

Supply Standards

Supply Chain expectations



Supply Standards in one page

What CCEP Supply Chain expects from our suppliers



SUPPLY QUALITY AND CONTINUITY



- SIFOT target >95%
- % defects total volume (as per contract)
- No downtime of lines waiting for materials
- NCR closeout < 21 days

[more](#)

DELIVERY TO CCEP SITES



- Deliver as aligned with CCEP local teams (quantity and timing)
- Delivery document requirements satisfied
- Pallet configuration and quality
- Adherence to chain of responsibility

[more](#)

CUSTOMER SERVICE



- Half year review
- Monthly/Quarterly reviews
- Stock On Hand and Production plans alignment
- Slow moving/ Obsolete inventory Report
- Ad hoc meetings

[more](#)

PEAK PLANNING



- Supplier capacity loading against latest requirements
- Contingency plans
- Planned shutdown calendar and delivery plans
- Escalation matrix during shutdown

[more](#)

SUSTAINABILITY



- Design for 100% recyclability
- 50% average recycled or renewable content across all packaging
- Reduce emissions, waste, and water usage throughout its network.

[more](#)

PARTNERSHIP AND RECOGNITION



- Partnership via Joint Business Plan
- Good Practices and mutual benefits

[more](#)

We work closely with our suppliers to continually improve performance and strive for mutual growth.

In addition to these Supply Standards, suppliers must comply with CCEP's Code of Conduct and procurement policies, including Responsible Sourcing Guidelines, and all applicable laws.

Supply Quality and continuity



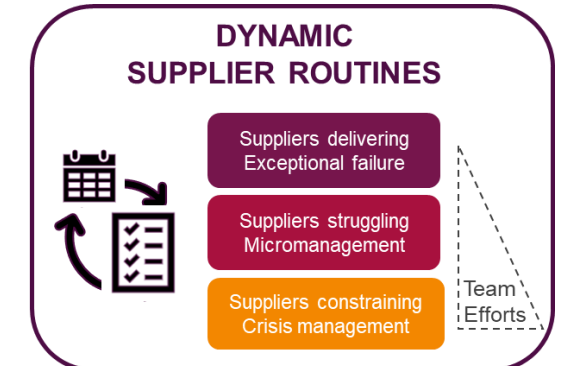
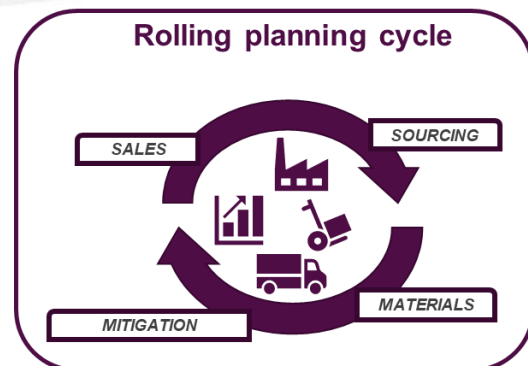
Supply quality and continuity

Quality, service and value, along with outstanding performance

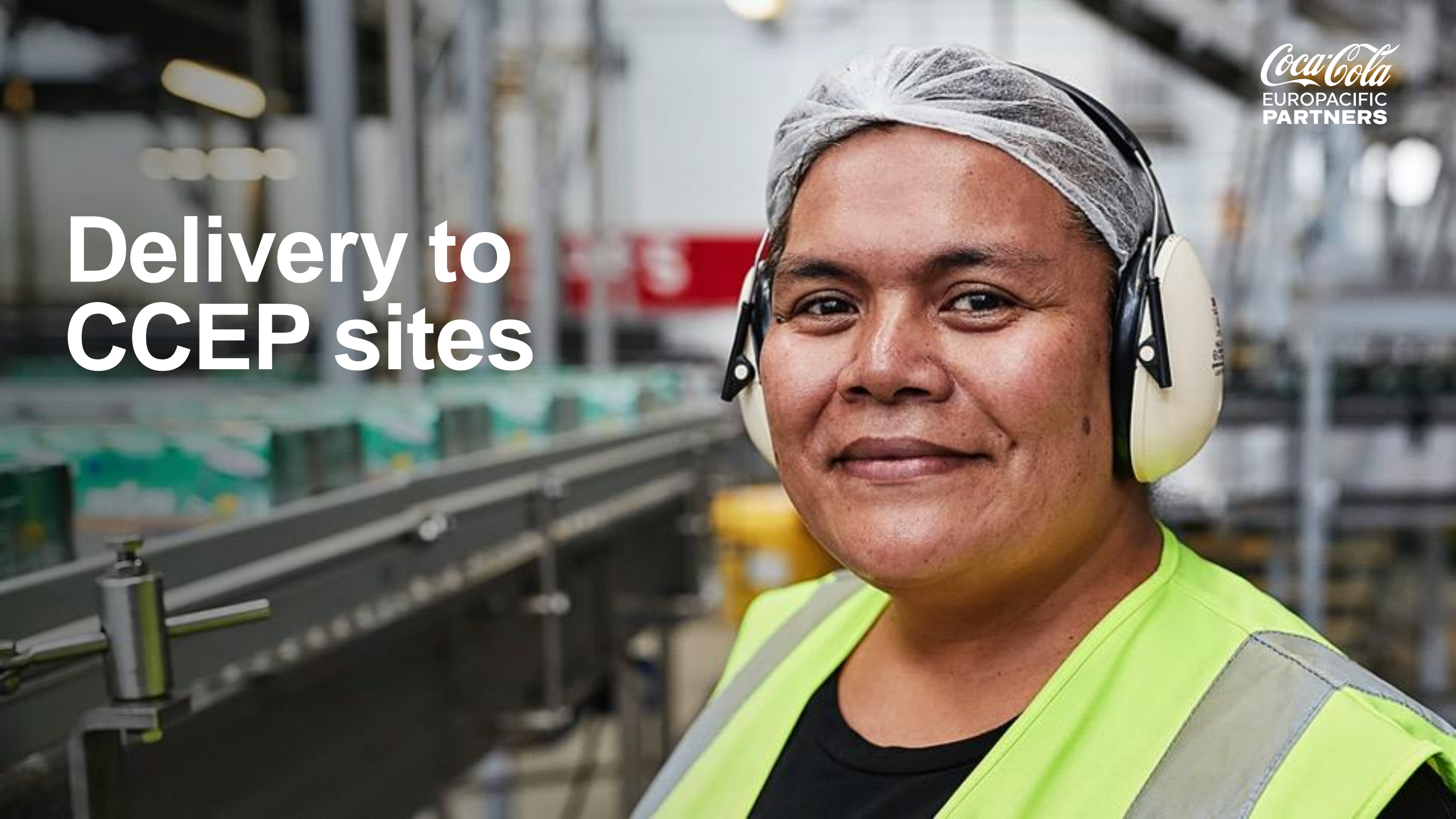
We measure our suppliers against:

- Targeting SIFOT (Supply in Full On Time) above 95% based on CCEP system output, not less than 90% at all time based on original requested date.
- Minimal defects (% defects total volume as per contract)
- Minimal downtime on CCEP manufacturing lines for RM adjustment but no downtime of lines waiting for materials is acceptable
- NCR closeout below 21 days (Non-Conformity Report)

Working together to proactively address challenges before it becomes a problem, ensuring supply continuity to all sites at any time with high quality goods and servicing our frontline members by maintaining seamless supply tailored to manufacturing needs.



Delivery to CCEP sites



Delivery to CCEP sites

Ensuring a safe and efficient Supply Chain



Our suppliers should liaise in advance with CCEP Sites and National Planning team and deliver respectively packaging and ingredients as per delivery windows discussed with each of the CCEP teams ensuring the following:

Delivery document requirements

- CCEP Purchase Order Number
- CCEP Material Number
- CCEP Material Description
- Delivered material quantity (same unit of material as on Purchase Order) and weight clearly labeled on each pallet
- CCEP Delivery Address
- Clearly Identifiable Delivery Note Number
- Any CHEP pallet exchange docket
- Container declaration on all inbound containers (even if empty)

Pallet configuration and quality

- Ensuring any inbound pallets meet CCEP standards
- Wrapping guidelines and check list available soon

Adherence to chain of responsibility

- Refer to following slide

Early notification directly to sites

- For short delivery
- When outside of time windows
- When not full pallet quantity

Supply Essentials

Pallet Wrapping & Stabilisation

Properly stabilised and securely wrapped pallets are crucial within CCA's supply chain, and the risks from potential load-shift or collapse are significant. Accordingly, the following wrapping and stabilisation requirements apply:

- 1 All pallets delivered into CCA must be safe, stable and secure
- 2 All pallets delivered into CCA must be securely stretch-wrapped
- 3 Stretch-wrap must be applied with sufficient tension, and in a sufficient number of passes, to adequately secure the product — helping to minimise lateral movement in transit
- 4 Stretch-wrap must be secured to the top 20-50% of the wooden pallet.
(Wrap must not extend lower than this point, as this will obstruct the fork entry points of the pallet and lead to stretch-wrap 'slags' as fork lines pierce the wrap. 'Slags' can interfere with pallet profile scanners, and can cause the pallet to be rejected from automated export points)
- 5 Stretch-wrap must have no loose, trailing ends or 'tails'. Wrap ends must be secured (e.g. by fork seal or tape), as loose wrap poses safety risks and may interfere with CCA's automated pallet handling systems
- 6 Oppose/black stretch-wrapping is not to be used when delivering into CCA. Incoming staff need to have full visibility of the product to validate item, quantity, condition, date codes and also to scan barcodes — hence only clear stretch-wrapping is permitted
- 7 CCA prohibits the use of PET strapping, and nylon or string netting to secure pallets, as this can present significant safety issues and introduces problems for removal and waste disposal — both in CCA sites and Retailer/Customer DCs
- 8 PVA-based glue/polymer is permitted for inter-layer stabilisation, but must be applied in a controlled, safe and appropriate manner. (Hot melt glue must not be used for pallet stabilisation of CCA products)

