



**Coca-Cola HBC  
Romania**

Sustainability Report  
2023

**Every drop  
counts towards  
a better future  
#afterus**



Welcome message

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Cornel Cărmăzaru

## Welcome message

Dear friends,

2023 has been a year in which we have strengthened our commitment to sustainability, innovation, and to the communities in which we operate. I am proud of the progress our team has made, as they have turned our vision into tangible achievements with dedication and passion. This year also marks the tenth sustainability report we are publishing, in which we transparently present our 2023 activities from the perspective of social, economic, and environmental impact.

We believe that sustainability is not only a responsibility but also an opportunity to grow, creating long-term value for both our company and the communities we serve. That is why we have made significant strides towards our ambitious goals: we have reduced CO<sub>2</sub> emissions (Scope 1, 2, and 3) by 12% compared to last year and continue to use 100% electricity from renewable and clean sources in all our plants in Romania.

Our 55 million RON investment in the recycled PET (rPET) factory represents a cornerstone of our efforts to reduce our environmental impact. This investment supported the transition of Coca-Cola System's entire PET packaging portfolio to 100% recycled PET, ensuring a consistent supply of food-grade recycled plastic. By turning old bottles into new ones, we are contributing to the creation of a circular economy for packaging, resulting in fewer carbon emissions. Romania is the second country in the Coca-Cola HBC group to use this innovative technology to obtain recycled material that meets the highest food safety and quality standards. Our short-term goal was for the entire soft drinks portfolio to be packaged exclusively in 100% rPET, with 28% of the PET materials used for products sold in 2023 already being recycled PET.

The community is also a central pillar of our development strategy. We have invested over 4 million RON in projects that support local, educational, and environmental initiatives. Over 90% of our spending was directed to local suppliers, with total expenditures exceeding 326 million euros.

Last but not least, I am extremely proud of our team. Diversity and inclusion remain fundamental to our organizational culture, and 55% of senior management positions are held by women. Investing in people, whether through benefits (over 20.3 million RON in 2023) or continuous development, is the key to our success.

With these accomplishments in mind, we look to the future with confidence and commit to being a positive agent of change in Romania. I would like to thank you for your continued trust and support, and I invite you to explore this report to learn more about our journey and our goal of leaving a better world #AfterUs.

# About the report

This is the 10<sup>th</sup> sustainability report of Coca-Cola HBC Romania. The report covers the year 2023, from January 1<sup>st</sup> to December 31<sup>st</sup>, and provides information regarding the economic, social, and environmental impact of the company.

The report complies with the requirements of [Directive 2014/95/EU](#)<sup>Q</sup>, transposed into Romanian legislation through the [Minister of Public Finance Order No. 1938/2016](#)<sup>Q</sup> and [Minister of Public Finance Order No. 3456/2018](#)<sup>Q</sup>.

The report was prepared under the GRI Standards 2021 (in accordance). Where relevant to the economic, social, and environmental impact of Coca-Cola HBC Romania, we chose to include industry-specific indicators beyond those required by the GRI standards. For the specific indicators of Coca-Cola HBC Romania, data was extracted based on the methodology approved by the Company's Management. Details about the methodology and the definition of each indicator have been included in the relevant sections of the report.

The content of the report has been developed based on the results of the materiality process carried out in March-June 2024, which involved stakeholder consultation and internal analysis of the economic, social, and environmental impact dimensions.

The report provides relevant information describing the sustainability performance of the company and specific indicators of our business model. Additionally, when relevant, to provide stakeholders with a comprehensive view of our activities, the report includes references to events, projects, or policies launched in previous years or the first part of 2024.

The report was developed with the support of The CSR Agency consultants, alongside the Coca-Cola HBC Romania team, under the coordination of:

Cristina Hosu  
Corporate Affairs &  
Sustainability Specialist  
Coca-Cola HBC Romania

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# ABOUT US

- 1.1 Who we are
- 1.2 How we operate
- 1.3 Key figures and economic performance
- 1.4 Corporate governance
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- 1.6 Awards and affiliations

# 1.1 Who we are

The Coca-Cola HBC Group is a strategic bottling partner of The Coca-Cola Company. With a diverse portfolio catering to all needs and tastes, the company is authorized to produce and sell The Coca-Cola Company's products in 28 countries, across three continents.

The Coca-Cola HBC Group:

 employees

**32,700**

 suppliers along the value chain

**~14,600**

 plants

**62**

 customers

**1.8 mil.**

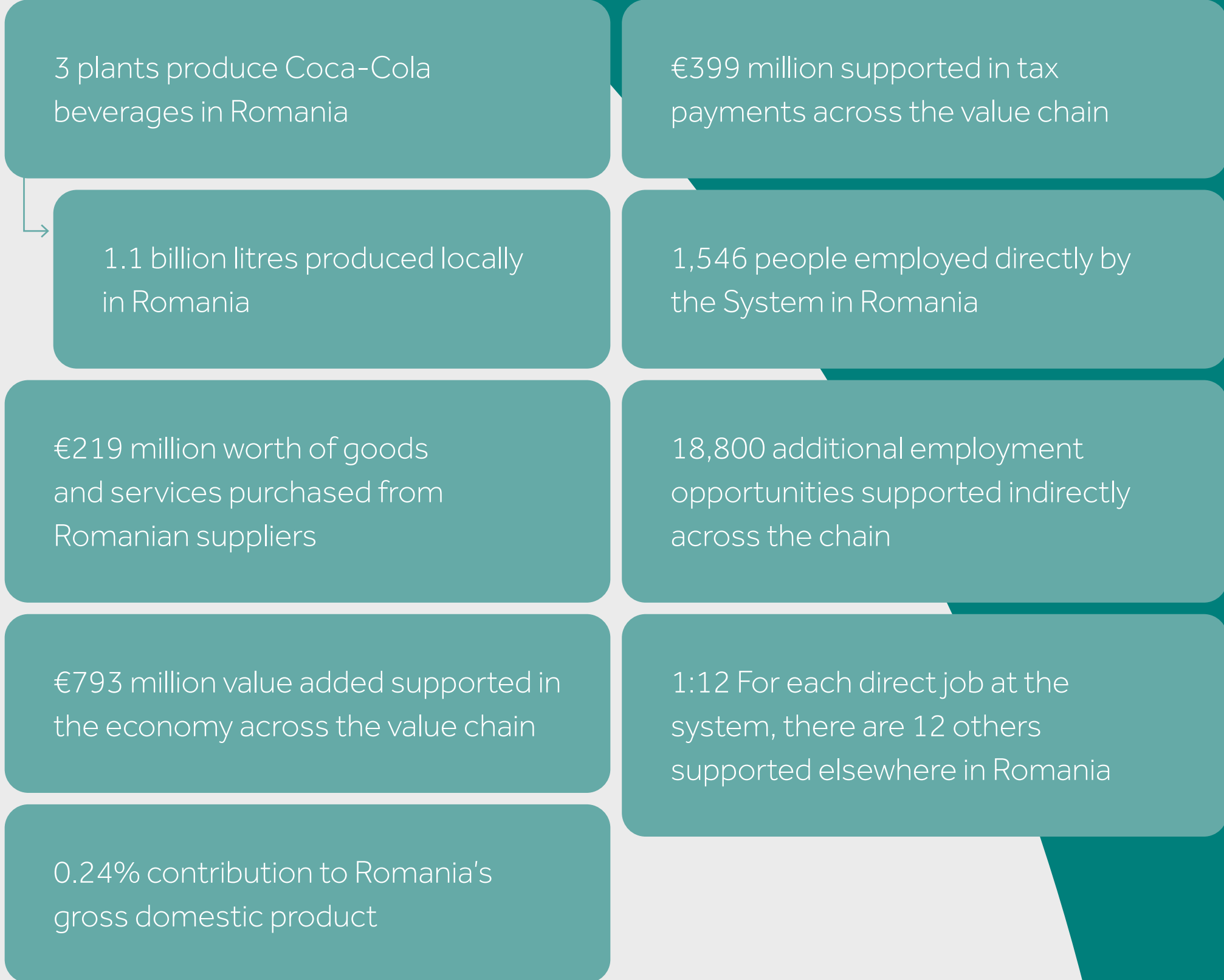
 consumers

**740 mil.**

Share of the Coca-Cola HBC Group revenue for the 2023 financial year:



The Coca-Cola System is a local business, which adds value to the Romanian economy and supports quality employment opportunities.



1.2

# How we operate

We produce and sell an unparalleled portfolio of refreshing beverage brands tailored to every customer, consumer, and occasion. The route of our products to the market encompasses a wide range of consumer channels – from supermarkets and convenience stores to hotels, cafes, and restaurants.

The way we interact with our customers is crucial to our operations, and thus, we are dedicated to assisting our customers in developing their businesses and, in turn, growing together.

In Romania, Coca-Cola operates based on a system that includes all the necessary elements for the production and distribution of products to consumers. Locally, we are the bottler and distributor of Coca-Cola products under The Coca-Cola Company's license in Romania, and part of the Coca-Cola Romania System, including Coca-Cola Romania (a subsidiary of The Coca-Cola Company, the owner of the registered trademarks).

As a beverage industry market leader, we know that we play a crucial role in shaping the future. Beyond our desire to provide consumers with a diverse portfolio to choose from at any time of day or for any occasion, we recognize the responsibility to act in a way that emphasizes innovative social and environmental policies.

At Coca-Cola HBC Romania, we strive to bring value to our entire ecosystem. By creating jobs, working with our partners, and investing in local communities, we are committed to contributing to the sustainable development of the communities in which we operate.



# 1.3 Key figures and economic performance

## Key figures

>1.14 billion

liters of beverages produced

>4 mil. lei

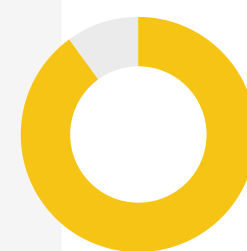
community investment

Gold Level Recognition for the 8<sup>th</sup> consecutive year in the Romania CST Index



>€326 mil.

spent with local suppliers



90% of Coca-Cola HBC Romania's supplier expenditure was directed to the



86% of local suppliers

1,469

employees

1,033 M

436 W



50% women in managerial positions.



55% of senior management team members are of Romanian nationality.

>20.3 mil. lei

value of benefits offered to employees

>55 mil. lei

investment in the rPET plant



28% rPET used for the products sold in 2023, out of the total weight of the PET containers

100% of the total electricity used in our plants comes from renewable and clean sources



The total amount of emissions (Scope 1, 2, and 3) decreased by 12% compared to 2022



100% of the soft drinks' portfolio is in 100% rPET packaging



## Economic performance

Financial success is not only an indicator of business growth and profitability but also a reflection of our commitment to sustainable and responsible business practices.

In 2023, we saw increases in revenue and economic value distributed.

Coca-Cola HBC Romania	2021	2022	2023
<b>Direct economic value generated</b>	<b>2,815,443,557</b>	<b>3,221,137,586</b>	<b>3,504,933,800</b>
Revenue	2,815,443,557	3,221,137,586	3,504,933,800
<b>Economic value distributed</b>	<b>2,605,401,457</b>	<b>3,097,116,585</b>	<b>3,636,923,348</b>
Operating cost	2,095,327,256	2,369,287,937	2,575,191,321
Employee wages and benefits	208,953,817	266,997,790	298,676,997
Payments to shareholders	297,200,035	280,671,394	294,680,000
Payments to the government/state budget	251,548,119	174,530,011	464,282,190
Community investments*	3,920,349	5,629,453	4,092,840
<b>Economic value retained</b>	<b>210,042,100</b>	<b>124,021,001</b>	<b>131,989,548</b>

\*The financial value of community investments represents the sum of the total sponsorship value made by the company in the reporting year, in accordance with Law no. 32/1994 on sponsorships and subsequent amendments and does not include the value of donated products.

## Shareholding

In 2023, there were no significant changes to the company's structure or ownership.

CC Beverages Holdings II	99.99998%
Jovan Radosavljevic	0.00002%

## Tax policy

We aim to support the communities where we operate and strive to always be a fair partner. Therefore, tax compliance is a central aspect of our responsibility and a fundamental element in our commitment to ethical and transparent business practices.



The company's general approach to tax payment is outlined and interpreted in our tax policy. The tax policy defines our strategic goals and objectives and establishes the role that the tax department plays in the governance structure to achieve these goals. Additionally, the policy sets out the principles that guide how we meet these objectives and outlines tax responsibilities, duties, and delegation of authority.

### Our tax policy is based on a series of essential commitments to:

- observe applicable laws, rules, and regulations in meeting our tax compliance and reporting responsibilities everywhere we operate;
- comply with the OECD transfer pricing guidelines and ensure that the arm's length principle is always observed in transactions between Group companies;
- ensure that tax strategy is aligned with business and commercial strategy and tax planning opportunities are evaluated within clear risk parameters;
- pay taxes on our activities in the country where the value is created;
- avoid any tax structure or tax planning initiatives that could exploit loopholes in the architecture of the international tax system to artificially transfer profits to low or non-taxed locations;
- work positively, pro-actively and transparently with tax authorities;
- apply diligent professional care and judgment to ensure decisions are well-considered and documented;
- ensure that due consideration is given to the company's corporate and social responsibilities and the value it places on earning community trust.

Our tax policy is underpinned by our fiscal governance principles. **The tax governance principles** define how tax responsibilities, accountabilities, and delegations of authority are allocated within the group:

- The tax organizational model for Coca-Cola HBC is global. This ensures that tax activities and behaviors are globally consistent and standardized wherever possible;
- Accountability for all taxes lies with Group Tax unless accountability is clearly devolved and accepted elsewhere;
- All tax reporting lines for members of the Coca-Cola HBC Tax Team are reflected in the Group Tax structure.

The Group Tax Director is responsible for the implementation of the tax policy, which is relevant to all entities and employees within Coca-Cola HBC. Tax policy is subject to approval by the Coca-Cola HBC Audit Committee, the Group Chief Financial Officer (CFO), and the Group Tax Director. Upon approval, the tax policy document is then distributed to the Operating Committee, the Country General Managers (GMs), and Country CFOs. All delegations and segregation of authorities set out in the tax policy align with the Coca-Cola HBC Chart of Authority. As regards specifically accountabilities and responsibilities for tax activities, these are allocated to all stakeholders (Group Tax, Local Tax, Group Finance, Country CFO, Business units, external stakeholders) in line with the Group and Country Chart of Authority, as applied regularly.

We train and support all personnel with responsibilities for tax matters to ensure that they have the skills, technical expertise, and knowledge to effectively and accurately fulfill their tax responsibilities and perform to the best of their abilities. This enables our people to develop into talented and competent professionals, meet their development needs, and remain motivated and challenged in their roles.

#### **Tax Code of Conduct**

The Tax Code of Conduct supports the tax mission statement and sets out the principles that define how Coca-Cola HBC operates. The Code of Conduct is aligned with the principles of Coca-Cola HBC's Strategic Framework.

#### **Managing Relationships with Tax Authorities**

Coca-Cola HBC's management of relationships with tax authorities is consistent on a global basis and is defined within the Tax Mission Statement and Tax Code of Conduct, namely:

- We commit to being open and transparent with tax authorities about the company's tax affairs and to disclosing relevant information to enable tax authorities to carry out their review;
- We commit to ensuring compliance with all relevant legal disclosure requirements;
- We commit to working positively, proactively, and transparently with tax authorities to minimize the extent of disputes, achieve early agreement on disputed issues when they arise, and achieve certainty, wherever possible.

## 1.4 Corporate governance

Effective governance goes beyond mere compliance with regulations. Therefore, we take measures to enhance and strengthen internal processes and mechanisms.

By maintaining robust corporate governance practices, we aim to foster a culture of responsible decision-making, risk management, and stakeholder engagement.

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Detailed information on the nomination, selection, and remuneration of management can be found in the [Coca-Cola HBC Group Integrated Annual Report](#).



**Senior Management Team (SMT) membership**

Dec. 2023

Name / Position / Nationality

**Radosavljevic Jovan**

General Manager Romania  
Serbian

**Alexandru Raluca-Cătălina**

Legal Director  
Romanian

**Munteanu Cristian**

Commercial Excellence Director  
Romanian

**Rompis Dimitrios Satskos**

Chief Financial Officer  
Greek

**Hrvoje Stakor**

Sales Director  
Croatian

**Malouchos Vasileios**

Supply Chain Director  
Greek

**Pisai Mihaela**

Digital & Technology Platform Director  
Romanian

**Marina Gainova**

People and Culture Director  
Russian

**Hoffman Mihaela**

Coffee&Premium Spirits Business Director  
Romanian

**Presada Bianca-Alexandra**

Trade Marketing Director  
Romanian

**Nichita Simona-Alice**

Corporate Affairs & Sustainability Director  
Romanian

## Governance structure 2023

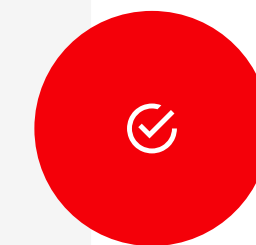
Coca-Cola HBC Romania is headed by a Sole Administrator, Jovan Radosavljevic, as General Manager/ Sole Administrator, reporting to the Regional Director. He is responsible for supervising the Senior Management Team (SMT), the main governance body.

**Senior Management Team by age and gender**

	2023					
	Men		Women		Total	
	No.	%	No.	%	No.	%
<30 years	0	0	0	0	0	0
30-50 years	4	36.3%	6	54.5%	10	90.8%
>50 years	1	9.1%	0	0	1	9.1%

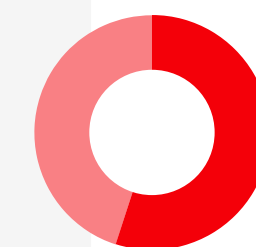
**Employees in senior management positions recruited from local communities**

2023	
No.	% of total
6	55%



All members of the Senior Management Team have performance indicators linked to achieving the CO<sub>2</sub> reduction target.

In addition, the General Manager, Corporate Affairs & Sustainability Director, People and Culture Director, and Supply Chain Director have performance indicators directly linked to achieving the 2025 sustainability commitments, each in their area of responsibility.



**55% of senior management positions are held by women.**



**55% of senior management team members are Romanian nationals.**

## The Ethics and Compliance Committee

Coca-Cola HBC Romania has an Ethics and Compliance Committee to support local management, ensuring that the way the company operates strictly follows local legislation and the highest ethical standards. The committee has seven members, including:

- Legal Director;
- Chief Financial Officer;
- People and Culture Director;
- Security Director;
- Area Code of Business Conduct & Compliance Audit Manager.

The Committee's responsibilities include reviewing investigation reports of potential breaches or violations of the Code of Business Conduct in accordance with the Group's policies and launching initiatives to help promote an ethical culture throughout the organization.

## Code of Business Conduct

Our company runs and implements complex compliance programs to ensure our values and policies are known and applied by all employees in their daily activities. These compliance programs are based on the [Code of Business Conduct](#)<sup>Q</sup> (COBC) and the [Compliance and Anti-Bribery Policy Manual](#)<sup>Q</sup>.

At Coca-Cola HBC Romania we are firmly committed to conducting our entire business with integrity and respect for society and the environment.

The Code of Business Conduct, available on our website, [here](#)<sup>Q</sup>, sets out the company's commitment to conducting our business in accordance with the company's core values, all applicable laws, regulations, and standards in the industry that are designed to guide all employees, regardless of the level of management, to ethical behavior. It details the principles to be followed strictly in the day-to-day operation, while also illustrating the consequences of non-compliance with the Regulation.

The COBC covers all the rules employees must observe when it comes to:

- Integrity within the Company:
  - human rights, diversity, and inclusion
  - corporate records
  - reasonable use of Coca-Cola HBC goods
  - protection of operational information and assets
  - relations with suppliers and customers
  - conflicts of interest
- Integrity in the community:
  - anti-bribery principles
  - environment, health, and safety in the workplace
  - fair competition in the market and compliance with competition laws
  - confidentiality and protection of personal data
  - company securities principles
- Managing topics related to compliance with the Code of Business Conduct:
  - penalties
  - Code of Conduct training
  - investigating reports of potential breaches of the Code

All employees, managers, members of the Operating Committee, and Directors are required to comply with the provisions of the Code, to keep themselves informed, to attend regular training, and to ask questions if they need clarification. They may raise concerns with the Ethics and Compliance Officers, who differ according to their role, as follows:

- Employees at the country level: Legal Manager at the country level
- Group Division employees: Head of Legal Compliance
- General Managers and members of the executive management team at Group level: General Counsel
- Group Chief Executive Officer: Chairman of the Audit and Risk Committee.

At the same time, our suppliers, distributors, agents, consultants, and contractors also comply with many of the COBC principles as described in the Supplier guidance principles/rules available [here](#)<sup>Q</sup>.

Once every three years, all employees undergo mandatory training that covers the aspects outlined in the Code of Business Conduct. Additionally, all new employees joining the company complete this training within a maximum of 60 days from the date it is assigned to them.

## Reporting channels

The Code of Business Conduct describes the procedures employees must follow when reporting certain issues or incidents. Thus, they have a responsibility to raise any concerns about the breach of the COBC by talking to the direct manager, the functional manager/direct manager, or the Ethics and Compliance Officer, or by contacting the Internal Audit Department and especially the COBC Manager.

In addition, several issues relating to financial, accounting, or audit matters need to be reported directly to the Corporate Audit Director or the Chairman of the Audit and Risk Committee, while serious breaches of the Code, such as those involving upper management, large amounts of money, financial misstatements or alleged criminal activities, must be reported directly and without delay to the General Counsel, Group Chief Financial Officer or Corporate Audit Director.

Employees can use the Speak-Up! line, available [here](#)<sup>⁹</sup> or at [coca-colahellenic.ethicspoint.com](http://coca-colahellenic.ethicspoint.com)<sup>⁹</sup>, at any time and for any issue.

The Company undertakes to sanction any employee or manager in the senior management who pressures or retaliates against a colleague who has raised concerns or discourages or prevents other employees from reporting or requesting assistance, in accordance with the Reporting Policy/ "Whistleblowing" Policy.



2023

In 2023, a total of 31 reports were received through the Speak Up! line, email, or directly addressed to the Compliance and Audit Manager. Out of these, 14 reports were substantiated.

Complaint categories:  
Financial records, health and safety, and use of company assets.

## Conflict of interests

At Coca-Cola HBC, we are committed to transparency, responsibility, and ethical business practices. We recognize the importance of effectively managing and mitigating conflicts of interest.

We understand that conflicts of interest have the potential to compromise integrity, fairness, and trust, which are essential pillars of our business. The policies, procedures, and internal controls we have in place to prevent and manage conflicts of interest at all levels of our operations are a priority for us.

Therefore, we expect all our employees to act in pursuit of the interests of the company, making objective decisions, without allowing their personal interest to influence their daily activity in any way.

Conflicts of interest can also arise in relation to potential customers, suppliers, other business partners, or civil servants.

Employees are encouraged to promptly report and communicate any situation that may be subject to a conflict of interests to the direct manager and the Ethics and Compliance Officer responsible.

At the same time, they may also notify through the COBC approval Portal of any relationship or interest that may affect them or may affect their ability to act in the interests of the Company, such as a relative or person with whom the employee has a close personal relationship, who is involved in a business decision related to Coca-Cola HBC, investments in customers, competitors or suppliers of Coca-Cola HBC (except for shares of publicly listed companies, which can be held as personal investments), another job in another company/other activity outside the Coca-Cola HBC working hours that could influence the employee's judgment.

2023

No conflict of interest complaints were registered in 2023.

## Compliance with competition law

We conduct our business operations strictly adhering to competition laws. We understand that the economic environment should provide fair and equal conditions, and transparent competition encourages companies to strive for continuous excellence while promoting an environment that benefits consumers, businesses, and society as a whole.

At Coca-Cola HBC Romania, the guidelines on competition are outlined in the Competition Law Manual. Our company is committed to fully complying with applicable laws in all the markets where we operate and to act with honesty and integrity in our competitive endeavors aimed at maintaining a market-leading position. Adhering to all applicable antitrust and competition laws is an integral part of our commitment to compliance and is incorporated into our practices and business operations across all markets.

All our employees are required to consult these guidelines, and if they have questions, they are encouraged to reach out to the local Legal Department to understand the specific competition laws and policies applicable to them.

2023

In 2023, no legal actions were recorded for anti-competitive behavior, and there were no sanctions for non-compliance with competition laws.

## Human rights

Respect for fundamental human rights is a core value for the sustainability of Coca-Cola HBC Romania's business model.

Coca-Cola HBC's Human Rights Policy is based on international human rights principles included in the Universal Declaration of Human Rights, the International Labour 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 it owns, the entities in which it holds a majority stake, as well as the facilities it manages.

The company is committed to upholding the principles outlined in this policy. Our Supplier Guiding Principles apply to our suppliers and are aligned with the expectations and commitments of this policy.

2023

In 2023, no complaints were received from employees or partners regarding human rights violations.



## Personal data protection

We value and protect the privacy of data for all employees, candidates for open positions within the company, business partners, and customers.

The entire company has the responsibility to comply with the following fundamental principles when handling personal data:

- We process the data legally, fairly, and transparently.
- We collect the data for specified explicit and legitimate purposes.
- We do not collect or process data that we do not need.
- We keep the data properly and update it.
- We limit the time we retain the collected data.
- We ensure the right security measures for personal data.

The way we manage personal data must comply with the provisions of the [Data Retention Policy](#)<sup>Q</sup> and the [Data Privacy Policy](#)<sup>Q</sup>.

In 2023, there were no incidents involving the loss or theft of personal data or referrals or complaints received from third parties (e.g. authorities, customers, consumers, etc.) concerning violations of personal data protection legislation.

## Political contributions

In 2023, we did not provide sponsorships to political parties or candidates. In accordance with Group policies, prior written approval is required from members of the Group executive management team and the General Counsel before authorizing or making a political contribution on behalf of the Company.

How political contributions are managed is detailed in the Coca-Cola HBC Romania Code of Business Conduct. At the same time, in terms of employee involvement in political activity, we encourage personal participation in civil society and the political process.

However, one's work in the company must not be affected by personal political views or activity. If an employee plans to run for or accept a public position, prior approval must be obtained through the COBC Approvals Portal.

## Anti-corruption policy

Coca-Cola HBC Romania has a zero-tolerance policy when it comes to bribery or other corruption. Our [Anti-Bribery Policy](#)<sup>Q</sup> describes the behavior we expect from our employees when they interact with public officials and includes directions and prohibitions on giving and receiving gifts and entertainment, plant visits and product testing, hospitality, travel and accommodation, premium events, lobbying, and charitable or political contributions.

The same rules apply to our suppliers, distributors, agents, consultants, and subcontractors acting on our behalf. We carefully monitor any third party we retain to interact with a public official on behalf of the Company, so third-party due diligence is required. Each person interacting with such a supplier has responsibility for the overall relationship with that party, from pre-screening to the end of the contractual relationship. Before contracting, the employee responsible must ensure that all pre-checks have been carried out and that they have obtained the prior written approval of the Ethics and Compliance Officer.

Prior verification of parties that could interact with civil servants (police, customs, public or local authorities, including public or public interest institutions) on behalf of the company should be carried out in all cases through the Exiger platform at [insight.exiger.com](https://insight.exiger.com)<sup>Q</sup>.

This web-based solution provides accurate due diligence reports using artificial intelligence and collecting information from public databases and websites, as well as from third parties who are asked to answer an anti-bribery questionnaire. This makes it possible to identify whether the third party is a high risk, whether there have been previous allegations of unfair commercial behavior, etc.

If the Exiger platform provides warning signals, the Ethics and Compliance Officer should be consulted.

Prior checks must be carried out every two years.

## Ethics and Compliance Week

To promote and highlight the key role that business ethics and compliance play in a company's sustainability, we organize an annual **Ethics and Compliance Week** event for our employees.

In 2023, Ethics and Compliance Week ran from May 29 to June 2 and was dedicated to Human Rights. As part of the campaign, we encouraged all employees to actively participate in the activities, become familiar with the Coca-Cola HBC Human Rights Policy, and use the Speak Up! line to report any possible human rights violations. This ensures that all our colleagues are informed and contribute to an ethical working environment in line with our values.

Number of people trained in anti-corruption policies and procedures	2023
Board/Senior Management	0
Middle Management (Change Leaders & Front Line Leaders)	6
Professionals	29
Supporters	33
Troopers	63
<b>Total</b>	<b>131</b>

In 2023, there were no recorded:

- legal actions or public proceedings filed against the company or its employees related to corruption, and no employee from our team was involved in corruption incidents leading to dismissal or disciplinary sanctions;
- conclusions or terminations of contractual relationships with partners due to corruption incidents.



# 1.5 Risk management

Within the company, we are committed to managing our business and operations in a way that minimizes risk while capitalizing on opportunities. Accountability of the company's leadership teams to take smart risks is a central pillar of our risk management strategy.

**Our company-wide approach to Enterprise Risk Management (ERM) supports the application of SmartRisk principles**, which involve intelligent risk-taking by outlining risk management principles that have the potential to impact the achievement of our strategic objectives.

The system details the process of identifying, analyzing, and responding to both risks and opportunities within business units, functions, and the Group.

The Group-level risk management policy is approved by the Audit and Risk Committee (A&RC) on behalf of the Board of Directors (BoD) and is our governance document outlining general strategies and responsibilities for risk management.

In support of the policy, we annually review our ERM approach to ensure that processes are integrated both operationally and culturally throughout the entire group. In accordance with the Group-level Risk Management Policy, unit and function leaders must ensure compliance with minimum standards. Risk management specialists across the company are expected to be familiar with the daily application of the framework.

## Enterprise Risk Management (ERM)

ERM allows us to identify and manage uncertainties that may arise in our business processes and complements the management process by adding a perspective on the strengths and weaknesses of a strategy as conditions change. It also provides an understanding of how a strategy aligns with the organization's mission and vision. This way, risks are identified as early as possible, potential issues can be addressed, their impact reduced, or they can be transformed into business opportunities.

## Group Risk and Compliance Committee (GRCC)

The Group Risk and Compliance Committee (GRCC) consists of senior managers within the company and serves as the strategic "think tank" of Coca-Cola HBC on risk and compliance. The committee is responsible for identifying and describing the risk and compliance universe of the Coca-Cola HBC Group, assessing the impact of risk and compliance issues on the Group, and defining and taking mitigation measures related to these risks and areas of compliance.

This is achieved through an analysis of internal and external data regarding current and emerging trends in risk and compliance, identifying and stress-testing key aligned risks, recommending to the Board of Directors the key areas of risk and compliance for external reporting, and acting as an independent mechanism for reviewing risk and compliance opportunities reported by business units.

## Business Resilience Team and Chief Risk Officer (CRO)

The risk management program is led by our Chief Risk Officer (CRO), who works closely with risk managers in local and Group teams in assessing and managing business risks.

Key activities include:

Monthly review and evaluation of risk data

Identification and assessment of emerging risk

Providing feedback on trend analysis and identified process issues

Quarterly review of action plans for risk management, including feedback sessions for stakeholders

Biannual organization of a business resilience conference where all risk and insurance managers and coordinators are informed about key trends and emerging risks across the business

Annual review of the Enterprise Risk Management (ERM) process and framework update

## The main risks for Coca-Cola HBC

Our analysis has grouped key risks to highlight the link between risks.



Main Risks	Description	Potential Impact	How We Address It	Relationship with Material Topics
<p>1 <b>A1</b></p> <p><b>Foreign exchange fluctuations</b></p>	<p>Exchange rate volatility and fluctuations</p>	<ul style="list-style-type: none"> <li>• Financial losses</li> <li>• Asset impairment</li> </ul>	<ul style="list-style-type: none"> <li>• Our treasury policy requires hedging 25- 80% of rolling 12-month forecasted transactional foreign currency exposures;</li> <li>• Hedging of more than 12 months may occur in exceptional cases if approved by the Group CFO;</li> <li>• Derivative financial instruments are used, where available, to reduce transactional foreign currency exposures and commodity price fluctuations;</li> <li>• Advice from the Financial Risk Management Committee and the Audit and Risk Committee of the Board.</li> </ul>	<ul style="list-style-type: none"> <li>● Impact on the local economy</li> </ul>
<p>2 <b>A2</b></p> <p><b>Marketplace economic conditions</b></p>	<p>Increases in inflation and interest rates across our markets, although conditions became more stable over the year and consumer spending remained robust.</p> <p>Economic conditions, however, remain challenging and may reduce consumer purchasing power, potentially impacting the affordability of our products.</p>	<ul style="list-style-type: none"> <li>• Volume and revenue decline</li> <li>• Reduced profitability</li> </ul>	<ul style="list-style-type: none"> <li>• Use of pricing and targeted actions to drive mix as critical tools to manage cost inflation;</li> <li>• Careful management of operational expense and cost controls;</li> <li>• Management of cash outflows;</li> <li>• Development of coordinated and targeted plans with TCCC and other business partners on promotions and marketing initiatives;</li> <li>• Continuous monitoring of conditions and adjusting our action plans.</li> </ul>	<ul style="list-style-type: none"> <li>● Impact on the local economy</li> <li>● Transparency in relation to stakeholders</li> </ul>
<p>3 <b>A3</b></p> <p><b>Geopolitical and security environment</b></p>	<p>Volatile macroeconomic, security, and geopolitical conditions. Our concerns remained centered on the Russia/Ukraine crisis.</p> <p>In Ukraine, our focus was and remains the safety of our people first, and continuing our production and distribution where it is safe to do so.</p> <p>In Russia, the decision by TCCC to cease operations, and economic and other sanctions imposed by many countries, had a significant impact on our business.</p>	<ul style="list-style-type: none"> <li>• Safety of our people</li> <li>• Financial impact of economic and other sanctions</li> <li>• Potential for business disruptions</li> <li>• Supply chain instability</li> </ul>	<ul style="list-style-type: none"> <li>• Improved security risk assessments to better develop management plans;</li> <li>• Develop emergency and contingency plans for all potentially affected markets;</li> <li>• Ongoing development and training within the IMCR program.</li> </ul>	<ul style="list-style-type: none"> <li>● Impact on the local economy</li> <li>● Safe and equitable working environment</li> </ul>

Main Risks	Description	Potential Impact	How We Address It	Relationship with Material Topics
<p>4 <b>B1</b></p> <p><b>Product relevance and acceptability</b></p>	<p>In 2023, debates around sweeteners, as well as discussions on appropriate responses to key ESG priorities, increased the potential for consumer concerns relating to our products, regulatory change, and the imposition of additional taxes.</p>	<ul style="list-style-type: none"> <li>• Brand and reputation damage leading to reduced sales</li> <li>• Discriminatory taxes</li> <li>• Financial impact</li> <li>• Forced changes in product formulations and portfolio mix</li> </ul>	<ul style="list-style-type: none"> <li>• Product innovation and expansion of our portfolio to respond to consumer needs, including expansion of low-/no-calorie beverages;</li> <li>• A proactive approach to partner with key stakeholders to better understand and address concerns;</li> <li>• Proactive promotion, with plans to store assets;</li> <li>• Gather insights from our Group-wide assessment tool.</li> </ul>	<ul style="list-style-type: none"> <li>● Consumer health and safety</li> <li>● Packaging and waste</li> <li>● Transparency in relation to stakeholder</li> <li>● Business ethics and responsibility</li> </ul>
<p>5 <b>B2</b></p> <p><b>Strategic stakeholder relationships</b></p>	<p>The need to remain aligned with our key strategic partners, such as The Coca-Cola Company, Monster Energy, COSTA Coffee, and premium spirits manufacturers. In 2023, the Russia/Ukraine crisis resulted in TCCC making the decision to stop sales of its brands in Russia, which had a significant impact on our business in this country.</p>	<ul style="list-style-type: none"> <li>• Financial impact</li> <li>• Damage to the Coca-Cola system and brand reputation</li> </ul>	<ul style="list-style-type: none"> <li>• Maintain established processes, routines, and communication channels to manage strategic relationships at the most senior levels;</li> <li>• Closely monitor agreed business indicators defined during business planning and analyze deviations so that corrective actions can be taken when needed.</li> </ul>	<ul style="list-style-type: none"> <li>● Transparency in relation to stakeholder</li> <li>● Business ethics and responsibility</li> </ul>
<p>6 <b>B3</b></p> <p><b>Competing in the digital marketplace</b></p>	<p>The digital marketplace continued to evolve and remained highly competitive, with new and existing companies seeking to take advantage of e-commerce growth.</p>	<ul style="list-style-type: none"> <li>• Significant opportunity to grow sales and market share through well-developed and executed e-commerce strategies</li> <li>• Potential to lose market share or fail to take full advantage of the growing e-commerce market</li> <li>• Potential for new business models and ventures to fail</li> </ul>	<ul style="list-style-type: none"> <li>• Invest in digital commerce capabilities and systems to enhance our business-to-business (B2B), e-retail, food service aggregator and direct-to-consumer pillars;</li> <li>• Continue to evolve our model for direct-to-consumer routes to market in selected countries.</li> </ul>	<ul style="list-style-type: none"> <li>● Impact on the local economy</li> <li>● Transparency in relation to stakeholder</li> </ul>



Main Risks	Description	Potential Impact	How We Address It	Relationship with Material Topics
<p>7 <b>C1</b></p> <p><b>Employee health and safety</b></p>	<p>Risk to the safety and health of our employees as a result of work-related accidents, incidents, and illnesses</p>	<ul style="list-style-type: none"> <li>• Fatalities and/or serious injury of employees, contractors, third parties, and members of the public</li> <li>• Damage to our reputation as a caring responsible employer if not handled properly</li> <li>• Financial losses</li> </ul>	<ul style="list-style-type: none"> <li>• Continued implementation of our Behaviour Based Safety (BBS) program;</li> <li>• Continued implementation of E2E contractor management process;</li> <li>• Continued operation of the Health and Safety Council;</li> <li>• The Coca-Cola Company's First Aid Policy as part of Coca-Cola HBC's evaluation program;</li> <li>• Business Continuity Plans updated and tested;</li> <li>• Experiences identified nationally and disseminated throughout the company;</li> <li>• Increased focus on mental</li> </ul>	<ul style="list-style-type: none"> <li>● Safe and equitable working environment</li> </ul>
<p>8 <b>C2</b></p> <p><b>Suppliers and sustainable sourcing</b></p>	<p>The macroeconomic environment, the Russia/Ukraine crisis, the Israel/Palestine conflict, and supply/demand imbalances continued to create challenging conditions for securing the supply of key ingredients, packaging, and services at a reasonable cost.</p>	<ul style="list-style-type: none"> <li>• Production disruptions</li> <li>• Failure to meet contractual obligations</li> <li>• Increased input costs and margin pressure</li> </ul>	<ul style="list-style-type: none"> <li>• Contract volumes of key ingredients and packaging materials;</li> <li>• Contract prices wherever feasible;</li> <li>• Ensure hedgeable contracts;</li> <li>• Expand our supplier base and introduce new and alternative suppliers;</li> <li>• Secure raw materials for suppliers to provide security of supply;</li> <li>• Develop contingency plans with suppliers due to energy risks and risk mapping with our production areas;</li> <li>• Identify alternative and sustainable energy options for long-term availability and pricing stability.</li> </ul>	<ul style="list-style-type: none"> <li>● Impact on the local economy</li> <li>● Procurement policy and supplier relations</li> </ul>

Main Risks	Description	Potential Impact	How We Address It	Relationship with Material Topics
<p>9 <b>C3</b></p> <p><b>Cyber incidents</b></p>	<p>Cyber attacks can occur against public institutions and companies in many of our markets. Several known actors continued to conduct high-profile ransomware attacks. Organizations continued to enhance their capabilities to investigate, prevent, and respond to cybercrime, which also helps to reduce risk to companies such as ours.</p>	<ul style="list-style-type: none"> <li>Operational disruptions and financial losses</li> <li>Damage to corporate reputation</li> <li>Potential for release of personal and customer data</li> <li>Non-compliance with data protection legislation (e.g. GDPR)</li> </ul>	<ul style="list-style-type: none"> <li>Information Security Management System certification in accordance with ISO27001</li> <li>Strengthen our endpoint and cloud security program;</li> <li>Launch mandatory cyber security training for all employees;</li> <li>Execute simulated hacker attacks and vulnerability assessments, remediated gaps, and improved overall cyber hygiene;</li> <li>Improve our capability to respond and recover from cyber incidents and attacks by executing cyber crisis tabletop exercises covering ELT, business unit teams, and IT Teams, and testing our contingency plans and incident response procedures at least semi-annually.</li> </ul>	<ul style="list-style-type: none"> <li>Impact on the local economy</li> <li>Business ethics and responsibility</li> </ul>
<p>10 <b>C4</b></p> <p><b>People retention</b></p>	<p>Inability to attract, retain, and engage sufficient numbers of skilled and experienced employees in a highly competitive labor market.</p>	<ul style="list-style-type: none"> <li>Failure to attract and retain people to meet our goals</li> <li>High turnover resulting in knowledge and productivity loss</li> <li>A potential imbalance between male and female employees due to different retention rates</li> </ul>	<ul style="list-style-type: none"> <li>Enhance our employer image and benefits;</li> <li>Internal development of leaders and employees for key positions;</li> <li>Improve leaders' skills and commitment to developing talent;</li> <li>Continuous dialog with employees to effectively maintain culture and engagement;</li> <li>Foster an inclusive environment that enables all employees to reach their potential;</li> <li>Generate value within the communities in which we operate to ensure we are seen and regarded as an ethical company with an attractive purpose;</li> <li>Growing talent by engaging a diverse workforce.</li> </ul>	<ul style="list-style-type: none"> <li>Safe and equitable working environment</li> <li>Business ethics and responsibility</li> </ul>



Main Risks	Description	Potential Impact	How We Address It	Relationship with Material Topics
<p>11</p> <p>C5</p> <p><b>Ethics and compliance</b></p>	<p>The risk of fraud against the company, as well as the risk of anti-bribery and anti-corruption (ABAC) fines or sanctions if our employees or third parties responsible for interacting with the authorities do not comply with ABAC requirements.</p> <p>Risk of inadvertent non-compliance with international regulations in certain countries.</p>	<ul style="list-style-type: none"> <li>• Damage to our reputation</li> <li>• Significant financial penalties</li> <li>• Increased management time and effort to resolve incidents</li> <li>• Financial loss due to damage to reputation, fines, and penalties for non-compliance</li> </ul>	<ul style="list-style-type: none"> <li>• Annual "Tone at the Top" campaign;</li> <li>• Training and awareness campaigns on the Code of Business Conduct, Anti-bribery and Anti-corruption Policy, and trade compliance for our entire workforce and training on international sanctions for our employees at risk;</li> <li>• All third parties interacting with government officials on our behalf are subject to anti-bribery due diligence and are required to accept and comply with the Supplier Guiding Principles/ Supplier Standards, including ABAC and international sanctions compliance;</li> <li>• Risk-based, internal control framework and assurance programs with local management taking responsibility;</li> <li>• Regular risk-based internal audits of the ABAC compliance program;</li> <li>• Speak Up! Line.</li> </ul>	<ul style="list-style-type: none"> <li>● Business ethics and responsibility</li> </ul>
<p>12</p> <p>D1</p> <p><b>Sustainable packaging</b></p>	<p>Risks to our ability to meet our NetZeroBy40 commitments - packaging accounts for over 30% of our emissions, and managing the risks associated with the cost and availability of sustainable packaging is intertwined with our business strategy for the future.</p>	<ul style="list-style-type: none"> <li>• Impact on reputation</li> <li>• Increased operating, tax, and Capex costs associated with changing packaging mix</li> <li>• Opportunity associated with developing innovative and profitable solutions</li> </ul>	<ul style="list-style-type: none"> <li>• Meet Mission 2025 commitments, including increasing the Group's overall packaging collection rate and increasing the amount of recycled PET used in our packaging;</li> <li>• Working with governments and industry peers to support the implementation of Deposit Return System (DRS) and optimize EPR system.</li> </ul>	<ul style="list-style-type: none"> <li>● Managing environmental risks, including climate risks</li> <li>● Combating climate change</li> <li>● Packaging and waste</li> </ul>
<p>13</p> <p>D2</p> <p><b>Water availability and usage</b></p>	<p>Risks associated with water availability, water stress, and water quality in the communities in which we operate, multiplied by the effects of climate change and excessive water consumption in abstraction areas lead to an unsustainable approach.</p>	<ul style="list-style-type: none"> <li>• Water shortages in the communities where we operate and damage to the company's reputation</li> <li>• Insufficient water resources or increased operational costs (e.g. cost of water supply or water treatment)</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct specific assessments to detect the vulnerability of water sources (SVA) to identify and mitigate water supply risks;</li> <li>• Maintain Alliance for Water Stewardship<sup>9</sup> certification for all factories;</li> <li>• Water resource vulnerability assessments for all factories;</li> <li>• Implement water reduction plans.</li> </ul>	<ul style="list-style-type: none"> <li>● Managing environmental risks, including climate risks</li> <li>● Combating climate change</li> <li>● Use of water resources</li> </ul>

Main Risks	Description	Potential Impact	How We Address It	Relationship with Material Topics
<p>14 <b>D3</b></p> <p><b>Managing our carbon footprint</b></p>	<p>Risks and opportunities associated with reducing your company's carbon emissions, including across the entire value chain.</p>	<ul style="list-style-type: none"> <li>• Opportunity to reduce costs and strengthen relationships with key stakeholders through increased use of renewable energy and new technologies</li> <li>• Reputational costs of not meeting sustainability commitments</li> <li>• Costs associated with switching to low GHG emissions, cooling equipment, and low emission vehicles</li> <li>• Possible future carbon taxes</li> <li>• Lack of resources which consequently affects production</li> </ul>	<ul style="list-style-type: none"> <li>• Implement NetZeroBy40 transition plans, including mitigation and adaptation plans;</li> <li>• Energy management programs and transition to renewable and clean energy;</li> <li>• Partnerships with local and international stakeholders;</li> <li>• Focus on sustainable procurement;</li> <li>• Risk areas monitored and specific tactical plans in place within operations;</li> <li>• Physical risk analysis, including stress quantification and stress testing (in line with the commitment to comply with TCFD recommendations) and natural disaster plans in place within operations.</li> </ul>	<ul style="list-style-type: none"> <li>• Combating climate change</li> <li>• Resource consumption</li> <li>• Packaging and waste</li> </ul>



# The specific risks for Romania

In 2023, Coca-Cola HBC Romania conducted a comprehensive analysis of its risk register, focusing on the potential impact and likelihood in various operational dimensions.

This analysis used a structured approach, assessing risks according to their severity and likelihood of occurrence.

The methodology is in line with our commitment to maintain the highest standards of safety, quality, and operational integrity.

## Impact assessment

The risks were categorized into five levels of severity: insignificant, minor, moderate, major, and critical.

This assessment considered several key dimensions, including company reputation, financial impact, health and safety, management effort, and product quality.

### 1 On the company's reputation

- **INSIGNIFICANT:** A minor incident that is unlikely to attract media attention.
- **MINOR:** Attracts local press with limited brand impact.
- **MODERATE:** Regional media coverage is expected with recovery within two weeks.
- **MAJOR:** National media coverage, brand image recovery within three to eight weeks.
- **CRITICAL:** International media coverage, and brand image recovery within nine weeks.

### 2 Financial impact (EBIT or NSR)

- **INSIGNIFICANT:** Impact less than 3%.
- **MINOR:** Impact of about 3%.
- **MODERATE:** Impact between 3% and 7%.
- **MAJOR:** Impact between 7% and 10%.
- **CRITICAL:** Impact greater than 10%.

Each 1% impact corresponds to €7.7 million per year in NSR and €1.3 million per year in EBIT.

### 3 Health and safety

- **INSIGNIFICANT:** No injuries; minor process-related issues.
- **MINOR:** Injuries not requiring medical treatment.
- **MODERATE:** Injuries requiring medical treatment to be reported to regulatory authorities.
- **MAJOR:** Major injuries requiring hospitalization.
- **CRITICAL:** Fatality or serious injury leading to investigation and possible prosecution.

### 4 Management effort

- **INSIGNIFICANT:** Managed as part of normal operations.
- **MINOR:** Managed locally with limited resources.
- **MODERATE:** Requires dedicated management effort.
- **MAJOR:** Requires extensive team support.
- **CRITICAL:** Requires specialized focus and external support.

### 5 Quality

- **INSIGNIFICANT:** Insignificant: Isolated events with minor breaches of standards.
- **MINOR:** Multiple complaints within the same product line.
- **MODERATE:** Multiple product complaints with possible regulatory involvement.
- **MAJOR:** Issues requiring recall, leading to follow-up investigations.
- **CRITICAL:** Public recall and significant media coverage.

 Likelihood assessment

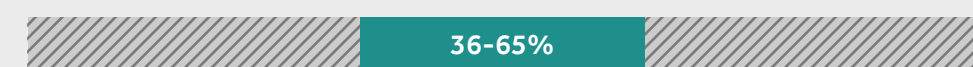
The likelihood of the risk was assessed on a five-point scale:



**RARE:** less than 15% probability, occurring in very unusual circumstances.



**UNLIKELY:** 15-35% probability, may occur under specific circumstances.



**POSSIBLE:** 36-65% probability, could occur under specific conditions.



**PROBABLE:** 66-90% probability, expected to occur under most circumstances.



**ALMOST CERTAIN:** Greater than 90% probability, expected or already occurring.

## CC HBC Romania's risk universe as of December 2023:

Category:  
**Marketplace economic conditions**

- Consumer prices and cost of living
- Unstable fiscal environment

Category:  
**Competing in the digital marketplace**

- E-Invoice
- E-transport reliability

Category:  
**Sustainable packaging**

- Implementation of DRS
- Own resources of the EU budget based on the amount of non-recycled plastic packaging waste
- Price increases of recycle-friendly raw materials such as rPET and aluminium

### Crisis response exercise

In 2023, we conducted a cybersecurity incident response exercise at Coca-Cola HBC Romania.

The exercise simulated a cyber attack on one of our largest production facilities. The exercise required members of our Executive Leadership Team (ELT), in consultation with the Group's Incident Management and Crisis Resolution Group, external and team experts, to quickly analyze our cyber security team's operational response, evaluate options, and make a series of key decisions to protect data privacy and effectively restore our operations.

On completion, we successfully achieved Incident Management and Crisis Resolution (IMCR) validation.

At the Group level, we are committed to conducting such an exercise annually, using a variety of different scenarios.

In addition, at least every two years, all operating units, together with partners from The Coca-Cola Company, undergo a full-day training and simulation exercise to ensure that IMCR leaders and teams have the necessary skills to manage incidents and prevent crises and that IMCR processes are reliable.

A joint validation team, consisting of senior managers from both CCH and TCCC, provides training, observes the operational unit team in action, and provides feedback and recommendations for improvement.



# 1.5 Awards and affiliations

Progresiv

/ April 2023



## Best FMCG Supplier

Progressive Awards is the event that rewards companies, projects, and people that add value to the local retail and FMCG market.

The Azores

/ July 2023



## Community Index

"REDUCE REUSE RECYCLE" category - the "Big Belly Project", the "After Us" sustainability platform and "We Price Plastic"

In 2023, we participated in the Community Index with two CSR projects, which were recognized with the GOLD award.

Community Index is the first and only index of programs and projects implemented by companies in Romania to invest in communities, launched in 2019.

The mission of the ranking is to highlight CSR projects with high performance that focus more on aspects such as stakeholder dialogue, project sustainability, and measuring medium and long-term impact.

The Azores

/ Dec. 2023



## Romania CST Index 2023

Gold Level Recognition on Corporate Sustainability and Transparency (96 points)

CST Index, now in its 8<sup>th</sup> edition, is an independent and comprehensive ranking unique to Romania.

It evaluates, based on 78 sustainability indicators across 11 categories, the transparency and performance of a company in achieving its sustainability targets and objectives.

The final score for each company is calculated considering specific industry weights.

Romanian PR Award XXI



Silver Award for **Excellence in the Employer Branding & Diversity Management** categories – Bring your own magic project and in the **CSR and Environmental Communication** categories – "Good Day - Little Volunteers' Day on Via Transilvanica!" project

The Forum for International Communications is a non-governmental organization that promotes the ethical and performance standards of the public relations profession among professional communicators.

Since 2003, the Foundation has been organizing the Romanian PR Awards, established as the most important event to recognize excellence in business communications in Romania.

## Affiliations

### Coca-Cola HBC, part of the United Nations Global Compact Network

We are committed to adopting and promoting a responsible business model, both in relation to our partners and our team, and by joining The United Nations Global Compact, we want to reinforce and strengthen this engagement by committing ourselves to the 10 principles that govern this network:

#### Human rights

*Businesses should:*

- P1: support and respect the protection of internationally proclaimed human rights and
- P2: ensure that they are not complicit in human rights abuses.

#### Labor

*Businesses should:*

- P3: uphold freedom of association and the effective recognition of the right to collective bargaining,
- P4: uphold the elimination of all forms of forced and compulsory labor,
- P5: uphold the effective abolition of child labor, and
- P6: uphold the elimination of discrimination in respect of employment and occupation.

#### Environment

*Businesses should:*

- P7: support a precautionary approach to environmental challenges,
- P8: undertake initiatives to promote greater environmental responsibility, and
- P9: encourage the development and diffusion of environmentally friendly technologies.

#### Anti-corruption

*Businesses should:*

- P10: work against corruption in all its forms, including extortion and bribery.



We are also aware of the important role that we, as industry leaders, as well as the entire business community, play in achieving the [UN Sustainable Development Goals](#).

Locally, Coca-Cola HBC Romania is part of:

**AmCham**

(American Chamber of Commerce in Romania)

- Jovan Radosavljevic CEO CCHBC – Board of Directors member

NO

YES



**ARAM**

Romanian Association for Packaging and the Environment

- Cristian Moldovan, Packaging Recovery Manager CCHBC – Vice President

NO

YES



**APBRS**

Soft Drinks Manufacturers Association for Sustainability

- Alice Nichita, Corporate Affairs & Sustainability Director CCHBC – President

YES



**Concordia Employers' Confederation**

– through membership in ANBR

- Alice Nichita, Corporate Affairs & Sustainability Director CCHBC – Board of Directors member

NO

NO



**FIC**

Foreign Investors Council

- Paris Nikolopoulos, Country Manager The Coca-Cola Romania – Board of Directors member

NO

YES



**APEMIN**

Natural Mineral Waters Employers' Association of Romania

NO

NO

YES



**UNESDA**

Union of European Soft Drinks Associations

– through Coca-Cola HBC and our membership in ANBR

YES



**Sustainable Romania Coalition**

NO

NO

YES



**ANBR**

Romanian Soft Drinks Association

- Alice Nichita, Corporate Affairs & Sustainability Director CCHBC – President

YES

YES



**ROMALIMENTA**

apolitical, transparent, non-profit, and independent national employers' federation, the professional representative of food and beverage companies in Romania

YES, board member

NO

YES



**EUROPEN**

The European Organization for Packaging and the Environment

– through ARAM membership

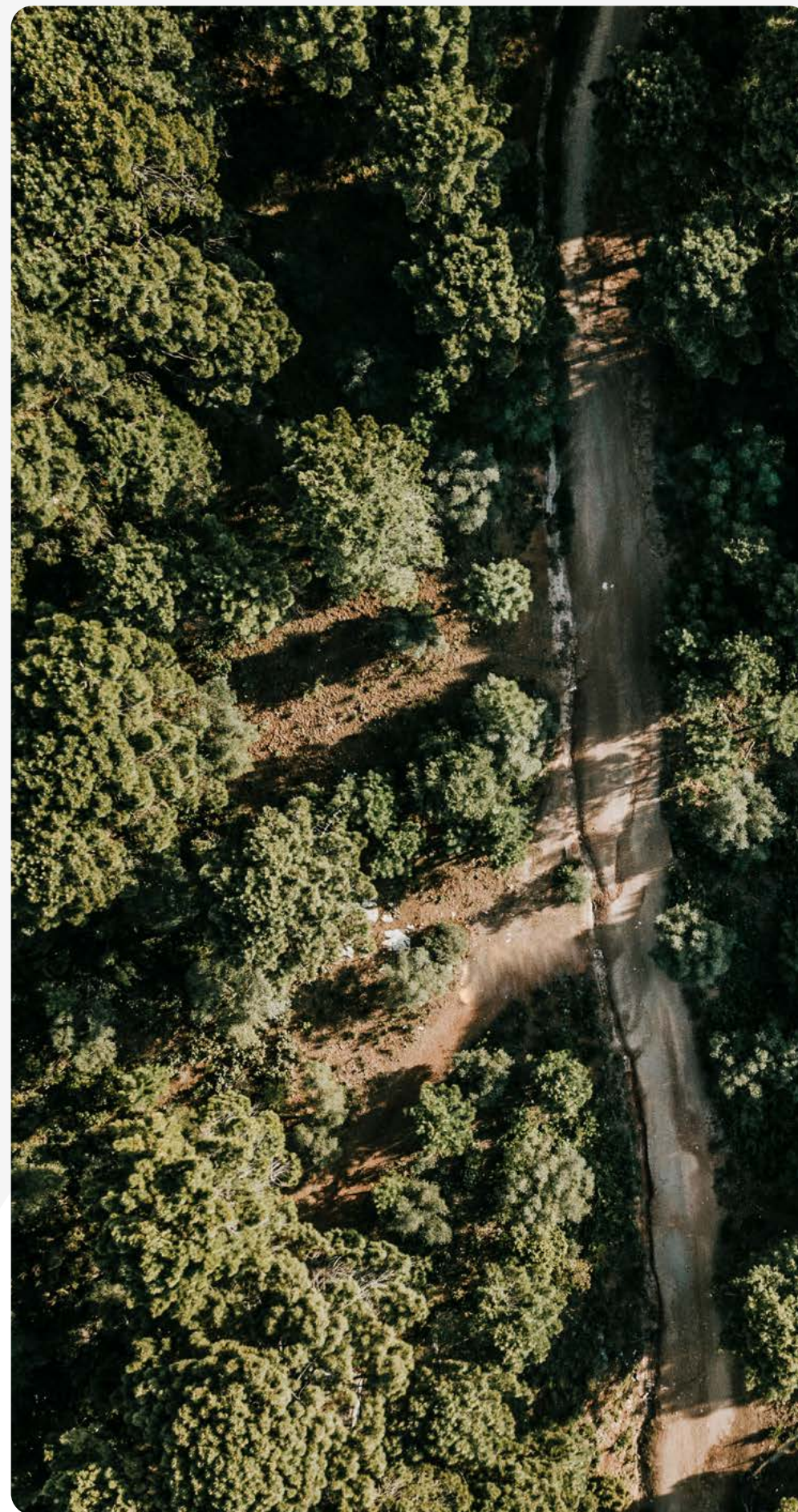
YES



Association/ Organization

- The company holds a position in the management structures
- The company provides substantial financing beyond membership fees
- The company considers membership in this organization to be strategic

## Ratings and rankings



### S&P Global Sustainability Assessment Score 2023

Coca-Cola HBC has been named one of the world's best-performing beverage companies in the S&P Global Sustainability (CSA) Assessment Score 2023. We scored 91 points out of 100, placing us in the top 1% globally in the beverage industry, with the analysis taking into account 9,400 companies and 62 industries.

Coca-Cola HBC is also on the Carbon Disclosure Project's (CDP) A List for its commitment to climate and water transparency. It joins the small number of companies that have achieved a double A rating from CDP.

### Dow Jones *DJSI Sustainability Index*

In December 2023, we were ranked as the world's most sustainable beverage company in the Dow Jones Sustainability Index and, for the 13th consecutive year, we are among the top three beverage companies globally.

Launched in 1999, the DJSI is considered a global benchmark in corporate sustainability.

### Carbon Disclosure Project (CDP)

Coca-Cola HBC has received the highest rating and 'A' grade for CDP's climate and water reporting. For the past seven years (since 2016), we have been awarded the top score in CDP's climate rankings and 5 times the 'A' rating in CDP's water rankings.

CDP uses a detailed and independent methodology to assess companies, assigning a score from A to D, based on the comprehensiveness of indicators, awareness, and management of environmental risks, and exposure to environmental best practices, such as setting ambitious and meaningful targets.

2

# OUR APPROACH TO A SUSTAINABLE FUTURE

- 2.1 Our sustainability goals
- 2.2 Our stakeholders
- 2.3 Materiality analysis



We are proud of our position as a leader in the Romanian beverage industry and we accept our responsibility to be better and more involved in everything we do.

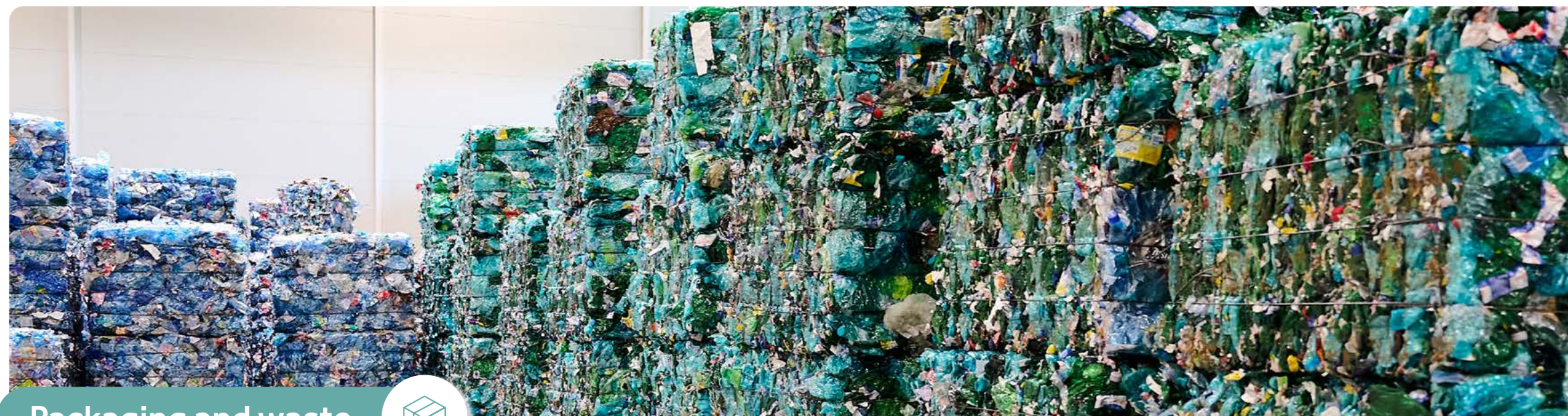
We are committed to being a role model and a trusted partner to our suppliers and customers, helping them to implement best practices and standards in sustainability.

We want to build a sustainable future by working with all stakeholders to develop products and services that contribute to the transition to a green economy.

Our integrated approach considers the impact of our business throughout the value chain and on society as a whole. We invest in making our operations more efficient, reducing water and energy consumption, supporting local communities, innovating in operations and packaging, and developing our teams. Over the last two years, we have invested more than €50 million at Group level in our three recycled plastic (rPET) production plants in Italy, Poland, and Romania. 11 million has been earmarked exclusively for the Ploiești plant, of which €3.5 million is state aid. These investments reflect our commitment to a circular economy and will help us reduce the cost of purchasing rPET from third parties.

For more than 8 consecutive years, Coca-Cola HBC Romania has been recognized as a leader in sustainability, as the most transparent and best-performing company locally. We know there are still challenges to overcome, but we firmly believe that sustainability is a real growth driver for us and our partners, and we continue to embed sustainability in our business model. At a Group level, Coca-Cola HBC is committed to achieving zero greenhouse gas emissions from direct operations and across the value chain by 2040.

Recognizing the environmental and social impact of our operations in Romania, our strategic priorities reflect an integrated and efficient Group-wide approach, adapted locally through annual objectives and targets that allow us to closely monitor our progress.



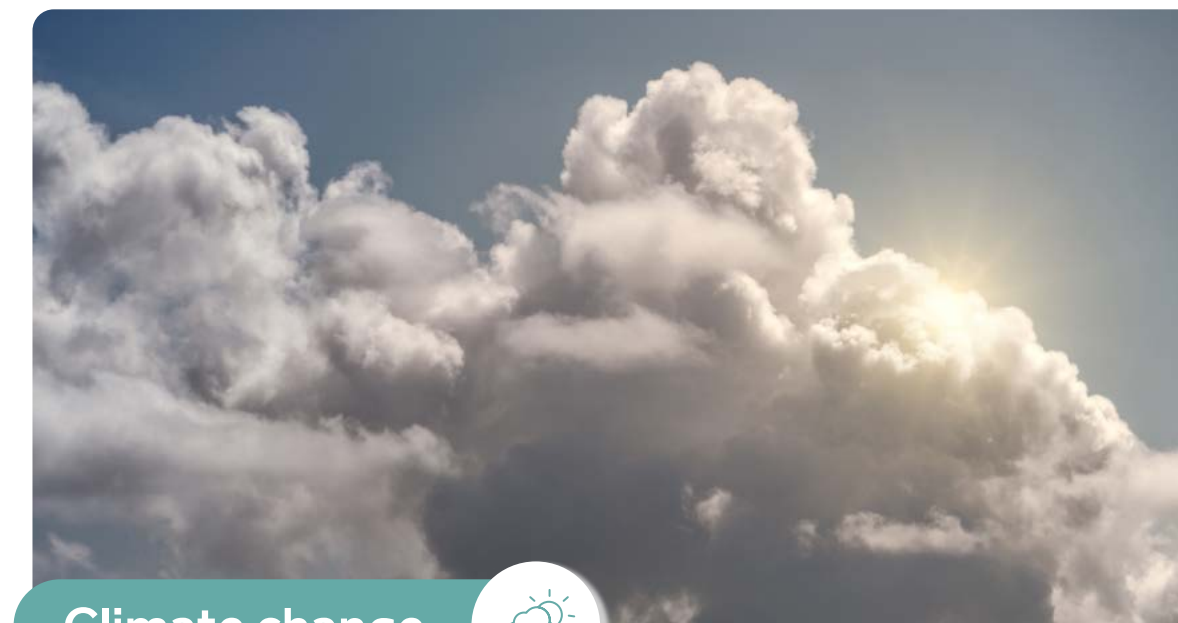
### Packaging and waste



We have a responsibility to help solve the global packaging waste crisis. Recognizing the need to change the way we address packaging waste, we have set ambitious targets that reflect our desire to contribute to global efforts to transition to a sustainable future.

Following an investment of approximately 55 million lei, we have installed state-of-the-art decontamination technology for the processing of recycled plastic (rPET) at our Ploiești plant, an important step forward in Coca-Cola HBC's long-term sustainability strategy. rPET flakes have a carbon footprint 80% lower than virgin PET resin (\*according to an IFEU study based on Plastics Europe data), and the rPET production facility uses 100% renewable electricity.

We are working to include drink packaging in the circular economy. Our fundamental belief is that our packaging materials have value and that we need to capture that value and prevent packaging from becoming end-of-life waste. We aim to create closed-loop systems, extracting maximum value from materials and products during use, and then recovering and reusing or recycling them. To do this, we are working with government partners to strengthen and improve collection infrastructure and increase recycling rates. Together with non-governmental partners, we campaign to engage civil society and drive forward discussions on the efforts needed to combat pollution. We work with our customers, industry, and industry associations to call for public policies that support a circular economy, and our suppliers and R&D partners help us identify innovative packaging solutions with less negative environmental impact.



### Climate change

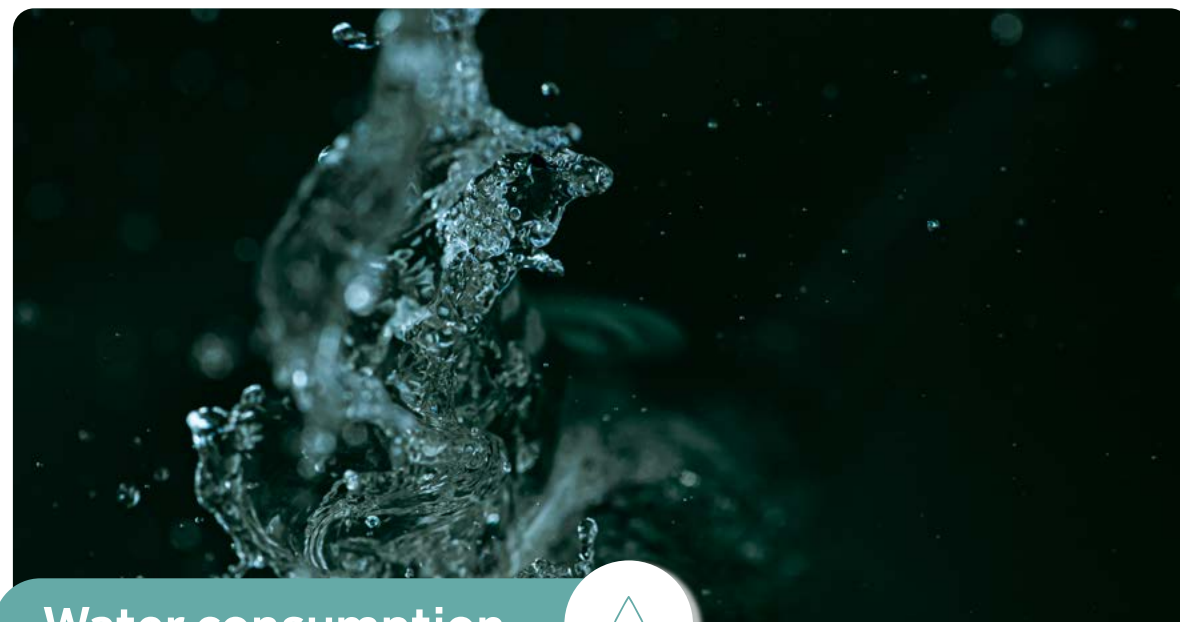


#### Emission reduction

Climate changes generate many risks across our entire value chain, with a significant impact on the availability of natural resources. We aim to reduce the long-term impact by improving processes and making consumption more efficient. All of this is reflected in our commitments for 2025, which aim to reduce emissions, but also energy consumption per liter of beverage produced.

By 2030, based on a science-based target, we will reduce emissions along the value chain by 25%, with a further 50% reduction over the next decade. To reduce 90% of emissions from third-party operations, we will expand our current partnerships with suppliers, and if emissions cannot be reduced as expected, the company will invest in other measures to protect the environment.

We monitor progress against these targets on an annual basis and take corrective action if we identify deviations.

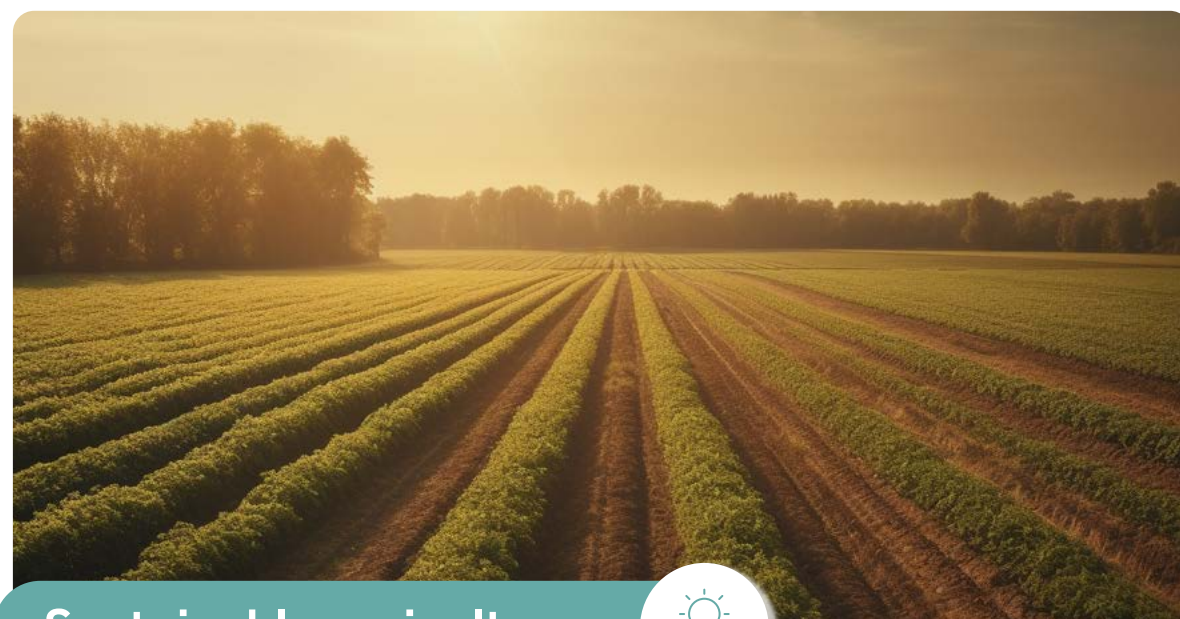


Water consumption



### Water consumption reduction and water management

Considering the nature of our business, water is an important resource for us, being essential in the beverage manufacturing process. Thus, our commitments for 2025 include clear targets for reducing water consumption, with a focus on plants located in drought-risk areas.



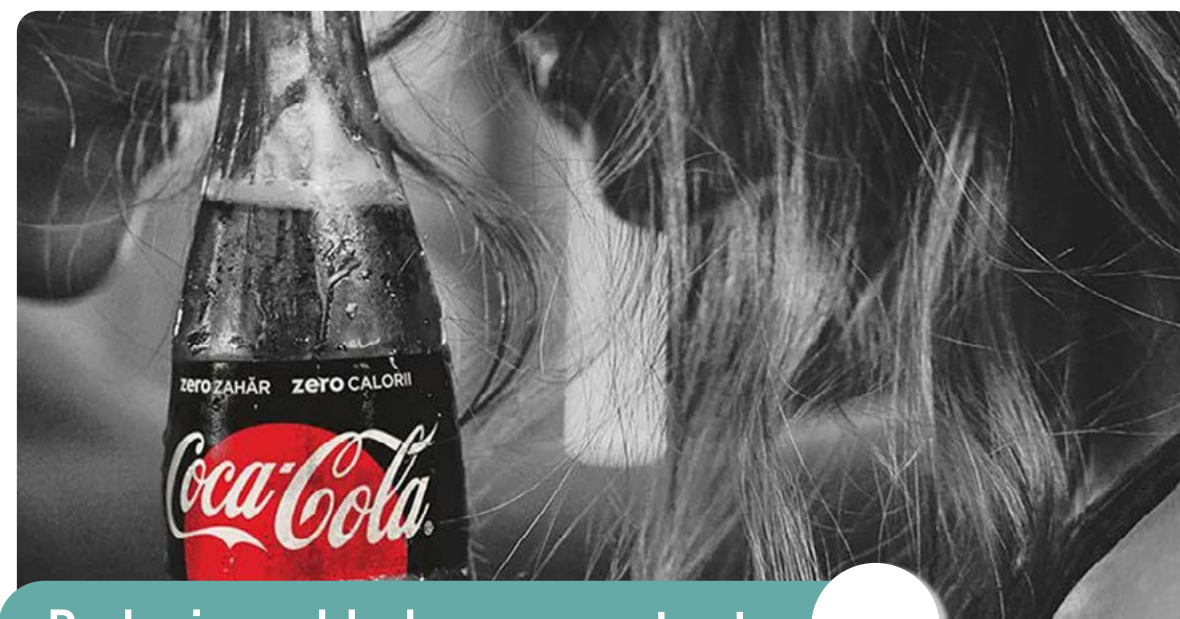
Sustainable agriculture



### Sustainable supply

Beyond the action we take at the operational level, we are aware that we have a responsibility to bring the best practices to our suppliers, as well.

Our impact is evident throughout the entire value chain, which is why sourcing 100% certified agricultural raw ingredients in line with The Coca-Cola Company's sustainable agriculture principles is our commitment for 2025.



Reducing added sugar content

### Nutrition

We continue to improve and expand our portfolio with sugar-free or low-calorie drinks and provide transparent information about the nutritional content of our drinks.

We are committed to reducing our calories per 100 ml of carbonated beverages by 2025 by 25% compared to 2015.



People and communities



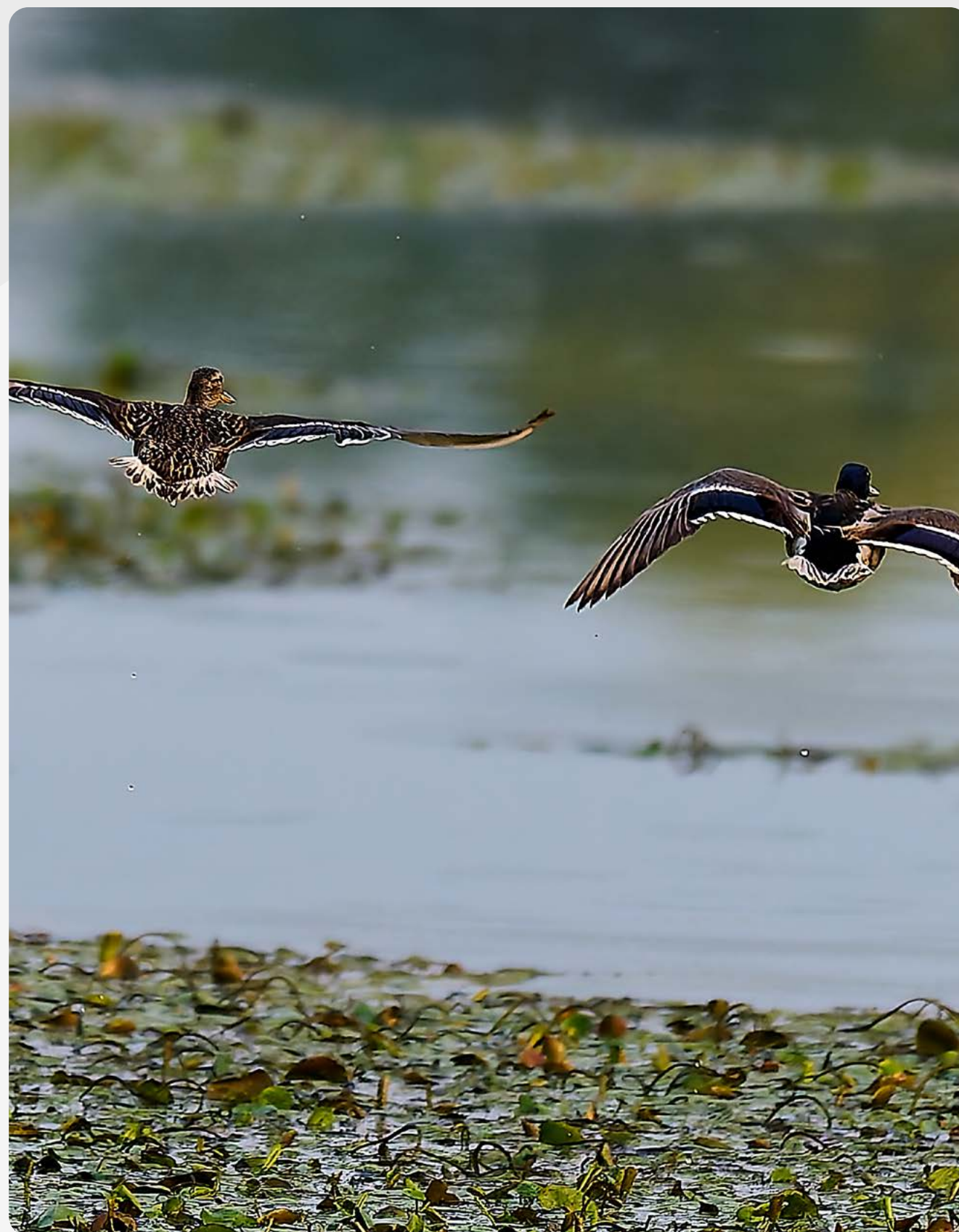
### Our people and our communities

We are aware that our success is equally reflected in the success and well-being of our people and the communities in which we operate.

Therefore, we are committed to ensuring a safe and inclusive working environment, with commitments made to reduce the rates of work-related accidents or to increase management positions occupied by women to 50%.

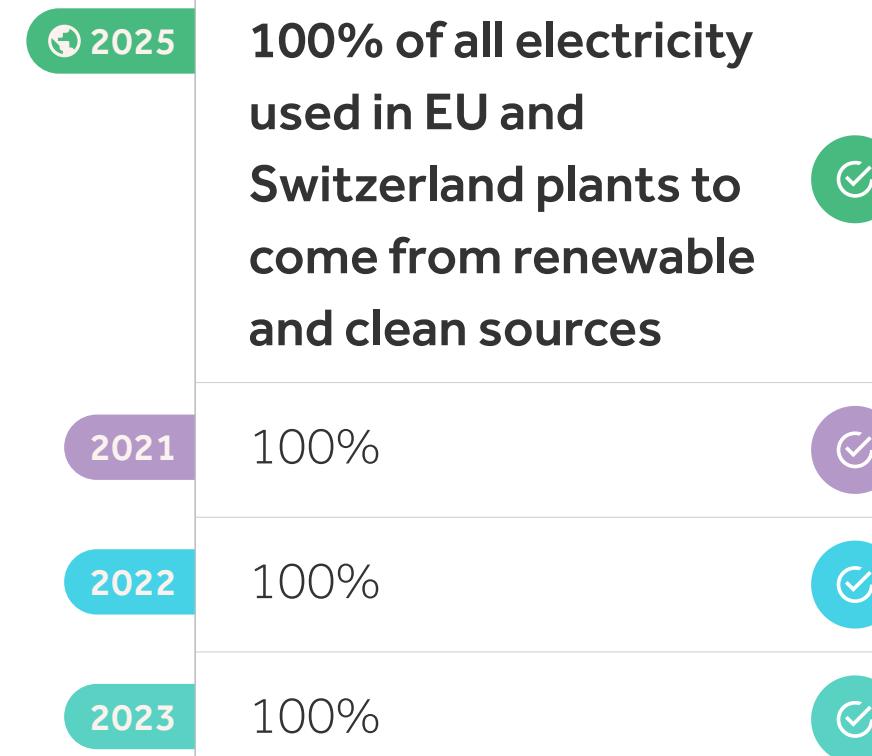
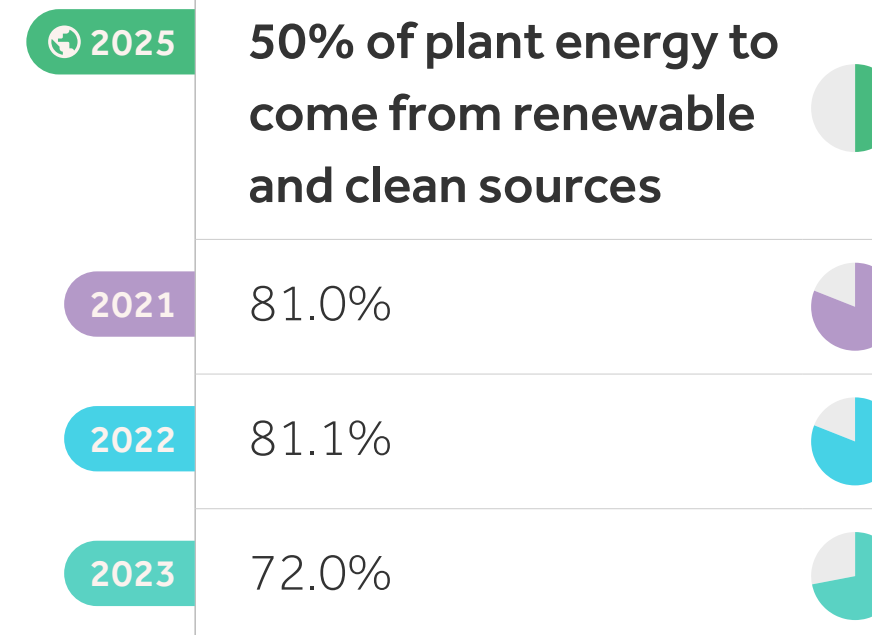
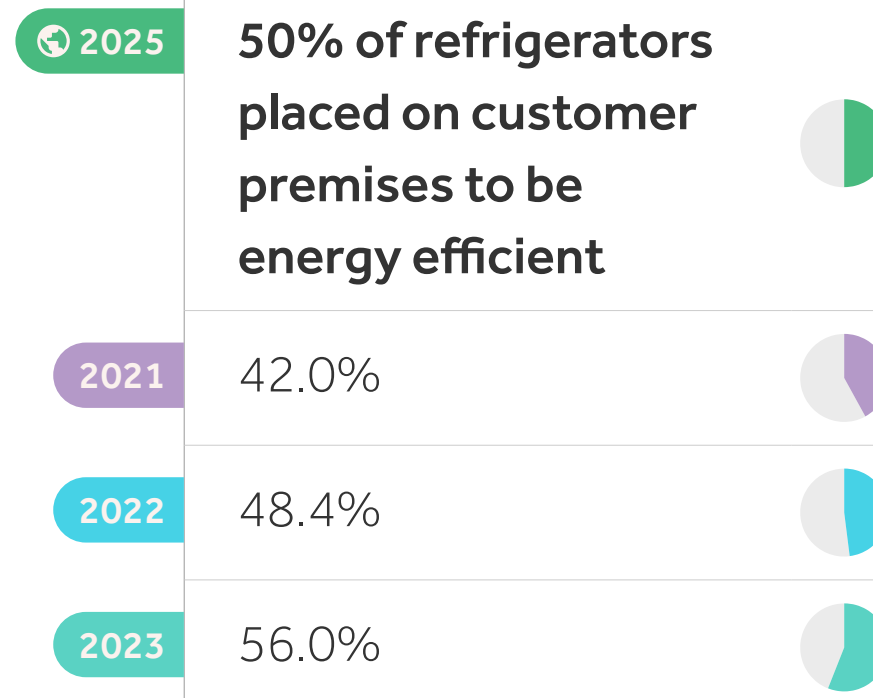
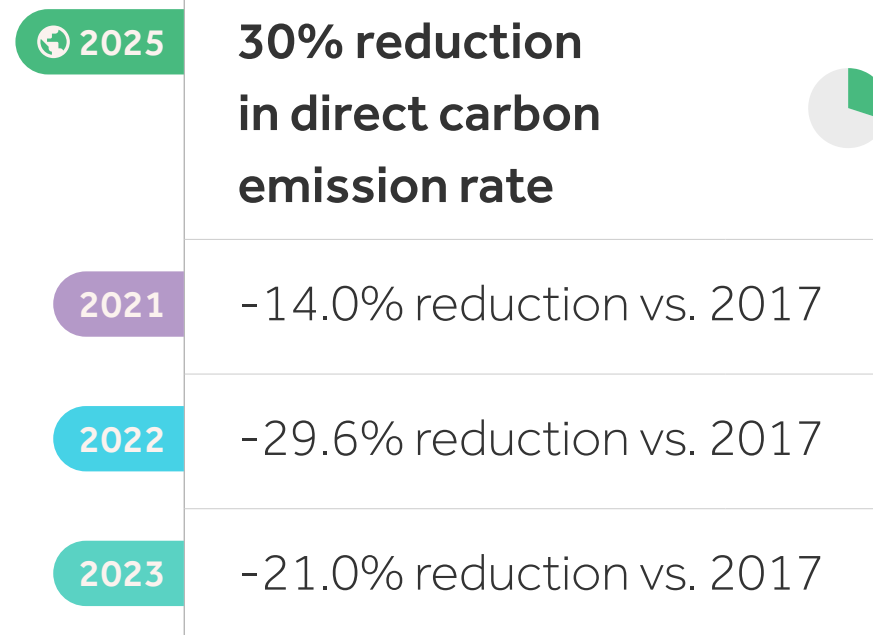
Over time, community investment has evolved from independent philanthropic initiatives to long-term programs and partnerships closely linked to our business strategy and material topics. 5 out of the 17 commitments for 2025 relate to community programs.

2.1 **Our sustainability goals**



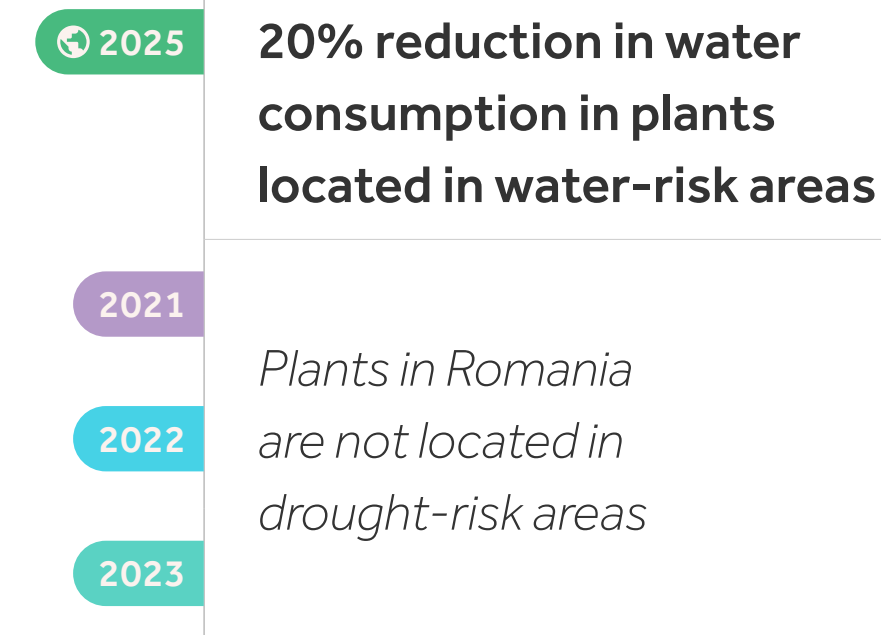
Area

**Emission reduction**



Area

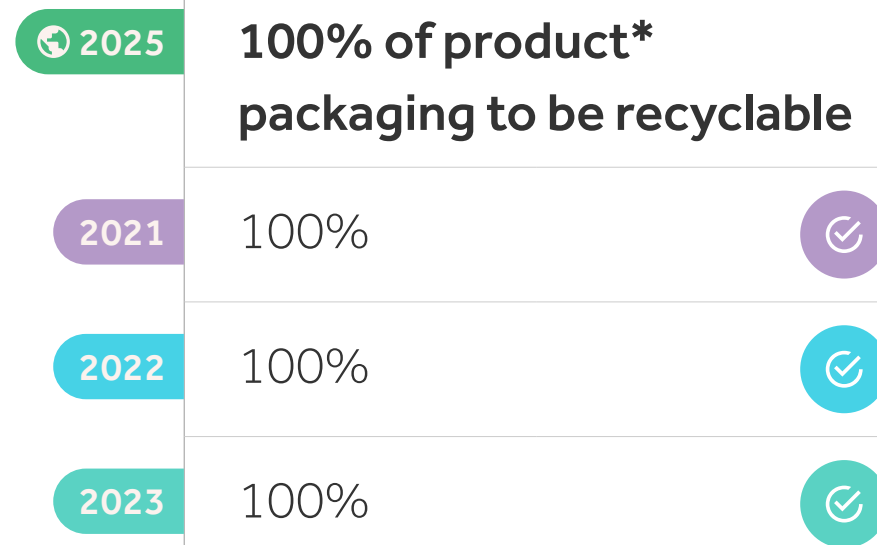
**Water reduction and stewardship**



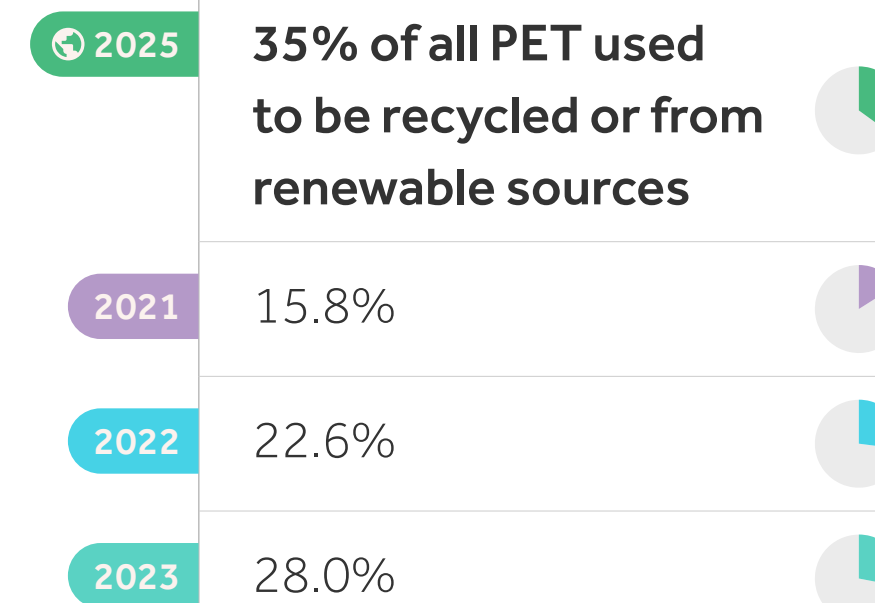
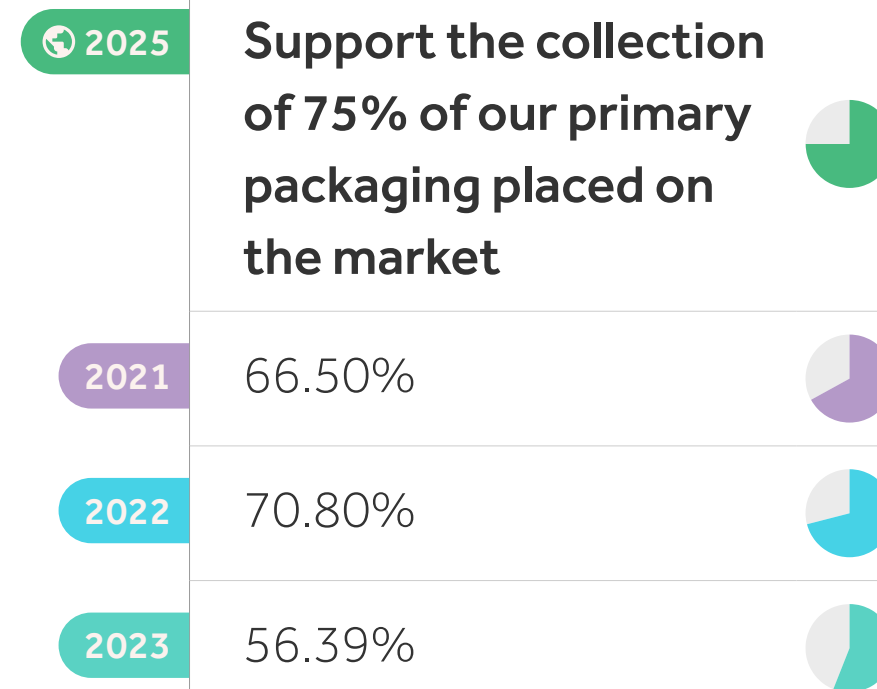
# 2.1 Our sustainability goals

Area

## World Without Waste

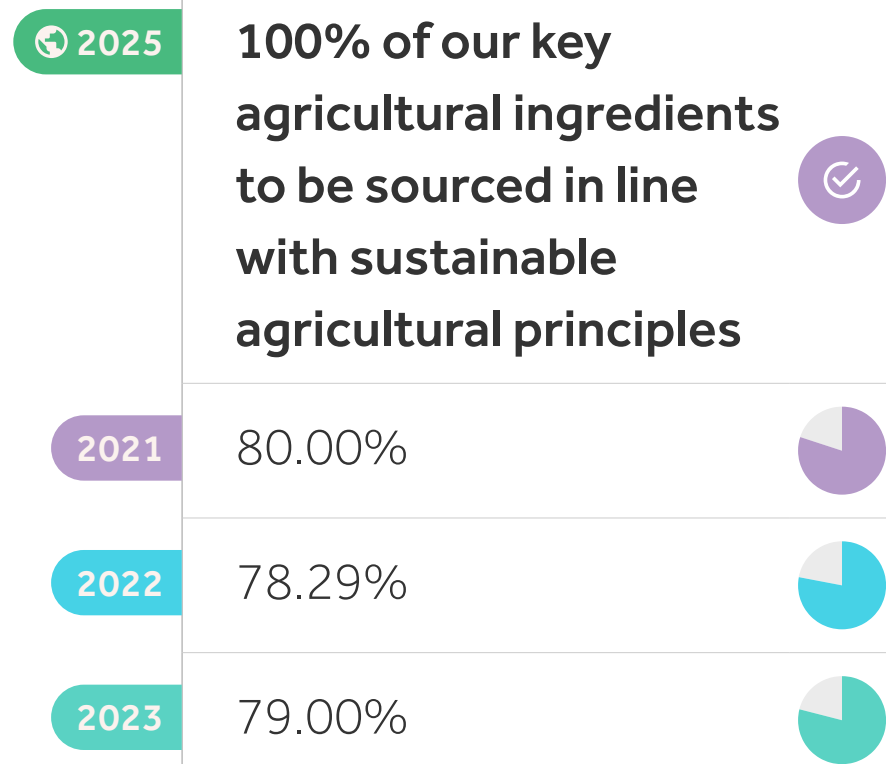


\* soft drinks



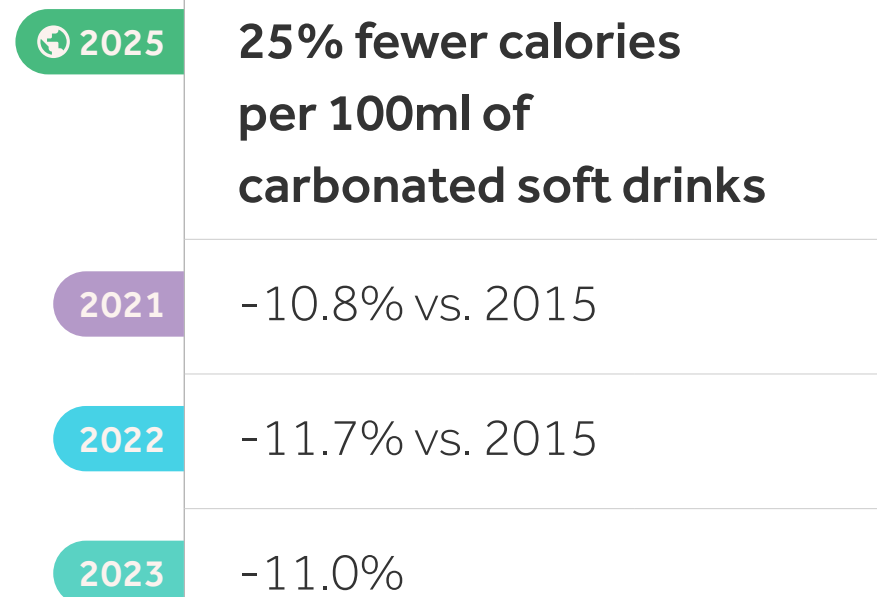
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## Supply



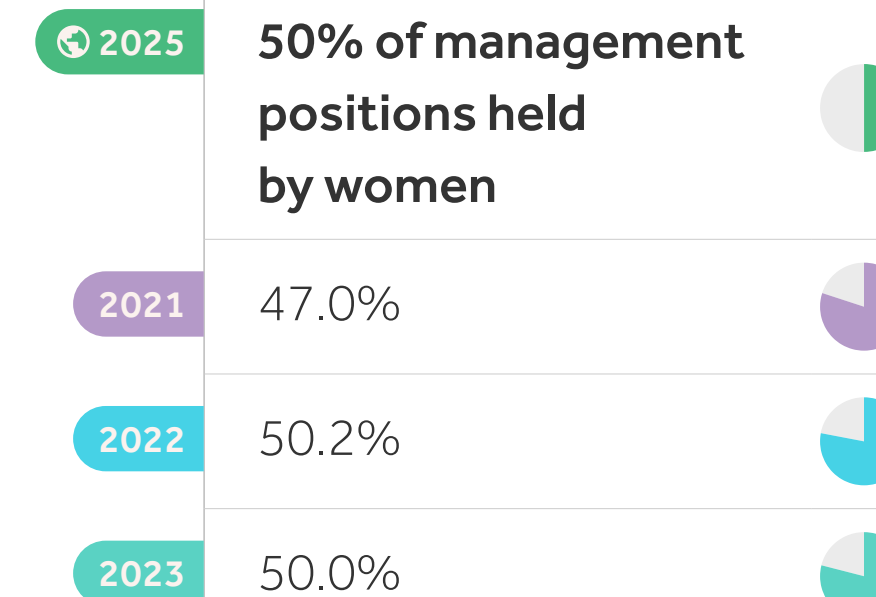
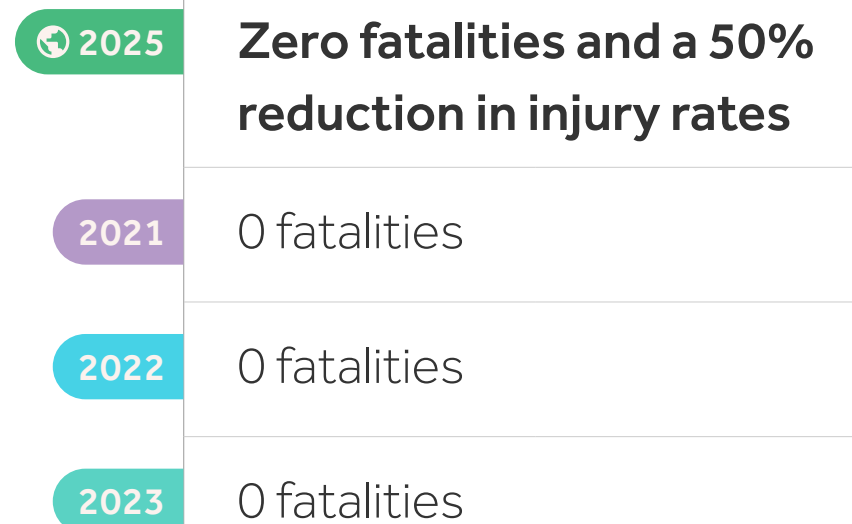
Area

## Nutrition



Area

## Our people and communities





2.2

# Our stakeholders

## Our stakeholders. Who are they?



### Central and Local Authorities:

- Presidential Administration
- Government

### Ministries:

- Ministry of Public Finance
- Ministry of Internal Affairs
- Ministry of Foreign Affairs
- Ministry of Economy, Energy, and Business Environment
- Ministry of Agriculture and Rural Development
- Ministry of Environment, Waters, and Forests
- Ministry of Public Works, Development, and Administration
- Ministry of European Funds
- Ministry of Health
- Ministry of Education and Research
- Ministry of Labor and Social Protection
- Prefect Institution
- Parliament
- Standing and specialized committees of the Senate and Chamber of Deputies

### Central and Local Public Institutions:

- Environmental Fund Administration
- National Environmental Protection Agency
- National Administration "Romanian Waters,"
- National Sanitary Veterinary and Food Safety Authority
- National Agency for Mineral Resources
- Emergency Situations Inspectorate
- Public Health Directorate
- National Consumer Protection Authority
- National Tax Administration Agency
- National Sanitary Veterinary and Food Safety Authority (ANSVSA)
- Ilfov County Veterinary and Food Safety Directorate
- County Councils, Municipalities, and Local Councils

## How do we interact?



- Direct meetings and via professional associations
- Platforms for joint action
- Position papers
- Socio-economic impact studies
- Events
- Investment programs
- Consultations to clarify and define the implementation mechanism of operational programs financed by European funds
- Support for local or central initiatives and/or public events in common areas of interest
- Participation in recurrent meetings of commissions, committees, working groups where public policies are discussed

## How often do we interact?



- Frequency is determined by the impact of public policies and the need to improve the legislative framework

## Topics and measures 2023



- Dual Quality Standard – Involvement in transposing Omnibus Directive 2019/2161 into national legislation through Emergency Ordinance 58/2022;
- Unfair Trading Practices in Agriculture and the Supply Chain (UTP Directive 2019/633) – Transposition into national legislation through Law No. 81/2022;
- Excise duty on non-alcoholic beverages with added sugar – Law No 296 of 26 October, 2023 on certain fiscal-budgetary measures to ensure Romania's long-term financial sustainability;
- Increase in the VAT rate from 9% to 19% on the sale of foods with added sugar in quantities of more than 10 grams of sugar per 100 grams of product – Law No 296 of 26 October, 2023 on certain fiscal-budgetary measures to ensure Romania's long-term financial sustainability;
- Minimum Wage in Agriculture through Law No. 135/2022 amending and supplementing Law No. 227/2015 on the Fiscal Code;
- RO E-TRANSPORT – ANAF digitization measure for traceability of products with high fiscal risk, according to Emergency Ordinance 132 of September 29, 2022;
- RO E-INVOICE – ANAF digitization measure regulated by Law No. 139/2022 approving Government Ordinance No. 120/2021 (Law No. 139/2022);
- Energy Price Cap Scheme No. 357/2022, approving Emergency Ordinance No. 119/2022;
- Clarification of provisions in ANSVSA legislation (Order 111/2008) regarding storage spaces;
- Local investment opportunities for the development of the operating capacity of the Ploiesti plant;
- Draft law: 540/2021 approving Government Ordinance No. 6/2021;
- Emergency Ordinance 125/2022 amending and supplementing Emergency Ordinance 196/2005 on the Environmental Fund;
- Draft law 153/2022 approving Emergency Ordinance 125/2022;
- Legislative package regulating the Deposit Return System;
- Government Decision 165/2022;
- Government Decision 1214/2022.



