

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Coca-Cola European Partners was formed in May 2016 from the merger of three companies: Coca-Cola Enterprises (CCE), Coca-Cola Iberian Partners (CCIP) and Coca-Cola Erfrischungsgetränke (CCEG). Serving over 300 million consumers across thirteen countries in Western Europe (Andorra, Belgium, France, Germany, Great Britain, Iceland, Luxembourg, Monaco, the Netherlands, Norway, Portugal, Spain and Sweden).

Coca-Cola European Partners (CCEP) makes, sells and distributes non-alcoholic beverages and is the world's largest independent Coca-Cola bottler by revenue. We offer consumers some of the world's leading brands, including Coca-Cola, Diet Coke, Coca-Cola Light, Coca-Cola Zero Sugar, Fanta, Sprite, as well as a growing range of water, juices and juice products, sports and energy drinks and ready-to-drink teas. CCEP operates 47 manufacturing sites and employs approximately 23,000 people. In 2018, we sold approximately 2.5 billion unit cases, generating approximately €11.5 billion in revenue and €1.6 billion in operating income.

The company is listed on Euronext Amsterdam, the New York Stock Exchange, the London Stock Exchange and the Spanish Stock Exchanges, and trades under the symbol CCEP. We are headquartered in London, UK.

We are proud of the rich heritage of our business and of the work that we have done within our third year as a combined organisation to continue to reduce the sugar and calories in our drinks, the impact of our packaging, and our carbon and water footprints. At CCEP, we want sustainability to support every part of how we do business and our strategy is underpinned by "This is Forward", our sustainability action plan that we launched in 2017, in partnership with The Coca-Cola Company (TCCC). Through the plan, we address key global sustainability issues where we know we can make a difference, in line with the priorities and concerns of our stakeholders. These include action on climate, water, supply chain, packaging, society and drinks. "This is Forward" includes carbon reduction targets for both our core business operations, and across our value chain; which have been approved as aligned to climate science and the Paris Climate agreement by the Science Based Targets Initiative (SBTi). In 2016, we signed up to the Climate Group's RE100 initiative, committing to purchasing 100% renewable electricity by 2020. In 2018, 100% of our purchased electricity came from renewable sources, achieving our target two years ahead of schedule. We are working hard to reduce greenhouse gas emissions across our entire value chain, with an aim to cut GHG emissions across our entire value chain by 35%. In 2018, together with The Coca-Cola Company, we began a detailed assessment of the climate-related risks we face. The results will inform our strategic decisions and help us prepare for the potential impacts of climate change in line with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD).

We have publicly reported all of our carbon emissions for the full year 2018 (January 2018 - December 2018) for the whole CCEP organization in our first 2018 Integrated Report and our online 2018 Sustainability Stakeholder Report. The carbon footprint data of our core business operations have been assured by DNV-GL. We have shared our performance and reduction data versus a 2010 baseline. This baseline year was chosen as it aligns with the baseline year used by The Coca-Cola Company, and as this was the third year for which we could source reliable data for the full CCEP organization.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Row 1	January 1 2018	December 31 2018	No	<Not Applicable>

C0.3

(C0.3) Select the countries/regions for which you will be supplying data.

- Belgium
- Bulgaria
- France
- Germany
- Iceland
- Luxembourg
- Netherlands
- Norway
- Portugal
- Spain
- Sweden
- United Kingdom of Great Britain and Northern Ireland
- United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

- EUR

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your consolidation approach to your Scope 1 and Scope 2 greenhouse gas inventory.

- Operational control

C-AC0.6/C-FB0.6/C-PF0.6

(C-AC0.6/C-FB0.6/C-PF0.6) Are emissions from agricultural/forestry, processing/manufacturing, distribution activities or emissions from the consumption of your products – whether in your direct operations or in other parts of your value chain – relevant to your current CDP climate change disclosure?

	Relevance
Agriculture/Forestry	Elsewhere in the value chain only [Agriculture/Forestry/processing/manufacturing/Distribution only]
Processing/Manufacturing	Elsewhere in the value chain only [Agriculture/Forestry/processing/manufacturing/Distribution only]
Distribution	Elsewhere in the value chain only [Agriculture/Forestry/processing/manufacturing/Distribution only]
Consumption	Elsewhere in the value chain only [Agriculture/Forestry/processing/manufacturing/Distribution only]

C-AC0.6b/C-FB0.6b/C-PF0.6b

(C-AC0.6b/C-FB0.6b/C-PF0.6b) Why are emissions from agricultural/forestry activities undertaken on your own land not relevant to your current CDP climate change disclosure?

Row 1

Primary reason

Do not own/manage land

Please explain

CCEP and The Coca-Cola Company rely on agricultural ingredients for our products. However, as a bottling company, we do not own or manage land for agriculture and we do not operate farms directly. Our agricultural ingredients which originate from farms are sourced through our suppliers.

C-AC0.6d/C-FB0.6d/C-PF0.6d

(C-AC0.6d/C-FB0.6d/C-PF0.6d) Why are emissions from processing/manufacturing activities within your direct operations not relevant to your current CDP climate change disclosure?

Row 1

Primary reason

Outside the scope of my organization

Please explain

CCEP does not process agricultural ingredients. Emissions associated with processing activities are associated with the supply of these ingredients and are included in our Scope 3 supply chain emissions.

C-AC0.6f/C-FB0.6f/C-PF0.6f

(C-AC0.6f/C-FB0.6f/C-PF0.6f) Why are emissions from distribution activities within your direct operations not relevant to your current CDP climate change disclosure?

Row 1

Primary reason

Outside the scope of my organization

Please explain

CCEP only undertakes distribution activities for finished goods and does not distribute raw materials. Emissions associated with raw material distribution are included with our Scope 3 supply chain emissions calculations.

C-AC0.7/C-FB0.7/C-PF0.7

(C-AC0.7/C-FB0.7/C-PF0.7) Which agricultural commodity(ies) that your organization produces and/or sources are the most significant to your business by revenue? Select up to five.

Agricultural commodity

Sugar

% of revenue dependent on this agricultural commodity

60-80%

Produced or sourced

Sourced

Please explain

Sugar is a key ingredient in many of our brands and products, with sugar-sweetened beverages representing approximately 65% of our revenue in 2018. CCEP purchases the entire requirement of concentrates and syrups, for Coca-Cola trademark beverages from The Coca-Cola Company. Many of the purchases of our key agricultural ingredients, such as sugar, are managed together

with The Coca-Cola Company, and other Coca-Cola bottlers. From our ongoing focus on water footprinting, we also know that the majority of our water footprint comes from our agricultural supply chain, particularly farming, production and processing of sugar beet. We therefore address many of the issues that we face in our supply chain, as a joint Coca-Cola system. In particular, we require our suppliers to adhere to our Supplier Guiding Principles (SGPs) and Sustainable Agriculture Guiding Principles (SAGPs) which are aligned to those of The Coca-Cola Company. Our SGPs and SAGPs apply to all of our suppliers, including for those non-Coca-Cola Company brands that we produce and distribute, such as Capri-Sun and our energy brands. Climate change may exacerbate water scarcity and cause a further deterioration of water quality in affected regions. Decreased agricultural productivity in certain regions of the world with changing weather patterns may limit the availability, or increase the cost, of key raw materials that CCEP uses for its products. Approximately 93% of the sugar we use at CCEP comes from sugar beet grown in North West Europe and Spain, whilst the remainder comes from cane sugar, sourced from outside of Western Europe. In 2018, 88% of our sugar volumes (beet and cane) were certified as compliant with our SAGPs and 100% of our sugar suppliers have committed to comply with our SAGPs by 2020. In 2018, we continued to place significant focus on our partnership with the Sustainable Agriculture Initiative (SAI) Platform, developed in conjunction with other FMCG companies and sugar beet producers to harmonize industry expectations for sustainable sourcing.

Agricultural commodity

Other, please specify (Paper/pulp)

% of revenue dependent on this agricultural commodity

20-40%

Produced or sourced

Sourced

Please explain

By weight, pulp and paper accounts for approximately 9% of packaging used, with approximately 25% of our revenue driven by products which include pulp and paper (e.g. cardboard secondary packaging, paper labels, Bag in Box). We aim to expand reporting on this category to include additional areas such as printed and point of sale material over the coming years. Many of our key agricultural raw materials, such as pulp and paper, are purchased together with The Coca-Cola Company, and other Coca-Cola bottlers. As a result, we address many of the issues that we face in our supply chain, as a joint Coca-Cola system. In particular, we require our suppliers to adhere to our Supplier Guiding Principles (SGPs) and Sustainable Agriculture Guiding Principles (SAGPs) which are aligned to those of The Coca-Cola Company. Our SGPs and SAGPs apply to all of our suppliers, including for those non-Coca-Cola Company brands that we produce and distribute, such as Capri-Sun and our energy brands. In 2018, on average 94% of our secondary and tertiary packaging cardboard suppliers were compliant with our SAGPs. Since 2015, we have also included a requirement for third party certification (e.g. Forest Stewardship Council (FSC) and Programme for the Endorsement of Forest Certification (PEFC)), in all our supplier contracts related to paper and pulp. Every new contract relating to paper and pulp now includes a requirement for third-party certification and suppliers have until 2020 to comply. Climate change may exacerbate water scarcity and cause a further deterioration of water quality in affected regions. Decreased agricultural productivity in certain regions of the world as a result of changing weather patterns may limit the availability, or increase the cost, of key raw materials – including the pulp and paper that CCEP uses.

Agricultural commodity

Other, please specify (Oranges)

% of revenue dependent on this agricultural commodity

10-20%

Produced or sourced

Sourced

Please explain

In 2018, oranges and other citrus fruits were used as a key ingredient in products which account for approximately 14% of our revenue. Oranges and citrus fruits are a key ingredient in a number of our products, such as Fanta, as well as a number of our juices. CCEP purchases the entire requirement of our concentrates and syrups for Coca-Cola trademark beverages from The Coca-Cola Company. Many of the purchases of our key agricultural ingredients, such as orange juice, are done together with The Coca-Cola Company, and other Coca-Cola bottlers. As a result, we address many of the issues that we face in our supply chain, as a joint Coca-Cola system. In particular, we require our suppliers to adhere to our Supplier Guiding Principles (SGPs) and Sustainable Agriculture Guiding Principles (SAGPs) which are aligned to those of The Coca-Cola Company. Our SGPs and SAGPs apply to all of our suppliers, including for those non-Coca-Cola Company brands that we produce and distribute, such as Capri-Sun and our energy brands. Climate change may exacerbate water scarcity and cause a further deterioration of water quality in affected regions. Decreased agricultural productivity in certain regions of the world as a result of changing weather patterns may limit the availability, or increase the cost, of key raw materials - including oranges and other citrus fruits - that CCEP uses to produce its products. In Spain and Portugal, CCEP sources around 4.6 million kilos of citrus juice every year from local farmers. In 2018, with the support of The Coca-Cola Foundation, we extended our sustainable citrus project for a further two years to continue to improve the sustainability of our citrus production. Juice farmers can also use the Farmer Self-Assessment tool (FSA), which we have

developed with the SAI, making demonstrating compliance with our SAGPs easier and facilitating enhanced supply chain transparency.

Agricultural commodity

Other, please specify (Coffee and tea)

% of revenue dependent on this agricultural commodity

Less than 10%

Produced or sourced

Sourced

Please explain

It is estimated that around 2% of our revenue is dependent on coffee and tea. With the launch of Fuze Tea in 2018, coffee and tea is increasingly considered as a key agricultural commodity to CCEP. CCEP purchases the entire requirement of our coffee and tea for Coca-Cola trademark beverages from The Coca-Cola Company. Many of the purchases of our key agricultural ingredients, including coffee and tea for our Honest, Fuze tea and Chaqwa brands, are done together with The Coca-Cola Company, and other Coca-Cola bottlers. We therefore address many of the issues we face in our supply chain as a joint Coca-Cola system. Indeed, from our ongoing focus on water footprint, we also know that the majority of our water footprint comes from our agricultural supply chain. In particular, we require our suppliers to adhere to our Supplier Guiding Principles (SGPs) and Sustainable Agriculture Guiding Principles (SAGPs) which are aligned to those of The Coca-Cola Company. Our SGPs and SAGPs apply to all of our suppliers, including for those non-Coca-Cola Company brands that we produce and distribute, such as Capri-Sun and our energy brands. In 2018, more than 95% of the coffee and tea we sourced met our required sustainable sourcing standards, with the majority adhering to the Company's SAGPs. This means that Coca-Cola is purchasing these products from farm locations and suppliers that meet one of the following standards: Ethical Tea Partnership, Rainforest Alliance, UTZ, Fairtrade, SAI Platform, 4C*, or via a third-party SAGP audit or validation. Climate change may exacerbate water scarcity and cause a further deterioration of water quality in affected regions. Decreased agricultural productivity in certain regions of the world with changing weather patterns may limit the availability, or increase the cost, of key raw materials - including coffee and tea- that CCEP uses for its products.

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	CCEP's Board of Directors has five sub-committees including a Corporate Social Responsibility (CSR) Committee. The Committee is composed of four independent non-executive directors and is chaired by a non-executive Director of CCEP's Board of Directors. The CSR Committee is responsible for overseeing CCEP's sustainability strategy and all policy-related issues – including climate change. The committee is also responsible for overseeing sustainability-related risks – including climate change, which is one of our principal risk factors. Specifically, the CSR Committee is responsible for overseeing and responding to our climate-related risks, reviewing our GHG emissions disclosure, overseeing investments related to our emissions reduction activities and for overseeing our science based carbon reduction targets and the progress we are making against these targets.

C1.1b

(C1.1b) Provide further details on the board’s oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – all meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding business plans Setting performance objectives Monitoring implementation and performance of objectives Overseeing major capital expenditures, acquisitions and divestitures Monitoring and overseeing progress against goals and targets for addressing climate-related issues	CCEP has a robust corporate governance structure with a Board of Directors overseeing the interests of the company and its shareholders. The Board of Directors meets six times a year and provides overall leadership, independent oversight of business performance and is accountable to shareholders for the group's long-term business success. The Board of Directors focuses primarily on strategic and policy issues, including climate change, setting CCEP's strategy, overseeing the allocation of resources and monitoring business performance, all of which are impacted by climate change. The Board also has responsibility for CCEP's sustainability action plan, "This is Forward", which includes forward looking, science-based carbon reduction targets. It is responsible for effective risk assessment and management, retaining control of key decisions and ensuring there is a clear division of responsibilities. Climate-related issues are relevant to all these categories and therefore scheduled for all meetings and integrated into multiple governance mechanisms. The integration of these mechanisms allows for a holistic view of the impacts of climate change on CCEP. To demonstrate our commitment to sustainability, one of the five committees that support the Board is a Corporate Social Responsibility (CSR) Committee. Chaired by a non-executive director of CCEP's Board of Directors, the CSR Committee meets five times a year and is primarily responsible for overseeing our progress on sustainability, including climate change and our GHG emissions. Made up of independent directors, the Committee is responsible for identifying, analysing, evaluating and monitoring the social, political, environmental and public policy trends, issues and concerns which could affect CCEP's business activities or performance. The Committee oversees performance against CCEP's strategy and climate-related targets, reviews climate-related risks and reviews all major environmental-based investments, environmental risks, and climate-related activities to ensure that they are aligned. The Committee makes recommendations to the Board regarding how CCEP should respond to these trends, issues and concerns and how to more effectively achieve its business and sustainability goals. CCEP's Audit Committee of its Board of Directors oversees CCEP's risk management processes, including our annual enterprise risk assessment, which includes climate-related risks. Because of the potential for climate change and GHG emissions disclosure to have a substantive impact on our operations and supply chain, climate-related issues are fully integrated into our business strategy, our Enterprise Risk Management processes and business plans.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Chief Executive Officer (CEO)	Other, please specify (Overall responsibility for sustainability KPIs)	More frequently than quarterly
Other C-Suite Officer, please specify (Chief Supply Chain Officer)	Both assessing and managing climate-related risks and opportunities	More frequently than quarterly
Other C-Suite Officer, please specify (Chief Public Affairs, Communications & Sustainability (PACS) Officer)	Both assessing and managing climate-related risks and opportunities	More frequently than quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

Ownership and governance for sustainability-related risks and sustainability commitments are embedded within our business. At management level, responsibility for climate-related issues sits with our Chief Executive Officer (CEO), our Chief Supply Chain Officer and our Chief Public Affairs, Communications & Sustainability (PACS) Officer.

Our CEO works directly with the CCEP Leadership Team (LT) which has overall responsibility, at a management level, for ensuring that CCEP is on-track in terms of the various sustainability commitments we have made – including those related to climate change (e.g. GHG emissions reduction and renewable energy purchasing). Our CEO and CCEP's Leadership Team have overarching responsibility for all the sustainability-related KPIs which form part of our sustainability action plan, "This is Forward".

Our Chief Supply Chain Officer (CSCO) is the Leadership Team member responsible for sustainability issues across our business operations and value chain, including all climate-related issues. Our CSCO is responsible for climate-related risks, their performance objectives are linked to CCEP's climate-related risks and they are directly responsible for tracking and monitoring progress against our climate-related commitments and targets. Management and mitigation of climate-related risks forms a key part of their rewards. Our CSCO is responsible for our Supply Chain, Procurement and Quality Environment Health and Safety (QESH) functions, which lead on commitments and targets related to climate, water, packaging and sustainable sourcing. This includes efforts to enhance energy and water efficiency at our manufacturing sites, our purchasing of renewable electricity and our work to engage our suppliers on climate-related issues.

They are responsible for providing and reviewing monthly updates against our climate targets (e.g. our GHG emissions and energy use ratio) and are responsible for providing management updates and reports on climate-related issues to CCEP's Board-level CSR Committee.

Our Chief Public Affairs, Communications & Sustainability (PACS) Officer is the Leadership Team member with overall responsibility and ownership for sustainability issues – including water-related issues at CCEP. Primary management responsibility for the CSR Committee is held by our Chief PACS Officer and they are responsible for providing management updates on sustainability issues – including water-related and other policy and sustainability-related topics to CCEP's Board-level CSR committee five times a year. This includes presentations on sustainability-related issues of importance to customers and consumers, legislative and regulatory issues affecting the Company, and updates on progress and performance against the Company's publicly stated sustainability goals.

Our Chief PACS Officer also oversees the work of our Sustainable Packaging Office, which is responsible for ensuring that a holistic sustainable packaging strategy can be implemented across our business. This includes efforts to increase the % of our packaging which can be collected for recycling and efforts to increase the amount of recycled content we use in our packaging – both of which are critical in terms of reducing the carbon impact of our packaging.

Our CEO, Chief Supply Chain Officer and Chief PACS Officer are responsible for providing management updates on topics related to climate change (including packaging, GHG emissions, water efficiency) to CCEP's Board of Directors. This takes place five times a year via CCEP's Board level CSR Committee.

Primary management responsibility for the CSR Committee, and for managing updates on our sustainability strategy and climate-related issues, is held by our Chief Public Affairs, Communications & Sustainability (PACS) Officer. Other key individuals, including our Vice President, Sustainability and our Chief Supply Chain Officer, provide regular updates on climate-related topics during these meetings. Our Chief PACS Officer has primary responsibility for updating the CSR committee of the Board of Directors on our Sustainability strategy, including climate-related issues, GHG-emission reporting, and public disclosure of climate-related risks.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

Yes

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).**Who is entitled to benefit from these incentives?**

Corporate executive team

Types of incentives

Monetary reward

Activity incentivized

Energy reduction project

Comment

CCEP's remuneration schemes reflects our overarching company goals including those related to sustainability and climate change. Our CEO and our Executive Leadership Team have overarching responsibility for all of the sustainability-related KPIs which together form our sustainability action plan, "This is Forward". This includes the following climate-related KPIs: "% reduction in energy use and water use", "% of PET which is recycled PET", "absolute reduction in GHG emissions within core business operations versus 2010", "% of electricity purchased which is renewable electricity", "% of suppliers covered by our Supplier Guiding Principles". CCEP's Board of Directors sets an executive compensation programme which aligns the interest of the company's senior leaders with those of its shareowners, by rewarding performance that meets and exceeds business and individual goals. The Board reviews whether incentive compensation opportunities would encourage senior executives to take unreasonable business risks. Compensation programmes are designed so that a significant portion of our executive compensation is performance-based, with capped upside-earning potential and goals set based on Board-approved annual and long-term strategic business plans. Monetary rewards are based on CCEP's compensation programme and annual performance review process which includes achievement of corporate responsibility and sustainability objectives. Our CEO's bonus is determined by individual performance measures, including sustainability. In addition, performance against set individual objectives – including objectives related to sustainability and climate change - form the rewards package for CCEP's Other Named Executive Officers.

Who is entitled to benefit from these incentives?

Other, please specify (Chief Supply Chain Officer)

Types of incentives

Monetary reward

Activity incentivized

Energy reduction target

Comment

At CCEP, monetary rewards are based on our annual compensation programme and annual performance review process which includes achievement of corporate responsibility and sustainability objectives. In addition, performance against set individual objectives form the rewards package for CCEP's Officers with direct responsibility for sustainability. Our Senior Executives are assigned ownership of specific risks, and performance against the avoidance and reduction of these risks forms a part of their reward and compensation. Our Chief Supply Chain Officer's annual objectives and bonus package is linked to objectives related to CCEP's climate-related risks and they will be rewarded for performance against these objectives. This include objectives related to energy efficiency and reduction, water efficiency and reduction as well as objectives related to packaging.

Who is entitled to benefit from these incentives?

Business unit manager

Types of incentives

Monetary reward

Activity incentivized

Emissions reduction project

Comment

At CCEP, monetary rewards are based on our annual compensation programme and annual performance review process which

includes achievement of corporate responsibility and sustainability objectives. In addition, performance against set individual objectives form the rewards package for CCEP's Business Unit managers (i.e. those with overall management responsibility for specific markets – e.g. France). Our Business Unit managers' annual objectives and bonus package is linked to the delivery of sustainability & stakeholder equity at a local level. Typical objectives include targets related to recycled PET and targets which support CCEP's strategy on sustainability and packaging.

Who is entitled to benefit from these incentives?

Other, please specify (Suppliers to CCEP)

Types of incentives

Recognition (non-monetary)

Activity incentivized

Other, please specify (Supply Chain Indicators)

Comment

We recognise the importance of working in collaboration with our suppliers and we have developed a supplier recognition (non-monetary) process. CCEP Suppliers are scored on their carbon footprint measurement and reduction plans in line with our value chain carbon reduction targets. This forms part of our Supplier Relationship Management (SRM) process. Under our SRM process, each supplier is given a score based on financial value, efficiency, innovation, risk and sustainability. The sustainability component of the score is based on an independent sustainability assessment, undertaken by supply chain evaluation company, EcoVadis. EcoVadis evaluates suppliers against a number of sustainability performance criteria, including carbon management, human rights and fair business practices and supply chain management.

Who is entitled to benefit from these incentives?

Management group

Types of incentives

Monetary reward

Activity incentivized

Emissions reduction target

Comment

Directors at our manufacturing sites and senior leaders in our Supply Chain function are accountable for performance against many of our environmental and climate-related targets (e.g. energy and water efficiency and reduction) at a local level. All have site-specific environmental targets and KPIs – including "reduction in energy use" and "reduction in water use" - which are tracked via our continual monitoring of energy and water use ratios. These KPIs are tracked on a monthly basis with performance reviewed monthly by our Senior Leadership Team. Sustainability targets - including for example energy efficiency – are included where appropriate, within their annual performance objectives. Progress is evaluated as part of our annual review process, which is linked to our annual compensation. In 2018, The Coca-Cola Company launched an "Environment Award" for Coca-Cola bottlers in Western Europe. The award recognises excellence and consistent improvement across a range of topics, including water, packaging and energy efficiency at site level. In 2018, our manufacturing site in Dorsten, Germany received the award in recognition of consistent environmental management efforts at local level.

Who is entitled to benefit from these incentives?

All employees

Types of incentives

Monetary reward

Activity incentivized

Energy reduction target

Comment

Employees have individual performance objectives linked to delivery of our corporate responsibility and sustainability commitments, including our climate change commitments. These are set on an individual level and are agreed with a line manager. Progress is tracked as part of the annual appraisals process, which is linked to an annual compensation review. Annual bonus payments are based on employees' performance against their objectives together with business performance.

Who is entitled to benefit from these incentives?

All employees

Types of incentives

Recognition (non-monetary)

Activity incentivized

Emissions reduction project

Comment

CCEP has internal awards active across our operations to recognize employees who achieve internal efficiencies and emissions reductions as a result of personal performance/excellence. These include the ICON awards (open to all employees within our Supply Chain function) to recognize employees or teams who have made significant progress in the areas of sustainability (including energy and climate change and GHG emissions reductions – e.g. by developing new energy saving technologies for our cold drinks equipment or working on efficiency projects within our operations.)

C2. Risks and opportunities

C2.1

(C2.1) Describe what your organization considers to be short-, medium- and long-term horizons.

	From (years)	To (years)	Comment
Short-term	0	1	Our short-term horizon aligns to our Annual Business Plan (ABP). Our ABP is updated annually, in Q4 of the previous business year. We align our short-term targets (such as annual energy or water reduction targets at manufacturing sites) to this time scale as it aligns with short-term annual budgeting and investment (e.g., for energy or water savings technologies) within our ABP.
Medium-term	1	3	Our medium-term horizon aligns to our Long Range Planning (LRP). Our LRP is updated every 3 years, in order to keep a focus on longer-term projects or required investments and strategic changes needed to meet our targets (e.g. committing to purchasing 100% of our electricity from renewable sources by 2020 (achieved 2 years ahead of schedule in 2018), ensuring 100% of our main agricultural ingredients and raw materials come from sustainable sources by 2020 and plans to move to 50% rPET by 2025).
Long-term	3	10	Our long-term horizon is aligned to our "This is Forward" sustainability action plan and targets, which broadly have a target year of 2025. This longer term focus allows us to invest in, or plan for the most complicated or strategic changes we need to make in order to meet our targets. (e.g., our Science-Based carbon reduction targets and plans to collect 100% of the packaging we put on the market).

C2.2

(C2.2) Select the option that best describes how your organization's processes for identifying, assessing, and managing climate-related issues are integrated into your overall risk management.

Integrated into multi-disciplinary company-wide risk identification, assessment, and management processes

C2.2a

(C2.2a) Select the options that best describe your organization's frequency and time horizon for identifying and assessing climate-related risks.

	Frequency of monitoring	How far into the future are risks considered?	Comment
Row 1	Six-monthly or more frequently	>6 years	Our risk management is led by our Chief Compliance Officer (CCO), reporting to our General Counsel, with a dedicated Enterprise Risk Management team. Strategic risks are reported to CCEP's Compliance & Risk Committee, which meets quarterly and is chaired by our Chief Compliance Officer and made up of members of our Leadership Team and senior leaders. The Compliance & Risk Committee reports 5 times a year to CCEP's Audit Committee of the Board of Directors, which monitors our internal controls and risk management. CCEP's Enterprise Risk Management Team completes an annual Enterprise Risk Assessment (ERA) which defines and assesses strategic risks, including climate-related issues. In 2018, the ERA identified 19 principal risks – including climate change. These form the basis of our strategic risk profile and are the foundation of the Principal Risks and Risk Factors formally disclosed in our 2018 Integrated Report. Risks are evaluated on both a short and long-term (6-10 year) basis.

C2.2b

(C2.2b) Provide further details on your organization's process(es) for identifying and assessing climate-related risks.

Our Enterprise Risk Management (ERM) team has developed a Framework approved by the Board of Directors (BoD) to assess risks to the business, including climate-related risks. This ensures a common approach across the organisation and is being implemented across CCEP with all individual components embedded by 2021. This integrated company wide risk assessment methodology is known as our Enterprise Risk Assessment (ERA) model. It incorporates management and regulatory reporting, governance and oversight, risk profile and risk appetite, and a methodology and tools for communication and training. This model enables us to build a risk map on an annual basis defining and assessing all of our strategic risks, including climate change. Continuous analysis helps us to identify "emerging risks" (i.e. those with a potential to turn into material threats in the future) and is used to drive risk management processes and internal audit planning. Risks are reviewed over the short, medium and long term (over 6 years).

In 2018, to enhance our understanding of the impact that climate change could have on our business we undertook further analysis of the risks arising from climate change under both a '2 degree' and 'business as usual' scenario. The results of this work are being embedded into our ERA model and are already informing our strategic decisions helping us to identify the most material climate-related risks and prepare for them. CCEP's Board of Directors is responsible for reviewing the level of risk it is prepared to accept in order to deliver CCEP's strategic objectives. This is documented in CCEP's internal risk appetite statement which describes both our current and desired levels of acceptable risk. Our ERA model splits risks into 4 main risk types: external, operational, strategic and extreme events. We assess risks based on likelihood, seriousness of impact and effectiveness of controls. Risks ranked both most likely and serious are considered most material. The definition of substantive financial impact we use to assess the relative significance and scope of climate-related risks is defined as a potential 1% change in total production volume.

In 2018, the ERA identified 19 principal risks, including climate-related risks, which were assigned to a Board of Directors committee and a member of our Executive Leadership Team (ELT). The ERA also identifies principle risk factors to influence our 19 principal risks, including climate change, packaging, water scarcity and resource scarcity. These risks and risk factors, which could have the biggest material impact on our business and financial results, are reviewed annually by the Board's Corporate Social Responsibility Committee, which meets 5 times per year.

CCEP's Risk Management structure is led by our Chief Compliance and Risk Officer, reporting to our General Counsel. Strategic risks are reported to our corporate Compliance and Risk Committee, which meets quarterly, chaired by the Chief Compliance Officer and made up of members of our Leadership Team and other senior leaders. The Compliance and Risk Committee reports five times a year to CCEP's Audit Committee of the BoD. CCEP's Audit Committee, which meets five times a year, has responsibility for monitoring the effectiveness of CCEP's internal controls and risk management. The 19 principal risks are assigned to a specific BoD committee, as well as a member of our ELT. Responsible for sustainability and climate-related risks, CCEP's Chief Public Affairs, Communications & Sustainability (PACS) Officer is accountable for leading the effort to manage climate-related risks. These are reviewed annually by the Board's Corporate Social Responsibility Committee, which meets five times per year. The ERM team is developing a suite of reports which will include a monthly report for the ELT and BoD to provide an overarching assessment of the company's strategic risks.

This strategic view of risk is complemented by a bottom-up operational view via facilitated risk assessments at the Business Unit (BU) level, providing a holistic view of CCEP's risk profile and promoting an effective risk culture. Each BU has a local Compliance and Risk Committee reporting to the BU Leadership Team to review risks and incidents and ensure risk management is incorporated day-to-day. In 2018, we started to consider key risk indicators (KRI) to more accurately monitor risks as they change and to enhance our risk management practices. In 2019, we plan to develop a more detailed understanding of risk appetite and embed this further into CCEP's decision making processes. The ERM team is rolling out a Risk Appetite programme for all BU and functions to promote effective risk culture; a pilot with the IT function and Iberia BU is underway.

Asset-level risk assessments are also performed, such as source water vulnerability, using Source Water Vulnerability Assessments for each facility, where gaps are addressed through Source Water Protection Plans.

C2.2c

(C2.2c) Which of the following risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	CCEP operates an Enterprise Risk Management system which aims to identify at a global/corporate level any regulation that may impact our business. We have undertaken comprehensive risk analysis and survey our local facilities, sites and business units to help identify any potential impacts related to local or national regulation. This includes, for example, CCEP's site-level Source Water Vulnerability Assessments (SVAs) and Source Water Protection Plans (SWPPs). We continuously monitor new or changing regulations, ensuring appropriate implementation of adequate mitigation plans for each regulatory requirement. Any gaps identified in terms of regulation are then addressed as part of a remediation plan, including any necessary investments. We maintain a regular dialogue with government representatives and policy makers at a national and local level. This includes 1:1 meetings with local regulatory officials and input into public consultations related to proposed or changing regulations at a national or European level. To provide additional insight, we also meet regularly with a wide range of local stakeholders, including NGOs and customers. Internally, we also run effective compliance programmes and training for our employees to ensure that we are fully compliant with regulations and legislation. Concern over climate change has led to a variety of regulatory and policy initiatives which aim to limit GHG emissions and could directly impact CCEP's operations. In 2018, this included policies to consider mandatory levels of recycled content in beverage packaging, measures to impose a tax on packaging which does not include recycled content and efforts to ban single use plastic items (e.g. EU Single Use Plastics Directive) which are considered to be a threat to the environment. Across our various markets, we participate in a variety of national voluntary commitments to reduce GHG emissions. This includes industry-level commitments to use recycled materials in beverage packaging and various industry-level carbon reduction commitments which seek to contribute to country-level GHG reduction plans as part of the Paris Climate Agreement. CCEP ensures that it is able to play a meaningful part in such commitments by setting Science-Based GHG reduction targets which are fully in line with the Paris Climate Agreement.
Emerging regulation	Relevant, always included	CCEP operates an Enterprise Risk Management system which aims to risks and regulatory changes that may impact CCEP both now and in the future. We have undertaken a comprehensive risk analysis and survey our local facilities, sites and business units to identify emerging risks and potential regulatory changes at a local level. Meetings with local regulatory officials and policy makers also take place on a regular basis. We also meet with a range of local stakeholders, including community groups, NGOs and customers. A variety of regulatory proposals that could impose mandatory GHG emissions reductions and reporting requirements continue to be considered by policy makers in Western Europe. Policy makers in Western Europe also continue to explore extended producer responsibility legislation that could place additional packaging, recycling and waste management requirements on our sector. CCEP's business model depends on the availability of its products and packages in multiple channels and locations to satisfy the needs and preferences of its customers and consumers. Laws that restrict CCEP's ability to distribute products and regulations that require increased investment in packaging recovery and recycling schemes (e.g. deposit return schemes (DRS)) or those that limit CCEP's ability to design or market new packages could increase costs for our business. Taxes or other charges imposed on the sale of certain products - including deposit fees related to beverage packaging - could also increase costs or reduce consumer purchasing of CCEP's products. Several countries where we operate (e.g. Norway, Germany, Sweden, and the Netherlands) already have deposit return schemes for beverage packaging in place. Others (e.g. Scotland, England, France and Portugal) are planning to implement a DRS in the coming years. Other countries (e.g. the Netherlands) are considering extending existing DRS schemes. Under a DRS, a deposit fee is added to the consumer price of a beverage, which is then refunded to the consumer if and when the package is returned. Other measures may include rules on recycled content, individual collection or recycling targets, or a "plastic tax". We support the introduction of well-managed DRS for beverage packaging and recognise the positive role that they could play in helping to drive up packaging collection and recycling rates.
Technology	Relevant, always included	CCEP's Enterprise Risk Management Team completes an annual Strategic Enterprise Risk Assessment which identifies and assesses all of the company's strategic risks. CCEP considers technology as a climate-related opportunity. We continue to assess a wide-variety of new technologies to explore the potential that technology has in helping to reduce GHG emissions at our manufacturing sites and across our value chain. For example, we are leading the way in using innovative new technologies at our manufacturing sites where we use on-line monitoring systems to help control our energy use. By combining production data with live information on our energy use, we use technology to enable line operators to make real-time adjustments to reduce our energy use. This technology and transparency is key to managing energy consumption and reduction at a site-level. We continue to invest in new, energy-efficient and carbon reducing technologies and look to roll-out best practices across our territories. In 2018, we invested €2.1 million in energy and carbon-saving technologies, saving approximately 7,633 MWh per year and 2,249 tCO ₂ e, demonstrating the opportunity technology provides us to minimise our energy consumption and environmental impact. In 2018, in one of our manufacturing sites in Germany, we trialled a new system designed to reduce the blowing pressure required to produce PET bottles, saving 897,000 kWh per year. We are also assessing chemical recycling technologies which enable hard to recycle plastics to be transformed into food-grade plastic which can be used again in our packaging, thus reducing the carbon footprint of our packaging. We also have a dedicated ventures arm (CCEP Ventures) which continually aims to identify new technologies and start-up businesses which may have the potential to add value for our business.
Legal	Relevant, always included	Our Scientific and Regulatory Affairs (SRA) function tracks current and future legal and regulatory changes at a corporate/global and local level. Our SRA function is also responsible for tracking all legislation and will undertake necessary actions to update our local sites and communicate what actions, if any, should be undertaken at a local level. As a result, we are able to keep up-to-date with potential upcoming regulatory topics. For example, we were able to understand that the use of chlorates was being reviewed by the European Food Safety Authority (EFSA) and could have impact on EU member state legislation in the future. This topic was tracked and closely monitored by our SRA function. Concern over climate change has led to legislative initiatives directed at limiting GHG emissions – this includes measures to ban single use plastics, measures to introduce mandatory recycled content levels of plastic packaging and measures to tax packaging which does not contain recycled content. For example, in May 2018 as part of the European Strategy for Plastics in a Circular Economy (EU Plastics Strategy), the European Commission presented a Proposal for a Single Use Plastics Directive which aims to reduce the impact of certain plastic products on the environment. This imposes provisions and targets on EU member states for the collection and recycling of single use plastics and design of plastic beverage bottles. One of the design requirements for plastic beverage bottles is that caps and lids made of plastic must remain attached during the product's intended use. This could have negative climate-related impacts, due to the potential need to use additional packaging materials and thereby increase the carbon footprint of our packaging.
Market	Relevant, always included	CCEP operates an Enterprise Risk Management system which aims to anticipate at a global/corporate level any risks and regulatory changes that may impact our business. We have undertaken risk analysis and have also surveyed our local facilities, sites and business units to help identify risks in relation to the marketplace. For example, CCEP may not be able to respond successfully to changes in the marketplace due to strong competition from other general and specialty beverage companies. This is increasingly becoming a climate-related risk due to growing concern of the environmental impact of large corporations, and regarding packaging and plastics, and therefore CCEP is under increasing pressure to respond to these issues. CCEP's response to continued and increased competitor and customer consolidations and marketplace competition may result in lower than expected net pricing of its products.

	Relevance & inclusion	Please explain
Reputation	Relevant, always included	CCEP's Enterprise Risk Management Team completes an annual Strategic Enterprise Risk Assessment (ERA) which identifies and assesses all of the company's strategic risks. The reputational risks related to not responding adequately to global issues such as resource scarcity, marine litter, water scarcity and climate change are included as one of our principal risks. Concern over the issues of resource scarcity, litter, and marine litter has led to the development of legislative and regulatory initiatives in Western Europe which aim to increase recycling and reuse and reduce packaging waste in our territories. If CCEP is not able to engage sufficiently with stakeholders to address concerns about packaging and recycling, it could result in higher costs through increased or new packaging taxes, damage to corporate reputation or investor confidence and a reduction of consumer acceptance of our products and/or packaging. This could in turn result in a decrease of purchasing intent from consumers. For example, concern about environmental impacts of packaging and plastic has led to laws and regulations that aim to increase the collection and recycling of packs, reduce packaging waste and littering and introduce specific design requirements related to our packaging. As a result, we may have to change our packaging strategy and mix in a short time frame. If we fail to engage sufficiently with stakeholders to address concerns about packaging and recycling, it could result in higher costs through packaging taxes, producer responsibility reform, damage to corporate reputation or investor confidence, and a reduction of consumer demand for our products contained in single use plastic packaging.
Acute physical	Relevant, always included	CCEP's Enterprise Risk Management Team completes an annual Strategic Enterprise Risk Assessment (ERA) which identifies and assesses all of the company's strategic risks. We have undertaken risk analysis and survey our local facilities, sites, and business units to help identify impacts of acute physical risks. Increased frequency of extreme weather events linked to climate change, such as storms or flooding in CCEP's territories could have adverse impacts on CCEP's facilities, such as our manufacturing sites, and distribution network, leading to an increased risk of business disruption throughout our supply chain. This has a significant business impact on CCEP because CCEP depends on our products reaching our customers and consumers when they demand it. For example, an example of an acute physical risk is increasing intensity and frequency of heatwaves; this impacts CCEP both in terms of ensuring our products reach our customers as well as having sufficient water available for manufacturing our beverages. If CCEP is unable to supply its products to its customers and consumer during these periods, this will significantly impact CCEP's financial results and performance during periods of high demand. Likewise, if CCEP's suppliers of raw materials, ingredients, packaging materials, or other items are affected by adverse weather conditions or natural disasters and CCEP is unable to obtain the materials from an alternate source, CCEP's cost of sales, revenues, and ability to manufacture and distribute product could be adversely affected.
Chronic physical	Relevant, always included	CCEP's Enterprise Risk Management Team completes an annual Strategic Enterprise Risk Assessment (ERA) which identifies and assesses all of the company's strategic risks. We have undertaken risk analysis and survey our local facilities, sites, and business units to help identify impacts of chronic physical risks. Climate change may exacerbate water scarcity and cause further deterioration of water quality in affected regions. Decreased agricultural productivity in certain regions of the world as a result of changing weather patterns may also limit the availability or increase the cost of key raw materials that CCEP uses to produce its products. While water is generally regarded as abundant in Europe where we operate, it is a limited resource in many parts of the world, affected by overexploitation, growing population, increasing demand for food products, increasing pollution, poor management, and the effects of climate change. Water scarcity and a deterioration in the quality of available water sources in CCEP's territories, or its supply chain, even if temporary, may result in increased production costs or capacity constraints, which could adversely affect its ability to produce and sell its beverages and increase its costs.
Upstream	Relevant, always included	CCEP's Enterprise Risk Management Team completes an annual Strategic Enterprise Risk Assessment (ERA) which identifies and assesses all of the company's strategic risks. Our upstream risks predominantly relate to issues associated with the supply of our raw ingredients, such as the sugar beet or cane we use in our drinks. Our ingredients are critical to manufacturing our beverages. Any upstream impacts on their supply, incurred through physical risks such as increased frequency of extreme weather events, or transition risks including legal and regulatory changes restricting ingredient supply, could have a substantial impact on our business. For example, water scarcity and a deterioration in the quality of available water sources in our supply chain, even if temporary, may result in increased production costs or capacity constraints. In order to help integrate these risks into our risk assessment, we use our Supplier Guiding Principles (SGPs) and Sustainable Agriculture Guiding Principles (SAGPs) aligned with The Coca-Cola Company, and EcoVadis, an external sustainability rating company, to provide us with greater visibility on the sustainability of our suppliers and their associated risks, throughout our upstream value chain.
Downstream	Relevant, always included	CCEP's Enterprise Risk Management Team completes an annual Strategic Enterprise Risk Assessment (ERA) which identifies and assesses all of the company's strategic risks. Our downstream risks relate mostly to those risks associated with the consumption of our beverages and disposal of our packaging. These could be influenced by consumer preference, the impacts of changing weather patterns on consumer demand, legal and regulatory changes with regard to packaging and its disposal, and CCEP's reputation regarding climate-related issues. For example, concern over the issues of resource scarcity, litter, and marine litter has led to the development of legislative and regulatory initiatives which aim to increase recycling and reuse and reduce packaging waste in our territories. Scotland has also announced that it will introduce a deposit return scheme (DRS) for beverage packaging in the coming years and the Netherlands is considering an extension of their existing DRS to cover small sized drinks packaging. Consultations about the possible introduction of a deposit return scheme in England and France are also underway or planned. If CCEP were not able to engage sufficiently with stakeholders to address concerns about packaging and recycling, or if we were not able to meet our "This is Forward" targets to "collect 100% of our packaging", it could result in damage to corporate reputation or investor confidence and a reduction of consumer acceptance of our products and/or packaging. This could in turn result in a decrease of purchasing intent from consumers.

C2.2d

(C2.2d) Describe your process(es) for managing climate-related risks and opportunities.

We manage climate-related risks & opportunities via our Enterprise Risk Management (ERM) programme, which helps us understand

the nature, scope, likelihood and impact of climate-related risks and opportunities. We approach this from both a top-down strategic view of risk at the corporate level and a bottom-up tactical view of risk at the operational level. In 2018, we identified 19 principal risks, including climate-related risks. Each risk is assigned to a Board Committee and a member of the Leadership Team. Climate Change is assigned to our Chief Public Affairs, Communications & Sustainability (PACS) Officer. Once risks have been identified we analyse them to understand their likelihood and impact, how we manage the risks and what mitigation measures we may need. The Board considers the level of risk and the potential gain from an opportunity it is prepared to accept to deliver CCEP's strategic objectives.

In 2018, we used climate scenario analysis to better understand how climate risks could impact our organisation. Two potential future climate scenarios have been identified and we have developed action plans to outline how we would respond to each. At present, our scenario planning focuses on understanding and managing current risks. In the future, we aim to integrate scenario analysis more fully into our long-term strategic planning. Through our initial analysis, we have already identified and begun to manage risks and opportunities which are material to our business.

As a result of this work we identified 4 physical risks to our business related to climate change – this includes the risk that extreme weather events and/or water scarcity could impact our production or distribution and the risk that changes to weather and precipitation patterns could limit the availability of ingredients and raw materials that we rely upon.

