internal estimates are used where they are dependent on third party (e.g., recycler or waste picker) data and assumptions.

(A) Collection for recycling rate – measures packaging that is collected in a market to then be sorted for recycling
(B) Recycling rate – measures packaging at the point in the sorting process where it does not need to undergo any further processing before it is turned into recycled content, as defined by the EU Packaging and Packaging Waste Directive (PPWD)

Collection rates data choices/ hierarchy

Deposit Return System (DRS): In countries where a DRS is in place, we'll use the national reported figures as made available by the scheme administrator. These figures are ideally published on a unit basis. Furthermore, DRS-obligated packaging tonnages that have been collected for recycling outside of the Deposit Return Scheme are added to the figure, wherever data is available.

No Deposit Return Scheme: In countries where no Deposit Return Scheme is in place, but there is an Extended Producer Responsibility (EPR) active:

- For PET bottles CCEP will look to align with the requirement reporting from the Single-use Plastics Directive ((EU) 2021/1752), if this is not yet available we will choose to report calculated rates based on the material sorted for recycling (or sorting output) as published by the country Producer Responsibility Organisation (PRO). If neither of the above are available, we will work with Denkstatt to use the official data that is made available by the country PRO and is closest to the point of measurement as stated in the Single Use Packaging (SUP) directive.
- For all other materials (glass, aluminium, steel, carton), CCEP will look to align with the revised Packaging Packaging Waste Regulation (PPWR) methodology ((EU) 2019/665), that now takes into account only those materials that are ready to be effectively reprocessed into new raw materials (recycled into new raw materials).

If this is not yet available, we will report calculated rates based on the most accurate and official published numbers.

In many instances, that will mean that we'll use the PPWD old methodology (before the introduction of (EU) 2019/665) which reflects material sorted for recycling or sorting output.

In countries where no Deposit Return Scheme is in place, and no is EPR active:

- CCEP will use the collection numbers that are generated to our "self-funded collection efforts" and this based on fact based data coming from our collection and/or recycling partners (e.g. data from weight bridge, recycled material output).
- If no "self-funded collection efforts" take place in a certain market, we will use collection data that is made publicly available through official and reliable sources (government, NGO studies)

Definitions

The packaging collection rate is based on packaging collection for recycling rates by material in each of our markets. We then applied these to our own packaging sales (based on individual units) by pack by market and express this weighted average as the estimate to track our progress against our target to "Collect and recycle a bottle or a can for each one we sell by 2030" (note: packs included extend beyond bottles and cans to include all primary consumer packs).

The way that packaging collection rates are calculated may differ across our markets. Where these are available we use collection for or recycling rates based on beverage containers, however in some instances only material data is available (e.g. total glass, not beverage glass in isolation).

We continue to deepen our understanding of the calculation methodologies behind the collection for recycling and recycling rates for beverage packaging across all of our markets. As a result the aggregated number quoted for the percentage of PET packaging collected for recycling as a percentage of total packaging put onto the market should be treated as an estimate.

Sales in units are measured for the following select primary consumer packaging types:

- Aluminium and steel cans
- Beverage cartons (i.e., aseptic fibre packaging, including juice boxes)
- Non-refillable glass bottles
- Non-refillable PET bottles
- Pouches
- Refillable glass bottles
- Refillable PET bottles
- Aluminium bottles

The following packaging types are excluded:

- Other (often relates to our Coffee brands)
- Cups and vessel
- Refillable HDPE (primarily relates to Neverfail sales)
- Bag In Box (Post Mix) and Freestyle
- Keg

Production facility standards for refillable are used for refillable glass and refillable PET markets. For refillable glass, all markets excluding Germany use a 95% collection rate. For Germany, refillable PET collection is set at 98% and for refillable glass the collection rate is set at 99%.

For corporate reporting of this KPI, we have applied these definitions for 2023 onwards.

In our country reporting tables, prior year country data for 2019-2022 will be reported both under the new definitions, and under the original definitions, in order to provide transparency and consistency. Back-cast data for prior years was calculated via Denkstatt, and was used in the re-baselining of our GHG emissions. Country data will be available within the download centre from mid-April 2024..

Methodology continued

Forward on packaging

Percentage of PET used which is recycled PET (rPet)

Methodologies and boundaries

Calculation = [Total weight of rPET used in one-way PET bottle sales (tonnes)] ÷ [Total weight of one-way PET bottle sales (tonnes)]

Measurement of our use of recycled plastic in our bottles made from polyethylene terephthalate (PET). Label and cap are excluded from the calculation).

This calculation excludes all refillable PET and refers only to one-way PET bottles.

Definitions

CCEP's packaging data is calculated based upon monthly sales volume data within the reporting periods, standard packaging specifications, material types and weights by product stock keeping units (SKUs).

