

ACTION ON DRINKS

We want to make it easier for people to manage their sugar consumption. By evolving our portfolio to offer people a wider variety of great tasting drinks, we're helping consumers cut down on sugar and make more informed choices about their diets.

CCEP'S COMMITMENT TO SDGS



GOOD HEALTH AND WELLBEING



OUR STRATEGY

Consumer habits and preferences are continually evolving. To meet a greater range of moments and occasions, people are looking for a broader variety of drinks, including those with low and no calories. Working with The Coca-Cola Company (TCCC) and other franchisors, we continue to evolve our business and portfolio in line with these changes.

We're rethinking many of our recipes to reduce sugar across our brands. At the same time, we're expanding our portfolio to include many other types of drinks like juices and ready to drink (RTD) teas and coffees. We're committed to ensuring that 50% of our sales come from low and no calorie drinks by 2025.

We're also making it easier for consumers to cut down on sugar by providing easy to understand product information, and by making smaller and more convenient pack sizes more readily available.

We're shifting our marketing spend to make people more aware of our low and no sugar options, while being committed to not advertising to children under 12.

Our progress

Reduction in average sugar per litre in our soft drinks portfolio since 2015



Reduction in average sugar per litre in our soft drinks portfolio since 2010



Products sold that are low or no calorie



2019 2020

CONTENT FINALISED AT BEGINNING OF MAY 2021 RELATED TO CCEP'S OPERATIONS IN WESTERN EUROPE

GREAT TASTE, LESS SUGAR

WHAT ARE YOU DOING TO REDUCE SUGAR IN YOUR SOFT DRINKS?

In 2017, we set a target to reduce our average sugar content per litre of product by 10% between 2015 and 2020, on top of a 5% reduction already achieved since 2010. This is in line with our commitment as a member of [the Union of European Soft Drinks Association \(UNESDA\)](#). By the end of 2020, we reduced the sugar in our soft drinks by 15.3% compared to 2015 – 5.3% above our target. This represents a reduction of 19.8% since 2010, equivalent to 245k tonnes of sugar.

Working with TCCC and other franchisors, we are continuing to reduce sugar across our portfolio. We do this by reformulating our recipes without compromising on taste and by introducing more low and no calorie drinks. Since 2010, we have introduced 705 low and no calorie drinks to the market and 211 products had their recipes changed to reduce their sugar content.

In 2020, we launched 96 low and no calorie drinks on the market. These included the introduction of a new Fanta Orange formula in Germany with reduced sugar. We launched three new flavours of Fuze Tea, an infusion of tea leaves blended with fruit juice and botanicals and certified by Rainforest Alliance, across our territories. We also launched a new no calorie Fanta drink, #WhatTheFanta, in France, GB, the Netherlands, Norway and Sweden. This is available in three flavours: Apple and Lychee; Cactus and Lemon; Banana and Watermelon.

WHAT PROGRESS HAVE YOU MADE IN ENSURING 50% OF YOUR TOTAL SALES COMES FROM LOW OR NO CALORIE DRINKS BY 2025?

To ensure that 50% of our sales come from low and no calorie drinks by 2025, we actively encourage consumers to reduce their daily sugar intake by raising awareness of our low and no sugar drinks through our point of sales communications and promotion activity. We are already close to reaching this target. In 2020, 47.7% of our sales came from low and no calorie drinks. In Belgium, GB and Spain over 50% of our sales already come from low and no calorie drinks.

In 2021, we remain focused on our commitment through the introduction of low and no calorie drinks, reformulation, and increasing the availability of small pack sizes. We are also continuing to increase our investment in marketing to raise consumer awareness of our wide range of low or no calorie choices. For example, for the last two years we have rolled out a "Surviving January" communications campaign including in store activation across several markets, to promote low and no calorie drinks.

GIVING CONSUMERS MORE CHOICE

WHAT PROGRESS HAVE YOU MADE IN OFFERING SMALLER PACK SIZES?

Smaller packs can help consumers control their calorie and sugar intake. We are committed to making smaller and more convenient pack sizes more readily available to enjoy at home as well as on the go.

Today, 3.7% of our sparkling soft drinks are sold in packs of 250ml or less. Due to the COVID-19 crisis and the temporary closure of the hospitality sector, consumption of these drinks has significantly decreased. However, we plan to improve availability and sales of small cans and glass bottles in all our markets in 2021.