We also identified 4 transition risks related to our business from the transition to a low-carbon economy. This includes the risk that GHG-related regulations could increase the cost of packaging materials, distribution or operating costs related to our cold drinks equipment.

Under a 'business as usual' warming scenario, our analysis identified that climate change could exacerbate physical risks by impacting water availability and causing regular extreme weather events.

We are heavily reliant on the quality and availability of key agricultural ingredients and water. Our ability to mitigate against potential supply chain risks is minimised if physical impacts are so significant that they cause changes to the availability of raw materials at a global level. Therefore, increased water stress and scarcity could have major implications for CCEP in the future.

To help address these risks we complete Source Water Vulnerability Assessments (SVAs) to identify site level water scarcity and water quality risks. Using the SVAs, we develop Source Water Protection Plans (SWPPs) to manage risks. Sites develop sustainability master plans to help develop carbon and water targets and investment plans which are approved by our Supply Chain Leadership Team.

Under a '2 degrees' warming scenario, our analysis identified that a rapid transition to a low-carbon economy could impact CCEP, for example through changes to regulations relating to water use and withdrawal and GHG emissions and increasing concern over climate change amongst customers and stakeholders. To manage these risks, we have completed risk analysis of our local facilities, sites and business units to identify impacts of local or national regulation.

The Corporate Social Responsibility Committee of the Board of Directors has a top-down oversight of risks, reviewing the environmental and social risks facing CCEP, monitoring and reviewing public policy issues which could affect CCEP and managing and mitigating as necessary. Concern over resource scarcity, litter, and marine litter has led to the development of legislative and regulatory initiatives to increase packaging recycling and reduce packaging waste in our territories. If CCEP is not able to engage sufficiently with stakeholders to address these concerns, it could cause higher costs through packaging taxes, damage to corporate reputation or investor confidence and reduced consumer acceptance.

These risks also present CCEP with an opportunity to respond to stakeholder concern about climate-related issues, such as packaging, which account for 40% of our value-chain carbon emissions. These initiatives (e.g. the introduction of deposit return schemes for beverage packaging) will help us to significantly reduce the carbon footprint of our packaging and require close collaboration with local government, industry and consumers. For example, in England and Scotland, we are part of discussions on the introduction of deposit return schemes, which could result in higher packaging collection and recycling rates, thus reducing the carbon footprint of our packaging.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Physical risk

Primary climate-related risk driver

Acute: Increased severity of extreme weather events such as cyclones and floods

Type of financial impact

Reduced revenue from decreased production capacity (e.g., transport difficulties, supply chain interruptions)

Company- specific description

To enhance our understanding of the impacts of climate change on CCEP, we undertook a climate change risk assessment in partnership with The Coca-Cola Company to identify material risks and scenarios for further scenario analysis. The risk that extreme weather may cause disruption to our manufacturing facilities and/or distribution networks has been identified as a material risk, as a result of this work. Our business is reliant on our manufacturing sites to produce our products. Our sites could be impacted by extreme weather events, including storms and floods, which exposes us to the risk of our manufacturing facilities being damaged. Similarly, our sales are dependent on being able to distribute products from our manufacturing sites to our distribution centres and our various retail customers. For this, we require road and rail access. Key national logistics and delivery routes (e.g trunk routes, routes in high lying areas) in each of our territories could be impacted by extreme weather events, including storms, floods and hurricanes. This exposes us to the risk of our key transportation and logistics routes being damaged and limited, or having no access to our distribution fleet. As a result we may be unable to supply key markets and/or not be able to produce or deliver our products in line with customer demand. In a number of our territories in Western Europe (e.g. Great Britain) we have already been impacted by climate-related risks, including extreme weather-related flooding at our Sidcup factory in London (which occurred due to flooding in the adjacent river) and flooding at our Northampton distribution warehouse (which occurred due to extreme weather). An increase in extreme weather such as storms or floods could further impact our manufacturing sites and our distribution networks in all of our territories in Western Europe.

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

11500000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

CCEP's revenue in 2018 was €11.5bn. Whilst it is difficult to accurately estimate the financial impact of any climate-related disruption to our manufacturing and distribution operations, even a 0.1% decline in our manufacturing and/or distribution due to extreme weather events, could have an approximate annual impact to our revenues of €11.5 million. We evaluate this to be a medium impact.

Management method

We work to adapt to, and mitigate these climate-related business impacts by setting science-based carbon reduction targets and continually aiming to reduce GHG emissions related to our core business operations. We have also chosen to transition fully to using renewable electricity, and through our membership of RE100, we have pledged to purchase 100% renewable electricity by 2020. In 2018, 100% of the electricity we purchased came from renewable sources, thus achieving our target two years ahead of schedule. To achieve our carbon reduction targets, we continue to invest in energy reduction initiatives across our manufacturing, cold drinks equipment and transportation. In 2018, we invested €2.1 million in energy and carbon-saving technologies, saving approximately 7,633 MWh per year and 2,249 tCO₂e in our direct operations, contributing to our achieving a 50.6% reduction of our carbon footprint in 2018. In 2018, we also invested €2.7 million in water efficient technologies and processes, resulting in water savings of 75,170 m³. Associated internal management costs in 2018 are estimated to be €4.8 million, based upon the cumulative cost of CAPEX investment in energy, carbon and water-saving projects within our operations. These investments support energy reductions and wider business benefits, supporting our vision to grow a low-carbon business and helping to deliver against our science-based carbon reduction targets.

Cost of management

4800000

Comment

Associated internal management costs in 2018 are estimated to be €4.8 million, based upon the cumulative cost of CAPEX investment in energy, carbon and water-saving projects within our operations. These investments support energy reductions and wider business benefits, supporting our vision to grow a low-carbon business and helping to deliver against our science-based carbon reduction targets. As a part of CCEP's "This is Forward" sustainability action plan, we have set goals to purchase 100% renewable electricity by 2020, and reduce greenhouse gas emissions across our core business by 50%, and by 35% across our entire value chain (both by 2025, against a 2010 baseline).

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Physical risk

Primary climate-related risk driver

Chronic: Changes in precipitation patterns and extreme variability in weather patterns

Type of financial impact

Reduced revenue from decreased production capacity (e.g., transport difficulties, supply chain interruptions)

Company- specific description

To enhance our understanding of the impacts of climate change on CCEP, we undertook a climate change risk assessment in partnership with The Coca-Cola Company to identify material risks and scenarios for further scenario analysis. The risk that water scarcity may cause disruption to our production OR lead to an inability to produce, has been identified as a material risk, as a result of this work. Water is the main ingredient in our products and is essential to our manufacturing processes. Approximately 90% of our products are water and our business is heavily reliant on the availability of water. There is a risk that, as a result of climate change, we may experience a shortage or scarcity of a key raw material (i.e. water). Our business would therefore be impacted by any change in the availability of water, by any potential restriction on water use and by any increase in the price of water as a result of water scarcity or shortages. As a result, we may be unable to source sufficient high quality fresh water, may not be able to produce in line with customer demand, may see the cost of water increase and/or risk key manufacturing sites - particularly in water scarce areas - becoming stranded assets if we were unable to produce. In several of the countries where we operate we face issues of water scarcity and water quality challenges. Together with The Coca-Cola Company we have identified areas of water

stress within our business through Source Water Vulnerability Assessments (SVAs) and by using water stress mapping from global surveys such as the World Resources Institute's (WRI) Aqueduct project. In 2018, 20 of our facilities (in Flanders in Belgium, South Eastern England, South East and North of France, Spain, Germany and Portugal) were located in areas of water stress. We used 6.28 million m³ of water in our production volume in these sites. This represents around 49% of CCEP's total production volumes. If water scarcity at these manufacturing sites is exacerbated by climate change, this could become a significant issue in future, directly impacting our business. Even if temporary (i.e. a period of up to 7 days), a reduction in water quality or water supply could raise our production costs, limit our production capacity or jeopardise our deliveries.

Time horizon

Long-term

Likelihood

More likely than not

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

3000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Increased water scarcity, water shortages or restrictions on water consumption, particularly in water-stressed areas could increase the cost of water OR impact our ability to produce. The financial implications of these changes are difficult to estimate. However, an annual increase in water costs, including the cost of water supply and water treatment, of just 10% could result in a potential additional cost of €3 million for our business.

Management method

We take a value-chain approach to water stewardship, focusing on efficiency within our own operations and also protecting the future sustainability of the water sources, which we, and our local communities, rely on. Within our own operations, we invested €2.7 million in 2018 in water efficient technologies and processes, resulting in annual water savings of 75,170 m³. We also identify risks related to water scarcity through our Source Vulnerability Assessments (SVAs) and by using water stress mapping (e.g. WRI Aqueduct), informing our Source Water Protection Plans (SWPPs). In 2018, 100% of our manufacturing sites carried out SVAs and had SWPPs. We have an active programme of community-based water replenishment partnerships, focused on areas of water stress within our territories. In 2018, our 15 community-based partnerships enabled us to replenish 141% of the water we used in our drinks, where sourced from areas of water stress in 2018. For example, in 2018, in partnership with The Coca-Cola Company, local government agencies and ECODES we completed a project to protect groundwater close to our Aquabona manufacturing site in Northern Spain. The annual investment we make in our community-based water replenish programmes is approximately €1 million. We estimate that the cost of management is a total of €3.7 million– i.e. €2.7 million related to investment in water efficient technologies at our sites + the €1 million investment in community-based water replenishment programme.

Cost of management

3700000

Comment

We estimate that the cost of management is a total of €3.7 million– i.e. €2.7 million related to investment in water efficient technologies at our sites + the €1 million investment in community-based water replenishment programmes (based upon the amount of investment in water replenishment projects across our territories over the past five years).

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Supply chain

Risk type

Physical risk

Primary climate-related risk driver

Chronic: Changes in precipitation patterns and extreme variability in weather patterns

Type of financial impact

Increased operating costs (e.g., inadequate water supply for hydroelectric plants or to cool nuclear and fossil fuel plants)

Company- specific description

To enhance our understanding of the impacts of climate change on CCEP, we undertook a climate change risk assessment in partnership with The Coca-Cola Company to identify material risks and scenarios for further scenario analysis. The risk that changing weather and precipitation patterns may impact the cost and/or availability of ingredients we use in our beverages has been identified as a material risk, as a result of this work. 80% of the total water footprint of CCEP's products arises from our agricultural supply chain, including sugar beet grown in Western Europe. Decreased agricultural productivity in these regions of the world as a result of changing weather and precipitation patterns may therefore limit the availability, or increase the cost, of key raw ingredients, such as sugar beet, sugar cane, juices, pulp and paper, presenting a risk to CCEP. To produce our products, we rely on the availability and quality of key ingredients. The availability, quality and price of ingredients is impacted by chronic changes to weather and precipitation patterns, which exposes us to the risk of shortages of key raw materials. As a result, we may not be able to source key raw materials, may not be able to produce our beverages in line with customer demand and/or experience an increase in the cost of raw materials.

Time horizon

Long-term

Likelihood

About as likely as not

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

7000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Changes in precipitation patterns exacerbated by climate change could limit the availability and therefore increase the cost of key ingredients, like sugar. In the future, this could result in supply restrictions and/or increased costs for our business. The financial implications of this are difficult to estimate. However, even a 0.1% increase in our cost of goods sold (COGS) – including our most critical ingredients – could have an approximate annual cost impact of €7m.

Management method

We manage this risk by working with our suppliers to reduce GHG emissions associated with our supply chain and by working with our suppliers to ensure that they meet our sustainable sourcing expectations, as set out in our Sustainable Agriculture Guiding Principles (SAGPs). Our SAGPs apply to all of our suppliers of key agricultural ingredients and raw materials. Together with The Coca-Cola Company, we work together with third party organisations, such as Rainforest Alliance, the Sustainable Agricultural Initiative Platform (SAI) and Bonsucro, to develop pathways to compliance for our main agricultural commodities. For sugar beet, our preferred method is the SAI's Farm Sustainability Assessment (FSA) whereby farmers can self-assess the sustainability of their agricultural practices against a range of environmental, social and economic indicator. Whilst cane sugar makes up 6.6% of the sugar we buy, there are several third-party standards under which a cane sugar supplier can be certified as meeting the SAGPs. These include the Rainforest Alliance Standard, Fairtrade and Bonsucro. To manage the impact of limited availability of raw ingredients and materials, CCEP also uses supplier pricing agreements and derivative financial instruments to manage volatility and market risk with commodities. We estimate the annual cost management - including the roll out of our SAGPs, direct 1:1 engagement with our suppliers on the topic of sustainable sourcing - to be approximately €500,000.

Cost of management

500000

Comment

It is difficult to estimate the cost of management related to our work with suppliers of key ingredients. We work closely with The Coca-Cola Company on this topic, as all of our key commodities are purchased widely across the Coca-Cola system, and by various Coca-Cola bottlers including CCEP. We estimate the annual cost management - including the roll out of our SAGPs, direct 1:1 engagement with our suppliers on the topic of sustainable sourcing - to be approximately €500,000.

Identifier

Risk 4

Where in the value chain does the risk driver occur?

Supply chain

Risk type

Transition risk

Primary climate-related risk driver

Policy and legal: Mandates on and regulation of existing products and services

Type of financial impact

Increased operating costs (e.g., higher compliance costs, increased insurance premiums)

Company- specific description

To enhance our understanding of the impacts of climate change on CCEP, we undertook a climate change risk assessment in partnership with The Coca-Cola Company to identify material risks and scenarios for further scenario analysis. The risk that regulation related to GHG emissions may increase costs across our value chain, has been identified as a material risk, as a result of this work. This is anticipated to increase the costs associated with the more GHG-emissions intensive parts of our value chain, particularly packaging, manufacturing, distribution and cold-drinks equipment. Our business makes use of various packaging materials, including plastic bottles, glass bottles and aluminium cans. Packaging accounts for approximately 40% of GHG emissions across our value chain. In many of our markets (e.g. Norway and Belgium) we already face packaging related taxes linked to the carbon footprint of packaging or packaging collection and recycling rates and in all of our markets we contribute to the cost of extended producer responsibility schemes for packaging or the operation of deposit return schemes for beverage packaging. In the future we expect to see increased packaging regulation related to GHG emissions, increased producer responsibility fees and the possibility of new packaging taxes related to the use of recycled/virgin materials. This impact will vary and depend on the future mix of materials in our packaging portfolio.

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

14000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

We contribute €140m+ annually for packaging related extended producer responsibility schemes and packaging related taxes. The contributions we make differ by market, with some markets operating household / kerbside collection schemes for beverage packaging and others operating deposit return schemes for beverage packaging. In the future we expect to see increased packaging regulation, increased producer responsibility fees and the possibility of new packaging taxes. In addition, a number of markets are considering the expansion or introduction of deposit return schemes for beverage packaging. We support the introduction of these schemes as they provide the most likely route to increase collection rates for beverage packaging, and thus contribute to a reduction in GHG emissions. Whilst it is difficult to estimate the financial impact of such changes, even a 10% increase in costs related to packaging taxation and producer responsibility would amount to an additional annual cost of €14m.

Management method

We have undertaken life-cycle analysis to understand the carbon footprint of the packaging types and raw materials we use. From this work, we know that there are two main ways to reduce the carbon footprint of our single-use packaging - to ensure that the packaging is collected for recycling (so that the material can be recycled and used again) and to include recycled materials (e.g. recycled plastic) in our packaging. As a result we making investments in recycled PET and new technologies to increase our use of recycled plastic and decrease use of virgin plastic. In 2018, we used 61,000 tonnes of rPET. This represents 27.6 % of the total PET we use. Our goal is to reach 50% by 2025. Key to this approach has been working in partnership with our suppliers to develop increased capacity through long-term supply agreements which secure rPET for our business and provide certainty for our suppliers. We are also investing in new 'chemical recycling' depolymerisation technologies which can produce food-grade recycled

PET (which can be used in our bottles) from a range of hard to recycle plastic (e.g. fabrics & coloured plastics). We have agreements in place with Loop and Ioniqa, two companies which produce recycled PET via chemical recycling. The cost per tonne of rPET produced in this way is currently higher than regular 'mechanically' recycled rPET. We view these investment to be an important part of our long-term decarbonisation strategy.

Cost of management

10000000

Comment

We are making significant investments to manage this risk by investing in recycled PET and new technologies to increase our use of recycled plastic and decrease our use of virgin plastic. In 2018, we used 61,000 tonnes of rPET. This required additional investment of approximately €10m, over and above the cost of purchasing PET plastic from virgin sources.

Identifier

Risk 5

Where in the value chain does the risk driver occur?

Direct operations

Risk type

Transition risk

Primary climate-related risk driver

Policy and legal: Mandates on and regulation of existing products and services

Type of financial impact

Increased operating costs (e.g., higher compliance costs, increased insurance premiums)

Company- specific description

To enhance our understanding of the impacts of climate change on CCEP, we undertook a climate change risk assessment in partnership with The Coca-Cola Company to identify material risks and scenarios for further scenario analysis. The risk that regulation related to water scarcity may disrupt or restrict our production capability has been identified as a material risk, as a result of this work. Water is the main ingredient in our products and is essential to our manufacturing processes. Approximately 90% of our products are water and our business is heavily reliant on the availability of water. There is a risk that, as a result of climate change, that we may experience a shortage of a key raw material (i.e. water). Our business would therefore be impacted by any change in the price of water and by any restriction on water use. As a result of climate change, we may be unable to source sufficient high quality fresh water, may not be able to produce in line with customer demand, may see the cost of water increase and/or risk key manufacturing sites - particularly in water scarce areas - becoming stranded assets if we were unable to produce. In all areas where we operate, our water use is subject to local regulation, and we continue to ensure that we are compliant with all regulations at a local, national and global level. Regulation at a local level will have additional relevance where we own a license to extract and supply water. Where water is supplied by an external water provider, our water suppliers could also be impacted by such regulations. This could lead to increased costs of water supply or water treatment. We have identified 20 of our manufacturing sites to be located in water-stressed areas. This presents a potential risk to our business as these sites are more likely to be exposed to water-related regulations, increased costs related to water and potential disruptions to production. This includes our facilities in Flanders (Belgium), South Eastern England, South East and North of France, Spain, Germany and Portugal. We used 6.28 million cubic metres of water in our production volume at these sites. This represents 49% of CCEP's total production volumes.

Time horizon

Long-term

Likelihood

More likely than not

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

3000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Increased regulation or restrictions on water consumption, particularly in water-stressed areas could increase the cost of water OR impact our ability to produce. The financial implications of these changes are difficult to estimate. However, an annual increase in water costs, including water supply and water treatment, of just 10% could result in a potential additional cost of €3 million for our business.

Management method

We map our manufacturing sites against areas of water stress. We have identified areas of water stress through Source Water Vulnerability Assessments (SVAs) and by using water stress mapping from global surveys such as the WRIs Aqueduct project. In 2018, 20 of our facilities (in Belgium, South East England, South East and North of France, Spain, Germany & Portugal) were located in areas of water stress. Risks related to existing regulatory frameworks related to water and water tariffs are assessed at a corporate level through our Enterprise Risk Management process and at a local level through our site-led SVAs and Source Water Protection Plans (SWPPs). We engage with regulators at a local and country level, through site-based & country environment managers; local site meetings, and via direct correspondence and compliance reporting. Our Scientific and Regulatory Affairs (SRA) team tracks local regulatory changes at a corporate/global level. For example, we understand that the use of chlorates has been reviewed by the European Food Safety Authority (EFSA) and could impact EU member state legislation. This topic was tracked and closely monitored by our SRA team. Our SRA team is responsible for tracking all legislation and will undertake the necessary actions to update our local sites and communicate what actions, if any, should be undertaken at a local level.

Cost of management

0

Comment

The cost of undertaking our Source Water Vulnerability Assessments, implementing Source Water Protection Plans and engaging with regulators is built into our day to day operational costs.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Use of more efficient production and distribution processes

Type of financial impact

Reduced operating costs (e.g., through efficiency gains and cost reductions)

Company-specific description

To enhance our understanding of the impacts of climate change we undertook a climate-related risk assessment in partnership with The Coca-Cola Company. This has helped us to identify climate-related risks and material opportunities. The risk that regulation related to GHG emissions or water scarcity may increase costs across our operations or our value chain, has been identified as a material risk, as a result of this work. As a result there is an opportunity and a financial incentive, to reduce both energy and water consumption within our own operations. We are doing this by investing in energy/water efficient technologies, introducing new technologies which help to reduce our water and energy consumption and by investing in energy efficiency measures for our cold drinks equipment - all which result in monetary savings.

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

25000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Our business has long-standing programmes to pursue energy efficiency and water reduction measures. Being an early adopter of energy and water efficient technologies is bringing competitive advantage to CCEP and is helping to reduce vulnerability to changes in energy prices, carbon taxes and water regulation. As a result of our investments to reduce efforts, we estimate that over 8 years (between 2010 and 2018) our investments in energy and water efficiency have helped us to achieved cumulative cost avoidance of approximately €200 million. We represent this as a positive financial impact of approximately €25m per year.

Strategy to realize opportunity

To capitalize on this opportunity, we are focusing on both improving our energy use ratio – the amount of energy it takes to produce one litre of product – and improving our water use ratio – litres of water per litre of finished product produced. Our strategy is to invest each year in technologies which help us to improve energy and water efficiency and to reduce our use of water and energy, both in our manufacturing sites and our cold drinks equipment and logistics operations. In 2018, we invested €2.1 million in energy and carbon-saving technologies at our manufacturing sites, saving approximately 7,633 MWh per year. We also invested €2.7 million in water efficient technologies and processes, resulting in annual water savings of 75,170 m3. In 2018, we achieved an energy use ratio of 0.317 MJ/litre, a 17.22% reduction versus our 2010 baseline, and a water use ratio of 1.614 litre/litre of product, an 11.25% reduction versus our 2010 baseline. In most of our manufacturing sites, we use monitoring systems to help control our energy use. By combining production data with live information on our energy use, our line operators can make real-time adjustments to reduce our energy use. We continue to invest in process innovation and new energy efficient technologies and are looking to roll out best practices across our territories.

Cost to realize opportunity

4800000

Comment

In 2018, we invested €2.1 million in energy and carbon-saving technologies at our manufacturing sites, saving approximately 7,633 MWh per year. We also invested €2.7 million in water efficient technologies and processes, resulting in annual water savings of 75,170 m3. The total cost to realise this opportunity in 2018 was €2.7m + €2.1m = €4.8m.

Identifier

Opp2

Where in the value chain does the opportunity occur?

