

# MODERN SLAVERY STATEMENT 2020

This statement has been published in accordance with the Modern Slavery Act 2015. It sets out the steps taken by Coca-Cola Europacific Partners plc (formerly known as Coca-Cola European Partners plc) and its group companies (CCEP)<sup>(A)</sup>, in particular Coca-Cola European Partners Great Britain Limited, Coca-Cola European Partners Services Europe Limited and CCEP Group Services Limited, during the year ending 31 December 2020 to prevent modern slavery and human trafficking in our European business and supply chain.

## INTRODUCTION

We consider human and workplace rights – as articulated in the [United Nations' Universal Declaration of Human Rights](#), and the [International Labour Organization's Declaration on Fundamental Principles and Rights at Work](#) – to be inviolable. Respect for human rights is fundamental to the sustainability of CCEP and the communities in which we operate. We are committed to ensuring that all people are treated with respect wherever they work or live.

We support the [10 principles of the UN Global Compact](#), and take a proactive approach to respecting these rights in our workplace, in our supply chain, and in the communities in which we operate. We provide a safe and healthy workplace and comply with applicable health and safety laws, regulations and internal requirements.

We have a zero-tolerance approach to Modern Slavery of any kind within our operations and supply chain.

Together with The Coca-Cola Company (TCCC), we expressly prohibit any form of human trafficking within our system or by any company that directly supplies or provides services to our business. We prohibit the use of all forms of forced labour, including prison labour, indentured labour, bonded labour,

military labour, slave labour and any form of human trafficking within our company and by any company that directly supplies or provides services to our business.

## OUR BUSINESS

CCEP is a leading consumer goods company in Western Europe, making, selling and distributing an extensive range of non-alcoholic ready-to-drink beverages and drinks that contain alcohol, and is the world's largest Coca-Cola bottler based on revenue. CCEP serves a consumer population of over 300 million across Western Europe, including Andorra, Belgium, continental France, Germany, Great Britain, Iceland, Luxembourg, Monaco, the Netherlands, Norway, Portugal, Spain and Sweden.

You can read more about our business and our sustainability strategy in our [Integrated Report](#).



(A) Coca-Cola European Partners plc acquired Coca-Cola Amatil Limited on 10 May 2021 and is now known as Coca-Cola Europacific Partners plc. This 2020 Modern Slavery Statement reports on the activities of CCEP's European business during the year ending 31 December 2020 and does not include information regarding the activities of the Australia, Pacific and Indonesia business.

## OUR SUPPLY CHAIN

Our suppliers are critical partners for our business. We believe collaboration and innovation throughout our supply chain are essential in advancing our sustainable growth.

We source products from around 15,000 suppliers. These cover commodities and services such as ingredients (apart from concentrate and juices, which we source from TCCC and other franchisors), packaging, energy, capital equipment, building and facilities, fleet and logistics, sales and marketing, IT, telecoms, general administration and professional services. On average in 2020, 87% of spend was with suppliers based in our countries of operation in Europe.

We purchase the entire requirement of our concentrates and syrups for Coca-Cola trademark beverages from TCCC. Many of the purchases of our priority agricultural ingredients, such as sugar and juices, are made together with TCCC, and other Coca-Cola bottlers. As a result, we address many of the issues that we face in our supply chain, including that of Modern Slavery, as a joint Coca-Cola system.

## POLICIES

We uphold our sustainability standards through our [Code of Conduct \(CoC\)](#), [Human Rights Policy](#), [Supplier Guiding Principles \(SGPs\)](#) and [Principles for Sustainable Agriculture \(PSA\)](#)<sup>(B)</sup>. Our Human Rights Policy is aligned with international human rights principles encompassed in the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the United Nations Global Compact and the United Nations Guiding Principles on Business and Human Rights.

All bottlers within the Coca-Cola system follow TCCC's SGPs and PSA. These set out the minimum requirements we expect of our suppliers in areas such as workplace policies and practices, health and safety, human rights, environmental protection and business integrity. We require all our suppliers to comply with our SGPs and PSA, including those who supply ingredients for the non-TCCC brands that we produce and distribute, such as Capri-Sun and our energy brands.

