BASE YEAR SELECTION
Unless otherwise stated, 2010 has been selected as the base year for the majority of our key environmental and social KPIs. 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. Our baseline year for our new science-based absolute carbon reduction target, set at the end of 2020, has been updated from 2010 to 2019 in line with SBTi guidance. Our baseline carbon figures for 2019 have also been restated to include new emission sources and more accurate data.

PACKAGING
Principles and Boundaries
Our packaging data is representative of the recycled content rates, packaging weights and specifications, national collection and recycling rates, and specifications as of December 31st in each reporting year. The data represents the packaging at end of year, rather than any impacts of packaging changes that may have occurred during the year.

Percentage of PET that is rPET
CCEP’s packaging data is calculated based upon 2020 sales volume data, and standard packaging specifications, material types and weights by product SKUs. The calculation of the percentage of PET used within our PET bottles that is rPET (recycled PET) is calculated based on the total weight of rPET used by December 31, 2020 divided by the total weight of PET (virgin, plant-based PET and rPET) used to produce our PET Bottles, as calculated using our sales volumes and packaging data as of December 31, 2020. From 2019, this calculation excludes refillable PET. This indicator is calculated based upon data as of December 31, 2020, and is not based on average rPET percentages throughout the year.

Percentage of packaging which is recyclable
This indicator refers to our primary packaging only and does not include secondary or tertiary packaging. It is calculated based upon recyclability through local recycling schemes. Criteria for recyclability defined in conjunction with TCCC. Packaging can be considered to be “recyclable” when:

- it can be separated from a waste stream and converted into a secondary raw material which can be used again for another purpose and where the economic value of the material is maintained or even enhanced. Our aim is for beverage packaging to be converted into secondary raw material that can be used again in beverage packaging (i.e. bottle to bottle). At present some of our packs are recycled into other materials (such as fibre, plastic strapping etc.) and these are also deemed recyclable under our definitions. However, over time, we will aim to make sure that all our materials are recycled into either new beverage packaging or have multiple use cycles. Packaging which can only be sent for incineration with energy recovery or sent to landfill is not considered to be recyclable by CCEP.
- the country has a packaging recovery system in place which accepts the packaging and has the infrastructure in place which enables the packaging to be sorted and sent to a recycler or materials reprocessor.
- the closure, label and sleeve are fully compatible with the country's packaging recovery system and do not hinder or prevent the recyclability of the packaging.
Percentage of packaging which is refillable (glass or PET)
Calculated based upon total 2020 packaging units of glass or PET packaging placed on the market, versus the glass or PET packaging units which are refillable.

Packaging use ratio
Calculated based upon total 2020 tonnage weight of all packaging (including trippage for refillable packaging) divided by the litres sold in 2020 to calculate the packaging per litre sold. Packaging includes all primary packaging (aluminium cans, PET bottles, glass bottles, etc.), secondary packaging (e.g. cardboard, including trays and LDPE wrap for cases), and tertiary packaging (LPDE pallet wrap, but not including the weight of the reused pallet).

Packaging collection rates
We are working to understand the calculation methodologies behind the recycling rates for beverage packaging across all of our markets. The packaging collection rate is the result of a calculation which is based on packaging collection for recycling rates by material in each of our markets which are then applied to our own packaging volumes by pack by market. The way that packaging collection rates are calculated may differ across our markets and therefore this aggregated number should be treated as an estimate.

The data sources that we have used this year in our packaging recovery and value chain carbon footprint calculations can be found below. Sources for these rates include a variety of local and national collection partners, and we use their most recently published rates at the time of preparation of this publication. Sources include:

- Belgium: Fostplus (2019)
- France: CITEO (2019)
- Iceland: Endurvinnslan (2019)
- Luxembourg: Valorlux (2018/19)

WASTE
Total manufacturing waste
CCEP’s total manufacturing waste is calculated in line with TCCC’s common KORE manufacturing standards. The calculation includes all waste generated at site due to production, office and food service, etc. Waste data is provided through site waste contractor monthly invoices.
Percentage of waste recycled
CCEP’s total waste recycled figure is calculated in line with TCCC’s common KORE manufacturing standards. The figure includes the quantity of the waste recovered through recycling, composting, incineration with energy recovery, incineration or landfill; divided by total manufacturing waste produced. The disposal method is determined through site waste contractor invoices.

