

# 2022 Sustainability reporting methodology

May 2023

## 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 2022 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.

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**For more information about the progress we are making on sustainability, please see relevant sections of our 2022 Integrated Report.**

# Our approach to reporting

## About our 2022 Integrated Report

Our 2022 Integrated Report includes reporting on progress on CCEP's This is Forward sustainability action plan.

 Read more about This is Forward here [cocacolaep.com/sustainability/](https://cocacolaep.com/sustainability/)

It includes a full year of data from 1 January, 2022 to 31 December, 2022. 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 office 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 2022.

## Reporting structure

The 2022 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 a corporate data table, which includes 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 centre 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 WRI/WBCSD Greenhouse Gas (GHG) Protocol Corporate Standard, using an operational control approach to determine organisational boundaries. Our carbon emissions have been independently assured against the ISAE 3000 standard by DNV for the latest reporting period and our 2019 baseline.

GHG emissions are reported in tonnes of carbon dioxide equivalent (tonnes CO<sub>2</sub>e or tCO<sub>2</sub>e), accounting for different Global Warming Potentials (GWPs) of the different GHGs.

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. Our reported carbon footprint is independent of any GHG trades or offset through carbon credits.

Where we refer to our own operations, unless otherwise indicated, data captured in our Country data sheet, covers production, sales/distribution, combined sales/production facilities, administrative offices and fleet owned or controlled by CCEP, including our shared-service centre in Bulgaria.

1.51% 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.

### Baseline year for Scope 1, 2 and 3

In line with the GHG Protocol, we have restated our baseline figures for 2019 and prior periods. This was done to reflect new emission factors and more accurate data within our calculations.

## Definitions

### Scope 1 GHG emissions sources

Include direct owned and operated sources of emissions such as:

- Stationary combustion sources
- Natural gas
- Diesel/Petrol fuel for back up boilers/generators and on-site shunter
- Light fuel oil
- Liquid Petroleum Gas (LPG e.g. for forklift trucks)
- Propane
- Compressed Natural Gas (CNG)
- Mobile Combustion – CCEP operated customer delivery, vans and car fleet
- Diesel
- Petrol
- Biofuels including biodiesel and biomethane
- Jet fuel for aviation
- Emissions of refrigerants
- Process Fugitive CO<sub>2</sub> emissions from manufacturing processes (e.g. 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)
- Anaerobic biogas

We follow Beverage Industry Environmental Roundtable (BIER) emissions sector guidance on the emissions source for the source of the CO<sub>2</sub> supplied to CCEP to carbonate soft drinks, and whether these are generated from fossil or biogenic sources of CO<sub>2</sub>.

## Methodology continued

### Forward on climate



#### Definitions

##### Scope 2 GHG emissions – purchased electricity, heat and steam

Include indirect sources of GHG emissions from the generation of electricity we use at our sites. We report against this on both a location and a market based approach.

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<sub>2</sub> emissions using the average grid emissions factor for electricity in the country in which it is purchased. Renewable Energy Certificates ('RECs') are not applied to the total Scope 2 emissions.
2. Market based: All electricity purchased is converted to CO<sub>2</sub> using emissions factors from contractual instruments which CCEP has purchased or entered into. RECs are applied based on RE100 guidance which allows for RECs to be used against electricity consumed in the same country as where the RECs are purchased, or used within the same single market (only Europe).

We use the market based approach to aggregate Scope 1, 2 and 3 GHG emissions.

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 or Power Purchase Agreements (PPAs) from our electricity suppliers in each country, and through meter readings of renewable electricity generated on site.

Emissions from biologically sequestered carbon in 2022 were 63,500 tonnes of CO<sub>2</sub>e, reported outside of the three Scopes, in line with WRI/WBCSD GHG Protocol guidance.

In 2022, we used ~900,000 MWhs (~1.5% of total electricity use) in leased non-production facilities where we do not purchase the electricity directly. We have applied the national grid emission factor for those sites, as we have no control or visibility of the electricity purchasing for those sites. Emissions related to the generation of electricity for these sites are included in our Scope 2 emissions.

CCEP does not import heat or steam from any neighboring sites.