The SGPs and PSA expressly prohibit the use of all forms of child labour and forced labour – including prison labour, indentured labour, bonded labour, military labour, slave labour and any form of human trafficking. The PSA also now specifically prohibit retention of personal identity documents, recruitment fees or excessive loan terms. Additionally all children under 15 living on farms must have access to schooling. Our standard supplier contract also includes specific anti-slavery obligations on suppliers, including the express undertaking that neither the supplier nor any other person in its supply chain uses (or has attempted to use) trafficked, bonded, child or forced labour.

(B) The Principles for Sustainable Agriculture (PSA) replace the Sustainable Agriculture Guiding Principles (SAGPs).

## GOVERNANCE

We consider human and workplace rights to be inviolable and fundamental to our sustainability as a business. We are committed to ensuring that everyone working throughout our operations and within our supply chain is treated with dignity and respect.

CCEP has a strong governance framework with the Board of Directors overseeing the interests of all stakeholders. Five committees support the Board. These include the Corporate Social Responsibility (CSR) Committee, which is responsible for overseeing CCEP's sustainability strategy and all related policy issues and risks, including human rights. Management has also established a Compliance & Risk Committee, which among other things, advises the ethics and compliance function of our business and provides management level input regarding the ethics and compliance programmes.

Our CoC ensures that we act with integrity and accountability in all of our business dealings and relationships, in compliance with all applicable laws, regulations and policies. We expect everyone working at CCEP to adhere to the CoC. In each of our territories, we have established different ways for employees or third parties to report potential violations of our CoC. These include channels to contact one of the Code Resources (such as a line manager or People & Culture representative) or by sharing information through our dedicated, independent and confidential Speak Up Channels. CCEP is committed to investigating, addressing and responding to the concerns of employees and to taking appropriate corrective or disciplinary action in response to any violation.

We also expect all third parties who work on our behalf to act in an ethical manner consistent with our CoC and to comply with our SGPs. CCEP's standard supplier contract includes the requirement for compliance with Modern Slavery and anti-bribery legislation as well as compliance with the SGPs.

## RISK ASSESSMENT & DUE DILIGENCE

### ASSESSING RISK

We continually evaluate the performance and sustainability of our suppliers based on financial value, efficiency, innovation and risk. For our critical suppliers, we carry out a number of detailed evaluations including a financial assessment and an annual supply risk analysis along with regular meetings to discuss issues such as performance, innovation and sustainability. In 2020, we continued our category risk mapping exercise with EcoVadis to better understand any risks associated with a particular supplier or ingredient.

Modern Slavery has been assessed as a part of our corporate Enterprise Risk Management framework, and responsibility for managing its risk sits with a designated risk owner.

In 2019, we conducted a Human Rights Risk Assessment based on salient human rights issues identified during a series of workshops and interviews with key internal stakeholders from different functions and countries in 2018 and 2019. These salient human rights issues formed the basis of our [Human Rights Action Plan](#).

We have identified nine key areas as posing the greatest risk to people in our own operations and across our value chain. In 2019, we focused on the first four priority issues to ensure full compliance and that action is taken: health, safety and security; equality and non-discrimination; working hours; and migrant and temporary workers.

In 2020, we developed action plans for the issues related to freedom of association, right to privacy and data protection. However, due to COVID-19 we took additional measures to ensure the health and safety of our people and others working for CCEP. This had an influence on our timetable to review the remaining actions (forced labour and wages) which we have started a deep dive on in 2021. Progress on the action plans for each issue is monitored and reviewed on a regular basis.

As a major user of sugar and other agricultural ingredients, we recognise we must take action and use our influence to help end human rights abuses across our supply chain.

In 2018, in partnership with TCCC, we conducted a risk assessment for our main ingredients. Together with third party organisations, who assess compliance with the PSA in line with TCCC's preferred sustainable farming standards and assurance schemes, we are able to assess risks of modern slavery, child and forced labour.

## DUE DILIGENCE

We expect our suppliers to develop and implement appropriate internal business processes to ensure compliance with the SGPs and PSA. As part of the Coca-Cola system, we have relied on independent audits commissioned by TCCC to monitor supplier compliance with the SGPs. TCCC is a member of the AIM-PROGRESS forum, a global forum promoting responsible sourcing practices and the

harmonisation of supplier audits as a way of reducing duplication and costs for suppliers. The SGPs and SGP audits have been benchmarked against other members' protocols and are recognised by AIM-PROGRESS members through a framework called Mutual Recognition.