Our stakeholders. Who are they?



**Embassies:**

- Embassies in Romania of the United States of America, the Hellenic Republic

How do we interact?



- Maintain a collaborative relationship to support the Embassy's work in education, communities, and trade.

How often do we interact?



- Regular contact depending on the necessary level of involvement in various joint projects

Our stakeholders. Who are they?



**Business and industry associations:**

American Chamber of Commerce – AmCham<sup>o</sup>

Foreign Investors Council – FIC<sup>o</sup>

Romanian Soft Drinks Association ANBR<sup>o</sup>

ROMALIMENTA<sup>o</sup>

Romanian Association for Packaging and the Environment – ARAM<sup>o</sup>

Romanian Society of Diabetes, Nutrition and Metabolic Diseases – SRDNBM<sup>o</sup>

Romanian Natural Mineral Water Employers' Association – APEMIN<sup>o</sup>

Institute of Internal Auditors – IIA<sup>o</sup>

Association of Soft Drinks Producers for Sustainability - APBRS

How do we interact?



- |   |                               |
|---|-------------------------------|
| • In-person and online meetings   | • Platforms for joint actions |
| • Online and in-person participation in recurrent meetings of commissions, committees, working groups | • Legislative initiatives     |
|   | • Position papers             |
|   | • Studies                     |
|   | • Official letters            |

How often do we interact?



- Regular participation in Associations' Committees, working groups, Board of Directors, and General Shareholders' Meetings (monthly or whenever needed);
- Regular updates on legislative issues of interest or business impact, following relevant updates on issues of common interest and for appropriate information;
- Participating, together with other interested parties, in public events and work meetings;
- Analysis of long-term public policies regarding legislation on the business environment.

Topics and measures 2023



- Unfair Trading Practices in Agriculture and the Supply Chain (UTP Directive 2019/633) - Transposition into national legislation through Law No. 81/2022;
- Dual Quality Standard – Involvement in transposing Omnibus Directive 2019/2161 into national legislation through Emergency Ordinance 58/2022;
- Sugar Tax - Law No 296 of October 26, 2023, on certain fiscal-budgetary measures to ensure Romania's long-term financial sustainability;
- Increase in the VAT rate from 9% to 19% on the sale of foods with added sugar in quantities of more than 10 grams of sugar per 100 grams of product- Law No 296 of 26 October 2023 on certain fiscal-budgetary measures to ensure Romania's long-term financial sustainability;
- Minimum Wage in Agriculture through Law No. 135/2022 amending and supplementing Law No. 227/2015 on the Fiscal Code;
- Clarification of the use of NUTRIScore on labels;
- RO E-TRANSPORT - ANAF digitization measure for traceability of products with high fiscal risk, according to Emergency Ordinance 132 of September 29, 2022;
- Energy Price Cap Scheme No. 357/2022, approving Emergency Ordinance No. 119/2022.
- Deposit Return System (DRS)



#### Our stakeholders. Who are they?



#### Media:

- TV media channels
- Digital media content developers
- Print and radio
- Social media

#### How do we interact?



- Interviews
- Editorial content
- Articles
- Meetings
- Competitions
- Marketing activities
- Events

#### How often do we interact?



- Proactive communication of corporate priorities and reactive crisis response;
- Communicating initiatives;
- Participation in conferences and public events;
- Defending the company's reputation, and supporting commercial and marketing objectives.

#### Topics and measures 2023



- Pay with PET campaign in partnership with Carrefour;
- Public conferences on the Deposit Return System;
- The public launch event of the rPET installation at the Ploiești plant, with the participation of the Prime Minister of Romania, the CEO of Coca-Cola HBC AG, and the President of The Coca-Cola Company Europe OU.



#### Our stakeholders. Who are they?



#### Employees:

- Employees:
- 1,469 employees Coca-Cola HBC Romania

#### How do we interact?



- Internal communication
- In-person and online meetings
- CSR (corporate social responsibility) activity calendars;
- Sport events
- Informal events

#### How often do we interact?



- At least one interaction per month;
- Regular volunteering events.

#### Topics and measures 2023



- Biannual Townhall;
- Monthly meetings with employee representatives;
- Ethics and Compliance Week, Code of Business Conduct, Anti-Bribery Policy, Gifts and Entertainment Policy, GDPR Policy, Speak Up Line!;
- Innovation for Growth Campaign;
- Launch event of the Deposit Return System.





Our stakeholders. Who are they?



**Business partners:**

- Strategic suppliers
- National Mineral Water Company – SNAM<sup>Q</sup>
- APA NOVA<sup>Q</sup>

How do we interact?



- Meetings
- Working sessions
- Events

How often do we interact?



- Continuous communication (at least twice a month and when necessary);
- Engaging in long-term initiatives (e.g., developing supplier capabilities, creating shared values with customers);
- Integrating sustainability principles into business relationships;
- Long-term initiatives to develop suppliers' capabilities.

Our stakeholders. Who are they?



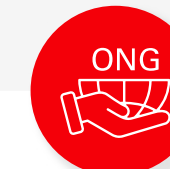
**Non-governmental organizations:**

- Hospice Casa Speranței<sup>Q</sup>
- ViitorPlus Association<sup>Q</sup>
- Școala de Valori<sup>Q</sup>
- Tășuleasa Social<sup>Q</sup>
- The Social Incubator<sup>Q</sup>
- Alucro<sup>Q</sup>
- The Red Cross<sup>Q</sup>
- Sustainability Embassy<sup>Q</sup>
- Zi de Bine Association<sup>Q</sup>
- Cultural Association for Sustainable Development Groove On
- Future Factory - Prahova Community Association

How do we interact?



- Working in partnership to address relevant issues
- Seminars
- Meetings
- Events



How often do we interact?



- Special events/activities
- CSR (Corporate Social Responsibility) sports and volunteering activities as planned

Topics and measures 2023



- The Bucharest International Half Marathon and Marathon;
- Support for patients under the care of "Hospice Casa Speranței";
- Development and promotion of the "Recycling Map" platform;
- Training sessions for young people in the NEET category (those not engaged in any educational or training program and unemployed) to facilitate their integration into the job market;
- Events for separate waste collection;
- Sustainability School is an education program in sustainable management exclusively dedicated to employees of member organizations of the Sustainability Embassy in Romania, through the Sustainable Romania Coalition program. The program provides a rapid infusion of tools, knowledge, and skills in the private sector, aimed at bridging the gap between shareholder aspirations, stakeholder needs, and day-to-day business reality.



Our stakeholders. Who are they?



**Key opinion leaders & economic experts:**

- Economic experts
- Financial analysts

How do we interact?



- Working in partnership to address relevant issues
- Expert support on sustainability strategy
- Meetings
- Position papers
- Studies

How often do we interact?



Topics and measures 2023



- Interaction within projects
- Engaging in longer-term and complex initiatives such as market analysis



Our stakeholders. Who are they?

**Customers:**

- Cash&Carry
- HORECA
- Supermarkets
- Hypermarkets
- Discount stores
- Local & Traditional Stores
- Kiosks
- BTR (Bars, Terraces, Restaurants)
- QSR (Quick Serving Restaurants)
- Distributors

How often do we interact?

- Interaction during daily business
- Ongoing collaboration with retailers and other customers on sustainability issues
- Integration of sustainability principles into business relationships
- Long-term initiatives to develop supplier capabilities

Topics and measures 2023

- PET education and collection campaign in partnership with Auchan and Carrefour;
- DRS implementation meetings.

How do we interact?

- Meetings
- Work sessions
- Events



Our stakeholders. Who are they?

**Certification bodies:**

- Lloyd's Register Quality Assurance Ltd (LRQA)
- LAREX
- Control Union
- SGS
- Denkstatt
- Ecocert Environment
- Austria Bio Garantie GmbH Enzersfeld
- Bucharest Branch

How do we interact?

- Meetings
- Audits

How often do we interact?

- Annually or whenever necessary

Topics and measures 2023

- Alliance for Water Stewardship



Our stakeholders. Who are they?

**Investors:**

- Coca-Cola Company
- Kertas Holding Greece
- Investors from the USA and Great Britain
- Coca-Cola HBC

How do we interact?

- Meetings
- Conference calls
- Analysis sessions
- E-mail
- Special announcements

How often do we interact?

- Regular meetings
- Annual report and CSR report
- Contact with all levels of the organization



Our stakeholders. Who are they?

**Consumers:**

- All consumers of our products

How do we interact?

- Product labels
- Online platform
- Informative publications and reports
- Special events
- CSR activities
- Social media
- Commercial television

How often do we interact?

- Regular and ongoing communication

Topics and measures 2023

- Launch of new products
- Selective waste collection campaigns
- Sustainability results reporting
- Campaigns to promote Coca-Cola portfolio brands
- Information campaigns on the principles of the Deposit Return System

## 2.3 Materiality analysis

Each year, as part of our sustainability reporting, we undertake a detailed materiality process. This process includes a thorough sustainability impact assessment of Coca-Cola HBC Romania and extensive stakeholder consultation. The main objective is to identify and integrate key sustainability priorities into our business strategy.

Material topics are those that reflect the (positive and negative) impact on the economy, society, and the environment, including human rights, generated by the activities and business relationships of Coca-Cola HBC Romania.

Simultaneously, the results of this process help us update how we conduct our operations, and the performance indicators monitored and published in the sustainability report. Thus, the main categories of stakeholders have been identified and consulted through an online questionnaire from March to May 2023:

- Coca-Cola HBC Romania employee
- Authority/Decisionmaker in the political environment
- Client/Distributor
- Consumer
- Business partner or consultant
- Supplier
- Media representative
- Representative of civil society/ Nongovernmental organization
- Industry Association/ Chamber of Commerce/Industry representative

This analysis aimed to identify potentially material topics - those topics on which Coca-Cola HBC Romania, through its activities and business relationships, could have an impact (positive and/or negative) from an economic, social, and environmental perspective, including human rights.

Based on this list, two sets of online questionnaires were developed, one of which was sent to the stakeholder categories of Coca-Cola HBC Romania (external analysis), and the other was sent to the leadership, specialists, and experts within the company (internal analysis).

Since some topics can only generate a positive impact (community investments), while others may only have a negative impact (resource consumption and waste management), the questionnaires were designed with separate sections for assessing positive and negative impacts to allow for distinct evaluations.

The questionnaires also provided respondents with the opportunity to provide qualitative (open-ended) responses to identify other areas where Coca-Cola HBC Romania could have an impact, whether positive or negative, and questions on how we can improve the sustainability process and report.

For each potential material topic, the positive and negative impact dimensions could be assessed on a scale from 0 to 3 (no impact, low, moderate, and high), and each topic was accompanied by an explanation of possible forms of impact. Respondents also had the option to choose "N/A - don't know/decline to answer."

This process took place from March to May 2024, with a total of 307 responses recorded. The responses were centralized and analyzed to highlight both the positive and negative impact dimensions, as perceived externally (stakeholders) and internally (leadership, specialists, and experts).

Following the analysis, two scores resulted for each topic evaluated in terms of positive and negative impact, represented in the materiality matrix presented next. Given that the process of identifying and evaluating impact through stakeholder involvement is based on a somewhat subjective assessment, internally, the significance threshold was set where Coca-Cola HBC's impact is at least low (score 1 on the evaluation scale provided in the materiality questionnaires). Responses were centralized and analyzed without considering the N/A option.

Material topics	Overview of impacts on the economy, environment, and people, including on human rights	Actual/ Potential impact	Positive/ negative impact
<ul style="list-style-type: none"> <li>● <b>Impact on the local economy</b></li> </ul>	<p>The impact generated on the local economy through our business activities can be both positive and (potentially) negative.</p> <p>At Coca-Cola HBC Romania, we emphasize our economic performance and provide fair and competitive salaries, as well as benefits to our employees.</p> <p>Additionally, we are a trusted partner and contribute to the well-being of the local community through constant investments in the areas where we operate.</p>	<ul style="list-style-type: none"> <li>✔ actual</li> <li>○ potential</li> </ul>	<ul style="list-style-type: none"> <li>➡ positive</li> <li>⚡ negative</li> </ul>
<ul style="list-style-type: none"> <li>● <b>Business ethics and responsibility</b></li> </ul>	<p>We maintain high standards of business ethics and responsibility, and our efforts focus on training employees and instilling these principles in all our business partners.</p> <p>Despite these efforts, there may be situations where negative effects arise due to unintentional violations of current regulations.</p>	<ul style="list-style-type: none"> <li>✔ actual</li> </ul>	<ul style="list-style-type: none"> <li>➡ positive</li> <li>⚡ negative</li> </ul>

<ul style="list-style-type: none"> <li>● <b>Managing environmental risks, including climate risks</b></li> </ul>	<p>Within the company, we are committed to managing our business in a way that minimizes risks while maximizing opportunities.</p> <p>SmartRisk, our enterprise-wide risk management (ERM) approach, is designed to encourage managers to proactively identify and understand risks as early as possible.</p> <p>The goal is to find ways to transform potential issues and incidents into opportunities or, at the very least, to mitigate their impact when risks arise.</p>	<ul style="list-style-type: none"> <li>✔ actual</li> <li>○ potential</li> </ul>	<ul style="list-style-type: none"> <li>➡ positive</li> <li>⚡ negative</li> </ul>
<ul style="list-style-type: none"> <li>● <b>Resource consumption</b></li> </ul>	<p>Our activity generates a negative impact in terms of resource consumption.</p> <p>Therefore, we monitor consumption and take measures to reduce the pressure we exert on natural resources (reducing water consumption, improving energy efficiency, and increasing the use of recycled materials for product packaging).</p>	<ul style="list-style-type: none"> <li>✔ actual</li> <li>○ potential</li> </ul>	<ul style="list-style-type: none"> <li>⚡ negative</li> </ul>

Material topics	Overview of impacts on the economy, environment, and people, including on human rights	Actual/ Potential impact	Positive/ negative impact
● <b>Packaging and waste</b>	<p>We make efforts to incorporate beverage packaging into the circular economy, and we believe that packaging materials have value.</p> <p>Our goal is to create closed-loop systems, extracting the maximum value from materials and products during use, and then recovering and reusing or recycling them.</p>	<p>✔ actual</p> <p>○ potential</p>	<p>⊖ negative</p>
● <b>Use of water resources</b>	<p>Recognizing the increasing urgency of common water-related risks and the need for a systemic approach throughout the entire value chain.</p> <p>Internally, we conduct a risk and vulnerability analysis that takes into account both the growth in production volume and the future impact of climate change or human factors on available water resources.</p> <p>This allows us to implement strategic actions aimed at both improving water efficiency and developing future water infrastructure to reduce pressure on existing sources and mitigate negative impacts.</p>	<p>✔ actual</p> <p>○ potential</p>	<p>⊖ negative</p>

● <b>Tackling climate change</b>	<p>Although we make efforts to significantly reduce the negative impact generated by our activities (investments in reducing energy and resource consumption, partnerships with suppliers to reduce carbon footprint, replacing customer-placed equipment with more energy-efficient alternatives), we are aware that concentrated efforts are needed to achieve our national, European, and global objectives.</p>	<p>✔ actual</p> <p>○ potential</p>	<p>⊖ negative</p>
● <b>Consumer health and safety</b>	<p>The bottling process of our products strictly adheres to local and international legislative norms and regulations in the field of quality and food safety, as well as The Coca-Cola Company's operating requirements (KORE).</p> <p>This adherence helps minimize the potential negative impact on consumers.</p>	<p>✔ actual</p> <p>○ potential</p>	<p>⊕ positive</p> <p>⊖ negative</p>

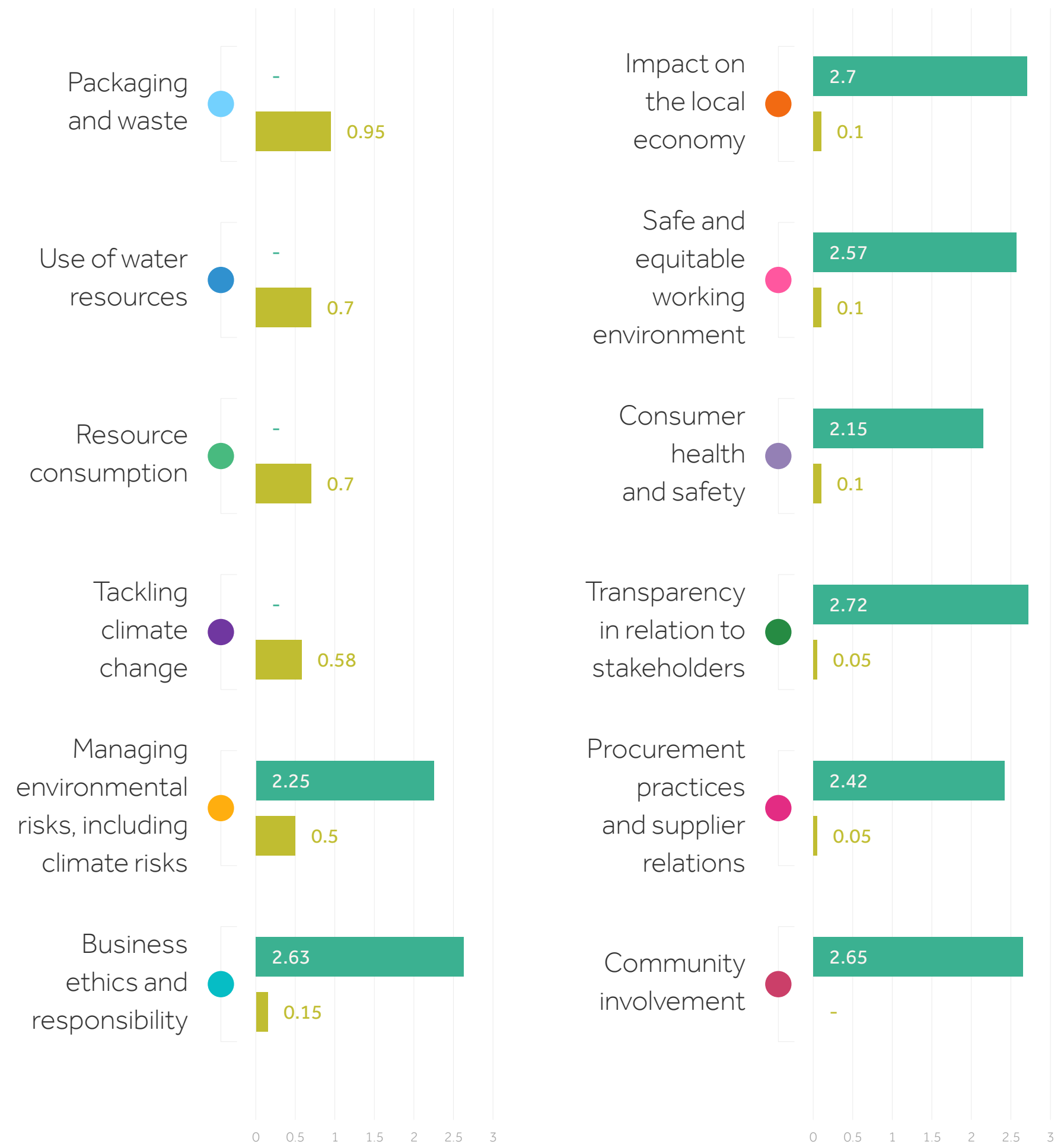
Material topics	Overview of impacts on the economy, environment, and people, including on human rights	Actual/ Potential impact	Positive/ negative impact
<ul style="list-style-type: none"> <li>● <b>Procurement practices and supplier relations</b></li> </ul>	<p>We monitor the performance of our strategic suppliers through periodic assessments, compliance audits, and external assessment platforms such as EcoVadis, covering areas such as environmental protection, business ethics, human rights, and sustainable sourcing.</p> <p>We aim to expand these practices to mitigate any potential negative impact further.</p>	<ul style="list-style-type: none"> <li>✔ actual</li> <li>○ potential</li> </ul>	<ul style="list-style-type: none"> <li>➤ positive</li> <li>➤ negative</li> </ul>
<ul style="list-style-type: none"> <li>● <b>Safe and equitable working environment</b></li> </ul>	<p>Our remuneration policy and employee benefit packages are firmly based on principles of fairness and equity.</p> <p>We continuously invest in the training and development of our colleagues, constantly striving to improve and update our policies.</p> <p>We actively integrate feedback received to adapt internal procedures to the needs of the team.</p>	<ul style="list-style-type: none"> <li>✔ actual</li> <li>○ potential</li> </ul>	<ul style="list-style-type: none"> <li>➤ positive</li> <li>➤ negative</li> </ul>

<ul style="list-style-type: none"> <li>● <b>Transparency in relation to stakeholders</b></li> </ul>	<p>Transparent and ongoing communication with our stakeholders is crucial for us, helping us identify the positive and negative impacts we generate.</p> <p>Beyond the annual publication of the sustainability report, we provide stakeholders with numerous channels through which they can contact us and offer suggestions, feedback, or recommendations.</p> <p>This helps us build strong, long-term relationships, aligning priorities and objectives. However, some situations can generate negative impacts, such as providing incomplete information about our products or the lack of easily accessible channels for all our stakeholder categories.</p>	<ul style="list-style-type: none"> <li>✔ actual</li> <li>○ potential</li> </ul>	<ul style="list-style-type: none"> <li>➤ positive</li> <li>➤ negative</li> </ul>
<ul style="list-style-type: none"> <li>● <b>Community involvement</b></li> </ul>	<p>From long-term partnerships and education/ training programs to specific campaigns, our actions revolve around people and our communities.</p> <p>Alongside our partners in civil society, we support initiatives with long-term impact, aiming to bring about meaningful changes in the lives of beneficiaries or within the communities where they are implemented.</p>	<ul style="list-style-type: none"> <li>✔ actual</li> <li>○ potential</li> </ul>	<ul style="list-style-type: none"> <li>➤ positive</li> </ul>

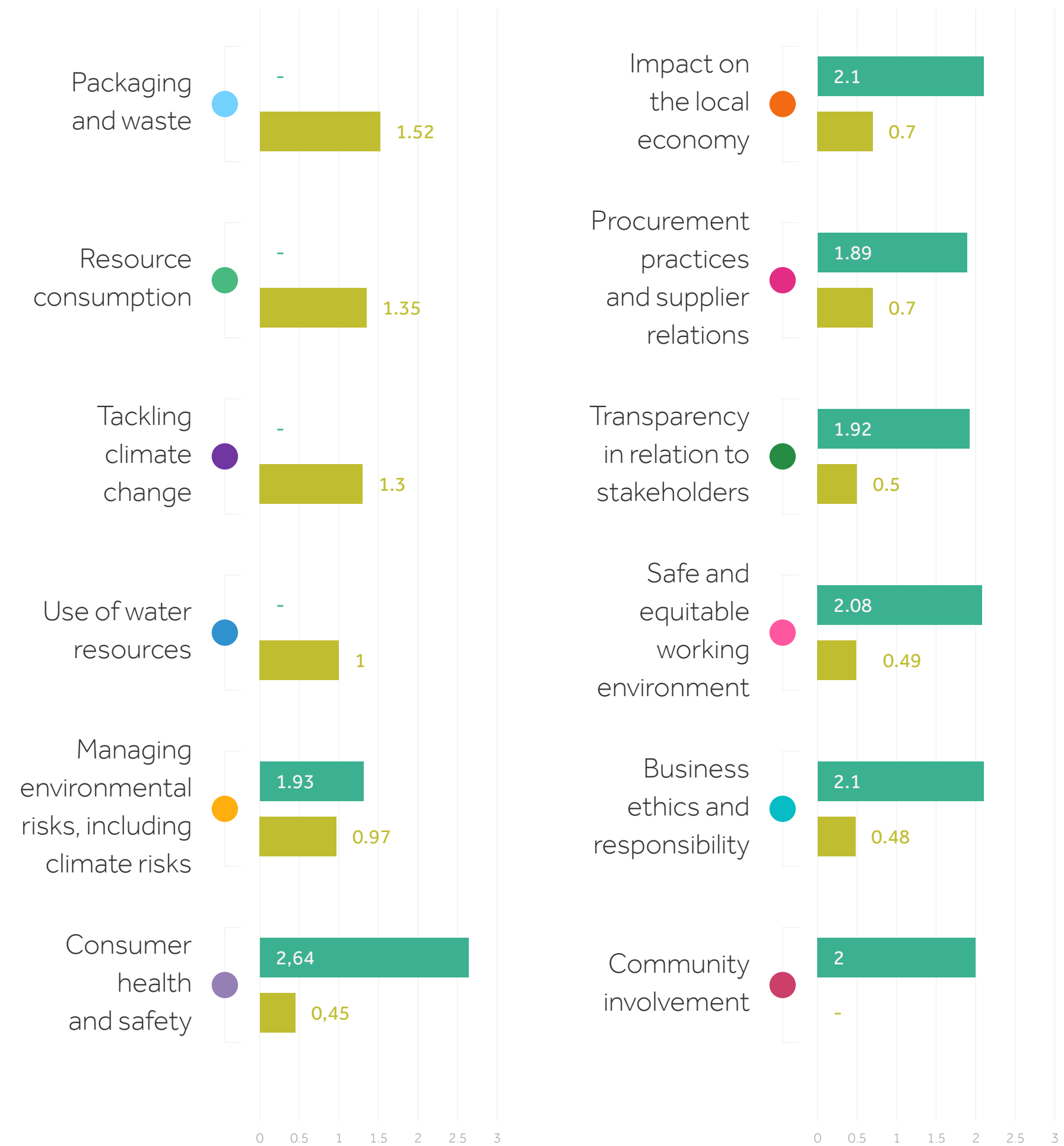
# Final results

positive  
negative

## Internal



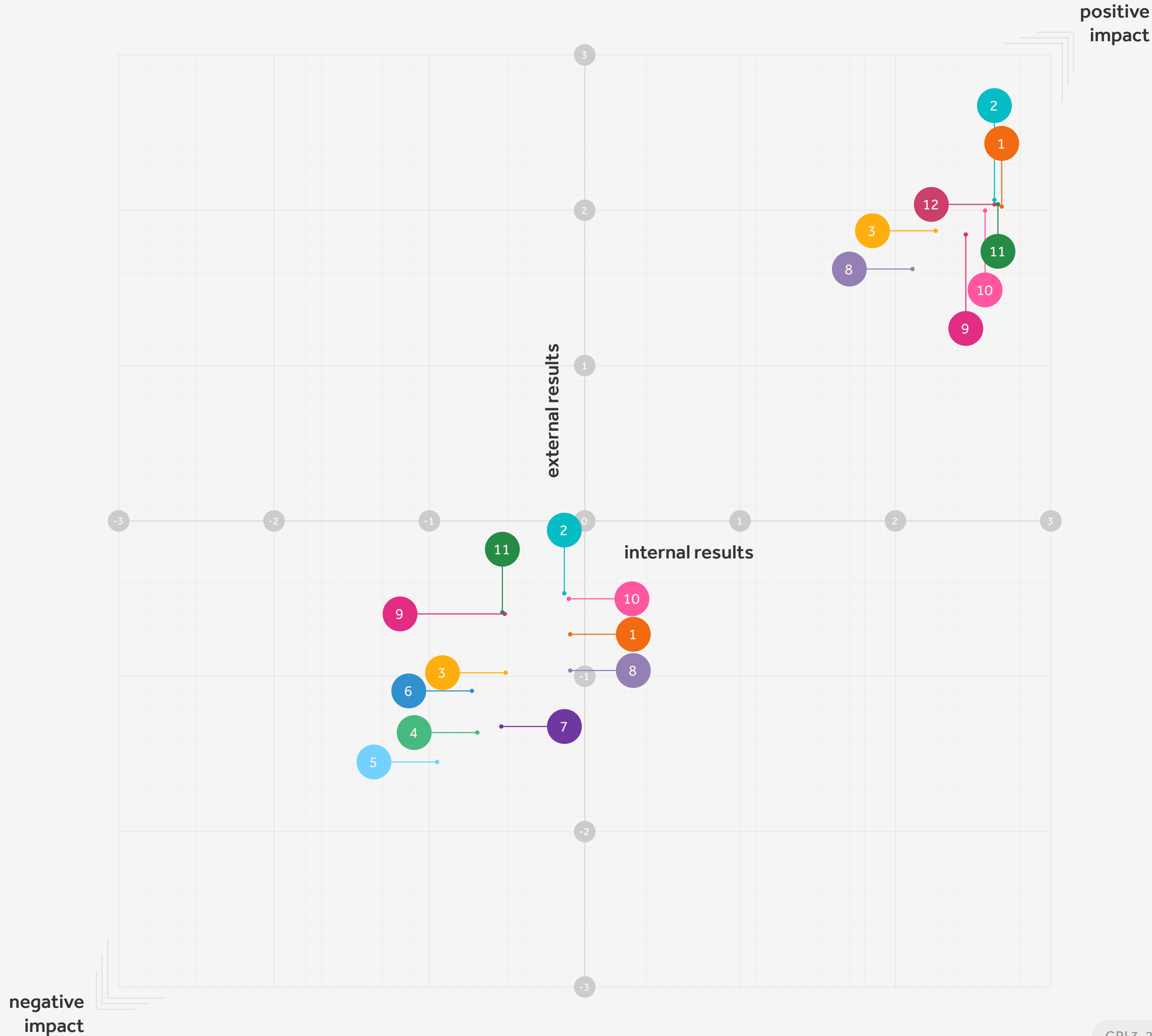
## External



# Materiality matrix

## Material topics

- |  |   |
|--|---|
| <b>1</b> Impact on the local economy                           | <b>7</b> Tackling climate change                      |
| <b>2</b> Business ethics and responsibility                    | <b>8</b> Consumer health and safety                   |
| <b>3</b> Managing environmental risks, including climate risks | <b>9</b> Procurement practices and supplier relations |
| <b>4</b> Resource consumption                                  | <b>10</b> Safe and equitable working environment      |
| <b>5</b> Packaging and waste                                   | <b>11</b> Transparency in relation to stakeholders    |
| <b>6</b> Use of water resources                                | <b>12</b> Community involvement                       |



## What our stakeholders say

Because the wants and needs of our stakeholders are extremely important to us, as part of the annual consultation to identify material topics, the questionnaire also allowed respondents to provide qualitative (open-ended) responses to identify other areas/fields where the company could have an impact, whether positive or negative, as well as questions about how the sustainability process and reporting could be improved.

Some of the answers to the open questions can be found next.

1 Are there other areas where Coca-Cola HBC Romania has an impact (actual, potential, positive, or negative) that have not been covered by this questionnaire? If yes, please provide details.

Biodiversity

Applying DRS in relation to retailers

Press independence - by shifting marketing and communications budgets to social media platforms and influencers, the company is no longer supporting independent press activity, which has a negative impact on Society

Moving towards a circular economy

2 Your opinion is very important to us, and we appreciate any recommendations/suggestions for improving the questionnaire. If there are specific aspects you would like remedied/improved, please detail them below.

Recycle your glass bottles, stop producing so much unrecyclable plastic

The company's relationship with După Noi should be explained

Continue community projects.

Should be more interactive

Congratulations on the efforts towards a higher level of sustainability indicators and transparency!

More actions should be taken to collect waste from the riverbanks.

The questionnaire covers all areas.

Involvement in society should be greater and more consistent.

Reducing sugar in products

Amplify the focus on early education, of the young ones, to raise awareness and put into practice the values promoted by the company

Continued success ahead.

Working time, a peaceful environment are essential for employees.

I commend the initiative to openly address these hot topics.

Employee involvement in sustainability actions (volunteering)

I recommend the promotion of recycling policy among young people (schools/high schools) in the framework of the Alternative Week

3

# PRODUCT RESPONSIBILITY

- 3.1 Our portfolio
- 3.2 Transparent marketing
- 3.3 Consumer health and safety
- 3.4 Our plants



Coca-Cola

3.1

# Our portfolio

We focus on diversifying our product portfolio, which includes some of the world's most recognized brands.

We are committed to innovating and improving our business to meet changing consumer preferences and promote healthy lifestyles.

