

Coca-Cola
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2021 Gender Pay Gap Report

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At Coca-Cola Europacific Partners Great Britain Limited (CCEP) we are committed to building a business where Everyone is Welcome. Our aim is to be a business that leads on inclusion, diversity and equity, which grows sustainably, truly represents the society we serve and positively impacts the lives of our colleagues, customers and communities.

Creating a positive gender balance in our workforce is one core aspect of this and has been embedded in our approach to our culture, governance, and people for many years.

In early 2018, we produced the first report focused specifically on our gender pay gap. Since then, we have continued to develop and expand our efforts to improve gender balance, as part of a revamped Inclusion & Diversity strategy driven by the Senior Leadership Team and our dedicated Inclusion & Diversity Groups.

This strategy is titled 'Everyone's Welcome: Be Yourself, Be Valued, Belong' and aims to create a workplace environment that builds confidence and supports ambitions for all, regardless of difference, background or personality.



2021 Gender Pay Gap Report

Within this strategy there are core pillars that support our action plan on gender diversity, which include the following:

50% Accountability:

Our leadership team is committed to increasing the number of women in management and leadership positions, with an aspiration of reaching 50% in GB by 2025. In 2017 women accounted for 35% of these positions and this proportion has continued to rise, reaching just over 40% in 2021, rising 1.8% on 2020 figures. This is despite the overall proportion of women in our GB workforce remaining steady at 31%. In recent years we have taken a number of steps to rigorously measure and track improvements in gender equality across our business, including entering into the Bloomberg gender equality index for the first time in 2021 and using the outputs as a key benchmark we report upon to our Board annually.



Recruitment:

As a manufacturing business, CCEP has traditionally had a higher proportion of male employees and applicants. However, our aim is to achieve 50/50 gender balanced candidate recruitment slates and we actively seek gender balance in our candidate shortlists at every level and within every function of our business.

We also aim to promote diversity within our hiring teams and inclusion in their selection practices – for example through initiatives such as our Equity Programme and dedicated training to address the potential for unconscious bias.



Inclusivity Networks:

Our inclusivity commitments, programmes and content are embedded across all parts of the business, from strategic leadership planning to new colleague inductions, and in our interactions with external stakeholders. We are also continually assessing and evolving the work we do to ensure we are an inclusive organisation, where Everyone is Welcome. We have an overarching Inclusive Networks programme that brings together colleagues from all genders across the business at regular events designed to challenge and inspire people to play an active role in shaping our culture.

Figure 1.0



Training & Development:

Our 'Women in Leadership' programmes include both formal and informal development and connection opportunities for women in management positions. We also have a range of learning and mentoring programmes for female talent to help them maximise their full potential in our business. This includes targeted investment in our management development curriculum to ensure that there is gender balance across the future leaders of our business. We have developed a gender balance 'modeller' tool to enhance our leadership's awareness of the metrics and levers that influence improved hiring, promotion and retention.

Our Gender Pay Gap Data

Under UK legislation that came into force in April 2017, businesses with more than 250 employees are required to annually publish data about their gender pay gap. Although this requirement was suspended in 2020 in light of the impact of the coronavirus pandemic, we have continued to report annually. This report reflects the calculations required under this UK legislation for Coca-Cola Europacific Partners (CCEP) Great Britain Limited.

The gender pay gap relates to differences in average male and female pay within an organisation and does not compare the pay received by men and women for doing the same or equivalent work (known as equal pay).

In Great Britain, we make, sell, and deliver some of the country's most-loved soft drinks brands. We are a large local employer, and our roots are firmly based within the communities in which we do business. We employ people across England, Scotland and Wales in manufacturing sites, distribution depots and offices, as well as having a significant national field-based and home-based salesforce.