Audits against our SGPs generally include confidential interviews with employees and on-site contract workers. These audits include checks to ensure suppliers are not using child labour, forced labour, or any form of modern slavery, amongst the other covered areas of our SGPs. In 2020, 99% of our packaging and ingredients suppliers were covered by SGP audits.

If a supplier fails to uphold any aspect of the SGP requirements, the supplier is expected to implement corrective actions. TCCC reserves the right to conduct unannounced audits at their discretion and to terminate an agreement with any supplier that cannot demonstrate that it is upholding the SGP requirement, including if it is found to be engaging in modern slavery.

Due to the human resources policies, governance and controls within our own operations – including our offices, manufacturing, distribution, and sales functions – there is a low risk of an incidence of child labour or any form of forced labour within our own operations.

We also employ contract labour within our operations – including temporary labour within our manufacturing operations and sales teams, consultancy and temporary contracts in our head offices, and third-party contractors for services such as cleaning. While these areas are not under our direct control, and therefore carry a higher risk of non-compliance, CCEP's standard supplier contract includes the requirement for compliance with Modern Slavery and anti-bribery legislation as well as compliance with the SGPs.

We conduct continuous assessments of our operations and of key authorised contract labour suppliers to ensure the responsible treatment of contract labourers. We utilise TCCC's contract labour risk-mitigation checklists and other tools to help us manage contract labour appropriately.

### PRIORITY ISSUES



HEALTH,  
SAFETY  
& SECURITY



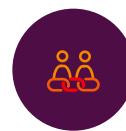
EQUALITY & NON-  
DISCRIMINATION



FREEDOM OF  
ASSOCIATION



RIGHT TO  
PRIVACY



FORCED  
LABOUR



WAGES



WORKING  
HOURS



MIGRANT &  
TEMPORARY  
WORKERS



DATA  
PROTECTION

### 2020

### 2021 FOCUS

## TRAINING

All procurement managers who interact with suppliers are given training on the SGPs and the PSA as well as on Human Rights, as part of their induction, and these are refreshed regularly. In May and June 2020, we held training sessions for procurement teams and production facility managers on human rights, including a specific focus on modern slavery. We plan to refresh this training in 2021.

The CoC has been formally adopted in all the territories in which we operate, as well as by our shared service centres in Bulgaria. All employees are required to undergo CoC training, and this is part of the induction process for new employees.

## OUR PROGRESS

We are currently reviewing a range of options to help improve the validation and proactive management of our supplier base in a number of key areas, particularly human rights and modern slavery. This includes further investment with EcoVadis, via IQ and other digital providers, which will enhance our robust risk management processes.

In 2020, CCEP participated in the [KnowTheChain](#) benchmark for the second time. This benchmark identifies and shares leading practices, enabling companies to improve their standards and procedures to address forced labour risks within their global supply chains. We continue to actively use the learnings from this process to inform the further development of our approach to tackling modern slavery.

Our biggest potential exposure to Modern Slavery is within our priority agricultural ingredient supply chains, and within the supply chains for some of our packaging materials. We track our suppliers' compliance with our PSA which includes prohibitions on modern slavery, forced labour and child labour, through third-party certification processes.

We continue to work with our suppliers to source 100% of our priority agricultural ingredients sustainably, according to our PSA.

## SUGAR

Over 95% of the sugar we use comes from sugar beet grown in France, the Netherlands, Sweden, Denmark, Germany, Great Britain and Spain. In partnership with TCCC, we offer several routes

by which beet sugar suppliers can comply with the PSA and meet third-party standards. In 2020 we purchased 660,491 tonnes of beet sugar and 32,959 tonnes of cane sugar. For the first time, 100% of this sugar was certified as compliant with the PSA, reaching our target to sustainably source 100% of our sugar.