Stretchwrap should extend to the top 20-50% of the wooden pallet

Fork entry points must not be obstructed by stretchwrap

Supply Essentials Checklist

Date: _____ PO Number: _____
Supplier: _____ Transport Carrier: _____
Driver Name: _____ Vehicle Registration: _____

	Yes	No	Product ID/Description (Before use completed)	Number of Pallets/Trucks
Pallet Checklist:				
All boards and beams are within tolerances of pallet quality specifications				
Load boards are square with beams, or at no greater than 15mm pushback				
All deck is centred on the pallets and no product or dunnage overhangs the pallet edge				
Pallet is entirely comprised of a single SKC/product type (not a multi-SKC or mixed pack)				
All pallets are wrapped securely with sufficient passes to maintain load stability in transit				
Stretch wrap is applied neatly, with no 'tails' or 'slags' at risk of becoming loose				
No loose sheets of paper have been placed between wrap and product				
Carton Checklist:				
GTN barcodes are visible on front/side of the pallet (for at least some cartons)				
No cartons are damaged, crushed, leaking, moisture-affected or spilling product				
All cartons share a valid, consistent Date Code and are within proper date rotation				
SSCC Label Checklist:				
SSCC labels are in place on both of the pallet's fork-entry sides				
SSCC labels are on the right hand side of the pallet face, at 400-800mm from ground level				
Both SSCC labels - on the front and back fork-entry sides of each pallet - are identical				
Both SSCC labels match the product (including Date Code) contained within that pallet				
Both SSCC labels are clearly visible, are not wrinkled, damaged, dirty or poorly printed				
Vehicle & Driver Checklist:				
Vehicle is roadworthy, load is restrained and stable, gates/tracing is on etc				
Driver is wearing appropriate PPE, adhering to site transport requirements & speed limits				
Checked By: _____				
Other issues identified: _____				
Total Pallets: _____				
Pallets with Issues: _____				

Beakon – CCEP contractor management system



Before making a delivery

Suppliers' businesses need to be setup in CCEP's Contractor Management portal ([Beakon](#))

You will need supply the following information to your CCEP contact at least 48 hours before your first delivery:

- Company name
- Company address
- ABN
- Primary & Secondary company contact names
- Primary & Secondary company contact email
- Primary & Secondary phone numbers
- Workers Compensation or Accident Insurance Policy certificate
- Public Liability Insurance certificate
- Motor Vehicle insurance certificate

This will cover your logistics contractors when entering a CCEP site.

Expired insurance details will prevent CCEP site access.



Beakon – CCEP contractor management system



Site induction for everyone

Suppliers' employees, truck drivers and logistics subcontractors need to be setup and complete the required inductions in Beakon before coming onsite

You will need supply the following information to your CCEP contact at least 48 hours before their first delivery:

- The persons role e.g. truck driver, company representative etc.
- Individual email – generic company email will not be accepted e.g. admin@suppliercompany.com
- Individual phone number – this allows use to contact me when onsite in case of an emergency or delay
- Company address

Each person will then be sent a Beakon system email which will give them access to the induction training.

All Induction training needs to be completed before coming onsite



Contractor Transport Safety Commitment

Mitigating and managing our shared transport safety risks



- **Training & competency** – It is expected all contractors and drivers, have completed relevant Cola-Coca Europacific Partners inductions, and understand their role in the Chain of Responsibility.
- **Supplier Reasonable Enquiry** – We require our suppliers to manage the safety risks associated with the tasks they perform in our supply chain. CCEP Australia will collaborate with our suppliers to ask relevant questions to ensure we continue to work together in making our operations, and the roads safer.
- **Weighbridge checks** – Vehicle weight checks are regularly conducted on vehicles outbound from CCEP Australia sites where a weighbridge is fitted.
- **Load Restraint Guidelines** – CCEP Australia has developed Load Restraint Guidelines, which are aligned to the National Transport Commission's Load Restraint Guide. It is expected these guidelines are complied with for all loads inbound to and outbound from a CCEP Australia site, and compliance is regularly checked.
- **Time on site** – Drivers arriving at a CCEP Australia site will be provided with an estimated time on-site to help support their work and rest management. We also monitor the actual time drivers spend on our sites to assist in making our loading and unloading as efficient as possible.
- **Booking or Call ahead** – Delivery and pickup loads are required to book a loading & unloading time or drivers are required to call the relevant CCEP Australia site two (2) hours in advance of arrival. This is to ensure a suitable loading/ unloading time is available and allows delay notifications to occur.
- **Loading and unloading standards** – Loading and unloading heavy vehicles is a high-risk task. CCEP Australia has developed the National Loading and Unloading Standard Safe Work Procedure (which is aligned to the loading, unloading exclusion zone (LUEZ) principles) and compliance with this procedure is to ensure this is done safely.
- **AMCAS subscriber** – CCEP Australia uses the Australian Logistics Council's Master Code Auditing Service (AMCAS) for an independent third-party review of our Chain of Responsibility processes and procedures.