GHG EMISSIONS
Methodology and Boundaries
CCEP’s carbon footprint is calculated in accordance with the WRI/WBCSD Greenhouse Gas (GHG) Protocol Corporate Standard, using an operational control approach to determine organizational boundaries. Our carbon emissions have been independently assured against the ISAE 3000 standard by DNV.

GHG emissions are reported in tonnes of carbon dioxide equivalent (tonnes CO₂e or tCO₂e), accounting for different Global Warming Potentials (GWP) of the different GHGs. Our baseline year has been updated to 2019 following approval of our new science based GHG emissions reduction target, at the end of 2020, in line with SBTi guidance. Our value chain emissions include all key emissions related to our manufacturing sites, operational centres, sales offices, distribution centres, cold drink equipment (CDE), our own operated and owned transportation as well as third party distribution, business travel, ingredients and packaging. Our reported carbon footprint is independent of any GHG trades.

Under the GHG Protocol, we measure our emissions in three Scopes, except for CO₂e emissions from biologically sequestered carbon, which we report separately outside these Scopes. We disclose the Scope 1, 2, and 3 carbon emissions of our full value chain.

Our baseline figures for 2019 have been restated to include new emission sources and more accurate data.

Scope 1 emission sources
Include direct sources of emissions such as the fuel we use for manufacturing and our own vehicles plus our process and fugitive emissions of CO₂. We follow Beverage Industry Environmental Roundtable (BIER) emissions sector guidance(1) on the emissions source for the source of the CO₂ supplied to CCEP to carbonate soft drinks, and whether these are generated from fossil or biogenic sources of CO₂.

Scope 2 emission sources
Include indirect sources of GHG emissions from the generation of electricity we use at our sites. We report against this on both a location based and a market based approach. CCEP does not import heat or steam from any neighbouring sites. Commitments and KPIs are tracked using the market based approach.

The quantity of purchased renewable electricity was verified through renewable electricity Guarantees of Origin (G00s) or Power Purchase Agreements (PPAs) from our electricity suppliers in each country, and through meter readings of renewable electricity generated on site.

In 2020, we used 17,087 GJ of electricity (0.8% of total electricity use) in leased non-manufacturing sites where we do not purchase the electricity directly. We have applied the national grid emission factor for those sites, as we have no control or visibility of the electricity purchasing for those sites. Emissions related to the generation of electricity for these sites are included in our Scope 2 emissions.

(1) www.bieroundtable.com/publication/greenhouse-gas-emissions-sector-guidance/
Scope 3 reported categories

The following Scope 3 categories are reported by CCEP in our total value chain figures, and are included in our SBTi target boundary, representing over 90% of our Scope 3 emissions:

- Category 1: Purchased goods and services – (including the packaging we put on the market, the ingredients used in our products, and purchased water)
- Category 3: Fuel- and energy-related activities not already included in Scope 1 or Scope 2 (e.g. well-to-tank, transmission and distribution from energy supply to our sites and assets)
- Category 4: Upstream transportation and distribution (Transportation of finished products paid for by CCEP)
- Category 5: Waste generated in operations (emissions from disposal of waste generated at our manufacturing sites)
- Category 6: Business travel (including employee business travel by rail and air)
- Category 8: Upstream leased assets (including the home charging of company Plug-in Hybrid vehicles (PHEV) and pure Electric Vehicles)
- Category 11: Use of sold products (including CO₂ emissions released by consumers, in accordance with BIER guidance)
- Category 12: End-of-life treatment of sold products
- Category 13: Downstream leased assets (including the emissions generated from the electricity used by our hot and cold drink equipment at our customers’ premises)

The following Scope 3 categories are not included in our SBTi target boundary, but are reported to the CDP only, using estimated emission calculations:

- Category 2: Capital goods (not included in value chain target, but reported for CDP)
- