Governance and Directors' Report

In this section

Chairman's introduction

Dear Shareholder

On behalf of the Board, I am pleased to present the Corporate governance report for the year ended 31 December 2022. 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.

Though we still felt the impact of COVID-19 during 2022 in some of our markets, we were fortunate that the Board was able to resume a normal meeting schedule and to meet in person and engage in rich debate. We had the opportunity to visit Indonesia to meet our API colleagues and witness first hand the positive integration and successful collaboration of our teams.

Some key areas of focus and decisions of the Board during 2022 are outlined below.

Managing and mitigating the effects of the war in Ukraine and other geopolitical factors

2022 was another challenging year as a result of the effects of the war in Ukraine and other geopolitical factors. The Board provided strategic oversight and guidance to management with regard to supply chain challenges arising from commodity prices and inflationary pressures. Adaptability and agility during 2022 were key and will continue to be important into 2023.

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, Code of Conduct 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, our new 'Get home to what you love' campaign and 'Is it Coke' campaign.

Read more in Forward on society - people on page 60

Environmental, social and governance

The Board continues to recognise the growing importance of ESG to its stakeholders, including the focus on clear and quantifiable commitments. CCEP's updated sustainability action plan, This is Forward, which incorporated API and sets out 20 ambitious, quantifiable and time-bound headline commitments is a significant milestone for us.

In addition, we reviewed the Committees' terms of reference with an ESG lens. Changes included the Audit Committee extending its role to include ESG reporting responsibilities and the renaming of the Corporate Social Responsibility Committee to Environmental, Social and Governance Committee, recognising the widening of its remit.

Board changes

A key aspect of my role as Chairman is ensuring that collectively the Board has the skills, knowledge, diversity and experience it requires. As announced on 15 February 2023, subject to their election, we are delighted to welcome Mary Harris, Nicolas Mirzayantz and Nancy Quan to the Board with effect from the conclusion of the AGM in May 2023. They offer a wealth of relevant skills and experience and will succeed Jan Bennink, Christine Cross and Brian Smith. Jan, Christine and Brian have been strong and engaged Board members and we thank them for their invaluable contributions throughout their tenures.

Further details are disclosed on pages 106, 108 and 109.

Board evaluation

We again conducted a review of the effectiveness of the Board and Board Committees, which helps to support their continuous improvement. The process was led by our Senior Independent Director and Company Secretary and involved the completion of online surveys provided by Lintstock and tailored for the Board and each of its Committees.

Key outcomes from the Board evaluation conducted in 2022 can be found on page 107

Digital

Digital is one of our key strategic pillars and reflects the increasing role that technology plays in delivery to our customers. It is critical that our governance enables the Board to effectively shape and oversee progress against our technology strategy. In order to do this, CCEP has an established Digital Advisory Committee steered by management and with external experts as members.

The Board has access to the Committee papers and in addition receives first hand outputs of matters discussed through the CEO Report. This is in addition to deep dives such as those received in 2022 in respect of the use of data and analytics and the implementation of CCEP's next generation technology architecture. This enables the Board to have a clear understanding of the progress and challenges in implementation of strategy and the impact on key stakeholders.

Sol Daurella,
Chairman
17 March 2023

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.

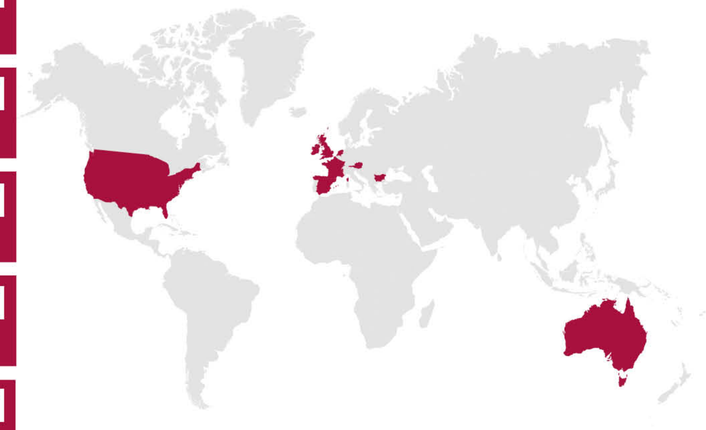
Total number of Directors on the Board

17

(A) Based on Directors as at 31 December 2022

Ethnicity/nationality

Spanish	6
British	3
American	2
Australian	1
Austrian	1
Bulgarian	1
Dutch	1
French	1
Irish	1



Directors' skills and experience

Strategy	16
Marketing/PR/Consumer	16
Customer/Retail	16
People	15
Sustainability	14
Bottling industry	11
Coca-Cola system	11
Audit/Risk/Finance	9
Digital technology	5

Women on the Board

5

Independent Directors on the Board[(B)]

9

(B) Excluding the Chairman.

Directors' biographies

Our Board consisted of our Chairman, CEO and 15 Non-executive Directors as at 31 December 2022.

Biographies of our Board members and details of Board and Committee changes made during the reporting period are set out on pages 89-93.

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

Sol Daurella
Chairman

Committees AT A E N R

Date appointed to the Board May 2016

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

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

Damian Gammell
Chief Executive Officer (CEO)

Committees AT A E N R

Date appointed to the Board Dec 2016

Key strengths/experience

- Strategy, risk management, development and execution experience
- Vision, customer focus and transformational leadership
- Developing people and teams and promoting sustainability
- Over 25 years of leadership experience and in depth understanding of the non-alcoholic ready to drink (NARTD) industry and within the Coca-Cola system

Key external commitments

N/A

Previous roles

Beverage Group President of Anadolu Group and CEO of Anadolu Efes, CEO and Managing Director of Coca-Cola İçecek A.Ş. and a number of other senior executive roles in the Coca-Cola system including in Russia, Australia and Germany

Key to committees
AT Affiliated Transaction Committee | A Audit Committee | E Environmental, Social and Governance Committee | N Nomination Committee | R Remuneration Committee | Committee chairman

Directors' biographies continued

Manolo Arroyo
Non-executive Director

Committees AT A E N R

Date appointed to the Board May 2021

Key strengths/experience
- Extensive experience working in the Coca-Cola system
- Strong operational leadership experience in international consumer goods groups, lived and worked in four continents, both developed and emerging markets
- Strategic marketing, commercial and bottling expertise
- Served as CEO of publicly listed FMCG company
- In depth understanding of brands in Coca-Cola system

Key external commitments
Chief Marketing Officer at The Coca-Cola Company (TCCC) and non-executive director of Effie Worldwide

Previous roles
President of the Asia Pacific Group, Bottling Investments Group, and Mexico business unit of TCCC, CEO of Deoleo, S.A., Senior Vice President and President, Asia Pacific of S.C. Johnson & Son, Inc., President of the ASEAN and SEWA business units of TCCC, General Manager of the Spain business unit of TCCC, Vice-Chairman of Coca-Cola COFCO Bottling China and non-executive Director of ThaiNamThip Limited and Coca-Cola Andina

Jan Bennink
Independent Non-executive Director

Committees AT A E N R

Date appointed to the Board May 2016

Key strengths/experience
- Chairman/CEO of multinational public companies
- Extensive experience in FMCG, including the food and beverage industry
- Thorough understanding of global and Western European markets
- Strong strategic, marketing and sales experience relevant to the beverage industry

Key external commitments
Chairman of the Bennink Foundation and Executive Partner at XN

Previous roles
Advisor to Artisan Partners (Asset Management), Board member of Wonderflow B.V., Executive Chairman of Sara Lee Corporation, Chairman and interim CEO of DE Masterblenders 1753 N.V., CEO of Royal Numico N.V., director of Kraft Foods Inc., Boots Company plc, Dalli-Werke GmbH & Co KG and EFIC1, and a member of the Advisory Board of ABN Amro Bank

John Bryant
Independent Non-executive Director

Committees AT A E N R

Date appointed to the Board Jan 2021

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 cyber security strategy process

Key external commitments
Senior Independent Director (SID) of Compass Group plc and non-executive director of Ball Corporation and Macy's Inc.

Previous roles
Executive Chairman and CEO of Kellogg Company and other senior roles in the Kellogg Company including Chief Financial Officer (CFO), Chief Operating Officer (COO), President, North America and President, International, and strategy advisor at A.T. Kearney and Marakon Associates

José Ignacio Comenge
Non-executive Director

Committees AT A E N R

Date appointed to the Board May 2016

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., Compania Vinícola del Norte de Espana, S.A., Ebro Foods S.A., Barbosa & Almeida SGPS, S.A. 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

Key to committees
AT Affiliated Transaction Committee · A Audit Committee · E Environmental, Social and Governance Committee · N Nomination Committee · R Remuneration Committee · Committee chairman

Directors' biographies continued

Christine Cross
Independent Non-executive Director

Committees: AT A E N R

Date appointed to the Board: May 2016

Key strengths/experience
- In depth experience working in the food and beverage industry
- Consults on international business strategy, marketing and sustainable business development
- Global perspective on CCEP's activities
- Experience of chairing remuneration committees

Key external commitments

Director of Christine Cross Ltd, non-executive director of Hilton Food Group plc and Pollen Estate, Chairman of Farmison Ltd and Special Adviser to Interpath and Inverleith LLP

Previous roles

Executive director of Tesco plc, non-executive director of Brambles Limited, Clipper Logistics plc, Fenwick Limited, Kathmandu Holdings Limited, Next plc, Oddbox Delivery Ltd, Woolworths (Au) plc, Sobeys (Ca) plc, Plantasgen, Fairmont Hotels Group plc, Sonae – SGPS, S.A., Premier Foods plc, Taylor Wimpey plc, and member of the Supervisory Board of Zooplus AG

Nathalie Gaveau
Independent Non-executive Director

Committees: AT A E N R

Date appointed to the Board: Jan 2019

Key strengths/experience
- Successful tech entrepreneur and investor
- Expert in e-commerce and digital transformation, innovation, mobile, data and social marketing
- International consumer goods experience

Key external commitments

Non-executive director of Lightspeed Commerce Inc., Senior Advisor to BCG Digital Ventures, and President of Tailwind International Corp, a Special Purpose Acquisition Company

Previous roles

Founder and CEO of Shopcade, Interactive Business director of the TBWA Tequila Group, Asia Pacific E-business and CRM Manager for Club Med, co-founder and Managing Director of Priceminister, Financial Analyst for Lazard, and non-executive director of HEC Paris and Calida Group

Álvaro Gómez-Trénor Aguilar
Non-executive Director

Committees: AT A E N R

Date appointed to the Board: Mar 2018

Key strengths/experience
- Broad knowledge of working in the food and beverage industry
- Extensive understanding of the Coca-Cola system, particularly in Iberia
- Expertise in finance and investment banking
- Strategic and investment advisor to businesses in varied sectors

Key external commitments

Director of Olive Partners, S.A. and Sinensis Seed Capital SCR de RC, S.A.

Previous roles

Various board appointments in the Coca-Cola system, including as President of Begano, S.A., director and Chairman of the Audit Committee of Coca-Cola Iberian Partners, S.A., as well as key executive roles in Grupo Pas and Garcon Vallvé & Contreras and director of Global Omnium (Aguas de Valencia, S.A.)

Thomas H. Johnson
Independent Non-executive Director and Senior Independent Director

Committees: AT A E N R

Date appointed to the Board: May 2016

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.

Key to committees

AT Affiliated Transaction Committee | A Audit Committee | E Environmental, Social and Governance Committee | N Nomination Committee | R Remuneration Committee | Committee chairman

Directors' biographies continued

Dagmar Kollmann
Independent Non-executive Director

Committees AT A E N R

Date appointed to the Board May 2019

Key strengths/experience
- Expert in finance and international listed groups
- Thorough understanding of capital markets and mergers and acquisitions
- Extensive commercial and investor relations experience
- Strong executive and senior leadership experience in global businesses
- Risk oversight and corporate governance expertise

Key external commitments

Chairman of the Supervisory Board of Citigroup Global Markets Europe AG, non-executive director of Unibail-Rodamco-Westfield SE, Deutsche Telekom AG and Paysafe Group Limited, and Commissioner in the German Monopolies Commission

Previous roles

CEO and Country Head in Germany and Austria for Morgan Stanley, member of the board of Morgan Stanley International Ltd in London, Associate Director of UBS in London, non-executive director of KfW IPEX-Bank and Deputy Chairman of the Supervisory Board of Deutsche Pfandbriefbank AG

Alfonso Líbano Daurella
Non-executive Director

Committees AT A E N R

Date appointed to the Board May 2016

Key strengths/experience
- Developed the Daurella family's association with the Coca-Cola system
- Detailed knowledge of the Coca-Cola system
- Insight to CCEP's impact on communities from experience as trustee or director of charitable and public organisations
- Experienced corporate social responsibility committee chair

Key external commitments

Vice Chairman and Member of the Executive Committee of Cobega, S.A., director of Olive Partners, S.A., Chairman of Equatorial Coca-Cola Bottling Company, S.L., Vice-Chairman of MECC Soft Drinks JLT, Co-chair of the Polaris Committee at United Nations and FBN, and Ambassador of the Family Business Network and member of the board of the American Chamber of Commerce in Spain

Previous roles

Various roles at the Daurella family's Coca-Cola bottling business, director and Chairman of the Quality & CRS Committee of Coca-Cola Iberian Partners, S.A., director of Grupo Cacaolat, S.L. and director of The Coca-Cola Bottling Company of Egypt, S.A.E., member of the board of Banco Espanol de Credito Banesto, and Chair of Family Business Europe

Mark Price
Independent Non-executive Director

Committees AT A E N R

Date appointed to the Board May 2019

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

Mario Rotllant Solá
Non-executive Director

Committees AT A E N R

Date appointed to the Board May 2016

Key strengths/experience
- Extensive international experience in the food and beverage industry
- Experience of chairing a remuneration committee
- In-depth technical knowledge of the Coca-Cola system and the bottling industry
- Development of non-profit organisations

Key external commitments

Vice-Chairman of Olive Partners, S.A., Co-Chairman and member of the Executive Committee of Cobega, S.A., Chairman of the North Africa Bottling Company, Chairman of the Advisory Board of Banco Santander, S.A. in Catalonia and a director of Equatorial Coca-Cola Bottling Company, S.L.

Previous roles

Second Vice-Chairman and member of the Executive Committee and Chairman of the Appointment and Remuneration Committee of Coca-Cola Iberian Partners, S.A.

Key to committees

AT Affiliated Transaction Committee | A Audit Committee | E Environmental, Social and Governance Committee | N Nomination Committee | R Remuneration Committee | Committee chairman

Directors' biographies continued

Brian Smith
Non-executive Director

Committees: AT A E N R

Date appointed to the Board: Jul 2020

Key strengths/experience
- Extensive experience working in the Coca-Cola system
- Deep understanding of in-market executional leadership
- Strong talent development and deployment skills
- Broad knowledge of global field operations at TCCC

Key external commitments
Non-executive director, Chairman of the Nominating and Corporate Governance Committee and member of the Compensation Committee of Evertec, Inc.

Previous roles
President and COO at TCCC, President of TCCC's Europe, Middle East and Africa group, President of TCCC's Latin America group, Executive Assistant to TCCC's CEO and Vice Chairman, President of Brazil division, President of the Mexico division and also Latin America group manager for mergers and acquisitions at TCCC

Dessi Temperley
Independent Non-executive Director

Committees: AT A E N R

Date appointed to the Board: May 2020

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, Finance and Consumer Relationships and Regulation Committees 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

Garry Watts
Independent Non-executive Director

Committees: AT A E N R

Date appointed to the Board: Apr 2016

Key strengths/experience
- Extensive business experience in Australasia, Western Europe and the UK, including as CEO of a global consumer goods business
- Served as executive and non-executive director in a broad variety of sectors and previously chaired the Audit Committee of a sizeable company
- Financial expertise, experience and skills
- Formerly an auditor

Key external commitments
Senior Independent Director of NIOX Group plc

Previous roles
Audit partner at KPMG LLP, CFO of Medeva plc, CEO of SSL International, director of Coca-Cola Enterprises, Inc., Deputy Chairman and Audit Committee Chairman of Stagecoach Group plc and Protherics plc, and Chairman of BTG plc, Foxtons Group plc and Spire Healthcare Group plc

2022 Board and Committee changes
In March 2022, Dagmar succeeded Jan as Chairman of the Affiliated Transaction Committee.

In May 2022:
- Alfonso succeeded José Ignacio as a member of the Affiliated Transaction Committee
- Dessi succeeded Garry as Chairman of the Audit Committee
- José Ignacio succeeded Mario as a member of the Remuneration Committee
- Mario succeeded Alfonso as Chairman and a member of the ESG Committee

In December 2022, John succeeded Christine as Chairman of the Remuneration Committee.

2023 Board and Committee changes
As announced on 15 February 2023, subject to their election, Mary Harris and Nicolas Mirzayantz will succeed Jan and Christine as Independent Non-executive Directors and Nancy Quan will succeed Brian as a Non-executive Director at the conclusion of the AGM in 2023.

Once appointed, the following Board Committee membership changes will also take effect at the conclusion of the May 2023 AGM:
- Mary will become a member of the Remuneration and Nomination Committees
- Nancy and Nicolas will become members of the ESG Committee
- Nathalie will become a member of the Affiliated Transaction Committee

Read more about the new Directors' experience and existing commitments on page 106.

Key to committees
AT Affiliated Transaction Committee | A Audit Committee | E Environmental, Social and Governance Committee | N Nomination Committee | R Remuneration Committee | Committee chairman

Senior management

Nik Jhangiani
Chief Financial Officer
Appointed **May 2016**

1

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 executive sponsor at CCEP.

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

2

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 Modern Pentathlon GB. Clare is also the LGBT+ inclusion executive sponsor at CCEP.

José Antonio Echeverría
Chief Customer Service and Supply Chain Officer
Appointed **September 2019**

3

José Antonio leads CCEP's end to end supply chain and customer service. He is focused on creating a superior experience for our customers, while delivering an expanded and sustainable portfolio of drinks and packaging. He has been a part of the Coca-Cola system since 2005, serving in multiple roles including Vice President of Strategy and Transformational Projects for the Iberia business unit, and Vice President, Strategy and Coordination for Supply Chain across CCEP. José is also the disability inclusion executive sponsor at CCEP.

Peter Brickley
Chief Information Officer (CIO)
Appointed **November 2016**

4

Peter leads the business process and technology function at CCEP, including steering CCEP's investments in technology solutions. Peter has over 25 years' experience leading technology for global businesses including Heineken, Centrica and BAT. Before CCEP, he was Global CIO and Managing Director of Global Business Services at SABMiller. Peter is a trustee of the Brain and Spine Foundation and a Non-executive Director at the Chorley Building Society. Previously Peter was the chair at the Newbury Building Society.

Stephen Lusk
Chief Commercial Officer
Appointed **March 2021**

5

Stephen is responsible for advancing and shaping our commercial strategy, capabilities and driving our performance in the market and with customers. He works closely with business unit general managers to build future commercial capability and with our franchise partners to bring their brands and products to life. Stephen has spent the last 30 years in the Coca-Cola system, holding senior leadership positions in supply chain, sales and marketing and general management in Europe. Before joining CCEP, he led the Coca-Cola bottler in Singapore, Malaysia and Brunei.