Supply Chain

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of lower-emission sources of energy

Type of financial impact

Reduced exposure to GHG emissions and therefore less sensitivity to changes in cost of carbon

Company-specific description

To enhance our understanding of the impacts of climate change on CCEP, we undertook a climate change risk assessment in partnership with The Coca-Cola Company to identify material opportunities and scenarios for further scenario analysis. We have identified the opportunity of transitioning towards renewable energy as a significant opportunity for CCEP and one that will help us

to mitigate against climate-related risks. In general terms, we believe that our business is well placed to succeed as the world transitions to a low-carbon economy. CCEP is part of the global Coca-Cola system and the brand and reputation of our business is a significant factor in driving product sales. Our commitment to purchasing 100% renewable electricity by 2020 and our membership of the RE100 initiative helps to demonstrate CCEP's commitment to tackling climate change. Investment in renewable electricity is crucial in helping to mitigate against potential changes in the cost of electricity, for example through increased carbon taxation.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

3340000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

In 2018, 100% of the electricity we purchased was from renewable sources. As a result, in 2018, we avoided 167,300 tonnes of CO2e. Whilst the financial impact of this is difficult to estimate, even a carbon price of €20/tonne CO2e would represent a positive financial saving in 2018 of €3.34million.

Strategy to realize opportunity

Our strategy is focused on a commitment to proactively ensure that the electricity we purchase is from renewable sources. We prioritise sourcing electricity from renewable sources, both from the grid and through onsite generation. In 2018, 100% of our purchased electricity came from renewable sources – and we achieved our 2020 target two years ahead of schedule. We are also investing in renewable and low-carbon energy self-generation at our own manufacturing sites. These include investments in solar, wind, combined heat and power (CHP), biomass, and district heating. Overall, solar photovoltaic panels on our sites generated 449 MWh of electricity in 2018. Our site in Chaudfontaine in Belgium uses a combination of solar panels, geothermal heat capture and a new hydro-electric turbine to produce more than 17% of the factory's energy consumption. In Iceland, the country's abundance of hydropower and geothermal sources of energy gives our Reykjavik facility one of the lowest carbon footprint of all of our manufacturing sites.

Cost to realize opportunity

518000

Comment

In 2018, the additional cost of purchasing 100% renewable electricity and the associated guarantees of origin to demonstrate that the electricity was sourced from renewable sources was €518k.

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Type of financial impact

Better competitive position to reflect shifting consumer preferences, resulting in increased revenues

Company-specific description

To enhance our understanding of the impacts of climate change on CCEP, we undertook a climate change risk assessment in partnership with The Coca-Cola Company to identify material opportunities and scenarios for further scenario analysis. We have

identified an opportunity to improve our corporate reputation and shift consumer preferences as a result of our actions to tackle climate change. Because we have embedded carbon reduction efforts throughout our production processes and value chain, we are directly enabling the consumer to avoid or reduce GHG emissions. When a consumer purchases a beverage manufactured by CCEP they will be purchasing a beverage in lightweight packaging, containing recycled and/or renewable materials and sold via an energy efficient cooler. It would have been manufactured in a factory into which energy efficient technologies have been embedded. As a result, the active choice to purchase a beverage manufactured by CCEP would directly enable the consumer to avoid or reduce GHG emissions. We have set a target to ensure that "50% of the plastic we use for our PET bottles comes from recycled PET" by 2025. This has a direct impact on the carbon footprint of our packaging. In 2018, 27.6% of the PET we used was recycled PET. Earlier this year we announced that three of our brands would transition to packaging made from 100% recycled plastic. We believe that consumers will respond to this trend positively and that our use of recycled PET provides an opportunity to shift consumer preferences towards our products and packaging which contain recycled PET – and hence lower GHG emissions - as a core part of their packaging.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

10000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

There is an opportunity for CCEP to reduce costs and gain competitive advantage as a result of using recycled PET (rPET). The use of rPET currently costs more than PET from virgin materials, however this could change in the long term, as policy makers look to introduce taxation on plastic packaging which does NOT contain recycled materials. Hence there is an opportunity for CCEP to enjoy lower costs. Over time, and as a result of efforts to enhance post-consumer collection of plastic bottles, we would expect to see increased availability of rPET and lower costs for recycled materials. As the volume of higher quality recycled content increases, there is a potential opportunity that the current higher price of recycled content - i.e. the cost over and above the cost of purchasing PET resin made from virgin plastic - could be offset. We have therefore estimated a potential cost avoidance of €10million, which was the approximate additional cost related to our purchase of rPET in 2018.

Strategy to realize opportunity

Our strategy to realise this opportunity is focused on our "This is Forward" Action on Packaging strategy. We have set ambitious targets to reduce the carbon impact of our packaging, as part of our "This is Forward" strategy. In particular, we have committed to "collect 100% of the packaging" we put on the market, and to ensure that "50% of the PET we use in our plastic bottles is recycled PET" by 2025. In 2018, we estimate that 74% of our packaging was collected for recycling. In addition, 27.6% of PET we used was recycled PET. We continue to invest in plastic reprocessing to ensure a reliable supply of high quality rPET in all our markets. One example is our new partnership with Loop Industries, a plastic reprocessing company, whose depolymerisation technology enables low value plastics to be diverted, recovered and recycled into new, virgin-quality PET plastic. To meet our rPET target and continue to realise this opportunity, we continue to invest in recycled PET, which currently costs more than virgin PET. We estimate the cost of management in 2018 to be approximately €10 million. This is based on the additional cost of recycled PET over and above the cost of purchasing PET resin made from virgin plastic.

Cost to realize opportunity

10000000

Comment

C2.5

(C2.5) Describe where and how the identified risks and opportunities have impacted your business.

	Impact	Description
Products and services	Impacted	Climate change has already impacted our products and services due to changes in mean average temperature on a seasonal basis. For example, 2018 revenues in Iberia were down 1.0% with volume in Spain negatively impacted by unseasonably cold summer weather and weaker tourism, contributing to lower sales and adversely impacting our financial results. Revenue in the Northern European territories (Belgium, Luxembourg, the Netherlands, Norway, Sweden and Iceland) was up 6.5%, mainly driven by strong volume gains given favourable weather trends over the summer months led by the Netherlands and Belgium. We consider the potential overall risk to our products could be medium-high, as changes in physical climate parameters could impact our full range of products (and revenue) in both the short and long term. Even a 0.1% decline in our manufacturing and/or distribution due to extreme weather events, could have an approximate annual impact to our revenues of €11.5 million. CCEP works to adapt products and services to address the potential future impacts of climate change shown by the commitment to set forward looking science-based carbon reduction targets for our core business operations. Our target to reduce the carbon footprint of our core business operations by 50% was met in 2018, and we will continue to work to reduce carbon emissions across our manufacturing, cold drinks equipment (CDE) and distribution. Reducing the impact of our cold drinks equipment, which makes up around 17% of our value chain carbon footprint, can make a significant difference. In 2018, CCEP conducted a review of the technical requirements for all newly purchased CDE in favour of higher, best-in-class, efficiencies, by rationalising the requirements on other performance criteria. In 2018, 100% of the newly purchased coolers were HFC-free, making the cooler fleet as a whole around 53% HFC-free, an increase from around 47% in 2017. The success of these, and other initiatives in 2018, resulted in a reduction of the carbon emissions of our CDE fleet by around 7% compared to 2017, while growing our fleet by an average of 1.2% in 2018.
Supply chain and/or value chain	Not yet impacted	We have not yet experienced direct impacts of climate change on our value chain, but we anticipate that this may occur within the next 5 years and need to mitigate against future impacts by introducing a climate-focused sustainability strategy. This includes a target to source 100% of our raw materials and ingredients sustainably by 2020. We track this through compliance with our Sustainable Agriculture Guiding Principles which includes climate-friendly agriculture. We also work with farmers on our water replenishment projects to reduce their environmental impact. For example, in 2018, we completed a project with The Coca-Cola Company to protect groundwater close to our Aquabona manufacturing site in Northern Spain, restoring native and fire resilient trees, protecting grassland habitats and controlling vegetation growth. We replenished 943.8 million litres of water, planted over 66,300 trees and restored 57 hectares of land in 2018. Since this project, rainwater recovery has improved by 20% and the local biodiversity and ecosystem will be protected for at least 20 years. Climate change can impact water quality and scarcity, and agricultural productivity, all critical to our value chain, and particularly to the agricultural ingredients we rely on as raw materials. Extreme weather could also disrupt our manufacturing and distribution network, whilst decreased agricultural productivity with changing weather patterns may limit the availability, or increase the cost, of raw materials, such as sugar, pulp and paper, orange/other citrus and coffee/tea. Sugar is a key ingredient in many of our products (around 65% of sales volume is dependent on sugar). Any impact in sugar supply due to decreased agricultural productivity could have a potentially "high impact" on this proportion of our revenue. By weight, pulp and paper accounts for approximately 9% of packaging used, with approximately 25% of our revenue driven by products which include pulp and paper. Climate-related impacts on the supply of pulp and paper is considered "low impact". As we transition to become a total beverage company with a wide range of soft drinks, a greater percentage of our products will contain juice. Currently, products which contain orange/citrus juice represent around 14% of our sales volume, and climate-related impacts on the supply of orange/citrus juice is judged as "medium impact".
Adaptation and mitigation activities	Impacted	Our adaptation and mitigation activities have already been impacted by climate change as we support the low-carbon transition to mitigate climate change and prepare our business for the likely impacts of climate change. In 2018, we invested €3.7m to reduce the weight of our bottles, cans, closures and labels, enabling us to eliminate 1,983 tonnes of packaging material and 4,663 tCO ₂ e. In addition, 98% of our packaging was recyclable and around 27% of the PET used in our plastic bottles was rPET. With our ongoing initiatives to use recycled content and reduce packaging weight, we have reduced the carbon footprint from our packaging by around 14% since 2010. Our climate-related risks have informed our drive to adapt how we operate, and our packaging. Our packaging is essential in maintaining the quality and safety of our drinks so adaptation and mitigation activities associated with packaging have a high magnitude impact on our business. It is also the biggest contributor to our value chain carbon footprint (41%). We place significant emphasis on adapting our approach to packaging and mitigating its environmental impact. CCEP are adapting our products to address climate change – exploring new ways to use renewable materials, reduce packaging waste and smart ways to bring our products to market. We are piloting business models utilizing refillable packaging and next-generation fountain dispense technology. We are undertaking initial trials to improving understanding of consumer behaviour and attitude towards refillable drink packaging. In France, we have partnered with Carrefour and TerraCycle to be part of a new 'circular shopping system' called Loop, which will allow customers to have refillable glass bottles delivered at their homes and have them collected to be refilled and reused. We also continued to support ocean clean up initiatives through local community partnerships, most notably Mares Circulares, a coastal waste collection campaign co-financed by The Coca-Cola Foundation; we collected 584 tons of waste across 270km of coastline in Spain and Portugal. All collected PET bottles were reintegrated into our value chain in Spain.
Investment in R&D	Not impacted	Investment in R&D is not impacted by climate change because we do not have an R&D function, but instead commercialise, distribute and service these new products and technology invented in particular by The Coca-Cola Company's R&D function. As a result, we have no direct increase or decrease in investment in R&D due to climate-related risks or opportunities. However, in order to deliver our targets to reduce carbon emissions across our entire value chain, we work together with suppliers, customers, and external stakeholders; to develop key innovation partnership initiatives. One example is our new partnership and supply agreement with Loop Industries, Inc., a plastic reprocessing company. At the end of 2018 Coca-Cola European Partners (CCEP) announced it would be the first bottler to enter into a multi-year supply agreement (5,000 tonnes) to source Loop PET across Western Europe from 2020. With commitments from the Coca-Cola System, Loop Industries have developed pioneering 'depolymerisation' technology to bring previously low quality PET waste (unsuitable for use in soft drinks bottles) back to virgin quality, food grade PET. This increases the availability of qualitative, food grade PET to enable CCEP to reach its target commitment of using 50% recycled PET in our bottles by 2025, and 100% of our packaging is recyclable or reusable (in particular our preference that our PET packaging is bottle to bottle recycled).
Operations	Impacted	In a number of our territories CCEP's operations have already been impacted by climate-related risks – this includes extreme weather-related flooding at our Sidcup factory in London. An increase in extreme weather such as storms or floods could further impact our manufacturing sites and our distribution network, which relies on Europe's road transportation network. We work to adapt to, and mitigate these climate-related business impacts by setting science-based carbon reduction targets across our core business operations, and through our membership of RE100, where we have pledged to purchase 100% renewable electricity by 2020. To achieve our carbon reduction targets, we continue to invest in energy reduction initiatives across our manufacturing, cold drinks equipment and transportation. In 2018, we invested €2.1m in energy and carbon-saving technologies, saving approximately 7,633 MWh per year and 2,249 tCO ₂ e in our direct operations, contributing to our achieving a 50.6% reduction of our carbon footprint in 2018.
Other, please specify	Please select	

(C2.6) Describe where and how the identified risks and opportunities have been factored into your financial planning process.

	Relevance	Description
Revenues	Impacted	Policy initiatives which limit CCEP's ability to design new packages or use certain packages (e.g. single use packaging), could negatively impact CCEP's revenues. In addition, taxes or other charges imposed on the sale of certain packaging types could increase our costs or cause consumers to purchase fewer of CCEP's products, thus impacting our potential revenues. We are actively modelling the impact of potential changes to our future revenues and we have integrated this into our financial planning processes. Many countries in Western Europe, including territories in which CCEP operates, are evaluating the implementation of, or increase in packaging related taxation or the extension of producer responsibility legislation. For example, Scotland has announced that it will introduce a deposit return scheme (DRS) for beverage packaging in the coming years and the Netherlands is considering extending its existing DRS to include small sized drinks packaging. Consultations on the potential introduction of DRS in England and France are also underway or planned. This has largely been driven by concern over the climate-related impact of our packaging – and the associated issue of resource scarcity, litter, and marine litter - has led to the development of legislative and regulatory initiatives which aim to increase recycling and reuse and reduce beverage packaging waste in our territories. CCEP is undertaking modelling of all such possibilities and we are integrating this into our financial planning processes in relation to revenues impact.
Operating costs	Impacted	Potential increases in operating costs as a result of energy taxation or increased energy prices are modelled by CCEP's Procurement function and are included in our financial planning processes in relation to our operating costs. The territories in which CCEP operates have in place a variety of fuel and energy taxes, GHG emissions reporting requirements and voluntary emissions reduction covenants in which CCEP participates. Current energy taxation exposure is estimated to be in the range of between 15-30% of wholesale energy costs. Further laws that directly impact the resources we require, our direct fuel and energy costs or indirectly impact our distribution networks, packaging or raw materials costs, could result in a low impact, by increasing our operating costs. These potential cost increases also provide an incentive to reduce energy consumption and provide the benefit of being an early adopter of energy efficient technology. Any reduction in energy use also results in a monetary savings for CCEP. Being an earlier adopter of these new technologies is likely to bring competitive benefits to CCEP and reduce any vulnerability we may face to changes in energy prices and energy/fuel or carbon taxes.
Capital expenditures / capital allocation	Impacted	Our capital expenditure has already been impacted by climate-related risks and opportunities due to our commitments to reduce our GHG emissions and use recycled content in our packaging. Both require capital investments across our operations to ensure we are able to meet our targets. Our ambitious carbon reduction targets will be delivered through a variety of initiatives to drive energy and water efficiency, use renewable electricity and introduce low-carbon technologies at our manufacturing sites, and reduce the energy use of our cold drinks equipment. CCEP has also set new climate-related packaging targets to ensure that "at least 50% of the material we use for our PET bottles comes from recycled plastic", and to ensure that "100% of our packaging is recyclable or reusable". We also have a goal to "collect 100% of our packaging" by 2025. Commitments to reduce GHG emissions will necessitate CCEP's ongoing capital investment in technologies that improve the energy efficiency of our operations and reduce the climate-related impact of our packaging, cold drinks equipment and transportation networks. In general, the cost of these types of investments is greater than investments in less energy efficient technologies, and the period of financial return is often longer. Although CCEP believes these investments will provide long-term benefits, there is a risk that CCEP may not achieve its desired returns. We committed \$10.6 million in 2016, €3.73 million in 2017 and €4.8 million in 2018 on sustainability and efficiency related capital investments, including energy and carbon reduction projects. We are also ensuring that 100% of the electricity we purchase is renewable electricity. Each year we develop a capital investment plan which includes climate-related investments. For example, we have invested in projects to introduce advanced energy management and monitoring systems, which allow real-time adjustments to be made by our line operators to reduce energy consumption. Investments of this kind have helped us to reduce our energy usage and improve our energy use ratio. In 2018, we achieved an energy use ratio of 0.317 MJ/litre of product produced, a 17.22% reduction versus our 2010 baseline.
Acquisitions and divestments	Not yet impacted	CCEP did not make any acquisitions or investments in 2018 and previous acquisitions and investments have not been impacted by climate change. However, if there were to be any future acquisitions or divestments, climate-related risks and opportunities would be taken into account as part of our Enterprise Risk Management process. This would include ensuring that any new sites associated with an acquisition have completed a Source Water Vulnerability Assessment (SVAs); and an assessment of capital investment required to ensure that sites could implement energy efficient technologies. Decisions could be made, for example, based on the results of the SVAs, whereby if any significant risks in terms of water stress or availability at the site were identified to the extent that production volume could be impacted, the decision could be made either to identify opportunities for water replenishment projects, or to not go ahead with an acquisition.
Access to capital	Not yet impacted	CCEP is subject to interest rate risk, and changes in CCEP's debt rating could have a material adverse effect on interest costs and debt financing sources and thus potentially impacting our financial planning process. CCEP's debt rating could be materially influenced by factors, including financial performance, acquisitions, and investment decisions (including those to address climate-related risks), as well as capital management activities of The Coca-Cola Company (TCCC) and/or changes in the debt rating of TCCC. The timescale of when this might impact depends on CCEP's ability to maintain its debt rating. CCEP's debt rating depends on CCEP's ability to maintain performance and revenues, reflected by its financial results. Climate change could impact CCEP's performance in the long term, either through increased costs, reduced production as a result of water scarcity or as a result of an inability to source key agricultural ingredients. We could also see changing consumer demand for our products due to changing weather patterns – e.g. potentially arising from stormier and/or wetter summers in Europe. These impacts are considered long term and therefore the predicted timescale of CCEP's access to capital being impacted is more than 10 years. However, this is not considered likely and these risks have been included and managed as part of our Enterprise Risk Management (ERM) framework at the top level.

	Relevance	Description
Assets	Impacted	At CCEP, we factor the current and future value of our assets – and any climate-related impacts – into our financial planning processes. For example, we have been assessing the climate-related impact of our vehicle fleet, which includes cars, trucks and vans. We monitor fuel consumption and associated fleet emissions in all of our territories and we are currently developing a long-range plan to support a transition to low-emission vehicles, starting with electric vehicles. This will include an investment plan to support this transition. As part of this strategy, for our business unit in Norway, we ordered 100 electric cars for our field sales team who drive approximately 3 million kilometres per year. We also changed our car policy to introduce electric and plug-in electric hybrid vehicles. To facilitate this change we installed 176 charging points at our headquarters in Røbsrud. As a result, the magnitude of impact of investing in electric vehicle assets is saving approximately 300 tCO2e each year. We are also trialling the use of electric cars for our field sales teams in Belgium and Luxembourg.
Liabilities	Impacted	CCEP continually reviews its liabilities including tax legislation, regulations, court rulings, related interpretations, and tax accounting standards in countries in which CCEP operates, including these in our financial planning process. This includes climate-related liabilities and voluntary climate-related covenants and agreements that have been agreed through local trade associations or industry groups. This includes, for example, CCEP's commitment to reduce its carbon emissions in Sweden as part of an industry wide agreement, known as the Haga Initiative.
Other	Please select	

C3. Business Strategy

C3.1

(C3.1) Are climate-related issues integrated into your business strategy?

Yes

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform your business strategy?

Yes, qualitative and quantitative

C-AC3.1b/C-CE3.1b/C-CH3.1b/C-CO3.1b/C-EU3.1b/C-FB3.1b/C-MM3.1b/C-OG3.1b/C-PF3.1b/C-ST3.1b/C-TO3.1b/C-TS3.1b

(C-AC3.1b/C-CE3.1b/C-CH3.1b/C-CO3.1b/C-EU3.1b/C-FB3.1b/C-MM3.1b/C-OG3.1b/C-PF3.1b/C-ST3.1b/C-TO3.1b/C-TS3.1b) Indicate whether your organization has developed a low-carbon transition plan to support the long-term business strategy.

Yes

C3.1c

(C3.1c) Explain how climate-related issues are integrated into your business objectives and strategy.

CCEP is the world's largest independent Coca-Cola bottler. We place sustainability and climate-related concerns at the heart of our business strategy. Climate change is integrated into business objectives and strategy in 6 ways:

1) We released our "This is Forward" sustainability strategy in Q4 2017 outlining our 2025 sustainability and climate-related targets, built with extensive consultation with external stakeholders. Our strategy includes absolute and intensity carbon reduction targets approved by the Science Based Targets Initiative. We are committed to achieving a 50% absolute reduction in greenhouse gas emissions across our core business operations by 2025, and a 35% reduction across our entire value chain by 2025, both from a 2010 baseline year.

2) In the short term, we have integrated the purchasing of renewable electricity as a core part of our business strategy. We are members of the RE100 initiative and have committed to purchasing 100% of our electricity from renewable sources by 2020. We achieved this target in 2018, two years ahead of schedule.

3) We have integrated climate change into our enterprise risk management processes and begun the initial stages of climate-related scenario analysis, in partnership with The Coca-Cola Company. The analysis has helped us to define the material physical and transition risks for CCEP and the Coca-Cola system and identify the most appropriate climate scenarios for climate-related scenario analysis. The results are informing our strategic decisions and helping us to prepare for the potential impacts of climate change in line with the recommendations of the Task Force on Climate-Related Financial Disclosure.

4) We have developed ways to measure and forecast carbon across our value chain by comprehensively mapping carbon emissions across each segment of our value chain. In the short term, we have embedded climate change into the criteria of our Supplier Guiding Principles (SGPs) and Sustainable Agriculture Guiding Principles (SAGPs) which are aligned to those of The Coca-Cola Company. In 2018, 88% of our spending with our direct suppliers was covered by our SGPs and SAGPs, and we will ensure 100% of our key agricultural ingredients and raw materials come from a sustainable source by 2020. 99.9% of our production volume is covered by environmental management verified to ISO14001. In the long term, we are developing country-specific sustainability roadmaps to include the carbon, energy and water saving initiatives and programmes we plan to initiate until 2025. These measures have helped us to reduce carbon emissions and report positive progress against our "This is Forward" targets and goals.

