

**Coca-Cola HBC
Ireland Limited**

**Gender Pay
Gap Report 2022**



**Coca-Cola
Hellenic Bottling Company**

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Foreword by our People and Culture Director

I wish to present the first Coca-Cola HBC Gender Pay Gap Report for the Republic of Ireland. We recognise that in order for us to succeed in our vision, strategy and purpose, we require individuals with different backgrounds, experience and perspectives. At Coca-Cola HBC, we understand that having a diverse range of skills, experience and perspective can enhance our ways of working from an employee and customer perspective, promote diversity and inclusion within our workforce, and attract and retain talent.

Publishing this report and the process of compiling it has helped to further focus the minds of our business and our Leadership team on the importance of diversity and equity within our business.

The report reveals a marginal pay gap in our business in terms of our core remuneration, with women earning slightly more than men. This core pay is the key element of employee remuneration, and it is important that this is as close to parity as possible.

The report has revealed slight differences in bonus levels between genders. The differences are largely attributable to the fact that there are areas within the business where women are under-represented. We will review this finding and look to identify opportunities to reduce the gap in this area.

Our report shows overall representation levels within our Irish business is approximately 75% male employees and 25% female employees. This, while in keeping with the current norms of our sector, is a significant disparity and addressing this is a priority for the business.

Coca-Cola HBC is committed not only to eliminating any disparity in pay levels by gender but also to achieving diversity and equity at all levels of our business, up to and including senior management. In our report, we outline several key actions which we believe will accomplish this goal.

This first report gives us important information on which to act. I look forward to working with my colleagues across the business to build a more diverse and equitable workplace.

Marina Gainova, People & Culture Director



Introduction

Coca-Cola HBC Ireland and Northern Ireland is the authorised bottling partner to The Coca-Cola Company for the island, responsible for the manufacture, distribution, sale and channel marketing of its beverage portfolio. It produces global brands Coca-Cola, Coca-Cola Zero Sugar, Diet Coke, Fanta, Sprite, and Schweppes, as well as locally owned brands Deep RiverRock and Fruice. We are part of the Coca-Cola HBC Group which operates in 29 countries across Europe and Africa.

Coca-Cola HBC Ireland and Northern Ireland employs approximately 725 people on the island of Ireland. Of these, 282 were employed in the Republic of Ireland in the 12-month period for which we are obliged to report our gender pay gap analysis, namely 1st July 2021 - 30th June 2022 ("the Snapshot Period"). The employees in scope are employed across a range of disciplines.

We produce over 95% of the products we sell on the island of Ireland at our facility in Lisburn, Co. Antrim. Our head-office is located in Ballycoolin, Dublin 15 and we have depots in Cork, Galway and Tipperary.

At Coca-Cola HBC Ireland and Northern Ireland we benefit greatly from the skills, experience and commitment of the diverse range of people who work with us. We recognise that diversity is essential to us being able to best serve our customers. As part of our commitment to diversity, we are committed to ensuring fair and equitable treatment of all members of our team. This is consistent with our company values, which focus on ensuring we act with integrity and care for our people.

We know that our business can only be as healthy and strong as our people and the communities in which we operate. One of the key focus areas of our Group Company's Mission 2025 Strategy is our people and communities – this includes our commitment to having 50% of managerial positions within our Group Company being held by women by 2025.

This is our first year to publish our Gender Pay Gap Report in the Republic of Ireland, the aim of which is to address gender gaps in the workplace and barriers to equality of women.



What is the gender pay gap?

The gender pay gap shows the difference between the average hourly pay for men and women across all ages, roles, and levels – it compares the pay of all working men and all working women; not just those in the same jobs, with the same working patterns or the same competencies, qualifications or experience. It differs from equal pay which is the right for men and women to be paid at the same rate of pay for work that is of equivalent value. It does not demonstrate pay discrimination or bias, or even an absence of equal pay for equal value work – but it does report a gender representation gap and will capture whether women are equally represented across the organisation.

A gender pay gap which is positive indicates that, on average across the employed population, women are in a less favourable position than men. Where the gender pay gap is negative, this indicates the reverse - that, on average, women are in a more favourable position than men.

About the methodology

We have reported two measures of our gender pay gap, the median and the mean.