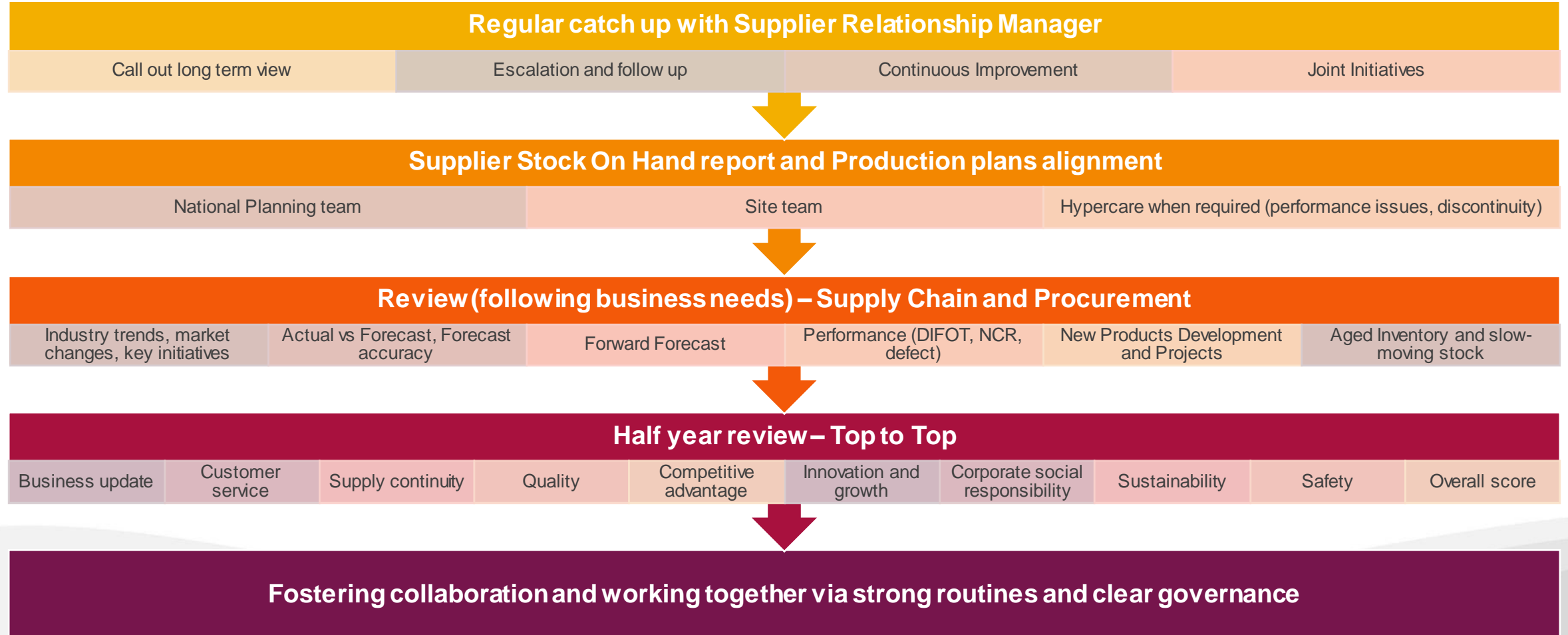


Customer Service



Customer Service

Opportunities for collaboration and growth



Procurement and Supply chain are working together on consolidated reviews to ensure full transparency, foster team alignment and solutions.

Sustainability



Sustainability

Supporting CCEP meet its sustainability ambitions



Our suppliers are committed to supporting CCEP meet its sustainability targets and invest significantly to deliver its plan to reduce emissions, waste, and water usage throughout its network.