We are committed to manufacturing all our products responsibly and to the highest quality standards.

## carbonated soft drinks :

**Coca-Cola**  
**Fanta**  
**Sprite**  
**Schweppes**

+ low or no-calorie versions

## non-carbonated beverages:

**Cappy**  
**Cappy Pulpy**  
**Fuzetea**

+ low or no-calorie versions

**Cappy**  
**Lemonade**

## new launches in 2023:

**Fanta Orange**

in 330 ml bottle

**What the Fanta**

2 flavors, Zero Sugar

**Schweppes**  
**Bitter Lemon**

0.5 and 1 L, Zero Sugar

**Cappy**  
**Strawberry**

Zero Sugar

**Fuzetea**  
**Watermelon**  
**Mint**

Zero Sugar

## natural mineral water:

**Dorna**  
**Dorna Izvorul**  
**Alb**  
**Poiana Negrii**

## energy drinks:

**Burn**  
**Monster**

## coffee:

**Costa Coffee**  
**Caffe Vergano**

## bottled water:

**Smartwater**

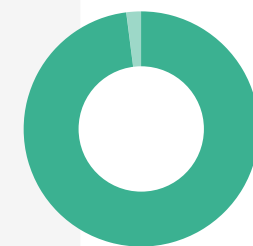


# Promotion of low or sugar-free products

As a System, we are taking actions to make the low- and no- calorie variants the focal point in marketing efforts.

In 2023:

2023



**98% of advertising for the Coca-Cola brand contains publicity for the Zero Sugar variant**



**32% of our total sales are low & no calories (including water)**



**Our EU-wide target: 50% volume of low-calorie and calorie-free drinks by 2025.**



\*Low energy value - a product that contains no more than 40 kcal (170 kJ)/100 g for solids or more than 20 kcal (80 kJ)/100 ml for liquids. For sweeteners, the limit of 4 kcal (17 kJ)/ serving applies, with sweetness properties equivalent to 6 g of sucrose (approximately 1 teaspoon of sucrose).

\*\*Calorie-free - a product that contains a maximum of 4 kcal (17 kJ)/100 ml. For sweeteners, the limit of 0.4 kcal (1.7 kJ)/ serving applies, with sweetness properties equivalent to 6 g of sucrose (approximately 1 teaspoon of sucrose).

## 3.2 Transparent marketing

We are committed to labeling and marketing our products accurately and providing transparent information. In doing so, we comply with legal regulations and our own high standards of product transparency.

We comply with The Coca-Cola Company's Global Responsible Marketing Policy<sup>®</sup> and Global School Beverage Guidelines, which means **NO ADVERTISING TO CHILDREN UNDER 13.**

We respect the right of parents to choose what they consider appropriate for their children, which is why we do not advertise to children under 13. Thus, we do not buy advertising space in broadcasts that directly target audiences with more than 30% children under 13.

This policy applies to all our brands and covers TV, radio, print, internet, and mobile.

NO DRINKS, EXCEPT WATER, OFFERED FOR SALE IN SCHOOLS, according to local legislation.

\* Media aimed at children under the age of 13 are defined as media with an audience of at least 35% of children under the age of 13.

## We promote products responsibly

### Core policy principles

- 1 We respect the role of parents/ caregivers as the primary decision-makers of what their children drink.
- 2 Our minimum age threshold is 13\*\*. Our marketing will not directly target children under 13 in any circumstance.
- 3 We will not implement marketing actions through media channels whose audience is composed of at least 30% children under 13 years old.

\*\* We respect and apply all local regulations that define children at a higher age threshold.

## Scope of coverage:

- **The policy applies to all marketing.** Specifically, we will not use any of the following if they have primary appeal to children under 13:
  - Celebrities, influencers, and characters, with the exception of Company-owned brand equity characters (company-owned brand equity characters include Santa Claus, the Coca-Cola Polar Bears);
  - Toys;
  - Games, online games, contests or events;
  - Movie/TV or other content partnerships;
- **The policy is global** and applies regardless of cultural differences in countries around the world.
- **The policy includes regional and local guidelines where applicable.**
- **The policy applies to all company products and brands** regardless of nutritional profile.
- **The policy applies to all bottlers, subsidiaries, our agency, and media partners.** We work with customers and external partners to ensure compliance.
- **Policy applies to all media** including (but not limited to): television and movies, print, radio, websites and apps, social media, mobile, video-sharing platforms, and out-of-home.
- **No branded sponsorship or entertainment events that primarily target children under 13.**
- **Children under 13 may not be shown in any marketing without the presence of a parent/caregiver.**
  - We will not feature children under 13 or use their voiceover unless a parent/caregiver plays a significant role in the narrative. Talent must be, look, and sound 13 years old +.
  - We will not feature children who are – or appear – under 5 years old in any marketing, regardless of whether a parent/caregiver is present.
  - When children under 13 are featured, a parent/caregiver must play a significant role in the narrative and their face and torso must be visible.

\*In Romania we are subject to local legislation that soft drinks cannot be sold in pre-university education.

## Compliance with the policy is reviewed periodically.

Compliance with the policy is taken seriously, is included in the Code of Business Conduct, and is reviewed periodically. This may include, without limitation, randomly conducted audits by internal auditors and third-party validation.

Compliance with all Company policies is expected, except where legal restrictions apply or formal exceptions are granted.

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Any inquiries regarding the company policy should be submitted to [responsiblemarketing@coca-cola.com](mailto:responsiblemarketing@coca-cola.com).

## Product labelling

Regarding the labeling process, Coca-Cola HBC Romania receives the mock-ups to verify the labels at reception, and the mock-ups are included in the Technical Specifications of the finished products.

All our products comply with the [EU Regulation 1169/2011](#)<sup>q</sup> on consumer information implemented locally by HG 106/2002 on food labeling.

### According to the mentioned regulations the mandatory label elements include:

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li><b>a</b> name under which the food is sold;</li> <li><b>b</b> list of ingredients;</li> <li><b>c</b> any ingredient or technological adjunct mentioned in Annex II of Regulation (EU) 1169/2011 or derived from a substance or product mentioned in Annex II that causes allergies or intolerance, used in the manufacturing or preparation of a food product and still present in the finished product, even in a modified form;</li> <li><b>d</b> quantity of certain ingredients or categories of ingredients;</li> <li><b>e</b> net quantity for prepacked foods;</li> <li><b>f</b> date of minimum durability or use-by date;</li> </ul> | <ul style="list-style-type: none"> <li><b>g</b> storage or use conditions, where these require special guidance;</li> <li><b>h</b> name or trade name and registered place of business of the producer or packer or distributor referred to in Article 8;</li> <li><b>i</b> place of origin or provenance of the food in the cases referred to in Article 26;</li> <li><b>j</b> instructions for use, where their absence may result in the food being used incorrectly;</li> <li><b>k</b> the actual alcohol content for beverages containing more than 1,2% alcohol by volume;</li> <li><b>l</b> a nutrition declaration.</li> </ul> |
|--|--|

In addition to the requirements above, certain products also include nutritional and health claims on their labels in accordance with EU Regulation 1924/2006 on nutritional and health claims.

The label provides consumers with information regarding the content, ingredient list, and basic nutritional information (energy, vitamin content, minerals, etc.).

Additionally, all labels comply with Government Decision No. 621 of June 23, 2005, regarding the management of packaging and packaging waste, which stipulates that economic operators producing products packaged in reusable packaging are required to mark or label the packaging with the phrase "Reusable Packaging."

Information about the nature of the packaging (e.g., PET, ALU) is also included, along with the recommendation for separate collection for recycling by adding the "green dot" and "tidy man" graphic elements.

Since 2021, our packaging has included the recommendation for separate collection for recycling.



**100% of our products comply with current product labeling requirements.**

2023

In 2023, there were no fines, warnings, or penalties registered for:

- non-compliance with current legislative regulations or voluntarily agreed codes, with regard to marketing and product promotion communications;
- non-compliance with current legislative regulations or voluntary codes in relation to product labeling.

In addition to the product labels, we provide consumers with additional channels through which they can access information about our products or request information. These channels include Coca-Cola Infoline (TFN), a central telephone number, e-mail, the Coca-Cola HBC and Coca-Cola Romania websites, Instagram, and Facebook.

## 3.3 Consumer health and safety

Coca-Cola's product bottling process strictly complies with local and international food safety and quality legislation and regulations, and The Coca-Cola Company operating requirements (KORE).

In addition, procedures based on Hazard Analysis and Critical Control Point (HACCP) principles are in place at the plants, and product compliance is verified through the Quality Control and Testing Program through procedures that include physical, chemical, and microbiological testing throughout the production cycles.

The Coca-Cola operating requirements (KORE)<sup>9</sup> define the policies, standards, and requirements for managing food quality and safety in our operations. To guide us in achieving a safe and quality product, the operating requirements also define a rigorous set of operational controls to manage risk.

These controls are aligned with leading global requirements and include the following:

- risk assessment and management
- management commitment
- promoting and embedding a culture of quality and food safety
- setting targets and monitoring performance
- stakeholder communication and engagement

Thus, in accordance with The Coca-Cola Company's operating requirements, we constantly seek to improve our products by developing, implementing, and maintaining food safety and quality management systems in accordance with ISO 9001 and FSSC 22000 standards.

Our policy in this direction is reflected in targets set and communicated at all levels of the organization and for all operations within the scope of the food safety and quality management system, which we regularly monitor, review, and revise.

To ensure that the system is in a process of continuous improvement and to achieve its objectives, we constantly monitor and assess risks.

2023

In 2023, similar to previous years, there were no incidents of non-compliance with legislative regulations, standards, or operating requirements of The Coca-Cola Company regarding consumer health and safety.

Additionally, no fines, penalties, or warnings were recorded from regulatory bodies.

2023

In 2023, we recorded a total of 36 complaints about the quality of our products, which corresponds to 0.038 complaints per million products sold.

In comparison, the number of complaints in 2022 was 32, which is an indicator of 0.03 complaints per million product sales.

Note that the majority of complaints were found to be unjustified.

At Coca-Cola HBC Romania we have implemented the Customer Gauge (CG) platform to enhance the customer experience by collecting real-time feedback. CG serves as both a survey tool and an actionable instrument that allows us to quickly respond to customer needs, improve their experience, and create value for both parties involved.

We use metrics such as Customer Coverage (ensuring all customers are included in the experience program), Close the Loop (following up within 48 hours), Response Rate (gauging customer engagement), and Net Promoter Score (NPS) (measuring customer loyalty and its correlation with revenue growth).

In FY 2023, Coca-Cola HBC Romania achieved the following results:



NPS	66, indicating high customer loyalty (vs. 64 in 2022)
Response Rate	20.7%, reflecting customer engagement in providing feedback (vs. 20.4% in 2022)
Close the Loop	92.2%, showing a strong commitment to timely follow-up (vs. 91.4% in 2022)
Customer Coverage	50%, covering half of its customer base within the experience program (vs. 37% in 2022)

## IMCR – Incident Management and Crisis Resolution

At Coca-Cola HBC, we understand the importance of an effective crisis management program. While we make sustained efforts to prevent crises, we recognize that incidents can occur. However, these incidents should not escalate into a crisis. This often depends on how we respond to the incident. The Coca-Cola system has developed the Incident Management and Crisis Resolution (IMCR) program to assist us in managing incidents.

The IMCR program helps us maintain consistency in how we handle incidents, preventing further escalation and fully resolving them to protect the health and safety of our employees and consumers.

All IMCR teams within the operational units receive training and simulation tests every two years. Additionally, training courses are provided for ELT (Executive Leadership Team), senior leaders, and operational teams as needed. An online IMCR training tool and a computer-based crisis simulator have been developed to support the program, aiming to increase overall awareness of incidents and our response.

Operational units, in collaboration with their counterparts within The Coca-Cola Company, implement local processes and procedures to ensure that any IMCR events are identified and promptly communicated to the local Incident Assessment Team (IAT) for evaluation.

Early warning and identification are crucial, and if the IAT determines that the event can be managed within the process, the incident is recorded in the IMCR reporting tool and classified accordingly.

In cases where incidents could impact more than one business unit or could have a significant impact on our business system and brands, the incidents may be escalated to the group IMCR team. This team is then responsible for ensuring the appropriate resources and expertise are in place to prevent the incident from escalating into a crisis and to ensure that the executive leadership team and the board of directors are involved, as needed.

2023

In 2023, there were no cases of public product withdrawal or recall from the market.

3.4

# Our plants

We carry out our bottling activity in the three Coca-Cola HBC plants<sup>®</sup> in Poiana Negrii, Ploiesti, and Timisoara, where the production processes comply with the highest quality and environmental standards. All parameters are closely monitored and recorded so that we can make real-time decisions and implement the necessary measures to achieve our goals.

Furthermore, we use specific testing programs for all stages of bottling. For example, electronic bottle control equipment is installed on all bottling lines for returnable glass packaging. These can identify even the smallest foreign body that could end up in the finished product.



Recycled PET production facility



The Coca-Cola HBC plant in Ploiesti is the second largest in the Group, a center of excellence for innovation and environmental sustainability, and operates with pioneering technologies in Europe. We produce 70% of the total volume sold in Romania and export to 15 other countries in the region.

Following an investment of approximately 55 million lei, we have installed state-of-the-art decontamination technology for the processing of recycled plastic (rPET), an important step forward in Coca-Cola HBC's long-term sustainability strategy.

This investment allows us to bottle our entire portfolio in rPET, as the rPET production facility can convert up to 17,000 tons of PET per year into new bottles made from 100% rPET. In terms of environmental impact, the successful transition of the PET portfolio to 100% rPET is reflected in a significant reduction in carbon emissions. The rPET flakes have a significant lower carbon footprint than virgin PET resin and the rPET production facility uses 100% renewable electricity.



rPET facility opening



The inauguration event of the new rPET line brought together company executives from both local and European levels. In addition to Coca-Cola HBC CEO Zoran Bogdanovic, the event featured remarks from Nikos Koumettis, President of Europe for The Coca-Cola Company, as well as Jovan Radosavljevic, General Manager of Coca-Cola HBC Romania, and Mark Docherty, Country Manager for The Coca-Cola Company in Romania. Together, they emphasized the strategic importance of our facility for advancing Coca-Cola HBC's sustainability goals in Romania and across Europe.

## Production stages of an rPET bottle

PET (polyethylene terephthalate) is one of the plastics used in food packaging that is 100% recyclable, can be recycled several times, does not lose its basic properties during recycling, and therefore minimizes the need to produce more new plastic material.

The rPET production unit in Ploiesti is capable of converting up to 17,000 tonnes of PET per year into new 100% recycled PET preforms for the company's beverage bottling operations. Below you can find out more about the recycled PET production steps that go into an rPET preform.

See more about the rPET process [here](#).



I

PET packaging is cleaned and properly collected separately from household waste, via DRS system.

After collection, PET goes to sorting centers and then to recycling centers where it is sorted, washed, and shredded. It arrives at our plant in the form of PET flakes, purchased from suppliers who are constantly audited to meet our demanding food industry quality standards.

II

After successive sorting stages to remove all other materials and foreign bodies, the PET flakes reach the final decontamination stage in a specialized machine consisting of an extruder and a reactor.

They are melted at a temperature of 300 degrees and decontaminated under controlled vacuum conditions to meet the highest food safety standards.

A water cooling process produces the rPET resin in solid form, which is then ground into rPET pellets using high-precision equipment.

III









rPET pellets are made into preforms from recycled PET. A preform is the plastic mold before it is converted into the final bottle shape. In an initial drying step, the resin is first heated to 160° and then melted at around 290°.








At this point, it is injected under high pressure into a mold where it eventually becomes a preform.






Once removed from the mold, the preforms, which weigh between 17g and 46.7g, are subjected to additional quality control analysis to determine their quality conformity.

Our plant in Ploiești produces all the preforms needed for all three plants in Romania, including those in Timisoara and Poiana Negrii, where the preforms become bottles of various sizes, from 0.33l to 2.5l.



Regulations/ Norms/ Standards	Name	Date of certification	Description		Next steps
<b>ISO 9001:2015</b>	Quality Management Systems	<ul style="list-style-type: none"> <li>» May 31, 2002  Ploiesti Plant</li> <li>» July 27, 2006  Poiana Negrii Plant</li> <li>» August 2, 2002  Timisoara Plant</li> <li>» January 12, 2006  CCHBC Romania</li> </ul>	<p>Multisite recertification of the Quality Management System of CCHBC Romania.</p> <p>ISO 9001:2015 is an international standard that specifies requirements for a quality management system when an organization needs to</p> <p>demonstrate its ability to consistently provide products and services that meet customer requirements and applicable legal and regulatory requirements and aims to enhance customer satisfaction.</p>		<p>Monitoring 2024</p> <p>Recertification 2025</p>
<b>ISO 14001:2015</b>	Environmental Management Systems	<ul style="list-style-type: none"> <li>» January 21, 2004  Ploiesti Plant</li> <li>» March 27, 2007  Poiana Negrii Plant</li> <li>» March 11, 2004  Timisoara Plant</li> <li>» March 30, 2022  CCHBC Romania</li> </ul>	<p>Multisite certification of the Environmental Management System of CCHBC Romania.</p> <p>ISO 14001:2015 provides organizations with a framework to protect the environment and respond to environmental conditions in balance with socio-economic needs. It specifies requirements for an environmental management system that an organization can use to enhance its environmental performance.</p> <p>The standard helps an organization achieve the intended outcomes of its environmental management system, including enhanced environmental performance, fulfillment of compliance obligations, and achievement of environmental objectives.</p>		<p>Monitoring 2024</p> <p>Recertification 2025</p>

Regulations/ Norms/ Standards	Name	Date of certification	Description	Next steps
<b>FSSC 22000 version 5.1</b>	Food Safety Management Systems	<ul style="list-style-type: none"> <li>» July 25, 2011  Ploiesti Plant</li> <li>» August 3, 2011  Poiana Negrii Plant</li> <li>» September 27, 2011  Timisoara Plant</li> </ul>	<p>Recertification of the Food Safety Management System in accordance with the FSSC 22000 version 5.1. The FSSC 22000 certification scheme outlines the requirements for auditing and certifying the food safety management system (FSMS) of organizations in the food chain. Certification confirms that the organization's food safety management system (FSSC 22000) complies with the scheme's requirements. The scheme is based on publicly available standards and technical specifications:</p> <ul style="list-style-type: none"> <li>• ISO 22000 requirements for any organization in the food chain;</li> <li>• Relevant prerequisite programs (PRP) based on specific technical specifications (e.g., ISO/TS 22002-1, ISO/TS 22002-4); and</li> <li>• Additional requirements of FSSC 22000: Service Management, Product Labeling, Food Defense, Food Fraud Prevention, Logo Usage, Allergen Management, Environmental Monitoring, Transportation, and Delivery.</li> </ul>	<p>Monitoring and transition to FSSC 22000 version 6 in 2024</p> <p>Recertification FSSC 22000 version 6 in 2025</p>
<b>ISO 45001:2018</b>	Occupational Health and Safety Management Systems	<ul style="list-style-type: none"> <li>» February 9, 2007  Ploiesti Plant</li> <li>» January 26, 2011  Poiana Negrii Plant</li> <li>» May 13, 2009  Timisoara Plant</li> <li>» March 30, 2022  CCHBC Romania</li> </ul>	<p>Multisite certification of the Occupational Health and Safety Management System of CCHBC Romania. ISO 45001 establishes requirements for an occupational health and safety management system (OHSMS) to provide a</p> <p>framework for managing risks and opportunities related to occupational health and safety, preventing work-related injuries and illnesses, and ensuring safe and healthy workplaces.</p>	<p>Monitoring 2024</p> <p>Recertification 2025</p>

Regulations/ Norms/ Standards	Name	Date of certification	Description		Next steps
<b>AWS</b>	Alliance for Water Stewardship - Platinum level	<ul style="list-style-type: none"> <li>» November 25, 2020  Ploiesti Plant</li> <li>» November 25, 2020  Poiana Negrii Plant</li> <li>» February 12, 2021  Timisoara Plant</li> </ul>	<p>AWS certification confirms compliance with the global standard for responsible water management.</p> <p>The AWS standard provides a credible framework applicable globally for major water users to understand their own water uses and impacts and</p>	<p>collaborate with others for sustainable water management within the broader watershed context. Implementing the AWS Standard results in good water management practices that enhance site water performance and contribute to broader sustainability goals.</p>	Certification to ISO 46001 - Water Efficiency Management Systems in 2024
<b>RA</b>	Rainforest Alliance Sustainable Agriculture Standard	<ul style="list-style-type: none"> <li>» March 25, 2020 Support Office  Timisoara Plant</li> <li> Ploiesti Plant</li> </ul>	<p>In 2022, the transition to the Rainforest Alliance Supply Chain Standard was completed as a bottler (producer) of FuzeTea branded soft drinks. The products of this brand contain tea that comes from certified sustainable tea farms.</p> <p>The requirements of the Rainforest Alliance Supply Chain Standard aim to promote transparency and responsible business practices between companies, from farm to shelf. Rainforest Alliance certification</p>	<p>helps farmers produce better crops, adapt to climate change, increase productivity, and reduce costs. These benefits provide companies with a consistent and secure range of certified products. Sourcing Rainforest Alliance-certified products also helps companies meet consumer expectations and protect the credibility of their brand. At the core of Rainforest Alliance certification is the mission to create a better future for people and nature, making responsible business the new normal.</p>	Monitoring in 2024 and 2025
<b>BIO Guarantee certification</b>	Certificate under Article 35(1) of Regulation (EU) 2018/848 on organic production and the labeling of organic products	<ul style="list-style-type: none"> <li>» June 09, 2022</li> </ul>	Distribution/Market introduction of organically produced coffee.		Recertification in 2024

## Audits

In 2023, several audits were conducted at various Coca-Cola HBC locations, assessing compliance with various international standards. The audits covered areas such as ISO certifications and food safety. Surveillance Audits (ISO 9001, ISO 14001, ISO 45001 Multisite, FSSC 22000 Version 5.1) are carried out to ensure continued compliance with the established standards. They verify that systems, such as food safety management, are effectively maintained.

The audit results included ratings such as "Maintained", indicating that the organization continues to meet the requirements with no significant deficiencies, and "Successful" signaling a completed audit with no significant deficiencies. These rigorous assessments ensured compliance with quality, environmental, and health and safety standards.

In addition, a GAO (Global Audit Organization, an internal body of the Coca-Cola System) audit was conducted at the Ploiesti and Timisoara plants, resulting in a "No Major" rating, meaning that no major nonconformities were found.

2023

In 2023, Coca-Cola HBC Romania recorded a total of 10 fines for non-compliance with laws and/or regulations in force, totaling 19,389.50 lei, of which one for non-compliance with legal regulations in the field of environmental protection (15,000 lei) and the socio-economic field (e.g. traffic violations, ISU).



4

# ENVIRONMENT

4.1 How we manage our packaging and waste

4.2 Water conservation

4.3 Energy and emissions

## 4.1 How we manage our packaging and waste

Beverage packaging and materials have value and life beyond their initial use, and so through collection and recycling, they can be revalued as part of a circular economy. That is why we are working to continuously improve our packaging and packaging waste performance. We aim to create closed-loop systems, extracting maximum value from materials and products during use, and then recovering and reusing or recycling them.

Packaging plays an important role in meeting our Mission 2025 commitments and CO<sub>2</sub> reduction target as it accounts for over a third of our Scope 3 emissions.

We have focused on increasing the sustainability of our packaging by investing in recycled content, expanding reusable formats, establishing our own rPET production infrastructure - which allows us to have a consistent and high-quality supply of more affordable rPET in certain markets - and driving the implementation of efficient collection schemes.

Packaging can only be circular if it is recyclable. 100% of our primary packaging - PET, glass, aluminum, and aseptic cartons - is recyclable by design. We have reached this milestone three years ahead of our 2025 target.



Our sustainable packaging vision, part of our Mission 2025 strategy, is based on three main pillars:

Recovering our primary packaging for recycling or reuse

Making our primary packaging fully recyclable

Increasing the percentage of rPET in our packaging



The way we manage the waste and packaging from the sale of our products is described in our [Packaging Waste Management Policy](#).

The policy sets out the ambitious targets and commitments we have set in this area, as well as the plan of actions we are implementing and actively working on to achieve these targets.



## Tethered caps



As early as April 2023, we introduced nationwide plastic packaging with caps attached, which makes it easier to recycle the whole packaging, aiming to collect plastic bottles with the caps attached.

The first series of bottles with attached caps were available for the brands in the non-carbonated soft drinks portfolio, namely Fuzetea and Cappy. Subsequently, the transition was phased and by the end of 2023, the entire carbonated and non-carbonated soft drinks portfolio was packaged with attached caps.

The cap design complies with the requirements of the European single-use plastic directive (2019/904)\* and meets the highest technical and safety standards of The Coca-Cola Company.

**Împreună pentru mai bine!**

**Noile capace rămân atașate de sticlă pentru o colectare mai ușoară în vederea reciclării.**



SCANEAZĂ  
ȘI AFLĂ  
CUM  
FUNCȚIONEAZĂ



\*The European single-use plastics directive (2019/904) requires the caps to be attached to the containers of beverages in single-use plastic bottles and composite packaging from July 2024.

Packaging materials used in operations – primary and secondary	2021	2022	2023
	kg	kg	kg
Glass	17,347,200	18,947,521	18,920,384
PET	20,415,449	26,611,000	29,840,456
Aluminum	4,189,500	5,262,661	2,984,597
Steel - caps	206,633	215,382	200,469
PP or PE caps	2,113,096	2,770,860	2,535,945
Plastic labels	815,661	1,128,021	1,193,112
Paper labels	-	84,828	71,836
PE film	3,880,594	3,388,493	3,066,914
Cardboard	2,477,357	2,810,421	2,294,048

Materials used in operations represent quantities purchased in the reporting year.

Materials used that come from recycled materials	2021		2022		2023	
	total kg	% of total materials used	total kg	% of total materials used	total kg	% of total materials used
Glass	3,595,130.20	18% to 40%	5,494,780.96	29% to 52%	5,726,867.00	30.3%
Aluminum	2,681,280.00	31% to 75%	2,157,690.91	41% to 74.5%	1,474,003.00	49.4%
Steel	69,886,76.00	16% to 58%	36,614.94	17% to 58%	73,372.00	36.6%
rPET	4,363,000.00	15.8%	4,539,000.00	17%	10,574,022.00	35.0%

Recycled materials are materials that replace virgin materials, purchased or sourced internally or externally.

CCHBC has several suppliers for each type of raw material used in production, each of which has a certain % of recycled material.

The percentage of rPET is extracted from in-house systems, according to rPET purchase invoices, in relation to the total amount of PET used.

The entire Dorna water portfolio is bottled in rPET and the packaging for these products is 100% rPET. At the end of 2023, we started bottling the entire PET portfolio in rPET containers.

Glass, steel, or aluminum packaging contains varying amounts of recycled material. The amounts of recycled materials used in the manufacture of our packaging are reported by the packaging suppliers we work with and represent a percentage of the total amount of material used in the manufacture of the packaging.

## Weight of materials

Packaging materials and waste recovered	2022			2023		
	Packaging placed on the market		Percentage recovered of the total quantity placed on the market	Packaging placed on the market		Percentage recovered of the total quantity placed on the market
	total kg	of which secondary		total kg	of which secondary	
Glass	19,103,656	-	67.01%	18,163,375	0	70.07%
Aluminum	3,192,136	-	22.30%	2,756,504	0	29.98%
Metal/Steel	481,747	264,767	53.95%	547,088	359,439	63.29%
Plastic	6,166,075	3,922,936	37.47%	5,788,463	3,780,458	30.23%
PET	24,276,157	82,982	61.21%	22,235,569	196,340	57.40%
Paper and cardboard	3,912,670	3,862,924	67.47%	3,494,257	3,411,359	83.37%
Wood	4,435,511	4,435,511	25.05%	5,289,459	5,289,459	29.65%
<b>Total</b>	<b>61,567,951</b>	<b>12,569,118</b>	<b>56.37%</b>	<b>58,274,715</b>	<b>13,037,055</b>	<b>56.39%</b>

Total waste generated by waste type	2022	2023
	kg	kg
Glass	7,062,710	5,146,470
Aluminum		
Plastic		
PET		
Paper and cardboard		
Steel		
Wood		
Oils	14,640	21,691
Batteries		
Lighting fixtures		
WEEE	174,600	152,150
Household waste		

## Waste generated on-site

Waste generated*	2021	2022	2023
	tonnes	tonnes	tonnes
Non-hazardous waste	5,027.00	7,230.20	5,298.65
Hazardous waste	7.00	14.66	21.69
<b>Total waste generated</b>	<b>5,034.00</b>	<b>7,244.86</b>	<b>5,320.34</b>
of which:			
<b>Waste diverted from disposal**</b>			
Non-hazardous waste	4,741.00	7,039.60	5,146.50
Hazardous waste	2.00	2.40	0.22
<b>Total waste diverted from disposal</b>	<b>4,743.00</b>	<b>7,042.00</b>	<b>5,146.72</b>
<b>Waste sent to disposal**</b>			
Non-hazardous waste	286.00	190.60	152.15
Hazardous waste	5.00	12.26	21.47
<b>Total waste sent for disposal</b>	<b>291.00</b>	<b>202.86</b>	<b>173.62</b>

The quantities of waste generated are collected by authorized operators and managed off-site.

\* The amounts of waste included come from the 3 plants

\*\* Waste diverted from disposal has been subject to recovery operations R12, R13, and waste sent for disposal has been subject to disposal operations D1, D5, D10, and D15, as provided for in Emergency Ordinance No. 92/2021 on the waste regime and reported to the environmental protection authorities.



## Active participation in the development and implementation of the Deposit Return System (DRS)

The Deposit Return System (DRS) is the largest circular economy project ever implemented in Romania.

Through the DRS, Romania and beverage producers will be able to meet the strict recycling targets imposed by EU legislation through the circular economy package, and stimulate the local recycling industry by providing quality raw materials.

The DRS is the best collection and recycling system, funded by manufacturers, that helps them meet their legal targets and their own sustainability commitments while providing them with high-quality raw materials for recycling. Packaging collected under the DRS can be recycled and used as raw material for new packaging.

The Coca-Cola System, as a leader in the beverage industry, has taken on the role of leading the industry's efforts to implement the Deposit Return System in Romania since 2018, when it was first mentioned in the legislation.

### A brief timeline of the project

After the implementation of the Deposit Return System was mentioned in the legislation, Coca-Cola HBC, together with soft drinks producers Quadrant Amroq Beverages, Maspex, and beer producers Heineken, Asahi Beverages, Molson Coors and United Romanian Breweries Bereprod, formed the Alliance of Beverage Producers, a structure without legal personality. Together, we carried out the feasibility study for the implementation of the DRS in Romania, maintained a constant dialogue with the government and other market players, worked on the drafting of the DRS-specific legislation that was adopted in 2021, and provided internal and external resources to operationalize the system in Romania.

Coca-Cola HBC, together with soft drinks producers Pepsico and Maspex, have created the Association of Soft Drinks Producers for Sustainability (APBRS) with the sole purpose of becoming a shareholder in Returo - the future administrator of the Deposit Return System, of which Alice Nichita, Corporate Affairs and Sustainability Director of Coca-Cola HBC Romania, is the President.

In 2021, APBRS, together with the Association of Romanian Brewers for the Environment (BRM), and later with the Association of Retailers for the Environment, founded the joint stock company Returo Sistem Garantie-Returnare, which was appointed by Government Decision as the administrator of the DRS in Romania. Subsequently, the Romanian Government, through the Ministry of the Environment, was co-opted as a shareholder in the company, making Returo and DRS an example of good practice in a public-private partnership.

Returo's current shareholder structure is as follows: soft drink producers - 30%, beer producers - 30%, Retailers - 20%, and Romanian Government - 20%. The company is organized according to a dualistic model, with the following levels: an independent and professional Board of Directors, the Supervisory Board, and the General Shareholders' Meeting. Returo operates on a not-for-profit basis, as stated in its Articles of Association, which means that any potential profit is reinvested in the system.

## Active participation in the development and implementation of the Deposit Return System (DRS)

Since 2022, when the implementation of the Deposit Return System was still in its early stages, Coca-Cola HBC Romania has been actively involved in the development of the DRS through the Beverage Producers Alliance - a structure without legal personality formed by representatives of soft drink and beer producers in all actions related to the implementation of the system.

The Deposit Return System was formally launched in November 2023, a process that involved rigorous collaboration and coordination between our departments, each contributing to the operational success of the DRS.

Actions for the successful start of the DRS system included:

- The management of APBRS - the shareholder of Returo - for the fulfillment of all its obligations under the company law and the articles of association of Returo;
- Establishment of a dedicated cross-functional internal team to manage the implementation of the DRS;
- Industry leadership in all advocacy efforts to ensure appropriate design and timing for the system;
- Supporting phased implementation (to allow time to build up the capacity of the system to collect);
- Constant dialogue with all stakeholders (trade representatives, central and local authorities, recyclers, NGOs);
- Dialogue in working groups of producers and traders on the changes that are needed to make the system work, and support from Returo for implementation;
- Support for the awareness and education campaign for producers, retailers, and end consumers;
- Internal preparation & transition from non-DRS to DRS;
- Go-live in November 2023.

