United States

Securities and Exchange Commission

Washington, D.C. 20549

FORM 20-F

(MarkOne)

☐ REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR (g) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2023

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ____ to ____

OR

☐ SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of event requiring this shell company report ____

Commission file number 1-37791

COCA-COLA EUROPACIFIC PARTNERS PLC

(Exact name of Registrant as specified in its charter)

Not Applicable
(Translation of Registrant's name into English)
England and Wales
(Jurisdiction of incorporation or organization)

Pemberton House, Bakers Road, Uxbridge, UB8 1EZ, United Kingdom
(Address of principal executive offices)

Clare Wardle, General Counsel & Company Secretary, +44 (0)1895 231 313, secretariat@ccep.com, Pemberton House, Bakers Road, Uxbridge, UB8 1EZ, United Kingdom
(Name, Telephone, Email and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act.

Title of each class	Trading Symbol(s)	Name on each exchange on which registered
Ordinary Shares, nominal value €0.01 each	CCEP	Nasdaq Global Select Market
	CCEP	Euronext Amsterdam
	CCEP	London Stock Exchange
	CCEP	Spanish Stock Exchanges

Securities registered or to be registered pursuant to Section 12(g) of the Act: None.

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: None.

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report: 459,200,818 Ordinary Shares of €0.01 each

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act Yes x No o

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 Yes o No x

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days: Yes x No o

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T(§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes x No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See definition of "large accelerated filer," "accelerated filer," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer x Accelerated filer o Non-accelerated filer o

Emerging growth company ☐

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act. o

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. Yes ☒ No o

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. o

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). o

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing.

U.S. GAAP o International Financial Reporting Standards as issued by the International Accounting Standards Board x Other o

If “Other” has been checked to the previous question indicate by check mark which financial statement item the registrant has elected to follow: Item 17 o Item 18 o

If this is an annual report, indicated by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o No ☒

Coca-Cola Europacific Partners

Integrated Report and Form 20-F 2023

Growing faster together

We are growing faster together by combining the strength and scale of our large multinational business with an expert, local knowledge of the customers we serve and communities we support.

Our success is built on three pillars: great brands, great people and great execution. Done sustainably.

In this year's report

Who we are

Coca-Cola Europacific Partners is one of the world's leading consumer goods companies – making, moving and selling some of the world's most loved drinks.

Performance indicators

Financial

Reported revenue

€18.3bn

Eur	2023	€14,553m
	2022	€13,529m
API	2023	€3,749m
	2022	€3,791m

Comparable and FX neutral revenue

€18.7bn

Eur	2023	€14,700m
	2022	€13,529m
API	2023	€3,998m
	2022	€3,791m

Reported revenue increased by 5.5%, or 8.0% on a comparable and FX neutral basis. Volumes were down 0.5%[A] and revenue per unit case increased by 8.5%[B]. Volume remained resilient despite macroeconomic impacts on consumer spend and strategic SKU rationalisation, with strong underlying volume performance. Revenue per case growth reflected positive headline price and continued focus on promotional optimisation and revenue growth management initiatives.

(A) On a comparable basis, No selling day shift in FY23.
(B) On a comparable and foreign exchange (FX) neutral basis.

Reported operating profit

€2.3bn

Eur	2023	€1,8
	2022	€1,529m
API	2023	€497m
	2022	€5

Comparable operating profit

€2.4bn

Eur	2023	€1,88
	2022	€1,670m
API	2023	€48
	2022	€468

Reported operating profit increased by 12.0% or 13.5% on a comparable and fx neutral basis reflecting strong revenue growth, as well as t benefit of ongoing efficiency programmes a continuous efforts on discretionary spend optimisation.

Comparable volume, comparable and FX neutral revenue and revenue per comparable ROIC are non-IFRS performance measures. Refer to "Note reg non-IFRS performance measures and pages 83-90 for a reconciliation of re million in connection with the royalty income arising from the ownership of

Performance indicators continued

Sustainability

Safety

Group: total incident rate
Number per 100 full time equivalent employees

0.84

Our target

Reduce our total incident rate (TIR) to below 1 by 2025

We are working towards world class safety standards and our Health, Safety and Mental Wellbeing policy is helping to ensure that we are adopting best practices.

Climate

Group: percentage greenhouse gas (GHG) emissions reduction across our entire value chain versus 2019

16.7

Our targets

Reduce emissions across our entire value ch by 30% by 2030 (versus 2019)

Our short- and long-term targets to reduce emissi by 30% by 2030, and to reach Net Zero by 2040, we approved by the Science Based Targets initiative (as being in line with climate science.

Drinks

Percentage sugar per litre reduction

Europe[(A)] (Eur) — Target: 10% reduction by 2025 (versus 2019)

2023	**4.9%**
2022	**5.0%**

Australia[(B)] (API) — Target: 25% reduction by 2025 (versus 2015)

2023	**14.9%**
2022	**16.8%**

New Zealand[(B)] (API) — Target: 20% reduction by 2025 (versus 2015)

2023	**15.9%**
2022	**15.9%**

Indonesia[(B)] (API) — Target: 35% reduction by 2025 (versus 2015)

2023	**36.2%**
2022	**31.6%**

Our target

Reduce sugar in our drinks

Note: Our 2023 data was subject to independent limited assurance. A copy of our 2023 assurance statement, and assurance statements for prior years can be found on cocacolaep.com/sustainability/download-centre. See detail regarding restatement of our baseline GHG figures in our methodology statement on page 237.

(A) Sparkling soft drinks, non-carbonated soft drinks and flavoured w
(B) Non-alcoholic ready to drink (NARTD) portfolio, including dairy. D
(C) In 2019, we announced enhanced packaging targets for Europe, b rPET from 2025 to 2023. Since 2021, our rPET use in Europe has be

Our portfolio

Great brands, innovation and value for customers

We work with our partners to offer consumers a wide range of quality drinks for every taste and occasion.

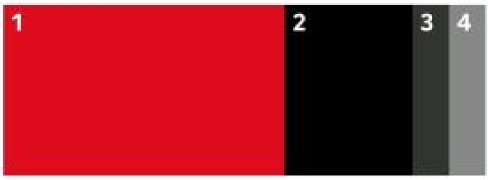
We continue to expand our portfolio by growing our core brands, while launching and scaling new products in categories like alcohol and coffee.

Our frontline sales force delivers execution and activation of our brands to support and create value for our customers throughout the year, particularly during key selling moments like Halloween, Christmas and the summer.

We are reducing the environmental impact of our manufacturing, distribution and packaging, as well as delivering on our commitment to reduce sugar across our portfolio and offering more low or no calorie drinks.

This is Forward

2023 volume by brand category



1 Coca-Cola	59.0%
2 Flavours, mixers and energy	26.0%
3 RTD tea, coffee, juices and other	7.5%
4 Hydration	7.5%

Coca-Cola®

Our Coca-Cola brands come in a range of flavours and a great choice of packs, with or without sugar.

More flavours and innovation

In 2023, we provided even more flavour extensions and innovation with a number of limited editions including Coca-Cola® Y3000 Zero Sugar, co-created with human and artificial intelligence (AI), and Coca-Cola Movement.

Supermodel Gigi Hadid fronted a new global brand campaign, A Recipe for Magic, pairing Coca-Cola with special meal moments.

We also marked the FIFA Women's World Cup 2023 with promotions, limited edition pack designs and in store displays across our channels. This activity focused on attracting consumers and engaging fans across our markets.

We ended the year with engaging Christmas campaigns and promotions to mark the holiday season, which is an important selling moment for CCEP.

Key product 2023

Coca-Cola Zero Su
and saw volume g

+4.0%

2023 volume perf

Coca-Cola Trademark

—%

All references to volumes are on a comparable basis. All changes are versus 2022 equivalent period unless stated otherwise. Non-IFRS performance measure. Refer to "N the presentation of alternative performance measures" on pages 81-82 for the definition of our non-IFRS performance measures and to pages 83-90 for a reconciliation to comparable results.

Our portfolio continued
Great brands, innovation and value for customers

Flavours, mixers and energy

Our flavours, mixers and energy category is driving growth for our business and providing a range of great tasting drinks for consumers.

2023 energy volume
Strong volume growth supported by continued distribution gains and exciting innovation such as Monster Zero Sugar.

New flavours, more low or no calorie options, and engaging activation
In partnership with Monster Energy, we launched new products including Monster Zero Sugar, Monster Juiced Aussie Lemonade, Monster Ultra Rosa and Monster Ultra Peachy Keen.

Fanta continued to grow. What The Fanta Zero Sugar returned with a new colour and mystery flavour, supported by on and off shelf execution. The brand celebrated Halloween, supported by marketing, promotions and in store and online execution.

Royal Bliss launched new flavours including Aromatic Berry in several markets.

RTD tea juices a

Ready to drin an important our business, innovation an introduced to

Hydrati

Our hydration provides cons range of beve any occasion. flavoured wat waters and iso

(A) Combined portfolio of Jack Daniel's & Coca-Cola and Jack Daniels & Coca-Cola Zero Sugar, external data source NielsenIQ last 12 weeks ending 27 January 2024.
All references to volumes are on a comparable basis. All changes are versus 2022 equivalent period unless stated otherwise. Non-IFRS performance measure. Refer to 'N non-IFRS performance measures and to pages 83-90 for a reconciliation of reported to comparable results.

Image: the Philippines business is supported by colleagues known as the "Coca-Cola Tigers" pictured here

Our operations

Remaining close to our customers, communities and stakeholders gives us unique knowledge of our markets, enabling us to deliver great brands and great execution, done sustainably.

Our markets

Location of our shared service centres

Region	Revenue by geography(A)	Total employees(B)	Production facilities
Europe			
1 Iberia (Spain, Portugal and Andorra)	18.5%	3,964	11
2 Germany	16.5%	6,473	16
3 Great Britain	17.5%	3,487	5
4 France and Monaco	12.5%	2,623	5
5 Belgium and Luxembourg	6.0%	2,165	3
6 Netherlands	4.0%	803	1
7 Norway	2.0%	568	1
8 Sweden	2.0%	725	1
9 Iceland	0.5%	166	2
10 Bulgaria(C)	—	1,196	—

(A) Revenue shown is percentage of total reported revenue as at 31 December 2023.

(B) Number of employees as at 31 December 2023.

(C) Shared service centres.

Our business model
How we do what we do

From developing close relationships with TCCC and other franchisors to sourcing raw materials, our great people make, move and sell great tasting drinks with great execution, all done sustainably.

Read more about our risks and mitigations on pages 68-78

Great brands
Great people
Great execution
Done sustainably

Forward on climate

Forward on packaging

Forward on water

Forward on supply chain

Forward on drinks

Forward on society

For a better shared future
Creating value and driving sustainable returns for our:

People	Customers
Shareholders	Suppliers
Franchisors	Communities
Consumers	

Read more in our s172(1) statement from the Directors on pages 65-67 and **Our strategy** on pages 14-47

We partner

We operate under bottler agreements with TCCC and other franchisors, and purchase the concentrates, beverage bases and syrups to make, sell and distribute packaged beverages to our customers and vending partners.

Associated risks: 2 8 9 11

We source

We use ingredien
water, sugar, coff
syrup to make ou
also rely on mate
aluminium, PET, p
to produce packa
average in 2023, 8
spend was with s
in our countries o

Associated risks: 1 3

We recycle

Although 99.1% of our bottles and cans are recyclable, they don't always end up being recycled. That needs to change. We're determined to lead the way towards a circular economy for our packaging where, working with partners, we encourage packaging collection so that materials are recycled and reused.

Associated risks: 1 2 7

We sell

Our nearly 11,600
commercial team
range of custome
shops, supermark
to restaurants, ba
stadiums, so cons
our great beverag
provide cold drink
and supply vendir

Associated risks: 2 3

Chairman and CEO
In conversation

Left:
Sol Daurella,
Chairman
Right:
Damian Gammell,
CEO

Growing faster together

**2023 was anoth
momentum an
to go even furt**

— Damian Gamm

**How would you re
overall business p**

Damian: I am delig
progress across th
We continued to i
people, technolog
sustainability, crea
platform for all ou
Financially we perf
achieving strong t
growth, with value
impressive compa
generation. Furthe
macroeconomic a
backdrop, our volu
resilient.

Sol: We continued
on driving profitab
and delivering bes
service. We are bu
of our brands, the
have with TCCC ar
capabilities, all of w
CCEP as the numb
creator in fast mov
(FMCG) across Eu
API, as well as bein
number 1 supplier
large internationa

Damian: Of course
possible without g
would like to take
say a very big than
at CCEP for their t
commitment and
has contributed so
success in 2023.

Chairman and CEO continued
In conversation

You mentioned CCEP's financial performance in 2023: what stood out for you?

Damian: All key financial metrics have been delivered in 2023. A strong top line, led by price and mix. We successfully executed pricing across all markets and continued to create value for our category. Our focus on revenue and margin growth management, along with our price and promotion strategy, drove solid gains in revenue per unit case during the year. Our volumes also remained resilient despite inflationary pressures. This was driven by great in market execution, leveraging our broad pack price architecture, and good underlying demand in developed markets, offset by the right strategic portfolio decisions for the long term.

Strong top line performance, alongside our continued focus on cost control and productivity efficiencies, drove strong operating profit growth and impressive comparable free cash flow generation. We also returned to the top end of our target leverage range. So, a great year all round.

What progress have you made on CCEP's strategy?

Damian: We have continued to grow our business and reach more households, from expanding our portfolio through the launch of Jack Daniel's & Coca-Cola in the exciting and fast growing ARTD category, and targeted innovation of our existing brands such as the launch of Monster Zero Sugar, to diversifying geographically through the acquisition of CCBPI.

We continued to invest for long-term growth as well as developing capabilities and driving efficiencies to support our mid-term objectives for the years ahead.

We also remained focused on driving shareholder value. This is made evident through the combination of driving solid top and bottom line growth, paying a record dividend, up almost 10% year on year, alongside delivering impressive total shareholder return (TSR) and entering the Nasdaq-100 at the end of the year.

Sol: The acquisition of CCBPI creates a more diverse footprint for CCEP geographically, which has prompted the renaming of API to APS[(A)]. It will provide the opportunity to leverage best practice and talent, including supporting Indonesia's transformation journey. It reinforces CCEP's aim of driving sustainable and stronger growth through diversification and scale, and underpins the Company's mid-term strategic objectives.

(A) APS refers to Australia, Pacific and South East Asia.

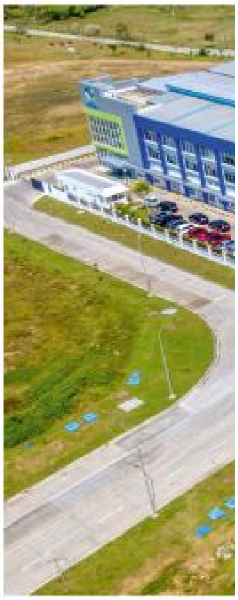


Image: Amandina Pl

How are you prog sustainability com do these support objectives?

Sol: Sustainability i success of our bus will continue to m help us to make p long-term commi ever, we are aware environmental ch business, particula our short- and lon emissions reducti recycled content i improving our wat progress continue externally and we retained our MSCI inclusion on CDP's

Chairman and CEO continued
In conversation

The acquisition of CCBPI creates a more diverse footprint for CCEP geographically while providing the opportunity to leverage best practice and talent."

— Sol Daurella, Chairman

How have acquisitions contributed to the Group in 2023?

Damian: As mentioned earlier, geographic diversification is aligned to our long-term growth strategy, creating an even stronger platform for the future. Our acquisitions have also enabled us to leverage best practice and talent in a much bigger way than before. For example, we have taken 16+ years of experience of the ARTD market in Australia back to Europe as we accelerate into this exciting and fast growing category. This has already delivered great results.

Sol: From a Board perspective, we have been delighted with the progress made this year. We believe that bringing businesses together has created growth operationally and culturally, and will continue to do so. And, as Damian has already referred to, there has been a strong focus on sharing capabilities, as our people have embraced best practice and standardisation, which has in turn improved the service we provide to our customers.

How has your relationship with TCCC developed this year?

Sol: It's so important that we are fully aligned on strategy, with both companies sharing a common vision. Our strong relationship is also the foundation of our This is Forward sustainability strategy, which is fully aligned with TCCC's own global World Without Waste strategy.

Damian: We have always been closely aligned with TCCC strategically and that won't change. We continue to align our joint long-term growth plans and to pursue solid ways of working together with a joint investment mindset and aligned portfolio management across all territories.

A great example would be the joint acquisition of CCBPI from TCCC, in line with its stated intent to divest bottling operations.

What is the outlo and beyond?

Damian: We will c the business to en right capabilities t our customers, co and to continue to execution and exc

Consumer sentim be impacted by th environment, so, t brand partners, we on staying afforda while creating valu and customers.

Sol: We continue t Coca-Cola bottler the CCBPI acquisi for even more cus even more consur

What is consistent passion, dedicatio people, as demon inclusion on the B Equality Index for row. As we integra wider business, we to focus on inclusi of our people, as w advance on our su commitments.

FIFA Women's World Cup

Faster connections

Taking up Coca-Cola's campaign theme "Believing is Magic", CCEP is proud to have been involved with the FIFA Women's World Cup 2023, hydrating over 1.5 million players, coaches, officials, media and spectators during the tournament. Our commercial teams built engagement with consumers by helping customers create football themed activations in store, as well as online promotions.

Watch: Peter West, General Manager, Australia, Pacific and Indonesia, analyses the data behind the FIFA Women's World Cup.

cocacolaep.com/annual-report/case-study/fasterconnections

Our market drivers

Our business is affected by a range of macroeconomic and market trends – from consumer and sustainability factors to the impact of new technology.

Our collaborative business model and culture means we can adapt and thrive in a changing environment, while our strategy enables us to respond to both current and future dynamics.

Consumer trends

Today's consumers are demanding more choice, and our evolving portfolio offers drinks for a wide variety of occasions. Demand for healthier alternatives continues to grow, which is reflected in the low and no calorie choices across our brands.

We believe strong brands supported by innovation are the key to meeting changing consumer needs. The ongoing drive for value and convenience is coupled with the move to shopping more online and the desire for more drink choices. We address these consumer trends alongside the macroeconomic factors we face, the impact of technology and our focus on sustainability.

Read more in Our strategy on page 14

Macroeconomic factors

Geopolitical volatility and high inflation continued to impact our business and our markets in 2023. We executed dynamic pricing strategies across our markets to offset the inflationary pressures we faced, while maintaining focus on productivity.

The economic environment continues to impact consumer sentiment, making affordability increasingly important for some consumers.

We actively manag
and promotional s
affordable and rel
consumers, and ou
architecture helps
balance between
premiumisation.

While some marke
towards more sho
with a shift to som
brands, we remain
resilient categorie
grow volume and
maintaining our p
one FMCG value c
NARTD in API.

Sustainability foc

There is an increas
sustainability acro
particularly among
Government com
climate change ar
regulations also co
business.

To ensure we mee
on us, we are furth
creating new susta
For example, we h
TCCC, other bottl
seed-to-growth v
create a venture c
on sustainability.

Through CCEP Ve
entered into a par
Swansea Universit

Our strategy

CCEP is a market leader in a profitable and growing drinks market. Our aim is to always outperform the market, creating value for our customers and shareholders, while ensuring we limit our impacts on the world around us and support our people and communities.

Our strategy – **great brands, great people, great execution, done sustainably** – is core to delivering on our aim. **This is Forward,** our sustainability action plan, sits at the heart of our long-term business strategy.

This is Forward sets out the actions we are taking on six key social and environmental topics, where we know we can make a significant difference in the areas our stakeholders want us to prioritise.

CDP A LIST 2023 CLIMATE

MSCI ESG RATINGS AAA

FTSE4Good

PLATINUM 2023 ecovadis Sustainability Rating

Great brands p16

Forward on **drinks**
pages 16-19

Our diverse portfolio is built on our core brands like Coca-Cola, Fanta, Sprite and Monster, as well as targeted expansion into categories like coffee and alcohol.

At CCEP, we're bringing new products to a new generation of consumers based on clear insights, while developing the classic brands our consumers know and love.

We are committed to reducing the sugar in our drinks and offering low or no sugar options – giving consumers even more choice.

Great peop

Forward on **society**
pages 20-27

We take care of ou
and committed pe
business successful
suppliers, custome

We want CCEP to b
place to work, whe
has the opportunit
a difference.

Done sustainably p36

Our ambition to create a better future, for people and the planet, sits at the heart of how we do business, and the decisions we take.

Central to this are our targets to reduce GHG emissions by 30% by 2030 (versus 2019), and to reach Net Zero by 2040. Both targets have been validated by the SBTi as being in line with climate science.

We want every bot
recycled or reused
improving collecti

We have adopted
to water stewards
efficiency within o
working to protect
of the water sourc
communities and

This is Forward – our sustainability action plan
Our headline commitments

Pillar	Strategy	Commitment	Target
Forward on **drinks**	Great brands	**Sugar reduction**	Reduce sugar by 2025: by 10% in
		Low or no calorie	Over 50% of sales to come from
Forward on **society**	Great people	**Gender diversity management**	45% of management positions t
		Gender diversity	A third of our workforce to be w
		Disabilities	10% of our workforce represente
		Supporting skills development	Support the skills development
Forward on **supply chain**	Great execution	**Sustainable sourcing**	100% of main agricultural ingred
		Human rights	100% of suppliers to be covered b
Forward on **climate**	Done sustainably	**Net Zero**	Net Zero GHG emissions (Scope
		GHG emissions reduction	Reduce absolute GHG emissions
		Renewable electricity	Use 100% renewable electricity a
		Supplier engagement – GHG emissions	100% of carbon strategic supplie
		Supplier engagement – Renewable electricity	100% of carbon strategic supplie
Forward on **packaging**		**Design**	100% of our primary packaging t
		Recycled plastic	50% recycled plastic in our PET b
		Virgin plastic	Stop using oil-based virgin plasti
		Collection	Collect and recycle a bottle or a
Forward on **water**		**Water efficiency**	10% water use ratio reduction(H)
		Replenish	Replenish 100% of the water we
		Regenerative water use	100% regenerative water use in l

Note: For details on our approach to reporting and methodology, please see our 2023 Sustainability reporting methodology document on cocacolaep.com/sustainability/download-centre.

(A) Reduction in average sugar per litre in soft drinks portfolio versus 2019. Sparkling soft drinks, non-carbonated soft drinks and flavoured water only. Does not include plain water or juice.

(B) Reduction in average sugar per litre in NARTD portfolio versus 2015. Including dairy. Does not include coffee, alcohol, beer or Freestyle.

(C) Does not include coffee, alcohol, beer or Freestyle. Low calorie beverages ≤20kcal/100ml. Zero calorie beverages <4kcal/100ml.

(D) Calculated based on the t responding to our 2023 v number of employees sel

(E) Our GHG emissions redu been validated by the SB science.

Great brands

We are extremely privileged to make, move and sell the best brands in the world.

Key focus area for CCEP

We're focused on our great brands. In close collaboration with TCCC and other franchisors, we are committed to addressing evolving consumer needs through our diversified portfolio of products and packaging sizes.

We endorse the recommendations made by several leading health authorities, including the World Health Organization (WHO), advising people to limit their added sugar consumption to 10% of their total calorie intake.

We continue to reduce sugar across our portfolio, by reformulating our recipes and introducing new products, including new low and no calorie options.

We support transparency by providing customers with straightforward and easy to understand product information, and promote responsible marketing with no advertising of our products to children under 13, or an older age limit in specific regions aligned with local regulations.

Producing safe and high quality products that our consumers can trust is essential to what we do. We adhere to The Coca-Cola Operating Requirements (KORE), which define operational controls and prioritise the sustainable sourcing of ingredients.

Our ambitions

To have brands that people love and to be category leaders with great tasting drinks for every occasion.

To achieve that, we are investing in:

- strong and aligned partnerships with brand partners
- producing and delivering high quality and great tasting drinks
- a broad price pack architecture
- channel diversification

Our T
comm

Reduc
across

- by 1
- by 2
- by 2
- by 3

Over 5
low or
(Euro

Related Sustainable Development Goals

3 GOOD HEALTH AND WELL-BEING

Great brands continued
Performance and progress against our This is Forward commitn

Forward on drinks

Volume by category

	2023 % of total	2022 % of total
Sparkling	**85.0%**	**84.5%**
Coca-Cola	59.0%	58.5%
Flavours, mixers and energy	26.0%	26.0%
Stills	**15.0%**	**15.5%**
RTD tea, coffee, juices and others	7.5%	7.5%
Hydration	7.5%	8.0%
Total	**100.0%**	**100.0%**

> This is Forward

Reduction in average sugar per litre(A)

Eur Europe(B)
Target 10% reduction by 2025 (versus 2019)
2023 **4.9%**
2022 **5.0%**

API Australia(C)
Target 25% reduction by 2025 (versus 2015)
2023 **14.9%**
2022 **16.8%**

API New Zealand(C)
Target 20% reduction by 2025 (versus 2015)
2023 **15.9%**
2022 **15.9%**

API Indonesia(C)
Target 35% reduction by 2025 (versus 2015)
2023 **36.2%**
2022 **31.6%**

> This is Forward

Products sold th

Over 50% of sales
calorie drinks by 2

Group
2023

Eur
2023
2022

API
2023

Great brands continued
Our progress explained

Our product mix and consumer choice
We offer consumers drinks for every taste and occasion, including drinks with or without sugar, and drinks with ingredients which are Fairtrade or Rainforest Alliance certified.

Our portfolio ranges from carbonated and still soft drinks, energy drinks, and RTD teas, to flavoured dairy, organic soft drinks, beverages with nutritious benefits, coffee and alcohol.

We continue to expand our portfolio across our core brands, while also seeking to launch and scale new products in categories like alcohol and coffee, and engage with consumers through collected insights, dedicated research and consumer labelling.

We are further enhancing our product mix by providing a greater range of smaller packs, which are often more convenient for consumers and can help them to control their sugar intake. In 2023, 4.6% of our drinks were enjoyed in packages of 250ml or less.

Reducing sugar in our drinks
We are a long-standing member of the Union of European Soft Drinks Associations (UNESDA) and we are committed to reducing average added sugars in our soft drinks by a further 10% by 2025 (from 2019) across Europe, representing an overall reduction of 33% in the past two decades.

In 2023, in Spain, we reformulated Sprite, giving it a more intense taste, and introduced Sprite Zero. The brand has taken an important step towards greater circularity by replacing the iconic, hard to recycle green PET bottle, with a transparent and 100% recyclable PET bottle.

In our key API markets we also have ambitious 2025 sugar reduction targets as we aim to reduce the average sugar per litre in our NARTD portfolio by 20% in New Zealand, by 25% in Australia and by 35% in Indonesia (versus 2015).

Focus on low or no calorie drinks
Over the past year, we continued to encourage people to reduce their daily sugar intake, raising awareness of our low calorie drinks via our point of sale communications and by promoting low and no sugar options.

In API, we continue to introduce and promote more low and no sugar drinks with a focus on zero sugar sparkling drinks and water. For example, we are promoting Coca-Cola Zero Sugar in remote Indigenous communities in Australia in collaboration with our retail partners and their communities.

Following an assessment of the health impacts of aspartame, global health organisations, including the WHO, reaffirmed the safety of the ingredient. In 2023, we continued to use low and no calorie sweeteners in our products.

Find out more information on our approach to food safety and food additives on page 251

Clear, straightfor
information
We help people m
choices by providi
transparent nutrit
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content.

Our approach alig
and local legislatio
Guideline Daily An
and this has been
Europe since 2009
the voluntary fron
Rating on all our n
in Australia and ad
approach in New Z

We also make nutr
for all of our drinks
websites in all our

Responsible mark
We are committe
marketing of our p

Our responsible sa
principles cover al
of sale materials a
They provide clear
commercial team
products should b
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them to make info

Through these pri
encourage respor
our products, and
with all relevant la
industry codes on
sale of our produc
that contain alcoh

Jack & Coke

Faster on brands

Inspired by Jack & Coke, the classic bar cocktail known and enjoyed around the world, we were delighted to launch Jack Daniel's & Coca-Cola ARTD in Great Britain, the Netherlands and Spain in 2023. It is perfectly suited to meet consumer demand for ARTD mixers and create value for our customers.

Watch: Stephen Lusk, Chief Commercial Officer, on how we brought two iconic brands together.
cocacolaep.com/annual-report/case-study/fasteronbrands

Image: Jack Daniel's & Coca-Cola ARTD cans

Great people

We want CCEP to be a great place to work, where everyone is welcome, has the opportunity to grow and can make a difference.

Key focus area for CCEP

At CCEP, we have an engaging workplace, enabling our great people to do great business for our customers today and tomorrow.

We promote wellbeing, inclusion, diversity, development, innovation and respect, helping to ensure that our people at every level can be heard, grow and have a great experience.

We're committed to having a positive impact on our people and their communities by supporting economic mobility, and building resilience.

Some people in our local communities face significant socioeconomic barriers, including inequality, social exclusion and unemployment, while environmental challenges affect their daily lives. Across CCEP, we're tackling these issues and helping to remove people's barriers to the workplace.

Through our volunteering policy we empower our employees to engage with their communities.

Our ambitions

People

Wellbeing and safety of our people.

Talented, passionate and committed people who can deliver success for CCEP with winning capabilities, agility and a performance mindset.

Open, inclusive and respectful workplace.

Communities

Expand our contribution to society through employee volunteering and supporting local community partnerships.

Our T
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Related Sustainable Development Goals

Great people continued

Performance and progress against our This is Forward commitm

32,500

Number of hours volunteered by our employees

2024 employer recognition

> This is Forward

Gender diversity – Management

45% of management positions to be held by women by 2030[(A)]

Group	Target 45% by 2030
2023	38.4%
2022	37.2%

> This is Forward

Gender diversit

A third of our wor
by 2030

Group	
2023	
2022	

> This is Forward

Safety

Reduce our total incident rate (TIR) to below 1 by 2025

		Target <1 by 2025
Group	2023	0.84
Group	2022	0.87
Eur	2023	0.93
Eur	2022	1.04
API	2023	0.69
API	2022	0.62

> This is Forward

Disabilities

10% of our workfo
by people with dis

Group	
2023	

Calculated base
number of empl
to our voluntary
survey (represen
workforce) and t
employees self-
a disability.

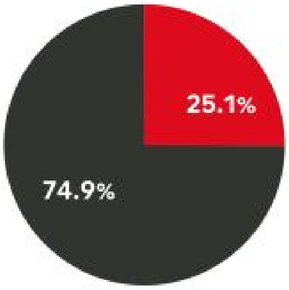
(A) Excludes Fiji and Samoa, as aligned role grades are not available for 2023 reporting. We aim to i
(B) New commitment launched in 2023. Data not available for 2022.
(C) We aim to be accurate in our reporting and continue to enhance the way we capture and repor

Great people continued
Highlights from 2023

Workforce diversity

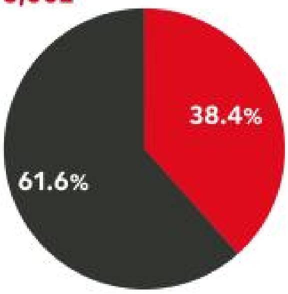
- Women
- Men

Total employees
32,315[(A)]



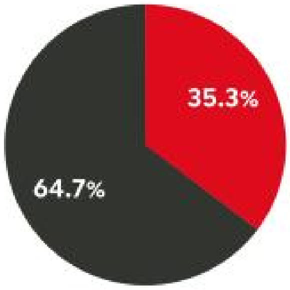
Women	8,104
Men	24,208

Leadership
(senior management grade including ELT)[(B)(C)]
3,662



Women	1,406
Men	2,256

Board of Directors
17



Women	6
Men	11

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98

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The plan for the year ahead

People

In 2024, we will continue to prioritise our people's physical and mental wellbeing, and provide an inclusive, safe and healthy work environment.

We will continue to invest in developing our people, strengthening our leadership, commercial, customer service and supply chain capabilities in particular.

Finally, we will invest further in creating a consistent experience for our people across our digital people platforms.

Communities

In 2024, we will celebrate the fifth anniversary of our Support My Cause initiative, which supports local charitable organisations nominated by our employees.

We will also continue to enhance our employee volunteering programme, ensuring that we continue to create positive social impact that genuinely improves the lives of millions of people in our communities.

We will be working to create roadma our commitment development of 5 barriers in the labo

(A) CCEP full time, part time and temporary corporate employees. Full time equivalent employees as at 31 December 2023. Includes three employees who did not decla
(B) The members of the ELT and their direct reports consist of 56 women and 72 men.
(C) Directors of subsidiary companies comprising 27 women and 55 men are also included in the workforce diversity statistic under leadership.

Great people continued
Our progress explained

Forward on society

Our people

Safety
At CCEP the safety and wellbeing of our employees always come first. Our employees receive health and safety training, aligned with the Coca-Cola system health and safety procedures and local regulations.

We expect and encourage our people to follow our policies and procedures and take action if they become aware of any situation or behaviour affecting the physical or mental wellbeing of others. Managers are responsible for ensuring that our workplaces, processes and equipment are kept safe for our people.

Any potential hazard or work incident is investigated to identify and prioritise the short-, mid- and long-term action plans. In case of injuries or health issues, we make reasonable adjustments to our employees' duties and working environment to support their recovery and continued employment.

We measure our safety performance using total incident rate (TIR) and lost time incident rate (LTIR). This covers everyone working for us, including contractors and temporary workers. We aim to reduce our TIR to below 1 by 2025.

A contractor management system is in place across all our territories, requiring contractors to pass a risk-based assessment before they are permitted to work at our sites. Tragically, in 2023, there was one contractor fatality in Indonesia. The incident was investigated with the local authorities and we continue to improve our safety procedures to prevent a reoccurrence.

Wellbeing
By the end of 2023, we had trained more than 1,250 Wellbeing First Aiders across CCEP. This has created an internal network for mental health support, with people trained to spot the signs of mental health conditions, listen free of judgement and direct colleagues to professional services when they need support.

Approximately 1,400 people benefited from our Employee Assistance Programme, an independent service in our workplace offering 24/7 free professional support for our people and their family. We also launched our new Wellbeing Hub in Europe, an online platform which offers our employees information and support to take care of their wellbeing. We aim to expand to API soon.

Through our Wellbeing Leadership training programme launched in 2023, we helped around 1,475 leaders across CCEP to understand their own wellbeing needs, and to develop the skills and confidence needed to keep their team safe and well.

For World Health Day 2023, we ran an internal campaign to support a proactive approach to health, with almost 5,000 people taking part.

Inclusion, diversit
We believe that bu
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serve will support c
growth. We priorit
five pillars: culture
disability; gender;
generations. Inclus
Equity (ID&E) at C
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leadership sponsors
who guide our initia

We provide mand
training for all peo
members of the F
team. This is also r
employees. We als
on broader ID&E t
inclusive leadershi

We are committe
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To ensure that line
appropriate pay d
training and suppo
equity within our t

Promoting divers
To ensure we have
talent, we promote
from recruitment a
to training, develo
progression. This is
clear anti-harassm
as well as our Inclu
Principles and Car

Great people continued
Our progress explained

Supporting and engaging our people

Good communication is essential to building a motivated, engaged workforce. We are committed to communicating clearly and transparently with our people and their representatives in local languages through digital platforms, printed materials and direct dialogue.

We engage in forums to ensure we hear the voice of our employees. We meet regularly with the European Works Council, national and local works councils, and trade unions that represent our people across our territories. Across our territories, 55 unions represent our employees.

We continue to innovate and extend our digital solutions for our people to make it easier for them to access what they need, such as policies, training and key data on pay and performance. Our policies are easy to understand, and are reviewed annually to align with legal requirements.

We want our people to enjoy a great experience at CCEP and feel engaged with our business aims and strategy. In June 2023, we conducted our annual employee engagement survey. The results showed sustained strong engagement levels, with more than 24,400 colleagues (76%) participating, which is up by 557 respondents compared to last year. Our strong engagement score has stayed stable at 77.

Find out more about our Board engagement with our people on page 61

Employee training, development and leadership

We believe that when our people learn and grow, our business grows too, so we continue to invest in learning and development across CCEP through our strategy, The Way We Grow. This includes developing capabilities in leadership, commercial, customer service and supply chain through our academies: The Way We Lead, The Way We Sell and The Way We Serve.

We progressed The Way We Lead academy with around 500 leaders gaining 360 feedback, helping them to grow self-awareness of their leadership style and enabling them to contribute to a feedback culture. More than 2,500 leaders participated in a series of virtual and in-person development modules including coaching and performance.

We are equipping our frontline managers through our new global Great People Manager Programme. Approximately 500 leaders participated in 2023. The rollout will continue in 2024.

We offer further training opportunities through our digital learning platforms Juice and Academy, supporting employee development of core capabilities in leadership, commercial, customer service and supply chain.

Our people can create their own talent profile and understand their objectives, feedback and development plan using our digital MyPerformance@CCEP platform.

Our digital Career
Europe and soon t
in API, provides us
recommendation
paths and networ
64% of employees
their profile. We h
employee engage
by five points com
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about our progres
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the family. We also
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as many other flex

Find out more a on pages 127-14

Great people continued
Our progress explained

Respect for human rights

We consider human and workplace rights to be inviolable and fundamental to our sustainability as a business. We support the 10 principles of the UN Global Compact.

Our principles regarding human rights are set out in our Human Rights policy, which is aligned with accepted international standards and CCEP's Code of Conduct (CoC).

Further information on our principles regarding human rights is provided in our Supplier Guiding Principles (SGPs) and Principles for Sustainable Agriculture (PSA). These set out the requirements of our suppliers related to business ethics, human and workplace rights, the environment, and providing benefits to communities.

Modern slavery

We have a zero tolerance approach to modern slavery of any kind, including forced labour, and any form of human trafficking within our operations, and by any company that directly supplies or provides services to our business.

Our Modern Slavery Statement complies with the UK Modern Slavery Act 2015 and the Australian Modern Slavery Act 2018. It sets out the steps taken by CCEP to prevent, identify and address modern slavery risks across our business and supply chain.

See our modern slavery statements at cocacolaep.com/about-us/governance

Human rights risk assessment

We recognise that all our employees and supply partners have a role in identifying and mitigating human rights risks across our business. Employees and managers are empowered to recognise and address human rights risks and issues as they conduct their work, and this extends to the arrangements we agree with workers and trade unions.

The effective tracking and management of these risks also ensures compliance with relevant legislation.

We have mapped human rights-related laws, regulatory requirements and risks identified in human rights reports in each of our countries. Based on this, in 2024, we will refresh our human rights assessment strategy primarily focused on the countries where the highest human rights risks have been identified.

In 2023, we conducted human rights risk assessments in Germany and Norway. These assessments identified current and evolving human rights risks to ensure we develop proactive measures to manage risks before they occur. Human rights risk has been rated as low within our own operations in both Germany and Norway, however, risk in our supplier base remains.

During 2023, we al
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in 2022, and devel
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conditions for wor

As a result of hum
assessments that
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identified 12 areas
CCEP, as summari
rights risk assessm

Find out more a
to human right
page 33

Ethics and compli

Our ethics and co
for all our employe
is designed to ens
our operations in a
manner. It also sup
work with our cust
and third parties.

Preventing briber

We aim to preven
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Our CoC sets out
standards to preve
corruption, includi
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entertainment. Ou
and Anti-Bribery p
employees. There
training for a targe

Find out more a
to human rights
sustainability/hu

Great people continued
Our progress explained

Forward on society

Our communities

Boosting skills development and social inclusion

We're determined to drive the economic empowerment of under-represented people, with a particular focus on people with disabilities, those from minority ethnic groups or lower socioeconomic backgrounds, and women, by providing employability skills and removing barriers to the workplace.

We support a wide variety of local community partnerships as part of our new Skills for Impact initiative launched in 2023.

SKILLS FOR IMPACT
A Coca-Cola Europacific Partners initiative

For example, in 2023, we organised the third BORA Jovens programme in partnership with Portuguese NGO Ajuda em Ação to support young people at risk of social exclusion, in entering the labour market. Since the start of the programme in 2021, approximately 400 young people have participated, resulting in around 160 of them entering the labour market and almost 50 going back to school.

In Indonesia, in partnership with associations, universities, governments, and local NGOs, we provide mentorship programmes to support micro, small and medium enterprises within fashion, food and beverages, waste management and other sectors. In 2023, we delivered training and mentorships to approximately 1,000 people.

Protecting the environment and community wellbeing

We support programmes, projects and initiatives that help protect local environments, address climate adaptation and improve community wellbeing, including major disaster relief efforts, water replenishment projects and local litter clean up activities.

In 2023, supporting the Sea Life Trust on World Oceans Day, over 100 CCEP employees participated in beach and river clean ups across England and Scotland.

We also help address the needs of people in the community by donating surplus products and working with food banks. For example, in 2023, in Norway, we strengthened our partnership with Too Good to Go, a platform that aims to combat food waste. Through improved forecasting and employee volunteering we have managed to avoid the disposal of around 600 tonnes of finished goods.

Supporting local c with our employe

We empower our action for the envi with their local co employee volunte

Our Support My C employees to non they feel passiona a donation from t 2019, we have don 200 local charities groups across our in 2023, we donate support 125 grassr community partn to our sites and of

We also partner w to support initiati societal challenge communities. For we joined forces w Foundation for Int DEHOGA, Germar association for res hoteliers, to start a programme in the The programme s customers in deve young people.

Find out more a engagement wi page 64

Apprenticeships

Faster career progress

We help people accelerate their careers with us by offering a wide range of different apprenticeship schemes, from Sales and Merchandising to Food Technology and Engineering. One of many who have joined us, Jennifer started as an Engineering Apprentice at our site in East Kilbride, Great Britain. Having now completed her qualification, she is responsible for helping to ensure our lines run as efficiently as possible.

Watch: Sharon Blyfield, Head of Early Careers at CCEP, talks about how we bring talent into the business.

cocacolaep.com/annual-report/case-study/fastercareerprogress

Great execution

We want to win with our customers and suppliers, and maintain high customer service levels.

Key focus area for CCEP

We're working to deliver great execution for customers. We're driving growth, creating value and delivering results through close support and collaboration, while identifying new channels and implementing transformative new ways to do business.

To ensure we maintain high quality products and services for our customers we must promote reliability, consistency and sustainability throughout our supply chain.

We recognise the importance of having ethical and sustainable procurement practices that support our business and sustainability goals.

As a business, we rely upon a sustainable supply of ingredients like sugar, coffee, tea and juices as well as the raw materials we use for our packaging like glass, aluminium, plastic, pulp and paper. That's why we continue to invest in our capabilities and the long-standing and supportive relationships we have with our supply chain to provide even better service for our customers.

Our ambitions	Our T comm
Our customers	100% ingred source
Strong and supportive customer service, known for our agility and flexibility.	100% cover Princi sustai huma
Great digital tools enabled by high quality data and analytics, known to be easy to do business with and for our world class execution.	
Our suppliers	
A well invested supply chain and optimised portfolio.	

Related Sustainable Development Goals

2 ZERO HUNGER

8 DECENT WORK AND ECONOMIC GROWTH

10 REDUCED INEQUALITIES

Great execution continued

Performance and progress against our This is Forward commitm

Our customers

#1

value creator for our customers as measured by NielsenIQ

~90%

great customer service level

~1.5m

unrivalled customer coverage

Our suppliers

~16,000

We source products from over 16,000 suppliers

~€7b

In 2023, we spent ~€7 billion with our suppliers. 84% was spent with suppliers based in our countries of operation

> This is Forward

Spend covered by guiding principles

100% of suppliers to be covered by our SGPs

Target 100%

	Year	%
Group	2023	97.9%
	2022	97.5%
Eur	2023	98.3%
	2022	97.3%
API	2023	96.3%
	2022	98.4%

> This is Forward

Sustainable sou

100% of sugar sc
suppliers in com
Principles for Su
(PSA)

	Year
Group	2023
	2022
Eur	2023
	2022
API	2023
	2022

The plan for the year ahead

Our customers

We'll continue to regularly engage with our customers on strategy, planning and understanding key priorities around new packaging solutions and product offers to meet changing consumer trends.

Our suppliers

We'll continue to engage with all of our suppliers to reduce our Scope 3 GHG emissions, our key priority for 2024. We will implement a targeted programme for our most critical carbon strategic suppliers from which we source PET,

aluminium and su
will help them buil
reduction roadma
our own plans to r
across our value c
(versus 2019) and
by 2040.

Upcoming legislat
deforestation and
across many of ou
compliance by bo
CCEP. We are part
suppliers to ensur

Great execution continued
Our customers

Customers at the heart of our business

As the world's largest Coca-Cola bottler by revenue, we have built long-standing and supportive relationships with our customers.

We are committed to delivering great execution and creating value for them. We do this not just by focusing on growing our own portfolio of products, but by considering how we can grow the soft drinks category as a whole.

With the market continuously changing, it is more important than ever to have the right commercial strategies in place to be able to respond to this evolving landscape.

Our strong commercial team works with a wide range of customers, ranging from small local shops, supermarkets and wholesalers to restaurants, bars and sports stadiums, so consumers can enjoy our great tasting products.

We aim to be as close as possible to our customers, maintaining continuous relationships at every level and every function in order to understand their business. This enables us to identify opportunities and ensure these are aligned with the customer's ways of working.

Image: Colleague and customer in away from home (AFH) channel,

Our frontline field sales teams visit our customers on a daily basis providing in-store execution support, while our key accounts teams engage with customers on a national and international level on strategic product planning, addressing challenges and opportunities, supported by senior members of the leadership team.

Much of our ability to create value for our customers depends on the quality of the service we provide and how we deliver in the market.

Our focus is on ensuring our frontline sales teams are visiting and engaging with customers regularly, which we measure by tracking the number of

customer visits we
In Europe, we have
representatives in
conduct up to 13 v
represents more t
accounts visits and
interactions with c
monthly basis. In a
sales teams, we als
AFH customers via
digital teams, as p
contact (face, voic
strategy.

Great execution continued
Our customers continued

Driving stronger capabilities across our commercial teams

To accelerate our journey to deliver a great execution for our customers, we are enhancing the capabilities of our people.

We support the skills development of our employees across all functions and foster a culture of data-driven decision making, by driving stronger capabilities across our sales force and our key account management team.

Through our online learning platform Academy, we offer a wide range of trainings for our people. We continue to update the development programmes and to introduce new relevant courses designed to grow capabilities in specific areas such as sustainability, finance skills, negotiation and digital skills. In 2023, we launched a new academy on the coffee category.

Find out more about training programmes for our people on page 24

Partnering with c
to drive value

At CCEP, we are c
value for our custo
exactly what cons
us identify opport
growth, which is ke
commercial strate

In 2023, highlightin
of our customer re
created more valu
NARTD business.

We work with Niel
– retail and consu
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value we create fo
and how our indivi
this value creation

In 2023, across all c
Europe and API, w
in value across our
for our customers
increase of €1.2 bil

In Europe, Coca-C
value brand within
and the brand tha
absolute value yea

Image: Colleague and customer in retail in Norway

Great execution continued
Our progress explained

Forward on supply chain

Collaborating with our suppliers

We work with our suppliers to procure high quality raw materials and services. At the heart of this is our integrated approach to sustainability – making improvements and launching initiatives that support responsible sourcing, climate resilience, water stewardship and biodiversity.

We engage with suppliers to identify common challenges and to decarbonise our business. The table on the right illustrates some of the requirements that we have put into place for our strategic and carbon strategic suppliers.

Our RSP is included in new contracts and sets out the mandatory guidelines that our direct and indirect suppliers must comply with in order to do business with CCEP. This includes our SGPs, which set out the minimum requirements we expect of all our suppliers in areas such as workplace policies and practices, health and safety, environmental protection, business integrity and human rights. It also includes our PSA, which apply to agricultural ingredients and raw material suppliers and cover human and workplace rights, environmental protection and sustainable farm management.

Supplier identification	Definition	Speci
Strategic suppliers	• Directly managed and influenced by our procurement teams • Represent about 80% of our addressable spend • Engagement on sustainability extends to approximately 450 suppliers	• Unc ass sco abc • Sus in p anc
Carbon strategic suppliers	• Subset of strategic suppliers • Approximately 200 suppliers • Represent about 80% of our Scope 3 GHG emissions	In adc requi suppl • set in E • trai elec by :

(A) Provides a leading solution for monitoring sustainability in global supply chains. Suppliers that h
If suppliers do not improve their performance within a set timeframe, they may not be used in

Priority ingredients

As climate change leads to more extreme weather and increased water stress, more sustainable agricultural practices will be vital to building resilience across our supply chain and for the communities that produce these ingredients.

Together with TCCC, we have identified 13 priority agricultural ingredients we rely on to make and package our beverages.

Managing the pur ingredients togetl and other Coca-C us manage the ch in our supply chair Coca-Cola system

For more details ingredients see

Great execution continued
Our progress explained

We proactively manage sustainability risks in our supply chain using data gathered through EcoVadis for strategic suppliers and EcoVadis IQ for non-strategic suppliers. In addition, we continue to use Resilinc software, an AI tool which helps us to proactively identify potential risks in our supply chain. Having used the software to map our tier 1 suppliers in 2022, we started a project to map our tier 2 suppliers using Resilinc in 2023.

In 2023, we also started using FRDM, a supply chain risk management tool, to monitor and mitigate human rights and climate-related risks in our supply chain.

Human rights in our supply chain

Protecting human rights is fundamental to how we run our business. We are committed to ensuring everyone who works at CCEP and in our supply chain is treated with dignity and respect.

In 2023, we continued to provide training on human rights to our employees, with specific training to procurement managers focused on the German Supply Chain Act.

We also conducted a human rights risk assessment in Germany and Norway in 2023, and published our first annual report for Norway under the Norwegian Transparency Act. In 2024, we will expand our reporting with our first annual report for Germany under the Act on Corporate Due Diligence Obligations in Supply Chains.

In 2023, we documented our processes and responsibilities related to human rights risk assessments, due diligence and remediation or mitigation. This sets the basis for a robust governance framework across CCEP for human rights related actions.

Supporting our suppliers in reducing GHG emissions

Our suppliers are responsible for over 80% of the GHG emissions in our value chain. We can only meet our own GHG emission reduction targets by working in partnership with them. That is why we have asked approximately 200 carbon strategic suppliers to set their own science based targets.

In 2023, 31% of our carbon strategic suppliers (Europe 50%, API 16%), had SBTi validated targets.

We also track the number of suppliers who have committed to set SBTi targets, including those who may have already submitted targets to the SBTi. In 2023, a further 48% of our carbon strategic suppliers (Europe 46%, API 48%) committed to set science based targets[(A)].

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roadmap, set a sci
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Sustainability sup
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sustainability supp
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The programme,
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Great execution continued
Our progress explained

Supplier standards audits

We expect our suppliers to develop and implement appropriate internal business processes to ensure that they fully comply with our SGPs.

As part of the Coca-Cola system, we rely on independent third party audits commissioned by TCCC to monitor supplier compliance with our SGPs for ingredients and primary packaging directly purchased by CCEP and for juices and concentrates purchased from TCCC.

To date, these audits have covered more than 94% of our ingredients and primary packaging suppliers. If a supplier fails in any aspect of the SGPs, they are expected to implement corrective actions. TCCC conducts unannounced audits at its discretion and we reserve the right to terminate an agreement with any supplier that cannot demonstrate that it is upholding the SGPs' requirements.

PSA compliance is verified through adherence to a limited set of third party sustainable agriculture standards approved by TCCC. CCEP directly purchases sugar beet and sugar cane, pulp and paper, and tracks compliance with the PSA for these commodities through TCCC.

Our priority ingredients[A]

Raw material	Procurement method	Quantity and brands
Beet and cane sugar	Directly by CCEP	• Approximately 7(tonnes of beet su • Approximately 3(tonnes of cane su
Pulp and paper[B]	Directly by CCEP	• Europe: approxin tonnes of board f secondary and te packaging, and m materials • API: approximate tonnes of board f secondary and te packaging[B]
Juice[C]	TCCC	• Orange and lemo from concentrate from concentrate puree, are key ing in a number of ou products (e.g. Mi Maid)
Coffee and tea	Directly by CCEP	• Grinders brand
	TCCC	• Costa, Chaqwa ar Tea brands

(A) Our 13 priority agriculture based ingredients and bio-based packaging materials include sugar (pulp and paper.

(B) We aim to expand reporting on this category to include additional areas such as printed and po

(C) Coca-Cola trademark beverages with juice from concentrate, not from concentrate and puree

Image: A colleague in her second year of professional training as a food technology specialist on the RGB line at our Mannheim production facility, Germany

Done sustainably

Forward on climate

We take our responsibility to reduce our environmental impact seriously.

Key focus areas for CCEP

We are committed to decarbonising our entire business.

The Intergovernmental Panel on Climate Change (IPCC) has highlighted the need for urgent climate action[A]. We take our responsibility seriously, and have set GHG emissions reduction targets aligned to climate science.

We are taking urgent action to reduce the impact of our packaging.

Waste and pollution, particularly from plastic packaging, are significant global challenges, and we are reinventing the way we do business to progressively move away from a linear model and the waste it creates, towards a full circular model.

We have adopted a value chain approach to water stewardship.

Water is vital to our business. It is the main ingredient in our products, essential to our manufacturing processes and crucial for the agricultural ingredients we use. We prioritise water efficiency in our own operations, while safeguarding the sustainability of the water sources our business, communities and suppliers rely upon.

This is Forward commitments

Climate

Reduce our absolute GHG emissions (Scope 1, 2 and 3) by 30% by 2030 by 30% by 2030 (Versus 2019).[B]

Net Zero GHG emissions (Scope 1, 2 and 3) by 2040.[B]

Use 100% renewable electricity across all markets by 2030.

100% of carbon strategic suppliers[C] to set science based targets in Europe by 2023 and in API by 2025.

100% of carbon strategic suppliers[C] to use 100% renewable electricity in Europe by 2025 and in API by 2030.

Related Sustainable Development Goals

Climate: 7 Affordable and clean energy; 13 Climate action

Packaging: 12 Responsible consumption and production; 14 Life below water

Water: 6 Clean water and sanitation

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(C) Carbon
(D) Water
(E) NARTD
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Done sustainably – Our environmental impact
Performance and progress against our This is Forward commitn

Forward on climate

14

PAS 2060 carbon neutral certified production facilities across our territories

> This is Forward

Reduce emissions

Reduce absolute GHG emissions (Scope 1, 2 and 3) by 30% by 2030, versus 2019[(A)]

Target 30% reduction by 2030 (versus 2019)

	2023	2022
Group	16.7%	11.6%
Eur	15.9%	12.6%
API	18.2%	10.0%

> This is Forward

Renewable electricity consumption

Use 100% renewable electricity across all markets[(B)] by 2030

Target 100% by 2030

	2023	2022
Group	78.0%	73.1%
Eur	97.8%	97.9%
API	35.8%	23.5%

> This is Forward

Supplier engage

100% of carbon st
to set science bas
(Europe) and by 2

	2023	2022
Group	3	17%
Eur		27
API	16%	5%

Done sustainably – Our environmental impact continued
Our progress explained

Developing a climate transition plan across our value chain

In 2023, we focused on building roadmaps to deliver against our short- and long-term GHG emissions reduction targets. This work included modelling reductions across the business, including plans from each market we operate in. It is the starting point for the development of our long-term climate transition plan.

Our carbon reduction roadmap has been aligned with our commercial long-term business planning, and we have worked to align decision making within our Capex planning processes.

To support our business planning, we have also embedded a carbon projection into our 2023-2025 long-term planning and 2023 business plan. This has helped us improve the connection between our commercial and carbon forecasts.

~€450m

Between 2023 and 2025, we expect to invest approximately €450m in energy, logistics and carbon reduction technologies in our operations to support our decarbonisation plan.

Read more about our climate transition plan in our TCFD disclosure on pages 51-53

Reducing supplier GHG emissions

More than 80% of the GHG emissions in our value chain come from our supply chain (Scope 3).

To reduce these emissions we have asked around 200 carbon strategic suppliers to set their own science based targets and to transition to 100% renewable electricity by 2025 in Europe and by 2030 in API.

In 2023, around 80% of our Scope 3 GHG emissions were linked to suppliers with SBTi validated targets. In 2023, 31% of our suppliers have SBTi validated targets. A further 48% have committed to set science based targets.

We are also working together with TCCC to collect and validate supplier specific emission factors directly from our suppliers, initially focusing on packaging and ingredients suppliers, which are the largest contributors to GHG emissions. This work will be critical in helping us to reflect the impact of our suppliers' actions more accurately.

Read more about our engagement on climate with suppliers on page 33

Reducing the carl
of our packaging

One of the bigges
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Read more abou
activities on pag

Reducing the carl
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our RSP, which incl
PSA, and our expe
carbon managem

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policy, in line with

Read more abou
ingredients with

Done sustainably – Our environmental impact continued
Our progress explained

Reducing the carbon footprint of our operations and commercial sites

Our operations and commercial sites account for around 11% of our total carbon footprint.

We are working to reduce GHG emissions from our production facilities by shifting to on- and off-site renewable electricity, improving energy efficiency, transitioning from fossil fuel powered equipment to electric machinery (such as boilers and manual handling equipment) and reducing our fugitive CO_2 losses.

In 2023, we invested approximately €28 million in energy, logistics and carbon reduction technologies within our operations. We estimate that this could save approximately 9,000MWh and 21,000 tonnes of CO_2e per year, potentially helping us reduce our annual electricity and natural gas costs by around €2 million per year. In Spain, we replaced an old PET bottle blower with a more energy efficient one at our production facility in Fuenmayor. In the Netherlands, we installed two new electric boilers, two heat pumps and a 4km stainless steel pipe network to help electrify our Dongen production facility.

In 2023, 14 of our production facilities were certified under the PAS 2060 standard as carbon neutral. Site certification follows significant efforts to reduce emissions, including converting forklift trucks from gas to lithium ion powered batteries, and switching lighting to lower power LEDs.

Remaining site emissions were offset using Verified Carbon Standard (VCS)-certified carbon credits.

Renewable electricity

Using renewable electricity is critical to our efforts to decarbonise the business.

As a member of the Climate Group's RE100 initiative, we are committed to using 100% renewable electricity across all of our markets by 2030. Investing in renewable electricity in API could be a major carbon reduction driver for CCEP.

In 2023, 98.9% of the electricity purchased and 97.8% of the electricity we consumed in Europe came from renewable sources[A]. This difference is due to a small amount of non-renewable electricity consumed in leased facilities where we do not directly control the electricity contracts.

In API, 33.7% of the electricity purchased and 35.8% of the electricity consumed was from renewable sources.

We continue to invest in renewable and low-carbon energy projects, including on-site and power-purchase agreements for solar, wind, combined heat and power (CHP), district heating and hydropower. For example, in 2023, we signed a three year Renewable Energy Certificate (REC) sale and purchase agreement with PT PLN in Indonesia. In 2023, 13 of our facilities sourced electricity from on-site solar, wind or hydro power, generating around 16,000 MWh of electricity.

79.1%

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Carbon offsettin

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(A) See pages 238-239 for m
of our renewable electric

Done sustainably – Our environmental impact continued
Our progress explained

Reducing emissions from our own car fleet, vans and trucks
GHG emissions from our car fleet and vans account for approximately 22% of our Scope 1 emissions.

As members of the Climate Group's EV100 initiative, we are transitioning to electric vehicles (EVs) or ultra-low emission cars and vans for our own car fleet across our territories by 2030.

We offer workplace charging and make it convenient for employees to charge EVs at home and on the go.

In Europe, we increased our use of hybrid and electric cars and vans from 20% in 2022 to nearly 30% in 2023.

Reducing third party logistics emissions
Our third party distribution and transportation emissions account for approximately 7% of our Scope 3 GHG emissions.

We are reducing emissions by improving our warehouse capacity, working with suppliers to optimise the transportation of our products, and increasing our use of alternative fuels. Warehouse capacity expansions at our production facilities have reduced road miles and enabled direct to customer deliveries instead of using external warehouses.

Alternative fuels currently make up around 15% of the total kilometres driven by our third party logistics hauliers in Europe. This includes the use of HVO11, CNG, bioCNG and LNG. In Belgium, Luxembourg, Spain and Sweden we are delivering our beverages to local customers using electric trucks.

By working with our suppliers, we have also cut the distance our ingredients and raw materials travel to reach our production facilities. Many of our own sites are located next to our can suppliers, eliminating the need to transport empty cans. Some of our production facilities, such as Grigny in France and Halle in Germany, manufacture their own PET bottle pre-forms. We also run front- and back-hauling programmes with customers and suppliers across Europe, which ensures that trucks never drive empty.

In 2023, we built a new €8 million warehouse at our production facility in Azeitão, Portugal, and opened an external warehouse in the Jordbro industrial area of Sweden. Increasing our storage capacity and improving our warehousing enables us to minimise our truck movements, lower costs and reduce our CO_2 footprint, while making our operations more flexible and efficient.

In 2023, in Spain, we joined Lean & Green, an initiative of the Association of Companies of Manufacturers and Distributors (AECOC), to reduce emissions associated with the transport and logistics sector. We are committed to implementing a comprehensive action plan to identify opportunities for improvement and implementing sustainable solutions working closely with our suppliers and logistics partners.

Reducing our emi drink equipment
GHG emissions fr for 17% of our tota

In 2023, we reduce of our CDE equipr our markets by 4.2 Our efforts to rep equipment also le of 5.2% in the size and a 9.2% decrea consumption vers drive a reduction of 10.3% CO_2e fror in 2023.

All new coolers pu were hydrofluoroc meaning approxir cooler fleet across now HFC-free. Wh old equipment, we for its recycling an

In 2023, TCCC issu energy consumpt targets for all bott emissions related Working with our s further refining ou the guidance prov

In API, our CDE ca largest emissions s use of fossil fuels i grids across these to working to imp efficiency of our f strongly support t to renewable elec

Done sustainably – Our environmental impact continued

Performance and progress against our This is Forward commitm

Forward on packaging

> This is Forward

Recyclability

100% of primary packaging to be recyclable by 2025[(A)]

			Target
Group	2023	99.1%	100% by 2025
Eur	2023	99.0%	
Eur	2022	98.7%	
API	2023	99.6%	

> This is Forward

Recycled plastic (rPET)

50% recycled plastic in our PET bottles in Europe by 2023 – other API markets by 2025[(B)]

			Target
Group	2023	54.6%	100%
Group	2022	48.5%	
Eur	2023	59.2%	100% by 2023
Eur	2022	56.3%	
API	2023	41.5%	100% by 2025
API	2022	26.9%	

> This is Forward

Collection

Collect and recyc
each one we sell b

	Year
Group	2023
Group	2022
Eur	2023
Eur	2022
API	2023
API	2022

The plan for the year ahead
In 2024, we will continue to take action to drive down the footprint of our packaging as part of our journey to eliminate waste and reduce GHG emissions.

We'll do this through the key pillars of our packaging strategy: removing unnecessary packaging, innovating in refillable and dispensed solutions, working towards 100% collection so that packaging materials can be recycled or reused, and increasing the amount of recycled material we use in our packaging.

We'll continue to v
Sustainable Packa
which streamlines
exploratory sustai
across our territor
innovation and su
towards our goals.

Done sustainably – Our environmental impact continued
Our progress explained

Packaging life cycle
Through the use of life cycle analysis, we can assess the carbon footprint of our packaging, allowing us to make informed decisions and helping us prioritise our efforts to reduce the GHG emissions of our packaging.

Many factors can help to reduce the carbon footprint of our packaging, including higher collection rates, using more recycled content in our packaging, or changing from one packaging type to another.

Read more about our climate activities on pages 37-40

Future pack mix
In 2023, we held workshops across our territories to assess the product carbon footprint of specific pack types within our current and future portfolio. This work informs a future pack mix strategy that is aligned with both our sustainability objectives to reduce GHG emissions and our long-term business strategy.

We recognise the important role that public policy has to play in developing a circular economy and we take into account upcoming legislation, which in selected markets or sub-channels will require us to reduce the use of single use plastic or introduce reusable packaging.

Refillable and reusable
Redesigning how to bring products to people in new ways will help us to become more resource efficient and is part of the solution to eliminating plastic pollution and reducing GHG emissions.

By 2030, TCCC aims to have at least 25% of its global volume sold in refillable glass or plastic bottles, or in reusable containers through Coca-Cola Freestyle or traditional fountain dispensers.

We are working to increase the share of reusable packaging in our portfolio and are conducting a deeper analysis across our business to ensure we can monitor and report our progress. For example, in France, we have developed a partnership with Carrefour which deployed a deposit system for refillable glass bottles in 150 of its Carrefour city stores across Paris.

47.6%

of the PET bottles we put on the market are 100% rPET

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Done sustainably – Our environmental impact continued

Our progress explained

100% recyclable

Recyclability is the first principle of the circular economy. For packaging to retain its value and for the material to be recycled, it must first be collected and be compatible with recycling infrastructure in practice and at scale.

We want to ensure our packaging is not just technically recyclable, but easy and feasible for consumers to recycle. For example, in Australia, after nearly 60 years, we replaced Sprite's iconic green PET bottles with clear plastic, making it easier to recycle them into new bottles locally.

Although we are focusing on making our primary packaging recyclable, we ultimately want to ensure all the materials we use are recyclable, preferably in a closed loop system. To achieve this, we are taking steps to make our secondary packaging, such as labels and the shrink wrap we use for multi packs, recyclable as well.

Recycled and renewable materials

Using recycled material in our bottles and cans keeps valuable resources in the circular economy and helps us move away from the use of new materials including virgin fossil based plastic.

We aim to achieve this by using recycled aluminium in our cans and recycled PET (rPET), PET from renewable sources or PET obtained through enhanced recycling. This is a core part of our strategy to demonstrate that PET beverage bottles can be fully circular.

Case study

Infinite recycling with CuRe Technology

In support of our ambition to eliminate oil-based virgin plastic from our bottles, through CCEP Ventures, we are investing in CuRe Technology.

The technology uses polyester rejuvenation to target plastics that cannot be recycled by mechanical recycling methods and prevents them from being incinerated or downcycled, or sent to landfill.

The low energy recycling process creates high quality rPET with a carbon footprint that is around 65% lower than virgin PET[A]. We intend to start using CuRe Technology's rPET in Europe from 2025, following the development of a new production facility.

(A) Based on CuRe's life cycle assessment, carbon footprint reductions compared to virgin: 2022 figure.

Image: rPET granulate

Find out more at cocacolaep.com/annual-report/case-study/recyclingtech

In 2023, through C
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opened in 2023. To
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bottles per year[B]

Enhancing collect
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Image: Coca-Cola Original Taste, Coca-Cola Zero Sugar, Sprite, Fanta and Sprite Waterlymon in 100% rPET plastic packaging, excluding the cap and label in Indonesia

Done sustainably – Our environmental impact
Performance and progress against our This is Forward commitm

Forward on water

~€5m

We invested approximately €5 million in water efficiency and wastewater treatment technology in our operations in 2023

36

In 2023, together with TCCC and TCCF, we supported 27 water replenishment projects in Europe and 9 in API

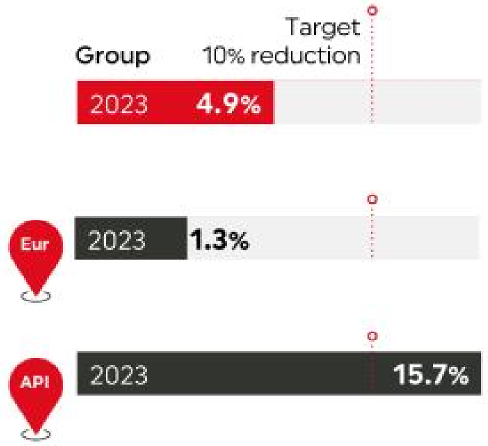
64

out of 66 of our NARTD production facilities are certified under the ISO 14001 environment management standard(F)

> This is Forw

Water efficiency

10% water use ratio(A) reduction by 2030, versus 2019



> This is Forward

Water replenish

Replenish 100% (
we use in our be

The plan for the year ahead
Water is critical to nature, our communities and our business. It is the main ingredient in our products, essential to our manufacturing processes, and is critical to ensuring a sustainable supply of the agricultural ingredients we depend upon.

In 2024, we will update our Facility Water Vulnerability Assessments (FAWVAs) across our production facilities to assess our local watershed based risks and vulnerabilities.

Through CCEP Ve
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and invest in emer
that will help us to
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We also plan to im
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our markets in 202

Done sustainably – Our environmental impact
Our progress explained

Assessing water risk
Water-related risks continue to increase globally as the health of many watersheds continues to deteriorate. We map our water risks using a series of risk assessments, in line with TCCC.

All our production facilities have their baseline water risk assessed through a global Enterprise Water Risk Assessment (EWRA) using the World Resources Institute's (WRI) Aqueduct 3.0 tool. 21 of our 42 NARTD production facilities in Europe, and three out of 24 NARTD production facilities in API are located in areas of high baseline water stress.

In 2023, 8,067 million m³ (7,405 million m³ in Europe, and 662 million m³ in API) of our production volumes were sourced from areas of baseline water stress. This represented 49.8% of our total production volumes, (56.5% of our production volumes in Europe and 21.5% in API).

We also complete FAWVAs every three years, assessing further physical, regulatory and social risks at a production facility level. We will be updating this assessment across all of our NARTD production facilities in 2024.

We also assess potential risks in water quality and future availability to our business, the local community and the wider ecosystem through source water vulnerability assessments (SVAs), which we aim to complete every five years.

Sites address these risks through facility water management plans (WMPs). These are used to manage site targets, enhance climate resilience, and enable data sharing and reporting. In 2023, all our NARTD production facilities had SVAs and WMPs in place.

Setting context based targets
We use the insights from these risk assessments to categorise our sites, and set water efficiency and replenishment targets that are appropriate for the context of the watershed our sites operate in.

We categorise our sites as follows:

Leadership locations: Sites which rely on vulnerable water sources or have a high level of water dependency. These sites have the highest water use reduction targets, and must achieve 100% regenerative water use by 2030.