2020-2040 CCEP sustainability ambitions

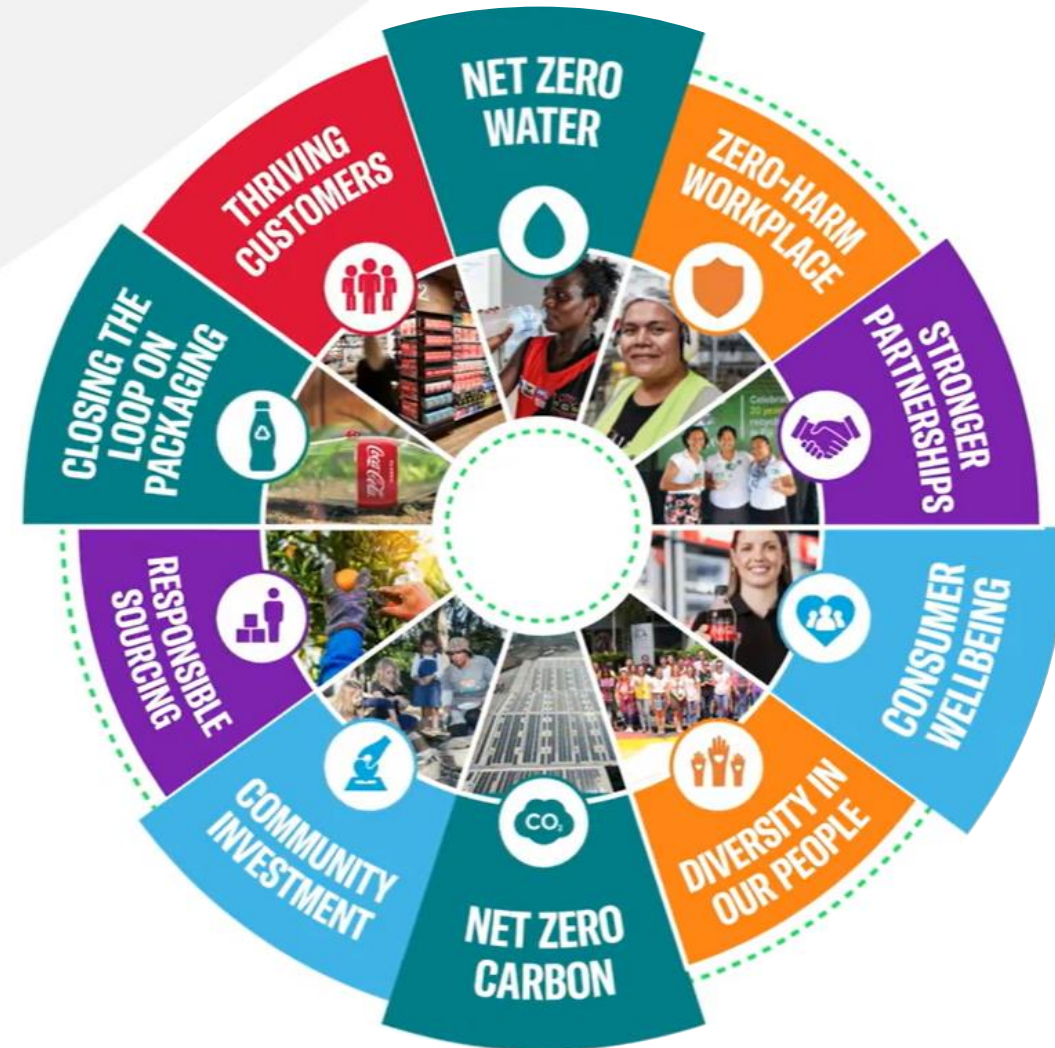
Closing the loop on packaging: partnering on pack-to-pack recycling and re-use solutions in all countries

- Design for 100% recyclability by 2030 and support well-designed infrastructure and initiatives for collection
- 50% average recycled or renewable content across all packaging by 2030
- Develop the feasibility of using a weighted average of 75% recycled or renewable plastic in our bottles by 2030

Net zero carbon: achieve net zero direct carbon emissions by 2040

- 100% renewable electricity in Australia and New Zealand by 2025
- Other emissions reduction supporting The Coca-Cola Company's Science-Based Target of 25% reduction by 2030 (vs 2015)
- Support climate resilient operations and communities

[Click here for our 2020 Sustainability Fact Sheets](#)



Our Sustainability Value Chain

Working with us across our value chain to build a better future



SUPPLY CHAINS

CLIMATE

CUSTOMERS & PACKAGING

CLOSING THE LOOP, COMMUNITIES & WELLBEING

RESPONSIBLE SOURCING

100% of the sugar we use is certified under either Bonsucro or Smartcane BMP & over 90% of suppliers (by share of spend) were assessed using responsible sourcing assessments.



We spend over A\$1.4 million with social enterprise suppliers.

100% RENEWABLE ELECTRICITY BY 2025 & NET ZERO CARBON BY 2040

We are investing in wind & solar projects including on-site solar. By the end of 2021, we aim to use over 40% renewable electricity in Australia. Our target is to reach 100% by 2025. This will help us achieve our objective to reduce our direct carbon emissions to zero by 2040 with a 25% reduction compared to 2015 being planned by 2030.



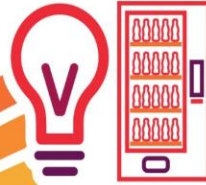
100% HYBRID VEHICLES FOR OUR SALES TEAM

We are moving all the vehicles used by our sales teams to hybrid models & will continue to explore ways to minimise our fleet emissions.



HELPING OUR CUSTOMERS REDUCE EMISSIONS

We are reducing our carbon footprint including working closely with our suppliers to achieve Net Zero by 2040. To assist our customers energy use we provide the most efficient new fridges and vending machines, aiming to also achieve Net Zero for our equipment over the next few decades.



INVESTING IN COMMUNITIES

We invest over A\$1million annually in community projects and partnerships, including through the Coca-Cola Australia Foundation.



CONSUMER WELLBEING & 20% SUGAR REDUCTION BY 2025

We've committed to the goal of reduce our portfolio sugar grams per 100mL by 20% by 2025, compared to 2015. In doing so, we have already achieved an 11% reduction at the end of 2020 & have wellbeing initiatives in remote Indigenous communities in respectful collaboration with our 134 retail partners and their communities. Since 2015, this work has delivered a 23% decrease in average weighted sugar per 100mL.



SUSTAINABLE WATER FOR ALL & 100% REPLENISHMENT

We source our water and bottle it locally to minimise its environmental impact. We also conduct Source Assessments for our water sources including the mineral water we use & prepare Management Plans to ensure the ongoing sustainability of those sources for all users. With The Coca-Cola Company, we return to nature over three times the amount of water we use in our drinks.



