



**Coca-Cola**  
**HBC**

# **Human Rights Policy**

Manager's guide  
2024

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## Introduction

### Background

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Respect for Human Rights is fundamental to our success at Coca-Cola HBC. Wherever in the world we do business, we commit to respect, protect and fulfil Human Rights. We are committed to legal compliance and to respect the unique customs and cultures in the communities where we operate.

Our CEO launched our Human Rights Policy in December 2014 and new refreshed version in February 2024, and the Policy has been subsequently updated and translated into all of our local languages.

The Policy is committed to international human rights principles encompassed in the [Universal Declaration of Human Rights](#), the [International Labor Organization's Declaration on Fundamental Principles and Rights at Work](#), the [United Nations Global Compact](#) and the [United Nations' Guiding Principles on Business and Human Rights](#).

The Human Rights Policy applies to Coca-Cola HBC, the entities that it owns, the entities in which it holds a majority interest, and the facilities that it manages. The Company's Supplier Guiding Principles are aligned with the expectations and commitments of the Human Rights Policy.

This guide is designed to help managers understand and implement the Human Rights Policy.

The Guide discusses how our everyday work can impact the human rights of people in our Company, our supply chain and the communities in which we operate. It explains the components of the Human Rights Policy and provides links to other resources to aid you as a manager.

The Human Rights Policy promotes the values of Coca-Cola HBC and is the baseline standard. Where the Human Rights Policy provides greater protection than is provided under applicable law, policy or custom, you should follow the Human Rights Policy. In instances where applicable law, Policy or custom provides employees with greater protection, the local standard should prevail. Where you believe applicable law, policy or custom conflicts directly with the Human Rights Policy, or if you are unsure about which standard should apply, you should consult People and Culture or Legal.



## The Company's commitment to Respecting Human Rights

Respect for human rights is fundamental to the sustainability of Coca-Cola HBC and the communities in which we operate. In our Company and across our supply chain, we are committed to ensuring that people are treated with dignity and respect.

## The Company's Human Rights Policy

An important component of our commitment to respect human rights is our Company's Human Rights Policy, which focuses on fostering open and inclusive workplaces based on human rights.

The Policy includes the following twelve components:

- 1. Respect for Human Rights**
- 2. Community and Stakeholder Engagement**
- 3. Vulnerable individuals and communities**
- 4. Valuing Diversity and Equal opportunities**
- 5. Freedom of Association and Collective Bargaining**
- 6. Safe and Healthy Workplace**
- 7. Workplace Security**
- 8. Slavery, Forced Labor and Human Trafficking**
- 9. Child Labor**
- 10. Land tenure, water resources and environmental impacts**
- 11. Work Hours, Wages and Benefits**
- 12. Guidance and Reporting for Employees**



## Human Rights Policy full text

Following is the full text of the Human Rights Policy. The Policy can be found in different languages on our country intranet pages or on the SpeakUp! Ethics helpline webpage.

<https://secure.ethicspoint.eu/domain/media/en/gui/102336/index.html>

### Human Rights Policy

Respect for Human Rights is fundamental to our success at Coca-Cola HBC. Wherever in the world we do business, we commit to respect, protect and fulfil Human Rights. We are committed to legal compliance and to respect the unique customs and cultures in the communities where we operate.

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## Respect for Human Rights

Coca-Cola HBC respects human rights. We are committed to identifying, preventing and mitigating any adverse human rights impacts in relation to our business activities through human rights due diligence and preventive compliance processes.

## Community and Stakeholder Engagement

We recognize our impact on the communities in which we operate. We are committed to engaging with stakeholders in those communities to ensure that we listen to, learn from, and consider their views as we conduct our business.

Where appropriate, we are committed to engaging in dialogue with stakeholders on human rights issues related to our business. We believe that local issues are most appropriately addressed at the local level. We are also committed to creating economic opportunity and fostering goodwill in the communities in which we operate through locally relevant initiatives.

## Vulnerable individuals and communities

We are committed to respecting human rights of all individuals regardless of race, sex, gender identity colour, national or social origin, religion, age, disability, sexual orientation, political opinion, who may be at heightened risk of becoming vulnerable or marginalized, including but not limited to migrants, indigenous people, refugees and minorities.

We respect the basic human rights enshrined in the national laws and United Nations Declaration of Human Rights and Human Rights Chapter.



## Valuing Diversity and Equal opportunities

We value the diversity of our people and the contributions they make. We have a long-standing commitment to equal opportunity and do not accept any form of discrimination and harassment.

Coca-Cola HBC is an equal opportunities employer, and we are dedicated to maintaining inclusive workplaces that are free from discrimination or harassment based on race, sex, gender identity, colour, national or social origin, religion, age, disability, sexual orientation, political opinion or any other status protected by applicable law.

The basis for recruitment, hiring, placement, training, compensation, and advancement at the Company is qualification, performance, skills, and experience. We are committed to equality and to equal remuneration.

Regardless of personal characteristics or status, the Company does not tolerate disrespectful or inappropriate behavior, unfair treatment, or retaliation of any kind. Harassment is unacceptable in the workplace and in any work-related circumstance outside the workplace. These principles apply not only to Company employees but also to the business partners with whom we work. For more details, please see our Inclusion and Diversity and Anti-Harassment Policy.

## Freedom of Association and Collective Bargaining

We respect our employees' right to join, form or not to join a labor union without fear of reprisal, intimidation, or harassment. Where employees are represented by a legally recognized union, we are committed to establishing a constructive dialogue with their freely chosen representatives. We are committed to bargaining in good faith with such representatives.





## Safe and Healthy Workplace

We provide a safe and healthy workplace and comply with applicable safety and health laws, regulations, and internal requirements. We are dedicated to maintaining a productive workplace by minimizing the risk of accidents, injury, and exposure to health risks.

We are committed to engaging with our employees to continually improve health and safety in our workplaces, including the identification of hazards and remediation of health and safety issues.

## Workplace Security

We are committed to maintaining a workplace that is free from violence, harassment, intimidation and other unsafe or disruptive conditions due to internal and external threats. Security safeguards for employees are provided as needed and will be maintained with respect for employee privacy and dignity.

## Slavery, Forced Labor and Human Trafficking

We prohibit the holding of any person in slavery or servitude, the use of all forms of forced, bonded or compulsory labor and the engagement in any form of human trafficking.

## Child Labor

We comply with all local laws on the minimum age of employment, as provided in the ILO Convention 138. We prohibit the hiring of individuals that are under 18 years of age for positions in which hazardous work is required, as provided for in ILO Convention 182.





## Land tenure, water resources and environmental impacts

We are committed to ensuring minimal impact on the environment, particularly avoiding impacts that may also result in increased risk to human rights such as access to water, sanitation, and clean environments. As a major buyer of several agricultural commodities, we source our ingredients via third parties and we are committed to buy sustainably certified crops, thus supporting and promoting the protection of the land rights of local farmers and communities.

## Work Hours, Wages and Benefits

We compensate employees competitively relative to the industry and local labor market on the basis of qualification, performance, skills, and experience. We are committed to equal remuneration. We operate in full compliance with applicable wage, work hours, overtime, and benefits laws.

## Guidance and Reporting for Employees

We are committed to creating workplaces in which open and honest communications among all employees are valued and respected. Our policy is to follow all applicable labor and employment laws wherever we operate.

If you believe that a conflict arises between the language of the policy and the laws, customs and practices of the place where you work, if you have questions about this policy or if you would like to report a potential violation of this policy, you can raise those questions and concerns through existing processes, which make every effort to maintain confidentiality. You may ask questions or report potential violations to local Management, People and Culture Department, Legal Department or Business Resilience Team. Alternatively, you can choose to report any potential violations of this policy by using the Coca-Cola HBC's Ethics and Compliance helpline, Speak Up! line, which will, if desired, allow you to report your concerns anonymously. Coca-Cola HBC is committed to investigating, addressing, and responding to the concerns of employees and to taking appropriate corrective action in response to any violation.

This Policy has been approved by the Coca-Cola HBC Executive Leadership Team on February 19 2024 and signed by Chief Executive Officer. This Policy will be regularly reviewed, updated and communicated to employees and relevant stakeholders.

