

Public Policy Engagement

Our Approach to influencing Public Policy

Public policy discussions take many forms, advocacy being one

Advocacy is a way for organisations – including NGOs and companies – to ensure that their views are heard, or at least considered by policy makers. At Coca-Cola HBC, we table our advocacy efforts mainly through trade associations, which represent companies, organisations, causes and industries. We may also engage in limited direct advocacy in circumstances where trade associations are either not active or cannot meet our requirements.

We consider it our duty and our responsibility, to make our views clear to those who have the potential to impact the laws, regulations and policies that can influence our global business.

Our public policy engagements in the 29 markets in which we operate, are governed by our [Code of Business Conduct](#) and the [Anti-Bribery and Compliance handbook](#).

The scope of our advocacy is wide, but we concentrate on the following areas:

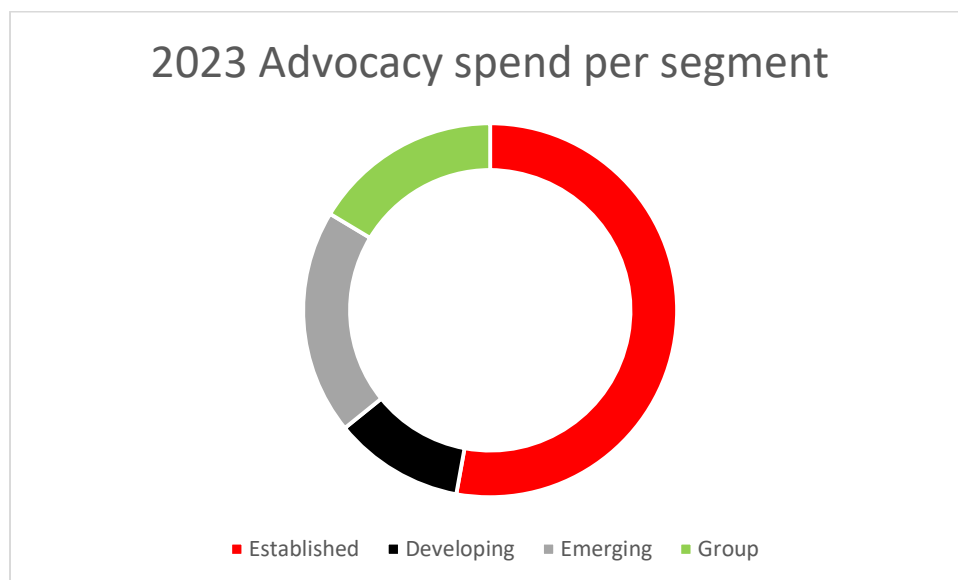
- **Product-specific policies, such as taxes, restrictions or regulations:** We contribute substantially to the local and (inter)national economy through jobs, investments, taxes and community activities. As such, we actively oppose discriminatory taxes or policies that single out certain products.
- **Environmental policy:** We continuously strive to maximise energy efficiency and minimise the impact of our manufacturing and distribution infrastructure, as well as actively participate in policy discussions that have the potential to impact these areas. We support public policies that deal in a balanced way with water quality, carbon emissions, packaging, agriculture and ingredients, as well as other environmental policies and/or actions that are directly, or indirectly relevant to our business.

All our direct or indirect advocacy is aligned with our commitment to achieve NetZero by 2040. We regularly review, monitor and assess our memberships to ensure that any trade associations we are members of, share the Paris Agreement goals. In case of misalignment between the climate change policy positions of trade associations with the Paris Agreement, we have a compliance framework at executive level which covers the countries we operate in.

- **Health & Nutrition:** We are committed to use our brands and marketing platforms to help shape consumer choice and encourage active, healthy lifestyles. We are consistent in our approach that singling out specific industries or products is not addressing the complex challenge of obesity. Our focus is on providing healthier options across our portfolio of sparkling and still beverages and emphasising low and no-sugar/calorie choices to our consumers, offering smaller packages and reformulating our beverages. Through the European Soft Drinks Association (UNESDA) we contribute to the EU's voluntary code of conduct for responsible food businesses.