OPERATIONAL EFFICIENCY

We benchmark & set goals for:

- energy
- water
- greenhouse gas emissions
- operational waste

We also invest in more efficient equipment, buildings, vehicles, while continuously improving metering & monitoring to drive improvements.

REDUCING OUR LOGISTICS FOOTPRINT

Working closely with logistics providers, we pilot feasibility studies for sustainable logistical solutions (including green hydrogen), while improving the efficiency of our deliveries via a new Transport Management System.



100% RECYCLED PLASTIC IN ALL SINGLE-SERVE BOTTLES & PLASTIC CUPS

Leading on technical innovation to more than double our use of recycled plastic over the last 2 years, we now have all our bottles under 1L made from 100% recycled plastic. And recently moved to recycled plastic for our post-mix cups & no longer supply plastic straws.



CREATING A CIRCULAR ECONOMY FOR PET IN THE BEVERAGES INDUSTRY

Simultaneously, we're also investing in a cutting-edge plastic recycling facility right here in Australia. This ensures that we are using more locally processed recycled content for the production of our bottles in Australia.



LEADING & INVESTING IN COLLECTION & RECYCLING

Playing a leadership role in closing the loop on our packaging, we operate & coordinate all container deposit schemes currently running in Australia. This includes over 40 years of operations in South Australia.



Peak planning



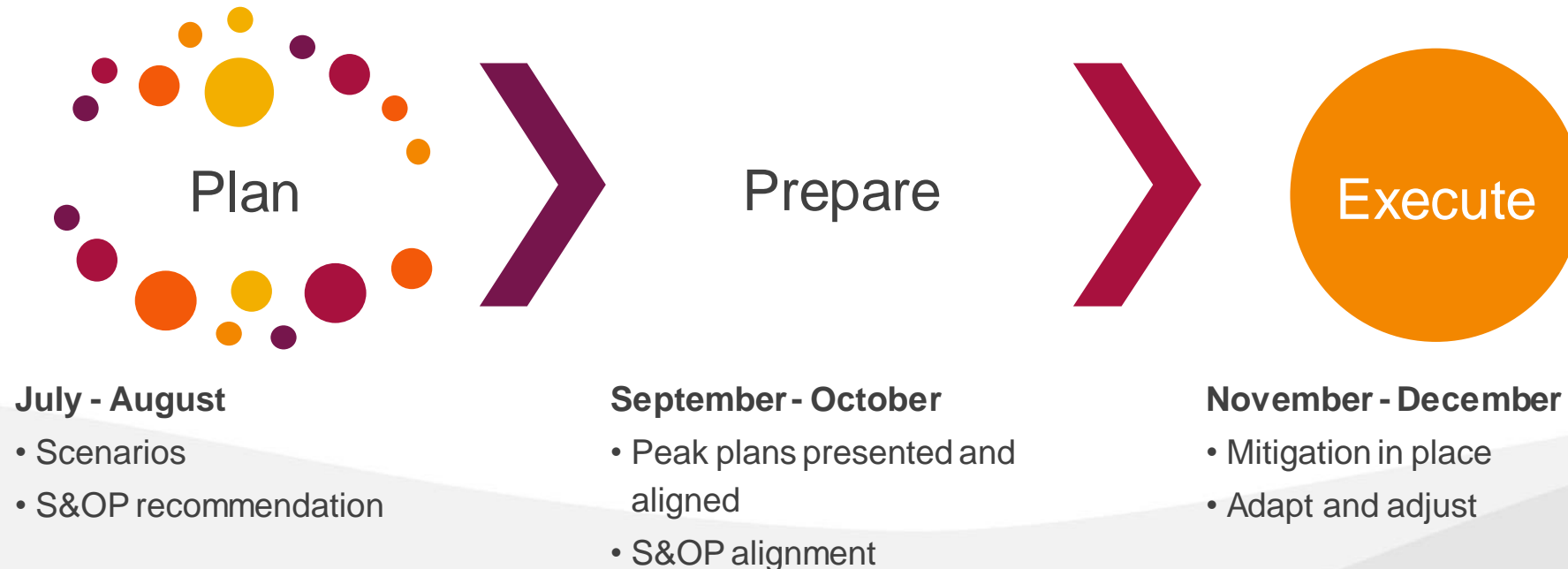
Peak Planning

Develop plans and processes to deliver a successful peak season



Our suppliers will develop plans and processes to deliver a successful peak season. Outcome of the work will include but not be limited to:

- Supplier capacity loading against latest requirements.
- Contingency plans (volume changes, line downtimes, transportation, public holidays...)
- Planned shutdown calendar and delivery plans (non-working days etc.)
- Escalation matrix during supplier shutdown (Contact name, e-mail and phone numbers)



Joint Business Plan



Further together through Joint Business Plan



Context - Example



Project Brief

This is a collaboration between our supplier and CCEP whereby both parties align on short- and long-term initiatives as a shared business to improve the end-to-end process from forecasting to receipt of goods.



