

# **Coca-Cola European Partners plc**

## **Nomination Committee Terms of Reference**

There shall be a nomination committee (the **Committee**) of the board of directors (the **Board**) of Coca-Cola European Partners plc (the **Company**). The Committee and the provisions of these Terms of Reference are subject to the terms, restrictions and conditions of: (i) the shareholders' agreement entered into among the Company, European Refreshments, Coca-Cola GmbH, Vivaqa Beteiligungs GmbH & Co. Kg, (together **Red**) and Olive Partners S.A. (**Olive HoldCo**) in respect of the Company (the **Shareholders' Agreement**); and (ii) the articles of association of the Company (the **Articles**) (including, in each case, the rights of Red and Olive HoldCo thereunder), and subject thereto:

- a. the Committee shall exercise the powers, authorities and discretions delegated to it by the Board, in accordance with and subject to the limitations set out in these Terms of Reference and the Company's Chart of Authority; and
- b. the Committee shall comply with any and all relevant obligations under law and/or regulation, which may be applicable to the Committee.

The Company is the parent company of a group of companies (the **Group**) and, where appropriate, references to the Company should be taken to include the Group.

### **Authority and Responsibilities**

#### ***1. Corporate Governance Guidelines***

The Company's Corporate Governance Guidelines shall be reviewed by the Committee no less frequently than once a year, and the Committee shall report any recommended changes to the Board for its approval.

#### ***2. Director Selection, Re-election and Review***

The Committee shall regularly review the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board, subject to the Shareholders' Agreement and Articles and in accordance with the current agreed skills matrix, and make recommendations to the Board with regard to any changes.

The Committee shall consider and maintain criteria for selecting candidates for proposing to the Board for the role of CEO, as well as for the Senior Independent Director, independent non-executive directors (**INEDs**) (the Criteria for selection of Independent Non-Executive Directors, as approved by the Board from time to time and published on the Company's public website) and, in the circumstances where the Committee has a role in the selection of a candidate, for the role of Chairman of the Board (the **Chairman**).

In the case of candidates for the office of independent nonexecutive director, selection criteria shall be consistent with those set out in Schedule 5 of the Shareholders' Agreement (for so long as such agreement binds the Company). Subject to that, the selection criteria shall, at a minimum, reflect requirements of applicable law and listing standards. The Committee shall identify and recommend candidates for election to the Board but shall have no role with respect to the recommendation and

appointment of nominees for directorships submitted by Red and Olive HoldCo in accordance with their rights under the Shareholders' Agreement and the Articles.

Where the Committee has a role in the selection of a candidate, the Committee should require that there is a clear candidate specification and that the requirements of the role including the time commitment expected are communicated to candidates. The other commitments of a candidate should be disclosed and appropriately considered.

The Committee shall make recommendations to the Board concerning the re-appointment of any INED at the conclusion of their specified term and also the proposal to shareholders on annual re-election of INEDs by shareholders having given due regard to their performance and ability to continue to contribute to the Board in the light of the knowledge, skills and experience required and the need for progressive refreshment of the Board.

### **3. *Other Director Issues***

The Committee shall also:

- consider issues involving potential conflicts of interest of Directors, members of committees and candidates for proposal to the Board; and
- where appropriate make recommendations to the Board regarding the continuation in office of any Director at any time, including the suspension or termination of service of an executive director as an employee of the Company.

### **4. *Evaluations of Board and Succession Planning***

The Committee shall oversee the evaluation of the Board and shall give full consideration to succession planning, including the development of a diverse pipeline, for directors (other than directors nominated by Red or Olive HoldCo) and other senior executives in the course of the work of the Committee, taking into account the challenges and opportunities facing the Company, and the skills and expertise that will, therefore, be needed on the Board and for executive leadership in the future. Subject to the Shareholders' Agreement and the Articles, the Committee shall make recommendations to the Board concerning formulating plans for succession for both executive and non-executive directors (other than directors nominated by Red or Olive HoldCo) and in particular for the key roles of the Chairman and CEO.

The Committee shall further oversee the strategy of CCEP for succession planning and talent management including diversity and carry out high level monitoring as it thinks fit of the implementation of that strategy.

### **5. *Culture and workforce***

The Committee shall assess and monitor the Company's culture.

The Committee shall ensure that diversity, succession and talent policies and practices within the Company are in line with the Company's purpose and values, and support the desired culture. It shall take an active role in helping the Board set diversity objectives and strategies for the Company and in monitoring the impact of diversity initiatives. It shall also take an active role in assessing leadership and in monitoring leadership and talent development programmes.

The Committee shall ensure effective engagement with, and encourage participation from, relevant stakeholders including (but not limited to) the workforce, in relation to diversity, succession and talent policies and practices, ensuring that the views of relevant stakeholders are understood and considered as appropriate by the Committee and the Board.

#### **6. *Consultants and Resources***

Except in relation to the appointment of the nominees of Red and Olive HoldCo in accordance with their rights under the Shareholders' Agreement and the Articles, the Committee shall have the authority to engage and terminate any search firm to be used to identify director candidates, and to approve the terms of any such engagement and the fees of any such consultant or search firm to assist in discharging Committee responsibilities. The Company will provide reasonable funding and staff resources to the Committee as requested.