This information is computed for each individual country and subsequently combined to form regional or group-level reports. To determine the proportion of rPET in our PET bottles, we calculate a weighted average. This calculation takes into account the monthly sales and the percentages of rPET, focusing on the PET used in our single-use PET bottles (excluding caps and labels). It involves averaging the amounts of both mechanically and chemically recycled PET, as well as virgin PET, for each PET product variant on a monthly basis.

Percentage of PET bottles that are 100% rPET

Methodologies and boundaries

Calculation = [Total number of one-way 100% rPET bottles sold (Individual consumer units)] ÷ [Total number of one-way PET bottles sold (Individual consumer units)]

Reflects all brands (TCCC and non-TCCC) and all categories.

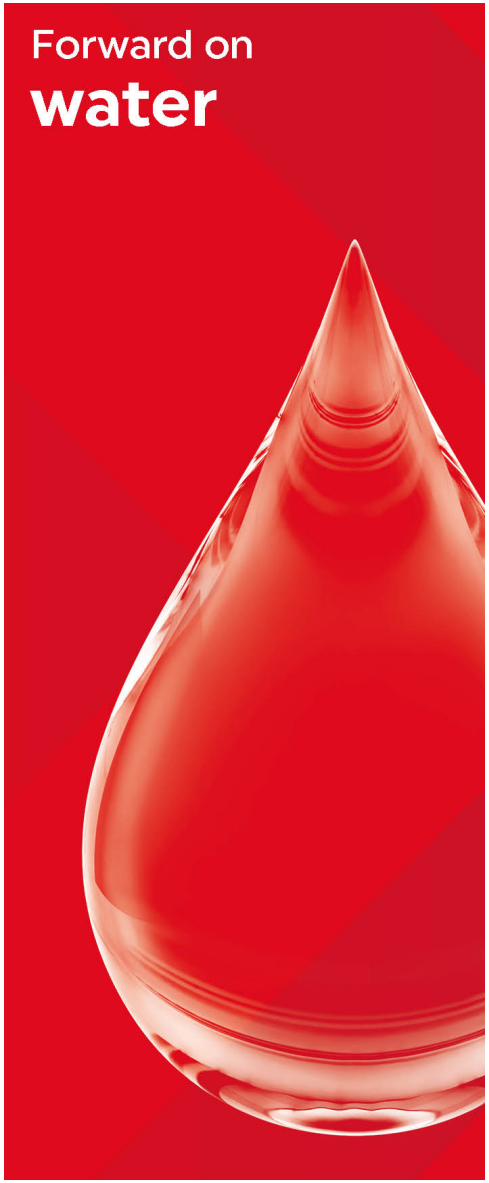
Does not include refillable PET bottles.

Definitions

CCEP's packaging data is calculated based upon monthly sales volume data within the reporting periods, and standard packaging specifications, material types and weights by product SKUs.

This data is calculated on a country by country basis and then aggregated up to the regional or group reporting level.

Methodology continued



Manufacturing water use ratio

Percentage reduction in manufacturing water use ratio since 2019

Methodologies and boundaries

Calculation = [Total water withdrawal (Litres)] ÷ [Finished product (production volume litres)]

Calculation = ([Latest reporting period manufacturing water use ratio] - [2019 Manufacturing water use ratio]) ÷ [2019 Manufacturing water use ratio]

Definitions

Water use ratio is calculated as the total water withdrawals divided by total production volumes from CCEP production facilities within the reporting period.
Production facilities are for all beverage types (non-alcoholic and alcohol production sites). Total water withdrawals is the total of all water used by production facilities, from all sources, including municipal, borehole and rainwater sources.
This includes water used for production, water treatment, cleaning and sanitation, backwashing filters, irrigation washing trucks and other vehicles; kitchen or canteen; toilets and sinks; and fire control. This does not include return water.
Finished product (production volume litres): litres of product produced including all production, not just saleable products and excludes externally sourced production (or "co-packed") or third party sites from which we source finished packaged goods. Volume is prior to dilution for consumption (e.g. postmix volume is for syrup volume, not ready to drink litres).
On-production sites (e.g. offices, distribution centres, warehouse, etc.) are excluded from the scope of this measurement. Production facilities linked to coffee roasting, PET preforms and recycling are out of scope.

Methodology continued

Forward on water

Water replenished as percentage of total sales volumes

Methodologies and boundaries

Calculation = Litres of water replenished ÷ ready to drink litres of finished beverages sold

Water replenishment is based on the volume of water replenished through replenishment projects. It is the volume of water safely provided to communities and to nature by the portfolio of water replenishment projects.

Volumetric project benefits are quantified using The Coca-Cola Company's (TCCC) peer reviewed methodology as outlined in the Corporate Water Stewardship: achieving a Sustainable Balance paper published in the Journal of Management and Sustainability in November 2013, or the methodology described in Volumetric Water Benefit Accounting (VWBA): a Method for Implementing and Valuing Water Stewardship Activities (2019), which builds on the 2013 paper. There are three primary water replenishment project types:

1. Watershed protection and restoration
2. Water access and sanitation
3. Water for productive use

Please refer to the VWBA website for further details: https://www.wri.org/research/volumetric-water-benefit-accounting-vwba-method-implementing-and-valuing-water-stewardship.

For further details on replenishment measurements please also refer to coca-colacompany.com/sustainability for details on this Coca-Cola System measurement.

Definitions

CCEP's total water replenishment volumes for Europe and API are sourced from TCCC.
The Nature Conservancy, with support from LimnoTech and the Global Environment and Technology Foundation, helped TCCC develop methodologies to calculate the volume of water replenished using an approach based on widely accepted tools and methodologies.
Water replenishment project factsheets and total replenishment volumes have been validated by third party consultants on behalf of TCCC, including validation that the required productivity monitoring has taken place.
Sales volume of company beverage products (in ready to drink litres) have been used as disclosed in the latest Integrated Report and Form 20-F.
Ready to drink litres equates to the final consumption beverage volume, including diluted post-mix and Freestyle volumes.

Total volume of water replenished

Methodologies and boundaries

Calculation = The volume of water safely provided to communities and to nature by our water replenishment projects portfolio (Litres)

Water replenishment is based on the volume of water replenished through replenishment projects. It is the volume of water safely provided to communities and to nature by the portfolio of water replenishment projects.

Volumetric project benefits are quantified using The Coca-Cola Company's (TCCC) peer reviewed methodology as outlined in the Corporate Water Stewardship: achieving a Sustainable Balance paper published in the Journal of Management and Sustainability in November 2013, or the methodology described in Volumetric Water Benefit Accounting (VWBA): a Method for Implementing and Valuing Water Stewardship Activities (2019), which builds on the 2013 paper. There are three primary water replenishment project types:

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Water replenishment project factsheets and total replenishment volumes have been validated by third party consultants on behalf of TCCC, including validation that the required productivity monitoring has taken place.
Sales volume of company beverage products (in ready to drink litres) have been used as disclosed in the latest Integrated Report and Form 20-F.
Ready to drink litres equates to the final consumption beverage volume, including diluted post-mix and Freestyle volumes.

Total water withdrawal

Methodologies and boundaries

Calculation = [water withdrawal from municipal source (Litres)] + [water withdrawal from borehole source (Litres)] + [water withdrawal from rainwater source (Litres)]

Water withdrawal from production facilities only.

We prepare and report water withdrawal data from sites where we have operational control, using internally developed reporting methodologies based on the GRI Standards.

Water withdrawals are measured primarily based on meter readings and invoices for the majority of CCEP production facilities. In some limited instances estimations are used to calculate withdrawals. Water withdrawals are reported by source at site level using the environmental management system.

Definitions

Total gross water withdrawal from all production facilities, calculated prior to production or water discharges.

Production facilities are defined as our bottling and production facilities for beverages under our operational control. This does not include externally sourced production (or "co-packed") sites or sites from which we source finished packaged goods.

Total water consumed

Methodologies and boundaries

Calculation = Total water withdrawal (Litres) - Total water discharge (Litres)

Water withdrawal and wastewater discharge from production facilities only.

We prepare and report water withdrawal data from sites where we have operational control, using internally developed reporting methodologies based on the GRI Standards.

Water withdrawals are measured primarily based on meter readings and invoices for the majority of CCEP production facilities. In some limited instances estimations are used to calculate withdrawals. Water withdrawals are reported by source at site level using the environmental management system. Water in storage does not have a significant water-related impact, therefore we do not report any changes in water storage.

Definitions

Water consumption measures water used by CCEP in our production or beverages for consumers such that it is no longer available for use by the ecosystem or local community in the reporting period. Reporting the volume of water consumption can help CCEP understand the overall scale of our impact due to water withdrawal on downstream water availability.

Production facilities are defined as our bottling and production facilities for beverages under our operational control. This does not include externally sourced production (or "co-packed") sites or sites from which we source finished packaged goods.

Methodology continued

Forward on water

Total water withdrawals from areas of baseline water stress

Total production volume from areas of baseline water stress

Percent of production volumes from areas of baseline water stress

Percent of water withdrawn from areas of baseline water stress

Methodologies and boundaries

Calculation = [water withdrawal from municipal source (Litres)] + [water withdrawal from borehole source (Litres)] + [water withdrawal from rainwater source (Litres)]

Water withdrawal from production facilities only at non-alcoholic ready to drink (NARTD) production facilities located in areas of baseline water stress.

Breweries, distilleries and other non-beverage production facilities are excluded from the scope of this measure.

Calculation = Total production volume measured in ready-to-drink litres for all inventory produced at NARTD production facilities located in areas of baseline water stress.

Breweries, distilleries and other non-beverage production facilities are excluded from the scope of this measure.

Calculation = [Total production volume measured in ready to drink litres for all inventory produced at NARTD production facilities located in areas of baseline water stress] ÷ [Total production volume measured in ready to drink litres for all inventory produced at NARTD production facilities]

Breweries, distilleries and other non-beverage production facilities are excluded from the scope of this measure.

Calculation = [Total water withdrawals at NARTD production facilities located in areas of baseline water stress (Litres)] ÷ [Total water withdrawals at NARTD production facilities (Litres)]

Breweries, distilleries and other non-beverage production facilities are excluded from the scope of this measure.

Definitions

Production facilities are defined as our bottling and production facilities for beverages under our operational control. This does not include externally sourced production (or "co-packed") sites or sites from which we source finished packaged goods.

All our production facilities are assessed for baseline water stress through a global Enterprise Water Risk Assessment (EWRA) using the World Resources Institute's (WRI) Aqueduct 3.0 tool.

The EWRA was last carried out in 2020, we aim to repeat this assessment in 2024. Through the EWRA, we have identified that 24 of our NARTD sites are in baseline water stress. This includes 21 of our 42 NARTD production facilities in Europe, and three out of 24 NARTD production facilities in API.

An assessment of our sites located in water stressed areas is completed periodically and also on a risk based basis, as threats evolve and new data becomes available. We include any new build or acquired sites and exclude any sites divested.

Methodology continued

Percentage of sugar sourced through suppliers in compliance with our Principles for Sustainable Agriculture (PSA)

Methodologies and boundaries

Calculation = [Total weight (Mt) of product sourced through PSA compliant scheme] ÷ [Total weight (Mt) of product sourced]

Data based upon compliance pathway agreements with sugar suppliers in current reporting period, and percentage of total sugar sourced through these suppliers.

In partnership with TCCC, we offer several routes for sugar beet suppliers to comply with the PSA and meet third party standards. There are several third party standards under which a cane sugar supplier can be certified as meeting our PSA, including Bonsucro, FSA Gold and Silver and Redcert 2. Bonsucro certification is The Coca-Cola System's preferred method for sugar cane mills and growers to demonstrate compliance with the PSA.

Annual quantities are sourced from supplier declarations. Suppliers also disclose relevant certifications and third party standards which align to PSA requirements. CCEP conducts subsequent checks on supplier disclosed quantities to internal CCEP procurement systems and verifies a sample of third party standards declarations to relevant websites and public records.

Definitions

PSA apply to agricultural ingredients and raw material suppliers and cover human and workplace rights, environmental protection and sustainable farm management. They also include specific forest and biodiversity conservation practices, such as no conversion of forests for new agricultural production, protection of endangered species, and, where possible, restoration of ecosystem services that our suppliers of agricultural ingredients and bio-based packaging materials are expected to implement.

Our PSA are available here: **cocacolaep.com/sustainability/this-is-forward/forward-on-supply-chain/**

Methodology continued

Forward on supply chain

Percentage of pulp and paper sourced through suppliers in compliance with our PSA

Methodologies and boundaries

Calculation = [Total weight (Mt) of product sourced through PSA compliant scheme] ÷ [Total weight (Mt) of product sourced]

Data based upon compliance pathway agreements with pulp and paper suppliers in the reporting period, and percentage of total pulp and paper sourced through these suppliers.

In partnership with TCCC, we offer several routes for pulp and paper suppliers to comply with the PSA and meet third party standards. Pulp and paper suppliers can attain a Sustainable Forest Management accreditation, such as the Forest Stewardship Council (FSC), or a certification endorsed by the Programme for the Endorsement of Forest Certification (PEFC). The FSC and PEFC certified logos represent a global chain of custody system, supported by a chain of custody certification process and independent inspections. Every new paper, pulp and cardboard contract now includes a requirement for third party certification.

Annual quantities are sourced from supplier declarations. Suppliers also disclose relevant certifications and third party standards which align to PSA requirements. CCEP conducts subsequent checks on supplier disclosed quantities to internal CCEP procurement systems and verifies a sample of third party standards declarations to relevant websites and public records.

Definitions

PSA apply to agricultural ingredients and raw material suppliers and cover human and workplace rights, environmental protection and sustainable farm management. They also include specific forest and biodiversity conservation practices, such as no conversion of forests for new agricultural production, protection of endangered species, and, where possible, restoration of ecosystem services that our suppliers of agricultural ingredients and bio-based packaging materials are expected to implement.

Our PSA are available here:
cocacolaep.com/sustainability/this-is-forward/forward-on-supply-chain/

Percentage of total supplier spend covered by Supplier Guiding Principles (SGPs)

Methodologies and boundaries

Calculation = [Total € spend with SGPs compliant suppliers] ÷ [Total € spend across all direct suppliers]

Data based upon compliance pathway agreements with suppliers in the reporting period, and percentage of total spend sourced through these suppliers.

Spend excluded from the scope of this measurement:

1. Brand partner (franchise or distribution agreement partners) spend. Main brand partners are TCCC, Monster energy, Capri-Sun, Appletiser, Beam Suntory, Costa.
2. Payments made outside of standardised procurement processes. This includes spend in relation to donations, sponsorship, recycling schemes, government institutions, tax authorities.

Definitions

The SGPs are a vital pillar of our human rights and workplace accountability programs. The SGPs communicate our values and expectations and emphasize the importance of responsible workplace policies and practices that comply, at a minimum, with applicable environmental laws and with local labour laws and regulations. We expect our direct suppliers to follow the spirit and intent of these guiding principles to ensure respect for all human rights.

We work with suppliers with the ambition to build SGPs into all new contracts and into multi-year contracts as they renew. The SGPs also form part of the standard conditions which are attached to our purchase order process.

SGPs compliant suppliers: Direct suppliers who signed terms and conditions (through our Purchase Orders) which included our SGPs which cover the reporting period.

Our SGP are available here:
cocacolaep.com/sustainability/this-is-forward/forward-on-supply-chain/

Methodology continued

Reduction in average sugar per litre in soft drinks portfolio since 2019

Methodologies and boundaries

Calculation = Percentage change of ([The total sugar (of included scope) of reporting period] ÷ [Total volume in litre (of included scope) of reporting period]) vs ([2019 total sugar (of included scope)] ÷ [2019 Total volume in litre (of included scope)])

European soft drink sales only.

Definitions

Soft drinks is defined as sparkling soft drinks, non-carbonated drinks and flavoured water only, and does not include plain water or juice. This definition aligns to the Unesda commitment definition.

Volumes are based on ready to drink litre sales to CCEP customers and reflect changes for new product launches, cessation of products as they occur based on sales timings. Reformulations are captured on a half-yearly basis given high number of beverage formulas across Europe. Reformulations made in the first-half of the year are reflected in the current reporting period calculation; second-half reformulations are reflected in the next reporting period.

Note that the data source and methodology on when to apply recipe changes differs from the calculation of the GHG emissions of our ingredients.

Given route to market logistics there will be a delayed impact to final end outlet sales to the end consumers.

This metrics aligns to the industry-wide pledge announced by Unesda
unesda.eu/sugar-and-calorie-reduction/

Reduction in average sugar per litre in NARTD portfolio since 2015

Methodologies and boundaries

Calculation = Percentage reduction in total portfolio wide weighted volume average sugar content (measured in grams per 100ml) since 2015.

New-Zealand, Australia and Indonesia NARTD sales only.

Definitions

NARTD defined as sparkling soft drinks, non-carbonated drinks, water, flavoured water, juice and dairy, excluding products that contain alcohol.

Total sugar is quantified by aggregating the sugar content of the total volume of sales of non-alcoholic beverages.

Volumes are based on ready to drink litre sales to CCEP customers and reflect changes for new product launches, cessation of products and reformulations as they occur based on monthly sales reporting and tracking.

Given route to market logistics there will be a delayed impact to final end outlet sales to the end consumers.

This metrics aligns to the industry-wide pledge announced by the Australian Beverages Council (ABCL)
australianbeverages.org/

Percentage of volume sold which is low or no calorie

Methodologies and boundaries

Calculation = [Total NATRD sales volume of low or no calorie products (unit cases)] ÷ [Total NARTD sales volume (unit cases)]

Calculations do not include coffee, alcohol, beer or Freestyle. For FY2023, data cover Europe, Australia, Indonesia and New Zealand only. For FY2024 data, we aim to report on this indicator for all countries in API.

Definitions

NARTD defined as sparkling soft drinks, non-carbonated drinks, water, flavoured water, juice and dairy.

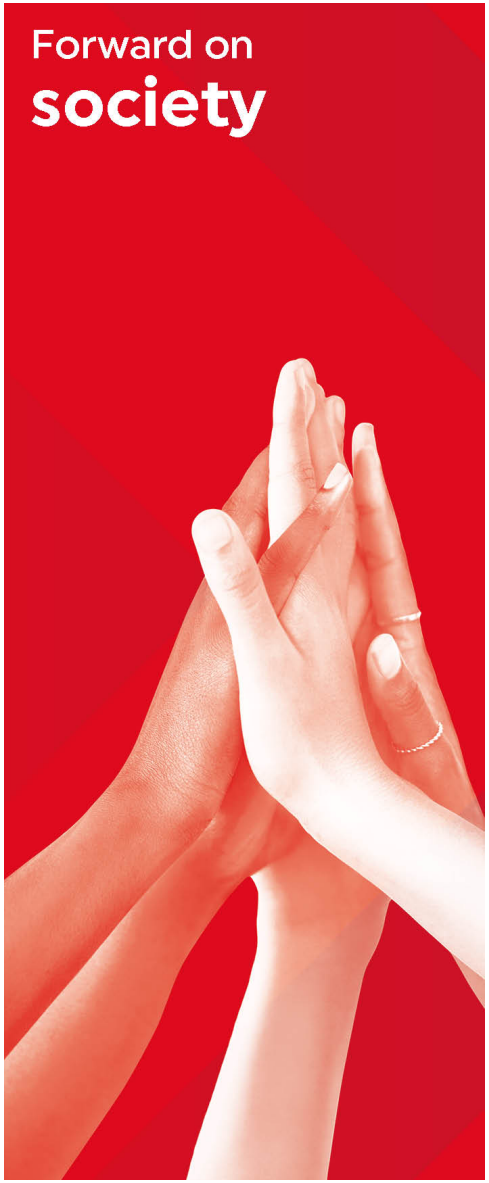
Low calorie beverages are defined as being less than or equal to 20 kcal/100ml.

Zero calorie beverages are defined as being less than 4 kcal/100 ml.

Volumes are based on unit case sales to CCEP customers and reflect changes for new product launches, cessation of products and reformulations as they occur based on sales timings. There will be a delayed impact to final end outlet sales to the end consumers.

A unit case is approximately 5.678 litres or 24 eight ounce servings, a typical volume measurement unit.

Methodology continued



Percentage of women in management positions (senior manager level and above)

Methodologies and boundaries

Calculation = [Total number of women in management position] ÷ [Total number of employees in management positions]

The gender of employees is disclosed by employees on Human Resources systems. If an employee identifies as non-binary they are included within our group employee totals, but not included with sub-totals for men or women.

Definitions

Management – includes roles graded as 'Senior Manager' and above; being Vice President, Directors, Associate Directors and Senior Manager levels. Role grades are aligned for markets in Europe, Australia, New Zealand and Indonesia. Other API markets (Fiji and Samoa) have been excluded from this calculation due to their local Human Resources systems and role grade definitions not being directly comparable to the rest of the Group. For the purposes of the calculation we are assuming that all employees in these two countries are in non 'Senior Manager' roles. Note: Papua New Guinea was excluded from the FY2022 calculation and no restatement has taken place.

The gender of global full time, part time and temporary active corporate employees for CCEP is self-reported by employees in CCEP's Human Resources system as of 31 December of each reporting period. Based on headcount numbers.

Headcount based upon data as of 31 December of each reporting period. Headcount excluded from the measurement include all contractors, pre-pensioners, employees on leave of absence (e.g. maternity leave, long term sick, parental leave) and any Board members as at 31 December of each reporting period.

Percentage of women in total workforce

Methodologies and boundaries

Calculation = [Total number of women employees] ÷ [Total number of employees]

The gender of employees is disclosed by employees on Human Resources systems. If an employee identifies as non-binary they are included within our group employee totals, but not included with sub-totals for men or women.

Definitions

The gender of global full time, part time and temporary active (including occasional or seasonal workers) corporate employees for CCEP is self-reported by employees in CCEP's Human Resources system as of 31 December of each reporting period. Based on headcount numbers.

Headcount based upon data as of 31 December of each reporting period. Headcount excluded from the measurement include all contractors, pre-pensioners, employees on leave of absence (e.g. maternity leave, long term sick, parental leave) and any Board members as at 31 December of each reporting period.

Methodology continued

Forward on society

Safety – Total incident rate (TIR)

Methodologies and boundaries

Calculation = [Number of lost time incidents (LTIs) and Medical Treatment Cases * 200,000] ÷ [Number of hours worked in the reporting period]

The calculation is based on 200,000 hours (100 full time equivalent employees (FTE) working 40 hours per week for 50 weeks) and can be approximated as: Total incident rate (TIR) = ([Number of LTIs and Medical Treatment Cases] ÷ [Average number of FTEs]) x 100

Scope: The scope of reporting is limited to self-reported or witness-reported data collected for CCEP.

Safety data is collected and reported for all sites where we have full operational control. This includes manufacturing, logistics (distribution centres and warehouses), cold drinks operations and commercial (sales, vending and central offices) sites and locations.

Each month, sites are required to submit details associated with all incidents, accidents and LTIs, and FTE data for their site. FTE data is primarily obtained directly from the global Human Resources/payroll system or estimated using employee numbers, average number of hours worked, absences and overtime information, if actual data is not readily available.

Safety data and FTE data is reported at site level using the global data management system.

Definitions

CCEP aligns it's reporting definitions with TCCC Technical KORE EOSH performance measurement guidance.