Objectives

- Set a framework for the two businesses to work together
- Identify shared pain points and convert them into improvement opportunities



Deliverables

- A collective SWOT Analysis and TOWS Matrix
- Detailed maps that capture the end-to-end process of forecasting to receipt of Aluminum Cans
- Pipeline of initiatives



Outcome

A defined Program of Work to implement the recommended changes and achieve the designed future state



What a JBP is

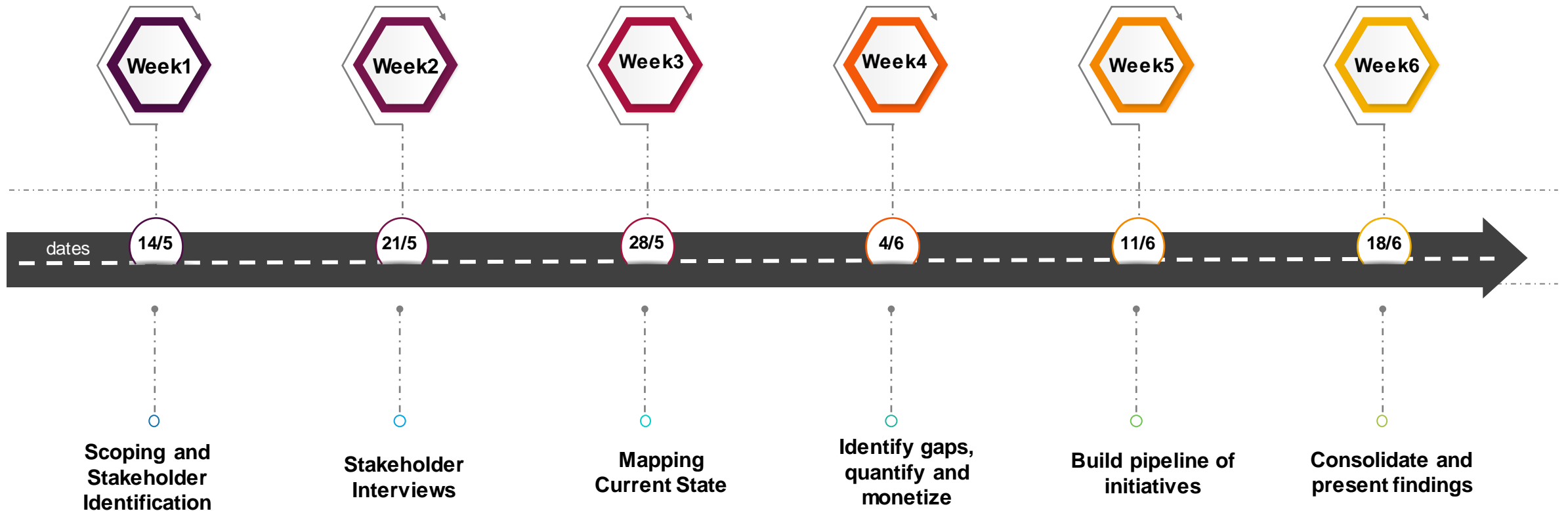
Identification of mutual opportunities
Development of joint strategies and tactics
Development of pipeline of initiatives










What a JBP is not

Tactical contract negotiations
A macro-economic & global market challenges discussion
Short term/reactive initiatives and day to day problem solving


Milestones



Example of timeline

Key Activity	Timeline						
	Week1	Week2	Week3	Week4	Week5	Week6	After
Current State Review							
Review Scoping, define problem statement and stakeholder assessment		<ul style="list-style-type: none"> • Sponsorship Alignment on Scope and overall approach • Setup approach • Stakeholder assessment (Key supplier contacts) • Engagement with Suppliers 					
1:1 interviews, DILOs, WILOs			<ul style="list-style-type: none"> • Capture and align on expectation with supplier from current state mapping workshops • Prep work for facilitating current state mapping workshops 				
Mapping Current State					<ul style="list-style-type: none"> • Conduct current state process mapping workshops with identified partners • Capture gaps/inefficiencies/pain points 		
Identify key gaps/pain points, quantify and monetize					<ul style="list-style-type: none"> • Collate all gaps/improvement opportunities • Quantify and monetize gaps 		
Identify pipeline of initiatives and prioritize through pain and gain matrix						<ul style="list-style-type: none"> • Translate gaps into potential projects through pain and gain matrix 	
Consolidate and present findings							<ul style="list-style-type: none"> • Consolidate and present findings
Prioritise and Launch Projects							 <ul style="list-style-type: none"> • Prioritize top project • Launch Projects

