

## CORPORATE CONTRIBUTION POLICY

### 1. Introduction

Coca-Cola HBC is a leading bottler of the brands of The Coca-Cola Company in terms of volume, with sales of more than 2 billion-unit cases. It has a broad geographic footprint with operations in 28 countries, serving a population of approximately 589 million people. Coca-Cola HBC offers a diverse range of non-alcoholic ready to drink beverages in the sparkling, juice, water, sport, energy, tea and coffee categories. Coca-Cola HBC is committed to promoting sustainable development in order to create value for its business and for society. This includes providing products that meet the beverage needs of consumers, fostering an open and inclusive work environment, conducting its business in ways that protect and preserve the environment and contribute to the socio-economic development of the local communities.

Coca-Cola HBC ranked is an industry leader in Dow Jones Sustainability Index and it is also included in the CDP, MSCI and FTSE4Good Index. In conducting operations across 28 countries, we provide guidance, support and supervision to each operation while placing day-to-day management and operation in the hands of local employees with a deep familiarity of their own country, its business practices and community aspirations.

### Aim of the Coca-Cola HBC Corporate Contributions Policy

- Ensure focus by concentrating the company's corporate contributions into the three strategic community investment areas: Youth and women, World Without Waste and Water Stewardship as well as local initiatives along with Emergency relief.
- Inspire a better future and quality of life for the beneficiaries of the company's corporate giving and ensuring long-term, sustainable support for chosen beneficiaries.
- Support Coca-Cola HBC's overall business strategy.
- Define clear governance by establishing a Group-wide policy.
- Support employee involvement in community projects.
- Standardize the corporate contributions guidelines across the Group to increase scale, simplify and build on synergies.

### Scope

This policy applies to all Coca-Cola HBC corporate contributions and charitable donations in all 28 country operations of the Group, and to all of its operating units and legal entities, including the Business Service Organization (BSO), Business Solutions and Systems (BSS) and the Corporate Service Center (CSC).

## 2. Our Community Strategy

We are an active member of the community in each of the 28 countries in which we operate.

We realize that our business depends on the communities where we live and work and can only be as healthy and sustainable as they are.

We aim to operate in a responsible way by engaging with stakeholders and communities for sustainable development. Over the last decade we have integrated corporate responsibility and sustainability into everything we do and being true to our purpose and mission, we continuously invest in our communities, working together on key environmental and social issues.

We support communities in three strategic areas and emergency relief:

### Youth & women

Through our flagship programme #YouthEmpowered, we are tackling one of the most relevant societal issues in many of our markets, i.e. the employability of young people. Markets with specific employment challenges, such as Greece, Italy and Bosnia-Herzegovina, create particular challenges for young people who are not in employment, education or training. In other countries with labour shortages, young people may enter the labour market without necessary business or soft skills.

### Water Stewardship

Maintaining the long-term sustainability of the watersheds around our bottling plants is important to our business and to our relationships with local communities. We protect the water resources supplying our facilities, reduce the amount of water we use to produce our soft drinks, and treat waste water to levels that support aquatic life. We also partner with suppliers to minimize our water footprint across the value chain. To replenish the water we use and help water access through innovative sustainable technologies, we help secure water availability for all our communities in water-risk areas. For this purpose, we seek partnerships with the Coca-Cola System, other companies operating in the relevant watershed area and international organisations.

### Local initiatives

Along with our three key community areas, we address local issues, which have strategic relevance for our business and are important for the local stakeholders. One example is community wellbeing, which we have supported by offering a rapidly expanding portfolio of low- and no-calorie beverage options.

## Emergency relief

Should our communities be affected by unexpected events of disasters of any kind, we consider it our duty to provide support and engage in emergency relief efforts led by the relevant organizations.

To this end, we continue to strengthen our collaboration with the International Federation of Red Cross and Red Crescent Societies and National Red Cross/Red Crescent societies and other NGOs.

These partnerships enable us to respond rapidly to disasters by delivering safe drinking water and other supplies through our logistics and delivery systems.

\* The Coca-Cola System is the term used to describe the business system of The Coca-Cola Company and its bottling partners worldwide

## 3. Definitions

Corporate Contributions fall into the following categories:

- Monetary contributions
- In-kind, such as product donations, and
- Pro bono support, including but not limited to donating professional level of service and management expertise, skills and time to non-profit organizations and employee time spent volunteering during work hours.

## 4. Coca-Cola HBC Group and country compliance

Most of Coca-Cola HBC's corporate contributions are managed by its country operations. Coca-Cola HBC's aim is to ensure that the company's contributions are made in accordance with this policy and the Group Community Strategy.

Please see below for further details on Coca-Cola HBC's selection and approval processes.

## 5. International and local management

Coca-Cola HBC's operates both international and local contributions.

International corporate contributions are managed by Coca-Cola HBC's Group Public Affairs and Communications team while local initiatives are the responsibility of the company's 28 country operations.