##### Scope 3 GHG emissions – from packaging, ingredients, cold drinks equipment (CDE), third party distribution by rail and road, business travel by rail, air and road, waste and water

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, including packaging and ingredients, natural gas and purchased electricity, refrigerant gas losses, CO<sub>2</sub> fugitive gas losses and transport fuel, water supply, wastewater and waste management and CDE use emission factors relevant to the source data including UK Department for Business, Environment and Industrial Strategy (BEIS) 2022, Australia's Department of Industry, Science, Energy and Resources factors for state-level electricity factors, and International Energy Agency (IEA) 2020 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).
- Refrigerant gas losses from contractors' re-gassing invoices.
- CO<sub>2</sub> fugitive gases from measuring the amount of CO<sub>2</sub> we purchase and subtracting the quantity of CO<sub>2</sub> used in our products, accounting for the CO<sub>2</sub> generation process by suppliers in accordance with BIER guidance (consumer release of CO<sub>2</sub> in our products is also reported where applicable).
- 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.
- Energy, fuel and fugitive gas raw data, is collected and converted to carbon equivalents (CO<sub>2</sub>e) by using industry emission factors including Defra/BEIS 2022 and IEA 2020 emission factors. Where possible, we have begun to use supplier specific emission factors for sugar beet in Europe. We are working to extend this to other packaging and ingredient suppliers over the coming years.

##### 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 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, and purchased water)

**Category 3:** Fuel- and energy-related activities not already included in Scope 1 or Scope 2 (e.g. well-to tank, 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 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<sub>2</sub> 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)

## Methodology continued

### Forward on climate



#### Definitions

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

**Category 1:** Purchased goods and services (additional purchased goods and services that are not packaging, ingredients or purchased water)

**Category 2:** Capital goods

**Category 7:** Employee commuting (including commuting and home working emissions)

**Category 11:** Use of sold products (including home chilling)

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

We also disclose biogenic emissions which are outside of the three WRI/WBCSD GHG Protocol Scopes.

Please note that GHG emissions relating to the sub-strata and associated mineral rights in Queensland, Australia, are not currently within our GHG boundary, and related GHG emissions have not been estimated or disclosed within our 2022 Integrated Report. (See 'Note 23 Provisions, contingencies and commitments' of our 2022 Integrated Report for further information).

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

#### Overview of key value chain calculations

##### Packaging

The carbon footprint of our packaging is calculated using annual unit case sales volume data by country; and multiplied by standard primary, secondary and tertiary packaging specifications at a 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 (Category 12 for packaging that is not recycled). 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 10 in this document. The impacts of recycling are included in the emission factors used to calculate the carbon from packaging.

##### Ingredients

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 juices, sugar and sweeteners also used to produce our products. Emissions factors used include World Food LCA Database, Ecolnvent 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 utilising 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
- Liquefied propane gas (LPG) - e.g. for forklift trucks

Other Scope 1 emissions sources include refrigerant losses, on-site anaerobic wastewater treatment and fugitive CO<sub>2</sub> losses. Scope 2 sources include purchased electricity, steam and heat, which for all of CCEP-owned sites comes from renewable sources. A limited amount of Scope 3 sources are included in Operations figures, including those from WTT, waste and purchased water.

##### Distribution and transportation

CCEP often uses third party transportation for distribution of CCEP products. 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<sub>2</sub>e conversion factors. Calculation data covers all third party transportation providers including road, rail and ship.

Distribution and transportation figures also include Scope 1 figures from our own 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.

We also include business travel by passenger rail and air. Data is gathered from our corporate travel agency, and emissions are estimated following BEIS guidance and emissions factors.

## Methodology continued

### Forward on climate



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

##### Methodologies and boundaries<sup>(A)</sup>

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<sup>(A)</sup>

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).

Note for 2022 0.3% of our Europe and 0.9% of API reported sales volume were out of scope for GHG reporting

(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.

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

##### Methodologies and boundaries<sup>(A)</sup>

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

##### Definitions

Percentage change in total GHG emissions (Scope 1, 2 and 3 GHG emissions) since the 2019 baseline.

Uses the market based approach for Scope 2 emissions.

Pro forma adjustment is made for the acquisition of API that completed on 10 May 2021. The pro forma adjustment is made to the Group and API sustainability metrics so they are presented on a full year basis for prior years and baseline 2019 to allow for better period over period comparability.