Senior management continued

"I believe that CCEP threads the needle of getting that combination of local market accountability and scale perfectly right."

Peter West
General Manager, API Business Unit

François Gay-Bellile 8
General Manager, France Business Unit
Appointed **July 2020**

François is responsible for CCEP's business unit in France. His career began at Pernod-Ricard as a brand manager. He joined TCCC in France in 1996. Over his 24 years at TCCC, he held roles of increasing responsibility in marketing, commercial and general management in the US, Asia and Europe. Before joining CCEP, François was General Manager for TCCC in France. He is a director of the French Soft Drinks Association (Boissons Rafraîchissantes de France), the French Food & Beverage Association (Association Nationale de l'Industrie Alimentaire) and ILEC (Institut de Liaisons des Enterprises de Consommation).

Peter West 9
General Manager, Australia, Pacific and Indonesia Business Unit
Appointed **May 2021**

Peter was appointed Vice President and General Manager of the API business unit in May 2021, following the Acquisition. Peter originally joined CCL as Managing Director, Australian Beverages in April 2018. Prior to this role, Peter was Managing Director of Lion's Dairy and Drinks business in Australia and has held several senior roles at Arnott's Biscuits Ltd and Mars Confectionery, including Regional President for Continental Europe for Mars Chocolate.

Stephen Moorhouse 6
General Manager, Great Britain Business Unit
Appointed **September 2020**

Stephen is responsible for CCEP's business unit in Great Britain. He has over 25 years' experience in the Coca-Cola system, leading business operations and supply chain. Stephen has held a number of other senior executive roles throughout Europe, most recently as General Manager of Northern Europe. Prior to joining, he worked overseas for the Swire Group in the US and Asian Pacific region. Stephen is a member of the British Soft Drinks Association. Stephen is also the multi generational inclusion executive sponsor at CCEP.

John Galvin 7
General Manager, Germany Business Unit
Appointed **June 2022**

John leads Coca-Cola Europacific Partners' 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.

Ana Callol 10
Chief Public Affairs, Communications and Sustainability (PACS) Officer
Appointed **January 2022**

Ana leads CCEP's sustainability strategy, effective communication with stakeholders and employees, and engagement with media, policymakers and communities. Ana has worked within the Coca-Cola System for over 20 years in roles across the spectrum of marketing, sustainability, communications and public affairs. Her consumer and customer orientation and leadership experience helps CCEP accelerate its sustainability action plan, This is Forward, and strengthen the development and growth of PACS capabilities.

Senior management continued

Leendert den Hollander
General Manager,
Northern Europe Business Unit
Appointed **September 2020**

11

Leendert is responsible for CCEP's business unit in Northern Europe, including Belgium, Luxembourg, the Netherlands, Sweden, Norway and Iceland. 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.

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

12

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.

Francesc Cosano
General Manager,
Iberia Business Unit
Appointed **May 2016**

13

Francesc leads CCEP's business unit in Spain, Portugal and Andorra. He was previously the Operations Director then Managing Director of Coca-Cola Iberian Partners, S.A. Francesc has been part of the Coca-Cola system for over 30 years, and involved in a number of sales management positions, ultimately as Sales Director then Deputy General Manager. He has also worked as Regional Director for the Leche Pascual, S.A. Group, in Anglo Española de Distribución, S.A.

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

14

Véronique heads CCEP's People and Culture function. Having joined the Coca-Cola bottling system more than 20 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. Most recently, Veronique was Vice President, People and Culture in France. She began her career as a management consultant with PricewaterhouseCoopers. She supports the promotion of inclusion and diversity, HR best practices in leadership and workplace, and innovations networks.

"We truly believe what makes CCEP so special is the culture of the Company and its people. And as many people say internally, we joined for the brand, but we stay for the people."

Véronique Vuillod
Chief People and Culture Officer

Corporate governance report

Governance framework

Our corporate governance framework is summarised below with further detail provided on the following pages

Stakeholders

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

Board of Directors

Provides overall leadership, 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 statements and results announcements, the effectiveness of internal controls and risk management, as well as managing the external auditor relationship	**Read more about our Audit Committee** on pages 111-116
Environmental, Social and Governance (ESG) Committee	Oversees performance against CCEP's strategy and goals for ESG, reviews ESG risks facing CCEP, including health and safety and climate change risks, and the practices by which these risks are managed and mitigated, approves sustainability commitments and targets, and monitors and reviews public policy issues that could affect CCEP Full sustainability performance data for 2022 will be published on our website in May 2023	**Read more about our ESG Committee** on pages 117-118 **Read more about sustainability including TCFD reporting** on pages 26-63
Nomination Committee	Sets selection criteria and recommends candidates for appointment as Independent Non-executive Directors (INEDs), reviews Directors' suitability for election/re-election by shareholders, considers Directors' potential conflicts of interest, oversees development of a diverse senior management pipeline and Director succession, and oversees wider people matters for the Group, including culture, diversity, succession, talent and leadership	**Read more about our Nomination Committee** on pages 108-110
Remuneration Committee	Recommends remuneration policy and framework to the Board and shareholders, recommends remuneration packages for members of the Board to the Board, approves remuneration packages for senior management, reviews workforce remuneration and related policies and principles, and governs employee share schemes	**Read more about our Remuneration Committee** on pages 119-140
Affiliated Transaction Committee (ATC)	Has oversight of transactions with affiliates and makes recommendations to the Board (affiliates are holders of 5% or more of the securities or other ownership interests of CCEP)	
Ad hoc Committees	• Disclosure Committee • Results and Dividend sub committee	

Accountability

Culture

Embodied by our Code of Conduct and ways of working

Strategy

Built on three pillars: great people, great service, great beverages. Done sustainably.

CEO

Empowered by authority of the Board to put agreed strategy into effect and run CCEP on a day to day basis

ELT

Team members with defined areas of responsibility support and report to the CEO

People

33,000 employees making, selling and distributing great beverages

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 and 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 UK Corporate Governance Code

We follow the UKCGC on a comply or explain basis. CCEP is not subject to the UKCGC as it has a standard listing of ordinary shares on the Official List. However, we have chosen to comply with the UKCGC 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 UKCGC during the year ended 31 December 2022.

A copy of the UKCGC is available on the Financial Reporting Council's (FRC) website: www.frc.org.uk/directors/corporate-governance/uk-corporate-governance-code.

Chairman

UKCGC provision 9

The Chairman, Sol Daurella, was not considered independent on either her appointment or election. 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

UKCGC provision 18

Sol Daurella, the Chairman, will not be subject to re-election during her nine year tenure following the completion of the Merger. 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

UKCGC provision 32

The Remuneration Committee is not comprised solely of INEDs, although it is comprised of a majority of INEDs. The Shareholders' Agreement requires that the Remuneration Committee includes at least one Director nominated by:

- Olive Partners, for as long as it owns at least 15% of the Company
- European Refreshments Unlimited Company (ER), a subsidiary of TCCC, for as long as it owns at least 10% of the Company

The Remuneration Committee, and its independent Chairman, benefit from the nominated Directors' extensive understanding of the Group's market.

Remuneration

UKCGC provision 33

The Remuneration Committee is not solely responsible for setting the remuneration of the Chairman and CEO. Instead, the Board (excluding any Director whose remuneration is linked to the decision) determines their remuneration, including the Non-executive Directors (NEDs), on the recommendation of the Remuneration Committee and following rigorous analysis and debate. To date, the Board has followed all of the Remuneration Committee's recommendations.

Differences between the UKCGC and the Nasdaq corporate governance rules (the Nasdaq Rules)

The Company is classed as a Foreign Private Issuer (FPI). It is therefore exempt from most of the Nasdaq Rules that apply to domestic US listed companies, because of its voluntary compliance with the UKCGC. Under the Nasdaq Rules, the Company is required to disclose differences between its corporate governance practices and those followed by domestic US companies listed on Nasdaq. The differences are summarised below.

Director independence

The Nasdaq Rules require a majority of the Board to be independent. The UKCGC requires at least half of the Board (excluding the Chairman) to be independent. The Nasdaq Rules contain different tests from the UKCGC for determining whether a director is independent. The independence of CCEP's NEDs is reviewed by the Board on an annual basis, taking into account the guidance contained in the UKCGC and criteria established by the Board. It has determined that a majority of the Board is independent under the UKCGC and INED criteria, without explicitly taking into consideration the independence requirements outlined in the Nasdaq Rules.

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 is comprised only of 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 UKCGC'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 has determined that Dessi Temperley, John Bryant, Dagmar Kollmann and Garry Watts 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.

Corporate governance report continued

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. CCEP has a Code of Conduct (CoC) that applies to all Directors and the senior financial officers of the Group. If the Board amends or waives the provisions of the CoC, details of the amendment or waiver will appear on the website. No such waiver or amendment has been made or given to date.

View our CoC at www.ccepcoke.online/code-of-conduct-policy

CCEP considers that the CoC and related policies address the Nasdaq Rules on the codes of conduct for relevant domestic US companies.

Read more about our CoC on page 62

Shareholder approval of equity compensation plans

The Nasdaq Rules for domestic US companies require that shareholders must be given the opportunity to vote on all equity compensation plans and material revisions to those plans. CCEP complies with UK requirements that are similar to those of the Nasdaq Rules.

NED meetings

The Nasdaq Rules require INEDs to meet without the rest of the Board at least twice a year. The UKCGC requires NEDs to meet without the Chairman present at least once annually to appraise the Chairman's performance. The NEDs have regular meetings without management present and, in 2022, there were two separate meetings of INEDs.

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 64-71, **TCFD** on pages 28-37 **and the Audit Committee report** on pages 111-116

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 21

See our Nomination Committee's report on pages 108 - 110

Table 1
Roles on the Board

Role	Responsibilities
Chairman	• Operating, leading and governing the Board • Setting meeting agendas, managing meeting timetables • Promoting a culture of open debate between Directors and encouraging effective communication during meetings • Creating the conditions for overall Board and individual Director effectiveness
CEO	• Leading the business • Implementing strategy approved by the Board • Overseeing the operation of the internal control framework
SID	• Advising and supporting the Chairman by acting as an alternative contact for shareholders and as an intermediary to NEDs
NEDs	• Providing constructive challenge, strategic guidance, external insight and specialist advice to the Board and its Committees • Holding management to account • Offering their extensive experience and business knowledge from other sectors and industries
Company Secretary	• Assisting the Chairman by ensuring that all Directors have full and timely access to relevant information • Advising the Board on legal, compliance and corporate governance matters • Organising the induction and ongoing training of Directors

Board activities during the year

The Chairman sets the Board agenda, which consists of the following discussion matters:

- Updates from the CEO, the CFO and other key senior executives on the business performance and key business initiatives
- Corporate governance
- Diversity
- Sustainability
- Material expenditure and other Group matters

Strategy was also a key focus of discussions and the Board considered and debated consumer trends focusing on investment in sustainability, digital, supply chain innovation and growth.

Key topics discussed by the Board during the year are set out on page 100

Training and development

To ensure constructive challenge to management by the Board, training and development opportunities are provided to the Board in a wide range of topical areas in multiple formats including:

- Briefings – to focus on matters of interest to CCEP such as the bottling industry as well as on relevant commercial, legal and regulatory developments
- Deep dive sessions – to address requests from Directors to better understand CCEP or the environment in which it operates such as its markets
- Site visits – to Group businesses, production facilities and commercial outlets to enhance knowledge of CCEP operations and meet employees, suppliers and customers
- External speakers – to receive insights from experts and engage with stakeholders.

Some highlights from the programme for 2022 are set out on page 101

Corporate governance report continued

Board activities

Key topics discussed by the Board during 2022.

The table adjacent aims to provide insight into the range of topics discussed 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, finance reports from the CFO and reports covering governance and regulatory updates from the Company Secretary.

Area of focus	Discussion topics	Strategic objectives
Risk	• Assessment of market uncertainty, sanctions, risks and increased costs as a result of the war in Ukraine	
	• Changes to retail environments and customer challenges	
	• Review of competitors and market analysis	
	• Safety and oversight of management's response to fatalities	
People	• People strategy including performance acceleration, employee engagement, talent, learning and development and future ready leadership	
	• Promoting employee inclusion, diversity and equity	
	• Review of wider workforce remuneration	
	• Piloting new technologies to keep our people safe	
Sustainability	• Continual monitoring of our sustainability performance and climate strategy	
	• Defining our sustainable packaging strategy	
	• Investment in sustainability innovation	
	• Approval of the updated CCEP-wide This is Forward sustainability action plan	
Commercial	• Progress towards improving route to market development	
	• Driving API integration into the business, including reorienting the API portfolio	
	• Increasing consumer choice by innovating on flavours and growing our portfolio of products and monitoring performance of innovations	
	• Development of relationship with TCCC and other franchisors	
Finance	• Approval of capital expenditure and dividend payments	
	• Continued support for our innovation investment fund, CCEP Ventures	
	• Progress made on the digital transformation programme	
	• Monitoring pricing challenges and opportunities	

Strategic objectives key

Great people

Great service

Great beverages

Done sustainably

Corporate governance report continued

Board training and development

This timeline highlights some of the training and development opportunities received by the Board in 2022.

2 March 2022

Northern Europe Business Unit

A deep dive of the Northern Europe business unit was presented.

"Partnering with our customers to make meaningful progress on sustainability together."

Leendert den Hollander, General Manager, Northern Europe

10 March 2022

GB Business Unit

A deep dive of the GB business was presented.

"Continuing to grow sparkling soft drinks share."

Stephen Moorhouse, General Manager, GB

5 April 2022

Climate change

A deep dive on climate change including causes and impacts, strategy and actions and future challenges was presented by our VP, Sustainability, Joe Franses.

27 May 2022

Iberia Business Unit

A deep dive on the unit's current position and strategy was presented.

"Iberia's contribution to CCEP leverages on a profitable business with efficient operations."

Francesc Cosano, General Manager, Iberia

7 June 2022

Franchisor agreements

A briefing on franchisor agreements and relationship was provided by management.

20 July 2022

Site visit to Bekasi production facility and Amandina recycling plant, Indonesia

6 September 2022

Rewards philosophy and policy

A training session on CCEP's global rewards philosophy, wider workforce remuneration and market trends.

14 September 2022

Economic outlook

A briefing on economic outlook in CCEP markets and globally, as well as the long-term trends in relation to energy, supply chain, labour and consumer markets was provided by an expert economist.

4–6 October 2022

Site visit to new shared service centre in Varna, Bulgaria

18 October 2022

Site visit to Mannheim production facility, Germany

8 November 2022

Data and analytics for growth

A training session on CCEP data foundations and commercial analytics, change investment and data trends was provided by our Chief Data and Analytics Officer, Laia Collazos.

16 December 2022

Next generation technology architecture

An insight into CCEP's business transformation plans to standardise and optimise business processes was provided by our Chief Information Officer, Peter Brickley.

Corporate governance report continued

Stakeholders

How the Board engages

The Board understands the importance of stakeholder engagement and strives to understand the views of CCEP's key stakeholders. Stakeholders are reviewed by the Board annually to ensure Directors have the right engagement and information to understand stakeholders' input to our business and our impact on them. This enables the Board to better consider stakeholders' interests in Board discussions and decision making.

Our Section 172(1) statement can be found on page 18

CCEP's key stakeholders and how CCEP engages with them more generally is explained on pages 14-17

Our people

The terms of reference and remit of the Remuneration Committee include remuneration policy at all levels across the Group, aligned with the Company's long-term strategic goals. The Nomination Committee's terms of reference and remit include key people matters relating to culture, succession planning and diversity. The Chairmen of those committees are responsible for championing, and reporting back to the Board on these matters. The Board also takes the opportunity to engage with our people directly. During the year, our Board met with Inclusion, Diversity and Equity (ID&E) ambassadors to hear about their experiences in person.

Read more in the Nomination Committee report on pages 108-110

The ESG Committee updates the Board on whistleblowing arrangements, reports and investigations. During the year, as part of its terms of reference review, these matters and others such as health and safety became the remit of the ESG Committee with relevant matters still brought to the Audit Committee.

Read more in the Audit Committee report on page 116

Our shareholders

Engagement with both existing and potential shareholders is important to the Board. On behalf of the Board, our CEO, CFO and the Investor Relations team engage with investors and analysts throughout the year. The Chairman also attended the capital markets event in November and met with investors.

The CFO provides regular updates to the Board on the views of shareholders, including the share register, share price performance and investor sentiment. The Board is routinely kept up to date on the wider Investor Relations programme.

Our franchisors

Our Board engages both directly and indirectly with our franchisors. The Board receives regular updates on franchisors through reports from the CEO and the Chief Commercial Officer, as well as ATC updates including on performance, relationships and key issues. Some Directors, including the CEO and Chairman, engage regularly with TCCC, and the CEO and CFO regularly meet other franchisors. The Board also received updates from TCCC in Indonesia at the July Board meeting on growth opportunities and strategy in the region, particularly the role of Indonesia.

Our suppliers

The CEO and CFO inform the Board on key supplier relationships and payments. Supplier risk management is also a topic of discussion at the Board generally and as part of the annual Enterprise Risk Management discussions. We have Supplier Guiding Principles considered at Board level setting out requirements of our suppliers, for example, in relation to human rights, health and safety, the environment and other matters.

Read more in Forward on supply chain on pages 49-52

Our customers

The Board receives periodic presentations from select customer leaders and in 2022 visited a wholesaler in Great Britain (GB). The Board remains committed to understanding our markets and customers. Market visits in GB, Indonesia and Germany were arranged in 2022 where the Board experienced first hand field sales activation, marketing and adding value for retailers.

The CEO also provides regular updates to the Board on customers, including pricing and negotiations, joint value creation and customer satisfaction metrics. The Board is updated regularly on both category and channel growth, together with changes in coverage and execution performance which support growth for our customers. Customers were also discussed at the Board strategy session in September 2022.

Our consumers

CCEP has limited direct engagement with consumers, therefore, the Board's engagement is also limited though Directors have the opportunity to engage directly with consumers through market visits.

The Board attends presentations on trends and behavioural patterns that could affect consumers and our interaction with them. In addition, the Board is kept informed about portfolio developments by the CEO and via updates from the Chairman of the ATC, responsible for overseeing CCEP's relationships with franchise partners.

During 2022, the ESG Committee received an update from TCCC on consumer-focused sustainability, marketing and communications. The Audit Committee receives updates on any material incidents affecting consumers.

Our communities

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

Information and updates on CCEP's community partnerships are provided to the ESG Committee, including reports on local water stress and the health of watersheds.

The Chairman of the ESG Committee provides the Board with detailed updates at most Board meetings. During 2022, the ESG Committee and Board considered and approved a new This is Forward society target to support the skills development of 500,000 people facing barriers in the labour market by 2030 to benefit the communities in which we operate.