Chief Executive Officer  
Zoran Bogdanovic



## Manager's guide format

The following ten sections address each component of the Human Rights Policy. Each section includes the following detail, as applicable:

- Text of the Human Rights Policy component
- Definitions of key terms used in each component
- Discussion of the requirements established in each component
- Examples of violations of the Human Rights Policy
- Additional Guidance, Tools and Resources
- Human Rights Assessment Process "Key Points to Note"



## 1. Respect for Human Rights

### **Text from the Human Rights Policy:**

**"Respect for Human Rights"**

Coca-Cola HBC respects human rights. We are committed to identifying, preventing and mitigating any adverse human rights impacts in relation to our business activities through human rights due diligence and preventive compliance processes.

### **Discussion:**

Governments, companies and citizens all have an important role in human rights globally. The term "human rights" refers to those rights recognized in the United Nations' Universal Declaration of Human Rights and related international covenants. The Declaration considers all human rights inalienable, equal and connected. Human rights do not depend on citizenship or personal characteristics.

While governments are responsible for protecting human rights through legal frameworks and for providing access to remedies in cases where human rights are violated, businesses have a corporate responsibility to respect all human rights. Coca-Cola HBC's Human Rights Policy recognizes this commitment.

We expect our Company and our suppliers to avoid causing or contributing to adverse human rights impacts as a result of business actions and to mitigate any adverse human rights impacts directly linked to their operations, products or services by their business relationships.

It is important for managers to understand that Company operations can impact one or more human rights and, while some rights are workplace-related, others are community-based.

Below are examples of how the Company mitigates potential human rights impacts.

## **Non-Complicity**

Coca-Cola HBC is committed to ensuring non-complicity in the violation of any internationally recognized human right. Applying the Human Rights Policy is just one way that Coca-Cola HBC seeks to mitigate this risk.

## **Sustainability**

In a world where populations are growing, natural resources are stressed, communities are forced to do more with less and our consumers' expectations are expanding, we understand that sustainability is core to our business continuity and recognize the health of our business is directly linked to the health of the communities in which we operate. That is why we work to respect all human rights and are working together to enhance people's well-being, build strong communities, and help protect the environment we all share. Our commitments to a sustainable community can be found in the Company's Integrated Annual Report.

## **Intellectual Property**

The Company respects the individual and collective intellectual property rights of others. Coca-Cola HBC does not knowingly infringe on the trademark or other intellectual property rights of third parties, including indigenous peoples, and undertakes the appropriate research to determine existing rights prior to Company use. The Company will seek license or other appropriate rights to legally recognized intellectual property owned or controlled by others that are required for business or legal reasons.

## **Data Protection**

As a multinational company, we make sincere efforts to adhere to the local, cultural, political and religious requirements in every market that we serve. We are committed to ensuring that our employees' personal data are respected and to monitoring our responsible marketing policies to ensure they are responsive to the needs and requests of our customers and consumers. Agencies conducting product surveys and testing on behalf of the Company are expected to follow industry standards to ensure that consumer personal data are respected.

## **Civic Participation**

The right to participate in the community governance process is an important right recognized by the Company. To enable active participation, employees, including migrant workers, minorities and members of indigenous groups, should be provided adequate leave from work to participate in election-related activities, including specifically exercising the right to vote. Employees should feel they can exercise these rights without fear of harassment or reprisal, and managers should never harass, intimidate or punish workers who take leave from work to exercise their right to vote. To the extent practicable, employees should be provided sufficient time away to exercise their right to vote as well as leave for serving on a jury or testifying.



## 2. Community and Stakeholder Engagement

### Text from the Human Rights Policy:

#### “Community and Stakeholder Engagement”

We recognize our impact on the communities in which we operate. We are committed to engaging with stakeholders in those communities to ensure that we listen to, learn from, and consider their views as we conduct our business.

Where appropriate, we are committed to engaging in dialogue with stakeholders on human rights issues related to our business. We believe that local issues are most appropriately addressed at the local level. We are also committed to creating economic opportunity and fostering goodwill in the communities in which we operate through locally relevant initiatives.

### Definitions:

#### “Stakeholders”

“Stakeholders” are people and groups inside and outside of our Company that we recognize are affected by our business practices. Stakeholders can include, for example, non-governmental organizations (NGOs), trade unions, local community leaders, religious leaders, international organizations, governments, investors and shareowners, employees, customers and consumers. Who a stakeholder is may also be dependent upon the type of human rights issue involved; for example, stakeholders on privacy issues may be different from those related to a land matter.

### Discussion:

Coca-Cola HBC understands that we are a part of each community in which we conduct business. The Company engages with community members in coordination with Public Affairs and Communications (PAC) and other departments to understand issues that are important to these communities and what our human rights impacts may be.

Community and stakeholder engagement is an essential part of our human rights due diligence process. Coca-Cola HBC understands it has a corporate social responsibility to respect the human rights of its employees and the people in the communities in which it operates. As recognized in the United Nations' Guiding Principles on Business and Human Rights, the Company recognizes that implementing respect for human rights includes:

- Having a Policy commitment to meet the responsibility to respect human rights;
- Engaging in due diligence to identify, prevent, mitigate and account for how the Company addresses its human rights impacts;
- Avoiding complicity in human rights violations;
- Investigating allegations of adverse human rights impacts;
- Providing access to a grievance mechanism to raise concerns or identify potential human rights impacts; and
- Ensuring that such a grievance mechanism is accessible to representatives of the communities in which we operate and our supply chain.



## Human Rights Assessment Process: Key Points to Note

Audits of Coca-Cola HBC's operations are conducted in Coca-Cola HBC's plants by an independent third party international organization. The scope of these audits includes aspects on human rights and covers contractors and others who are not employees, such as staff of third party service providers. Coca-Cola HBC's sites and suppliers who do not pass their first audit to an acceptable standard are subject to follow-up audits and are required to report on corrective actions to the third party audit bodies.

Suppliers of ingredients and primary packaging materials are audited through independent audits which are carried out by third parties engaged by TCCC. These audits assess compliance of such suppliers with our SGP, which includes human rights matters. The Company reserves the right to terminate an agreement with any supplier that cannot demonstrate that they are upholding the SGP requirements. Suppliers that are subject to Strategic Sourcing should complete an Environmental, Social and Governance tool (ESG Form), and any not meeting our threshold do not qualify as a supplier to the Company.

## 3. Vulnerable individuals and communities

### Text from the Human Rights Policy:

**"Vulnerable individuals and communities"**

We are committed to respecting human rights of all individuals regardless of race, sex, gender identity colour, national or social origin, religion, age, disability, sexual orientation, political opinion, who may be at heightened risk of becoming vulnerable or marginalized, including but not limited to migrants, indigenous people, refugees and minorities.

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We respect the basic human rights enshrined in the national laws and United Nations Declaration of Human Rights and Human Rights Chapter.

### Definition:

Vulnerable individuals and communities are particular individuals or groups who, for various reasons, are weak and vulnerable or have traditionally been victims of violations and consequently require special protection for the equal and effective enjoyment of their human rights. Populations typically seen as vulnerable include people with disabilities, refugees, asylum-seekers, racial minorities, women, children, 2SLGBTQ+ communities, and older people.



**Disussion:**

At Coca-Cola HBC we are committed to respecting human rights of all individuals regardless of race, sex, gender identity colour, national or social origin, religion, age, disability, sexual orientation, political opinion, who may be at heightened risk of becoming vulnerable or marginalized, including but not limited to migrants, indigenous people, refugees and minorities.

We provide a workplace free of discrimination and ensure equality among all our employees. Vulnerable individuals and communities are in greater risk of facing various impediments to the enjoyment of their human rights, therefore we apply programmes to ensure equality and address specific needs such as :

- non-discrimination;
- full and effective participation and inclusion in working society;
- respect for difference and acceptance of persons with disabilities;
- equality of opportunity;
- accessibility
- equality between men and women.

## 4. Valuing Diversity and Equal opportunities

**Text from the Human Rights Policy:**

**"Valuing Diversity and Equal opportunities "**

We value the diversity of our people and the contributions they make. We have a long-standing commitment to equal opportunity and do not accept any form of discrimination and harassment.

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Coca-Cola HBC is an equal opportunities employer, and we are dedicated to maintaining inclusive workplaces that are free from discrimination or harassment based on race, sex, gender identity, colour, national or social origin, religion, age, disability, sexual orientation, political opinion or any other status protected by applicable law.

The basis for recruitment, hiring, placement, training, compensation, and advancement at the Company is qualification, performance, skills, and experience. We are committed to equality and to equal remuneration.