The median gender pay gap removes any influence of very high and very low pay. We calculate the median and mean for both men and women and report the percentage difference. In addition, we also report the median and mean gender bonus gap between the average bonus received by men and women.



Are all employees included in the headcount?

The Regulations provide that a "relevant employee" for the purposes of gender pay gap reporting is a person who is an employee for the purposes of the Employment Equality Act 1998 and is employed by the relevant employer on the Snapshot Date and the 12-month period immediately preceding the Snapshot Date, namely, 1st July 2021 – 30th June 2022. We have referred to the definitions of "employee" and "employer" in section 2 of the Employment Equality Acts 1998-2021 and any caselaw under the Acts to determine whether a particular person is in scope for our reporting requirements. Employees working abroad have been included in the calculation if they receive remuneration from our Irish entity. Similarly, employees working in Ireland have not been included if they do not receive remuneration from our Irish entity.

Relevant employees included in the headcount on the Snapshot Date also include employees not rostered to work on that date, temporary employees, employees on casual contracts and employees on paid leave, such as annual leave, public holidays, sick leave, maternity/paternity leave, and study leave. Periods of leave during which the employee has received no pay have been excluded in calculating the total working hours of an employee.

Two hundred and eighty-two (282) employees have been included in our headcount for gender pay gap reporting purposes.

The employment status of employees as of the Snapshot Date is as follows:



Permanent

263

permanent employees



Temporary

19

temporary employees (includes 13 hourly paid Events Technicians) (8 female employees and 11 male employees)



Part-time

0

part-time employees



How have we accounted for new employees?

A person who is a newly recruited employee of the Company on the Snapshot Date has been considered in determining the headcount, even where the person has yet to receive pay, but is excluded from our calculation of hourly pay and subsequent gender pay gap calculations.

Where such an employee has received some payment in the reporting period, but did not work for the full 12 months, the fact that they have only worked for part of the year will be accounted for in determining the total number of working hours and hourly remuneration for this employee.

How have we calculated total hours worked?

The total number of working hours of a relevant employee is determined in line with the Regulations. Only hours for which the employee has received pay are considered in calculating hourly remuneration. Hours not worked and not paid have been excluded from the calculation of total working hours and from the calculation of hourly pay.

Overtime hours have been included, periods of paid leave, such as annual leave, sick leave, maternity leave/paternity leave, and study leave have been included for the purposes of the calculations. We have identified all amounts of ordinary pay and bonus remuneration actually paid to a relevant employee during the relevant pay period, adjusting to exclude from the amount of ordinary pay any amount done or carried out during a period other than the relevant pay period, and adjusting the bonus remuneration as set out in Regulation 3 and in Regulation 5.

What is included in our hourly pay?

Pay is defined as being basic pay, permanent work-based allowances (i.e., car allowance, shift pay etc), and overtime pay. Redundancy and termination payments are excluded from the definition, as is any form of remuneration provided in any other form than money.

Overview of 2022

pay gap

What is our gender pay gap?

The gender pay gap relates to differences in average pay between men and women within an organisation and does not compare the pay received by men and women for doing the same or equivalent work (known as "equal pay").

As per the legislation, the Coca-Cola HBC Ireland Gender Pay Gap Report 2022 is compiled using the remuneration data of all staff employed between 1st July 2021 – 30th June 2022. This data is compiled using the Snapshot Date of 30th June 2022. The report relates to staff in the Republic of Ireland only.

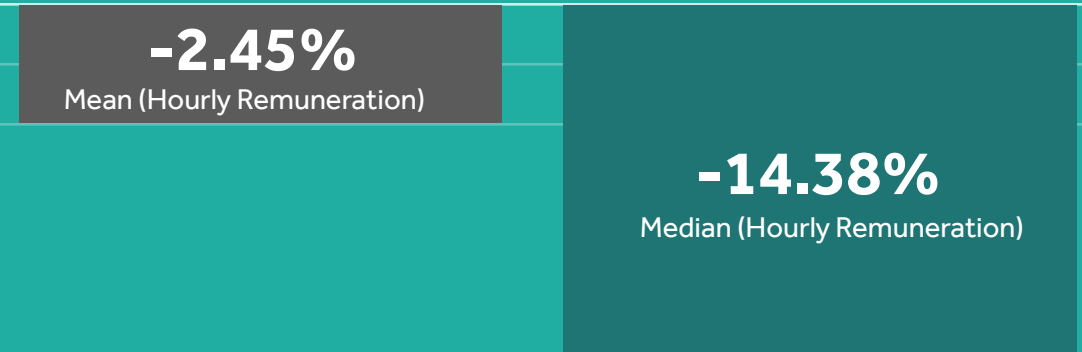
A negative number indicates that the gap is in favour of women.
A positive number indicates the gap is in favour of men.

We have deduced that our negative gender pay gap arises from two key factors:

- Our mean gender pay gap is negative because we have a high proportion of women within our professional and sales management roles. Coca-Cola HBC Ireland and Northern Ireland is proud to have such a strong representation throughout our sales management team, and we believe that we have created an environment that fosters professional development and progression within our organisation. The increase in gender balance within our management levels provides a good future talent pipeline, and we continue to focus and invest in our management development curriculum to help achieve gender balance in candidates for more senior positions.
- Our mean and median gender pay gap is slightly more favourable from a female perspective because we employ more men than women in our field sales operations (85% of our 124 employees in these functions are men) and these roles typically attract a lower salary. Coca-Cola HBC Ireland and Northern Ireland is committed to a gender-balanced workforce and so we have developed a strategy to attract more women into our field sales roles.

All employees

Gap:



Temporary employees

Gap:



What does the data tell us?

What is our bonus gap?

The gender bonus gap is the difference between the average bonus received by men and women across Coca-Cola HBC Ireland and Northern Ireland among its Republic of Ireland employees within the Snapshot Period.

Bonus pay is the gross bonus pay received and includes all bonuses awarded to an employee during the Snapshot Period. Bonus pay does not include any ordinary pay, overtime pay or payments arising from redundancy or termination of employment.

This is not a difference in bonus payments between people doing similar work, but rather reflects the differences in gender representation in various parts of our business.

The percentage of male and female employees who received bonuses is outlined below:

All employees

Female 78.6%

Male 90.1%

Total 87.2%

The difference between the mean and median bonus pay of male and female employees is outlined below

All employees

Gap:

10.9%

Mean (Total Bonus Pay)

-9%

Median (Total Bonus Pay)

Our mean bonus pay presents a more favourable outcome for the male cohort, partly due to the following factors:

- While we continue to build a higher representation of women in leadership roles, a greater proportion of the most senior roles continue to be held by men. This group's remuneration is more heavily linked to business performance, and so bonus payments make up a higher proportion of overall pay.

Additionally, we are also including a number of Group positions in our payroll, the holders of which are in receipt of substantially higher bonus payments, which impact on the reported data.

- There are a relatively small number of technical roles, where pay is balanced more towards a bonus structure than core remuneration. These roles are at this point exclusively occupied by men.

- The bonus figures are also impacted by the fact that a number of new female employee hires during the Snapshot Period had not yet been paid a bonus at this early stage of their tenure. As such, they will receive a bonus payment on the next bonus payment date.

- Business Developers are a group where performance related pay and bonuses have traditionally made up a more substantial element of overall pay. This impacts the overall bonus payment figures in terms of gender split.

The reason for this is that in the Republic of Ireland, these roles are more likely to be held by men; which is not uncommon in the industry. Conversely, in our Northern Ireland business, the roles are more likely to be held by women, which would suggest that change is possible.

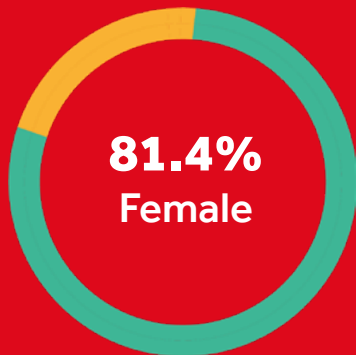
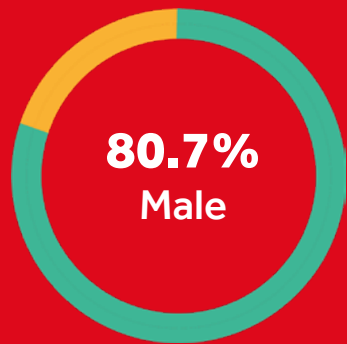


Benefits in Kind

Benefits in Kind (BIK) include any non-cash benefit of monetary value provided to an employee. BIK levels between male and female employees within our business are largely equal.

All permanent employees are eligible to receive BIK and benefits include:

The percentage of male and female employees who received BIK is outlined below:



Flexible Working	Employee Assistance Program	Career Opportunities	Enhanced Maternity Leave	Service Awards
Service Days	Cycle to Work Scheme	Career Break	Enhanced Paternity Leave	Enhanced Holidays
Wellbeing & Health Days	Company Mobiles (If applicable to role)	Family Fun Days	Enhanced Sick Pay	Loyalty Leave
Charity Events	Recognition Schemes	Purchase Additional Annual Leave	Staff Sales	Subsidised Canteen
Training & Development Opportunities	Volunteering Opportunities	Company Conference	Christmas Prizes For Staff	Company Discount Scheme

Gender representation

Breakdown of employees by quartile

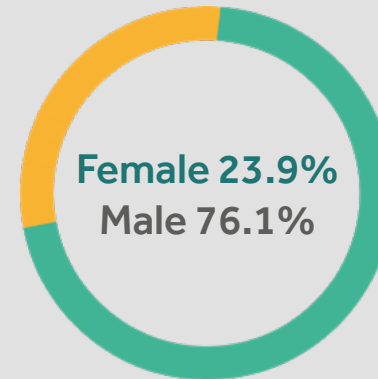
Of our 282 employees in the Republic of Ireland, approximately 25% of these are women and 75% are men.

The legislation identifies four quartiles from lowest paid to highest paid. Pay quartiles are calculated by splitting the whole workforce into four equal sized bands based on hourly pay, from the highest to the lowest. The percentage of men and women is calculated for each band.

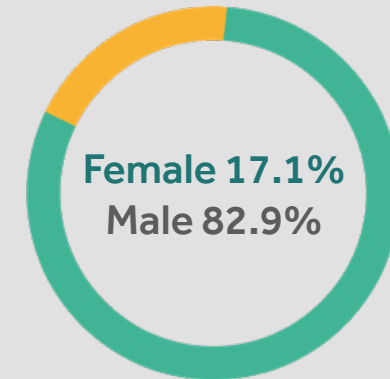
Females are heavily under-represented in the lower quartile. This relates to the underrepresentation of females in our field sales team (namely, Business Developer roles).

The differences in the quartiles relate to differences in the representation of men and women in different roles across the business. A proportion of which continue to reflect historical perceptions of roles suited to men and women.

