

Growth pillars continued

5 Earn our licence to operate

2024 highlights

- Continued our decarbonisation in line with our NetZero40 roadmap
- Updated NetZero40 roadmap, incorporating FLAG emissions and Egypt
- Focused on packaging decarbonisation using a higher percentage of recycled materials
- Supported roll-out of DRS in EU markets
- Promoted EPR policies and launched new packaging collection systems
- Expanded our partnerships in water and waste reduction
- Continued our focus on #YouthEmpowered
- Ongoing support to communities in need.
- Activated the Coca-Cola HBC Foundation

KPIs

- Absolute greenhouse gas emissions in scope 1, 2 and 3
- Water usage in water risk areas
- Young people trained through #YouthEmpowered
- % primary packaging collected

Principal risks and opportunities

- Cost and availability of sustainable packaging
- The impact of climate change on the cost and availability of water
- People attraction and retention

- Health and safety
- Suppliers and sustainable sourcing
- Managing our carbon footprint
- Product quality and food safety
- Complying with international sanctions

Read more on p.181 to 189

Material issues and topics of interest

- E1 – Climate change mitigation, E1 – Energy
- E3 – Water consumption, E3 – Water withdrawal
- E4 – Land-ecosystem use change
- E5 – Resource inflows, including resources, E5 – Resource outflows related to products and services
- S2, S3 – Training and skills development
- S3 – Water and sanitation, S3 – #YouthEmpowered (company-specific)
- S4 – Consumer's health and safety, S4 – Responsible marketing practices

Read more on p.83 to 172

Stakeholders



Read more on p. 10 to 11

Introduction

We are proud to remain global industry leaders in sustainability this year, with leading scores and rankings in ten of the most-recognised ESG ratings. We were ranked as the world's most sustainable beverage company in the 2024 Dow Jones Best-in-Class Indices for the eighth time.

We believe our success comes from continuously evolving our business model to deliver growth and taking a strategic approach to sustainability. This approach allows us to both grow and make our business more resilient.

In 2024, we made good progress towards our ambitious and measurable 2025 sustainability objectives by focusing on areas where we can have the greatest impact: climate, packaging and water. We have reduced emissions for the past four years, in line with our NetZero40 roadmap.

In early 2025, the Science Based Targets initiative (SBTi) approved our NetZero40 target which, for the first time, includes Egypt. We also published our first Sustainability Statement as part of the Corporate Sustainability Reporting Directive (CSRD) requirements.

Read more on p.41 to 172

Consistent progress across our markets

- **Making progress on circular packaging:** Empty bottles are a valuable resource, and recycling them can help to decrease our costs and achieve our collection targets. Nine of our markets now have Deposit Return Schemes (DRS). Four successful DRS have been launched between December 2023 and January 2025 in Romania, Hungary, the Republic of Ireland and Austria. DRS help to consistently deliver high packaging collection rates. For example, in Romania (launched December 2023) results are encouraging, with an average return rate of 77% of containers sold in the market in the last three months of 2024. In 2025, we expect to achieve, on average, above 60% recycled material in our PET packaging in all our EU countries and Switzerland.
- **Driving progress through innovative business models:** In Nigeria, our innovative approach to collection and recycling is creating value for us and local communities. In 2024, we built the country's first-ever Coca-Cola System-owned and operated packaging collection hub, allowing us to collect plastic bottles for recycling.
- **Expanding reusable packaging:** We continue to grow our transactions sold in Returnable Glass Bottles (RGB) with a 1pp increase compared with last year, including Africa. We are testing new business models such as a circular packaging campus with a leading university in Italy and we expect to expand this model across our territories.
- **Partnering with local stakeholders:** We started to collaborate on a project in Nogara, Italy, that will add up to 1.5 million m³ of water every year to the local aquifer near our production plant. We will help to create a network of canals, trees and shrubs to revitalise fresh water for agriculture and community use.
- **Investing for sustainable growth:** We received a \$130 million loan from the EBRD to finance capex and working capital requirements in Egypt. This loan recognises our long-term commitment to Egypt and allows us to invest in energy-efficient coolers and sustainable packaging innovation and continue to fund our #YouthEmpowered and 'She Leads' programmes.

