

2023 SLAVERY AND HUMAN TRAFFICKING STATEMENT



This is the Group's eighth Slavery and Human Trafficking Statement. Our seventh statement was published in May 2023.

We recognise that slavery, servitude, forced labour and human trafficking (Modern Slavery) is a global issue that is as, and more, important than ever amidst various global challenges.

As a Group, Coca-Cola HBC has a zero-tolerance approach to Modern Slavery of any kind within its operations and supply chains, and we are taking steps to ensure that our employees, contractors, and suppliers understand the Group's commitment to human rights and their own rights and responsibilities. Our commitment is to operate our business responsibly and sustainably, and this includes fair treatment of all people in our business and in the Group's supply chain.

This statement is made by Coca-Cola HBC Northern Ireland Limited (the Company), which is subject to the obligations under section 54 of the Modern Slavery Act 2015 and constitutes the Company's slavery and human trafficking statement for the financial year ending 31 December 2023.

This statement also comprises voluntary information provided by Coca-Cola HBC AG. The Company, Coca-Cola HBC AG and its other subsidiaries are hereinafter referred to as Coca-Cola HBC or the Group. The statement outlines the approach of the whole of Coca-Cola HBC.

Our business and supply chains

Coca-Cola HBC is a growth-focused consumer packaged goods business and strategic bottling partner of The Coca-Cola Company. We open up moments that refresh us all, by creating value for our stakeholders and supporting the socio-economic development of the communities in which we operate.

With a vision to be the leading 24/7 beverage partner, we offer drinks for all occasions around the clock and work together with our customers to serve 740 million consumers across a broad geographic footprint of 29 countries. Our portfolio is one of the strongest, broadest and most flexible in the beverage industry, with consumer-leading beverage brands in the sparkling, adult sparkling, juice, water, sport, energy, ready-to-drink tea, coffee, and premium spirits categories. These include Coca-Cola, Coca-Cola Zero Sugar, Fanta, Sprite, Schweppes, Kinley, Costa Coffee, Caffè Vergnano, Valser, FuzeTea, Powerade, Cappy, Monster Energy, Finlandia Vodka, The Macallan, Jack Daniel's and Grey Goose. We foster an open and inclusive work environment amongst our 33,000 employees and believe that building a more positive environmental impact is integral to our future growth. We rank among the top sustainability performers in ESG benchmarks such as the Dow Jones Sustainability Indices, CDP, MSCI ESG, FTSE4Good and ISS ESG.

At Coca-Cola HBC, we are committed to high standards of performance related to human rights and labour practices, minimising environmental impact, ensuring health and safety, ethical business and unsurpassed quality in our value chain, from sourcing raw materials to manufacturing the final product and distributing it to our customers. Our

supplier partners play a critical role in ensuring that we deliver against these standards.

Total supplier spent for Direct, Indirect and Cold Drink Equipment Categories reached € 5.3 billion in 2023 (data compiled during 12 month rolling period from December 2022 to November 2023). Including Concentrate supplies from The Coca-Cola Company the spend is € 6.9 billion. Our practice is to source locally, provided that goods and services meet our requirements and quality standards in an economically viable way. As of 2015, we have a formal Procurement KBI of over 95% of local spend in our countries of operation or from within the European Union, which is considered local for EU countries. In 2023 this percentage was 97.96%.

Under a unified procurement framework, we segment our supply base universe of approximately 14,600 active supplier codes (approximately 13,200 parent level supplier organisations) into Direct and Indirect spend.

- Direct spend suppliers include those that supply ingredients and packaging for our products.
- Indirect spend suppliers include those that supply products and services such as IT, production equipment, spare parts, secondary packaging, maintenance services, logistics providers, fleet vehicles, utilities, and professional services.

Coca-Cola HBC also segments suppliers into the following categories based on criticality and potential opportunities:

- **Group Critical Suppliers** are those that fulfil any of the following criteria: high percentage of spend, critical components (including but limited to Sweeteners, Juices, Resin, Cans, Glass, Preforms, Closures, Aseptic Packaging,

Secondary Packaging, Cold Drink Equipment etc.), limited alternatives and partnership supporting our business strategies.

