

2019

Gender Pay Gap Report

Coca-Cola
EUROPEAN PARTNERS

2019 Gender Pay Gap Report

At Coca-Cola European Partners (CCEP) Great Britain Limited we are committed to building an inclusive and diverse business, reflective of society, and the customers, communities and markets we operate in based on clear principles of fairness and equality for all colleagues. Creating a positive gender balance in our workforce has been a core focus for many years, embedded in our approach to our culture, governance and people.

As part of this we have tracked gender pay data in our business for several years and 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 — entitled *Be Yourself, Be Valued, Belong* — aims to create a workplace environment that builds confidence and supports ambitions for all, regardless of difference, background or personality.

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, a figure that rose to 38% in 2018 and to 40% in 2019. This progress contributes to our CCEP-wide EU ambition of 40% of women in senior leadership positions by 2025. In 2019, our CEO additionally signed the LEAD Pledge committing to accelerate gender parity within CCEP.



Inclusivity Networks:

Our inclusivity commitments, programmes and content are now embedded across all parts of the business, from strategic leadership planning to new colleague inductions, and in our interactions with external stakeholders. The formation of colleague networks and action groups is a key part of this. Our Women's Network initiative - has now evolved into an overarching Inclusive Networks programme bringing 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



Recruitment:

We actively seek gender balance in our candidate shortlists, spanning all roles and levels from apprentices to senior leaders. 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. We also ensure diversity within our hiring teams and inclusion in their selection practices – for example through dedicated training to address the potential for unconscious bias.



Training & Development:

Our 'Women in Leadership' programme includes both formal and informal development and support interventions for women in management positions and we have a range of learning and mentoring programmes for female talent to help them maximise their full potential in our business. In 2019 we additionally joined the '30% Club' cross-company mentoring scheme for women offering both mentors and mentees the opportunity to further the support and development of women in business both internally and externally.

Our Gender Pay Gap Data

Under UK legislation that came into force in April 2017, businesses with more than 250 employees were required to publish data about their gender pay gap by April 2018, and annually following this. This report reflects the calculations required under this UK legislation for Coca-Cola European 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). At CCEP we do not believe we have equal pay issues for those carrying out the same or comparable work.

In Great Britain, we make, sell and deliver some of the country's best-selling 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.

We have continued to track the gender pay gap data for Coca-Cola European Partners (CCEP) Great Britain Limited in line with the government regulations first launched in 2017, and based on this methodology the headline figures for 2019 are listed below:

	Gender Pay Gap (%)	Gender Bonus Pay Gap (%)
Median	9.6	-23.7
Mean	0.8	8.1

Figure 2.0 Figures as of 5th April 2019

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 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 2019 indicates, with regards to our gender pay gap, the headline figure for the overall gender pay gap in our workforce reducing from 10.7 per cent as of 5th April 2017 to 8.9 per cent as of 5th April 2018 and shows at 9.6 per cent as of 5th April 2019 – based on the median figure.

When looking at gender pay gaps, statisticians such as the Office for National Statistics prefer to analyse median data points because these are not impacted as much by outlying values, such as the earnings of small numbers of very senior leaders. Bonus payments under these regulations include stock awards at Director levels. The mean gender bonus gap shows a figure of 8.1 per cent in favour of male colleagues, however this is a significant reduction from the figure of 29.1 per cent recorded as of 5th April 2018. The median figure reveals that our female colleagues earned a 23.7 per cent higher bonus on average than male colleagues.

As with the analysis of our data, we have deduced that our median gender pay gap of 9.6 per cent recorded as of 5th April 2019 arises from two key factors:

- Fewer women hold the most senior positions within our business in Great Britain at our Vice President and Director level of management and within some of our specialist corporate functions
- We 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 which attract a pay premium

WHAT IS UNEQUAL PAY?

Unequal pay is where men and women receive different pay for carrying out the same or comparable work.



At CCEP we do not believe we have equal pay issues.