4.2

# Water conservation

Water is a vital resource for us, not only the primary ingredient in Coca-Cola beverages but also central to the health of communities around the world. This is why sustainable water stewardship is a priority in the way we do business

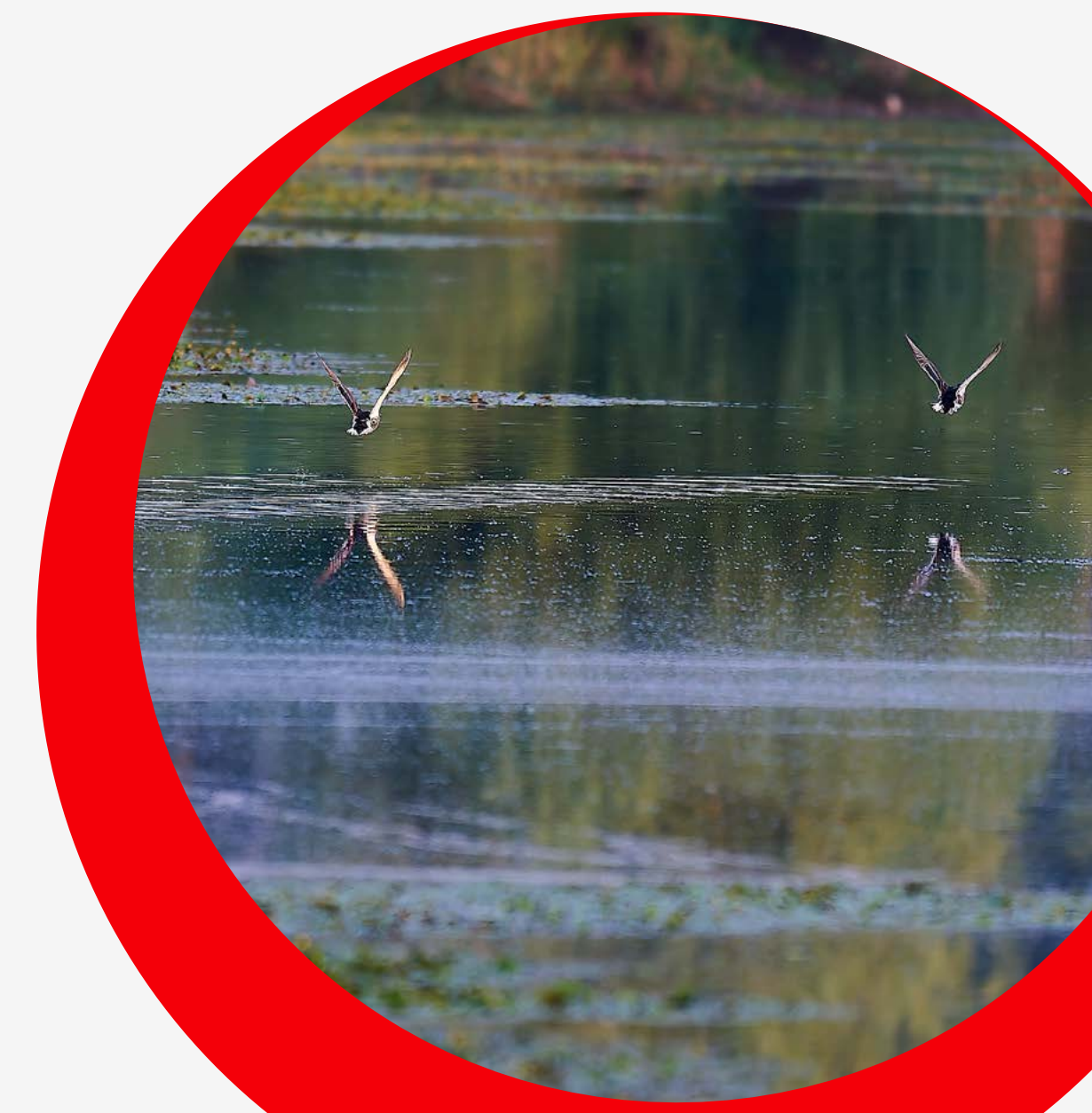
Our [water strategy](#) focuses on sustainably securing water resources by replenishing water supplies to water-stressed areas, promoting smart water policies, and using water responsibly in our operations and communities. At the same time, we recognize the growing urgency of common water risks and the need for a systemic approach across the entire value chain.

The strategic directions that we focus on:

- Globally, we work with The Coca-Cola Company with the ambitious goal of returning the equivalent of all the water we use in our beverages back to nature and communities. We do this by engaging in interventions in high-risk areas and acting at the plant, operations, community, and watershed levels;
- Coca-Cola HBC's plants in Romania are in favorable areas in terms of water resources, available both for the natural environment and for socio-economic needs. The internal risk and vulnerability analysis, which considers both the increase in production volume and the impact of future climate change or human factors on available water resources, indicates a potential increase in the level of risk to a medium-moderate level. This risk analysis allows us to implement strategic actions, which aim at both better water efficiency and future development of water infrastructure to reduce pressure on existing sources.
- We continuously monitor the quantities of water used in the production of our beverages and where possible, we recycle and reuse significant volumes. We implement annual measures to reduce and/or make water use more efficient, with clear commitments backed up by concrete action plans and ambitious targets.
- We make sure that the water returning to nature from the production process is treated to support aquatic life. All three bottling plants in Romania have wastewater treatment plants. In Ploiesti, we have invested significantly in water recycling by using sand filters in the water treatment room. Thanks to the technology we use, the treated water, discharged into the environment, is suitable for use in agriculture as well as supporting the life of plants and creatures living in the water.

The entire quantity of water used in production comes from groundwater sources. The plants in Ploiesti and Timisoara operate their own water drillings, while the Poiana Negrii plant uses both drillings and its own catchments of springs, as well as natural mineral water from the National Mineral Water Company (SNAM).

Water sources are located on the sites of the production plants or nearby and the water is transported through supply pipes, without being stored or carried in bulk.



		2021		2022		2023	
		Total operating areas	Hydric stress areas	Total operating areas	Hydric stress areas	Total operating areas	Hydric stress areas
		10 <sup>6</sup> liters	10 <sup>6</sup> liters	10 <sup>6</sup> liters	10 <sup>6</sup> liters	10 <sup>6</sup> liters	10 <sup>6</sup> liters
<b>Water extracted</b>							
Water extracted, by source	Groundwater (total)	1,877.492	0	1,995.345	0	1,699.498	0
	Freshwater (≤1000 mg/L TDS*)	1,877.492	0	1,995.345	0	1,699.498	0
	Water from suppliers	-	-	-	-	1,978.000	0
<b>Total water extracted</b>		<b>1,877.492</b>	<b>0</b>	<b>1,995.345</b>	<b>0</b>	<b>1,701.476</b>	<b>0</b>
<b>Water discharged</b>							
Water discharged, by destination	To surface waters	408,118	0	349,194	0	335,921	0
	Water discharged to suppliers or other organizations (total)	418,350	0	422,736	0	378,406	0
<b>Total water discharged</b>		<b>826,468</b>	<b>0</b>	<b>771,930</b>	<b>0</b>	<b>714,327</b>	<b>0</b>
Water discharge, by type	Freshwater (≤1,000 mg/L TDS*)	826,468	0	771,930	0	165,961	0
	Other types of water (>1,000 mg/L TDS)	0	0	0	0	548,366	0
Water discharged, by treatment type	No treatment	0	0	0	0	0	0
	Physico-chemical and biological treatment	826,468	0	771,930	0	714,327	0

All our bottling plants have wastewater treatment plants.

\*TDS = total dissolved solids

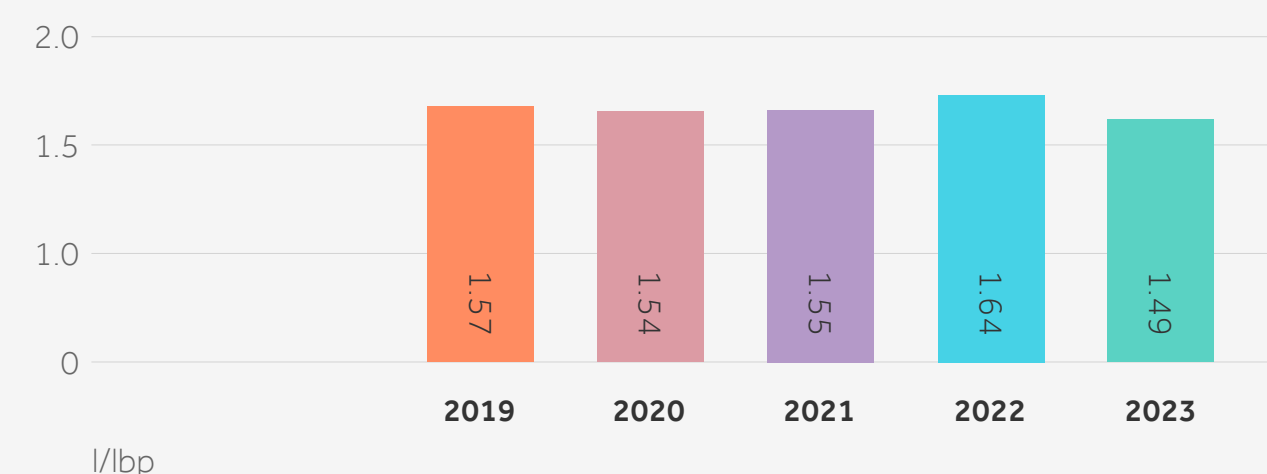
## Water consumption

Total water consumption is calculated as the difference between the total amount of water abstracted and the total amount of water discharged.

**water consumption = 987,149,000 liters**

Water consumption intensity showed a significant increase in 2022 compared to 2021 (6%) as a result of investments in production units. The investments were in new technologies that either improved production processes, wastewater treatment processes, or energy efficiency and reduced greenhouse gas emissions.

	2019	2020	2021	2022	2023
<b>Intensity of water consumption</b>	l/lbp	l/lbp	l/lbp	l/lbp	l/lbp
	1.57	1.54	1.55	1.64	1.49

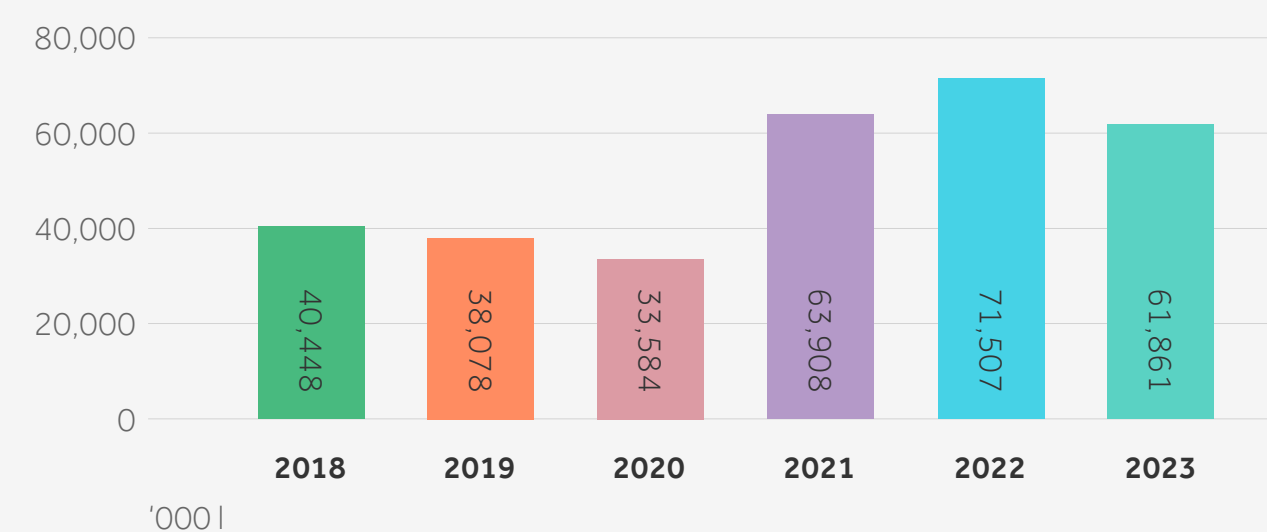


## Recovered and recycled water

To increase the efficiency of use, we invest in technologies that enable water recycling and recovery and re-introducing it into the production circuit, wherever the technological process allows it. Thus, some of the water used to wash filters from various water treatment processes is saved and recovered.

Likewise, some of the water used in cleaning the production facilities is recovered and saved

	2018	2019	2020	2021	2022	2023
<b>Water recovered and recycled</b>	'000 l	'000 l	'000 l	'000 l	'000 l	'000 l
	40,448	38,078	33,584	63,908	71,507	61,861



Management at all levels, especially the top management of Coca-Cola HBC and Coca-Cola HBC Romania, is committed to managing water resources in accordance with the Water Stewardship and Environmental and Health and Safety policies. To this end, we are implementing and certifying the Water Efficiency Management System throughout the organization, in accordance with the requirements of ISO 46001:2019, starting in 2024.

The purpose of ISO 46001 is to enable organizations to assess and account for water use, and to identify, plan, and implement measures to achieve water savings through systematic water management.

The benefits of implementing ISO 46001 include:

- Savings and cost reductions through efficient water use, leading to significant cost savings;
- More efficient use of water resources, helping to reduce the depletion of water sources;
- Compliance with legal and regulatory requirements;
- Access to funding;
- Improved environmental performance;
- Competitive advantage;
- The implementation of this standard reflects our commitment to sustainable and responsible management of water resources, thereby contributing to the protection of the environment and improving our environmental performance.

# 4.3 Energy and emissions

Greenhouse gases are one of the most important climate change challenges. We are therefore committed to reducing these emissions and improving the way we run our operations as a top priority. We strive to limit our contribution to greenhouse gas emissions by constantly investing in new equipment, technologies, and alternative energy sources.

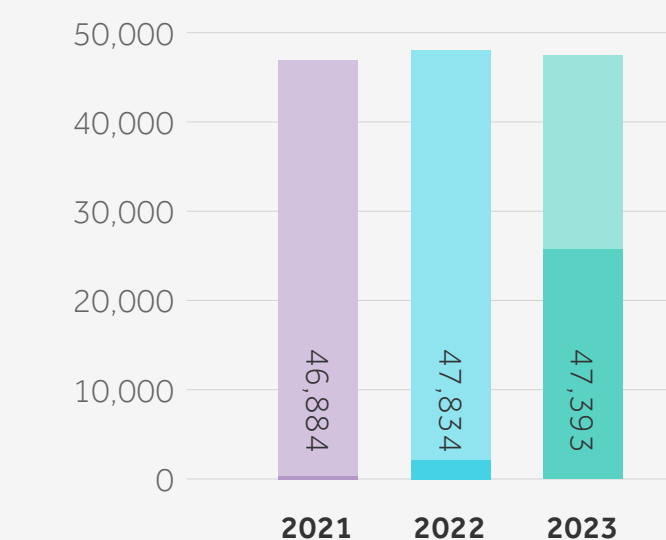
Direct greenhouse gas emissions from our operations come from fuel consumption by our fleet of vehicles or fuel and heat consumption in our plants. In terms of indirect emissions, our impact results from raw materials used in the production process (ingredients and packaging), the fleet of transporters, or beverage cooling equipment located at customer sites.

More information on the measures we are taking to reduce GHG emissions can be found in our Climate Change Policy, available [here](#).

Fuel and energy consumption are the main contributors to Scope 1 and 2 emissions generated from our operations and electricity purchases. Therefore, we are continuously taking steps to reduce and streamline these consumptions.

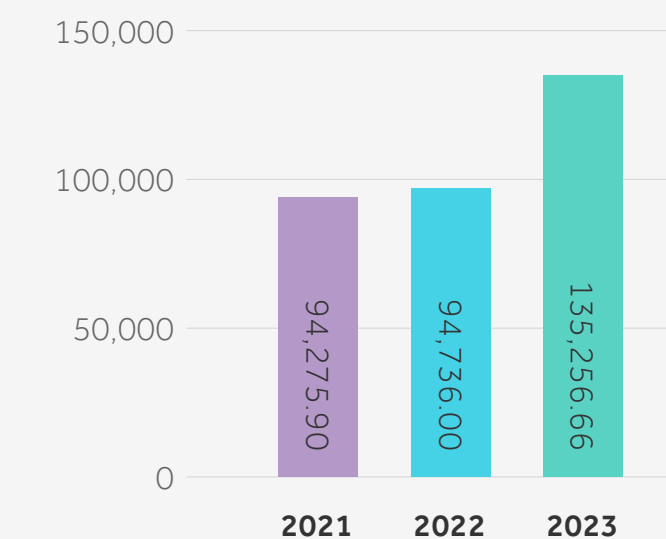
	2021	2022	2023
<b>Total fuel consumption from conventional sources of the car fleet</b>	GJ	GJ	GJ
Gasoline	455	2,176	25,843
Diesel	46,429	45,658	21,550
<b>Total</b>	<b>46,884</b>	<b>47,834</b>	<b>47,393</b>

Total fuel consumption from conventional sources of the car fleet (GJ)



	2021	2022	2023
<b>Total fuel consumption from conventional sources in our plants</b>	GJ	GJ	GJ
Natural gas	78,296.54	78,661.00	120,378.80
LPG	15,979.36	16,075.00	14,877.86
<b>Total</b>	<b>94,275.90</b>	<b>94,736.00</b>	<b>135,256.66</b>

Total fuel consumption from conventional sources in our plants (GJ)



Fuel – conversion factors	Energy GJ/l	Emissions kg CO <sub>2</sub> / GJ
Gasoline	0.0344	66.03
Diesel	0.0371	72.14
LPG	0.0249	64.72

LPG is only used as a backup fuel when natural gas/propane is not available. As a result, the amount used varies considerably from year to year.

# Energy consumption

**Total energy consumption in plants =**  
**629,574.66 GJ**

2023

Total energy consumption in plants =  
Fuel consumption in plants +  
Electricity consumption in plants +  
Heat consumption in plants

**The total share of renewable or clean energy used in the plants in the production process =**  
**78.5%**

2023

The rest comes from energy produced by burning conventional fuels (natural gas and LPG).

Type	2019	2020	2021	2022	2023
	GJ	GJ	GJ	GJ	GJ
<b>Electricity (total)</b>	<b>267,716.47</b>	<b>246,191.25</b>	<b>285,558.00</b>	<b>312,248.00</b>	<b>296,223.00</b>
of which grid electricity*	69,444.21	50,205.45	71,180.00	156,642.00	145,650.40
of which CHP electricity	198,272.26	195,985.80	214,378.00	155,606.00	150,572.60
Thermal CHP energy (steam, hot water)*	98,067.06	88,685.00	116,451.00	94,463.00	198,095.00
Total heat consumption outside the plant	Not reported.		3,380.00	2,137.00	2,356.80
Energy consumption outside the plant (remote properties)*	Not reported.		2,380.00	2,131.00	1,503.70

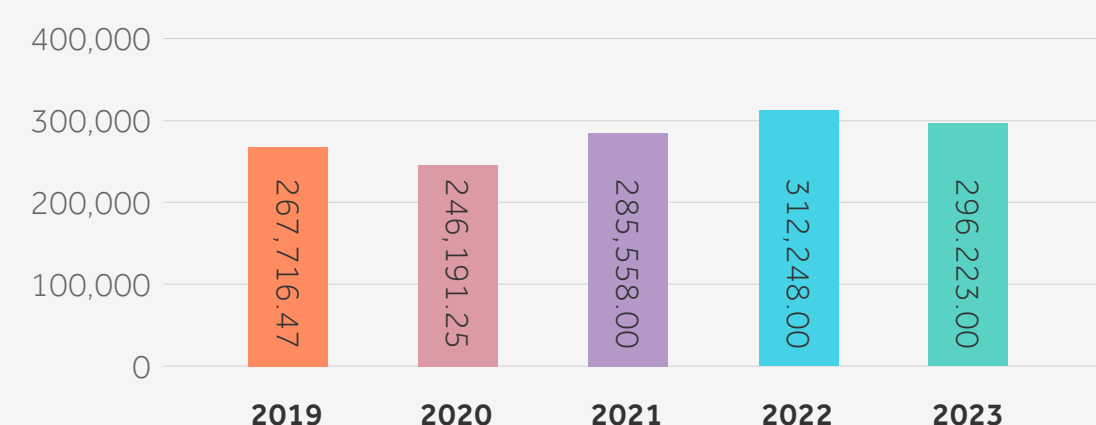
Total renewable energy consumption	2020	2021	2022	2023
	GJ	GJ	GJ	GJ
Electricity from renewable sources purchased from suppliers and used in plants	50,205.45	69,800.64	156,642.00	144,146.70
	%*	%*	%*	%*
	100%	100%	100%	100%

\*The share of electricity from renewable energy sources in the total electricity purchased for the plants. The above amount of energy is supplied by the national grid and represents 100% renewable energy. At the Ploiești plant, we also use energy produced by third parties through combined heat and power (CHP) plants using conventional fuel (natural gas).

The difference between the total electricity purchased from the grid and the electricity purchased from the grid and used in the plants is due to the 1,503.7 GJ of energy consumed outside the plants in other company facilities (warehouses, offices, etc.).

Of the total 1,503.7 GJ, 1,008.1 GJ is electricity from renewable sources and 495.6 GJ is electricity from non-renewable sources.

Electricity (total) (GJ)

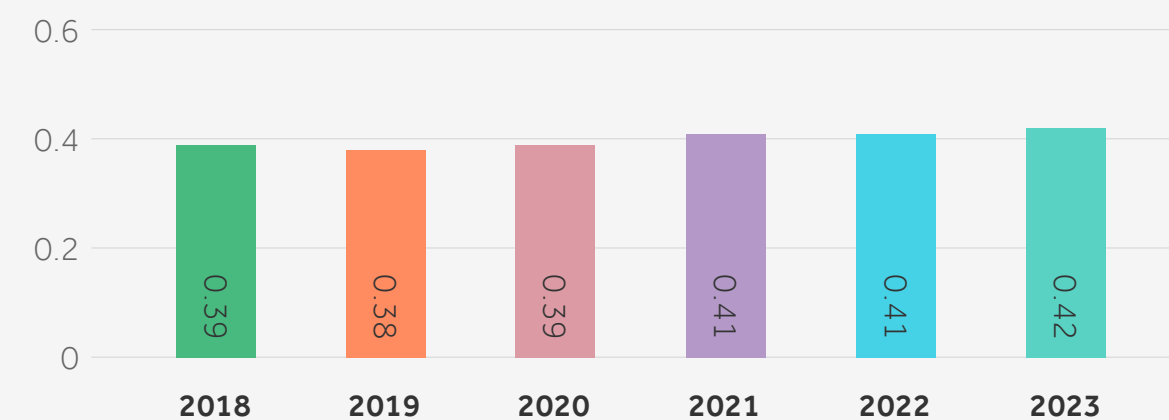


Conversion factor:  
1MWh = 3.6 GJ

# Energy intensity

Energy intensity	2018	2019	2020	2021	2022	2023
	MJ/lpb	MJ/lpb	MJ/lpb	MJ/lpb	MJ/lpb	MJ/lpb
	0.39	0.38	0.39	0.41	0.41	0.42

Energy intensity (MJ/lpb)



Energy intensity is calculated as the total energy consumed in the plants in relation to the total liters of beverage produced, excluding the fuel consumption of the vehicle fleet and energy consumed outside the plants (auxiliary facilities, offices, etc.).

Note: In 2021, the reported energy intensity value (0.42) was calculated including off-plant energy consumption. To ensure consistency and comparability with previous reporting years, the indicator has been recalculated for the current reporting cycle similar to the 2018-2020 period, with a value of 0.41.

## Greenhouse gas emissions

The emission factors used to calculate greenhouse gas emissions were extracted from various international databases or provided by our partners at The Coca-Cola Company, as follows: IFEU study for The Coca-Cola Company based on Ecolnvent, The Coca-Cola Company LCA tool (IFEU) based on EAA, Ecoinvent 3.3, Imperial College, IFEU study for The Coca-Cola Company, "CO<sub>2</sub> emissions from fuel combustion" IEA 2016 (for 2010-2016), IEA 2017 (for 2017), "Emission factors" IEA 2018 (for 2018), GHG Protocol calculation tools, IPCC 2006, IPCC 2013, Guidelines for National Greenhouse Gas Inventories, GHG Protocol – Global Warming Potential (GWP) values relative to CO<sub>2</sub>, GHG Protocol as part of the [toolghgprotocol.org/files/ghgp/tools/hfc-pfc.xls](https://www.toolghgprotocol.org/files/ghgp/tools/hfc-pfc.xls)<sup>9</sup>.

## Emission intensity

GHG emission	2019	2020	2021	2022	2023
	tonnes CO <sub>2</sub> eq	tonnes CO <sub>2</sub> eq	tonnes CO <sub>2</sub> eq	tonnes CO <sub>2</sub> eq	tonnes CO <sub>2</sub> eq
Scope 1	14,260	12,126	13,835	12,939	14,932
Scope 2 (market-based)	13,674	12,473	14,231	10,120	9,255
Scope 3	324,403	256,274	273,921	315,505	273,498

Total emissions (Scope 1, 2, and 3) decreased by 12% compared to the previous reporting year.

Scope 1 and 2 emissions intensity increased by approximately 12% compared to 2022, while Scope 3 emissions intensity decreased by more than 6% compared to 2022.

GHG emissions	2022		2023	
	tonnes	intensity	tonnes	intensity
Scope 1	12,939	18.92	14,932	21.19
Scope 2	10,120		9,255	
Scope 1+2	23,059		24,187	
Scope 3	315,505	258.92	273,498	239.62
<b>Scope 1+2+3</b>	<b>338,564</b>	<b>277.84</b>	<b>297,685</b>	<b>260.81</b>
<b>Production volume</b>				
		1,218,540,030		1,141,349,000

Air emission*	2021	2022	2023
	kg	kg	kg
NOx	7,227.00	6,611.48	11,889.61
SO <sub>2</sub>	65.00	59.89	107.65
Non-methane volatile organic compounds (NMVOC)	2,246.00	2,054.89	3,695.42
Particulate matter (PM 10)	76.00	69.69	125.32

Other emissions in 2023:

Lead - 1.77 kg  
Cadmium - 0.14 kg  
Mercury - 16.07 kg

\*pollutant emissions into the atmosphere that are subject to taxation, conf. art. 9 para. 1 letter b) of GEO no 196/2005 on the Environmental Fund

	2021	2022	2023
Number of cars	781	793	795
Distance traveled	km	km	km
	23,138,453	23,191,399	24,596,382

Projects implemented to reduce consumption of resources, energy, water and emissions

### Cooling towers for compressors

Following an investment of approximately €350,000, we have replaced the dry coolers with cooling towers for our compressors, reducing energy consumption and achieving a reduction of 48.8 tons of CO<sub>2</sub> emissions.



### Power factor correction - Ploiesti plant

We implemented an integrated solution to reduce reactive power and increase the power factor at the low-voltage substation. The approximately €700,000 project included the installation of compensation batteries on the low-voltage bus bar to reduce the reactive power induced by the equipment in the distribution network, and the replacement of old oil transformers with dry transformers to increase the load factor up to 90%.

As a result, the CO<sub>2</sub> footprint has been reduced by 686 t/year, the power factor has been improved, harmonic distortion has been reduced and the life of electronic components for the production lines has been extended.

### Mechanical pumps for condensate recovery – Ploiești plant

We carried out a project to replace the condensate collection and recovery system, replacing the traditional centrifugal pump with a new system. This solution brings several benefits, including more efficient energy recovery from steam condensate, increased reliability, and simplified maintenance.

The project has resulted in significant annual steam savings equivalent to 557 MWh of gas. It has also helped save water, as condensate is now returned to the boiler. As a result, we have reduced CO<sub>2</sub> emissions by 100 t/year.

### Renewing the car fleet

In 2023, we replaced 400 small diesel cars in our fleet with hybrids. This change aimed to reduce CO<sub>2</sub>e emissions and was implemented across our entire fleet of company-owned vehicles (Scope 1).

As a result of this initiative, CO<sub>2</sub>e emissions were reduced by 97 t. This reduction was made possible by switching from diesel to petrol, even though more kilometers were driven in 2023 than in 2022.

### Replace refrigerators with energy-efficient ones

In addition to our internal measures, we are committed to helping our partners reduce the energy consumption associated with the refrigeration equipment we install at their sites.

Through the use of innovative refrigeration equipment, we have achieved a reduction of 4.547 tonnes of CO<sub>2</sub> emissions in 2023.

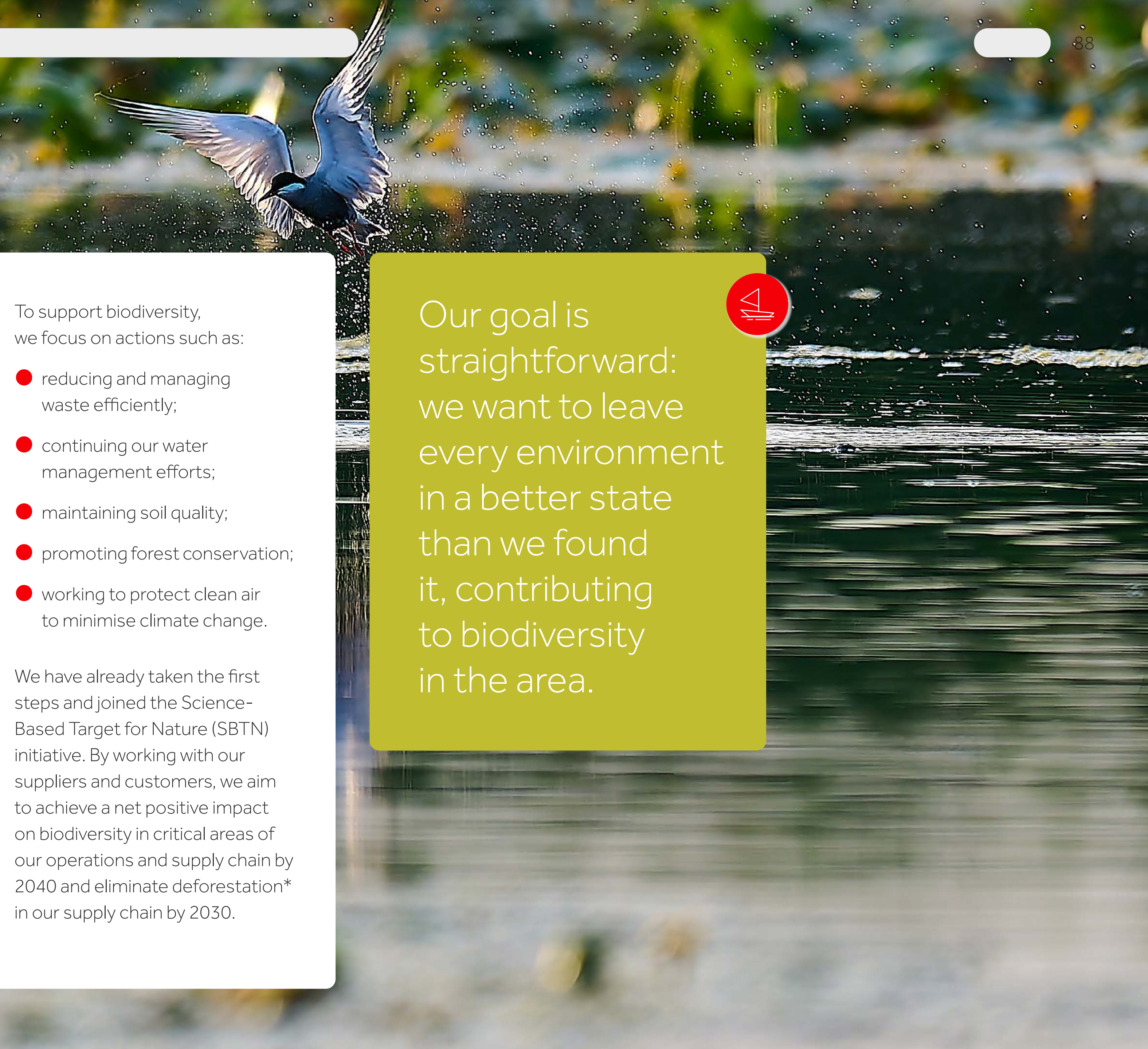


GRI 3-3 · GRI 302-4 · GRI 305-5

## Biodiversity

We rely on a healthy and sustainable ecosystem for our business to thrive.

This means having access to clean water sources, maintaining pollination for the crops needed to make our products, having healthy soils and land, etc.



To support biodiversity, we focus on actions such as:

- reducing and managing waste efficiently;
- continuing our water management efforts;
- maintaining soil quality;
- promoting forest conservation;
- working to protect clean air to minimise climate change.

We have already taken the first steps and joined the Science-Based Target for Nature (SBTN) initiative. By working with our suppliers and customers, we aim to achieve a net positive impact on biodiversity in critical areas of our operations and supply chain by 2040 and eliminate deforestation\* in our supply chain by 2030.

\* Deforestation in our supply chain can occur, for example, in the operations of our packaging suppliers, in the agriculture used to grow ingredients, or even through our actions in expanding our business premises.

Our goal is straightforward: we want to leave every environment in a better state than we found it, contributing to biodiversity in the area.



5

# OUR TEAM

- 5.1 The team and working environment
- 5.2 Diversity and equal opportunities
- 5.3 Driving performance
- 5.4 Workplace safety



## 5.1 Team and working environment

At Coca-Cola HBC Romania, we are a team of nearly 1,500 people – the people who bring our beverage brands to life. We are committed to innovation, developing sustainability programs, and creating strong connections in communities through partnerships.

We are guided by the principles of transparency and fairness, respecting human rights, facilitating access to development opportunities, and striving for progress and positive change.

We encourage diversity and inclusion in our team, promote a safe and healthy working environment, and invest in the development of our colleagues.

We pride ourselves on being a company that adheres to ethical and legal standards in all aspects of our business. We put people first and invest year after year in a passionate, engaged, and innovation-driven team where every voice counts and every idea is valued.

In 2023, the benefits budget increased by about 13% to 20,304,613 lei.

We are also focusing our resources on supporting and encouraging early career starters by developing a paid internship program where they can develop their skills alongside our colleagues.

2023



## Coca-Cola HBC Romania team

Contract type/ Working hours	2021	2022	2023
	Fixed term	43	44
Permanent	1,438	1,425	1,429
Full-time	1,481	1,469	1,469
Part-time	0	0	0

Employees by contract type	2023				Total (gender)
	Employees by contract type		Employees by working hours		
	Permanent	Fixed term	Full-time	Part-time (<8h)	
Men	1,011	22	1,033	0	<b>1,033</b>
Women	417	18	436	0	<b>436</b>
Total	1,429	40	1,469	0	<b>1,469</b>

The information on working hours and type of contract is reported in relation to the average number of employees in 2023.

Category	2023			
	New employees		Employees who left	
	No.	Rate*	No.	Rate*
<b>Gender</b>				
Women	58	13%	36	8%
Men	107	10%	124	12%
<b>Total</b>	<b>165</b>	<b>11%</b>	<b>160</b>	<b>11%</b>
<b>Age group</b>				
<30	72	5%	47	3%
30-50	85	6%	92	6%
>50	8	1%	21	1%
<b>Total</b>	<b>165</b>	<b>11%</b>	<b>160</b>	<b>11%</b>
<b>Location</b>				
Administrative and central headquarters	126	9%	126	9%
Branches and offices nationwide	39	3%	34	2%
<b>Total</b>	<b>165</b>	<b>11%</b>	<b>160</b>	<b>11%</b>

\*Ratios of new employees are calculated in relation to the average number of employees of the company in the reporting year (2023) for each category.