Read more in Forward on society - communities on pages 56-57

Corporate governance report continued

Principal decisions

The Board considers "Principal decisions" to be those decisions of strategic importance which may have a significant long-term impact on CCEP's business, including financial and non-financial performance, and consequences for its stakeholders. Specific examples of key areas of focus and considerations affecting the Board's decision making process during 2022 are set out below.

Advancing sustainability commitments

The Board approved the updated CCEP wide sustainability action plan, This is Forward.

Read about our sustainability action plan in detail on pages 26-63

To help the Board make the decision, the Board received reports from the ESG Committee, which oversaw the process to update the commitments following escalation by the Sustainability Steering Committee. A joint meeting of the Audit and ESG Committees was also held to review the assurance of the This is Forward metrics.

The Board considered the long-term implications of the decision and the proposed metrics to track the outcomes of the decision with management, along with disclosure and assurance.

The Board received information as part of the Company Secretary's Governance updates to better understand the regulations around sustainability, including disclosure rules and reporting requirements.

Along with the need to measure CCEP's progress against the proposed sustainability commitments, the Board was also mindful of the importance of assurance and explaining the metrics and targets transparently to ensure CCEP was accountable to its stakeholders.

The views of stakeholders consulted in developing the plan, including TCCC, suppliers, customers and communities, were fed back by management to the ESG Committee, and in Committee reports to the Board. The impacts on each stakeholder group were considered. For example, our new commitment to support the skills development of those facing barriers in the labour market aims to have a positive impact on this important stakeholder group.

The Board also considered among other things how the updated sustainability plan supports value creation for customers and how best to align CCEP's commitments with TCCC's global sustainability commitments and World Without Waste plan.

In addition, related to our sustainability action plan, the Board reflected on the risks and opportunities, such as the ability to deliver the updated sustainability commitments and the potential reputational impact of not meeting the commitments versus value creation for shareholders, and protecting CCEP's licence to operate by aligning with societal expectations.

Having taken such factors into account and the Section 172 duty to have regard to its wider stakeholders and also the impact of the Company's operations on the community and the environment, the Board approved the updated sustainability commitments and considered the decision would be in the best interest of CCEP's shareholders as a whole and promote the success of the Company.

Dividend payments

The Board made decisions on returning cash to shareholders towards its objective to ensure sustainable shareholder returns within a consistent and disciplined capital allocation framework.

The Board decided that dividend payments would be the most effective way to return cash to shareholders. Fundamental to the decision was our dividend policy in which CCEP is committed to a 50% dividend payout ratio (comparable profit after tax basis).

To ensure the Board had the information required to make the dividend decisions, the CFO presented papers to the Board outlining the financial position of the Company and confirming that the Company had sufficient distributable reserves to pay the proposed dividends. The Board was also presented with other relevant factors such as liquidity and earnings forecasts. The Board considered the financial performance of CCEP and reflected on the views and interests of shareholders fed back from external brokers, analysts and investors in Investor Relations' meetings.

In deciding on the dividend payments, the Board considered the various stakeholders who had a long-term interest in the Company, including employees, customers and suppliers. The Board opined on the need to balance shareholder interests with maintaining an optimal capital structure, including the need to pay down debt, to support CCEP's strategic objectives for the benefit of CCEP's wider stakeholders, such as its customers and communities.

Having considered these factors and also taken into account its Section 172 duty to other stakeholders, the Board was pleased to approve two dividend payments in 2022 totalling €1.68 per share. The dividend payments maintained a dividend payout ratio of approximately 50%, demonstrating the strength and resilience of CCEP's business, as well as its ability to deliver continued shareholder value and promote the long-term sustainable success of the Company.

Read more in our Business and financial review on pages 74-85

Acquisition of TCCC's stake in CCBI

Following a recommendation from the ATC, the Board approved the purchase of TCCC's 29.4% minority share in our Indonesia business, PT Coca-Cola Bottling Indonesia (CCBI), increasing CCEP's ownership to 100%.

To aid decision making, the ATC received a number of materials presented by members of the ELT which included information on the strategic objective notably the desire to simplify ownership of CCBI and operations in Indonesia, and with regard to the longer-term implications, the financial rationale for the transactions and scenarios to help the ATC understand the potential impact of the transaction on the financial performance of the Company. This included the positive financial performance of CCBI and future growth prospects, taking into account potential headwinds including from plastic and sugar taxes, with sugar tax implementation expected in 2024.

The ATC also considered CCEP's latest forecasts for the business. The Board were kept regularly updated by management as the transaction progressed.

In taking its decision, the ATC sought the views of stakeholders via management, including Peter West, GM API, and considered there to be a number of benefits. This included demonstrating to our franchise partner, TCCC, customers and shareholders our commitment to the future of Indonesia as a market.

The Board subsequently received reports back from the Chair of the ATC following each of its discussions on the matter in addition to having the ability to access the materials that were provided to the ATC. TCCC nominated-Directors recused themselves from the discussions that involved TCCC.

Following due consideration, the Board agreed to proceed with the transaction on the basis that it was considered in the best interests of the Company's shareholders as a whole and would promote the long-term success of CCEP.

Succession planning

In addition to the above key decisions, the Board, taking into account the views of stakeholders, made decisions through new appointments, to ensure the Board, its Committees and senior management had the right combination of skills, experience and knowledge to lead CCEP in meeting the Company's strategic objectives towards long-term success.

Read more in our Nomination Committee report on pages 108-110

Corporate governance report continued

Division of responsibilities

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 99). 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 97.

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 and Committee meetings

The Board held six formal meetings during 2022, 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 2022 is set out in Table 2 on page 105. 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. Cross membership between Committees enables active collaboration and liaison across Committees.

At the end of most Board meetings, two sessions are held: one that all Directors attend, without management present, and the other that all NEDs attend, without management or the CEO present. In 2022, there were also two separate meetings of INEDs. Directors may raise any matter they wish for discussion at these sessions.

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.

Board paper review

In 2022, actions were taken to implement the improvements from the externally facilitated Board paper review undertaken by Independent Audit (IA). IA does not have any connection with the Board or any individual Director.

Following the review:

- The format and content of Board papers have become clearer and more concise with greater use of appendices for detail.
- The Board paper preparation process is more streamlined with greater collaboration between teams drafting the papers for each Committee and the Board.
- Authors of papers receive direct feedback from the meetings, including actions and improvements, directly from the Company Secretariat team.

Independence of Non-executive Directors

The Board reviewed the independence of all the NEDs against the UKCGC and also considered the requirements of SEC Rule 10A-3 in relation to the Audit Committee.

It determined that Jan Bennink, John Bryant, Christine Cross, Nathalie Gaveau, Thomas H. Johnson, Dagmar Kollmann, Mark Price, Dessi Temperley and Garry Watts are independent and continue to make effective contributions. At its meeting in February 2023, the Board determined that Mary Harris and Nicolas Mirzayantz joining the board, subject to their election at the May 2023 AGM are also independent.

The Board recognises that Nancy Quan (joining the Board subject to her election at the May 2023 AGM) cannot be considered independent as the appointment was nominated by ER, a wholly owned subsidiary of TCCC, which owns at least 10% of the Company.

The Board recognises that the remainder of CCEP's NEDs, including the Chairman, cannot be considered independent. However, they continue to demonstrate effective judgement when carrying out their roles and are clear on their obligations as Directors, including under section 172 of the Companies Act.

Our CEO, Damian Gammell, is not considered independent because of his executive responsibilities to the Group.

Consequently, the majority of the Board are independent.

Conflicts of interest

The UK Companies Act 2006 (the Companies Act), the Articles and the Shareholders' Agreement allow the Directors to manage situational conflicts (situations where a Director has an interest that conflicts, or may conflict, with our interests). The ATC exists to oversee transactions with affiliates. The Nomination Committee considers issues involving potential situational conflicts of interest of Directors. Each Director is required to declare any interests that may give rise to a situational conflict of interest with CCEP on appointment and subsequently as they arise. Directors are required to review and confirm their interests annually. The Board is satisfied that the systems for the reporting of situational conflicts are operating effectively.

Corporate governance report continued

Table 2
Meeting attendance by Board and Committee members[(A)]

	Independent or nominated by Olive Partners or ER[(B)]	Board of Directors	Affiliated Transaction Committee	Audit Committee[(J)]	ESG Committee[(J)]	Nomination Committee	Remuneration Committee
Chairman							
Sol Daurella	Nominated by Olive Partners	6 (6)	4 (4)			5 (5)	
Executive Director							
Damian Gammell	CEO	6 (6)					
Non-executive Directors							
Manolo Arroyo	Nominated by ER	6 (6)				5 (5)	6 (6)
Jan Bennink	Independent	6 (6)	4 (4)		5 (5)		
John Bryant	Independent	6 (6)		9 (9)			6 (6)[(I)]
José Ignacio Comenge[(C)]	Nominated by Olive Partners	6 (6)	1 (1)				4 (4)
Christine Cross	Independent	6 (6)				5 (5)	6 (6)
Nathalie Gaveau	Independent	6 (6)			5 (5)		
Álvaro Gómez-Trénor Aguilar	Nominated by Olive Partners	6 (6)					
Thomas H. Johnson	SID	6 (6)				5 (5)[(I)]	6 (6)
Dagmar Kollmann	Independent	6 (6)	4 (4)[(I)]	9 (9)			
Alfonso Líbano Daurella[(D)]	Nominated by Olive Partners	6 (6)	3 (3)		1 (1)		
Mark Price[(E)]	Independent	5 (6)			5 (5)	5 (5)	
Mario Rotllant Solà[(F)]	Nominated by Olive Partners	6 (6)			4 (4)[(I)]		2 (2)
Brian Smith[(G)]	Nominated by ER	5 (6)			4 (5)		
Dessi Temperley[(H)]	Independent	5 (6)		8 (9)[(I)]			
Garry Watts	Independent	6 (6)	4 (4)	9 (9)			

(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) Effective May 2022, José Ignacio Comenge resigned as a member of the Affiliated Transaction Committee and was appointed as a member of the Remuneration Committee.
(D) Effective May 2022, Alfonso Líbano Daurella resigned as Chairman and member of the ESG Committee and was appointed as a member of the Affiliated Transaction Committee.
(E) Mark Price was unable to attend the September 2022 Strategy meeting due to other pre-agreed commitments.
(F) Effective May 2022, Mario Rotllant Solà resigned as a member of the Remuneration Committee and was appointed as Chairman and member of the ESG Committee.
(G) Brian Smith was unable to attend the December 2022 Board and ESG Committee meetings due to other pre-agreed commitments.
(H) Dessi Temperley was unable to attend the March 2022 Board and Audit Committee meetings and Garry Watts consented to act as her alternate.
(I) Chairman of the Committee.
(J) One meeting was a joint meeting of the Audit Committee and ESG Committee held in October 2022.

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 105. As their biographies on pages 89–93 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 88

Read more about the Group's approach to ID&E on pages 58-63

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 Inclusion and Diversity policy, This is Forward and the CoC.

We are pleased to announce that subject to the election of the Directors proposed at our May 2023 AGM, we will have achieved our 33% female Board membership target and met our ambition to appoint at least one Director from an ethnic minority background. Female representation on our Board will increase to 35.3% from 29.4% in 2022.

The Board considers that it would be appropriate to have 40% female representation overall and will, with its stakeholders, work towards that as a longer-term aim.

The Nomination Committee is committed to overseeing a diverse pipeline for senior management and Director positions.

Read more about Board succession and diversity on pages 106 and 108 - 110

Election and re-election of Directors

The Board has determined that the Directors, subject to continued satisfactory performance, shall stand for re-election at the May 2023 AGM with the exception of the Chairman as explained on page 98. Jan Bennink, Christine Cross and Brian Smith will retire from the Board at the conclusion of the 2023 AGM. The Board is confident that each Director will carry on performing their duties effectively and remain committed to CCEP.

The Board has also determined that Mary Harris, Nicolas Mirzayantz and Nancy Quan should stand for election at the 2023 AGM.

Mary Harris

Mary Harris brings to the Board a top level strategic outlook with international and consumer focus from her time as partner at McKinsey and Co and as a Non-executive Director. Mary is currently a Non-executive Director and a member of the Nomination and Audit and Risk Committees at ITV plc. She is also the Designated Non-executive Director for workforce engagement and a member of the Remuneration Committee at Reckitt plc and a Supervisory Board member at HAL Holding N.V. Mary has previously held non-executive Director positions at Unibail-Rodamco-Westfield, Sainsbury's and TNT Express and TNT N.V.

Nicolas Mirzayantz

Nicolas Mirzayantz brings to the Board over 30 years of strategic, operational and business transformation experience at IFF, a multinational industry-leading supplier to FMCG customers that creates ingredients and essential solutions for food, beverage, health, scent, biosciences and sensorial experiences. Most recently serving as President, Nourish Division, he was previously the Divisional CEO for the Scent Division during a period of historic and transformational mergers. During his tenure, he was a champion of sustainability, setting the foundation for IFF's industry-leading ESG+ initiatives. Nicolas previously served on the Board of the International Fragrance Association (IFRA), the official representative body of the fragrance industry worldwide and was a Cultural Leader at the World Economic Forum.

Nancy Quan

Nancy Quan has extensive knowledge of the Coca-Cola system having worked with the company since 2007 in leadership roles spanning innovation and consumer trends, research and development, and supply chain. As Senior Vice President and Chief Technical and Innovation Officer for TCCC, she oversees a networked team that creates innovation pipelines to enable short-term and long-term growth, and drives transformational and scalable supply chain solutions to maximise customer and consumer value. Nancy serves on the Board of Directors for the Liberty Mutual Group and the Industry Affiliates Advisory Board for the University of California Davis MBA Program, and is an active member of the FIRST (For Inspiration and Recognition of Science and Technology) Executive Advisory Board.

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 89-93

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.

Given the depth and breadth of the 2021 external effectiveness review, it was determined that an internal Board evaluation process was appropriate for 2022. The Board appointed Lintstock to support a 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 as well as 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 on page 107.

Corporate governance report continued

Table 3
2022 Board evaluation findings and actions

	Culture and engagement	Strategic topics	Board composition	Information flow and quality
2022 findings	Foster and enhance relationships with the ELT and API stakeholders	Review Board focus on strategic topics including in relation to sustainability, brand portfolio and technology	Review diversity of the Board in terms of gender, ethnicity and other skills aligned with the Group's geographical footprint	Enhance the quality and flow of information to the Board
Actions undertaken in 2022	March 2022 saw the return of physical meetings with the Board and ELT. The May 2022 meeting held in London, included an Employee Townhall, lunch with ID&E Ambassadors and dinner with the Iberian leadership team. Engaged with API leadership, employees and joint venture partner during site visits to Indonesia in July 2022. Reviewed CCEP's key stakeholder groups in October 2022.	Board meetings throughout the year, as well as the Board strategy session held in September 2022, provided the Board with greater visibility of competitor analysis, product innovation, technology and automation and sustainable packaging.	Characteristics above were considered as part of the Nomination Committee's search for new INEDs. Further details on Board succession and diversity can be found in the Nomination Committee report on page 109.	Sessions were held with relevant people within the business with input from external consultants (Independent Audit) on refining the content of papers and presentations to be more succinct. The approach to delivery of papers was revised to provide timely insight to Board members. Improvements were evident from May 2022 onwards.

Table 4
Disclosure of compliance with provisions of the Audit, risk and internal control and Remuneration sections of the UKCGC

Items located elsewhere in the 2022 Integrated Report	Page(s)
Directors' responsibilities statement	144
Directors' statement that they consider the Integrated Report and financial statements, taken as a whole, to be fair, balanced and understandable	144
Going concern statement	143
Assessment of the Group's principal risks	64–71
Viability statement	72
Risk management and internal control systems and the Board's review of their effectiveness	71
Audit Committee report	111–116
Directors' remuneration report	119–140

Audit, risk and internal control and Remuneration

Disclosures of compliance with provisions of the Audit, risk and internal control and Remuneration sections of the UKCGC are located elsewhere in this Integrated Report. These disclosures include descriptions of the main features of CCEP's internal control and risk management systems as required by Rule 7 of the Disclosure Guidance and Transparency Rules (DTRs). Table 4 sets out where each respective disclosure can be found.

Annual General Meeting

The AGM continues to be a key date in our annual shareholder calendar.

At our 2022 AGM, we were pleased that all resolutions were passed by more than 80% of those voting.

The 2023 AGM of the Company will be held on 24 May. The Notice of AGM will set out further details and a full description of the business to be conducted at the meeting. This will be available on our website from the time of its posting to shareholders in April 2023.

The Chairman, SID and Committee Chairmen are available to shareholders for discussion throughout the year to discuss any matters under their areas of responsibility, by contacting the Company Secretary.

Read more about our engagement with investors on pages 15 and 102

Sol Daurella, Chairman
17 March 2023

Nomination Committee Chairman's letter

"Strengthening the capabilities of our people and our leaders is key."

Thomas H. Johnson,
Chairman of the Nomination Committee

Dear Shareholder

I am pleased to report on the work of the Nomination Committee during 2022.

Succession planning

An important part of the Committee's role is succession planning as well as ensuring that the Board, its Committees and senior management have the right combination of skills, experience, knowledge and cognitive and other diversity.

The Committee made great progress in this regard with three excellent candidates, Mary Harris, Nicolas Mirzayantz and Nancy Quan, being put forward for election at the AGM in May 2023. The Committee had in mind the desirability of greater strength in API markets, innovation, and ESG as well as increasing cognitive, gender and ethnic diversity when carrying out the search. I would also like to thank Brian, Christine and Jan who will be retiring at the AGM for their invaluable contributions.

The Committee also oversaw Board Committee membership changes during the year with the aim of ensuring fresh perspectives and challenge at meetings as well as ELT membership changes ensuring we have the right leaders in the right critical roles for now and the future.

Read more about succession planning on page 109 **and Committee changes** on page 93

People and culture

The Committee continued to play an important role in overseeing CCEP's approach to culture for its people. This was facilitated through updates from management on ID&E and wellbeing initiatives, people development plans both for senior and early careers, and also updates on API people integration. In addition, the Committee received data and actionable insights about our people and monitored the results and actions of the Group's employee engagement survey and progress through a regular scorecard.

Read more about our people on pages 58-63

Board and Committee effectiveness

The Committee implemented the actions from the 2021 evaluation. The 2022 review determined that the Committee continued to operate effectively.

The Committee recommended to the Board that an internal Board evaluation process be undertaken in early 2023 similar to that undertaken in 2022. The Board agreed and appointed Lintstock to support a questionnaire based exercise, alongside interviews of all Directors by the SID.

Availability to shareholders

I am available to shareholders throughout the year to answer any questions on the work of the Committee.

Thomas H. Johnson,
Chairman of the Nomination Committee
17 March 2023

Looking forward to 2023

- Continue to focus on securing diverse INED candidates to further enhance the Board's diversity of skills, with relevant experience and covering our expanded geographical footprint
- Monitor and drive This is Forward goals, particularly the key actions regarding our people
- Assess and monitor the strategy for talent management to grow our capabilities
- Continue to support management to foster a culture that supports the physical and mental safety of all our people

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
Christine Cross	May 2019
Sol Daurella	May 2016
Mark Price	May 2019

Activities of the Nomination Committee during the year

The Committee has a process for planning its future meeting agendas and topics to be considered. Table 1 on page 110 sets out the matters considered by the Committee during 2022. Further detail is provided in this report. The Committee met five times during the year.