- **Country Strategic Suppliers** are those which have strategic importance at a local or regional level. Both Group Critical & Country Strategic suppliers are considered Critical to the overall competitiveness and success of Coca-Cola HBC.
 - **Tactical Suppliers** represent low-volume and/or low-spend suppliers, supplying goods or services where there are many alternative sources available, enabling a flexible supply base.
 - Both Group Critical & Country Strategic suppliers as well as The Coca-Cola Company (TCCC) Concentrate supply, have significant business relevance to the Company and are considered to be of great substance in terms of potential ESG or financial impact. These suppliers are defined as Significant Suppliers to the overall competitiveness and success of Coca-Cola HBC. TCCC Concentrate supply is not considered to be procurement addressable spend. However, TCCC and Coca-Cola HBC we share the same ESG standards and policies and as members of The Coca-Cola System we share to a great extent common supply base that we jointly manage, negotiate, innovate and support improvements in their ESG performance. Finished Goods suppliers are considered essential to the financial success of our business.
- Our suppliers are required to uphold our high sourcing standards. Segmenting our suppliers as outlined above helps us manage risk in our supply chain and ensure compliance with our standards.
- You may find more information about our supply base and supplier segmentation under section "OUR SUPPLIERS" in our corporate web page.



Read about our suppliers

direct employees

33,000

suppliers

14,600

*with the addition of Egypt

sales of unit cases in 2021 (m)

2,833.5

million UC

people reached across three continents (m)

740



Policies and controls

The Social Responsibility Committee of the Board of Directors of Coca-Cola HBC is responsible for the development and supervision of procedures and systems to ensure the pursuit of the Group's social and environmental goals, which apply to all companies of the Group.

At the core of our system of internal control is the Group's **Code of Business Conduct**. The Code communicates the Group's standards of employee conduct and clearly sets expectations that all employees are to maintain the highest standard of ethical business conduct. Our Code of Business Conduct applies to everyone working for any Group company worldwide regardless of location, role, or level of seniority. We expect temporary employees, agency staff, contractors, distributors, suppliers, consultants, agents and any other third parties who act in the name of any Group company to act in accordance with the principles of the Code. The Audit and Risk Committee of the Board of Directors of Coca-Cola HBC AG has oversight of compliance with the Code.

 [Read our Code of Business Conduct](#)

Our commitment to prohibiting Modern Slavery is clearly set out in our **Human Rights Policy**, which is committed to international human rights principles encompassed in the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the United Nations Global Compact and the United Nations Guiding Principles on Business and Human Rights. It applies to Coca-Cola HBC AG, the entities it owns, the entities in which it has a majority interest, and the facilities it manages.

The policy expressly states that the Group is committed to identifying and preventing any adverse human rights impacts in relation to its business activities through human rights due diligence and preventive compliance processes. The policy prohibits forced labour, child labour and human trafficking. Regular reviews ensure that we adhere to all applicable laws and regulations, that processes are well implemented, that targets are set and reached, and that reporting is timely and accurate.

 [Read our Human Rights Policy](#)

Our **Supplier Guiding Principles (SGPs)**, which apply to all our suppliers, are aligned with the expectations and commitments of our Human Rights Policy. They are part of issued tenders and clearly referenced in purchase orders sent to suppliers and are part our Coca-Cola HBC standard vendor creation process. If a supplier fails to uphold any aspect of the requirements, the supplier is expected to implement corrective actions. Coca-Cola HBC reserves the right to audit and to terminate any agreement with a supplier that cannot demonstrate that they are upholding the requirements of the SGPs.

Our SGPs include express reference to the obligation of suppliers to be able to demonstrate, as a minimum, their compliance with our Supplier Guiding Principles (SGPs) and with the eight Core Conventions of the International Labour Organization if these set higher standards than local law. They also include a clear prohibition of slavery, forced labour, child labour, and human trafficking. In 2020, we made an update to the SGPs, adding a provision that creates an explicit prohibition of any form of recruitment fees. Moreover in 2023, we further enhanced our SGPs to include more specific rules around equal remuneration, physical demands of the workplace, updates in freedom of association, competition law and biodiversity. Our SGPs are communicated to our entire supply base, and all suppliers are contractually required to comply with them.

We registered around 2087 new suppliers in 2023. All agreed to adhere to our Supplier Guiding Principles, as has been the case with new suppliers since 2015.

 [Read our Supplier Guiding Principles](#)

In close collaboration with TCCC, we are committed to working together with our suppliers to ensure that we source our key agricultural ingredients sustainably. Our suppliers are expected to ensure compliance with TCCC's **Principles for Sustainable Agriculture (PSA)**, which communicate our values and expectations of compliance with all applicable laws, with emphasis on the importance of responsible workplace practices that respect human rights.