Regardless of personal characteristics or status, the Company does not tolerate disrespectful or inappropriate behavior, unfair treatment, or retaliation of any kind. Harassment is unacceptable in the workplace and in any work-related circumstance outside the workplace. These principles apply not only to Company employees but also to the business partners with whom we work. For more details, please see our Inclusion and Diversity and Anti-Harassment Policy.



## Definitions

### “Protected Category”

A “status protected by applicable law” refers to a group of people who have a particular characteristic or trait that is protected by law or policy from discrimination or harassment on the basis of that characteristic or trait. The characteristics and traits listed in the Policy — race, sex, color, national or social origin, religion, age, disability, sexual orientation, political opinion — are not all-inclusive. For example, characteristics or traits such as ethnicity, caste, creed, language, health status (including HIV/AIDS), migrant worker status, membership of a trade union or other organization, marital status, and gender identity and/or expression, are also protected by the Human Rights Policy.

### “Employment Decisions”

The Human Rights Policy references a range of employment decisions, which include but are not limited to: recruiting, hiring, placement, training, advancement/promotion, raises/compensation, benefits, scheduling (including vacation and time off), assignments, demotions, layoffs, discipline and terminations.

### “Harassment”

Harassment is defined as any single incident or pattern of behavior where the effect, intentional or unintentional, creates a hostile, offensive, or intimidating work environment. As noted in the Human Rights Policy, harassment is unacceptable in the workplace and in any work-related circumstance outside the workplace.

## Discussion:

### Protected Categories

Coca-Cola HBC makes decisions about who to hire and promote based on qualifications, performance, skills and experience. The Company gives employees an equal opportunity to work. It does not allow employees to be treated differently or unfairly by managers or co-workers based on characteristics such as skin color, religion, age, disability, politics, sexual orientation, race, gender, cultural affiliation, the place that they come from or any other basis protected by the Human Rights Policy and applicable law. As noted in the Policy, “regardless of personal characteristics or status, the Company does not tolerate disrespectful or inappropriate behavior, unfair treatment or retaliation of any kind.”

The protected categories covered by this Policy are protected in all geographies where the Company does business, regardless of whether or not that category is protected by applicable law. For example, the Policy prohibits discrimination or harassment based on sexual orientation even if the country in which the employee works does not have a law prohibiting discrimination or harassment on that basis. These principles apply not only to Company employees but also to all people with whom we work (including contractors, consultants, advisors, temporary workers, and agency workers). If you have a question about whether an employee falls within a protected category in your jurisdiction, please consult with Legal or People and Culture





## **Harassment and Intimidation**

Coca-Cola HBC is committed to fostering a harassment-free workplace. The Company will not tolerate offensive behavior by managers or co-workers.

In addition, as noted in the Policy, harassment is unacceptable in the workplace and in any work-related circumstance outside the workplace, such as during a business trip, business meeting or business-related social event. Harassment and Intimidation

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In addition, as noted in the Policy, harassment is unacceptable in the workplace and in any work-related circumstance outside the workplace, such as during a business trip, business meeting or business-related social event. These principles apply not only to Company employees, but also to the business partners and suppliers with whom we work.

### **The following are some examples of offensive behavior that could be viewed as harassment:**

- Making comments, insults, slurs or jokes about any protected group
- Making comments about an employee's body or attire
- Trying to convert someone to one's own religious or political beliefs
- Unwanted physical contact or blocking movement
- Electronically posting or sending messages or images that are sexual in nature or otherwise viewed as inappropriate or offensive
- Making gestures and statements of inappropriate sexual nature
- Sharing or displaying objects or pictures, cartoons, emails, text messages, websites, posters or screen savers that are sexual or directed at a protected group

Managers should quickly and consistently respond to all incidents or complaints of harassment, even if the potential victim has asked that no action be taken. Additionally, managers should encourage employees to report harassment or discrimination. All incidents and complaints of harassment should be reported to your local Management, local HR or Legal Department.



## **Accommodations for Employees' Religious Expression**

The Company prohibits any kind of discrimination, including harassment or retaliation, on the basis of religion, belief or cultural expression. The intent is to foster mutual respect and tolerance in the workplace thereby enabling freedom of religion in a way that does not infringe on the rights of other employees. When reasonable, managers should provide accommodations for employees' religious expressions, observances and requirements and ensure coworkers do not obstruct such expressions.

### **Examples of accommodating religious expression include:**

- Allowing workers to use rest periods freely, including engaging in prayer rituals or other forms of symbolic speech as space permits
- Employees may engage in open discussion about viewpoints, but should not subject coworkers to unwelcome expressions of religious views
- Allowing employees to exercise their allotted leave for any reason of their choosing, including religious holidays on days not already recognized as holidays by the Company or by applicable law
- Prospective employees should be informed of any mandatory work days which may conflict with religious holidays
- Granting a flexible work arrangement request for an employee wishing to attend religious services, when such request does not negatively impact the employee's work or the business

### **Examples of violating an employee's right to religious expression include:**

- Not allowing an employee to wear a piece of jewellery with a religious symbol but allowing other types of jewellery without religious symbolism
- Prohibiting an employee from reading a religious text during his or her meal break time
- Cancelling an employee's vacation after learning that he or she would be using the time to attend a religious retreat
- Requiring any employee to participate unwillingly in a specific religious activity

## **Respecting Employees' Political Views and Other Expressions**

Managers should not make employment-related decisions based on an employee's personal political views or opinions. Company political contributions should be pre-approved in writing by the Company's Board of Directors and are always nonpartisan. Managers should not pay for or reimburse employees for personal political activities, nor are employees allowed to use Company assets to advance political activities. Managers must not restrict an individual's right to make legal political contributions of their choosing. Likewise, employees are prohibited from imposing their personal political views on coworkers or expressing their views in the workplace in a manner that is disruptive.



Although the Policy encourages the accommodation of religious expression, it does not give employees license to disrespect coworkers by subjecting them to unwelcome expressions of religious views. Managers should not permit unwelcome proselytizing or intimidating, hostile or offensive conduct or displays of religious symbols and artifacts while in the workplace.

**Examples of this include:**

- Condoning the use of symbols that clearly portray prejudice, hatred or violence against any religious group
- Continued proselytizing in the workplace after being asked to stop

**Stereotypes**

Managers must avoid using stereotypes to make employment decisions, as this also leads to discriminatory practices. For example:

- Assuming a person will or will not want to work nights or weekends or travel because of their marital status
- Assuming certain minority groups would not want to work with other minority groups
- Assuming women will not want to work difficult jobs involving difficult or dangerous work conditions (e.g. heavy lifting)
- Assuming a person cannot perform a particular job because of a mental or physical disability

**Examples of Violation****Gender-Based Discrimination**

- Making employment decisions based on an employee's marital or family status, for instance terminating women because they are married; refusing to hire women unless they are married or refusing to hire a woman because the hiring manager does not approve of her marital status
- Managers train only men or favored groups and exclude women or disfavored groups
- Using training or presentation materials that only use consistently men as examples of managers and women as examples of hourly employees
- Requiring female employees to wear uniforms that are not culturally appropriate for them

**Discrimination Based on Race, Nationality, Cultural or Ethnic Group**

- Employees from a particular indigenous or ethnic group or of a particular colour not being given the assignments necessary to be promoted because the manager does not like the indigenous group, ethnic group or colour
- An employee who struggles with speaking the prevalent local language is given a negative performance review and told to be "more social," despite the fact that the employee's job performance is satisfactory
- Hiring managers require only those who appear or sound foreign to produce identity and authorization documents or ask for more documents than required by law
- Prohibiting employees from wearing traditional cultural garments in the workplace where there is no legitimate business reason (such as safety) for their prohibition



## Discrimination Based on Religious Affiliation

- Management invites all employees to regular outings during the Sabbath, thereby excluding a Jewish employee
- This employee subsequently receives a negative review with “needs to show more participation” as the reason given and, as a result, employee is denied upcoming promotion
- Employee makes offensive comments about another’s religious practices, grooming style, prayer requirements or eating habits

## Discrimination Based on Other Protected Categories

- People in a protected category are not hired or are barred from applying because of these specific characteristics
- Testing applicants or employees for pregnancy or HIV and refusing to hire or firing them based on positive test results
- Employees holding unpopular political opinions or views from the majority group are terminated on grounds different than those used for the employees in the majority group
- Passing over an older employee (who would be the usual choice) to make a sales presentation or distribute goods to a potential client, using instead a younger employee because the manager thinks or knows that the client prefers to deal with younger employees
- Managers allowing employees from a favored group to work overtime in excess of that allowed by applicable law when asked to do so by that group, but strictly adhering to the law with respect to other groups
- Note that this would also violate the Work Hours, Wages and Benefits component of the Policy
- Managers allowing regular workers to take customary breaks throughout the day, but denying the same breaks to migrant workers
- Migrant workers are offered different jobs than those who are local or citizens despite equal qualifications and which may result in differences in pay or benefits

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## Human Rights Assessment Process: Key Points to Note

In keeping with the Company’s commitment to valuing diversity, workplace assessments include measures to verify facilities do not engage in discriminatory practices

- Facilities are evaluated to determine whether they meet the following key requirements:
- Facility does not discriminate on the basis of gender, race, religion, national origin, or other legally protected category
- Hiring practices, pay and opportunities for advancement are based on occupational skills and experience and not a protected category
- Indicators of Performance Gaps include:
- Employees being treated differently based on physical or personal qualities, religious beliefs or other attributes not directly related to occupational skills and experience
- Employees being required to undergo mandatory pregnancy or HIV testing prior to being hired as a condition of employment
- Men and women not being paid equally for equal work.