2023 advocacy spend

In 2023, we spent a total of €2,630,778 on advocacy efforts as a Group, corresponding to 0.03% of our annual Net Sales Revenue (NSR).

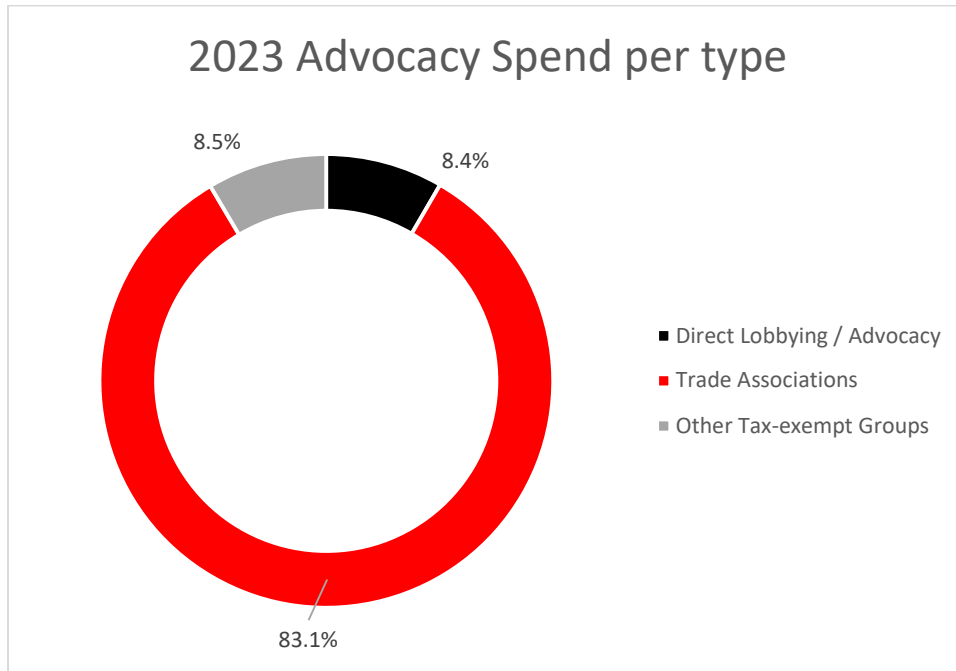


Coca-Cola HBC AG currently operates in 29 countries, divided into three distinct segments for reporting purposes:

Established markets: Austria, Cyprus, Greece, Italy, Northern Ireland, Republic of Ireland and Switzerland.

Developing markets: Croatia, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia and Slovenia.

Emerging markets: Armenia, Belarus, Bosnia & Herzegovina, Bulgaria, Egypt, Moldova, Montenegro, Nigeria, North Macedonia, Romania, the Russian Federation, Serbia (including the Republic of Kosovo) and Ukraine.



83% of our advocacy efforts in 2023, took place through trade associations at both Group and country levels. In 2023, we did not engage in any financial and/or in-kind contribution to any political campaign. Political contributions are governed by our Code of Business Conduct and the Anti-Bribery and Compliance handbook.

Trade Associations

In 2023, advocacy through trade associations, accounted for 83% of our total efforts. The Coca-Cola System is a member of various trade associations such as Business, Food & Drink, Soft Drinks, Packaging, Chambers of Commerce, Bottled Water associations, among others.