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

##### Methodologies and boundaries<sup>(A)</sup>

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

Percentage change in total GHG emissions (Scope 1, 2 and 3 GHG emissions) per litre since the 2019 baseline.

Uses the market based approach for Scope 2 emissions.

Pro forma adjustment is made for the acquisition of API that completed on 10 May 2021. The pro forma adjustment is made to the Group and API sustainability metrics so they are presented on a full year basis for prior years and baseline 2019 to allow for better period over period comparability.

#### GHG Scope 1 and 2 emissions per litre of product produced

##### Methodologies and boundaries<sup>(A)</sup>

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.

## Methodology continued

### Forward on climate



#### Manufacturing energy use ratio

##### Methodologies and boundaries

Calculation of ratio =  $\frac{[\text{Total of all energy consumed (MJ) at production facilities}]}{[\text{Total volumes of production from CCEP production facilities (production litres)}]}$

CCEP's manufacturing energy use ratio is calculated in line with TCCC's common KORE manufacturing standards. 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).

Recycled PET and PET pre-form sites 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.

##### Definitions

This includes the use of 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.

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

##### Methodologies and boundaries

Calculation =  $\frac{([\text{Total Scope 1 GHG emissions}] + [\text{Total Scope 2 GHG emissions (market based approach)}])}{[\text{Total sales revenue (Euros)}]}$

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.

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.

#### 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, heating, cooling, and steam purchased for consumption
- Self-generated electricity, heating, cooling, and steam, which are not consumed
- Mobile combustion (litres of diesel and petrol converted into kWhs)
- 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 site invoices. Data is captured as part of our carbon calculation model. Energy and fuel consumption data, is collected and converted to using local conversion factors to convert fuel to kWh.

#### Percentage of electricity consumed that comes from renewable sources

##### Methodologies and boundaries

Calculation =  $\frac{[\text{Quantity of electricity consumed (in MWh) from renewable sources}]}{[\text{Total electricity consumed (in MWh)}]}$

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

In certain limited instances (<1%), where invoices are not available – for example, due to timing differences – consumption is estimated.

##### Definitions

Total renewable electricity is reported in MWh. The energy data – purchased or generated on site – is calculated based on direct measurement of electricity consumption use (meter readings/invoices for volumes of fuel supplied) for the majority of sites.

Note: In 2022, we used ~900,000 MWhs (~1.5% of total electricity use) in leased non-production facilities where we do not purchase the electricity directly.

Those sites, as we do not control the electricity purchasing, use fossil fuel sources. 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 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.

## Methodology continued

### Forward on climate



#### 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 and warehouse sites and office sites are in scope.

##### Definitions

The quantity of renewable electricity was verified through renewable electricity certificates (RECs), 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.

Figures in this calculation are based solely on the amount of electricity that CCEP purchases.

Note: In 2022, we used ~900,000 MWhs (~1.5% of total electricity use) in leased non-production facilities where we do not purchase the electricity directly.

Those sites, as we do not control the electricity purchasing, use fossil fuel sources. 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 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.

#### Tonnes of CO<sub>2</sub>e 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<sub>2</sub>e 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.

In 2022, CCEP purchased and retired 9,375 tCO<sub>2</sub>e of carbon credits from a VCS-certified REDD forest protection project based in Pulau Borneo, Indonesia. These credits were used to offset remaining emissions from our six carbon neutral sites.

In 2022, CCEP also purchased a limited amount of credits that we plan to use in 2023 and 2024.

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

#### Percentage of carbon strategic suppliers having targets approved by 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 Science Based Targets initiative (SBTi). The SBTi target can be near-term, long-term or a Net Zero target.

Suppliers with a 'committed' status are excluded from the total number of carbon strategic suppliers 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.

##### Definitions

Carbon strategic suppliers are defined at the start of the reporting period based upon the following methods for Europe and API.

All carbon strategic suppliers are directly managed and influenced by our procurement teams. The list of carbon strategic suppliers is set at the start of the reporting period and represent approximately 80% of prior period Scope 3 GHG emissions.

For 2022, Europe carbon strategic suppliers totaled approximately ~120 suppliers.