- **Supporting communities:** We awarded grants totalling €1.55 million from the Coca-Cola HBC Foundation to help rebuild communities in Europe and Nigeria impacted by severe floods. We have also collaborated with governments and NGOs to assist impacted communities, delivering almost 400,000 litres of beverages through local charities and municipalities.
- **Adding value for our customers:** Sustainability initiatives are increasingly important for our customers and consumers. Our customers tell us they value our sustainability expertise and that joint sustainability initiatives help grow their business, which, in turn helps make our own business stronger.

This year, we continued to build our capabilities, collaborate and learn from our experience to build a strong and resilient business that is opening up a more sustainable future.



Packaging collection hub in Nigeria

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Climate

On the pathway to net zero emissions

We were among the first companies to adopt science-based reduction targets by the Science Based Targets initiative (SBTi). Our aim is to achieve net zero emissions across our entire value chain by 2040. Each year we make steady progress towards this target.

We have decreased our absolute direct emissions by 58% and reduced our absolute total value chain emissions in scope 1, 2 and 3 by a third from 2010 to the end of 2024, despite a global increase in emissions.

In 2024, we made important changes to our net zero roadmap after the SBTi validated and approved:

- Renewed climate targets for 2030 and NetZeroBy40, including Egyptian operations for the first time.
- Targets for Forest, Land and Agriculture (FLAG) that apply to commodities from forestry, land and agricultural sectors. These are covered in our scope 3 emissions, for example, in packaging, wood and paper pulp, and ingredients such as sugar and fruit juices.

These changes are now reflected in our climate transition plan with a clear set of actions on how to achieve these targets. We will report on these from 2025:

- In scope 1 and 2 we will follow the 1.5°C pathway for 2030 and 2040.
- In scope 3, we will split our targets into two categories: energy and FLAG. Our energy-related targets will follow the Well-Below-2-Degrees (WB2D) scenario until 2030 and then the 1.5°C pathway until 2040, our net zero year.

Scope 1 and 2

In 2024, our core initiatives to reduce carbon emissions included:

- **Manufacturing:** we spent €26 million in 2024 on our Top 20 energy savers programme, which covers technical solutions to reduce energy consumption and improve energy efficiency. We have initiatives across our markets, for example, in Belgrade we have installed a new heat pump that captures heat from external sources and heats it up using electricity from renewable sources.
- **Removing CO₂ from our manufacturing processes** by using sterile air or nitrogen instead of CO₂ for all processes except carbonating our drinks.

Scope 3: Reducing indirect emissions from our value chain

Packaging, ingredients and coolers were our main focus in scope 3, where over 90% of our carbon emissions come from. So the work we do with suppliers is vital to our success.

- Evolving our pack mix towards lower carbon intensive packaging by increasing recycled content, expanding reuse with sustained growth in refillable packaging in our portfolio (+1pp in transactions compared with last year), leveraging packageless in relevant sub-channels and eliminating unnecessary packaging. For more detail, see packaging on page 27.
- Exceeded our Mission 2025 target of 50% energy-efficient coolers in shops and outlets – now at 60%. This means we reduced CO₂e emissions by 100,829 tonnes compared with our 2017 baseline.

To continue on our emissions reduction journey, the decarbonisation efforts of our suppliers are critical. By the end of 2024, it was clear that our engagement with suppliers had accelerated:

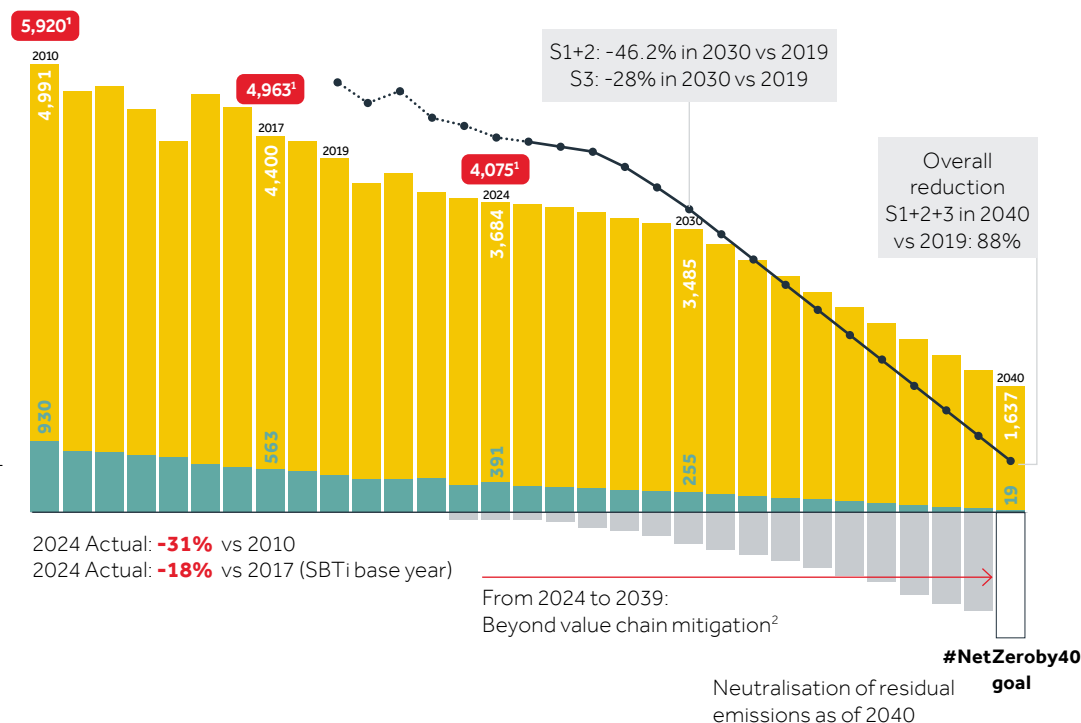
- 187 of our significant suppliers disclose their emissions through CDP.
- 119 have already set, or have committed to set, science-based targets.
- These 187 suppliers buy – on average – 19% of their energy from renewable sources and generate over 3% from their own renewables.

#NetZeroBy40 roadmap for scope 1, 2 and 3

● Scope 1+2¹ ● Scope 3¹ ● Carbon Removal Projects ● Scope 1+2+3 emissions

● Updated SBTi roadmap applicable since 2025

Scope 1, 2 and 3 incl. Egypt; FLAG and non-FLAG emissions; newly established science-based target for scope 3 based on Well-Below-2-Degrees (WB2D) scenario by 2030 and then 1.5°C pathway until 2040; changed baseline year from 2017 to 2019.



1. Scope 1+2+3: all numbers exclude Egypt.
2. As defined based on Science Based Targets initiative.

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Decarbonising our value chain

Our 2025 objective is for 50% of our manufacturing plants to use renewable or clean energy. In 2024, we achieved 53%¹. This is the second year we have exceeded this Mission 2025 goal, and all our EU and Swiss manufacturing facilities continued to use 100% renewable and clean electricity sources.

Significant step forward on our green fleet

In 2024, we reduced our own fleet's carbon footprint by 42%, a reduction of about 42,465 tonnes of CO₂ compared with our baseline of 2017.

Our green fleet now comprises 47 % of our own light fleet.

Emissions from our third party logistics providers have increased by 4,6% (equivalent to 8,002 tonnes) compared with our baseline of 2017, while our volume growth was 24,2 % over the same period.

1. Excludes Egypt

Going greener:

We're powering our work in sales and distribution in Switzerland using electricity. With over 177 branded electric cars, our sales fleet is fully electric, and we expect 700 tonnes of CO₂ emissions reduction annually. We are also investing in our infrastructure for charging stations for cars during the day and trucks overnight across our facilities. We've launched partnerships with transport suppliers and the first e-trucks are on the road using locally produced electricity in Austria and Switzerland. We expect to save about 95 tonnes of CO₂ emissions per e-truck in 2025. We have introduced alternative fuels, HVO and BioLNG in Italy, with the goal to expand the usage of this solution in other BUs.

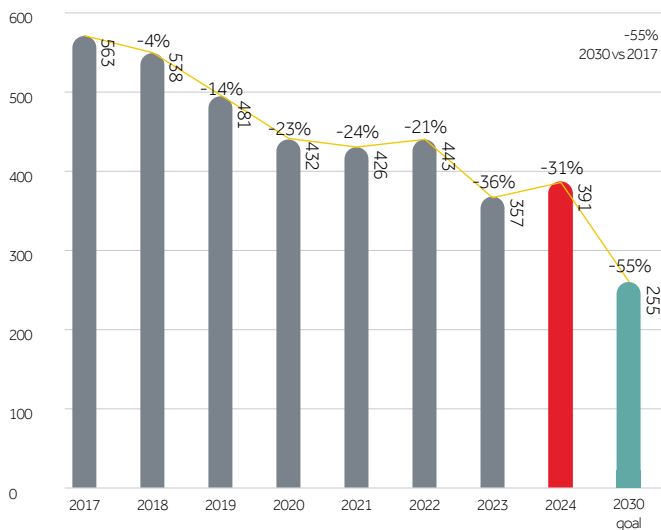


Watch here: Green fleet in Switzerland



Absolute scope 1 and 2 CO₂e emissions²

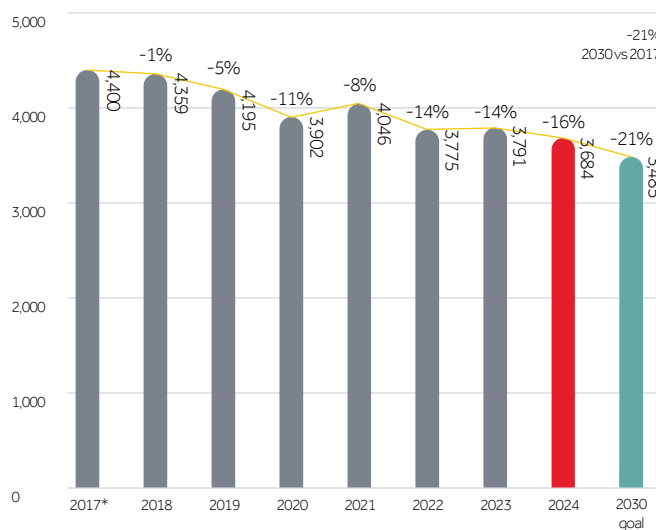
('000 tonnes)



2. Excluding Egypt.

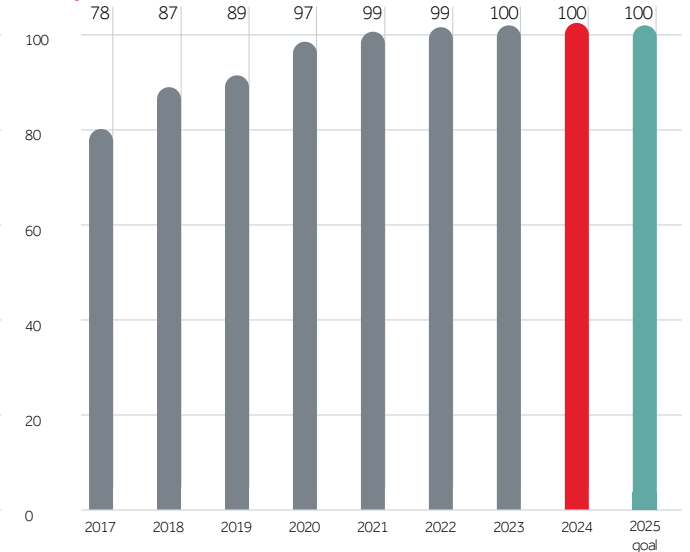
Absolute scope 3 CO₂e emissions³

('000 tonnes)



3. Emissions are recalculated due to conversion factors change and exclude Egypt.

Renewable and clean⁴ electricity in the European Union and Switzerland (%)



4. Clean source means CHP using natural gas.

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Packaging

Towards a circular economy

Our objective is to create packaging for our drinks that can be recycled or reused, so that it can be collected and transformed into new recycled packaging, such as an rPET bottle. This circular packaging approach reduces our carbon emissions and helps to lower packaging waste in the environment. We are making progress towards this by:

- increasing recycled content with a focus on our primary packaging
- building our in-house rPET production infrastructure
- expanding reusable formats such as reusable glass bottles
- supporting effective collection models in our markets, including Deposit Return Schemes in Europe and other types of locally relevant Extended Producer Responsibility schemes.



Supporting DRS in Europe

DRS are fast becoming the system of choice in Europe.

They consistently deliver high rates of collection, typically over 90%, with an exceptional quality of foodgrade feedstock for recycling. This in turn supports higher recycling yields for bottle-to-bottle and can-to-can recycling compared with a co-mingled collection approach.

Nine of our Coca-Cola HBC markets now have DRS in place, with two more expected in 2025 and up to 10 more anticipated in 2026-2028.

Collecting and recycling

In 2024, we continued to focus our efforts on increasing packaging collection rates across our territories.

- From December 2023 to January 2025, new DRS went live in Romania, the Republic of Ireland, Hungary and Austria. DRS help to consistently deliver high packaging collection rates. For example, in Romania (launched December 2023), results are encouraging with an average return rate of 77% of containers sold in the market in the last three months of 2024.
- In Nigeria, we built our first Coca-Cola System-owned and operated packaging collection hub in 2024. It opened in January 2025, and we expect the hub to collect and process up to 13,000 metric tonnes of PET bottles once it is fully operational. We continued to support the work of the Food and Beverage Recycling



Customer collaboration

We partnered with Carrefour Italy and developed a three-year sustainability-driven strategic roadmap with the objective to increase the share of beverages sold in rPET bottles by putting various initiatives in place. 'Let's recycle together' was the first initiative that was deployed in co-operation with Marevivo, a local NGO protecting sea and environment. Dedicated in-store activations aimed to educate consumers on how to properly recycle beverage packaging and demonstrate the role that our 100% rPET portfolio plays in circular packaging. This joint initiative generated incremental sales and showed better results than previous activations, creating value for both us and Carrefour.

Alliance (FBRA) and other packaging collection projects in the country.

- Our overall packaging collection rate in 2024 was 58%¹. We expect this figure to increase significantly in 2025 when the full benefit from recent system launches in several countries is realised.

rPET

We make our packaging more sustainable by investing in recycled content and producing our own recycled PET (rPET). This gives us a high-quality, steady supply of foodgrade rPET in selected markets, and reduces supplier and transport costs.

Our Mission 2025 objective is for 35% of the PET that we use across markets to be rPET. In 2024, we made significant progress, increasing to 24% rPET compared with 16% in 2023. We have committed to achieving 50% rPET in plastic bottles across our portfolio in EU markets and Switzerland by 2025. In these markets, the rPET we use increased to 46% by December 2024. In 2025, we expect to achieve over 60%, which exceeds our target.

Expanding reusable packaging

We keep our focus on delivering programmes that will increase reusable packaging – both refillable glass bottles and drinks dispensers, such as fountains or freestyle machines that use reusable vessels.

- In 2024, across all our territories, 13% of the drinks sold were in returnable containers and 4% were through dispensers². This implies an increase of 1pp in transactions in returnable containers compared with the previous year, with Africa leading the growth supporting both waste reduction and affordability. Dispensers, which are mostly used in sub-channels such as quick service restaurants, cinemas and leisure, are flat overall. This increase is in line with our Pack Mix of the Future vision where reusable packaging is expected to play a bigger role.

1. Excludes Egypt.

2. Numbers refer to transactions and include Egypt.

- We continued to help our customers and consumers adopt new reuse models. In 2024, we worked with a leading university in Italy to deploy the first circular packaging campus. This allows students to enjoy our products while minimising the amount of packaging. We have installed new dispensers to offer great-tasting 'packageless' drinks to be consumed with reusable vessels. We also implemented a full bottle-to-bottle process by offering a wide range of drinks in 100% rPET bottles that can be collected through a reverse vending machine. The empties are then sent for recycling, and the flakes are used in our rPET production facility. We plan to offer similar schemes in 2025 across our territories once the business model is validated.

Eliminating unnecessary packaging

- In 2024, we trialled a water-based adhesive that secures the layers of pallets together and eliminates layer pads in Poland, Serbia, Croatia, Romania and Nigeria. This has saved almost 2,000 tonnes of corrugated cardboard packaging.
- We've completed testing a new, high-performing stretch film in Ireland and Austria that uses 30% less material and we will include it in our sparkling range in 2025.

Increasing recycled material in secondary packaging

- We rolled out 100% post-consumer recycled shrink film for secondary packaging in Italy, Poland and Switzerland after a successful pilot.

Water

We use water in every part of our business: it is the main component of our drinks, is needed to grow core ingredients such as sugar and fruit, and helps us to clean, wash and sanitise our production equipment. We recognise the need to protect this valuable resource, especially in areas of our operations where water is scarce or at risk. In 2024, we invested €5.2 million in water saving and water efficiency programmes.

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Water reduction in our operations

Our Mission 2025 objective is to reduce the water we use in our production plants located in water-risk areas by 20%, compared with our 2017 baseline¹.

In 2024, we took an important step forward and started to certify our 60 beverage production plants in all markets with a new water efficiency management standard ISO 46001. This focuses on water efficiency and sets targets to improve water consumption and means all our plants will be audited and meet the same standard. So far, 42% of our plants have been certified and we will complete the rest by the end of 2025.

We used new and innovative approaches to optimise water use in our production processes. For example, zero-liquid discharge equipment in Poland recycles water instead of discharging it into the nearby river. We then use this water in processes that do not come into contact with products or packaging.

Working with our suppliers

We measure the water consumption of our critical suppliers to assess their basin and operational water risks using the Water Risk Filter methodology. We then work with suppliers operating in high-risk areas to develop plans so they can reduce their water use.

1. We have 19 water priority locations, including Armenia, Bulgaria, Cyprus, Greece, Italy and Nigeria and excluding Egypt.

Water stewardship community projects

In 2024, we started new projects in four more water priority locations and we now report at least one water stewardship project in 16 out of our 19 water priority locations. In Italy, we are partnering with the municipality to restore and maintain Rionero city fountains. In Bulgaria, we have started a long-term project to increase the water supply capacity in two municipalities, which will help add more than 1.0 million m³ of water each year.

Forest Infiltration Area, Italy

In Nogara, Italy, we launched a joint project that will add up to 1.5 million m³ of water every year to the local aquifer near our production plant. The Forest Infiltration Area – a joint project between Coca-Cola HBC Italy and the Consorzio di Bonifica Veronese – will be a new network of canals, trees and shrubs that will revitalise fresh water. Water extracted from the River Adige will continuously flow into the network of canals to refresh the groundwater aquifer. From this aquifer, hundreds of local wells will be used to extract water for agriculture and community use.

Living Danube Partnership

This year, we joined the Living Danube Partnership 2.0 (LDP), the continuation of LDP 1.0, which started 10 years ago between WWF-CEE and The International Commission for the Protection of the Danube River (ICPDR). Funded by The Coca-Cola Foundation it helps to restore the vital wetlands and floodplains along the Danube river.

In addition to the support of The Coca-Cola Foundation and Coca-Cola Europe, we are supporting LDP 2.0 to demonstrate and promote good water stewardship and explore additional opportunities for collective action on the Iskar

watershed in Bulgaria, and improve land and water use in the context of supply chain, agricultural practices and natural water retention in Bulgaria, Romania and Hungary.

People and communities

We focus on making a positive impact in different ways in the local communities where we operate, such as through financial support, volunteering and training for young people.

Flood support for communities impacted by devastating flooding

In 2024, the Coca-Cola HBC Foundation donated €1.55 million to communities impacted by devastating floods in Europe and Nigeria. These grants will support projects that target local needs, for example, rebuilding houses and community centres, providing food and emergency supplies, and replacing damaged medical equipment. Founded in 2023, the Coca-Cola HBC Foundation continues our tradition of giving back to our communities.

Support for Ukraine

Since the beginning of the conflict in Ukraine, the Coca-Cola System and The Coca-Cola Foundation have committed to donating US\$40 million. In 2024, we helped in the following ways:

- Donated €5 million for 60 mobile boilers to provide heating and support to communities, in collaboration with the Ukrainian Red Cross Society. This brought the total number of boilers donated to 105. In partnership with governmental bodies, the Ukrainian Red Cross ensures the boilers are distributed to the most vulnerable communities.
- In 2024, we started rebuilding a kindergarten that was completely destroyed in Bohdanivka, in the Kyiv region. This initiative was supported by the Coca-Cola System. In 2023, The Coca-Cola Company contributed US\$1.2 million, and Coca-Cola HBC donated US\$1.8 million. We expect construction to be completed in 2025.
- At the end of 2024, we continued the tradition of spreading joy and supporting Ukrainians during the winter holidays season, starting with the donation of 1.5 million specially produced Coca-Cola bottles to the most vulnerable Ukrainians.

#YouthEmpowered

By the end of 2024, we had trained 1,119,850 young people since the programme started in 2017, exceeding our Mission 2025 target one year early. #YouthEmpowered focuses on young people who are not in employment, education or training (NEET) or at risk of becoming NEET. We offer skills, guidance and support to young adults between 18 and 30, along with a network connecting young people to future employment and development opportunities.

Volunteering

3,793

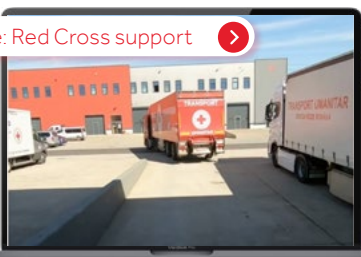
employees have volunteered across all our markets



Training young bartenders

In Greece, we collaborated with top HoReCa customers and our recognised Brand Ambassadors to offer free masterclasses to 570 bartenders and baristas, levelling up their capabilities on modern mixology, spirits, and coffee trends and techniques. This initiative equipped participants with advanced skills and industry connections, and offered globally recognised scholarships in coffee and spirits. In Romania, we have launched the Barmasters Academy to offer specialised bartending and barista training for aspiring HoReCa professionals. Partnering with HoReCa customers, this programme offers practical, high-quality learning experiences for young people.

