

Managing manufacturing waste

At CCHBC, we recognise that waste management is not just a responsibility – it's one of the building blocks of our environmental strategy. With a strong commitment to reducing our environmental footprint, we prioritise waste management across all our operations and manufacturing sites.

Our primary objective is to minimise our negative impact on the environment by:

- reducing waste
- increasing recycling and responsible waste treatment methods, and
- eliminating the waste we send to landfill.

To ensure accountability and progress, we integrate waste management targets into our annual and monthly business planning. These targets, which include the following KPIs, are rolling targets. This means that every year we set the new target as a percentage improvement compared with the number we achieved in the previous year.

Our waste management KPIs

- Waste generated per litre of produced beverage. Our 2023 target was 7.12 grammes of waste per litre of beverage produced (g/lbp) and we achieved 6.93 g/lbp. This was 3% better than the target we set the previous year.
- Percentage of waste recycled. Our 2023 target was 98% and we achieved 98.1%. This was 0.1 percentage points better than our target.
- Waste sent to landfill per litre of beverage produced. Our 2023 target was 0.13 g/lbp and we achieved 0.12 g/lbp. This was 7.5% better than this target.

Monitoring and reporting occur at the plant, country/business unit, and total company level, ensuring transparency and informed decision-making.

As part of our dedication to excellence, waste management is subject to rigorous audits in line with the ISO 14001 standard requirements.

In 2023, 98% of our plants (99.81% of production volume) implemented and certified to the ISO 14001 standard. In addition to external audits and requirements, we perform regular internal audits, including "cross border" audits against internal Coca-Cola HBC and TCCC KORE requirements. The internal audits cover 100% of all production sites in a three-year cycle.

On the operational level, our waste management practices are regularly assessed through a monthly Good Manufacturing Programmes (GMP) programme. This involves inspections of all areas within our plants by a team composed of members from various departments.

They focus on ensuring:

- proper day-to-day waste management activities, including proper waste selection
- maintenance of necessary infrastructure for waste management, and
- effective communication of waste management topics to employees through internal channels, meetings, and visual aids.

All these audits play a crucial role in verifying our compliance with requirements and identifying opportunities for continuous improvement.

As a result, improvement plans are developed at both plant and business unit (BU) levels. To promote excellence across our operations, these improvement plans, along with best practices, are shared during regular bi-monthly environmental community calls.

Our “Near Loss” programme is a proactive environmental initiative aimed at engaging all employees in contributing to our environmental goals. Through this programme, employees are encouraged to suggest how we could improve in various environmental topics such as waste management. These suggestions are carefully analysed and addressed by management every month. The progress of implementing these suggestions through the “Near Loss” programme is consistently monitored and reported at the plant/business unit and company levels.

Achieving our waste management targets requires ongoing collaboration and innovation. We actively engage with suppliers to minimise packaging waste and promote the use of returnable and reusable packaging for the materials they are supplying to us.

We also work closely with waste operators to implement best practices and continuously improve our processes.

All our waste is sent for further treatment to licensed waste operators who are selected in line with our waste management goals and best practices available.

Here are some examples from across the company of initiatives we have implemented:

- Italy: paper waste generated by the Nogara plant was used to produce paper boxes for company Christmas gifts to employees.
- Milan Headquarters: a PET post-consumer collection machine was installed to collect PET bottles from internal consumption.
- Austria: a dedicated task force team optimised line equipment to reduce rejection rates and drainage volumes – reducing food waste and packaging material waste.
- Switzerland: gasses in pressurised containers are returned back to suppliers.
- Bulgaria: wastewater treatment sludge is used in production of biogas.
- Greece: wastewater treatment sludge has been reduced after decanter centrifuge was installed. Empty containers from chemicals and juice concentrates are returned to suppliers for reuse.

- Serbia: all plants introduced new waste operators to recycle adhesive label liners (the back paper of non-returnable glass bottles labels and pallet labels). This means we stop this waste being sent to landfill.

Constant improvements require investments in waste management innovations of processes and infrastructure, for example:

- Greece: €75,000 investment in decanter centrifuge for wastewater sludge. This reduces wastewater treatment sludge by approximately 25%.
- Serbia: €17,000 investment in upgrading the electrical infrastructure in the recycling yard area to accommodate new higher-capacity waste press and additional press containers. These decrease the frequency of waste collection by waste operators. We also invested in new manual pallet trucks with built-in weighing scale to increase the precision of generated waste measurement.

Central to our success is the cultivation of a culture of environmental awareness among our employees. Through targeted training sessions and internal communication campaigns, we empower our workforce to champion waste reduction initiatives at every level.

Waste management is an integral part of our Central Annual Environmental Training and in our local on-boarding programmes for all new employees.

- Poland & Baltics: together with the Packaging Recovery Organisation Rekopol, training was organised with all employees on how to properly segregate waste, good practices, waste processing and how to make environmentally conscious purchases.
- Serbia: as part of Sustainability Week, we organised a World Without Waste workshop with the Packaging Recovery Organisation Sekopak, focusing on zero waste to landfill.

In 2023, 16 of our plants achieved zero waste to landfill target in Austria, Bulgaria, Czech Republic, Greece, Hungary, Italy, Northern Ireland, Poland, and Switzerland. It is part of their ISO certification.