

Our approach to biodiversity and forest stewardship



The preservation and regeneration of natural ecosystems is key to the long-term success and sustainability of our business. CCEP is committed to restoring and enhancing biodiversity for future generations, by building mitigation, adaptation and resilience into our key operating and sourcing regions. We are taking action to do so by sourcing our agricultural ingredients sustainably, working to achieve Net Zero GHG emissions by 2040 and strengthening our approach to sustainable packaging and water stewardship.

In 2023, in partnership with The Coca-Cola Company (TCCC) and Coca-Cola Hellenic Bottling Company, we assessed our nature-related impacts by completing Steps 1 and 2 of the Science Based Targets Network (SBTN) framework. The goal of the SBTN is to foster corporate action to tackle biodiversity decline and nature loss, and ensure its full recovery by 2050. In Steps 1 and 2, we began to identify our most significant impacts on nature, and where they occur along our value chain. In 2024, we aim to carry out Step 3 of the methodology – measure, set and disclose targets to address our impact on nature and biodiversity.

We regularly measure and report on the progress made against our [This is Forward](#) commitments, as part of our annual integrated report and sustainability reporting.

Conservation of forests and natural ecosystems

We are committed to promoting sustainable forest management to help protect woodlands from deforestation and illegal harvesting. New bottling operations are not established in or next to World Heritage locations or areas which are protected by the International Union for Conservation of Nature. If an operation or facility is already located in or adjacent to areas with critical biodiversity, we will seek to avoid or minimise and otherwise restore any negative impact from it.

Upcoming legislation related to deforestation and human rights across many of our markets will require compliance by both our suppliers and Coca-Cola Europacific Partners (CCEP). We are partnering with our suppliers to ensure greater collaboration and transparency on their sourcing, in order to work towards compliance with these regulations. Currently, we are reviewing compliance against various deforestation-linked commodities, primarily focused on pulp and paper, and coffee. We will continue to implement and improve our systems to understand and anticipate potential risks associated with our suppliers and their supply chains.

In 2024, we will work to assess and set targets on our Forest, Land and Agriculture (FLAG) emissions, and embed our no-deforestation policy. In line with the Science Based Targets initiative (SBTi) guidance, we will work to achieve no-deforestation across our deforestation-linked commodities by 2025, with a cut-off date of December 31, 2020.

Sustainable sourcing

We are committed to sourcing 100% of our agricultural ingredients and raw materials sustainably in line with the [Principles for Sustainable Agriculture \(PSA\)](#), as set out in CCEP’s [Responsible Sourcing Policy](#) and we report annually on our progress. These principles protect and support biodiversity and ecosystems, uphold human and workplace rights, ensure animal health and welfare, and help build thriving communities. They apply to primary production, i.e. at farm level, and form the basis for our continued engagement with Tier 1 suppliers^(A) to ensure sustainable long-term supply at a lower environmental impact^(B).

The PSA require that suppliers ensure new production areas are not established in areas where forests have been cut or burned for conversion to new production or in high conservation value areas. Farmers are required to promote and protect natural habitats, protected areas and biodiversity; help protect woodlands from deforestation and illegal harvesting; and maintain and improve soil quality to minimise impacts on biodiversity. The PSA also require that the rights of indigenous peoples and local communities to land and natural resources are recognised and safeguarded.

We also expect suppliers to support our compliance with our no-deforestation objectives, and to support our compliance and due-diligence with upcoming EU Deforestation regulations.

Compliance with the PSA is verified through certification to a limited set of global third party sustainable agriculture standards approved by TCCC (see table below)

Raw materials	Procurement method	Quantity and brands	PSA aligned third party standards	Compliance and standards
Beet and cane sugar	Directly by CCEP	<ul style="list-style-type: none"> Approximately 700k tonnes of beet sugar Approximately 300k tonnes of cane sugar 	<ul style="list-style-type: none"> Bonsucro FSA Gold and Silver Redcert 2 	<ul style="list-style-type: none"> Europe: 99.9% third party standard and PSA compliant APS*: 97.3% third party standard and PSA compliant
Pulp and paper^(C)	Directly by CCEP	<ul style="list-style-type: none"> Europe: approximately 70k tonnes of board for secondary and tertiary packaging, materials APS*: approximately 40k tonnes of board for secondary and tertiary packaging 	<ul style="list-style-type: none"> Forest Stewardship Council (FSC) Certification endorsed by the Programme for the Endorsement of Forest Certification (PEFC) 	<ul style="list-style-type: none"> Europe: 99.8% FSC or PEFC certified and PSA compliant APS*: 99.7% FSC or PEFC certified and PSA compliant
Juice^(D)	TCCC	<ul style="list-style-type: none"> Orange and lemon juice from concentrate, not from concentrate and puree, are key ingredients in a number of our products (e.g. Minute Maid) 	<ul style="list-style-type: none"> Sustainable Agriculture Initiative Platform (SAI) 	<ul style="list-style-type: none"> Europe: 100% PSA compliance for orange and 100% for lemon APS*: 100% PSA compliance for orange and lemon
Coffee and tea	Directly by CCEP	<ul style="list-style-type: none"> Grinders brand 	<ul style="list-style-type: none"> Rainforest Alliance Fairtrade 	<ul style="list-style-type: none"> 46% compliance for this CCEP owned brand in APS*
	TCCC	<ul style="list-style-type: none"> Costa, Chaqwa and Fuze Tea brands 	<ul style="list-style-type: none"> Rainforest Alliance Fairtrade 	<ul style="list-style-type: none"> Europe: 100% PSA compliance for coffee and 100% for tea

(A) The Coca-Cola System works exclusively with Tier 1 suppliers who in turn maintain direct contact with primary production and validate progress towards compliance.
 (B) This extends in particular to the sections Conservation of Forests, Conservation of Natural Habitats, Biodiversity and Ecosystems, Soil Management and Agrochemical Management.
 (C) We aim to expand reporting on this category to include additional areas such as printed and point of sale material in the future.
 (D) Coca-Cola trademark beverages with juice from concentrate, not from concentrate and puree as key ingredients.

* Does not yet include the Philippines

Leader

Leader Standards are successfully benchmarked with the SAI Farm Sustainability Assessment at Bronze level (or better) and/or are leading in their commodity sector globally and have been approved by TCCC's Sustainable Sourcing Committee. The table below includes those standards relevant to commodities that CCEP uses.

Standard name	Key commodities	Scope
SAI Farm Sustainability Assessment (FSA) minimum Bronze	Universal crops (cane sugar, beet sugar, fruit, soy)	Global
Better Coffee Verified – Costa (BCV)	Coffee	Global
Bonsucro Standard	Cane sugar	Global
EU Organic	Fruits	Germany
Fairtrade International	Coffee, tea, fruit	Global
Forest Stewardship Council (FSC)	Pulp, paper	Global
GlobalGAP and FSA (preferred)	Fruits	Global
GlobalGAP and grasp	Fruits	Selective
International Sustainability & Carbon Certification (ISCC+)	Cane Sugar, HFCS (corn)	Global
Programme for Forest Certification (PEFC)	Pulp, paper	Global
Proterra Standard	Cane sugar, soy	Global
QS GAP and German legislation	Fruits	Germany
Rainforest Alliance (Farm Assurance Standard)	Coffee, tea, fruit	Global
Renewable Energies Directive Certification (RedCert)	Beet Sugar, HFCS (corn)	EU
Roundtable on Responsible Soy (RTRS)	Soybean	Global
SIZA (environmental + social modules)	Fruits	South Africa
Smartcane BMP	Sugar cane	Australia
VIVE	Universal Crops (Cane and beet sugar, fruit)	Global
4C	Coffee	Global

Credits (only accepted when physical certified volume is not available)

Bonsucro Credits	Sugar	Global
RTRS Credits	Soybean	Global
VIVE – Mass Balance Transfer and Credits	Sugar	Global

Mover

Other quality or farming standards that do not fully meet the PSA requirements but are acceptable for managing key risks in the specified region are considered for supplier volume in the Mover category.

Standard name	Key commodities	Scope
GlobalGAP	Fruits	Global
NDPE	Sugar cane	Global
Organic	Universal crops	Global

Reducing emissions – our Net Zero 2040 ambition

In 2023, our Group wide targets to reduce GHG emissions by 30% by 2030 (versus 2019) and to reach Net Zero by 2040 have been approved by the SBTi and are aligned with a 1.5°C pathway.

To assess how GHG emissions will reduce by 2030, we started to build a climate transition plan, including carbon reduction roadmaps with targeted investment through to 2030.

In 2023, we focused on building a roadmap to deliver against our short- and long-term GHG reduction targets. This work included modelling reductions from across the business, and across each country we operate in.

Carbon offsetting

While our focus is on decarbonising our business in line with a 1.5°C reduction pathway, we support a limited amount of carbon offsetting outside of our value chain in the short term.

We follow SBTi-Net Zero guidance in this area, purchasing a limited amount of high-quality carbon credits to offset emissions where we cannot reduce further – for example, to offset remaining emissions for our carbon neutral production facilities.

In 2023, we retired 41,090 tCO₂e of carbon credits from a VCS-certified Katingan Mentaya Project, protecting peatland in Central Kalimantan, Indonesia. These credits were used to offset remaining emissions from our 14 carbon neutral production facilities. We plan to continue to support our carbon neutral sites in 2024, retiring carbon credits we have already purchased. Over the longer term, we will be working to directly invest in nature based solutions that remove carbon from the atmosphere, such as water replenishment programmes or reforestation projects, that will allow us to increase the scale of carbon removals that we can achieve. We believe that investing in nature based solutions over the longer term will both support our ambition to reach Net Zero GHG emissions by 2040 and support enhanced biodiversity and natural capital restoration.

Water stewardship

In order to protect and reinstate watersheds that foster biodiversity, we are reducing our own water consumption and contributing to the secure access to water in priority areas via water replenishment activities, wetland restoration, and other initiatives.

Our approach to water stewardship is aligned with [TCCC's 2030 global water strategy](#). This includes a context based approach to water security, which allows us to prioritise the areas of our value chain – both operations and sourcing regions – most at risk from water stress.

We are committed to:

- Reduce our water use ratio (WUR) by 10% by 2030 (versus 2019). This target is an aggregation of site-level WUR targets, which are set in line with the sites' water risk context and site level risk categorisation.
- Replenishing 100% of the water we use in our beverages. In 2023, overall we replenished 98.7% of the water we sourced to make our drinks.
- Achieving 100% regenerative water use at our leadership locations^(A), in line with TCCC's 2030 global water strategy. Sites with regenerative water use targets must ensure that by 2030 their total water withdrawal volume is replenished – either through a beneficial use for their wastewater, or through investment in replenishment projects in the minor river basin of the production facility. We aim to report on this indicator in 2023.

In 2020, together with TCCC, and 20 other companies, we signed a joint statement to support and protect the EU Water Framework Directive. The Directive provides a framework to ensure that freshwater ecosystems in Europe are protected and restored and water is sustainably managed, in line with the UN Sustainable Development Goals, including ensuring the preservation of biodiversity through improved management of river basins and special habitats.

(A) Non-alcoholic ready to drink (NARTD) production facilities which rely on vulnerable water sources or have high water dependency. We have nine leadership locations in Europe and four in APS*.

* Does not yet include the Philippines

In 2023, we signed the Business Leaders' Open Call to Accelerate Action on Water – an initiative of the UN Global Compact. Through the Open Call, we were one of 50 of the world's largest companies who committed to build water resilience across operations and supply chains, accelerate collective positive water impact in at least 100 water-stressed basins by 2030. As part of our commitment to responsible water stewardship, we also participated in the UN Water Conference in 2023 and joined 50 other companies in endorsing the CEO Water Mandates' Water Resilience Coalition Open Call to Accelerate Water Action. The aim of this is to achieve positive water impact in 100 vulnerable water basins globally by 2030.