## 5. Freedom of Association and Collective Bargaining

### Text from the Human Rights Policy:

#### **"Freedom of Association and Collective Bargaining"**

We respect our employees' right to join, form or not to join a labor union without fear of reprisal, intimidation, or harassment. Where employees are represented by a legally recognized union, we are committed to establishing a constructive dialogue with their freely chosen representatives. We are committed to bargaining in good faith with such representatives.

### Definitions

#### **"Labor Union" and "Legally Recognized Union"**

A "labor union" is an organization or group of individuals that collectively represents employees in dealing with management on matters of interest to the employees, most often wages, hours and working conditions.

A "legally recognized union" is an organization or group of individuals that has been recognized by applicable law to act as the workplace representative for the employees at a company or companies. Legally recognized unions are often referred to simply as "labor unions."

In some countries, labor unions are specifically recognized by the government as having the power and responsibility to represent workers in specific industries or regional areas. If you have a question about whether a union representing your employees is a "legally recognized union", please consult your local HR or Legal Department for guidance.

#### **"Represented"**

The rules that determine whether a union "represents" employees can vary based on applicable law.

In most countries, the legal procedure for determining whether a labor union represents employees includes a process verifying that employees have consented to union representation, or that employees have freely chosen representation through a formal or informal procedure, such as an election, signing a petition or signing an authorization card, subject to applicable law. There may also be more than one union which has the legal authority to represent employees in a particular facility.

In some countries an individual employee may choose to be a member of a labor union that does not represent other employees in that workplace and which has no legal right to engage in collective bargaining. If you have a question as to whether a union legally represents your employees, please consult your local People and Culture or Legal Department for guidance.



## **“Collective Bargaining” or “Bargaining”**

“Collective bargaining” or “bargaining” is the process by which the employer and the employees’ legally recognized labor union meet to discuss employees’ wages, hours and working conditions. An agreement reached by the parties is typically memorialized in a contract known as a “collective bargaining agreement.” Employees represented by a union may invite union representatives from that same union to assist in the collective bargaining negotiations. Applicable law usually sets out the procedures the parties must follow during the bargaining process and often requires that the parties bargain in “good faith.”

## **“Good Faith”**

Bargaining in “good faith” generally means the parties will negotiate with an honest intent to reach agreement. Parties need not agree to particular proposals during this process, but they must be willing to consider the other sides’ positions as part of their good faith bargaining obligation. This may also include the Company providing access to certain Company information. “Good faith” requirements may also be subject to conditions set by national law.

## **Discussion**

Coca-Cola HBC respects the right of employees to freely associate with groups of their choosing. This includes employees’ right to choose whether they wish to organize or join a labor union. The Company also respects the right of employees not to support or join a labor union. The Company is committed to ensuring that employees can make such important choices without fear of retaliation or harassment because of their decision.

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## **Dealing with Unions and their Representatives**

In the context of labor union support or membership, respecting freedom of association means that the Company will not hinder a labor union in its role as the employees’ representative. When a union is legally recognized as the freely chosen representative of employees, the Company will work with that union and its representatives to negotiate over wages, hours and working conditions.



## Restructuring

In considering changes in operations that would have an adverse impact upon employees including plant closures, layoffs, contracting out and outsourcing, the Company aims to:

- As early as possible, initiate a process of identifying the potential impact of business transaction and restructuring activity on employees
- This early action includes, but is not limited to, identifying potential impacts and issues during short-term and long-term business planning processes
- Make best efforts to provide employees and their union representatives with sufficient notice prior to the final decision being taken
- In addition, discuss with employees and union representatives the steps being taken to mitigate the adverse effects on employees of ownership and structural change
- Cooperate with appropriate governmental authorities and community representatives to address effects through local initiatives, where practicable
- In general, the Company is committed to using available means, as appropriate, to ensure meaningful cooperation with employees and their union representatives in order to mitigate adverse effects of business transaction decisions on employees

Managers should consult with People and Culture and Legal to confirm contractual, legal requirements or restrictions surrounding restructuring, mergers and acquisitions, layoffs, subcontracting or business/department closure decisions.

## Workplace Conduct

The Human Rights Policy does not prevent management from maintaining valid and lawful rules relating to workplace conduct.

## Examples of Violations

- Threatening a worker, directly or indirectly, because he or she supports a union or engages in union activity such as handing out union cards, wearing a union button or attending a union meeting
- Threatening to fire an employee if he or she joins a union, supports a union or engages in union activity
- Threatening cuts in pay or benefits if employees support or join a union
- Asking employees about whether they support a union or whether they have engaged in union activities
- Threatening a worker, directly or indirectly, because he or she does not support a particular union
- Spying on employees' union activities -- for example, standing outside a union meeting and keeping notes on who enters
- Denying equal treatment to employees based on their support for a union -- for example, assigning only union supporters to less desirable shifts
- Refusing to bargain or not bargaining in good faith with a labor union or representatives of the union that has been legally recognized as the employees' chosen representative





- Refusing to provide a labor union with information that applicable law requires the Company to share with the union
- Not complying with the terms of a collective bargaining agreement that has been negotiated with the employees' legally recognized union
- Bargaining directly with employees who are represented by a legally recognized union where such direct bargaining is prohibited by applicable law
- Undermining an incumbent union by providing management support and resources to a rival union in a discriminatory way
- 

### **Human Rights Assessment Process: Key Points to Note**

Following are key points to note regarding workplace assessments related to Freedom of Association and Collective Bargaining:

- Facilities are evaluated to determine whether they meet the following key requirements:
- Employees are free to join or not join a labor union, without fear of reprisal, intimidation or harassment
- Employees are free to collectively bargain
- Facility complies with the terms of the collective bargaining contract
- Collective bargaining contract is available for review
- Internal regulations are available for review
- Minutes from meetings of the worker committee are available for review
- Any grievances or complaints against management are available for review
- Performance records of terminated workers are available for comparison with the performance of others in the same line or producing at the same rate

### **Indicators of Performance Gaps include:**

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- Records on cases of workers having been disciplined or terminated for supporting union activities such as handing out union cards, wearing a union button or showing up at a union meeting
- Evidence of management interfering with a worker's ability to organize or participate legally in a union
- Management failure to recognize or refusing to bargain with legally elected employee representatives
- Management failure to comply with the terms of a collective bargaining agreement
- Workers are refused hire because of their affiliations



## 6. Safe and Healthy Workplace

### Text from the Human Rights Policy:

#### “Safe and Healthy Workplace”

We provide a safe and healthy workplace and comply with applicable safety and health laws, regulations, and internal requirements. We are dedicated to maintaining a productive workplace by minimizing the risk of accidents, injury, and exposure to health risks.

We are committed to engaging with our employees to continually improve health and safety in our workplaces, including the identification of hazards and remediation of health and safety issues.

### Definitions

#### “Hazard/Hazardous Work”

A “Hazard” is a source of danger or risk of loss or injury.

#### “Health Risk”

A “health risk” may include any illness, medical condition or disorder other than a one-time injury that is caused by exposure to environmental factors associated with employment, working conditions or working procedures, or business activities we perform. This includes serious and chronic illnesses and diseases that may be caused by breathing in, swallowing or touching something hazardous. It also includes musculoskeletal disorder, loss of hearing, chronic dermatitis, heat rash, heat stress illness, fainting, hypothermia, and loss of consciousness due to lack of oxygen or exposure to chemicals or other illness, medical condition or disorder.