See details of attendance at meetings on page 105

Board composition and diversity

As delegated by the Board, the Committee continuously keeps the composition of the Board under review, with the aim of maintaining a well balanced Board with the right mix of individuals who bring a wide range of expertise, experience and diversity to align with the Group's long-term strategy.

See our diversity policy including INED selection criteria at cocacolaep.com/about-us/governance

We are pleased to announce that subject to the election of the Directors proposed at our AGM in May 2023, we will have achieved our 33% female Board membership target and met our ambition to appoint at least one Director from an ethnic minority background. Female representation on our Board will increase to 35.3% from 29.4% in 2022.

The Board considers that it would be appropriate to have 40% female representation overall and will, with its stakeholders, work towards that as a longer-term aim.

The Board and the Nomination Committee recognise the benefits that diverse characteristics have to offer. In 2022, the Committee updated the Board's diversity policy and INED selection criteria to include aspects such as age, sexual orientation, disability, socioeconomic background as well as educational and professional background. Across Board membership, 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.

Our Board-level diversity statistics are disclosed in accordance with the Nasdaq Rules in Table 2 on page 110. Gender of senior management and their direct reports can be found on page 59.

Non-executive Director succession

During the year, the Committee considered the Board roles that would need to be recruited for as current INED appointments approached the maximum terms envisaged by the UK Corporate Governance Code, taking into account the review of Directors' skills as well as actions identified in the Board Evaluation.

External recruitment consultant firms, MWM Consulting and Russell Reynolds Associates, were appointed to help identify potential INED candidates. The Chairman and other Committee and Board members interviewed the potential candidates in 2022. This process resulted in the Committee's recommendation to the Board and subsequent approval by the Board that Mary Harris and Nicolas Mirzayantz be appointed to the Board in May 2023 subject to their election given their diverse skillsets and relevant experience applicable to CCEP's expanded geographical footprint. This was announced to the market on 15 February 2023.

MWM Consulting has no connection with the Board or any individual Director. Russell Reynolds Associates supported some of CCEP's other recruitment activities in the UK and Germany in 2021 in addition to the 2022 INED search. It has no other connection to CCEP and has no connection to any individual Director.

Also announced on 15 February 2023, and in accordance with CCEP's Articles and Shareholders' Agreement, ER nominated NED, Nancy Quan will replace Brian Smith on the Board. You can find the list of Non-executive Directors determined to be independent on page 104.

See an overview of our Directors' diversity, skills and experience on page 88

Director inductions

The Nomination Committee reviews the induction programme for new Directors. All new Directors will 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.

Senior management succession

The Committee is committed to supporting the development and progression of diverse talent at senior management level. The Committee considers and recommends succession plans for the Group's ELT to the Board.

The Committee oversaw the appointment of Ana Callol, Chief Public Affairs, Communications and Sustainability Officer on 1 January 2022 succeeding Lauren Sayeski. It also oversaw the appointment of John Galvin, General Manager, Germany, who succeeded Frank Molthan on 1 June 2022.

The Committee also discussed and monitored progress towards ID&E objectives including CCEP's ambition to have 45% women in roles at senior management level and above by 2030, as well as a new target of 10% of our workforce represented by people with disabilities by 2030.

Nomination Committee report continued

Table 1
Matters considered by the Nomination Committee during 2022

Meeting date	Key agenda items
March 2022	• People strategy and priorities • Commercial capabilities • Social and society impact • Nomination Committee Report in the 2021 Integrated Report • NED Independence and re-elections at the AGM • Director succession, particularly INEDs • Committee evaluation
May 2022	• Social and society impact • Our people: Inclusion, Diversity and Equity plan • Succession planning for ELT and senior management • Director succession, particularly INEDs • Terms of Reference annual review
July 2022	• Director succession, particularly INEDs • INED Selection Criteria and Board of Directors' Guidelines review
October 2022	• People strategy achievements and future focus • Succession planning for ELT and senior management • Board skills matrix and director succession, particularly INEDs
December 2022	• Building leadership capabilities, talent management and succession planning • Early careers strategy, including apprenticeships and youth programmes • Director succession, particularly INEDs • Board and Committee evaluation process

Table 2
Nasdaq Board diversity disclosure(A)

Board Diversity Matrix (as of 31 December 2022)				
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	5	12	-	N/A
Part II: Demographic background				
Underrepresented individual in home country jurisdiction	-			
LGBTQ+	-			
Did not disclose demographic background	7			

(A) Disclosure permitted with Director consent.

Thomas H. Johnson,
Chairman of the Nomination Committee
17 March 2023

Audit Committee Chairman's letter

"The Committee dedicated significant time to overseeing the successful close of PPA and implementation of SOX in Australia."

Dessi Temperley,
Chairman of the Audit Committee

Dear Shareholder

I was appointed as Audit Committee Chairman during the year and I am very pleased to present the Audit Committee report for 2022.

CCL integration

The Committee continued to spend significant time overseeing the smooth integration of API, including the successful close of Purchase Price Accounting (PPA) during the year and the implementation of Sarbanes Oxley Act (SOX) section 404 in Australia. These were key milestones given the focus of the Committee during the year.

ESG

During 2022, the Committee considered ESG reporting with even greater focus as a result of CCEP's first year of mandatory TCFD reporting and disclosures in respect of the year ending 2022. The Committee received regular updates on CCEP's reporting landscape, including assurance considerations.

In addition, there was enhanced focus by the Committee in reviewing sustainability metrics for capital expenditure proposals.

Risk management

During 2022, on behalf of the Board, risk management was a priority and high up on the Audit Committee agenda with ongoing discussions on:

- The risk management framework, including identification and assessment of principal and emerging risks, risk factors, associated mitigations and processes and their appropriateness
- The cyber security programme and associated risks
- Commodities and FX hedging
- A number of tax topics and related impact

The above was driven by the direct and indirect impact from the war in Ukraine including inflation, volatility in commodity prices and currency fluctuations, increased recession risk and the enhanced cyber threat.

Other

The Committee also spent time reviewing the new corporate integrity framework, the CoC reporting including whistleblowing, latest governance developments such as the BEIS Consultation on Restoring Trust in Audit and Corporate Governance, GDPR compliance and latest tax developments, including on sugar and plastic.

In addition, the Committee reviewed its remit during the year and clarified its role in respect of ESG reporting matters. The Committee's terms of reference were updated to reflect this.

Committee effectiveness

The Committee completed a questionnaire based exercise to assess its effectiveness in 2022. The review determined that the Committee continued to operate effectively with some minor action areas identified and subsequently closed during the year.

Read more on pages 106-107

Availability to shareholders

I am available to shareholders throughout the year to answer any questions on the work of the Committee.

Dessi Temperley,
Chairman of the Audit Committee
17 March 2023

Looking forward to 2023

- Continue to monitor governance developments such as progress and creation of the new regulator, Audit, Reporting and Governance Authority (ARGA)
- Retain a key focus on ESG reporting matters, particularly in light of the evolving ESG reporting landscape
- Further heighten attention on commodities and FX hedging given expected volatility in the economic environment
- Continue to support the Board in its enhanced oversight of CCEP's cyber security programme and associated risks

Audit Committee report

Membership

	Member since
Dessi Temperley (Chairman)	May 2020
John Bryant	January 2021
Dagmar Kollman	May 2019
Garry Watts	April 2016

See details of meeting attendance in 2022 on page 105

Read more about the Audit Committee members on pages 89 - 93

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 cyber security 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 Board in relation to specific matters, including oversight of dividends, capital structure, and capital expenditures

The Committee Chairman reports back at most Board meetings on matters of particular relevance and the Board receives copies of the Committee papers and minutes of meetings.

Committee governance

The Committee keeps the Board informed and advised on matters concerning the Group's financial reporting requirements to ensure that the Board has exercised oversight of the work carried out by management, internal audit and the external auditor.

The Group follows UK corporate governance practices, as allowed by the Nasdaq Rules for FPIs. In accordance with the UKCGC, the Committee is comprised of four NEDs in 2022, each of whom the Board has deemed to be independent. The Board is satisfied that the Committee as a whole has competence relevant to the fast moving consumer goods sector, in which the Group operates.

In accordance with SEC Rules, as applicable to FPIs, the Group's Audit Committee must fulfil the independence requirements set out in SEC Rule 10-3A. The Board has determined that the Audit Committee satisfies these requirements and that all members may each be regarded as an Audit Committee financial expert, as defined in Item 16A of Form 20-F. It was further determined that no Audit Committee member had participated in the preparation of the financial statements of the Company or any of its subsidiaries.

Matters considered by the Audit Committee during 2022

The Committee met nine times during the year, including a joint meeting with the ESG Committee. Reports from the internal and external auditor 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
- SOX compliance
- Legal matters
- Ethics and compliance matters, including whistleblowing and CoC breaches
- Business continuity management and cyber security
- ERM
- Capital projects, including review of sustainability metrics
- Tax and Treasury matters
- Climate risk disclosures

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 2022, in addition to standing items, is set out in Table 1 on page 113.

Financial reporting, significant financial issues and material judgements

The Committee met regularly with management in the first half of 2022 to review the key accounting considerations in the finalisation of the PPA work in relation to the CCL acquisition.

The Committee also met with management prior to each market announcement to consider the significant accounting judgements and estimates made, and their appropriateness. Details regarding the significant reporting matters identified and the related Committee considerations are set out in Table 2 on page 114.

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 72

Audit Committee report continued

Table 1
Matters considered by the Audit Committee during 2022

Meeting date	Key matters considered in addition to standing agenda items(A)(B)(C)
February 2022	• 2021 preliminary Q4 and full year results, including significant estimates and judgements • COVID-19 accounting considerations • Pay for performance • IAS 36 impairments • Tax matters
March 2022	• 2021 Integrated Report, including viability and going concern statements, accounting policies and related significant judgements and estimates, segmental reporting, hedging activities, post-employment benefits • Reappointment of the external auditor • SOX compliance and impact of COVID-19 on the internal control environment • 2022 internal audit plan • Internal Audit Charter and the Independence and Objectivity policy • Treasury matters
April 2022	• 2022 Q1 trading update • First half interim dividend
May 2022	• Accounting considerations in advance of year-end audit • Business continuity • Capital allocation and expenditure • IT/Cyber security update • Terms of reference update • Tax matters including tax strategy paper • External audit process and procedures
August 2022 (Two meetings)	• 2022 half year report • SOX implementation in Australia • External audit process and procedures • Enterprise risks • Corporate integrity programme • 2022 audit fees
October 2022 (Two meetings)	• 2022 Q3 trading update • Second half interim dividend • Capital allocation and expenditure • Corporate integrity programme • Tax matters • Group risk appetite framework • Approach to TCFD statement and ESG assurance(C)
December 2022	• SOX compliance • Corporate Integrity programme • Capital allocation and expenditure • Preliminary 2023 internal audit plan and budget • Cyber security update • Treasury matters

(A) During February and March 2023, the Committee discussed matters regarding the year ended 31 December 2022, which included:
- Reviewing the 2022 preliminary Q4 and full year results and the 2022 Integrated Report, including its significant estimates and judgements, accounting policies, viability and going concern statements
- Advising the Board on whether, in the Committee's opinion, the 2022 Integrated Report is fair, balanced and understandable
- Independent auditor's report on the 2022 full year results
- Approval of this Audit Committee report

(B) During February 2023 a joint meeting of the Audit Committee and ESG Committee was held to undertake a review of the TCFD statement and climate risk assessment
(C) During joint meeting of the Audit Committee and ESG Committee held in October 2022

Audit Committee assessment of the 2022 Integrated Report

The Committee undertook a review of a developed draft of the 2022 Integrated Report and provided its feedback, which was applied.

The Committee considered whether the Group's position, strategic approach and performance during the year were accurately and consistently portrayed throughout the 2022 Integrated Report. As part of its review, the Committee referred to the management reports it had received and considered during the year, together with the findings and judgements of the internal and external auditor.

The estimates and judgements made on the significant financial reporting matters regarding the financial statements are summarised in Table 2 on page 114. The Committee reviewed these in depth, along with management's assessment of the Group as a going concern and the statement of long-term viability contained in the Strategic Report. The Committee concluded that they are appropriate and acceptable in light of the risks facing the business and all significant matters brought to the Committee's attention during the year. The 2022 Integrated Report is, in the opinion of the Committee, fair, balanced and understandable and provides the information necessary for shareholders to assess CCEP's performance, business model and strategy.

Audit Committee report continued

Table 2
Significant reporting matters in relation to financial statements considered by the Audit Committee during 2022

Accounting area	Key financial impacts	Audit Committee considerations
Business combination	Total consideration: €5.8 billion Intangible assets: €4.3 billion Goodwill: €2.1 billion	The Group completed the acquisition of Coca-Cola Amatil Limited (CCL) on 10 May 2021. During 2021, the Group engaged a third party specialist firm to support the required valuation work. During the first half of 2022, the Committee regularly reviewed progress as the valuation exercise was completed and the remeasurement period had closed in May 2022. The Committee noted that changes to the provisional amounts disclosed in the Group's consolidated financial statements for the year ended 31 December 2022 were immaterial.
Deductions from revenue and sales incentives	Total cost of customer marketing programmes in 2022: €5.2 billion Accrual at 31 December 2022: €1.3 billion	The Group participates in various programmes and arrangements with customers designed to increase the sale of products. 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. For customer incentives that must be earned, management must make estimates related to the contractual terms, customer performance and sales volume to determine the total amounts earned. Under IFRS 15, these types of variable consideration are deducted from revenue. There are significant estimates used at each reporting date to ensure an accurate deduction from revenue has been recorded. Actual amounts ultimately paid may be different from these estimates. At each reporting date, the Committee received information regarding the amount of customer marketing spend of the Group along with period end accruals. The Committee also discussed and challenged management on key judgements and estimates applied during the period with a specific focus on the impact of COVID-19 on customer activities and performance.
Tax accounting and reporting	2022 book tax expense: €436 million 2022 cash taxes: €415 million 2022 effective tax rate: 22.3%	The Group evaluated a number of tax matters during the year, including legislative developments across tax jurisdictions, risks related to direct and indirect tax provisions in all jurisdictions, the deferred tax inventory and potential transfer pricing exposure. Throughout the year, the Committee received information from management on the critical aspects of tax matters affecting the Group, considered the information received, and gained an understanding of the level of risk involved with each significant conclusion. The Committee also considered and provided input on the Group's disclosures regarding tax matters.
Asset impairment analysis	Indefinite lived intangible assets: €11.9 billion Goodwill: €4.6 billion	The Group performs an annual impairment test of goodwill and intangible assets with indefinite lives, or more frequently if impairment indicators are present. The testing is performed at cash generating units (CGUs) level, which for the Group are based on geography and generally represent the individual territories in which the Group operates. The Committee received information from management on the impairment tests performed, focusing on the most critical assumptions such as the terminal growth rate, the discount rate and operating margin, as well as changes from the prior year. The Committee reviewed and challenged sensitivity analyses, including the impact of climate change provided by management to understand the impact of changes in these critical assumptions. The Committee was satisfied with the assumptions used by the Group and also considered and reviewed the Group's disclosures about its impairment testing.
Restructuring accounting	Restructuring cost recorded in 2022: €163 million	During 2022, the Group commenced restructuring initiatives as part of the ongoing Accelerate Competitiveness programme aimed at improving productivity, network optimisation, and site rationalisation. The Committee was regularly updated by management on the nature of such initiatives and key assumptions underpinning the related provision in the financial statements. The Committee reviewed the Group's restructuring expense of €163 million as well as the restructuring provision balance of €137 million as at 31 December 2022, and continued to agree that it does not contain significant uncertainty. The Committee was satisfied with the appropriateness of the restructuring accounting during the year and the disclosures included in the financial statements.
Other items impacting operating profit comparability	Remaining items impacting operating profit comparability recorded in 2022: €111 million (credit)	The Committee reviewed the remaining items impacting operating profit comparability for the year, primarily related to other income arising from the favourable court ruling pertaining to the ownership of certain mineral rights in Australia and the collection of the insurance proceeds associated with the July 2021 European flooding events. The Committee was satisfied with the classification of the items impacting comparability as well as the related disclosures in the financial statements.

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, Ernst & Young LLP (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. The Committee acknowledges the provisions contained in the UKCGC 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 factors, the Committee considers when making recommendations to the Board and based on their performance and knowledge of the business, the Committee believes that it is in the best interests of shareholders to continue to recommend EY as the external auditor and that a competitive tender process will be conducted no later than 2025.

In 2022, 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 non-audit services.

See details of the amounts paid to the external auditor in Note 18 to the consolidated financial statements on page 193.

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. In response to the Acquisition and COVID-19, 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 reviewed the experience and expertise of the audit team, the fulfilment of the agreed audit plan and any variations to it, feedback from the Group's businesses and the contents of the external audit report. The Committee confirmed its satisfaction with the effectiveness of the external auditor.

External auditor independence

The continued independence of the external auditor is important for an effective audit. The Committee has developed and implemented policies that govern the use of the external audit firm for non-audit services and limit the nature of the non-audit work that may be undertaken. The external auditor may, only with pre-approval from the Committee, undertake specific work for which its expertise and knowledge of CCEP are important. It is precluded from undertaking any work that may compromise its independence or is otherwise prohibited by any law or regulation.

The Committee received a statement of independence from EY in March 2023 confirming that, in its professional judgement, it is independent and has complied with the relevant ethical requirements regarding independence in the provision of its services. The report described EY's arrangements to identify, manage and safeguard against conflicts of interest.

The Committee reviewed the scope of the non-audit services proposed by EY during the year, to ensure there was no impairment of judgement or objectivity, and subsequently monitored the non-audit work performed to ensure it remained within the agreed policy guidelines. It also considered the extent of non-audit services provided to the Group. The Committee determined, based on its evaluation, that the external auditor was independent.

Reappointment of the external auditor

The Committee has responsibility for making a recommendation to the Board regarding the reappointment of the external auditor. Based on its continued satisfaction with the audit work performed to date and EY's continued independence, the Committee has recommended to the Board, and the Board has approved, that EY be proposed for reappointment by shareholders as the Group's external auditor at CCEP's 2023 AGM.

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 30 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 2022 and agreed its scope, budget and resource requirements for the year.

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 2022 to raise any key matters with the Directors.

Audit Committee report continued

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 UKCGC 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 asked to consider the internal control framework and the remediation of any identified control deficiencies during the year.

In 2022, 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 and to risk appetite was satisfactory.

The Group's material controls were deemed to be designed and operating effectively during the year.