\*\*In accordance with internal rules, the ratio of employees who have left the company is calculated in relation to the number of permanent employees on the last working day of the previous month.

## The right to freedom of association and collective bargaining

We respect the right of our employees to join a union, to form one, or not to join a union without fear of retaliatory measures, intimidation, or harassment. If employees are represented by a legally recognized trade union, we undertake to establish a constructive dialogue with their freely elected representatives and participate in the negotiation processes in good faith.

All changes or decisions that may have a major impact on employees will be communicated to them 5 calendar days after the date of the decision, in accordance with the provisions of the collective agreement. In addition, the minimum period before implementing significant operational changes is 4 weeks.

### Collective Bargaining Agreement

	2023	
	Number	% of total
Total number of employees benefiting from the provisions of the Collective Bargaining Agreement	1,494	100%

Note: 1,494 is the number of employees who were part of the team in 2023.

The percentage of employees benefiting from collective labor agreements is calculated using the following formula:

$$\text{The percentage of employees benefiting from collective labor agreements} = \frac{\text{number of employees benefiting from collective bargaining agreements}}{\text{total number of employees}} \times 100$$

At Coca-Cola HBC Romania, in addition to the employees with employment contracts, there are also 2 Authorised Persons (PFA) and 126 people working on a leasing system in various departments such as production operators, call center, customer care, and finance.



5.2

# Diversity and equal opportunities

At Coca-Cola HBC Romania, we believe that diversity brings new perspectives and is a driver of innovation. That is why we strive to create a work environment where each individual is respected and valued for their uniqueness.

Through training and development programs, we encourage the growth and development of all our employees based on merit. We are committed to helping them achieve their full potential. In addition, our recruitment and promotion policy is transparent and fair, based on skills and performance.

We are proud to be a company that promotes diversity and equal opportunities and we have an Inclusion, Diversity, and Anti-Harassment Policy.

We are committed to fostering an environment where no one is discriminated against because of their age, disability, gender, sexual orientation, marital status, family status, ethnic origin, religious beliefs, or any other characteristic protected by law. At Coca-Cola HBC Romania, we have a zero-tolerance approach to any form of discrimination.



Total number of employees by category, age, and gender	2023							
	Men				Women			
	<30	30-50	>50	Total (number and percentage of category)	<30	30-50	>50	Total (number and percentage of category)
Senior Management Team	0	4	1	<b>5</b> <b>45.45%</b>	0	6	0	<b>6</b> <b>54.55%</b>
Middle Management Team	10	128	23	<b>161</b> <b>64.92%</b>	10	59	18	<b>87</b> <b>35.08%</b>
Professionals	27	97	28	<b>152</b> <b>47.35%</b>	53	105	11	<b>169</b> <b>52.65%</b>
Supporters	47	163	160	<b>370</b> <b>81.14%</b>	13	44	29	<b>86</b> <b>18.86%</b>
Troopers	71	237	23	<b>331</b> <b>76.44%</b>	29	70	3	<b>102</b> <b>23.56%</b>
<b>Total</b>	<b>155</b>	<b>629</b>	<b>235</b>	<b>1,019</b> <b>69.36%</b>	<b>105</b>	<b>284</b>	<b>61</b>	<b>450</b> <b>31.24%</b>

In 2023, the average age of Coca-Cola HBC Romania employees was 42.

In 2023, there were no incidents of discrimination related to violations of diversity, inclusion, and equal opportunity policies.

2023

2023

Employees by category and age	2023							
	Number				Percentage			
	<30	30-50	>50	Total	<30	30-50	>50	Total
Senior Management Team	-	10	1	<b>11</b>	-	90.90%	9.09%	<b>100%</b>
Middle Management Team	20	187	41	<b>248</b>	8.06%	75.40%	16.53%	<b>100%</b>
Professionals	80	202	39	<b>321</b>	24.92%	62.93%	12.15%	<b>100%</b>
Supporters	60	207	189	<b>456</b>	13.16%	45.39%	41.45%	<b>100%</b>
Troopers	100	307	26	<b>433</b>	23.09%	70.90%	6.00%	<b>100%</b>

Other diversity categories	2023	
	Number	Percentage
<b>Management structures</b>		
Senior Management	11	/
of which people with disabilities	0	0.00%
<b>Minorities</b>		
Middle Management	248	/
of which people with disabilities	1	0.40%
Professionals	321	/
of which people with disabilities	0	0.00%
Supporters	456	/
of which people with disabilities	2	0.44%
Troopers	433	/
of which people with disabilities	1	0.23%

## Women in Leadership program

In 2022, we launched a global “Women In Leadership” program to build a more inclusive culture within Coca-Cola HBC and achieve the strategic goal of having 50% female managers by 2025.

In 2023, five women in Romania were included in this program. It addresses the leadership issues and career barriers affecting women in leadership positions, allowing them to advance their careers, unlock their potential, and provide them with the tools to build a strategic perspective.

The program gives participants the opportunity to increase their influence, make a difference, and build a strong network of women leaders within their organization.

All participants are assigned a designated CCHBC Senior Sponsor as part of the program to accelerate their career development.

The initiative has two program streams, each of which runs for 16 weeks.

The programs alternate between instructor-led sessions, self-paced exercises and assignments, reflection, group work and assessments, and peer learning sessions.

On successful completion of the 16-week program, the designated sponsors will support each delegate through the next 1-2 career stages over a 2-3 year period.



# Fair remuneration

We are a responsible employer, and as such, we promote and practice the principle of fair compensation for all our employees. A fundamental element of our human resources strategy is fair remuneration, with a direct impact on employee retention, turnover, and the well-being of our team members.

Our plans in this direction include encouraging teamwork and feedback, correlating compensation with performance, ensuring competitive salaries for the market in which we operate, anticipating seasonal needs, and forming partnerships with vocational education centers to ensure a stable workforce (technical schools in Timisoara, Ploiesti). Additionally, we recognize and publicly acknowledge good results and reward them.

### Ratio between the minimum wage in the company and the national minimum wage

		2023	
		Men	Women
		1.36	1.36

### Female to male pay ratio

		2023	
		Base salary ratio	Remuneration ratio
Senior Management Team		0.77	0.60
Middle Management Team		1.21	1.17
Professionals		0.93	0.90
Supporters		1.01	0.99
Troopers		0.96	0.92

**Ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees (excluding the highest-paid individual) =**

**9.62**

**Ratio of the percentage increase in annual total compensation for the organization's highest-paid individual to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) =**

**2.74**

Total remuneration is the gross base salary plus bonuses received during the year.

# 5.3 Driving performance

## Employee benefits

We want every member of our team to have a range of benefits that support them in both their professional and personal lives. Our approach to our teams' remuneration policy and benefits package is one of fairness and equity, based on the individual performance of each employee, regardless of gender, age, race, religion, sexual orientation, ethnic origin, nationality, etc.

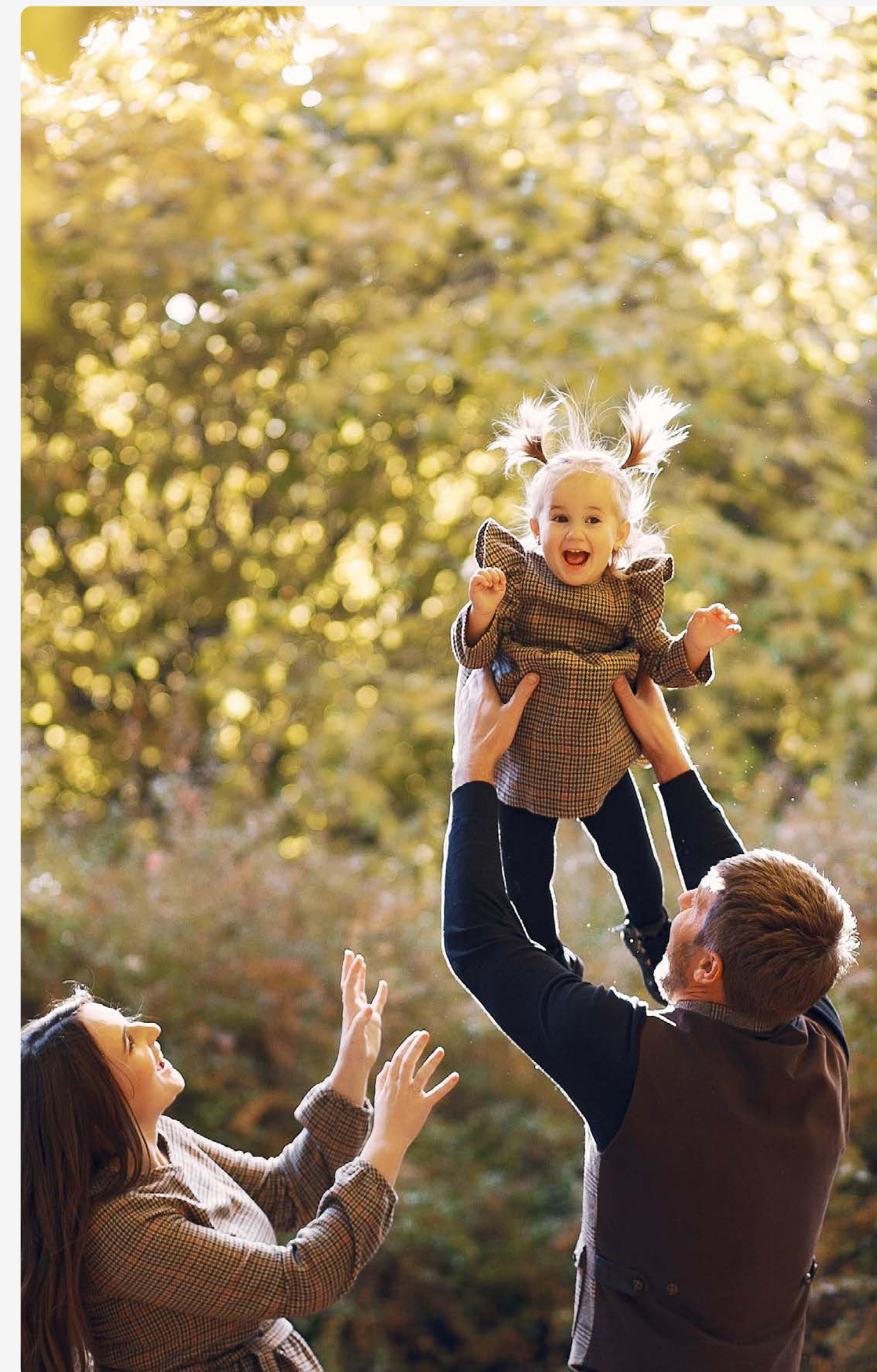
\*Holiday bonus/holiday vouchers are granted after 1 year of seniority.




\*\*The shares can only be purchased by colleagues with a permanent contract and at least 6 months' seniority.

\*\*\* We have implemented an Employee Assistance Program (EAP), through which employees can access useful resources and practical support, including retirement planning. Additionally, they benefit from a pension plan that offers benefits based on their length of service with the company and their average salary.

### Benefits by type of contract

Benefits by type of contract	2023			
	Full-Time		Part-time	
	< 1 year	> 1 year	< 1 year	> 1 year
Meal vouchers	✓	✓	✓	✓
Holiday vouchers/Holiday bonus*	○	✓		✓
Transport from/ to work	✓	✓	✓	✓
Support for personal events (marriage)	○	✓	○	✓
Support for personal events (death, childbirth, etc.)	✓	✓	✓	✓
Gifts and bonuses for minor children of employees	✓	✓	✓	✓
Easter and Christmas bonuses	✓	✓	✓	✓
Life insurance	✓	✓	✓	✓
Medical plan (for employees and first degree family members)	✓	✓	✓	✓
Product quota (soft drinks/water)	✓	✓	✓	✓
Additional vacation days	○	✓	○	✓
Days off for various events	✓	✓	✓	✓
Shares**	○	✓	○	○
Retirement benefits***	○	✓	○	✓






2023	
<b>Bonus value as percentage of salary</b>	
Employees	10% - 50% 
Management	15% - 30% 
Top management	25% - 45% 

In 2023, the value of benefits provided to Coca-Cola HBC Romania employees amounted to 20,304,613 lei.

All our employees benefit from life and health insurance, as well as medical plans for themselves and their families.

Seniority Awards is our annual program which rewards our colleagues for their years of service with the company at the following stages: 5, 10, 15, 20, 25, and 30 years. We express our gratitude with a gift to commemorate this milestone, and we implement this acknowledgment with the help of their managers to create a moment of celebration within the team.

Parental leave	2023	
	Men	Women
No. of employees who were entitled to parental leave	146	76
No. of employees who took parental leave	27	69
No. of employees who returned to work (in 2023) after parental leave	13	30
No. of employees who returned to work (in 2022) after parental leave and were still employed after 12 months (in 2023)	4	15
Return to work rate	81% 	86% 
Retention	57% 	94% 

## Training and development

At Coca-Cola HBC Romania, we aspire to provide all those working with us with the necessary tools for continuous learning and professional development.

We encourage ongoing training and offer our employees both internal and external learning programs, along with an agile structure and diverse career opportunities.

We are proud to have created a genuine and authentic space for conversation and application of the most relevant concepts, techniques, and practices, allowing each individual to cultivate reflection and self-awareness, and to develop and accelerate their own career or shape their professional path while identifying, preparing, and/or developing digital skills, functional capabilities, and competencies.

Our programs include:

BD to the power of X



BD Sales Academy



Supply Chain Academy



On the Job Development Tool



Sustainability School



*other projects*



## BD to the power of X

*accelerating Business Developer skills*

This course aims to provide participants with a unique and practical development experience, addressing the essential skills to move from Manage Self to Manage Others.

The course methodology is based on gamification, where participants receive an assignment every two weeks, which they have to complete within a given deadline and send the answer by email. Each assignment is scored from 1 to 5, depending on the timeliness, fulfillment of all requirements, and quality of the answer.

The learning process will address each functional or leadership skill through various challenges. Feedback is provided via email after each assignment and once a month there is a one-to-one feedback session between the skills development specialist and the participant.

Examples of assignments include creating a business plan and presenting it to a client, getting feedback from colleagues, developing an action plan, and replacing a colleague for a period of time.

## BD Sales Academy

The program offers graduates the opportunity to start their careers by joining our sales teams as Business Developers. Here they can continuously learn and develop through dedicated training sessions, hands-on experience, and cross-functional projects, preparing them for the next stage of their career.

Open to graduates from all disciplines, the Sales Academy provides sales skills training and on-the-job mentoring to help participants excel in their roles.

## Supply Chain Academy

In 2023, we launched an internally developed CCHBC skills development program for all Supply Chain employees, offering over 50 online and offline learning modules suitable for multiple levels and certifications, depending on the participant's role, area of work, and experience. Population roles/segments are selected based on priorities identified at the sub-function and plant level, aligned with strategic Supply Chain priorities.

Individual and team success is closely linked to three main learning activities: learning through experience (70%), learning from others (20% and includes using a peer, mentor, or coach for development, and giving and receiving feedback for continuous improvement) and learning through formal training (10% and includes attending classroom and virtual training, accessing online materials and resources, and following structured online learning programs).

## On the Job Development Tool

The purpose of this new app is to make the process easier and quicker for competency development specialists by being accessible and easy to use on your phone. All records and progress for each direct recipient remain stored in the app and can be easily transferred to Excel.

Direct beneficiaries will have access to the app and will be able to view the feedback and actions recorded by the competence development specialists.

In the feedback section, feedback on the observed competencies is entered for the direct beneficiaries and a SMART action plan is agreed with them.

## Sustainability School

The Sustainability School program has been supported by Coca-Cola HBC Romania since the beginning of 2022 and is organized by the Embassy of Sustainability in Romania, a non-governmental initiative whose mission is to promote sustainability in the business environment and facilitate the transition to the new economic model, the sustainable one, in which companies can solve social and environmental problems without sacrificing economic efficiency and profit.

Sustainability School<sup>®</sup> is an education program in sustainable management designed to meet the need for a sustainability school in Romania. The goal is to provide managers with a holistic and integrated learning experience on transitioning from business-as-usual to sustainable business.

In May 2024, the program celebrated 3 years of activity, with 95 webinars organized since its launch, with over 3,100 participants in the live sessions, 1 e-learning platform, 104 unique speakers (some of whom delivered multiple webinars within the program), including 47 international experts from institutions such as Eurosif, World Bank, Cambridge Institute for Sustainable Leadership, ISFC, GRI, University of Edinburgh, European Parliament, Dutch Ministry of the Environment, UN Sustainable Development Solutions Network, Planet Tracker, EFRAG, UNHCR, ClimatePartner, CDP, etc.

As members, all Coca-Cola HBC Romania employees have access to the e-learning platform and can participate in the available webinars or attend live sessions organized weekly by the Sustainability Embassy in Romania.

## Other projects

Against the backdrop of the fast pace of change, in 2022 we introduced **opinion surveys as a permanent part of our internal communication**. This helps ensure that leadership teams truly understand what our employees need to succeed.

In 2023, we continued this practice and conducted two surveys. In the second, conducted in September, we also included the Employee Engagement Index, which measured 77% (at the Romanian business unit level).

We believe that mental health is an important part of employee well-being, and we provide tools for recognizing and addressing mental health issues and early signs of burnout. In this regard, we facilitate access to the **Employee Assistance Program**, which provides confidential support 24/7 for our employees and their families.

**ParentTeam**, our parent community where we discuss different topics of interest to both children and parents, continued to run this year.

In June, we organized a series of webinars where we talked to both children and their parents about bullying, but also about the careers of the future, how artificial intelligence will affect the job market, and what they should do to be prepared.

At the same time, established initiatives such as **Recognition@Coke**, **MyVoice**, and **Fast Forward** continued.



Average number of training hours per year per employee by category	2023	
	Men	Women
Senior Management Team	19	75
Middle Management Team	44	32
Professionals	17	20
Supporters	46	57
Troopers	21	23
<b>Total average</b>	<b>33</b>	<b>31</b>

Examples of training courses provided for employees	2023	
	Total number of hours	Number of participants
SCA Academy Programmes	9,595	8,352
Performance Booster	2,725	2,143
License to LEAD/SELL/START (BDs)	3,903	5,185
Health & Safety	9,829	3,518
Competition Law eLearning	934	967
Environmental training	349	117
CyberSecurity -incl. InfoSecurity	962	2,666
Organizational Effectiveness	1,747	3,089

### Employee categories who have completed a performance evaluation process\*

	2023			
	Men		Women	
	no.	%**	no.	%**
Senior Management Team	5	100%	6	100%
Middle Management Team	158	100%	88	100%
Professionals	153	100%	162	100%
Supporters	377	100%	112	100%
Troopers	315	100%	100	100%
<b>Total</b>	<b>1,003</b>	<b>100%</b>	<b>463</b>	<b>100%</b>

### Employees who have undergone a performance evaluation process

	2023			
	Men		Women	
	no.	%**	no.	%**
	392	37.9%	201	46.1%

\*All employees active in December with at least 11 months of seniority are included in the evaluation process

\*\*Of the eligible employees

## 5.4 Workplace safety

We are committed to providing a safe working environment for all our employees so that they can do their jobs safely.

We consider this to be a fundamental right of all our team members and an imperative for the long-term success of our business.

We have a responsibility to minimize the risk of accidents and injuries by ensuring that the workplace is safe and productive for every member of our team and everyone involved in our projects.

### Occupational health and safety policy

We provide our teams with a working environment where they can carry out their activities safely, strictly implementing the requirements set by national legislation. All our plants are certified according to the ISO 45001:2018 standard, which establishes the requirements for the occupational health and safety management system, aiming to provide a framework for managing risks and opportunities in this area.

Our occupational health and safety policy consists of targets set and communicated at all levels of the organization and for all operations within the scope of the management system, which are regularly monitored, reviewed, and revised. Responsibility for the effectiveness of the occupational health and safety management system resides with the top management, which is committed to providing the necessary resources and communicating the importance of this approach so that each employee is aware of their role as well as their responsibilities.



## Preventing work-related accidents and hazard reporting

The occupational health and safety management system is implemented and certified in accordance with the reference standard SR EN ISO 45001:2018. The standard implementation aims to reduce organizational risk and promote occupational health and safety.

Our most important resource of the company is the human resource, therefore our focus is on:

- Reducing occupational accidents, occupational health threats and preventing fatalities;
- Developing and implementing OHS policies and objectives;
- Demonstrating leadership and commitment to the OHS management system;
- Minimizing/Eliminating OHS risks

In accordance with the requirements of ISO 45001, both internal and external audits are conducted periodically to assess compliance and identify areas for improving working conditions and increasing employee engagement in OHS compliance.

### Employees covered by the occupational health and safety management system

2023	
No.	% of total employees
1,469	100%

As an integral part of our management system, hazard identification, risk assessment, and control take place regularly and whenever changes in work activities and processes occur. Our methods have been developed internally and are applied to each location, and following the application of the assessment methodology, action plans are established to improve the level of risk by taking the necessary measures at workplaces to eliminate, reduce, and control risks. The hazards and their associated risks, as well as the measures established to keep them under control, are included in the training topic and become input data for setting objectives, targets, and the management program in the field of OHS (Occupational Health and Safety).

The SL-P-511 procedure - Hazard identification and assessment of OHS risks and opportunities is implemented and maintained within Coca-Cola HBC Romania. This procedure describes the following processes:

- Continuous and proactive identification of hazards related to occupational health and safety of personnel in the performance of routine and non-routine activities, specific to the processes of the integrated management system of Coca-Cola HBC Romania;
- Assessment of OHS risks and opportunities against identified hazards, taking into account the effectiveness of existing controls;
- Planning the actions required to address OHS risks and opportunities that need to be addressed;
- Implementation of actions to address OHS risks and opportunities in the integrated management system processes;
- Evaluating the effectiveness of actions implemented to address OHS risks and opportunities.

According to Coca-Cola HBC Romania procedures, employees and contractors can report hazards, dangerous situations, and mild incidents when they are observed, to managers, both directly and through the "Near-miss" events reporting system. Such reports are collected directly or through the reporting sheets submitted by any person who identifies such situations that may impact the safety and health of workers during their activity. Immediately after reporting, these situations are analyzed by the managers of the jobs where they were reported, and appropriate corrective measures are applied. The information is tracked monthly through local performance indicators and reported at the Group level. Quarterly, the "Near-miss" situations and the corrective and preventive measures applied are discussed at the meeting of the Occupational Health & Safety Committee (OHSC).

Both under the Company's internal regulations and according to the job description, all employees have the obligation and responsibility to comply with the rules in the field of occupational health and safety and emergency situations and to contribute to the prevention and removal of any situation that could endanger the life, physical integrity or health of people or property.

To closely monitor compliance with occupational health and safety regulations, the company conducts internal controls and inspections. These efforts have resulted in the implementation of preventive and corrective measures aimed at reducing the risk of future workplace accidents.

As health and safety are core values of the Company, we always comply with applicable health and safety rules and regulations in the workplace. We continually promote safe operating practices and avoid unnecessary risks to our colleagues and communities.

We require all our employees to follow safe working practices in the interest of their own safety and that of their co-workers. Safety is everyone's responsibility and the responsibility of all employees. Employees can prevent injury to themselves and their co-workers by always following safe work practices and reporting unsafe conditions when they are observed.

Many employees go above and beyond these basic responsibilities by serving on safety committees, participating in joint teams on improvement projects, participating in the Behavior Based Safety program as observers, informing management of safety policies and procedures, and helping conduct workplace safety inspections.

Occupational accidents are reported in accordance with national legislation to the relevant authorities as soon as they occur. Following the investigation of work events, risks are reassessed, and control and prevention measures are implemented. Recorded accidents concern company employees.

At the organizational level, the following positions are in place:

- **OHS manager** - manages the OHS management system, liaises with the group management team, participates in internal and external audits according to the reference standard - ISO 45001, maintains and improves the Group's and legal requirements with regard to OHS;
- **OHS coordinator** - manages the OHS requirements locally, complies with legal requirements and ensures that any updates are assessed and implemented (external service Denkstatt), participates in internal and external audits according to the reference standard - ISO 45001, communicates relevant information to the OHS manager, ensures that any relevant information received from the Group/ TCCC is brought to the attention of colleagues in operational areas, collects relevant OHS information from operational areas and reports it in daily and regular meetings – OHSC;
- **External OHS service** – applies to head office and sales department, manages the OHS system in contracted areas, and provides expert support when needed.

## Work-related accidents

We prioritize how we can provide the safest possible working environment for our employees by minimizing all risks of injury. The Coca-Cola HBC Group is running the "Road to Zero LTA" project which aims to bring together best practices and measures implemented in other countries aimed at ensuring reduced risk in high-risk activities such as the movement of vehicles and people on the territory, working at height, working on machinery and others.

Another program aimed at identifying unsafe behaviors and situations is Behavior-Based Safety, which promotes safe behaviors by involving employees in observing and providing feedback to co-workers and identifying barriers that prevent people from working safely.

We also continue to make significant progress with our Safety Steps Change Strategy to achieve the company's vision of "zero is possible" regarding serious incidents and fatalities and will continue to maintain a mindset of learning and improvement. Thus, starting in 2021, the "Life-Saving Rules" project was implemented, which includes 14 focus areas for all company employees.

In 2023, at Coca-Cola HBC Romania, there were 2 work-related accidents that required medical leave for more than 3 calendar days.

2023

There were no illnesses or fatalities due to diseases arising from exposure to workplace hazards.

2023

Total hours worked by employees: 2,639,646 hours

Work-related fatality rate: NA

Rate of accidents causing serious injuries: NA

Rate of work-related accidents: 0.75

Note: The rate of work-related accidents was calculated using the following formula:

$$\text{the rate of work-related accidents} = \frac{\text{number of work-related accidents}}{\text{total number of hours worked by employees}} \times 1,000,000$$

## Occupational health and safety committee

To ensure the development of appropriate policies and their efficient implementation, Coca-Cola HBC Romania has an Occupational Health and Safety Committee (OHSC), legally convened by the presence of at least half plus one of its members.

Employee consultation and participation in OHS matters is achieved through the Occupational Health and Safety Committees set up at each site, the involvement of employee representatives in the development and implementation of OHS decisions within these committees, and the suggestion program based on the innovation concept implemented at the sites.

OHSC meetings are held quarterly, and the resulting report from the meeting is communicated internally to employees and location staff, as well as externally to the OHS authority.

Communication of the OHSC meeting results to employees is done by posting the minutes on dedicated OHS boards in locations/departments.

Department heads inform employees about various aspects of OHS every month during a work area meeting (Toolbox Talk). This information covers events related to the work process, risks assessed during the introduction of new equipment, results of internal OHS audits and inspections, safety practices, etc.

There are three Occupational Health and Safety Committees at the national level, one for each region.

The responsibilities of the Occupational Health and Safety Committee:

- analyzes and makes proposals on the occupational health and safety policy and prevention and protection plan, in accordance with the internal regulations;
- pursues the implementation of the prevention and protection plan, including the allocation of the means necessary to achieve its provisions and their effectiveness in terms of improving working conditions;
- analyzes the introduction of new technologies, and the choice of equipment, taking into account the consequences for the health and safety of workers, and makes proposals when identifying certain deficiencies;
- analyzes the choice, purchase, maintenance, and use of work equipment, collective and individual protective equipment;
- examines how to carry out the tasks of the external prevention and protection service, as well as their maintenance or replacement, where appropriate;
- proposes measures for the development of workplaces, considering the presence of sensitive groups, subject to specific risks;
- analyzes the proposals made by workers regarding working conditions and how designated people and/or the external service perform their duties;
- monitors how legal requirements regarding occupational health and safety, as well as measures ordered by labor and health inspectors, are applied and respected;
- analyzes workers' proposals regarding the prevention of occupational accidents, and illnesses, as well as regarding the improvement of working conditions, and proposes their inclusion in the prevention and protection plan;
- analyses the aspects causing occupational accidents, illnesses, and events and may propose technical measures in addition to the measures ordered as a result of the research;
- carries out its own checks on the application and working instructions and makes a written report on the findings made;
- debates the written report submitted to the Committee on Health and Safety at Work by the Head of the Unit at least once a year about safety and health at work, the actions that have been taken and their effectiveness in the year ended, and the proposals for the prevention and protection plan to be carried out in the following year.

The agenda of each meeting is established by the President and the secretary of the OHSC, in consultation with worker representatives, and is transmitted to OHSC members and the Territorial Labor Inspectorate at least 5 days before the scheduled committee meeting.

The secretary of the Occupational Health and Safety Committee sends a written notice to committee members at least 5 days before the meeting, indicating the location, date, and time. At each meeting, the secretary of the OHS committee prepares minutes that are signed by all committee members.

The OHS committee is legally convened if at least half plus one of its members are present. The OHS committee agrees with the vote of at least two-thirds of the number of members present.

The secretary of the OHS committee posts copies of the minutes in a visible location.

The secretary of the OHS committee submits a copy of the minutes to the Territorial Labor Inspectorate within 10 days of the meeting.



## Employee training

In 2023, we organized Occupational Health and Safety Week 2023, an occupational health and safety awareness campaign that covered topics of interest to colleagues from all departments of the organization.

Periodic training sessions are conducted at each workplace for employees of the company. Training needs are determined based on the analysis of hazards and risks specific to the organization's activities and services, as well as the applicable legal requirements in the field of OHS and the requirements of the implemented and certified OHS Management System at the company level. Whenever there is a need for external training for specialized personnel requiring authorization for certain professions, participation in training and development courses is organized.

All roles are assigned specific training topics and a certain frequency at which they are addressed. All CCHBC employees, including new hires, have participated in OHS (Occupational Health and Safety) and ES (Emergency Situations) training, following the frequency and training topics for their respective workplaces.

During monthly Toolbox Talk sessions, information of interest regarding occupational health and safety, prevention of seasonal illnesses, and other relevant topics is communicated. Employees who drive company cars have undergone two types of training in defensive driving techniques, both theoretical and practical. All drivers were enrolled in Hello's online learning program for the Defensive Driving course, where they received useful technical information and were tested at the end.

In addition, all company employees benefit from medical services provided by the Regina Maria Network. Periodic campaigns are conducted to promote a healthy lifestyle, including aspects such as nutrition and physical activity.

2023

In 2023, 14,838 hours of occupational health and safety training were provided for the employees.

6

# PARTNERSHIPS FOR THE FUTURE

6.1 Supplier relations

6.2 Partnerships  
and community  
investment

## 6.1 Supplier relations

An efficient and sustainable supply chain is essential to our success and sustainable development. To achieve our growth and sustainability goals, we work closely with our suppliers and partners to ensure that every link in the supply chain follows the principles of sustainable development.

We recognize the challenges our suppliers face in adopting sustainable business practices and are committed to helping them implement best practices. By fostering a culture of open communication and continuous knowledge sharing, we strengthen our long-term partnerships and build a sustainable future together.

### Supplier Guiding Principles

At Coca-Cola HBC Romania, the principles governing our supplier relations are described in the [Supplier Guiding Principles](#)<sup>9</sup>, which all partners we work with are required to agree to and at the same time ensure compliance with before entering into any contractual relationship.

All suppliers interacting with public authorities on behalf of CCHBC Romania are subject to due diligence screening on the Exiger platform, which can identify whether the supplier is associated with high risks, whether there have been previous allegations of improper commercial behavior, etc.

The company applies a zero-tolerance policy on bribery, corruption, or violations of this Policy.

We work closely with all our suppliers to ensure that they understand and comply with our requirements in the following areas:

- **Workplace practices:** We support fair employment practices based on our commitment to respect human rights in the workplace and expect our suppliers to comply with all applicable laws and similar standards and principles in the countries in which they operate;
- **Work environment:** We expect our suppliers to judge their employees and contractors based on their ability to do their jobs and not upon their physical and/or personal characteristics or beliefs, affirming the principle of no discrimination based on race, color, gender, religion, political opinion, national origin or sexual orientation.
- **Health and Safety:** We expect our suppliers to provide a safe workplace with policies and practices in place to minimize the risk of accidents, injury, and exposure to health risks;
- **Child labor; abuse of labor:** We expect our suppliers neither to employ anyone under the legal working age nor to condone physical or other unlawful abuse or harassment, in any of their operations;
- **Slavery, forced labor, and human trafficking:** We expect our suppliers not to hold any person in slavery or servitude and not to use forced, bonded, or compulsory labor or engage in any form of human trafficking;
- **Wages and benefits:** We expect our suppliers to compensate their employees fairly and competitively relative to their industry, in full compliance with applicable local and national wage and hour laws;
- **Third parties:** In the event their employees have lawfully chosen to be represented by third parties, we expect our suppliers to recognize such parties in good faith and not to retaliate against employees for their lawful participation in labor organization activities;
- **Environmental practices:** We expect our suppliers to conduct business in ways that protect and preserve the environment and, at a minimum, to meet applicable environmental laws, rules, and regulations;
- **Conflicts of interest:** We expect our employees and suppliers to avoid situations where conflicts of interest may arise and to report any such potential situations;
- **Business and financial records:** We expect our suppliers to comply with all applicable laws and regulations relating to the reporting and maintenance of financial records;
- **Bribery:** We expect our suppliers to comply with all applicable laws regarding bribery and not to engage in such practices or fraudulent activities as our company has a "zero tolerance" approach to violations of applicable anti-corruption or anti-bribery laws.

We expect our suppliers to develop and implement internal processes for conducting business to ensure compliance with our supplier standards.

We collaborate with Coca-Cola Romania which uses independent third parties to verify suppliers' compliance with the Supplier Guiding Principles; this verification includes confidential interviews with employees and contractors at the workplace.

If a supplier fails to comply with any of the requirements of the Supplier Guiding Principles, we expect the supplier in question to implement corrective measures.

Coca-Cola HBC Romania reserves the right to terminate the contract with any supplier who cannot prove conformity with our requirements.

## Reporting channels

We encourage our suppliers and partners who consider that an employee of the company or any other person who acts on behalf of Coca-Cola HBC Romania has engaged in illegal or otherwise improper conduct, to report it through the channels available to them.

Any concern or suspicion along these lines should first be discussed with the employee's manager or the Compliance Officer at [compliance@cchellenic.com](mailto:compliance@cchellenic.com), or via the Speak Up! Line at [coca-colahellenic.ethicspoint.com](https://coca-colahellenic.ethicspoint.com).