Our Gender Pay Gap Data

We track the gender pay gap data for Coca-Cola Europacific Partners (CCEP) Great Britain Limited in line with the government regulations first launched in 2017, and based on this methodology the headline figures for 2021 are listed below in Figure 2.0:

	Gender Pay Gap (%)	Gender Bonus Pay Gap (%)
Median	4.5	4.5
Mean	-1.1	4.8

Figure 2.0 Figures as of 5th April 2021

A positive percentage figure represents female employees having lower pay or bonuses than male employees. A negative percentage figure represents female employees having higher pay or bonuses than male employees. Mean is commonly known as "average"; the **mean** gender pay gap is the difference in the average hourly pay for female employees within a company compared to that of male employees. **Median** represents the middle point of a population; in the case

of gender pay gap, the median pay gap is the difference between the hourly pay rate for the 'middle woman' compared to that of the 'middle man' if you separately lined up all the women in a company and all the men. Statisticians such as the Office for National Statistics prefer to use **median** data to find the average gender pay gap because this data point is not affected by extreme values such as changes in the earnings of small numbers of high earners.

What does our data tell us?

Our overall data for 2021 indicates that the headline figure for median gender pay gap in our workforce has remained relatively steady at 4.5% as of 5th April 2021 compared to 4.4% as of 5th April 2020. Overall, our gender pay gap has more than halved since the first reporting year in 2017, when the figure stood at 10.7%.

In addition, when looking at our mean gender pay gap, we see that our female colleagues are paid 1.1% more than our male colleagues. However, as indicated, we recognise that the median figure is a better representation of the overall gender pay gap as it is not impacted as much by outlying values.

When considering our Gender Bonus Pay Gap, our data shows us that, according to the median figure, our male colleagues earned a 4.5% higher bonus on average than female colleagues. When calculating these figures, we include stock awards at Director levels. Our mean gender bonus gap shows a figure of 4.8% in favour of male colleagues – a more than halving of the 2020 figure of 10.0% and a significant further reduction from the figure of 29.1% recorded as of 5th April 2018.

We have deduced that our gender pay gap arises from two key factors:

- While the female percentage of those in our workforce who are higher earners has increased, particularly at the Vice President level where the percentage has risen from 37% in 2020 to 47% in 2021, it remains the case that fewer senior women hold the most senior positions within our UK business.
- We also employ more men than women in our manufacturing operations and this is where we have a significant number of highly technical and shift-based roles that attract a pay premium.

We believe that the changes in our gender pay gap shown between the 2020 and the 2021 data - can be attributed in part to the following factors:

- Hourly pay has risen for both men and women within our business, but we have seen a sharper increase for women in terms of mean pay, which has increased on average by £0.90 per hour for men and £1.20 per hour for women.

- The proportion of women in senior positions increased by 1.8% and the proportion of women receiving higher hourly pay has increased by 1% in the upper pay quartile – see figure 4.0
- Although we continue to build a higher representation of females in leadership and management roles, a greater proportion of the more senior roles remain held by men. The increase in gender balance within our management levels provides a good future talent pipeline, and we continue to focus and invest in our management development curriculum to help achieve gender balance in candidates for more senior positions.

This supports our progress in achieving our aspiration of 50% of leadership and management roles in GB being held by women by 2025, as indicated in Figure 1.0.

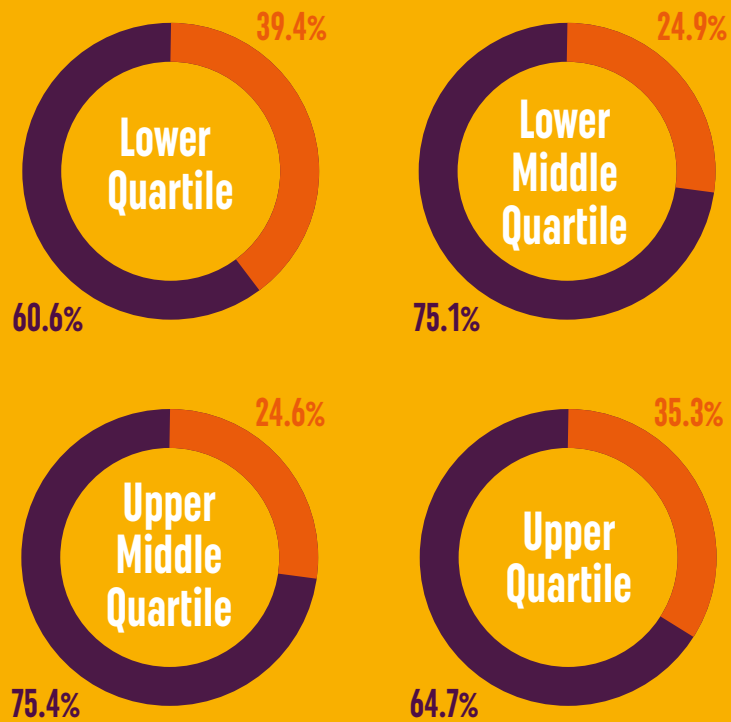
The proportion of female and male CCEP GB employees receiving a bonus payment:



Figure 3.0

Key: Female Male

The proportion of female and male employees in each pay quartile:



Quartiles represent the pay rates from the lowest to the highest for our GB employees, split into four equal sized groups. These graphs show the percentage of men and women in each quartile.