Read more about the Board's role in risk oversight of Principal risks on pages 64-71 **and TCFD** on pages 28-37

Raising concerns

In each of our territories, we have established ways for our people to raise concerns in relation to possible wrongdoing in financial reporting, suspected misconduct, or other potential breaches of our CoC. These include options to seek advice from the line manager and/or raise a report through our internal Speak Up resources and/or our dedicated and confidential external Speak Up channels. The Committee is responsible for reviewing the adequacy and security of these arrangements and ensuring they allow appropriate follow up action. In accordance with our CoC, retaliation against anyone for making a genuine report, or for cooperating in an investigation, is prohibited.

The Committee receives and considers reports from management regarding concerns raised by our people and provides the Board with key information for its consideration as appropriate.

View our CoC at www.ccepcoke.online/code-of-conduct-policy

Investigations into potential breaches of our CoC are overseen in each BU by the BUs CoC Committee, chaired by the BUs Vice President, Legal. All potential CoC breaches and corrective actions are overseen by the Group CoC committee, which is a sub committee of the Compliance and Risk Committee, a management committee chaired by the Chief Compliance Officer (CCO). The Group CoC Committee also:

- Ensures that all reported breaches have been recorded, investigated in a timely manner and a conclusion reached
- Evaluates trends
- Ensures consistent application of the CoC across CCEP

As required under the Spanish Criminal Code, the Iberia BU has an Ethics Committee formed of members of the Iberia BU leadership team. It is responsible for any ethics and compliance activities, including overseeing the local crime prevention model. It reports to the board of the Iberia BU and the CCO.

There were no whistleblowing matters that required Audit Committee or Board attention in 2022.

Dessi Temperley,
Chairman of the Audit Committee
17 March 2023

ESG Committee Chairman's letter

"The Committee dedicated significant time to discussing the development of the updated This is Forward sustainability action plan to include API markets."

Mario Rotllant Solà,
Chairman of the ESG Committee

Dear Shareholder

I was appointed as ESG Committee Chairman during 2022 and I am delighted to present the ESG Committee report for 2022, especially as this is the first CCEP Integrated Report to include an ESG Committee report.

This is Forward 2022

The Committee's main focus during 2022 was the development of CCEP's sustainability action plan, This is Forward, to incorporate API markets and to meet evolving stakeholder expectations.

The objective was to set ambitious and easy-to-understand targets which were quantifiable and time bound, in alignment with TCCC. In addition to the inclusion of API markets, updates were also made to ID&E targets to broaden their focus beyond gender. We also updated our water targets to align with TCCC's new global water strategy. In addition, a new society target was introduced to support TCCC's focus on empowerment and skills. Further areas of This is Forward expansion have also been identified for the longer term.

Sustainability priorities

To support This is Forward, during the year, the Committee endorsed key priorities which will help to accelerate our actions, ensure delivery against our ambitious sustainability commitments and deliver the significant business transformation which will be required.

Updating our Science Based Targets initiative (SBTi)

During 2022, the Committee spent time considering CCEP's science based emissions reduction targets for 2030 and 2040 to include API. The Committee also reviewed CCEP's updated carbon inventory, including GHG emissions related to our business in API.

The Committee agreed on two new targets which following Board approval, were subsequently submitted to the SBTi for their approval. The SBTi's decision is awaited and expected by the end of 2023.

Read more on our updated SBTi targets on page 29

Regulation

The Committee also focused on reviewing the latest developments in sustainability reporting such as the European Commission's proposal for regulation on human rights and environmental due diligence obligations, as well as packaging and packaging waste.

Other

The Committee also discussed and assessed how our future pack mix should evolve over the next decade and reviewed progress made on targets relating to renewable electricity, solar photovoltaic (PV) and our use of recycled PET (rPET).

Terms of reference review

In 2022, changes were made to the Committee's terms of reference to better reflect current guidance and best practice and to clarify the remit of the activities by renaming the Committee the ESG Committee and approving a Remit Document.

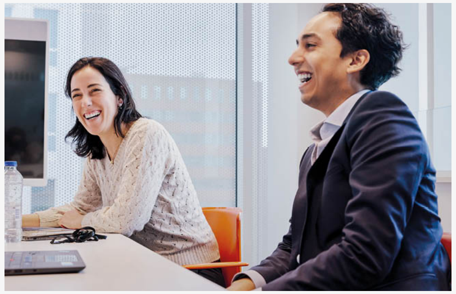
Committee effectiveness

The Committee completed a questionnaire based exercise to assess its effectiveness during the year. The review determined that the Committee continued to operate effectively. Progress has been made to action outputs from the review.

Mario Rotllant Solà,
Chairman of the ESG Committee
17 March 2023

Looking forward to 2023

- Focus on our new society goals to drive diversity and support 500,000 people facing barriers in the labour market by 2030
- Conduct a biodiversity and deforestation risk assessment
- Continue to develop our carbon reduction roadmaps



ESG Committee report

Membership

	Member since
Mario Rotllant Solá (Chairman)	May 2022
Jan Bennink	May 2019
Nathalie Gaveau	January 2019
Mark Price	May 2019
Brian Smith	July 2020

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 2022

The Committee met five times in 2022 including a joint meeting with the Audit Committee. The main focus of the Committee was overseeing the work to update CCEP's sustainability action plan, This is Forward, but it did consider other matters which are detailed below.

Reporting and regulatory updates

- Review of FY21 reporting and performance
- Assurance of FY21 sustainability performance data and look ahead for FY22 assurance
- During the joint meeting with the Audit Committee in October 2022, our approach to TCFD compliance and ESG assurance was discussed. There was a further joint meeting held in February 2023 to undertake a review of the TCFD statement and climate risk assessment.

Read more on TCFD reporting
on pages 28 - 37

- Updates included on:
  - EU proposed Directive on Corporate Sustainability Due Diligence
  - International Sustainability Standards Board (ISSB)
  - UK mandatory reporting requirements such as TCFD
  - EU packaging regulation

Climate

- Reviewing GHG emissions and reduction pathways for API
- Discussion on science based emissions reduction targets to incorporate API including discussions on submission to SBTi
- Update on renewable electricity and solar PV

Packaging

- Update on reusable packaging, future pack mix, plastic packaging and recycled PET
- Sourcing strategy for packaging materials (e.g. rPET, aluminium)
- Reusable packaging, packageless and TCCC's global reusable packaging target

Social

- Approval of Modern Slavery Statement
- CoC reporting compliance
- Review and extension of societal goals as part of This is Forward

Governance

- Overview of the Committee's sustainability priorities including:
  - Decarbonisation and carbon reduction roadmap
  - Carbon offset and removal strategy
  - Accelerated focus on 100% collection
- Committee Terms of reference and remit review, including the addition of compliance matters to the scope of the Committee
- Review of Committee effectiveness

Above: CCEP New Zealand adopted Meridian Energy's 100% Certified Renewable Energy product in 2022 which verifies that the electricity it consumes from the national grid will be matched on an annual basis with electricity produced from Meridian Energy's certified hydro stations and wind farms.

Other

- Update on the role of CCEP Ventures in supporting This is Forward sustainability action plan and CCEP's long-term Net Zero 2040 target
- TCCC's approach to consumer-focused sustainability marketing and communications

Mario Rotllant Solà,
Chairman of the ESG Committee
17 March 2023

Statement from the Remuneration Committee Chairman

"Our remuneration policy continues to deliver on our key objectives and no fundamental changes to the remuneration policy are proposed."

John Bryant,
Chairman of the Remuneration Committee

Dear Shareholder

On behalf of the Board, I am pleased to present the Directors' remuneration report for CCEP for the year ended 31 December 2022. This includes our broadly unchanged remuneration policy (pages 122-129), which shareholders are asked to approve at our 2023 AGM. We have also set out our Annual report on remuneration (ARR) (pages 130-140), which outlines how we implemented the policy during 2022 and how we intend to do so in 2023. This will be subject to an advisory vote at our 2023 AGM.

I am also pleased to introduce myself as the new chairman of CCEP's Remuneration Committee, having taken over from Christine Cross with effect from December 2022. As part of our handover, we have worked closely together and with the rest of the Remuneration Committee in reviewing our current remuneration policy. I would like to thank Christine for her valuable contribution in chairing the Remuneration Committee and remaining as a member of the Committee until she steps down from the Board at the 2023 AGM.

Revised remuneration policy

During the year we undertook a full review of our remuneration policy, including considering how any revised policy would be implemented for 2023, to ensure that it remains aligned with our key objectives of being:

- Focused on delivering our business strategy
- Simple, transparent and aligning the interests of management and shareholders
- Based on variable remuneration which is performance-related against stretching targets
- Able to be cascaded through the organisation and applicable to the wider workforce
- Able to support the recruitment, development and retention of top talent

As part of this process, we engaged with our largest 15 shareholders and representative bodies who did not raise any major concerns with our current policy.

After due consideration, the Committee determined that the current remuneration policy continues to deliver on our key objectives and remains aligned with our shareholders' interests and best practice.

On this basis we are not intending to make any significant changes to the remuneration policy or how the policy will be implemented for 2023. However, minor wording changes have been made to ensure the remuneration policy accurately reflects current practice.

Alongside seeking approval for the remuneration policy, we will also be seeking approval for the revised Long-Term Incentive Pan (LTIP) Rules at the AGM in May 2023. No material changes to the operation of the LTIP are proposed, however, the current rules are due to expire shortly and we are taking this opportunity to ensure the rules reflect latest market and best practice, and will support operation of the Plan for the 10 year life of the Rules.

We are confident that the revised policy will continue to provide a remuneration framework for the next three years that supports the business to meet its objectives in a manner which is aligned with good governance.

Statement from the Remuneration Committee Chairman continued

Remuneration outcomes for 2022

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 26.0% and 20.5% respectively. This, alongside strong free cash flow generation, has resulted in an overall Business Performance Factor (BPF) of 172% of target being achieved. The strong business performance is also a reflection of the exceptional leadership of the CEO throughout 2022, which resulted in a maximum Individual Performance Factor (IPF) of 1.2x being awarded to him. The final bonus payment to the CEO was 86% of maximum. Further details are provided on pages 130-131 of the ARR.

2020 Long-Term Incentive Plan

The 2020 LTIP award, granted in March 2020, 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 2022. Around 260 senior executives and management participated in the scheme, including the CEO.

Following the Acquisition in 2021, revised targets for the combined business were set in September 2021 and were fully disclosed in last year's remuneration report.

Performance over the last three years has been strong, resulting in an overall formulaic vesting level of 2.0x target.

In assessing the formulaic vesting outcome, the Committee also undertook a holistic assessment of overall performance over the three year period to determine whether the formulaic outcome was an appropriate vesting level for all participants and reflected underlying Company performance. The Committee took into account a wide range of performance reference points including financial performance, returns to shareholders, the wider stakeholder experience, and our sustainability achievements (as disclosed in detail on page 132 of the ARR).

As a result of the assessment, the Committee determined the overall performance of the business to be strong, but considered it appropriate to apply downwards discretion in respect of the final vesting level for the CO_2e reduction measure and cap this at target. This reduced the overall vesting level to 1.85x target, and the Committee believes this to be a fair reflection of overall performance.

This is estimated to have a final vesting value for the CEO of £6.7 million. Over a third (£2.1 million) of the value of this award is a result of strong share price growth over the period, which has delivered more than £8 billion of value to shareholders.

Implementation of remuneration policy in 2023

The Committee considers that our overall remuneration framework remains fit for purpose and, subject to shareholder approval at the 2023 AGM, will implement our broadly unchanged remuneration policy for 2023 on the same basis as for 2022 (see pages 122-129 for further details).

The Committee has approved a 2.0% salary increase for the CEO, effective 1 April 2023, which is significantly lower than the 6% merit increase for the wider GB workforce.

The structure of the 2023 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. 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, competitiveness, and inclusion, diversity & equity. See page 138 of the ARR for further detail.

The 2023 LTIP award will continue to be based on a mix of EPS, ROIC, and CO_2e reduction. The financial targets have been set at stretching levels taking into account both our long-term plan and external forecasts.

Following the end of the performance period, LTIP awards will be subject to an additional two year holding period.

Looking ahead

We intend for our new remuneration policy to remain in place for the next three years. However, we will continue to engage with shareholders to ensure we are implementing the policy in a way which is aligned with both good governance and commercial best practice.

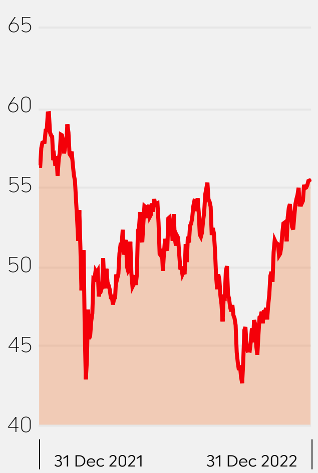
Our remuneration policy and outcomes reflect a strong emphasis on performance-related pay, aligned to shareholder interests and our strategic aims. I hope we continue to receive your support in respect of our revised policy and ARR at our forthcoming AGM in May 2023.

John Bryant,
Chairman of the Remuneration Committee
17 March 2023

Remuneration at a glance

Overview of 2022 remuneration performance

CCEP share price(A) (US$)



(A) NASDAQ listing

Annual bonus outcomes

Operating profit

1.45x target

Operating free cash flow

1.97x target

Revenue

2.00x target

Bonus pay out = 86% of maximum (Including IPF of 1.2x)

Reported long-term KPIs

Comparable EPS(B)

2020	1.80
2021	2.83
2022	3.39

ROIC(B)

2020	7.6%
2021	9.2%
2022	9.1%

CO_2e reduction per litre

2022	15.3%

(Europe reduction 2019-2022)

2022 CEO single figure

Fixed pay	Annual bonus	LTIP
£1.4m (12%)	£3.7m (31%)	£6.7m (57%)

2022 Total value

£11.8m

CEO shareholding

As at 31 Dec 2022	1,500% of salary
Target	300% of salary

- Current shareholding
- Shareholding requirement

Overview of 2023 CEO remuneration framework

Fixed pay + Annual bonus + LTIP

Fixed pay

Base salary

2.0% increase for 2023

£1.24m

Benefits

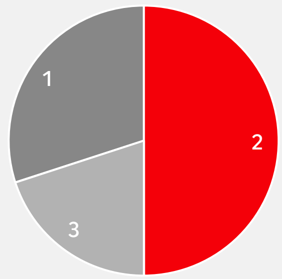
- Car allowance
- Private medical
- School fees
- Financial planning

Pension

Cash in lieu aligned to wider workforce

£26k

Annual bonus



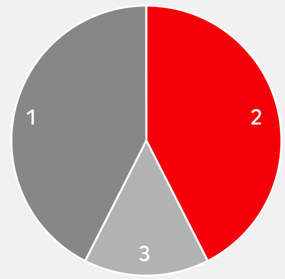
1	Revenue	30%
2	Operating profit	50%
3	Operating free cash flow	20%

0x–1.2x

Individual multiplier

Target	Maximum
150%	360%

LTIP



1	ROIC	42.5%
2	EPS	42.5%
3	Reduction in CO_2e	15%

Target	Maximum
250%	500%

All references to revenue, operating profit, operating free cash flow, EPS and ROIC targets for 2023 refer to those measures that are defined within the ARR

(B) Comparable EPS and ROIC are non-GAAP performance measures. Refer to 'Note regarding the presentation of pro forma financial information and alternative performance measures' on pages 74-75 for the definition of our non-GAAP performance measures and to pages 75-85 for a reconciliation of reported to comparable results.

Read more in the Annual report on remuneration from page 130

Remuneration policy

Our current remuneration policy was approved by shareholders at the AGM on 27 May 2020. As required under Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended), shareholders will be asked to approve a new remuneration policy at our AGM in May 2023.

It is intended that the new remuneration policy will apply for the next three years with effect from the date of the AGM.

During 2022, the Remuneration Committee reviewed the remuneration policy to ensure that it continues to be:

- Focused on delivering our business strategy
- Simple, transparent and aligning the interests of management and shareholders
- Based on variable remuneration which is performance-related against stretching targets
- Able to be cascaded through the organisation and applicable to the wider workforce
- Able to support the recruitment, development and retention of top talent

The Remuneration Committee consulted with our largest shareholders and their representative bodies on the remuneration policy and took any feedback into account when finalising the new remuneration policy.

Based on this review, the Remuneration Committee determined that the current remuneration framework continues to meet the objectives set out above and so no significant changes to the remuneration policy have been made. However, minor wording changes have been made to ensure the remuneration policy accurately reflects current practice.

As part of its review, the Remuneration Committee addressed the following principles, as recommended in the revised 2018 UKCGC.

Clarity

Our remuneration policy is designed to allow our remuneration arrangements to be structured such that they clearly support, in a sustainable way, our financial objectives and strategic priorities.

The Remuneration Committee remains committed to reporting on our remuneration practices in a transparent, balanced and understandable way.

Simplicity

The Remuneration Committee recognises the importance of simplicity. This is embedded in the new remuneration policy through its three main elements:

- Fixed: comprising base salary, benefits (e.g. private medical insurance) and a pension which is aligned to that offered to the local workforce
- Short-term: an annual performance-related bonus that incentivises and rewards the delivery of a balanced selection of financial and non-financial targets over the financial year
- LTIP: incentivises performance over a three year period, promoting long-term sustainable value creation. It is delivered in Shares, which are subject to a two year post-vesting holding period.

Risk

The Remuneration Committee ensures that our remuneration arrangements remain aligned with the business' risk appetite, policies and systems, as well as its strategy.

Awards under the variable incentive plans are subject to a wide range of malus and clawback provisions, while the two year post-vesting holding period for LTIP awards strengthens the alignment of Executive Director pay with shareholders' interests. The CEO is required to build up a shareholding of 300% of salary in Shares which must be retained for one year post-employment. This provides further alignment with long-term shareholder interests.

The Remuneration Committee has discretion to adjust the formulaic outcome of incentive arrangements, taking into account all relevant factors, to further mitigate the risk of incentives vesting in inappropriate circumstances.

Predictability

The scenario charts on page 125 show the possible reward outcomes in a variety of performance scenarios. These charts include a scenario whereby the Company's share price increases by 50% over the three year LTIP performance period.

Proportionality

Over 75% of an Executive Director's package is performance based, with measures and targets designed to be appropriately stretching, providing a clear link to the delivery of short-term and long-term shareholder value. The measures are intended to be balanced to ensure that the relevant aspects of an Executive Director's performance is covered.

The use of discretion ensures that performance outcomes can be considered in the context of underlying performance.

Remuneration policy continued

Alignment to culture

CCEP has an entrepreneurial culture that drives it to move quickly, has a passion for growth and a commitment to our customers. Acting with integrity and accountability underpins this.

The remuneration policy is designed to be aligned with this culture, with balanced and stretching short-term and long-term performance measures and targets, complemented by malus and clawback and discretionary overrides. In combination, these will enable the Remuneration Committee to ensure that executive remuneration is appropriate from a cultural perspective.

The Remuneration Committee considers a number of wider workforce themes as part of its annual cycle, including workforce demographics, engagement levels and diversity. We encourage our employees to participate in all employee share schemes. In 2022, we introduced the new ESPP across the whole of CCEP, strengthening our commitment to create an ownership mindset among the workforce.

The following sections set out our new remuneration policy.