Watch here: Red Cross support



Watch here: The Living Danube Partnership



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Sustainable sourcing, nutrition and biodiversity

Sustainable sourcing

This year, we sourced 96% of our key ingredients from sustainable sources, in line with The Coca-Cola Company's Principles for Sustainable Agriculture. We aim to protect forests, natural habitats, biodiversity and ecosystems, and manage soil and agrochemicals in a sustainable way. Upholding human and workplace rights, ensuring animal health and welfare, and helping build thriving communities are key parts of our principles.

Nutrition

We want to continue delivering great-tasting soft drinks that support balanced diets. We do this through:

- Less sugar, more choices: we are committed to reducing calories per 100ml of sparkling soft drinks by 25% between 2015 and 2025 across all our markets and have achieved a reduction of 18% so far. Zero formulations, such as Fanta Zero, were introduced in Czech Republic, Slovakia, Switzerland, Serbia and Bulgaria.

- New and different drinks: we are responding to changing consumer preferences by innovating our recipes and pack sizes, offering more choice. In 2024, we launched Powerade Zero in Italy, Austria and Greece, Cappy Lemonade Pineapple Zero in Bulgaria and Serbia, as well as Coca-Cola K-Wave and Coca-Cola Oreo limited editions in select markets.
- Informed decisions: we are providing clear and transparent nutrition information about what's inside our drinks, such as the Guideline Daily Amount and traffic-light labels on our core sparkling drinks.
- Responsible marketing: we are committed to not marketing any of our drinks directly to children under 13, and do not offer any soft drinks in primary schools.
- Promoting low- and no-sugar choices: we are encouraging more people to choose low- and zero-sugar drinks through marketing campaigns that promote low/no sugar alternatives and often showcase different variants.

Read more on p.15

Biodiversity

We aim to achieve a net positive impact on biodiversity in critical areas in our supply chain by 2040 and eliminate deforestation in our supply chain by 2025. This is a critical priority as we develop our sustainability strategy and business model.

Our main focus is avoiding deforestation from agricultural commodities, by focusing on how we source wood for our paper packaging materials.

The Principles for Sustainable Agriculture (PSA) target eliminating deforestation for our main ingredients by 2025 and are aligned with recommendations by the Science Based Target initiative for companies with Forest, Land and Agricultural (FLAG) activities.

We are also working cross-functionally to meet the EU Deforestation Regulation by the end of 2025. We voluntarily report on sites next to legally protected areas. It has been externally confirmed that these sites have no negative impact on all the water sources we use in direct operations.

Priorities in 2025

- Continue delivering on our Net Zero Transition Plan
- Support the roll-out of new DRS and other packaging collection schemes
- Further drive our packaging circularity, focusing on the % of recycled content and reusable packaging formats
- Accelerate joint sustainability programmes with our customers
- Continue with social initiatives, focusing on #YouthEmpowered
- Support our communities through the Coca-Cola HBC Foundation
- Secure compliance with the EU's Deforestation Regulation
- Develop a new set of our sustainability targets beyond 2025

UN Sustainable Development Goals

Our initiatives in communities help advance the global objectives of good health and wellbeing, and sustainable cities and communities. Our initiatives to empower youth and women contribute to the goals for quality education, decent work and economic growth, sustainable cities and communities, and partnerships. Our initiatives regarding water stewardship, CO₂ emissions reduction and waste reduction aid global progress towards the SDGs for clean water and sanitation, and climate action.



A good day on Romania's Via Transilvanica

In 2024, the largest clean-up on Via Transilvanica in Romania mobilised more than 3,400 volunteers from 84 schools.

They joined educational workshops and a large-scale clean-up with more than 7,800 kilograms of waste being collected from nature, covering over 1,000 km. The initiative also included developing five drinking water sources along the route.

Good Day on Via Transilvanica is one of the largest projects of the Tășuleasa Social Association in partnership with Coca-Cola HBC Romania, through our local sustainability platform After Us.