Advanced efficiency: Sites which operate in a water stressed context, and will be focused on achieving advanced water efficiency, and best in class water reduction targets.

Contributing locations: Sites which operate in the lowest water risk areas, and have water use ratio targets which meet industry benchmark standards.

Improving water efficiency
We work to improve our water efficiency across our operations, and measure progress through our WUR (the amount of water needed to produce a litre of product). We aim to reduce our total

water use ratio by 1
2019). This target is
context based targ
production facility.

In 2023, we investe
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Done sustainably – Our environmental impact
Our progress explained

Regenerative water use

At our leadership locations, where we face the highest water risk, we aim to not only achieve best in class water efficiency, but also reach 100% regenerative water use by 2030.

Sites achieve this through replenishment programmes within the minor river basin of the site and through beneficial use of their wastewater.

Across our 13 leadership locations, we withdrew 9.5 million m^3 of water, and discharged 3.2 million m^3 of wastewater in 2023.

Water replenishment

We aim to replenish 100% of the water we use in our beverages through a portfolio of projects in priority locations across our operations and our watersheds and within our communities.

These replenishment projects are managed in partnership with local NGOs and community groups and are funded together with TCCC and TCCF.

We focus our replenishment efforts on three priorities:

- **Operations:** Projects in our leadership locations which will contribute towards our 100% regenerative water use target.
- **Communities:** Investment in climate resilient water, sanitation and hygiene (WASH) projects in our priority communities.
- **Watersheds:** Water stewardship projects in our priority sourcing regions.

In 2023, together with TCCC and TCCF we supported 27 water replenishment projects across Europe, and 9 in API, replenishing 18.3 million m^3 of water across our territories, including 16.2 million m^3 in Europe, and 2.1 million m^3 in API. This represents 98.7% of our total sales volume (107.9% in Europe, and 60.1% in API). This drop in replenishment volumes versus prior year is due to one of our largest projects in Australia, Project Catalyst, coming to an end.

In 2023, together with TCCF, we began a major replenishment project on the Canal des Moëres located in the eastern part of Dunkirk, France, near one of our leadership locations. The project aims to restore surface water resources in a territory that suffers from recurring drought.

In the Netherlands, we are working with TCCC and Natuurmonumenten to safeguard future water supply and improve groundwater levels in the De Plateaux nature reserve. The project aims to secure the water supply to the area over the coming decade.

Collective action

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Aligning to the Sc Targets Network

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Taking action on sustainability

Task Force on Climate-related Financial Disclosures (TCFD)

We acknowledge CCEP's role in addressing climate change, and are committed to decarbonising our business in line with climate science, and being transparent about the impacts, risks and opportunities that climate change poses to our business.

Our climate disclosures are based upon the four pillars and 11 recommendations of the TCFD's guidance. We consider our disclosure to be consistent with the TCFD recommendations and recommended disclosures.

In 2023, we evolved our scenario modelling as follows:

- Risks and opportunities were modelled across three potential emission pathways: > 4°C, +2.5°C and +1.5°C.
- Scenarios have been modelled on a gross-risk basis, assuming no mitigating actions, or progress on our This is Forward targets, such as our GHG emissions reduction targets[(A)]. Mitigation actions and related investments for physical and transition risks are listed on pages 57-58.
- Analysis has been completed over the short (five years), medium (2030) and long term (2040).
- Physical and transition risks have been disclosed quantitatively over the short term, and qualitatively over the medium and long term term.
- This work should not be viewed as a forecast, and will evolve in the coming years as we refine these scenarios.

TCFD alignment overview

Recommendation	Recommended disclosures and disclosure le
Governance	a. Describe the Board's oversight of climate-re risks and opportunities
	b. Describe management's role in assessing an managing climate-related risks and opportu
Strategy	a. Describe the climate-related risks and oppo the organisation has identified over the shor medium and long term
	b. Describe the impact of climate-related risks opportunities on the organisation's business strategy, and financial planning
	c. Describe the resilience of the organisation's str taking into consideration different climate-re scenarios, including a 2°C or lower scenario
Risk management	a. Describe the organisation's processes for ide and assessing climate-related risks
	b. Describe the organisation's processes for ma climate-related risks
	c. Describe how processes for identifying, asses managing climate-related risks are integrate organisation's overall risk management fram
Metrics and targets	a. Disclose the metrics used by the organisatio assess climate-related risks and opportunitie with its strategy and risk management proc
	b. Disclose Scope 1, Scope 2, and, if appropriate GHG emissions, and the related risks
	c. Describe the targets used by the organisatic manage climate-related risks and opportuni and performance against targets

(A) Our GHG emissions reduction and Net Zero targets have been validated by the SBTi as being i

Taking action on sustainability continued

Task Force on Climate-related Financial Disclosures (TCFD) con

Governance

Board-level governance

In alignment with the TCFD recommendations, our Board oversees climate risk and opportunities. The Board is supported in its oversight by its Committees, notably the ESG and Audit Committees, as outlined in our TCFD governance framework.

There is close collaboration across these Committees due to the role that both have in our ESG reporting, disclosure and assurance processes. A joint meeting of these Committees was held to discuss these matters, including this TCFD disclosure.

The Board oversees and assesses CCEP's Group wide strategy, including climate-related considerations, ensuring alignment with emerging regulatory mandates and market trends. It also approves significant financial commitments and plans to reduce GHG emissions.

Climate-related issues are considered as part of Board decision making. In 2023, we aligned our carbon reduction roadmaps with our business planning and Capex investment routines (see page 38), sustainability metrics were presented with asset management requests to the Audit Committee. The Remuneration Committee reviewed performance against CCEP's GHG emissions reduction targets to inform vesting outcomes for the Long-Term Incentive Plan (LTIP).

The Board also receives training and deep dives on climate-related issues. In 2023, this included a session on sustainable packaging and the circular economy. An annual Board session focused solely on risk is held each December, and includes a review of climate-related risks, as well as other ESG-related risks.

Management supports the Board Committees throughout the year. For example, in 2023, the ESG Committee, following guidance from CCEP's leadership, recommended to the Board that we update our water strategy to include a Group water use efficiency target.

Management-level governance

Ownership and governance for sustainability-related risks and opportunities, and driving progress against our commitments, is embedded throughout our business. Risk management is a key responsibility for all senior leadership, who are assigned ownership of specific risks, including climate-related risks. Risks are evaluated regularly as part of our enterprise risk management process (see pages 68-69).

Key leadership and management with responsibility for climate-related issues, are outlined in the TCFD governance framework. The main discussion forum for the Executive Leadership Team (ELT) on climate matters is the Sustainability Steering Committee (SSC). Multiple cross functional working groups are focused on developing the strategy and delivering against our This is Forward targets. Working groups, led by key management, meet regularly, and will bring items for information, review and decision making to the SSC, and to the Board (
required. In 2023, t
CCEP's carbon red
including progress
trajectory, and agr
address gaps. This
scenario risk mode
and transition risks
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The SSC will contir
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plan against releva
UK's Transition Pla

See our TCFD go
on page 50

Stakeholder enga

We engage regula
of stakeholders or
stakeholders have
us to address man
social issues. Our s
integral to every p
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Their insights into
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integral to the dev
is Forward sustaina

We advocate for c
supporting govern
private sector initi
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companies in signi
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letter advocating f
fossil fuels.

Taking action on sustainability continued

Task Force on Climate-related Financial Disclosures (TCFD) con

TCFD governance framework

The Board
Met seven times in 2023

- Sets the sustainability strategy
- Has primary oversight of climate-related risks and opportunities
- Receives feedback on climate-related issues from Committee Chairs and via CEO report

ESG Committee
Met six times in 2023[(A)]

- Responsible for overseeing performance against This is Forward strategy and goals
- Reviews environmental and social-related risks and opportunities, including climate-related risks and GHG emissions reduction targets
- Oversees ESG reporting, disclosure and assurance

Nomination Committee
Met six times in 2023

- Reviews the size, structure, composition and skills of the Board to ensure it remains effective
- Ensures there is sufficient expertise on the Board in areas such as risk and climate

Remuneration Cor
Met five times in 20

- Aligns the Group's re reinforce the achiev
- Oversees performar the LTIP, which has a weighting allocated of GHG emissions

Executive Leadership Team (ELT)
Meets regularly throughout the year

Climate responsibility lies with the Chief Executive and Supply Chain Officer and Chief Public Affairs, C Officer who are responsible for providing manager topics to the Board and its Committees

Sustainability Steering Committee
Meets at least quarterly. Includes ELT members

- Chief Executive Officer
- Chief Financial Officer
- General Counsel and Company Secretary
- Chief Customer Service and Supply Chain Officer
- Chief Commercial Officer
- Chief Integration Officer
- Chief Public Affairs, Communications and Sustainability Officer

Provides opportunity to review:
- This is Forward targets and our progress against these
- Climate-related risks and scenario analysis, including TCFD
- Outputs raised as required to the ESG Committee (including on climate topics)

- 2023 top roadma use effic regulati

Sustainable Packaging Office (SPO)

- Overseen by Chief Public Affairs, Communications and Sustainability Officer and VP Sustainability
- Responsible for ensuring a sustainable packaging strategy can be implemented across our business, including pack mix, recycled content and improving packaging collection

TCFD and ESG Disclosure group

- Overseen by General Counsel and Company Secretary and VP Sustainability
- Oversight of our work on TCFD and climate-related risks, as well as our broader ESG reporting and disclosure approach

Other wo
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(A) One meeting was a joint meeting of the Audit Committee and ESG Committee held in February 2023.

Taking action on sustainability continued

Task Force on Climate-related Financial Disclosures (TCFD) con

Strategy

Climate change poses short-, medium- and long-term risks to our business. This includes physical risks that could disrupt our operations and supply chain through extreme weather events, such as floods and droughts. Transition risks, such as shifts in consumer preferences and increased regulations to address climate change, could be faced by our business.

In accordance with the TCFD recommendations, we have integrated science based climate scenario modelling with internal and insurance data to build a comprehensive regional climate analysis. This methodology enhances our decision making capabilities and understanding of potential climate vulnerabilities within our operations and value chain, fostering climate resilience across the organisation.

Our business and financial planning do not depend on a single emission pathway. Instead, our scenario analysis informs management's understanding of potential risks and opportunities, serving as a tool for informed deliberation rather than as definitive predictions of future events or outcomes.

Since 2022, we have partnered with Risilience, a specialised climate analytics company which uses technology pioneered by the Centre for Risk Studies at the University of Cambridge Judge Business School, to co-develop a digital twin platform, enabling the modelling of both physical and transition risks across our value chain over a 20-30 year horizon, aligned with five global warming scenarios (including >4°C, +2.5°C and +1.5°C), using shared socioeconomic pathways (SSPs).

We also worked with external physical climate specialists Marsh Advisory to establish how climate change could impact the frequency and severity of climate-related weather events on our manufacturing and operations, under RCP 2.6 and 8.5 scenarios (~1.6°C and ~4.3°C respectively). This covers all major climate-induced threats (coastal inundation, river flooding, surface water flooding, extreme heat, extreme wind, wildfire and others) through 2100. In 2023, we worked with Marsh, using the Risilience platform, to complete a pilot assessment of the risk of reduced production yields from sugar beet for our supply in Great Britain, due to chronic climate change impacts, such as drought and changing weather patterns. We are reviewing the potential to scale this assessment across our business in the future.

Our work with Risilience and Marsh quantifies our exposure and potential financial impacts from climate change events across various emission pathways. We are also enhancing our risk management framework, incorporating AI-powered risk sensing techniques to identify and address emerging risks, including those associated with climate change.

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Business planning

We integrate clim
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strategy, planning
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knowledge gainec
risk analysis helps i
business planning
decisions and sup
our climate target
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example through
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As we continue to
scenario analysis, v
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2030 (versus 2019)
target to reach Ne

Taking action on sustainability continued

Task Force on Climate-related Financial Disclosures (TCFD) con

We also used our carbon roadmap to embed a carbon projection into our 2023-2025 long-range planning and 2023 business plan. This has helped us improve the connection between our commercial and carbon forecasts at Group and country levels.

In 2024, we will build upon the work completed so far, to develop a full climate transition plan. We are reviewing frameworks as they are introduced, e.g. UK TPT Disclosure Framework, and will aim to align our climate transition plan disclosures as relevant.

Investment
Through this work, we allocated over €300 million between 2020-2022 to support the ongoing decarbonisation of our operations and value chain, and have an investment plan of approximately €450 million for emissions reduction initiatives between 2023-2025. This includes continued investment in rPET which has a significant carbon reduction impact, as well as other carbon, energy and logistics saving initiatives.

Through these investments, we are working to mitigate the physical and transition risks we face, and realise opportunities coming from cost, energy and carbon savings. In 2023, we invested approximately €28 million in energy, logistics and carbon saving technologies, and expect that this could result in an annual energy and GHG emissions saving of approximately 9,000 MWh and 21,000 tCO_2e, potentially helping us reduce our annual electricity and natural gas costs by around €2 million per year. Investment in energy and water savings projects also helps mitigate physical risks, such as drought, on a production site level. In 2023, we continued to invest in water saving projects at our sites in areas of high baseline water stress. For example, we updated our water treatment systems in Grigny, France, invested in the recovery of rinse water in La Coruña, Spain, and optimised the water treatment process in Barcelona, Spain. Our 2023 investment of approximately €5 million in water initiatives could save approximately 145,000m^3 per year.

Identifying our transition risks through scenario analysis strengthens our resilience and helps to identify potential opportunities from the global transition to a low-carbon economy. This scenario analysis identified our greatest policy, market and reputation risks and opportunities as coming from packaging. Through our SPO, we continue to monitor risks and opportunities linked to various packaging models and regulations, including strategies to maximise return on investments and improve our strategy's resilience through a diverse packaging portfolio.

Our continued investment in recycled materials such as rPET provides CCEP with a significant opportunity to increase our use of recycled material and reduce our use of virgin PET. Our investment in rPET enabled us to reach our >50% rPET target four years early in Europe, and reduced GHG emissions in 2023 by approxim
rPET also provides
significant opport
recycled content l
countries, to mitig
and could help pr
potential new tax
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plastic bottles whi
recycled plastic.

Our investment in
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bottles we sold we
from 100% rPET,[B]
contributing 50.9%

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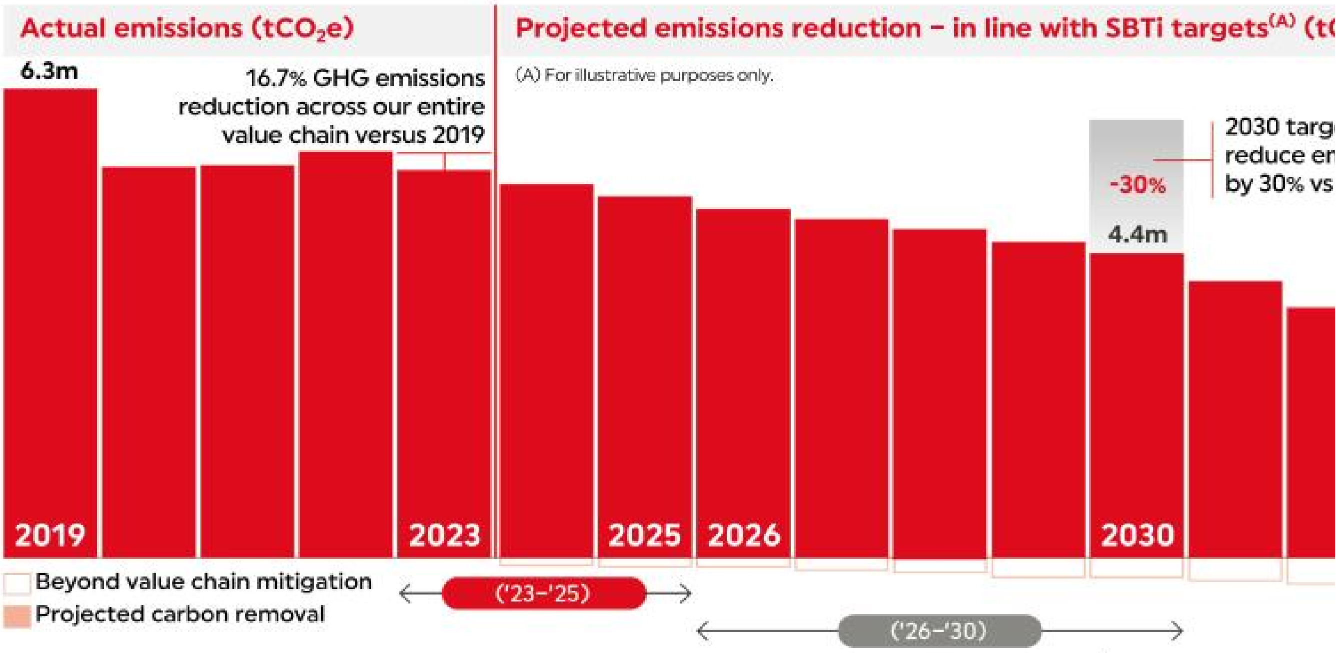
Taking action on sustainability continued

Task Force on Climate-related Financial Disclosures (TCFD) con

Carbon reduction roadmap

We are working to build a climate transition plan to support the delivery of our short- and long-term GHG emissio business planning processes, to support our decarbonisation through 2030. In 2024, we will build upon this work, us risks, to assess the resilience of our strategy, identify opportunities to mitigate climate-related risks and ensure we



Key actions and anticipated time horizons

Ingredients	● SKU rationalisation ● Reducing sugar across portfolio ● Sustainable agriculture
Packaging	● Accelerate rPET and rAluminium ● Lightweighting ● Increasing recycled content ● Increasing pac
Manufacturing	● Fugitive CO_2 reduction ● Electric forklifts ● Increasing renewable electricity ● Reduction of fossi
Transport	● Alternative fuel use ● Network and route optimisation ● Electric vehicles ● Increased use of train
CDE	● HFC free ● Replace OFUs ● Replace old equipment with energy efficient equipment ● Grid dec
Suppliers and partners	Supplier engagement including: — 100% of our carbon strategic suppliers to set science based targets by 2023 (Europe) and 2025 (API) — 100% renewable electricity by 2025 (Europe) and 2030 (API) Through CCEP Ventures, we are committed to seeking out and funding solutions designed to drive innovation and sustainability progress in line with CCEP's Net Zero 2040 ambition.
Advocacy and memberships	We eng To f with — F — R — R

Notes. CDE = Cold drink equipment, also referred to as "coolers". Fugitive CO_2 reduction refers to the loss of CO_2 as an ingredient that occurs when we cap our products. HFC = Hydrofluorocarbon. OFUs = Open fronted units (most have been retrofitted with doors), to be replaced with more energy efficient equipment.

Taking action on sustainability continued

Task Force on Climate-related Financial Disclosures (TCFD) con

Risk management

Climate-related risks have been identified as a principal risk category for CCEP for many years, with a growing probability of affecting our existing business model, necessitating proactive mitigation strategies. Our risk management framework includes climate risks, as detailed on page 73. The Principal risks section of this report on pages 68-78 further outlines the various types of loss impacts and the potential influence of climate risks on our strategic objectives.

Climate risk is a principal strategic priority, linked to our This is Forward sustainability action plan. We assess and identify climate risks across business, functional and project levels, following our enterprise risk management process with local compliance reviews and annual enterprise risk assessments. We also review opportunities as part of our risk framework, and as part of our normal management routines.

Our approach drives progress towards meeting our GHG emission reduction targets and helps manage impacts from physical, transition and regulatory climate risks. Our commitment to this comprehensive risk management strategy underscores our dedication to long-term resilience and sustainability.

Our approach to climate scenario analysis

Partnering with Risilience, we developed a digital twin model for scenario analysis, blending CCEP's financial, operational, supply chain, product and environmental data. We modelled scenarios under different climate emission pathways. These pathways were defined by assumptions about policy change, energy outlooks, technological innovation and global temperature change, underpinned by Shared Socioeconomic Pathways (SSPs) widely used by the IPCC.

This physical climate materiality assessment is an important step to inform CCEP's climate resilience planning. Higher risk sites could be provided with operational adaptation plans and risk engineering improvements to mitigate against damage and business interruption.

See the emissions pathways and risks assessed on page 55

Assessing physical and transition risks and opportunities

We evaluated physical and transition risks and opportunities over the short- (five years), medium- (2030) and long-term (2040 and beyond). This is in line with a slight extension of our business planning timeframes, and our short-(2030) and long-term (2040) GHG emissions reduction targets.

We analysed short
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and operational d
uncertainty aroun
impacts of our clir
beyond five years,
financial impact a
period. We have al
high level review c
climate vulnerabili
basis, to help us id
opportunities, spo
our strategic plan

We assessed all of
transition risks out
Out of the risks an
assessed, seven (t
transition) were d
significant based
and qualitative im
Some risks (for ex
litigation or invest
assessed, but were
We will continue t
our modelling of c
risks and opportur
coming years.

**See the physical
assessed** on pag

Taking action on sustainability continued

Task Force on Climate-related Financial Disclosures (TCFD) con

Emissions pathway	>4°C emissions pathway	+2.5°C emissions pathway	+1.5°C emissions pathway
SSP	No Policy SSP 5-8.5	Stated Policy SSP 2-4.5	Paris Ambition SSP 1-1.9
Temperature rise by 2100	>4°C	+2.5°C	+1.5°C
Global CO_2 emissions	200% by 2100	-75% by 2100	Net Zero by 2050
Global action against climate change	Few or no steps taken to limit emissions. Current GHG emissions levels roughly double by 2050. The global economy is fuelled by exploiting fossil fuels and energy-intensive lifestyles.	Reliance on existing/planned policies (not commitments). GHG emissions plateau around current levels before starting to fall mid-century, but do not reach Net Zero by 2100.	Coordinated action leads to reduced emissions and societal shifts towards sustainability. While extreme weather increases, the most severe climate impacts are avoided.
Likelihood	Low	High	Low

Scope and methoc	
	P
What are physical and transition risks and opportunities?	In e lo se al fr e
CCEP scope	• • •
Quantification	E (v ris ar b

Taking action on sustainability continued

Task Force on Climate-related Financial Disclosures (TCFD) con

Physical risk

We modelled how extreme weather events and chronic changes to weather patterns could pose a phys
scenario modelling identified potential risks from extreme weather, such as drought or flooding at proc
and precipitation patterns could have an impact on agricultural yields for key ingredients. Mitigating act
planning processes.

Short-term (five years) cumulative gross risk financial impact estimates (assuming no mitigation)

Potential cumulative discounted cash flow at risk	Low <€350m			Medium

Physical risks	What could be expected	Short-term (five y
		>4°C emissions pathway
Extreme weather events could cause disruption to facilities and logistics routes	Increased risks of site damage due to more frequent and severe extreme weather, including riverine and surface water flooding. Impacts could result in business interruption and asset damage at our production sites.	Low • Acute weather events such as e or distribute our products. • Insurance premiums could incr
Increasing water stress or water scarcity	Droughts can lead to water scarcity and reduced quality in our territories, potentially raising production costs or limiting capacity, adversely impacting our production and sales.	Low • Of our 66 NARTD production si WRI Aqueduct 3.0 analysis. • Previous droughts have impact • We modelled the risk as a poten high risk sites. The risk escalates
Changes to weather and precipitation patterns could cause disruption to supply of ingredients	Decreased agricultural productivity in some regions of the world as a result of changing weather patterns may impact the yield and/or quality of key raw ingredients (e.g. sugar beet, sugar cane, coffee or orange juice) that we use to produce our products.	Low • Sugar yields could be negativel • Sugar beet, as our modelling su France is projected to have the • Our modelling indicated that o
Scenarios are modelled assuming no mitigating actions or progress on our stated sustainability action plan. It as GHG emissions remain static. Our mitigation strategy and our This is Forward sustainability commitments are de		

Medium- (2030) and long-term (2040 and beyond) non-financial assessment

In the >4°C warming scenario, physical risks at CCEP facilities, including operational and supply chain dis
under this scenario revealed long-term flooding risks, especially in Belgium, Spain, and Indonesia. These
Additionally, climate change may intensify water scarcity, affecting water quality in certain regions. Anal
identified 21 European facilities and three NARTD facilities in API as high risk for water stress.

Taking action on sustainability continued

Task Force on Climate-related Financial Disclosures (TCFD) con

Our strategic response to physical risks

Physical risk	Value chain	How could this impact our business (assuming no mitigation)?	How are
Extreme weather events could cause disruption to facilities and logistics routes	**Manufacturing and operations**	• Damage to property at production and warehouse facilities, as well as our logistics and distribution networks. • Compromised infrastructure and logistical channels due to facility and equipment damage could hinder our product manufacturing and delivery capabilities. • Notably, severe flooding in 2021 affected our Chaudfontaine, Belgium, and Bad Neuenahr, Germany production sites. In 2022, floods in Australia disrupted our distribution network. We anticipate flooding as a persistent physical risk across all emission scenarios.	• Our p from – Enh at o – Dev
Increasing water stress or water scarcity	**Manufacturing and operations**	• Water scarcity poses a risk to our production processes, potentially leading to regulatory constraints on water usage, which may affect our production capabilities. • Temporary water shortages could result in increased production expenses or limitations in production capacity, impacting our beverage production and sales, and elevating costs. • Of our 66 NARTD production facilities, 24 are situated in regions with baseline water stress, as identified by the WRI Aqueduct 3.0 water risk analysis. • In 2023, due to drought, local authorities in some of our markets in Europe (Spain and France) escalated water risk levels, which could have resulted in limits on industrial water usage. These restrictions did not directly affect our sites, and in some cases our water targets and demonstrated progress on improving water efficiency helped to mitigate water restrictions being imposed on our facilities.	• We co faciliti assess Water • These at eac WUR • At site autho • We ai by 20 for th leade • In 202 proce could €300,
Changes to weather and precipitation patterns could cause disruption to supply of ingredients	**Supply chain**	• Changing weather patterns and/or extreme weather events could impact the yield and/or quality of our key ingredients and raw materials, such as sugar beet, sugar cane, orange juice or coffee. This could reduce the availability and quality, or increase the cost of ingredients. • Our primary sugar beet sourcing regions, including France, Great Britain, the Netherlands and Spain, are all potentially vulnerable to climate-related water scarcity issues, based upon WRI Aqueduct 3.0 water risk analysis.	• We ha based • We ai sourc • We in which • We ai and e initiat

(A) Water use ratio: litres of water per litre of finished product produced.

(B) NARTD production facilities which rely on vulnerable water sources or have high water dependency. We have nine leadership locations in Europe and four in API.

(C) Carbon strategic suppliers account for ~80% of our Scope 3 GHG emissions (~200 suppliers in total).

Taking action on sustainability continued

Task Force on Climate-related Financial Disclosures (TCFD) con

Transition risk

Our scenario analysis focused on the transition risks across our value chain, under three emissions pathw
transition risks in the near term, compared to physical risks. The level of exposure to transition risks is dri
highest potential transition risk. Mitigating actions against these risks are determined as part of our busi

Short-term (five years) cumulative gross risk financial impact estimates (assuming no mitigation)

Potential cumulative discounted cash flow at risk	Low <€350m			Medium

Transition risk	What could be expected?	Short-te >4°C emissions p
Policy	Carbon pricing is used as a shadow mechanism through which governments can incentivise GHG emissions reductions. The scenarios assume the use of higher carbon prices across CCEP markets to price and penalise GHG emissions, including those linked to packaging materials, to drive decarbonisation.	Low Assumes negligible ca
Market	Consumer awareness of environmental impact drives a shift towards more sustainable, lower-emission alternative products and services. The scenarios assume that consumer preferences will shift towards packaging options that are perceived to be more sustainable, transforming market demand.	Low Assumes low consum for packaging types t perceived to be more
Technology	Regulatory or market shifts may phase out fossil fuels and related equipment, leading to a devaluation of carbon-intensive assets and potential impairment or write-offs. CCEP's exposure is limited, primarily due to our fleet assets relying on fossil fuels.	Low Assumes that develop fossil-fuel driven with innovation
Reputation	Levels of consumer activism could be influenced by how much climate action is taken by the beverage sector and by CCEP. This assumes a potential gross risk if CCEP falls behind the beverage sector, causing increased consumer activism relative to our competitors. This assessment does not include packaging changes likely to be required by legislation across the sector.	Low Low level of consume
Scenarios are modelled assuming no mitigating actions or progress on our stated sustainability action plan. It as and GHG emissions remain static. Our mitigation strategy and our This is Forward sustainability commitments a		

Medium- (2030) and long-term (2040 and beyond) non-financial assessment

Beyond a five-year time horizon, the level of uncertainty of transition risks increases. Transition risks are
mid term. In the next five years, in light of the challenge of coordinating global climate action, modest p
impact. More significant action from policymakers to stimulate the low-carbon transition would acceler
impacts to the business.

In the medium term, new regulations designed to decrease the use of packaging materials that contrib
packaging could require additional investment in our packaging portfolio, manufacturing capabilities a
increasing demand from consumers for more sustainable products. Our SPO monitors risks and opport
reviews ways to maximise return on investments through pricing, increasing our value share and the avo

Taking action on sustainability continued

Task Force on Climate-related Financial Disclosures (TCFD) con

Our strategic response to transition risks

Transition risks	Value chain	How could this impact our business (assuming no mitigation)?	How are we addressing these risks? (Our mitigation strategy)
Policy	Packaging	Introduction of carbon and/or packaging taxes or levies, aimed at reducing GHG emissions from packaging and waste, that could result in: • increased costs for packaging materials	• A target to collect and recycle a bottle or c industries to increase collection and recycli • Targets to reach 50% rPET in our PET bottle • Innovating in refillable and dispensed solut • We allocated over €300 million between 20 and value chain, and have an investment pl between 2023 and 2025. This includes cont savings initiatives. • Continued investment in rPET provides CC specific markets, mitigating potential taxe not contain recycled plastic.
	Operations and raw materials	Increase in carbon taxes, aimed at reducing GHG emissions within industry groups that could result in: • increased energy costs • increased raw materials costs	• Short- and long-term GHG emissions redu (versus 2019) and to reach Net Zero by 20 • Use renewable electricity across all of our r • Engaging and working with our carbon str – set their own science based GHG emissi – use 100% renewable electricity in their o – share their carbon footprint data with us • Aiming to source all our agricultural ingred meet our PSA requirements. • During 2023, we invested approximately €2 approximately 9,000MWh and 21,000 tonn annual operating costs of approximately €
Market (consumer)	Brands and portfolio	• Loss of revenue and/or missed growth opportunities	• Regular review of products and business m • Removing packaging materials where we c our use of recycled content and help to im
Technology	Operations	• Asset write downs, investments in low-emission technology to meet market regulation	• Investing in manufacturing equipment an energy sources. • As part of our EV100 commitment, we aim emissions vehicles by 2030. • Investing in the decarbonisation of our pro energy and carbon saving technologies, sa • Exploring and investing in new technologie
Reputation	Brands and portfolio	• Loss of revenue and/or missed growth opportunities due to consumer activism against our sector and/or our products	• Short- and long-term GHG emissions redu (versus 2019) and to reach Net Zero by 20 • Increasing recycled content in packaging a • Developing refillable and reusable produc • Collaborating with TCCC and other franch agenda of our brands.

Taking action on sustainability continued

Task Force on Climate-related Financial Disclosures (TCFD) con

Metrics and targets

Through our sustainability reporting and disclosure, we track, measure and manage our sustainability targets and related metrics.

Our This is Forward sustainability action plan targets were developed from stakeholder insights, and our targets are focused on our most material issues. A full list of our sustainability metrics, our reporting approach and GHG emissions calculation methodology can be found in the Key performance data summary on pages 234-241. Stress scenarios regarding the ongoing viability of our business can be found on page 79. We are piloting the use of a carbon price of €100/tCO_2e, see page 51.

For our disclosure, we have considered the TCFD cross industry climate-related metrics and agriculture, food, and forest products group metrics.

Climate targets

In 2023, our short- and long-term GHG emissions targets were validated by the SBTi as being in line with climate science.

Our climate targets are as follows:

- Net Zero GHG emissions (Scope 1, 2 and 3) by 2040
- Reduce absolute GHG emissions (Scope 1, 2 and 3) by 30% by 2030 (versus 2019)
- Use 100% renewable electricity across all markets by 2030
- 100% of carbon strategic suppliers to set science based targets by 2023 (Europe) and 2025 (API)
- 100% of carbon strategic suppliers to use 100% renewable electricity by 2025 (Europe) and 2030 (API)

Our GHG emissions targets are tied to executive remuneration through our LTIP, see pages 133-135.

Water metrics and targets

We focus on water efficiency in our operations and helping to protect water sources for our business, communities and suppliers. Our key water targets are as follows:

- 10% reduction in our manufacturing water use ratio[(A)] by 2030 (versus 2019)
- Replenish 100% of the water we use in our beverages
- 100% regenerative water use in leadership locations[(B)] by 2030

In 2023, we improved our water use ratio by 4.9% versus 2019 by setting context based targets and improving our water efficiency.

Packaging metrics and targets

Packaging accounts for 37% of our total value chain carbon footprint, making it a key area where we can reduce emissions. Reducing unnecessary packaging and improving packaging circularity will help reduce our carbon emissions and support us in reaching our climate targets.

Read more about our actions on climate, packaging and water on pages 36-47

Cross industry clir group metrics

Tonnes of CO_2e
Scope 1 Direct emissions (e.g. fuel us
Scope 2 (market b Indirect emissions (e.g. elect
Scope 2 (location b Indirect emissions (e.g. elect
Scope 3 Biological processes, third pa ingredients, packaging, CDE, t
GHG emissions Sco (full value chain)[(F)]
Emissions from bio sequestered carbo
Intensity ratio
Full value chain GH per litre (g CO_2e/litre)
GHG emissions (Sc per euro of revenu
Energy use
Direct energy cons (Scope 1) (MWh)
Direct energy cons (Scope 2) (MWh)
Direct energy cons (Scope 1 and Scope
Agriculture, food a
Total water withdr
Total water consur
Total production vol of baseline water s

Note: For details on our appro cocacolaep.com/sustainabilit
(A) Measured as litres of wate which rely on vulnerable wate
(C) The acquisition of API con allow for better period over p summary on pages 234-241. (I Britain for CCEP. (F) Scope 2 i

Our stakeholders

Our stakeholders are part of our business and play a vital role in our success at every sta
From the suppliers that provide our raw materials, to the communities where we opera
make and sell our products, we seek to work together to refresh our markets and make

Our people

CCEP depends on the great people who make, move and sell our products to customers every day.

A comprehensive annual engagement plan includes:

Townhalls, Speak Up channels, engagement surveys and the Employee Share Purchase Plan (ESPP)

Communications and campaigns, e.g. mental health, safety and inclusion, online platforms, work councils and training and development programmes

Board engagement:

The Remuneration Committee reviews the Group wide remuneration policy to ensure it remains aligned with the long-term strategic goals of the Company

The Nomination Committee's remit includes key people matters such as succession, diversity and culture

The Board engages directly with employees through Townhalls, facility tours, market visits, and presentations and deep dives at Board level

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Case study — Listening to women in our supply chain

This year, we launched the Women's Listening Circles to unite women in customer service and supply chain, providing spaces for them to listen to each other's experiences and exchange ideas.

Image: some of our participants from Indonesia.

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Read more about our people on pages 23-25

Our stakeholders continued

Our shareholders

Shareholders provide the equity capital for our business and hold management to account on financial performance and key environmental, social and governance (ESG) issues.

A comprehensive annual engagement plan includes:

AGM, roadshows, analyst meetings, results presentations and webcasts

Brokers appointed to provide advice on market conditions and external communications

Shareholder-nominated Directors on the Board in accordance with Shareholders' Agreement

Board engagement:

The CEO, CFO, Chairman and IR team engage with investors and analysts throughout the year and provide updates to the Board on shareholder views, share register, share price performance and investor sentiment

The Remuneration Committee Chair engages on the remuneration policy

Impact/value created:

Shareholders create value for CCEP through voting at the AGM and continuing to invest in CCEP

CCEP creates value for shareholders by returning cash either by paying dividends or through share buybacks

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Our franchisors

We conduct business primarily under agreements with franchisors that generally give us exclusive rights to make, sell and distribute beverages in approved packaging in specified territories.

Regular contact with franchisors includes:

Management contact at different functional levels, such as public affairs, communications and sustainability, supply chain, sales and marketing

Ongoing dialogue with General Managers and regular top to top meetings

Inviting franchisors to present annual business plans to customers

Board engagement:

Regular updates to the Board from the CEO and the Chief Commercial Officer via the ATC on franchisors, including on performance, relationships and any issues

Chairman engages directly with key franchisors including TCCC

Impact/value created:

CCEP gains value from the exclusive rights given by franchisors to make, sell and distribute their products

CCEP creates value for franchisors by driving sales to customers so franchisors' drinks are available where and when consumers want them

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Our stakeholders continued

Our consumers

Consumers drink the products we make, sell and distribute.

Read more about our consumers on pages 17-18

CCEP's ways of engaging with consumers include:

- Collection of consumer insights from franchisors, customers or via dedicated research
- Consumer labelling, social media, activation in store and day to day interaction via our sales teams when visiting outlets
- Feedback from consumers on social media and via the consumer hotlines
- Day to day interaction via our sales team when visiting outlets

Board engagement:

- Indirectly through customers and franchisors
- Direct engagement through market visits
- Presentations on trends and behavioural patterns

Impact/value created:

- Consumers create value when buying our products
- CCEP creates value for consumers through providing a diverse portfolio of high quality, safe and great tasting drinks and by providing transparent labelling to help consumers make informed choices

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Our customers

Customers sell our products to consumers.

Read more about our customers on pages 28-31

Regular engagement with customers includes:

- General Managers engaging with customers on strategy and planning and owning the customer relationship
- Account managers' contact with customers on business development
- Our sales teams calling on customers every day in the market
- Supply chain in daily contact to ensure customers receive the best customer service

Board engagement:

- Through management insights
- Direct engagement through market visits held in Australia and New Zealand
- Customer engagement session and dinner in Australia in 2023
- CEO updates to the Board on pricing, negotiations, joint value creation and customer satisfaction metrics
- Retail landscape session

Impact/value created:

- Customers create value for CCEP by selling our products to consumers
- CCEP creates value for customers through our customer centric operating model, portfolio diversity and quality of products and service

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Our stakeholders continued

Our suppliers

Suppliers provide a wide range of commodities and services from ingredients, packaging, utilities, equipment, to facilities management, fleet, logistics and information technology.

Read more about our suppliers on pages 32-34

Processes to engage regularly with suppliers include:

Supplier relationship management programme through TCCC's procurement consortium

Partnering and collaborating with suppliers, in areas such as business continuity or sustainability, to foster strategic relationships

Board engagement:

Updates provided by the CEO and CFO on key supplier relationships

Development of SGPs setting requirements for suppliers in relation to human rights, health and safety and environment

Presentations to the Board on strategic topics such as carbon reduction and supply risk

Impact/value created:

Suppliers create value for CCEP by providing high quality, safe and sustainable products and services, and optimised supply chain and innovation partnerships

CCEP creates value for suppliers through long-term collaborative partnerships and provides support on sustainable practices and emission plans

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Our communities

Communities are where we operate and where our employees live and work.

Read more about community engagement on page 26

Regular engagement with our communities include:

Boosting skills development and social inclusion, e.g. youth development programmes, BORA Jovens programme, apprenticeships and collaborating with food banks

Protecting the local environment, e.g. water replenishment and litter clean up programmes

Supporting local communities, e.g. grassroots initiatives and disaster relief

Board engagement:

Board members engage with local projects and at CCEP events

The ESG Committee is responsible for overseeing CCEP's relationship with communities under the social pillar of its remit

Impact/value created:

Communities create value for CCEP through access to talented people, local water sources, connection with local policymakers and community groups

CCEP creates value for communities through access to employment, improving the local environment and investing in community causes

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Section 172(1) statement from the Directors

During 2023, we acted in good faith to promote the long-term success of CCEP in our discussions and decision making for the benefit of CCEP's shareholders as a whole, and in doing so having regard to stakeholders and the matters set out in section 172 of the Companies Act, including:

The likely consequences of any decision in the long term
The Board recognises that its decision making will affect CCEP's long-term success. When taking decisions, particularly of strategic importance, the Board considers the likely consequences of any decision on CCEP's long-term, sustainable growth while endeavouring to balance the interests of all our stakeholders.

The interests of our people, and the need to foster business relationships with our key stakeholders
Our key stakeholders remain the same as last year, namely our people, shareholders, franchisors, consumers, customers, suppliers, and communities. How CCEP has engaged with our stakeholders more generally is explained on pages 61-64.
We identify our key stakeholder groups as those with significant interactions with our business model and that we impact in the course of our business operations. We describe how our business interacts with our stakeholders, and the impacts of these interactions, throughout this Integrated Report. The Board strives to gain stakeholder perspectives to inform its decision making through direct engagement, where feasible, as well as through regular communication with senior management.

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We recognise that strategy in a susta to consider the co environmental im During the year, w assessed and chal progress against c plan and our susta Information on ou plan and how we a TCFD recommenc on pages 48-60. C governance frame Board's decisions i as set out on page

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Ensuring our busir responsibly is func ensuring our long- The Board assesse the Group's cultur aligns with the Grc values and strateg and oversees a co framework, as set that enables the ri the right decisions This includes our C delegated authori

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Section 172(1) statement from the Directors
Principal decisions

The Board made several principal decisions during 2023, where the Directors had regard to the relevant matters set out in section 172(1)(a)-(f) of the UK Companies Act 2006 (the Companies Act) when discharging their duties.

Here we outline how the Board approached the CCBPI acquisition and strategic portfolio choices as principal decisions.

Image: Leadership from the Coca-Cola system and AEV

Acquisition of CCBPI

On 23 February 2024, CCEP completed the acquisition of CCBPI jointly with AEV, underpinning CCEP's ambitious mid-term strategic objectives and solidifying CCEP's position as the world's largest Coca-Cola bottler by revenue. The proposed acquisition was announced on 2 August 2023 with final transaction documents approved by the Board on 15 November 2023.

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Our strategy key Great brands Great people Great execution Done sustainably

Section 172(1) statement from the Directors
Principal decisions

From completion, the transaction is EPS accretive, and by working with AEV and TCCC, there is opportunity to unlock even more potential.

To support its decision making, the Board received an opportunity overview of CCBPI including scale, profitability, market environment, recent performance, key challenges and the current business plan. This was supported by an overview of partnership considerations including the shareholders agreement with AEV. Using these insights, the Board concluded that the acquisition would result in value creation for shareholders.

Employees

Engaging and retaining our people is a key consideration, ensuring that everyone has a voice and feels valued.

The acquisition will create an even more diverse workforce and provides an opportunity to scale knowledge, best practice and talent across CCEP. We will also benefit from combining our talent pools as well as sharing learnings and best practice on digital, technology, procurement and sustainability capabilities.

Franchisors

Franchisors are a key stakeholder group, given the importance of maintaining a strong relationship and alignment with TCCC. Due to the quality of interactions between TCCC, AEV and CCEP, TCCC as seller of CCBPI is confident in CCEP's ability to hold a majority stake and work collaboratively as a joint venture partner with AEV.

Consumers

The acquisition enhances our consumer reach. It also brings new brands to CCEP's portfolio.

Communities, environment and customers

CCBPI runs local community programmes including a number of partnerships to encourage the return of plastic bottles by consumers for recycling via collection hubs. CCBPI also has a joint venture with Indorama in a PET recycling scheme, consistent with CCEP's approach in Indonesia at our Amandina PET recycling plant.

Gaining deep local insights in all our territories remains a priority, including building experience and market understanding to meet specific stakeholder needs.

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Our strategy key Great brands | Great people | Great execution | Done sustainably

Principal risks

CCEP identifies, assesses and manages the principal risks we face as a business through strong risk management across the organisation, mitigating risk and pursuing the benefit of the related opportunities.

To support this, CCEP has developed an Enterprise Risk Management (ERM) framework to embed risk management within our key functions, activities and decision making.

An overview of our approach to risk management is provided in the diagram to the right.

1 Governance

The Board has overall responsibility for risk management at CCEP. Oversight and monitoring is provided by the Audit Committee with regular reports from management. The topic is led at the ELT by the General Counsel and Company Secretary working with management's Compliance and Risk Committee (CRC) and the One Risk Office, which brings together all leaders involved in risk, including the ERM team. Each principal risk has a risk owner at ELT level who is responsible for considering whether the risk is properly explained and has appropriate risk mitigation plans in place.

The governance structure, including risk management, is outlined on page 50 as part of our TCFD disclosure.

2 Identify and assess risks and opportunities

Our annual enterprise risk assessment (ERA) provides a top down strategic view of risks. The members of the Board, ELT and over 100 senior leaders carry out a risk survey and interviews to discuss current risks, opportunities and emerging risks.

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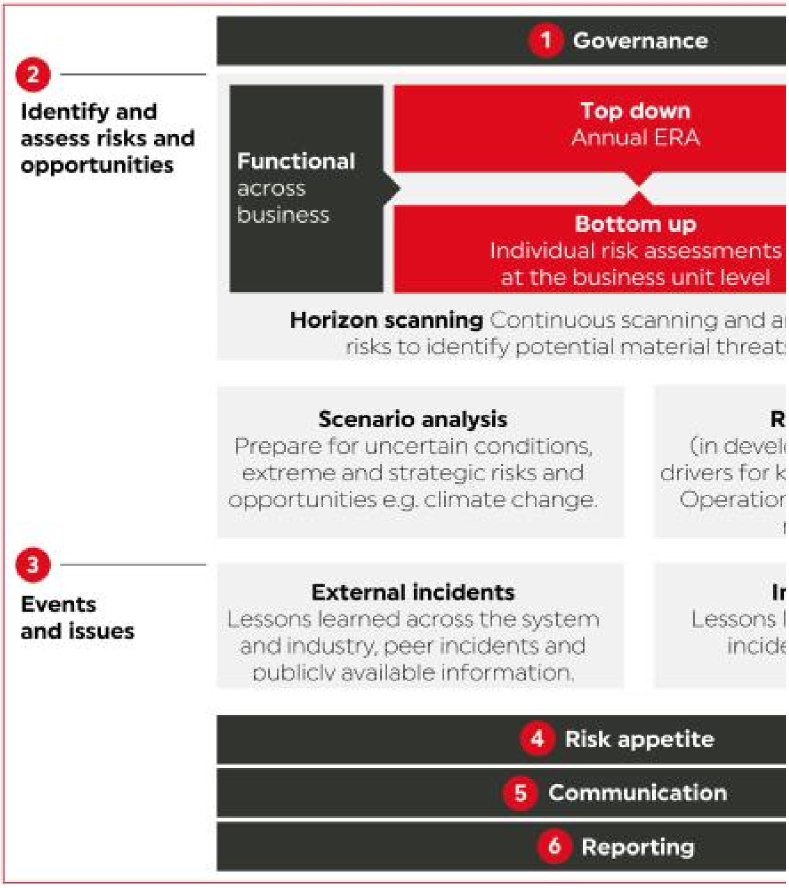
Overview of the CCEP ERM framework



Principal risks continued

The risk appetite statements are reviewed annually by the CRC and the Audit Committee. We are in the process of operationalising the statements through the implementation of risk indicators.

5 Communication

Our One Risk Office is a forum that brings together first, second and third line of defence representatives several times a year to share risk management knowledge across our functions and business units, per the diagram below.

Emerging risk themes and external factors that could impact our business are discussed. We regularly invite external risk experts (e.g. risk analysts to inform us on potential scenarios of the Middle East crisis) and risk leaders from other organisations to help us broaden our understanding of risk.

6 Reporting

An internal risk report is created and shared on a regular basis with leadership highlighting key risks, emerging trends and mitigation activities to support decision making.

The following pages set out a summary of our principal risks based on the findings of our most recent ERA. The Board has carried out a robust assessment of these principal risks.

This summary is not intended to include all risks that could impact our business and the risks are presented in no particular order. In this report, we show how each principal risk links to, and underpins the relevant aspect of our strategy.

Beyond principal risks, CCEP faces other operational risks which are managed as part of our daily routines. We are aware that due to the economic downturn the risk of fraud has increased. CCEP has embarked on an entity wide fraud risk assessment as part of its enhanced fraud management plan.

Participants

1st Line of Defence	2nd Line of Defence	3rd Line of Defence
Business Representatives	**Central Risk Functions**	**Corporate Audit Staff**

One Risk Office

Emerging risks and external risk factors	Internal risk mitigation activities	External benchmarking for best practice in risk management

Topics discussed

Case study Hov

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Strategic alignment & planning

Site training to introduce the BRF and BCR templates

Test & exercise

Principal risks continued

The table below shows our principal risks

Principal risk	Strategic objective	Description (What is the risk?)	Causal factors themes (What gives rise to the risk?)	Consequence themes (Potential impact of the risk)
Business disruption		The risk of prolonged, large scale natural and/or man made disruptive events	• Cyber attack or IT/ operational technology system failure • Pandemics • Extreme weather events (floods, fires) • Natural disasters • Civil unrest, war and terrorism	• Disruption to supply chains/ operations • Safety and wellbeing of our people • Brand and reputation damage • Financial impact
		Understanding the change in trend Confidence in our capabilities to deal with major disruptions, proven and enhanced		
Packaging Read about Packaging on pages 41-43		The risks relating to packaging waste and plastic pollution, and single use plastic	• Stakeholder concern about the environmental impacts of single use plastic packaging, litter and packaging waste	• Brand and reputation damage from not keeping up with community/customer expectations • Financial impact from increased taxes and on the costs of doing business • Regulatory and compliance impacts • Increased potential for activism and litigation

Our strategy key Great brands · Great people · Great execution · Done sustainably

Principal risks continued

Principal risk	Strategic objective	Description (What is the risk?)	Causal factors themes (What gives rise to the risk?)	Consequence themes (Potential impact of the risk)
Legal, regulatory and tax	Great brands; Great people; Great execution; Done sustainably	The risks associated with new or changing legal, regulatory or tax, legislative environment and subsequent obligations and compliance requirements	• Increased regulation on business activities • Use of regulated ingredients • Increased packaging regulation • Commercial and marketing restrictions on sugar, sweeteners and energy ingredients • Labelling requirements • Distribution and sale regulations • Employment regulation • Sugar & low and no calorie sweetener, energy drinks ingredients, packaging and carbon taxes • Regulation of new technology including AI	• Financial impact from new or higher taxes • Stricter sales and marketing controls impacting margins and market share • Punitive action from regulators or other legislative bodies • Increase to the cost of compliance to meet stricter or new regulatory requirements • Brand and reputation damage
Cyber and IT resilience	Great brands; Great people; Great execution	The risks related to the protection of information systems and data from unauthorised access, misuse, disruption, modification, or destruction	• External attackers seeking to ransom or disrupt systems and data • Dependency on third parties • Internal misuse (malicious or accidental) • Security and maintenance of IT infrastructure and applications • Change programmes	• Financial impact from disruption to operations or fines • Safety and wellbeing of employees, customers or business partners who may have their personal information stolen • Brand and reputation damage

Our strategy key Great brands | Great people | Great execution | Done sustainably

Principal risks continued

Principal risk	Strategic objective	Description (What is the risk?)	Causal factors themes (What gives rise to the risk?)	Consequence themes (Potential impact of the risk)
Economic and political conditions	Great execution	The risks associated with operating in volatile and challenging macroeconomic and geopolitical conditions	• Low economic growth or recession • High currency and commodity price volatility • High inflation • Political instability/ conflict • Civil unrest	• Financial impact from reduced demand from consumers and an increasing cost base • Disruption to supply chains from sanctions or impact on shipping/trade routes
Market	Great brands, Great execution	The risks to maintaining the relationships with our customers and consumers to meet their changing demands, needs and expectations	• New distribution channels and platforms • Changing customer and consumer habits • Changes in the competitive landscape • Legislative and regulatory changes	• Financial impact from reduced demand from consumers • Decreasing margins and market share • Inability to meet strategic objectives • Brand and reputation damage

Our strategy key Great brands Great people Great execution Done sustainably

Principal risks continued

Principal risk	Strategic objective	Description (What is the risk?)	Causal factors themes (What gives rise to the risk?)	Consequence themes (Potential impact of the risk)
Climate change and water	Done sustainably	The risks and opportunities associated with managing the impacts of climate change and water scarcity across our value chain	• GHG emissions across our value chain, including emissions from our production facilities, CDE, the transportation of our products, packaging and the ingredients that we use, and storage of our products • Scarcity of water and water quality issues related to water sources we and our suppliers rely upon • Regulatory and legislative initiatives aimed at reducing GHG emissions • Water usage restrictions that may be mandatory at a local level during scarcity peaks • Changing consumer and investor preferences	• Brand and reputation damage from not meeting sustainability targets • Financial impacts from future carbon taxes and the transition costs to low GHG emissions • Regulatory and compliance impacts related to TCFD disclosures • The disruption of water supply to our production sites and key suppliers

Read about TCFD on pages 48-60

Understanding the change in trend

Increasing number of extreme weather events, water scarcity and droughts expan

Our strategy key Great brands · Great people · Great execution · Done sustainably

Principal risks continued

Principal risk	Strategic objective	Description (What is the risk?)	Causal factors themes (What gives rise to the risk?)	Consequence themes (Potential impact of the risk)
Changes in customer and consumer buying trends and category perception	Great brands	The risks relating to our ability to effectively adapt and respond to changes in customer and consumer preferences and behaviour towards our products	• Legislative changes driven by government or lobby groups • External marketing campaigns towards alternative ingredients/ products • Publication of guidelines or recommendations related to sugar consumption, energy drinks or additives by WHO or other health authorities • Increased media scrutiny and social media coverage impacting consumer perception on ingredients and packaging • Viability of alternatives to sugar, sweeteners and other ingredients within our product portfolio • Consumer lifestyle	• Financial impacts from decline in sales volumes and market share (delisting, demand decrease) • Increased regulatory scrutiny • Commercial, marketing and labelling restrictions • Increased taxes on our products • Damage to brand and reputation

Understanding the change in trend

Increasing regulation, social media coverage of packaging and ingredients, and an our customers and consumers.

Our strategy key

Great brands Great people Great execution Done sustainably

Principal risks continued

Principal risk	Strategic objective	Description (What is the risk?)	Causal factors themes (What gives rise to the risk?)	Consequence themes (Potential impact of the risk)
Business transformation, integration and digital capability	Great people	The risks relating to the execution of our strategic and continuous improvement initiatives	• Digital transformation • Identification and execution of supply chain improvements • Relationships with our partners and franchisors • Ineffective coordination between BUs and central functions • Change management failure • Diversion of management's focus away from our core business	• Damage to brand and reputation • Financial impacts from a decline in our share price arising from not realising the value creation from these initiatives • Industrial action and disruption to our operations
People and wellbeing Read about People on pages 20-27	Great people	The risks relating to the identification, attraction, development, and retention of talent. Also risks relating to the wellbeing of our people (including human rights and modern slavery)	• Job design and working conditions • Reward and recognition • Misconduct by third parties relating to human rights	• Damage to brand and reputation • Financial impacts from a decline in employee engagement and productivity • Industrial action and disruption to our operations • Punitive action from regulators or other legislative bodies and potential for litigation

Our strategy key Great brands Great people Great execution Done sustainably

Principal risks continued

Principal risk	Strategic objective	Description (What is the risk?)	Causal factors themes (What gives rise to the risk?)	Consequence themes (Potential impact of the risk)
Relationships with TCCC and other franchisors	Great brands	The risk of misaligned incentives or strategy with TCCC and/or other franchisors	• Lack of effective engagement, communication and/or discussion with franchisors	• Damage to brand and reputation • Financial impacts, including as a result of TCCC or other franchisors acting adversely to our interests with respect to our business relationship
Product quality	Great execution, Great brands	The risks relating to ensuring the wide range of products we produce are safe for consumption and adhere to strict food safety and quality requirements	• A failure in food safety, food quality, food defence or food fraud processes	• Consumer health and safety concerns • Reputation damage and loss of consumer trust • Regulatory and legal consequences • Financial losses

Our strategy key Great brands Great people Great execution Done sustainably

Principal risks continued

Internal control procedures and risk management

CCEP's internal controls are designed to manage rather than eliminate risk, and aim to mitigate risk of fraud and misstatements.

In addition to management responsibility, the Board has overall responsibility for the Company's system of internal controls and for reviewing its adequacy and effectiveness. To discharge its responsibility in a manner that complies with law and regulation and promotes effective and efficient operation, the Board has established clear operating procedures, lines of responsibility and delegated authority.

The Audit Committee has specific responsibility for reviewing the internal control policies and procedures associated with the identification, assessment and reporting of principal and emerging risks to check they are adequate and effective.

Our internal control processes include:

- Board approval for significant projects, transactions and corporate actions
- Either senior management or Board approval for all major expenditure at the appropriate stages of each transaction
- Regular reporting covering both technical progress and our financial affairs
- Board review, identification, evaluation and management of significant risks

Read more about our approach to internal control and risk management in the Audit Committee report on pages 117-124

Cybersecurity

Risk management and strategy

Our management and Board recognise the critical importance that a robust cybersecurity programme and processes play in maintaining the integrity of CCEP's business applications and data. Our Chief Information Officer (CIO), and Chief Information Security Officer (CISO) lead our cybersecurity programme and regularly report to our Audit Committee and Board on cybersecurity matters, through which we assess, identify, and manage material risks from cybersecurity threats. We seek to promote a cybersecurity culture in which everyone feels a responsibility to prevent cyberattacks.

Our cybersecurity policies, standards, processes and practices are integrated into our risk management framework, which addresses the principal risks we face as a business and how we identify, assess and manage them. In addition, our CISO and his team utilise a risk analysis standard from the Information Security Forum (ISF), which is aligned with industry best practice standards to identify and assess IT security risks as well as numerous ISF controls and checks.

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Principal risks continued

Following an initial evaluation for risk and business impact by our IT Security Director and in collaboration with the CISO, relevant cybersecurity incidents and threats are escalated to the corporate Incident Management Team (IMT) and communicated in a timely manner to our Disclosure Committee consisting of the Chairman, CEO, CFO, Group Company Secretary and General Counsel, and VP Investor Relations & Corporate Strategy. The Disclosure Committee is responsible for reviewing and making the determination regarding materiality and public disclosures pursuant to the SEC and exchange listing rules.

We use third party experts to support on certain aspects of our cybersecurity programme but maintain internal leadership and oversight of all, including in connection with our risk processes. We work with other bottlers and partners such as TCCC to share insights on potential threats.

We also monitor third party service providers, through:

- An internal controls assessment of our third party control framework
- Governance and performance through reporting requirements for major vendors
- Procurement third party risk management processes
- Identification and oversight by our CISO, supported by our Business Continuity and Resilience (BCR) team, of risks associated with those third party service providers that are relevant to our Business Process and Technology (BPT) function
- Improvements in researching the emerging threat landscape
- Improving the security of our external attack surface; and
- Conducting due diligence into peers and trading partners

As at the date of this report, we are not aware of any risks from cybersecurity threats, including as a result of any previous cybersecurity incidents, that have materially affected us, our business strategy, results of operation or financial condition. For additional information concerning cybersecurity risks we face, refer to the risk factor subsection titled, "Cyber and IT resilience" on page 71.

Governance

In addition to having a dedicated cyber security team concerned with day to day cybersecurity operations, cybersecurity is also a critical area of focus at both our executive and Board levels, which helps ensure that the Board executes its oversight of cyber risks and that we consider security risks in our business strategy.

Our cybersecurity processes for managing and assessing cybersecurity risks, as described above, are managed and overseen by our Information Security Committee, which comprises the CIO, CCO, Chief Data Privacy Officer and other senior management members, and is coordinated by our CISO who has bee
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Viability statement

In accordance with provision 31 of the 2018 UK Corporate Governance Code (the Code), the Directors have assessed the prospects for the Group. The Directors have made this assessment over a period of three years, which corresponds to the Group's planning cycle.

The assessment considered the Group's prospects related to revenue, operating profit, EBITDA and comparable free cash flow. The Directors considered the maturity dates of the Group's debt obligations and its access to public and private debt markets, including its committed multi currency credit facility. The Directors also carried out a robust review and analysis of the principal risks facing the Group, including those risks that could materially and adversely affect the Group's business model, future performance, solvency and liquidity.

Stress testing was performed on a number of scenarios, including different estimates for operating profit and comparable free cash flow. Among other considerations, these scenarios incorporated the potential downside impact of the Group's principal risks, including those related to:

- Legal and regulatory intervention, including in relation to plastic packaging
- Risk of cyber and social engineering attacks
- Economic and political uncertainty
- Climate change and water

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Non-financial and sustainability information statement

This Integrated Report contains a combination of financial and non-financial reporting throughout.

As required by sections 414CA and 414CB of the Companies Act 2006 (the Companies Act), the following non-financial and sustainability information can be found as stated in the following table.

These pages contain, where appropriate, details of our policies and approach to each matter.

Non-financial and sustainability information	Page(s)
Environmental matters	Forward o
	Forward o
	Forward o
	Forward o
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Employee matters	Forward o
	Our stakel
Social matters	Forward o
Human rights	Forward o
Anti-corruption and anti-bribery matters	Forward o
Our business model	Our busine
Risk and principal risks	Principal ri
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Business and financial review

Our business

CCEP is a leading consumer goods group in Western Europe and the Asia Pacific region, making, selling and distributing an extensive range of primarily NARTD beverages. We make, move and sell some of the world's most loved brands – serving nearly 600 million consumers and helping over two million customers across 31 countries grow. We combine the strength and scale of a large, multinational business with an expert, local knowledge of the customers we serve and communities we support.

Note regarding the presentation of alternative performance measures

We use certain alternative performance measures (non-IFRS performance measures) to make financial, operating and planning decisions and to evaluate and report performance. We believe these measures provide useful information to investors and, as such, where clearly identified, we have included certain alternative performance measures in this document to allow investors to better analyse our business performance and allow for greater comparability. To do so, we have excluded items affecting the comparability of period over period financial performance, as described below. The alternative performance measures included herein should be read in conjunction with and do not replace the directly reconcilable IFRS measures.

The alternative performance measures in this document have been calculated in a manner consistent with those set forth in CCEP's 2022 Annual Report on Form 20-F filed with the SEC on 17 March 2023, and the title of certain non-IFRS measures has been updated to better reflect their comparable nature.

For purposes of this document, the following terms are defined:

"As reported" are results extracted from our consolidated financial statements.

"Comparable" is defined as results excluding items impacting comparability, which include restructuring charges, income arising from the ownership of certain mineral rights in Australia, gain on sale of sub-strata and associated mineral rights in Australia, net impact related to European flooding, gains on the sale of property, accelerated amortisation charges, expenses related to legal provisions, impact of a defined benefit plan amendment arising from legislative changes in respect of the minimum retirement age and acquisition and integration related costs. Comparable volume is also adjusted for selling days.

"FX neutral" is defined as period results excluding the impact of foreign exchange rate changes. Foreign exchange impact is calculated by recasting current year results at prior year exchange rates.

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Business and financial review continued

"Comparable ROIC" adjusts reported profit after tax for items impacting the comparability of period over period financial performance and is defined as comparable operating profit after tax attributable to shareholders divided by the average of opening and closing invested capital for the year. Comparable ROIC is used as a measure of capital efficiency and reflects how well the Group generates comparable operating profit relative to the capital invested in the business.

"Dividend payout ratio" is defined as dividends as a proportion of comparable profit after tax.

Forward-looking alternative performance measures

Within this report, we provide certain forward-looking non-IFRS financial information, which management uses for planning and measuring performance. We are not able to reconcile forward-looking non-IFRS measures to reported measures without unreasonable efforts because it is not possible to predict with a reasonable degree of certainty the actual impact or exact timing of items that may impact comparability throughout the year.

Unless otherwise stated, percentage amounts are rounded to the nearest 0.5%.

Key financial measures[A] Unaudited, FX impact calculated by recasting current year results at prior year rates	Year ended 31 December 2023						
	€ millions			% change vs prior year			
	As reported	Comparable	FX impact	As reported	Comparable	FX Impact	Comparable FX Neutral
Revenue	18,302	18,302	(396)	5.5%	5.5%	(2.5%)	8.0%
Cost of sales	11,582	11,576	(249)	4.5%	4.5%	(2.0%)	6.5%
Operating expenses	4,488	4,353	(96)	6.0%	6.5%	(2.0%)	8.5%
Operating profit	2,339	2,373	(51)	12.0%	11.0%	(2.5%)	13.5%
Profit after taxes	1,669	1,701	(39)	9.5%	9.0%	(2.5%)	11.5%
Diluted earnings per share (€)	3.63	3.71	(0.08)	10.5%	9.5%	(2.5%)	12.0%

(A) See Supplementary financial information - Items impacting comparability on page 90 for a reconciliation of reported to comparable results.

Financial highligh

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(A) See Supplementary finan
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(B) See Liquidity and capital
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Business and financial review continued

Operational review

Revenue

Revenue totalled €18.3 billion, up 5.5% versus prior year on a reported basis, and 8.0% on a comparable and FX neutral basis. Revenue per unit case increased by 8.5% in 2023 on a comparable and FX neutral basis. Volume declined by 0.5% on a comparable basis.

Revenue in millions of €	Year ended 31 December 2023 As reported	Comparable	Reported % change	FX neutral % change
Europe	14,553	14,553	7.5%	8.5%
API	3,749	3,749	(1.0%)	5.5%
Total CCEP	**18,302**	**18,302**	**5.5%**	**8.0%**

Comparable volume – selling day shift CCEP In millions of unit cases, prior period volume recast using current year selling days[A]	Year ended 31 December 2023	2022	% change
Volume	**3,279**	**3,300**	**(0.5%)**
Impact of selling day shift	n/a	—	n/a
Comparable volume – selling day shift adjusted	**3,279**	**3,300**	**(0.5%)**

(A) A unit case equals approximately 5.678 litres or 24 eight ounce servings, a typical volume measure used in our industry.

Volumes were down 0.5% on both a reported and comparable basis. In Europe, strong in-market execution alongside continued consumer demand in our developed markets drove volume growth of 0.5%, despite mixed summer weather. API volumes were down 5.0% versus 2022, mainly driven by softer consumer spending in Indonesia and strategic stock keeping unit (SKU) portfolio rationalisation, partly offset by continued underlying volume growth in Australia and New Zealand reflecting strong in-market execution.

Comparable volume by cate
Change versus prior period

Sparkling	
Coca-Cola™	
Flavours, mixers and	
Stills	
Hydration	
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(A) RTD refers to ready to dri

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Business and financial review continued

Revenue by segment: Europe

Revenue Europe
In millions of €, except per case data which is calculated prior to rounding. FX impact calculated by recasting current year results at prior year rates.

	Year ended 31 December		
	2023	2022	% change
As reported	**14,553**	**13,529**	**7.5%**
Adjust: Impact of FX changes	147	n/a	n/a
FX neutral	**14,700**	**13,529**	**8.5%**
Revenue per unit case	**5.56**	**5.14**	**8.0%**

Revenue in Europe totalled €14.6 billion, up 7.5% versus prior year on a reported basis, and 8.5% on an FX neutral basis. Revenue per unit case in Europe increased by 8.0% in 2023, on a comparable and FX neutral basis, reflecting positive headline price increases and promotional optimisation alongside favourable mix.

Revenue by geography In millions of €	Year ended 31 December 2023		
	As reported	Reported % change	FX neutral % change
Great Britain	3,235	5.0%	6.5%
Germany	3,018	12.5%	12.5%
Iberia(A)	3,325	9.5%	9.5%
France(B)	2,321	11.0%	11.0%
Belgium and Luxembourg	1,078	3.5%	3.5%
Netherlands	718	5.5%	5.5%
Norway	376	(7.0%)	5.5%
Sweden	398	(5.5%)	2.0%
Iceland	84	(3.5%)	1.0%
Total Europe	**14,553**	**7.5%**	**8.5%**

(A) Iberia refers to Spain, Portugal and Andorra.
(B) France refers to continental France and Monaco.

Reported revenue in Great Britain was up 5.0% versus 2022. Foreign exchange translation negatively impacted revenue growth by 1.5%. The increase in revenue was mainly driven by revenue per unit case growth reflecting the headline price increase implemented at the end of the second quarter and positive brand mix, including growth of 16.5% in Monster and the successful launch of Jack Daniel's & Coca-Cola. From a category perspective, Coca-Cola Zero Sugar, Fanta, Monster and Dr Pepper showed strong volume growth.

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Business and financial review continued

Revenue by geography In millions of €	Year ended 31 December 2023		
	As reported	**Reported % change**	**FX neutral % change**
Australia	2,385	2.0%	9.5%
New Zealand and Pacific Islands	679	4.5%	11.0%
Indonesia and Papua New Guinea	685	(14.5%)	(10.5%)
Total API	**3,749**	**(1.0%)**	**5.5%**

Revenue in the Australia, Pacific and Indonesian territories (Australia, New Zealand and Pacific Islands, Indonesia and Papua New Guinea) was down 1.0% versus 2022. Foreign exchange translation negatively impacted revenue growth by 6.5%. The underlying increase in revenue was mainly driven by revenue per unit case growth as a result of the headline price increase implemented across all our markets during the first half of the year and promotional optimisation in Australia. Coca-Cola Zero Sugar, Monster and Powerade showed strong volume growth.

Cost of sales

Reported cost of sales totalled €11.6 billion, up 4.5% versus prior year on a reported basis, and 6.5% on a comparable and FX neutral basis. Cost of sales per unit case increased by 7.5% on a comparable and FX neutral basis.

Cost of sales In millions of €, except per case data which is calculated prior to rounding. FX impact calculated by recasting current year results at prior year rates	Year ended 31 December		
	2023	**2022**	**% change**
As reported	**11,582**	**11,096**	**4.5%**
Adjust: Total items impacting	(6)	(8)	
Adjust: Restructuring charges[(A)]	(9)	(19)	n/a
Adjust: European flooding[(B)]	9	11	
Adjust: Litigation[(C)]	(6)	—	
Comparable	**11,576**	**11,088**	**4.5%**
Adjust: Impact of FX changes	249	n/a	n/a
Comparable and FX neutral	**11,825**	**11,088**	**6.5%**
Cost of sales per unit case	**3.61**	**3.36**	**7.5%**

(A) Amounts represent restructuring charges related to business transformation activities.
(B) Amounts represent the incremental expense incurred offset by the insurance recoveries collected as a result of the July 2021 flooding events, which impacted the operations of our production facilities in Chaudfontaine and Bad Neuenahr.
(C) Amounts relate to the establishment of a provision in connection with an ongoing labour law matter in Germany.

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Business and financial review continued

Operating expenses in Europe increased, driven by continued inflationary pressures on labour and haulage, as well as optimised investment in trade marketing expenses to support our top line growth. With a third of operating expenses being variable in nature, the uplift in volume reflecting resilient consumer demand and strong in-market execution also impacted our cost base.

Similar to Europe, comparable operating expenses in API also reflected inflationary pressures on labour and haulage, and increased investment in trade marketing expenses contributed to the growth in operating expenses.

Discretionary spend optimisation and the delivery of our previously announced multi-year efficiency programme, which has now been closed out, maintained our operating expenses as a percentage of revenue versus 2022.

Restructuring

Restructuring charges of €9 million and €85 million were recognised within reported cost of sales and reported operating expenses, respectively, for the year ended 31 December 2023, related principally to severance charges arising from various transformation initiatives.

Restructuring charges of €19 million and €144 million were recognised within reported cost of sales and reported operating expenses, respectively, for the year ended 31 December 2022, which are primarily attributable to €82 million of expense recognised in connection with the transformation of the full service vending operations and related initiatives in Germany.

Effective tax rate

The reported effective tax rate was 24% and 22% for the years ended 31 December 2023 and 31 December 2022, respectively.

The increase in the reported effective tax rate to 24% in 2023 (2022: 22%) is largely due to the increase in the UK statutory tax rate to a weighted average of 23.5% and the review of uncertain tax positions.

The comparable effective tax rate was 24% and 22% for the years ended 31 December 2023 and 31 December 2022, respectively.

Income tax
In millions of €

As reported
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(E) Amounts represent the t recognised as "Other inco
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(G) Amounts represent the t between CCEP and Bean

Return on investe

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Business and financial review continued

ROIC In millions of €	Year ended 31 December 2023	2022
Reported profit after tax	**1,669**	**1,521**
Taxes	534	436
Finance costs, net	120	114
Non-operating items	16	15
Reported operating profit	**2,339**	**2,086**
Items impacting comparability(A)	34	52
Comparable operating profit(A)	**2,373**	**2,138**
Taxes(B)	(570)	(474)
Non-controlling interest	—	(13)
Comparable operating profit after tax attributable to shareholders	**1,803**	**1,651**
Opening borrowings less cash and cash equivalents and short-term investments	10,264	11,675
Opening equity attributable to shareholders	7,447	7,033
Opening invested capital	**17,711**	**18,708**
Closing borrowings less cash and cash equivalents and short-term investments	9,409	10,264
Closing equity attributable to shareholders	7,976	7,447
Closing invested capital	**17,385**	**17,711**
Average invested capital	**17,548**	**18,210**
ROIC	**9.5%**	**8.4%**
Comparable ROIC	**10.3%**	**9.1%**

(A) Reconciliation from reported to comparable operating profit is included in the Supplementary Financial Information - Items impacting comparability section on pages 91-92.

(B) Tax rate used is the comparable effective tax rate for the year (2023: 24%, 2022: 22%).

Liquidity and capi

Liquidity

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Business and financial review continued

Comparable free cash flow In millions of €	Year ended 31 December 2023	2022
Net cash flows from operating activities	**2,806**	**2,932**
Less: Purchases of property, plant and equipment	(672)	(500)
Less: Purchases of capitalised software	(140)	(103)
Add: Proceeds from sales of property, plant and equipment	101	11
Less: Payments of principal on lease obligations	(148)	(153)
Less: Net interest payments	(124)	(130)
Adjust: Items impacting comparability[(A)]	(89)	(252)
Comparable free cash flow	**1,734**	**1,805**

(A) During the year ended 31 December 2023, the Group has received net of tax cash proceeds of €89 million in connection with the royalty income arising from the ownership of certain mineral rights in Australia. During the year ended 31 December 2022, €252 million of cash proceeds were received from the regional tax authorities of Bizkaia (Basque Region), in connection with the ongoing dispute in Spain regarding the refund of historical VAT amounts related to the period 2013-2016. The proceeds associated with these specific events have been included within the Group's net cash flows from operating activities for the years ended 31 December 2023 and 31 December 2022, respectively. Given the unusual nature and to allow for better period over period comparability, our comparable free cash flow measure excludes the cash impact related to these items.

In 2023, total borrowings decreased by €511 million. This was driven by repayments on third party borrowings of €1,159 million and payments on the principal and interest from lease obligations of €165 million, partially offset by proceeds from third party borrowings of €694 million. Movement as a result of fair value hedges resulted in an increase of borrowings by €40 million. Additions and other movements on leases further increased borrowings by €191 million. All this was partially offset by currency translation and other non-cash changes of €112 million.

The following bonds were repaid on maturity: US$850 million 0.5% Notes 2023, repaid in May 2023; US$25 million 4.34% Notes 2023 and US$25 million 4.34% Notes 2023, both repaid in October 2023; and €350 million 2.625% Notes 2023, repaid in November 2023. In December 2023, the Group issued €700 million 3.875% Notes 2030 in connection with the proposed acquisition of CCBPI, which mature in December 2030.

Capital managem

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Net debt In millions of €
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Net debt

Credit ratings
As of 14 March 2024
Long-term rating
Outlook

Note: Our credit ratings can b
decisions and working capital
recommendation to buy, sell

(A) Net debt includes adjustr
the Group's borrowings. I
external parties on hedgi

(B) Cash and cash equivalent
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cash held in Papua New G

(C) Short-term investments
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Business and financial review continued

The ratio of net debt to comparable EBITDA is used by investors, analysts and credit rating agencies to analyse our operating performance in the context of targeted financial leverage, and so we provide a reconciliation of this measure. Net debt enables investors to see the economic effect of total borrowings, fair value impact of related hedges and other financial assets/liabilities, cash and cash equivalents, and short-term investments in total. Comparable EBITDA is calculated as EBITDA after adding back items impacting the comparability of year over year financial performance.

Comparable EBITDA does not reflect our cash expenditures, or future requirements for capital expenditures or contractual commitments. Further, comparable EBITDA does not reflect changes in, or cash requirements for, our working capital needs, and, although depreciation and amortisation are non-cash charges, the assets being depreciated and amortised are likely to be replaced in the future and comparable EBITDA does not reflect cash requirements for such replacements.

Net debt to comparable EBITDA

Comparable EBITDA in 2023 totalled €3.1 billion and increased relative to 2022 by €217 million. The increase versus 2022 was primarily driven by the increase in reported operating profit, reflecting increased revenue. The ratio of net debt to comparable EBITDA is 3.0 versus 3.5 in 2022, reflecting the decrease in net debt due to the repayment of borrowings and the increase in comparable EBITDA.

Dividends

In line with our commitments to deliver long-term value to shareholders, we paid a first half interim dividend of €0.67 per share in May 2023 and a second half interim dividend of €1.17 per share in December 2023, based on comparable diluted earnings per share, maintaining a payout ratio of approximately 50% in line with our dividend policy. For the year ended 31 December 2023, dividend payments totalled €841 million (2022: €763 million).

Share buyback

No Shares were repurchased in 2023 and 2022.

Comparable EBITDA
In millions of €

Reported profit afte
Taxes
Finance costs, net
Non-operating items
Reported operating
Depreciation and am
Reported EBITDA
Items impacting con
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European flooding[D]
Litigation[E]
Property sale[F]
Sale of sub-strata and
Coal royalties[H]
Defined benefit plan
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Business and financial review continued

Supplementary financial information – Items impacting comparability – Reported to comparable

The following provides a summary reconciliation of items impacting comparability for the years ended :

Full year 2023
Unaudited, in millions of € except per share data which is calculated prior to rounding

	Operating profit	Profit after taxes	Diluted earnings per share (€)
As reported	**2,339**	**1,669**	**3.63**
Items impacting comparability			
Restructuring charges(A)	94	79	0.18
Acquisition and integration related costs(B)	12	14	0.03
European flooding(C)	(9)	(7)	(0.02)
Coal royalties(D)	(18)	(12)	(0.03)
Property sale(E)	(54)	(38)	(0.08)
Litigation(F)	17	12	0.03
Accelerated amortisation(G)	27	19	0.04
Sale of sub-strata and associated mineral rights(H)	(35)	(35)	(0.07)
Comparable	**2,373**	**1,701**	**3.71**

(A) Amounts represent restructuring charges related to business transformation activities.

(B) Amounts represent costs incurred in connection with the proposed acquisition of CCBPI for the year ended 31 December 2023 as well as integration costs related to the acquisition of CCL recognised during the year ended 31 December 2022.

(C) Amounts represent the incremental expense incurred offset by the insurance recoveries collected as a result of the July 2021 flooding events, which impacted the operations of our production facilities in Chaudfontaine and Bad Neuenahr.

(D) Amounts represent royalty income arising from the ownership of certain mineral rights in Australia. The royalty income was recognised as "Other income" in our consolidated income statement for the years ended 31 December 2023 and 31 December 2022, respectively.

Full year 2022
Unaudited, in millions of € ex
which is calculated prior to r

As reported
Items impacting con
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Acquisition and integ
European flooding(C)
Coal royalties(D)
Defined benefit plan
Comparable

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Operating profit by segment

Operating profit Europe

In millions of €. FX impact calculated by recasting current year results at prior year rates.

	Year ended 31 December 2023	2022	% Change
As reported	**1,842**	**1,529**	**20.5%**
Adjust: Total items impacting comparability	46	141	**n/a**
Comparable	**1,888**	**1,670**	**13.0%**
Adjust: Impact of FX changes	19	n/a	**n/a**
Comparable and FX neutral	**1,907**	**1,670**	**14.0%**

Operating profit AF

In millions of €. FX impact ca
by recasting current year res

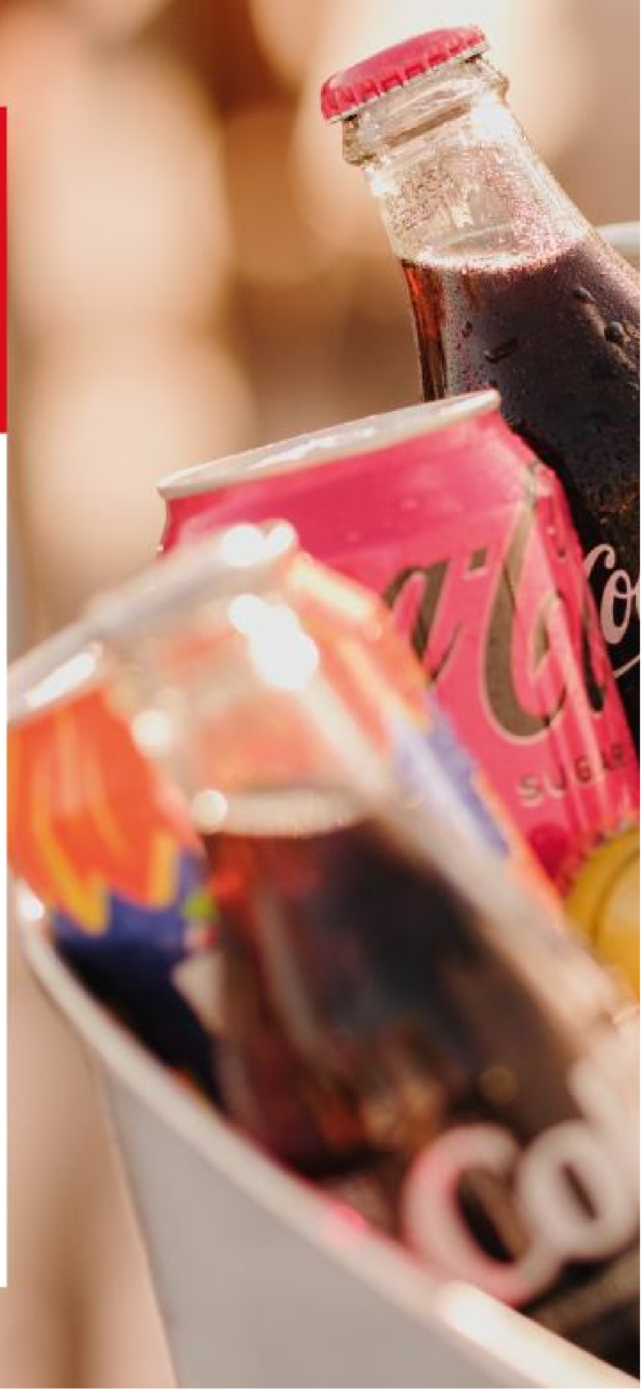
As reported
Adjust: Total items ir comparability
Comparable
Adjust: Impact of FX
Comparable and FX

The Company's Strategic Report is set out on pages 1-90. The Strategic Report was approved by the Bo

Damian Gammell,
Chief Executive Officer

In this section

Governance and Directors' Report



Chairman's introduction

On behalf of the Board, I am pleased to present the corporate governance report for the year ended 31 December 2023.

The report describes CCEP's corporate governance framework and procedures, and summarises the work of the Board and its Committees to illustrate how we have discharged our duties during the year.

It was another busy year, with the Board taking the opportunity to visit our colleagues in Australia and New Zealand and witness first hand, once again following the Board's visit to Indonesia in 2022, the positive integration and successful collaboration with our teams in API.

It was also announced in August 2023 that CCEP, together with AEV, had entered into a non-binding Letter of Intent to jointly acquire CCBPI, which we are delighted to say completed on 23 February 2024. The acquisition of CCBPI solidifies CCEP's position as the world's largest Coca-Cola bottler by revenue.

Some key areas of focus and decisions of the Board during 2023 are outlined below.

Managing and mitigating the effects of the macroeconomic environment

2023 was another challenging year as a result of the effects of the war in Ukraine, the conflict in the Middle East and other economic factors. The Board provided strategic oversight and guidance to management to mitigate the impacts arising from commodity prices and inflationary pressures. Adaptability and agility during 2023 were key and will continue to be important into 2024.

Culture

The Board plays a critical role in shaping the culture of the Company by promoting growth focused and values-based conduct and aims to create a culture where everyone feels welcome to be themselves and that they are valued and belong. To monitor this during the year, the Board received outputs from engagement surveys, CoC reporting, diversity statistics and health and safety indicators.

Health, safety and wellbeing

The Board's key priority remained the safety of our people, customers and communities. A number of measures continued to be put in place to support the physical and mental wellbeing and health of our people. This included enhancing the number of wellbeing First Aiders to a new total of over 1,250.

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Read more in Gı
20-26

ESG

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Board changes

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to welcome Guilla
Board. He offers a
skills and experien
Garry Watts. Garry
and valued Board
we thank him for h
contribution throu

Read more abou
page 99 and 113

Board evaluation

We again conduct
the effectiveness
Board Committee
support their cont
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Independent Dire
Secretary and invo

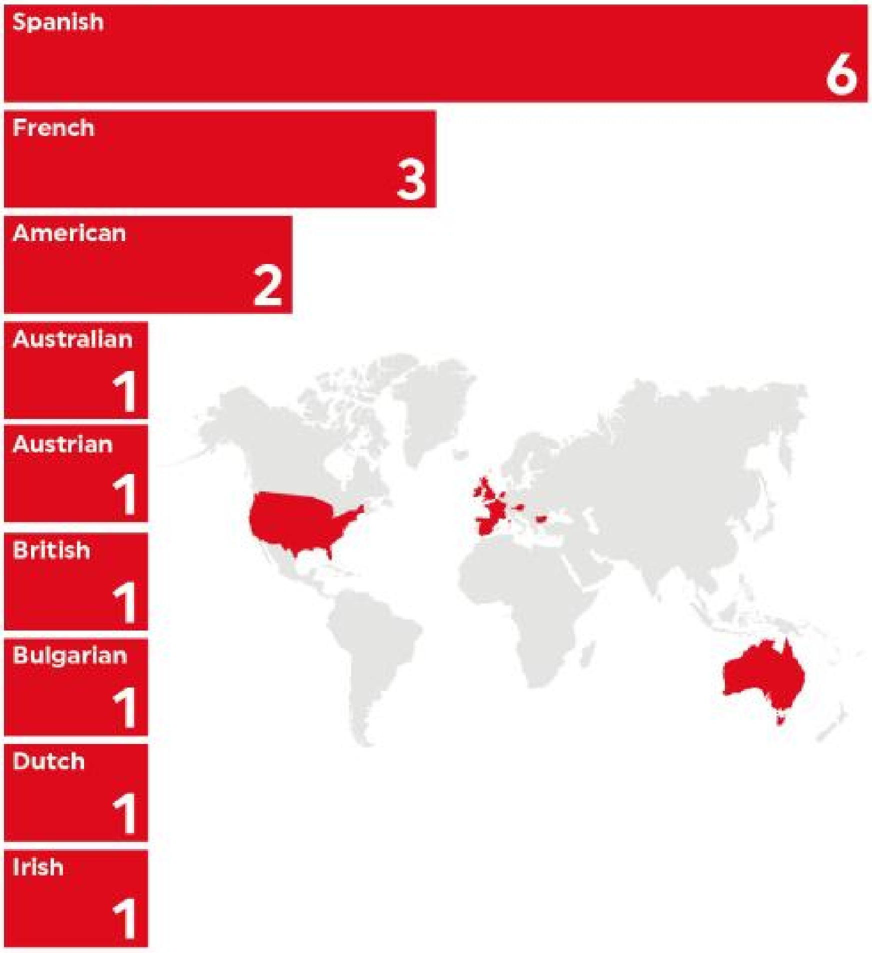
Board of Directors

Our Board of Directors(A) is diverse, experienced and knowledgeable, bringing together the skills needed for our long-term success in line with our skills matrix.

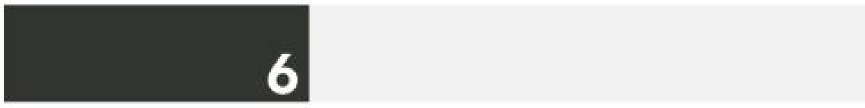
Total number of Directors on the Board

17

Nationality



Women on the Board



(A) Based on Directors as at 29 February 2024.

(B) Excluding the Chairman.

Board of Directors

Directors' biographies

As at 31 December 2023, our Board consisted of our Chairman, CEO and 15 Non-executive Directors.

Biographies of our Board members and details of Board and Committee changes made up until the publication of this report are set out on pages 95-99.

Find out more at
cocacolaep.com/board-of-directors

1

Sol Daurella
Chairman
Date appointed to the Board **May 2016**

Committees AT A E N R

Key strengths/experience

- Experienced director of public companies operating in an international environment
- A deep understanding of fast moving consumer goods (FMCG) and our markets
- Extensive experience at Coca-Cola bottling companies
- Strong international strategic and commercial skills
- Sol and the Daurella family have been part of the Coca-Cola system for over 70 years, when the first bottling agreement was signed in Spain in 1951

Key external commitments

Co-Chairman and member of the Executive Committee of Cobega, S.A., Executive Chairman of Olive Partners, S.A., director of Equatorial Coca-Cola Bottling Company, S.L., independent non-executive director and a member of the Appointments, Remuneration and Responsible Banking, Sustainability and Culture Committees of Banco Santander

Previous roles

Various roles at the Daurella family's Coca-Cola bottling business, director of Banco de Sabadell, Ebro Foods, Acciona and Co-Chairman of Grupo Cacaolat

2

Damian Gammell
Chief Executive Of
Date appointed to th

Committees

Key strengths/exp

- Strategy, risk mar development anc
- Vision, customer transformational
- Developing peop promoting sustai
- Over 25 years of experience and i of the non-alcoh (NARTD) industry Coca-Cola systen

Key external comm

N/A

Previous roles

Beverage Group Pr Group and CEO of Managing Director and a number of ot roles in the Coca-C Russia, Australia anc

Key to Committees AT Affiliated Transaction Committee A Audit Committee E Environmental, Social and Governance Committee

Directors' biographies continued

4

John Bryant
Independent Non-executive Director
Date appointed to the Board **Jan 2021**

Committees AT A E N R

Key strengths/experience

- Chairman/CEO of a multinational public company
- Expert in strategy, mergers and acquisitions, restructuring and portfolio transformation
- 30 years' experience in consumer goods
- Strong track record of finance and operational leadership, experience in overseeing information technology
- Engaged in the cybersecurity strategy process

Key external commitments

Chairman of the Board and of the Nomination Committee and member of the Remuneration Committee of Flutter Entertainment plc, non-executive director, Chairman of the Remuneration Committee and member of the Audit, Corporate Responsibility and Nomination Committees of Compass Group plc and non-executive director and member of the Audit and Nominating and Corporate Governance Committees of Ball Corporation

Previous roles

Executive Chairman and CEO of Kellogg Company having previously held a variety of senior roles in the Kellogg Company, strategy advisor at A.T. Kearney and Marakon Associates and non-executive director of Macy's Inc.

5

José Ignacio Comenge
Non-executive Director
Date appointed to the Board **May 2016**

Committees AT A E N R

Key strengths/experience

- Extensive experience of the Coca-Cola system
- Broad board experience across industries and sectors
- Knowledgeable about the industry in our key market of Iberia
- Insights in formulating strategy drawn from leadership roles in varied sectors

Key external commitments

Director of Olive Partners, S.A., ENCE Energía y Celulosa, S.A., Compañía Vinícola del Norte de España, S.A., Ebro Foods S.A., Barbosa & Almeida SGPS, S.A., Mendibea 2002, S.L. and Chairman of Ball Beverage Can Iberica, S.L

Previous roles

Senior roles in the Coca-Cola system, AXA, S.A., Aguila and Heineken Spain and Vice-Chairman and CEO of MMA Insurance

6

Nathalie Gaveau
Independent Non-
Date appointed to th

Committees

Key strengths/exp

- Successful tech e and investor
- Expert in e-comn transformation, ir data and social m
- International con goods experience

Key external comm

Non-executive dire Commerce Inc., Sor World and Senior A

Previous roles

Founder and CEO c Interactive Business TBWA Tequila Grou E-business and CRM Med, co-founder ar of Priceminister, Fir Lazard, and non-exe HEC Paris and Calid of Tailwind Internat acquisition compar

Key to Committees AT Affiliated Transaction Committee A Audit Committee E Environmental, Social and Governance Committee N

Directors' biographies continued

8

Mary Harris
Independent Non-executive Director
Date appointed to the Board **May 2023**

Committees AT A E N R

Key strengths/experience

- Top level strategic outlook with international and consumer focus
- Significant non-executive director experience gained from other major listed companies
- Deep understanding of remuneration requirements gained from previous Remuneration Committee chair roles

Key external commitments

Designated non-executive director for workforce engagement and a member of the Remuneration Committee of Reckitt plc and a Supervisory Board member at HAL Holding N.V.

Previous roles

Non-executive director at ITV plc, Unibail-Rodamco Westfield SE, Sainsbury's, TNT Express and TNT N.V. and Partner at McKinsey & Company

9

Thomas H. Johnson
Independent Non-executive Director and Senior Independent Director
Date appointed to the Board **May 2016**

Committees AT A E N R

Key strengths/experience

- Chairman/CEO of international public companies
- Manufacturing and distribution expertise
- Extensive international management experience in Europe
- Investment and finance experience

Key external commitments

CEO of The Taffrail Group, LLC and non-executive director of Universal Corporation

Previous roles

Chairman and CEO of Chesapeake Corporation, President and CEO of Riverwood International Corporation, and director of Coca-Cola Enterprises, Inc., GenOn Corporation, Mirant Corporation, ModusLink Global Solutions, Inc., Superior Essex Inc. and Tumi, Inc.

10

Dagmar Kollmann
Independent Non-
Date appointed to th

Committees

Key strengths/exp

- Expert in finance listed groups
- Thorough unders markets and mer
- Extensive comme relations experier
- Strong executive experience in glo
- Risk oversight an governance expe

Key external comm

Chairman of the Su of Citigroup Global member of the Sup Unibail-Rodamco-W Deutsche Telekom director of Paysafe and Commissioner Monopolies Commi

Previous roles

CEO and Country H Austria for Morgan boards of Morgan S and Morgan Stanley Ltd in London, Asso in London, non-exe IPEX-Bank and Dep Supervisory Boards Holdings AG and De Pfandbriefbank AG

Key to Committees AT Affiliated Transaction Committee A Audit Committee E Environmental, Social and Governance Committee

Directors' biographies continued

12

Nicolas Mirzayantz
Independent Non-executive Director
Date appointed to the Board **May 2023**

Committees AT A E N R

Key strengths/experience
- Over 30 years of strategic, operational and business transformation experience
- A deep understanding of the FMCG industry
- Strong sustainability and ESG experience

Key external commitments
Director of Puig S.L.

Previous roles
Various senior roles at IFF, including President, Nourish Division and Divisional CEO, Scent Division. Previously served on the Board of the International Fragrance Association and was a Cultural Leader at the World Economic Forum

13

Mark Price
Independent Non-executive Director
Date appointed to the Board **May 2019**

Committees AT A E N R

Key strengths/experience
- Extensive experience in the retail industry
- A deep understanding of international trade
- Strong strategic and sustainable development skills

Key external commitments
Member of the House of Lords, Founder of WorkL, Chair of Trustees of the Fairtrade Foundation UK and President and Chairman of the Chartered Management Institute

Previous roles
Managing Director of Waitrose and Deputy Chairman of John Lewis Partnership, non-executive director and Deputy Chairman of Channel 4 TV and Minister of State for Trade and Investment and Trade Policy, Chair of Business in the Community, The Prince's Countryside Fund and Member of Council at Lancaster University

14

Nancy Quan
Non-executive Dire
Date appointed to th

Committees

Key strengths/exp
- Extensive knowle Coca-Cola systen
- Significant leader spanning innovat trends, research a and supply chain
- Experience applic geographical foo

Key external comn
Executive Vice Pres Technical and Innov a member of the Li Board of Directors, Advisory Board for t California Davis MB FIRST (For Inspiratic of Science and Tech Advisory Board

Previous roles
Various senior roles Chief Technical Off North America, Glol Development Offic Innovation, Researc General Manager fc Group, Vice Preside Development, Paci for the Shanghai, Ja and Development (

Key to Committees AT Affiliated Transaction Committee A Audit Committee E Environmental, Social and Governance Committee

Directors' biographies continued

16

Dessi Temperley
Independent Non-executive Director
Date appointed to the Board **May 2020**

Committees AT A E N R

Key strengths/experience

- Financial and technical accounting expertise
- Strong commercial insights and knowledge of European markets
- International consumer brands experience
- Skilled in technology

Key external commitments

Non-executive director and Chairman of the Audit Committee of Cimpress plc, non-executive director and member of the Audit and Risk Committee of Philip Morris International Inc. and member of the Supervisory Board of Corbion N.V.

Previous roles

Group CFO of Beiersdorf AG, member of the Supervisory Board of Tesa SE, Head of Investor Relations at Nestlé, CFO of Nestlé Purina EMENA and CFO of Nestlé South East Europe, and finance roles at Cable & Wireless and Shell

Appointed 1 January 2024

Guillaume Bacuvier
Independent Non-executive Director
Date appointed to the Board **Jan 2024**

Committees AT A E N R

Key strengths/experience

- Valuable perspectives on consumer behaviours and strategy
- Brings a wealth of marketing effectiveness insights from across Europe and APAC
- Strong track record of commercial and technological business transformation

Key external commitments

CEO of Worldpanel, Kantar's consumer panel market research division, and non-executive director of Berger-Levrault

Previous roles

CEO of dunnhumby, a number of senior positions at Google and Orange and non-executive director of Attest Technologies Limited and VEON Ltd

Key to Committees AT Affiliated Transaction Committee A Audit Committee E Environmental, Social and Governance Committee

Senior management

1. Nik Jhangiani **2.** Clare Wardle **3.** José Antonio Echeverría **4.** Peter Brickley **5.** Stephen Lusk **6.** Ana Callol **7.** Victor Rufart **8.** Véronique Vuillod **9.** Leendert den Hollander **10.** John Galvin **11.** Francesc Cosano **12.** Stephen Moorhouse **13.** Peter West

Senior management continued

Our senior management team and Damian Gammell together constitute the members of the Executive Leadership Team (ELT).

1
Nik Jhangiani
Chief Financial Officer (CFO)
Appointed **May 2016**

Nik has more than 30 years of finance experience, including 20 years within the Coca-Cola system, previously as Senior Vice President and CFO for Coca-Cola Enterprises, Inc. Nik started his career in New York at accountancy firm Deloitte & Touche before spending two years at Bristol-Myers Squibb as International Senior Internal Auditor. He then joined the Colgate-Palmolive Company in New York where he was appointed Group Financial Director for the Nigerian operations, before moving to TCCC in Atlanta. He is a Certified Public Accountant. Nik is also the culture and heritage inclusion executive sponsor at CCEP.

2
Clare Wardle
General Counsel and Company Secretary
Appointed **July 2016**

Clare leads legal, risk, compliance, security and company secretariat. Prior to joining CCEP, she was Group General Counsel and Company Secretary at Kingfisher plc, Commercial Director, General Counsel and Company Secretary at Tube Lines and held senior roles at the Royal Mail Group. She began her career as a barrister before moving to Hogan Lovells. Clare is the Senior Independent Director of The City of London Investment Trust plc and chair of the Royal British Legion Industries' Development Board. Clare is also the LGBTQ+ inclusion executive sponsor at CCEP.

3
José Antonio Eche
Chief Customer Ser
Supply Chain Office
Appointed **Septembe**

José Antonio leads
supply chain and cu
focused on creatin
for our customers, v
expanded and sust
of drinks and packa
part of the Coca-C
serving in multiple r
President of Strate
Projects for the Ibe
Vice President, Stra
for Supply Chain ac
is also the disability
sponsor at CCEP.

4
Peter Brickley
Chief Information
Appointed **November**

Peter leads the bus
technology functio
steering CCEP's inv
solutions. Peter has
experience leading
businesses includin
and BAT. Before CC
and Managing Dire
Services at SABMille
the Brain and Spine
designate of the Ch
Previously, Peter wa
Building Society.

Senior management continued

7

Victor Rufart
Chief Integration Officer
Appointed **October 2016**

Victor leads business strategy and business transformation. Prior to joining CCEP, he was CEO of Coca-Cola Iberian Partners, S.A. and spent 25 years at Cobega, S.A. While with Cobega, S.A. he held a number of senior roles including Director of New Business, Head of Finance, advisor in the formation of the Equatorial Coca-Cola Bottling Company and Head of Tax Planning.

8

Véronique Vuillod
Chief People and Culture Officer
Appointed **November 2020**

Véronique heads CCEP's People and Culture function. Having joined the Coca-Cola system and bottling operations 25 years ago, she has worked in many human resources (HR) positions across business units, commercial and supply chain functions overseeing HR strategy and partnering with business leaders, as well as specialist positions in talent, people growth and engagement. She began her career as a management consultant with PricewaterhouseCoopers. She is an advocate for human centred workplaces, supports the promotion of inclusion and diversity, HR best practices in leadership and workplace, and innovations networks.

9

Leendert den Hollander
General Manager, France and Northern Europe
Appointed **September 2020**

Leendert is responsible for CCEP's business units in France and Northern Europe, which includes our businesses across France, Benelux and Nordics. Previously, he was General Manager of Great Britain. Prior to CCEP, Leendert was CEO of Young's Seafood and Managing Director at Findus Group Ltd. Earlier in his career, Leendert spent 15 years at Procter & Gamble in senior marketing positions. Leendert is also the gender balance and equality executive sponsor at CCEP.

10

John Galvin
General Manager, Germany
Appointed **June 2022**

John leads CCEP's business unit in Germany. John joined the business in 2019 and, prior to his appointment as General Manager of Germany, held the role of Vice President, Sales and Marketing for Germany. Previously, John led Coca-Cola İçecek's business in Pakistan, and he began his career with Diageo. He has held sales, marketing and general management roles across Europe and Asia, and brings significant international experience and leadership in the beverage sector to CCEP.

11

Francesc Cosano
General Manager, Il
Appointed **May 2016**

Francesc leads CCEI
Portugal and Andor
Operations Director
of Coca-Cola Iberia
has been part of the
for over 30 years an
of sales manageme
as Sales Director the
Manager. He has als
Director for the Lec
in Anglo Española d

12

Stephen Moorhous
General Manager, C
Appointed **Septembe**

Stephen is responsi
unit in Great Britain
experience in the C
leading business op
chain. Stephen has
senior executive rol
most recently as Ge
Northern Europe. P
worked overseas fo
the US and Asian Pa
is a member of the
Institute of Grocery
British Soft Drinks A
also the multi-gene
executive sponsor a

Corporate governance report

Governance framework

Our corporate governance framework is summarised below, with further detail provided on the followi

Stakeholders

Including our people, shareholders, franchisors, consumers, customers, suppliers and communities

Board of Directors

Provides overall leadership and independent oversight of performance and is accountable to shareholders for the Group's long-term success

› Delegation ›

Audit Committee	Monitors the integrity of the Group's financial s and results announcements, the effectiveness c controls and risk management, as well as mana external auditor relationship and material CoC
Environmental, Social and Governance (ESG) Committee	Oversees performance against CCEP's strategy goals for ESG, reviews ESG risks facing CCEP, in health and safety and climate change risks, and practices by which these risks are managed anc mitigated, recommends to the Board for appro sustainability commitments and targets, and m and reviews public policy issues that could affe and CoC matters.
Nomination Committee	Sets selection criteria and recommends candid appointment as Independent Non-executive D reviews Directors' suitability for election/re-ele shareholders, considers Directors' potential con interest, oversees development of a diverse se management pipeline and Director succession, oversees wider people matters for the Group, i culture, diversity, succession, talent and leaders
Remuneration Committee	Recommends remuneration policy and framew the Board and shareholders, recommends rem packages for members of the Board to the Bo approves remuneration packages for senior man reviews workforce remuneration and related p principles, and governs employee share schem
Affiliated Transaction Committee (ATC)	Has oversight of transactions with affiliates and recommendations to the Board (affiliates are h of 5% or more of the securities or other owners interests of CCEP).
Ad hoc committees	• Disclosure Committee • Results and Dividend sub committee

‹ Accountability ‹

Corporate governance report continued

Statement of compliance

The governance framework of the Company is set out in its Articles of Association (the Articles) and the Shareholders' Agreement. These provide a high level framework for the Company's affairs, governance and relationship with its stakeholders including its shareholders. The Articles, Shareholders' Agreement and frequently asked questions about the governance framework are available on the Company's website at cocacolaep.com/about-us/governance.

Statement of compliance with the 2018 UK Corporate Governance Code (the Code)

We follow the Code on a comply or explain basis. CCEP is not subject to the Code, as it has a standard listing of ordinary shares on the Official List. However, we have chosen to comply with the Code where possible and explain areas of non-compliance to demonstrate our commitment to good governance as an integral part of our culture. Save as set out below, CCEP complied with the Code during the year ended 31 December 2023.

A copy of the Code is available on the Financial Reporting Council's (FRC) website: www.frc.org.uk/library/standards-codes-policy/corporate-governance/uk-corporate-governance-code/

Chairman

Code provision 9

The Chairman, Sol Daurella, was not considered independent on her appointment. However, we benefit from her vast knowledge of, and long-term commitment to the Coca-Cola system, and her extensive experience and leadership skills, gained from her roles as director and CEO of large public and private institutions across many different sectors.

Annual re-election

Code provision 18

Sol Daurella, the Chairman, will not be subject to re-election during her nine year tenure following the completion of the merger in 2016. This recognises the importance of her extensive experience and knowledge of the beverage industry, and the significant shareholding of Olive Partners, S.A. (Olive Partners) in the Company.

CCEP follows governance best practice, with all other Directors standing for re-election annually at the Annual General Meeting (AGM).

Remuneration

Code provision 32

The Remuneratio
composed solely c
it comprises a maj
Shareholders' Agre
the Remuneratior
at least one Direct

- Olive Partners, fo
at least 15% of tl
- European Refre
Company (ER), a
for as long as it c
the Company

The Remuneratio
independent Chai
the nominated Di
understanding of

Remuneration

Code provision 33

The Remuneratio
not solely respons
remuneration of t
CEO. Instead, the
any Director whos
is linked to the de
their remuneratio
Non-executive Dir
recommendation
Committee and fo
analysis and debat
has followed all of
Committee's reco
All executives recu
from decision mak
executive remune

Corporate governance report continued

Board Committees

CCEP has a number of Committees whose purpose and composition are broadly comparable to the requirements of the Nasdaq Rules for domestic US companies. However, other than the Audit Committee, committee members are not all INEDs, although in all cases the majority are. Each committee has its own terms of reference (broadly equivalent to a charter document) which are reviewed annually and can be found on our website at cocacolaep.com/about-us/governance/committees.

Audit Committee

More information about the Audit Committee is set out in its report, including compliance with the requirements of Rule 10A-3 under the US Securities Exchange Act of 1934, as amended, and Rule 5605(c)(2)(A) of the Nasdaq Rules.

The Audit Committee comprised only INEDs (who are also deemed independent under the Nasdaq Rules). However, the responsibilities of the Audit Committee (except for applicable mandatory responsibilities under the Sarbanes-Oxley Act) follow the Code's recommendations rather than the Nasdaq Rules, although they are broadly comparable. One of the Nasdaq's similar requirements for the Audit Committee states that at least one member of the Audit Committee should be a financial expert.

The Board determined that Dessi Temperley, John Bryant and Dagmar Kollmann possess such expertise and are therefore deemed financial experts as defined in Item 16A of Form 20-F. It was further determined that none of the Audit Committee members had participated in the preparation of the financial statements of the Company or any of its subsidiaries.

Code of Conduct

The Nasdaq Rules require relevant domestic US companies to adopt and disclose a code of conduct applicable to all Directors, officers and employees. The CCEP CoC applies to all employees, Directors and the senior financial officers of the Group. Our CoC seeks to ensure that we act with integrity and accountability in all our business dealings and relationships. Our policies also drive compliance with relevant legislation. The CoC covers issues such as anti-bribery, data protection, environmental regulation, human rights, health, safety, wellbeing and respect for others. It aligns with the UN Global Compact, the US Foreign Corrupt Practices Act, the UK Bribery Act, the Code, the EU General Data Protection Regulation, the Spanish and Portuguese Criminal Codes and Sapin II.

We also expect all
work on our behal
manner consisten
comply with our S

All employees are
CoC training, whic
induction process
Training on specifi
their roles is provi
Our CoC specifica
responsibilities an
help with decision
guidance on situa
and harassment.

If the Board amen
provisions of the C
amendment or wa
the website. No su
amendment has b
date.

See our CoC at w
code-of-conduc

CCEP considers th
related policies ac
Rules on the code
relevant domestic

Corporate governance report continued

Board leadership and company purpose

Role of the Board

The Board is primarily responsible for the Group's strategic plan, risk appetite and oversight, systems of internal control and corporate governance policies, to ensure the long-term success of the Group, underpinned by sustainability.

Read more about the Board's role in risk oversight in Principal risks on pages 68-78 **TCFD** on pages 48-60 **and the Audit Committee report** on pages 118-124

To retain control of key decisions and ensure there is a clear division of responsibilities, there is a formal schedule of matters reserved to the Board, which sets out the structure under which the Board manages its responsibilities, and provides guidance on how it discharges its authority and manages its activities. Reserved matters include strategic decisions, approval of annual and long-term business plans, suspension, cessation or abandonment of any material activity of the Group, and material acquisitions and disposals.

The Board, through the Nomination Committee, assesses and monitors the Group's culture to ensure it aligns with the Group's purpose, values and strategy set by the Board.

Read more about our strategy on page 14 **and read our Nomination Committee's report** on pages 114-116

Table 1
Roles on the Board

Role	Responsibilities
Chairman	• Operating, leading and governing the Board • Setting meeting agendas, managing meeting • Promoting a culture of open debate between encouraging effective communication during • Creating the conditions for overall Board and Director effectiveness
CEO	• Leading the business • Implementing strategy approved by the Boar • Overseeing the operation of the internal cont
SID	• Advising and supporting the Chairman by acti contact for shareholders and as an intermedia
NEDs	• Providing constructive challenge, strategic gu and specialist advice to the Board and its Com • Holding management to account • Offering their extensive experience and busin other sectors and industries
Company Secretary	• Assisting the Chairman by ensuring that all Dir timely access to relevant information • Advising the Board on legal, compliance and c matters • Organising the induction and ongoing training

Stakeholders

The Board recognises the importance of stakeholders to CCEP – both their inputs to our business and our impact on them. We use a matrix to help ensure Directors have the right engagement and information to enable them to consider stakeholders' interests in their decision making.

Read more about stakeholders on pages 61-64

Corporate governance report continued

Board activities

Key topics discussed by the Board during 2023

The Chairman sets the Board agenda, which consists of discussion topics described in the table adjacent that align with its strategic objectives towards its aim of promoting the long-term success of CCEP.

In addition, at Board meetings the Directors receive reports back from Committee Chairs, business and commercial updates from the CEO (including on digital, technology and innovation), finance reports from the CFO, reports covering governance and regulatory updates from the Company Secretary, and updates on business performance and initiatives from other key senior executives.

Strategy was also a key focus of discussions, and the Board considered and debated consumer trends focusing on developments in AI, the status of the current global market, performance and opportunities in the API region and the retail landscape.

Link to strategy

Great brands

Great people

Great execution

Done sustainably

Area of focus	Discussion topics
Risk	• Assessment of market uncertainty, sancti result of the war in Ukraine, Middle East a
	• Changes to retail environments and custo
	• Review of competitors, global market ana
People	• People strategy, including focus on emplo talent, learning and development and fut
	• Promoting employee inclusion, diversity a
	• Review of wider workforce remuneration
	• Prioritising the safety of our people by pil
Sustainability	• Continual monitoring of our progress aga
	• Progression of our packaging initiatives
	• Created new sustainable partnerships
	• Consideration of the expanding framewo
Commercial	• Progress towards improving route to mar
	• Expanding presence in API by exploring e evidenced by the acquisition of CCBPI
	• Increasing consumer choice by growing o new categories such as alcoholic ready to
	• Development of relationship with TCCC a
Finance	• Approval of capital expenditure and divid
	• Support for developments in innovation w
	• Progress made on the implementation of
	• Monitoring pricing challenges and opport

Corporate governance report continued

Board activities

This timeline highlights some of the training and development opportunities received by the Board in 2

March 2023

Market and production facility tours in Sydney, Australia and Auckland, New Zealand

During the March 2023 Board meeting, Board members attended tours of the Northmead production facility and the market in the Paramatta region of the city, gaining insights into the wider business in Australia, as well as a market visit in Auckland, New Zealand.

April 2023

Opening of new office in Sofia, Bulgaria

Board members and senior management attended the opening of the new, state of the art office in Sofia. The agenda for this visit included an ID&E lunch with local employees.

Image: New Sofia office being officially opened by Chairman, Sol Daurella, and CFO, Nik Jhangiani

May 2023

Sidcup production facility tour

As part of their induction programmes, board members Nicolas and Mary were welcomed to the Sidcup production facility in GB.

Image: Colleagues with Board members, Nicolas Mirzayantz and Mary Harris, during their visit

September 202

Artificial Intellige

The Board receive
session on the rec
capabilities of AI a
including its poter
impacts on CCEP
strategy meeting.

October 2023

Plastics and packaging

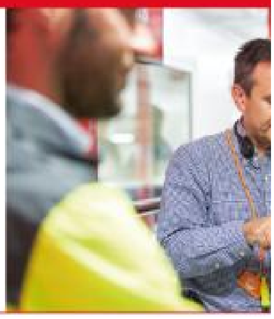
Board members received a deep dive into our packaging strategy, which included updates on refillable packaging and packageless to support delivery of CCEP's sustainability action plan, This is Forward.

October 2023

Seville production facility tour

The October Board meeting included a visit to the Coca-Cola Rinconada production facility in Seville, Spain.

Image: Board member, José Ignacio Comenge, and Chief Customer Service and Supply Chain Officer, José Antonio Echeverria, during visit



Corporate governance report continued

Division of responsibilities and conflicts of interest

Governance structure

The Board, led by the Chairman, is responsible for the leadership of the Group. While both the Executive Director and NEDs have the same duties and constraints, they have different roles on the Board (see Table 1 on page 106). There is a clear, written division of responsibilities between the Chairman and the CEO. The Board has approved a framework of delegated authority to ensure an appropriate level of Board contribution to, and oversight of, key decisions and the management of daily business that support its long-term sustainable success. This framework has been designed to enable the delivery of the Company's strategy and is outlined in our governance framework on page 103.

The Board delegates certain matters to its Committees. Each Committee has its own written terms of reference, which are reviewed annually. These are available at cocacolaep.com/about-us/governance/committees.

The CEO with the ELT manages the day to day business. All decisions are made in accordance with our chart of authority, which defines our decision approval requirements and ensures that all relevant parties are notified of decisions impacting their area of responsibility.

Board support

Board meetings are generally scheduled at least one year in advance, with ad hoc meetings arranged to suit business needs. Meetings are held in a variety of locations, reflecting our engagement with all aspects of our international business.

The agenda of Board meetings follow our annual Board programme. This sets out the standing items at each meeting, such as periodic activities (including results and AGM documentation), business plan and the assessment of Board evaluation results.

Before the Board meeting, the Chairman, CEO and Company Secretary agree the final agenda. This covers discussion items such as the status of ongoing projects and stakeholder considerations. Comprehensive briefing papers are circulated electronically to all Directors, to allow time to review the matters which are to be discussed.

Throughout the year, Directors have access to the advice and services of the Company Secretary and independent professional advice, at the Company's expense.

Independence of Directors

The Board reviewe
of all the NEDs ag
also considered th
SEC Rule 10A-3 in
Committee.

It determined tha
John Bryant, Nath
Mary Harris, Thom
Dagmar Kollmann
Mark Price, and De
independent and
effective contribu

The Board recogn
remainder of CCE
the Chairman, can
independent. How
to demonstrate e
when carrying out
clear on their oblig
including under se
Companies Act.

Our CEO, Damian
considered indepe
executive respons

Consequently, the
Board are indepen

Corporate governance report continued

Board and Committee meetings

The Board held seven formal meetings during 2023, with additional ad hoc meetings with Board and Committee members held in line with business needs. Directors are expected to attend every meeting. If a Director is unable to attend, the relevant papers are provided to that Director in advance so that comments can be given to the Chairman or Committee Chairman, as applicable, who relays them at the meeting. Afterwards, the Chairman or Committee Chairman, as applicable, also briefs the Director on the matters discussed.

Attendance during 2023 is set out in Table 2. The Chairman attends most Committee meetings. There is cross membership between the Audit Committee and Remuneration Committee. This helps ensure remuneration outcomes align with the underlying performance of CCEP. This reflects CCEP's joined up approach to investing in and rewarding our people.

Table 2

Meeting attendance by Board and Committee members[(A)]

	Independent or nominated by Olive Partners or ER[(B)]
Chairman	
Sol Daurella	Nominated by Olive Partners
Executive Director	
Damian Gammell	CEO
Non-executive Directors	
Manolo Arroyo	Nominated by ER
Jan Bennink[(C)]	Independent
John Bryant	Independent
José Ignacio Comenge	Nominated by Olive Partners
Christine Cross[(C)]	Independent
Nathalie Gaveau[(E)]	Independent
Álvaro Gómez-Trénor Aguilar	Nominated by Olive Partners
Mary Harris[(D)(F)]	Independent
Thomas H. Johnson	SID
Dagmar Kollmann	Independent
Alfonso Líbano Daurella	Nominated by Olive Partners
Nicolas Mirzayantz[(D)(G)]	Independent
Mark Price	Independent
Nancy Quan[(D)(G)]	Nominated by ER
Mario Rotllant Solá	Nominated by Olive Partners
Brian Smith[(C)(H)]	Nominated by ER
Dessi Temperley	Independent
Garry Watts[(C)]	Independent

(A) The maximum number of scheduled meetings in the period during which the individual was a Board or Committee member is shown in brackets.

(B) Nominated pursuant to the Articles of Association and terms of the Shareholders' Agreement.

(C) Jan Bennink, Christine Cross and Brian Smith each stepped down from the Board effective 24 May 2023. Garry Watts stepped down from the Board effective 31 December 2023.

(D) Effective 24 May 2023, Ma
Nancy Quan were appoin

(E) Effective 24 May 2023, Na
member of the Affiliated

(F) Effective 24 May 2023, Ma
member of the Remuner

(G) Effective 24 May 2023, Na
were appointed to the E

Corporate governance report continued

Composition, succession and evaluation

Board diversity and composition

The composition of the Board and its Committees is set out on page 110. As their biographies on pages 95-99 show, our Board members have a range of backgrounds, skills, experience and nationalities, demonstrating a rich cognitive diversity.

See an overview of our Directors' skills and experience on page 93

Read more about the Group's approach to ID&E on page 23

Our commitment to diversity begins at the top, with clear leadership from our Board, and is embedded at every level of our business through our, Board Diversity Policy, Inclusion, Diversity and Equity Policy, This is Forward and the CoC.

Read more about Board succession and Board diversity on pages 113-116

Board evaluation

In line with best practice, we conduct an external Board evaluation at least once every three years. We did this last in 2021 and have begun the process of conducting the external evaluation in 2024.

Following the strong feedback and outputs following the internal 2022 Board evaluation, it was determined that a similar process was appropriate for 2023. The Board followed the Chartered Governance Institute's Principles of Good Practice for Listed Companies when appointing Lintstock to support in the questionnaire-based exercise, alongside interviews with all Directors by the SID. Lintstock has no other connection with CCEP or any individual Director.

The questionnaire and interview responses were collated and reports produced on the performance and effectiveness of the Board, each Committee and the Directors. The Board discussed the results openly and constructively.

Overall, the Board confirmed that it continued to perform effectively. Board culture, its relationship with senior management and Board support were highly rated, but some areas for further improvement were identified. These are set out in Table 3.

Table 3
2023 Board evalu

	Disruptive t
2023 findings	Show prepare the impa disruptiv technolo how to h them.
Actions under-taken in 2023	The Boa received overview digital transfor program Septem Board tr sessions innovati the futu frontline been sc for 2024

Corporate governance report continued

Table 4
Disclosure of compliance with provisions of the Audit, risk and internal control and Remuneration sections of the Code

Items located elsewhere in the 2023 Integrated Report	Page(s)
Directors' responsibilities statement	147
Directors' statement that they consider the Integrated Report and financial statements, taken as a whole, to be fair, balanced and understandable	147
Going concern statement	146
Assessment of the Group's principal risks	68-78
Viability statement	79
Risk management and internal control systems and the Board's review of their effectiveness	77, 124
Audit Committee report	118-124
Directors' remuneration report	127-143

Election and re-election of Directors

The Board has determined that the Directors, subject to continued satisfactory performance, shall stand for election or re-election at the May 2024 AGM with the exception of the Chairman, as explained on page 104. The Board is confident that each Director will carry on performing their duties effectively and remain committed to CCEP.

The NED terms of appointment are available for inspection at the Company's registered office and at each AGM. Among other matters, these set out the time commitment expected of NEDs. The Board is satisfied that the other commitments of all Directors do not interfere with their ability to perform their duties effectively.

See the significant commitments of our Directors in their biographies on pages 95-99

Audit, risk and int
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Disclosures of con
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Annual General M

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be held on 22 May
of AGM will set ou
a full description c
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April 2024.

The Chairman, SID
Chairmen are avai
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of responsibility, b
Company Secreta

Nomination Committee Chairman's letter

We want CCEP to be a great place to work, with a strong and inspiring workplace culture."

Dear Shareholder

I am pleased to report on the work of the Nomination Committee during 2023.

People and Culture

The Committee continued to play an important role in overseeing CCEP's approach to culture and its people. This was facilitated through updates from management on ID&E and wellbeing initiatives, talent management and capabilities for CCEP's next generation technology architecture. In particular, in 2023 the Committee was pleased to receive regular updates on CCEP's inclusivity commitments, with the Company making progress towards all targets, including the aim to have 45% women in management roles and above by 2030. We also met our commitment to have 10% of the workforce with self-declared disabilities[(A)].

The Committee also heard about how the Company was accelerating its great leadership through the development of programmes to enhance the skills of its leaders to better support their people. Insights were provided into how CCEP continued to embed its "Everyone's Welcome" philosophy to encourage and implement an inclusive culture and ensure engagement from all levels of the business up to the senior leadership.

In addition, the Committee received data and actionable insights about our people from the Group's employee engagement survey and monitored progress through a regular scorecard.

Read more about our people on pages 20-26

Board succession

A key focus of the Committee is to ensure that the Board and its Committees have the right composition and balance of skills, experience, knowledge and diversity.

As announced on 14 December 2023, we welcomed Guillaume Bacuvier to the Board with effect from 1 January 2024 and announced the resignation of Garry Watts. I would like to thank Garry for his invaluable contribution to CCEP. When considering the appointment, the Committee noted the existing skills on the Board and the desirability of expertise in consu
and strategy, as w
experience in API
which Guillaume b
Committee deter
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The Committee a
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Audit Committee
1 January 2024.

Read more abou
on page 114 **and**
page 99

INED induction

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Read more abou
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Nomination Committee report

Nomination Committee role

The key duties and responsibilities of the Committee are set out in its terms of reference. These are available at cocacolaep.com/about-us/governance/committees and include:

- Reviewing and making recommendations to the Board on Board appointments, re-elections, and Board and Committee composition
- Overseeing the evaluation of the Board
- Ensuring and overseeing succession planning of the Board and senior management talent pipeline
- Assessing and monitoring culture and ensuring effective engagement with our people

Membership

	Member since
Thomas H. Johnson (Chairman)	May 2019
Manolo Arroyo	May 2021
Sol Daurella	May 2016
Mary Harris	May 2023
Mark Price	May 2019

Activities of the Nomination Committee during the year

Table 1 on page 115 sets out the matters considered by the Committee during 2023. Further detail is provided in this report. The Committee met six times during the year.

See details of attendance at meetings on page 110

Board composition and diversity

As delegated by the Board, the Committee continuously keeps the composition of the Board under review, aiming to maintain a well-balanced Board with a mix of individuals who bring a wide range of expertise, experience and diversity to align with the Group's long-term strategy.

Board Diversity policy

The Board and the Nomination Committee recognise the benefits that diverse characteristics have to offer to all aspects of governance. In 2023, the Board's Diversity policy was updated to make it clear that, in respect of appointments not only to the Board, but to Committees that it recognises the benefits of having diversity with regard to a wide range of characteristics such as age, gender, ethnicity, sexual orientation and disability, as well as educational and professional background. The policy drives balance and alignment with CCEP's purpose, strategy and values, through agreed principles and targets which reflect the measures the Board will take when considering its own membership and approach.

The Board has set a
the policy of at lea
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minority ethnic ba
the Parker Review

See our diversity
selection criteri
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Chairman) and on
an ethnic minority
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women on the Bo
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2023 from 29.4% ir
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and their direct re
on page 22.

Nomination Committee report continued

Director inductions

The Nomination Committee reviews the induction programme for new Directors. All new Directors receive a suite of induction materials as well as mentorship from established Directors. Meetings with members of the Board and the ELT, and site visits in a number of our markets are also arranged.

Over 2023, the newly appointed INEDs' induction programme included attending the March Board meeting in Australia and New Zealand, attending an ID&E event in the new Bulgaria office, and market visits in GB, Sweden and Australia. They also attended a market visit and production facility tour in France and received bespoke training on CCEP's franchisor agreements and governance documents.

Senior management succession

The Committee is committed to supporting the development and progression of diverse talent at senior management level and acknowledges the recommendations of the Parker Review in developing ethnic diversity targets for senior management. The Committee considers and recommends succession plans for the Group's ELT to the Board.

Over 2023, the Committee oversaw a change to the structuring of the European BUs, with Leendert den Hollander assuming an expanded role to incorporate the France BU as part of his responsibilities in Northern Europe.

Table 1

Matters considere

Meeting date
February 2023
May 2023
July 2023
September 2023
October 2023
December 2023

Nomination Committee report continued

Table 2
Nasdaq Board diversity disclosure(A)

Board Diversity Matrix	As of 31 December 2023			
Country of principal executive offices:	United Kingdom			
Foreign private issuer	Yes			
Disclosure prohibited under home country law	No			
Total number of Directors	17			
	Female	Male	Non-binary	Did not disclose gender
Part I: Gender identity				
Directors	6	11	—	—
Part II: Demographic background				
Underrepresented individual in home country jurisdiction	1			
LGBTQ+	1			
Did not disclose demographic background	—			

Table 3 – LR14 Annex 1(a) reporting on gender identity or sex
FCA listing requirements

	Number of Board members	Percentage of the Board	Number of sen positions on th
Men	11	65	2
Women	6	35	1
Not specified/prefer not to say	—	—	—

Table 4 – LR14 Annex 1(b) reporting on ethnic background

	Number of Board members	Percentage of the Board	Number of sen positions on th
White British or other White (including minority-white groups)	16	94	3
Mixed/Multiple ethnic groups	—	—	—
Asian/Asian British	1	6	—
Black/African/Caribbean/Black British	—	—	—
Other ethnic group, including Arab	—	—	—
Not specified/prefer not to say	—	—	—

(A) Disclosure permitted with Director consent.
(B) Senior positions on the Board include the Chairman, Chief Executive Officer or Senior Independent Director. The Chief Financial Officer is not a member of the Board.
The data in the above tables was collected voluntarily through the annual Directors & Officers ("D&O") questionnaires. The data is used purely to satisfy CCEP's Board and leadership diversity disclosure requirements under the UK's Financial Conduct Listing Rules and Nasdaq requirements. The Board was asked to self-report their data through questions raised in the D&O questionnaire on gender identity, sexual orientation and ethnic background.

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Audit Committee Chairman's letter

Supporting the successful acquisition of CCBPI was a key role of the Committee during 2023."

Dear Shareholder

I am very pleased to introduce the Audit Committee report setting out the key matters and issues considered in 2023.

Committee membership

The Committee was pleased to welcome Nicolas Mirzayantz to the Committee following the retirement of Garry Watts on 31 December 2023.

CCBPI acquisition

The Committee reviewed the financing and structuring and also hedging strategy to support the acquisition by CCEP of its 60% share of CCBPI, as well as the related disclosures in the 2023 financial statements.

SEC correspondence

The Committee reviewed the Company's correspondence with the SEC on its long-standing policy of accounting for the TCCC bottling rights as indefinite-lived intangible assets, as well as the associated disclosure included in the FY23 preliminary results published on 23 February 2024. On 7 March 2024, the SEC staff completed its review with no further comments raised to CCEP.

External auditor re-tender

The Committee considered the mandatory 2025 audit re-tender including discussing and approving the proposed approach to the tender. The Committee leveraged best practice insights on how companies approached this in addition to the learnings from the FRC's Best Practice Guide to Audit Tendering.

ESG

During 2023, in addition to receiving regular ESG regulatory updates, the Committee agreed with the ESG Committee those matters that would warrant consideration by the joint meeting of the Committees including the TCFD statement, year end ESG reporting and disclosure, and assurance of ESG performance data. In addition, the Committee supported the transition to EY as assurance provider for FY23 for CCEP's This is Forward metrics.

Risk management

During 2023, on behalf of the Board, risk management remained a priority with ongoing discussions on:

- ERM framework, including identification and assessment of principal and emerging risks, risk factors, associat
processes and t
- Water scarcity a
scenario analysis
- The cybersecuri
associated risks
- Business contin
- Fraud preventio
- A number of tax

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recession risk and
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Other

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Read more abou
on page 123

Audit Committee report

Membership*

	Member since
Dessi Temperley (Chairman)	May 2020
John Bryant	January 2021
Dagmar Kollmann	May 2019
Nicolas Mirzayantz	January 2024

* Garry Watts was a member of the Committee until 31 December 2023

See details of meeting attendance in 2023 on page 110

Read more about the Audit Committee members on pages 95-99

Key responsibilities

The roles and responsibilities of the Audit Committee are set out in the terms of reference, which are available at cocacolaep.com/about-us/governance/committees, and are reviewed annually by the Committee. Key responsibilities are detailed below.

Accounting and financial reporting

- Monitoring the integrity of the Group's annual audited financial statements and other periodic financial statements
- Reviewing any key judgements contained in them relating to financial performance

Systems of internal control and risk management

- Reviewing the adequacy and effectiveness of the Group's internal control processes
- Overseeing the Group's compliance, operational and financial risk assessments as part of the broader ERM programme
- Overseeing the Group's business capability and cybersecurity programmes
- Overseeing climate risks as part of the ERM programme
- Reviewing and assessing the scope, operation and effectiveness of the internal audit function

Relationship with external auditor

- Reviewing and assessing the relationship
- Reviewing their independence
- Agreeing terms of engagement and remuneration
- Assessing the effectiveness of the external audit process
- Reviewing reports from the external auditor and management relating to the financial statements and internal control systems
- Making recommendations to the Board in respect of the external auditor's appointment, reappointment or removal

Other

- Supporting the I
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Audit Committee report continued

Matters considered by the Audit Committee during 2023

The Committee met eight times during the year and held one joint meeting with the ESG Committee. Reports from the internal and external auditors were presented as standing agenda items, along with reports from senior management on the following topics in the Committee's remit:

- Accounting and reporting matters
- Accounting for TCCC bottling rights
- Oversight of SOX compliance
- Legal matters
- Corporate integrity programme
- Business continuity management and cybersecurity
- Enterprise Risk Management
- Capital projects, including review of sustainability metrics
- Tax and treasury matters
- Climate risk disclosures
- External auditor re-tender
- Oversight of CCBPI acquisition process and related financing

The Committee's interactions with the internal audit function and the external auditor during the year are discussed in more detail later in this report. A summary of key matters considered by the Audit Committee in 2023, in addition to standing items, is set out in Table 1 on page 120.

Financial reporting, significant financial issues and material judgements

During 2023, the Committee considered the significant accounting judgements and estimates, and their appropriateness and disclosure, including the Group's long-standing policy and judgement on accounting for the TCCC bottling rights as indefinite-lived intangible assets.

The Committee met regularly with management during 2023 to consider the financing and hedging strategies in relation to the CCPBI acquisition.

For the remaining matters, the Committee agreed with management that the appropriate accounting considerations had been given and the impact of each item was not material to the Group's financial statements.

See our Viability statement on page 79

Audit Committee of the 2023 Integ

The Committee u of a developed dr Integrated Report feedback, which w report.

The Committee c the Group's positi approach and per year were accurat portrayed through Integrated Report the Committee re management rep and considered du together with the judgements of the external auditor.

The estimates and on the significant f matters regarding statements are su on page 121 and 12 reviewed these in management's ass Group as a going c statement of long contained in the S

Audit Committee report continued

Table 1

Matters considered by the Audit Committee during 2023

Meeting date	Key matters considered in addition to standing agenda items[(A)(B)]	
February 2023 (two meetings, including one joint meeting of the ESG Committee and Audit Committee)	• 2022 preliminary Q4 and full year results, including significant estimates and judgements • Listing rule compliance with TCFD recommendations and review of TCFD statement • Internal audit ESG reporting readiness	• SOX compliance • Pay for performance • IAS 36 impairments • Tax matters • 2023 internal audit plan • Corporate Integrity Programme
March 2023	• 2022 Integrated Report, including viability and going concern statements, accounting policies and related significant judgements and estimates, segmental reporting, hedging activities, related parties and post-employment benefits	• Reappointment of the external auditor • SOX compliance • 2023 internal audit plan • Internal Audit Charter and the Independence and Objectivity Policy • Treasury matters • Investment policy renewal
April 2023	• FY23 profit forecast • 2023 Q1 trading update • First half interim dividend	
May 2023	• Accounting and reporting matters • SOX 2023 planning • Tax matters including tax strategy paper • Capital allocation and expenditure • IT/cybersecurity update	• ERM update • Audit firm re-tender • Audit Committee evaluation and auditor effectiveness review

Meeting date
July 2023
October 2023
December 2023

(A) During February and Ma
which included:
- Reviewing the 2023 p
judgements, accounti
- Advising the Board or
- Independent auditor'
- Approval of this Audit
- Progress on SEC com

(B) During February 2024, a
statement and listing ru

Audit Committee report continued

Table 2

Significant reporting matters in relation to financial statements considered by the Audit Committe

Accounting area	Key financial impacts	Audit Committee considerations
Accounting for TCCC bottling rights	TCCC franchise intangibles at 31 December 2023: €11.8 billion	The Group's bottling agree rights to distribute and sell are for initial terms of 10 yea interdependent relationship be caused by non-renewal e are essentially perpetual. The to non-performance of the agreement at the expiratio agreements as at 31 Decem history of renewals, indefinite During 2023, the Committee for the TCCC bottling rights continued disclosure as a sig
Deductions from revenue and sales incentives	Total cost of customer marketing programmes in 2023: €5.4 billion Accrual at 31 December 2023: €1.3 billion	The Group participates in v increase the sale of produc can be earned by custome marketing programmes. For customer incentives th contractual terms, custome Under IFRS 15, these types o estimates used at each repo recorded. Actual amounts ultimately the Committee received in Group along with period end on key judgements and esti
Tax accounting and reporting	2023 book tax expense: €534 million 2023 cash taxes: €509 million 2023 effective tax rate: 24.2%	The Group evaluated a num across tax jurisdictions, risks deferred tax inventory and Committee received infor affecting the Group, consid the level of risk involved wit The Committee also consid tax matters.

Audit Committee report continued

Accounting area	Key financial impacts	Audit Committee considerations
Asset impairment analysis	Indefinite lived intangible assets at 31 December 2023: €11.8 billion Goodwill at 31 December 2023: €4.5 billion	The Group performs an anı lives, or more frequently if i generating units (CGUs) le represent the individual ter The Committee received ir focusing on the most critic operating margin, as well a: challenged the various sen: climate change, in order to The Committee was satisfi reviewed the Group's disclo
Restructuring accounting	Restructuring cost recorded in 2023: €94 million	The Committee was regular key assumptions underpinni The Committee reviewed th restructuring provision balar does not contain significant The Committee was satisfie year and the disclosures incl
Other items impacting operating profit comparability	Remaining items impacting operating profit comparability recorded in 2023: €60 million (credit)	The Committee reviewed t year, primarily related to ro Australia, the sale of the sul property in Germany, partly discontinuation of the relat current contractual agreem The Committee was satisfied related disclosures in the finaı

Audit Committee report continued

External audit

Effectiveness of the external audit process

The Committee has responsibility and oversight of the Group's relationship with its external auditor, EY, and for assessing the effectiveness of the external audit process. EY was appointed as the external auditor in 2016 and the lead audit partner is Sarah Kokot, who was appointed following completion of the 2020 Audit. In accordance with the UK and SEC external auditor independence rules, Sarah Kokot would face mandatory rotation as lead audit partner following the completion of the 2025 audit.

The Committee acknowledges the provisions contained in the Code and the Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014 in respect of audit tendering. In light of the mandatory 2025 Audit re-tender, the Committee has begun the process of re-tendering the role of external auditor.

In 2023, the Committee agreed the approach and scope of the audit work to be undertaken by EY for the financial year. It also reviewed EY's terms of engagement and agreed the appropriate level of fees payable in respect of audit and audit-related services.

See details of the amounts paid to the external auditor in Note 17 to the consolidated financial statements on page 200.

EY provided the Committee with regular reports on the status of the audit, its assessment of the agreed areas of audit focus and findings, and conclusions to date. EY had regular discussions with management to identify the potential business and financial risks for CCEP and ensure that correct accounting treatment was adopted in response.

The Committee used a questionnaire to review the effectiveness of the external auditor and focused on four key areas: the audit partner, audit planning and execution, reporting by the auditor and the role of management. The review determined the audit to be very effective, with some minor areas for improvement which will be reviewed and implemented in 2024.

External auditor i

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external auditor is
effective audit. Th
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Audit Committee report continued

Internal audit

The internal audit function provides an independent and objective assessment of the adequacy and effectiveness of the Group's integrated internal control framework, which combines risk management, governance and compliance systems. The internal audit function reports directly to the Audit Committee and comprises approximately 40 full time, professional audit staff based in London, Berlin, Madrid, Sofia and Sydney, with a range of business expertise working across multiple disciplines.

Effectiveness of the internal audit function

At the start of the year, the Committee reviewed the internal audit plan for 2023 and agreed its scope, budget and resource requirements for the year. The Committee continued to monitor the plan and forward-looking audit radar to make sure recommendations remained appropriate for the year ahead.

Through regular management reports containing key internal audit observations, proposed improvement measures and related timeframes agreed with management, the Committee monitored the effectiveness of the internal audit function against the approved internal audit plan. The Chief Audit Executive attended the scheduled meetings of the Committee during 2023 to raise any key matters with the Directors.

Internal control and risk management

The Group depends on robust internal controls and an effective risk management framework to successfully deliver its strategy. The Audit Committee is responsible for monitoring the adequacy and effectiveness of the Group's internal control systems, which includes its compliance with relevant sections of the Code and the requirements of SOX, specifically sections 302 and 404, as it applies to US FPIs.

Effectiveness of the internal control and risk management systems

Regular reports were presented to the Committee on the Group's internal audit assessments of the adequacy and effectiveness of CCEP's integrated internal control framework, risk management, governance and compliance functions. The Committee was provided updates on the internal control framework, including any proposed updates and amends and the remediation of any identified control deficiencies during the year.

In 2023, management undertook a top down enterprise risk assessment including business units and functions. This included an assessment of the Group's risk appetite across identified enterprise risks, to gauge and promote alignment of risk appetite with CCEP's long range plan. The Committee reviewed the findings, approved changes to the enterprise risk management assessments and concluded that management's approach to risk a
was satisfactory.

The Group's mate
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effectively during

Read more abou
risk oversight of
68-78 and TCFD

Raising concerns

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View our CoC at
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ESG Committee Chairman's letter

The Committee dedicated significant time to discussing progress against the This is Forward sustainability action plan across Europe and API."

Dear Shareholder

I am very pleased to introduce the ESG Committee report setting out the key matters and issues considered for 2023.

Committee membership

The Committee was pleased to welcome Nancy Quan and Nicolas Mirzayantz following the conclusion of the 2023 AGM.

This is Forward

The Committee's main focus during 2023 was the oversight of CCEP's This is Forward sustainability action plan. The Committee received updates on all our six action areas: climate, packaging, water, society, drinks and supply chain. We put a particular focus on CCEP's carbon reduction roadmap, packaging collection and approach to water stewardship, efficiency and replenishment. Our gender diversity and disability roadmap were also key focus areas.

The Committee also spent significant time focusing on CCEP's Forward on drinks commitments relating to sugar reduction and low and no calorie sweeteners (LNCS) across CCEP's markets. In May 2023, the Committee met with representatives from TCCC to undertake a deep dive into TCCC-led advocacy and innovation on LNCS.

Carbon reduction roadmap

Following CCEP's 2030 GHG emissions reduction target, and the Net Zero 2040 target being validated by the Science Based Targets initiative (SBTi) as being in line with climate science, the Committee spent significant time reviewing CCEP's 2030 GHG emissions trajectory and carbon roadmap. A deep dive was held into Scope 3 GHG emissions to understand the key drivers of CCEP's emissions which would be factored into the development of a climate transition plan.

Read more on our updated SBTi targets on page 60

Customers and sustainability

The Committee spent time discussing trends in CCEP's customer sustainability expectations and priorities including the renewed focus of many to set science based car beyond Scope 1 a emissions.

Regulation

The Committee a latest developme and disclosure inc Corporate Sustain Directive (CSRD).

Given the fast evo landscape and th with the Audit Co committee meeti February 2023 to joint consideratio statement and as

Other

We reviewed asse water-related risk endorsed an upda use efficiency targ

The Committee a assessed the pote Extended Produc (EPR) legislation i following announc proposed CCBPI endorsed a new a to evaluating hea performance.

Code of Conduct

The Committee r adequacy of the and how to ensur appropriate follo onward reporting.

ESG Committee report

Membership*

	Member since
Mario Rotllant Solá (Chairman)	May 2022
Nathalie Gaveau	January 2019
Nicolas Mirzayantz	May 2023
Mark Price	May 2019
Nancy Quan	May 2023

* Jan Bennink and Brian Smith were members of the Committee until 24 May 2023

ESG Committee role

The key duties and responsibilities of the Committee are set out in its terms of reference. These are available at cocacolaep.com/about-us/governance/committees.

ESG activities in 2023

The Committee met six times in 2023, including a joint meeting with the Audit Committee. The main focus of the Committee was monitoring CCEP's progress against its sustainability action plan, This is Forward, but it did consider other matters, which are detailed below.

Reporting and regulatory updates

- Review of FY22 reporting and performance
- Limited assurance of FY22 sustainability performance data
- During the joint meeting with the Audit Committee in February 2023, the Committee reviewed the TCFD statement with consideration to listing Rule compliance and TCFD recommendations and considered a report by internal audit on ESG reporting readiness.

Read more on TCFD reporting on pages 48-60

- Updates included on:
  - CSRD
  - EU proposed Directive on Corporate Sustainability Due Diligence
  - International Sustainability Standards Board (ISSB)
  - UK mandatory reporting requirements such as TCFD and TPT
  - EPR legislation in the Philippines

Climate

- Deep dive on GHG emissions and carbon reduction pathways
- Reviewing progress against CCEP's science based emissions reduction targets across Europe and API

Packaging

- Update on cross system strategic approach to packaging collection and tracking progress against the TCCC aligned collection target
- Deep dive into cross system strategic approach to collection in Indonesia

Social

- Approval of Modern Slavery Statement
- CoC reporting compliance
- Discussions on customer sustainability expectations and priorities
- Anti-bribery update

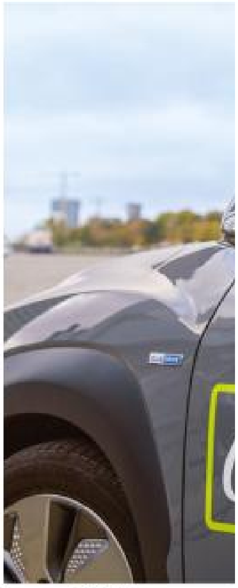


Image: CCEP has comm vehicles where electric v

Governance

- Overview of the sustainability pri
  - Decarbonisati reduction roa
  - Carbon offset
  - Accelerated f collection thr and API
- Committee terr
- Review of Comr
- Corporate repu
- Legal and comp communication
- Update on appr and safety

Statement from the Remuneration Committee Chairman

Remuneration outcomes for 2023 reflect strong overall business performance."

Dear Shareholder

On behalf of the Board, I am pleased to present the Directors' remuneration report for CCEP for the year ended 31 December 2023. This includes a summary of our remuneration policy (page 129), which shareholders approved at our 2023 AGM. We have also set out our Annual report on remuneration (ARR) (pages 131-143), which outlines how we implemented the policy during 2023 and how we intend to do so in 2024. This will be subject to an advisory vote at our 2024 AGM.

Remuneration outcomes for 2023

Annual bonus

The strong overall business performance outlined in the Strategic Report has been reflected through the annual bonus, with performance against all three financial metrics being above target. Revenue and comparable operating profit increased year on year by 5.5% and 11.0%, respectively. This, alongside strong comparable free cash flow generation, has resulted in an overall Business Performance Factor (BPF) of 165% of target being achieved. The strong business performance is also a reflection of the exceptional leadership of the CEO throughout 2023, which resulted in an Individual Performance Factor (IPF) of 1.15x being awarded to him. The final bonus payment to the CEO was 79% of maximum. Further details are provided on pages 131-132 of the ARR.

2021 Long-Term Incentive Plan

The 2021 Long-Term Incentive Plan (LTIP) award, granted in September 2021, was subject to earnings per share (EPS), return on invested capital (ROIC) and CO_2e reduction performance targets over the three year period to 31 December 2023. Around 275 senior executives and management participated in the scheme, including the CEO.

CCEP has perforr over the last three EPS growth of 20.! and outperformar and CO_2e reductic of performance re vesting outcome c

In assessing the fo outcome, the Con undertook a holist overall performan year period to det level of vesting wa broader CCEP per course of its asses Committee notec

- As with EPS and performance ag financial indicat strong, as disclos pages 2-3 of the
- CCEP had delive shareholder retu performance pe upper decile ver ahead of the FT: and S&P 500 ind
- The wider stakel including that o had been positiv areas of concern
- CCEP had delive against our susta as disclosed in m 134 of the ARR

All references to revenue, operating profit, operating free cash flow, EPS and ROIC targets refer to those measures that are defined within the ARR
(A) Comparable and on a tax and currency neutral basis, adjusted for brand sales.

Statement from the Remuneration Committee Chairman contir

Implementation of remuneration policy in 2024

The Committee considers that our overall remuneration framework remains fit for purpose and will implement our remuneration policy for 2024 on the same basis as for 2023 (see pages 141-142 for further details).

The Committee has approved a 2.0% salary increase for the CEO, effective 1 April 2024, which is significantly lower than the 3.5% merit increase for the wider GB workforce.

The structure of the 2024 annual bonus will be unchanged from last year, with the business performance element being based on stretching performance targets for operating profit, revenue and operating free cash flow. These targets will include the performance of the Philippines business following the successful acquisition of CCBPI. For the CEO, his individual element will be assessed against objectives aligned to the key strategic areas of focus of the business, which include: market share, operational objectives, ESG and people targets.

The 2024 LTIP award will continue to be based on a mix of EPS, ROIC, and CO_2e reduction. Due to the timing of the acquisition of CCBPI, and to enable robust targets to be set for the combined business, the awards will be made in Q2. The targets will be set at stretching levels taking into account both our long-term plan and external forecasts. Targets will be fully disclosed in next year's ARR.

Following the end of the performance period, LTIP awards will be subject to an additional two-year holding period.

Looking ahead

We regularly monitor the performance of our remuneration policy and will continue to engage with shareholders where necessary to ensure we are implementing the policy in a way which is aligned with both good governance and commercial best practice.

While the targets
were substantially
our CO_2e reductic
time of grant, the
conscious that the
2022 LTIP (due to
were set in a consi
those for the 202C
As such, the Comr
performance agai
under review and
overall outcome a
underlying perfori
of vesting.

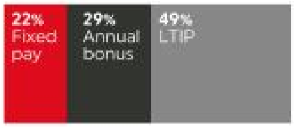
Our remuneration
outcomes reflect
on performance-r
shareholder intere
aims. I hope we co
your support in re:
our forthcoming A

John Bryant,
Chairman of the
Remuneration Co
15 March 2024

All references to revenue, operating profit, operating free cash flow, EPS and ROIC targets refer to those measures that are defined within the ARR

Overview of remuneration policy

Governance framework

Key principle	Application to policy	Current implementation
Focused on delivering our business strategy	Annual bonus and LTIP measures aligned to the KPIs of the business	**Annual bonus metrics** Operating profit 50% Revenue 30% Operating free cash flow 20% **LTIP metrics** EPS 42.5% ROIC 42.5% CO_2e 15% See ARR for definitions
Simple, transparent and aligning the interests of management and shareholders	• Only two simple incentive plans operated • Strong focus on pay for performance • Majority of remuneration package delivered in shares • Significant shareholding requirement of three times salary • CEO pension aligned to wider workforce	**CEO pay mix linked to performance at target** 
Able to be cascaded through the organisation and applicable to the wider workforce	The same remuneration framework is applied to all members of the ELT (but with lower incentive levels)	
Variable remuneration should be performance related against stretching targets	Targets are set at stretching levels in the context of the business plan and external forecasts	• Target performance linked to business plan • Maximum payout requires performance significantly above plan

Summary of r

Fixed pay

Key features

Base salary

Annual increases will normally take into ac business performanc increases awarded t general workforce

Benefits

A range of benefits r provided in line with practice

Pension

- Can participate in pension plan or re cash allowance on same basis as all o employees
- Maximum employ contribution is £3C

Link to strategy

Supports recruitmen retention of Executi Directors of the calib required for the long success of the busin

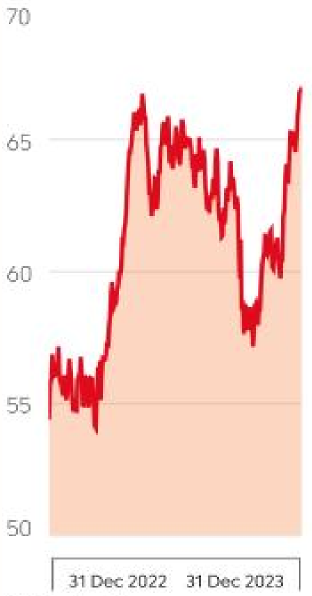
A full copy of the Re in the reports & resul

All references to revenue, ope defined within the ARR

Remuneration at a glance

Overview of 2023 remuneration performance

CCEP share price[A] (US$)



(A) Nasdaq listing

Annual bonus outcomes

Operating profit
1.91x target

Revenue
1.03x target

Operating free cash flow
1.95x target

Bonus pay out = 79% of maximum (including IPF of 1.15x)

Reported long-term KPIs

Comparable EPS[B]

2021	2.83
2022	3.39
2023	3.71

Comparable ROIC[B]

2021	9.2%
2022	9.1%
2023	10.3%

CO_2e reduction per litre

2023	17.4 %

(Europe reduction 2020-2023)

2023 CEO single figure

£1.4m (11%)	£3.5m (29%)	£7.4m (60%)

- Fixed pay
- Annual bonus
- LTIP

2023 total value
£12.3m

CEO shareholding

As at 31 Dec 2023 2,156% of salary

300% of salary

- Current shareholding
- Shareholding requirement

(B) Comparable diluted EPS and comparable ROIC are non-IFRS performance measures. Refer to 'Note regarding the presentation of alternative performance measures' on pages 81-82 for the definition of our non-IFRS performance measures and to page 90 for a reconciliation of reported to comparable results.

Overview of 2

Fixed pay

Base salary
2.0% increase for 2024
£1.27m

Benefits
- Car allowance
- Private medical
- School fees
- Financial plannir

Pension
Pension scheme contribution and c lieu aligned to wider workforc
£27k

All references to rev for 2023 outcomes a

Read more in th

Annual report on remuneration

Remuneration outcomes for 2023

The following pages set out details of the remuneration received by Directors for the financial year ending 31 December 2023. Prior year figures have also been shown. Audited sections of the report have been identified.

The Directors' remuneration in 2023 was awarded in line with the remuneration policy, which was approved by shareholders at the AGM in May 2023.

Single figure table for Executive Directors (audited)

Individual	Year	Salary (£000)	Taxable benefits (£000)	Pension (£000)	Fixed pay (£000)	Annual bonus (£000)	Long-term incentives (£000)	Variable remuneration (£000)	Total remuneration (£000)
Damian Gammell	2023	1,235	99	27	1,361	3,525	7,396[A]	10,921	12,282
	2022	1,208	135	26	1,369	3,730	7,054[B]	10,784	12,153

(A) Estimated value based on three month average share price and exchange rate at 31 December 2023 of US$61.15 (£49.25) and includes £589,000 cash payment in respect of dividend equivalents to be paid on the vested Shares. Number will be restated in next year's single figure table to show the final value on the vesting date of 15 March 2024. Around £650,000 of the vest value is attributable to share price appreciation.

(B) Restated from £6,720,000 in last year's single figure table to reflect actual share price on vesting date of $55.09 (£45.25) on 17 March 2023 applied to 144,544 vested Shares and £513,000 cash payment in respect of dividend equivalents paid on the vested Shares.

Notes to the single figure table for Executive Directors (audited)

Base salary

Damian Gammell received a salary increase of 2.0% from £1,217,098 to £1,241,440 effective from 1 April 2023. This increase was significantly lower than the merit increase provided to the wider GB workforce of 6.0%.

Taxable benefits

During the year, Damian Gammell received the following main benefits: car allowance (£14,000), financial planning allowance (£10,000), schooling allowance (£50,000 net) and family private medical coverage (£7,000).

Pension

The pension provisions that apply to Damian Gammell are aligned to all other GB employees. Damian Gammell elected to receive a contribution into the pension scheme up to the annual allowance with the balance up to the maximum allowed by the Remuneration Policy as a cash allowance. This equates to a total payment of £30,000 from CCEP inclusive of employer National Insurance contributions (i.e. the actual benefit received by Damian Gammell is less than £30,000 per year).

Annual bonus

Around 12,000 peo
(~38% of our total
variable remunera
plans (~22% of our

Overview of CCEP

The 2023 CCEP an
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Business Perform
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Individual Perforr
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performance mea

Target bonus (150% of base salary)

Annual report on remuneration continued

2023 annual bonus outcome – BPF

As set out in the Statement from the Remuneration Committee Chairman (page 127) overall performance in 2023 has been strong. This has been reflected in the annual bonus outcome, with performance for all three financial measures being above target.

		Performance targets			Performance outcomes	
Measure	Weighting	Threshold (0.25x multiplier)	Target (1x multiplier)	Maximum (2x multiplier)	Actual outcome	Multiplier achieved
Operating profit(A)	50%	€2,135m	€2,286m	€2,437m	€2,423m	1.91x
Revenue(B)	30%	€17,772m	€18,636m	€19,254m	€18,655m	1.03x
Operating free cash flow(C)	20%	€2,074m	€2,305m	€2,489m	€2,481m	1.95x
Total	**100%**					**1.65x**

(A) Comparable operating profit on a FX neutral basis at budget rates.
(B) Revenue on a FX neutral basis at budget rates.
(C) Comparable operating profit before depreciation and amortisation and adjusting for capital expenditures, restructuring cash expenditures and changes in operating working capital, on an FX neutral basis at budget rates.

2023 annual bonus outcome – IPF

To determine an appropriate IPF, the Chairman of the Board assesses Damian Gammell's performance against the individual performance objectives that were set at the start of the year. The outcome is then discussed with and recommended by the Committee for final approval by the Board.

Damian Gammell once again provided exceptional leadership of the business during 2023 within a very challenging external environment. He delivered strongly against his individual objectives outlined below, and the Board determined that his IPF should be set at 1.15x for the year.

Further details of
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included in the tal

2023 objectives
Value share growth in sparkling
M&A
Competitiveness
Diversity and inclusi

(A) Calculated based on the
workforce) and the numb

Link to strategy

Great brands

2023 annual bonu

Based on the level
cash bonus paid f

Target bonus (150% of base salary)

Annual report on remuneration continued

Long-term incentives

Awards vesting for performance in respect of 2023

The 2021 LTIP award was subject to EPS, ROIC and CO_2e reduction performance targets measured over the three year performance period from 1 January 2021 to 31 December 2023.

		Performance targets[D]				
Measure	Weighting	Threshold (25% vesting)	Target (100% vesting)	Maximum (200% vesting)	Actual performance outcome	Final vesting level
EPS[A]	42.5%	€3.04	€3.41	€3.67	€3.78	2.00x
ROIC[B]	42.5%	8.3%	9.2%	9.9%	10.4%	2.00x
CO_2e reduction[C]	15%	6.0% per litre	8.0% per litre	10.0% per litre	17.4%[α] per litre	2.00x
Total formulaic vesting level						2.00x
Total vesting after discretion						1.85x

(A) Comparable and on a tax and currency neutral basis, adjusted for brand sales.

(B) ROIC calculated as comparable operating profit after tax attributable to shareholders, on a tax and currency neutral basis, divided by the average of opening and closing invested capital for the year, adjusted for brand sales and material non-cash equity accounting adjustments. Invested capital is calculated as the addition of borrowings and equity attributable to shareholders less cash and cash equivalents and short-term investments.

(C) Target based on entire value chain in Europe.

(D) Straight-line vesting between each vesting level shown.

(α) This metric was subject to external independent limited assurance for the year ended 31 December 2023. Please see cocacolaep.com/sustainability/download-centre for our 2023 assurance statement.

In assessing the fo
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has delivered over
actual value on the

Annual report on remuneration continued

Holistic review of overall performance over 2021 LTIP performance period

Overall business performance

- NARTD value share growth over the performance period (2021 = +40bps, 2022 = +10bps, and 2023 = +10bps).
- Largest FMCG value creator in Europe, and largest NARTD value creator in Australia and New Zealand – created over €1.3 billion of value in 2023 for our customers in Europe, Australia and New Zealand. Across the three year performance period, we created over €3.2 billion of value for customers across our markets, by focusing on core brands, in-market execution and revenue growth management initiatives.
- Strong revenue per unit case (FY23 +8.5%, Europe: +8.0% and API: +11.0%) driven by positive headline price increases and promotional optimisation alongside favourable mix.
- We committed to rebasing our cost base versus pre-pandemic levels. As a % of revenue, our comparable operating expenses are lower now (FY23: 24%), in-line with last year (FY22: 24%), mitigating inflationary pressures with productivity initiatives and more importantly below 2019 (FY19: 26%).
- Strong comparable free cash flow generation of €1.7 billion in 2023, in-line with our medium-term objective of at least €1.7 billion.

Shareholder experience

- Share price performance – highest share price in history of company of $66.82 achieved during the performance period, and exceeded in early 2024. Share price as at the date of signing the report remains over 25% above the grant price.
- Significant value delivered to shareholders through continued payments of dividends - FY23 dividend per share of €1.84 (+9.5% versus 2022), and cumulative dividends of €2.2 billion over the period, maintaining an annualised dividend pay-out ratio of approximately 50%.
- Strong TSR growth – 50% growth over the three year period, which was top decile performance versus FMCG peers and out-performed the FTSE 100 (32%), Euronext 100 (37%) and S&P 500 (34%).

Successful acquisi

- Completed the a truly global bo by revenue in th
- Integration now completed, and and operating p

(A) On a comparable and FX n

Continued delive

- CCEP's focus on at the heart of e delivered the fo
  - 16.7% reductio
  - Reduction in c
  - Continued to Group, and 59
  - 48.3% of our v progress agai

Wider workforce

- Our primary foc global COVID-1 safety and wellb wellbeing suppo a significant Me to all employees
- In recognition o in 2022 to our lo
- As disclosed in p on all employee Group incentive total value recei continued salary

Annual report on remuneration continued

- In 2022, we launched the new global Employee Share Purchase Plan (ESPP), which gives our employees the opportunity to buy Shares in CCEP on a regular basis. For every share an employee purchases, CCEP will provide a matching share, up to an agreed limit. In Great Britain, we offer a similar opportunity under an employee share plan, which makes use of a tax-efficient opportunity for employees to become shareholders through salary sacrifice arrangements. Around 43% and 75% of eligible employees were participating in the global ESPP and Great Britain share plan, respectively, on 31 December 2023.
- Focus on our communities – Our employees in Europe volunteered 32,500 hours with a total of €14.8 million in community investment in Europe and API. Our Support My Cause initiative enables employees to nominate local charities they feel passionately about for a donation from the business. Since 2019, we have donated €1.2 million to 200 local charities and community groups across our territories. In addition, in 2023, we donated over €400,000 to support 125 grassroots charitable and community partnerships located close to our sites and offices.
- Focus on our customers – We have an unrivalled customer coverage with which we jointly create value, with more than €3 billion added to the FMCG industry since 2021.

Awards granted in 2023 (audited)

A conditional award of performance share units (PSUs) was granted under the CCEP LTIP to Damian Gammell on 13 March 2023, with a target value of 250% of salary in line with the remuneration policy. The performance measures were unchanged from the prior year and continued to align with the long-term strategy – EPS, ROIC and CO_2e reduction. Financial targets were set at stretching levels and on the same basis as in prior years, taking into account both our long-term plan and external forecasts. Targets for CO_2e reduction were significantly increased versus those used for prior awards.

Further details are

Individual	Date o awar
Damian Gammell	13 Ma 202

(A) Number of Shares award

The vesting of aw targets:

Measure	Defi
EPS(A)	EP the 202
ROIC(B)	RO the 202
CO_2e reduction(C)	Rel cha (gC

(A) Comparable and on a tax performance period, an a time of vesting.
(B) ROIC calculated as comp by the average of openin accounting adjustments. cash and cash equivalent
(C) Target based on entire G
(D) Straight-line vesting betv

Any award vesting

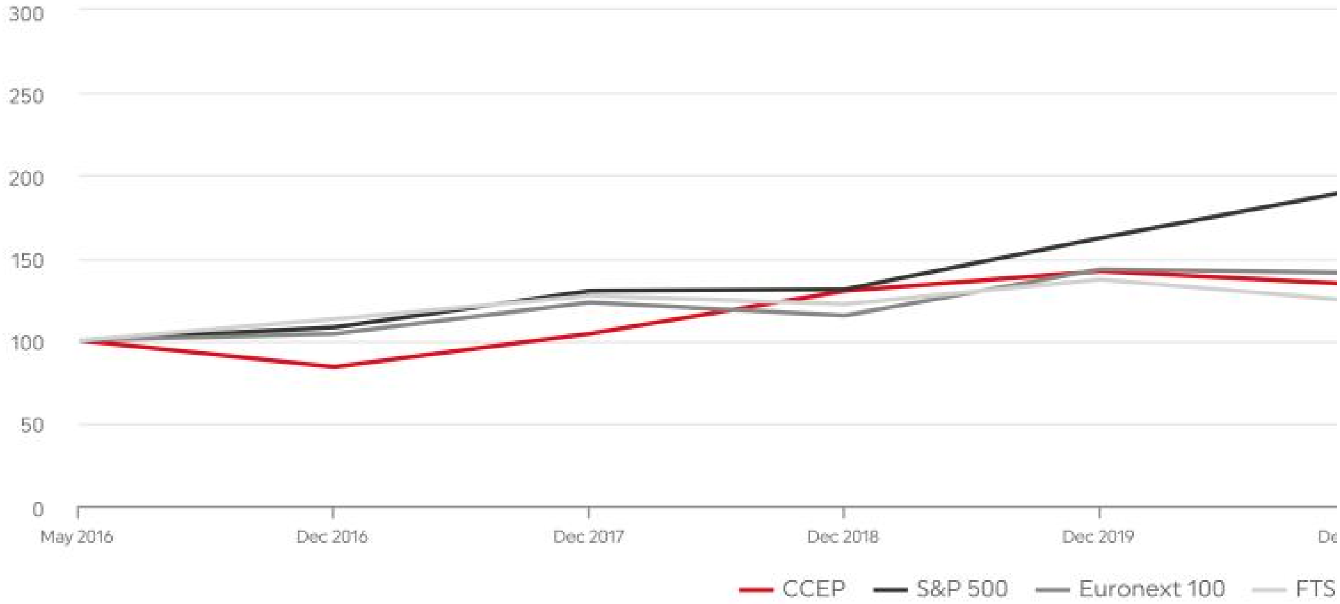
Annual report on remuneration continued

Historical TSR performance and CEO remuneration outcomes

The chart below compares the TSR performance of CCEP from admission up until 31 December 2023 w
and the S&P 500. These indices have been chosen as recognised equity market indices of companies of

30 trading day average data: against S&P 500, Euronext 100 and FTSE 100

Total shareholder return data



The following table summarises the historical CEO's single figure of total remuneration and annual bonu
this period:

	2016[(A)]	2016[(A)]	2017	2018	
	John Brock	Damian Gammell	Damian Gammell	Damian Gammell	Damian
CEO single figure of remuneration ('000)	US$3,890	£27	£3,716	£3,821	
Annual bonus pay out (as a % of maximum opportunity)	31.23%	40.6%	60.7%	63.1%	
LTI vesting (as a % of maximum opportunity)	N/A	N/A	N/A	N/A	

(A) The figures for 2016 are in respect of the period for which each individual served as CEO during the year. John Brock served as CEO from 29 May to 28 December 201
(B) Restated from last year's single figure to reflect the actual share price on vesting date for the 2020 LTIP.

Annual report on remuneration continued

Percentage change in CEO and Director remuneration

The table below shows the percentage change in CEO and Director remuneration from 2022 to 2023 (a
change in remuneration for all employees of the Parent Company, in line with the revised reporting reg

	2023			2022		
Comparator	Base salary/fee	Taxable benefits	Annual bonus	Base salary/fee	Taxable benefits[H]	Annual bonus
CEO	2.2%	(26.7)%	(5.5)%	2.5%	0.7%	4.6%
All employees	4.3%	0.5%	(7.0)%	3.4%	0.6%	11.7%
Other Directors						
Sol Daurella	1.3%	133.3%	n/a	2.4%	200.0%	n/a
Manolo Arroyo[A]	4.5%	(87.5)%	n/a	71.9%	n/a	n/a
Jan Bennink[B]	(61.0)%	(100.0)%	n/a	(7.8)%	200.0%	n/a
John Bryant[C]	17.9%	(11.1)%	n/a	3.5%	125.0%	n/a
José Ignacio Comenge	1.0%	33.3%	n/a	2.0%	125.0%	n/a
Christine Cross[B]	(65.4%)	(100.0)%	n/a	1.6%	80.0%	n/a
Nathalie Gaveau	12.2%	200.0%	n/a	6.5%	200.0%	n/a
Álvaro Gómez-Trénor Aguilar	1.2%	62.5%	n/a	2.4%	100.0%	n/a
Mary Harris[D]	n/a	n/a	n/a	n/a	n/a	n/a
Thomas H. Johnson	7.8%	23.1%	n/a	2.7%	550.0%	n/a
Dagmar Kollmann	3.8%	20.0%	n/a	16.8%	150.0%	n/a
Alfonso Líbano Daurella	(2.9)%	66.7%	n/a	1.0%	n/a	n/a
Nicolas Mirzayantz[D]	n/a	n/a	n/a	n/a	n/a	n/a
Mark Price	5.5%	100.0%	n/a	5.8%	200.0%	n/a
Nancy Quan[D]	n/a	n/a	n/a	n/a	n/a	n/a
Mario Rotllant Solá	8.0%	33.3%	n/a	14.3%	125.0%	n/a
Brian Smith[B][F]	(59.2)%	(83.3)%	n/a	6.5%	500.0%	n/a
Dessi Temperley[E]	8.0%	(30.0)%	n/a	15.3%	150.0%	n/a
Garry Watts[G]	(5.6)%	(16.7)%	n/a	(7.5)%	50.0%	n/a

(A) Appointed to the Board on 26 May 2021.
(B) Resigned from the Board on 24 May 2023.
(C) Appointed to the Board on 1 January 2021.
(D) Appointed to the Board on 24 May 2023.
(E) Appointed to the Board on 27 May 2020.
(F) Appointed to the Board on 9 July 2020.
(G) Resigned from the Board on 31 December 2023.
(H) Reduction and increases in taxable benefits reflect the impact of travel restrictions across 2020, 2021 and 2022.
(I) No increase was applied for 2021, but small increase reflects the 2020 salary increase applying only from 1 April 2020.

Annual report on remuneration continued

Relative importance of spend on pay

The table below shows a summary of distributions to shareholders by way of dividends and share buyback as well as total employee expenditure for 2023 and 2022, along with the percentage change of each.

	2023	2022	% change
Total employee expenditure	€2,433m	€2,318m	5.0%
Dividends(A)	€841m	€763m	10.2%

(A) There were no share buybacks in 2022 or 2023.

CEO pay ratio

The table below shows the ratio of the CEO's single figure of remuneration for 2023 to the 25th percentile, median and 75th percentile total remuneration of full time equivalent GB employees. The ratio is heavily influenced by the fact that the CEO participates in the LTIP. If the LTIP were excluded from the calculation, then the median ratio would be 75:1. The main reason for the increase in the ratio from 2022 to 2023 is driven by a change in the disclosed LTIP value for the CEO.

Year	Method	25th percentile ratio	Median ratio	75th percentile ratio
2023	Option B	246:1(A)	189:1(B)	150:1(C)
2022		281:1	171:1	130:1
2021		221:1	162:1	92:1
2020		175:1	105:1	83:1
2019		250:1	169:1	111:1

(A) The individual used in this calculation received total pay and benefits of £50,000 (of which £36,000 was salary).
(B) The individual used in this calculation received total pay and benefits of £65,000 (of which £52,000 was salary).
(C) The individual used in this calculation received total pay and benefits of £82,000 (of which £56,000 was salary).

The Committee h
at 5 April 2023) to
provides a clear m
No component of
of the calculations

The Committee is
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The Committee b
policies for CCEP's
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Annual report on remuneration continued

Payments to past Directors (audited)

There were no payments to past Directors during the year.

Payments for loss of office (audited)

There were no payments for loss of office during the year.

Statement of Directors' share ownership and share interests (audited)

Interests of the CEO

The CEO is required to hold 300% of their base salary in Shares. The guideline is expected to be met within five years of appointment. Until the guideline is met, 50% of any vested Shares from incentive awards (after tax) must be retained. The guideline continues to apply for one year following termination of employment.

Share ownership r
Gammell are set c

	Int Sha Decem
Damian Gammell(D)	5

(A) For further details of thes
(B) Do not count towards ac
(C) The CEO has no interests
(D) A further 138,201 shares w

Details of the CEO's share awards are set out in the table below.

Director and grant date	Form of award	Exercise price	Number of Shares subject to awards at 31 December 2022	Granted during the year	Vested during the year	Exerc during the
Damian Gammell(A)						
17 Mar 2020	PSU(B)	N/A	156,264	–	144,544	N
29 Sep 2021	PSU(C)(D)	N/A	149,406	–	–	N
10 Mar 2022	PSU(C)	N/A	163,776	–	–	N
13 Mar 2023	PSU(C)	N/A	–	130,738	–	N

(A) In addition, the CEO has 324,643 vested but unexercised options with an expiry date of 5 November 2025 and an exercise price of US$39.00. No options were exercis
(B) The performance condition was satisfied at 92.5% of maximum on 31 December 2022. Award vested on 17 March 2023.
(C) The number of Shares shown is the maximum number of Shares that may vest if the performance targets are met in full.
(D) The 2021 PSU awards will vest at 185% of target (138,201 shares) on 15 March 2024.

Annual report on remuneration continued

Interests of other Directors (audited)

The table below gives details of the Share interests of each NED either through direct ownership or connected persons.

	Interests in Shares at 31 December 2023
Sol Daurella(A)(B)	33,385,384
Manolo Arroyo	–
Jan Bennink(C)	49,790
John Bryant	3,340
José Ignacio Comenge(A)(D)	7,842,464
Christine Cross(C)	–
Nathalie Gaveau	–
Álvaro Gómez-Trénor Aguilar(A)	3,143,876
Mary Harris(E)	–
Thomas H. Johnson	14,000
Dagmar Kollmann	–
Alfonso Líbano Daurella(A)	6,701,540
Nicolas Mirzayantz(E)	7,930
Mark Price	–
Nancy Quan(E)	–
Mario Rotllant Solá	–
Brian Smith(C)	–
Dessi Temperley	–
Garry Watts(F)	10,000

(A) Shares held indirectly through Olive Partners. The number of Shares increased slightly during the year as a result of a reduction in Olive Partners' share capital.

(B) For the purposes of Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended), Sol Daurella (and her connected persons within the meaning of section 252 of the Companies Act) are deemed to be interested in the shares held by Olive by virtue of their indirect minority interest in Cobega S.A, which indirectly owns 57.5% of Olive.

(C) Resigned from the Board on 24 May 2023. Share interests stated are as at the date of resignation.

(D) José Ignacio Comenge's Share interests increased to 7,855,504 on 12 February 2024 following an increase to his overall holding in Olive Partners.

(E) Appointed to the Board on 24 May 2023.

(F) Resigned from the Board on 31 December 2023. Share interests stated are as at the date of resignation.

Dilution levels

The terms of the Company's share plans set limits on the number of newly issued Shares that may be issued to satisfy awards. In accordance with guidance from the Investment Association, these limits restrict overall dilution under all plans to under 10% of the Compa Company's issued on discretionary p

Single figure tabl

The following tabl Chairman and NEI also shown.

Individual
Sol Daurella
Manolo Arroyo
Jan Bennink(A)
John Bryant
José Ignacio Come
Christine Cross(A)
Nathalie Gaveau
Álvaro Gómez-Trén Aguilar
Mary Harris(B)
Thomas H. Johnson
Dagmar Kollmann
Alfonso Líbano Daurella
Nicolas Mirzayantz(
Mark Price
Nancy Quan(B)
Mario Rotllant Solá
Brian Smith(A)
Dessi Temperley
Garry Watts(C)

(A) Resigned from the Board

(B) Appointed to the Board c

(C) Resigned from the Board

(D) Taxable benefits mainly r as at the date of the rele

Annual report on remuneration continued

Implementation of remuneration policy for 2024

Base salary

Damian Gammell will receive a 2.0% salary increase effective 1 April 2024. This is lower than the average merit increase provided to the wider GB workforce of 3.5%.

Individual	2023 salary	2024 salary (effective from 1 April)	% increase
Damian Gammell	£1,241,440	£1,266,269	2.0%

Taxable benefits

No significant changes to the provision of benefits are proposed for 2024. The main benefits for Damian Gammell will continue to include allowances in respect of: a car, financial planning, schooling and private healthcare.

Pension

No changes are proposed in respect of the pension provision for Damian Gammell. He will continue to receive a contribution into the pension scheme up to the annual allowance, with the balance up to the maximum allowed by the Remuneration Policy (£30,000 inclusive of employer National Insurance contributions) as a cash allowance.

Annual bonus

No changes have been made to the structure of the annual bonus plan for 2024, and the opportunity for Damian Gammell will remain unchanged at 150% of salary for target performance and 360% for maximum performance.

Performance will continue to be assessed against financial and individual performance measures on a multiplicative basis as set out on page 131. The financial measures and relative weightings will also remain unchanged.

Measure	Definition	Weighting
Operating profit	Comparable operating profit on a FX neutral basis at budget rates	50%
Revenue	Revenue on a FX neutral basis at budget rates	30%
Operating free cash flow	Comparable operating profit before depreciation and amortisation and adjusting for capital expenditures, restructuring cash expenditures and changes in operating working capital, on a FX neutral basis at budget rates	20%

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Objectives include:

- Growth in volume
- Succession plann
- Operational targe
- Sustainability obj

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Annual report on remuneration continued

Long-term incentive

Damian Gammell's long-term incentive opportunity for 2024 will be aligned with the limits set out in the remuneration policy. He will be granted a target award of 250% of salary and may receive up to two times this target award if the maximum performance targets are achieved.

The 2024 LTIP award will continue to be based on a mix of EPS, ROIC and CO_2e reduction, unchanged from last year, and the targets will be set at stretching levels taking into account both our long-term plan and external forecasts.

Due to the timing of the acquisition of CCBPI, and to enable robust targets to be set for the combined business, the awards will be made in Q2. Full details of the targets will be disclosed in next year's ARR.

Following the end of the performance period, awards will be subject to an additional two year holding period.

Chairman and NED fees

The NED base fee, Chairman fee were increased by 3.5% with effect from 1 April 2024, as outlined below, alongside increases to the additional fee for the Senior Independent Director and Committee membership fees. Fees were last increased with effect from 1 April 2022, other than for the Nomination Committee which were last increased with effect from 1 April 2023.

Role		Current fees	Fees effective 1 April 2024
Chairman		£582,000	£602,250
NED basic fee		£85,000	£88,000
Additional fee for Senior Independent Director		£31,750	£32,750
Additional fee for Committee Chairman	Audit and Remuneration Committees	£37,250	£37,250
	Affiliated Transaction, Nomination and ESG Committees	£36,000	£36,000
Additional fee for Committee membership	Audit and Remuneration Committees	£16,000	£16,500
	Affiliated Transaction, Nomination and ESG Committees	£15,500	£16,000

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Annual report on remuneration continued

Remuneration Committee key activities

The table below gives an overview of the key agenda items discussed at each scheduled meeting of the Remuneration Committee during 2023:

Meeting date	Key agenda items	
February 2023	• Approval of financial performance outcome for 2022 annual bonus • Approval of final vesting outcome for 2020 LTIP	• Approval of 2022 annual bonus outcome for the ELT • Review of ELT individual objectives in respect of the 2023 annual bonus
March 2023	• Approval of 2023 annual bonus financial performance measures and targets • Approval of 2023 LTIP opportunities • Review of Chairman and NED fees	• Approval of 2023 ELT Remuneration packages • Review of 2022 Remuneration Report
May 2023	• Review of Committee effectiveness • Advisor review	• AGM voting update • Deloitte Market Update
October 2023	• Review of 2023 annual bonus and 2021 LTIP performance • Review of Malus and Clawback Policy	• Review of executive shareholding guidelines • Review of annual report on wider workforce remuneration
December 2023	• Review of first draft of the 2023 Remuneration Report • Performance update for 2023 annual bonus	• Base pay design for 2024 • Incentive design for 2024

The Chairman, CEO, CFO and the Chief People and Culture Officer attended meetings by invitation of the Committee to provide it with additional context or information, except where their own remuneration was discussed.

Summary of votir

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Resolution
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John Bryant,
Chairman of the I
15 March 2024

Directors' report

The Directors present their report, together with the audited consolidated financial statements of the Group, and of the Company, for the year ended 31 December 2023.

This Directors' report has been prepared in accordance with the applicable disclosure requirements of the following:

- Companies Act
- Listing Rules (LRs) and DTRs
- Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014, as published by the UK Competition and Markets Authority (with which the Company complies voluntarily)
- Rules promulgated by the US Securities and Exchange Commission

Additional information and disclosures, as required by the Companies Act, LRs and DTRs, are included elsewhere in this Integrated Report and are incorporated into this Directors' report by reference in Table 1.

This Directors' report, together with the Strategic Report on pages 1-90, represent the management report for the purpose of compliance with DTR 4.1.5R(2) and 4.1.8R.

Directors

Appointment and replacement of Directors

The Articles set out certain rules that govern the appointment and replacement of the Company's Directors. These are summarised as follows:

- A Director may be appointed by either an ordinary resolution of shareholders or by the Board
- Olive Partners and ER may each appoint a specified number of Directors, up to a set maximum, in accordance with their respective equity holding proportions in the Company
- Replacement INEDs must be recommended to the Board by the Nomination Committee
- The Board shall consist of a majority of INEDs
- Directors (other than the initial Chairman, CEO and INEDs) must retire at each AGM, and may, if eligible, offer themselves for re-election
- The minimum number of Directors (disregarding alternate Directors) is two

Read more about the re-election and election of Directors in the Corporate governance report on page 112

Table 1
**Other informatio
incorporated by r**

Disclosure
Names of Directors year
Review of performa financial position an future development
Dividends
Principal risks
Information on shar relating to share cla and obligations
Financial instrument financial risk manag
Cash balances and b
Significant events af reporting period
Information on emp disabled persons
Workforce engagen
Business relationshi suppliers, customers others
GHG and energy co
Responsibility stater

Directors' report continued

Powers of Directors

The Directors may exercise all powers of the Company, in accordance with, and subject to, the Company's Articles and any applicable legislation.

Read more about the roles and responsibilities of the Board and the main Committees of the Board in the Governance and Directors' Report on pages 103-146

Directors' indemnity arrangements

Qualifying third party indemnities were in place throughout 2023, and remain in place as at the date of this Integrated Report. Under these indemnities, the Company has agreed to indemnify the Directors of the Company, to the extent permitted by law, against losses and liabilities that may be incurred in executing the powers and duties of their office.

Amendment of Articles

The Articles may only be amended by a special resolution of the Company's shareholders in accordance with the Companies Act. Certain provisions of the Articles are entrenched and may only be amended or repealed with the prior consent of Olive Partners, ER or a majority of the INEDs (as applicable). In particular, the requirement under the Articles that the Board shall, at all times, contain a majority of INEDs may only be amended or repealed with the prior consent of a majority of the INEDs. The Articles are available at cocacolaep.com/about-us/governance.

Political donations

The Group made no political donations or contributions during 2023 (2022: nil). It is our policy not to make political donations or incur political expenditure. However, there may be uncertainty as to whether some normal business activities fall under the wide definitions of political donations, organisations and expenditure used in the Companies Act. We will therefore continue to seek shareholder approval to make political donations or incur expenditure as a precaution to avoid any inadvertent breach of the Companies Act.

Shares

Rights and obligations

The rights and obligations relating to the Company's Shares (in addition to those set out by law) are contained in the Articles.

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For more detail:
on page 254

Directors' report continued

Table 2

Interests in Shares of which the Company has been notified

Shareholder	Percentage of total voting rights notified to the Company as at the year end[C]	Number of voting rights notified to the Company as at the year end	Percentage of total voting rights notified to the Company as at the date of this report[C]	Number of voting rights notified to the Company as at the date of this report
Cobega, S.A.[A]	36.1%	166,128,987	36.1%	166,128,987
TCCC[B]	19.01%	87,950,640	19.01%	87,950,640

(A) Held indirectly through its 56.03% owned subsidiary, Olive Partners.

(B) Held indirectly through European Refreshments Unlimited Company.

(C) Percentage interests disclosed calculated as at the date on which the relevant disclosure was made. These have not been updated to reflect changes in the total voting rights since notification and so may not represent the percentage interest as at 31 December 2023 or the date of this report.

Change of control

There are no agreements in place which provide compensation for loss of office or employment to any Director in the event of a takeover, except for certain provisions under the employee share plans, which may provide that certain outstanding awards may vest early in such an event.

The Board considers that a change of control might have an impact on the following significant agreements:

- Bottling agreements between the Group and TCCC
- A bank credit facility agreement, under which the maximum amount available at 31 December 2023 was €1.8 billion
- Note and guarantee agreement in relation to the A$250 million 4.20% Notes 2031
- Note and guarantee agreement in relation to the US$50 million 4.34% Notes 2023

Research and development

TCCC's second-largest innovation centre is based in Belgium, where products for Europe, the Middle East, Africa and part of South Asia are developed. CCEP does not have its own research and development centre, but the Company invests in and undertakes certain activities for the development of innovative solutions (such as packaging concepts or less energy, water and carbon intensive beverage manufacturing technology), digital capabilities and advanced analytics to drive the simplification of applications and platforms, and to support and grow its business in both its manufacturing and non-manufacturing operations.[D]

(D) This policy has applied for the last three years.

Independent aud

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Company Secreta

15 March 2024

Coca-Cola Europa

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Directors' responsibilities statement

Responsibility for preparing financial statements

The Directors are responsible for preparing the Integrated Report and the financial statements in accordance with applicable United Kingdom (UK) law and regulations.

UK company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have prepared Group and Parent Company financial statements in accordance with UK-adopted International Accounting Standards. In preparing the consolidated Group financial statements the Directors have also elected to comply with International Financial Reporting Standards (IFRS) as adopted by the European Union, and International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB).

Under section 393 of the Companies Act, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the Group and of the profit or loss of the Company and of the Group for that period.

In preparing the Company financial statements, the Directors are required to:

- Select suitable accounting policies and apply them consistently
- Make judgements and accounting estimates that are reasonable and prudent
- Follow UK-adopted International Accounting Standards, International Financial Reporting Standards as adopted by the European Union, and International Financial Reporting Standards as issued by the IASB
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business

In preparing the Group financial statements the Directors are required to:

- Select suitable accounting policies and apply them consistently
- State whether UK-adopted International Accounting Standards, International Financial Reporting Standards as adopted by the European Union, and International Financial Reporting Standards as issued by the IASB have been followed, subject to any material departures disclosed and explained in the financial statements
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information
- Provide additional disclosures when compliance with the specific requirements in IFRS are insufficient to enable users to understand the impact of particular transactions, other events an
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In this section

Financial Statements

Image: Coca-Cola Original Taste and Coca-Cola Zero Sugar

Report of independent registered public accounting firm

To the Shareholders and the Board of Directors
of Coca-Cola Europacific Partners plc

Opinion on the Financial Statements

We have audited the accompanying consolidated statements of financial position of Coca-Cola Europacific Partners plc (the "Group") as of 31 December 2023 and 2022, the related consolidated statements of income, comprehensive income, statement of changes in equity and cash flows for each of the three years in the period ended 31 December 2023, and the related notes, collectively referred to as the "consolidated financial statements". In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Group at 31 December 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended 31 December 2023, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Group's internal control over financial reporting as of 31 December 2023, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated 15 March 2024 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Group's management. Our responsibility is to express an opinion on the Group's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Group in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB.
Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgements. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Report of independent registered public accounting firm continued

	Description of the matter	How we addressed the matter in our audit
Accrued customer marketing costs	The Group participates in various programmes and arrangements with customers referred to as “promotional programmes”, which are recorded as deductions from revenue. The off-invoice discounts activity totalled €5.4 billion for the year ended 31 December 2023, with €1.3 billion of accrued customer marketing costs as of 31 December 2023. Auditing the completeness and measurement of the accrued customer marketing costs is complex and judgemental, particularly in relation to promotional programmes where there is estimation uncertainty related to the forecasted sales volumes, expected customer performance or amounts ultimately claimed by customers. The types of promotional programmes are more fully described in Note 3 to the consolidated financial statements with details about accrued customer marketing costs disclosed in Note 14 to the consolidated financial statements.	We obtained an understanding of the Group’s revenue recognition policies and processes and how they are applied, evaluated the design and tested the operating effectiveness of controls that address the risks of material misstatement relating to the completeness and measurement of the promotional programmes. For example, we tested controls over management’s determination of the total estimated sales volumes used in the assessment of the accrued customer marketing costs. To evaluate the specific estimations that are inherent in the calculation of the accrued customer marketing costs and the completeness of the accrual, our audit procedures included, among others, testing management’s methodology to estimate the year-end accrued customer marketing costs, in particular the use of historical trends. We tested the completeness and accuracy of the underlying data by agreeing key terms of the promotional programmes to the executed sales agreements on a sample basis. We compared accrued customer marketing costs to subsequent cash settlements on a sample basis. We performed analytical procedures on the ratio of accrued customer marketing costs to relevant data such as gross revenue to identify any potential outliers and tested material unusual or unexpected journal entries. We also analysed the historical reversals and ageing of the accrued customer marketing costs, to identify potential management bias in the estimate of the year-end accrual and considered any changes in the business environment that would warrant changes in the methodology.
Accounting for uncertain tax positions	At 31 December 2023, the Group recorded provisions for uncertain tax positions of which €175 million are included in current tax liabilities and the remainder in non-current tax liabilities. The Group is subject to income tax in numerous jurisdictions and is routinely under audit by taxing authorities in the ordinary course of business as described in Note 20 and Note 22 of the consolidated financial statements. Management applies judgement in assessing tax exposures in each jurisdiction, which requires interpretation of local tax laws and specific facts and circumstances. Auditing the uncertain tax positions is judgemental, because of the inherent uncertainty related to the tax exposures, which may result in materially different outcomes. Specifically, each tax position involves the evaluation of unique and evolving facts and circumstances.	We obtained an understanding, evaluated the design and tested the operating effectiveness of controls in place over the Group’s process to evaluate and account for uncertain tax positions. For example, we tested the Group’s controls around evaluation of the facts and circumstances supporting the conclusions on the Group’s tax positions. We obtained management’s calculations and agreed inputs to source documentation where applicable. We evaluated the tax positions taken by management in each significant jurisdiction in the context of local tax laws, considering correspondence with tax authorities, the status of any tax audits and third-party advice obtained by the Group. Our work involved tax professionals with local knowledge to assess the tax positions taken in each significant jurisdiction in the context of local tax law and significant tax assessments. In evaluating management's tax provisions, we evaluated the assumptions used by management to assess its uncertain tax positions and compliance with the requirements of IFRIC 23. We developed our independent range of possible outcomes for the Group’s tax exposures based on evidence obtained, which we compared to the Group’s provisions. Where exposures arise in jurisdictions with similar laws and regulations, we also considered whether the evaluation of tax risks was consistent across those jurisdictions and took into account any resolution of these issues with the tax authorities.

/s/ Ernst & Young LLP
We have served as the Group’s auditor since 2016.
London, United Kingdom
15 March 2024

Report of independent registered public accounting firm continued

To the Shareholders and the Board of Directors
of Coca-Cola Europacific Partners plc

Opinion on Internal Control Over Financial Reporting

We have audited Coca-Cola Europacific Partners plc's internal control over financial reporting as of 31 December 2023, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), (the COSO criteria). In our opinion, Coca-Cola Europacific Partners plc (the "Group") maintained, in all material respects, effective internal control over financial reporting as of 31 December 2023, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated statements of financial position of the Group as of 31 December 2023 and 2022, the related consolidated statements of income, comprehensive income, statement of changes in equity and cash flows for each of the three years in the period ended 31 December 2023, and the related notes and our report dated 15 March 2024 expressed an unqualified opinion thereon.

Basis for Opinion

The Group's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's report on internal control over financial reporting. Our responsibility is to express an opinion on the Group's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Group in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP
London, United Kingdom
15 March 2024

Consolidated income statement

		Year ended 31 December		
		2023	2022	2021
	Note	€ million	€ million	€ million
Revenue	4	18,302	17,320	13,763
Cost of sales		(11,582)	(11,096)	(8,677)
Gross profit		6,720	6,224	5,086
Selling and distribution expenses	17	(3,178)	(2,984)	(2,496)
Administrative expenses	17	(1,310)	(1,250)	(1,074)
Other income	23	107	96	—
Operating profit		2,339	2,086	1,516
Finance income	18	65	67	43
Finance costs	18	(185)	(181)	(172)
Total finance costs, net		(120)	(114)	(129)
Non-operating items		(16)	(15)	(5)
Profit before taxes		2,203	1,957	1,382
Taxes	20	(534)	(436)	(394)
Profit after taxes		1,669	1,521	988
Profit attributable to shareholders		1,669	1,508	982
Profit attributable to non-controlling interests		—	13	6
Profit after taxes		1,669	1,521	988
Basic earnings per share (€)	5	3.64	3.30	2.15
Diluted earnings per share (€)	5	3.63	3.29	2.15

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated statement of comprehensive income

		Year ended 31 December		
		2023	2022	2021
	Note	€ million	€ million	€ million
Profit after taxes		1,669	1,521	988
Components of other comprehensive income/(loss):				
Items that may be subsequently reclassified to the income statement:				
Foreign currency translations:				
Pre-tax activity, net		(246)	(205)	260
Tax effect		—	—	—
Foreign currency translation, net of tax		(246)	(205)	260
Cash flow hedges:				
Pre-tax activity, net		21	(64)	277
Tax effect	20	(11)	17	(63)
Cash flow hedges, net of tax	12	10	(47)	214
Other reserves:				
Pre-tax activity, net		3	(9)	7
Tax effect	20	—	3	(1)
Other reserves, net of tax		3	(6)	6
Items that may be subsequently reclassified to the income statement		(233)	(258)	480
Items that will not be subsequently reclassified to the income statement:				
Pension plan remeasurements:				
Pre-tax activity, net	15	(108)	(45)	301
Tax effect	20	35	11	(63)
Pension plan remeasurements, net of tax		(73)	(34)	238
Items that will not be subsequently reclassified to the income statement		(73)	(34)	238
Other comprehensive (loss)/income for the period, net of tax		(306)	(292)	718
Comprehensive income for the period		1,363	1,229	1,706
Comprehensive income attributable to shareholders		1,363	1,202	1,684
Comprehensive income attributable to non-controlling interests		—	27	22
Comprehensive income for the period		1,363	1,229	1,706

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated statement of financial position

		Year ended 31 December	
		2023	2022
	Note	€ million	€ million
ASSETS			
Non-current:			
Intangible assets	6	12,395	12,505
Goodwill	6	4,514	4,600
Property, plant and equipment	7	5,344	5,201
Non-current derivative assets	12	100	191
Deferred tax assets	20	1	21
Other non-current assets	25	295	252
Total non-current assets		22,649	22,770
Current:			
Current derivative assets	12	161	257
Current tax assets		58	85
Inventories	8	1,356	1,380
Amounts receivable from related parties	19	123	139
Trade accounts receivable	9	2,547	2,466
Other current assets	24	351	479
Assets held for sale	24	22	94
Short-term investments	10	568	256
Cash and cash equivalents	10	1,419	1,387
Total current assets		6,605	6,543
Total assets		29,254	29,313
LIABILITIES			
Non-current:			
Borrowings, less current portion	13	10,096	10,571
Employee benefit liabilities	15	191	108
Non-current provisions	22	45	55
Non-current derivative liabilities	12	169	187
Deferred tax liabilities	20	3,378	3,513
Non-current tax liabilities		75	82
Other non-current liabilities		46	37
Total non-current liabilities		14,000	14,553

		Year ended 31 December	
		2023	2022
	Note	€ million	€ million
Current:			
Current portion of borrowings	13	1,300	1,336
Current portion of employee benefit liabilities	15	8	8
Current provisions	22	114	115
Current derivative liabilities	12	99	76
Current tax liabilities		253	241
Amounts payable to related parties	19	270	485
Trade and other payables	14	5,234	5,052
Total current liabilities		7,278	7,313
Total liabilities		21,278	21,866
EQUITY			
Share capital	16	5	5
Share premium	16	276	234
Merger reserves	16	287	287
Other reserves	16	(823)	(507)
Retained earnings		8,231	7,428
Equity attributable to shareholders		7,976	7,447
Non-controlling interest	16	—	—
Total equity		7,976	7,447
Total equity and liabilities		29,254	29,313

The accompanying notes are an integral part of these consolidated financial statements.

The financial statements were approved by the Board of Directors and authorised for issue on 15 March 2024. They were signed on its behalf by:

Damian Gammell,
Chief Executive Officer
15 March 2024

Consolidated statement of cash flows

	Note	Year ended 31 December 2023 € million	2022 € million	2021 € million
Cash flows from operating activities:				
Profit before taxes		2,203	1,957	1,382
Adjustments to reconcile profit before tax to net cash flows from operating activities:				
Depreciation	7	653	715	693
Amortisation of intangible assets	6	139	101	89
Share-based payment expense	21	57	33	16
Gain on sale of sub-strata and associated mineral rights	23	(35)	—	—
Gain on the sale of property	23	(54)	—	—
Finance costs, net	18	120	114	129
Income taxes paid		(509)	(415)	(306)
Changes in assets and liabilities:				
Increase in trade and other receivables		(5)	(282)	(242)
Decrease/(increase) in inventories		6	(244)	(1)
Increase in trade and other payables		124	885	507
Increase/(decrease) in net payable receivable from related parties		80	(15)	8
(Decrease)/increase in provisions		(11)	37	(116)
Change in other operating assets and liabilities		38	46	(42)
Net cash flows from operating activities		2,806	2,932	2,117
Cash flows from investing activities:				
Acquisition of bottling operations, net of cash acquired		—	—	(5,401)
Purchases of property, plant and equipment		(672)	(500)	(349)
Purchases of capitalised software		(140)	(103)	(97)
Proceeds from sales of property, plant and equipment		101	11	25
Proceeds from sales of intangible assets		37	143	—
Proceeds from the sale of sub-strata and associated mineral rights	23	35	—	—
Net (payments)/proceeds of short-term investments		(342)	(207)	198
Investments in equity instruments		(5)	(2)	(4)
Proceeds from sale of equity instruments		—	13	25
Interest received		58	—	—
Other investing activity, net		(9)	—	(2)
Net cash flows used in investing activities		(937)	(645)	(5,605)
Cash flows from financing activities:				
Proceeds from borrowings, net	13	694	—	4,877
Changes in short-term borrowings	13	—	(285)	276
Repayments on third party borrowings	13	(1,159)	(938)	(950)
Settlement of debt-related cross currency swaps	13	69	—	—
Payments of principal on lease obligations	13	(148)	(153)	(139)
Interest paid	13	(182)	(130)	(97)
Dividends paid	16	(841)	(763)	(638)
Exercise of employee share options		43	13	28
Transactions with non-controlling interests		—	—	(73)
Acquisition of non-controlling interest	19	(282)	—	—
Other financing activities, net		(16)	(20)	5
Net cash flows (used in)/from financing activities		(1,822)	(2,276)	3,289
Net change in cash and cash equivalents		47	11	(199)
Net effect of currency exchange rate changes on cash and cash equivalents		(15)	(31)	83
Cash and cash equivalents at beginning of period	10	1,387	1,407	1,523
Cash and cash equivalents at end of period	10	1,419	1,387	1,407

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated statement of changes in equity

	Note	Share capital € million	Share premium € million	Merger reserves € million	Other reserves € million	Retained earnings € million	Total € million	Non-controlling interest € million	Total equity € million
As at 1 January 2021		5	192	287	(537)	6,078	6,025	—	6,025
Profit after taxes		—	—	—	—	982	**982**	6	**988**
Other comprehensive income		—	—	—	465	237	**702**	16	**718**
Total comprehensive income		—	—	—	465	1,219	**1,684**	22	**1,706**
Non-controlling interests recognised relating to business combination		—	—	—	—	—	**—**	228	**228**
Transactions with non-controlling interests		—	—	—	—	—	**—**	(73)	**(73)**
Cash flow hedge gains transferred to goodwill relating to business combination	12	—	—	—	(84)	—	**(84)**	—	**(84)**
Issue of shares during the year	16	—	28	—	—	—	**28**	—	**28**
Equity-settled share-based payment expense	21	—	—	—	—	16	**16**	—	**16**
Share-based payment tax effects	20	—	—	—	—	3	**3**	—	**3**
Dividends	16	—	—	—	—	(639)	**(639)**	—	**(639)**
As at 31 December 2021		5	220	287	(156)	6,677	7,033	177	7,210
Profit after taxes		—	—	—	—	1,508	**1,508**	13	**1,521**
Other comprehensive income/(loss)		—	—	—	(272)	(34)	**(306)**	14	**(292)**
Total comprehensive income/(loss)		—	—	—	(272)	1,474	**1,202**	27	**1,229**
Acquisition of non-controlling interests	16	—	—	—	(79)	—	**(79)**	(204)	**(283)**
Issue of shares during the year	16	—	14	—	—	—	**14**	—	**14**
Equity-settled share-based payment expense	21	—	—	—	—	33	**33**	—	**33**
Share-based payment tax effects	20	—	—	—	—	10	**10**	—	**10**
Dividends	16	—	—	—	—	(766)	**(766)**	—	**(766)**
As at 31 December 2022		5	234	287	(507)	7,428	7,447	—	7,447
Profit after taxes		—	—	—	—	1,669	1,669	—	1,669
Other comprehensive loss		—	—	—	(233)	(73)	(306)	—	(306)
Total comprehensive income/(loss)		—	—	—	(233)	1,596	1,363	—	1,363
Cash flow hedge (gains)/losses transferred to cost of inventories	12	—	—	—	(114)	—	(114)	—	(114)
Tax effect on cash flow hedge (gains)/losses transferred to cost of inventories	12; 20	—	—	—	31	—	31	—	31
Issue of shares during the year	16	—	42	—	—	—	42	—	42
Equity-settled share-based payment expense	21	—	—	—	—	54	54	—	54
Purchases of shares for equity settled Employee Share Purchase Plan		—	—	—	—	(4)	(4)	—	(4)
Share-based payment tax effects	20	—	—	—	—	1	1	—	1
Dividends	16	—	—	—	—	(844)	(844)	—	(844)
As at 31 December 2023		5	276	287	(823)	8,231	7,976	—	7,976

The accompanying notes are an integral part of these consolidated financial statements.

Notes to the consolidated financial statements

Note 1

General information and basis of preparation

Coca-Cola Europacific Partners plc (the Company) and its subsidiaries (together CCEP, or the Group) are a leading consumer goods group in Western Europe and the Asia Pacific region, making, selling and distributing an extensive range of primarily non-alcoholic ready to drink beverages.

The Company has ordinary shares with a nominal value of €0.01 per share (Shares). CCEP is a public company limited by shares, incorporated under the laws of England and Wales with the registered number in England of 9717350. The Group's Shares are listed and traded on Euronext Amsterdam, the NASDAQ Global Select Market, London Stock Exchange and on the Spanish Stock Exchanges. The address of the Company's registered office is Pemberton House, Bakers Road, Uxbridge, UB8 1EZ, United Kingdom.

The consolidated financial statements of the Group for the year ended 31 December 2023 were approved and signed by Damian Gammell, Chief Executive Officer, on 15 March 2024 having been duly authorised to do so by the Board of Directors.

Impact of climate change

As part of the preparation of these consolidated financial statements, the Group has considered the impact of climate change risks on the current valuation of the Group's assets and liabilities, particularly in the context of the risks and scenarios identified in the Task Force on Climate-related Financial Disclosures (TCFD) on pages 48-60 of the Strategic Report. There has been no material impact on the financial reporting judgements and estimates arising from the considerations of the Group and, as a result, the valuation of the Group's assets and liabilities as of 31 December 2023 have not been affected. The Group's considerations were specifically focused on the impact of climate change risks on the projected cash flows used in the impairment assessment of our indefinite lived intangible assets and goodwill (refer to Note 6) as well as the carrying value and useful economic lives of property, plant and equipment (refer to Note 7). As the pace and effectiveness of a global transition to a low-carbon economy evolve, including the development of government policies aiming to address the risks arising from climate change, the Group will continue to monitor and assess the relevant implications on the valuation of the Group's assets and liabilities that could arise in future years.

Basis of preparation

These consolidated financial statements of the Group reflect the following:

- They have been prepared in accordance with UK adopted International Accounting Standards, International Financial Reporting Standards (IFRS) as adopted by the European Union and International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB).
- They have been prepared under the historical cost convention, except for certain items measured at fair value. Those accounting policies have been applied consistently in all periods, except for the adoption of new standards and amendments as of 1 January 2023, as described below under accounting policies.
- They are presented in euros, which is also the Parent Company's functional currency, and all values are rounded to the nearest euro million except where otherwise indicated.
- They have been prepared on a going concern basis (refer to the "Going concern" paragraph on page 146).

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries. All subsidiaries have accounting years ended 31 December and apply consistent accounting policies for the purpose of the consolidated financial statements.

Subsidiary undertakings are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through the Group's power to direct the activities of the entity. All intercompany accounts and transactions are eliminated on consolidation.

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% to 50% of voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

The Group treats transactions with non-controlling interests that do not result in a loss of control as equity transactions.

When the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and any other components of equity, while any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

The financial results presented herein for the period from 1 January 2021 through to the acquisition of CCL (the Acquisition) effective 10 May 2021 refer to Coca-Cola European Partners plc (Legacy CCEP) and its consolidated subsidiaries. The periods from the Acquisition to the year ended 31 December 2023 refer to the combined financial results of CCEP.

Foreign currency

The individual financial statements of each subsidiary are presented in the currency of the primary economic environment in which the subsidiary operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each subsidiary are expressed in euros.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are remeasured to the functional currency of the entity at the rate of exchange in effect at the statement of financial position date with the resulting gain or loss recorded in the consolidated income statement.

The consolidated income statement includes non-operating items which are primarily made up of remeasurement gains and losses related to currency exchange rate fluctuations on financing transactions denominated in a currency other than the subsidiary's functional currency. Non-operating items are shown on a net basis and reflect the impact of any derivative instruments utilised to hedge the foreign currency movements of the underlying financing transactions.

The assets and liabilities of the Group's foreign operations are translated from local currencies to the euro reporting currency at exchange rates in effect at the end of each reporting period. Revenues and expenses are translated at average monthly exchange rates, with average rates being a reasonable approximation of the rates prevailing on the transaction dates. Gains and losses from translation are included in other comprehensive income. On disposal of a foreign operation, accumulated exchange differences are recognised as a component of the gain or loss on disposal.

The principal exchange rates used for translation purposes in respect of one euro were:

	Average for the year ended 31 December(A)			Closing as at 31 December	
	2023	2022	2021	2023	2022
British pound	1.15	1.17	1.16	1.15	1.13
US dollar	0.92	0.95	0.85	0.90	0.94
Norwegian krone	0.09	0.10	0.10	0.09	0.10
Swedish krona	0.09	0.09	0.10	0.09	0.09
Icelandic krona	0.01	0.01	0.01	0.01	0.01
Australian dollar	0.61	0.66	0.63	0.61	0.64
Indonesian rupiah(B)	0.06	0.06	0.06	0.06	0.06
New Zealand dollar	0.57	0.60	0.60	0.57	0.60
Papua New Guinean kina	0.26	0.27	0.24	0.24	0.27

(A) For the year ended 31 December 2021, the rates for the Asia Pacific region are calculated as average for the period from 10 May 2021 to 31 December 2021.

(B) Indonesian rupiah is shown as 1000 IDR versus 1 EUR.

Notes to the consolidated financial statements continued

Reporting periods

In these consolidated financial statements, the Group is reporting the financial results for the years ended 31 December 2023, 31 December 2022 and 31 December 2021.

The following table summarises the number of selling days for the years ended 31 December 2023, 31 December 2022 and 31 December 2021 (based on a standard five day selling week):

	First half	Second half	Full year
2023	130	130	260
2022	130	130	260
2021	131	130	261

Comparability

Sales of the Group's products are seasonal. In Europe, the second and third quarters typically account for higher unit sales of the Group's products than the first and fourth quarters. In the Group's Asia Pacific territories, the fourth quarter would typically reflect higher sales volumes in the year. The seasonality of the Group's sales volume, combined with the accounting for fixed costs such as depreciation, amortisation, rent and interest expense, impacts the Group's reported results for the first and second halves of the year. Additionally, year over year shifts in holidays, selling days and weather patterns can impact the Group's results on an annual or half yearly basis.

Note 2

Accounting policies

IFRS 15 "Revenue recognition and deductions from revenue"

The Group derives its revenues by making, selling and distributing ready to drink beverages. The revenue from the sale of products is recognised at the point in time at which control passes to a customer, typically when products are delivered to a customer. A receivable is recognised by the Group at the point in time at which the right to consideration becomes unconditional.

The Group uses various promotional programmes under which rebates, refunds, price concessions or similar items can be earned by customers for attaining agreed upon sales levels or for participating in specific marketing programmes. Those promotional programmes do not give rise to a separate performance obligation. Where the consideration the Group is entitled to varies because of such programmes, it is deemed to be variable consideration. The related accruals are recognised as a deduction from revenue and are not considered distinct from the sale of products to the customer. Variable consideration is only included to the extent that it is highly probable that the inclusion will not result in a significant revenue reversal in the future normal commercial terms.

Financing elements are not deemed present in our contracts with customers, as the sales are made with credit terms not exceeding normal commercial terms. Taxes on sugared soft drinks, excise taxes and taxes on packaging are recorded on a gross basis (i.e. included in revenue) where the Group is the principal in the arrangement. Value added taxes are recorded on a net basis (i.e. excluded from revenue). The Group assesses these taxes and duties on a jurisdiction by jurisdiction basis to conclude on the appropriate accounting treatment.

The rest of the accounting policies applied by the Group are included in the relevant notes herein.

New and amended standards

The Group has applied the following standards and amendments for the first time in the year ended 31 December 2023.

IFRS 17 "Insurance Contracts"

IFRS 17 "Insurance Contracts" is a comprehensive new standard for insurance contracts covering recognition, measurement, presentation and disclosure. IFRS 17 replaces IFRS 4 "Insurance Contracts". The overall objective of IFRS 17 is to provide a comprehensive accounting model for insurance contracts that is more useful and consistent for insurers covering all relevant accounting aspects.

The new standard had no impact on the consolidated financial statements of the Group.

Definition of Accounting Estimates – Amendments to IAS 8

The amendments to IAS 8 clarify the distinction between changes in accounting estimates, changes in accounting policies and corrections of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates.

These amendments had no impact on the consolidated financial statements of the Group.

Notes to the consolidated financial statements continued

Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2

The amendments to IAS 1 "Presentation of Financial Statements" and IFRS Practice Statement 2 "Making Materiality Judgements" provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their "significant" accounting policies with a requirement to disclose their "material" accounting policies and adding guidance on how entities apply the concept of materiality in making decisions concerning accounting policy disclosures.

The amendments had no impact on the consolidated financial statements of the Group.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12

The amendments to IAS 12 "Income Tax" narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities.

The amendments had no material impact on the consolidated financial statements of the Group.