## 6. Selection criteria and Restrictions

All recipients of Coca-Cola HBC corporate contributions must be registered as non-profit organizations.

The selection process must comply with the terms and objectives of Coca-Cola HBC's Corporate Contributions Policy. Given the objectives of this Policy, the recipients will be involved in the company's four priority areas: Youth and women, Water stewardship, World Without Waste and local relevant community initiatives.

## 7. Coca-Cola HBC does NOT support:

- Individuals
- Religious, political or legislative organizations
- Organizations that do not have a non-discrimination policy (to ensure they do not discriminate based on race, ethnicity, color, sex, religion, age, national origin, ancestry, citizenship, sexual orientation, gender identity and/or expression, or disability)
- Organizations that are directly involved in gambling, recreational or illegal drugs, tobacco and armaments (with the exception of those charities and organizations specifically dedicated to tackling addiction or drug abuse)
- Professional local sports or athletic teams
- Travel or organized field trips
- Monuments or memorials
- Family reunions
- Beauty contests or commercial shows
- Marketing or advertising projects
- Land, building or equipment construction or renovation projects organizations that do not fully respect human as per the UN Guiding Principles on Business and
- Human Rights and the resolutions of ILO Conventions.
- Anything that may have detrimental effect on our natural environment/ biodiversity
- Entities without good standing and a clean record with authorities

Coca-Cola HBC will only support organizations that do not conflict with Coca-Cola HBC's business principles and Code of Business Conduct and will fully disclose if there is any conflict of interest.

## 8. Coca-Cola HBC's preference is for non-profit organizations that:

- Have long-term goals and objectives that are publicly communicated
- Are committed to sustainable development
- Are well regarded by stakeholders
- Encourage stakeholder engagement and volunteerism
- Are transparent about their activities and report on those publicly

## 9. Reducing risk:

The guidelines below explain how to reduce risk related to corporate contributions:

- Decisions to give corporate contributions should be approved in accordance with our company's chart of authority.
- Ensure that corporate contributions are not being used as a disguise for bribery.
- Perform due diligence of new receivers or partners.
- Be aware of potential conflicts of interest.
- Avoid donations and sponsorships that may be perceived as political contributions.
- Obtain the approval of Coca-Cola HBC's Legal department in case any government official is a director or officer of a non-profit organization or is otherwise closely associated with the nonprofit organization, or requests that the Company donate to the non-profit organization.
- Ensure that all payments are properly recorded in the accounts.
- Avoid any confidentiality clauses in charity and sponsorship agreements to enable us to freely publicly disclose such contributions.
- Contributions in a form of donations made to government agencies are permissible, provided that:
  - a) Coca-Cola HBC's Legal counsel has been consulted regarding acceptability under local law;
  - b) There is no expectation that the contribution is given in exchange for any return favour or business advantage from the government (quid pro quo).

## 10. Employee Volunteering

Coca-Cola HBC encourages employees to give their time and expertise to support local community and community partner organisations, as well as donate management time and expertise to support non-governmental organizations in their core activities.

## 11. Governance

The Coca-Cola HBC Corporate Contributions policy is managed by the Group Public Affairs and Communications team.

Recommendations are validated by the Sustainability steering committee prior to presentation to the Company's Operating Committee and the Board of Director's Social Responsibility Committee.

All organizations requesting support will be informed with resolution in due course.

## 12. Payment terms and contracts

Coca-Cola HBC has standard terms for payments, including those made to charities and non-profit organizations.

All partnerships must be supported by appropriate documentation, i.e., contract, agreement, declarations of compliance to ethics codes, etc. The contract should state in detail amounts payable, payment periods, objectives and purposes of the contribution, as well as any other relevant information, and is subject to review and approval by Coca-Cola HBC's Legal department in the local operation or at the Corporate Service Center.

## 13. Process for evaluation, communication and renewal

Coca-Cola HBC evaluates the effectiveness and impact of its corporate contributions. The evaluation will include:

- Ensuring applicants comply and continue to comply with the terms and objectives of Coca-Cola HBC's Corporate Contributions Policy.
- Coca-Cola HBC maintains a regular dialogue with those organizations it supports both to improve management of existing projects and to identify future opportunities. In addition, charitable, non-profit and non-governmental organizations are regularly invited to take part in Coca-Cola HBC's annual Stakeholder Forum, which helps assess and determine the content and relevance of the company's sustainability strategy.
- Coca-Cola HBC is also committed to communicating its corporate contributions program to employees and the public at large, via the company's main communication channels, as part of broader efforts to encourage employee and stakeholder engagement in volunteering initiatives.

## 14. Reviewing and updating this Policy

This Policy is reviewed at least once a year by Coca-Cola HBC's Group Public Affairs and Communications team and learnings are intergrated, stakeholder feedback is collected and the policy is amended.

Responsible officer for maintaining Coca-Cola HBC's Corporate contributions policy:

April 2019

Valentin Toth  
Group Community Affairs Director  
Group Public Affairs & Communication  
Coca-Cola HBC A.G