Policy table for Executive Directors

The table below summarises each element of the remuneration policy for Executive Directors and any other individual who is required to be treated as an Executive Director under the applicable regulations, with further details set out after the table. Currently, the CEO is the only Executive Director.

Base salary	No material change to previous policy
Purpose and link to strategy	• Core element of remuneration used to provide competitive level of fixed salary for Executive Directors of the calibre required for the long-term success of the business.
Operation	• Paid in cash and pensionable. • Typically reviewed annually. • In reviewing salaries, consideration is given to a number of internal and external factors including business and individual performance, role, responsibilities, scope, market positioning, rate relative to other internal pay bands to ensure succession pay headroom, inflation and colleague pay increases.
Opportunity	• While there is no prescribed formulaic maximum, annual increases will normally take into account the overall business performance and the level of increase awarded to the general relevant workforce. • Where the Remuneration Committee considers it necessary and appropriate, larger increases may be awarded in individual circumstances, such as a change in scope or responsibility or where a new Executive Director is appointed at a lower than market rate and the salary is realigned over time as the individual gains experience in the role. Salary adjustments may also reflect wider market conditions, for example in the geography in which the individual operates.
Performance conditions	• None, although individual performance will be taken into account when determining the appropriateness of base salary increases, if any.

Benefits	No material change to previous policy
Purpose and link to strategy	• Competitive and market aligned benefits for Executive Directors of the calibre required.
Operation	• A range of benefits may be provided, including, but not limited to, the provision of a company car or car allowance, the use of a driver, financial planning and tax advice, private medical insurance, medical check ups, personal life and accident assurance and long-term disability insurance. Other benefits may be provided if considered appropriate to remain in line with market practice. • Expenses incurred in the performance of executive duties (including occasional expenses associated with spouse accompanying the Executive Director on business travel or functions as required) for CCEP may be reimbursed or paid for directly by CCEP, as appropriate, including any tax due on the benefits. • CCEP may also meet certain mobility costs, such as relocation support, housing and education allowances and tax equalisation payments. • Executive Directors are eligible to participate in all employee share plans on the same basis and with the same vesting period as other employees.
Opportunity	• The value of benefits provided will be reasonable in the context of relevant market practice for comparable roles and taking into account any individual circumstances (e.g. relocation). It is not possible to state a maximum for all benefits as some will depend on individual circumstances (e.g. private medical insurance) and some may depend on family circumstances (e.g. relocation/housing/schooling allowances). • The Remuneration Committee keeps the level of benefit provision under review. • Participation in all employee share plans on the same basis as other employees up to the statutory limits .
Performance conditions	• None

Pension	No material change to previous policy
Purpose and link to strategy	• Provides an income for Executive Directors following their retirement in arrangements consistent with those offered to other employees in the relevant location.
Operation	• Executive Directors can participate in the same plan as other local employees and on the same basis. CCEP reserves the right to amend a pension arrangement for Executive Directors over the life of this remuneration policy to reflect changes to the broader employee arrangements.
Opportunity	• The current CEO can participate in the UK Defined Contribution pension plan or can opt out and receive a partial cash alternative on the same basis as other employees in GB. • The current maximum annual employer contribution, inclusive of employer social security costs, is £30,000.
Performance conditions	• None

Remuneration policy continued

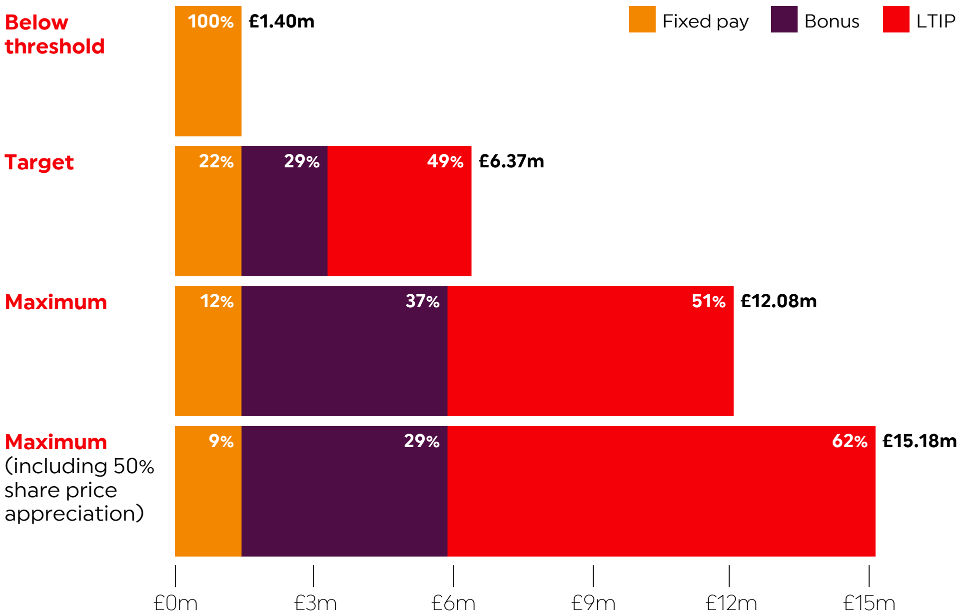
Annual bonus	No material change to previous policy
Purpose and link to strategy	• To incentivise the delivery of the business plan on an annual basis, and reward performance against key indicators which are critical to the delivery of the strategy.
Operation	• Performance is measured over one year, with the bonus normally payable fully in cash after year end, with no deferral. • The bonus is based on a combination of a Business Performance Factor (BPF) and an Individual Performance Factor (IPF). • The Remuneration Committee may exercise its discretion to adjust the formulaic outcome of the bonus up or down (subject to the maximum bonus opportunity set out below) taking into account all relevant factors, including but not limited to: underlying business performance, individual performance and wider business circumstances. • The Remuneration Committee has the ability to apply both malus and clawback provisions to bonuses.
Opportunity	• Target bonus is 150% of base salary. • The bonus is calculated by multiplying the target bonus by a BPF (with a range of 0–200%) and an IPF (with a range of 0–120%). • The maximum bonus opportunity is 360% of salary. • 25% of the target BPF (37.5% of salary) is payable for threshold business performance. The threshold for the IPF is 0% of maximum.
Performance conditions	• Business and individual performance measures, weightings and targets are set annually to align with the strategic plan, with the majority of the annual bonus being based on financial performance measures. • The Remuneration Committee ensures that targets are appropriately stretching in the context of the strategic plan and that there is an appropriate balance between incentivising Executive Directors (i) to meet financial targets for the year and (ii) to deliver specific non-financial goals. This balance allows the Remuneration Committee to reward performance effectively against the key elements of the strategy. • Each year, the annual performance targets set in the prior year are published in the ARR (unless considered commercially sensitive). • The Remuneration Committee will retain the discretion to amend subsisting performance measures and/or targets in exceptional circumstances (e.g. significant transactions), where it considers that they no longer remain appropriate.

LTIP	No material change to previous policy
Purpose and link to strategy	• Recognises and rewards delivery of Group performance over the longer term and delivered in Shares to provide alignment with shareholder interests.
Operation	• Awards of conditional Shares (or equivalent) with vesting dependent on performance measured over at least three financial years. • Shares acquired on vesting of an award (post-tax) are subject to an additional two year holding period following the vesting date. • Dividends (or equivalents) may accrue during the vesting period on Shares that vest and be paid in cash or Shares at vesting. The Group's current practice is to pay in cash. • The Remuneration Committee has the ability to apply both malus and clawback provisions to awards. • The Remuneration Committee may exercise its discretion to adjust the formulaic vesting outcome up or down (subject to the maximum LTIP opportunity set out below) taking into account all relevant factors, including but not limited to: underlying business performance, individual performance and wider business circumstances.
Opportunity	• The maximum annual award is 500% of salary. • For threshold levels of performance, 12.5% of the maximum award vests.
Performance conditions	• The Remuneration Committee will align the performance measures under the LTIP with the long-term strategy of the Group with measures focused on delivering sustainable value creation. • Prior to each grant, the Remuneration Committee will select performance measures and weightings and determine targets. Performance measures may be financial, non-financial, share price based, strategic, or determined on any other basis that the Remuneration Committee considers appropriate reflecting strategic priorities. • Currently, the performance measures used are EPS, ROIC, and CO_2e reduction. Targets are intended to be set at appropriately stretching levels of performance in the context of the strategic plan. • The Remuneration Committee will retain the discretion to amend subsisting performance measures and/or targets in exceptional circumstances (e.g. significant transactions), where it considers that they no longer remain appropriate, although it would only do so following consultation with major shareholders.

Remuneration policy continued

Illustration of the application of the remuneration policy

The Remuneration Committee considers the level of remuneration that may be received under different performance outcomes to ensure that this is appropriate in the context of the performance delivered and the value added for shareholders.



The chart above provides illustrative values of the remuneration package for the CEO in 2023 under four assumed performance scenarios.

	Assumed performance	Assumptions
Fixed pay	All scenarios	• Base salary of £1,241,440 effective from 1 April 2023 • Pension allowance of £26,000 • Benefits – assumed £135,000, which is the value received in 2022
Variable pay	Below threshold	• No pay out under the annual bonus plan • No vesting under the LTIP • No share price growth assumed
	Target performance	• Target annual bonus, representing 150% of base salary • Target LTIP[(A)] award, representing 250% of base salary • No share price growth assumed
	Maximum performance	• Maximum annual bonus, representing 360% of base salary • Maximum LTIP[(A)] award, representing 500% of base salary • No share price growth assumed
	Maximum performance including 50% share price growth	• As above for maximum performance but includes share price appreciation in respect of the LTIP[(A)] of 50% during the performance period

(A) LTIP awards may accrue dividend equivalents but the potential value of these has not been included in the analysis above.

Remuneration policy continued

Share ownership guidelines

The CEO is required to hold 300% of their base salary in Company 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 (post-tax) must be retained. The guideline continues to apply for one year following termination of employment.

Malus and clawback

The Remuneration Committee has the ability to operate malus and clawback under the annual bonus and LTIP.

This provides the Remuneration Committee with the ability to restrict or reclaim payments to Executive Directors in circumstances where it would be appropriate to do so.

The circumstances in which the malus and clawback provisions may be invoked are:

Actions/conduct of individual	• Dismissal for cause • Misbehaviour • Conduct resulting in significant loss • Failure to meet appropriate standards of fitness and propriety • Behaviour which significantly contributes to reputational damage for CCEP
Risk	• Material failure of risk management
Financial accounts	• Material misstatement in the audited consolidated accounts • Error in the determination of the vesting of an award (subject to clawback only)
Regulatory requirement	• Any recovery requirement in line with applicable regulations

In such circumstances, where the Remuneration Committee considers it appropriate, it may apply the provisions set out below:

Annual bonus	• Malus may be applied during the performance period to reduce (including to nil) the annual bonus pay out. • Clawback may be applied for up to two years post-payment of the bonus, to recover some (or all) of any amount paid out.
LTIP	• Malus may be applied before the vesting of an award to reduce (including to nil) the level of vesting of the award. • Clawback may be applied for up to two years post-vesting of the award, to recover an amount in cash or Shares relating to the value of any award already delivered. Alternatively, an existing award may be reduced by the same amount.

External appointments

Executive Directors are permitted to hold one external appointment with the prior consent of the Board. Any fees may be retained by the individual. At the time that this policy will come into operation the current CEO is not expected to have such external appointments.

Consideration of wider employee pay and conditions

The Remuneration Committee receives an annual report in respect of wider workforce remuneration, covering topics such as workforce demographics, engagement, pay and reward policies, culture and behaviours initiatives, and diversity initiatives. This information was considered when the remuneration policy was reviewed. It is also considered when the Remuneration Committee decides how it should implement the policy each year.

The Remuneration Committee considers, in particular, the budgeted salary increases for the broader relevant employee population when determining how to implement the remuneration policy for Executive Directors in any year. It is expected that future salary increases for Executive Directors will be no more than the general all-employee increase in the country where they are based, except in exceptional circumstances, such as where a recently appointed Executive Director's salary is increased to reflect his or her growth in the role over time or where significant additional responsibilities are added to the role.

The annual bonus metrics and related targets for Executive Directors are aligned with those of senior management and are cascaded through the organisation, adjusted in some cases for local market context. The performance metrics for LTIP awards are normally the same for all participants. Executive Directors may participate in all employee share plans on the same basis as other employees.

The Remuneration Committee does not consult directly with employees as part of the process of setting the policy.

Scope of remuneration policy

The Remuneration Committee reserves the right to make any remuneration payments and/or payments for loss of office (including exercising any discretion available to it in connection with such payments) notwithstanding that they are not in line with the remuneration policy set out above when the terms of the payments were agreed:

(1) before the AGM on 22 June 2017 (the date our first shareholder approved Directors' remuneration policy came into effect);

(2) before the remuneration policy set out above comes into effect, provided that the terms of the payment were consistent with the shareholder approved remuneration policy in force at the time they were agreed; or

(3) at a time when the relevant individual was not a Director of CCEP (or other person to whom this remuneration policy applies) and, in the opinion of the Remuneration Committee, the payment was not in consideration for the individual becoming a Director (or other such person) of the Company. For these purposes "payments" includes the Remuneration Committee satisfying awards of variable remuneration.

Awards under the LTIP are subject to the plan rules under which the awards were granted. The Remuneration Committee may adjust or amend awards in accordance with the provisions of the plan rules and as outlined elsewhere in this report.

Remuneration policy continued

In the event of any variation of the Company's share capital, demerger, delisting, or other event which may affect the value of awards, the Remuneration Committee may adjust or amend the terms of awards in accordance with the rules of the plan.

The Remuneration Committee may also make minor amendments to the remuneration policy set out in this report, without obtaining shareholder approval if they are required for regulatory, exchange control, tax or administrative purposes or to take account of a change in legislation.

Recruitment policy

The following table sets out the various components which would be considered for inclusion in the remuneration package for the appointment of an Executive Director and the approach to be adopted by the Remuneration Committee in respect of each component.

Element	Policy and operation
Policy application	• The Remuneration Committee's approach when considering the overall remuneration arrangements on the recruitment of an Executive Director from an external party is to take account of the Executive Director's remuneration package in their prior role, the market positioning of the remuneration package, and not to pay more than necessary to facilitate the recruitment of the individual. • Where an Executive Director is appointed from within the business, in addition to considering the matters detailed above for external candidates, our normal policy is that any legacy arrangements would be honoured in line with the original terms and conditions. • With the potential for internal succession planning in mind, CCEP will strive for alignment, where appropriate, between the approach taken at the Executive Director level and at other senior levels, ensuring that an appropriate pay progression is in place, thus facilitating talent development and succession planning.
Fixed elements	• Salary levels drive other elements of the package and would therefore be set at a level which is competitive, but no more than necessary. • The Executive Director would be eligible to participate in any benefit and/or pension arrangements which were operated for Executive Directors at the time, in accordance with the terms and conditions of such arrangements. These will align with the arrangements provided for the wider workforce. • The Company may meet certain mobility costs as required, including, for example, relocation support, expatriate allowances, temporary living and transportation expenses in line with the prevailing mobility policy and practice for senior executives.
Annual bonus	• The individual will be eligible to participate in the annual bonus plan, in accordance with the rules and terms of the plan in operation at the time. • The maximum level of opportunity will be no greater than that set out in the Policy table above (i.e. 360% of base salary).
Long-term incentives	• The individual will be eligible to participate in the LTIP, in accordance with the rules and terms of the plan in operation at the time. The maximum level of opportunity will be no greater than that set out in the Policy table above (i.e. 500% of base salary).
Buy out awards	• The Remuneration Committee will consider what buy out awards (if any) are necessary to facilitate the recruitment of a new Executive Director. This includes an assessment of the awards forfeited on leaving their current employer. In determining the quantum and structure of these commitments, the Remuneration Committee will seek to provide no more than the equivalent value and replicate, as far as practicable, the form, timing and performance requirements of the awards forfeited. Buy out share awards, if used, will be granted using the Company's existing LTIP to the extent possible, although awards may also be granted outside this plan if necessary and as permitted under the Listing Rules. In the case of an internal hire, any outstanding awards made in relation to the previous role will be allowed to be paid out according to their original terms. If promotion is part way through the year, an additional top-up award may be made to bring the Executive Director's opportunity to a level that is appropriate in the circumstances.

Remuneration policy continued

Service contracts and loss of office arrangements

The Remuneration Committee's policy on service contracts and termination arrangements for Executive Directors is set out below. On principle, it is the Remuneration Committee's policy that there should be no element of reward for failure. The Remuneration Committee's approach when considering payments in the event of a loss of office is to take 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 statutory requirements, share and pension plan rules.

The key employment terms and conditions of the current Executive Directors, as stipulated in their service contracts, are set out below:

Overall	Policy and operation
Notice period	• Executive Directors are employed on a rolling service contract which provides for a notice period of 12 months from the Company and 12 months from the individual. • New Executive Directors will be appointed on rolling service contracts with a notice period of not more than 12 months for both the Group and the individual. • The Remuneration Committee considers this policy provides an appropriate balance between the need to retain the services of key individuals for the benefit of the business and the need to limit the potential liabilities of the Group in the event of termination.
Contractual payments	• The standard Executive Director service contract does not confer any right to additional payments in the event of termination though it does reserve the right for the Group to impose garden leave on the Executive Director during any notice period. In the event of redundancy, benefits would be paid according to the Company's GB redundancy policy prevailing at that time.
Annual bonus	• Executive Directors may be eligible for a pro rata bonus for the period served, subject to performance. • No bonus will be paid in the event of gross misconduct.
Long-term incentives	• The treatment of unvested long-term incentive awards is governed by the rules of the plan. • Guidelines for normal treatment under the LTIP: – Resignation or termination for cause: the award is forfeited. – Death, ill-health, injury or disability: the award will normally vest in full. – Redundancy or other involuntary termination: the award will normally vest on the original vesting date, pro-rated for time served, and subject to performance conditions. – Good leaver: the Remuneration Committee may determine that a participant who ceases employment for any other reason (e.g. retirement, departure by mutual agreement) be treated as a 'good leaver' in which case the award will normally vest on the original vesting date, pro-rated for time served and subject to performance conditions. – Change of control: the award normally vests pro-rated for time served and subject to performance conditions. Alternatively, the award may be exchanged for awards in the acquiring company. – Vested LTIP awards still subject to a holding period will normally be released from the holding period in line with the usual timescales. • The Committee has discretion under the rules of the plan to disapply time pro-ration, or accelerate the vest date of awards for certain leaver scenarios, e.g. in the event of a good leaver or certain change of control events. • LTIP awards for participants who leave the Group to join TCCC or a franchise company of TCCC may continue to vest under the original terms. Alternatively should the awards lapse they may receive a cash payment in lieu. The cash payment will normally be equal to the value of the Shares they would have received, paid at the time they would have received them.

The cost of legal fees spent on reviewing a settlement agreement on departure, or other professional fees and settlement of any legal obligations or claims by a director, may be provided where appropriate. The Company also reserves the right to pay for outplacement services as appropriate.

Remuneration policy continued

Policy table for NEDs

The table below summarises the remuneration policy for NEDs.