The company will not tolerate retaliation against suppliers by any of its employees for making a good-faith report of possible misconduct or for cooperating in an investigation.

In 2023 there were no grievances/ complaints received from suppliers.

2023

# Suppliers

Suppliers expenditure	2021	2022	2023
	euro	euro	euro
Local suppliers	138,462,166.72	149,169,113.43	325,714,213.00
Other suppliers	97,180,911.29	123,891,748.65	34,492,995.00
<b>Total</b>	<b>235,643,078.01</b>	<b>273,060,862.08</b>	<b>360,207,208.00</b>

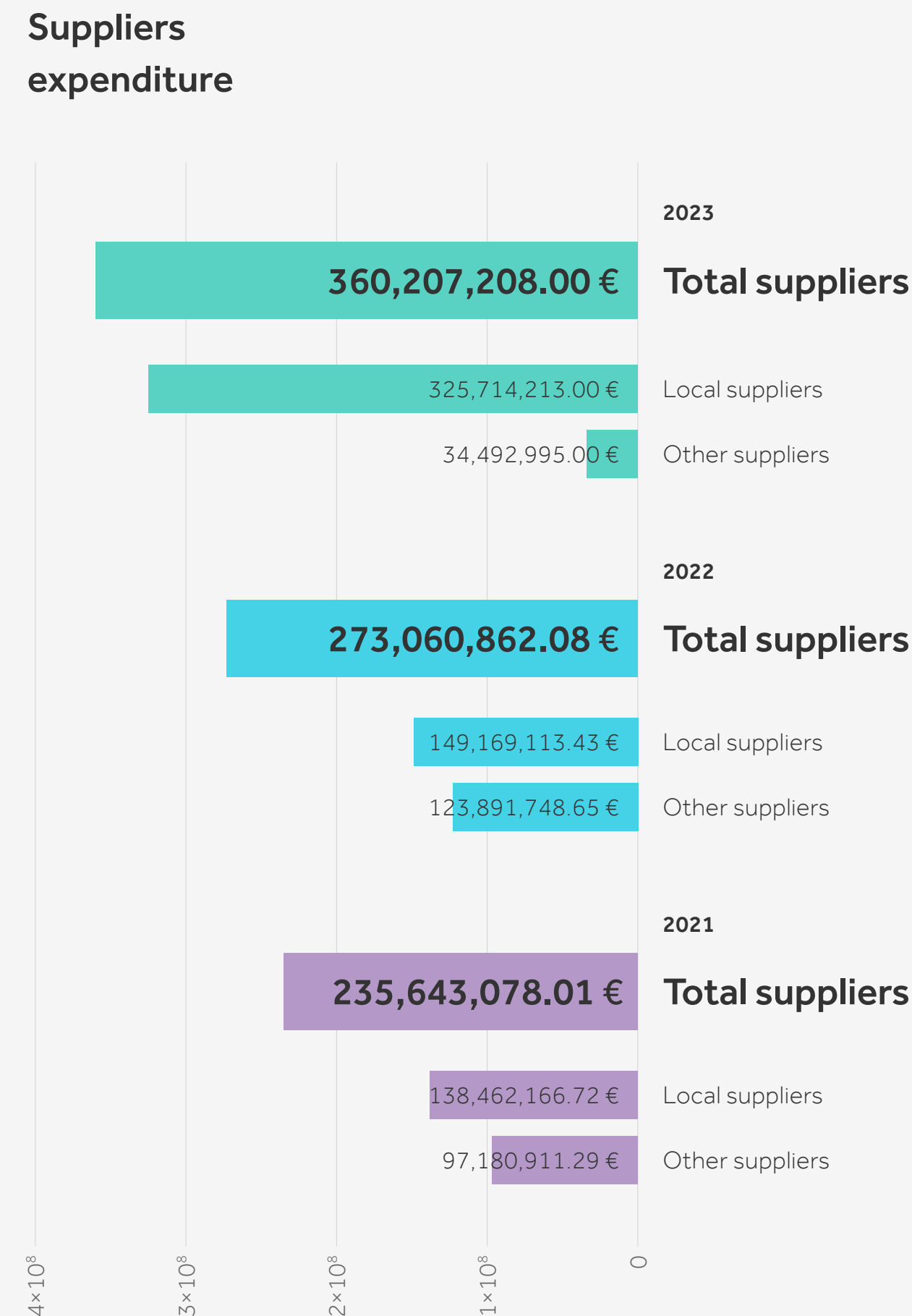
In the 2023 report, utility costs have been included in local supplier expenditure in addition to previous years.

Coca-Cola Sourcing BV, which purchases from multiple sources, was also included in local supplier expenditure. Approximately 80% of its spending was on external procurement (165,393,209 lei).

Number of suppliers	2021	2022	2023
	Local suppliers	1,563	1,538
Other suppliers	268	307	260
<b>Total</b>	<b>1,831</b>	<b>1,845</b>	<b>1,924</b>
of which new suppliers	220	178	272

Local suppliers represent the company's suppliers based in Romania.

## Suppliers expenditure



**2023**  
In 2023, more than 90% of Coca-Cola HBC Romania's supplier spend was with the 86% local suppliers.

## Supplier evaluation and selection

Supplier evaluation and selection is an annual process at both Group and local levels for local and international suppliers, based on the segmentation carried out at Group level. Depending on the specifics of each procurement, our colleagues use a wide range of criteria to select suppliers before entering into contracts.

All suppliers invited to tender must acknowledge and commit to the CCH Supplier Guiding Principles (SGPs) or an equivalent form approved by the Group Legal and Group Sustainability Procurement Director.

\*Strategic suppliers are defined as suppliers with whom the company has contractual relationships that exceed a certain value or are critical to the business.

The selection of our equipment and bottling line suppliers is based on complex criteria which, in addition to the commercial aspects, include the consumption of resources resulting from the operational phase: water consumption, electricity, heat, other consumables, chemicals, etc.

We monitor the performance of strategic suppliers\* to our operations through regular assessments, compliance audits, and third-party tools. One such platform that involves going through a third-party assessment process is EcoVadis, which involves registering the supplier, submitting assessment forms, and uploading documents to support the statements and claims made in the forms (policies, procedures, certificates, sustainability reports, etc.). The indicators evaluated by EcoVadis cover four strategic areas: Environmental Protection, Business Ethics, Workforce and Human Rights, and Sustainable Procurement.

The platform generates an objective score for each supplier that goes through the evaluation methodology. In bidding processes with an estimated budget of more than €100,000, the evaluation of suppliers is done at the group level through the EcoVadis platform, with the frequency determined by the platform, i.e. annually, every 2 years, every 3 years.

At the same time, we include a sustainability assessment criterion in the evaluation of tenders for all suppliers whose turnover associated with us exceeds €20,000.

100% of the new suppliers that went through a tendering process in 2023 have been assessed on social and environmental criteria, either according to the Ecovadis assessment methodology for those registered on the platform or through the Sustainability Assessment Questionnaire.

In 2022, 99 suppliers were assessed for environmental and social impacts, 54 through EcoVadis and 45 through the Sustainability Assessment Questionnaire.

2023

In 2023, 126 suppliers were assessed for both environmental and social impacts (32 existing suppliers and 20 new suppliers through Ecovadis and 74 new suppliers through the Sustainability Assessment Questionnaire).

Following the analysis, 19 suppliers were identified as having potentially negative environmental and social impacts, and performance improvement plans were established to improve their performance in this regard.

Contractual relationships were not terminated with any suppliers.

	2023
Number of suppliers assessed for environmental impacts	126
Number of suppliers identified as having significant potential negative environmental impact	19
Number of suppliers with which environmental performance improvement plans were agreed upon	19
Percentage of suppliers with which relationships were terminated	0

	2023
Number of suppliers assessed for social impacts	126
Number of suppliers identified as having significant potential negative social impact	19
Number of suppliers with which social performance improvement plans were agreed upon	19
Percentage of suppliers with which relationships were terminated	0

## Procurement process

At Coca-Cola HBC Romania, the procurement process begins with the issuance of a request from the beneficiary department, based on which the procurement team conducts a tender. The criteria, which also include specific environmental requirements, are defined according to the nature of the acquisition.

According to the CoA (Chart of Authority), its result is subject to the approval of a forum consisting of the budget manager, procurement manager, a representative of the legal department, and a representative of the financial department. The approval process is intended to ensure that the supplier's guiding principles are included in the contract.



6.2

# Partnerships and community investment

After Us,  
a better future  
for communities

→ ECOBONUS

→ La TINERi  
este Puterea

→ Water that takes  
care of water

→ Recycling Map

→ Pay by PET

→ Future Factory

→ Via Transilvanica

→ Big Belly

→ Sustainability  
Embassy  
in Romania

## After Us, a better future for communities

Our global vision is to contribute to making a change for the better around us, and to change things means growing alongside our communities and all our partners.

We stand by the communities we are part of and remain an open dialogue partner, eager to leave a better world together #afterus. Our plans are for the long term and that is why we support impactful initiatives that make a significant difference to the lives of beneficiaries or the communities in which they are implemented.

Our community investment strategy focuses on four pillars:

- I protecting the environment<sup>q</sup>,
- II safeguarding water resources<sup>q</sup>,
- III supporting young people<sup>q</sup>,  
and
- IV developing communities<sup>q</sup>,

with a single goal - to act for a more sustainable future.



2023

In 2023, the value of Coca-Cola HBC Romania's community investments amounted to 4,092,840 lei.

2023

55 employees volunteered 212 hours in 2023.

## After Us, it's on us to collect

*După Noi, strângem tot noi*

protecting the environment  
by prioritizing the  
management of packaging  
waste, especially plastics.

Working continuously to develop more sustainable packaging, we are committed to recovering the same amount of packaging that we put on the market by 2030 through education, information, and awareness-raising projects to promote separate collection.

We are tackling packaging waste through multi-tiered efforts: we are investing in sustainable packaging and reducing the amount of plastic used, to achieve 100% recyclable packaging (already achieved in Romania) and 50% recycled material by 2030.

In 2023, we reached 28.44% following the transition of the Dorna mineral water portfolio to 100% recycled PET (rPET) packaging. In addition, from November 2023, our entire product portfolio is packaged in 100% rPET.

Together with our NGO partners, we are involved in projects to raise awareness, educate and involve the public in the separate collection/sorting of waste, projects such as "Recycling Map", "Big Belly", "ExtravaCANza" or "Pay with PET".

## After Us, new people grow

*După noi, cresc oamenii noi*

supporting young people  
and their potential

We are involved in initiatives aimed at youth development and helping young people reach their full potential.

Through programs such as [La TINeri Este Puterea](#)<sup>®</sup> (YOUth Empowered), we work to develop solutions that support their first steps in business or career, as well as their growth as individuals in society.

## After Us, water nurtures life

*După noi, apa hrănește viața*

protecting and  
conserving  
water resources

We take responsibility for identifying and managing ways to recycle the water used in the production process so that local communities are not deprived of this limited resource.

## After Us, what belongs here endures

*După noi, dăinuie ce-i al locului*

developing local  
communities

We support local communities through projects and investments aimed at improving, developing, or preserving Romanian traditions and natural ecosystems.

We believe that the beauty of places and customs, the stories of old times, and the authenticity of people and communities are values worth preserving for future generations and also resources for development.

We have made it our mission to discover and support them.



## Recycling Map

The [Recycling Map](#)<sup>o</sup> is the first national interactive platform in Romania dedicated to identifying locations for separate collection and sorting of recyclable waste. Implemented in partnership with the ViitorPlus Association, the platform allows users to add new sorting/collection points to the database or update existing locations that have lost relevance.

In 2023, two educational sessions were held: the "Water and Biodiversity Lesson" was held in the spring, between March and June, with the participation of 1,249 teachers who gave 1,409 lessons and reached 27,842 students.

In the autumn, the "Green Go Guide / Introduction to the Circular Economy Module" session took place in October, consisting of 10 and 7 lessons respectively, with the participation of 1,266 teachers from all levels of education.

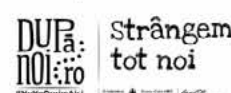
In addition, 22 articles were published on the Recycling Map website, attracting 216,000 unique users. To improve the platform, we surveyed registered users and organized a focus group to identify the types of materials needed to update the map. We also developed a video project called "Champions of the Circular Economy" to promote and educate about the circular economy.



program  
al asociației



in parteneriat cu



## Big Belly

Big Belly, part of the After Us sustainability platform, is a smart city solution that streamlines the separate collection and sanitation system in cities by providing dedicated bins for recyclable and household waste. They have a storage capacity of 5 times their own volume through an internal waste compaction mechanism, have an automatic sensor system that alerts the collector when they are approaching the maximum amount, and are powered by solar energy from integrated photovoltaic panels.

After Bucharest, where it has been implemented since 2019, the system has been extended to Timisoara in 2022 with a further 20 smart containers installed by Coca-Cola HBC Romania in partnership with the Timisoara City Hall and Greenpoint Management.

The Big Belly solution was implemented for the first time in 2019 when 30 smart containers were placed in central areas of the capital. As a result, more than 80 tons of recyclable waste was collected and the amount of plastic bags used in traditional bins was reduced by 90%.

In addition, the automated notification system has reduced the number of container-emptying trips by approximately 94%. Whereas a typical container is emptied 5 times a day in successive trips, the Big Belly is serviced every 10 days and only when necessary. The carbon footprint has also been reduced by 70% compared to conventional sanitation by streamlining the transport required for collection.

The 10 locations of the Big Belly containers have been marked on a digital map, which can be accessed online by scanning the QR code on the containers or at [dupanoi.ro/big-belly](https://dupanoi.ro/big-belly)<sup>o</sup>, where more information about the project can be found.

## ECOBONUS

The collected packaging was converted into ECOBONUSES worth 150 and 10 lei and the value of all Dorna packaging collected in the stores was donated by the 3 partners to the Bucharest Community Foundation for the implementation of an environmental project in Bucharest.

Together with PENNY Romania and Greenpoint Management, we launched the ECOBONUS campaign, which encourages consumers to collect their used PET bottles separately and bring them to the recycling vending machines that are installed in all 18 PENNY stores in Bucharest.

OPEN is a project developed by Climatosfera and the Technical University of Constructions Bucharest. The project aims to give back to the community a 2,400 square meter green area of the Tei student campus with several functionalities: an urban park area - open to everyone in the neighborhood for recreational activities and a small playground; an urban garden area - an educational space for urban agriculture, where people can learn how to grow crops suitable for the urban environment, how to reduce their carbon footprint and how to be part of the circular economy.

**COLECTEZI TU CÂȘTIGĂM TOȚI**

PET-urile tale devin ECOBONUS pentru tine și comunitate. Colectează în magazin și câștigă:

10 x PET = ECOBONUS 150 de lei la tombola săptămânală

20 x DORNA colectate = ECOBONUS 10 lei pe loc

Fiecare ambalaj DORNA colectat contribuie la susținerea Fundației Comunitare București pentru un proiect de mediu.

Parteneri: greenpoint, Coca-Cola HBC România, PENNY.

Regulamentul campaniei este disponibil pe [www.penny.ro](http://www.penny.ro) | Campania se desfășoară în perioada 1.02 - 25.04

## Pay by PET

**Fructele și legumele românești sunt vedetele noastre**

Fructele și legumele românești la prețul de 1 PET bucată fac un ultim turneau înainte să se retragă...La raft. Vino la Carrefour cu PET-uri, doze de aluminiu și sticle și schimbă-le pe un concert de gust și prospețime.

Te așteptăm la Plata cu PET!

1x PET = 1x Apple

1x rPET DORNA = 2x Apple

Parteneri: Coca-Cola HBC România, Green Point, TOMRA, FEPR

putem plăti cu PET

The partnership with Carrefour and Greenpoint Management continued with the fifth edition of the Pay by PET campaign.

For the second year in a row, consumers were able to use smart separate beverage packaging collection machines (Reverse Vending Machines), a technology that allows consumers to separately collect PET as well as aluminum cans and glass packaging.

211,064 PET, rPET, glass and aluminum packaging were collected during the campaign. Of these, 156,265 were PET packaging, including 32,311 rPET Dorna packaging.

## Sustainability Embassy in Romania

**Sustainability School** is an educational program in sustainable management, delivered through weekly webinars, aimed at employees of member organizations of the Sustainability Embassy in Romania, through the Sustainable Romania Coalition program, and at students and teachers of partner universities.

# La TINeri este Puterea

*YOUth Empowered*

To successfully implement the program across the country, new partnerships with over 61 institutions were established in 2023, and collaboration with partner institutions from previous years continued in the 32 counties covered by the project.

In 2023, 7,584 young people participated in live training sessions and another 951 in online sessions.

- 61 partner institutions
- 356 workshops, including 30 online workshops
- 16 trainers involved
- 17 counties reached

“La TINeri este Puterea” is a local program carried out in Romania as part of the Coca-Cola HBC Group’s #YOUthEmpowered initiative, which aims to increase the chances of young people aged 16-30 who are NEET (Not Employed, in Education or Training) to become active in the labor market.

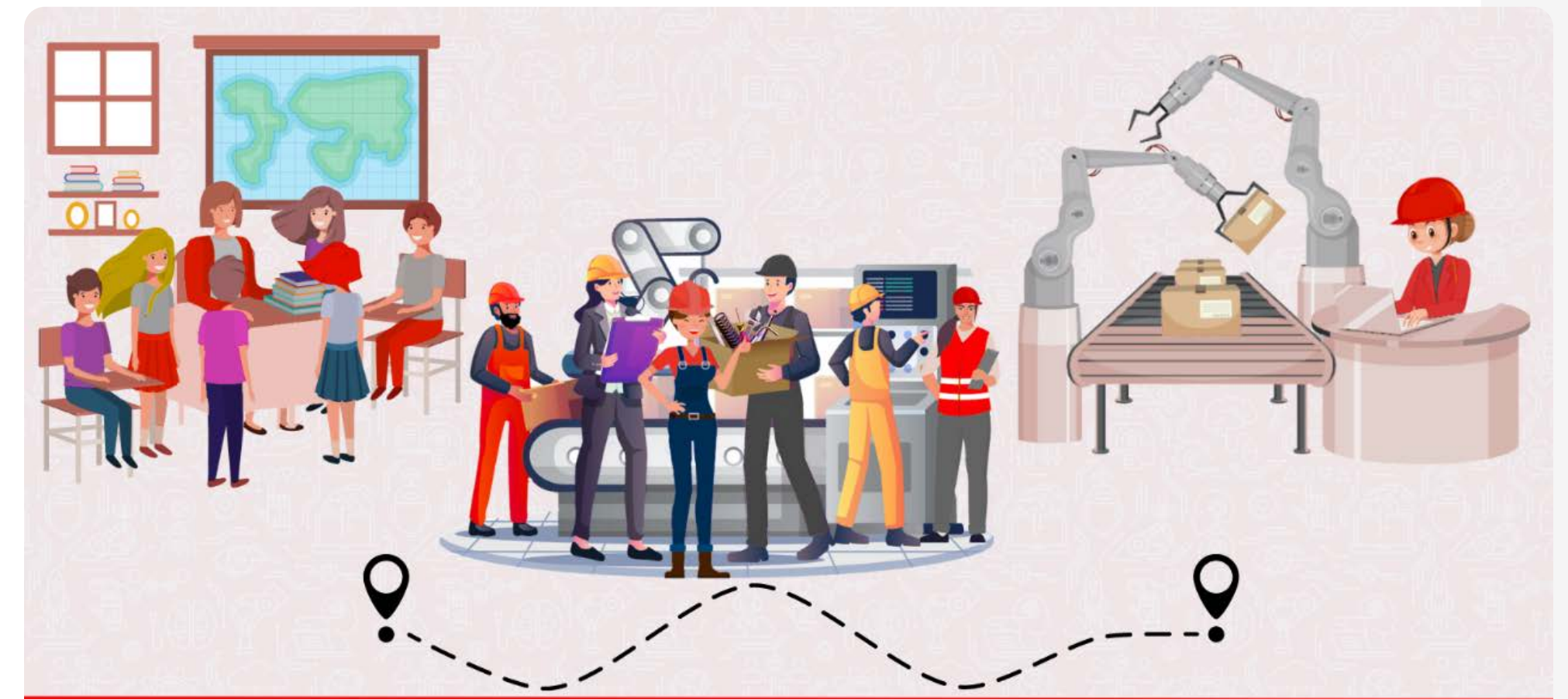


# Future Factory

The Future Factory project aims to raise awareness of technical trades and develop the skills of high school students to prepare them for careers in areas such as mechatronics, automation, and electronics.

At the end of the project, the young people will be able to develop a career plan so that the chosen profession is in line with the personal skills discovered during the project but also takes into account the requirements of the labor market.

As part of the Future Factory project, initiated by Coca-Cola HBC Romania in partnership with the School of Values Association between November 2023 and June 2025, more than 200 students from several technical high schools in the country have benefited from career counseling and vocational guidance.



## Water that takes care of water

As part of the **Dorna - Water that takes care of water** project, the Olt, Jiu, Arges and Mures rivers were the large rivers in the country that benefited from the project thanks to cleaning systems that capture waste floating on the water. Dorna, in partnership with The National Administration "Romanian Waters", the CSR Nest Association and CLEAR RIVERS, has installed innovative devices to collect waste from the water.

Known as The Litter Trap, these devices are, in fact, floating systems, capable of capturing garbage from the surface of the water to a depth of 1 m under water.

Increasing the collection capacity is done with the help of floating arms, spread across the width of the river, to cover as large an area as possible.

In 2023, the project meant 8.5 tonnes of wood, 1.5 tonnes of plastic and 1 tonne of household plastic collected from the 4 rivers.



## Via Transilvanica

Via Transilvanica, a project launched in 2018 by the Tășuleasa Social Association, is a 1,400 km tourist and pilgrimage route that starts in Bucovina, at Putna, crosses Transylvania and ends in Drobeta-Turnu Severin. The project aims to promote the cultural, historical, and natural wealth of Romania, both nationally and internationally.

The "Good Day - Little Volunteers Day on Via Transilvania!" project was developed over six months of preparation and activities, coordinated by the Tășuleasa Social Association with the support of Coca-Cola HBC Romania, which focused on three strategic phases:



### SYSTEMIC PARTNERSHIPS:

Over 100 schools and 3 local authorities have been invited to join the project and disseminate the educational content in schools.

### VOLUNTEER EDUCATION AND TRAINING:

Groups of VOLUNTEERS have been created on the Via Transilvanica. They were selected from more than 35 rural schools, which then participated in environmental education sessions.

### ACTION AND CELEBRATION:

The biggest-ever greening action was organized simultaneously in 110 localities along the Via Transilvanica route in the counties of Mures, Suceava, and Bistrita. More than 1,000 km of the route were cleaned with the help of 3,000 volunteers.

The results of 2023 confirmed once again the power of systemic partnerships:

- 3,000 volunteers
- 3 counties
- >1,000 km cleaned
- 25,000 kg of waste collected
- 2 landfills closed
- 260,000 indirect beneficiaries

# **Independent Limited Assurance Report**



# Independent Limited Assurance Report Regarding the Selected Information in the Sustainability Report

To Board of Directors of Coca-Cola HBC Romania S.R.L.

## Introduction

We have been engaged by Board of Directors of Coca-Cola HBC Romania S.R.L. (hereinafter – the “Company”) to provide limited assurance on the selected information defined in the section “Description of the subject matter and applicable criteria” and included in the Sustainability Report of the Company for the year ended 31 December 2023 (hereinafter – the “Sustainability Report”).

## Description of the subject matter and applicable criteria

We assessed the qualitative and quantitative information as set out in the table below, that is disclosed in the Sustainability Report (hereinafter – the “Selected Information”), to obtain limited assurance that the Selected Information has been prepared, in all material respects, in accordance with the applicable criteria.

GRI Standard/Coca-Cola HBC Romania specific disclosure and related description	Referred to in the GRI content index of the Sustainability Report
204-1 Proportion of spending on local suppliers	Yes
303-3 Water Withdrawal	Yes
303-5 Water Consumption	Yes
302-1 Energy Consumption within the Organization	Yes
302-3 Energy Intensity	Yes
404-2 Programs for upgrading employee skills and transition assistance programs a) Type and scope of programs implemented and assistance provided to upgrade employee skills	Yes
403-8 Workers Covered by an Occupational Health and Safety Management System	Yes
405-1 Diversity of governance bodies and employees	Yes

The scope of our limited assurance procedures was limited to the Selected Information for the year ended 31 December 2023 only. We have not performed any procedures with respect to earlier periods or any other items included in the Sustainability Report and, therefore, do not express any conclusion thereon.

We assessed the Selected Information using applicable criteria consisting of reporting requirements, in the respective GRI Sustainability Reporting Standards 204, 302, 303, 403, 404 and 405 (hereinafter – the “Reporting Criteria”) published by the Global Reporting Initiative (GRI). We believe that the Reporting Criteria constitute appropriate criteria to form the limited assurance conclusion.

## Responsibilities of Board of Directors of the Company

Board of Directors of the Company is responsible for:

- designing, implementing and maintaining internal control relevant to the preparation of the Sustainability Report including the Selected Information that is free from material misstatement, whether due to fraud or error;
- preparing, measuring, and reporting of the Selected Information in accordance with the Reporting Criteria; and
- the accuracy, completeness, and presentation of the Selected Information.

## Our responsibilities

Our responsibility was to express a limited assurance conclusion on whether the Selected Information has been prepared, in all material respects, in accordance with the Reporting Criteria. Our assurance does not extend to any other information included in the Sustainability Report.

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the Selected Information is free from material misstatement, whether due to fraud or error;
- forming an independent limited assurance conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our limited assurance conclusion to Board of Directors of the Company.

We performed a limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements other than Audits or Reviews of Historical Financial Information" (Revised) ("ISAE 3000 (Revised)"), issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements, and for limited assurance engagements to plan and perform procedures to obtain limited assurance that the Selected Information for the year ended 31 December 2023 has been prepared, in all material respects, in accordance with the Reporting Criteria.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

### Quality management requirements and professional ethics

We apply International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (the "IESBA Code"), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

### Summary of the work performed

Our planned and performed procedures were aimed at obtaining limited assurance that the Selected Information has been prepared, in all material respects, in accordance with the Reporting Criteria. In doing so, we:

- made inquiries with the Company's management, including the sustainability reporting team and those with responsibility for sustainability reporting management and Company reporting;
- conducted interviews of personnel responsible for the collection of underlying data;
- performed an analysis of the relevant internal methodology and guidelines, gaining an understanding of the design of the key structures, systems, processes and controls for managing, recording, preparing and reporting the Selected Information;
- performed limited substantive testing on a selective basis of the Selected Information to check that data had been appropriately measured, recorded, collated and reported, and
- considered the disclosure and presentation of the Selected Information

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

### Reporting and measurement methodologies

Under the GRI Standards there is a range of different, but acceptable, measurement and reporting techniques. The techniques can result in materially different reporting outcomes that may affect comparability with other organisations. The Selected Information should therefore be read in conjunction with the methodology used by Board of Directors as described in the Sustainability Report and for which the Company is solely responsible.

### Limited assurance conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe, that the Selected Information for the year ended 31 December 2023 has not been prepared, in all material respects, in accordance with the Reporting Criteria.

### Restrictions of use and distribution

This report, including our limited assurance conclusion, has been prepared solely for Board of Directors of the Company in accordance with the agreement between us, to assist the Board of Directors in reporting on the Company's sustainability performance and activities. We permit this report to be disclosed in the Sustainability Report of Coca-Cola HBC Romania S.R.L., which will be published on the Company's website, to assist Board of Directors in responding to their governance responsibilities by obtaining an independent limited assurance report in connection with the Selected Information.

The maintenance and integrity of the Company's website is the responsibility of Board of Directors; the work carried out by us does not involve consideration of these matters and, accordingly, we accept no responsibility for any changes that may have occurred to the reported Selected Information or Reporting Criteria when presented on the Company's website.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Board of Directors of the Company for our work or this report, except where the respective terms are expressly agreed in writing and our prior consent in writing is obtained. The above does not relieve us of liability where such release is excluded by law.



PricewaterhouseCoopers Audit SRL

Bucharest, 04 December 2024

# GRI Content Index

# GRI Content Index

Statement of use	Coca-Cola HBC Romania has reported in accordance with the GRI Standards for the period 1.01.2023 – 31.12.2023
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard	Currently not available

GRI Standard	Disclosure	Page(s) number(s), URL and/or direct answers	Omission		
			Requirement(s) omitted	Reason	Explanation
General Disclosures					
<b>GRI 2:</b> General Disclosures 2021	<b>2-1</b> Organizational details	6-8, 10			
	<b>2-2</b> Entities included in the organization's sustainability reporting	4			
	<b>2-3</b> Reporting period, frequency and contact point	4			
	<b>2-4</b> Restatements of information	There was no restatement of information in the sustainability report.			
	<b>2-5</b> External assurance	126			

<b>2-6</b> Activities, value chain and other business relationships	6-8, 113			
<b>2-7</b> Employees	91			
<b>2-8</b> Workers who are not employees	92			
<b>2-9</b> Governance structure and composition	14			
<b>2-10</b> Nomination and selection of the highest governance body	13			
<b>2-11</b> Chair of the highest governance body	14			
<b>2-12</b> Role of the highest governance body in overseeing the management of impacts	14			
<b>2-13</b> Delegation of responsibility for managing impacts	14			
<b>2-14</b> Role of the highest governance body in sustainability reporting	14			
<b>2-15</b> Conflicts of interest	17			
<b>2-16</b> Communication of critical concerns	16, 115			
<b>2-17</b> Collective knowledge of the highest governance body	102			
<b>2-18</b> Evaluation of the performance of the highest governance body	14			

<b>2-19</b> Remuneration policies	13			
<b>2-20</b> Process to determine remuneration	13			
<b>2-21</b> Annual total compensation ratio	97			
<b>2-22</b> Statement on sustainable development strategy	3			
<b>2-23</b> Policy commitments	11, 15, 18-20, 34, 41-42, 70, 78			
<b>2-24</b> Embedding policy commitments	23, 41-42, 78			
<b>2-25</b> Processes to remediate negative impacts	16, 23, 38-40, 115			
<b>2-26</b> Mechanisms for seeking advice and raising concerns	16, 115			
<b>2-27</b> Compliance with laws and regulations	18, 19, 21, 60, 62, 68, 94			
<b>2-28</b> Membership associations	34-35			
<b>2-29</b> Approach to stakeholder engagement	43-48, 54, 77			
<b>2-30</b> Collective bargaining agreements	92			

### Material topics

<b>GRI 3:</b> Material Topics 2021	<b>3-1</b> Process to determine material topics	48-52			
	<b>3-2</b> List of material topics	53			

### Impact on the local economy

<b>GRI 3:</b> Material Topics 2021	<b>3-3</b> Management of material topics	11, 12, 49			
<b>GRI 201:</b> Economic Performance 2016	<b>201-1</b> Direct economic value generated and distributed	10			
	<b>201-2</b> Financial implications and other risks and opportunities due to climate change	22-28, 31-32			
<b>GRI 203:</b> Indirect Economic Impacts 2016	<b>203-1</b> Infrastructure investments and services supported	120			
	<b>203-2</b> Significant indirect economic impacts	121-125			

Business ethics and responsibility					
<b>GRI 3:</b> Material Topics 2021	<b>3-3</b> Management of material topics	15-21, 29, 57-61			
<b>GRI 205:</b> Anti-corruption 2016	<b>205-2</b> Communication and training about anti-corruption policies and procedures	21			
	<b>205-3</b> Confirmed incidents of corruption and actions taken	21			
<b>GRI 206:</b> Anti-competitive Behavior 2016	<b>206-1</b> Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	18			
<b>GRI 415:</b> Public Policy 2016	<b>415-1</b> Political contributions	19			
<b>GRI 417:</b> Marketing and Labeling 2016	<b>417-1</b> Requirements for product and service information and labeling	60			
	<b>417-2</b> Incidents of non-compliance concerning product and service information and labeling	60			
	<b>417-3</b> Incidents of non-compliance concerning marketing communications	60			
<b>GRI 418:</b> Customer Privacy 2016	<b>418-1</b> Substantiated complaints concerning breaches of customer privacy and losses of customer data	19			

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<b>GRI 3:</b> Material Topics 2021	<b>3-3</b> Management of material topics	61, 62			
<b>GRI 416:</b> Customer Health and Safety 2016	<b>416-2</b> Incidents of non-compliance concerning the health and safety impacts of products and services	62			
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<b>GRI 204:</b> Procurement Practices 2016	<b>204-1</b> Proportion of spending on local suppliers	116			
<b>GRI 414:</b> Supplier Social Assessment 2016	<b>414-1</b> New suppliers that were screened using social criteria	118			
<b>GRI 308:</b> Supplier Environmental Assessment 2016	<b>308-1</b> New suppliers that were screened using environmental criteria	118			

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<b>GRI 202:</b> Market Presence 2016	<b>202-1</b> Ratios of standard entry level wage by gender compared to local minimum wage	97			
	<b>202-2</b> Proportion of senior management hired from the local community	14			
<b>GRI 401:</b> Employment 2016	<b>401-1</b> New employee hires and employee turnover	91			
	<b>401-2</b> Benefits provided to full-time employees that are not provided to temporary or part-time employees	98			
	<b>401-3</b> Parental leave	99			
<b>GRI 405:</b> Diversity and Equal Opportunity 2016	<b>405-1</b> Diversity of governance bodies and employees	95			
	<b>405-2</b> Ratio of basic salary and remuneration of women to men	97			
<b>GRI 406:</b> Non-discrimination 2016	<b>406-1</b> Incidents of discrimination and corrective actions taken	94			
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	<b>404-2</b> Programs for upgrading employee skills and transition assistance programs	100-103			

<b>GRI 403:</b> Occupational Health and Safety 2018	<b>404-3</b> Percentage of employees receiving regular performance and career development reviews	104			
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	<b>403-3</b> Occupational health services	107			
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	<b>403-6</b> Promotion of worker health	111			
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	<b>403-8</b> Workers covered by an occupational health and safety management system	106			
<b>403-9</b> Work-related injuries	108				

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<b>GRI 3:</b> Material Topics 2021	<b>3-3</b> Management of material topics	120, 121			
<b>Specific disclosure</b>	Total financial value of sponsorships directed to community investments	120			
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	<b>303-2</b> Management of water discharge-related impacts	78, 81			
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Romania**

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