#### **7. *Reporting***

The Committee shall report its actions and recommendations to the Board after each Committee meeting.

The Committee shall produce a report to be included in the Company's Annual Report about its activities and the process used to make appointments, explaining if external advice or open advertising has not been used. Where an external agency has been used, it shall be identified in the Annual Report and a statement made as to whether it has any connection with the Company. The Committee's report should also include a statement of the Board's policy on diversity, including gender, any measurable objectives that it has set for implementing the policy, and progress on achieving the objectives.

### **Operations of the Committee**

#### **1. *Composition***

The Committee will have five members, the majority of whom shall be independent non-executive directors. There will be at least three independent non-executive directors on the Committee at any time, who shall be appointed by the Board. If the Equity Proportion (as defined in the Articles) of Olive HoldCo is at least 15 percent, at least one member of the Committee shall be a director nominated to be a member of the Committee by Olive HoldCo. If the Equity Proportion of Red is at least 10 percent, at least one member of the Committee shall be a director nominated to be a member of the Committee by Red. The appointment of the members of the Committee nominated by Red and Olive HoldCo shall take effect upon the issue of such nomination by Red or Olive HoldCo (as applicable).

Prior to making any nomination of a director to be a member of the Committee, each of Red and Olive will discuss the proposed nomination with the Board, although the decision on the nomination is to be made by them in their sole discretion.

Appointments to the Committee shall be for a period of up to three years, which may be extended for up to two further periods each of up to three years (up to a maximum of nine years):

- by the Board, in relation to the independent non-executive director members of the Committee, provided that such member continues to be eligible for membership of the Committee; or
- by Red or Olive HoldCo (as applicable), in relation to the members of the Committee nominated by Red or Olive HoldCo (as applicable).

The Board shall also designate a chairman of the Committee (the **Committee Chairman**) from amongst the independent non-executive directors on the Committee. The Committee Chairman shall be appointed for a term of up to three years which, if recommended by the Committee, may be extended by the Board for an additional term of three years (up to a maximum term of six consecutive years) provided that the Committee Chairman continues to be eligible for membership of the Committee.

## **2. Schedule of Meetings**

In order to discharge its responsibilities, the members of the Committee shall each year agree a schedule of meetings; additional meetings may be scheduled as required. The Committee shall meet at least three times a year at appropriate intervals and shall hold additional meetings as required.

Meetings of the Committee may be held in person or telephonically.

## **3. Conduct of Meetings**

All determinations of the Committee shall be made either at a meeting duly constituted and held or by a written consent to the actions taken signed by all of the members of the Committee.

## **4. Quorum and meeting attendance**

The quorum for a meeting of the Committee is:

- a sufficient number of independent directors to constitute a majority of the directors present at the meeting;
- if the equity proportion (as defined in the Articles) of Olive HoldCo is fifteen percent or more, at least one Olive HoldCo nominated director; and
- if the equity proportion (as defined in the Articles) of Red is ten percent or more, at least one Red nominated director.

If a quorum is not present at a Committee meeting within 60 minutes of the time appointed for the start of the meeting, the meeting will be adjourned to the same time and place on the following working day. Notice of any such adjourned meeting shall be given to all Committee members. The quorum for any such reconvened meeting shall be a majority of Committee members.

## **5. Documentation and Reports**

The Committee Chairman shall be responsible for establishing the agendas for meetings of the Committee. An agenda, together with materials relating to the subject matter of each meeting, shall be sent to members of the Committee prior to each meeting. The Company Secretary or his/her nominee will act as the Secretary of the Committee (the **Secretary**). The Secretary shall prepare minutes for all meetings of the Committee to document the Committee's discharge of its responsibilities. The minutes shall be made available in draft form to all Committee members to ensure an accurate final record, shall be approved at a subsequent meeting of the Committee and shall be made available periodically to the full Board, unless the Committee Chairman in consultation with the Company Secretary concludes that the minutes should be redacted before circulation to particular directors in the light of conflicts of interest or other issues.

**6. Self-Assessment; Committee Terms of Reference Review and Approval**

The Committee shall evaluate its performance on an annual basis and develop criteria for such evaluation. At least annually, these Terms of Reference shall be reviewed and reassessed by the Committee and any proposed changes shall be submitted to the Board for approval.

**7. Committee Powers**

These Terms of Reference do not give the Committee the power to take any action which abrogates or has the effect of abrogating the authority of the Board to make any decision affecting the Company, without the consent of:

- if Olive HoldCo's equity proportion (as defined in the Articles) is at least 15 percent, at least one director nominated by Olive HoldCo; and
- if Red's equity proportion (as defined in the Articles) is at least 10 percent, at least one director nominated by Red.

**8. Annual General Meeting**

The Committee Chairman will attend the Annual General Meeting and be prepared to respond to any shareholder questions on the Committee's activities.