Legend

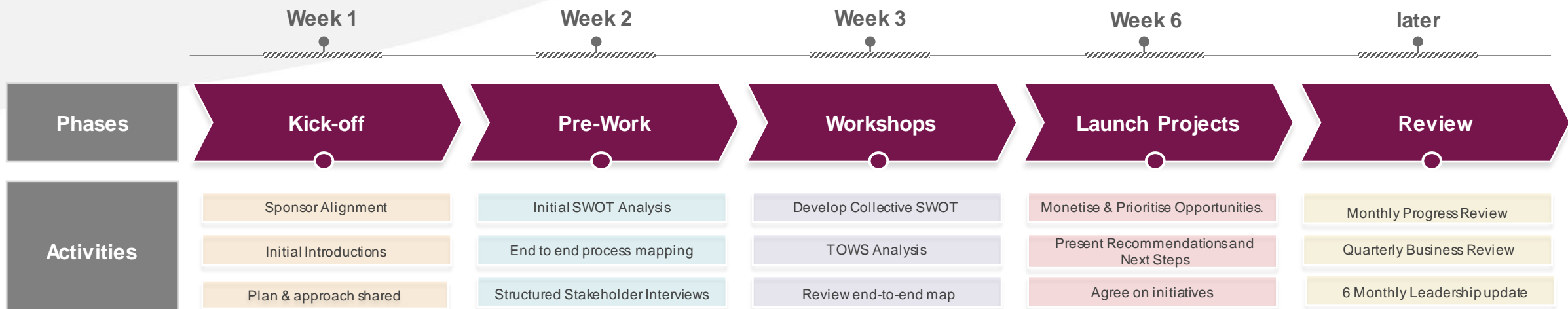
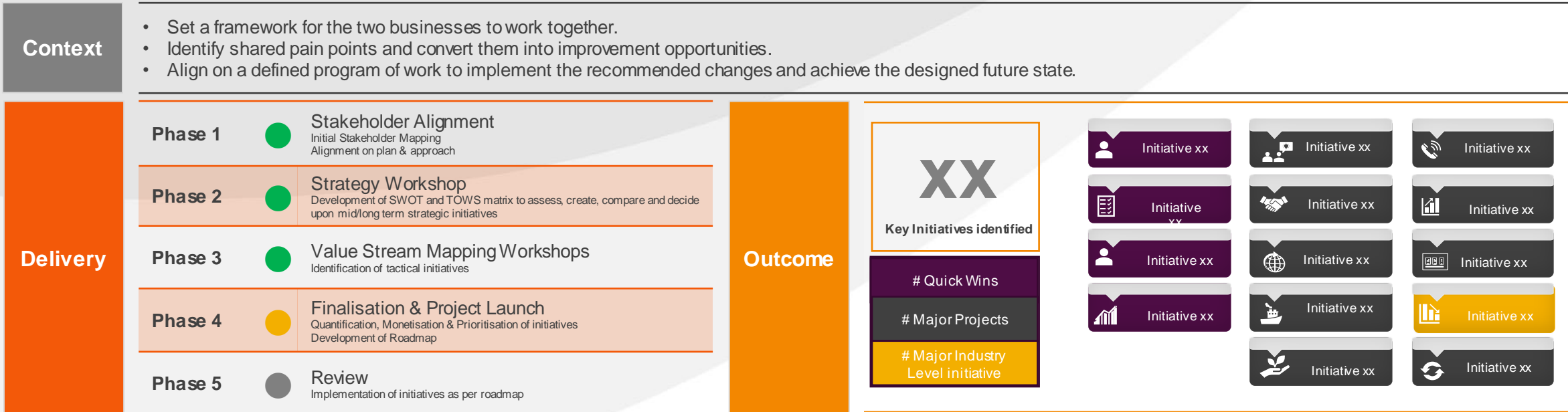
Collaboration 

Execution 

Joint Business Plan in one page



Collaboration between [Supplier] and CCEP whereby both parties align on short & long-term strategies as a shared business and drive multi-functional initiatives for growth and profitability.



Above and beyond

Recognising good practices and initiatives

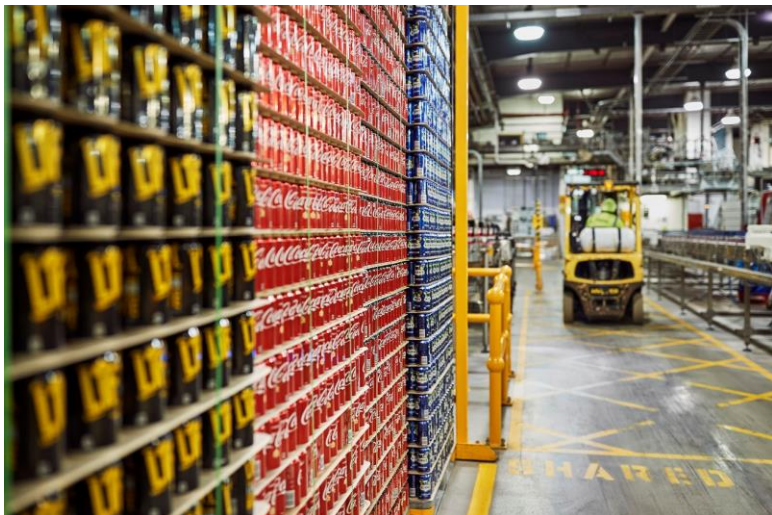


Innovation and excellence is at the core of everything we do.

At CCEP we work closely with our suppliers to continually improve performance and strive for mutual growth.

We expect our Partner Suppliers to demonstrate outstanding performance, service, value and quality as well as initiative and ownership for identifying opportunities and driving business outcomes.

We are looking forward working together to overcome Supply Chain complexities, ensuring continuity of supply to serve our customers to the highest standards and collaborating proactively on initiatives towards mutual benefits.



Expectation



Compliance



Continuous Improvement



Commitment



Collaboration





**Looking forward
working together**