We believe that the main changes shown between the 2018 and the 2019 data – can be attributed in part to the following factors:

- A slight increase in males residing in the upper pay quartile, at the specific time period reported, which rose by 0.2 per cent – see figure 4.0
- Whilst building a higher representation of females in leadership and management roles in 2019 – rising from 38% in 2018 to 40% in 2019, the more senior roles remain held by more men than women. Our increase in gender balance within our management levels provides a good future talent pipeline and shows encouraging progress as we build towards our aspiration of increasing this toward 50% in GB by 2025, as indicated in Figure 1.0

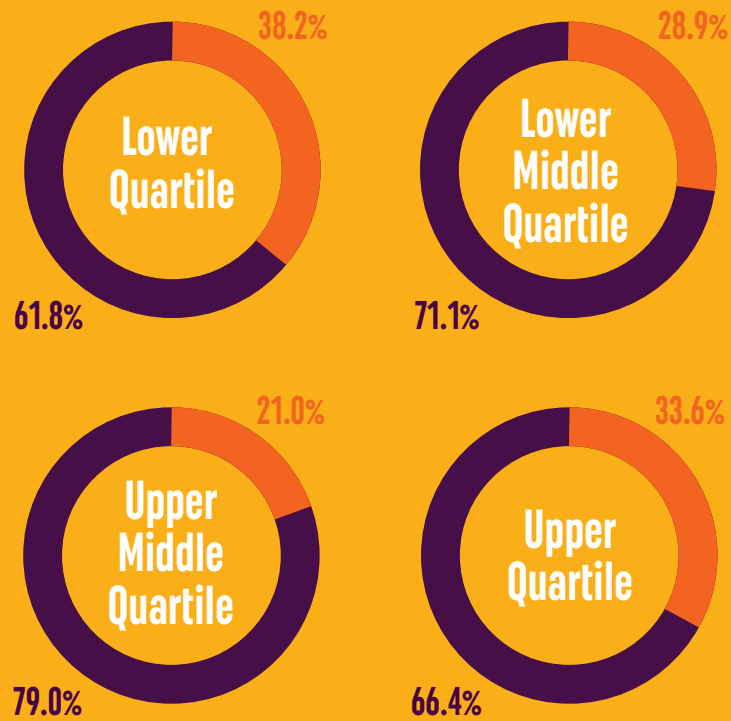
The proportion of female and male CCEP GB employees receiving a bonus payment:



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)



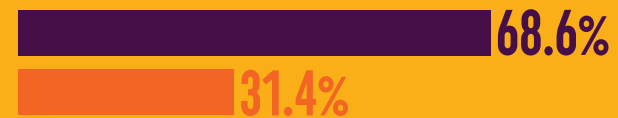
Supply Chain (manufacturing and logistics)



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



Total (male & female)



*Totals as of December 2019

Figure 5.0

Looking to the future

At 9.6 per cent, our gender pay gap using the median figure is significantly below the national gender pay gap for all employees (both full time and part time workers) that is currently stated as 17.3% by the Office for National Statistics*. However, we are determined to make stronger progress and seek further improvement. We are committed to taking the actions that will improve the diversity of our business and help us to reduce our gender pay gap further, with a goal to achieve overall gender pay parity for CCEP in Great Britain.

As part of our Inclusion & Diversity Strategy, we launched an ambassador network of colleagues across all functions of the business and at varied levels of seniority. The #JustBe programme is a bespoke, autonomous change initiative led by men and women, working together to address a range of topics to deliver inclusivity, gender equality and wellbeing for everyone in GB. This group's aim is to educate, inspire and engage everyone at CCEP on key issues, communicating directly with colleagues through a range of channels

and connecting on a regular basis to initiate activity and, crucially, to benchmark and measure progress. The group is currently comprised of 105 members, with the intention to expand this as the programme develops.

We have improved our data gathering on gender diversity, and have developed a robust monthly data tracker to highlight actions and progress in external hiring, promotions and retention. We have also strengthened our leadership objectives with specific diversity improvement measures.

The drive to achieve diversity and gender balance is not a singular project for CCEP. We believe that creating an inclusive culture where people can feel satisfied and give their best at work, whilst also leveraging talent from a diverse range of backgrounds with different perspectives and ideas, is crucial for our long-term business success. We are located and operate in communities across the country, interacting with consumers and customers from all walks of life so we see this as a commercial imperative for a business such as

ours. It is therefore a central part of our overall strategy for growth and is a key aspect of our Sustainability Action Plan - *This is Forward* - which lays out our vision and commitment for helping to build a better future for our communities, our people, our customers and the environment.

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.



Leendert den Hollander

Vice President and General Manager,
Coca-Cola European Partners
Great Britain Limited