5) We are taking action on packaging, the largest source of carbon emissions in our value chain, accounting for 41% of total value chain emissions. In the short term, to reduce these emissions, we have focused on efforts to lightweight our packaging, improve the supply of packaging made from renewable or recycled material, and on efforts enhance the collection of beverage packaging for recycling. We support the development of a circular economy and aim to use as little packaging material as possible, while also using recycled and renewable materials.

6) In the long term, we have aligned our strategy to the UN's Sustainable Development Goals, relevant to climate change. We support UN Sustainable Development Goal 12, ensuring sustainable consumption by helping to substantially reduce waste generation through waste reduction, recycling and reuse. We also support UN Sustainable Development Goal 13 and are committed to playing our part in global efforts to tackle climate change, in line with the 2015 Paris Climate Change Agreement. Since 2010, we have reduced the carbon footprint of our core business operations by 50.6% and our carbon footprint across our value chain by 29.7%. We have invested in alternative and renewable energy to secure a long-term sustainable supply of energy and have integrated sustainable sourcing of energy and electricity into our procurement processes. As a result, 100% of the electricity we purchased in 2018 came from renewable sources.

STRATEGIC ADVANTAGE:

Our value chain engagement and carbon reduction progress has led to external recognition, helping us to build industry leadership and enhanced stakeholder reputation in energy and climate change. For example, in 2018, CCEP was listed as a member to the Dow Jones Sustainability World and European Indices. Our approach has opened new business opportunities, such as working with customers on in-store recycling activations and consumer engagement. For example, in 2017 we launched the Sustainable Terraces initiative in Spain, which provides customers with sustainable, low-carbon furniture for outdoor terraces made from 100% recyclable materials. The furniture is fitted with RFID chips, allowing consumers to use their phones to learn about the sustainability credentials of the furniture. In 2018, we reached 4,300 customers through the initiative, and we plan to supply an additional 4,200 customers in 2019. In total, since 2017, we will have served 12,800 customers.

SUBSTANTIAL BUSINESS DECISIONS:

CCEP takes a value chain approach towards managing its carbon emissions and has invested in opportunities across our value chain to reduce our carbon impact. In 2018, we invested €4.8 million in energy, water and carbon-saving technologies and €8.5 million in energy efficient production lines and equipment. These investments have helped to reduce the energy use ratio of our products by 17.2% since 2010. By working in collaboration with customers and our third-party haulers, focusing on network optimisation to reduce distances driven and through alternative fuels, we have reduced the carbon footprint of our transport operations by 16.8% since 2010.

We have made a number of substantial business decision related to climate change – including a decision to invest in using recycled and renewable materials, which can significantly reduce the carbon impact of our packaging. We have also focused heavily on investing in making our cold drinks equipment fleet (over one million coolers, vending machines and dispense units) more energy efficient. We have done so by fitting LED lighting and energy management systems, as standard and by retrofitting such technology to a significant percentage of our fleet. We have also installed doors to large open front units (thus achieving significant energy efficiency gains) and have a proactive programme to remove any remaining open fronted units from the market, replacing them with more energy efficient closed-door units. These energy saving programmes have reduced the total energy consumption of our cold drinks equipment fleet by 43% since 2010, saving over 1.5 million MWh. In 2018, we also reduced the carbon emissions of our CDE fleet by 7.1% compared to 2017.

C3.1d

(C3.1d) Provide details of your organization’s use of climate-related scenario analysis.

Climate-related scenarios	Details
IEA 450	We have recently undertaken further analysis of climate-related impacts in partnership with The Coca-Cola Company. The analysis helped to define the most material physical and transition risks for CCEP and the broader Coca-Cola System, and identified the most appropriate climate scenarios to be used for climate scenario analysis. Risks were quantified within a 2030 time frame, and qualitatively considered to 2050. This time frame is aligned with the broader political and policy debate on climate-related issues in our markets in Western Europe and has therefore been selected as the most relevant time frame for CCEP. Two scenarios were identified: a 'business as usual', scenario and a '2 degrees compliant' scenario. The 'Business as usual' IEA NPS scenario identifies future risks and opportunities where the world continues with no further mitigating actions. This scenario was informed by the WEO New Policies Scenario (NPS), taking into account policies and measures affecting energy markets adopted as of mid-2018. Under this scenario, global temperatures increase by 2.7°C by 2040 and carbon pricing ranges on average are \$10-25/tCO2e in 2025 and \$24-48tCO2e in 2040. The scenarios considered agriculture and ingredients, packaging, manufacturing, distribution, cold drinks equipment, customers and communities. Our analysis found that CCEP was most strongly impacted under a 'business as usual' future, particularly supply and production. CCEP is heavily reliant on the quality and availability of key ingredients (citrus, sugar cane etc.) and water. Climate change has the potential to drastically impact water availability and drastically change the agricultural landscape. CCEP's ability to mitigate against these changes becomes minimized when physical effects are so significant, they cause changes to global raw material availability. Also, as bottling occurs locally, increased water scarcity and water stressed areas has potentially major implications. Extreme weather events could disrupt manufacture and distribution. CCEP has integrated the results from the scenario-analysis into its risk assessment and strategic planning - including our future plans for manufacturing and distribution.
REMIND	We have recently undertaken further analysis of climate-related impacts in partnership with The Coca-Cola Company. The analysis helped to define the most material physical and transition risks for CCEP and the broader Coca-Cola System, and identified the most appropriate climate scenarios to be used for climate scenario analysis. Risks were quantified within a 2030 time frame, and qualitatively considered to 2050. This time frame is aligned with the broader political and policy debate on climate-related issues in our markets in Western Europe and has therefore been selected as the most relevant time frame for CCEP. Two scenarios were identified: a 'business as usual', and a '2 degrees compliant' scenario. The '2 degrees compliant' REMIND scenario assumes current policies are continued until 2020, implementing a carbon price at a level to ensure the world does not exceed 2°C warming. The energy sector mix shifts rapidly away from fossil fuels to renewable technologies. Global temperatures do not exceed 2°C, a global carbon price implemented after 2020 is the sole policy instrument, starting at \$2/tCO2e in 2020 and rising to \$111/tCO2e in 2040. The scenarios considered agriculture and ingredients, packaging, manufacturing, distribution, cold drinks equipment, customers and communities. Under '2 degrees compliant', transition impacts are more apparent to encourage the transition to a low-carbon economy. We believe that our business is well placed to succeed under the potential future where the world transitions to a low carbon economy. However, our analysis has shown that we would be impacted most strongly under a rapid transition. For example, changes to regulations relating to water use and withdrawal and GHG emissions could impact our business and the more aggressive the approach, the more likely we are to experience the associated risks and opportunities. Under this scenario, as a major brand in the beverage sector, reputational impacts are likely to be felt strongly. We have integrated the results of the scenario analysis into our risk assessment and strategic decision-making to reduce the risk associated with regulatory, market and technological changes during a low-carbon transition. For example, in 2018 we worked to further align business strategy with a low-carbon economy in Norway and Belgium through investment in electric cars. In 2018, we ordered 100 electric cars for our field sales team, who drive approximately 3 million kilometres per year. We also changed our car policy to introduce electric and plug-in electric hybrid vehicles. The results of the scenario analysis encouraged decarbonization of our assets in distribution in order to mitigate risk in both policy and legal changes, and also potential shifts in consumer preferences for environmentally friendly companies.

C-AC3.1e/C-CE3.1e/C-CH3.1e/C-CO3.1e/C-EU3.1e/C-FB3.1e/C-MM3.1e/C-OG3.1e/C-PF3.1e/C-ST3.1e/C-TO3.1e/C-TS3.1e

At CCEP we follow a value chain approach to climate change and low carbon transition. Our low-carbon transition plan is based upon our GHG emissions targets, which are approved by the Science Based Targets Initiative and form a core part of our sustainability action plan. This includes targets to reduce GHG emissions from our core business operations (by 50% by 2025) and across our value chain (by 35% by 2025) - both vs a 2010 baseline. We are also committed to ensuring that 100% of the electricity we purchase is from renewable sources (we achieved this target in 2018). We have long-standing programmes to pursue carbon reduction measures in line with a low-carbon transition, including:

Manufacturing

Most of our Scope 1 emissions are associated with our manufacturing operations, which account for 94% of our total energy use. Therefore, energy efficiency, reducing energy use and cutting carbon emissions within our manufacturing plays a key role in reducing the carbon footprint of our products. To ensure a direct focus, we set annual energy efficiency targets for all our manufacturing sites. In 2018, our energy use ratio (MJ/litre product) was 17.2% less than our baseline (2010). In 2018, we invested €2.1m in energy and carbon-saving technologies, saving approximately 7,633 MWh per year and 2,249 tCO₂e.

Packaging

Packaging makes up approximately 40% of our total value chain carbon footprint. Over the last decade we have worked to understand the carbon impact of our packaging through life cycle analysis. This indicates that the main way to decarbonize our packaging is to increase the amount of recycled content. As a result we place strong focus on collecting our packaging and in 2018 we created a 'Recovery Management Office' to manage this work. Our goal, is to collect 100% of our packaging so that none of it ends up as litter or in the oceans. Doing so will allow us to recover a valuable resource that can be recycled and used again to make new bottles and cans. We estimate that approximately 74% of the packs we put on the market are currently collected for recycling. We support initiatives such as Deposit Return Schemes which will help us to get closer to 100%. We have also set a goal to ensure that by 2025, at least 50% of the PET plastic we use is recycled PET (rPET). As a result of investments over the past few years in recycling technologies and long-term purchase agreements with suppliers of recycled PET, we will reach this ahead of schedule. Investment in recycling technologies such as enhanced recycling (depolymerisation) which is able to convert hard-to-recycle PET into high quality food-grade PET, are enabling us use even more recycled PET. We are also exploring the potential expansion of refillable packaging (21% of our packaging today is refillable) and dispensed solutions which by their nature are 'closed loop' and have a lower carbon footprint. We have created a new 'Sustainable Packaging Office' to guide our work.

Transportation and Logistics

With the advent of low and zero-emission vehicles and increasing regulation on the use of petrol and diesel vehicles, we are taking steps to integrate electric vehicles into our value chain. In 2018, we continued to invest in electric cars for our fleet, with 49% of our car fleet in Norway now being pure electric cars and 6.8% of the total CCEP company car fleet are now pure electric or plug-in hybrids. CCEP also continue to invest in electric vehicle charging points across our facilities. The impact of introducing these measures is anticipated to increase with future further rollout of electric vehicles and related infrastructure.

Cold Drinks Equipment (CDE)

Direct investment has helped us to reduce the carbon footprint of our cold drinks equipment and resulted in lower energy costs and emissions reductions for our customers. Since 2010, we have reduced the carbon footprint of our equipment by over 57%, saving 1,500,711 MWh of electricity. In 2018, 100% of our cooler purchases (approximately 73,000 units in 2018) were HFC-free, contributing to lower GHG emissions. We are leading the industry to ensure a transition to HFC-Free for all vending and fountain machines. We aim for all our CDE purchases to be HFC-free by 2020. We also focus on making our CDE more energy efficient by installing LED lighting and energy management systems on the equipment we already have. All new cooler purchases over a certain size already have these energy saving devices as a standard feature. We have installed doors to large open front units, and now are proactively removing these machines from trade, replacing them with more energy efficient closed-door units. These energy-saving programmes have reduced our total energy consumption across our CDE fleet by 43% since 2010, saving over 1.5m MWh.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Both absolute and intensity targets

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Scope

Scope 1+2 (market-based) +3 (upstream)

% emissions in Scope

100

Targeted % reduction from base year

50

Base year

2010

Start year

2017

Base year emissions covered by target (metric tons CO₂e)

2488480

Target year

2025

Is this a science-based target?

Yes, this target has been approved as science-based by the Science-Based Targets initiative

% of target achieved

50.6

Target status

Underway

Please explain

Our absolute carbon emissions target, which has been approved by the SBTi as in line with the needs of climate science, is to cut greenhouse gas emissions from our core business (manufacturing, cold drinks equipment, and distribution activities) by 50% by 2025, vs a 2010 baseline. This target measures the absolute reduction in greenhouse gas emissions in core business operations since 2010 (%). We include 100% of emissions in scope and this target represents all of CCEP's scope 1+2 emissions (100%) plus additional Scope 3 activities where we believe we can have a direct influence in our value chain. In total this target covers approximately 32.4% of our value chain (Scope 1, 2 and Scope 3) carbon footprint. We have a separate, relative target for our value chain emissions, called "Drink in Your Hand". Based upon the boundary scope of our absolute target, we have achieved a 50.6% absolute reduction in carbon emissions from a 2010 baseline. This represents 101% completion so far - but we anticipate our emissions to increase from now to 2025 as the business grows, so it is important we continue to focus and invest to ensure that our business grows, but that the carbon footprint of our core business operations does not.

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number

Int 1

Scope

Scope 1+2 (location-based) + 3 (upstream and downstream)

% emissions in Scope

100

Targeted % reduction from base year

35

Metric

Other, please specify (g CO₂e/ litre of product)

Base year

2010

Start year

2017

Normalized base year emissions covered by target (metric tons CO₂e)

5404999

Target year

2025

Is this a science-based target?

Yes, this target has been approved as science-based by the Science Based Targets initiative

% of target achieved

29.7

Target status

Underway

Please explain

As part of our "This is Forward" sustainability action plan, CCEP set a target to reduce emissions across our value chain by 35% by 2025, vs. a 2010 baseline. This is a relative target, which aims to reduce GHG emissions per litre of product sold, and is referred to as "Drink in Your Hand" (DIYH). The measure of the target is CO₂e g / litre of product sold. This is a relative value chain target, including Scope 1, 2 and 3 up and downstream emissions. Its scope includes: Ingredients, Packaging, Manufacturing, Distribution and Transportation, Cooling and Recycling of our products. This target has been confirmed by the SBTi as in line with the needs of climate science and the Paris Climate Change Agreement. At the end of 2018, CCEP had achieved a 29.7% reduction in the CO₂e g / litre of product sold. This is a 2.4% reduction compared to 2017 and a 29.7% reduction vs. our 2010 baseline. This represents 84.7% completion.

% change anticipated in absolute Scope 1+2 emissions

57.7

% change anticipated in absolute Scope 3 emissions

28.6

C4.2

(C4.2) Provide details of other key climate-related targets not already reported in question C4.1/a/b.

Target

Renewable electricity consumption

KPI – Metric numerator

Electricity purchased that comes from renewable sources (629,434 MWh)

KPI – Metric denominator (intensity targets only)

Total electricity consumed

Base year

2010

Start year

2014

Target year

2020

KPI in baseline year

0

KPI in target year

100

% achieved in reporting year

100

Target Status

Achieved

Please explain

As part of CCEP's "This is Forward" sustainability action plan, we have committed to purchase 100% renewable electricity by 2020. This is in line with our commitment to RE100. This is measured as the percentage of electricity purchased that comes from renewable sources (%), as assessed through Guarantees of Origin from our suppliers. In 2018, 100% of the electricity we purchased was from renewable sources. This figure has been assured by DNV-GL, and the figure supplied based upon Guarantees of Origin from CCEP suppliers. We have achieved this target two years ahead of schedule.

Part of emissions target

In 2018, 100% of the electricity we purchased was from renewable sources. This figure has been assured by DNV-GL, and the figure supplied is based upon Guarantees of Origin from CCEP suppliers.

Is this target part of an overarching initiative?

RE100

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	1	26
Implementation commenced*	0	0
Implemented*	51	16063
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative type

Energy efficiency: Processes

Description of initiative

Process optimization

Estimated annual CO2e savings (metric tonnes CO2e)

1597

Scope

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

435749

Investment required (unit currency – as specified in C0.4)

1200000

Payback period

4 - 10 years

Estimated lifetime of the initiative

11-15 years

Comment

Energy Efficiency - Processes

Initiative type

Energy efficiency: Processes

Description of initiative

Process optimization

Estimated annual CO2e savings (metric tonnes CO2e)

652

Scope

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

82552

Investment required (unit currency – as specified in C0.4)

2560000

Payback period

4 - 10 years

Estimated lifetime of the initiative

11-15 years

Comment

Energy Efficiency - Processes

Initiative type

Low-carbon energy purchase

Description of initiative

Other, please specify (Purchase of renewable electricity & guarantees of origin)

Estimated annual CO2e savings (metric tonnes CO2e)

13840

Scope

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

518000

Payback period

No payback

Estimated lifetime of the initiative

Ongoing

Comment

We are committed to purchasing 100% renewable electricity as part of The Climate Group's RE100 initiative, which we achieved in 2018, two years ahead of schedule. The investment of €518,000 relates to the annual additional cost to purchase Guarantees of Origin.

C4.3c**(C4.3c) What methods do you use to drive investment in emissions reduction activities?**

Method	Comment
Lower return on investment (ROI) specification	CCEP holds an annual capital expenditure budget, which includes projects with lower rates of return because of sustainability benefits. In 2018, we spent €8.5 million in CAPEX projects, which included energy and carbon saving projects.
Internal finance mechanisms	CCEP has implemented energy and carbon saving activities in line with internal Capital investment allocation mechanisms. In 2018, we spent €8.5 million in CAPEX projects, including energy and carbon saving projects. These projects range from reducing the pressure on some of our bottler blowers to modifications on some of our manufacturing lines to enable CCEP to continue to lightweight our cans and bottles. These projects are expected to deliver energy savings of 7,633 MWh per year and €518,000 cost savings a year.
Compliance with regulatory requirements/standards	Across CCEP, mandatory energy and carbon reduction activities have been implemented in compliance with regulatory requirements and standard. For example we are in compliance with the benchmarking covenant on energy efficiency in the Netherlands.
Internal incentives/recognition programs	Every CCEP employee has at least one objective relating to sustainability in their annual Individual Performance Objectives to which they will be measured against, as part of CCEP's annual performance review process. We have also set specific KPI measures at VP and Director level which align to our "This is Forward" commitments to ensure these are driven at a local level on a day-to-day basis. For example, our Cold Drinks Directors in each country have annual energy targets related to our cold drinks equipment fleet that they are responsible for delivering. This helps to ensure that we can meet our cold drinks equipment fleet growth targets in each country and grow our instant consumption equipment, but manage the overall energy consumption of our cold drinks equipment fleet.
Employee engagement	CCEP's annual internal employee awards – CCEP's 'ICON' awards - recognize individuals and teams who drive excellence and continuous improvement within CCEP's supply chain. Sustainability is one of the six categories for which awards are given.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation

Company-wide

Description of product/Group of products

Our Products: because we have embedded carbon reduction efforts throughout our production processes AND throughout our wider value chain, we are directly enabling GHG emissions to be avoided or reduced. As a result, when a consumer chooses to purchase our products they are directly avoiding or reducing GHG emissions, when compared with other similar products. The purchase of a beverage manufactured by CCEP would be in a lightweight package, containing recycled or renewable materials and may be sold via an energy efficient cooler. It would have been manufactured in a factory into which energy efficient technology has been embedded. As a result, the active choice to purchase a beverage manufactured by CCEP would directly enable GHG emissions to be avoided or reduced.

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify (WRI/WBCSD using GHG Protocol. Our methodology follows the WRI/WBCSD GHG Protocol and is calculated based on supplier energy consumption rates and carbon savings from energy efficiency measure implemented each year.)

Our methodology follows the WRI/WBCSD GHG Protocol and is calculated based on supplier energy consumption rates and carbon savings from energy efficiency measure implemented each year.

% revenue from low carbon product(s) in the reporting year

100

Comment

We recognize climate change is a critical issue for our business. CCEP's approach takes a full value chain view as well as focusing on our own operations. As such by the end of 2018, we had reduced the carbon footprint across our value chain by 29.7% vs. 2010. By investing in energy efficiency measures in our operations and switching to renewable, the carbon footprint of our core business operations has been reduced by 50.6% since 2010 and we now purchase 100% of our electricity from renewable sources (see 2018 Sustainability Stakeholder Report -Action on Climate). In addition, CCEP sustainable packaging activities, including lightweighting and increasing the use of recycled and renewable materials, has reduced the footprint of our packaging by 258,000 tonnes CO₂e vs 2010. By focusing on network optimisation, increasing backhauling operations and by using alternative fuels and technologies, CCEP has reduced its transportation carbon footprint by 16% vs 2010.

Level of aggregation

Group of products

Description of product/Group of products

PlantBottle: We have introduced the use of PlantBottle® packaging, which uses PlantPET derived from renewable sources of sugar cane and molasses, instead of non-renewable fossil fuel based PET plastic. PlantBottle® packaging, which is developed by The Coca-Cola Company is a type of PET plastic that looks, functions and recycles like traditional PET plastic, but does so with a lighter carbon footprint. In 2018, 7.9% of our PET bottles contained Plant PET, made from both renewable plant-based material and recycled PET.

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify (LCA using EPA Standards. LCA calculation methodology developed by Dr. Ramani Narayan, from Michigan State University, based on US Environmental Protection Agency (EPA) Standards.)

LCA calculation methodology developed by Dr. Ramani Narayan, from Michigan State University, based on US Environmental Protection Agency (EPA) Standards.

% revenue from low carbon product(s) in the reporting year

3.5

Comment

In 2018, 7.9% of our PET bottles were PlantBottle®, used primarily in Glaceau Smartwater, Honest Tea and Adez, as well as for 500ml Coca-Cola and Diet Coke PET bottles in the Netherlands. We also use PlantBottle™ in our ViOwater brand in Germany in several PET bottle sizes and Bonaqua in Norway and Sweden. We estimate approximate the percentage of revenue from products sold in PlantBottle® to be 3.5% of total revenue in 2018. Introduced by The Coca Cola Company in 2009, PlantBottle™ uses PET derived from sugar cane and molasses. The resulting material looks, functions and is fully recyclable like traditional PET. Because the carbon in the renewable biomass is non-fossil based CO₂e, customers that sell our products packaged in PlantBottle® packaging are avoiding emissions from packaging that otherwise is manufactured with non-renewable petroleum based PET. We will continue to review our use of PlantPET, and also review the use of other renewable and recyclable materials.

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

January 1 2010

Base year end

December 31 2010

Base year emissions (metric tons CO2e)

303568

Comment

Our 2010 baseline data incorporates data from the bottlers from which CCEP was formed, prior to the merger. Due to the merger which formed CCEP, 2010 is the earliest date for which we can consolidate, or reasonably estimate data for all three legacy bottlers. 2010 is also the baseline year used by The Coca-Cola Company, and we have sought to align with this as far as possible. Baseline figures may vary slightly from 2018 CDP as we constantly strive to improve the accuracy of our data which means that we sometimes replace estimated data with calculated or actual data.