Our 2025 commitment is to achieve 100% certification of our key ingredients using sustainable agricultural standards. In 2023, 79% of the key commodities we purchased for use as ingredients were sustainably certified, an increase to 2022. All new suppliers have been introduced into the PSA program, and we have plans in place to support them as they progress towards certification in the near future. More information on the Coca-Cola System Principles for Sustainable Agriculture and, specifically for CCH, can be found at:

 [The Coca-Cola System Principles for Sustainable Agriculture](#)

Supply chain due diligence and steps taken to manage slavery and human trafficking risk

The Group has developed, and Group companies are implementing, a due diligence process that includes the identification of potential human rights issues, the identification of vulnerable groups, and the mitigation actions and monitoring in relation to our own operations and critical suppliers.

Modern Slavery and human rights risks are evaluated within the Group's overarching Enterprise Risk Management (ERM) framework, which is top down and bottom up. The process ensures that we identify, review and manage any risks arising from our business activities.

Our risk management process includes:

- Monthly risk assessments in all our business units to evaluate current and emerging risks and progress against our risk management strategies. Operational and strategic risks are reviewed with corporate functions bi-annually against broader regional and macro environments. These regular reviews are supported by bi-annual sessions facilitated by the Chief Risk Officer, and drive the quarterly feedback meetings, ensuring that business units focus on all risk categories including the areas of human rights, modern slavery, sustainability and climate change.
- Risks are aggregated to the group which provides a snapshot of our internal and external risk environment. They are analysed and significant operational, strategic and emerging risks and actions are reviewed with the Region Directors.
- Review and strategic analysis of identified risks is undertaken by the Group Risk and Compliance Committee. The Committee is our strategic think-tank, comprising senior leaders in the business who independently review our risk exposures, and presents issues relating to critical risk exposure to the Executive Leadership Team.
- The Chief Risk Officer reviews key operational, strategic and emerging risks with the Executive Leadership Team and the Audit & Risk Committee of our Board bi-annually.

In 2023, we continued our review of the ERM framework and identified opportunities to enhance cross-functional collaboration and share best practices in risk mitigation across the business. Further details on the management of risk can be found in our Integrated Annual Report.

 Read our Integrated Annual Report



Suppliers

We maintain transparency throughout our supply base. Sustainability is at the core of all our sourcing activities, and we consider our suppliers as critical partners and contributors to the ongoing and sustainable success of our business.

We monitor the performance of our significant suppliers through TCCC's Supplier Guiding Principles, compliance audits, 3rd party certification against the Principles of Sustainable Agriculture, our internal supply base assessments and the EcoVadis platform. As a System, together with TCCC, we audit facilities of raw materials and primary packaging providers that participate in our Group tenders, leveraging third parties engaged through TCCC. These audits assess compliance with our Supplier Guiding Principles (SGPs), at least once every three years. The TCCC audit results are communicated to our Group Procurement and Group Quality, Safety and Environment teams, and corrective actions, where required, are taken in a timely manner.

In the year to 31 December 2023, we concluded 128 SGP audits. Last year, we had 10 suppliers with critical findings from plants located in Poland, Netherlands, Spain, Germany, Egypt, Ukraine, Serbia & the UK regarding a breach of employment laws including one supplier whose Subcontracted workers' working regime caused massive overtime, discrimination laws and health and safety. Remediation actions are in place and suppliers to be re-audited within 12 months to ensure proper implementation of agreed actions.

Findings from all remaining audits were minor. All matters identified by our audit process are subject to corrective action and verification of the action taken, either by desktop re-assessment or follow up by the third-party independent audit body.

We disclose more details regarding findings and corrective actions identified as part of SGP audits for our Suppliers under the GRI Content Index, that we make available annually on our corporate website: 2023 GRI link to be added. (Specifically for Human Rights please refer to sections 407-1, 408-1, 409-1, 414-1, 414-2).

 [Read the GRI Content Index](#)

EcoVadis helps us monitor a range of risks using 21 criteria from international standards, including the UN Global Compact, ISO 26000, the Global Reporting Initiative, and the International Labour Organization.

In 2019, we introduced a new recommendation to our countries that suppliers who participate in initiatives with spend of over 100,000 Euros on an annual basis are registered and assessed by EcoVadis or a similar assessment body. In 2020 we re-trained our countries' Procurement Teams on these requirements and re-iterated the importance of proper sustainability risk assessment. In all strategic tenders, sustainability is a separate criterion implemented as part of the selection process. Moreover, in 2022, we have introduced a new generic risk assessment methodology with EcoVadis, namely EcoVadis IQ, that is supporting our teams to perform faster scanning of suppliers' ESG risks leveraging AI technology and supporting the prioritisation of further assessment requirements according to Risk Levels identified. In May 2023, we have further

enhanced of our SGPs to include more specific rules around competition law, equal remuneration principles, physical demands of workplace, freedom of association and biodiversity.

In 2023, over 1,600 of our critical suppliers (on parent level) have been assessed using EcoVadis, an increase of 17% versus 2022. Our plan is to expand the use of these assessments for better, more objective supplier monitoring going forward and leverage our EcoVadis partnership across The Coca-Cola System to exchange intelligence and experience across Bottlers. We are also investigating how to extend further the assessment of the risks in our supply base leveraging new tools, Artificial Intelligence, and customized alerts, giving our Strategic Procurement Team faster access to critical events and information affecting our supply chain.

We also recognize supplier certifications as per international standards including ISO 9001, 14001, 45001 and FSSC 22000. For agricultural commodities, we are aligning with the wider industry to recognize the Rain Forest Alliance, Fair Trade, Bonsucro and the Sustainable Agriculture Initiative Platform (SAI- FSA), Global GAP+GRASP, VIVE etc. Through our Workplace accountability audits within 3-years audit cycle, all of the long-term contractors and contracted services on-site are assessed in human rights. Moreover, we have started working on EU deforestation regulation and are currently developing our targets for a deforestation-free supply chain across our key agricultural commodities that we shall announce in 2024. Last, through our Workplace Accountability (SGP) Audits within 3-years audit cycle, all of the long-term contractors and contracted services on-site are assessed in human rights.

In 2023, we have redesigned entirely our Coca-Cola HBC Procurement Guidelines adding specific focus on how buyers should leverage all these ESG tools to assess suppliers on ESG criteria as part of our Strategic Tendering process, in a consistent and uniform manner across our territories. This is further supported by annual training for the entire buyer community. Moreover, we have developed a selected team of buyers that are acting as Sustainability Coordinators in each BU. The main role of this team is to act as 1st level support to each BU Procurement team for ESG tools and practices, support suppliers and cascade the sustainability agenda to countries.

In Total in 2023, we assessed 1,795 Suppliers through EcoVadis and SGP 3rd party physical audits is (+319 suppliers compared to 2022).

By 31st December 2023, we have overall 1,667 suppliers assessed with EcoVadis. The average overall score for our suppliers is 49.1 (+ 0.7 ppt vs 2022) and it is above the average score of 46 of EcoVadis universe. In the area of Labour and Human Rights, our suppliers in scope reached 51.5 (+0.5 ppt vs 2022) vs. average of 48.8 for EcoVadis' panel. Through EcoVadis we have detected 69 suppliers with low ratings on sustainability issues that scored ≤ 24 in the assessment for Social risks (supplier locations in Poland, Netherlands, Spain, Germany, Egypt, Ukraine, Serbia & the UK). These suppliers are subject to focused engagement to help them improve through trainings and targeted debrief sessions delivered by EcoVadis. Results of supplier evaluations enable us to have a clearer mapping of human rights risks by category and country and contribute to the ongoing development of our supplier CSR strategy.

You may refer on our corporate webpage:

 [Read CCH Sustainability Monitoring Program](#)

Our operational sites

Audits of Coca-Cola HBC's operations, called Workplace Accountability Audits, are conducted every three years in Coca-Cola HBC's plants by an independent third-party international organisation.

All plants have been audited within the past three years. The scope of these audits includes human rights and covers contractors and others who are not employees, such as staff of third-party service providers.

In 2022, after 2 years of remote and hybrid access to our operations, the Audit Programme resumed with the on-site assessments, visits and interview with employees and contractors.

Coca-Cola HBC's sites that do not pass their first audit to an acceptable standard are subject to follow-up audits and are required to report on corrective actions to the third-party audit bodies.



Capacity building and collaboration

We build our strategic suppliers' capacity to manage sustainability issues, including human rights aspects, through joint value creation initiatives and sustainability events, industry associations, workshops on sustainable supply, an Annual Stakeholder Forum, materiality survey and CSR platform for ethical and sustainable supply chains.

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we invited some selected suppliers across all markets for a dedicated learning session on about Human Rights.

In addition, in 2023, trainings were delivered not only to Buyers but also to our Significant suppliers covering topics such as ESG requirements, actions that suppliers can take to improve their ESG scoring, the Importance of Sustainability, EcoVadis Platform and why this can be leveraged to improve their ESG performance. Trainings also covered Modern Slavery and GHG emissions reduction best practices supported by CDP and World Economic Forum experts.

In November 2023, we held our 2nd Virtual Supplier Sustainability Event "**Opening up a more sustainable future together**" where we invited all our Group Critical suppliers to talk about emissions reduction, biodiversity and deforestation. More than 400 representatives from almost 200 suppliers, Coca-Cola System colleagues, and trade partners joined our virtual Supplier Day conference.

Last but not least starting in 2022 with Poland and Greece, in 2023 Serbia and Nigeria where the next to organise workshops with key suppliers, where they exchanged views on sustainability and explored how we can work together to achieve climate neutrality. The input from these targeted discussions has been collected and we will assess these ideas further and will attempt to create joint actions.

Reporting grievances

We have a Whistleblowing policy, including a Speak Up ethics and compliance line.

The Speak Up line, managed by an independent third party, is available across the Coca-Cola HBC Group in 26 languages. It is accessible 24 hours a day, 7 days a week, via phone or internet. The Speak Up line is available to all employees, contractors, customers and suppliers and gives our employees and partners a secure and confidential method to report concerns or ask questions regarding our Code of Business Conduct, Anti-Bribery Policy and other Group compliance policies, including the Human Rights Policy, if they believe that a human rights impact has or might occur.

In 2023, we held our annual awareness campaign on Speak Up including communication about the Speak Up line to employees and contractor workers.

Our Whistleblowing Policy is complemented by local grievance procedures that set out the process by which employees can raise any concerns to the appropriate level within the Company.

In 2024, we will continue with our annual communications on the Speak Up line to all employees and contractors, as well as through our onboarding process for new employees.

Measuring effectiveness

To assess the effectiveness of the measures taken by Coca-Cola HBC in ensuring that modern slavery and human trafficking is not taking place in Group businesses or supply chains, we shall continue to review and report on our activities in every subsequent Modern Slavery Act Statement.

In regard to our supply chain, we shall continue to report on the following key performance indicators:

1. Acceptance of our Supplier Guiding Principles by our suppliers;
2. More than 90% of spend internally evaluated annually; and
3. Percentage of spend locally procured.

We have added in 2023 two new performance indicators as below.

4. Percentage of Tier 1 (T1) suppliers screened for ESG risks.
5. Percentage of significant T1 & Tier 2(T2) suppliers assessed for ESG performance.

Additionally, we shall provide the following information:

6. Percentage of significant T1 & Tier 2(T2) suppliers assessed for ESG performance.
7. Number of significant non-tier 1 (T2) suppliers assessed for sustainability risks, including human rights risk in any reference year; and
8. Percentage of the total T1 & T2 significant suppliers where high risk is identified.
9. Percentage of T1 & T2 significant suppliers participating in capacity building programs.

We ensure 100% of our suppliers have accepted our Supplier Guiding Principles by using our 'SGP Coverage Triangle' with three checkpoints throughout the procure-to-pay process.



* RFX: Request for Proposal, Quotation or Information

For more information please visit:
<http://coca-colahellenic.com/en/operations/supply-chain/our-suppliers/>
<https://www.coca-colahellenic.com/en/a-more-sustainable-future/mission-2025/sourcing>

Training and development

All new Coca-Cola HBC employees, including national security leaders and managers, receive Code of Business Conduct (COBC) and anti-bribery training. All new employees are also required to acknowledge and commit to comply with the Code and related policies, including the Human Rights policy.

In April 2021, a new consolidated e-learning programme on our Code and Anti-Bribery Policy was launched to all employees. The course comprises a preliminary questionnaire on COBC and Anti-Bribery Policy as a knowledge test for our employees and acknowledgement and re-commitment to compliance with the Code and its related policies, including the Human Rights Policy. In December 2023, 98.04% of the total population had passed the course and we continue to train every newly hired employee. As in the past, this training will be a regular requirement for all employees.

Most on-site security personnel are employees of contracted partners, who are also required to abide by Coca-Cola HBC's Supplier Guiding Principles and all other applicable Company policies as per their contract. They receive relevant information as part of their induction.

We have a guide to the Human Rights Policy for managers, and in 2023 we relaunched an e-learning module to help managers understand their role in ensuring compliance with the Policy; 263 managers have already completed it.

 [Read our Human Rights Policy](#)

When it comes to our supply chain in 2023, trainings were delivered to our Significant suppliers covering topics such as ESG requirements, actions that suppliers can take to improve their ESG scoring, the Importance of Sustainability, EcoVadis Platform and why this can be leveraged to improve their ESG performance & Modern Slavery.

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This statement has been approved by the Coca-Cola HBC Northern Ireland Limited's board of directors on 7th May 2024 and signed by one director, who will ensure it is reviewed and updated annually.

Davide Franzetti

Managing Director

Coca-Cola HBC Northern Ireland Limited

A handwritten signature in blue ink, appearing to read 'D. Franzetti', is positioned above a horizontal line.

Dated: 07.05.2024