Purpose and link to strategy	• To attract and retain high calibre individuals by offering market competitive fee arrangements.
Operation	• NEDs and the Chairman receive a basic fee in respect of their Board duties. • Further fees may be paid for specific committees or other Board duties. • Fees are set at a level which is considered appropriate to attract and retain the calibre of individual required by the Company. Fees will be reviewed and may be increased periodically. • Annual fees are set in UK sterling and may be received in alternative currencies at the election of the NED, using the applicable spot rate. • The Chairman and NEDs are not eligible for incentive awards or pensions. • Expenses incurred in the performance of non-executive duties (including occasional expenses associated with spouse accompanying the Chairman or NED on business travel or functions as required) for the Company may be reimbursed or paid for directly by CCEP, as appropriate, including any tax due on the benefits. • Additional small benefits may be provided.
Opportunity	• The Articles provide that the total aggregate remuneration paid to the Non-executive Chairman and the NEDs will be within the limits set by shareholders.

The NEDs, including the Chairman of the Board, do not have service contracts, but have letters of appointment. NEDs and the Chairman of the Board are not entitled to compensation on leaving the Board.

The election and re-election of Directors in accordance with the Shareholders' Agreement and Articles of Association is described on page 106 of the Corporate governance report

Consideration of shareholder views

The Remuneration Committee recognises the importance of building and maintaining a good relationship with shareholders.

The Remuneration Committee engaged with the Company's largest shareholders and their representative bodies in early 2023 in respect of the renewal of our remuneration policy, however no major concerns were raised with the policy proposed.

In future, the Remuneration Committee will continue to monitor shareholder views when evaluating and setting ongoing remuneration strategy, and will consult with shareholders prior to any significant changes to our remuneration policy.

Annual report on remuneration

Remuneration outcomes for 2022

The following pages set out details of the remuneration received by Directors for the financial year ending 31 December 2022. Prior year figures have also been shown. Audited sections of the report have been identified.

The Directors' remuneration in 2022 was awarded in line with the remuneration policy which was approved by shareholders at the AGM in May 2020.

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	2022	1,208	135	26	1,369	3,730	6,720[(A)]	10,450	11,819
	2021	1,179	134	26	1,339	3,567	2,766	6,333	7,672

(A) Estimated value based on three-month average share price and exchange rate to 31 December 2022 of US$50.19 (£42.81) and includes £533,000 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 17 March 2023. Around £2,124,000 of the vest value is attributable to share price appreciation.

Notes to the single figure table for Executive Directors (audited)

Base salary

Damian Gammell received a salary increase of 3.25% from £1,178,787 to £1,217,098 effective from 1 April 2022. This increase was in line with the merit increase provided to the wider GB workforce of 3.25%.

Taxable benefits

During the year, Damian Gammell received the following main benefits: car allowance (£14,000), financial planning allowance (£10,000), schooling allowance (£75,000 net) and family private medical coverage (£8,000).

Pension

The pension provisions that apply to Damian Gammell are aligned to all other GB employees. Damian Gammell elected to receive a cash allowance in lieu of participation in the pension scheme. This equates to a 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

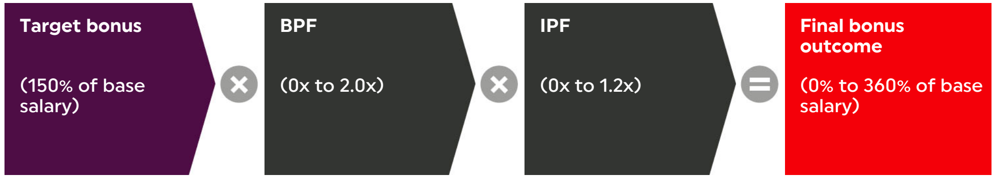
Overview of CCEP's annual bonus design

The 2022 CCEP annual bonus plan was designed to incentivise the delivery of the business strategy and comprised the following elements:

Business Performance Factor (BPF) – provides alignment with our core objectives to deliver strong financial performance against our main financial performance indicators of operating profit (50%), revenue (30%) and operating free cash flow (20%).

Individual Performance Factor (IPF) – individual objectives were also set for Damian Gammell focused on a number of areas which are aligned to key longer-term strategic objectives of the business.

In line with the remuneration policy, Damian Gammell had a target bonus opportunity of 150% of salary. Actual payments range from zero to a maximum of 360% of salary depending on the extent to which business and individual performance measures were achieved.



2022 annual bonus outcome – BPF

Financial performance in 2022 has been strong, with performance for all three financial measures being above target.

Measure	Weighting	Performance targets: Threshold (0.25x multiplier)	Performance targets: Target (1x multiplier)	Performance targets: Maximum (2x multiplier)	Performance outcomes: Actual outcome	Performance outcomes: Multiplier achieved
Operating profit[(A)]	50%	€1,868m	€2,075m	€2,241m	€2,149m	1.45x
Revenue[(B)]	30%	€15,312m	€16,052m	€16,499m	€17,271m	2.00x
Operating free cash flow[(C)]	20%	€1,958m	€2,175m	€2,349m	€2,344m	1.97x
Total	**100%**					**1.72x**

(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 a FX neutral basis at budget rates

2022 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 2022 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 1.2x for the year.

Annual report on remuneration continued

Further details of some of the specific objectives, which link to our strategy pillars (Great people, Great service, Great beverages, Done sustainably) achieved are included in the table below:

2022 objectives	Performance delivered	Strategic objective
Operating model review	• Full review undertaken with initial roll out in API	
Volume and value share growth in sparkling	• Non-alcoholic ready to drink and sparkling soft drinks volume and value share growth versus 2021	
Senior management gender ratio	• Senior management gender ratio in line with target to reach 2025 goal	
Safety and wellbeing culture	• Group TIR of 0.87 • Delivery of safety and wellbeing programmes across CCEP, including integration of API	
Plan for plastics	• Delivered ahead of plan for rPET. Group rPET usage of 48.5% (Europe 56.3%; API 26.9%).	
API integration	• Delivery of long-term plan for API markets	

2022 annual bonus outcome – calculation

Based on the level of performance achieved, as set out above, this resulted in a cash bonus paid following the year end to Damian Gammell as follows:

Target bonus (150% of base salary) × **BPF** (1.72x) × **IPF** (1.20x) = **Final bonus outcome** (309% of salary)

Link to strategy

Great people | Great service | Great beverages | Done sustainably

Long-term incentives

Awards vesting for performance in respect of 2022

The 2020 LTIP award was subject to EPS, ROIC and CO_2e reduction performance targets measured over the three year performance period from 1 January 2020 to 31 December 2022. Following the Acquisition in 2021, revised targets for the combined business were set in September 2021 and were fully disclosed in last year's remuneration report. The performance outcome is shown in the table below.

Measure	Weighting	Performance targets[D] Threshold (25% vesting)	Target (100% vesting)	Maximum (200% vesting)	Actual performance outcome	Final vesting level
EPS[A]	42.5%	€2.96	€3.15	€3.34	€3.39	2.00x
ROIC[B]	42.5%	8.2%	8.6%	9.1%	9.3%	2.00x
CO_2e reduction[C]	15%	6.0% per litre	8.0% per litre	10.0% per litre	15.3% per litre	2.00x[E]
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.
(E) Discretion applied to cap vesting level at 1.00x for the CO_2e reduction measure.

In assessing the formulaic vesting outcome of the 2020 LTIP, the Committee additionally undertook a holistic assessment of overall performance over the three year period to determine whether the formulaic outcome was an appropriate vesting level for all participants and reflected underlying Company performance. The Committee took into account a wide range of performance reference points, including financial performance, returns to shareholders, the stakeholder experience and our sustainability achievements, as described below. As a result of the assessment the Committee determined the overall performance of the business to be strong. However, the Committee considered it appropriate to apply downwards discretion in respect of the final vesting level for the CO_2e reduction measure and cap this at target. This reduced the overall vesting level to 1.85x target, and the Committee believes this to be a fair reflection of overall performance.

As the award does not vest until 17 March 2023 (the signing date of this report), the final value of the award has been estimated based on the average share price over the three-month period from 1 October 2022 to 31 December 2022 of US$50.19 (£42.81). This would result in a final pay out of around £6.7 million including the value of the cash payment to be received in respect of dividend equivalents accrued during the performance period (£533,000). As outlined in the Chairman's letter, over £2.1 million of this value is as a result of the significant increase in share price over the three year vesting period, which has delivered over £8 billion of value to shareholders over the same period. The actual value on the vesting date will be reported in next year's ARR.

Annual report on remuneration continued

Overall business performance

- NARTD value share growth over the performance period (2020 = +40 bps, 2021 = +40bps, and 2022 = +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 2022 for our customers in Europe, Australia and New Zealand. Across the three year performance period we created €2.4 billion for customers across our markets, by focusing on core brands, in-market execution and revenue growth management initiatives.
- We committed to rebasing our cost base versus pre-pandemic levels. As a percent of revenue, our comparable operating expenses are lower now (FY22; 24%), not only compared to last year (FY21; 25%), but more importantly compared to 2019 (FY19; 26%).
- Strong adjusted free cash flow generation of €1.8 billion in 2022, ahead of our recently raised annual medium-term objective of at least €1.7 billion.

Shareholder experience

- Share price performance – highest share price in history of Company of US$62.30 achieved during the performance period. Share price at vesting was around two thirds above the grant price.
- Significant value delivered to shareholders through continued payment of dividends - FY22 dividend per share of €1.68, (+20.0% versus 2021), and cumulative dividends of €1.8 billion over the period, maintaining an annualised dividend pay-out ratio of approximately 50%.
- Strong TSR growth – 16% growth over the three year period, which was between median and upper quartile performance versus FMCG peers and outperformed both the FTSE 100 (4%) and Euronext 100 (13%).
- Total of over US$1.9 billion of value being delivered to shareholders over the three year performance period (€1.8 billion in dividends and €129 million in share buybacks).

Successful acquisition and integration of CCL

- Completed the Acquisition in May 2021 to become a truly global bottler, and solidify our position as the largest Coca-Cola bottler by revenue in the world.
- First full year as Coca-Cola Europacific Partners, integration now well advanced with portfolio reorientation initiatives nearing completion and strong financial performance in 2022 (achieving both revenue and operating profit ahead of pre-pandemic levels).

Continued delivery of our sustainability agenda

- CCEP's focus on long-term value creation and innovation positions sustainability at the heart of everything we do. Over the 2020 LTIP performance period we delivered the following in Europe:
  - Reduction in European total incident rate 2019–2022 from 1.45 to 1.04
  - Approximately 30% GHG emissions reduction across our value chain since 2010 and 11.4% since 2019
  - Reduction in water use ratio 2019–2022 from 1.60 to 1.57
  - Achieved >50% rPET target four years early in Europe, ending 2022 with an average of 56.3% PET used which is rPET

Wider workforce and other stakeholder experiences

- Our primary focus throughout the performance period, in the context of the global pandemic and macro geopolitical environment, was on the safety and wellbeing of our colleagues. This included emotional and mental wellbeing support through a COVID-19 support hub, an expanded Employee Assistance Programme, and a significant Mental Health First Aider programme to provide ongoing support to all employees.
- In recognition of the rising cost of living, one-off payments were delivered in 2022 to our lowest paid colleagues in selected markets.
- As disclosed in last year's remuneration report, there was limited financial impact on all employees during the pandemic with continued frontline and group incentive payouts, limited use of government support schemes with a total value received of less than 0.2% of total employee expenditure, and continued salary increases for all employees in 2020 and for over 75% of employees in 2021. In 2022, we launched our Employee Share Purchase Plan for all our colleagues.
- Focus on our communities – our staff in Europe volunteered 28,562 hours with a total of €12.2 million in community investment in Europe and API. Our Support my Cause initiative enables our people to nominate and support grassroots charitable and community causes. In 2022, we donated €270,000 to 38 local charities and community groups across our territories. In addition, we donated over €480,000 to support 135 grassroots charitable and community partnerships located close to our sites and offices. Following its success in Europe, we launched the programme in Indonesia and New Zealand in 2022.
- Focus on our customers – we have an unrivalled customer coverage with whom we jointly create value, with more than €2 billion added to the FMCG industry since 2020.

Annual report on remuneration continued

Awards granted in 2022 (audited)

A conditional award of performance share units (PSUs) was granted under the CCEP LTIP to Damian Gammell on 10 March 2022, 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. Given the significant market uncertainty caused by the geopolitical situation in March 2022, the targets were not set until September 2022. 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.

Further details are set out below:

Individual	Date of award	Maximum number of Shares under award	Target number of Shares under award[(A)]	Closing Share price at date of award	Face value	Performance period	Normal vesting date
Damian Gammell	10 Mar 2022	163,776	81,888	US$45.42	US$7,438,706	1 Jan 2022 – 31 Dec 2024	10 Mar 2025

(A) Number of Shares awarded calculated using 10 day average share price to the normal grant date (10 March 2022) of US$48.63.

The vesting of awards is subject to the achievement of the following performance targets:

Measure	Definition	Weighting	Vesting level[(D)] (% of target) 25%	100%	200%
EPS[(A)]	EPS achieved in the final year of the performance period (FY 2024)	42.5%	€3.19	€3.58	€3.85
ROIC[(B)]	ROIC achieved in the final year of the performance period (FY 2024)	42.5%	8.8%	9.7%	10.4%
CO_2e reduction[(C)]	Relative reduction in total value chain GHG emissions since 2021 (gCO_2e/litre)	15%	6.0% per litre	8.0% per litre	10.0% per litre

(A) Comparable and on a tax and currency neutral basis, adjusted for brand sales and material non-cash equity accounting adjustments. Should there be share repurchases during the performance period, an adjustment will be made to neutralise for the impact of share repurchases and will be fully disclosed at the time of vesting.
(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. The target will be adjusted to include our API markets once work is completed to amalgamate our calculations of GHG emissions across the entire business.
(D) Straight-line vesting between each vesting level (shown).

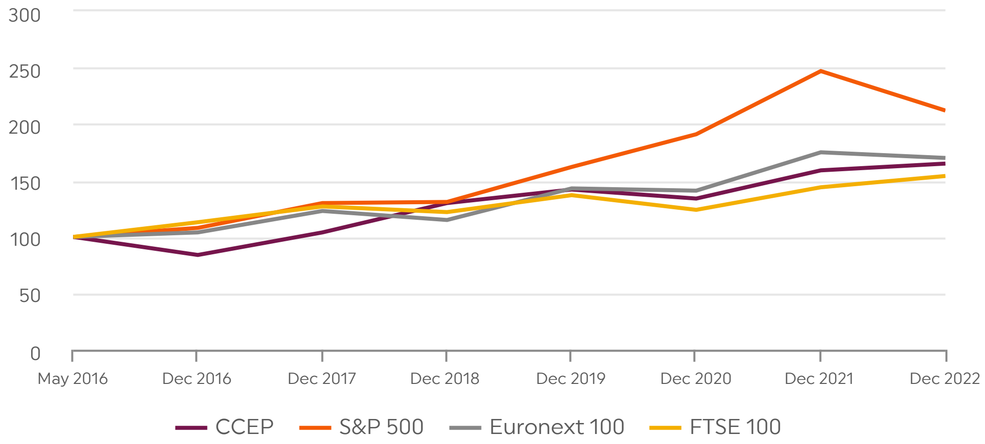
Any award vesting for the CEO will be subject to a two year post-vesting holding period.

Historical TSR performance and CEO remuneration outcomes

The chart below compares the TSR performance of CCEP from admission up until 31 December 2022 with the TSR of the Euronext 100, the FTSE 100 and the S&P 500. These indices have been chosen as recognised equity market indices of companies of a similar size, complexity and global reach as CCEP.

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 bonus pay out as a percentage of the maximum opportunity over this period:

	2016[(A)] John Brock	2016[(A)] Damian Gammell	2017 Damian Gammell	2018 Damian Gammell	2019 Damian Gammell	2020 Damian Gammell	2021 Damian Gammell	2022 Damian Gammell
CEO single figure of remuneration ('000)	US$3,890	£27	£3,716	£3,821	£7,839	£5,513	£7,672	£11,819
Annual bonus pay out (as a % of maximum opportunity)	31.23%	40.6%	60.7%	63.1%	43.7%	35.3%	84.1%	85.8%
LTI vesting (as a % of maximum opportunity)	N/A	N/A	N/A	N/A	59.0%	36.5%	45.0%	92.5%

(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 2016. Damian Gammell served as CEO from 29 December to 31 December 2016.

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 2021 to 2022 compared to the average percentage change in remuneration for all employees of the Parent Company, in line with the revised reporting regulations.

	2022			2021			2020		
Comparator	Base salary/fee	Taxable benefits(E)	Annual bonus	Base salary/fee	Taxable benefits(E)	Annual bonus	Base salary/fee	Taxable benefits(E)	Annual bonus
CEO	2.5%	0.7%	4.6%	0.4%(F)	0.0%	139.4%	2.0%	5.5%	(17.5)%
All employees	3.4%	0.6%	11.7%	1.7%	1.1%	139.9%	2.7%	0.2%	(21.9)%
Other Directors									
Sol Daurella	2.4%	200.0%	n/a	0.0%	0.0%	n/a	0.5%	0.0%	n/a
Manolo Arroyo(A)	71.9%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Jan Bennink	(7.8)%	200.0%	n/a	0.0%	100.0%	n/a	0.0%	(66.7)%	n/a
John Bryant(B)	3.5%	125.0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a
José Ignacio Comenge Sánchez-Real	2.0%	125.0%	n/a	0.0%	300.0%	n/a	1.0%	(80.0)%	n/a
Christine Cross	1.6%	80.0%	n/a	0.0%	400.0%	n/a	(1.5)%	(75.0)%	n/a
Nathalie Gaveau	6.5%	200.0%	n/a	0.0%	0.0%	n/a	0.0%	(66.7)%	n/a
Álvaro Gómez-Trénor Aguilar	2.4%	100.0%	n/a	0.0%	100.0%	n/a	0.0%	(71.4)%	n/a
Thomas H. Johnson	2.7%	550.0%	n/a	0.0%	n/a	n/a	3.5%	(100.0)%	n/a
Dagmar Kollmann	16.8%	150.0%	n/a	0.0%	300.0%	n/a	71.2%	(83.3)%	n/a
Alfonso Líbano Daurella	1.0%	n/a	n/a	0.0%	n/a	n/a	1.0%	(100.0)%	n/a
Mark Price	5.8%	200.0%	n/a	0.0%	0.0%	n/a	71.7%	(50.0)%	n/a
Mario Rotllant Solá	14.3%	125.0%	n/a	0.0%	300.0%	n/a	1.0%	(80.0)%	n/a
Brian Smith(C)	6.5%	500.0%	n/a	109.1%	n/a	n/a	n/a	n/a	n/a
Dessi Temperley(D)	15.3%	150.0%	n/a	69.0%	n/a	n/a	n/a	n/a	n/a
Garry Watts	(7.5)%	50.0%	n/a	0.0%	n/a	n/a	0.8%	(100.0)%	n/a

(A) Appointed to the Board on 26 May 2021.
(B) Appointed to the Board on 1 January 2021.
(C) Appointed to the Board on 9 July 2020.
(D) Appointed to the Board on 27 May 2020.
(E) Reduction and increases in taxable benefits reflect the impact of travel restrictions across 2020, 2021 and 2022.
(F) 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 2021 and 2022, along with the percentage change of each.