Figure 4.0

Female and male employees by business area*

Corporate functions (administration, corporate strategy, finance, people & culture, business process & technology, legal and communications)



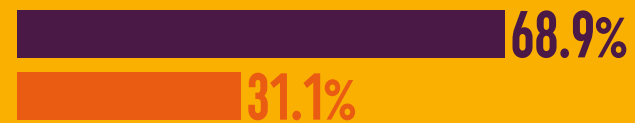
Customer Service & Supply Chain (manufacturing and logistics)



Commercial (field sales, national sales, commercial development and strategic planning)



Total (male & female)



*Totals as of December 2021

Figure 5.0

Looking to the future

Everyone's
welcome

At 4.5%, our gender pay gap using the median figure is well below the national gender pay gap for all employees (both full time and part time workers) which, currently sits at 15.4% according to the Office for National Statistics*.

Nevertheless, it is also clear that our gender pay gap has not altered significantly over the last twelve months. We are therefore determined to make stronger and sustained progress and remain committed to achieving overall gender pay parity for CCEP in Great Britain, and to taking the necessary actions to improve the diversity of our business.

Measurement and accountability are crucial in driving this progress and for that reason gender metrics are a core part of the objectives of the Executive Team across our business. We also set specific targets to increase gender equality in every area of our business – recognising that some roles, such as the manufacturing roles in our Supply Chain Teams, are traditionally less likely to be filled by women and greater focus will therefore be required to increase female representation.

We also want to make sure that the progress we make is sustained for the long term. That's why we continue to invest in our management development curriculum to help achieve gender balance in those we identify as our future leaders and ensure that they are being given the support they need to achieve their potential.

In 2021 we were included in the Bloomberg Gender Equality Index for the first time. This reflects our commitment to a high level of disclosure and performance across the framework's five pillars of female leadership and talent pipeline, equal pay and gender pay parity, inclusive culture, sexual harassment policies, and pro-women brand. We are also signatories to the United Nations Women's Empowerment Principles (WEPs), which offers guidance to business on how to promote gender equality and women's empowerment in the workplace, marketplace, and community.

Throughout 2021 we have gone further to ensure that Inclusion, Diversity and Equity is at the heart of everything we do. The commitment to achieve gender equality is one of five dimensions of our Everyone's Welcome philosophy, which also includes Culture and Heritage, Disability Inclusion, LGBT+ and ensuring a Multi-Generational workplace. Each dimension has an Executive-level sponsor, supported by networks that drive meaningful and measurable progress in all areas.

We understand that this is an on-going journey, and one of the outcomes of this work in 2021 has been the creation of our Equity Programme. The genesis of this programme was the recognition that not everyone starts in the same place and some people face barriers that others do not. Therefore, rather than trying to treat everyone the same, we instead need to work to create more equity.





The Equity programme has been created and implemented by colleagues across our business and aims to ensure that we are providing our multicultural colleagues with the support and working environment to be able to achieve their full potential and be comfortable being their authentic self at work.

Creating this equity is of course the right thing to do. But we also see it as integral to our long-term commercial success. Being diverse and inclusive ensures that we can incorporate a broad range of perspectives and backgrounds, and by reflecting the world around us, we will continue to be the best partner to our customers.

We recognise that we have more work to do, but through working together we know that we can bring about real and meaningful change. That is why Inclusion and Diversity and Action on Society is at the heart of This is Forward – our sustainability action plan, through which we are committed to helping build a better future for our communities, our people, our customers, and the environment.

Everyone's welcome

Declaration

I confirm that the information set out in this report as required under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 is accurate.

Stephen Moorhouse

General Manager, Great Britain Business Unit,
Coca-Cola Europacific Partners Great Britain Limited