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### Discussion

#### Occupational Safety and Health (OSH) Commitment

Coca-Cola HBC is committed to the health and safety of its employees, those working on our behalf and visitors to our Company property. We believe that a safe and healthy workplace is a fundamental right of every person and also a business imperative. The Company strives to provide the highest level of safety for employees and Company strives to provide the highest level of safety for employees and follows the more stringent of its safety-related CCHBC Group and The Coca-Cola Company Operating Requirements (KORE) or applicable occupational health and safety laws.



The Company commitment is founded on a few basic principles:

- Safety and health can be managed and occupational injuries and illnesses are preventable
  - Management is ultimately accountable for improved OSH performance
  - Processes must be in place to build awareness, assign accountabilities, train, set goals, measure performance and continually improve
  - Working conditions and processes are regularly evaluated through risk assessments to identify hazards, evaluate risk and identify corrective actions to eliminate them or reduce them to an acceptable level.
- Safe behavior is a fundamental job requirement
  - Management promotes a culture of safe behavior, which complies with applicable legal and TCCC/CCHBC OSH requirements
  - Everyone is involved and accountable for safety and health
- Our safety performance is fundamental to our business
  - Health and Safety is integral to operational excellence, the integrity of our brand and is as important as other business objectives

Our Human Rights Policy requires that we take responsibility for maintaining a productive workplace in every part of our Company by minimizing the risk of accidents, injury and exposure to health hazards for all of our associates and contractors. Managers should encourage and quickly respond to employee complaints about safety or health issues.

The Company is committed to engaging with our employees to continually improve health and safety in our workplaces and during our business activities, including the identification of hazards and remediation of health and safety issues. This includes vehicle fleet safety and safety for our contractors. Managers have a key role to play in this regard and should work with their local Human Resources, Occupational Safety & Health team and Legal to ensure that local employee and contractor engagement on health and safety in their workplaces is occurring. <sup>4</sup>

## **Food and Water**

Employees must have access to potable drinking water in the workplace. Where food is not available within a reasonable distance from the workplace, the Company should provide food for purchase on-site at a price that is not excessive, or should provide transportation to obtain food which is safe and secure.

Employees, workers and visitors must have access to hygienic and suitable toilets, clothing and rest rooms. Workplace conditions have to comply with the appropriate standards including proper lighting, temperature, level of noise and vibration.



## **Medical Services**

Managers should ensure that employees have access to suitable first aid equipment as defined by the KORE First Aid Requirements, and that any medical clinics are in compliance with applicable laws. Employees should be provided with leave to address medical issues in accordance with applicable laws. When operating in remote regions, any transportation provided to employees should be safe and secure.

## **Emergencies**

Managers must ensure that the site has the appropriate procedures in place to protect employees from emergencies like fires, chemical spills and floods. This includes ensuring that emergency exits are not blocked or locked, that emergency plans are in place and functional and that employees have been adequately trained on emergency procedures.

## **Examples of Violations**

Note that the following violation examples all involve management errors. Employee conduct is also governed by this Policy but, in most cases, employee failures in the area of health and safety, and discipline related to such failures, will be governed by local health and safety policies. For example, an employee that operates a forklift in an unsafe manner may be disciplined under the local safety and disciplinary policies.

- Allowing employees or contractors to work without appropriate protective equipment such as goggles, masks, helmets, shields, gloves, boots, respirators or earplugs, although required or appropriate

- Failing to:

- Instruct employees about how to wear and use safety gear and equipment when required or appropriate
- Engage with employees on ways to make the workplace safer
- Engage with employees to report and resolve health and safety issues
- Ensure that first aid or emergency evacuation procedures or instructions are visible or available
- Ensure that material spills, including hazardous materials, are promptly contained and cleaned up
- Install, maintain or ensure clear access to any piece of emergency equipment including fire extinguisher, eyewash, or safety shower or an electrical or power control panel where required or appropriate
- Ensure that emergency exits, gangways or aisles are kept clear and that emergency exit doors are kept unlocked
- Ensure that chemicals and other hazardous materials are transferred, labeled, stored, secured, handled and disposed of properly and in accordance with applicable law



- Establish an appropriate hazard communication program so that employees and contractors can take action to avoid or protect themselves from such hazards, and/or appropriately respond to emergency situations involving such hazards, e.g., ensuring that employees have access to an appropriate Safety Data Sheet for each hazardous chemical present in the workplace
- Provide employees with access to the Company's up-to-date CCHBC Group and TCCC KORE S&H OHS
- Ensure that employees and contractors are following appropriate lock-out/tag-out, hot work, confined space and other dangerous work procedures, and ensure that Permit to Work is issued for potentially hazardous works
- Evaluate the hazards from exposure to dust or chemicals or failing to implement the controls indicated by such an evaluation
- Ensure that employees who drive vehicles as part of their job responsibilities receive training on defensive driving and organization fleet safety rules
- Investigate safety incidents to determine root causes or to implement appropriate corrective actions to prevent similar incidents from recurring in the future

### **Human Rights Assessment Process: Key Points to Note**

Following are key points to note regarding assessments related to a Safe & Healthy Workplace:

- Facilities are evaluated to determine whether they meet the following key requirements:
  - Work area is well-lit, ventilated, free from debris, and aisles are clear
  - There is functioning fire control equipment that is validated and regularly tested
  - Facility maintains adequate on-site equipment and trained personnel to provide for basic first aid
  - Unlocked and accessible exit doors with multiple exits in each area
  - Machine pulleys have guards and tagging needles are disposed of properly
  - There are a sufficient number of clean, functioning restrooms with running water and disposal facilities
  - Chemicals are used, stored, labeled, and disposed of in compliance with local regulations and do not present an environmental risk or worker exposure risk
  - Food preparation areas are maintained in a sanitary condition and refrigerators/freezers are used for perishable and temperature-sensitive foods



- Employees are trained to respond to potential emergencies in accordance with local regulations and the facility is prepared for an emergency (cleared aisles, unlocked exit doors, first aid kits, fire drills, fire extinguishers, etc.)
- Potable drinking water, compliant with local requirements, is available to all workers
- All working areas and facilities are maintained in a sanitary and hygienic condition, assuring a healthy working environment.
- Building structures do not pose imminent threat to worker safety and are maintained to safely house workers and production equipment

### **Indicators of Performance Gaps include:**

- Fire exits are blocked, locked or not marked properly
- Employees or contractors work without appropriate personal protective equipment such as goggles, masks, helmets, shields, gloves, boots, respirators or earplugs, although required or appropriate
- Employees or contractors are not trained about how to maintain a safe and healthy workplace, including how to wear and use safety gear and equipment when required or appropriate
- First aid or emergency evacuation procedures or instructions are not visible or available
- Spills of water, oil or other materials, including hazardous materials, are not promptly contained and cleaned up, or other appropriate actions are not taken to prevent slipping, fires, or explosions
- Emergency equipment such as fire extinguishers, eyewash stations, safety showers, is not provided or not maintained
- Gangways or aisles are obstructed by debris or otherwise blocked
- Chemicals and other hazardous materials are not properly labeled, stored, secured, handled, and disposed
- Employees or contractors do not have access to the Company's up-to- date Occupational Safety & Health Requirements in easily accessible locations
- Employees are not following lock-out/tag-out or engage in hot work or other dangerous work procedures
- Trolleys, buggies, equipment and pallets are not returned to proper locations after use
- Large structural cracks or damage which has not been evaluated by a structural engineer or other legal authority
- Fleet safety management programs are not implemented for employees who are required to drive vehicles
- OHS training and certification programs are not in place and/or not documented.



## 7. Workplace Security

### Text from the Human Rights Policy:

#### “Workplace Security”

We are committed to maintaining a workplace that is free from violence, harassment, intimidation and other unsafe or disruptive conditions due to internal and external threats. Security safeguards for employees are provided as needed and will be maintained with respect for employee privacy and dignity.

### Definitions

#### “Workplace Violence”

“Workplace violence” is any physical or verbal attack or threatening behavior that occurs in the workplace or is tied to the workplace. It also includes behavior that is severe, offensive or intimidating so that an employee reasonably fears for his or her personal safety or the safety of his or her family, friends or property.