Lost Time Incident: An LTI is a reported work related injury or illness that results in one or more lost days. It is defined as an incident connected with work which makes an individual unfit to return to carry out a range of their normal duties for the next scheduled day or shift. The scope relates to all CCEP operational employees at production and distribution/warehouse facilities.

Medical Treatment Cases: An incident connected with work which resulted in a injury being sustained by an employee which requires medical treatment from a professional or qualified medical personnel. It does not include on the job first aid treatment. A medical treatment case does not necessitate time off work beyond the date of the injury to be classified as such.

Operational employee: Includes all hourly, salary and temporary employees who are on a facility's payroll, as well as contractors and temporary employees who are not on a facility's payroll, but for whom facility management provides day-to-day supervision of their work and provides the details, means, methods and processes by which the work objective is accomplished. As examples, temporary agency employees and 'permanent contractors' performing janitorial, catering, security or other routine site services are considered operational employees.

Contractors and temporary employees: managed exclusively by an outside firm, typically performing construction, pest control, and similar project or task-specific work are not considered operational employees.

Safety – Lost-time incident rate (LTIR)

Methodologies and boundaries

Calculation = [Number of LTIs * 200,000] ÷ [Number of hours worked in the reporting period]

The calculation is based on 200,000 hours (100 full time equivalent employees (FTE) working 40 hours per week for 50 weeks) and can be approximated as: Lost-time incident rate (LTIR) = ([Number of CCEP Lost Time Incidents] ÷ [Average number of FTEs]) x 100

Scope: The scope of reporting is limited to self-reported or witness-reported data collected for CCEP.

Safety data is collected and reported for all sites where we have full operational control. This includes manufacturing, logistics (distribution centres and warehouses), cold drinks operations and commercial (sales, vending and central offices) sites and locations.

Each month, sites are required to submit details associated with all incidents, accidents and LTIs, and FTE data for their site. FTE data is primarily obtained directly from the global Human Resources/payroll system or estimated using employee numbers, average number of hours worked, absences and overtime information, if actual data is not readily available.

Safety data and FTE data is reported at site level using the global data management system.

Definitions

Lost Time Incident: An LTI is a reported work-related injury or illness that results in one or more lost days. It is defined as an incident connected with work which makes an individual unfit to return to carry out a range of their normal duties for the next scheduled day or shift. The scope relates to all CCEP production and distribution/warehouse facilities.

Operational employee: Includes all hourly, salary and temporary employees who are on a facility's payroll, as well as contractors and temporary employees who are not on a facility's payroll, but for whom facility management provides day-to-day supervision of their work and provides the details, means, methods and processes by which the work objective is accomplished. As examples, temporary agency employees and 'permanent contractors' performing janitorial, catering, security or other routine site services are considered operational employees.

Contractors and temporary employees: managed exclusively by an outside firm, typically performing construction, pest control, and similar project or task-specific work are not considered operational employees.

Methodology continued

Forward on society

Percentage of people self-declaring as having a disability in our workforce

Methodologies and boundaries

Calculation = [Total # of employees self-declaring as having a disability (# of individuals)] ÷ [Total # of employees responding to voluntary survey (# of individuals)]

Based on responses to an inclusion, diversity and equity survey conducted every other year.

Non-respondents of the survey are fully excluded from the percentage calculation.

Calculated based on the total number of employees responding to our voluntary 2023 inclusion survey (representing 38.4% of total workforce) and the number of employees self-declaring as having a disability.

Definitions

CCEP global definition of disability is: any physical or mental condition, or impairment, or long-term condition, which has an effect on your ability to carry out everyday activities. They can be temporary or permanent. They can be visible and non-visible.

This disability definition is used to aid of self-identification via surveys and is aligned to the global definition developed in partnership with Disability Catalyst Group based on UN Convention on the Rights of Persons with Disabilities (CRPD) and externally reviewed by experts, including the Business Disability Forum.

The percentage calculation is based upon those who have responded to the survey, and have self declared as having a disability. Scope included those in full-time, part-time and temporary active corporate employment with CCEP. Employees on leave of absence are able to complete the survey (e.g. maternity leave, long term sick, parental leave). The surveys are planned to be conducted every two years. The surveys are voluntary and fully anonymous.

Surveyed data excludes all contractors and pre-pensioners as at the date of each survey used for reporting purpose and any Board members.

The geographical scope of the survey includes all European countries (including Bulgaria[(A)]) and Australia, New Zealand and Indonesia from our API region. Other API markets (Papua New Guinea, Fiji and Samoa) have been excluded from this calculation due to their overall size however we will continuously review and assess the appropriate scope of countries within this measurement.