Scope 2 (location-based)

Base year start

January 1 2010

Base year end

December 31 2010

Base year emissions (metric tons CO2e)

260299

Comment

Our 2010 baseline data incorporates data from the bottlers from which CCEP was formed, prior to the merger. Due to the merger which formed CCEP, 2010 is the earliest date for which we can consolidate, or reasonably estimate data for all three legacy bottlers. 2010 is also the baseline year used by The Coca-Cola Company, and we have sought to align with this as far as possible. Baseline figures may vary slightly from 2018 CDP as we constantly strive to improve the accuracy of our data which means that we sometimes replace estimated data with calculated or actual data.

Scope 2 (market-based)

Base year start

January 1 2010

Base year end

December 31 2010

Base year emissions (metric tons CO2e)

281031

Comment

Our 2010 baseline data incorporates data from the bottlers from which CCEP was formed, prior to the merger. Due to the merger which formed CCEP, 2010 is the earliest date for which we can consolidate, or reasonably estimate data for all three legacy bottlers. 2010 is also the baseline year used by The Coca-Cola Company, and we have sought to align with this as far as possible. Base year figures may vary slightly from 2018 CDP as we constantly strive to improve the accuracy of our data which means that we sometimes replace estimated data with calculated or actual data

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions.

Defra Voluntary 2017 Reporting Guidelines

ISO 14064-1

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

232187

Start date

January 1 2018

End date

December 31 2018

Comment

This represents a 1.5% increase compared to 2017 and a 23.5% reduction against our 2010 baseline. The 1.5% increase in 2018 against 2017 was due to our fugitive CO2 losses, so we have made this a focus area for 2019 to understand and reduce these emissions in future years. The amount of natural gas, oil & diesel CCEP used in 2018 reduced compared to 2017.

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

CCEP reports Scope 2 GHG emissions against both a location-based and a market-based approach, in accordance with the WRI/WBCSD Greenhouse Gas (GHG) Protocol Corporate Standard (Scope 2 Guidance). In 2018, 100% of our purchased electricity came from renewable sources meaning we achieved our commitment two years ahead of schedule. CCEP also purchased heat for our manufacturing site in Norway and Sweden and for two of our manufacturing sites in Germany as well as for our office in Bulgaria from renewable district heat. CCEP's purchased renewable energy supplies are supported by contractual instruments e.g. by Guarantees of Origin or PPAs.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

173850

Scope 2, market-based (if applicable)

6540

Start date

January 1 2018

End date

December 31 2018

Comment

We now have renewable purchased electricity contracts in place across all our territories. In 2018, we purchased 100% of our electricity from renewable sources, two years ahead of our target. The national grid in Iceland is 99.8% renewable so there isn't the need for certificates.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Metric tonnes CO2e

2455774

Emissions calculation methodology

Emissions Ingredients: Emissions associated with our ingredients were calculated using annual unit case sales volume data by country, multiplied by the types of ingredients at product beverage level (e.g. Coca-Cola, Diet Coke). Ingredients include the concentrate and syrups we use to produce our products together with the juices, sugar and sweeteners we purchase. Emissions factors used include those from the World Food LCA Database and EcoInvent as well as emissions factors from bespoke LCA studies - including a study undertaken in 2012 by Klenk et al to investigate the product carbon footprint of sugar beet, one of our main ingredients. This accounts for 984,694 tCO2e. **Packaging:** The carbon footprint of our packaging was calculated using annual unit case sales volume data by country; multiplied by standard primary, secondary and tertiary packaging specifications, at a brand / pack ID level (e.g. 500ml PET bottle in France). Specifications are gathered and a weighted average applied at the brand / pack ID-level. GHG emissions associated with the use of recycled content in our packaging and packaging collection and recycling rates are also included in line with the GHG Protocol as well as various Life-Cycle Analysis (LCA) methodologies (e.g. PAS2050, GHG Protocol Product Standard, ISO14044). We use a range of global and regional industry relevant emission factors, including those from the European Environment Agency, PET Container Recycling Europe (PETCORE) and Plastics Europe. This accounts for 1,471,080 tCO2e.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

Data from LCA derived figures considered primary, the remainder secondary.

Capital goods

Evaluation status

Relevant, calculated

Metric tonnes CO2e

315915

Emissions calculation methodology

2018 emissions were calculated using economic input / output analysis based on spend on Capital Goods. Financial records associated with the amount spent by capital goods type are used as a basis for our calculations. Spend lines are analysed using Comprehensive Environmental Data Archive (CEDA) 5.0 which provides emissions per dollar of production for over 400 sectors of the U.S. economy. Company expenditures are mapped to sectors in CEDA, then converted into producers' price using sector-specific price conversion factors, and finally multiplied by CEDA emission factors to arrive at the Scope 3 greenhouse gas emissions expressed in tonnes CO2e. Spend calculation example: Total spend for each mapped spend category is multiplied by the relevant spend emission factor sourced from the CEDA 5.0 database.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Metric tonnes CO2e

70910

Emissions calculation methodology

2018 CCEP emissions calculated using total electricity, heat and fuel consumption by country of operation, and multiplying the number of kWh / litres by the emissions factors. These represent 1) transmission and distribution (T&D) losses, and 2) upstream emissions associated with extracting and processing the fuels, or "Well-To-Tank" (WTT) emissions. Emission factors are sourced from DEFRA/BEIS 2018 T&D and WTT Scope 3 emission factors.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Metric tonnes CO2e

245493

Emissions calculation methodology

Road Haulage - Calculated using 2018 primary data related to the fuels used - diesel, CNG, evolution diesel, HVO and biodiesels). The emission factors for fuel use was multiplied by the number of litres used to produce a figure in tonnes CO2e. Emission factors for diesel are sourced from DEFRA/BEIS. Emission factors for biodiesel and other alternative fuels are sourced from primary supplier data. Emission factors for CNG/diesel are sourced from CCEP's Logistic Department's methodology and for evolution diesel sourced from PREEM. Average biofuel blend provided by DEFRA/BEIS 2018. Rail - Calculated by using tonne.km provided by CCEP's transportation records. Emissions calculated by multiplying tonne/km by the emission factor general rail freight by DEFRA/BEIS, and by the emission factor for rail freight provided by ADEME for freight in France. The resulting emission figures are expressed in tonnes CO2e.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Explanation

This represents a 5.7% increase vs. 2017 and a 8.5% decrease vs. our 2010 baseline year. The increase in 2018 vs. 2017 was due to an increase in the number of unit cases we sold as well as some unforeseen challenges such as the CO2 shortage in the summer which lead to an increase in the internal movement of stock mainly in GB, France & Germany. We continue to focus on moving KMs from road to rail and the use of alternative fuels. We increased the % of KMs by rail by 1% in 2018 and have plans to accelerate this over the next 5 years.

Waste generated in operations

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

7768

Emissions calculation methodology

Calculated using 2018 primary waste water and solid waste data. Solid waste figures are categorized by destination; recycled, composting, incineration, incineration including recovery or landfill. Emissions are calculated by multiplying the quantity of waste by the emissions factor appropriate to its destination. Emission factors sourced from DEFRA/BEIS 2018. The resulting emission figures are expressed in tonnes CO₂e.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Explanation

This represents a 4.1% increase vs. 2017 and a 3.6% increase vs. our 2010 baseline year. The increase 2018 vs. 2017 was due to a 2.8% increase in our waste water and an 11.6% increase in our solid waste which also now includes liquid waste.

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

11978

Emissions calculation methodology

Calculated based on 2018 primary data of business journeys taken by car (petrol or diesel), rail or flights (long or short haul). Data for car journeys is in the form of litres of fuel consumed, and for other journey types the data is passenger KMs. Activity data is multiplied by the relevant emission factor sourced from DEFRA/BEIS 2018. The resulting emission figures are expressed in tonnes CO₂e.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Explanation

This represents an 11.0% increase vs. 2017 and a 16.2% decrease vs. our 2010 baseline year. We may expect a future increase in business travel emissions due to our business being located throughout multiple countries. We work to reduce the impact of this potential increase through the use of Webex, teleconference and Skype wherever feasible.

Employee commuting

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

20530

Emissions calculation methodology

Calculated based on 2018 Scope 3 employee commuting emissions calculation (secondary data). Emissions calculated according to the following formula: For each commuting travel type (e.g. walking, private transport, public transport) - FTE by Country * Average Commuting time by Country * Average speed by Transportation type * Emissions by Transportation type by distance. Emission factors are derived using a combination of sources; 1) average commuting time by country (Stutzer, A. and Frey, B.S. based on data from European Foundation [2000] and from the US Census Bureau [2000]), 2) survey data from Carbon Clear clients and DEFRA/BEIS factors for transportation, 3) World Bank database of commuting patterns by country (time spent commuting, average distance, ratio of private to public transport by country). The resulting emission figures are expressed in tonnes CO₂e. Calculation example: Data used to determine the total distance travelled by vehicle type. Emissions = (Total distance by vehicle * the relevant DEFRA/BEIS 2018 emission factor)/1000.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

We apply an Operational Control boundary definition rule, and therefore relevant leased assets are included in Scopes 1 and 2. Therefore, scope 3 emissions are 0.

Downstream transportation and distribution

Evaluation status

Relevant, calculated

Metric tonnes CO2e

648047

Emissions calculation methodology

Emissions in this category result from the operation of cold drinks equipment (CDE), including refrigerated vending machines and coolers, fountain machines and coffee equipment, located on our customers' premises. Energy use and resulting emissions for CDE are calculated using a common approach across CCEP. We use supplier data and Coca-Cola test energy consumption rates (KWh/24hs) for all equipment to calculate a weighted average energy consumption rate by equipment category (i.e. equipment size), by country by year. Weighted average energy consumption rates are based on CDE model types (we have over 500 equipment types), which are assigned an average standard energy consumption rate, multiplied by number of units per model and the operational time (i.e. number of 24hr days). These calculations are conservative in that they assume our equipment is operated 24 hours a day, seven days a week. Energy saving initiatives which have been introduced to our CDE Fleet - e.g. energy management systems, LED lighting and fitted doors) and purchasing new, more efficient equipment - are reflected in the yearly energy reduction rates and weighted averages. Resulting energy consumption figures by country are then multiplied by the country specific emission factor for combined electricity and heat sourced from IEA, 2016. The resulting emission figures are expressed in tonnes CO2e.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Explanation

This represents a 16.9% reduction vs. 2017 and a 57.2% reduction vs. our 2010 baseline year. We have reduced the CO2e of our cold drinks equipment fleet by 57.2% (2018 vs. 2010) while at the same time the size of our cold drinks equipment fleet has only reduced by 9.3% (# of units).

Processing of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

CCEP does not sell any semi-finished goods to any 3rd party. All our products are sold ready for consumption. Therefore, scope 3 emissions in this category are 0.

Use of sold products

Evaluation status

Relevant, calculated

Metric tonnes CO2e

19784

Emissions calculation methodology

Emissions in this category result from refrigeration of product bought by customers. A LCA carried out by CCEP's legacy bottler-Coca-Cola Enterprises (CCE) in 2007 provided the following information: 1) Amount of energy required to chill each of our product types, 2) Estimated amount of product refrigerated after purchase by customers (70%). In 2017, this data was used along with primary data for the amount of product sold to calculate the total energy used for refrigeration, assuming each product is refrigerated for an average of 4 days. DEFRA/BEIS 2018 electricity emission factors were applied to calculate total tonnes of CO2e emissions. Variation Calculation example: (Total energy consumed (kWh) * DEFRA/BEIS 2017 emission factor) / 1000.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

Emissions associated with end of life recycling or disposal of our packaging are included within our packaging raw material carbon emissions calculations which is included within our scope 3 purchased goods and services emissions disclosed above. As a result, emissions for this category are 0 tCO2e because they occur in Category 1: Purchased Goods and Services.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

CCEP does not have any relevant assets that are leased to 3rd parties. Scope 3 emissions in this category are 0.

Franchises

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

CCEP does have any relevant franchises. Scope 3 emissions in this category are 0.

Investments

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

There are no further relevant investment activities which GHG emissions in 2018. Scope 3 emissions in this category are 0.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

There are no further relevant upstream activities. Scope 3 emissions in this category are 0.

Other (downstream)

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

There are no further relevant downstream activities. Scope 3 emissions in this category are 0.

(C-AC6.6/C-FB6.6/C-PF6.6) Can you break down your Scope 3 emissions by relevant business activity area?

Yes

C-AC6.6a/C-FB6.6a/C-PF6.6a

(C-AC6.6a/C-FB6.6a/C-PF6.6a) Disclose your Scope 3 emissions for each of your relevant business activity areas.

Activity

Agriculture/Forestry

Scope 3 category

Purchased goods and services

Emissions (metric tons CO2e)

999467

Please explain

Ingredients: Emissions associated with our ingredients were calculated using annual unit case sales volume data by country, multiplied by the types of ingredients at product beverage level (e.g. Coca-Cola, Diet Coke). Ingredients include the concentrate and syrups we use to produce our products together with the juices, sugar and sweeteners we purchase. Emissions factors used include those from the World Food LCA Database and Ecolnvent as well as emissions factors from bespoke LCA studies - including a study undertaken in 2012 by Klenk et al to investigate the product carbon footprint of sugar beet, one of our main ingredients.

Activity

Processing/Manufacturing

Scope 3 category

Purchased goods and services

Emissions (metric tons CO2e)

1559002

Please explain

Packaging: The carbon footprint of our packaging was calculated using annual unit case sales volume data by country; multiplied by standard primary, secondary and tertiary packaging specifications, at a brand / pack ID level (e.g. 500ml PET bottle in France). Specifications are gathered and a weighted average applied at the brand / pack ID-level. GHG emissions associated with the use of recycled content in our packaging and packaging collection and recycling rates are also included in line with the GHG Protocol as well as various Life-Cycle Analysis (LCA) methodologies (e.g. PAS2050, GHG Protocol Product Standard, ISO14044). We use a range of global and regional industry relevant emission factors, including those from the European Environment Agency, PET Container Recycling Europe (PETCORE) and Plastics Europe.

Activity

Distribution

Scope 3 category

Downstream transportation and distribution

Emissions (metric tons CO2e)

648047

Please explain

Cold drinks equipment: Our cold drinks equipment (CDE) emissions are based on energy consumption data (kwh/24hrs) obtained directly from our equipment suppliers as well as data from our own test lab results. The number of units is based on our own data. All cold drinks equipment needs to be certified and meet certain performance criteria, including limits on energy consumption before our business units can purchase and place in a customer outlet. Calculations of cold drinks equipment emissions are based on weighted average hourly supplier energy consumption rates and by subtracting any savings achieved through carbon/energy use reduction initiatives during the reporting period (e.g. the retrofitting of doors to maintain equipment temperature).

C6.7

(C6.7) Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

C-AC6.9/C-FB6.9/C-PF6.9

(C-AC6.9/C-FB6.9/C-PF6.9) Do you collect or calculate greenhouse gas emissions for each commodity reported as significant to your business in C-AC0.7/FB0.7/PF0.7?

Agricultural commodities

Sugar

Do you collect or calculate GHG emissions for this commodity?

Yes

Please explain

We calculate the carbon footprint of our sugar as part of our value chain Scope 3 emissions. Our greenhouse gas emissions for sugar are calculated by multiplying the amount of sugar used in the products sold each year (sales volume litres) and then multiplying by the appropriate LCA source / emission factor. As a part of our Supplier Guiding Principles (SGPs) and Sustainable Agriculture Guiding Principles (SAGPs), we request that our suppliers reduce their greenhouse gas emissions to help reduce our value chain carbon footprint. In 2018, 88% of our sugar suppliers complied with our SAGPs.

Agricultural commodities

Other (Paper/pulp)

Do you collect or calculate GHG emissions for this commodity?

Yes

Please explain

We calculate the carbon footprint of our pulp and paper as part of our value chain Scope 3 emissions. Our greenhouse gas emissions for paper and pulp are calculated by multiplying the amount of material used each year from our packaging specifications (tonnage) in the products we have sold (sales volume litres) and then multiplying by the appropriate LCA source / emission factor. As a part of our Supplier Guiding Principles (SGPs) and Sustainable Agriculture Guiding Principles (SAGPs), we request that our suppliers reduce their greenhouse gas emissions to help reduce our value chain carbon footprint. In 2018, 94% of our cardboard for secondary and tertiary packaging suppliers were SAGP compliant.

Agricultural commodities

Other (Oranges)

Do you collect or calculate GHG emissions for this commodity?

Yes

Please explain

We calculate the carbon footprint of our ingredients, including citrus juices, as part of our value chain Scope 3 emissions. Our greenhouse gas emissions for Oranges are calculated by identifying how much orange juice has been used in the products sold each year (sales volume litres) and then multiplying by the appropriate LCA source / emission factor. As a part of our Supplier Guiding Principles (SGPs) and Sustainable Agriculture Guiding Principles (SAGPs), we request that our suppliers reduce their greenhouse gas emissions to help reduce our value chain carbon footprint.

Agricultural commodities

Other (Coffee/tea)

Do you collect or calculate GHG emissions for this commodity?

Yes

Please explain

We calculate the carbon footprint of our ingredients, including coffee beans & tea leaf, as part of our value chain Scope 3 emissions. Our greenhouse gas emissions for coffee beans & tea leaf are calculated by identifying how much of each ingredient has been used in the products sold each year (sales volume litres) and then multiplying by the appropriate LCA source / emission factor. As a part of our Supplier Guiding Principles (SGPs) and Sustainable Agriculture Guiding Principles (SAGPs), we request that our suppliers reduce their greenhouse gas emissions to help reduce our value chain carbon footprint.

(C-AC6.9a/C-FB6.9a/C-PF6.9a) Report your greenhouse gas emissions figure(s) for your disclosing commodity(ies), explain your methodology, and include any exclusions.

Sugar

Reporting emissions by

Unit of production

Emissions (metric tons CO2e)

4.64

Denominator: unit of production

Other, please specify (Per 100,000 sales volume litres)

Change from last reporting year

Lower

Please explain

Denominator: per 100,000 sales volume litres Lower - this represents a 3.7% reduction compared to 2017. The majority of sugar that CCEP uses is sugar beet (93% in 2018) sourced mostly from Western Europe, whilst the remainder (7% in 2018) comes from cane sugar, sourced from outside of Western Europe. Our greenhouse gas emissions for sugar are calculated by multiplying the amount of sugar used in the products sold each year (sales volume litres) and then multiplying by the appropriate LCA source / emission factor. CCEP are aligned with The Coca-Cola Company and use the same LCA sources, which are maintained by IFEU (Institute for Energy and Environmental Research) who are our preferred 3rd party partners for our key Ingredients LCA work and carbon emission factors.

Other

Reporting emissions by

Unit of production

Emissions (metric tons CO2e)

0.29

Denominator: unit of production

Please select

Change from last reporting year

About the same

Please explain

Denominator: per 100,000 sales volume litres Commodity: Paper and pulp Our greenhouse gas emissions for paper and pulp are calculated by multiplying the amount of material used each year from our packaging specifications (tonnage) in the products we have sold (sales volume litres) and then multiplying by the appropriate LCA source / emission factor. CCEP are aligned with The Coca-Cola Company and use the same LCA sources, which are maintained by IFEU (Institute for Energy and Environmental Research) who are our preferred 3rd party partners for our key Packaging LCA work and carbon emission factors. CCEP are aligned with The Coca-Cola Company and use the same LCA sources, which are maintained by IFEU (Institute for Energy and Environmental Research) who are our preferred 3rd party partners for our key Packaging LCA work and carbon emission factors. In addition, our emissions per unit production for oranges equals 0.66 metric tons CO2e. This represents a 20% increase compared to 2017 which is due using 21% more tonnes of Oranges in 2018 compared to 2017. In absolute terms, this is 4,370 additional tonnes in 2018 compared to 2017. Our emissions per unit production for coffee and tea equals 0.16 metric tons CO2e. This represents a 1.3% decrease compared to 2017 which is due using 45 tonnes less of coffee and tea ingredients in 2018 compared to 2017. In absolute terms, this is 46 less tonnes in 2018 compared to 2017.

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.00001889

Metric numerator (Gross global combined Scope 1 and 2 emissions)

238727

Metric denominator

Other, please specify (Litres of product sold (CO2e g / litre))

Metric denominator: Unit total

12640121426

Scope 2 figure used

Market-based

% change from previous year

4.1

Direction of change

Decreased

Reason for change

CCEP's reduction in Scope 1 and 2 GHG emissions in 2018 reduced in absolute terms by 4.14%. Reductions were primarily due to two principal emissions reductions activities – e.g., 1) proactive purchasing of renewable electricity across our territories with our manufacturing sites in Belgium & Portugal moving to central renewable electricity contracts. CCEP Scope 2 emissions reduced by 67.9% in 2018, and 2) continued roll-out of energy and fuel efficiency initiatives and investments across its operations. At the end of 2018, 100% of CCEP's purchased electricity came from renewable sources, an increase of 12.5% vs prior year. In 2018, CCEP we invested €8.5 million in new, more efficient production lines and equipment. For example, capital investment projects in our manufacturing sites saved 7,633 MWh in 2018.