DO YOU OFFER ANY ORGANIC DRINKS?

Together with TCCC and other franchisors, we have broadened our range of organic drinks. Today we have 56 organic products in our portfolio, making up 0.4% of our total sales volume. Our Honest Tea, ViO BiO, and Capri-Sun Bio are amongst the organic brand options we offer consumers.

DO YOU OFFER ANY FAIRTRADE CERTIFIED OR RAINFOREST ALLIANCE CERTIFIED DRINKS?

2.3% of our total sales volume is Fairtrade certified or Rainforest Alliance certified.

Since June 2020, all Honest Bio teas have been [Fairtrade](#) certified, as well as organic. The partnership with Fairtrade is a further step in the commitment of the Honest brand to the sustainable sourcing of ingredients. Our CHAQWA coffee beans are also Fairtrade certified.

All our Fuze Tea products, an infusion of tea leaves blended with fruit juice and botanicals, are certified with the Rainforest Alliance Certified™ 'green frog' seal, confirming that the tea has been sourced sustainably from Rainforest Alliance Certified™ tea producers. This means that we meet the rigorous criteria of their [Sustainable Agriculture Standard](#). In addition, our RTD Costa Coffee is also Rainforest Alliance certified.

DO YOU OFFER ANY DRINKS THAT CONTAIN ALCOHOL?

As part of being a total beverage company, we want to offer a broad variety of drinks suited to a wide range of moments and occasions.

In Belgium and Iceland, we produce or distribute drinks that contain alcohol such as beer, wine and spirits. Together, these make up 0.1% of the volume of our portfolio. In Iceland, our Akureyri facility near the Arctic Circle produces its own Viking brand of beer, as well as brewing other beers under licence. We also act as the distributor for premium spirit brands including Glenrothes, Highland Park, Macallan, The Famous Grouse, Disaronno and Buss Spirits in Belgium and Luxembourg.

In November 2020, we partnered with TCCC to launch Topo Chico hard seltzer in GB and the Netherlands. This is a sparkling water with alcohol and natural flavours, and our first global drinks brand in the alcohol category. The drink is available in 330ml cans in three flavours: Tangy Lemon Lime, Tropical Mango and Cherry Acai. It will be rolled out across other markets in 2021.

Read about our approach to promoting the responsible consumption of alcohol below.

DO YOU USE INGREDIENTS THAT ARE GENETICALLY MODIFIED OR DERIVED FROM GENETICALLY MODIFIED ORGANISMS?

We do not use ingredients that are genetically modified or derived from genetically modified organisms in any of the countries in which we operate. We insist that our suppliers adhere to the same standards and demand suitably verified certificates of compliance with EU regulations 1829/2003 and 1830/2003 on genetically modified food and feed, and traceability and labelling respectively.

PROVIDING CLEAR NUTRITIONAL INFORMATION

HOW ARE YOU HELPING CONSUMERS MAKE INFORMED CHOICES ABOUT THEIR DRINKS?

We are committed to providing clear and transparent nutritional information about our drinks, including information about sugar and calorie content.

In 2009, we were one of the first companies to voluntarily introduce Guideline Daily Amount (GDA) labelling on all of our packaging. Apart from waters, which do not require GDA labelling, 96% of our products carry GDA labelling. The remaining 4% are drinks from our brand partner Monster Energy, which chooses not to put this labelling on the front of packs. This is in line with other energy drink brands.

We have included front-of-pack Reference Intake (RI) information on our packaging since 2013. In 2014, we joined the UK government's voluntary colour-coded, front-of-pack nutrition labelling scheme. In 2018, we began trialing this type of colour-coded labelling in Belgium, France, Luxembourg and the Netherlands. The European Commission is currently looking into developing a single, consistent nutritional labelling scheme across Europe, and we hope our trials will contribute to this process.

Where it is not possible to provide front-of-pack labelling (for example, on returnable glass bottles in some countries), we make this information available on our websites or by other easily accessible means.

RESPONSIBLE MARKETING

HOW DO YOU ENSURE THAT YOU MARKET YOUR DRINKS RESPONSIBLY?

We recognise that the way we engage in commercial activity or market our products plays a vital role in developing a relationship of trust with all of our stakeholders.