Total number of volunteering hours

Methodologies and boundaries

Total number of volunteering hours during paid working time carried out through engagements with charitable organisations or activities that extends beyond our core business activities

The hours of volunteering activities are managed via Human Resources systems across most markets. Additional survey data is used where Human Resources systems do not capture volunteering days or hours.

Definitions

Volunteering hours is the total hours of paid working hours contributed by employees to a community organisation or activity. The term 'volunteering' is often used to describe time contributions, but it can go beyond this to include any active engagement in community activity during paid working time.

Examples include:

- Employee volunteering
- Active participation in fundraising activities
- Longer-term secondments to community organizations
- Supervision of work experience placements

Total number of volunteering hours are used as the basis to estimate the cost of employee time spent volunteering in the community during company time which forms part of our overall total community investment contribution calculation.

Total community investment contribution

Methodologies and boundaries

Measurement of our community investment measures our voluntary engagement with charitable organisations or activities that extends beyond our core business activities

Where community partnerships are commercial projects that have a community benefit; e.g. recycling partnerships with customers, 50% of the contribution is counted.

Excludes investment contributions excluded any leveraged funding received in the reporting period.

We aim to be accurate in our reporting and continue to enhance the way we capture and report the total value of our community contribution. Figures quoted have been rounded to the nearest 100k.

(A) Non-bottling location. Shared service centres only.

Methodology continued

Forward on society

Total community investment contribution

Definitions

CCEP uses the B4SI Framework to measure its total community contributions.

Data is captured via survey across all CCEP markets and includes:

Resources can include:

Cash contribution: Corporate giving is the gross monetary amount that is paid in support of a community organisation/ programme. Leveraged contributions are excluded. (Total gross monetary amount (€))

Time contribution: Time contributed by active CCEP employees to a community organisation or a charitable programme in paid working hours (The cost of the number of hours of paid employee time, e.g. multiply number of hours volunteered in company time by average global hourly rate (€))

In-kind contributions: Other non-cash resources contributed to community activities. This could included donation of products, provision of professional services, use of company assets, provision of free advertising space (The cost of in-kind contributions valued at the cost to the company and not market value (€))

Management costs: The costs associated with managing community activities. (Number of hours to manage community activities (hours) multiplied at average global hourly rate (€)).

The value of employee time is measured as both volunteering time and management time, and is valued at a cost of €37,20 per hour (FY2022: €34,59 per hour), based on total employee OPEX and CAPEX costs, on an average day of 8 hours.

Number of people supported in skills development

Methodologies and boundaries

Calculation = Cumulative total # of people supported in skills development since 1 January 2023

The number of people supported in skills development ('beneficiaries') via active participation in a skills development activities or programmes supported by CCEP. Activities and programmes can include those delivered by either external community partnerships or via CCEP administered programmes which support skills development or apprenticeships.

Definitions

Support: this refers to resources that CCEP commits to providing to support the relevant skills development programmes and delivery partners. If a programme has other funding providers the number beneficiaries claimed by CCEP is directly proportional to the funding provided by CCEP. For example, if CCEP is providing 50% of funding towards a programme, we only attribute 50% of reach of that programme to our cumulative total number of people supported in skills development.

Skills development: In-person and online interventions to equip people facing barriers in the labour market with the skills they need to succeed. Interventions include elements such as virtual events (webinar, online training etc.), in-person events (career fair, networking event, speech etc.), training/upskilling programmes, vocational training (e.g., HoReCa), work experience, apprenticeships, internships/placements, and mentoring.

Each programme delivery partner is responsible for data collection including details of registration of individuals enrolled in each programme and evidence to support that the programme has support skills development of that individual. Data collection can include, but is not limited to, post-event surveys, attendance list, proof of completion of online training, register of attendance, schedule/work diary of beneficiary, signed contracts.

The following groups of individual do not qualify as beneficiaries in our measurement:

- People who signed up but did not attend/ take part in community investment activity
- People that were sent information but did not engage with material
- People indirectly impacted by an activity, e.g. whole population of a town where a learning centre has been set up.

The count of people supported in skills development is linked to the timing and completion of the programme, not the timing of payment or investment into the programme. To reduce the risk of double-counting within a reporting period if an external partner is running multiple separate events or programmes CCEP request that where such programmes are identified beneficiaries are only counted once, even if they have taken part in multiple programmes from that external provider.

Following the same criteria we also include upskilling programmes within our business that have a clear social benefit at its core, rather than solely a business benefit for the CCEP pipeline.

A social benefit is defined as a programme that is delivered in mind to supporting specific communities, e.g. those facing barriers to employment, and those with lower levels of employability skills and awareness. If the activity is motivated by a social need, then it can be counted

Where we are unable to secure a final number of beneficiaries from our community partners, we use provisional estimates. For FY2023 we have do so for one of our programmes in the Netherlands, where final data is not due until mid 2024. This represents ~3.5% of total beneficiaries.