	2022	2021	% change
Total employee expenditure	€2,318m	€2,016m	15.0%
Dividends(A)	€763m	€638m	19.6%

(A) There were no share buybacks in 2021 or 2022.

CEO pay ratio

The table below shows the ratio of the CEO's single figure of remuneration for 2022 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 is excluded from the calculation then the median ratio would be 74:1. The main reason for the increase in the ratio from 2020 to 2021, and 2021 to 2022 is the CEO's increasing bonus and LTIP values in each year.

Year	Method	25th percentile ratio	Median ratio	75th percentile ratio
2022	Option B	281:1(A)	171:1(B)	130:1(C)
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 £42,000 (of which £26,000 was salary).
(B) The individual used in this calculation received total pay and benefits of £69,000 (of which £46,000 was salary).
(C) The individual used in this calculation received total pay and benefits of £91,000 (of which £61,000 was salary).

The Committee has chosen Option B (hourly gender pay gap information as at 5 April 2022) to determine the ratios, as that data was already available and provides a clear methodology to calculate full time equivalent earnings. No component of pay and benefits has been omitted for the purposes of the calculations.

The Committee is satisfied that the individuals whose remuneration is used in the above calculations are reasonably representative of employees at the three percentile points, having also reviewed the remuneration for individuals immediately above and below each of these points and noted that the spread of ratios was acceptable. No adjustments were made to the three reference points selected.

The Committee believes the median ratio is consistent with the pay and reward policies for CCEP's GB employees. CCEP is committed to offering an attractive package for all employees. Salaries are set with reference to factors such as skills, experience and performance of the individual, as well as market competitiveness. All employees receive a wide range of employee benefits and a large number are eligible for an annual bonus. Our LTIP is designed to link remuneration to the delivery of long-term strategic objectives and therefore participation is typically offered to senior employees who have the ability to influence these outcomes. The 25th percentile, median and 75th percentile employees identified in the above calculation do not participate in the LTIP. As the CEO participates in the LTIP, the ratio will be influenced by vesting outcomes and will likely vary year on year. In consideration of these points, the Committee considers that the levels of remuneration are appropriate.

Annual report on remuneration continued

Payments to past Directors (audited)

There were no payments to past Directors during the year, other than those disclosed elsewhere in this report.

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 requirements and the number of Shares held by Damian Gammell are set out in the table below.

	Interests in Shares at 31 December 2022	Interests in share incentive schemes subject to performance conditions at 31 December 2022(A)(B)(C)	Interests in share option schemes(A)(B)	Share ownership requirement as a % of salary	Share ownership as a % of salary achieved at 31 December 2022(D)	Shareholding guideline met
Damian Gammell(E)	399,323	469,446	324,643	300%	1,500%	✓

(A) For further details of these interests, please refer to footnote (C) of the outstanding awards table below.
(B) Do not count towards achievement of the share ownership guideline.
(C) The CEO has no interests in share incentive schemes not subject to performance conditions at 31 December 2022.
(D) The Remuneration Committee has simplified our share ownership policy to calculate shareholdings based on the prevailing share price and salary at 31 December 2022.
(E) A further 144,544 shares will vest under the 2020 LTIP on 17 March 2023.

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 2021	Granted during the year	Vested during the year	Exercised during the year	Lapsed during the year	Number of Shares subject to awards at 31 December 2022	End of performance period	Vesting date
Damian Gammell(A)										
1 Mar 2019	PSU(B)	N/A	156,008	–	70,204	N/A	85,804	–	31 Dec 2021	1 Mar 2022
17 Mar 2020	PSU(C)(D)	N/A	156,264	–	–	N/A	–	156,264	31 Dec 2022	17 Mar 2023
29 Sep 2021	PSU(C)	N/A	149,406	–	–	N/A	–	149,406	31 Dec 2023	15 Mar 2024
10 Mar 2022	PSU(C)	N/A	–	163,776	–	N/A	–	163,776	31 Dec 2024	10 Mar 2025

(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 exercised by the CEO during the year.
(B) The performance condition was satisfied at 45% of maximum on 31 December 2021. Award vested on 1 March 2022.
(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 2020 PSU awards vested at 185% of target (144,544 shares) on 17 March 2023.

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 2022
Sol Daurella[A][B]	33,358,143
Manolo Arroyo	–
Jan Bennink	49,790
John Bryant	3,340
José Ignacio Comenge Sánchez-Real[A]	7,836,065
Christine Cross	–
Nathalie Gaveau	–
Álvaro Gómez-Trénor Aguilar[A]	3,141,311
Thomas H. Johnson	14,000
Dagmar Kollmann	–
Alfonso Líbano Daurella[A]	6,696,072
Mark Price	–
Mario Rotllant Solá	–
Brian Smith	–
Dessi Temperley	–
Garry Watts	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 57.4% of Olive.

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 Company's issued share capital over a 10 year period in relation to the Company's issued share capital, with a further limitation of 5% in any 10 year period on discretionary plans.

Single figure table for NEDs (audited)

The following table sets out the total fees and taxable benefits received by the Chairman and NEDs for the year ended 31 December 2022. Prior year figures are also shown.

	2022 (£'000)				2021 (£'000)			
Individual	Base fee	Chairman/ Committee fees	Taxable benefits[A]	Total fees	Base fee	Chairman/ Committee fees	Taxable benefits[A]	Total fees
Sol Daurella	578	26	3	607	564	26	1	591
Manolo Arroyo[B]	84	26	8	118	49	15	0	64
Jan Bennink	84	34	12	130	82	46	4	132
John Bryant	84	33	9	126	82	31	4	117
José Ignacio Comenge Sánchez-Real	84	16	9	109	82	16	4	102
Christine Cross	84	46	9	139	82	46	5	133
Nathalie Gaveau	84	14	3	101	82	10	1	93
Álvaro Gómez-Trénor Aguilar	84	–	8	92	82	–	4	86
Thomas H. Johnson	116	37	13	166	113	36	2	151
Dagmar Kollmann	84	48	10	142	82	31	4	117
Alfonso Líbano Daurella	84	20	3	107	82	21	0	103
Mark Price	84	25	6	115	82	21	2	105
Mario Rotllant Solá	84	28	9	121	82	16	4	102
Brian Smith	84	14	12	110	82	10	2	94
Dessi Temperley	84	29	10	123	82	16	4	102
Garry Watts	84	40	6	130	82	52	4	138

(A) Taxable benefits mainly relate to travel and accommodation costs in respect of attendance at Board meetings with FX rates used as at the date of the relevant meeting. Former director Irial Finnan received a taxable benefit in 2022 with a value of £5,000 in respect of attendance at a Board event delayed from 2021.
(B) Appointed to the Board on 26 May 2021.

Annual report on remuneration continued

Implementation of remuneration policy for 2023

Base salary

Damian Gammell will receive a 2.0% salary increase effective 1 April 2023. This is lower than the average merit increase provided to the wider GB workforce of 6.0%.

Individual	2022 salary	2023 salary (effective from 1 April)	% increase
Damian Gammell	£1,217,098	£1,241,440	2.0%

Taxable benefits

No significant changes to the provision of benefits are proposed for 2023. 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 cash allowance of £30,000 (inclusive of employer National Insurance contributions) in lieu of participation in the pension scheme.

Annual bonus

No changes have been made to the structure of the annual bonus plan for 2023, 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 130. 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%

In determining the IPF for Damian Gammell for 2023, he will be assessed against a number of objectives which are aligned to the key longer-term strategic objectives of the business, which include:

Objectives include:

- Growth in market share aligned with the business plan
- Competitiveness targets as agreed with the Board
- ID&E targets linked to % of female leaders and our ID&E strategy

The actual financial targets are not disclosed prospectively as they are deemed commercially sensitive. We intend to disclose them in next year's ARR. A fuller description of individual performance objectives including specific quantitative measures (where appropriate) and their outcomes will also be disclosed in next year's ARR.

Long-term incentive

Damian Gammell's long-term incentive opportunity for 2023 will be aligned with the limits set out in the remuneration policy. He was granted a target award of 250% of salary on 13 March 2023 and may receive up to two times this target award (130,738 shares) if the maximum performance targets are achieved.

The 2023 LTIP award will continue to be based on a mix of EPS, ROIC, and CO_2e reduction, unchanged from last year.

The financial targets have been set at stretching levels taking into account both our long-term plan and external forecasts.

Following the end of the performance period, awards will be subject to an additional two year holding period.

			Vesting level[D] (% of target)		
Measure	Definition	Weighting	25%	100%	200%
EPS[A]	EPS achieved in the final year of the performance period (FY 2025)	42.5%	€3.63	€4.07	€4.37
ROIC[B]	ROIC achieved in the final year of the performance period (FY 2025)	42.5%	10.8%	12.0%	13.1%
CO_2e reduction	Relative reduction in total value chain GHG emissions since 2022 (gCO_2e/litre)	15%	12.0% per litre	14.5% per litre	17.0% per litre

(A) Comparable and on a tax and currency neutral basis, adjusted for brand sales and material non-cash equity accounting adjustments. Should there be share repurchases during the performance period, an adjustment will be made to neutralise for the impact of share repurchases and will be fully disclosed at the time of vesting.
(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 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 CCEP value chain.
(D) Straight-line vesting between each vesting level shown.

Annual report on remuneration continued

Chairman and NED fees

The NED base fee, Chairman fee and additional fees were last increased with effect from 1 April 2022. The additional fees for the Nomination Committee Chairman and membership of the Nomination Committee were increased with effect from 1 April 2023.

Role		Current fees	Fees effective 1 April 2023
Chairman		£582,000	£582,000
NED basic fee		£85,000	£85,000
Additional fee for Senior Independent Director		£31,750	£31,750
Additional fee for Committee Chairman	Audit and Remuneration Committees	£37,250	£37,250
	Affiliated Transaction and ESG Committees	£36,000	£36,000
	Nomination Committee	£21,250	£36,000
Additional fee for Committee membership	Audit and Remuneration Committees	£16,000	£16,000
	Affiliated Transaction and ESG Committees	£15,500	£15,500
	Nomination Committee	£10,500	£15,500

The Remuneration Committee

The entire Board determines the terms of the compensation of the CEO and fees for the NEDs and Chairman and approves the remuneration policy, all on the Committee's recommendation. The Committee is also responsible for setting the remuneration for each member of the ELT reporting to the CEO.

The Terms of Reference can be found on our website at cocacolaep.com/about-us/governance/committees

Remuneration Committee members and attendance

In line with the Shareholders' Agreement, the Committee has five members, as set out on pages 89-93. There are three independent NEDs, one Director nominated by Olive Partners and one Director nominated by ER. The Committee formally met six times during the year, with one additional ad hoc meeting in line with business needs. Attendance is set out in Table 2 on page 105 of the Corporate governance report.

As described in the remuneration policy, the Committee receives an annual report in respect of wider workforce remuneration including pay and reward policies, which informs its decisions on executive pay. The Committee does not engage directly with employees on the issue of executive pay, however, within CCEP, employee groups are regularly consulted about matters affecting employees including our strategy, Company performance, culture and approach to reward, and this feedback informs decisions on people matters and other activities.

Support for the Remuneration Committee

Deloitte was appointed by the Remuneration Committee in 2016 following a selection process. During the year, Deloitte provided the Committee with external advice on executive remuneration. Deloitte is a member of the Remuneration Consultants Group and has voluntarily signed up to the Remuneration Consultants' Code of Conduct relating to executive remuneration consulting in the UK. The Committee is satisfied that the engagement partner and team that provide advice to the Committee do not have connections with CCEP or individual Directors that may impair their independence. During 2022, the wider Deloitte firm also provided CCEP with other tax, digital transformation, access security and consultancy services.

Total fees received by Deloitte in relation to the remuneration advice provided to the Committee during the year amounted to £69,200 based on the required time commitment.

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 2022:

Meeting date	Key agenda items	
February 2022	• Approval of financial performance outcome for 2021 annual bonus • Approval of final vesting outcome for 2019 LTIP	• Approval of 2021 annual bonus outcome for the ELT • Review of ELT individual objectives in respect of the 2022 annual bonus
March 2022	• Approval of 2022 annual bonus financial performance measures and targets • Approval of 2022 LTIP opportunities • Review of Committee effectiveness	• Approval of 2022 ELT Remuneration packages • Review of 2021 Remuneration Report • Review of Chairman and NED fees
May 2022	• Review of remuneration policy • Review of Committee Terms of Reference • Advisor review	• AGM voting update • Deloitte Market Update • Update on Employee Share Purchase Plan (ESPP)
September 2022	• Approval of 2022 LTIP targets • Review of remuneration policy	• Review of executive shareholding guidelines
October 2022	• Review of 2022 annual bonus and 2020 LTIP performance • Approach to shareholder consultation	• Update on Remuneration Committee advisors
December 2022	• Review of first draft of the 2022 Remuneration Report • Performance update for 2022 annual bonus	• Base pay design for 2023 • Incentive design for 2023

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 voting outcomes

The table below shows how shareholders voted in respect of the ARR at the AGM held on 27 May 2022 and the remuneration policy at the AGM held on 27 May 2020:

Resolution	Votes for (%)	Votes against (%)	Number of votes withheld
Approval of the ARR	86.18%	13.82%	11,992,026
Approval of the remuneration policy	99.48%	0.52%	56,633

This Directors' remuneration report is approved by the Board and signed on its behalf by

John Bryant, Chairman of the Remuneration Committee
17 March 2023

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 2022.

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 1-85, represents 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 106

Table 1

Information and disclosures included elsewhere in this report

Disclosure	Section of report	Page(s)
Names of Directors during the year	Board of Directors	89-93
Review of performance, financial position and likely future developments	Strategic Report	1-85
Dividends	Business and financial review and Note 17 to the consolidated financial statements	74-85 and 190-191
Principal risks	Principal risks section of the Strategic Report	64-71
Information on share capital relating to share classes, rights and obligations	Note 17 to the consolidated financial statements, and the Share capital section in Other Group information	190-191 and 231-233
Financial instruments and financial risk management	Notes 13 and 26 to the consolidated financial statements	179-182 and 203-205
Cash balances and borrowings	Notes 11 and 14 to the consolidated financial statement	178 and 182-185
Significant events after the reporting period	Note 27 to the consolidated financial statements	206
Information on employment of disabled persons	Forward on society – people	58-63
Workforce engagement	Our stakeholders and Forward on society – people	14-17 and 58-63
Business relationships with suppliers, customers and others	Our stakeholders, Forward on supply chain and Forward on society – people	14-17, 49-52 and 58-63
Greenhouse gas emissions and energy consumption	TCFD metrics and targets, Forward on climate and greenhouse gas methodology	37, 38-41 and 252
Responsibility statement	Directors' responsibilities statement	144

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 87-144

Directors' indemnity arrangements

Qualifying third party indemnities were in place throughout 2022, 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 2022 (2021: 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.

Restrictions on transfer of securities

Olive Partners and TCCC are both subject to certain restrictions relating to the acquisition or disposal of Shares under the terms of the Shareholders' Agreement. Other than those set out in the Shareholders' Agreement, we are not aware of any agreements between shareholders that may result in a restriction of the transfer of securities or voting rights in the Company.

Employee share schemes

Shares issued under the Company's employee share schemes rank pari passu with the existing Shares of the Company. Voting rights attached to Shares held on trust on behalf of participants in the GB Employee Share Plan are exercised by the trustee as directed by the participants.

Significant shareholdings

In accordance with DTR 5.8, Table 2 below shows the significant interests in Shares of which the Company has been notified as at 31 December 2022, and the date of this report. The shareholders identified have the same voting rights as all other shareholders.

Share buyback programme

The Company announced a share buyback programme on 13 February 2020, under which it proposed to reduce share capital by up to €1 billion through the purchase and cancellation of its own Shares (the Buyback Programme). Share purchases for the Buyback Programme were undertaken pursuant to shareholder authority granted at the 2019 AGM.

In light of the significant and unprecedented macroeconomic uncertainty brought about by the outbreak of COVID-19, on 23 March 2020, the Company announced a suspension of the Buyback Programme. To maintain flexibility, the shareholder authority to purchase Shares was renewed at the 2022 AGM, under which the Company may purchase up to 45,677,101 Shares, representing 10% of the Company's issued share capital at 11 April 2022, reduced by the number of Shares purchased or agreed to be purchased between 11 April and 27 May 2022. No Shares were purchased under this authority in 2022.

We intend to seek to renew the authority to purchase Shares at the 2023 AGM.

For more details, see the Share buyback programme section in Other Group information on page 232

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 2022 or the date of this report.

Directors' report continued

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 2022 was €1.95 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

The Company invests in and undertakes certain activities for the development of innovative solutions, 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.

Independent auditor

Disclosure of information to auditors

Each of the Directors in office as at the date of this Integrated Report, confirms that:

- so far as he or she is aware, there is no relevant audit information (as defined by section 418 of the Companies Act) of which the Company's auditor is unaware; and
- he or she has taken all the reasonable steps that he or she ought to have taken as a Director to make himself or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor reappointment

EY has expressed willingness to continue in its capacity as independent auditor of the Company. The Directors plan to recommend a resolution to reappoint EY at the 2023 AGM.

Going concern

As part of the Directors' consideration of the appropriateness of adopting the going concern basis in preparing the Parent Company and consolidated financial statements, the Directors have taken into account the Group's overall financial position, exposure to the principal risks and future business forecasts. For the Parent Company, the Directors also considered the ability of its subsidiaries to remit earnings. At 31 December 2022, the Group had cash and cash equivalents of €1.4 billion and had access to a €1.95 billion undrawn committed credit facility, which is free of financial covenants and in place until at least January 2028. The Directors have also considered the stress testing performed as part of the assessment of viability set out on page 72.

On this basis, the Directors have a reasonable expectation that the Group and Parent Company has adequate resources to continue in operational existence for a period of 12 months from the date of signing these accounts.

This Directors' Report has been approved by the Board and signed on its behalf by

Clare Wardle, Company Secretary
17 March 2023
Coca-Cola Europacific Partners plc
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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 and conditions on the entity's financial performance
- Make an assessment of the Group's ability to continue as a going concern

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable them to ensure that the financial statements comply with the Companies Act. They are responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' report, Annual report on remuneration, and Corporate governance report that comply with that law and those regulations. The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

Legislation, regulation and practice in the UK governing the preparation and dissemination of financial statements may differ from legislation, regulation and practice in other jurisdictions.

Responsibility statement

The Directors, whose names and functions are set out on pages 89-93, confirm that to the best of their knowledge:

- The consolidated financial statements, prepared in accordance with 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, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole.
- The Strategic Report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties they face.
- The Integrated Report and financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

By order of the Board

Clare Wardle, Company Secretary
17 March 2023