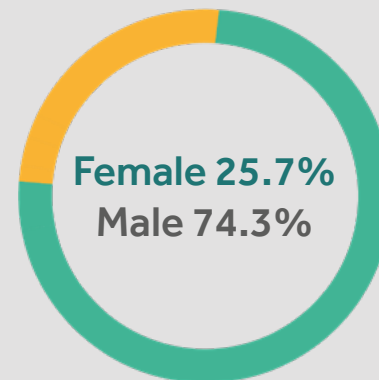
Quartiles



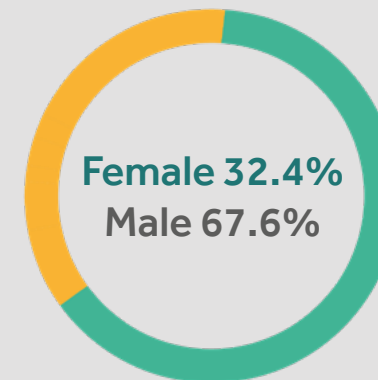
Lower Quartile



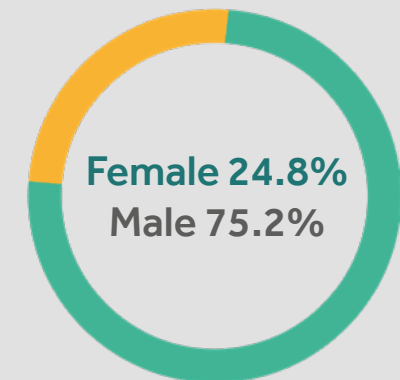
Lower Middle Quartile



Upper Middle Quartile



Upper Quartile



Total Workforce

Male

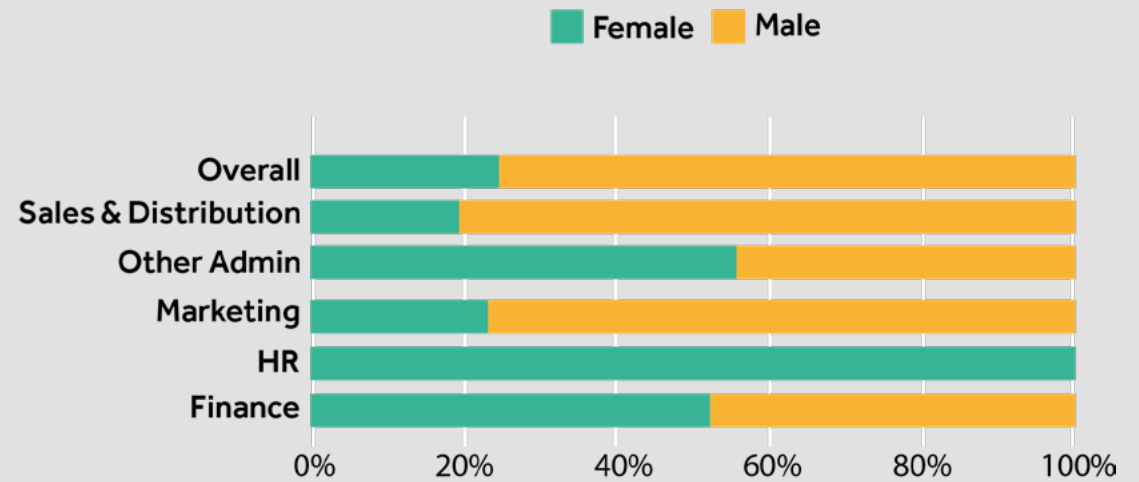
Female

Functions across the business

Like many businesses Coca-Cola HBC Ireland and Northern Ireland has functional areas which tend to have a greater proportion of one gender or another. While this is not specifically a gender pay issue for an individual, it does impact on the overall gender pay analysis, particularly in relation to bonus availability.

We are addressing this issue in our Diversity Action Plan, for example, we offer employees the opportunity to move cross-functionally within our business. We will implement a structure which will allow people to move in the knowledge that if they do not feel suited to their new role, that they can revert to their previous position.

Areas which have been identified as requiring specific attention are Sales and Distribution and People & Culture (HR).



Existing actions to promote gender equality

As evidenced by the overall analysis, Coca-Cola HBC Ireland and Northern Ireland has achieved a strong position in relation to core remuneration in our Republic of Ireland business.

We already take a number of actions to ensure diversity and equity in our team. This year we have launched our Diversity and Inclusion (D&I) plan which outlines our aspirations, our D&I targets and our strategy for achieving those.

Measurement

Measurement is an important part of achieving best practice. We provide details on employee breakdown at Management Meetings. We also closely monitor gender pay levels.

Commitments

We are committed to increasing female employee representation in the Senior Management Team, wider management levels and all levels of the Company. This supports our progress in achieving our goal of achieving 45% of leadership and management roles across the island of Ireland being held by women by 2025, and our Group commitment to having 50% of managerial positions within our Group being held by women by 2025.

Employee Surveys

We conduct Employee Engagement surveys and Culture surveys every two years and request feedback from our employees through Pulse surveys every quarter. Employee Engagement surveys are an important way of identifying the views of our team. These surveys can identify the challenges faced by both men and women within our business. They also point to opportunities that exist to meet and exceed the expectations of our team.



We also ask our employees to provide upwards feedback to their managers on a quarterly basis – this allows managers to gain useful insights, promotes psychological safety (both company-wide, on a team level, and between managers and their direct reports), improves employee engagement, and identifies any concerns.