Intensity figure

0.00002073

Metric numerator (Gross global combined Scope 1 and 2 emissions)

238727

Metric denominator

Other, please specify (Unit total revenue (CO2e g / €))

Metric denominator: Unit total

11518224878

Scope 2 figure used

Market-based

% change from previous year

7.7

Direction of change

Decreased

Reason for change

Our 2018 Integrated Report includes disclosure of CCEP's total annual revenue. It's our third year as a company and we have improved efficiencies YOY with comparisons to 2016 and 2017. Scope 1 and 2 emissions in 2018 reduced in absolute terms by 4.14%. Contributing to this is our achievement of purchasing 100% of our electricity from renewable sources, two years ahead of our target. We are striving towards implementing actions to actively reduce this further over the coming years.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	229810	IPCC Second Assessment Report (SAR - 100 year)
CH4	299	IPCC Second Assessment Report (SAR - 100 year)
N2O	959	IPCC Second Assessment Report (SAR - 100 year)
HFCs	1119	IPCC Second Assessment Report (SAR - 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
United Kingdom of Great Britain and Northern Ireland	40896
France	18842
Belgium	22658
Luxembourg	441
Netherlands	12378
Sweden	3160
Norway	2555
Bulgaria	0
United States of America	0
Spain	52233
Portugal	5301
Germany	73050
Iceland	672

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By activity

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Operations and Commercial sites	168413
Fleet	63774

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)
United Kingdom of Great Britain and Northern Ireland	27024	246	101111	100442
France	3874	86	73651	72168
Belgium	6286	16	46562	46471
Luxembourg	66	86	235	0
Netherlands	12108	783	25972	25450
Sweden	579	326	32921	32896
Norway	128	37	16766	16690
Bulgaria	241	264	699	316
United States of America	321	367	740	0
Spain	38310	1851	155037	150897
Portugal	3367	16	11672	11630
Germany	81543	2459	187438	186645
Iceland	3	3	8544	8544

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By activity

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based emissions (metric tons CO2e)	Scope 2, market-based emissions (metric tons CO2e)
Operations and Commercial Sites	173850	6540

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	13840	Decreased	5.5	We increased the amount of renewable electricity we used in 2018 by 14.5% compared to 2017 from 544,812 MWh to 624,156. This reduced our Scope 2 GHG emissions by 13,840 tCO2e, a reduction of 67.9% compared to 2017. Our total Scope 1 and 2 emissions in the previous year were 249,036 tCO2e, and therefore we arrived at 5.5% through $(13,840 / 249,036) * 100 = 5.5 \%$
Other emissions reduction activities	2249	Decreased	0.9	In 2018, energy and carbon reduction activities across CCEP's operations have decreased both our Scope 1 and 2 GHG emissions. These included €8.5m capital investment to optimise our processes and install energy and carbon saving technologies. Our capital investment programmes in 2018 saved 2,249 tCO2e based on the MWh saved in each country. Through these activities, we reduced our emissions by 2,249 tCO2e and our total Scope 1 and Scope 2 emissions in the previous year was 249,036 tCO2e. Therefore we arrived at 0.9% through $(2,249 / 249,036) * 100 = 0.9\%$
Divestment	0	No change	0	There were no divestments in 2018
Acquisitions	0	No change	0	There were no acquisitions in 2018
Mergers	551	Increased	0.2	As 2016 was our first year of reporting the newly formed CCEP carbon emissions, we had a number of data gaps for some of our smaller non-manufacturing sites. We have since improved the accuracy of some of our data and updated our methodology which has resulted in our Scope 1 and 2 emissions for 2017 increasing from 248,485 tCO2e to 249,036 tCO2e (0.2%). Through these activities we increased our emissions by 551 tCO2e, and our total Scope 1 and Scope 2 emissions in the previous year were 249,036 tCO2e, therefore we arrived at 0.2% through $(551 / 249,036) * 100 = 0.2\%$. These changes were due to the way we calculated our energy consumption for some of our non-manufacturing sites where we don't or didn't have actual data. In 2018, rather than estimating we were able to obtain actual square footage information or actual consumption data, and therefore were able to base energy consumption information on this, moving from estimated to calculated or actual data. The new data showed that the actual consumption was slightly higher than our estimates. CCEP's methodology and best practice means that we correct historical data when more accurate data becomes available.
Change in output	217	Decreased	0.08	Production volumes in 2018 dropped by 0.09% compared to 2017. We reduced our gCO2e / litre for Scope 1 and 2 emissions from 19.68 in 2017 to 18.89 in 2018. We estimate that this small drop in production volumes has saved us 217 tCO2e. Through these activities we reduced our emissions by 217 tCO2e, and our total Scope 1 and Scope 2 emissions in the previous year was 249,036 tCO2e, therefore we arrived at 0.08% through $(217 / 249,036) * 100 = 0.08\%$
Change in methodology	11231	Decreased	4.5	Changes to 2018 emission factors from 2017 for Scope 1 result in an increase of 560 tCO2e. As CCEP Scope 1 emissions increased in total by 3,531 tCO2e, the majority of the increase (2,971 tCO2e) can be attributed to CCEP and not changes to emission factors $(3,531 - 560 = 2,971)$ $(2,971 / 3,531 * 100 = 84\%)$. Changes to 2018 emission factors from 2017 for Scope 2 result in an increase of 362 tCO2e. As CCEP Scope 2 emissions reduced in total by 13,840 tCO2e, 100% of the reductions can be attributed to CCEP's commitment to purchase 100% renewable electricity, which increased from 87.5% in 2017 to 100% in 2018. These changes meant that we achieved a 4.1% reduction in our Scope 1 and 2 emissions in 2018 compared to 2017 instead of an increase of 4.5%. Through these activities we reduced our emissions by 11,231 tCO2e, and our total Scope 1 and Scope 2 emissions in the previous year was 249,036 tCO2e, therefore we arrived at 4.5% through $(11,231 / 249,036) * 100 = 4.5\%$
Change in boundary	0	No change	0	There was no change in boundary in 2018
Change in physical operating conditions	0	No change	0	There was no change in physical operating conditions in 2018
Unidentified		<Not Applicable >		
Other		<Not Applicable >		

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertakes this energy-related activity
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	778708	778708
Consumption of purchased or acquired electricity	<Not Applicable>	628788	9198	637987
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	23361	0	23361
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	15820	<Not Applicable>	15820
Total energy consumption	<Not Applicable>	667970	787906	1455876

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	No
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)

Natural Gas

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

432633

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Comment

Fuels (excluding feedstocks)

Fuel Oil Number 2

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

29998

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Comment

Fuels (excluding feedstocks)

Liquefied Petroleum Gas (LPG)

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

56186

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Comment

Fuels (excluding feedstocks)

Petrol

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

7239

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Comment

Fuels (excluding feedstocks)

Diesel

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

251366

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Comment

Fuels (excluding feedstocks)

Biodiesel

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

1285

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Comment

C8.2d

(C8.2d) List the average emission factors of the fuels reported in C8.2c.

Biodiesel

Emission factor

0.4102

Unit

kg CO2e per liter

Emission factor source

PREEM

Comment

Hydrotreated Vegetable Oil (HVO)

Diesel

Emission factor

2.62694

Unit

kg CO2e per liter

Emission factor source

DEFRA/BEIS 2018

Comment

Fuel Oil Number 2

Emission factor

0.26831

Unit

metric tons CO2e per MWh

Emission factor source

DEFRA/BEIS 2018

Comment

Oil emission factor

Liquefied Petroleum Gas (LPG)

Emission factor

0.21448

Unit

metric tons CO2e per MWh

Emission factor source

DEFRA/BEIS 2018

Comment

Natural Gas

Emission factor

0.18396

Unit

metric tons CO2e per MWh

Emission factor source

DEFRA/BEIS 2018

Comment

Petrol

Emission factor

2.20307

Unit

kg CO2 per liter

Emission factor source

DEFRA/BEIS 2018

Comment

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	646	646	646	646
Heat	23361	23361	23361	23361
Steam	0	0	0	0
Cooling	0	0	0	0

C8.2f

(C8.2f) Provide details on the electricity, heat, steam and/or cooling amounts that were accounted for at a low-carbon emission factor in the market-based Scope 2 figure reported in C6.3.

Basis for applying a low-carbon emission factor

Energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Other low-carbon technology, please specify (Purchased renewable electricity)

Region of consumption of low-carbon electricity, heat, steam or cooling

Europe

MWh consumed associated with low-carbon electricity, heat, steam or cooling

628788

Emission factor (in units of metric tons CO₂e per MWh)

0

Comment

Purchased renewable electricity supported by Guarantees of Origin: Renewable electricity purchased and consumed for CCEP sites in the Great Britain, Belgium, the Netherlands, Sweden, France, Iceland, Norway, Germany, Spain and Portugal.

Basis for applying a low-carbon emission factor

Contract with suppliers or utilities (e.g. green tariff), not supported by energy attribute certificates

Low-carbon technology type

Other low-carbon technology, please specify (Purchased renewable district heating)

Region of consumption of low-carbon electricity, heat, steam or cooling

Europe

MWh consumed associated with low-carbon electricity, heat, steam or cooling

22616

Emission factor (in units of metric tons CO₂e per MWh)

0.18746

Comment

Purchased renewable district heating supported by supplier contracts with energy attributes: Renewable heat purchased and consumed for CCEP sites in Sweden, Germany & Bulgaria.

Basis for applying a low-carbon emission factor

Energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Other low-carbon technology, please specify (Purchased renewable district heating)

Region of consumption of low-carbon electricity, heat, steam or cooling

Europe

MWh consumed associated with low-carbon electricity, heat, steam or cooling

745

Emission factor (in units of metric tons CO₂e per MWh)

0

Comment

Purchased renewable district heating supported by Guarantees of Origin: Renewable heat purchased and consumed for CCEP sites in Norway.

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Energy usage

Metric value

0.31

Metric numerator

4 001 290 827

Metric denominator (intensity metric only)

12 640 121 426

% change from previous year

0.93

Direction of change

Decreased

Please explain

CCEP calculates the average energy use ratio of our products as one of our key KPIs. The calculations are based upon total energy usage of our manufacturing sites, based upon monthly site invoice and meter data, divided by the total number of litres of product produced in 2018. 0.317 MJ/litre represents a 17.2% reduction versus our 2010 baseline.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 and/or Scope 2 emissions and attach the relevant statements.

Scope

Scope 1

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

2018_Assurance_Statement.pdf

Page/ section reference

1

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

Scope

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

2018_Assurance_Statement.pdf

Page/ section reference

1

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

Scope

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

2018_Assurance_Statement.pdf

Page/ section reference

1

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope

Scope 3- at least one applicable category

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Attach the statement

2018_Assurance_Statement.pdf

Page/section reference

1

Relevant standard

ISAE3000

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C4. Targets and performance	Other, please specify (percentage electricity from renewable sources)	International Standard on Assurance Engagements (ISAE) 3000 revised – 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' (revised), issued by the International Auditing and Assurance Standards Board.	In 2018, DNV-GL provided a limited assurance in accordance with the International Standard on Assurance Engagements (ISAE) 3000 revised – for our Scope 1, 2 (market and location based) and 3 GHG emissions. In addition, DNV-GL provided assurance on selected information within our 2018 Integrated Report and 2018 Sustainability Stakeholder report, including the percentage of electricity sourced from renewable sources, the percentage of rPET used in our packaging and the percentage of our primary packaging that is 100% recyclable. This is in addition to other KPIs related to water and sugar reduction, not relevant to this disclosure. The full scope of assurance and methodology used can be viewed in our independent assurance statement.
C4. Targets and performance	Other, please specify (percentage of PET that is rPET)	International Standard on Assurance Engagements (ISAE) 3000 revised – 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' (revised), issued by the International Auditing and Assurance Standards Board.	In 2018, DNV-GL provided a limited assurance in accordance with the International Standard on Assurance Engagements (ISAE) 3000 revised – for our Scope 1, 2 (market and location based) and 3 GHG emissions. In addition, DNV-GL provided assurance on selected information within 2018 Integrated Report and our 2018 Sustainability Stakeholder report, including the percentage of electricity sourced from renewable sources, the percentage of rPET used in our packaging and the percentage of our primary packaging that is 100% recyclable. This is in addition to other KPIs related to water and sugar reduction, not relevant to this disclosure. The full scope of assurance and methodology used can be viewed in our independent assurance statement.
C4. Targets and performance	Other, please specify (percentage of Packaging that is 100% Recyclable)	International Standard on Assurance Engagements (ISAE) 3000 revised – 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' (revised), issued by the International Auditing and Assurance Standards Board.	In 2018, DNV-GL provided a limited assurance in accordance with the International Standard on Assurance Engagements (ISAE) 3000 revised – for our Scope 1, 2 (market and location based) and 3 GHG emissions. In addition, DNV-GL provided assurance on selected information within 2018 Integrated Report and our 2018 Sustainability Stakeholder report, including the percentage of electricity sourced from renewable sources, the percentage of rPET used in our packaging and the percentage of our primary packaging that is 100% recyclable. This is in addition to other KPIs related to water and sugar reduction, not relevant to this disclosure. The full scope of assurance and methodology used can be viewed in our independent assurance statement.
C9. Additional metrics	Other, please specify (Manufacturing energy use ratio MJ/litre)	International Standard on Assurance Engagements (ISAE) 3000 revised – 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' (revised), issued by the International Auditing and Assurance Standards Board.	In 2018, DNV-GL provided a limited assurance in accordance with the International Standard on Assurance Engagements (ISAE) 3000 revised – for our Scope 1, 2 (market and location based) and 3 GHG emissions. In addition, DNV-GL provided assurance on selected information within our 2018 Sustainability Stakeholder report, including the energy use ratio per litre of product produced. This is in addition to other KPIs related to water and sugar reduction, not relevant to this disclosure. The full scope of assurance and methodology used can be viewed in our independent assurance statement.

CCEP_2018_Integrated-
Report.pdf
2018_Assurance_Statement.pdf

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?
No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?
No

C11.3

(C11.3) Does your organization use an internal price on carbon?
No, but we anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?
Yes, our suppliers
Yes, our customers
Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Other, please specify

% of suppliers by number

18.5

% total procurement spend (direct and indirect)

91

% Scope 3 emissions as reported in C6.5

60.4

Rationale for the coverage of your engagement

In total we have approximately 14,000 suppliers. We require all of our suppliers to sign up to our Supplier Guiding Principles as part of our purchase order process. Our Supplier Guiding Principles set out the minimum requirements we expect of our suppliers, including on carbon and energy management. In 2018, 91% of our spending with all tier 1 suppliers was covered by our SGPs. Our climate-related supplier engagement strategy is focused on a subset of our suppliers. We focus specifically on this group, which includes all of our packaging and ingredient suppliers (and which represents 91 % of our total procurement spend), because this group is responsible for over 60% of our value-chain carbon impacts. Firstly, we also focus on our most important and most critical suppliers. This includes all of our "critical tier 1" suppliers and all of our suppliers of ingredients and packaging, which have the largest value-chain carbon and water impacts. Our Critical Tier 1 suppliers are on the basis of their added value, supplier risk, and total spend. In 2018, a total of 214 of our suppliers were determined to be "critical tier 1" suppliers. This group makes up 52% of our total procurement spend and 1.45% based on number. These suppliers participate annually in an external sustainability assessment which forms a core part of our Supplier Relationship Management process. The assessment is mandatory and is run on our behalf by EcoVadis. The assessment includes a wide range of climate-related topics including renewable energy purchasing and production, energy consumption and reduction, GHG emissions reduction and reporting, transport related GHG emissions, carbon offsetting/credits, energy auditing and employee awareness/training program on energy conservation. Suppliers with a low assessment score are asked to develop action plans to reduce energy use and GHG emissions. Secondly, in partnership with EcoVadis, we also undertake a commodity level sustainability assessment, which covers 2,500 suppliers. This assessment includes criteria related to climate and water. These two groups represent 18.5 % of our total supply base and 91% of total procurement spend.

Impact of engagement, including measures of success

We work with our suppliers through our Supplier Relationship Management (SRM) process. Sustainability, including criteria related to energy consumption, energy efficiency and carbon emissions, is included within our selection process for suppliers. Once selected, our critical tier 1 suppliers, and those identified to be "high risk", are asked to complete a mandatory annual sustainability assessment through Ecovadis. We focus specifically on this group of suppliers, which includes all of our packaging and ingredient suppliers (and which represents 91 % of our total procurement spend), because this group is responsible for over 60% of our value-chain carbon impacts. The assessment includes a wide range of climate-related topics including renewable energy purchasing and production, energy consumption and reduction, GHG emissions reduction and reporting, transport related GHG emissions, carbon offsetting/credits, energy auditing and employee awareness/training program on energy conservation. Based upon their score, suppliers are encouraged to improve performance through the development of risk reduction and action plans which focus on climate change related issues including energy efficiency and GHG reduction. Our procurement team follows up directly with our suppliers, as part of our Supplier Relationship Management Processes to ensure that action plans are being progressed. Critical suppliers are also routinely assessed on their compliance with our Supplier Guiding Principles through independent third party audits, commissioned by The Coca-Cola Company. To date, the audits have covered over 95% of our suppliers of ingredients and primary packaging. We also incentivise suppliers to share their carbon and energy performance with us via 1:1 supplier engagement meetings. In March 2018, we also held a meeting in Berlin with all of our key suppliers to discuss our sustainability and carbon reduction strategy and request ideas for innovation. The event brought together key supply partners from across all areas of our business, with a particular focus on sustainable packaging, water and energy reduction.

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement

Collaboration & innovation

Details of engagement

Run a campaign to encourage innovation to reduce climate change impacts

% of customers by number

61

% Scope 3 emissions as reported in C6.5

18.2

Please explain the rationale for selecting this group of customers and scope of engagement

We regularly engage with our major retail customers on the topic of climate change and work closely with them to encourage them help us to reduce GHG emissions within our value chain. Our major retail customers account for 61% of our 2018 sales volume, and we use this metric as this is the group of customers we most regularly engage with on the topic of climate change. We work closely with our customers to reduce emissions related to our cold drinks equipment (including coolers and vending machines) which is placed within our customers' premises. GHG emissions from cold drinks equipment accounts for approximately 17% of our total value chain carbon impact and we work closely with our customers to ensure that coolers and vending machines are fitted with the latest energy management devices, LED lighting and door technology, all of which helps to ensure the highest levels of energy efficiency. We also work closely with our HORECA customers on climate change issues. In Spain we have established "HORECA #ForClimate" an initiative to help customers within the hospitality sector to reduce their environmental impact. HORECA #ForClimate offers tools and tips for large and small bars & restaurants, enabling them to improve their energy and water efficiency, reduce waste and manage their own carbon footprint. More than 500 of our customers have joined the platform and have made 1,200+ commitments to improve their environmental and climate impacts.

Impact of engagement, including measures of success

Our engagement with our customers on a variety of sustainability topics - including climate change - directly contributes to our broader corporate reputation and to our specific business objective: "to be our customers' #1 supplier". We measure our progress through The Advantage Group Survey, which is used in all of our major markets (Great Britain, France, BeLux, the Netherlands, Germany, Portugal and Spain). We receive a # ranking, #1 being our customers' preferred supplier and in 2018, we performed strongly in the majority of our markets. We also hold customer feedback sessions so that we can hear directly from our customers on our approach to sustainability issues, including climate change. Our customers continue to have high expectations of our business and they expect us to adopt a leadership position on topics like climate change. In 2018 we held a series of OPEN stakeholder discussions including customers, journalists, students and non-governmental organisations (NGOs) in the Netherlands. During the event we talked about the progress we had made against our "This is Forward" sustainability action plan, including our climate-related commitments. We have also had ongoing dialogue on the topic of climate change and packaging with French retailer, Carrefour for many years. As a result of this engagement in January 2019, CCEP (together with a number of other FMCG companies) joined forces with Carrefour and TerraCycle, to launch a new global shopping system and reuse model, called Loop. The e-commerce scheme is designed to reduce reliance on single use packaging - and lower carbon emissions - by offering a convenient and circular solution to consumers. The scheme will allow consumers to responsibly consume products in refillable packaging which is then collected, cleaned, refilled and reused.

C12.1c

(C12.1c) Give details of your climate-related engagement strategy with other partners in the value chain.

In 2018, we reviewed our stakeholder engagement strategy in order to prioritise the stakeholder audiences we engage with on sustainability related topics, including climate change. We prioritise direct engagement with customers, suppliers and other partners in our value chain, including consumers, employees and investors. Our approach to stakeholder engagement has been endorsed by CCEP's Board of Directors.

Consumers: Consumers play an important role in ensuring that our packaging is collected and recycled and doesn't end as litter or in the oceans. We're determined to use the reach of our brands to encourage everyone to recycle – and by doing so significantly reduce the carbon footprint of the packaging we use. We support a wide variety of consumer recycling and anti-litter campaigns across our markets and in 2018 we launched Across the Tracks, a major advertising campaign to encourage consumers to recycle their packaging. The campaign, which was launched in the Netherlands and subsequently rolled out in all our countries was also supported by on-pack messaging. In 2018 we also launched #CokeDunks, a social media campaign encouraging teenagers in Great Britain to recycle. In Belgium, we introduced prominent recycling messaging on 10 of our trucks, as part of a broader consumer recycling campaign. Our research shows that many consumers are unaware that they can recycle our packaging and that doing so will reduce the carbon footprint of our packaging. To raise awareness, we now include a clear "please recycle" message on many of our bottles and cans.

Employees: We engage directly with our employees on a variety of sustainability topics, including climate change. Our Accelerate Performance training programme which reaches employees in all of our territories includes an update on the progress we are making against our sustainability action plan – including our climate-related commitments. We also encourage our employees to take part in litter and coastal clean-up activities, enabling them to work alongside local community organisations to collect litter from roadsides, beaches and waterways.

Investors: Our CEO and CFO engage regularly with investors and potential investors and they regularly attend investor conferences and events. All of our investor presentations (available on our corporate website) include an update on the progress we are making against our sustainability action plan, including our GHG emissions reduction targets.

C-AC12.2/C-FB12.2/C-PF12.2

(C-AC12.2/C-FB12.2/C-PF12.2) Do you encourage your suppliers to undertake any agricultural or forest management practices with climate change mitigation and/or adaptation benefits?

Yes

C-AC12.2a/C-FB12.2a/C-PF12.2a

(C-AC12.2a/C-FB12.2a/C-PF12.2a) Specify which agricultural or forest management practices with climate change mitigation and/or adaptation benefits you encourage your suppliers to undertake and describe your role in the implementation of each practice.

Management practice reference number

MP1

Management practice

Other, please specify (Sustainable agricultural practices - including water management, crop protection, soil management, energy management, climate protection, harvest and post harvest handling.)

Description of management practice

We proactively engage with our suppliers to ensure the raw ingredients for our beverages are sourced sustainably, committed to sustainably source 100% of our key agricultural ingredients by 2020. Our Sustainable Agriculture Guiding Principles (SAGPs) are crucial to achieving our commitment. Developed in partnership with The Coca-Cola Company, they define what we mean by sustainable sourcing and include standards that agricultural suppliers are expected to meet in terms of human and workplace rights, the environment and management systems. We apply these common SAGPs to the key agricultural ingredients that we purchase – this includes beet and cane sugar, pulp and paper, orange, apple and lemon juices and coffee. In 2018, 88% of our sugar was sourced through suppliers in compliance with our SAGPs, whilst 91% of our 2018 spend was with suppliers who agreed to comply with our Supplier Guiding Principles.