International Tax Reform - Pillar Two Model Rules - Amendments to IAS 12

The Group has adopted International Tax Reform – Pillar Two Model Rules (Amendments to IAS 12) upon their release on 23 May 2023. The amendments provide a temporary mandatory exception from deferred tax accounting for the top-up tax, which is effective immediately, and require new disclosures about the Pillar Two exposure (see Note 20 for further details).

The Group has not early adopted any other amendments to accounting standards that have been issued but are not yet effective. These amendments are not expected to have a material impact to the Group in the current or future periods and on foreseeable future transactions.

Note 3

Significant judgements and estimates

In preparing these consolidated financial statements, management has made judgements and estimates that affect the application of the Group's accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. The significant judgements made in applying the Group's accounting policies were applied consistently across the annual periods.

The significant judgements and key sources of estimation uncertainty that have a significant effect on the amounts recognised in these financial statements are outlined below.

Significant judgements

Intangible assets and goodwill

The Group has assigned indefinite lives to its bottling agreements with TCCC. This judgement has been made after evaluating the contractual provisions of the bottling agreements, the Group's mutually beneficial relationship with TCCC and the history of renewals for bottling agreements.

Refer to Note 6 for further details on the judgement regarding the lives of bottling agreements.

Significant estimates

Impairment of indefinite lived intangible assets and goodwill

Determining whether goodwill and intangible assets with indefinite lives are impaired requires an estimation of the value in use or the fair value less costs to sell of the cash generating unit (CGU) to which the goodwill or intangible asset has been allocated. The value in use calculation requires management's estimation of the future cash flows expected to arise from the CGU, including climate-related risks. Refer to Note 6 for the sensitivity analysis of the assumptions used in the impairment analysis of goodwill and intangible assets with indefinite lives.

Deductions from revenue and sales incentives

The Group participates in various promotional programmes with customers designed to increase the sale of products. Among the programmes are arrangements under which rebates, refunds, price concessions or similar items can be earned by customers for attaining agreed upon sales levels, or for participating in specific marketing programmes. Those promotional programmes do not give rise to a separate performance obligation. Where the consideration the Group is entitled to varies because of such programmes, the amount payable is deemed to be variable consideration. Management makes estimates on an ongoing basis for each individual promotion to assess the value of the variable consideration based upon historical customer experience, expected customer performance and/or estimated sales volumes. The related accruals are recognised as a deduction from revenue and are not considered distinct from the sale of products to the customer. Refer to Note 14 for further details.

Income tax

The Group is subject to income taxes in numerous jurisdictions and there are many transactions for which the ultimate tax determination cannot be assessed with certainty in the ordinary course of business. The Group recognises a provision for situations that might arise in the foreseeable future based on an assessment of the probabilities as to whether additional taxes will be due. In addition, the Group is involved in various legal proceedings and tax matters. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made, management provides for its best estimate of the liability. Where the final outcome on these matters is different from the amounts that were initially recorded, such differences impact the tax provision in the period in which such determination is made. These estimates are subject to potential change over time as new facts emerge and each circumstance progresses. The evaluation of deferred tax asset recoverability requires estimates to be made regarding the availability of future taxable income in the jurisdiction giving rise to the deferred tax asset. Refer to Note 20 for further details regarding income taxes.

Defined benefit plans

The determination of pension benefit costs and obligations is estimated based on assumptions determined with the assistance of external actuarial advice. The key assumptions impacting the valuations are the discount rate, salary rate of inflation and mortality rates. Refer to Note 15 for further details about the Group's defined benefit pension plan costs and obligations, including sensitivities to the key assumptions applied.

Note 4
Segment information

Description of segment and principal activities

The Group derives its revenues through a single business activity, which is making, selling and distributing an extensive range of primarily non-alcoholic ready to drink beverages. The Group's Board continues to be its Chief Operating Decision Maker (CODM), which allocates resources and evaluates performance of its operating segments based on volume, revenue and comparable operating profit. Comparable operating profit excludes items impacting the comparability of period over period financial performance.

The following table provides a reconciliation between reportable segment operating profit and consolidated profit before tax:

	Year ended 31 December								
	2023			2022			2021		
	Europe € million	API € million	Total € million	Europe € million	API € million	Total € million	Europe € million	API € million	Total € million
Revenue	14,553	3,749	18,302	13,529	3,791	17,320	11,584	2,179	13,763
Comparable operating profit(A)	1,888	485	2,373	1,670	468	2,138	1,500	272	1,772
Items impacting comparability(B)			(34)			(52)			(256)
Reported operating profit			2,339			2,086			1,516
Total finance costs, net			(120)			(114)			(129)
Non-operating items			(16)			(15)			(5)
Reported profit before tax			2,203			1,957			1,382

(A) Comparable operating profit includes comparable depreciation and amortisation of €558 million and €196 million for Europe and API respectively, for the year ended 31 December 2023. Comparable depreciation and amortisation charges for the year ended 31 December 2022 totalled €549 million and €223 million for Europe and API respectively. Comparable depreciation and amortisation charges for the year ended 31 December 2021 totalled €564 million and €162 million for Europe and API respectively.

Notes to the consolidated financial statements continued

(B) Items impacting the comparability of period over period financial performance for 2023 primarily include restructuring charges of €94 million (refer to Note 17) and accelerated amortisation charges of €27 million (refer to Note 6), partially offset by €18 million of royalty income arising from the ownership of certain mineral rights in Australia (refer to Note 23), considerations of €35 million received relating to the sale of the sub-strata and associated mineral rights in Australia (refer to Note 23) and gains of €54 million mainly attributable to the sale of property in Germany (refer to Note 23). Items impacting the comparability for 2022 included restructuring charges of €163 million (refer to Note 17), partially offset by €96 million of other income arising from the favourable court ruling pertaining to the ownership of certain mineral rights in Australia (refer to Note 23) and net insurance recoveries received of €11 million arising from the July 2021 flooding events.

No single customer accounted for more than 10% of the Group's revenue during the years ended 31 December 2023, 31 December 2022 and 31 December 2021.

Revenue by geography

The following table summarises revenue from external customers by geography, which is based on the origin of the sale:

	Year ended 31 December		
Revenue:	2023 € million	2022 € million	2021 € million
Iberia(A)	3,325	3,034	2,495
Germany	3,018	2,682	2,335
Great Britain	3,235	3,088	2,613
France(B)	2,321	2,089	1,813
Belgium/Luxembourg	1,078	1,042	926
Netherlands	718	682	557
Norway	376	404	391
Sweden	398	421	375
Iceland	84	87	79
Total Europe	14,553	13,529	11,584
Australia	2,385	2,339	1,359
New Zealand and Pacific Islands	679	649	377
Indonesia and Papua New Guinea	685	803	443
Total API	3,749	3,791	2,179
Total CCEP	18,302	17,320	13,763

(A) Iberia refers to Spain, Portugal and Andorra.
(B) France refers to continental France and Monaco.

Assets by geography

Assets are allocated based on operations and physical location. The following table summarises non-current assets, other than financial instruments and deferred tax assets, by geography:

	Year ended 31 December	
Assets:	2023 € million	2022 € million
Iberia(A)	6,455	6,401
Germany	3,162	3,091
Great Britain	2,523	2,469
France(B)	940	896
Belgium/Luxembourg	623	613
Netherlands	439	428
Sweden	349	349
Norway	225	242
Iceland	38	36
Other unallocated	360	271
Total Europe	15,114	14,796
Australia	5,065	5,281
New Zealand and Pacific Islands	1,687	1,755
Indonesia and Papua New Guinea	682	726
Total API	7,434	7,762
Total CCEP	22,548	22,558

(A) Iberia refers to Spain, Portugal and Andorra.
(B) France refers to continental France and Monaco.

Notes to the consolidated financial statements continued

Note 5
Earnings per share

Basic earnings per share is calculated by dividing profit after taxes by the weighted average number of Shares in issue and outstanding during the period. Diluted earnings per share is calculated in a similar manner, but includes the effect of dilutive securities, principally share options, restricted stock units and performance share units. Share-based payment awards that are contingently issuable upon the achievement of specified market and/or performance conditions are included in the diluted earnings per share calculation based on the number of Shares that would be issuable if the end of the period was the end of the contingency period.

The following table summarises basic and diluted earnings per share calculations for the years presented:

	Year ended 31 December		
	2023	2022	2021
Profit after taxes attributable to equity shareholders (€ million)	1,669	1,508	982
Basic weighted average number of Shares in issue[A] (million)	459	457	456
Effect of dilutive potential Shares[B] (million)	—	1	1
Diluted weighted average number of Shares in issue[A] (million)	459	458	457
Basic earnings per share[C] (€)	3.64	3.30	2.15
Diluted earnings per share[C] (€)	3.63	3.29	2.15

(A) As at 31 December 2023, 31 December 2022 and 31 December 2021, the Group had 459,200,818, 457,106,453 and 456,235,032 Shares, respectively, in issue and outstanding.

(B) For the years ended 31 December 2023, 31 December 2022 and 31 December 2021, no options to purchase Shares were excluded from the diluted earnings per share calculation. The dilutive impact of all outstanding options, unvested restricted stock units and unvested performance share units was included in the effect of dilutive securities.

(C) Basic and diluted earnings per share are calculated prior to rounding.

Note 6
Intangible assets and goodwill

Intangible assets with indefinite lives

Intangible assets with indefinite lives acquired through business combination transactions are measured at fair value at the date of acquisition. These assets are not subject to amortisation but are tested for impairment annually at the CGU level or more frequently if facts and circumstances indicate an impairment may exist. In addition to the annual impairment test, the assessment of indefinite lives is also reviewed annually.

TCCC franchise intangible assets

The Group's bottling agreements with TCCC contain performance requirements and convey the rights to distribute and sell products within specified territories. The agreements in each territory are for initial terms of 10 years that can be renewed for another 10 years. The Group believes that its interdependent relationship with TCCC and the substantial cost and disruption to TCCC that would be caused by non-renewal ensure that these agreements will continue to be renewed and, therefore, are essentially perpetual.
The Group has never had a bottling agreement with TCCC terminated due to non-performance of the terms of the agreement or due to a decision by TCCC to terminate an agreement at the expiration of a term. After evaluating the contractual provisions of the bottling agreements as at 31 December 2023, the Group's mutually beneficial relationship with TCCC and history of renewals, indefinite lives have been assigned to all of the Group's TCCC bottling agreements.

Brands

In connection with the Acquisition, the Group acquired a portfolio of brands, predominantly comprised of certain non-alcoholic ready to drink beverages distributed and sold in Australia and New Zealand. These are considered to have an indefinite life, given the strength and durability of the brands. Refer to Note 19 for details surrounding the subsequent sale of certain non-alcoholic ready to drink brands to TCCC, which was completed in tranches.

Notes to the consolidated financial statements continued

Goodwill

Goodwill is initially measured as the excess of the total consideration transferred over the amount recognised for net identifiable assets acquired and liabilities assumed in a business combination. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the gain is recognised in the consolidated income statement as a bargain purchase. Goodwill is not subject to amortisation. It is tested annually for impairment at the CGU level or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill acquired in a business combination is allocated to the CGU that is expected to benefit from the synergies of the combination irrespective of whether a CGU is part of the business combination.

Intangible assets with finite lives

Intangible assets with finite lives are measured at cost of acquisition or production and are amortised using the straight-line method over their respective estimated useful lives. Finite lived intangible assets are assessed for impairment whenever there is an indication that they may be impaired. The amortisation period and method are reviewed annually.

Internally generated software

The Group capitalises certain development costs associated with internally developed software, including external direct costs of materials and services, and payroll costs for employees devoting time to a software project and any such software acquired as part of a business combination. Development expenditure is recognised as an intangible asset only after its technical feasibility and commercial viability can be demonstrated. When capitalised software is not integral to related hardware, it is treated as an intangible asset; otherwise it is included within property, plant and equipment. The estimated useful life of capitalised software is predominantly between five and seven years. Amortisation expense for capitalised software is included within administrative expenses and was €94 million, €83 million and €75 million for the years ended 31 December 2023, 31 December 2022 and 31 December 2021, respectively.

Customer relationships

The Group has acquired certain customer relationships in connection with business combinations. These customer relationships are recorded at fair value on the date of acquisition, and amortised over an estimated economic useful life of 20 years. Amortisation expense for these assets is included within administrative expenses and was €10 million, €10 million and €9 million for the years ended 31 December 2023, 31 December 2022 and 31 December 2021, respectively.

Non-TCCC franchise intangible

In connection with the Acquisition, the Group acquired certain bottling agreements with non-TCCC distribution partners, mainly Beam Suntory, which contain performance requirements and convey the rights to distribute and sell products within specified API territories. The non-TCCC bottling arrangements were recorded at fair value at the acquisition date and were initially amortised over an expected economic useful life of 20 years. On 2 August 2023, the Group announced that CCEP and Beam Suntory will discontinue their relationship effective 1 July 2025 (Australia) and 1 January 2026 (New Zealand). CCEP will remain the exclusive manufacturing, sales and distribution partner for Beam Suntory in Australia and New Zealand through the end of the current contractual terms set to expire on 30 June 2025 and 31 December 2025, respectively. The discontinuance of the relationship triggered a change in the assigned useful economic life of the intangible assets effective from the second half of 2023, resulting in an accelerated amortisation charge of €27 million recognised for the year ending 31 December 2023. As at 31 December 2023, finite-lived intangible assets of €94 million were reflected in the consolidated statement of financial position related to the Beam Suntory distribution rights, primarily attributable to those available in Australia. Total amortisation expense for these assets is recognised within administrative expenses and totalled €35 million, €8 million and €5 million for the years ended 31 December 2023, 31 December 2022 and 31 December 2021, respectively.

Notes to the consolidated financial statements continued

Balances and movements in intangible assets and goodwill

The following table summarises the movements in the carrying amounts of intangible assets and goodwill for the periods presented:

	TCCC franchise intangible € million	Brands € million	Software € million	Customer relationships € million	Non-TCCC franchise intangible € million	Assets under construction € million	Total intangibles € million	Goodwill € million
Cost:								
As at 31 December 2021	12,008	22	571	197	149	47	12,994	4,623
Additions	—	—	40	1	—	63	104	—
Disposals	—	—	(27)	—	—	(1)	(28)	—
Transfers and reclassifications	—	11	39	—	—	(38)	12	—
Currency translation adjustments	(134)	6	(2)	(3)	(1)	(2)	(136)	(23)
As at 31 December 2022	11,874	39	621	195	148	69	12,946	4,600
Additions	—	—	64	—	—	92	156	—
Disposals	—	—	(27)	—	—	—	(27)	—
Transfers and reclassifications	—	—	63	—	—	(65)	(2)	—
Currency translation adjustments	(116)	(7)	(1)	(1)	(6)	(2)	(133)	(86)
As at 31 December 2023	11,758	32	720	194	142	94	12,940	4,514
Accumulated amortisation:								
As at 31 December 2021	—	—	(297)	(53)	(5)	—	(355)	—
Amortisation expense	—	—	(83)	(10)	(8)	—	(101)	—
Disposals	—	—	22	—	—	—	22	—
Currency translation adjustments	—	(7)	(2)	2	—	—	(7)	—
As at 31 December 2022	—	(7)	(360)	(61)	(13)	—	(441)	—
Amortisation expense	—	—	(94)	(10)	(35)	—	(139)	—
Disposals	—	—	27	—	—	—	27	—
Currency translation adjustments	—	7	1	—	—	—	8	—
As at 31 December 2023	—	—	(426)	(71)	(48)	—	(545)	—
Net book value:								
As at 31 December 2021	12,008	22	274	144	144	47	12,639	4,623
As at 31 December 2022	11,874	32	261	134	135	69	12,505	4,600
As at 31 December 2023	11,758	32	294	123	94	94	12,395	4,514

Notes to the consolidated financial statements continued

Impairment of indefinite lived intangible assets and goodwill

Each CGU is tested for impairment annually in the fourth quarter or whenever there is an indication of impairment. The recoverable amount of each CGU is normally determined through a value in use calculation. To determine value in use for a CGU, estimated future cash flows are discounted to their present values using a pre-tax discount rate reflective of the current market conditions and risks specific to each CGU. If the carrying value of a CGU exceeds its recoverable amount, the carrying value of the CGU is reduced to its recoverable amount and impairment charges are recognised immediately within the consolidated income statement. Impairment charges other than those related to goodwill may be reversed in future periods if a subsequent test indicates that the recoverable amount has increased. Such recoveries may not exceed a CGU's original carrying value less any depreciation that would have been recognised if no impairment charges were previously recorded.

The Group's CGUs are based on geography and generally represent the individual territories in which the Group operates. For the purposes of allocating intangibles, each indefinite lived intangible asset is allocated to the geographic region to which the agreement relates and goodwill is allocated to each of the CGUs expected to benefit from a business combination, irrespective of whether other assets and liabilities of the acquired businesses are assigned to the CGUs.

The following table identifies the carrying value of goodwill and indefinite lived intangible assets attributable to each significant CGU of the Group. In addition to the significant CGUs of the Group, as at 31 December 2023, the Group had other CGUs with total indefinite lived intangible assets of €1,349 million (2022: €1,369 million) and goodwill of €370 million (2022: €380 million).

	Year ended 31 December			
	2023		2022	
	Indefinite lived intangible assets	Goodwill	Indefinite lived intangible assets	Goodwill
Cash generating unit	€ million	€ million	€ million	€ million
Iberia	4,289	1,275	4,289	1,275
Australia	2,596	1,397	2,690	1,450
Great Britain	1,680	200	1,646	200
Germany	1,060	748	1,060	748
Pacific(A)	816	524	849	547

(A) Pacific refers to New Zealand and Pacific Islands.

The recoverable amount of each CGU was determined through a value in use calculation, which uses cash flow projections for a five year period. These projections reflect the impact of climate change on our business as well as the mitigating actions and strategies we are undertaking to support our commitment to reach Net Zero by 2040. The key assumptions used in projecting these cash flows were as follows:

- Growth rate and operating margins: Cash flows were projected over four years based on the Group's strategic business plan. Cash flows for the fifth year and beyond were projected using an inflation-based long-term terminal growth rate between 1.6% and 4.5%.
- Discount rate: A weighted average cost of capital was applied specific to each CGU as a hurdle rate to discount cash flows. The discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The following table summarises the pre-tax discount rate attributable to each significant CGU.

	2023	2022
	Pre-tax discount rate	Pre-tax discount rate
Cash generating unit	%	%
Iberia	9.3	8.7
Australia	11.1	9.1
Great Britain	9.8	9.3
Germany	10.1	7.9
Pacific(A)	11.2	9.7

(A) Pacific refers to New Zealand and Pacific Islands.

The Group did not record any impairment charges as a result of the tests conducted in 2023 and 2022.

The Group's Iberia, Australia, Great Britain and Germany CGUs have substantial headroom when comparing the value in use calculation of the CGU versus the CGU's total carrying value.

For the Group's Pacific CGU, the headroom in the 2023 impairment analysis was approximately 11% of total carrying value. The Group estimates that a 0.9% reduction in the terminal growth rate or a 0.7% increase in the discount rate, each in isolation, would eliminate existing headroom in Pacific.

Notes to the consolidated financial statements continued

For the Group's Indonesia CGU, the headroom in the 2023 impairment analysis was approximately 11% of total carrying value. The indefinite lived intangible assets and goodwill equalled €143 million in total and the pre-tax discount rate used in the test was 12.2%. The Group estimates that a 1.2% reduction in the terminal growth rate or a 0.8% increase in the discount rate, each in isolation, would eliminate existing headroom in Indonesia.

Note 7

Property, plant and equipment

Property, plant and equipment is recorded at cost, net of accumulated depreciation and accumulated impairment losses, where cost is the amount of cash or cash equivalents paid to acquire an asset at the time of its acquisition or construction. Major property additions, replacements and improvements are capitalised, while maintenance and repairs that do not extend the useful life of an asset or add new functionality are expensed as incurred. Land is not depreciated, as it is considered to have an indefinite life. For all property, plant and equipment, other than land, depreciation is recorded using the straight-line method over the respective estimated useful lives as follows:

	Useful life (years)	
Category	Low	High
Buildings and improvements	10	40
Machinery, equipment and containers	3	20
Cold drink equipment	2	12
Vehicle fleet	3	12
Furniture and office equipment	3	10

Gains or losses arising on the disposal or retirement of an asset are determined as the difference between the carrying amount of the asset and any proceeds from its sale. Leasehold improvements are amortised using the straight-line method over the shorter of the remaining lease term or the estimated useful life of the improvement.

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, an impairment test is performed to estimate the potential loss of value that may reduce the recoverable amount of the asset to below its carrying amount. Any impairment loss is recognised within the consolidated income statement by the amount which the carrying amount exceeds the recoverable amount. Useful lives and residual amounts are reviewed annually and adjustments are made prospectively as required.

For property, plant and equipment, the Group assesses annually whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such an indication exists, a previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised and only up to the recoverable amount or the original carrying amount net of depreciation that would have been incurred had no impairment losses been recognised.

The transition to a low-carbon economy may impact the carrying value and remaining useful economic lives of the Group's property, plant and equipment. The Group continues to invest in more efficient, cleaner and more technologically advanced assets, however, the significant majority of the Group's assets currently in operation are likely to be substantially depreciated ahead of our Net Zero 2040 target, as set out in our Strategic Report on pages 37-40. In addition, the Group continuously monitors the latest developments in government legislation in relation to climate-related risks. Currently, no legislation has been passed that will materially impact the carrying value and remaining useful economic lives of the Group.

The Group leases land, office and warehouse property, computer hardware, machinery and equipment, and vehicles under non-cancellable lease agreements, most of which expire at various dates through to 2030. The Group includes right of use assets within property, plant and equipment. Right of use assets are initially measured at cost, comprising the initial measurement of the lease liability, plus any direct costs and an estimate of asset retirement obligations, less lease incentives. Subsequently, right of use assets are measured at cost, less accumulated depreciation and any accumulated impairment losses. Depreciation is calculated on a straight-line basis over the term of the lease.

The Group does not separate lease from non-lease components for each of its lease categories, except for property leases. All low value leases with total minimum lease payments under €5,000 and leases with a term less than 12 months are expensed on a straight-line basis.

Extension and termination options are included in a number of property and equipment leases across the Group and are used to maximise operational flexibility in terms of managing contracts. Extension options (or periods after termination options) are only included in the lease term if the Group has an enforceable right to extend or terminate the lease and is reasonably certain to do so.

Notes to the consolidated financial statements continued

The following table summarises the movement in net book value for property, plant and equipment for the periods presented:

	Land € million	Buildings and improvements € million	Machinery, equipment and containers € million	Cold drink equipment € million	Vehicle fleet € million	Furniture and office equipment € million	Assets under construction € million	Total € million
Cost:								
As at 31 December 2021	663	2,429	3,578	1,026	298	160	206	8,360
Additions	1	131	221	65	59	21	287	785
Disposals	(3)	(28)	(103)	(49)	(58)	(8)	—	(249)
Assets held for sale	(29)	(26)	(8)	—	—	—	—	(63)
Transfers and reclassifications	27	37	75	36	2	8	(184)	1
Currency translation adjustments	(11)	(42)	(40)	32	(4)	(2)	(4)	(71)
As at 31 December 2022	648	2,501	3,723	1,110	297	179	305	8,763
Additions	20	71	271	73	101	9	344	889
Disposals	(1)	(44)	(214)	(47)	(51)	(3)	—	(360)
Transfers and reclassifications	2	84	124	34	3	12	(259)	—
Currency translation adjustments	(12)	(26)	(18)	(9)	(1)	(2)	(1)	(69)
As at 31 December 2023	657	2,586	3,886	1,161	349	195	389	9,223
Accumulated depreciation:								
As at 31 December 2021	—	(766)	(1,473)	(631)	(151)	(91)	—	(3,112)
Depreciation expense	—	(128)	(380)	(127)	(58)	(22)	—	(715)
Disposals	—	19	105	49	53	8	—	234
Assets held for sale	—	10	9	—	—	—	—	19
Transfers and reclassifications	—	—	3	(2)	—	—	—	1
Currency translation adjustments	—	22	(2)	(14)	3	2	—	11
As at 31 December 2022	—	(843)	(1,738)	(725)	(153)	(103)	—	(3,562)
Depreciation expense	—	(137)	(318)	(112)	(61)	(25)	—	(653)
Disposals	—	28	204	43	47	3	—	325
Transfers and reclassifications	—	—	3	(1)	—	—	—	2
Currency translation adjustments	—	—	5	4	—	—	—	9
As at 31 December 2023	—	(952)	(1,844)	(791)	(167)	(125)	—	(3,879)
Net book value:								
As at 31 December 2021	663	1,663	2,105	395	147	69	206	5,248
As at 31 December 2022	648	1,658	1,985	385	144	76	305	5,201
As at 31 December 2023	657	1,634	2,042	370	182	70	389	5,344

Notes to the consolidated financial statements continued

Right of use assets

The following table summarises the net book value of right of use assets included within property, plant and equipment:

	Year ended 31 December	
	2023 € million	2022 € million
Buildings and improvements	427	465
Vehicle fleet	171	133
Machinery, equipment and containers	81	82
Furniture and office equipment	2	3
Total	681	683

Total additions to right of use assets during 2023 were €192 million (2022: €208 million).

The following table summarises depreciation charges relating to right of use assets for the periods presented:

	Year ended 31 December	
	2023 € million	2022 € million
Buildings and improvements	67	63
Vehicle fleet	58	57
Machinery, equipment and containers	32	34
Furniture and office equipment	2	2
Total	159	156

During the years ended 31 December 2023 and 31 December 2022, the total expense relating to low value and short-term leases was €24 million and €24 million, respectively, which is primarily included in administrative expenses. The Group does not have any residual value guarantees in relation to its leases. As at 31 December 2023, the total value of lease extension and termination options included within right of use assets was €17 million (2022: €35 million).

The Group incurred variable lease expenses of €157 million in 2023 (2022: €153 million), primarily included in administrative expenses. This amount mainly consists of the variable component of lease payments for product transportation services in Australia and New Zealand, whereby these components are dependent on various factors such as number of cases of product delivered, number of trips and pallets.

Note 8
Inventories

Inventories are valued at the lower of cost or net realisable value and cost is determined using the first-in, first-out (FIFO) method. Inventories consist of raw materials, supplies (primarily including concentrate, other ingredients and packaging) and finished goods, which also include direct labour, indirect production and overhead costs. Cost includes all costs incurred to bring inventories to their present location and condition. Cost of inventories also includes the transfer from equity of gains and/or losses on qualified cash flow hedges relating to inventory purchases. Spare parts, classified and accounted as inventories, are recorded as assets at the time of purchase and are expensed as utilised. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to complete and sell the inventory.

The following table summarises the inventory outstanding in the consolidated statement of financial position as at the dates presented:

	Year ended 31 December	
	2023 € million	2022 € million
Finished goods	750	777
Raw materials and supplies	449	452
Spare parts and other	157	151
Total inventories	1,356	1,380

Write downs of inventories totalled €59 million, €41 million and €41 million for the years ended 31 December 2023, 31 December 2022 and 31 December 2021, respectively. The majority of these write downs were included in cost of sales on the consolidated income statement. None of these write downs of inventory were subsequently reversed.

Notes to the consolidated financial statements continued

Note 9
Trade accounts receivable

The Group sells its products to retailers, wholesalers and other customers and extends credit, generally without requiring collateral, based on an evaluation of the customer's financial condition. While the Group has a concentration of credit risk in the retail sector, this risk is mitigated due to the diverse nature of the customers the Group serves, including, but not limited to, their type, geographic location, size and beverage channel.

Trade accounts receivable are initially recognised at their transaction price and subsequently measured at amortised cost less provision for impairment. Typically, accounts receivable have terms of 30 to 60 days and do not bear interest. The Group applies an expected credit loss reserve methodology to assess possible impairments. Balances are considered for impairment on an individual basis rather than by reference to the extent that they become overdue. The Group considers factors such as delinquency in payment, financial difficulties, payment history of the debtor and certain forward-looking macroeconomic indicators. The carrying amount of trade accounts receivable is reduced through the use of an allowance account, and the amount of the loss is recognised in the consolidated income statement. Credit insurance on a portion of the accounts receivable balance is also carried. Refer to Note 26 for further details on credit risk management.

As a result of continued recession risk across our European territories, the Group supplements its existing credit loss reserve methodology to include an incremental loss allowance for those receivable balances that were deemed to be higher risk in the current environment. The incremental allowance is included within allowance for doubtful accounts below, as at 31 December 2023 and 31 December 2022.

The following table summarises the trade accounts receivable outstanding in the consolidated statement of financial position as at the dates presented:

	Year ended 31 December	
	2023 € million	2022 € million
Trade accounts receivable, gross	2,601	2,523
Allowance for doubtful accounts	(54)	(57)
Total trade accounts receivable	2,547	2,466

The following table summarises the ageing of trade accounts receivable, net of allowance for doubtful accounts, in the consolidated statement of financial position as at the dates presented:

	Year ended 31 December	
	2023 € million	2022 € million
Not past due	2,348	2,287
Past due 1 – 30 days	142	102
Past due 31 – 60 days	16	30
Past due 61 – 90 days	7	15
Past due 91 – 120 days	9	14
Past due 121+ days	25	18
Total	2,547	2,466

The following table summarises the change in the allowance for doubtful accounts for the periods presented:

	Allowance for doubtful accounts € million
As at 31 December 2021	(49)
Provision for impairment recognised during the year	(15)
Receivables written off during the year as uncollectable	5
Reversals	1
Currency translation adjustments	1
As at 31 December 2022	(57)
Provision for impairment recognised during the year	(9)
Receivables written off during the year as uncollectible	9
Reversals	2
Currency translation adjustments	1
As at 31 December 2023	(54)

Note 10

Cash and cash equivalents and short-term investments

Cash and cash equivalents

Cash and cash equivalents include cash and short-term, highly liquid financial instruments with maturity dates of less than three months when acquired that are readily convertible to cash and which are subject to an insignificant risk of changes in value. Counterparties and instruments used to hold the Group's cash and cash equivalents are continually assessed, with a focus on preservation of capital and liquidity.

The following table summarises the cash and cash equivalents outstanding in the consolidated statement of financial position as at the dates presented:

	Year ended 31 December	
	2023	2022
	€ million	€ million
Cash at banks and on hand	465	491
Short-term deposits and securities	954	896
Total cash and cash equivalents	1,419	1,387

Cash and cash equivalents are held in the following currencies as at the dates presented:

	Year ended 31 December	
	2023	2022
	€ million	€ million
Euro	662	477
British pound	305	190
US dollar	64	88
Norwegian krone	58	35
Swedish krona	26	21
Australian dollar	118	358
Indonesian rupiah	48	26
Papua New Guinean kina	42	102
Other	96	90
Total cash and cash equivalents	1,419	1,387

Included within cash and cash equivalents as at 31 December 2023 and 31 December 2022 are Papua New Guinea cash assets of €42 million and €102 million respectively, denominated in local currency (kina). Government-imposed currency controls impact the extent to which the cash held in Papua New Guinea can be converted into foreign currency and remitted for use elsewhere in the Group. There are no other material restrictions on the Group's cash and cash equivalents.

Short-term investments

Short-term investments are financial assets that are initially recognised at fair value and subsequently measured at amortised cost. The Group classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments for principal and interest.

The short-term investment balance is comprised of time deposits and treasury bills, with maturity dates of greater than three months and less than one year when acquired, which do not meet the definition of cash and cash equivalents, and are expected to be held until maturity. These are highly liquid investments and, due to their short-term nature, their carrying amount is not significantly different from the fair values.

As at 31 December 2023, short-term investments were €568 million (2022: €256 million), which included €33 million (2022: €49 million) denominated in Papua New Guinea kina that are subject to government-imposed currency controls which impact the extent to which these investments, upon maturity, can be converted into foreign currency and remitted for use elsewhere in the Group.

Cash receipts arising from the interest earned on cash and cash equivalents and short-term investments were €58 million, €25 million and €12 million for the years ended 31 December 2023, 31 December 2022, and 31 December 2021 respectively, and in the current year considered a major class of gross cash receipts from investing activities. Accordingly, these have been presented separately in the Group's consolidated statement of cash flows in the current year.

Note 11
Fair values
Fair value measurements

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy. This is described as one of the following, based on the lowest-level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted prices in active markets for identical assets or liabilities.
- Level 2 – Observable inputs other than quoted prices included in Level 1. The Group values assets and liabilities included in this level using dealer and broker quotations, certain pricing models, bid prices, quoted prices for similar assets and liabilities in active markets or other inputs that are observable or can be corroborated by observable market data.
- Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

The fair values of the Group's cash and cash equivalents, short-term investments, trade accounts receivable, amounts receivable from related parties, trade and other payables and amounts payable to related parties approximate their carrying amounts due to their short-term nature.

The fair values of the Group's borrowings are estimated based on borrowings with similar maturities and credit quality and current market interest rates. These are categorised within Level 2 of the fair value hierarchy, as the Group uses certain pricing models and quoted prices for similar liabilities in active markets in assessing their fair values. Refer to Note 13 for further details regarding the Group's borrowings.

The following table summarises the book value and fair value of the Group's borrowings as at the dates presented:

	Year ended 31 December	
	2023 € million	2022 € million
Fair value of borrowings	10,580	10,503
Book value of borrowings (Note 13)	11,396	11,907

The Group's derivative assets and liabilities are carried at fair value both upon initial recognition and subsequently. The fair value is determined using a variety of valuation techniques, depending on the specific characteristics of the hedging instrument, taking into account credit risk. The fair value of the Group's derivative contracts (including forwards, options, futures, cross currency swaps and interest rate swaps) is determined using standard valuation models. The significant inputs used in these models are readily available in public markets or can be derived from observable market transactions and, therefore, the derivative contracts have been classified as Level 2. Inputs used in these standard valuation models include the applicable spot, forward and discount rates. The standard valuation model for the option contracts also includes implied volatility, which is specific to individual options and is based on rates quoted from a widely used third party resource. Refer to Note 12 for further details about the Group's derivatives.

The following table summarises the fair value of the derivative assets and liabilities as at the dates presented:

	Year ended 31 December	
	2023 € million	2022 € million
Assets at fair value:		
Derivatives (Note 12)	261	448
Liabilities at fair value:		
Derivatives (Note 12)	268	263

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation at the end of each reporting period. There have been no transfers between levels during the periods presented.

Note 12
Hedging activities
Derivative financial instruments

The Group utilises derivative financial instruments to mitigate its exposure to certain market risks associated with its ongoing operations. The primary risks that it seeks to manage through the use of derivative financial instruments include currency exchange risk, commodity price risk and interest rate risk.

All derivative financial instrument assets and liabilities are recorded at fair value in the consolidated statement of financial position. The Group does not use derivative financial instruments for trading or speculative purposes, and all hedge ratios are on a 1:1 basis. At the inception of a hedge transaction, the Group documents the relationship between the hedging instrument and the hedged item, as well as its risk management objective and strategy for undertaking the hedge transaction. This process includes linking the derivative financial instrument designated as a hedging instrument to the specific asset, liability, firm commitment or forecasted transaction. Refer to Note 26 for further details about the Group's risk management strategy and objectives. Both at the hedge inception and on an ongoing basis, the Group assesses and documents whether the derivative financial instrument used in the hedging transaction is highly effective in maintaining the risk management objectives. Where critical terms match, the Group uses a qualitative assessment to ensure initial and ongoing effectiveness criteria. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, exercised or no longer qualifies for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument recognised in equity is retained in equity until the forecasted transaction occurs. If the hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the income statement.

While certain derivative financial instruments are designated as hedging instruments, the Group may also enter into derivative financial instruments that are designed to hedge a risk but are not designated as hedging instruments (referred to as an economic hedge or a non-designated hedge). The decision regarding whether or not to designate a hedge for hedge accounting is made by management considering the size, purpose and tenure of the hedge, as well as the anticipated ability to achieve and maintain the Group's risk management objective.

The Group is exposed to counterparty credit risk on all of its derivative financial instruments. It has established and maintained strict counterparty credit guidelines and enters into hedges only with financial institutions that are investment grade or better. It continuously monitors counterparty credit risk and utilises numerous counterparties to minimise its exposure to potential defaults.

The following table summarises the fair value of the assets and liabilities related to derivative financial instruments and the respective line items in which they were recorded in the consolidated statement of financial position as at the dates presented. All derivative instruments are classified as Level 2 within the fair value hierarchy.

Discussion of the Group's other financial assets and liabilities is contained elsewhere in these financial statements. Refer to Note 9 for trade accounts receivable, Note 14 for trade and other payables, Note 13 for borrowings and Note 19 for amounts receivable and payable with related parties.

		Year ended 31 December	
		2023	2022
Hedging instrument	Location – statement of financial position	€ million	€ million
Assets:			
Derivatives designated as hedging instruments:			
Commodity contracts	Non-current derivative assets	38	30
Foreign currency contracts	Non-current derivative assets	—	4
Interest rate and cross currency swaps	Non-current derivative assets	62	157
Commodity contracts	Current derivative assets	94	133
Foreign currency contracts	Current derivative assets	20	27
Interest rate and cross currency swaps	Current derivative assets	47	97
	Total assets	261	448
Liabilities:			
Derivatives designated as hedging instruments:			
Commodity contracts	Non-current derivative liabilities	30	6
Foreign currency contracts	Non-current derivative liabilities	2	10
Interest rate and cross currency swaps	Non-current derivative liabilities	137	171
Commodity contracts	Current derivative liabilities	58	47
Foreign currency contracts	Current derivative liabilities	36	29
Deal contingent forwards	Current derivative liabilities	5	—
	Total liabilities	268	263

Notes to the consolidated financial statements continued

Cash flow hedges

The Group uses cash flow hedges to mitigate its exposure to variability in cash flows attributable to currency fluctuations and commodity price fluctuations associated with certain highly probable forecasted transactions, including purchases of raw materials, finished goods and services denominated in non-functional currencies, the receipts of interest as well as the payments of interest and principal on debt issuances in non-functional currencies.

Effective changes in the fair value of these cash flow hedging instruments are recognised as a component of other reserves in the consolidated statement of changes in equity. Any changes in the fair value of these cash flow hedges that are the result of ineffectiveness are recognised immediately in the line item in the consolidated income statement that is consistent with the nature of the underlying hedged item. Historically, the Group has not experienced, nor does it expect to experience, material hedge ineffectiveness with the value of the hedged instrument equalling that of the hedged item. If the hedged cash flow results in a subsequent recognition of a non-financial asset or liability, the gains and/or losses accumulated in equity are included in the measurement of the cost of the asset or liability. For other cash flow hedges, the amounts deferred in equity are then recognised within the line item in the consolidated income statement that is consistent with the nature of the underlying hedged item in the period that the forecasted purchases or payments impact earnings.

The following table summarises the Group's outstanding cash flow hedges by risk category as at the dates presented (all contracts denominated in a foreign currency have been converted into euro using the respective year end spot rate):

		Notional maturity profile			
Cash flow hedges	Total € million	Less than 1 year € million	1 to 3 years € million	3 to 5 years € million	Over 5 years € million
Foreign currency contracts	1,074	912	162	—	—
Interest rate and cross currency swaps	2,225	144	1,365	—	716
Commodity contracts	922	566	356	—	—
As at 31 December 2021	4,221	1,622	1,883	—	716
Foreign currency contracts	1,723	1,292	431	—	—
Interest rate and cross currency swaps	2,079	760	604	416	299
Commodity contracts	1,397	834	563	—	—
As at 31 December 2022	5,199	2,886	1,598	416	299
Deal contingent foreign currency forwards	636	636	—	—	—
Foreign currency contracts	1,105	980	125	—	—
Interest rate and cross currency swaps	1,306	602	—	520	184
Commodity contracts	1,441	829	588	9	15
As at 31 December 2023	4,488	3,047	713	529	199

The net notional amount of outstanding interest rate and cross currency swaps used to hedge interest rate risk and currency fluctuations of non-functional currency borrowings was €1.3 billion as at 31 December 2023, €2.1 billion as at 31 December 2022 and €2.2 billion as at 31 December 2021. The net notional amount of the other outstanding foreign currency cash flow hedges was €1.1 billion as at 31 December 2023, €1.7 billion as at 31 December 2022 and €1.1 billion as at 31 December 2021. The net notional amount of outstanding commodity-related cash flow hedges was €1.4 billion as at 31 December 2023, €1.4 billion as at 31 December 2022 and €0.9 billion as at 31 December 2021.

Notes to the consolidated financial statements continued

During 2023, the Group entered into deal-contingent foreign currency forwards with a total notional amount of €636 million in order to mitigate the foreign currency risk arising from the proposed acquisition of CCBPI. These instruments were recorded as cash flow hedges. Refer to Note 19 for further information concerning the proposed acquisition. As of 31 December 2023, a loss of €5 million is recognised in other comprehensive income related to changes in the fair value of these instruments.

Outstanding cash flow hedges as at 31 December 2023 are expected to be settled between 2024 and 2036.

The following table provides a reconciliation by risk category of the net of tax impacts on the cash flow hedge reserve disclosed in Note 16, resulting from cash flow hedge accounting:

Cash flow hedges	Foreign currency contracts € million	Commodity contracts € million	Interest rate and cross currency swaps € million	Total € million
As at 1 January 2021	(1)	20	1	20
Net fair value gains/(losses) recognised in OCI	108	209	(16)	301
Net (gains)/losses reclassified from OCI to income statement or transferred to cost of inventories	3	(76)	(13)	(86)
Gains transferred to goodwill	(84)	—	—	(84)
As at 31 December 2021	26	153	(28)	151
Net fair value gains/(losses) recognised in OCI	13	43	46	102
Net (gains)/losses reclassified from OCI to income statement or transferred to cost of inventories	(19)	(117)	(13)	(149)
As at 31 December 2022	20	79	5	104
Net fair value gains/(losses) recognised in OCI	(26)	67	(3)	38
Net (gains)/losses reclassified from OCI to income statement or transferred to cost of inventories[(A)]	10	(111)	(10)	(111)
As at 31 December 2023	4	35	(8)	31

(A) The amount includes a net of tax gain of €83 million transferred from the cash flow hedge reserve to the cost of inventories.

The following table summarises the net of tax effect of the cash flow hedges in the consolidated income statement for the periods presented:

		Amount of gain/(loss) reclassified from the cash flow hedge reserve into profit		
		Year ended 31 December		
		2023	2022	2021
Cash flow hedging instruments	Location – Income statement	€ million	€ million	€ million
Foreign currency contracts	Cost of sales	1	19	(3)
Commodity contracts	Cost of sales	—	83	74
Commodity contracts	Selling and distribution expenses	17	34	2
Interest rate and cross currency swaps	Finance costs	10	13	13
Total		28	149	86

Ineffectiveness associated with these cash flow hedges was not material during any year presented within these financial statements.

Fair value hedges

The Group has designated certain cross currency swaps used to mitigate foreign currency risk and interest rate risk on foreign currency borrowings as fair value hedges. There is an economic relationship between the hedged item and the hedging instrument, as the terms of the cross currency swap contracts match the terms of the fixed rate borrowings. The Group has established a hedge ratio of 1:1 for the hedging relationship.

The following table summarises the Group's outstanding fair value hedges by risk category as at the dates presented (all contracts denominated in a foreign currency have been converted into euros using the respective year end spot rate):

Fair value hedges	Total	Less than 1 year € million	1 to 3 years € million	3 to 5 years € million	Over 5 years € million
Interest rate and cross currency swaps	166	—	—	—	166
As at 31 December 2021	166	—	—	—	166
Interest rate and cross currency swaps	1,165	—	—	500	665
As at 31 December 2022	1,165	—	—	500	665
Interest rate and cross currency swaps	1,159	—	275	450	434
As at 31 December 2023	1,159	—	275	450	434

Notes to the consolidated financial statements continued

The net notional amount of outstanding interest rate and cross currency swaps designated in a fair value hedge relationship with borrowings was €1,159 million as at 31 December 2023, €1,165 million as at 31 December 2022 and €166 million as at 31 December 2021.

The following table summarises the gains/(losses) recognised from the settlement of fair value hedges within the consolidated income statement for the periods presented:

		Year ended 31 December		
		2023	2022	2021
Fair value hedges	Location – Income statement	€ million	€ million	€ million
Interest rate and cross currency swaps	Finance costs	(30)	2	(2)
Total		(30)	2	(2)

The carrying value of the hedged item recognised in borrowings as at 31 December 2023 is €1,051 million (31 December 2022: €1,019 million), which includes accumulated amounts of fair value hedging adjustments of €106 million reduction in borrowings (31 December 2022: €146 million reduction in borrowings).

Non-designated hedges

The Group periodically enters into derivative instruments that are designed to hedge various risks but are not designated as hedging instruments.

At times, it enters into other short-term non-designated hedges to mitigate its exposure to changes in cash flows attributable to currency fluctuations associated with no qualifying hedged items such as short-term intercompany loans and certain cash equivalents denominated in non-functional currencies. Changes in the fair value of outstanding non-designated hedges are recognised each reporting period in the line item in the consolidated income statement that is consistent with the nature of the hedged risk.

There were €215 million of outstanding non-designated foreign currency hedges related to hedging foreign currency exposure on intercompany loans as at 31 December 2023. There were €29 million outstanding non-designated hedges as at 31 December 2022.

The following table summarises the gains/(losses) recognised from non-designated derivative financial instruments in the consolidated income statement for the years presented:

		Year ended 31 December		
		2023	2022	2021
Non-designated hedging instruments	Location – Income statement	€ million	€ million	€ million
Foreign currency contracts(A)	Non-operating items	(5)	(5)	—
Total		(5)	(5)	—

(A) The gain/(loss) recognised on these currency contracts is offset by the gain/(loss) recognised on the remeasurement of the underlying hedged items; therefore, there is a minimal consolidated net effect in non-operating items on the consolidated income statement.

Net investment hedges

The Group had no net investment hedges in place as at 31 December 2023 or 31 December 2022; however, it continues to monitor its exposure to currency exchange rates and may enter into future net investment hedges as a result of volatility in the functional currencies of certain of its subsidiaries.

Note 13

Borrowings and leases

Borrowings

Borrowings are initially recognised at fair value, net of issuance costs incurred. Borrowings acquired by the Group as part of the Acquisition have been recognised at fair value at the acquisition date. After initial recognition, borrowings are subsequently measured at amortised cost using the effective interest rate method. Amortisation of transaction costs, fair value adjustments made on acquisition, premiums and discounts are recognised as part of finance costs within the consolidated income statement.

Leases

Lease liabilities are included within borrowings in our consolidated statement of financial position.

The lease liability is measured at the present value of lease payments, discounted using the Group's incremental borrowing rate (IBR). The lease term comprises the non-cancellable period of the contract, together with periods covered by an option to extend the lease whenever the Group is reasonably certain to exercise that option and has an enforceable right to do so. Subsequently, the lease liability is measured by increasing the carrying amount to reflect interest on the lease liability and reducing it by lease payments made.

Notes to the consolidated financial statements continued

Borrowings outstanding

The following table summarises the carrying value of the Group's borrowings as at the dates presented:

	Year ended 31 December	
	2023	2022
	€ million	€ million
Non-current:		
Euro denominated bonds:		
€500 million 1.125% Notes 2024	—	498
€350 million 2.375% Notes 2025	349	349
€250 million 2.75% Notes 2026(E)	245	240
€600 million 1.75% Notes 2026(E)	588	580
€400 million 1.50% Notes 2027(E)	381	370
€250 million 1.50% Notes 2027	258	259
€500 million 1.75% Notes 2028(E)	478	466
€750 million 0.20% Notes 2028	745	744
€500 million 1.125% Notes 2029	496	495
€500 million 1.875% Notes 2030(E)	482	472
€700 million 3.875% Notes 2030(A)	694	—
€500 million 0.70% Notes 2031(E)	482	473
€800 million 0.00% Notes 2025	798	798
€700 million 0.50% Notes 2029	695	695
€1,000 million 0.875% Notes 2033	991	991
€750 million 1.50% Notes 2041	746	746
Foreign currency bonds (swapped into euro)(F):		
US$650 million 0.80% Notes 2024	—	608
US$500 million 1.50% Notes 2027	451	466

	Year ended 31 December	
	2023	2022
	€ million	€ million
Australian dollar denominated bonds:		
A$100 million 3.50% Notes 2024	—	66
A$30 million 4.166% Notes 2025	19	21
A$20 million 4.25% Notes 2025	13	14
A$30 million 4.125% Notes 2026	19	20
A$50 million 4.155% Notes 2028	33	35
A$133 million 2.45% Notes 2029	83	86
A$50 million 4.20% Notes 2031	34	36
A$187 million 4.20% Notes 2031	128	135
A$13 million 4.20% Notes 2031	9	9
Foreign currency bonds (swapped into Australian dollar or New Zealand dollar)(F):		
NOK1 billion 3.04% Notes 2028	92	99
NOK750 million 2.75% Notes 2030	68	73
US$50 million 2.6525% Notes 2030	45	47
JPY10 billion 4.15% Notes 2036(E)	67	74
JPY12.3 billion 1.06% Notes 2037(E)	65	71
Lease obligations	542	535
Total non-current borrowings	10,096	10,571

	Year ended 31 December 2023 € million	2022 € million
Current:		
Euro denominated bonds:		
€500 million 1.125% Notes 2024	500	—
€350 million 2.625% Notes 2023(B)	—	350
Foreign currency bonds (swapped into euro)(F):		
US$650 million 0.8% Notes due 2024	588	—
US$850 million 0.50% Notes due 2023(C)	—	797
Australian dollar denominated bonds:		
A$100 million 3.5% Notes 2024	62	—
Foreign currency bonds (swapped into New Zealand dollar)(F):		
US$25 million 4.34% Notes 2023(D)	—	24
US$25 million 4.34% Notes 2023(D)	—	24
Lease obligations	150	141
Total current borrowings	1,300	1,336

(A) In December 2023, the Group issued €700 million 3.875% Notes 2030 in connection with the proposed acquisition of CCBPI. Refer to Note 19 for further information concerning the proposed acquisition
(B) In November 2023, the Group repaid on maturity the outstanding amount related to the €350 million 2.625% Notes 2023.
(C) In May 2023, the Group repaid on maturity the outstanding amount related to the US$850 million 0.50% Notes due 2023.
(D) In October 2023, the Group repaid on maturity the outstanding amount related to US$25 million 4.34% Notes 2023 and US$25 million 4.34% Notes 2023 assumed as part of the Acquisition.
(E) Bond designated in full or partially in a fair value hedge relationship.
(F) Cross currency swaps are used by the Group to swap foreign currency bonds into the required local currency.

Borrowings are stated net of unamortised financing fees of €30 million and €33 million, as at 31 December 2023 and 31 December 2022, respectively.

Interest expense recognised on lease liabilities totalled €17 million, €14 million and €10 million in 2023, 2022 and 2021, respectively.

Credit facilities

During 2023, the amount available under the Group's multi currency credit facility was €1.80 billion. This amount is available for borrowing with a syndicate of 12 banks. This credit facility matures in 2029 and is for general corporate purposes and supporting the Group's working capital needs. Based on information currently available, there is no indication that the financial institutions participating in this facility would be unable to fulfil their commitments to the Group as at the date of these consolidated financial statements. The Group's current credit facility contains no financial covenants that would impact its liquidity or access to capital. As at 31 December 2023, the Group had no amounts drawn under this credit facility.

Notes to the consolidated financial statements continued

Changes in liabilities arising from financing activities

The following table provides a reconciliation of movements of liabilities to cash flows arising from financing activities:

	Current portion of borrowings	Borrowings, less current portion	Interest payable[B]	Derivatives (assets)/ liabilities held to hedge borrowings[C]	Dividend payable[B]	Total
	€ million	€ million	€ million	€ million	€ million	€ million
As at 01 January 2021	805	6,382	57	—	2	7,246
Acquisition of API	381	1,251	—	16	—	1,648
Changes from financing cash flows						
Proceeds from third party borrowings, net	—	4,877	—	—	—	4,877
Changes in short-term borrowings[A]	276	—	—	—	—	276
Repayments on third party borrowings	(950)	—	—	—	—	(950)
Payment of principal on lease obligations	(139)	—	—	—	—	(139)
Interest paid	(10)	—	(87)	—	—	(97)
Dividends paid	—	—	—	—	(638)	(638)
Other non-cash changes						
Amortisation of discount, premium and issue costs	—	(3)	—	—	—	(3)
Other non-cash movements	39	83	108	—	639	869
Movement as a result of fair value hedges	6	9	—	—	—	15
Changes in fair values	—	—	—	(98)	—	(98)
Currency translation	33	100	—	(28)	—	105
Reclassifications	909	(909)	—	—	—	—
Total changes	545	5,408	21	(110)	1	5,865
As at 31 December 2021	1,350	11,790	78	(110)	3	13,111
Changes from financing cash flows						
Changes in short-term borrowings[A]	(285)	—	—	—	—	(285)
Repayments on third party borrowings	(938)	—	—	—	—	(938)
Payment of principal on lease obligations	(153)	—	—	—	—	(153)
Interest paid	(14)	—	(116)	—	—	(130)
Dividends paid	—	—	—	—	(763)	(763)
Other financing activities	(1)	—	—	—	—	(1)
Other non-cash changes						
Amortisation of discount, premium and issue costs	(1)	4	—	—	—	3
Other non-cash movements	34	171	112	—	766	1,083
Movement as a result of fair value hedges	11	(172)	—	—	—	(161)
Changes in fair values	—	—	—	45	—	45
Currency translation	—	111	—	(18)	(2)	91
Reclassifications	1,333	(1,333)	—	—	—	—
Total changes	(14)	(1,219)	(4)	27	1	(1,209)
As at 31 December 2022	1,336	10,571	74	(83)	4	11,902
Changes from financing cash flows						
Proceeds from third party borrowings, net	—	694	—	—	—	694
Repayments on third party borrowings	(1,159)	—	—	—	—	(1,159)
Payment of principal on lease obligations	(148)	—	—	—	—	(148)
Settlement of debt-related cross-currency swaps	—	—	—	69	—	69
Interest paid	(17)	—	(165)	—	—	(182)
Dividends paid	—	—	—	—	(841)	(841)

Notes to the consolidated financial statements continued

	Current portion of borrowings € million	Borrowings, less current portion € million	Interest payable[B] € million	Derivatives (assets)/ liabilities held to hedge borrowings[C] € million	Dividend payable[B] € million	Total € million
Other non-cash changes						
Amortisation of discounts, premium, issue costs and fair value adjustments	—	5	—	—	—	5
Other non-cash movements	93	98	164	—	844	1,199
Movement as a result of fair value hedges	—	40	—	—	—	40
Changes in fair values	—	—	—	25	—	25
Currency translation	(40)	(77)	—	17	(2)	(102)
Reclassifications	1,235	(1,235)	—	—	—	—
Total changes	(36)	(475)	(1)	111	1	(400)
As at 31 December 2023	1,300	10,096	73	28	5	11,502

(A) In 2023, changes in short-term borrowings include €6,810 million of newly issued and €6,810 million of repaid EUR commercial paper. In 2022, changes in short-term borrowings included €2,464 million and €2,749 million of newly issued and repaid EUR commercial paper, respectively.

(B) Interest payable and dividends payable balances are presented within the "Trade and other payables" line item in the Group's consolidated statement of financial position.

(C) Interest rate and cross currency swaps used to hedge interest rate risk and currency fluctuations of non-functional currency borrowings, refer to Note 12.

Total cash outflows for leases were €165 million, €167 million and €149 million for the years ended 31 December 2023, 31 December 2022 and 31 December 2021, respectively.

Note 14

Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the reporting period, which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method. Trade payables are non-interest bearing and are normally settled between 70 to 80 days.

The Group participates in various programmes and arrangements with customers designed to increase the sale of our products. The costs of these programmes are recorded as deductions from revenue. Among the programmes are arrangements under which allowances can be earned by customers for attaining agreed upon sales levels or for participating in specific marketing programmes. When these allowances are paid in arrears, the Group accrues the estimated amount to be paid based upon historical customer experience, the programme's contractual terms, expected customer performance and/or estimated sales volume. The costs of these off-invoice customer marketing costs totalled €5.4 billion, €5.2 billion and €4.1 billion for 2023, 2022 and 2021, respectively.

The following table summarises trade and other payables as at the dates presented:

	Year ended 31 December	
	2023 € million	2022 € million
Trade accounts payable[A]	2,306	2,221
Accrued customer marketing costs	1,340	1,348
Accrued deposits	338	288
Accrued compensation and benefits	532	500
Accrued taxes[B]	280	253
Other accrued expenses	438	442
Total trade and other payables	5,234	5,052

(A) Includes amounts of €622 million (2022: €212 million) which are part of a supply chain finance programme facilitated by the Group. The programme permits suppliers to elect on an invoice by invoice basis to receive a discounted payment from the partner bank earlier than the agreed payment terms with the Group. If a supplier makes this election, the value and the due date of the invoice payable by the Group remains unchanged.

(B) This line item includes a payable of €59 million in 2023 and €57 million in 2022 to the Spanish tax authorities. Refer to Note 24 for further details.

Notes to the consolidated financial statements continued

Note 15
Post-employment benefits

The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. All remeasurements of the defined benefit obligation, such as actuarial gains and losses and return on plan assets, are recognised directly in other comprehensive income. Remeasurements recognised in other comprehensive income are reflected immediately in retained earnings and are not reclassified to profit or loss. Service cost is presented within cost of sales, selling and distribution expenses and administrative expenses in the consolidated income statement. Past service cost is recognised immediately within cost of sales, selling and distribution expenses, and administrative expenses in the consolidated income statement. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. Net interest cost is presented within finance costs or finance income, as applicable, in the consolidated income statement. The defined benefit obligation recognised in the consolidated statement of financial position represents the present value of the estimated future cash outflows, using interest rates of high quality corporate bonds which have terms to maturity approximating the terms of the related liability.

The Group recognises termination benefits at the earlier of the following dates: (1) when the Group can no longer withdraw the offer of those benefits; and (2) when the Group recognises costs for restructuring that are within the scope of IAS 37, “Provisions, Contingent Liabilities and Contingent Assets” and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Termination benefits are payable whenever an employee's employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for those benefits.

The following table summarises our non-current employee benefit liabilities as at the dates presented:

	Year ended 31 December					
	2023			2022		
	GB € million	Rest of world € million	Total € million	GB € million	Rest of world € million	Total € million
Retirement benefit obligation	77	81	158	—	77	77
Other employee benefit liabilities	—	33	33	—	31	31
Total non-current employee benefit liabilities	77	114	191	—	108	108

Defined benefit plans

The Group sponsors a number of defined benefit pension plans in Belgium, France, Germany, Great Britain, Luxembourg, Norway, Australia and Indonesia. The majority of the defined benefit plans are either career average, final salary or hybrid plans, and operate on a funded basis with assets held in external funds. The Group's Great Britain plan (GB Scheme) is the most significant.

The GB Scheme's defined benefit obligation includes benefits for current employees, former employees and current pensioners. The level of benefits provided (funded final salary pension) depends on the member's length of service and salary at retirement age. Part of the pension may be exchanged for a tax free cash lump sum. The GB Scheme was closed to new members with effect from
1 October 2005 and is administered by a board of trustees, which is legally separate from the Group. The board of trustees is composed of representatives of both the employer and employees. The board of trustees is required by law to act in the interest of all relevant beneficiaries and is responsible for the investment policy with regard to the assets plus the day to day administration of the benefits.

On 8 October 2020, the Group announced a proposal to close the GB Scheme to future accrual, which was implemented on 31 March 2021. The affected employees were offered to enrol in the Group's defined contribution scheme (DC scheme). Subsequent to the implementation of the closure of the GB Scheme, the members moved from active to deferred status, with future indexation of deferred pensions before retirement measured by reference to the consumer price index (CPI).

Notes to the consolidated financial statements continued

As part of its risk management strategy, in September 2023, the board of trustees entered into a buy-in agreement with Just Retirement Ltd. to acquire an insurance policy with the intent of matching a specific portion of the GB Scheme's future cash flows arising from the accrued pension liabilities of retired members. The transaction was financed entirely using a portion of the existing plan assets, with no further funding required from the Group. On an IAS 19 "Employee Benefits" basis, the subsequent fair value of the insurance policy matches the present value of the liabilities being insured. As the purchase price of the annuity of €257 million exceeded the IAS 19 accounting value of the corresponding liabilities, an asset remeasurement loss of €26 million has been recorded in other comprehensive income.

A full actuarial valuation of the GB Scheme occurs on a triennial basis by a qualified external actuary, which is used as the basis of determining the Group's future contributions to the plan. The latest triennial valuation was carried out as at 5 April 2022 and has been updated to 31 December 2023 to reflect our defined benefit obligation, for known events and changes in market conditions as allowed under IAS 19.

Risks

The Group's defined benefit pension schemes expose the Group to a number of risks, including:

- Asset volatility: the plan liabilities are calculated using a discount rate set with reference to corporate bond yields; if assets underperformed this yield, a deficit would occur. Some of our plans hold a significant proportion of growth assets (equities and property) which, though expected to outperform corporate bonds in the long term, create volatility and risk in the short term. The allocation to growth assets is monitored to ensure it remains appropriate given each scheme's long-term objectives.
- Changes in bond yields – a decrease in corporate bond yields will increase the defined benefit liability, although this will be partially offset by an increase in the value of the plan's bond holdings.
- Inflation risk: a significant proportion of our benefit obligations are linked to inflation, and higher inflation will lead to higher liabilities (although, in most cases, caps on the level of inflationary increases are in place to protect against extreme inflation). The majority of the assets are either unaffected by or only loosely correlated with inflation, meaning that an increase in inflation will also increase the deficit.
- Life expectancy: the majority of our plans have an obligation to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the defined benefit liabilities.

Benefit costs

The following table summarises the expense related to pension plans recognised in the consolidated income statement for the years presented:

	Year ended 31 December								
	2023			2022			2021		
	GB € million	Rest of world € million	Total € million	GB € million	Rest of world € million	Total € million	GB € million	Rest of world € million	Total € million
Service cost	—	14	14	—	18	18	10	16	26
Past service (credit)/cost[(A)]	—	(7)	(7)	—	(2)	(2)	(29)	6	(23)
Net interest (income)/cost	(1)	(1)	(2)	(2)	1	(1)	1	1	2
Administrative expenses	—	1	1	—	1	1	1	1	2
Total cost	(1)	7	6	(2)	18	16	(17)	24	7

(A) The current year activity is predominantly comprised of the impact of a plan amendment arising from legislative changes in respect of the minimum retirement age in France.

Other comprehensive income

The following table summarises the changes in other comprehensive income related to our pension plans for the years presented:

	Year ended 31 December								
	2023			2022			2021		
	GB € million	Rest of world € million	Total € million	GB € million	Rest of world € million	Total € million	GB € million	Rest of world € million	Total € million
Actuarial loss/(gain) on defined benefit obligation arising during the period	39	32	71	(712)	(125)	(837)	(60)	(6)	(66)
Return on plan assets less/(greater) than discount rate	65	(28)	37	808	74	882	(177)	(58)	(235)
Net charge to other comprehensive income	104	4	108	96	(51)	45	(237)	(64)	(301)

Notes to the consolidated financial statements continued

Benefit obligation and fair value of plan assets

The following tables summarise the changes in the pension plan benefit obligation and the fair value of plan assets for the periods presented:

	Year ended 31 December					
	2023			2022		
	GB € million	Rest of world € million	Total € million	GB € million	Rest of world € million	Total € million
Reconciliation of benefit obligation:						
Benefit obligation at beginning of plan year	937	529	1,466	1,739	674	2,413
Service cost	—	14	14	—	18	18
Past service (credit)/cost	—	(7)	(7)	—	(2)	(2)
Interest costs on defined benefit obligation	45	15	60	32	7	39
Plan participants contribution	—	36	36	—	28	28
Actuarial loss/(gain) – experience	21	9	30	26	7	33
Actuarial (gain)/loss – demographic assumptions	(13)	—	(13)	2	—	2
Actuarial loss/(gain) – financial assumptions	31	23	54	(740)	(132)	(872)
Benefit payments	(33)	(70)	(103)	(57)	(72)	(129)
Administrative expenses	—	1	1	—	1	1
Currency translation adjustments	20	(2)	18	(65)	—	(65)
Benefit obligation at end of plan year	1,008	548	1,556	937	529	1,466

	Year ended 31 December					
	2023			2022		
	GB € million	Rest of world € million	Total € million	GB € million	Rest of world € million	Total € million
Reconciliation of fair value of plan assets:						
Fair value of plan assets at beginning of plan year	952	572	1,524	1,840	664	2,504
Interest income on plan assets	46	16	62	34	6	*40*
Return on plan assets (less)/greater than discount rate	(65)	28	(37)	(808)	(74)	(882)
Plan participants contributions	—	36	36	—	28	28
Employer contributions	11	21	32	11	21	32
Benefit payments	(33)	(70)	(103)	(57)	(72)	(129)
Currency translation adjustment	20	(2)	18	(68)	(1)	(69)
Fair value of plan assets at end of plan year	931	601	1,532	952	572	1,524

Notes to the consolidated financial statements continued

Timing of benefit payments

The weighted average duration of the defined benefit plan obligation as at 31 December 2023 is 15 years, including 16 years for the GB Scheme. The weighted average duration of the defined benefit plan obligation as at 31 December 2022 was 16 years, including 17 years for the GB Scheme.

Retirement benefit status

The following table summarises the retirement benefit status of pension plans as at the dates presented:

	Year ended 31 December					
	2023			2022		
	GB € million	Rest of world € million	Total € million	GB € million	Rest of world € million	Total € million
Net benefit status:						
Present value of obligation	(1,008)	(548)	(1,556)	(937)	(529)	(1,466)
Fair value of assets	931	601	1,532	952	572	1,524
Net benefit status:	(77)	53	(24)	15	43	58
Retirement benefit surplus (Note 25)	—	134	134	15	120	135
Retirement benefit obligation	(77)	(81)	(158)	—	(77)	(77)

The surplus for 2023 is primarily related to the defined benefit plans in Germany and Belgium. The surplus is recognised on the balance sheet on the basis that the Group is entitled to a refund of any remaining assets once all members have left the plan.

Actuarial assumptions

The following tables summarise the weighted average actuarial assumptions used to determine the benefit obligations of pension plans as at the dates presented:

	Year ended 31 December					
	2023			2022		
Financial assumptions	GB %	Rest of world %	Average %	GB %	Rest of world %	Average %
Discount rate	4.5	3.6	4.2	4.8	4.0	4.5
Rate of compensation increase	N/A	3.6	3.6	N/A	3.6	3.6
Rate of price inflation	3.1	2.3	2.9	3.3	2.4	3.0

	Year ended 31 December					
	2023			2022		
Demographic assumptions (weighted average)[(A)]	GB	Rest of world	Average	GB	Rest of world	Average
Retiring at the end of the reporting period						
Male	21.4	19.8	21.0	21.9	19.8	21.3
Female	23.9	23.2	23.7	24.4	23.1	24.0
Retiring 15 years after the end of the reporting period						
Male	22.3	20.0	21.7	22.8	20.0	22.1
Female	25.0	23.5	24.6	25.5	23.5	24.9

(A) These assumptions translate into an average life expectancy in years, post-retirement, for an employee retiring at age 65.

Notes to the consolidated financial statements continued

The following tables summarise the sensitivity of the defined benefit obligation to changes in the weighted average principal assumptions for the periods presented:

		Year ended 31 December 2023					
		Impact on defined benefit obligation (%)					
		Increase in assumption			Decrease in assumption		
Principal assumptions	Change in assumption	GB	Rest of world	Average	GB	Rest of world	Average
Discount rate	0.5 %	(7.3)	(4.1)	(6.2)	7.9	4.4	6.7
Rate of compensation increase[(A)]	0.5 %	N/A	1.6	0.5	N/A	(1.4)	(0.5)
Rate of price inflation	0.5 %	4.6	3.2	4.1	(4.5)	(3.0)	(4.0)
Mortality rates	1 year	2.3	1.7	2.1	(2.5)	(1.8)	(2.2)

		Year ended 31 December 2022					
		Impact on defined benefit obligation (%)					
		Increase in assumption			Decrease in assumption		
Principal assumptions	Change in assumption	GB	Rest of world	Average	GB	Rest of world	Average
Discount rate	0.5 %	(7.9)	(4.0)	(6.5)	8.6	4.4	7.1
Rate of compensation increase[(A)]	0.5 %	N/A	1.6	0.6	N/A	(1.4)	(0.5)
Rate of price inflation	0.5 %	3.9	3.1	3.6	(3.8)	(2.9)	(3.4)
Mortality rates	1 year	3.0	1.7	2.5	(2.8)	(1.7)	(2.4)

(A) The compensation increase assumption is no longer applicable to the valuation of the defined benefit obligation associated with the GB Scheme in light of the plan closure effective 31 March 2021.

The sensitivity analyses have been determined based on a method that extrapolates the impact on the defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a significant assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation, as it is unlikely that changes in assumptions would occur in isolation from one another.

Pension plan assets

There are formal investment policies for the assets associated with our pension plans. Policy objectives include: (1) maximising long-term return at acceptable risk levels; (2) diversifying among asset classes, if appropriate, and among investment managers; and (3) establishing relevant risk parameters within each asset class. Investment policies reflect the unique circumstances of the respective plans and include requirements designed to mitigate risk, including quality and diversification standards. Asset allocation targets are based on periodic asset liability and/or risk budgeting study results, which help determine the appropriate investment strategies for acceptable risk levels. The investment policies permit variances from the targets within certain parameters.