Each association has a role to play in our business, depending on the challenges we face:

Type	Purpose / Types of businesses represented	Examples
Business	<ul style="list-style-type: none"> Voice of a collective industry - represent a large general body of businesses (may also have as members other associations). May be used to advocate for issues that affect a wide variety of industries (e.g., VAT taxation changes) 	Chamber of Commerce AmCham Confederation of Industrialists Branded Goods association Advertisers Association
Food & Drink	<ul style="list-style-type: none"> Advocates for food & drink related issues, such as sugar taxes, issues which affect all food and drink industry Has wider reach, beyond the soft drink industry - includes for example confectionary, bakers, food producers among others 	Food & Drink Federation in Poland AIIPA in Italy

Soft Drink (Beverage)	<ul style="list-style-type: none"> Represents only the soft drink industry and advocates for its specific issues Since 2018, a unified approach in reducing added sugars in soft drinks is a key topic 	IBEC in Ireland BSDA in Bulgaria ASSOIBIBE in Italy UNESDA at Group level
Packaging	<ul style="list-style-type: none"> Advocates on packaging related issues, such as packaging recovery methods and packaging taxation, among others Typically represents packaging producers, fillers/packers, and importers The review of the Packaging and Packaging Waste Regulation was a key topic in 2022 	CICPEN in Czech Republic SLICPEN in Slovakia SEPEN in Serbia ARAM in Romania EUROOPEN at Group Level
Other	<ul style="list-style-type: none"> Any other types of associations not included in the above, which deal with specific matters or represent sub-industries 	Mineral waters association Spirits association Juices association

We regularly review, monitor and assess our memberships to ensure that any trade associations we are members of, share the Paris Agreement goals. Monitoring is conducted annually across all the countries we operate in and reviewed by the Chief Corporate Affairs and Sustainability Officer.

In case of misalignment between the climate change policy positions of trade associations with the Paris Agreement, our compliance framework led by the Chief Corporate Affairs and Sustainability Officer foresees various possible actions such as: a) direct engagement with the trade association with clear timelines to address these differences; b) public statements distancing the company from the misalignment and c) remedial actions such as leaving the trade association and/or d) forming proactive coalitions to counter the lobbying as ultimate measures.

Other Tax-Exempt Groups

In November of 2021, Coca-Cola HBC became an Associate Partner with the World Economic Forum (WEF). Through our participation we expect to increase our engagement not only on a national level but also on a global level through several platforms and initiatives. One of the key initiatives Coca-Cola HBC joined, is the WEF Alliance of CEO Climate Leaders, a CEO-led community committed to raising bold climate ambition and accelerating the net zero transition by setting science-based targets, disclosing emissions and catalysing decarbonization and partnerships across global value chains.

It will allow us to connect with community leaders, understand anticipate trends that could directly, or indirectly, impact our business.

National Political Organisations, State or local political campaigns, candidates, or committees

In 2023, we did not engage in any financial and/or in-kind contribution to any political campaign.

2023 focus areas

Topic/ Issue	Advocacy mainly through	EURO
Responsible behaviour in schools, reducing added sugars in soft drinks, providing clear nutritional information	UNESDA	€177,118
Packaging and Packaging Waste Regulation Review	EUROPEN UNESDA	€23,176, (EUROPEN) No extra fees (UNESDA)

Top 3 contributions to trade associations in 2023

The top 3 contributions to trade associations (in addition to UNESDA the amount of which is mentioned above) were mainly in Italy, which is also a significant volume contributor for the Group:

Country	Trade association	EURO
Italy	ASSOBIBE	€326,745
Italy	ASSOLOMBARDA	€145,189
Italy	Confindustria System (Regions: Verona, Basilicata, L'Aquila, Biella, Cuneo, Federazione Gomma Plastica)	€129,650

Direct Advocacy

Depending on the issue and the overall conditions, we may engage in direct advocacy also through public affairs agencies. This would usually happen for specific communications purposes, for items where we either do not have a specific trade association to address the issue, or when the existing trade association does not have the capability or resources to advocate effectively. In 2023, we spent €220,495 on direct advocacy in specific countries. This represents c. 8.4% of our total public policy influence expenditure and 0.002% of our NSR.