##### Carbon Strategic suppliers: Europe

**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 ~80% coverage is established.

**Cold Drinks Equipment (CDE):** We select the suppliers who are linked to ~80% of equipment in the market.

##### Carbon Strategic suppliers: API

The following categories were selected given their estimated significant contribution to overall Scope 3 emissions:

##### Packaging

##### Ingredients

##### Transportation

##### CDE

For each of these categories suppliers were ranked by FY2021 API spend and selected until ~80% coverage was established.

Due to the timing of the acquisition of API in May 2021 and due to 2022 being the first year API Scope 3 emissions were calculated the methodology of selecting carbon strategic suppliers had to vary between Europe and API. For 2023 reporting onwards we aim to align the API carbon strategic suppliers selection methodology to be the same as Europe.



## 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. It does not include post-mix or freestyle packaging and does not include secondary or tertiary packaging (which is being recycled or reused by our customers). It is calculated based upon recyclability through collection, sorting and recycling which is proven to work in practice and at scale (i.e. only "recyclable" where infrastructure exists).

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.

#### Definitions

Packaging can be considered to be "recyclable" when:

- the country has (formal or informal) collection systems in place that cover significant and relevant geographical areas as measured by population size.
- it can be sorted and aggregated into defined streams for recycling processes and converted into a secondary raw material which can be used again for another purpose and where the economic value of the material is maintained.
- the closure, label, sleeve, inks, laquers and coatings are fully compatible with the country's packaging recovery system and do not hinder or prevent the recyclability of the packaging.

Our aim 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.

### Percentage of PET used which is recycled PET (rPET)

#### Methodologies and boundaries

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

Measurement of our use of recycled plastic in our bottles. Our bottles are made from polyethylene terephthalate (PET).

This calculation excludes all refillable PET.

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

The calculation of the percentage of PET used within our PET bottles that is rPET is based on monthly sales and rPET percentages by calculating a weighted average rPET, virgin PET (vPET) and Plant PET (pPET) rate per PET SKU.

## 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<sup>(A)</sup>; recycling rates<sup>(B)</sup> 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, 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

##### 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)
- Refillable HDPE (primarily relates to Neverfail sales)
- Bag In Box (Post Mix) and freestyle
- Keg

Production facility standards for refillables 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%.

#### 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<sup>(C)</sup> 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 stock keeping units (SKUs).

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

## Methodology continued



Forward on  
water

### Percentage of production facilities with context based water targets

#### Methodologies and boundaries

**Calculation = [Number of NARTD production facilities with context-based water use ratio targets] ÷ [Total Number of NARTD production facilities]**

All data as at the end of the reporting period.

This target is tracked against our non-alcoholic ready to drink (NARTD) production facilities only. Through the EWRA, we have identified that 21 of our 42 NARTD production facilities in Europe, and three out of 24 NARTD production facilities in API are located in areas of high baseline water stress<sup>(A)</sup>. It does not include breweries, distilleries or recycling facilities. Production facilities sites 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.

Production facilities linked to coffee roasting, PET preforms, recycling, breweries and distilleries are out of scope.

#### Definitions

Production facilities with context based water use ratio reduction (WUR) targets in place, which are in line with their FAWVA level categorisation.

Our approach to water stewardship is aligned with The Coca-Cola Company's (TCCC) 2030 water security strategy. All of our NARTD production facilities are assessed for water-related risks. This risk assessment is based upon the Enterprise Water Risk Assessment (EWRA) from the World Resources Institutes' (WRI) Acqueduct 3.0 tool, and Facility Water Vulnerability Assessments (FAWVAs), a TCCC proprietary tool which assesses a wider range of physical, regulatory and social risks.

Based upon these risk assessments, our NARTD production facilities are categorised into three groups - Contributing, Advanced Efficiency, and Leadership Locations.

(A) As at 31 December 2022

The output of the EWRA and FAWVAs are used to categorise our sites, allowing us to set context based targets on a site level. The categories are:

**Leadership locations:** sites which rely on vulnerable water sources or have a high level of water dependency. These sites have the highest water use reduction targets, and have a target to achieve 100% regenerative water use by 2030. Nine of our production facilities in Europe, and four in API have been identified as leadership locations.

