

A TIME OF OPPORTUNITY



When I became CEO of Coca-Cola European Partners (CCEP) one year ago, two motivations propelled me. First, I wanted to grow this new company in a way that fulfilled its potential while respecting its shared heritage. Second, I wanted to do it in a way that would make me proud along with all our employees and every one of our stakeholders.

We have created the world's largest Coca-Cola bottler and put sustainability, in its broadest sense, at the heart of the business. From our earliest days, CCEP established strong fundamentals about how we hold ourselves accountable to each other and to the outside world and how we create an environment where people want to work and believe in what we are doing. We also developed an operating model that better reflects how people choose to enjoy and buy our beverages.

And now the next phase begins. Over the past year, we have seized the chance to talk to people about what they expect from this new company that has such deep roots. With our colleagues at The Coca-Cola Company, we have listened to customers, consumers, employees and our leadership about the issues facing our business and the wider world, and what is expected from us. The feedback was clear. You want us, fundamentally, to be a good business, but one that more meaningfully influences some of the biggest issues we face as a society. You want to see

us taking a lead on our packaging, the sugar and calories in our beverages and the impact we have on our communities. We are hard at work transforming these expectations into a set of targets and commitments that we will publish this autumn. This will be our first sustainability strategy for the Coca-Cola system in Western Europe.

But first we had to know where we were coming from. With three merging bottling organisations, it has taken us a year to consolidate our data to establish the baseline for our first full-year performance. In making this Stakeholder Progress Report available to you now, we aim to show the foundation on which we will build in the areas that all of you expect – from governance to environmental performance, from transforming our drinks portfolio and packaging to diversity.

I am proud that we have been able to do so much since forming CCEP. The credit for the progress in this report rests with the passion and commitment of 24,500 employees, and the great collaborative

partnerships that we have developed with our suppliers and customers. In particular, we have:

- Reduced the calories per litre across our portfolio by 7.9 percent since 2010. Together with The Coca-Cola Company, we are working to transform our entire portfolio so that we can offer an even wider range of drinks to our consumers.
- Reduced the carbon footprint of our core business operations – which includes our manufacturing, our cold drinks equipment and our transportation – by 42.6 percent since 2010.
- Continued to ensure that all of our packaging is recyclable. In 2016, 21 percent of the polyethylene terephthalate (PET) we used was recycled PET.
- Donated approximately €6.6 million, or 0.5 percent of our pre-tax profit, to our local communities in 2016.

While we are encouraged by what we have accomplished, there is still considerable work to be done. Ultimately, you will be the ones to judge our success. And when we publish our strategy later this year, we hope we're taking a meaningful step forward in meeting your expectations.

Damian Gammell
Chief Executive Officer
Coca-Cola European Partners
June 2017