Your role in the implementation

Knowledge sharing

Procurement

Explanation of how you encourage implementation

Together with The Coca-Cola Company, we work together with third party organisations, such as Rainforest Alliance, the Sustainable Agricultural Initiative Platform (SAI) and Bonsucro, to develop pathways to compliance for our main agricultural suppliers. As a SAI member, we have worked on the development of an online Farmer Self-Assessment (FSA) tool, which will make demonstrating compliance with our SAGPs easier for farmers and will facilitate enhanced supply chain transparency. Farmers can self-assess the sustainability of their agricultural practices against a range of environmental, social and economic indicators. Also applicable to other agricultural ingredients such as juices, the FSA provides farmers with the information they need to make their operations more sustainable. It also enables them to share their progress with customers and suppliers within their own supply chains. We are also developing and implementing crop-specific programs and plans for jointly meeting our objectives and principles by 2020, building industry-wide collaborations and developing partnership to gain alignment, share best practice and effect change, convening supplier workshops e.g. our Supplier Sustainability Summit to share information, best practices and collaborate on the development of innovative sustainability projects, and recognizing outstanding performance through our 'Supplier of the year' and 'Sustainability Supplier of the Year awards'. In 2018, in partnership with The Coca-Cola Company, we conducted a risk assessment for our main ingredients. Together with The Coca-Cola Company, we are also developing sourcing guidelines to provide transparent criteria for our ingredient suppliers to outline the sustainability standards they should meet.

Climate change related benefit

Emissions reductions (mitigation)

Increasing resilience to climate change (adaptation)

Comment

C-AC12.2b/C-FB12.2b/C-PF12.2b

(C-AC12.2b/C-FB12.2b/C-PF12.2b) Do you collect information from your suppliers about the outcomes of any implemented agricultural/forest management practices you have encouraged?

Yes

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Direct engagement with policy makers

Trade associations

C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Other, please specify (Climate Change Low Carbon Economy)	Support	CCEP is a member of the EU Corporate Leaders Group on Climate Change (CLG) which was established in 2007. The group brings together progressive European business leaders who believe that there is an urgent need to develop new and longer term policies for tackling climate change. Through this group we have engaged with senior EU politicians and policy makers to encourage the adoption of net-zero carbon reduction targets and measures to accelerate the transition to a low-carbon economy. We have attended meetings with policy makers on this topic at both EU level and in the UK. In May 2019, we joined 120 leading businesses in writing to the UK Government to urge them to legislate for a 2050 net zero economy. We also work directly with Norway 203040 and the Haga Initiative in Sweden to advocate for progressive climate-related policies.	We support calls for EU policy makers to introduce a net-zero by 2050 emissions reduction targets, in line with IPCC expectations. This will require EU leaders to advance a robust and ambitious 2030 energy and climate policy, alongside an energy security strategy that will enable Europe to meet its long-term climate objectives and drive sustainable growth and job creation.
Other, please specify (Emissions from Logistics)	Support	CCEP is a member of the Centre for Sustainable Freight Transport in UK, a participant of the 'Lean and Green' logistics program in the Netherlands and Belgium and a member of the Haga Initiative in Sweden – all of which focus on engaging directly with policy makers on the topic of emissions from logistics. We continue to engage in dialogue with policy makers to promote the use of eco-combi trucks - which carry 38 rather than 26 pallets, thereby reducing CO2e emissions by approximately 20% per pallet.	Through our trade associations and other groups, CCEP continues to support legislation that enables us to use low-carbon logistics technologies across all of our territories.
Other, please specify (Climate-related packaging legislation)	Support with minor exceptions	Together with EUROPEN, the European Organization for Packaging and the Environment, representing the packaging supply-chain, and with UNESDA, our soft drinks trade association, we have engaged with stakeholders to provide input into the European Commission's recently approved "Circular Economy Package" and more recently on a response to the European Commission's Single Use Plastics Directive. In certain markets, in particular Great Britain, Scotland and France, we are also working with industry coalitions to help to shape deposit return legislation for our packaging to drive maximum returns and maximum efficiency in any system that is implemented.	CCEP fully supports the concept of a circular economy and the carbon benefits that it will bring. Our life cycle analysis studies have shown that when we are able to use recycled content in our packaging we can significantly decrease its carbon footprint. As a result we support interventions which will help create this circularity for our packaging, including well-designed Deposit Return Schemes (DRS), which are already in place in some of our countries of operation and which serve to encourage high consumer recycling rates and produce high quality plastic and metal recycle. We believe that any policy response to issues surrounding single use plastic.
Other, please specify (Packaging tax / Beverage Deposit Return Systems)	Support with minor exceptions	At the EU level and in every market where we do business, we are directly and indirectly engaged in positive and collaborative conversations with public and private stakeholders about ways to improve the environmental sustainability of our packaging with a focus on boosting recycling, reduce waste and to help tackle littering. Mostly, we work with industry coalitions such as EUROPEN and UNESDA at the EU level and with national food and drink federations, soft drinks associations and packaging specific associations. Sometimes we engage directly with stakeholders where we believe our experience, ambitions and points of view are of relevance. We have been engaging on the development of the Circular Economy Package, the Plastics Strategy and the 'Single Use Plastics' Directive at the EU level and are now involved in the transposition of these Directives in national legislation. This also includes the development or improvement of Deposit Return Schemes for beverage packaging where these are considered.	Packaging tax: With the recent Circular Economy Package, Plastics Strategy, 'Single use Plastics' Directive, Circular Plastics Alliance and discussions on an EU Plastics Pact, there are many regulatory and voluntary initiatives addressing the sustainability of packaging in general and plastic packaging in particular. We support goal-oriented and non-discriminatory taxes in principal, however we do not believe that packaging taxes should be added on top of the aforementioned regulatory and voluntary initiatives, before these initiatives have been given the opportunity to prove their effectiveness. Deposit Return Systems: We believe that Deposit Return Systems for beverage packaging can support high collection and recycling rates for beverage packaging if designed well. Amongst other elements, well-designed means that Deposit Return Systems should be set-up and run by the obliged industry in a non-for-profit way, have a relevant packaging scope at a national scale and be run under strict governance rules within a supportive regulatory framework. Per the EU Waste Framework Directive, unredeemed deposits and the value of the secondary materials should remain with Producers within a Deposit Return System.

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

UNESDA Soft Drinks Europe

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

UNESDA members are committed to driving efficiency in the key areas of water stewardship, climate protection and sustainable packaging. UNESDA's Manifesto states that 'we fully support the European Commission's objective of building a sustainable Europe by 2030, and for the circular economy to continue to be a major priority at EU level. As the soft drinks industry we are working hard to continue being the frontrunners in making our products and packaging more sustainable. Climate change has crucial implications for the sustainability and competitiveness of our sector. We ask policy makers to drive forward an ambitious political framework to address climate change, based on evidence, economic impact, best practices and effective and inclusive solutions'. In addition, members recognize that environmental protection is a joint societal effort and therefore requires a common, consistent and coordinated approach. Across all of our industry energy is an important issue and UNESDA is focused on driving energy efficiency, conservation and reduction wherever possible. Our industry is part of a wider supply chain and we work closely with stakeholders and their partners to contribute jointly to a better environment. For example, truck sharing and the introduction of energy efficient and hybrid distribution vehicles has allowed us to reduce fleet emissions. At bottling plants, the energy use ratio is about 0.317MJ per litre of beverage produced and new technologies aim to reduce this figure by 50%. Packaging is a key resource for the sector and a major contributor to the sector's carbon footprint and UNESDA has taken a number of steps to introduce sustainable packaging policies as well as effective systems for reduction, recovery, recycling and reuse. UNESDA is a founding member of the PET Platform which gathers key players in the packaging chain and is committed to the use of 100% recycled plastic. The industry currently exceeds legal packaging recovery targets in a range of 50-80%.

How have you influenced, or are you attempting to influence their position?

CCEP is an active member of UNESDA and supports its Environmental Responsibility and carbon reduction objectives through its Board Membership. Chairing its Environmental Committee, CCEP is currently working with UNESDA to develop a series of environmental goals/pledges on issues such as recycled content in packaging and packaging collection/recovery.

Trade association

EUROPEN

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

EUROPEN members are committed to developing and using packaging which contributes to the achievement of the European Union's Sustainable Development Strategy and in particular the Commission's Sustainable Consumption and Production Action Plan. EUROPEN members are actively engaged in making the packaging supply chain industry sustainable through continuous innovation, through their own activities and voluntary industry commitments.

How have you influenced, or are you attempting to influence their position?

CCEP is an active member of EUROPEN and supports these Environmental Responsibility objectives through its Board Membership and Chair position.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

The vast majority of our activities to positively influence policy are done through our trade associations and are therefore of an indirect nature. Direct activities are limited to what we state publicly on our corporate and country business unit websites. Consistency between what we publicly state directly and our indirect activities through others has a national / business unit and a European / corporate dimension. We have already described CCEP's Board oversight of climate-related issues and how our governance mechanisms into which climate-related issues are integrated in section C1.1b.

Within our Public Affairs, Communications and Sustainability (PACS) function, our Chief PACS Officer is the Executive Leadership Team member responsible for reporting on progress and plans against CCEP's 'This is Forward' sustainability strategy. Our Corporate Social Responsibility (CSR) Committee of our Board of Directors is responsible for monitoring CCEP's progress against our Sustainability targets, including packaging, climate and water, and reviews all major environmental-based investments, environmental risks, and water-related activities to ensure that they are aligned. Any inconsistencies in our methods to influence policy in relation to "This is Forward" would be highlighted through discussion with them and decisions made in this forum. This governance structure helps to ensure that our positions and activities will be consistent with our targets outlined by "This is Forward" and are aligned with our sustainability targets. In accordance with the precautionary principle, sustainability is taken into account in the development process for any major project, product or new investment and is built into our annual and long-range business planning processes.

On a day-to-day basis, CCEP's Public Affairs, Communications and Sustainability (PACS) function, reviews CCEP's policy positions on a local and international level. Each of our territories has a Public Affairs lead. Any changes to policy which could influence any of CCEP's climate policy or commitments, including our carbon reduction targets outlined in "This is Forward", would be discussed in weekly PACS Leadership Team meetings. The corporate and local Public Affairs and Sustainability leads within the PACS team are responsible for the relationships with and the strategy and advocacy of relevant trade associations. They are active members, often serving on Executive Committees or Committees, and ensure our values and positions are reflected.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports

Status

Complete

Attach the document

CCEP_2018_Integrated-Report.pdf

Page/Section reference

Action on Packaging - page 33 Action on Water - page 36 Action on Climate - page 37-38 Action on Supply Chain - page 39
Principal Risks - page 40 Risk Factors - page 162-164 31-40 + 166

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment

In 2018, for the first time, we released our 2018 Integrated Report, with progress on our sustainability commitments disclosed alongside our financial performance.

Publication

In voluntary sustainability report

Status

Complete

Attach the document

Coca-Cola European Partners _ 06 Action on packaging.pdf
Coca-Cola European Partners _ 01 Action on sustainability.pdf
Coca-Cola European Partners _ 07 Action on Society.pdf
Coca-Cola European Partners _ 07.2 Action on Society.pdf
Coca-Cola European Partners _ 10 Action on supply chain.pdf
Coca-Cola European Partners _ 03 Listening to our stakeholders.pdf
Coca-Cola European Partners _ 05 Action on drinks.pdf
Coca-Cola European Partners _ 09 Action on climate.pdf
Coca-Cola European Partners _ 02 Our approach to reporting.pdf
Coca-Cola European Partners _ 04 Operating with integrity.pdf
Coca-Cola European Partners _ 08 Action on water.pdf

Page/Section reference

All

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment

Attached the pdf files of the online 2018 Sustainability Stakeholder Report. Please find below the link to the pages for the interactive sections of the report. <https://www.ccep.com/pages/01-action-on-sustainability> <https://www.ccep.com/pages/02-our-approach-to-reporting> <https://www.ccep.com/pages/03-listening-to-our-stakeholders> <https://www.ccep.com/pages/04-operating-with-integrity> <https://www.ccep.com/pages/sustainability-rating> <https://www.ccep.com/pages/05-action-on-drinks> <https://www.ccep.com/pages/06-action-on-packaging> <https://www.ccep.com/pages/07-2-action-on-society> <https://www.ccep.com/pages/07-action-on-society> <https://www.ccep.com/pages/08-action-on-water> <https://www.ccep.com/pages/09-action-on-climate> <https://www.ccep.com/pages/10-action-on-supply-chain> <https://www.ccep.com/pages/downloads-centre>

Publication

In voluntary communications

Status

Complete

Attach the document

Environment_Policy_-_Our_approach_to_environmental_management.pdf

Page/Section reference

Whole document

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment

Our Environment Policy covers our approach to environmental management

Publication

In voluntary communications

Status

Complete

Attach the document

2018_Corporate_Data_Tables.pdf
2018_Country_Data_Tables.pdf

Page/Section reference

Whole document

Content elements

- Governance
- Strategy
- Risks & opportunities
- Emissions figures
- Emission targets
- Other metrics

Comment

Our Corporate Data Tables and Country Data Tables provide an overview of our 2016-2017-2018 progress compared to 2010 baseline.

Publication

In voluntary communications

Status

Complete

Attach the document

2018_GRI_Table.pdf

Page/Section reference

Whole document

Content elements

- Governance
- Strategy
- Risks & opportunities
- Emissions figures
- Emission targets
- Other metrics

Comment

Our 2018 Integrated Report and our online 2018 Sustainability Stakeholder report have been prepared in accordance with the Global Reporting Initiative (GRI) principles for defining report content and report quality, and are in accordance with the GRI Standards at Core level.

C13. Other land management impacts

C-AC13.2/C-FB13.2/C-PF13.2

(C-AC13.2/C-FB13.2/C-PF13.2) Do you know if any of the management practices mentioned in C-AC12.2a/C-FB12.2a/C-PF12.2a that were implemented by your suppliers have other impacts besides climate change mitigation/adaptation?

No

C14. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C14.1

(C14.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Executive Officer	Chief Executive Officer (CEO)

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	11518224877

SC0.2

(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?

Yes

SC0.2a

(SC0.2a) Please use the table below to share your ISIN.

	ISIN country code (2 letters)	ISIN numeric identifier and single check digit (10 numbers overall)
Row 1	GB	00BDCPN049

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

Requesting member

Walmart, Inc.

Scope of emissions

Scope 1

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

4179.372

Uncertainty (±%)

1.55

Major sources of emissions

Scope 1 figures include direct sources of emissions such as the fuel we use for manufacturing and our own vehicles plus our process and fugitive emissions. We use emission factors relevant to the source data including UK Department for Business, Environment and Industrial Strategy (BEIS) 2018 and IEA 2016 emission factors.

Verified

Yes

Allocation method

Other, please specify (Allocation based on % of revenue.)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Based on a straight percentage of CCEP sales revenue from the customer.

Requesting member

Walmart, Inc.

Scope of emissions

Scope 2

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO2e

117.718

Uncertainty (±%)

1.55

Major sources of emissions

Scope 2 figures include indirect sources of emissions such as the purchased electricity we use at our sites. We report against this on both a location-based and a market-based approach. The allocation above is based on a market based approach. We use emission factors relevant to the source data including UK Department for Business, Environment and Industrial Strategy (BEIS) 2018 and IEA 2016 emission factors.

Verified

Yes

Allocation method

Other, please specify (Allocation based on % of revenue)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Based on a straight percentage of CCEP sales revenue from the customer.

Requesting member

Walmart, Inc.

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO₂e

63863.715

Uncertainty (±%)

1.55

Major sources of emissions

Scope 3 figures include indirect sources associated with the electricity used by our cold drinks and coffee equipment at our customers' premises, our employee business travel by rail and air, emissions-related to the supply of water and treatment of water, emissions from the treatment of waste, fuel used by our third party distributors, and other energy-related emissions not already accounted for under scope 1 and 2 (e.g. emissions from well-to-tank and transmission and distribution). Additional Scope 3 figures from the WRI/ WBCSD GHG Protocol categories 1, 3, 4, 5, 6, 7, 9, 11, 12 and 13 are disclosed in our 2019 CDP response. Data is consolidated from a number of sources across our business and is analysed centrally. We use a variety of methodologies to gather our emissions data and measure each part of our operational carbon footprint, including natural gas and purchased electricity data, refrigerant gas losses, CO₂ fugitive gas losses and transport fuel, water supply, wastewater and waste management. We use emission factors relevant to the source data including UK Department for Business, Environment and Industrial Strategy (BEIS) 2018 and IEA 2016 emission factors.

Verified

Yes

Allocation method

Other, please specify (Allocation based on % of revenue)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Based on a straight percentage allocation, based on the percentage of CCEP sales revenue from the customer.

Requesting member

Tesco

Scope of emissions

Scope 1

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO₂e

6849.526

Uncertainty (±%)

1.55

Major sources of emissions

Scope 1 figures include direct sources of emissions such as the fuel we use for manufacturing and our own vehicles plus our process and fugitive emissions. We use emission factors relevant to the source data including UK Department for Business, Environment and Industrial Strategy (BEIS) 2018 and IEA 2016 emission factors.

Verified

Yes

Allocation method

Other, please specify (Allocation based on % of revenue)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Based on a straight percentage allocation, based on the percentage of CCEP sales revenue from the customer.

Requesting member

Tesco

Scope of emissions

Scope 2

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO₂e

192.926

Uncertainty (±%)

1.55

Major sources of emissions

Scope 2 figures include indirect sources of emissions such as the purchased electricity we use at our sites. We report against this on both a location-based and a market-based approach. The allocation above is based on a market based approach. We use emission factors relevant to the source data including UK Department for Business, Environment and Industrial Strategy (BEIS) 2018 and IEA 2016 emission factors.

Verified

Yes

Allocation method

Other, please specify (Allocation based on % of revenue)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Based on a straight percentage allocation, based on the percentage of CCEP sales revenue from the customer.

Requesting member

Tesco

Scope of emissions

Scope 3

Allocation level

Company wide

Allocation level detail

<Not Applicable>

Emissions in metric tonnes of CO₂e

104665.532

Uncertainty (±%)

1.55

Major sources of emissions

Scope 3 figures include indirect sources associated with the electricity used by our cold drinks and coffee equipment at our customers' premises, our employee business travel by rail and air, emissions related to the supply of water and treatment of water, emissions from the treatment of waste, fuel used by our third party distributors, and other energy related emissions not already accounted for under scope 1 and 2 (e.g. emissions from well-to-tank and transmission and distribution). Additional Scope 3 figures from the WRI/ WBCSD GHG Protocol categories 1, 3, 4, 5, 6, 7, 9, 11, 12 and 13 are disclosed in our 2019 CDP response. Data is consolidated from a number of sources across our business and is analysed centrally. We use a variety of methodologies to gather our emissions data and measure each part of our operational carbon footprint, including natural gas and purchased electricity data, refrigerant gas losses, CO₂ fugitive gas losses and transport fuel, water supply, wastewater and waste management. We use emission factors relevant to the source data including UK Department for Business, Environment and Industrial Strategy (BEIS) 2018 and IEA 2016 emission factors.

Verified

Yes

Allocation method

Other, please specify (Allocation based on % of revenue)

Please explain how you have identified the GHG source, including major limitations to this process and assumptions made

Based on a straight percentage allocation, based on the percentage of CCEP sales revenue from the customer.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

https://www.ccep.com/system/file_resources/5731/2018_Corporate_Data_Tables.pdf

https://www.ccep.com/system/file_resources/5401/2018_-_Methodology_-_Final.pdf

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
Diversity of product lines makes accurately accounting for each product/product line cost ineffective	CCEP does not currently track carbon emissions to a product level. In addition to the emissions within our core business operations, we also seek to measure and reduce the GHG emissions across our full value chain; including Scope 3 emissions from our packaging and ingredients, as these are the greatest source of emissions across our value chain; and significantly greater than our Scope 1 and 2 emissions. We are focused on reducing our carbon emissions from our packaging and ingredients, as these issues are common across all product types, and can be addressed as a whole. This provides a greater benefit to carbon reductions than managing reductions at a product level.

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

No

SC1.4b

(SC1.4b) Explain why you do not plan to develop capabilities to allocate emissions to your customers.

CCEP does not currently track carbon emissions to a product or customer level. In addition to the emissions within our core business operations, we also seek to measure and reduce the GHG emissions across our full value chain; including Scope 3 emissions from our packaging and ingredients, as these are the greatest source of emissions across our value chain; and significantly greater than our Scope 1 and 2 emissions. We are focused on reducing our carbon emissions from our packaging and ingredients, as these issues are common across all product types, and can be addressed as a whole. This provides a greater benefit to carbon reductions than managing reductions at a product or customer level.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

Requesting member

Tesco

Group type of project

Reduce Logistics Emissions

Type of project

Route optimization

Emissions targeted

Actions that would reduce both our own and our customers' emissions

Estimated timeframe for carbon reductions to be realized

1-3 years

Estimated lifetime CO2e savings

2000

Estimated payback

1-3 years

Details of proposal

We continue to optimise our distribution network to make it as efficient as possible. We've cut further road-kilometres by adding warehouse capacity at some of our manufacturing operations, allowing us to deliver directly to our customers from our manufacturing sites rather than via external warehouses. This includes automated storage and retrieval systems (ASRS), at our sites in Wakefield, Edmonton and East Kilbride in Great Britain. Working with our suppliers, we've also cut the distances that materials have to travel to reach our factories. Many of our sites are located next to our can suppliers, and some, such as our sites at Grigny, in France, Wakefield in Great Britain and Halle in Germany, have the capability to manufacture their own PET bottle pre-forms, reducing the need for these goods to be transported. There could be further opportunities for collaboration with Tesco in this area.

Requesting member

Walmart, Inc.

Group type of project

Reduce Logistics Emissions

Type of project

Route optimization

Emissions targeted

Actions that would reduce both our own and our customers' emissions

Estimated timeframe for carbon reductions to be realized

1-3 years

Estimated lifetime CO2e savings

2000

Estimated payback

1-3 years

Details of proposal

We continue to optimise our distribution network to make it as efficient as possible. We've cut further road-kilometres by adding warehouse capacity at some of our manufacturing operations, allowing us to deliver directly to our customers from our manufacturing sites rather than via external warehouses. This includes automated storage and retrieval systems (ASRS), at our sites in Wakefield, Edmonton and East Kilbride in Great Britain. Working with our suppliers, we've also cut the distances that materials have to travel to reach our factories. Many of our sites are located next to our can suppliers, and some, such as our sites at Grigny, in France, Wakefield in Great Britain and Halle in Germany, have the capability to manufacture their own PET bottle pre-forms, reducing the need for these goods to be transported. There could be further opportunities for collaboration with Wal-Mart in this area.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

No

SC3.1

(SC3.1) Do you want to enroll in the 2019-2020 CDP Action Exchange initiative?

No

SC3.2

(SC3.2) Is your company a participating supplier in CDP's 2018-2019 Action Exchange initiative?

No

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

No, I am not providing data

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	Public or Non-Public Submission	I am submitting to	Are you ready to submit the additional Supply Chain Questions?
I am submitting my response	Public	Investors Customers	Yes, submit Supply Chain Questions now

Please confirm below

I have read and accept the applicable Terms