Water efficiency, replenishment and biodiversity

64 of our NARTD production facilities are certified^(A) under the ISO 14001 environment management standard. This ensures we have appropriate environmental management and stewardship resources in place for all our daily operations. In 2024, we became a member of the Alliance for Water Stewardship (AWS) to enhance our water stewardship performance across our sites, and to ensure our continued contribution to the global water stewardship community. In 2023, our sites in Chaudfontaine, Belgium, and Dongen, the Netherlands, which currently hold AWS platinum certification, began the process to re-certify their sites to the AWS standard in 2024. In addition, in 2024, our sites in Antwerp and Gent, Belgium, were also AWS platinum certified.

We aim to leave nature in a better state than we find it by supporting mitigation, adaptation and resilience programmes in our main operating and sourcing regions. To protect and reinstate watersheds that foster biodiversity, we are improving our water use efficiency and contributing towards secure access to water in priority areas, through water replenishment projects.

In 2023, we supported 27 water replenishment projects across Europe and 9 in APS*. Through these programmes, we replenished 18.3 million m³ of water across our territories – including 16.2 million m³ in Europe and 2.1 million m³ in APS*. This represents 98.7% of our total sales volume (107.9% in Europe; 60.1% in APS*).

TCCC have completed a study to better understand the biodiversity and ecosystem service benefits of replenishment programmes – including those in our markets. [This work](#) indicated that water replenishment and restoration projects can “enhance a range of ecosystem services in addition to providing water, including carbon sequestration, water quality improvement, flood protection, recreation, as well as food and raw materials provisioning.”

Together with TCCC, we will also begin using the newly released [Biodiversity Guidance to the Natural Capital Protocol](#) to start building a systematic framework for measuring and reporting the biodiversity benefits of replenishment projects. Valuation of natural capital will allow for building a more compelling business case for nature both internally and externally – with our project partners, communities and key stakeholders, as well as with our suppliers and our peer companies.

(A) All outstanding production facilities are located in Papua New Guinea where we are actively working towards certification.

* Does not yet include the Philippines

Sustainable packaging

Our approach to delivering a World Without Waste (our joint approach to sustainable packaging with TCCC), will deliver a positive impact on ecosystems by ensuring that our packaging does not end up as waste, affecting oceans, waterways and marine wildlife.

We are committed to:

- Removing unnecessary packaging: We're removing all unnecessary or hard to recycle packaging from our portfolio and we'll make sure that 100% of our primary packaging is recyclable or reusable by 2025. In 2023, 99.1% of our primary packaging across our territories was recyclable (99.0% in Europe and 99.6% in APS*).
- Refill. Reuse. Dispensed: We're innovating in refillable and dispensed solutions and services as a key strategic route to eliminate packaging waste and reduce our carbon footprint.
- Achieving 100% collection: We're supporting well-designed deposit return schemes to collect 100% of our packaging by 2030, and we continue to use the reach of our brands to inspire everyone to recycle. In 2023, 73.2% of the packaging we put on the market was collected for recycling.
- Reducing virgin plastic: We have set a target to use 50% recycled plastic (rPET) in our PET bottles by 2023 (Europe) and 2025 (APS*). We're aiming to accelerate towards zero oil-based virgin plastic by 2030, using 100% recycled or renewable content^(A). In 2023, we continued to exceed our target to use >50% rPET, reaching 54.6% across the Group in 2023. We also increased our use of recycled PET (rPET) in Europe again, reaching 59.2%^(B). In APS* 41.5% of the plastic we used in our PET bottles was rPET.

Through local community partnerships across Europe and APS* we support a wide range of major land-based and marine litter clean up activities that further support the restoration of biodiversity. As well as removing litter, the initiatives influence consumer behaviour and raise awareness around littering and recycling.

(A) Targeting for 100% of our one-way PET bottles sales (individual consumer units) to be made from 100% rPET. Label and cap on these bottles are recyclable, but are not made from recycled plastics.

(B) In 2019, we announced enhanced packaging targets for Europe, bringing forward the deadline to use at least 50% rPET from 2025 to 2023. Since 2021, our rPET use in Europe has been >50%.

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