In 2020, we rolled out an updated toolkit to support our marketing and commercial teams in their conversations with customers about our drinks and ingredients, to ensure we are marketing our products responsibly.

Additionally in 2021, we will roll out an updated version of our Responsible Sales and Marketing Principles. These will guide our sales and marketing teams on how our products should be marketed. The principles provide guidance to ensure that we are honest and transparent in everything we do, that we aim to never mislead consumers, and that we should take every opportunity to help consumers make informed choices about what they drink. In addition, we encourage responsible consumption. For example, the principles give advice about how to work with customers to develop meal and snack promotions that promote healthier food choices and smaller portion sizes. We aim to make our low and no calorie beverages most prominent in our meal deal or snack promotions.

WHAT ARE YOUR POLICIES AROUND MARKETING TO CHILDREN?

A key pillar of our Responsible Sales and Marketing Principles is respecting the role of parents and caregivers as the primary decision makers of what children drink. Together with TCCC we have a long-standing policy not to advertise or market any of our products to children under the age of 12.

We play a proactive role in leading local industry coalitions to strengthen our actions, with a particular focus on the rapidly evolving digital and social media environment and school policies.

While we can't control everything every child sees, we are working with TCCC to proactively push the industry to advertise responsibly. We do not place advertising in media where the audience is under 12 years old, and do not design our marketing communications in a way that directly appeals to children under 12. We also participate in audits by external organisations that monitor our advertising to demonstrate compliance.

Through UNESDA, we are committed to not advertising in printed media, on websites or during broadcast programmes aimed specifically at children. We do not undertake promotional activities aimed at children under the age of 12 and we never provide free samples to this age group unless an adult or caregiver is present and agrees.

For example, in September 2017, together with UNESDA, we announced a commitment to not sell added-sugar beverages directly in secondary schools (those with pupils ages around 12 to 18) and to ensure a commercial-free school environment across Europe.

WHAT ARE YOU DOING TO PROMOTE RESPONSIBLE CONSUMPTION OF ALCOHOL?

In each of the countries where we distribute drinks that contain alcohol, we respect the local code of practice for the responsible marketing and promotion of alcoholic drinks. This includes providing messages on responsible drinking and marketing products in channels where consumers are adults over local legal purchase age.

We also know that our non-alcoholic drinks are often consumed on social occasions where alcohol is involved and that they can be mixed with alcoholic beverages. A key part of our responsible marketing principles aims to ensure that any association of our products with alcohol is communicated in a way that encourages moderate and responsible drinking, and which complies with all relevant laws, regulations and industry codes on the marketing and sale of alcohol.

Our recent launch of Topo Chico hard seltzer in GB and the Netherlands (see above) was accompanied by an integrated responsible marketing campaign specifically aimed at consumers of the legal drinking age and above.

ASIDE FROM PROVIDING POLICIES AND GUIDELINES, WHAT ARE YOU DOING TO TRAIN AND EDUCATE YOUR EMPLOYEES ON RESPONSIBLE MARKETING AND YOUR PRODUCTS?

Over the last three years we have redesigned our Induction Programme, which aims to instill pride and educate our employees about our brands, what they stand for, what ingredients they contain and how to answer questions. The programme reaches all our new employees through a variety of resources in every workplace setting – field sales, manufacturing, distribution and offices.

We give our employees access to brand and product information to help them in their conversation with customers, stakeholders, family or friends. Through our internal communication tools, we update them on an ongoing basis on our brand activation plans, and what we are doing to improve the sustainability of our products. We also equip them to answer questions from a range of stakeholders.

RESEARCH AND DEVELOPMENT

WHERE DO YOU DEVELOP NEW PRODUCTS, SUSTAINABLE PACKAGING CONCEPTS AND OTHER TECHNOLOGIES?

CCEP is one of the world's largest independent bottlers of Coca-Cola products. We manufacture and distribute products designed and formulated by TCCC and other brand-owning companies. We play our role to influence our brand owner partners to offer new products that meet consumer needs.

We do not have our own research and development centre, but we develop new innovative packaging concepts and install more environmentally friendly industrial technologies for the production of our products.

TCCC's second largest innovation centre is based in Brussels, Belgium. The centre is centrally located in Europe, but it also develops products for the Middle East, Africa and part of South Asia.