

Public Policy Engagement

Our Approach to influencing Public Policy

Public policy discussions take many forms, advocacy being one

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

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

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

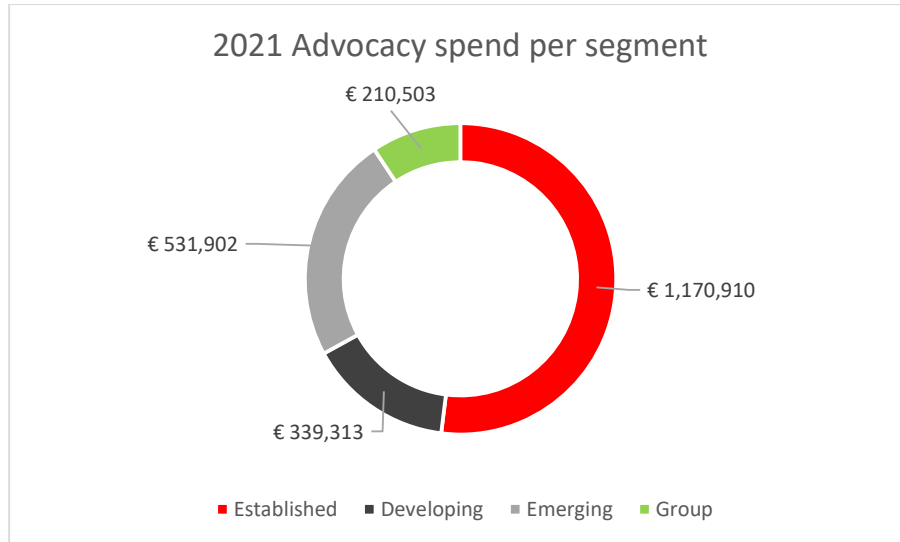
The scope of our advocacy is wide, but we concentrate on the following areas:

- **Product-specific policies, such as taxes, restrictions or regulations:** We contribute substantially to the local and (inter)national economy through jobs, investments, taxes and community activities. As such, we actively oppose discriminatory taxes or policies that single out certain products.
- **Environmental policy:** We continuously strive to maximise energy efficiency and minimise the impact of our manufacturing and distribution infrastructure, as well as actively participate in policy discussions that have the potential to impact these areas. We support public policies that deal in a balanced way with water quality, carbon emissions, packaging, agriculture and ingredients, as well as other environmental policies and/or actions that are directly, or indirectly relevant to our business.
- **Health & Nutrition:** We are committed to use our brands and marketing platforms to help shape consumer choice and encourage active, healthy lifestyles. We are consistent in our approach that singling out specific industries or products is not addressing the complex challenge of obesity. Our focus is on providing healthier options across our portfolio of sparkling and still beverages and emphasising low and no-sugar/calorie choices to our consumers, offering smaller packages and reformulating our beverages. Through the European Soft Drinks Association (UNESDA) we contribute to the EU's voluntary code of conduct for responsible food businesses.

*The acquisition of a majority stake in Coca-Cola Bottling Company of Egypt was finalised on January 13, 2022. As such, it is not included in Coca-Cola HBC AG reporting for the 2021 fiscal year.

2021 advocacy spend

In 2021, we spent a total of €2,252,628 on advocacy efforts as a Group, corresponding to 0.03% of our annual Net Sales Revenue (NSR).

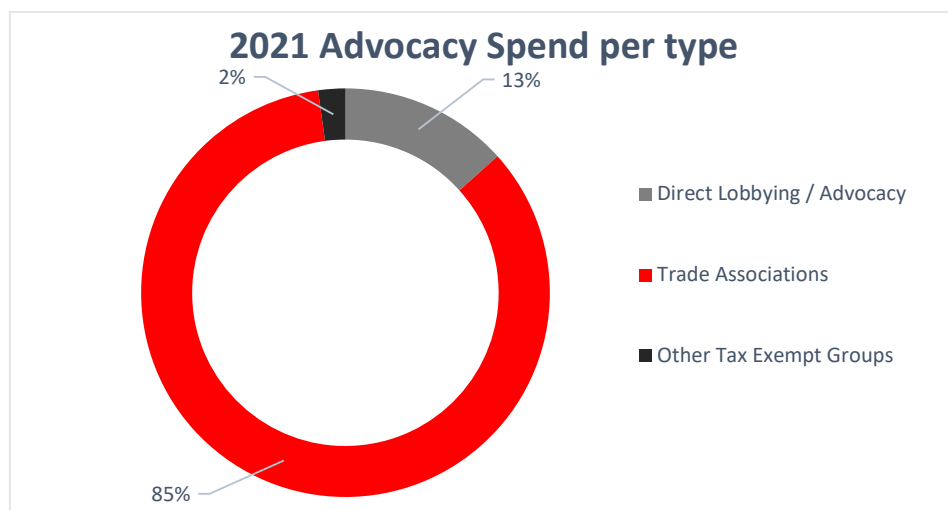


Coca-Cola HBC AG currently operates in 29 countries, divided into three distinct segments for reporting purposes:

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

Developing markets: Croatia, Czechia, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia, and Slovenia.

Emerging markets: Armenia, Belarus, Bosnia and Herzegovina, Bulgaria, Egypt*, North Macedonia, Moldova, Montenegro, Nigeria, Romania, the Russian Federation, Serbia, and Ukraine.



85% of our advocacy efforts in 2021, took place through trade associations at both Group and country levels.

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In 2021, we did not engage in any financial and/or in-kind contribution to any political campaign. Political contributions are governed by our Code of Business Conduct and the Anti-Bribery and Compliance handbook.

Trade Associations

In 2021, advocacy through trade associations, accounted for 85% of our total efforts. The Coca-Cola System is a member of various trade associations such as Business, Food & Drink, Soft Drinks, Packaging, Chambers of Commerce, Bottled Water associations, among others.

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

Type	Purpose / Types of businesses represented	Examples
Business	<ul style="list-style-type: none"> Voice of a collective industry - represent a large general body of businesses (may also have as members other associations). May be used to advocate for issues that affect a wide variety of industries (e.g., VAT taxation changes) 	Chamber of Commerce AmCham Confederation of Industrialists Branded Goods association Advertisers Association
Food & Drink	<ul style="list-style-type: none"> Advocates for food & drink related issues, such as sugar taxes, issues which affect all food and drink industry Has wider reach, beyond the soft drink industry - includes for example confectionary, bakers, food producers among others 	Food & Drink Federation in Poland AIIPA in Italy
Soft Drink (Beverage)	<ul style="list-style-type: none"> Represents only the soft drink industry and advocates for its specific issues Since 2018, a unified approach in reducing added sugars in soft drinks is a key topic 	IBEC in Ireland BSDA in Bulgaria ASOBIBE in Italy UNESDA at Group level
Packaging	<ul style="list-style-type: none"> Advocates on packaging related issues, such as packaging recovery methods and packaging taxation, among others Typically represents packaging producers, fillers/packers, and importers The Single Use Plastics Directive and the review of the Packaging and Packaging Waste Directive were key topics in 2021 	CICIPEN in Czech Republic SLICPEN in Slovakia SEPEN in Serbia ARAM in Romania EUROOPEN at Group Level
Other	<ul style="list-style-type: none"> Any other types of associations not included in the above, which deal with specific matters or represent sub-industries 	Mineral waters association Spirits association Juices association

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Other Tax -Exempt Groups

In November of 2021, Coca Cola HBC became an Associate Partner with the World Economic Forum. Through our participation we expect to increase our engagement not only on a national level but also on a global level through several platforms and initiatives.

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

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

In 2021, we did not engage in any financial and/or in-kind contribution to any political campaign.

2021 focus areas

Topic/ Issue	Advocacy mainly through	EURO
Responsible behaviour in schools, reducing added sugars in soft drinks, providing clear nutritional information	UNESDA	€160,193
Packaging and Packaging Waste Directive Review Single Use Plastics Directive	EUROPEN Food-Drinks Europe UNESDA	€21,583 (EUROPEN)

Top 3 contributions to trade associations in 2021

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

Country	Trade association	EURO
Italy	ASSOBIBE	€294,750
Italy	ASSOLOMBARDA	€146,462
Italy	Confindustria System (Region: Veneto, Abruzzo, Basilicata, Campagna & Sardegna)	€96,606

Direct Advocacy

Depending on the issue and the overall conditions, we may engage in direct advocacy through paid agencies. This would usually happen for specific communications purposes, for items where we either do not have a specific trade association to address the issue, or when the existing trade association does not have the capability or resources to advocate effectively. In 2021, we spent €301,202 on direct advocacy in specific countries. This represents c. 13% of our total public policy influence expenditure and 0.004% of our NSR.

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