## PULP AND PAPER

Pulp and paper are used in much of our packaging and point of sales material accounting for around 9% of the packaging we use by weight. 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-certified logo, or those from the PEFC, 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. In 2020 we used a total of 61,549 tonnes of board – 100% of which was FSC or PEFC-certified and therefore PSA-compliant.

## COFFEE AND TEA

We source coffee and tea for our Honest, Chaqwa and Fuze Tea brands through TCCC, with whom we work closely to ensure compliance with our PSA and other internationally recognised sustainable sourcing standards. In 2020, 97% of coffee sourced by TCCC at a global level was PSA-compliant – including the coffee in our Honest Coffee brand which was 100% PSA-compliant, meeting [Fairtrade](#) certification standards. 84% of TCCC's global tea volumes were PSA-compliant in 2020 – including our Fuze Tea brand, containing tea extracts from 100% sustainably sourced tea leaves, and achieving PSA-compliance through Rainforest Alliance certification. As a result, the 'green frog' seal, confirming the tea has been sourced from Rainforest Alliance Certified™ farms, is included on all packaging for the complete Fuze Tea range.

## JUICES

Oranges and citrus fruits are a key ingredient in a number of our products, such as Fanta, as well as a number of our juices. For orange, lemon and apple juice, we work with TCCC, our juice suppliers and other third-party frameworks to establish programmes to ensure compliance with our PSA. In particular, we work with partners such as the Sustainable Agriculture Initiative Platform (SAI), in areas where we source some of our products, such as Spain, to improve the sustainability of our juice supply. In 2020, 44% of the orange juice, 60% of the apple juice and 82% of the lemon juice sourced by TCCC at a global level was PSA-compliant.

## IDENTIFIED CONCERNS AND REMEDIATION

In 2020, CCEP was made aware that one of its suppliers was the subject of a criminal investigation in connection with human trafficking. CCEP immediately contacted the supplier to understand and assess the background to the investigation. Due to the seriousness of the allegations, CCEP took the decision to suspend the contract. CCEP continues to be in contact with the supplier and consult regularly on the development of the investigation. However, further action and decisions are dependent on the outcome of the criminal investigation, which CCEP does not wish to impede at this stage.

## NEXT STEPS

At the time of writing this statement, we are facing unprecedented challenges stemming from the COVID-19 crisis. The safety and wellbeing of everyone working in our operations and value chain is our top priority. Whilst it is still unclear how long the pandemic will last and how it will impact on our business in the long term, we will strive to continue to address potential modern slavery risks throughout our value chain.

In 2021 we are undertaking two initiatives that aim to improve our monitoring and reporting on modern slavery and human rights risks in our supply chain:

- We are forming a partnership with [FRDM](#) who provide a dedicated human rights and modern slavery platform which will enable the mapping of our suppliers and associated tier-2 / tier-3 supply chain risks at a commodity level. This will enable us to proactively identify and mediate risk. In addition the service provides targeted news monitoring and alerts relating to our supply chain enabling us to react quickly to assess and mediate any emerging risks. Finally documentation and remediation action plans will be captured in this platform, providing a robust audit trail.
- As part of our ongoing relationship with EcoVadis we have launched their IQ monitoring service. With this new functionality we will continue to enhance our category risk mapping and increase visibility on inherent sustainability risks linked to our entire supplier base, including modern slavery.

This will be in addition to our focus on:

- Continuing to monitor supplier compliance with our SGPs
- Continuing to work with TCCC and our agricultural suppliers to move towards sourcing 100% of our agricultural ingredients sustainably
- Implementing our Human Rights Action Plan, including developing action plans for our salient issues; delivering training on human rights for our procurement and supply chain teams; engaging external stakeholders to validate our approach and ongoing supplier engagement
- Evolving our sustainable procurement strategy to develop supplier engagement & capacity-building on sustainability
- Providing refresher training to procurement and production facility managers on the SGPs, PSA and Human Rights
- Providing online human rights training for all CCEP employees including their role on helping to protect and respect human rights on a daily basis

This statement was approved by the Boards of Coca-Cola European Partners plc, Coca-Cola European Partners Great Britain Limited, Coca-Cola European Partners Services Europe Limited and CCEP Group Services Limited.

Signed



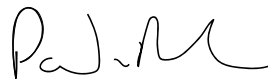
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May 2021