Hybrid working arrangements

Like many other businesses, Coca-Cola HBC Ireland and Northern Ireland responded quickly to the challenges of Covid 19. This included moving a substantial proportion of our team to remote working. It has become apparent that the flexibility afforded by this way of working has helped to promote a healthy work life balance for many of our team. While other Covid-related emergency measures have been relaxed, we have created a hybrid working model, which seeks to offer this greater flexibility for our team. We believe that this will be particularly effective in increasing female representation in the years ahead - research has shown that the provision of hybrid working options are effective in increasing female participation in the workforce.

Engagement of external consultants

Having identified diversity and inclusion as a key driver for success within our business, in 2021, we began working with an external consultant in this area. This work has led to the development of a Diversity Action Plan, the main aspects of which are listed in the future actions section of this report, which follows.



Planned future actions

Coca-Cola HBC has agreed a specific action plan to increase gender diversity across the business. Based on the insights we have gained from staff surveys, exit interviews and working with an expert external consultancy, we have identified several key actions, aimed at addressing challenges faced in our business.

Key Business Indicator

Gender diversity will be treated as a Key Business Indicator. We will set goals and review performance across the business on a regular basis.

Maximising our existing talent

Our team will continue to work proactively to identify talent within the business and also offer greater opportunity for advancement. This will include opportunities to move across functions within our business. We will also implement a safety net, allowing people to move in the knowledge that if they do not feel suited to their new role that they can revert to their previous position.

Job advertising

Experience levels are seen as a specific barrier to broadening diversity in applications for many roles. Coca-Cola HBC Ireland and Northern Ireland is working with external consultants to reframe our job descriptions and advertisements to encourage a broader participation rate. This will be particularly important in increasing participation in areas of the business where diversity has been hard to achieve.

Maternity / Paternity benefit

We are significantly enhancing the benefits that we offer to new mothers and fathers in the business. These enhancements will increase the benefits available as well as retaining existing talent and attracting new candidates.

Diversity Network

Coca-Cola HBC Ireland and Northern Ireland had a highly effective Women's Network operating in our business prior to Covid-19, which is due to relaunch in 2023. We believe that this network is an important tool in identifying challenges to career progression faced by women in our organisation. Separately, we will also examine the potential to establish other networks, to broaden diversity.

Our goal is to ensure that we continue to minimise gender pay differences while also promoting gender and broader diversity across our business. We are committed to continuous monitoring and course correcting action to deliver on this goal.



Appendix

Overview of the legislation

Under the Employment Equality Act 1998 (Section 20A) (Gender Pay Gap Information) Regulations 2022 ("the Regulations") which give effect to the Gender Pay Gap Information Act 2021, employers with over two hundred and fifty (250) or more employees are required to compile a report outlining their gender pay gap.

The deadline for publication is six (6) months after the chosen snapshot date. At Coca-Cola HBC Ireland and Northern Ireland, we have a chosen snapshot date of 30th June 2022 meaning the deadline for publication of our report is 30th December 2022. The reporting period is the twelve (12) month period immediately preceding and including the snapshot date, namely, 1st July 2021 – 30th June 2022.

Under the Regulations, employers are required to report:



The difference between the mean and median hourly pay of male and female employees



The difference between the mean and median bonus pay of male and female employees



The difference between the mean and median hourly pay of part-time and temporary male and female employees



The percentage of male and female employees who received bonuses and benefits in kind



The percentage of male and female employees in each of four quartile pay bands – lower, lower middle, upper middle and upper

What is the median?

The median is the middle number when all the numbers are listed in numerical order.

Median represents the middle point of a population; in the case of gender pay gap, the median pay gap is the difference between the hourly pay rate for the 'middle woman' compared to that of the 'middleman' if you separately lined up all the women in the Company and all of the men.

What is the mean?

The mean average involves adding up all the numbers and dividing the result by the number of values in the list.

Mean is commonly known as "average"; the mean gender pay gap is the difference in the average hourly pay for female employees within the Company compared to that of male employees.

Statisticians prefer to use median data to find the average gender pay gap because this data point is not affected by extreme values, such as, changes in the earnings of small numbers of high earners.

What is a pay quartile?

Pay quartiles are calculated by splitting the whole workforce into four equal sized bands based on hourly pay, from highest to lowest. The percentage of men and women is calculated for each band.