### Discussion

#### Threats, Violence and Intimidation

The Company is concerned about the well-being and personal safety of its employees and all persons who do business with the Company. The Company will not tolerate any acts of violence, threats of violence or hate speech in the workplace or work-related violence or threats of violence occurring outside the workplace whether actual or implied. Workplace violence, intimidation and other forms of unsafe or disruptive conduct are strictly forbidden.

Managers should encourage and promptly respond to employee complaints about workplace security issues, including suspicious behavior and threats of violence. Concerns in relation to violence in the workplace should be referred in the first instance to the local Security leader. Where the threat of danger is imminent, management should notify law enforcement authorities immediately.

#### Hate Speech

We treat our employees with dignity, fairness and respect, guided by our shared values of integrity, collaboration and accountability. The Company has a strong commitment to providing workplaces free from discrimination and harassment and extends that commitment to people in the communities in which we operate.

To this end, the Company prohibits the incitement of national, racial or religious hatred, or of any protected category, by ensuring that hate speech is not endorsed by the business and is not used by employees in the scope of their employment. Hate speech is any communication which disparages a person or group on the basis of a protected characteristic such as race, gender, sexual orientation or any of the other categories set forth in the Human Rights Policy (see Valuing Diversity section above). The Company also refrains from using or encouraging the dissemination of hate speech or incitement to violence in its advertising and marketing materials.





## **Weapons**

The Company prohibits employees and all other persons (other than police officers in their official capacity or designated Security Department personnel) from bringing firearms or weapons of any kind onto Company property, and prohibits employees from carrying any type of weapon while performing Company duties or while traveling on Company business.

## **Security Personnel**

To ensure appropriate conduct by security personnel, whether employed directly by the Company or hired through a third party, Security managers should:

- Establish clear divisions between the duties of private/Company security forces and local law enforcement authorities
- Ensure that security personnel are trained to fully understand their duties and properly exercise their authority with respect to use of force and basic human rights
- Recognize when events require the assistance of local law enforcement
- Wherever possible, ensure background checks are conducted on security personnel and not engage security personnel that have a known history of using excessive force

## **Employee Personal Data and Company Assets**

With guidance from Legal, Security and others, as appropriate, managers should ensure that steps taken to secure and protect Company assets or monitor working areas do not infringe on the dignity and personal data of employees.

- All security cameras should be in plain sight of employees
- No security cameras should be placed in private areas, such as bathrooms or changing rooms
- Only authorized individuals should have access to security recordings
- Worker monitoring devices should only collect data relating to work performance or asset protection
- Worker identification cards issued by the Company should contain only business-relevant information



## Examples of Violations

- Physical contact with another person made in an aggressive manner (for example, pushing, shoving or hitting)
- Yelling, be it verbal only, or accompanied by physical contact with an object (a door or wall) made in an aggressive manner
- Throwing an object, regardless of whether it hits anyone
- Verbal threats of physical harm or threatening gestures
- Real or threatened sabotage or destruction of Company property or another employee's property, such as breaking windows or defacing property
- Harassing or threatening phone calls, letters, emails, text messages, social media posts or other verbal or written communications, including the use of photographs, drawings or other material that tells an employee that he or his family may suffer harm
- See also Discrimination & Harassment component of Policy
- Following an employee around Company property or after work hours, or making/sending repeated unwanted telephone calls, emails or text messages to the employee (stalking)
- Using a device to record another employee's verbal comments, movements and / or conduct (except where specifically authorized by management under Company security protocols)
- Security personnel searching employees in a way that does not respect employee personal data and dignity or is not in a gender appropriate manner
- Installing hidden cameras in the entry-way of the office or the facility (except where specifically authorized by management under Company security protocols)
- Installing cameras, visible or otherwise, in employee bathrooms or changing areas

## Human Rights Assessment Process: Key Points to Note

Following are key points to note regarding assessments related to Workplace Security:

Facilities are evaluated to determine whether they meet the following key requirements:

- No evidence of physical abuse of workers (reported or observed)
- No threats of physical abuse
- No physical contact or comment that could be interpreted as sexual

## Indicators of Performance Gaps include:

- Observed or reported physical abuse
- Observed or reported verbal threats of physical abuse

In addition, Facilities are evaluated to determine whether they have implemented the following good practices:

- Management has established and communicated disciplinary procedures and records all disciplinary actions
- Policies and procedures are in place to ensure security guards undergo criminal background checks, receive training on the use of force, and their duties are limited to protecting workers, the facility, and equipment
- Sensitivity training is provided to supervisors and security guards.



## 8. Slavery, Forced Labor and Human Trafficking

### Text from the Human Rights Policy:

#### "Slavery, Forced Labor and Human Trafficking"

We prohibit the holding of any person in slavery or servitude, the use of all forms of forced, bonded or compulsory labor and the engagement in any form of human trafficking.

### Definitions

#### "Forced Labor"

"Forced labor" occurs when a person is forced to perform work against his or her free will, typically under threat of physical violence, injury or other form of punishment. Types of forced labor include bonded or indentured labor and slave labor. Forced labor can also include requiring employees to abide by certain conditions of employment. For example, requiring employees to participate in product testing or as research subjects as a condition of employment would qualify as forced labor.

#### "Threat of Force or penalty"

"Threat of force or penalty" involves requiring a person to work by threatening that person with physical violence, injury, torture or other forms of cruel or inhumane punishment. Examples include beating, denying food or water, preventing an employee from moving freely, holding employees' passports or threatening not to pay an employee for work. The threat can also be directed at the person's family, close friends or property (for example, a threat to burn someone's home).

#### "Bonded or Indentured Labor"

"Bonded or indentured labor" is work performed to repay a debt such as a loan or an advance payment. The worker (or a relative) is obligated to a particular creditor until the debt is repaid. Bonded labor may start with the worker agreeing to provide labor in exchange for a loan or to repay a recruitment fee. This type of relationship often develops into a long-term obligation as the worker is unable to repay the fee or loan or the employer adds more and more "debt" to the bargain.

#### "Human Trafficking"

"Human trafficking" involves the recruitment and/or movement of people across borders and between regions of countries through recruitment fees that create a bonded labor situation, the threat or use of force or other forms of coercion, or giving or receiving of payments or benefits to achieve the consent of a person for the purpose of exploitation. Exploitation can include forced labor, slavery, prostitution or other forms of sexual exploitation. Individuals may be victims of human trafficking regardless of whether they consented to trafficking.



## Discussion

### Voluntary Employment

Employment at Coca-Cola HBC is voluntary. The Company does not tolerate any form of forced labor and attempts to mitigate this risk by, among other steps, making the terms and conditions governing employment available to all workers.

### Freedom of Movement

Managers must not implement policies or practices that severely restrict employee movement, such as holding their passport, restricting employees' use of lavatories, prohibiting breaks or locking employees inside the work area until production quotas are met. Managers also may not implement disciplinary measures that cause an employee to work without pay.

### Recruitment Fees

Managers should recognize that some practices may unintentionally create a forced labor situation.

Managers must not allow employees to work "for free" in exchange for advance payments or other benefits. The Company must pay any fees associated with an employee's hire, such as recruitment fees and transportation costs, including repatriation.

### Migrant Worker Passports and Visas

In areas where employment of foreign or migrant workers is common, managers should pay special attention to employment terms and document retention. In many ways such worker arrangements are good for migrant workers and their families, but if poorly managed can result in exploitation and the abuse of worker rights. Employees may be recruited from their home countries to host countries through a network of labor contractors and a sponsorship system against their will through human trafficking. Recruitment agencies can offer valuable service, but some of the less reputable firms can render workers vulnerable to being in bonded forced labor as they become trapped by debt incurred to pay recruiters, by visa and work permit regulations that bind them to a particular workplace and by limited access to host country law enforcement.

Managers should conduct business only with reputable recruitment agencies to avoid fraudulent practices that may result in a forced labor situation. All fee terms, such as those concerning recruitment, renewal, work visas or exit visas, must be clearly outlined and must comply with applicable law. Every employee is to have control of or immediate access to his or her passport or other travel or identification documents so as not to impede his or her freedom of movement. If, however, the law requires that a facility retain an employee's passport, then appropriate steps must be taken to ensure employee reasonable and timely access to such documents.