Notes to the consolidated financial statements continued

The following table summarises pension plan assets measured at fair value as at the dates presented:

	Year ended 31 December 2023					Year ended 31 December 2022				
	Total	Investments quoted in active markets		Unquoted investments		Total	Investments quoted in active markets		Unquoted investments	
		GB	Rest of world	GB	Rest of world		GB	Rest of world	GB	Rest of world
	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million	€ million
Equity securities(A)	154	—	154	—	—	185	—	185	—	—
Fixed income securities:(B)										
Corporate bonds and notes	211	117	94	—	—	56	—	56	—	—
Government bonds(C)	335	770	41	(476)	—	692	1,131	28	(467)	—
Cash and other short-term investments(D)	25	19	6	—	—	28	23	5	—	—
Other investments:										
Real estate funds(E)	255	21	26	208	—	274	43	15	216	—
Insurance contracts(F)	463	—	—	260	203	207	—	—	—	207
Investment funds(G)	77	—	—	—	77	76	—	5	—	71
Derivatives(H)	12	7	—	5	—	6	5	—	1	—
Total	1,532	934	321	(3)	280	1,524	1,202	294	(250)	278

(A) Equity securities are comprised of ordinary shares and investments in equity funds. Investments in ordinary shares are valued using quoted market prices multiplied by the number of shares owned. Investments in equity funds are valued at the net asset value per share, which is calculated predominantly based on the underlying quoted investments market price, multiplied by the number of shares held as of the measurement date.

(B) The fair values of the fixed income securities are determined based on quoted market prices in active markets. Bonds are held mainly in the currency of the geography of the plan.

(C) The unquoted amounts within this category relate to repurchase agreements (where the Scheme has sold government bonds with the agreement to repurchase at a fixed date and price). The commitment to repurchase the government bonds reduces the pension assets and is reflected at fair value based on the repurchase price. The assets sold are reported at their fair value, reflecting that the Scheme retains the risks and rewards of ownership of those assets. The asset portfolio of the GB Scheme was refined during 2022 by entering into repurchase agreement of government bonds in order to better match the Scheme liability and to offset the exposure to interests and inflation rates, while remaining invested in the assets of similar risk profile.

(D) Cash and other short-term investments are valued at €1.00/unit, which approximates fair value. Amounts are generally invested in cash or interest bearing accounts.

(E) The valuation of unquoted real estate funds is based on net assets value per share multiplied by the number of shares owned. For quoted real estate funds, the calculation is based on the underlying quoted investments market price, multiplied by the number of shares held as of the measurement date.

(F) Insurance contracts exactly match the amount and timing of certain benefits and therefore the fair value of these insurance policies is deemed to be the present value of the related obligations.

(G) Primarily includes investments in equity securities, fixed income securities and combinations of both. Fair values are sourced from broker quotes.

(H) The unquoted amounts within derivatives primarily relate to total return swaps, which represent the current value of future cash flows arising from the swap determined using discounted cash flow models and market data at the reporting date.

Contributions

To support a long-term funding arrangement, during 2019 the Group entered into a partnership agreement with the GB Scheme and the CCEP Scottish Limited Partnership (the Partnership). Certain property assets in Great Britain, with a market value of £171 million, were transferred into the Partnership and subsequently leased back to the Group's operating subsidiary in Great Britain. The GB Scheme receives semi-annual distributions from the Partnership, increasing each year at a fixed cumulative rate of 3% through to 2034. The Group exercises control over the Partnership, and as such, it is fully consolidated in these consolidated financial statements. Under IAS 19, the investment held by the GB Scheme in the Partnership does not represent a plan asset for the purposes of these consolidated financial statements. Similarly, the associated liability is not included in the consolidated statement of financial position; rather, the distributions are recognised when paid as a contribution to the plan assets of the scheme.

Contributions to pension plans totalled €32 million, €32 million and €39 million during the years ended 31 December 2023, 31 December 2022 and 31 December 2021, respectively. Included within the 2023 contribution is €11 million relating to the Partnership agreement. The Group expects to make contributions of €31 million for the full year ending 31 December 2024.

Other employee benefit liabilities

In certain territories, the Group has an early retirement programme designed to create an incentive for employees, within a certain age group, to transition from (full or part time) employment into retirement before their legal retirement age. Furthermore, the Group also sponsors deferred compensation plans in other territories. The current portion of these liabilities totalled €8 million and €8 million as at 31 December 2023 and 31 December 2022, respectively, and is included within the current portion of employee benefit liabilities. The non-current portion of these liabilities totalled €33 million and €31 million as at 31 December 2023 and 31 December 2022, respectively, and is included within employee benefit liabilities.

Defined contribution plans

The Group sponsors a number of defined contribution plans across its territories. Contributions payable for the period are charged to the consolidated income statement as an operating expense for defined contribution plans. Contributions to these plans totalled €81 million for the year ended 31 December 2023,
€79 million for the year ended 31 December 2022 and €62 million for the year ended 31 December 2021.

Note 16
Equity

Share capital

As at 31 December 2023, the Company has issued and fully paid 459,200,818 Shares. Shares in issue have one voting right each and no restrictions related to dividends or return of capital.

	Number of Shares millions	Share capital € million
As at 1 January 2021	455	5
Issuances of Shares	1	—
Cancellation of Shares	—	—
As at 31 December 2021	456	5
Issuance of Shares	1	—
Cancellation of Shares	—	—
As at 31 December 2022	457	5
Issuance of Shares	2	—
Cancellation of Shares	—	—
As at 31 December 2023	459	5

The number of Shares increased in 2023, 2022 and 2021 from the issue of 2,094,365, 871,421 and 1,589,522 Shares, respectively, following the exercise of share-based payment awards.

Notes to the consolidated financial statements continued

Share premium

The share premium account increased by cash received for the exercise of options by €42 million in 2023, €14 million in 2022 and €28 million in 2021.

Merger reserves

The consideration transferred to acquire CCIP and CCEG qualified for merger relief under the Companies Act. As such, the excess consideration transferred over nominal value of €287 million was required to be excluded from the share premium account and recorded to merger reserves.

Other reserves

The following table summarises the balances in other reserves (net of tax) as at the dates presented:

	Year ended 31 December		
	2023 € million	2022 € million	2021 € million
Cash flow hedge reserve	31	104	151
Net investment hedge reserve	197	197	197
Foreign currency translation adjustment reserve	(974)	(728)	(509)
Reserve related to the acquisition of non-controlling interests	(79)	(79)	—
Other reserves(A)	2	(1)	5
Total other reserves	(823)	(507)	(156)

(A) Other reserves relate to cost of hedging which represents forward point on spot designations, time value of options and currency basis.

Movements, including the tax effects, in these accounts through to 31 December 2023 are included in the consolidated statement of comprehensive income or directly within the consolidated statement of changes in equity.

Dividends

Dividends are recorded within the Group's consolidated financial statements in the period in which they are paid.

	Year ended 31 December		
	2023 € million	2022 € million	2021 € million
First half dividend(A)	308	256	—
Second half dividend(B)	533	507	638
Total dividend on ordinary shares paid	841	763	638

(A) Dividend of €0.67 per Share was paid in first half of 2023. Dividend of €0.56 per Share was paid in first half of 2022.
(B) Dividend of €1.17 per Share was paid in second half of 2023. Dividend of €1.12 per Share was paid in second half of 2022. A full year dividend of €1.40 per Share was paid in 2021.

Dividends attributable to restricted stock units and performance share units that are unvested at the period end date are accrued accordingly. During 2023, an incremental dividend accrual of €3 million has been recognised (2022: €3 million, 2021: €1 million).

Non-controlling interest

As at 31 December 2023, 31 December 2022 and 31 December 2021, equity attributable to non-controlling interest was nil, nil and €177 million, respectively.

In December 2022, the Group entered into a share purchase agreement (SPA) with TCCC to acquire the remaining 29.4% ownership interest of its subsidiary, PT Coca-Cola Bottling Indonesia, for a total consideration of €282 million. The acquisition completed in the first quarter of 2023, following the resolution of customary conditions (refer to Note 19). As at 31 December 2022, the non-controlling interest was derecognised.

As at 31 December 2021, equity attributable to non-controlling interest was €177 million, representing 29.4% of PT Coca-Cola Bottling Indonesia, held by TCCC and 6.1% of Samoa Breweries Limited held by numerous investors.

Notes to the consolidated financial statements continued

Note 17
Total operating costs

The following tables summarise the significant cost items by nature within operating costs for the years presented:

	Year ended 31 December		
	2023 € million	2022 € million	2021 € million
Transportation costs[(A)]	958	851	631
Employee benefits	1,116	1,110	975
Depreciation of property, plant and equipment, excluding restructuring	236	246	245
Amortisation of intangible assets	6	7	4
Restructuring charges, including accelerated depreciation[(B)]	—	1	45
Other selling and distribution expenses	862	769	596
Total selling and distribution expenses	3,178	2,984	2,496
Transportation costs[(A)]	3	16	2
Employee benefits	608	544	462
Depreciation of property, plant and equipment, excluding restructuring	93	99	76
Amortisation of intangible assets	130	94	83
Acquisition related costs	12	3	49
Restructuring charges, including accelerated depreciation[(B)]	85	143	91
Other administrative expenses	379	351	311
Total administrative expenses	1,310	1,250	1,074
Total operating expenses	4,488	4,234	3,570

(A) Transportation costs include warehousing and delivery costs to the final customer destination. They exclude depreciation and amortisation.
(B) See restructuring costs table.

	Year ended 31 December		
Restructuring costs	2023 € million	2022 € million	2021 € million
Increase in provision for restructuring programmes (Note 22)	78	115	93
Amount of provision unused (Note 22)	(10)	(8)	(13)
Accelerated depreciation and non-cash costs	11	44	60
Other cash costs[(A)]	15	12	13
Total restructuring costs	94	163	153
Restructuring costs by function:			
Cost of sales	9	19	17
Selling and distribution expenses	—	1	45
Administrative expenses	85	143	91

(A) Other cash costs primarily relate to professional fees, which include consultancy costs, legal fees and other costs directly associated with restructuring.

Restructuring costs charged in arriving at operating profit for the years presented include restructuring costs arising under the following programmes and initiatives.

Accelerate competitiveness

In October 2020, the Group announced a number of proposals aimed at improving productivity through the use of technology enabled solutions. Included in these proposals was the closure of certain production facilities, including Liederbach and Sodenthaler in Germany and Malaga in Iberia. These proposals continue the focus on network optimisation and site rationalisation of the Group, with the majority of the impacted activities to be transferred within our network of facilities in each respective territory.

The proposals are also expected to impact a number of functions across the Group, including business process technology, customer service, sales and marketing, and finance, as the Group seeks to reduce complexity, improve efficiency and increase the use of technology.

In 2023, as part of the continuation of this program, the Group announced additional restructuring proposals. These initiatives resulted in €7 million of restructuring charges primarily related to severance costs. As at 31 December 2023, the programme is substantially complete.

Notes to the consolidated financial statements continued

In November 2022, the Group announced a new efficiency programme to be delivered by the end of 2028. This programme focusses on further supply chain efficiencies, leveraging global procurement and a more integrated shared service centre model, all enabled by next generation technology including digital tools and data and analytics.

In 2023, as part of this efficiency programme, the Group announced restructuring proposals resulting in €82 million of recognised costs primarily related to expected severance payments.

Staff costs

Staff costs included within the income statement were as follows:

	Year ended 31 December		
	2023	2022	2021
Employee costs	€ million	€ million	€ million
Wages and salaries	1,841	1,769	1,544
Social security costs	339	316	302
Pension and other employee benefits	253	233	170
Total employee costs	2,433	2,318	2,016

Directors' remuneration information is disclosed in the Directors' remuneration report.

The average number of persons employed by the Group (including Directors) for the periods presented were as follows:

	2023	2022	2021
	No. in thousands	No. in thousands	No. in thousands
Commercial	11.6	12.5	10.9
Supply chain	17.1	16.6	14.9
Support functions	4.1	4.0	3.9
Total average staff employed	32.8	33.1	29.7

Auditor's remuneration

Audit and other fees charged in the income statement concerning the statutory auditor of the consolidated financial statements, Ernst & Young LLP, were as follows:

	Year ended 31 December		
	2023	2022	2021
	€ thousand	€ thousand	€ thousand
Audit of Parent Company and consolidated financial statements(A)	3,759	3,136	4,751
Audit of the Company's subsidiaries	6,269	6,248	5,493
Total audit	10,028	9,384	10,244
Audit-related assurance services(B)	1,019	1,002	1,234
Other assurance services	717	213	313
Total audit and audit-related assurance services	11,764	10,599	11,791
All other services(C)	36	47	35
Total non-audit or non-audit-related assurance services	36	47	35
Total audit and all other fees	11,800	10,646	11,826

(A) Fees in respect of the audit of the accounts of the Company, including the Group's consolidated financial statements.
(B) Includes professional fees for interim reviews, reporting on internal financial controls, services related to the transactions entered into with TCCC, issuance of comfort letters for debt issuances, regulatory inspections, certain accounting consultations and other attested engagements.
(C) Represents fees for all other allowable services.

Notes to the consolidated financial statements continued

Note 18
Finance costs

Finance costs are recognised in the consolidated income statement in the period in which they are incurred, with the exception of general and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Borrowing costs are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised within the consolidated income statement in the period in which they are incurred based upon the effective interest rate method. Interest income is recognised using the effective interest rate method.

The following table summarises net finance costs for the years presented:

	Year ended 31 December		
	2023 € million	2022 € million	2021 € million
Interest income[(A)]	65	67	43
Interest expense on external debt[(A)]	(162)	(162)	(153)
Other finance costs[(B)]	(23)	(19)	(19)
Total finance costs, net	(120)	(114)	(129)

(A) Includes interest income and expense amounts, as applicable, on cross currency swaps and interest rate swaps. Cross currency swap and interest rate swap income totalled €47 million, €50 million and €27 million in 2023, 2022 and 2021, respectively. Cross currency swap and interest rate swap expense totalled €67 million, €31 million and €14 million in 2023, 2022 and 2021, respectively. Refer to Note 12 for further details.
(B) Other finance costs principally includes amortisation of the discount on external debt and interest on leases.

Note 19
Related party transactions

For the purpose of these consolidated financial statements, transactions with related parties mainly comprise transactions between subsidiaries of the Group and the related parties of the Group.

Transactions with entities with significant influence over the Group
Transactions with TCCC

TCCC exerts significant influence over the Group, as defined by IAS 24 "Related Party Disclosures". As at 31 December 2023, 19.20% of the total outstanding Shares in the Group were owned by European Refreshments, a wholly owned subsidiary of TCCC. The Group is a key bottler of TCCC products and has entered into bottling agreements with TCCC to make, sell and distribute products of TCCC within the Group's territories. The Group purchases concentrate from TCCC and also receives marketing funding to help promote the sale of TCCC products. The Group's agreements with TCCC in each territory are for 10-year terms and each contains the right for the Group to request a 10-year renewal. The existing bottling agreements expire no earlier than 1 September 2025. Additionally, two of the Group's seventeen Directors are nominated by TCCC.

The Group and TCCC engage in a variety of marketing programmes to promote the sale of TCCC products in territories in which the Group operates. The Group and TCCC operate under an incidence based concentrate pricing model and funding programme across most territories, the terms of which are tied to the bottling agreements. In certain API territories, the Group operates under a fixed price model with marketing rebates and support.

TCCC makes discretionary marketing contributions under shared marketing agreements to CCEP's operating subsidiaries. Amounts to be paid to the Group by TCCC under the programmes are generally determined annually and are periodically reassessed as the programmes progress. Under the bottling agreements, TCCC is under no obligation to participate in the programmes or continue past levels of funding in the future. The amounts paid and terms of similar programmes with other franchises may differ.

Marketing support funding programmes granted to the Group provide financial support principally based on product sales or on the completion of stated requirements and are intended to offset a portion of the costs of the programmes.

Payments from TCCC for marketing programmes to promote the sale of products are classified as a reduction in cost of sales, unless the presumption that the payment is a reduction in the price of the franchisors' products can be overcome. Payments for marketing programmes are recognised as product is sold.

Notes to the consolidated financial statements continued

The following table summarises the transactions with TCCC that directly impacted the consolidated income statement for the years presented:

	Year ended 31 December		
	2023 € million	2022 € million	2021 € million
Amounts affecting revenue(A)	140	117	50
Amounts affecting cost of sales(B)	(3,964)	(3,805)	(3,056)
Amounts affecting operating expenses(C)	25	19	9
Amounts affecting finance costs, net(D)	4	—	—
Total net amount affecting the consolidated income statement	(3,795)	(3,669)	(2,997)

(A) Amounts principally relate to fountain syrup and packaged product sales.
(B) Amounts principally relate to the purchase of concentrate, syrup, mineral water and juice, as well as funding for marketing programmes.
(C) Amounts principally relate to certain costs associated with new product development initiatives and reimbursement of certain marketing expenses.
(D) Amounts relate to bank fees recharges for bank guarantees.

The following table summarises the transactions with TCCC that impacted the consolidated statement of financial position for the periods presented:

	Year ended 31 December	
	2023 € million	2022 € million
Amounts due from TCCC	101	130
Amounts payable to TCCC	229	442

In December 2022, the Group entered into a share purchase agreement (SPA) with TCCC to acquire the remaining 29.4% ownership interest of its subsidiary, PT Coca-Cola Bottling Indonesia, for a total consideration of €282 million. As at 31 December 2022, we recognised a redemption liability equalling the consideration amount, which was reflected within the amounts payable to related parties line of our consolidated statement of financial position. The acquisition completed on 15 February 2023, following the resolution of customary conditions.

In February 2022, the Group entered into asset sale arrangements with TCCC, pursuant to which the Group agreed to sell certain non-alcoholic ready to drink beverage brands predominantly available in Australia and New Zealand, which were acquired as part of the business combination transaction consummated on 10 May 2021, for a total consideration approximating €182 million. The sale price approximated the fair value of the brands assessed at the acquisition date. During the first half of 2022, the Group partially completed the asset sale transaction and classified the remaining brands as assets held for sale in our consolidated statement of financial position as at 31 December 2022. The remaining portion of the asset sale transaction was finalised during the first half of 2023. The Group has also entered into commercial agreements with TCCC to facilitate ongoing manufacturing, distributing and/or selling activities pertaining to these brands.

Terms and conditions of transactions with TCCC
Outstanding balances on transactions with TCCC are unsecured, interest free and generally settled in cash. Receivables from TCCC are considered to be fully recoverable.

Proposed acquisition of Coca-Cola Beverages Philippines, Inc. (CCBPI)
In November 2023, the Group together with Aboitiz Equity Ventures Inc. (AEV) entered into a definitive agreement with The Coca-Cola Company (TCCC) to jointly acquire 100% of CCBPI, a wholly owned subsidiary of TCCC, for an estimated total consideration of US$1.8 billion on a debt-free, cash-free basis. The proposed acquisition reflects a 60:40 ownership structure between CCEP and AEV. The parties also agreed that if any currently unforeseen events lead AEV to terminate its participation in the proposed acquisition, at the election of TCCC, CCEP may acquire 60% or 100% of CCBPI. The transaction, which is subject to a number of customary closing conditions, including the receipt of regulatory approval, is expected to complete during the first quarter of 2024 (refer to Note 27 for further details).

Transactions with Cobega companies
Cobega, S.A. (Cobega) exhibits significant influence over the Group, as defined by IAS 24, “Related Party Disclosures”. As at 31 December 2023, 20.80% of the total outstanding Shares in the Group were indirectly owned by Cobega through its ownership interest in Olive Partners, S.A. Additionally, five of the Group’s seventeen Directors, including the Chairman, are nominated by Olive Partners, three of whom are affiliated with Cobega.

Notes to the consolidated financial statements continued

The principal transactions with Cobega are for the purchase of packaging materials and maintenance services for vending machines. The following table summarises the transactions with Cobega that directly impacted the consolidated income statement for the years presented:

	Year ended 31 December		
	2023 € million	2022 € million	2021 € million
Amounts affecting revenue[A]	1	2	1
Amounts affecting cost of sales[B]	(69)	(76)	(49)
Amounts affecting operating expenses[C]	(18)	(17)	(11)
Total net amount affecting the consolidated income statement	(86)	(91)	(59)

(A) Amounts principally relate to packaged product sales.
(B) Amounts principally relate to the purchase of packaging materials and concentrate.
(C) Amounts principally relate to maintenance and repair services and transportation.

The following table summarises the transactions with Cobega that impacted the consolidated statement of financial position for the periods presented:

	Year ended 31 December	
	2023 € million	2022 € million
Amounts due from Cobega	16	3
Amounts payable to Cobega	22	24

Terms and conditions of transactions with Cobega

Outstanding balances on transactions with Cobega are unsecured, interest free and generally settled in cash. Receivables from Cobega are considered to be fully recoverable.

Other related parties

Transactions with associates, joint ventures and other related parties

Joint venture investments relate to interests in a service provider supporting the operation of container refund schemes in certain Australian states, a PET recycling plant in Indonesia and a manufacturer of alcoholic beverages (divested during the first half of 2022).

Associate investments relate to interests in deposit scheme coordinators and a holding company of container deposit schemes in certain Australian states and territories. Associate investments also include the Group's equity interests in early stage development companies as part of CCEP Ventures.

Other related parties include coordinators of container deposit schemes in certain Australian states over which significant influence is held.

The following table summarises the transactions with associates, joint ventures and other related parties:

	Year ended 31 December		
	2023 € million	2022 € million	2021 € million
Net amounts affecting consolidated income statement – associates[A]	(68)	(73)	(49)
Net amounts affecting consolidated income statement – joint ventures[B]	(28)	(9)	(9)
Net amounts affecting consolidated income statement – other related parties[A]	(85)	(85)	(52)
Total net amount affecting the consolidated income statement	(181)	(167)	(110)

(A) Amounts principally relate to container deposit scheme charges in Australia.
(B) Amounts principally relate to the purchase of certain raw materials.

Notes to the consolidated financial statements continued

The following table summarises the balances with associates, joint ventures and other related parties:

	Year ended 31 December	
	2023	2022
	€ million	€ million
Amounts due from associates	6	6
Amounts payable to associates	2	9
Amounts payable to joint ventures	7	—
Amounts payable to other related parties	10	10

Terms and conditions of transactions with associates, joint ventures and other related parties

Outstanding balances on transactions are unsecured, interest free and generally settled in cash. Receivables are considered to be fully recoverable.

Refer to Note 28 for a listing of associates, joint ventures and other related parties.

Transactions with key management personnel

Key management personnel are the members of the Board of Directors and the members of the Executive Leadership Team. The following table summarises the total remuneration paid or accrued during the reporting period related to key management personnel:

	Year ended 31 December		
	2023	2022	2021
	€ million	€ million	€ million
Salaries and other short-term employee benefits(A)	31	30	22
Share-based payments	20	15	7
Total	51	45	29

(A) Short-term employee benefits include wages, salaries and social security contributions, paid annual leave and paid sick leave, paid bonuses and non-monetary benefits.

The Group did not have any loans with key management personnel and was not party to any other transactions with key management personnel during the periods presented.

Note 20
Income taxes

Current tax

Current tax for the period includes amounts expected to be payable on taxable income in the period together with any adjustments to taxes payable in respect of previous periods, and is determined based on the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred tax is determined by identifying the temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax for the period includes origination and reversal of temporary differences, remeasurements of deferred tax balances and adjustments in respect of prior periods.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss, unless it gives rise to equal taxable and deductible temporary differences; or
- In respect of taxable temporary differences associated with investments in subsidiaries, branches and associates, and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled by the Group and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss, unless it gives rise to equal taxable and deductible temporary differences; or
- In respect of deductible temporary differences associated with investments in subsidiaries, branches and associates, and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Income tax is recognised in the consolidated income statement. Income tax is recognised in other comprehensive income or directly in equity to the extent that it relates to items recognised in other comprehensive income or in equity.

2023, 2022 and 2021 results

The following table summarises the major components of income tax expense for the periods presented:

	Year ended 31 December		
	2023 € million	2022 € million	2021 € million
Current tax:			
Current tax charge	555	460	323
Adjustment in respect of current tax from prior periods	(10)	(37)	(53)
Total current tax	545	423	270
Deferred tax:			
Relating to the origination and reversal of temporary differences	11	35	6
Adjustment in respect of deferred income tax from prior periods	(22)	(22)	(9)
Relating to changes in tax rates or the imposition of new taxes	—	—	127
Total deferred tax	(11)	13	124
Income tax charge per the consolidated income statement	534	436	394

Notes to the consolidated financial statements continued

The following table summarises the taxes on items recognised in other comprehensive income (OCI) and directly within equity for the periods presented:

	Year ended 31 December		
	2023 € million	2022 € million	2021 € million
Taxes charged/(credited) to OCI:			
Deferred tax on net gain/loss on revaluation of cash flow hedges	11	(20)	63
Deferred tax on net gain/loss on pension plan remeasurements	(43)	(11)	63
Current tax on net gain/loss on pension plan remeasurements	8	—	1
Total taxes charged/(credited) to OCI	(24)	(31)	127
Taxes charged/(credited) to equity:			
Deferred tax charge/(credit): cash flow hedges	(31)	—	—
Deferred tax charge/(credit): share-based compensation	(1)	(2)	(3)
Current tax charge/(credit): share-based compensation	—	(8)	—
Total taxes charged/(credited) to equity	(32)	(10)	(3)

The effective tax rate was 24.2%, 22.3% and 28.5% for the years ended 31 December 2023, 31 December 2022 and 31 December 2021, respectively. The Parent Company of the Group is a UK company.

Accordingly, the following tables provide reconciliations of the Group's income tax expense at the UK statutory tax rate to the actual income tax expense for the periods presented:

	Year ended 31 December		
	2023 € million	2022 € million	2021 € million
Accounting profit before tax from continuing operations	2,203	1,957	1,382
Tax expense at the UK statutory rate	518	371	262
Taxation of foreign operations, net[(A)]	43	115	72
Non-deductible expense items for tax purposes	15	2	2
Rate and law change impact, net[(B)(C)(D)]	—	—	127
Deferred taxes not recognised	(10)	7	(7)
Adjustment in respect of prior periods[(E)]	(32)	(59)	(62)
Total provision for income taxes	534	436	394

(A) This reflects the impact, net of income tax contingencies, of having operations outside the UK, which are taxed at rates other than the statutory UK rate of 23.5% (2022: 19%, 2021: 19%).
(B) In 2021, the UK enacted a law change that increased its tax rate to 25% with effect from 1 April 2023. The Group recognised a deferred tax expense of €123 million to reflect the impact of this change.
(C) In 2021, the Netherlands enacted a law change that increased its tax rate to 25.8% with effect from 1 January 2022. The Group recognised a deferred tax expense of €2 million to reflect the impact of this change.
(D) In 2021, Indonesia enacted a law change that retained its tax rate of 22% with effect from 1 January 2022, reversing a previously enacted decrease to 20%. The Group recognised a deferred tax expense of €2 million to reflect the impact of this change.
(E) The prior year adjustment is principally due to the release of tax reserves that are no longer required and tax audit settlements.

Notes to the consolidated financial statements continued

Deferred income taxes

The following table summarises the movements in the carrying amounts of deferred tax liabilities and assets by significant component during the periods presented:

	Franchise and other intangible assets € million	Property, plant and equipment € million	Financial assets and liabilities € million	Tax losses € million	Employee and retiree benefit accruals € million	Tax credits € million	Other, net € million	Total, net € million
As at 31 December 2021	3,285	251	36	(14)	(14)	(12)	25	3,557
Amount charged/(credited) to income statement (excluding effect of tax rate changes)	(4)	(11)	5	7	5	—	11	13
Amounts charged/(credited) directly to OCI	—	—	(20)	—	(11)	—	—	(31)
Amount charged/(credited) to equity	—	—	—	—	(2)	—	—	(2)
Acquired through business combinations	(4)	2	—	—	—	—	—	(2)
Balance sheet reclassifications	(1)	(2)	(1)	(4)	—	—	4	(4)
Effect of movements in foreign exchange	(22)	(4)	(3)	—	(1)	—	(9)	(39)
As at 31 December 2022	3,254	236	17	(11)	(23)	(12)	31	3,492
Amount charged/(credited) to income statement (excluding effect of tax rate changes)	(14)	2	11	—	(15)	(12)	17	(11)
Amounts charged/(credited) directly to OCI	—	—	11	—	(43)	—	—	(32)
Amount charged/(credited) to equity	—	—	(31)	—	(1)	—	—	(32)
Balance sheet reclassifications	—	10	—	—	—	—	(10)	—
Effect of movements in foreign exchange	(49)	—	—	—	2	—	7	(40)
As at 31 December 2023	3,191	248	8	(11)	(80)	(24)	45	3,377

Analysed as follows:

	As at 31 December 2022	As at 31 December 2023
Deferred tax asset	(21)	(1)
Deferred tax liability	3,513	3,378

Notes to the consolidated financial statements continued

Unrecognised tax items

The utilisation of tax losses and temporary differences carried forward, for which no deferred tax asset is currently recognised, is subject to the resolution of tax authority enquiries and the achievement of positive income in periods which are beyond the Group's current business plan, and therefore this utilisation is uncertain.

The gross and tax effected amounts including expiry dates, where applicable, of unrecognised losses, tax credits and deductible temporary differences available for carry forward are as follows:

	Year ended 31 December					
	2023 € million		2022 € million		2021 € million	
	Gross amount	Tax effected	Gross amount	Tax effected	Gross amount	Tax effected
Tax losses expiring:						
Beyond 10 years	3	1	3	1	—	—
No time limit	1,391	264	1,657	288	1,803	310
	1,394	265	1,660	289	1,803	310
Tax credits expiring:						
Within 10 years	57	57	58	58	100	100
Beyond 10 years	35	35	43	43	45	45
	92	92	101	101	145	145
Deductible temporary differences						
No time limit	17	4	79	20	53	11
	17	4	79	20	53	11
Total	1,503	361	1,840	410	2,001	466

As at 31 December 2023, no deferred tax liability has been recognised in respect of €244 million (2022: €309 million) of unremitted earnings in subsidiaries, associates and joint ventures.

Tax provisions

The Group is routinely under audit by tax authorities in the ordinary course of business. Due to their nature, such proceedings and tax matters involve inherent uncertainties including, but not limited to, court rulings, settlements between affected parties and/or governmental actions. The probability of outcome is assessed and accrued as a liability and/or disclosed, as appropriate. The Group maintains provisions for uncertainty relating to these tax matters that it believes appropriately reflect its risk. As at 31 December 2023, €175 million (31 December 2022: €122 million) of these provisions is included in current tax liabilities and the remainder is included in non-current tax liabilities.

The Group reviews the adequacy of these provisions at the end of each reporting period and adjusts them based on changing facts and circumstances. Due to the uncertainty associated with tax matters, it is possible that at some future date, liabilities resulting from audits or litigation could vary significantly from the Group's provisions. When an uncertain tax liability is regarded as probable, it is measured on the basis of the Group's best estimate.

The Group has received tax assessments in certain jurisdictions for potential tax related to the Group's purchases of concentrate. The value of the Group's concentrate purchases is significant, and, therefore, the tax assessments are substantial. The Group strongly believes the application of tax has no technical merit based on applicable tax law, and its tax position would be sustained. Accordingly, the Group has not recorded a tax liability for these assessments, and is vigorously defending its position against these assessments.

Global minimum top-up tax

On 11 July 2023, the Finance (No.2) Act 2023 was enacted in the United Kingdom, introducing a global minimum effective tax rate of 15%. The legislation implements a domestic top-up tax and a multinational top-up tax effective for accounting periods starting on or after 31 December 2023.

The Group expects to be subject to the top-up tax in relation to its operations in a few countries. However, since the newly enacted tax legislation in the United Kingdom is only effective from 1 January 2024, there is no current tax impact for the year ended 31 December 2023.

The Group has applied a temporary mandatory relief from recognising and disclosing information about deferred tax assets and liabilities in relation to top-up tax and accounts for it as a current tax when it is incurred.

If the top-up tax had applied in 2023, the additional tax expense relating to the Group's operations for the year ended 31 December 2023 would be immaterial.

Note 21

Share-based payment plans

The Group has an established Share options plan and a Long-Term Incentive Plan (LTIP) for certain executive and management level employees that provide for granting restricted stock units, some with performance and/or market conditions. These awards are designed to align the interests of executives and management with the interests of shareholders.

During 2022, the Group launched a new global Employee Share Purchase Plan (ESPP), which gives employees the opportunity to purchase CCEP Shares on a regular basis and become a shareholder, promoting an ownership culture. Under the ESPP, participating employees are granted matching Shares when certain vesting and non-vesting conditions are met.

The Group recognises compensation expense equal to the grant date fair value for all share-based payment awards that are expected to vest. Expense is generally recorded on a straight-line basis over the requisite service period for each separately vesting portion of the award.

During the years ended 31 December 2023, 31 December 2022 and 31 December 2021, compensation expense related to our share-based payment plans totalled €57 million, €33 million and €17 million, respectively. The expense arising from equity-settled share-based payment transactions was €54 million
for the year ended 31 December 2023 (2022: €33 million; 2021: €16 million).

Share options

Share options: (1) are granted with exercise prices equal to or greater than the fair value of the Group's stock on the date of grant, (2) generally vest in three annual tranches over a period of 36 months, and (3) expire 10 years from the date of grant. Generally, when options are exercised, new Shares will be issued rather than issuing treasury Shares, if available. No options were granted during the years ended 31 December 2023, 31 December 2022 and 31 December 2021. All options outstanding as at 31 December 2023, 31 December 2022 and 31 December 2021 were valued and had exercise prices in US dollars.

The following table summarises our share option activity for the periods presented:

	2023		2022		2021	
	Shares thousands	Average exercise price US$	Shares thousands	Average exercise price US$	Shares thousands	Average exercise price US$
Outstanding at beginning of year	2,272	35.30	2,758	34.19	4,051	31.68
Granted	—	—	—	—	—	—
Exercised	(1,352)	33.86	(484)	29.00	(1,290)	26.33
Forfeited, expired or cancelled	—	—	(2)	23.21	(3)	19.68
Outstanding at end of year	920	37.42	2,272	35.30	2,758	34.19
Options exercisable at end of year	920	37.42	2,272	35.30	2,758	34.19

Notes to the consolidated financial statements continued

The weighted average Share price during the years ended 31 December 2023, 31 December 2022 and 31 December 2021 was US$60.96, US$51.21 and US$55.68, respectively.

The following table summarises the weighted average remaining life of options outstanding for the periods presented:

	2023		2022		2021	
Range of exercise prices US$	Options outstanding thousands	Weighted average remaining life years	Options outstanding thousands	Weighted average remaining life years	Options outstanding thousands	Weighted average remaining life years
15.01 to 25.00	—	0	—	0	151	0.85
25.01 to 40.00	920	1.60	2,272	2.20	2,607	3.04
Total	920	1.60	2,272	2.20	2,758	2.92

Restricted Stock Units (RSUs) and Performance Share Units (PSUs)

RSU awards entitle the participant to accrue dividends, which are paid in cash only if the RSUs vest. They do not have voting rights. Upon vesting, the participant is granted one Share for each RSU. They generally vest subject to continued employment for a period of 36 months. Unvested RSUs are restricted as to disposition and subject to forfeiture.

There were 0.1 million, 0.1 million and 0.1 million unvested RSUs outstanding with a weighted average grant date fair value of US$50.67, US$42.74 and US$43.29 as at 31 December 2023, 31 December 2022 and 31 December 2021, respectively.

PSU awards entitle the participant to the same benefits as RSUs. They generally vest subject to continued employment for a period of 36 months and the attainment of certain performance targets. There were 2.1 million, 1.8 million and 1.3 million of unvested PSUs, with weighted average grant date fair values of US$48.95, US$41.65 and US$43.07 outstanding as at 31 December 2023, 31 December 2022 and 31 December 2021, respectively.

The PSUs granted in 2023, 2022 and 2021 are subject to performance conditions of absolute EPS and ROIC, each with a 42.5% weighting, and to a sustainability metric, focused on the reduction of greenhouse gas emissions (CO_2e) across our entire value chain with a 15% weighting.

Key assumptions for grant date fair value

The following table summarises the weighted average grant date fair values per unit:

Restricted stock units and performance share units	2023	2022
Grant date fair value – service conditions (US$)	59.21	45.43
Grant date fair value – service and performance conditions (US$)	59.23	45.44

Employee Share Purchase Plan

Through the ESPP, employees are able to contribute on a regular basis up to a maximum amount deducted from their salary for the purpose of purchasing CCEP Shares. Every quarter, for each purchased share, CCEP awards participating employees matching Shares at the same time. Participating employees become owners of the matching Shares 12 months after the award, as long as they remain in employment and do not sell the related purchased Shares during this period. Participants have all the rights of a shareholder in respect of their purchased Shares and matching Shares (once they are fully owned by the employees), including dividend rights and voting rights. During the years ended 31 December 2023 and 31 December 2022, the Group recognised a compensation expense related to the ESPP of €14 million and €3 million, respectively.

Note 22

Provisions, contingencies and commitments

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When some or all of a provision is expected to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the consolidated income statement, net of any reimbursement.

Asset retirement obligations are estimated at the inception of a lease or contract, for which a liability is recognised. A corresponding asset is also created and depreciated.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Notes to the consolidated financial statements continued

Provisions

The following table summarises the movement in each class of provision for the periods presented:

	Restructuring provision € million	Decommissioning provision € million	Other provisions[A] € million	Total € million
As at 31 December 2021	103	20	11	134
Charged/(credited) to profit or loss:				
Additional provisions recognised	115	7	2	124
Unused amounts reversed	(8)	(2)	(3)	(13)
Utilised during the period	(74)	(1)	(1)	(76)
Translation	1	—	—	1
As at 31 December 2022	137	24	9	170
Charged/(credited) to profit or loss:				
Additional provisions recognised	78	1	24	103
Unused amounts reversed	(10)	(9)	(1)	(20)
Utilised during the period	(89)	(1)	(4)	(94)
Translation	—	—	—	—
As at 31 December 2023	116	15	28	159
Non-current	26	15	4	45
Current	90	—	24	114
As at 31 December 2023	116	15	28	159

(A) Other provisions primarily relate to property tax assessment provisions and legal reserves, and are not considered material to the consolidated financial statements.

Restructuring provision

Restructuring provisions are recognised only when the Group has a constructive obligation, which is when a detailed formal plan identifies the business or part of the business concerned, the location and number of employees affected, a detailed estimate of the associated costs and an appropriate timeline, and the employees affected have been notified of the plan's main features. These provisions are expected to be resolved by the time the related programme is substantively complete.

Refer to Note 17 for further details regarding our restructuring programmes.

Decommissioning provisions

Decommissioning liabilities relate to contractual or legal obligations to pay for asset retirement costs. The liabilities represent both the reinstatement obligations when the Group is contractually obligated to pay for the cost of retiring leased buildings and the costs for collection, treatment, reuse, recovery and environmentally sound disposal of cold drink equipment. Specific to cold drink equipment obligations, the Group is subject to, and operates in accordance with, the EU Directive on Waste from Electrical and Electronic Equipment (WEEE). Under the WEEE, companies that put electrical and electronic equipment (such as cold drink equipment) on the EU market are responsible for the costs of collection, treatment, recovery and disposal of their own products. Where applicable, the WEEE provision estimate is calculated using assumptions, including disposal cost per unit, average equipment age and the inflation rate, to determine the appropriate accrual amount.

The period over which the decommissioning liabilities on leased buildings and cold drink equipment will be settled ranges from 1 to 30 years and 2 to 9 years, respectively.

Contingencies

Legal proceedings and tax matters

The Group is involved in various legal proceedings and tax matters and is routinely under audit by tax authorities in the ordinary course of business. Due to their nature, such legal proceedings and tax matters involve inherent uncertainties including, but not limited to, court rulings, settlements between affected parties and/or governmental actions. The probability of loss for such contingencies is assessed and accrued as a liability and/or disclosed, as appropriate.

Notes to the consolidated financial statements continued

Guarantees

In connection with ongoing litigation and tax matters in certain territories, guarantees of approximately €1,127 million have been issued (2022: €646 million). The Group was required to issue these guarantees to satisfy potential obligations arising from such litigation. In addition, we have approximately €37 million of guarantees issued to third parties through the normal course of business
(2022: €29 million). The guarantees have various terms and the amounts represent the maximum potential future payments that we could be required to make under the guarantees. No significant additional liabilities in the accompanying consolidated financial statements are expected to arise from guarantees issued.

Commitments

Commitments beyond 31 December 2023 are disclosed herein but not accrued for within the consolidated statement of financial position.

Purchase agreements

Total purchase commitments were €0.2 billion as at 31 December 2023. This amount represents non-cancellable purchase agreements with various suppliers that are enforceable and legally binding, and that specify a fixed or minimum quantity that we must purchase. All purchases made under these agreements have standard quality and performance criteria. In addition to these amounts, the Group has outstanding capital expenditure purchase orders of approximately €165 million as at 31 December 2023. The Group also has other purchase orders raised in the ordinary course of business, which are settled in a reasonably short period of time.

Lease agreements

As at 31 December 2023, the Group had committed to a number of lease agreements that have not yet commenced. The minimum lease payments for these lease agreements totalled €23 million.

Proposed Acquisition of Coca-Cola Beverages Philippines, Inc. (CCBPI)

In November 2023, the Group together with Aboitiz Equity Ventures Inc. (AEV) entered into a definitive agreement with The Coca-Cola Company (TCCC) to jointly acquire 100% of Coca-Cola Beverages Philippines, Inc. (CCBPI) (refer to Note 19 and Note 27 for further details).

Note 23
Other income

Other income for the year ended 31 December 2023 totalled €107 million (31 December 2022: €96 million, 31 December 2021: nil). The balance is primarily attributable to the following activities.

The Group recognised €18 million of royalty income arising from the ownership of mineral rights in Queensland, Australia (2022: €96 million). On 7 March 2023, the Group entered into an agreement to sell the sub-strata and associated mineral rights. Upon regulatory approval, the transaction was consummated in April 2023. The total consideration approximated €35 million.

The Group recognised a gain of €54 million related to the sales of properties, mainly attributable to the sale of property in Germany completed on 7 July 2023.

Note 24
Other current assets and assets held for sale
Other current assets

The following table summarises the Group's other current assets as at the dates presented:

	Year ended 31 December	
	2023	2022
Other current assets	€ million	€ million
Prepayments	130	180
VAT receivables	40	41
Coal royalties[(A)]	—	96
Miscellaneous receivables	181	162
Total other current assets	351	479

(A) As at 31 December 2022, the amount related to the royalty income recognised in connection with a favourable court ruling pertaining to the ownership of certain mineral rights in Australia. Refer to Note 23 for further detail.

VAT receivables

In 2014, a dispute arose between the Spanish tax authorities and the regional tax authorities of Bizkaia (Basque Region) as to the responsibility for refunding VAT to CCEP. Pertaining to the VAT assessment for years 2013 to 2016, the Group recognised a VAT receivable of €214 million within other non-current assets, for the year ended 31 December 2021. During 2022, the Group received €252 million, inclusive of interest, from the regional tax authorities of Bizkaia following the Arbitration Board ruling and recognised an additional VAT receivable of €25 million from the Basque Region within Other current assets, and a payable of

Notes to the consolidated financial statements continued

€57 million to the Spanish tax authorities within Trade and other payables, both inclusive of interest. As at 31 December 2023, the VAT receivable balance of €25 million remains unchanged, while the VAT payable balance increased to €59 million resulting from interests. The classification of both balances remains unchanged.

Related to the same dispute between the Spanish tax authorities and the regional tax authorities of Bizkaia (Basque Region), on 8 February 2023 the Group received a proposed VAT assessment for years 2017 to 2019, approximating €250 million, inclusive of interest. For the period under the proposed assessment, the VAT refund was issued by the Spanish tax authorities. We believe that the Group will continue to be held neutral in respect of the VAT dispute.

Assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held for sale if it is highly probable that they would be recovered through sale rather than continuous use. In order for a sale to be considered highly probable, all of the following criteria needs to be met: management is committed to a plan to sell the assets, an active programme to locate a buyer and complete the plan has been initiated, the assets are actively marketed at a reasonable price, and the sale is expected to be completed within one year from the date of classification.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less cost to sale.

Once classified as held for sale, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity accounted investee is no longer equity accounted.

Assets classified as held for sale as at 31 December 2023 totalled €22 million and are comprised of properties expected to be sold in the near future.

Assets classified as held for sale as at 31 December 2022 totalled €94 million and were predominantly comprised of €40 million related to certain non-alcoholic ready to drink brands that were sold to TCCC (refer to Note 19 for further details), as well as €29 million related to a sale of property in Germany (refer to Note 23 for further details).

Note 25
Other non-current assets

The following table summarises the Group's other non-current assets as at the dates presented:

	Year ended 31 December	
Other non-current assets	2023 € million	2022 € million
Retirement benefit surplus (Note 15)	134	135
Investments	39	35
Other	122	82
Total other non-current assets	295	252

Investments

Joint ventures are undertakings in which the Group has an interest and which are jointly controlled by the Group and one or more other parties. Associates are undertakings where the Group has an investment in which it does not have control or joint control but can exercise significant influence. Interests in joint ventures and associates are accounted for using the equity method and are stated in the consolidated balance sheet at cost, adjusted for the movement in the Group's share of their net assets and liabilities. The Group's share of the profit or loss after tax of joint ventures and associates is included in the Group's consolidated income statement as non-operating items. Where the Group's share of losses exceeds its interest in the equity accounted investee, the carrying amount of the investment is reduced to zero and the recognition of further losses is discontinued, except to the extent that the Group has an obligation to make payments on behalf of the investee.

Financial assets at fair value through other comprehensive income relate to equity investments. These investments are not held for trading purposes, and hence the Group has opted to recognise fair value movements through other comprehensive income. There have been no significant changes in fair value of these investments during the period.

Notes to the consolidated financial statements continued

The following table summarises the Group's carrying value of investments as at the dates presented:

	Year ended 31 December	
	2023	2022
Investments	€ million	€ million
Investments accounted using equity method	35	33
Financial assets at fair value through other comprehensive income	4	2
Total investments	39	35

Note 26

Financial risk management

Financial risk factors, objectives and policies

The Group's activities expose it to several financial risks including market risk, credit risk and liquidity risk. Financial risk activities are governed by appropriate policies and procedures to minimise the uncertainties these risks create on the Group's future cash flows. Such policies are developed and approved by the Group's Treasury and Commodities Risk Committee, through the authority delegated to it by the Board.

Market risk

Market risk represents the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market prices and includes interest rate risk, currency risk and other price risk such as commodity price risk. Market risk affects outstanding borrowings, as well as derivative financial instruments.

Interest rates

The Group is subject to interest rate risk for its outstanding borrowings. To manage interest rate risk, the Group maintains a significant proportion of its borrowings at fixed rates. Approximately 89% and 90% of the Group's interest bearing borrowings were comprised of fixed rate borrowings at 31 December 2023 and 31 December 2022, respectively. The Group also modifies its interest rate exposure through the use of interest rate swaps. As at 31 December 2023 and 31 December 2022, the notional value of the Group's interest rate swaps was €1,123 million and €1,146 million, respectively.

If interest rates on the Group's floating rate debt were adjusted by 1% for the years ended 31 December 2023, 31 December 2022 and 31 December 2021, the Group's finance costs and pre-tax equity would change on an annual basis by approximately €9 million, €9 million and €7 million, respectively. This amount is determined by calculating the effect of a hypothetical interest rate change on the Group's floating rate debt.

Currency exchange rates

Foreign currency exchange risk can only arise on financial instruments that are denominated in a currency other than the functional currency in which they are measured. Translation-related risks are therefore not included in the assessment of the Group's exposure to currency risks. Translation exposures arise from financial and non-financial items held by the Group with a functional currency different from the Group's presentation currency (euro). To manage currency exchange risk arising from future commercial transactions and recognised monetary assets and liabilities, foreign currency forward and option contracts with external third parties are used. Typically, up to 80% of anticipated cash flow exposures in each major foreign currency for the next calendar year are hedged using a combination of forward and option contracts with third parties.

The Group is also exposed to the risk of changes in currency exchange rates between US dollar and euro relating to its US denominated borrowings. This risk is managed by entering into cross currency swaps upon issuance thereby mitigating all the foreign currency risk.

The Group also has borrowing denominated in Australian dollars that are not swapped into euro and are converted as part of the currency translation of the net assets of API, and, as such, movements in exchange rates would not impact profit.

The Group's main foreign currency exchange rate exposure relates to the change in value of the euro against other currencies. The impact of a reasonably probable movement such as 10% appreciation of the euro on the Group's pre-tax equity would have led to a €6 million loss as at 31 December 2023 (31 December 2022:
€29 million loss; 31 December 2021: €11 million gain). A 10% weakening of the euro would have led to an equal but opposite effect. The impact on the Group's pre-tax equity is due to changes in the fair value of foreign currency hedges designated as cash flow hedges.

During 2023, the Group entered into deal contingent foreign currency forwards (refer to Note 12 for further details) in order to mitigate the foreign currency risk arising from the proposed acquisition of CCBPI. A 10% appreciation of the euro as at 31 December 2023 would have led to a €64 million loss impacting the Group's pre-tax equity. A 10% weakening of the euro would have led to an equal but

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opposite effect. There would be no impact on the Group's income statement as these instruments are designated as cash flow hedges.

Movements in foreign currencies related to the Group's other financial instruments do not have a material impact on profit before income taxes or pre-tax equity.

Commodity price risk

The competitive marketplace in which the Group operates may limit its ability to recover increased costs through higher prices. As such, the Group is subject to market risk with respect to commodity price fluctuations, principally related to its purchases of aluminium, PET (plastic, including recycled PET, LDPE), ethylene, sugar and vehicle fuel. When possible, exposure to this risk is managed primarily through the use of supplier pricing agreements, which enable the Group to establish the purchase price for certain commodities. Certain suppliers restrict the Group's ability to hedge prices through supplier agreements. As a result, commodity hedging programmes are entered into and generally designated as hedging instruments. Refer to Note 12 for more information. Typically, up to 80% of the anticipated commodity transaction exposures for the next calendar year are hedged using a combination of forward and option contracts executed with third parties.

During the year ended 31 December 2023, the Group implemented a new gas and power hedging programme to manage its exposure to changes in commodity prices in relation to its purchases of power and gas, by entering into financial swaps designated in a cash flow hedge relationship. As at 31 December 2023, the notional value of the swaps was €89 million and amounts of €13 million and €52 million were included in derivative assets and derivative liabilities, respectively (refer to Note 12).

The following table demonstrates the sensitivity to reasonably possible changes in commodity prices at the reporting date, with all other variables held constant. The impact on the Group's pre-tax equity is due to changes in the fair value of commodity hedges designated as cash flow hedges. There is no impact on the Group's income statement as all commodity derivatives are designated as hedging instruments in cash flow hedges.

	Year ended 31 December		
	2023	2022	2021
Commodity price risk	€ million	€ million	€ million
10% increase in commodity prices equity gain	144	140	92
10% decrease in commodity prices equity loss	(144)	(140)	(92)

Credit risk

The Group is exposed to counterparty credit risk on all of its derivative financial instruments. Strict counterparty credit guidelines are maintained and only financial institutions that are investment grade or better are acceptable counterparties. Counterparty credit risk is continuously monitored and numerous counterparties are used to minimise exposure to potential defaults. Where required, collateral is paid between the counterparties to minimise counterparty risk. The maximum credit risk exposure for each derivative financial instrument is the carrying amount of the derivative. Included in trade and other payables is €20 million (2022: €25 million) related to collateral received from counterparties.

Credit is extended in the form of payment terms for trade to customers of the Group, consisting of retailers, wholesalers and other customers, generally without requiring collateral, based on an evaluation of the customer's financial condition. While the Group has a concentration of credit risk in the retail sector, this risk is mitigated due to the diverse nature of the customers the Group serves, including, but not limited to, their type, geographic location, size and beverage channel. Depending on the risk profile of certain customers, we may also seek bank guarantees. Collections of receivables are dependent on each individual customer's financial condition and sales adjustments granted. Trade accounts receivable are initially recognised at their transaction price and subsequently measured at amortised cost less provision for impairment. Typically, accounts receivable have terms of 30 to 60 days and do not bear interest. A default on a financial asset is when the counterparty fails to make contractual payments when they fall due. Exposure to losses on receivables is monitored, and balances are adjusted for expected credit losses. Expected credit losses are determined by: (1) evaluating the ageing of receivables; (2) analysing the history of adjustments; and (3) reviewing high risk customers. Credit insurance on a portion of the accounts receivable balance is also carried.

Notes to the consolidated financial statements continued

Liquidity risk

Liquidity risk is actively managed to ensure that the Group has sufficient funds to satisfy its commitments. The Group's sources of capital include, but are not limited to, cash flows from operations, public and private issuances of debt and equity securities, and bank borrowings. The Group believes its operating cash flow, cash on hand and available short- and long-term capital resources are sufficient to fund its working capital requirements, scheduled borrowing payments, interest payments, capital expenditures, benefit plan contributions, income tax obligations and dividends to its shareholders. Counterparties and instruments used to hold cash and cash equivalents are continuously assessed, with a focus on preservation of capital and liquidity. Based on information currently available, the Group does not believe it is at significant risk of default by its counterparties.

The Group has amounts available for borrowing under a €1.80 billion multi currency credit facility (2022: €1.95 billion) with a syndicate of 12 banks. This credit facility matures in 2029 and is for general corporate purposes, including serving as a backstop to its commercial paper programme and supporting the Group's working capital needs. Based on information currently available, the Group has no indication that the financial institutions participating in this facility would be unable to fulfil their commitments as at the date of these financial statements. The current credit facility contains no financial covenants that would impact the Group's liquidity or access to capital. As at 31 December 2023, the Group had no amounts drawn under this credit facility.

In 2022, the Group implemented a new sustainability-linked supply chain finance programme. The facility is provided by a third party bank and will help our suppliers get paid earlier than under contractual credit terms. Supplier balances under supply chain finance facilities are disclosed in Note 14.

The following table analyses the Group's non-derivative financial liabilities and net settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows:

Financial liabilities	Total € million	Less than 1 year € million	1 to 3 years € million	3 to 5 years € million	More than 5 years € million
31 December 2023					
Trade and other payables	4,875	4,875	—	—	—
Amounts payable to related parties	270	270	—	—	—
Borrowings	11,803	1,322	2,325	2,681	5,475
Derivatives	268	99	42	39	88
Lease liabilities	774	159	237	141	237
Total financial liabilities	17,990	6,725	2,604	2,861	5,800
31 December 2022					
Trade and other payables	4,714	4,714	—	—	—
Amounts payable to related parties	485	485	—	—	—
Borrowings	12,314	1,336	2,597	2,179	6,202
Derivatives	263	76	17	51	119
Lease liabilities	752	149	217	129	257
Total financial liabilities	18,528	6,760	2,831	2,359	6,578

Capital management

The primary objective of the Group's capital management is to ensure a strong credit rating and appropriate capital ratios are maintained to support the Group's business and maximise shareholder value. The Group's credit ratings are periodically reviewed by rating agencies. Currently, the Group's long-term ratings from Moody's and Fitch are Baa1 and BBB+, respectively. Changes in the operating results, cash flows or financial position could impact the ratings assigned by the various rating agencies. The credit rating can be materially influenced by a number of factors including, but not limited to, acquisitions, investment decisions, capital management activities of TCCC and/or changes in the credit rating of TCCC. Should the credit ratings be adjusted downwards, the Group may incur higher costs to borrow, which could have a material impact on the financial condition and results of operations.

The capital structure is managed and, as appropriate, adjustments are made in light of changes in economic conditions and the Group's financial policy. The Group monitors its operating performance in the context of targeted financial leverage by comparing the ratio of net debt with comparable EBITDA. Net debt is calculated as borrowings adjusted for the fair value of hedging instruments and other financial assets/liabilities related to borrowings, net of cash and cash equivalents and short term investments. Comparable EBITDA is calculated as EBITDA and adjusted for items impacting comparability.

Refer to Note 11 for the presentation of fair values for each class of financial assets and financial liabilities and Note 12 for an outline of how the Group utilises derivative financial instruments to mitigate its exposure to certain market risks associated with its ongoing operations.

Refer to the Strategic Report included within this Integrated Report for disclosure of strategic, commercial and operational risk relevant to the Group.

Note 27

Significant events after the reporting period

On 14 February 2024, in connection with the acquisition of Coca-Cola Beverages Philippines, Inc. CCBPI, the Group entered into a term loan facility agreement with the Bank of the Philippine Islands. A term loan facility in an aggregate amount of US$500 million is made available under the agreement to be utilised in Philippine Peso (PHP), which has been defined as the base currency. On 20 February 2024, the Group drew down a PHP23.5 billion (US$420 million) loan under the facility with a maturity date of 20 February 2034. The vast majority of the balance (90% of the total principal amount of the loan) is repayable in full upon maturity.

On 23 February 2024, the joint acquisition of Coca-Cola Beverages Philippines, Inc. CCBPI was successfully consummated for a total consideration of US$1.68 billion (€1.55 billion), all of which was settled in cash upon completion. The Group paid US$1.0 billion (€930 million) of the total consideration, commensurate with the effective 60:40 ownership structure of CCBPI. The transaction is going to be accounted for under IFRS 3 “Business Combinations”, using the acquisition method of accounting. The Group has commenced the purchase price allocation procedures related to the assets acquired and liabilities assumed, which as of the date of this filing remain incomplete.

Note 28

Group companies

In accordance with section 409 of the Companies Act 2006, a full list of the Company's subsidiaries, partnerships, associates, joint ventures and joint arrangements as at 31 December 2023 is disclosed below, along with the country of incorporation, the registered address and the effective percentage of equity owned at that date. Unless otherwise stated, each entity has a share capital comprising a single class of ordinary shares and is wholly owned and indirectly held by CCEP.

Name	Country of incorporation	% equity interest	Registered address
Agua De La Vega Del Codorno, S.L.U.	Spain	100%	C/ Ribera Del Loira 20-22, 2a Planta, 28042, Madrid, Spain
Aguas De Cospeito, S.L.U.	Spain	100%	Crta. Pino km. 1 - 2, 27377, Cospeito (Lugo), Spain
Aguas De Santolin, S.L.U.	Spain	100%	C/ Real, s/n 09246, Quintanaurria, Burgos, Spain
Aguas Del Maestrazgo, S.L.U.	Spain	100%	C/ Ribera Del Loira 20-22, 2a Planta, 28042, Madrid, Spain
Aguas Del Toscal, S.A.U.	Spain	100%	Ctra. de la Pasadilla, km, 3-35250, ingenio (Gran Canaria), Spain
Aguas Vilas Del Turbon, S.L.U.	Spain	100%	C/ Ribera Del Loira 20-22, 2a Planta, 28042, Madrid, Spain
Aitonomi AG	Switzerland	15%	Bruderhausstrasse 10, CH-6372 Ennetmoos, Switzerland
Amalgamated Beverages Great Britain Limited	United Kingdom	100%(D)	Pemberton House, Bakers Road, Uxbridge, England, UB8 1EZ, United Kingdom
Apand Pty Ltd	Australia	100%	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
Associated Products & Distribution Proprietary	Australia	100%(O)	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
BBH Investment Ireland Limited	Ireland	100%	6th Floor, 2 Grand Canal Square, Dublin 2, Ireland

Notes to the consolidated financial statements continued

Name	Country of incorporation	% equity interest	Registered address
Bebidas Gaseosas Del Noroeste, S.L.U.	Spain	100%	Avda. Alcalde Alfonso Molina, S/N-15007, (A Coruna), Spain
Beganet, S.L.U.	Spain	100%	Avda Paisos Catalans, 32, 08950, Esplugues de Llobregat, Spain
Beverage Bottlers (NQ) Pty Ltd	Australia	100%	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
Beverage Bottlers (QLD) Ltd	Australia	100%	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
Birtingahúsið ehf.	Iceland	34.5%	Laugavegur 174, 105, Reykjavík, Iceland
BL Bottling Holdings UK Limited	United Kingdom	100%	Pemberton House, Bakers Road, Uxbridge, England, UB8 1EZ, United Kingdom
BNI B.V.	Netherlands	100%	Marten Meesweg 25 J, 3068 AV, Rotterdam, Netherlands
BNII Inc.	Philippines	100%(G)	V&A Law Center, 11th Ave Cor 39th St., Bonifacio Global City, Fort Bonifacio, 1634 Taguig City NCR, Fourth District, Philippines
BNI (Finance) B.V.	Netherlands	100%	Marten Meesweg 25 J, 3068 AV, Rotterdam, Netherlands
Bottling Great Britain Limited	United Kingdom	100%(D)	Pemberton House, Bakers Road, Uxbridge, England, UB8 1EZ, United Kingdom
Bottling Holding France SAS	France	100%	9 chemin de Bretagne, 92784, Issy-les-Moulineaux, France
Bottling Holdings (Luxembourg) SARL	Luxembourg	100%	2, Rue des Joncs, L-1818, Howald, Luxembourg
Bottling Holdings (Netherlands) B.V.	Netherlands	100%	Marten Meesweg 25 J, 3068 AV, Rotterdam, Netherlands
Bottling Holdings Europe Limited	United Kingdom	100%(B)(E)	Pemberton House, Bakers Road, Uxbridge, England, UB8 1EZ, United Kingdom
Brewcorp Pty Ltd	Australia	100%	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
Brewhouse Investments Pty Ltd	Australia	100%	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
C - C Bottlers Limited	Australia	100%	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
Can Recycling (S.A.) Pty. Ltd.	Australia	100%(B)	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
CC Digital GmbH	Germany	50%	Stralauer Allee 4, 10245, Berlin, Germany
CC Erfrischungsgetränke Oldenburg Verwaltungs GmbH	Germany	100%(I)	Stralauer Allee 4, 10245, Berlin, Germany
CC Iberian Partners Gestion S.L.	Spain	100%	C/ Ribera Del Loira 20-22, 2a Planta, 28042, Madrid, Spain
CC Verpackungsgesellschaft mit beschraenkter Haftung	Germany	100%	Schieferstrasse 20, 06126, Halle (Saale), Germany
CCA Bayswater Pty Ltd	Australia	100%	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
CCEP Australia Pty Ltd	Australia	100%	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
CCEP Finance (Australia) Limited	United Kingdom	100%(A)	Pemberton House, Bakers Road, Uxbridge, England, UB8 1EZ, United Kingdom
CCEP Finance (Ireland) Designated Activity Company	Ireland	100%	3 Dublin Landings, North Wall Quay, Dublin, D01 C4E0, Ireland
CCEP Group Services Limited	United Kingdom	100%	Pemberton House, Bakers Road, Uxbridge, England, UB8 1EZ, United Kingdom
CCEP Holdings (Australia) Limited	United Kingdom	100%(A)(D)	Pemberton House, Bakers Road, Uxbridge, England, UB8 1EZ, United Kingdom
CCEP Holdings (Australia) Pty Ltd	Australia	100%(A)	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
CCEP Holdings Norge AS	Norway	100%	Robsrudskogen 5, Lørenskog, 1470, Norway
CCEP Holdings Sverige AB	Sweden	100%	Dryckesvägen 2 C, 136 87, Haninge, Sweden
CCEP Holdings UK Limited	United Kingdom	100%	Pemberton House, Bakers Road, Uxbridge, England, UB8 1EZ, United Kingdom

Notes to the consolidated financial statements continued

Name	Country of incorporation	% equity interest	Registered address
CCEP Scottish Limited Partnership	United Kingdom	100%(P)	52 Milton Road, College Milton, East Kilbride, Scotland, G74 5DJ, United Kingdom
CCEP Ventures Australia Pty Ltd	Australia	100%	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
CCEP Ventures Europe Limited	United Kingdom	100%(A)	Pemberton House, Bakers Road, Uxbridge, England, UB8 1EZ, United Kingdom
CCEP Ventures UK Limited	United Kingdom	100%(A)	Pemberton House, Bakers Road, Uxbridge, England, UB8 1EZ, United Kingdom
CCIP Soporte, S.L.U.	Spain	100%	C/ Ribera Del Loira 20-22, 2a Planta, 28042, Madrid, Spain
Circular Plastics Australia (PET) Holdings Pty Ltd	Australia	16.67%	Building 3, 658 Church Street, Cremorne VIC 3121, Australia
Classic Brand (Europe) Designated Activity Company	Ireland	100%	Charlotte House, Charlemont Street, Saint Kevin's, Dublin, D02 NV26
Cobega Embotellador, S.L.U.	Spain	100%	Avda Paisos Catalans, 32, 08950, Esplugues de Llobregat, Spain
Coca-Cola Europacific Partners (CDE Aust) Pty Limited	Australia	100%	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
Coca-Cola Europacific Partners (Fiji) Pte Limited	Fiji	100%	Lot 1, Ratu Dovi Road, Laucala Beach Estate, NASINU, Fiji
Coca-Cola Europacific Partners (Holdings) Pty Limited	Australia	100%	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
Coca-Cola Europacific Partners (Initial LP) Limited	United Kingdom	100%	Pemberton House, Bakers Road, Uxbridge, England, UB8 1EZ, United Kingdom
Coca-Cola Europacific Partners (Scotland) Limited	United Kingdom	100%	52 Milton Road, College Milton, East Kilbride, Scotland, G74 5DJ, United Kingdom
Coca-Cola Europacific Partners API Pty Ltd	Australia	100%	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
Coca-Cola Europacific Partners Australia Pty Limited	Australia	100%	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
Coca-Cola Europacific Partners Belgium SRL/BV	Belgium	100%	Chaussée de Mons 1424, 1070 Brussels, Belgium
Coca-Cola Europacific Partners Deutschland GmbH	Germany	100%(F)	Stralauer Allee 4, 10245, Berlin, Germany
Coca-Cola Europacific Partners France SAS	France	100%(G)	9 chemin de Bretagne, 92784, Issy-les-Moulineaux, France
Coca-Cola Europacific Partners Great Britain Limited	United Kingdom	100%	Pemberton House, Bakers Road, Uxbridge, England, UB8 1EZ, United Kingdom
Coca-Cola Europacific Partners Holdings Great Britain Limited	United Kingdom	100%	Pemberton House, Bakers Road, Uxbridge, England, UB8 1EZ, United Kingdom
Coca-Cola Europacific Partners Holdings NZ Limited	New Zealand	100%	The Oasis, 19 Carbine Road, Mount Wellington, Auckland, 1060, New Zealand
Coca-Cola Europacific Partners Holdings US, Inc.	United States	100%(A)(D)	Corporation Trust Center, 1209 Orange Street, Wilmington DE, USA
Coca-Cola Europacific Partners Iberia, S.L.U.	Spain	100%	C/ Ribera Del Loira 20-22, 2a Planta, 28042, Madrid, Spain
Coca-Cola Europacific Partners Investments (Singapore) Pte. Ltd.	Singapore	100%	80 Robinson Road, #02-00, 068898, Singapore
Coca-Cola Europacific Partners Ísland ehf.	Iceland	100%	Studlahals 1, 110, Reykjavik, Iceland
Coca-Cola Europacific Partners Luxembourg sàrl	Luxembourg	100%	2, Rue des Joncs, L-1818, Howald, Luxembourg
Coca-Cola Europacific Partners Nederland B.V.	Netherlands	100%	Marten Meesweg 25 J, 3068 AV, Rotterdam, Netherlands
Coca-Cola Europacific Partners New Zealand Limited	New Zealand	100%	The Oasis, 19 Carbine Road, Mount Wellington, Auckland, 1060, New Zealand
Coca-Cola Europacific Partners Norge AS	Norway	100%	Robsrudskogen 5, Lørenskog, 1470, Norway
Coca-Cola Europacific Partners Papua New Guinea Limited	Papua New Guinea	100%	Section 23, Allotment 14, Milfordhaven Road, LAE, Morobe Province, 411, Papua New Guinea
Coca-Cola Europacific Partners Pension Scheme Trustees Limited	United Kingdom	100%	Pemberton House, Bakers Road, Uxbridge, England, UB8 1EZ, United Kingdom
Coca-Cola Europacific Partners Portugal Unipessoal LDA	Portugal	100%	Quinta da Salmoura - Cabanas-2925-362 Azeitão, Setúbal, Portugal
Coca-Cola Europacific Partners Services Bulgaria EOOD	Bulgaria	100%	2 Donka Ushlinova Street, Garitage Park, Office Building 4, floor 6, Sofia, 1766, Bulgaria

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Name	Country of incorporation	% equity interest	Registered address
Coca-Cola Europacific Partners Services Europe Limited	United Kingdom	100%	Pemberton House, Bakers Road, Uxbridge, England, UB8 1EZ, United Kingdom
Coca-Cola Europacific Partners Services SRL	Belgium	100%(N)	Chaussée de Mons 1424, 1070 Brussels, Belgium
Coca-Cola Europacific Partners Sverige AB	Sweden	100%	136 87, Haninge, Sweden
Coca-Cola Europacific Partners US, LLC	United States	100%	Corporation Trust Center, 1209 Orange Street, Wilmington 19801, Delaware, USA
Coca-Cola Europacific Partners US II, LLC	United States	100%	Corporation Trust Center, 1209 Orange Street, Wilmington 19801, Delaware, USA
Coca-Cola Europacific Partners Vanuatu Limited	Vanuatu	100%	1st Floor, Govant Building, Kumul Highway, Port Vila, Vanuatu
Coca-Cola Immobilier SCI	France	100%(G)	9 chemin de Bretagne, 92784, Issy-les-Moulineaux, France
Coca-Cola Production SAS	France	100%	Zone d' entreprises de Bergues, 59380, Commune de Socx, France
Coca-Cola Australia Foundation Limited	Australia	—%(L)	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
Compañía Asturiana De Bebidas Gaseosas, S.L.U.	Spain	100%	C/ Nava, 18- 3ª (Granda) Siero - 33006, Oviedo, Spain
Compañía Castellana De Bebidas Gaseosas, S.L.	Spain	100%	C/ Ribera Del Loira 20-22, 2a Planta, 28042, (Madrid), Spain
Compañía Levantina De Bebidas Gaseosas, S.L.U.	Spain	100%	Av. Real Monasterio de Sta., Maria de Poblet, 3646930, Quart de Poblet, Spain
Compañía Norteña De Bebidas Gaseosas, S.L.U.	Spain	100%	C/ Ibaizábal, 57, Galdakao, 48960, Bizkaia, Spain
Compañía Para La Comunicación De Bebidas Sin Alcohol, S.L.U.	Spain	100%	C/ Ribera Del Loira 20-22, 2a Planta, 28042, Madrid, Spain
Container Exchange (QLD) Limited	Australia	—%(L)	Level 17, 100 Creek Street, Brisbane QLD 4000, Australia
Circular Economy Systems Pty Ltd	Australia	50%	Maddocks, Angel Place, Level 27, 123 Pitt Street, Sydney NSW 2000, Australia
Crusta Fruit Juices Proprietary Limited	Australia	100%(J)	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
Developed System Logistics, S.L.U.	Spain	100%	Av. Henry Ford 25, Manzana 19, Complejo Pq.Ind.Juan, CARLOS I, 46220, Picassent, Valencia, Spain
Endurvinnslan hf.	Iceland	20%	Knarravogur 4, 104 Reykjavik, Iceland
Exchange for Change (ACT) Pty Ltd	Australia	20%	Building C, Suite 6, Level 1, 1 Homebush Bay Drive, Rhodes NSW 2138, Australia
Exchange for Change (NSW) Pty Ltd	Australia	20%	Building C, Suite 6, Level 1, 1 Homebush Bay Drive, Rhodes NSW 2138, Australia
Feral Brewing Company Pty Ltd	Australia	100%(K)	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
Foodl B.V.	Netherlands	33.3%	HNK Utrecht West, V.02, Weg der Verenigde Naties 1, 3527 KT, Utrecht, Netherlands
GR Bottling Holdings UK Limited	United Kingdom	100%(A)	Pemberton House, Bakers Road, Uxbridge, England, UB8 1EZ, United Kingdom
Infineo Recyclage SAS	France	49%(H)	Sainte Marie la Blanche, 21200, Dijon, France
Innovative Tap Solutions Inc.	United States	21.8%	300 Brookside Avenue, Ambler, PA 19002, USA
Instelling voor Bedrijfspensioenvoorziening Coca-Cola Europacific Partners Belgium/Coca-Cola Europacific Partners Services – Bedienden-Arbeiders OFP	Belgium	100%	1424 – B1070 Bergensesteenweg, Brussels, Belgium
Instelling voor Bedrijfspensioenvoorziening Coca-Cola Europacific Partners Belgium/Coca-Cola Europacific Partners Services – Kaderleden OFP	Belgium	100%	1424 – B1070 Bergensesteenweg, Brussels, Belgium
Ionech Limited	United Kingdom	14.8%	6th Floor, Manfield House, 1 Southampton Street, London, England, WC2R 0LR

Notes to the consolidated financial statements continued

Name	Country of incorporation	% equity interest	Registered address
Kollex GmbH	Germany	20%	Kottbusser Damm 25-26, 10967, Berlin, Germany
Lavit Holdings Inc	United States	13.7%	27 West 20th Street, Suite 1004, New York NY 10011, USA
Lusobega, S.L.	Spain	100%	C/ Ibaizábal, 57, 48960, Bizkaia, Galdakao, Spain
Madrid Ecoplatform, S.L.U.	Spain	100%	C/Pedro Lara, 8 Pq. Tecnologico de Leganes, 28919, (Leganes), Spain
Mahija Parahita Nusantara Foundation	Indonesia	—%(L)	South Quarter Tower C, 22nd (P) Floor, Jalan R.A. Kartini, Kav.8, Cilandak Barat, Cilandak, South Jakarta, 12430, Indonesia
Matila Nominees Pty. Limited	Australia	100%	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
Neverfail Bottled Water Co Pty Limited	Australia	100%	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
Neverfail SA Pty. Limited	Australia	100%	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
Neverfail Springwater (VIC) Pty Limited	Australia	100%	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
Neverfail Springwater Co Pty Ltd	Australia	100%	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
Neverfail Springwater Co. (QLD) Pty. Limited	Australia	100%	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
Neverfail Springwater Pty Ltd	Australia	100%	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
Neverfail WA Pty. Limited	Australia	100%	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
Pacbev Pty Ltd	Australia	100%	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
Paradise Beverages (Fiji) Pte Limited	Fiji	100%	122-164 Foster Road, Walu Bay, Suva, Fiji
PEÑA Umbria S.L.U.	Spain	100%	Av. Real Monasterio de Sta., Maria de Poblet, 3646930, Quart de Poblet, Spain
Perfect Fruit Company Pty Ltd	Australia	100%	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
PT Amandina Bumi Nusantara	Indonesia	35.31%	South Quarter Tower C, 22nd (P) Floor, Jalan R.A. Kartini, Kav.8, Cilandak Barat, Cilandak, South Jakarta, 12430, Indonesia
PT Coca-Cola Bottling Indonesia	Indonesia	100%(C)	South Quarter Tower C, 22nd (P) Floor, Jalan R.A. Kartini, Kav.8, Cilandak Barat, Cilandak, South Jakarta, 12430, Indonesia
PT Coca-Cola Distribution Indonesia	Indonesia	100%	South Quarter Tower C, 22nd (P) Floor, Jalan R.A. Kartini, Kav.8, Cilandak Barat, Cilandak, South Jakarta, 12430, Indonesia
Purna Pty. Ltd.	Australia	100%	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
Quenchy Crusta Sales Pty. Ltd.	Australia	100%	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
Real Oz Water Supply Co (QLD) Pty Limited	Australia	100%	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
Refrescos Envasados Del Sur, S.L.U.	Spain	100%	Autovía del Sur A-IV, km.528- 41309, La Rinconada, Sevilla, Spain
Refrige SGPS, Unipessoal, LDA	Portugal	100%	Quinta da Salmoura - Cabanas-2925-362 Azeitão, Setúbal, Portugal
Sale Proprietary Co 1 Pty Ltd	Australia	100%	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
Sale Proprietary Co 2 Pty Ltd	Australia	100%	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
Sale Proprietary Co 3 Pty Ltd	Australia	100%	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
Sale Proprietary Co 4 Pty Ltd	Australia	100%	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
Sale Proprietary Co 5 Pty Ltd	Australia	100%	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia

Notes to the consolidated financial statements continued

Name	Country of incorporation	% equity interest	Registered address
Sale Proprietary Co 6 Pty Ltd	Australia	100%(D)	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
Sale Proprietary Co 7 Pty Ltd	Australia	100%	Level 13, 40 Mount Street, North Sydney NSW 2060, Australia
Samoa Breweries Limited (SBL)	Samoa	100%	Vaitele Industrial Zone, Vaitele Tai, Faleata Sisifo, Samoa
TasRecycle Limited	Australia	—%(M)	Level 9, 85 Macquarie Street, Hobart TAS 7000, Australia
VicRecycle Limited	Australia	—%(M)	HWL Ebsworth Lawyers, Level 8, 447 Collins Street, Melbourne VIC 3000, Australia
WA Return Recycle Renew Ltd	Australia	—%(L)	Unit 2, 1 Centro Avenue, Subiaco WA 6008, Australia
Wabi Portugal, Unipessoal LDA	Portugal	100%	Nº 16-A, Fracçao B, 5º Piso, Edificio Miraflores Premium Distrito: Lisboa Concelho: Oieras Freguesia: Algés, Linda-a-Velha e Cruz Quebrada-Dafundo 1495 190 Algés, Portugal
WB Investment Ireland 2 Limited	Ireland	100%	3 Dublin Landings, North Wall Quay, Dublin, D01 C4E0, Ireland
WBH Holdings Luxembourg SCS	Luxembourg	100%	2, Rue des Joncs, L-1818, Howald, Luxembourg
WIH UK Limited	United Kingdom	100%(A)	Pemberton House, Bakers Road, Uxbridge, England, UB8 1EZ, United Kingdom
Wir Sind Coca-Cola GmbH	Germany	100%	Stralauer Allee 4, 10245, Berlin, Germany

(A) 100% equity interest directly held by Coca-Cola Europacific Partners plc.
(B) Class A and B ordinary shares.
(C) Series A, B, C and D shares.
(D) Including preference shares issued to the Group.
(E) 38.3% equity interest directly held by Coca-Cola Europacific Partners plc (100% of A ordinary shares in issue).
(F) 10% equity interest directly held by Coca-Cola Europacific Partners plc.
(G) Group shareholding of 99.99% or greater.
(H) Class A and B shares. The Group holds 49% of Class B shares.
(I) In liquidation.
(J) Class A and F shares.
(K) Includes ordinary shares and B Class shares.
(L) Company limited by guarantee. CCEP is a member along with one other member.
(M) Company limited by guarantee. CCEP is a member along with two other members.
(N) Class A, B and C ordinary shares.
(O) Includes redeemable preference shares and discretionary dividend shares issued to the Group.
(P) Limited partnership.