**Advanced efficiency:** sites which operate in a water stressed context, and will be focused on achieving advanced water efficiency, and best in class water reduction targets.

**Contributing locations:** sites which operate in the lowest water risk areas, and have the water use ratio targets which meet industry benchmark standards.

"Water targets" are defined as manufacturing water use ratio targets for each site. Manufacturing water use ratio = [Total water withdrawal (Litres)] ÷ [Finished Product (Litres)]

### Total water withdrawal

#### Methodologies and boundaries

**Calculation = [water withdrawal from municipal source] + [water withdrawal from borehole source] + [water withdrawal from rainwater source]**

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.

## Methodology continued

### Forward on water



#### Total production volumes from areas of baseline water stress

##### Methodologies and boundaries

**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.

##### 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.

Areas of baseline water stress: as defined by the World Resource Institute (WRI) Aqueduct Water Stress mapping. We have identified that 21 of our 42 NARTD production facilities in Europe, and three out of 24 NARTD production facilities in API are located in areas of high baseline water stress. 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 excludes any sites divested.

#### 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 TCCS's<sup>(A)</sup> 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

For further details on replenishment measurements please also refer to [coca-colacompany.com/sustainability](https://coca-colacompany.com/sustainability) for details on this Coca-Cola System measurement.

(A) The Coca-Cola System

Note that in previous years, CCEP calculated the percentage of replenishment based on total production volumes from sites located in baseline water stress. From 2022, CCEP has changed its methodology to align with that of TCCC, which calculates the percentage of replenish benefit based on total sales volumes from all sites.

##### 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.

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.

## Methodology continued

### Forward on water



#### 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**

Volumetric project benefits are quantified using TCCS's<sup>(A)</sup> 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

For further details on replenishment measurements please also refer to [coca-colacompany.com/sustainability](https://coca-colacompany.com/sustainability) for details on this Coca-Cola System measurement.

(A) The Coca-Cola System

##### 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.

#### Manufacturing water use ratio

##### Methodologies and boundaries

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

##### Definitions

Water use ratio is calculated as the total water withdrawals are 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. post-mix volume is for syrup volume, not ready to drink litres).

Non-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



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

#### Methodologies and boundaries

**% Weighted average of PSA compliant product sourced = [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

The Principles for Sustainable Agriculture (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 is available here:  
[cocacolaep.com/sustainability/this-is-forward/forward-on-supply-chain/](https://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

**% Weighted average of PSA compliant product sourced = [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

The Principles for Sustainable Agriculture (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 is available here: [cocacolaep.com/sustainability/this-is-forward/forward-on-supply-chain/](https://cocacolaep.com/sustainability/this-is-forward/forward-on-supply-chain/)

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

##### Methodologies and boundaries

**% Weighted average of spend = [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 The Coca-Cola Company, Monster energy, Capri-Sun Appletiser, Australian Beer Company, Beam Suntory, Costa, Molson Coors International.
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 is available here: [cocacolaep.com/sustainability/this-is-forward/forward-on-supply-chain/](https://cocacolaep.com/sustainability/this-is-forward/forward-on-supply-chain/)

## Methodology continued



### Forward on drinks

#### 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.

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/](https://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.

Country non-alcoholic ready to drink (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/](https://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.

##### 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 (Papua New Guinea, Fiji and Samoa) have been excluded from this calculation due to their local Human Resource 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 three countries are in non 'Senior Manager' roles.

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

**Total incident rate (TIR) = [Number of 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]) × 100

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 Resource/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 "operational employees" at manufacturing and distribution/warehouse facilities.

**Medical Treatment Cases:** An incident connected with work which resulted in an 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

**Lost-time incident rate (LTIR) = [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]) × 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 Resource/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 manufacturing 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



#### 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.

##### Definitions

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

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

- Cash spent on donations, matched employee giving, cause related donations etc
- Cost of employee time spent volunteering in the community during company time
- In-kind products, services and facilities valued at the cost to the company
- Management costs associated with running a company's community programme

The value of employee time is measured as both volunteering time and management time, and is valued at a cost of €34.59 per hour (FY21: €37.23 per hour), based on total employee costs, on an average day of 8 hours.