## Examples of Violations

- An employee is allowed to work “for free” in exchange for an advance on his pay because he needs money to pay for an operation for his wife
- Refusing to allow an employee a break until a production quota is met
- Requiring agency workers to work without pay for a period of time in order to pay back the fee that the agency charges to the employer
- Providing loans to employees in excess of local legal restrictions and the employee's ability to repay the loan
- Maintaining possession of a newly hired worker or a migrant worker's passport and refusing to return it when asked

## Human Rights Assessment Process: Key Points to Note

Following are key points to note regarding assessments related to Slavery, Forced Labor and Human Trafficking:

Facilities are evaluated to determine whether they meet the following key requirements:

- No forced, bonded, or compulsory labor
- Ensure that there are no programs that may cause a forced labor situation, including:
  - No recruitment fees paid by workers
  - No fraudulent recruitment practices (ensure employment terms are shared prior to employment)
  - No passport retention

Auditors check to see whether or not the facility has a Policy prohibiting human trafficking and forced labor. The intention of this practice is to ensure that the facility explicitly prohibits slavery, human trafficking and forced labor. Recent regulation requires companies to demonstrate actions to stop slavery, human trafficking and forced labor, including having a Policy. <sup>4</sup>

## Indicators of Performance Gaps include:

- Facility retains original worker documentation such as passport
- Employee mobility is restricted due to wage deposits, loan repayments, etc.
- Workers paid recruitment fees to obtain job



## 9. Child labour

### Text from the Human Rights Policy:

#### "Child labour"

We comply with all local laws on the minimum age of employment, as provided in the ILO Convention 138. We prohibit the hiring of individuals that are under 18 years of age for positions in which hazardous work is required, as provided for in ILO Convention 182

### Definitions

#### "Child"

A person under the age of 18.

#### "Child Labor"

"Child labor" is generally defined as work by a person under the age of 18 which is harmful to their physical or mental development or that interferes with schooling.

#### "Hazardous" and "Non-Hazardous Work"

"Hazardous work" is work that may harm the health, safety or morals of a child. In deciding whether or not work is hazardous the following should be considered: whether the child is exposed to potentially dangerous equipment, tools, machinery or chemicals; whether the work requires long hours without breaks or is completed during night hours; whether the work requires heavy lifting or is otherwise physically taxing; and whether the work will prevent the child from going to school. If any of these situations are present or likely to occur, the work is "hazardous". If these situations are not present or not likely to occur, the work is "non-hazardous work."

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#### "Worst Forms of Child Labor"

The following kinds of labor are considered the worst forms of child labor and are prohibited for anyone under 18 according to International Labor Organization Convention 182:

1. All forms of slavery or practices similar to slavery, such as the sale and trafficking of children, debt bondage (requiring a child to work in order to pay off advances of wages given to parents) and forced or compulsory labor (restricting a child's movement or access to restrooms, food or water), including forced recruitment into the armed forces
2. Using, procuring or offering a child for prostitution, for the production of pornography or for pornographic performances
3. Using, procuring or offering a child for illicit activities, in particular for the production and trafficking of drugs as defined in the relevant international treaties
4. Work, which by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of a child



## Discussion

The Human Rights Policy recognizes that children need extra protection in the workplace and thus protects children from working conditions that are harmful to their physical and emotional well-being.

## Internships and Apprenticeships

Questions are raised on occasion regarding internships in Company office locations. The Company may support internship, apprenticeship and community programs for youth (e.g. individuals who are 16 or 17 years of age) in office locations where hazardous work is not involved. In the case of internships or other apprenticeship programs in a non-hazardous environment where you believe that hiring children under the age of 18 is appropriate, please consult Legal or People and Culture for guidance. At no time will an individual under the age of 18 be permitted to work in a hazardous environment.

## Age Verification

Managers should verify the age of workers with appropriate documentation and/or inquiry (e.g., via community discussions to verify age) before hiring them or making work assignments. Note that verification of hiring age through appropriate documentation is often required by applicable law and age documentation should be kept on file.

## Examples of Violations

Note that most of these examples also violate the Forced Labor and Work Hours, Wages & Benefits components of the Human Rights Policy.

- An employee working in the administrative office of the plant brings his 10- year-old child to work because the school is closed and there is no one to take care of her at home, and during the day, the child occasionally helps his father make photocopies or carry documents to other offices
- An employee offers to have his 17-year-old son work in exchange for an advance payment to the employee
- A 16-year old is hired to count bottles that come out of a bottle washer on the plant floor
- A 17-year-old girl who usually attends school from 9 am to 2 pm is hired to do some filing in a Company office building
  - At first her work hours are Monday through Friday, 3 pm to 7 pm with breaks for rest and dinner
  - Two weeks later, her work hours are changed to 9 am to 1 pm, prohibiting her from attending regular school classes
- Hiring a 17-year-old intern to assist the scheduler with document processing in the plant, even if you don't anticipate the intern will need to go out onto the plant floor





## **Human Rights Assessment Process: Key Points to Note**

Following are key points to note regarding assessments related to child labor:

- Facilities are evaluated to determine whether they meet the following key requirements:
- Procedures are in place to verify age; copies of legal proof of age documents available for all employees, including photo ID
- Hiring ages are on employee contracts or applications and represent legal age for employment
- Documents are available for randomly selected employees on the work floor

## **Indicators of Performance Gaps**

- Child labor is observed on the day of the assessment
- Child labor has been reported and corroborated by at least two sources
- Workers currently of legal age were hired while under age.



## 10. Land tenure, water resources and environmental impacts

### Text from the Human Rights Policy:

*"Land tenure, water resources and environmental impacts"*

We are committed to ensuring minimal impact on the environment, particularly avoiding impacts that may also result in increased risk to human rights such as access to water, sanitation, and clean environments. As a major buyer of several agricultural commodities, we source our ingredients via third parties and we are committed to buy sustainably certified crops, thus supporting and promoting the protection of the land rights of local farmers and communities.

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### Discussion

#### Sustainability

In a world where populations are growing, natural resources are stressed, communities are forced to do more with less and our consumers' expectations are expanding, we understand that sustainability is core to our business continuity and recognize the health of our business is directly linked to the health of the communities in which we operate. That is why we work to respect all human rights and are working together to enhance people's well-being, build strong communities, and help protect the environment we all share. Our commitments to a sustainable community can be found in the Company's Integrated Annual Report.

#### Land Use

The Company follows a due diligence procedure that includes recognition of the important human rights issues related to land use and acts with due diligence before making land use decisions. Before purchasing land or property developed by the government or others, the Company consults with the government, land developers, owners, occupiers and other relevant community stakeholders to understand the impact the Company's presence may have on users of the land or on the cultural heritage of the land in question. The assessment ensures that land owners or occupiers have not been coerced to sell the land and are not being or have not been relocated against their will. The assessment also includes investigation into the cultural background of the population living on and off the land to determine if the people belong to a minority group in the country that is being repressed.



## 11. Work Hours, Wages and Benefits

### Text from the Human Rights Policy:

#### “Work Hours, Wages and Benefits”

We compensate employees competitively relative to the industry and local labor market on the basis of qualification, performance, skills, and experience. We are committed to equal remuneration. We operate in full compliance with applicable wage, work hours, overtime, and benefits laws.

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### Definitions

#### “Wages” or “Pay”

“Wages” or “pay” is money paid to employees for hours worked. Employees must be paid, at the very least, the minimum wage under applicable law.

#### “Benefits”

“Benefits” include, for example, health or other national insurance programs, vacation, sick leave, disability, paid or unpaid leaves of absence, bonus plans and retirement plans or accounts, whether required by law or voluntarily provided by the Company.

#### “Work Hours”

“Work hours” are the hours during which an employee is available to his or her manager or supervisor to provide service for the Company. This does not include meal breaks or rest days/breaks provided by applicable law.

#### “Normal Work Hours”

“Normal work hours” are the maximum number of hours that an employee can work in one day or one week before overtime pay is required under applicable law.

#### “Overtime Hours”

“Overtime hours” are any hours worked over normal work hours. Employees receive pay for all hours worked beyond normal work hours according to applicable law.



## Discussion

### Pay for All Hours Worked

The Company follows applicable laws regarding mandatory overtime and payment of wages, including paying at least the minimum wage and overtime premium according to applicable law. If the employee has a contract with the Company then the contract controls the manner and timing of wages, but must at a minimum follow applicable laws regarding payment of wages. If cash wages are paid, it should be done in a way that ensures the workers' safety and security of payment.

It is strictly forbidden, in all cases, for any individual not employed or contracted by the Company to perform any type of work for the Company.

### Record Keeping

Managers must keep proper records of the hours worked, wages and bonuses paid, authorized deductions and benefits provided. Note that applicable law may require retaining these records for a certain length of time. Employees should be provided regular pay slips outlining this information in a clear and understandable manner.