Note 29

Subsidiaries exempt from audit

The following UK subsidiaries will take advantage of the audit exemption set out within section 479A of the Companies Act 2006 for the year ended 31 December 2023.

Name	Registration number
CCEP Holdings (Australia) Limited	12982568
WIH UK Limited	10140214
Amalgamated Beverages Great Britain Limited	01994995

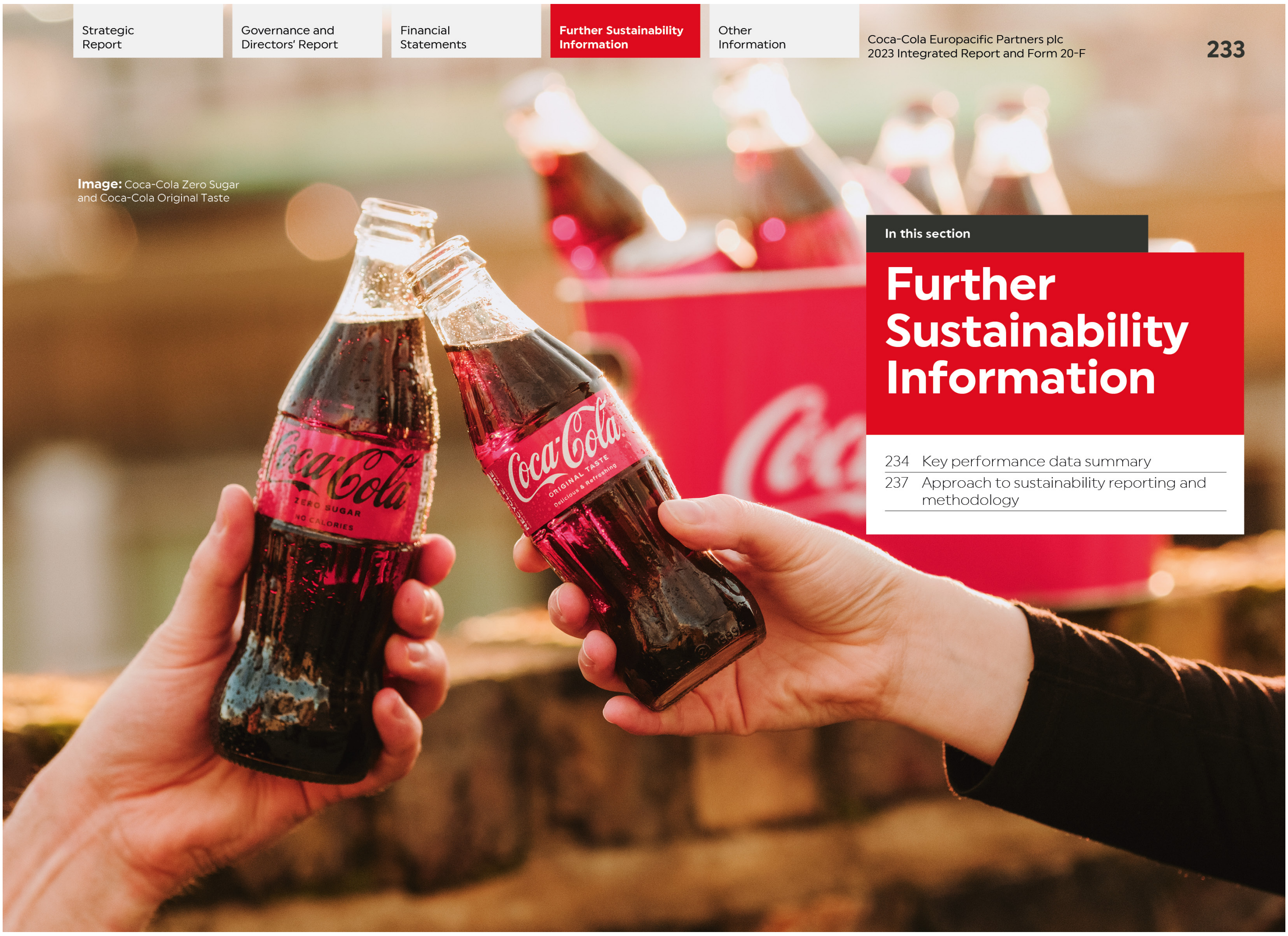

Image: Coca-Cola Zero Sugar and Coca-Cola Original Taste

In this section

Further Sustainability Information

Key performance data summary

Metric	THIS IS FORWARD	Group			Europe		API	
		2023α	2022Δ	2019 BaselineΔ	2023α	2019 BaselineΔ	2023α	2019 BaselineΔ
Climate								
Scope 1 GHG emissions (tonnes of CO_2e)		283,745	299,090	344,616	193,305	229,527	90,440	115,089
Scope 2 GHG emissions — market based approach (tonnes of CO_2e)		151,795	192,053	223,114	9,542	7,546	142,254	215,567
Scope 2 GHG emissions — location based approach (tonnes of CO_2e)		292,243	308,050	384,382	117,289	168,899	174,954	215,482
Scope 3 GHG emissions (tonnes of CO_2e)		4,827,581	5,095,008	5,754,177	3,161,595	3,763,414	1,665,987	1,990,763
Scope 1, 2 and 3 GHG emissions – Full value chain(A) (tonnes of CO_2e)		5,263,122	5,586,151	6,321,907	3,364,441	4,000,487	1,898,680	2,321,419
Scope 1, 2 and 3 GHG emissions – Full value chain(A) per litre (gCO_2e per litre)		283.3	298.9	350.1	224.3	280.3	530.7	613.2
Absolute reduction in total value chain(A) GHG emissions (Scope 1, 2 and 3) since 2019 (%)	-30% by 2030	16.7	11.6		15.9		18.2	
Relative reduction in total value chain(A) GHG emissions (Scope 1, 2 and 3) per litre since 2019 (%)		19.1	14.6		20.0		13.5	
GHG Scope 1 and 2(A) emissions per litre of product produced (gCO_2e per litre)		26.8	29.6		15.5		74.9	
Manufacturing energy use ratio (MJ per litre of finished product produced)		0.35	0.35		0.30		0.56	
Emissions from biologically sequestered carbon		87,273	71,151					
Percentage of electricity purchased that comes from renewable sources (%)		79.1	74.2		98.9		33.7	
Percentage of electricity consumed that comes from renewable sources (%)	100% by 2030	78.0	73.1		97.8		35.8	
Tonnes of CO_2e offset through carbon credits (tonnes of CO_2e)		41,090	9,375					
Percentage of carbon strategic suppliers having targets approved by SBTi (%)	100% by 2025(B)	31	17		50		16	

Note: For a full list of CCEP's headline sustainability commitments as part of our This is Forward sustainability action plan, please refer to "Our headline commitments" on page 15. For details on our approach to reporting and methodology please see our 2023 Sustainability reporting methodology document on cocacolaep.com/sustainability/download-centre.

(A) Market based approach only.

(B) 100% of carbon strategic suppliers to set science based targets by 2023 (Europe) and 2025 (API). Carbon strategic suppliers account for ~80% of our Scope 3 GHG emissions (~200 suppliers in total).

α This metric was subject to external independent limited assurance for the year ended 31 December 2023.

Δ Our 2019 baseline and 2022 data was subject to external independent limited assurance for the year ended 31 December 2022, and was included within our 2022 Integrated Report and Form 20-F. A copy of the assurance statement for these periods can be found on cocacolaep.com/assets/Sustainability/Documents/2022/2022-Assurance-statement.pdf. In line with the WRI/WBCSD GHG Protocol, our baseline figures for 2019 and prior years 2020-2022 have been restated to include updated emissions factors and more accurate data. These restated emissions were outside the scope of the latest independent limited assurance review.

The acquisition of API completed on 10 May 2021. The Group and API sustainability metrics are presented on a full year basis for 2019 baseline calculated on a pro forma basis to allow for better period over period comparability.

Key performance data summary continued

Metric	THIS IS FORWARD	Group 2023α	Group 2022Δ	Europe 2023α	API 2023α
Packaging					
Percentage of all primary packaging that is recyclable (%, based on unit case)	100% by 2025	99.1		99.0	99.6
Percentage of PET used which is rPET (%, based on tonnes of material)	50% by 2025(A)	54.6	48.5	59.2	41.5
Primary packaging collected for recycling as a percentage of total primary packaging (%, based on individual units)	100% by 2030	73.2	72.0	75.3	64.9
Percentage of PET bottles that are 100% rPET (%, based on individual consumer units)		47.6	44.7	50.9	39.2
Water					
Total water withdrawal (1,000m^3)		26,142	26,578	20,783	5,360
Total water withdrawals from areas of high or extremely high baseline water stress (1,000m^3)		12,904	13,036	11,651	1,253
Percentage of water withdrawn in regions with high or extremely high water stress (%)		50.1	49.8	56.3	24.7
Total production volumes from areas of high or extremely high baseline water stress(B) (1,000m^3)		8,067	8,126	7,405	662
Percentage of production volumes from areas of high or extremely high baseline water stress (%)		49.8	49.1	56.5	21.5
Total volume of water replenished (1,000m^3)		18,339	19,732	16,189	2,150
Water replenished as percentage of total sales volumes (%)	100% by 2030	98.7	105.5	107.9	60.1
Manufacturing water use ratio (litres of water per litre of finished product produced)		1.61	1.60	1.58	1.73
Percentage reduction in manufacturing water use ratio since 2019 (%)	10% vs. 2019	4.9		1.3	15.7

Note: For a full list of CCEP's headline sustainability commitments as part of our This is Forward sustainability action plan, please refer to "Our headline commitments" on page 15. For details on our approach to reporting and methodology please see our 2023 Sustainability reporting methodology document on cocacolaep.com/sustainability/download-centre.

(A) 50% recycled plastic (rPET) in our PET bottles by 2023 (Europe) and 2025 (API).

(B) 21 out of 42 non-alcoholic ready to drink (NARTD) production facilities in Europe and three out of 24 NARTD production facilities in API are located in areas of water stress (based on WRI water stress mapping).

α This metric was subject to external independent limited assurance for the year ended 31 December 2023. Please see cocacolaep.com/sustainability/download-centre for our 2023 assurance statement.

Δ This metric was subject to external independent limited assurance for the year ended 31 December 2022 and was included in our 2022 Integrated Report and Form 20-F. Please see cocacolaep.com/assets/Sustainability/Documents/2022/2022-Assurance-statement.pdf for our 2022 assurance statement.

Key performance data summary continued

Metric	This is Forward	Group 2023α	Group 2022Δ	Europe 2023α	API 2023α
Supply chain					
Percentage of sugar sourced through suppliers in compliance with our Principles for Sustainable Agriculture (PSA) (%)	100%	99.4	97.6	99.9	97.3
Percentage of pulp and paper sourced through suppliers in compliance with our PSA (%)	100%	99.8	99.2	99.8	99.7
Percentage of total supplier spend covered by Supplier Guiding Principles (%)	100%	97.9	97.5	98.3	96.3
Drinks					
Europe: Reduction in average sugar per litre in soft drinks[(A)(B)] portfolio since 2019 (%)	10% by 2025			4.9	
New Zealand: Reduction in average sugar per litre in NARTD[(A)(C)] portfolio since 2015 (%)	20% by 2025				15.9
Australia: Reduction in average sugar per litre in NARTD[(A)(C)] portfolio since 2015 (%)	25% by 2025				14.9
Indonesia: Reduction in average sugar per litre in NARTD[(A)(C)] portfolio since 2015 (%)	35% by 2025				36.2
Percentage of volume sold which is low or no calorie (%)	50% by 2030[(D)]	48.3		48.4	47.8
Society					
Percentage of women in management positions (senior manager level and above)[(E)] (%)	45% by 2030	38.4	37.2		
Percentage of women in total workforce (%)	33% by 2030	25.1	23.8		
Percentage of people self-declaring as having a disability in our workforce (%)[(F)]	10% by 2030	12.6			
Safety – Total incident rate (TIR) (number per 100 full time equivalent employees)		0.84	0.87	0.93	0.69
Safety – Lost time incident rate (LTIR) (number per 100 full time equivalent employees)		0.60	0.61	0.72	0.41
Total number of volunteering hours (number of hours)[(G)(H)]		32,500	28,500	31,500	1,000
Total community investment contribution (millions of €)[(H)]		14.8	12.2	13.4	1.5
Number of people supported in skills development (number)[(H)]	500,000 by 2030	16,400			

Note: For a full list of CCEP's headline sustainability commitments as part of our This is Forward sustainability action plan, please refer to "Our headline commitments" on page 15. For details on our approach to reporting and methodology please see our 2023 Sustainability reporting methodology document on cocacolaep.com/sustainability/download-centre.

(A) Volumes are based on RTD litre sales to CCEP customers and reflect changes for new product launches, cessation of products as they occur based on sales timings. Reformulations are captured on a half-yearly basis given high number of beverage formulas across Europe. Reformulations made in the first-half of the year are reflected in the current reporting period calculation. Second-half reformulations are reflected in the next reporting period. Note the data source and methodology on when to apply recipe changes differ from the calculation of the GHG emissions of our ingredients.

(B) Sparkling soft drinks, non-carbonated soft drinks and flavoured water only. Does not include water or juice.

(C) Non-alcoholic ready to drink (NARTD), including dairy. Does not include coffee, alcohol, beer or Freestyle.

(D) Europe 50% by 2025. Does not include coffee, alcohol, beer or Freestyle. Low calorie beverages ≤20kcal/100ml. Zero calorie beverages <4kcal/100ml.

(E) Excludes Fiji and Samoa, as aligned role grades are not available for 2023 reporting. We aim to include these markets for 2024. For full year 2022 Papua New Guinea was also excluded and no restatement has taken place.

(F) Calculated based on the total number of employees responding to our voluntary 2023 inclusion survey (representing 38.4% of our workforce) and the number of employees self-declaring as having a disability.

(G) Australia and Indonesia only. The volunteering policy has been rolled out to all CCEP markets in 2023. Each business unit is responsible for the level of implementation, which might vary from market to market.

(H) We aim to be accurate in our reporting and continue to enhance the way we capture the total value of our community contribution. Figures quoted have been rounded to the nearest 100k.

α This metric was subject to external independent limited assurance for the year ended 31 December 2023.

Δ This metric was subject to external independent limited assurance for the year ended 31 December 2022. Note the baseline year for Europe reduction in average sugar per litre in soft drinks portfolio has changed to 2019 since we issued our 2022 Integrated Report and Form 20-F.

Approach to sustainability reporting and methodologies

Our approach to reporting and methodology

CCEP's carbon footprint is calculated in accordance with the World Resource Institute (WRI) and World Business Council for Sustainable Development (WBCSD) Greenhouse Gas (GHG) Protocol Corporate Standard, using an operational control approach to determine organisational boundaries.

GHG emissions are reported in tonnes of carbon dioxide equivalent (tonnes CO_2e or tCO_2e), accounting for different Global Warming Potentials (GWPs) of the different GHGs.

Note on sources of data and calculation methodologies

Under the GHG Protocol, we measure our emissions in three Scopes. We disclose the Scope 1, 2, and 3 carbon emissions of our full value chain, including all key emissions related to our production facilities, operational centres, sales offices, distribution centres, cold drink equipment (CDE), our own operated and owned transportation as well as third party distribution, business travel, ingredients and packaging. We also disclose biogenic emissions which are outside of the three WRI/WBCSD GHG Protocol Scopes. GHG emissions are reported on a gross basis, independent of any GHG trades, offsets or carbon credits.

Where we refer to our own operations, unless otherwise indicated, we are referring to our own production, sales/distribution, combined sales/production facilities, administrative offices and fleet owned or controlled by CCEP, including our shared-service centre in Bulgaria.

In-scope sales volumes were based on ready to drink litre sales to CCEP customers and reflect changes as they occur based upon sales timings. Sales from distribution agreements are excluded as the GHG emissions associated with these products will be accounted for by the Brand owners. Alcohol sales volume is included if CCEP manufacture the alcohol products. Sales volumes from imports/exports from/to non-CCEP countries are excluded to avoid double counting.

Less than 5% of our value chain carbon footprint is based on estimated emissions. This includes the site energy emissions for small leased offices where energy invoices or the square metre footage size is not available, or packaging emissions where product specifications are unavailable. We also estimate the electricity consumption for the pure electric and plug-in hybrids in our company car fleet.

2019 Baseline and recalculation methodology

Our baseline years is 2019. The acquisition of API completed on 10 May 2021. The Group and API sustainability metrics are presented on a full year basis for 2019 baselines calculated on a pro forma basis to allow for better period over period comparability.

In line with the WRI/WBCSD GHG Protocol guidance, we restate our baseline and subsequent year data when there are significant acquisitions, new emissions factors, and more accurate data. We apply a significance threshold of 5%, but also re-baseline in line with best practice, in order to retain consistency and comparability across years.

In 2024, we have restated our baseline figures for 2019 and 2020-2022 as necessary; increasing baseline and subsequent year emissions by ~350,000 tCO_2e. Key changes include:

- National packaging collection rate changes in European markets, driven by new EU methodology for calculating packaging collection rates.
- Changes to SBTi boundary which now includes emissions from Category 7 and new sources of emissions for Category 1 (marketing and IT spend)
- Shifts in emissions factor source for Well-To-Tank (WTT)/Transmission and Distribution emissions
- Shifts in emission factors for CO_2 as ingredient
- Improvements in data, and inclusion of previously non-included emissions sources.

Approach to sustainability reporting and methodologies

Scope 1 GHG emissions sources

Includes direct owned and operated sources of emissions such as:

- Stationary combustion sources, such as natural gas, diesel/petrol fuel for back up boilers/generators and on-site shunting vehicles, light fuel oil, liquid petroleum gas (LPG) for forklift trucks, Compressed natural gas (CNG) and the non-biogenic element of biofuels such as HVO100.
- Mobile combustion such as diesel and petrol for CCEP operated customer delivery, vans and car fleet.
- Fugitive emissions of refrigerants.
- Fugitive CO_2 emissions from manufacturing processes (i.e. losses occurring during product carbonisation process).
- On-site renewables including geothermal, solar, water turbine, ground source heat (listed as GHG emission sources, but zero rated in terms of carbon emissions).
- Fugitive biogas from Anaerobic Digesters.

We follow Beverage Industry Environmental Roundtable (BIER) emissions sector guidance on the emissions source for the source of the CO_2 supplied to CCEP to carbonate soft drinks, and whether these are generated from fossil or biogenic sources of CO_2.

Scope 2 GHG emissions – purchased electricity, heat and steam

We report Scope 2 emissions according to the GHG Protocol Scope 2 Guidance. We use the Scope 2 market based approach to report our aggregated Scope 1, 2 and 3 GHG emissions, and to set our aggregated targets.

We include indirect sources of GHG emissions from the generation of electricity, heat and steam we use at our sites.

The carbon emission factors for Scope 2 emissions are applied in terms of the two methods provided by the GHG Protocol:

(1) Location based: All electricity purchased is converted into CO_2 emissions using the average grid emissions factor for electricity in the country in which it is purchased. Energy Attribute Certificates (EAC) are not applied to the total Scope 2 emissions.

(2) Market based: All electricity purchased is converted to CO_2 using emissions factors from contractual instruments which CCEP has purchased or entered into. EACs are applied based on RE100 guidance which allows for EACs to be used against electricity consumed in the same market as where the EACs are purchased.

Any sites with no contractual instruments for renewable electricity supply will have a residual factor applied (where available), which has had renewable contractual instruments removed.

The quantity of purchased renewable electricity was verified through renewable electricity certificates such as Guarantees of Origin (GoOs) in the EU, Renewable Energy Guarantees of Origin (REGOs) in the UK, Large-scale Generation Certificates (LGCs) in Australia or Power Purchase Agreements (PPAs) from our electricity suppliers in each country and through meter readings of renewable electricity generated on site.

In 2023, we completed a review of our site renewable electricity purchases, and noted that some market based instruments were not in place for a limited number of locations in prior years 2019-2022. This included our PPA solar farm in Wakefield, our water turbine in Chaudfontaine, and our purchased electricity in Iceland. We have restated our purchased and consumed Renewable Electricity figures for Wakefield and Chaudfontaine for FY2019-FY2022 to reflect this.

In 2023, in line with RE100 technical guidance, we no longer use passive claims for renewable electricity use in Iceland. Due to this change, in FY2023, we did not have GoOs available to cover renewable electricity purchases in Iceland. As a result, in FY2023, renewable electricity purchase and use is not claimed for Iceland, and the residual emission factor was applied.

Approach to sustainability reporting and methodologies

In leased non-production facilities where we do not control the purchase of the electricity, we apply the national grid emissions factor for those sites. Where the landlord has provided evidence that they are purchasing renewable electricity on our behalf, we will report this in line with the market based approach. Emissions related to the generation of electricity for these sites are included in our Scope 2 emissions. In 2023, we used ~20,000 MWh of electricity in non-production facilities, where we do not control the purchase of electricity, or use on-site solar.

Scope 3 GHG emissions

Data is consolidated from a number of sources across our business and is analysed centrally. We use a variety of methodologies to gather our emissions data and measure each part of our carbon footprint.

CCEP uses emission factors relevant to the source data including UK Department for Energy Strategy and Net Zero (DESNZ), Australia's Department of Industry, Science, Energy and Resources factors for state-level electricity factors, and International Energy Agency (IEA) emission factors for all other grid factors at a national level.

Data sources include:

- Energy data: from metered sources, supplier invoices or calculations and estimates based on energy benchmarks published in the Best Practice Programme's Energy Consumption Guide 19 (ECON 19).
- Packaging specifications.
- Recipe data for key ingredients. If a recipe change occurs during a reporting year, it is applied for the full year sales.
- National Recycling Rates, calculated in line with our Collection Rates metric. We have restated prior year 2019-2022 rates in line with updated European methodology for calculating packaging collection rates.
- Supplier data for Recycled Content Rates.
- Consumer CO_2 released from carbonated products.
- Calculations of CDE emissions are based on weighted average daily (kWh/24h) supplier energy consumption rates and by subtracting any savings achieved through carbon/energy use reduction initiatives completed during the reporting period or prior years.
- Transport fuel is calculated according to actual litres used or kilometres recorded with vehicle fuel efficiency rates provided by suppliers.
- Supply of water, treatment of wastewater and waste management are calculated by using litre and weight (kg) data respectively.
- Spend data used to calculate Category 1 purchased goods and services (Marketing and IT spend). Marketing spend includes: sales and marketing agency and services spend, and trade marketing. IT spend includes fixed and mobile telecoms, IT hardware and software, and outsourced services.
- Employee headcount and job role used to calculate employee commuting data. Includes WTT assumptions.
- We have started to use supplier specific emission factors for sugar beet in Europe and will extend this to other packaging and ingredient suppliers over the coming years.

Scope 3 reported categories

The following Scope 3 categories are reported by CCEP in our total value chain figures, and are included in our current Science Based Targets initiative (SBTi) target boundary, representing approximately 90% of our Scope 3 emissions:

- Category 1: purchased goods and services (including the packaging we put on the market, the ingredients used in our products, purchased water, IT, telecoms and sales and trade marketing spend).
- Category 3: fuel- and energy-related activities not already included in Scope 1 or Scope 2 (e.g. WTT, transmission and distribution from energy supply to our sites and assets).
- Category 4: upstream transportation and distribution (transportation of finished products paid for by CCEP).
- Category 5: waste generated in operations (emissions from disposal of waste generated at our production facilities).
- Category 6: business travel (including employee business travel by rail and air).
- Category 7: employee commuting (including commuting and home working emissions).
- Category 8: upstream leased assets (including the home charging of company plug-in hybrid electric vehicles (PHEV) and battery electric vehicles (BEV)).
- Category 11: use of sold products (including CO_2 emissions released by consumers, in accordance with BIER guidance).
- Category 12: end of life treatment of sold products.
- Category 13: downstream leased assets (including the emissions generated from the electricity used by our hot and cold drink equipment at our customers' premises).

Approach to sustainability reporting and methodologies

The following Scope 3 categories are not included in CCEP's current SBTi target boundary. We will provide additional information in our 2024 CDP response, using estimated emission calculations:

- Category 1: purchased goods and services (additional purchased goods and services that are not included above).
- Category 2: capital goods.
- Category 11: use of sold products (including home chilling).
- Category 15: investments (including investments in joint venture recycling facilities and CCEP Ventures investments).

All other Scope 3 categories (9, 10, 14) are not currently applicable to CCEP.

Emissions from biologically sequestered carbon

Methodologies and boundaries

Emissions from biologically sequestered carbon are reported outside of the three Scopes of our reported GHG emissions, in line with WRI/WBCSD GHG Protocol guidance. CO_2 is used to carbonate our soft drinks, therefore we follow the BIER guidance on reporting CO_2 emissions from biogenic sources for fugitive losses and release by consumers.

Our scope for reporting emissions from biologically sequestered carbon includes:

- Biofuels (such as HVO100, Bio-CNG, wood) used in vehicles and sites
- Anaerobic biogas (where CO_2 is released from combustion of the biogas)
- Biofuel where blended with diesel/petrol (forecourt fuels)
- Biogenic-sourced CO_2 ingredient: we follow the BIER emissions sector guidance.

Each source of biologically sequestered carbon is calculated separately using appropriate biogenic carbon emission factors and then aggregated to provide our reported total.

Emissions from the production and transportation of biofuels are accounted for in Scope 3 as part of Category 5 WTT.

Emissions from conversion of biogenic CO_2 to a higher GWP GHG are accounted for in Scope 1 (i.e. anaerobic biogas where organic material is converted to biomethane, and not all of the biomethane fully combusted and is therefore not converted back to CO_2, these biomethane emissions are included under Scope 1).

CCEP uses the most up-to-date emission factors from DESNZ/DEFRA for biogenic CO_2 and anaerobic biogas and for biofuels and bio-blends.

Exclusions

Emissions from carbon removals within our value chain related to biomass feedstock production for bioenergy are well below the significance threshold for CCEP, so removals have yet to be estimated. If the level of significance changes in the future, CCEP will follow the latest guidance from the GHG Protocol on accounting for removals.

Biogenic emissions from electricity generation are excluded for CCEP. Carbon conversion factors are provided by DEFRA/DESNZ for electricity in the UK grid generated by biomass power stations. However, no similar carbon factors for all other CCEP countries is available from credible or reliable sources. Therefore, to be consistent, CCEP does not report these biogenic emissions for only one of our territories. It is hoped that an international data source (e.g. IEA) will provide these conversion factors in future.

Definitions

Biogenic CO_2 emissions are defined as CO_2 emissions related to the natural carbon cycle, as well as those resulting from the production, harvest, combustion, digestion, fermentation, decomposition, and processing of biologically based materials. Biologically based feedstocks, also referred as "biologically sequestered carbon," are non-fossilized and biodegradable organic materials originating from modern or contemporarily grown plants, animals, or microorganisms.

Biogenic emissions are inherently accounted for in the atmosphere's natural carbon cycle. Reporting them within Scopes 1, 2, or 3 would lead to double counting of emissions, as the sequestration of CO_2 during the growth of the biomass is not accounted for in these scopes.

Additional information on the methodology for all This is Forward indicators is available on cocacolaep.com/sustainability/download-centre.

In this section

Other Information

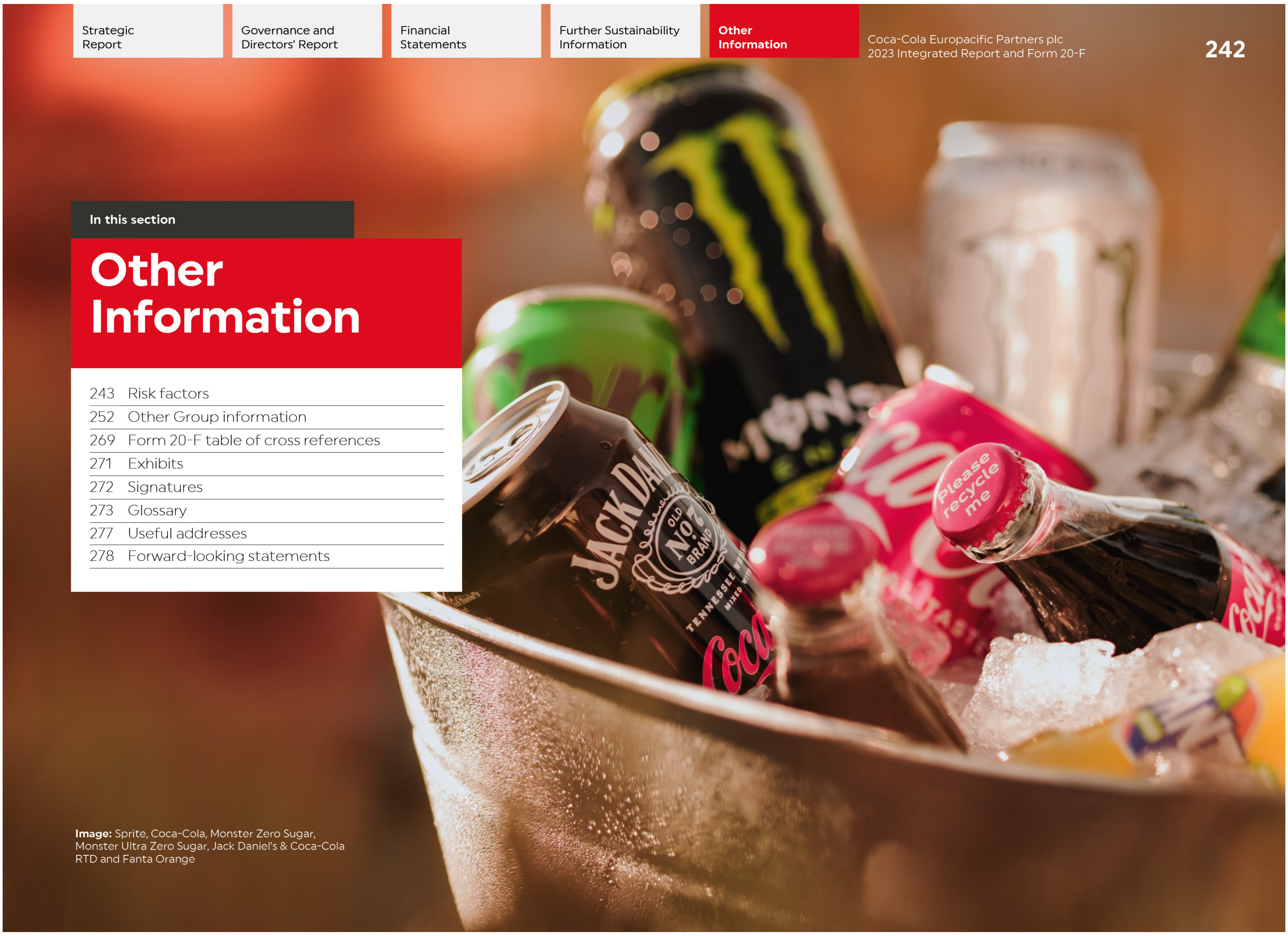

Image: Sprite, Coca-Cola, Monster Zero Sugar, Monster Ultra Zero Sugar, Jack Daniel's & Coca-Cola RTD and Fanta Orange

Risk factors

This section examines the risks Coca-Cola Europacific Partners (CCEP) faces as a business. These risks may change over time.

Business disruption

Global or regional catastrophic events could negatively impact our business and financial results.

Our business may be affected by prolonged internal and/or external disruptive events, including natural disasters such as hurricanes, floods, fires, earthquakes, and health crises such as pandemics, and man-made events such as wars and political turmoil, as well as cyber attacks or system failures that may have a material impact on our ability to operate the business, or on our suppliers or customers. Recent examples of disruptive events include the COVID-19 pandemic, the current conflicts between Russia and Ukraine, and Israel and Gaza, which have directly and indirectly impacted us and our consumers. Other potential disruptive events include the loss of critical assets and infrastructure, the loss of (or loss of access to) critical employees, including through government lockdowns or industrial disputes, major IT outages due to a cyber incident or similar, and the failure of third party supplied raw materials, critical services or utilities such as electricity, gas and water.

These disruptive events could have a material adverse impact on our sales volume, cost of sales, earnings, and overall financial condition.

Packaging and recycling

Waste and pollution, and the legal and regulatory responses to these issues, could adversely impact our business.

Waste and pollution, particularly plastic and packaging waste, is a global issue affecting our business. Although the vast majority of our packaging is fully recyclable, it is not always collected for recycling across our territories, and can end up as land or marine litter. Concerns regarding the environmental impacts of packaging have led to governments in countries we operate in implementing laws and regulations that aim to increase the collection and recycling of our packs; reduce packaging waste and litter, including through limiting the use of single use plastic; and introduce quotas for refillable packaging, as well as specific packaging design requirements.

The European Commission is working on a revision of the Packaging and Packaging Waste Directive, setting increasingly stringent mandatory reuse targets on soft drinks and carbonated alcoholic beverages in EU member states, takeaway beverages filled at the point of sale, recycled content targets for plastic packaging and a mandatory deposit return scheme (DRS) for single use plastic bottles and metal containers of up to three litres. Regulations will likely be adopted by EU member states in 2024, with compliance dates between then and 2040.

In addition to initiatives at the EU level, several countries in which we operate also have or are planning other legislative or regulatory measures to reduce the use of single use plastics, including plastic beverage bottles, and/or increases to plastic collection and recycling. Such measures may include implementing a DRS under which a deposit fee is added to the consumer price, which is refunded if and when the bottle is returned. Other measures may include rules on recycled content, requirements to purchase packaging recovery notes (PRN) to show that we meet our responsibilities for recycling and recovery of packaging waste, individual collection or recycling targets, or a plastic tax. The adoption of new or more stringent rules could increase our costs and may have a material impact on the cost and efficiency of our operations.

If we fail to sufficiently address stakeholder concerns about packaging and recycling, or we are not able to adapt our business to new legislation and regulation on a timely or cost-effective basis, or at all, it could result in higher costs through packaging taxes, producer responsibility reform, regulatory fines, damage to corporate reputation or investor confidence, and a reduction of consumer acceptance of our products and packaging.

Health concerns regarding the contents of our packaging materials, and regulatory responses to those concerns, could increase our costs and harm our reputation.

We are also subject to regulations governing the contents of our packaging, and may become subject to more stringent regulations in that regard.

New recycling technologies may not work or may not be developed quickly enough.

We are exploring innovative ways to achieve the packaging targets that we have set ourselves and those imposed by legislation and regulation, for example by using plastic that has been recycled via enhanced/chemical recycling technologies. There is a risk that these new technologies may not be developed quickly enough or may not work as well as intended, which could limit our ability to mitigate the impact of restrictions on single use plastics. Also, these technologies may be more expensive than current solutions, potentially reducing our profitability.

Read more about packaging on pages 41-44

Risk factors continued

Legal, regulatory and tax

Future changes to tax laws in the countries in which we operate could adversely affect our business.

We are subject to multiple national, state, regional, and local taxes in the jurisdictions in which we operate, including corporate income tax and sales tax.

Tax is a complex evolving area, leading to the risk of increased or unexpected tax costs, and/or additional tax reporting obligations. Tax laws could change on a prospective or retroactive basis. Any such changes could adversely affect our business and its affiliates, and there is no assurance that we would be able to maintain any particular worldwide effective corporate tax. An increase in our effective tax rate would negatively impact the results of our operations.

The Organisation for Economic Co-operation and Development (OECD) and the Inclusive Framework (IF) have agreed to work together to create a consistent and coordinated approach to reform the international taxation rules to address the tax challenges arising from the digitalisation of the economy and to ensure that multinational enterprises (MNEs) pay a fair share of tax wherever they operate and generate profits (a two pillar solution). In 2021, the Global Anti-Base Erosion Model Rules (Pillar Two) was published, providing for a minimum level of taxation on the income arising in each of the jurisdictions where large MNEs operate. The Pillar Two rules were enacted in the UK under the Finance (No.2) Act 2023 introducing a global minimum effective tax rate of 15%. The legislation implements a domestic top-up tax and a multinational top-up tax effective for accounting periods starting on or after 31 December 2023.

Additionally, direct or indirect taxes or other charges imposed on the sale of our products could increase costs or cause consumers to purchase fewer of them. Many countries in which we operate are looking to implement or increase such taxes. These may relate, for example, to the use of non-recycled plastic in beverage packaging, or the use of sugar or other sweeteners in our beverages. Such changes may arise through the raising of an existing tax or the imposition of a new one.

Additional taxes levied on us could harm our financial results.

Our tax filings for various periods are or may be subject to current or future audit by tax authorities. These audits have resulted, and may in the future result, in assessments of additional taxes, as well as interest and/or penalties, and could adversely affect our financial results. Changes in tax laws, regulations, court rulings, related interpretations, and tax accounting standards in countries in which we operate, or if we are unsuccessful in defending our tax positions, may adversely affect our financial results. Additionally, amounts we may need to repatriate for the payment of dividends, share buybacks, interest on debt, salaries and other costs may be subject to additional taxation when repatriated.

Legal changes could affect our status as a foreign corporation for US federal income tax purposes, or limit the US tax benefits we receive from engaging in certain transactions.

In general, for US federal income tax purposes, a corporation is considered a tax resident in the jurisdiction of its organisation or incorporation. Because CCEP is incorporated under the laws of England and Wales, it would generally be classified as a non-US corporation (and therefore a non-US tax resident) under these rules. However, section 7874 of the US Internal Revenue Code of 1986, as amended (IRC), provides an exception under which a non-US incorporated entity may, in certain circumstances, be treated as a US corporation for US federal income tax purposes.

These regulations are complex and there is limited guidance as to their application. In addition, changes to applicable regulations could adversely affect CCEP's status as a foreign corporation for US federal tax purposes, and any such changes could have prospective or retroactive application. If CCEP were to be treated as a US corporation for US federal income tax purposes, it could be subject to materially greater US tax liability than as a non-US corporation.

Risk factors continued

Legislative or regulatory changes that affect our operations, access to raw materials, products, distribution or packaging could reduce demand for our products or increase our costs.

Our business model depends on making our products and packages available in multiple channels and locations. Laws that restrict our ability to do so, including laws affecting the promotion and distribution of our products, imposing levies on products with sugar and sweeteners, and limiting our ability to design or market certain packages, could increase our costs, decrease demand for our products, and negatively impact our financial results.

For example, our products are subject to, and may in the future be subject to, additional marketing and commercial restrictions based on ultra-processed food or nutrition grounds, promotions or marketing to children, or pressure from customers or regulators to develop discriminatory front of pack labelling.

Additionally, we are subject to licensing and other regulatory requirements in the jurisdictions in which we operate, and changes in these rules could increase our compliance costs or impact our ability to operate.

We may be exposed to risks in relation to compliance with anti-corruption laws and other key regulations and economic sanctions programmes.

We and our subsidiaries are required to comply with the laws and regulations of the various countries in which we conduct business, as well as certain laws of other countries, including the US. In particular, our operations are subject to anti-corruption laws such as the US Foreign Corrupt Practices Act of 1977 (the FCPA), the UK Bribery Act 2010 (UKBA), the Spanish and Portuguese Criminal Codes and Sapin II, and other key regulations such as the corporate criminal offence provisions of the UK Criminal Finances Act 2017 and the General Data Protection Regulation (GDPR). We are also subject to economic sanction programmes, including those administered by the United Nations, the EU and the Office of Foreign Assets Control of the US Department of the Treasury (OFAC), and regulations set forth under the US Comprehensive Iran Sanctions, Accountability, and Divestment Act.

One of the purposes of data protection laws is to protect individuals' fundamental rights and freedom, particularly their right to protection of their personal data. In addition, EU personal data transfers to third countries are subject to significant and evolving compliance requirements, including risk assessments of foreign government surveillance, execution of standard contractual clauses with third parties and potential supplemental measures. Non-compliance with such transfer requirements would result in a GDPR violation.

The FCPA, UKBA, and other anti-corruption regulations are aimed at preventing bribery in dealings with foreign entities. These rules are complex and may reach our dealings with both public and private sector entities and officials. In our business dealings, we may deal with governments, state owned business enterprises, and private sector entities.

We do not currently operate in jurisdictions that are subject to territorial sanctions imposed by OFAC or other relevant sanction authorities. However, such economic sanction programmes restrict our ability to engage or confirm business dealings with certain sanctioned countries and with sanctioned parties.

Violations of the above, including anti-corruption, data protection laws, economic sanctions, competition law or other applicable laws and regulations, are punishable by civil and sometimes criminal penalties for individuals and companies. These penalties can include fines, denial of export privileges, injunctions, asset seizures, debarment from government contracts (and termination of existing contracts) to revocations or restrictions of licences, as well as criminal fines and imprisonment. Any violation within one of these compliance risk areas could have a negative impact on our reputation and on our ability to win future business.

Due to the fast pace of changing statutory and regulatory environment, we cannot guarantee that our compliance programmes, policies and procedures will be followed at all times, or that we will always detect and prevent violations of the applicable laws by our employees, consultants, agents or partners. Implementing new or additional internal compliance systems or oversights may also increase our operating costs.

Risk factors continued

Legal claims against our suppliers could affect their ability to provide us with products and services, which could negatively impact our financial results.

Many of our suppliers provide us with products and services that rely on certain intellectual property rights or other proprietary information, and are subject to other third party rights, laws and regulations. If these suppliers face legal claims brought by third parties or regulatory authorities, they could be required to pay large settlements or even cease providing us with products and services as well as expose us to risk.

These outcomes could require us to change suppliers or develop replacement solutions or be subject to third party claims. This could result in business inefficiencies, delays or higher costs, which could negatively impact our financial results.

Litigation or legal proceedings could expose us to significant liabilities and damage our reputation.

We are a party to various litigation claims and legal proceedings. We evaluate these claims and proceedings to assess the likelihood of unfavourable outcomes and to estimate, if possible, the amount of potential losses. Based on these assessments and estimates, we establish reserves or disclose the relevant claims or proceedings, as appropriate. These assessments and estimates are based on the information available to management at the time and involve a significant amount of management judgement. Actual outcomes or losses may differ materially from those in the current assessments and estimates. Recent EU legislation has increased the ability to bring claims, including of greenwashing, against CCEP.

Improper conduct by our employees could damage our reputation or lead to litigation or legal proceedings that could result in civil or criminal penalties, including substantial monetary fines, as well as disgorgement of profits.

Cyber and IT resilience

Cyber attacks, or a deficiency in our cybersecurity or a customer's or supplier's cybersecurity, could negatively impact our business.

As our reliance on IT increases, so will the risks posed to our internal and third party systems from cyber incidents.

A cyber incident is considered to be any adverse event that threatens the confidentiality, integrity or availability of our data or information systems. It could involve a third party gaining unauthorised access to systems, either unintentionally or through an intentional attack (such as activities due to war, state sponsored cyber terrorism, criminal attack, hacking or a computer virus), which could disrupt operations, compromise or corrupt data, damage our brand reputation, threaten our Company or employees and negatively impact our financial results.

Our business processes require high levels of integration between our IT systems and the systems of third parties (suppliers, customers, business partners, systems providers) and companies that we invest in or acquire. A cyber incident at any of those entities could either spread to our systems or indirectly have a negative impact on our ability to operate. Similarly, cyber attacks in one country might impact our ability to do business in other countries due to the dependencies on information systems and applications.

Technology failures could disrupt our operations and negatively impact our business.

We rely extensively on IT systems to process, transmit, store and protect electronic information. For example, our production and distribution facilities and inventory management all use IT to maximise efficiencies and minimise costs. Communication between our employees, customers and suppliers also depends, to a large extent, on IT.

Our IT and operational technology systems may be vulnerable to interruptions due to implementation of new systems or systems upgrades (such as our system applications and product in data processing (SAP) and its modules) and events that may be beyond our control. These include, but are not limited to, natural disasters, telecommunications failures, power outages, hardware failures, human error and security issues, such as cyber attacks. Centralisation of IT systems might increase the impact of a failure of IT applications. We have IT security controls, processes and disaster recovery plans in place, but they may not be adequate or implemented effectively enough to ensure that our operations are not disrupted. If we miscalculate the level of investment needed, our software, hardware and maintenance practices could become out of date, and this could result in disruptions to our business. In addition, when we integrate new entities following investment or acquisition, the integration of IT systems and applications for those entities will increase the complexity and the risk level of our IT infrastructure.

Read more about our cyber security risk management on pages 77-78

Risk factors continued

Economic and political conditions

The deterioration of global and local economic and political conditions could adversely affect our business performance and share price.

Our performance is closely linked to the global economic cycle as well as macro and microeconomic conditions in the countries, regions and cities where we operate. Normally, slow economic growth or economic contraction decreases demand and drives down sales.

For example, adverse economic conditions decrease individuals' disposable income, potentially leading to the purchase of cheaper private label brands or avoiding buying beverage products altogether.

Currently, many major economies are going through monetary tightening to contain high inflation following a multi-year monetary and fiscal expansion and supply chain dislocations. The war in Ukraine is further increasing the uncertainty and volatility, mainly through energy prices and supply uncertainty.

The ongoing uncertainties around economic growth, employment, inflation, commodities, currencies, costs, and the availability of financial resources could directly impact our business, operating results, financial conditions, cash flows, liquidity requirements and share price. Geopolitical concerns are higher than last year, particularly with the ongoing war in Ukraine, the conflict in the Middle East, the global refugee crisis, and elections resulting in more populist or extremist parties gaining support and polarised coalition governments, creating a very volatile macroeconomic environment.

Other key external economic and political factors also have the potential to specifically impact API, including economic and political instability in Papua New Guinea (PNG) and the impact on foreign currency availability, tariffs and protectionism, geopolitical turbulence in the form of US-China trade wars and trade tension between Australia and China. Additionally, API is exposed to PNG liquidity risks and the associated impact on short-term profitability. Access to foreign exchange in PNG is limited due to a supply/demand imbalance of hard currency. The PNG kina (PGK) is considered to be overvalued. If the PNG government requires assistance from the International Monetary Fund to fund its budget deficit, it could require the PGK to be devalued, which could significantly impact API's financial results upon translation of PGK earnings and balance sheet into Australian dollars.

Increases in costs, limitation of supplies, or lower than expected quality of raw materials could harm our financial results.

The cost of our raw materials, ingredients, packaging materials or energy could increase over time. If that happens, and if we are unable to pass the increased costs on to our customers in the form of higher prices, our financial results could be adversely affected.

We use supplier pricing agreements and derivative financial instruments to manage volatility and market risk for certain commodities. Generally, these hedging instruments establish the purchase price before the time of delivery, which may lock us into prices that are ultimately higher or lower than the actual market price at the time of delivery.

We continue to experience volatility in commodity prices and foreign exchange mainly driven by central banks' global tightening policies; supply chain disruptions due to military conflicts; political uncertainty across key global powers; and increased protectionist policies.

Our suppliers could be adversely affected by a number of external events. These could include war, strikes, adverse weather conditions, speculation, abnormally high demand, governmental controls, new taxes, national emergencies, natural disasters, health crises, such as a pandemic, and insolvency. If this happens, and we are unable to find an alternative source for our materials, our cost of sales, revenues, and ability to manufacture and distribute our products could be adversely affected.

The quality of the materials or finished goods we receive could be lower than expected. If this happens, we may need to substitute those items for ones that meet our standards, or replace underperforming suppliers. This could disrupt our operations and adversely affect our business.

Changes in interest rates or our debt rating could harm our financial results and financial position.

We are subject to interest rate risk, and changes in our debt rating could have a material adverse effect on interest costs and debt financing sources. Our debt rating can be materially influenced by a range of factors, including our financial performance, acquisitions, and investment decisions, as well as the capital management activities of TCCC and changes in its debt rating. If our credit rating declines or interest rates continue to increase, as they have done in recent years, there is no guarantee that we will be able to access debt financing on favourable terms, or at all.

Risk factors continued

The deterioration in political unity within the EU could significantly impact our financial results and reduce our competitiveness in the marketplace.

There are concerns regarding the short-term and long-term stability of the euro and pound sterling and the euro's ability to serve as a single currency for a number of individual countries. These concerns could lead individual countries to revert, or threaten to revert, to local currencies. In more extreme circumstances, they could exit the EU, and the Eurozone could be dissolved entirely. Should this occur, the assets we hold in a country that reintroduces local currency could be subject to significant changes in value when expressed in euros. Furthermore, the full or partial dissolution of the euro, the exit of one or more EU member states from the EU or the full dissolution of the EU could cause significant volatility and disruption to the global economy. This could affect our ability to access capital at acceptable financing costs, the availability of supplies and materials, and demand for our products, all of which could adversely impact our financial results.

If it becomes necessary for us to use additional currencies, we would be subjected to additional earnings volatility as amounts in these currencies are translated into euros.

Default by or failure of one or more of our counterparty financial institutions could cause us to incur losses.

We are exposed to the risk of default by, or failure of, the counterparty financial institutions with which we do business. This risk may be heightened during economic downturns and periods of uncertainty in the financial markets.

If one of our counterparties became insolvent or filed for bankruptcy, our ability to recover amounts owed from or held in accounts with the counterparty may be limited. In this event we could incur losses, which could negatively impact our results and financial condition.

Market

We may not be able to respond successfully to changes in the marketplace.

We operate in the highly competitive beverage industry and face strong competition from other general and speciality beverage companies. The timing and effectiveness of our response to continued and increased competitor and customer consolidations and marketplace competition may result in lower than expected net pricing of our products. Additionally, the loss of key contracts or customers to our competitors may decrease our sales volume, revenues and profitability and damage our reputation.

Changes in our relationships with large customers may adversely impact our financial results.

A significant amount of our volume is sold through large retail chains, including supermarkets and wholesalers. Many of these customers are consolidating, or are forming buying groups, which increases their purchasing power. They may seek to use this to improve their profitability through lower prices, increased emphasis on generic and other private label brands, or increased promotional programmes and payment of rebates.

Competition from hard discount retailers and online retailers continues to challenge traditional retail outlets. This can increase the pressure on all customer margins, which may then be reflected in pressure on suppliers such as us.

In addition, from time to time, a customer or customers choose(s) to temporarily or permanently stop selling some of our products as a result of disputes with us.

These factors, can have a negative impact on the availability of our products, and our profitability.

Adverse weather conditions could limit the demand for our products.

Our sales are significantly influenced by weather conditions in the countries in which we operate. In particular, due to the seasonality of our business, cold or wet weather during the summer months may have a negative impact on the demand for our products and contribute to lower sales. This could have an adverse effect on our financial results.

Our business is vulnerable to products being imported from outside our territories, which adversely affects our sales.

Some of the territories in which we operate permit imports of products manufactured by bottlers from countries outside our territories. When these imports come from members of the European Economic Area, we are prohibited from taking action to stop such imports.

Climate change and water

Water scarcity and additional regulations on water supply or use could adversely impact our business.

Water is the primary ingredient in most of our products. It is also vital to our manufacturing processes and is needed to produce the agricultural ingredients that are essential to our business. Water scarcity or a deterioration in the quality of available water sources in our territories or to our supply chain, even if temporary, may result in increased production costs or capacity constraints, negative publicity, and a loss in consumer confidence.

Risk factors continued

Climate change, and the legal and regulatory responses, could adversely impact our business.

Climate change is resulting in global average temperature increases and increasingly frequent and severe extreme weather conditions around the world, and the effects of this change appear to be accelerating. More frequent extreme weather events, such as storms or floods in our territories, could disrupt our facilities and distribution network, further impacting our business. It may also lead to decreased agricultural productivity in certain regions of the world that limits the availability or increases the cost of key raw materials that we use to produce our products. Additional climate laws may affect other areas of our business, such as production, distribution, packaging or the cost of raw materials.

Concern over climate change has led to more environmental legislative and regulatory initiatives at an EU and national level. These include areas such as GHG emissions, water use and energy efficiency.

Governments and private parties are increasingly filing lawsuits or initiating regulatory action based on allegations that certain public statements regarding sustainability-related matters and practices by companies are greenwashing, i.e. misleading information or false claims overstating potential benefits. Threat of such actions and the negative publicity arising from them presents additional uncertainty regarding the extent to which we may face increased risk of liability stemming from our climate change or sustainability practices.

As part of our commitment to addressing our climate change impacts, we are investing in technologies that improve the energy efficiency of our operations and reduce GHG emissions related to our packaging, CDE and transportation. In general, the cost of these investments is greater than investments in less energy efficient technologies, and the period of return is often longer, and there is a risk that we may not achieve our desired returns.

Read more about climate and water on pages 37-40 and 45-47

Changes in customer and consumer buying trends and category perception

Health concerns could reduce consumer demand for some of our products, impacting our financial performance.

There is concern that the public health consequences of obesity, particularly among young people, are increasing. Health advocates and dietary guidelines suggest that consumption of sugar sweetened beverages is a cause of increased obesity rates, and are encouraging consumers to reduce or eliminate consumption of such products. In addition, governments have introduced stronger regulations around the marketing, labelling, packaging, or sale of sugar sweetened beverages. These concerns and regulations could reduce demand for, or increase the cost of, our sugar sweetened beverages.

At the same time, there is additional scrutiny by the World Health Organisation, EFSA and national health authorities on sweeteners, with many studies and impact assessments on health ongoing. Some of these studies may lead to additional regulatory constraints or additional tax, like in France, where a soda tax applies to both products with sugar and those with sweeteners.

Consumer trends have also led to an increased demand for low-calorie soft drinks, water, enhanced water, isotonics, energy drinks, teas, coffees and beverages with natural ingredients. If we are unable to meet this demand by providing a broad enough range of products, our business and financial results could be negatively impacted.

Business transformation, integration and digital capability

We may not identify sufficient initiatives to realise our cost saving goals to stay competitive.

We continue to assess opportunities for improvements as part of the ongoing business strategy to enable us to remain competitive in the future. This strategic objective encompasses all the support functions, technology transformation, supply chain and commercial improvements and working efficiently with our partners and franchisors.

The initiatives are complex due to their multi functional and multi country nature. Ineffective coordination and control over single initiatives and interdependent initiatives could result in us failing to realise the expected benefits.

Risk factors continued

Restructuring could cause labour and union unrest.

Since our inception, we have restructured in all countries and functions, resulting in a combination of redeployment and layoffs. While we continue to look for opportunities to maintain and improve our position within the market, this might have a negative impact on our relationship with our employee representatives and social partners, and could cause labour and union unrest. Continual change might trigger change fatigue among our people or social unrest in the event that such changes result in industrial action.

In the past, we have sought to minimise union unrest through constructive social dialogue, e.g. on employability, which has not affected our ability to achieve our objectives. However, there is no guarantee that our efforts will continue to be successful or have the desired effect.

Miscalculation of our need for infrastructure investment could impact our financial results.

To support revenue growth, we are investing in our infrastructure, including CDE, fleet, technology, sales force, digital capability and production equipment. There is a risk that these investments will not generate the projected returns, either because of market or technological changes, or ineffective adoption of capabilities, or because the projected requirements of the investments differ from actual levels. This could adversely affect our financial results.

We may not be able to execute our strategy to pursue suitable acquisitions or may have difficulty integrating acquired businesses.

Our strategy involves, in part, pursuing disciplined and attractive investments, which are intended to create shareholder value. Our efforts to execute this strategy require us to identify suitable acquisition targets (such as Coca-Cola Beverages Philippines, Inc. (CCBPI)), negotiate, and close acquisition and development transactions. Further, to the extent that we are able to identify suitable investments, negotiations may not proceed as anticipated and management attention may be diverted by such opportunities. We may also encounter unexpected difficulties, joint venture partner disputes, cost or delays in restructuring and integrating acquired businesses or bottling operations into our operating, governance, sustainability and internal control structures, including extending our Company's internal control over financial reporting to newly acquired businesses, which may increase the risk of failure to prevent misstatements in our consolidated financial statements. There is no guarantee that these investments will ultimately be accretive, support our growth or achieve the intended result.

People and wellbeing

Failure to attract, retain and motivate existing and future employees.

Our ability to achieve our strategic objectives is reliant on having the right talent and people. The increasing importance of flexible working and future work topics brings the challenge of attracting, retaining and motivating existing and future employees who have the talent we need, the required technical skill set, and the expected levels of motivation to deliver. As a result, we could fail to achieve our strategic objectives and could experience a decline in employee engagement, industrial action, reputational damage or litigation.

Increases in the cost of wages and employee benefits could impact our financial results and cash flow.

The increases in the cost of wages and employee benefits, including retirement benefits, may affect our financial results and cash flow.

The increasing inflationary trend combined with the high employment levels we see globally will put pressure on future wage negotiations and the anticipated salary budget. We are engaged in a dialogue with social partners on this issue. However, we cannot guarantee that our efforts will be successful in creating consensus or that unions representing our employees will not take future actions that are disadvantageous to us.

Adverse effects on our people's health, wellbeing and safety could impact our business.

Failure to adequately manage workplace hazards or abide by our health and safety policies and guidelines could result in injuries and deaths among our people. In turn, this can have an adverse impact on employee engagement and productivity levels. The increase of stress and employees feeling burnt out may continue to affect the business with a higher degree of mental health issues and increased absence rates for employees. Wellbeing initiatives require new approaches to reach all employees, especially when restructuring takes place, which potentially increases the risk to us of long-term absence and loss of productivity levels.

Read more about our people in Great people on pages 20-27

Risk factors continued

Misconduct by third parties relating to human rights could lead to reputational and financial damage.

Supplier monitoring and due diligence of suppliers might fail or it may not be able to prevent suppliers' abuse of human rights including modern slavery, resulting in media and public attention. This could cause a reputational and financial impact on CCEP, including negative ratings in benchmarks, leading to an impact on investors becoming less likely to invest in CCEP.

Relationship with The Coca-Cola Company (TCCC) and other franchisors

Our business success, including our financial results, depends on our relationship with TCCC and other franchisors.

Around 87% of our revenue for the year ended 31 December 2023 was derived from the distribution of beverages under agreements with TCCC. We make, sell and distribute these products through bottling agreements with TCCC, which typically include the following terms:

- We purchase our entire requirement of concentrates and syrups for Coca-Cola trademark beverages (sparkling beverages bearing the trademark Coca-Cola or the Coke brand name) and allied beverages (beverages of TCCC or its subsidiaries, but not Coca-Cola trademark beverages or energy drinks) from TCCC. Prices, terms of payment, and other terms and conditions of supply are determined from time to time by TCCC at its sole discretion.
- There are no limits on the prices that TCCC may charge for concentrate.
- Much of the marketing and promotional support that we receive from TCCC is at its discretion. Programmes may contain requirements, or be subject to conditions, established by TCCC that we may not be able to achieve or satisfy. The terms of most of the marketing programmes do not and will not contain an express obligation for TCCC to participate in future programmes or continue past levels of payments into the future.
- We are obligated to maintain sound financial capacity to perform our duties, as required and determined by TCCC at its sole discretion. These duties include, but are not limited to, making certain investments in marketing activities to stimulate the demand for products in our territories and making infrastructure improvements to ensure our facilities and distribution network are capable of handling the demand for these beverages.
- Disagreements with TCCC concerning business issues may lead TCCC to act adversely to our interests with respect to these relationships, which could have a material adverse effect on our business, results of operations, business and customers relationships, and reputation.

Other risks

TCCC and Olive Partners, S.A. (Olive Partners) hold significant shareholdings in CCEP, and their views may differ from those of our public shareholders.

Around 19% and 36% of CCEP's Shares are owned by European Refreshments (ER, a wholly owned subsidiary of TCCC) and Olive Partners respectively. Five of our Directors, including the Chairman, were nominated by Olive Partners, and two of our Directors were nominated by ER. As a result of their shareholdings and Board seats, TCCC and Olive Partners can influence matters requiring shareholder and Board approval, subject to our Articles of Association and the Shareholders' Agreement. The views and interests of TCCC and Olive Partners may not always align with each other or those of other shareholders.

Product quality

Our business could be adversely affected if we, TCCC or other franchisors and manufacturers of the products we distribute are unable to maintain a positive brand image as a result of product safety, product quality, food defence or food fraud issues.

Adequate and effective quality control methods are vital to ensure the safety and integrity of the products we manufacture. The food additives we use have been approved as safe by globally recognised authorities, including the Joint FAO/WHO Expert Committee on Food Additives (JECFA), the European Food Safety Authority (EFSA), the Food Standards Australia New Zealand (FSANZ), Indonesia National Agency of Food and Drug Control (BPOM) and National Department of Health, Papua New Guinea. We only use additives in our drinks when they are needed for preserving, colouring, sweetening or balancing acidity. In addition, all our employees are responsible for ensuring we only supply safe products and are required to follow all relevant policy guidelines, procedures and processes at our production facilities and across our entire supply chain. Factors such as improper handling, storage, or inadequate/inefficient sanitation practices during the manufacturing process can introduce contaminants, leading to adverse health effects for our consumers. Additionally, failure to meet stringent quality standards may result in product recalls, regulatory fines, and legal liabilities. Negative publicity surrounding safety and quality issues may jeopardise our Company's reputation, as it may erode consumer trust and loyalty, affecting our market share and long-term profitability.

Other Group information

Shareholder information

The Company was incorporated in England and Wales on 4 August 2015, as a private company under the Companies Act 2006 (the Companies Act). On 4 May 2016, the Company was registered as a public company limited by shares and changed its name from Coca-Cola European Partners Limited to Coca-Cola European Partners plc. On 10 May 2021, the Company changed its name from Coca-Cola European Partners plc to Coca-Cola Europacific Partners plc (CCEP).

It is registered at Companies House, Cardiff, under company number 9717350.

The business address for Directors and senior management is Pemberton House, Bakers Road, Uxbridge, UB8 1EZ, England.

The Company is resident in the UK for tax purposes. Its primary objective is to make, sell and distribute ready to drink beverages.

Annual General Meeting

It is intended that the Company's 2024 Annual General Meeting (AGM) will be held on 22 May 2024. However, shareholders will be notified if the Company is required to make alternative arrangements.