### Payroll Deductions

Any payroll deductions are to be in line with applicable law. Certain payroll deductions, such as optional charitable donations, are to be authorized by the worker. Where applicable, when the Company provides fringe benefits such as accommodation, goods or services, proper and objective value is to be established for tax and other purposes. Deductions from wages for such provisions should be in accordance with applicable law. Employee provisions such as canteens or company stores are for the benefit of employees. Employees should not be compelled to use such provisions or be charged unnecessarily high prices.

### Equal Pay for Equal Work

The Company believes that employees have the right to equal pay for equal work. This means, for example, that the Company does not pay men and women or individuals of different races differently if they are doing the same work.

### Labor Market and Minimum Wage

Coca-Cola HBC sets wages based on industry standards and the labor market. The Company may set wages higher than the minimum wage in your area. Employees also may receive employment benefits according to Company Policy or applicable law.



## Discussion

### Rest and Meal Breaks

Managers must make sure employees have appropriate rest and meal breaks and keep proper and accurate records of all such breaks.

### Wage Premiums, Overtime and Night Work

The Company provides wage premiums, benefits and other services to employees who perform overtime or night work in accordance with applicable laws. Night shift hour restrictions are respected and employees who become unfit for night work are transferred when practicable. When requested, reasonable accommodations are made for employees who may be temporarily unable to work certain shifts, e.g. women who are pregnant or breastfeeding.

### Leaves, Layoffs and Terminations

In the case of layoffs or terminations, managers act in accordance with applicable laws in providing adequate notice, severance or other benefits, such as unused vacation time. In the case of leaves of absence, managers act in accordance with applicable law to protect employment and benefits during an employee's leave.

### Examples of Violations

Note that many of these examples also violate the Forced Labor component of the Policy and may also violate the Company's Code of Business Conduct.

- Managers not allowing employees to take rest or meal breaks as required by applicable law, or requiring those who take rest or meal breaks to leave work later without additional pay to "make up" the time
- Managers not allowing employees to have a day off or requiring employees to work every day of the week in violation of applicable law or the provisions of a collective bargaining agreement
- Failing to pay the employee at the full rate per hour because the employee is injured and the manager believes the employee is not performing a full hour's work
- Requiring or allowing employees to work beyond maximum hours allowed by applicable law
- Managers refusing to pay overtime to those employees who work more than the "normal work hours"
- Paying employees differently based on their protected group status, such as religion, gender or political affiliation - Note that this also violates the Discrimination & Harassment component of the Policy



- Requiring employees to “work off the clock” and not to write down time worked (i.e., telling employees to clock out and then putting them back to work)
- Scheduling an employee to work during normal operating conditions and then refusing to give the employee work after the employee arrives at the workplace
- Requiring an employee to pay for a mandatory uniform or required personal protective equipment the first time it is issued
- Offering to pay an employee “in-kind,” e.g. via a barter system, rather than paying his or her regular compensation

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### **Human Rights Assessment Process: Key Points to Note**

Following are key points to note regarding assessments related to Work Hours, Wages and Benefits:

Facilities are evaluated to determine whether they meet the following key requirements:

#### **Wages and Benefits**

- Hours worked and overtime are calculated, compensated correctly, and paid in a timely manner
- All mandated benefits should be paid / provided in a timely manner
- All deductions shown on wage statement are authorized by law and made at the employee's request via written consent, where applicable

#### **Indicators of Performance Gaps**

- Employees are paid less than the required minimum wage
- Wages or benefits are delayed or withheld
- Workers are not compensated properly for overtime work
- Mandated benefits are not provided
- Workers attend meetings prior to normal work hours but are not compensated for the time
- Employees work through meal breaks or rest periods

#### **Work Hours**

Hours worked as shown on timecards or revealed by other means do not exceed legal restrictions

Hours worked and overtime are calculated and compensated correctly

Employees are aware of work hours terms of either written or oral employment contracts

#### **Indicators of Performance Gaps**

- Workers work seven days or more without one day of rest
- Workers work in excess of country overtime regulations
- Break time is insufficient.



## 12. Guidance and Reporting for Employees

Text from the Human Rights Policy:

### "Guidance and Reporting for Employees

We are committed to creating workplaces in which open and honest communications among all employees are valued and respected. Our policy is to follow all applicable labor and employment laws wherever we operate.

If you believe that a conflict arises between the language of the policy and the laws, customs and practices of the place where you work, if you have questions about this policy or if you would like to report a potential violation of this policy, you can raise those questions and concerns through existing processes, which make every effort to maintain confidentiality. You may ask questions or report potential violations to local Management, People and Culture Department, Legal Department or Business Resilience Team. Alternatively, you can choose to report any potential violations of this policy by using the Coca-Cola HBC's Ethics and Compliance helpline, Speak Up! line, which will, if desired, allow you to report your concerns anonymously. Coca-Cola HBC is committed to investigating, addressing, and responding to the concerns of employees and to taking appropriate corrective action in response to any violation.

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### Addressing Retaliation

Coca-Cola HBC will not allow retaliation against any employee by another employee or by a manager of the Company for engaging in protected activity under the Human Rights Policy.

"Retaliation" is defined as any negative employment action taken because an employee was involved in a protected activity and any other action that would dissuade a reasonable worker from engaging in or supporting protected activity.

"Protected Activity" is any activity covered by the Human Rights Policy or by law.

### Discussion

Employees should not suffer retaliation as the result of:

- Engaging in activities protected by the Human Rights Policy or the law
- Opposing conduct that violates the Human Rights Policy or the law
- Raising a concern of potential violation of the Human Rights Policy or the law
- Reporting, assisting with or participating in an investigation of a violation of the Human Rights Policy

It is the responsibility of managers to report all incidents of potential retaliation even if the potential victim of retaliation has not asked the manager to do so.



Managers must make employment decisions based on legitimate, non-discriminatory reasons and not based on an employee's protected activity. Legitimate reasons include:

- Individual qualifications, such as performance, skills and experience
- Business reasons, meaning reasons that have an identifiable relationship to the position in question

## Examples of Violations

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- An employee complains to a manager that the most productive employee at the factory has made offensive comments about women
  - This results in the termination of the employment of the most productive employee
  - Afterwards, the foreman excludes the complaining employee and does not give her the materials she needs to do her job
- An employee is terminated after reporting that he was forced to work overtime without being paid
- A newly hired manager is threatened by other managers after reporting that the other managers have violated the Human Rights Policy or the law
- An employee reports a safety violation which requires the manufacturing plant to shut down for several days;
- The employee is asked not to come back or, when he does return, employees have locked the door

## Reporting

All employees may report potential Policy violations to local Management, Human Resources or Legal Department. Employees can also report suspected violations through the SpeakUp! Ethics and Compliance reporting line either online or by calling the appropriate toll-free number for their location.

## Investigations

Coca-Cola HBC is committed to thoroughly investigating any potential violations of the Human Rights Policy and taking corrective action wherever necessary.

## Handling Inquiries about the Human Rights Policy

Employees can ask questions about the Human Rights Policy through the Speak Up! helpline or by contacting local People and Culture or Legal Department.





## Resources

### Internal Resources:

- Coca-Cola HBC's Ethics and Compliance helpline, SpeakUp!  
<https://secure.ethicspoint.eu/domain/media/en/gui/102336/index.html>
- CC HBC Code of Business Conduct:  
<http://coca-colahellenic.com/en/about-us/policies/code-of-business-conduct/>
- About our suppliers: <http://coca-colahellenic.com/en/operations/supply-chain/our-suppliers/>
- More on responsible sourcing at CC HBC: <http://coca-colahellenic.com/en/sustainability/environment/responsible-sourcing/>
- Supplier Guiding Principles: [http://coca-colahellenic.com/media/1137/coca-cola-hbc-supplier-guiding-principles\\_2015.pdf](http://coca-colahellenic.com/media/1137/coca-cola-hbc-supplier-guiding-principles_2015.pdf)



## Resources

### External Resources:

- [The Universal Declaration of Human Rights](#)
- [The International Labor Organization's Declaration on Fundamental Principles and Rights at Work](#)
- [The UN Global Compact](#)
- [The Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy" Framework](#)
- [The Organization for Economic Cooperation and Development \(OECD\) Guidelines for Multinational Enterprises](#)
- Institute for Human Rights and Business [Dhaka Principles for Migration with Dignity](#)  
[The Global Business Initiative on Human Rights](#)