Registered shareholders will be sent a Notice of AGM, or notice of availability of the Notice of AGM, closer to the time of the AGM, and will be notified of any change affecting the AGM through an appropriate channel.

Directors and senior management

Biographies of the Directors and senior management are set out on pages 95-99. Sol Daurella and Alfonso Líbano Daurella are first cousins.

Service contracts and loss of office arrangements

It is the Remuneration Committee's policy that there should be no element of reward for failure. When considering payments in the event of a loss of office, it takes account of the individual circumstances, including the reason for the loss of office, Group and individual performance, contractual obligations of both parties as well as share and pension plan rules.

Service contracts for Executive Directors provide for a notice period of not more than 12 months from CCEP and not more than 12 months from the individual. The standard Executive Director service contract does not confer any right to additional payments in the event of termination. However, it does reserve the right for the Group to impose garden leave (i.e. leave with pay) on the Executive Director during any notice period. In the event of redundancy, benefits would be paid according to CCEP's redundancy guidelines for GB prevailing at that time. Executive Directors may be eligible for a pro rata bonus for the period served, subject to performance, but no bonus will be paid in the event of gross misconduct. The treatment of unvested long-term incentive awards is governed by the rules of the relevant plan and depends on the reasons for leaving. The cost of legal fees spent on reviewing a settlement agreement on departure may be provided where appropriate. The Company also reserves the right to pay for outplacement services as appropriate.

The Non-executive Directors (NEDs), including the Chairman of the Board, do not have service contracts but have letters of appointment. NEDs are not entitled to compensation on leaving the Board.

Directors and senior management interest in shares

Other than Sol Daurella, Alfonso Líbano Daurella and José Ignacio Comenge, who indirectly owned 7.3% (33,385,110 Shares), 1.5% (6,701,540 Shares), and 1.7% (7,855,504 Shares) of the Shares outstanding as of 29 February 2024, respectively, no Director or member of senior management individually owned more than 1% of the Company's Shares as of 29 February 2024.

Table 1 shows the number of share options held by Directors and other members of senior management as at 29 February 2024, including the applicable exercise price and the date when the applicable exercise period ends.

Other employee-related matters

Note 17 to the consolidated financial statements provides a breakdown of employees by main category of activity. As at 31 December 2023, we had around 32,000 employees, of whom none were located in the US. A number of our employees in Europe and API are covered by collectively bargained labour agreements, most of which do not expire. However, in some countries, wage rates must be renegotiated at various dates throughout 2024. We believe we will be able to renegotiate these wage rates with satisfactory terms.

Table 1

Share options held by Directors and other members of senior management as at 29 February 2024

Name	Grant date	Expiry date	Exercise price	Total number of Shares subject to outstanding options including exercisable and unvested options
Damian Gammell	5 November 2015	5 November 2025	US$39.00	324,643

Other Group information continued

Nature of trading market

The Company has one class of ordinary shares. These shares are traded on the Nasdaq Stock Market (XNAS), London Stock Exchange (LSE), Euronext Amsterdam (AEX) and the Spanish Stock Exchanges (of which the lead exchange is Madrid (MADX)).

Listing information

Ticker symbol (all exchanges)	CCEP
ISIN code	GB00BDCPN049
Legal entity identifier	549300LTH67W4GWMRF57
CUSIP	G25839104
SEDOL number (XNAS)	BYQQ3P5
SEDOL number (LSE)	BDCPN04
SEDOL number (AEX)	BD4D942
SEDOL number (MADX)	BYSXXS7

Share capital

The Articles of Association of the Company (the Articles) contain no upper limit on the authorised share capital of the Company. Subject to certain limitations under the Shareholders' Agreement, the Board has the authority to offer, allot, grant options over or otherwise deal with or dispose of shares to such persons, at such times, for such consideration and upon such terms as the Board may decide, only if approved by ordinary resolution of our shareholders.

As at 31 December 2023, the Company had 459,200,818 Shares, nominal value €0.01 per share, issued and fully paid. As at 29 February 2024, the Company had 459,416,557 Shares issued and fully paid.

Under the Shareholders' Agreement and the Articles, the Company is permitted to issue, or grant to any person rights to be issued, securities, in one or a series of related transactions, in each case representing 20% or more of our issued share capital, only if approved in advance by special resolution of our shareholders.

Pursuant to this authority, our shareholders have passed resolutions allowing a maximum of a further 305,510,225 Shares (as of 29 February 2024) to be allotted and issued, subject to the restrictions set out below:

(1) pursuant to a shareholder resolution passed on 24 May 2023 regarding the authority to allot new shares, the Board is authorised to allot shares and to grant rights to subscribe for or convert any security into shares:

a. up to a nominal amount of €1,527,551.12 (representing 152,755,112 Shares; such amount to be reduced by any allotments or grants made under paragraph 1(b) below in excess of such sum); and

b. comprising equity securities (as defined in the Companies Act) up to a nominal amount of €3,055,102.25 (representing 305,510,225 Shares; such amount to be reduced by any allotments or grants made under paragraph 1(a) above) in connection with an offer by way of a rights issue:
   i. to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
   ii. to holders of other equity securities as required by the rights of those securities or as the Board otherwise considers necessary,

and so that the Board may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter; and

(2) pursuant to a shareholder resolution passed on 24 May 2023 regarding authority to disapply pre-emption rights, the Board is authorised to allot equity securities (as defined in the Companies Act) for cash under the authority given by the shareholder resolution described in paragraph 1 above and/or to sell shares held by the Company as treasury shares for cash as if section 561 of the Companies Act did not apply to any such allotment or sale, such power to be limited:

a. to the allotment of equity securities and sale of treasury shares in connection with an offer of, or invitation to apply for, equity securities (but in the case of the authority granted under paragraph 1(b) above, by way of a rights issue only):
   i. to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
   ii. to holders of other equity securities, as required by the rights of those securities, or as the Board otherwise considers necessary,

b. and so that the Board may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter; and

c. in the case of the authority granted under paragraph 1(a) above and/or in the case of any sale of treasury shares, to the allotment of equity securities or sale of treasury shares (otherwise than under paragraph 2(a) above) up to a nominal amount of €229,132.66 (representing 22,913,266 Shares).

Other Group information continued

Shares not representing capital

None.

Shares held by CCEP

We are not permitted under English law to hold our own Shares unless they are repurchased by us and held in treasury. At our 2023 AGM, our shareholders passed a special resolution that allows us to buy back our own Shares in the market as permitted by the Companies Act. On 13 February 2020, the Board announced a share buyback programme of up to €1 billion. All Shares repurchased as part of the buyback programme have been cancelled. Details of the Shares bought back are provided under Share buyback programme below. In light of macroeconomic uncertainty brought about by the outbreak of COVID-19, on 23 March 2020, the Company announced the suspension of the buyback programme until further notice.

Share-based payment awards

Table 2 shows the share-based payment awards outstanding under each of the CCE 2010 Incentive Award Plan (2010 Plan) and the Long-Term Incentive Plan 2016 (CCEP LTIP) as at 31 December 2023 and 29 February 2024.

For more details about the share plans and awards granted see Note 21 to the consolidated financial statements on pages 209-210

History of share capital

Table 3 on page 255 sets out the history of our share capital for the period from 1 January 2021 until 29 February 2024.

Share buyback programme

The maximum number of Shares authorised for purchase at the 2023 AGM was 45,826,533 Shares, representing 10% of the issued Shares at 5 April 2023, reduced by the number of Shares purchased, or agreed to be purchased after 5 April 2023 and before 24 May 2023. No Shares have been purchased under the 2023 shareholder authority as at the date of this report. The existing authority to buy back Shares will expire at the 2024 AGM. We intend to seek shareholder approval to renew the authority to buy back Shares.

US shareholders

To the knowledge of the Company, 405 holders of record with an address in the US held a total of 459,287,301 Shares (or 99.97% of the total number of issued Shares outstanding) as at 29 February 2024. However, some Shares are registered in the names of nominees, meaning that the number of shareholders with registered addresses in the US may not be representative of the number of beneficial owners of Shares resident in the US.

Table 2

Outstanding share-based payment awards

Plan	Date of award (dd/mm/yy)	Type of award(A)	Total number of Shares awarded to employees outstanding as at 31 December 2023	Total number of Shares awarded to employees outstanding as at 29 February 2024(B)	Price per Share payable on exercise/ transfer (US$)	Expiration date (dd/mm/yy)
2010 Plan	30/10/14	Option	223,650	175,911	32.51	30/10/24
	05/11/15	Option	695,961	557,961	39.00	05/11/25
CCEP LTIP	29/09/21	PSU	424,565	781,805(C)	—	15/03/24
	29/09/21	RSU	38,821	37,827	—	15/03/24
	25/11/21	PSU	670	1,240(C)	—	15/03/24
	25/11/21	RSU	34	34	—	15/03/24
	10/03/22	PSU	458,127	455,971	—	09/03/25
	10/03/22	RSU	1,521	1,521	—	15/03/24
	10/03/22	RSU	375	375	—	01/03/25
	10/03/22	RSU	44,955	43,581	—	09/03/25
	05/09/22	PSU	10,852	10,852	—	09/03/25
	05/09/22	RSU	948	948	—	09/03/25
	13/03/23	PSU	2,626	2,626	—	09/03/25
	13/03/23	PSU	386,646	384,014	—	12/03/26
	13/03/23	RSU	205	205	—	01/07/24
	13/03/23	RSU	411	411	—	01/07/25
	13/03/23	RSU	40,800	39,399	—	13/03/26
	10/08/23	PSU	5,036	5,036	—	13/03/26
	10/08/23	RSU	1,524	1,524	—	13/03/26

(A) PSU is performance share unit. RSU is restricted stock unit.
(B) When an employee leaves CCEP, the expiration date of their options is shortened so options with a new expiration date may appear between the year end and the later reporting date. These are not new options but options that have been moved from another row in the table.
(C) The 2021 LTIP award was subject to EPS, ROIC and CO_2e reduction performance targets measured over the three year performance period from 1 January 2021 to 31 December 2023 and is due to vest on 15 March 2024. Read more in the Annual report on remuneration on page 134.

Other Group information continued

Table 3
Share capital history

Period	Nature of Share issuance	Number of Shares	Consideration	Cumulative balance of issued Shares at end of period
1 January 2021	Opening balance	454,645,510	N/A	454,645,510
1 January to 31 December 2021	Shares issued in connection with the exercise of stock options	1,290,506	Exercise price per Share ranging from US$19.68 to US$32.51	455,936,016
1 January to 31 December 2021	Shares issued in connection with the fulfilment of RSU and PSU share-based payment awards	299,016	Nil	456,235,032
1 January to 31 December 2021	Shares cancelled as part of buyback programme	—	—	456,235,032
1 January to 31 December 2022	Shares issued in connection with the exercise of stock options	482,420	Exercise price per Share ranging from US$23.21 to US$32.51	456,717,452
1 January to 31 December 2022	Shares issued in connection with the fulfilment of RSU and PSU share-based payment awards	389,001	Nil	457,106,453
1 January to 31 December 2022	Shares cancelled as part of buyback programme	—	—	457,106,453
1 January to 31 December 2023	Shares issued in connection with the exercise of stock options	1,323,879	Exercise price per Share ranging from US$31.46 to US$39.00	458,430,332
1 January to 31 December 2023	Shares issued in connection with the fulfilment of RSU and PSU share-based payment awards	770,486	Nil	459,200,818
1 January to 31 December 2023	Shares cancelled as part of buyback programme	—	—	459,200,818
1 January to 29 February 2024	Shares issued in connection with the exercise of stock options	215,739	Exercise price per Share ranging from US$32.51 to US$39.00	459,416,557
1 January to 29 February 2024	Shares issued in connection with the fulfilment of RSU and PSU share-based payment awards	—	Nil	459,416,557
1 January to 29 February 2024	Shares cancelled as part of buyback programme	—	—	459,416,557

Other Group information continued

Marketing

CCEP relies extensively on advertising and sales promotions to market its products. TCCC and other franchisors advertise in all major media to promote sales in the local areas we serve. We also benefit from regional, local and global advertising programmes conducted by TCCC and other franchisors. Certain advertising expenditures by TCCC and other franchisors are made pursuant to annual arrangements.

CCEP and TCCC engage in a variety of marketing programmes to promote the sale of TCCC's products in territories in which we operate. The amounts to be paid to us by TCCC under the programmes are determined annually and are periodically reassessed as the programmes progress. Marketing support funding programmes entered into with TCCC provide financial support, principally based on our product sales or on the completion of stated requirements, to offset a portion of the cost of our marketing programmes. Except in certain limited circumstances, TCCC has no specified contractual obligation to participate in expenditures for advertising, marketing and other support in our territories.
The terms of similar programmes TCCC may have with other licensees and the amounts paid by TCCC under them could differ from CCEP's arrangements.

We take part in various programmes and arrangements with customers to increase the sale of products. These include arrangements under which allowances can be earned by customers for attaining agreed sales levels or for participating in specific marketing programmes.

Dependence on franchisors

As a franchise business, CCEP's business success, including its financial results, depends upon its relationships with TCCC and its other franchisors.

Read more about our relationships with franchisors, see the Risk factors on pages 243-251

Competition

CCEP competes mainly in the manufacturing, sale and distribution of non-alcoholic ready to drink (NARTD) beverages industry and adjacencies, including squashes/cordials, hot beverages and low alcoholic ready to drink (ARTD) beverages. CCEP competes in the Western Europe and API segments, and primarily manufactures, sells and distributes the products of TCCC, as well as those of other franchisors such as Monster Energy.

CCEP competes mainly with:

- NARTD and non-alcoholic, non-ready to drink (for example squashes/cordials and hot beverages) brand and private label manufacturers, sellers and distributors.
- Alcoholic beverage manufacturers, sellers and distributors – in the sense that some of their products may be considered to be substitutes for CCEP's own products on certain consumer occasions. More recently, CCEP entered the ARTD segment with Jack Daniel's & Coca-Cola ready to drink (RTD) and intends to make further entrances with ARTD in the near future with launches such as Absolut Vodka & Sprite ARTD.

A small number of such companies may also be contracted by CCEP as manufacturers (e.g. co-packers) or commercial partners (e.g. on behalf of which CCEP sells and/or distributes, or which sells and/or distributes on CCEP's behalf).

CCEP sells and distributes to a wide range of customers, including both physical and online food and beverage retailers, wholesalers and out of retail customers. The market is highly competitive, and all CCEP customers and consumers may choose freely between products of CCEP and its competitors. Many of CCEP's customers are under increasing competitive pressure, including with the increasing market share of discounters, the growth of e-commerce food and beverage players, increase of private label, emergence of quick commerce and customer consolidation.

CCEP competes with respect to a wide range of commercial factors, including brand awareness, product and packaging innovations, supply chain efficacy, customer service, sales strategy, marketing, and pricing and promotions.

The level of competition faced by CCEP may be affected by, for example; changing customer and consumer product, brand, and packaging preferences, shifts in customers' industries, competitor strategy shifts, new competitor entrants, supplier dynamics, the weather, and social, economic, political or other external landscape shifts.

Key factors affecting CCEP's competitive strength include, for example; CCEP's strategic choices, investments, partnerships (e.g. with customers, franchisors and suppliers), people management, asset base (e.g. property, plant, fleet, and equipment), technological sophistication, and processes and systems.

Other Group information continued

Impact of governmental regulation

Our business is sensitive to the economic and political action and conditions in our countries of operation. The risks these can pose to our business are set out in our Principal risks on pages 68-78 and in our Risk factors on pages 243-251.

Material contracts

Neither the Company (nor any member of the Group) has entered into any material contracts, for the two years immediately preceding publication of this report, that are to be performed in whole or in part at or after the filing of this report, other than contracts entered into in the ordinary course of business.

Articles of Association

For a summary of certain principal provisions of the Company's Articles of Association (the Articles), see Other Information – Other Group information – Articles of Association of the 2018 Annual Report on Form 20-F, filed on 14 March 2019. A copy of the Company's Articles has been filed as Exhibit 1 to this Form 20-F.

Documents on display

CCEP is subject to the information requirements of the US Securities Exchange Act of 1934, as amended (the Exchange Act), applicable to FPIs. In accordance with these requirements, we file our Annual Report on Form 20-F and other related documents with the US Securities and Exchange Commission (SEC). It is possible to read and copy documents that we have filed with the SEC at the SEC's office. Filings with the SEC are also available to the public from commercial document retrieval services, and from the website maintained by the SEC at www.sec.gov.

Our Annual Report on Form 20-F is also available on our website at ir.cocacolaep.com/financial-reports-and-results/integrated-reports. Shareholders may also order a hard copy, free of charge – see Useful addresses on page 277.

Exchange controls

Other than those individuals and entities subject to economic sanctions that may be in force from time to time, we are not aware of any other legislative or legal provision currently in force in the UK, the US, the Netherlands or Spain restricting remittances to non-resident holders of CCEP's Shares or affecting the import or export of capital for the Company's use.

Taxation information for shareholders

US federal income taxation

US federal income tax consequences to US holders of the ownership and disposition of CCEP Shares

This section summarises the material US federal income tax consequences of owning Shares as capital assets for tax purposes. It is not, however, a comprehensive analysis of all the potential US tax consequences for such holders, and it does not discuss the tax consequences of members of special classes of holders which may be subject to other rules, including, but not limited to: tax exempt entities, life insurance companies, dealers in securities, traders in securities that elect a mark-to-market method of accounting for securities holdings, holders liable for alternative minimum tax, holders that, directly or indirectly, hold 10% or more (by vote or by value) of the Company's stock, holders that hold Shares as part of a straddle or a hedging or conversion transaction, holders that purchase or sell Shares as part of a wash sale for US federal income tax purposes, or US holders whose functional currency is not the US dollar. In addition, if a partnership holds Shares, the US federal income tax treatment of a partner will generally depend on the status of the partner and the tax treatment of the partnership and may not be described fully below. This summary does not address any aspect of US taxation other than US federal taxation (such as the estate and gift tax, the Medicare tax on net investment income or US state or local tax).

Investors should consult their tax advisors regarding the US federal, state, local and other tax consequences of owning and disposing of Shares in their particular circumstances.

This section is based on the IRC, its legislative history, existing and proposed regulations, published rulings and court decisions, and on the United Kingdom-United States Tax Treaty (the Treaty), all of which are subject to change, possibly on a retroactive basis.

A US holder is a beneficial owner of Shares that is, for US federal income tax purposes, (i) a citizen or individual resident of the US, (ii) a US domestic corporation, (iii) an estate whose income is subject to US federal income taxation regardless of its source, or (iv) a trust if a US court can exercise primary supervision over the trust's administration and one or more US persons are authorised to control all substantial decisions of the trust. A non-US holder is a beneficial owner of Shares that is neither a US holder nor a partnership for US federal income tax purposes.

Other Group information continued

Taxation of dividends

Subject to the passive foreign investment company (PFIC) rules discussed below, a US holder is subject to US federal income taxation on the gross amount of any dividend paid by CCEP out of the Company's current or accumulated earnings and profits (as determined for US federal income tax purposes). Dividends paid to a non-corporate US holder will generally constitute "qualified dividend income" and be taxable to the holder at a preferential rate, provided that (i) CCEP is eligible for the benefits of the Treaty, (ii) CCEP is not a PFIC (as discussed below) for either its taxable year in which the dividend is paid or the preceding taxable year and (iii) certain minimum holding period and other requirements are met. CCEP currently believes that dividends paid with respect to its Shares should constitute qualified dividend income for US federal income tax purposes if CCEP was not, in the year prior to the year in which the dividend was paid, and is not, in the year in which the dividend is paid, a PFIC for US federal income tax purposes and provided that the certain minimum holding period is met. US holders should consult their own tax advisors regarding the availability of the preferential dividend tax rate on dividends paid by CCEP.

For US federal income tax purposes, a dividend must be included in income when the US holder actually or constructively receives the dividend. Dividends paid by CCEP to corporate US holders will generally not be eligible for the dividends received deduction. For foreign tax credit purposes, dividends will generally be income from sources outside the US and will generally, be "passive" or "general" income for purposes of computing the foreign tax credit allowable to a US holder.

The amount of a dividend distribution (including any UK withholding tax) on Shares that is paid in a currency other than the US dollar will generally be included in ordinary income in an amount equal to the US dollar value of the currency received on the date such dividend distribution is includable in income, regardless of whether the payment is, in fact, converted into US dollars on such date. Generally, any gain or loss resulting from currency exchange fluctuations during the period from the date the dividend payment is includable in income to the date the payment is converted into US dollars will be treated as ordinary income or loss and will not be eligible for the preferential tax rate on qualified dividend income. Generally, the gain or loss will be income or loss from sources within the US for foreign tax credit purposes.

Distributions in excess of CCEP's earnings and profits, as determined for US federal income tax purposes, will be treated as a return of capital to the extent of the US holder's basis in its Shares and thereafter as capital gain, subject to taxation as described below.

Taxation of capital gains

Subject to the PFIC rules discussed below, a US holder will generally recognise gain or loss on any sale, exchange, redemption or other taxable disposition of Shares in an amount equal to the difference between the US dollar value of the amount realised on the disposition and the US holder's tax basis, determined in US dollars, in the Shares. Any such capital gain or loss will generally be a long-term gain or loss, subject to tax at a preferential rate for a non-corporate US holder, if the US holder's holding period for such Shares exceeds one year. Any gain or loss recognised by a US holder on the sale or exchange of Shares will generally be treated as income or loss from sources within the US for foreign tax credit limitation purposes. The deductibility of capital losses is subject to limitations.

PFIC status

A non-US corporation is a PFIC in any taxable year in which, after taking into account the income and assets of certain subsidiaries, either (i) at least 75% of its gross income is passive income or (ii) at least 50% of the quarterly average of its assets is attributable to assets that produce or are held to produce passive income. Currently, we do not believe that CCEP Shares will be treated as stock of a PFIC for US federal income tax purposes. However, we review this annually, and therefore this conclusion is subject to change. If CCEP was to be treated as a PFIC, unless a US holder elects to treat CCEP as a "qualified electing fund" (QEF) or to be taxed annually on a mark-to-market basis with respect to its Shares, any gain realised on the sale or exchange of such Shares would in general be treated as ordinary income rather than capital gain. Instead, a US holder would be treated as if he or she had realised such gain rateably over the holding period for Shares and generally would be taxed at the highest tax rate in effect for each such year to which the gain was allocated. In this case, an interest charge in respect of the tax attributable to each such year would apply. Certain distributions would be similarly treated if CCEP were treated as a PFIC. In addition, each US person that is a shareholder of a PFIC may be required to file an annual report disclosing its ownership of shares in a PFIC and certain other information.

We do not intend to provide to US holders the information required to make a valid QEF election.

Other Group information continued

Information reporting and backup withholding

In general, information reporting requirements will apply to dividends received by US holders of Shares, and the proceeds received on the disposition of Shares effected within the US (and, in certain cases, outside the US), in each case, other than US holders that are exempt recipients (such as corporations).

Backup withholding may apply to such amounts if the US holder fails to provide an accurate taxpayer identification number (generally on an IRS Form W-9 provided to the paying agent or the US holder's broker) or is otherwise subject to backup withholding.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or credit against a holder's US federal income tax liability, if any, provided the required information is given to the IRS on a timely basis.

Certain US holders may be required to report to the IRS on Form 8938 information relating to their ownership of foreign financial assets, such as the Shares, subject to certain exceptions (including an exception for Shares held in accounts maintained by certain financial institutions). US holders should consult their tax advisors regarding the effect, if any, of these rules on their obligations to file information reports with respect to the Shares.

US federal income tax consequences to non-US holders of the ownership and disposition of CCEP Shares

In general, a non-US holder of Shares will not be subject to US federal income tax or, subject to the discussion below under Information reporting and backup withholding, US federal withholding tax on any dividends received on Shares or any gain recognised on a sale or other disposition of Shares including any distribution to the extent it exceeds the adjusted basis in the non-US holder's Shares unless:

- the dividend or gain is effectively connected with such non-US holder's conduct of a trade or business in the US (and, if required by an applicable tax treaty, is attributable to a permanent establishment maintained by the non-US holder in the US); or
- in the case of gain only, such non-US holder is a non-resident alien individual present in the US for 183 days or more during the taxable year of the sale or disposition, and certain other requirements are met.

Special rules may apply to a non-US holder who was previously a US holder and who again becomes a US holder in a later year.

A non-US holder that is a corporation may also be subject to a branch profits tax at a rate of 30% (or such lower rate specified by an applicable tax treaty) on its effectively connected earnings and profits for the taxable year, as adjusted for certain items.

Information reporting and backup withholding

Dividends with respect to Shares and proceeds from the sale or other disposition of Shares received in the US or through certain US-related financial intermediaries by a non-US holder, may be subject to information reporting and backup withholding unless such non-US holder provides to the applicable withholding agent the required certification showing its non-US status, such as a valid IRS Form W-8BEN, IRS Form W-8BEN-E or IRS Form W-8ECI, or otherwise establishes an exemption, and otherwise complies with the applicable requirements of the backup withholding rules.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or credit against a holder's US federal income tax liability, if any, provided the required information is given to the IRS on a timely basis.

UK taxation consequences for US holders

The following summarises certain UK tax consequences of the ownership and disposition of Shares for US holders who are not resident in the UK for tax purposes and to which split year treatment does not apply, which do not carry on a trade, profession or vocation through a permanent establishment or branch or agency in the UK, and which are the absolute beneficial owners of their Shares and hold such Shares as a capital investment.

This information is a general discussion based on UK tax law and what is understood to be the practice of HMRC, all as in effect on the date of publication, and all of which are subject to differing interpretations and change at any time, possibly with retroactive effect. It is not a complete analysis of all potential UK tax considerations that may apply to a US holder. In addition, this discussion neither addresses all aspects of UK tax law that may be relevant to particular US holders nor takes into account the individual facts and circumstances of any particular US holder. Accordingly, it is not intended to be, and should not be construed as, tax advice.

Other Group information continued

Distributions on Shares

No UK tax is required to be withheld from cash distributions on Shares paid to US holders. In addition, US holders will not be subject to UK tax in respect of their receipt of cash distributions on their Shares.

Sale, exchange, redemption or other dispositions of Shares

US holders will not be subject to UK tax on capital gains in respect of any gain realised by such US holders on a sale, exchange, redemption or other disposition of their Shares (and the UK rules relating to non-resident taxation of disposals of shares in "UK property rich" companies are not expected to apply with respect to the Shares, and would in any event only apply to a non-UK holder who holds (together with connected persons) 25% or more of the shares in a relevant "UK property rich" company). Special rules may apply to individual US holders which have ceased to be resident in the UK for tax purposes and who make a disposition of their Shares whilst UK non-resident before becoming once again resident in the UK for tax purposes within five years from departure.

While Shares are held within the DTC clearance system, and provided that DTC satisfies various conditions specified in UK legislation and has not made an election for the alternative system of charge under Section 97A of the UK Finance Act 1986 which applies to the Shares (a Section 97A Election), electronic book entry transfers of such Shares should not be subject to UK stamp duty, and agreements to transfer such Shares should not be subject to Stamp Duty Reserve Tax (SDRT). Confirmation of this position was obtained by way of formal clearance by HMRC and we are not aware that any Section 97A Election has been made. Likewise, transfers of, or agreements to transfer, such Shares from the DTC clearance system into another clearance system (or into a depositary receipt system) should not, provided that the other clearance system or depositary receipt system satisfies various conditions specified in UK legislation and that DTC has not made a Section 97A Election, be subject to UK stamp duty or SDRT.

In the event that Shares have left the DTC clearance system, other than into another clearance system or depositary receipt system, any subsequent transfer of, or agreement to transfer, such Shares may, subject to any available exemption or relief, be subject to UK stamp duty or SDRT at a rate of 0.5% of the consideration for such transfer or agreement (in the case of UK stamp duty, rounded up to the next multiple of £5). Any such UK stamp duty or SDRT will generally be payable by the transferee and must be paid (and any relevant transfer document duly stamped by HMRC) before the transfer can be registered in the books of the Company. In the event that Shares that have left the DTC clearance system, other than into another clearance system or depositary receipt system, are subsequently transferred back into a clearance system or depositary receipt system, such transfer or agreement may, subject to any available exemption or relief, be subject to UK stamp duty or SDRT at a rate of 1.5% of the consideration for such transfer (or, where there is no such consideration, 1.5% of the value of such Shares). Notwithstanding the foregoing provisions of this paragraph, a transfer of securities may in certain circumstances be subject to UK stamp duty or SDRT based on the market value of the relevant securities if this is higher than the amount of the consideration for the relevant transfer.

This summary is not exhaustive of all possible tax consequences. It is not intended as legal or tax advice to any particular holder of shares and should not be so construed. Holders of shares should consult their own tax advisor with respect to the tax consequences applicable to them in their own particular circumstances.

Other Group information continued

Selected financial data

The following selected financial data has been extracted from, and should be read in conjunction with the consolidated financial statements of the Group and their accompanying notes.

The financial results presented herein for the period from 1 January 2021 through to the acquisition of CCL (the Acquisition) effective 10 May 2021 refer to Coca-Cola European Partners plc (Legacy CCEP) and its consolidated subsidiaries. The periods from the Acquisition to the year ended 31 December 2023 refer to the combined financial results of CCEP.

The financial information presented here has been prepared in accordance with UK adopted International Accounting Standards, International Financial Reporting Standards (IFRS) as adopted by the European Union and International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB).

Income statement	2023 € million	2022 € million	2021 € million	2020 € million	2019 € million
Revenue	18,302	17,320	13,763	10,606	12,017
Cost of sales	(11,582)	(11,096)	(8,677)	(6,871)	(7,424)
Gross profit	6,720	6,224	5,086	3,735	4,593
Selling and distribution expenses	(3,178)	(2,984)	(2,496)	(1,939)	(2,258)
Administrative expenses	(1,310)	(1,250)	(1,074)	(983)	(787)
Other Income	107	96	—	—	—
Operating profit	2,339	2,086	1,516	813	1,548
Finance income	65	67	43	33	49
Finance costs	(185)	(181)	(172)	(144)	(145)
Total finance costs, net	(120)	(114)	(129)	(111)	(96)
Non-operating items	(16)	(15)	(5)	(7)	2
Profit before taxes	2,203	1,957	1,382	695	1,454
Taxes	(534)	(436)	(394)	(197)	(364)
Profit after taxes	1,669	1,521	988	498	1,090

Statement of financial position	2023 € million	2022 € million	2021 € million	2020 € million	2019 € million
Non-current assets	22,649	22,770	23,330	15,161	15,582
Current assets	6,605	6,543	5,760	4,076	3,103
Total assets	29,254	29,313	29,090	19,237	18,685
Non-current liabilities	14,000	14,553	15,787	9,072	8,414
Current liabilities	7,278	7,313	6,093	4,140	4,115
Total liabilities	21,278	21,866	21,880	13,212	12,529
Total equity	7,976	7,447	7,210	6,025	6,156
Total equity and liabilities	29,254	29,313	29,090	19,237	18,685
Capital stock data					
Number of Shares (in millions)	459	457	456	455	456
Share capital (in € million)	5	5	5	5	5
Share premium (in € million)	276	234	220	192	178
Per share data					
Basic earnings per Share (€)	3.64	3.30	2.15	1.09	2.34
Diluted earnings per Share (€)	3.63	3.29	2.15	1.09	2.32
Dividends declared per Share (€)	1.84	1.68	1.40	0.85	1.24

Other Group information continued

Operations review

Revenue

Revenue increased by €1.0 billion, or 5.5%, from €17.3 billion in 2022 to €18.3 billion in 2023. Refer to the Business and financial review for a discussion of significant factors that impacted revenue in 2023, as compared to 2022.

2022 vs 2021

Refer to Other Information – Other Group information – Operations review of the 2022 Annual Report on Form 20-F, filed on 17 March 2023.

Volume

Refer to the Business and financial review for a discussion of significant factors that impacted volume in 2023, as compared to 2022.

2022 vs 2021

Refer to Other Information – Other Group information – Operations review of the 2022 Annual Report on Form 20-F, filed on 17 March 2023.

Cost of sales

On a reported basis, cost of sales increased 4.5%, from €11.1 billion in 2022 to €11.6 billion in 2023. Refer to the Business and financial review for a discussion of significant factors that impacted cost of sales in 2023, as compared to 2022.

2022 vs 2021

Refer to Other Information – Other Group information – Operations review of the 2022 Annual Report on Form 20-F, filed on 17 March 2023.

Selling and distribution expenses and administrative expenses

The following table presents selling and distribution expenses and administrative expenses for the periods presented:

	2023 € million	2022 € million
Selling and distribution expenses	3,178	2,984
Administrative expenses	1,310	1,250
Total	4,488	4,234

On a reported basis, total operating expenses increased by 6.0% from €4.2 billion in 2022 to €4.5 billion in 2023.

Selling and distribution expenses increased by €194 million, or 6.5%, versus 2022, primarily driven by increased inflation, partially offset by a continued focus on discretionary spend optimisation.

Administrative expenses increased by €60 million, or 5.0%, versus 2022, mainly reflecting increased inflation and the continuation of restructuring activity related to various transformation initiatives.

2022 vs 2021

Refer to Other Information – Other Group information – Operations review of the 2022 Annual Report on Form 20-F, filed on 17 March 2023.

Finance costs, net

Finance costs, net totalled €120 million and €114 million in 2023 and 2022, respectively. The following table summarises the primary items impacting our interest expense during the periods presented:

	2023	2022
Average outstanding debt balance (€ million)	11,761	12,431
Weighted average cost of debt during the year	1.6 %	1.3 %
Fixed rate debt (% of portfolio)	89 %	90 %
Floating rate debt (% of portfolio)	11 %	10 %

Non-operating items

Non-operating items represented an expense of €16 million in 2023 and an expense of €15 million in 2022. Non-operating expenses include remeasurement gains and losses related to currency exchange rate fluctuations on financing transactions denominated in a currency other than the subsidiary's functional currency. Non-operating items are shown on a net basis and reflect the impact of any derivative instruments utilised to hedge the foreign currency movements of the underlying financing transactions. Non-operating items also include the Group's share of the profit or loss after tax of equity accounted investments and impairments.

Tax expense

In 2023, our reported effective tax rate was 24.2%. The increase from 2022 is largely due to the increase in the UK statutory tax rate to a weighted average of 23.5% and the review of uncertain tax positions.

In 2022, our reported effective tax rate was 22.3%. The decrease from 2021 is largely due to the remeasurement of deferred tax positions following the enactment of tax rate changes in the United Kingdom, the Netherlands and Indonesia in the prior period.

Other Group information continued

Cash flow and liquidity review

Liquidity and capital resources

Our sources of capital include, but are not limited to, cash flows from operating activities, public and private issuances of debt and equity securities and bank borrowings. Based on information currently available, we do not believe we are at significant risk of default by our counterparties.

The Group satisfies seasonal working capital needs and other financing requirements with operating cash flow, cash on hand, short-term borrowings and a line of credit. In December 2023 the Group issued €700 million of 3.875% notes maturing in 2030. At 31 December 2023, the Group had €1,150 million in third party debt maturities in the next 12 months, €500 million in the form of euro denominated notes, €588 million of US dollar denominated notes swapped into euro and €62 million of Australian dollar denominated notes. No short-term commercial papers were issued at 31 December 2023. In addition to using operating cash flow and cash in hand, the Group may repay its short-term obligations by issuing more debt, which may take the form of commercial paper and/or longer-term debt. Further details regarding the level of borrowings at the year end are provided in Note 13 of the consolidated financial statements.

In line with our commitments to deliver long-term value to shareholders, in April and November 2023 the Board declared interim dividends of €0.67 and €1.17 per Share, respectively, maintaining annualised dividend payout ratio of approximately 50%. For the year ended 31 December 2023, dividend payments totalled €841 million.

There were no payments under the share buyback programme in 2023.

Credit ratings and covenants

The Group's credit ratings are periodically reviewed by rating agencies. The ratings outlook from Moody's and Fitch is stable and continue to be investment-grade as at end of 2023. Changes in the operating results, cash flows or financial position could impact the ratings assigned by the various rating agencies. The credit rating can be materially influenced by a number of factors including, but not limited to, acquisitions, investment decisions, and capital management activities of TCCC, and/or changes in the credit rating of TCCC. Should the credit ratings be adjusted downward, the Group may incur higher costs to borrow, which could have a material impact on the financial condition and results of operations.

Summary of cash flow activities

2023

During 2023, our primary sources of cash included: (1) €2,806 million from operating activities, net of cash payments related to restructuring programmes of €104 million and contributions to our defined benefit pension plans of €32 million; (2) proceeds from borrowings, net of issuance costs of €694 million; (3) proceeds of €69 million related to the settlement of debt-related cross currency swaps; (4) proceeds of €101 million primarily related to the sale of property; (5) proceeds of €37 million related to the sale of certain non-alcoholic ready to drink brands to TCCC and (6) proceeds of €35 million related to the sale of sub-strata and associated mineral rights in Australia.

Our primary uses of cash were: (1) repayments on borrowings of €1,159 million, repayments of principal on lease obligations of €148 million (refer to Financing activities below) and net interest payments of €124 million; (2) dividend payments of €841 million; (3) spend on property, plant and equipment of €672 million and software of €140 million; (4) investments in short-term financial assets of €342 million, and (5) acquisition of non-controlling interest of €282 million .

2022

During 2022, our primary sources of cash included: (1) €2,932 million from operating activities, net of cash payments related to restructuring programmes of €86 million and contributions to our defined benefit pension plans of €32 million; and (2) proceeds of €143 million related to the sale of certain non-alcoholic ready to drink brands to TCCC.

Our primary uses of cash were: (1) repayments on borrowings of €1,223 million, repayments of principal on lease obligations of €153 million (refer to Financing activities below); (2) net interest payments of €130 million; (3) dividend payments of €763 million; (4) spend on property, plant and equipment of €500 million and software of €103 million; and (5) investments in short-term financial assets of €207 million.

The discussion of our 2021 cash flow activities has not been included as this can be found under Other Information – Other Group information – Cash flow and liquidity review of the 2021 Annual Report on Form 20-F, filed on 15 March 2022.

Operating activities

2023 vs 2022

Our cash derived from operating activities totalled €2,806 million in 2023 versus €2,932 million in 2022. This decrease was primarily due to cycling the impact of working capital improvement initiatives.

Other Group information continued

2022 vs 2021

Refer to Other Information – Other Group information – Cash flow and liquidity review of the 2022 Annual Report on Form 20-F, filed on 17 March 2023.

Investing activities

2023 vs 2022

During 2023, proceeds related to the sale of property, plant and equipment totalled €101 million, primarily related to the sale of properties. Proceeds from the sale of certain non-alcoholic ready to drink brands to TCCC totalled €37 million. Proceeds related to the sale of sub-strata and associated mineral rights in Australia totalled €35 million. Net outflows related to short-term investments were €342 million.

Capital asset investments represent a primary use of cash for our investing activities. The following table summarises the capital investments for the periods presented:

	2023 € million	2022 € million
Supply chain infrastructure	532	393
Cold drink equipment	110	83
Fleet and other	30	24
Total capital asset investments	672	500

Investments in supply chain infrastructure relate to investments in our manufacturing and distribution facilities. In addition, during 2023 the Group spent €140 million (2022: €103 million) on capitalised development activity, primarily in relation to the continuation of our business capability programme and further investments in technology and digitisation.

During 2024, we expect our capital expenditures to be invested in similar categories as those listed in the table above. While the level of capital expenditure is uncertain, we expect our operating cash flow, cash in hand and available short-term capital resources will be sufficient to fund future capital expenditures.

2022 vs 2021

Refer to Other Information – Other Group information – Cash flow and liquidity review of the 2022 Annual Report on Form 20-F, filed on 17 March 2023.

Financing activities

2023 vs 2022

Our net cash used in financing activities totalled €1,822 million in 2023. In 2022, net cash used in financing activities totalled €2,276 million.

The following table summarises our financing activities related to the issuances of and payments on debt for the periods presented (in € millions):

Issuances of debt	Maturity date	Rate	2023	2022
€700 million	December 2023	3.875 %	694	—
Total issuances of debt, less short-term borrowings, net of issuance costs			694	—
Net issuances of short-term borrowings	—	(A)	—	—
Total issuances of debt, net			694	—

Payments on debt	Maturity date	Rate	2023	2022
$850 million	May 2023	0.500 %	(775)	—
US$25 million	October 2023	4.340 %	(17)	—
US$25 million	October 2023	4.340 %	(17)	—
€350 million	November 2023	2.625 %	(350)	—
€700 million	February 2022	0.750 %	—	(700)
A$200 million	March 2022	3.375 %	—	(134)
A$30 million	July 2022	5.060 %	—	(20)
A$125 million	July 2022	3.125 %	—	(84)
Lease obligations	—	—	(148)	(153)
Total repayments on third party borrowings, less short-term borrowings			(1,307)	(1,091)
Net payments of short-term borrowings	—	(A)	—	(285)
Total payments on debt			(1,307)	(1,376)

(A) These amounts represent short-term euro commercial paper with varying interest rates. In 2023, changes in short-term borrowings include €6,810 million of newly issued and €6,810 million of repaid EUR commercial paper. In 2022, changes in short-term borrowings included €2,464 million and €2,749 million of newly issued and repaid EUR commercial paper, respectively.

Our financing activities during 2023 included dividend payments totalling €841 million, based on a full year dividend rate of €1.84 per Share. In 2022, dividend payments totalled €763 million.

There were no payments under the share buyback programme in 2023 and 2022.

There were no drawdowns from our credit facility in 2023 and 2022. The facility was undrawn at 31 December 2023 and 31 December 2022, respectively.

Other Group information continued

During 2023 our financing activities also included the acquisition of non-controlling interest of €282 million. Further details are provided in Note 19 of the consolidated financial statements.

Lease obligations

During the year ended 31 December 2023 and 31 December 2022, total cash outflows from payments of principal on lease obligations were €148 million and €153 million, respectively.

2022 vs 2021

Refer to Other Information – Other Group information – Cash flow and liquidity review of the 2022 Annual Report on Form 20-F, filed on 17 March 2023.

Raw materials

CCEP purchases concentrates and syrups from TCCC and other franchisors to manufacture products. In addition, the Group purchases sweeteners, juices, coffee, mineral waters, finished product, carbon dioxide, fuel, pallets, ocean freight, haulage, virgin and recycled PET (plastic) preforms, glass, aluminium and plastic bottles, aluminium and steel cans, pouches, closures, post-mix and packaging materials. The Group generally purchases raw materials, other than concentrates, syrups and mineral waters, from multiple suppliers. The product licensing and bottling agreements with TCCC and agreements with some of our other franchisors provide that all authorised containers, closures, cases, cartons and other packages, and labels for their products must be purchased from manufacturers approved by the respective franchisor. The principal sweetener we use is sugar derived from sugar beets in Europe and sugar cane in API. Our sugar purchases are made from multiple suppliers. The Group does not separately purchase low-calorie sweeteners because sweeteners for low-calorie beverage products are contained in the concentrates or syrups we purchase.

The Group produces most of its plastic bottle requirements within the production facilities, approximately 60% from using preforms purchased from multiple suppliers and the remainder from self-manufactured preforms. The Group believes the self-manufacture of certain packages serves to ensure supply and to reduce or manage costs. The Group manages its continuity of materials and supplies closely, although the supply and price of specific materials or supplies are, at times, adversely affected by strikes, weather conditions, speculation, abnormally high demand, governmental controls, new taxes, national emergencies, natural disasters, price or supply fluctuations of their raw material components, and currency fluctuations.

Contractual obligations

The following table reflects the Group's contractual obligations as at 31 December 2023:

	Total € million	Less than 1 year € million	1 to 3 years € million	3 to 5 years € million	More than 5 years € million
Borrowings and interest obligations(A)	11,803	1,322	2,325	2,681	5,475
Lease obligations(B)	782	179	232	139	232
Purchase agreements(C)	238	94	83	41	20
	12,823	1,595	2,640	2,861	5,727

(A) These amounts represent the Group's scheduled debt maturities and estimated interest payments related to the Group's long-term debt obligations, excluding leases. Refer to Note 13 of the consolidated financial statements for further details about the borrowings of CCEP. Interest on fixed rate debt has been calculated based on applicable rates and payment dates. Interest on variable rate debt has been calculated using the forward interest rate curve. Refer to Note 26 of the consolidated financial statements for further details about financial risk management within CCEP.

(B) These amounts represent the Group's future lease payments including amounts representing interest, obligations related to lease agreements committed to but not yet commenced and lease payments due under non-cancellable short-term or low value lease agreements.

(C) These amounts represent non-cancellable purchase agreements with various suppliers that are enforceable and legally binding and that specify a fixed or minimum quantity that we must purchase. All purchases made under these agreements have standard quality and performance criteria. In addition to these amounts, the Group has outstanding capital expenditure purchase orders of approximately €165 million as at 31 December 2023. The Group also has other purchase orders raised in the ordinary course of business which are settled in a reasonably short period of time. These are excluded from the table above. The Group expects that the net cash flows generated from operating activities will be able to meet these liabilities as they fall due.

The above table does not include the impact of contractual obligations related to derivative financial instruments. A table containing this information is presented in Note 26 of the consolidated financial statements. Furthermore, the exact timing of our tax provisions is not certain and these have been excluded from the above table. Refer to Note 20 of the consolidated financial statements for further information.

The above table also does not reflect employee benefit liabilities of €199 million, which include current liabilities of €8 million and non-current liabilities of €191 million as at 31 December 2023. Refer to Note 15 of the consolidated financial statements for further information.

Other Group information continued

Properties

The Group's principal properties include production facilities, distribution and logistics centres, shared service centres, business unit headquarter offices and corporate offices.

The table below summarises the main properties which the Group uses as at 31 December 2023:

	Great Britain	France	Belgium/ Luxembourg	Netherlands	Norway	Sweden	Germany	Iberia	Iceland	Total
Production facilities[A]										
Leased	1	—	—	—	—	—	2	1	—	4
Owned	4	5	3	1	1	1	14	10	2	41
Total	5	5	3	1	1	1	16	11	2	45
Distribution and logistics facilities										
Leased	1	—	1	—	1	—	15	3	—	21
Owned	—	—	—	—	—	—	6	4	—	10
Total	1	—	1	—	1	—	21	7	—	31
Corporate offices and business unit headquarters										
Leased	2	1	1	1	—	—	1	3	—	9
Owned	—	—	—	—	—	—	—	—	—	—
Total	2	1	1	1	—	—	1	3	—	9

	Australia	New Zealand and Pacific Islands	Indonesia and Papua New Guinea	Total
Production facilities[A][B]				
Leased	10	6	—	16
Owned	4	7	11	22
Total	14	13	11	38
Distribution and logistics facilities				
Leased	9	4	9	22
Owned	2	—	3	5
Total	11	4	12	27
Corporate offices and business unit headquarters				
Leased	1	1	1	3
Owned	—	—	—	—
Total	1	1	1	3

(A) All production facilities are a combination of production and warehouse facilities.
(B) Production facilities include NARTD, alcoholic beverage and other production facilities.

Other Group information continued

The Group uses two shared service centres, both located in Bulgaria.

The Group's principal properties cover approximately 5.6 million square metres in the aggregate of which 0.9 million square metres is leased and 4.7 million square metres is owned. The Group believes that its facilities are adequately utilised and sufficient to meet its present operating needs.

At 31 December 2023, the Group operated approximately 13,000 vehicles of various types, the majority of which are leased. The Group also owned approximately 1.4 million pieces of cold drink equipment, principally coolers and vending machines.

Disclosure controls and procedures

Evaluation of disclosure controls and procedures

The Group maintains "disclosure controls and procedures", as defined in Rule 13a-15(e) under the Exchange Act, which are designed to ensure that information required to be disclosed in reports filed or submitted under the Exchange Act is recorded, processed, summarised and reported within the time periods specified in the US SEC's rules and forms, and that such information is accumulated and communicated to the Group's management, including the Chief Executive Officer (CEO) and Chief Financial Officer (CFO), as appropriate to allow timely decisions regarding required disclosure. The Group's management, with the participation of the CEO and CFO, has evaluated the effectiveness of the Group's disclosure controls and procedures pursuant to Exchange Act Rule 13a-15(b) as at 31 December 2023. Based on that evaluation, the Group's CEO and CFO have concluded that the Group's disclosure controls and procedures were effective.

Management's report on internal control over financial reporting

The Group's management is responsible for establishing and maintaining adequate internal control over financial reporting for the Group, as defined in Rule 13a-15(f) under the Exchange Act. Internal control over financial reporting is a process designed under the supervision of the principal executive and financial officers to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Group's consolidated financial statements for external reporting purposes in accordance with IFRS issued by the IASB. The Group's internal control over financial reporting includes policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the Group's transactions and dispositions of assets; (ii) are designed to provide reasonable assurance that transactions are recorded as necessary to permit the preparation of the Group's consolidated financial statements in accordance with IFRS, and that receipts and expenditures are being made only in accordance with authorisations of management and the Directors of the Group; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of the Group's assets that could have a material effect on the Group's consolidated financial statements. Internal control systems, no matter how well designed, have inherent limitations and may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that internal controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Group information continued

Management, with the participation of the CEO and CFO, assessed the effectiveness of the Group's internal control over financial reporting as at 31 December 2023, using the criteria set forth in the Internal Control-Integrated Framework issued by The Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, management has determined that the Group's internal control over financial reporting as at 31 December 2023 was effective. Ernst & Young LLP (EY), the Group's independent registered public accounting firm, has issued a report on the Group's internal control over financial reporting as at 31 December 2023, which is set out on page 161.

Changes in internal control over financial reporting

There has been no change in the Group's internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) during 2023 that has materially affected, or is reasonably likely to materially affect, the Group's internal control over financial reporting.

Auditor's fees and services

The Audit Committee has established policies and procedures for the engagement of the independent registered public accounting firm, Ernst & Young LLP (Auditor Firm ID: 1438), to render audit, and, audit-related assurance services, other assurance services and other services. The policies provide for pre-approval by the Audit Committee of specifically defined audit, audit-related, tax and other services that are not prohibited by regulatory or other professional requirements. EY is engaged for these services when its expertise and experience of CCEP are important. Most of this work is of an audit nature.

Under the policy, pre-approval is given for specific services within the following categories: advice on accounting, auditing and financial reporting matters; internal accounting and risk management control reviews (excluding any services relating to information systems design and implementation); non-statutory audit; project assurance and advice on business and accounting process improvement (excluding any services relating to information systems design and implementation relating to CCEP's financial statements or accounting records); due diligence in connection with acquisitions, disposals and arrangements in which two or more parties have joint control (excluding valuation or involvement in prospective financial information); income tax and indirect tax compliance and advisory services; employee tax services (excluding tax services that could impair independence); provision of, or access to, EY publications, workshops, seminars and other training materials; provision of reports from data gathered on non-financial policies and information; and assistance with understanding non-financial regulatory requirements.

The Audit Committee evaluates the performance of the auditor each year. The Committee keeps under review the scope and results of audit work and the independence and objectivity of the auditor. External regulation and CCEP policy require the auditor to rotate its lead audit partner every five years. The audit fees payable to EY are reviewed by the Committee for cost effectiveness each year. Details of fees for services provided by the auditor are provided in Note 17 of the consolidated financial statements.

Form 20-F table of cross references

Form 20-F table of cross references continued

Exhibits

The following documents, which form a part of this Annual Report on Form 20-F, have been filed with the US Securities and Exchange Commission (SEC) via its EDGAR system and can be viewed on the SEC's website at www.sec.gov

Exhibit 1	Articles of Association of CCEP (incorporated by reference to Exhibit 99.1 to CCEP's Form 6-K filed with the SEC on May 30, 2019).
Exhibit 2	Description of rights attached to each class of CCEP securities registered under Section 12 of the Exchange Act as at 31 December 2023.
Exhibit 3	Shareholders' Agreement by and among the Company, Olive Partners, S.A., European Refreshments, Coca-Cola GmbH and Vivaqa Beteiligungs GmbH & Co. KG (incorporated by reference to Annex C to the proxy statement/prospectus contained in CCEP's Form F-4/A registration statement filed with the SEC on April 11, 2016).
Exhibit 4.1	Form of Bottler's Agreement entered into between The Coca-Cola Company and the bottling subsidiaries of CCEP (incorporated by reference to Exhibit 10.7 to the Company's Form F-4/A registration statement filed with the SEC on April 7, 2016).
Exhibit 4.2	Coca-Cola European Partners plc Long-Term Incentive Plan 2016 (incorporated by reference to Exhibit 4.1 to CCEP's Form S-8 registration statement filed with the SEC on June 1, 2016).
Exhibit 4.3	Coca-Cola Europacific Partners plc Long-Term Incentive Plan (incorporated by reference to Exhibit 4.1 to the Registrant's Form 6-K filed with the SEC on April 12, 2023).
Exhibit 4.4	Rules of the Coca-Cola Enterprises Belgium/Coca-Cola Enterprises Services Belgian and Luxembourg Share Savings Plan (incorporated by reference to Exhibit 4.3 to CCEP's Form S-8 registration statement filed with the SEC on June 1, 2016).
Exhibit 4.5	Trust Deed and Rules of Coca-Cola Enterprises UK Share Plan (incorporated by reference to Exhibit 4.2 to the Company's Form S-8 registration statement filed with the SEC on June 1, 2016).
Exhibit 4.6	The Coca-Cola Enterprises, Inc. 2010 Incentive Award Plan (as amended Effective February 7, 2012) (incorporated by reference to Exhibit 99.1 to Coca-Cola Enterprises, Inc.'s Current Report on Form 8-K filed on February 9, 2012).
Exhibit 4.7	Deed of Assumption and Replacement relating to Equity Awards of Coca-Cola Enterprises, Inc. (incorporated by reference to Exhibit 4.3 to the Company's Post-Effective Amendment No. 1 on Form S-8 to Form F-4 registration statement filed with the SEC on June 1, 2016).
Exhibit 8	List of Subsidiaries of the Company (included in Note 28 of the consolidated financial statements in this Annual Report on Form 20-F).
Exhibit 12.1	Rule 13a-14(a) Certification of Damian Gammell.
Exhibit 12.2	Rule 13a-14(a) Certification of Nik Jhangiani.
Exhibit 13	Rule 13a-14(b) Certifications.
Exhibit 15.1	Consent of Ernst & Young LLP, UK.
Exhibit 97	Coca-Cola Europacific Partners plc Policy on Recoupment of Incentive Compensation (approved by the Board on 18 October 2023).
Exhibit 101.INS	XBRL Instance Document.
Exhibit 101.SCH	XBRL Taxonomy Extension Schema Document.
Exhibit 101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
Exhibit 101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.
Exhibit 101.LAB	XBRL Taxonomy Extension Label Linkbase Document.
Exhibit 101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.

The total amount of long-term debt securities issued by the Company or any subsidiary under any one instrument which requires filing consolidated or unconsolidated financial statements does not exceed 10% of the total assets of the Company and its subsidiaries on a consolidated basis. The Company agrees to furnish a copy of any long-term debt security instrument which requires filing consolidated or unconsolidated financial statements to the SEC on request.

Signatures

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorised the undersigned to sign the Annual Report on Form 20-F on its behalf.

Coca-Cola Europacific Partners plc

/s/ Damian Gammell
Damian Gammell
Chief Executive Officer
15 March 2024

Glossary

Unless the context otherwise requires, the following terms have the meanings shown below.

2010 Plan	CCE 2010 Incentive Award Plan
AEV	Aboitiz Equity Ventures Inc.
the Acquisition	under the binding offer made in November 2020, revised in February 2021, acquiring the entire issued share capital of Coca-Cola Amatil Limited from The Coca-Cola Company, under the terms of a Co-operation and Sale Deed, and from shareholders other than The Coca-Cola Company, effected by means of a scheme of arrangement
AFH	Away from home channel
AGM	Annual General Meeting
AI	artificial intelligence
API	Australia, Pacific and Indonesia region incorporating Coca-Cola Amatil Limited and its subsidiaries and business unit
APS	Australia, Pacific and South East Asia region and renamed API business unit following the CCBPI acquisition
ARR	Annual report on remuneration
ARTD	alcoholic ready to drink
Articles	Articles of Association of Coca-Cola Europacific Partners plc
ATC	Affiliated Transaction Committee
B2B	business to business
BCP	business continuity planning
Board	Board of Directors of Coca-Cola Europacific Partners plc
BPF	Business Performance Factor
BU	a business unit of the Group
Capex	capital expenditure
CCE or Coca-Cola Enterprises	Coca-Cola Enterprises, Inc.
CCBPI	Coca-Cola Beverages Philippines, Inc.
CCBPI acquisition	acquisition of Coca-Cola Beverages Philippines, Inc. jointly with Aboitiz Equity Ventures Inc. (AEV) from The Coca-Cola Company (TCCC) resulting in a 60:40 ownership structure between CCEP and AEV which completed on 23 February 2024
CCEG or Coca-Cola Erfrischungsgetränke	Coca-Cola Erfrischungsgetränke GmbH (which changed its name to Coca-Cola European Partners Deutschland GmbH from 22 August 2016)
CCEP or the Group	Coca-Cola Europacific Partners plc (registered in England and Wales number 709717350) and its subsidiaries and subsidiary undertakings from time to time
CCEP LTIP	CCEP Long-Term Incentive Plan 2016
CCIP or Coca-Cola Iberian Partners	Coca-Cola Iberian Partners, S.A. (which changed its name to Coca-Cola European Partners Iberia S.L.U. from 1 January 2017)
CCL	Coca-Cola Amatil Limited
CCO	Chief Compliance Officer
CDE	cold drink equipment
CDP	formerly Carbon Disclosure Project, name shortened to CDP in 2013
CDSP	Customer Demand and Supply Planning
CEO	Chief Executive Officer (of Coca-Cola Europacific Partners plc)
CFO	Chief Financial Officer (of Coca-Cola Europacific Partners plc)
Chairman	the Chairman of Coca-Cola Europacific Partners plc
CGU	cash generating unit
CIO	Chief Information Officer (of Coca-Cola Europacific Partners plc)
CISO	Chief Information Security Officer (of Coca-Cola Europacific Partners plc)
Cobega	Cobega, S.A.
CoC	Code of Conduct
Coca-Cola system	comprises The Coca-Cola Company and around 225 bottling partners worldwide
the Code	UK Corporate Governance Code 2018
CODM	chief operating decision maker
Committee(s)	the five Committees with delegated authority from the Board: the Audit, Remuneration, Nomination, Environmental, Social and Governance and Affiliated Transaction Committees
Committee Chairman/Chairmen or Chair	the Chairman/Chairmen of the Committee(s)
Committee member(s)	member(s) of the Committees
Companies Act	the UK Companies Act 2006, as amended
Company or Parent Company	Coca-Cola Europacific Partners plc

Glossary continued

Company Secretary	Company Secretary (of Coca-Cola Europacific Partners plc)
COVID-19 (also pandemic)	the Coronavirus-19 pandemic, from March 2020
CRC	Compliance and Risk Committee, a management committee chaired by the Chief Compliance Officer
Deloitte	Deloitte LLP
Director(s)	a (the) Director(s) of Coca-Cola Europacific Partners plc
DNV	international accredited registrar and classification society
DRS	deposit return scheme(s)
DTC	Depository Trust Company
DTRs	the Disclosure Guidance and Transparency Rules of the UK Financial Conduct Authority
EBITDA	earnings before interest, tax, depreciation and amortisation
EEA	European Economic Area
EcoVadis	provider of business sustainability ratings
EFSA	European Food Safety Authority
EIR	effective interest rate
EPS	earnings per share
ERA	enterprise risk assessment
ERM	enterprise risk management
ESG	Environmental, Social and Governance
EWRA	Enterprise Water Risk Assessment
ESPP	Global Employee Share Purchase Plan
EU	European Union
European Refreshments or ER	European Refreshments Unlimited Company, a wholly-owned subsidiary of TCCC
Exchange Act	the US Securities Exchange Act of 1934
Executive Leadership Team or ELT	the CEO and his senior leadership direct reports
EY	Ernst & Young LLP
FAWVA	Facility Water Vulnerability Assessment
FCPA	US Foreign Corrupt Practices Act of 1977
FLAG	Forest, Land and Agriculture
FMCG	fast moving consumer goods
FSC	Forest Stewardship Council
FPI	foreign private issuer, a term that applies to a company under the rules of the Nasdaq Stock Exchange that is not a domestic US company
FRC	the Financial Reporting Council
Fx or FX	Foreign exchange
GAAP	Generally Accepted Accounting Principles
GB	Great Britain
GB Scheme	the Great Britain defined benefit pension plan
GHG	greenhouse gas
Group or CCEP	Coca-Cola Europacific Partners plc and its subsidiaries and subsidiary undertakings from time to time
HMRC	Her Majesty's Revenue and Customs, the UK's tax authority
IAS	International Accounting Standards
IASB	International Accounting Standards Board
IBR	incremental borrowing rate
ID&E	Inclusion, Diversity & Equity
IEA	International Energy Agency
IFRIC	International Financial Reporting Interpretations Committee
IFRS	International Financial Reporting Standards
INEDs	Independent Non-executive Directors of Coca-Cola Europacific Partners plc
IPCC	Intergovernmental Panel on Climate Change
IPF	Individual Performance Factor
IRC	the US Internal Revenue Code of 1986, as amended
IRS	US Internal Revenue Service
ISAE 3000	International Standard on Assurance Engagements 3000
ISO	International Organization for Standardization
ISO 14001	International standard for environmental management systems
ISO 22301	International standard for Business Continuity and Resilience
IT	information technology
KORE	The Coca-Cola Operating Requirements
KPI	key performance indicator
Leadership locations	NARTD Production Facilities which rely on vulnerable water sources or have high water dependancy

Glossary continued

LGBTQ+	pertaining collectively to people who identify as lesbian, gay, bisexual, or transgender, and to people who identify as queer or with gender expressions outside perceived societal norms, including non-binary, intersex and questioning of their gender identity and/or sexual orientation, along with their allies
Listing Rules or LRs	the Listing Rules of the UK Financial Conduct Authority
LSE	London Stock Exchange
LTI	long-term incentive
LTIP	Long-Term Incentive Plan
LTIR	lost time incident rate
M&A	merger and acquisition(s)
Merger	the formation of Coca-Cola European Partners plc on 28 May 2016 through the combination of the businesses of Coca-Cola Enterprises, Inc., Coca-Cola Iberian Partners, S.A. and Coca-Cola Erfrischungsgetränke GmbH
NARTD	non-alcoholic ready to drink
Nasdaq	The Nasdaq Stock Market
Nasdaq Rules	the corporate governance rules of Nasdaq
NEDs	Non-executive Directors of Coca-Cola Europacific Partners plc
NGO	non-governmental organisation
OCI	other comprehensive income
OFAC	Office of Foreign Assets Control of the US Department of the Treasury
Official List	the Official List is the list maintained by the Financial Conduct Authority of securities issued by companies for the purpose of those securities being traded on a UK regulated market such as London Stock Exchange
Olive Partners	Olive Partners, S.A.
Opex	operating expenditure
Packageless	Dispensed solutions for serving drinks without packaging such as fountain or Coca-Cola Freestyle
Pack mix	the packaging portfolio mix of beverages
Parent Company or Company	Coca-Cola Europacific Partners plc
Paris Agreement	the agreement on climate change resulting from UN COP21, the UN Climate Change Conference, also known as the 2015 Paris Climate Conference
Partnership	the partnership agreement entered into between the Group, the GB Scheme and CCEP Scottish Limited Partnership to support a long-term funding arrangement
Pension Plan 1 and Pension Plan 2	the Germany defined benefit pension plans
PET	polyethylene terephthalate
PFIC	passive foreign investment company
PRN	packaging recovery notes
PSA	Principles of Sustainable Agriculture
PSU	performance share unit
RAS	Risk appetite statement
RGB	returnable/refillable glass bottle
ROIC	return on invested capital
rPET	recycled PET
RSP	CCEP's Responsible Sourcing Policy, launched in 2022
RTD	ready to drink
RSU	restricted stock unit
S&P	Standard & Poor's
SBTi	Science Based Targets initiative
SDG	UN Sustainable Development Goals
SDRT	stamp duty reserve tax
SEC	Securities and Exchange Commission of the US
SGP	Supplier Guiding Principles
Shares	ordinary shares of €0.01 each of Coca-Cola Europacific Partners plc
SID	Senior Independent Director
SKU	stock keeping unit
SOX or the Sarbanes-Oxley Act	the US Sarbanes-Oxley Act of 2002
the Spanish Stock Exchanges	the Barcelona, Bilbao, Madrid and Valencia Stock Exchanges
SPO	CCEP's Sustainable Packaging Office
SSPs	shared socioeconomic pathways
SVA	source water vulnerability assessment
TCCC	The Coca-Cola Company

Glossary continued

TCCF	The Coca-Cola Foundation
TCFD	Task Force on Climate-related Financial Disclosures
TIR	total incident rate
TSR	total shareholder return
UK Accounting Standards	Financial Reporting Standards issued by the Accounting Standards Board
UKBA	UK Bribery Act 2010
UNESDA	Union of European Soft Drinks Associations
UN	United Nations
unit case	approximately 5.678 litres or 24 eight ounce servings, a typical volume measurement unit
VAT	value added tax
WBCSD	World Business Council for Sustainable Development
WEEE	EU Directive on Waste Electrical and Electronic Equipment
WHO	World Health Organisation
WMP	water management plan
WRI	World Resources Institute
WRI/WBCSD GHG Protocol or GHG Protocol	the GHG Protocol is the internationally recognised, standard framework for measuring greenhouse gas (GHG) emissions from private and public sector operations and their value chains

Useful addresses

Registered office

Coca-Cola Europacific Partners plc
Pemberton House
Bakers Road
Uxbridge
UB8 1EZ

Registered in England and Wales
Company number: 09717350

+44 (0)1895 231313

Share registration

US shareholders:

Computershare
150 Royall Street
Canton
MA 02021

1-800-418-4223

Shareholders in Europe and outside the US:

Computershare
The Pavilions
Bridgwater Road
Bristol
BS99 6ZZ

+44 (0)370 702 0003

Report ordering

Shareholders who would like a paper copy of the Integrated Report, which will be despatched on or around 10 April 2024, can make their request by post to the Company Secretary, Pemberton House, Bakers Road, Uxbridge UB8 1EZ, United Kingdom or by making a request via ir.cocacolaep.com/financial-reports-and-results/integrated-reports or by sending an email to sendmaterial@proxyvote.com or by making a request via www.proxyvote.com or by phoning (in the US) 1-800-579-1639 or (outside the US) +1-800-579-1639 quoting their 16 digit control number.

Agent for service of process in the US

The Corporation Trust Company
Corporation Trust Center
1209 Orange Street
Wilmington, DE 19801

Forward-looking statements

This document contains statements, estimates or projections that constitute "forward-looking statements" concerning the financial condition, performance, results, guidance and outlook, dividends, consequences of mergers, acquisitions, joint ventures, and divestitures, including the joint venture with Aboitiz Equity Ventures Inc. (AEV) and acquisition of Coca-Cola Beverages Philippines, Inc. (CCBPI), strategy and objectives of Coca-Cola Europacific Partners plc and its subsidiaries (together CCEP or the Group). Generally, the words "ambition", "target", "aim", "believe", "expect", "intend", "estimate", "anticipate", "project", "plan", "seek", "may", "could", "would", "should", "might", "will", "forecast", "outlook", "guidance", "possible", "potential", "predict", "objective" and similar expressions identify forward-looking statements, which generally are not historical in nature.

Forward-looking statements are subject to certain risks that could cause actual results to differ materially from CCEP's historical experience and present expectations or projections. As a result, undue reliance should not be placed on forward-looking statements, which speak only as of the date on which they are made. These risks include but are not limited to:

1. those set forth in the "Risk Factors" section of this 2023 Annual Report on Form 20-F;

2. risks and uncertainties relating to the global supply chain and distribution, including impact from war in Ukraine and increasing geopolitical tensions and conflicts including in the Middle East and Asia Pacific region, such as the risk that the business will not be able to guarantee sufficient supply of raw materials, supplies, finished goods, natural gas and oil and increased state-sponsored cyber risks;

3. risks and uncertainties relating to the global economy and/or a potential recession in one or more countries, including risks from elevated inflation, price increases, price elasticity, disposable income of consumers and employees, pressure on and from suppliers, increased fraud, and the perception or manifestation of a global economic downturn;

4. risks and uncertainties relating to potential global energy crisis, with potential interruptions and shortages in the global energy supply, specifically the natural gas supply in our territories. Energy shortages at our sites, our suppliers and customers could cause interruptions to our supply chain and capability to meet our production and distribution targets;

5. risks and uncertainties relating to potential water use reductions due to regulations by national and regional authorities leading to a potential temporary decrease in production volume; and

6. risks and uncertainties relating to the integration and operation of the joint venture with AEV and acquisition of CCBPI, including the risk that our integration of CCBPI's business and operations may not be successful or may be more difficult, time consuming or costly than expected.

Due to these risks, CCEP's actual future financial condition, results of operations, and business activities, including its results, dividend payments, capital and leverage ratios, growth, including growth in revenue, cost of sales per unit case and operating profit, free cash flow, market share, tax rate, efficiency savings, achievement of sustainability goals, including Net Zero emissions and recycling initiatives, capital expenditures, our agreements relating to and results of the joint venture with AEV and acquisition of CCBPI, and ability to remain in compliance with existing and future regulatory compliance, may differ materially from the plans, goals, expectations and guidance set out in forward-looking statements. These risks may also adversely affect CCEP's share price. Additional risks that may impact CCEP's future financial condition and performance are identified in filings with the SEC which are available on the SEC's website at www.sec.gov. CCEP does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as required under applicable rules, laws and regulations. Any or all of the forward-looking statements contained in this filing and in any other of CCEP's public statements may prove to be incorrect.

Coca-Cola EUROPACIFIC PARTNERS

Integrated Report and Form 20-F 2023

Growing faster together

Registered office

Pemberton House
Bakers Road
Uxbridge UB8 1EZ

Registered in England and Wales
Company number: 09717350

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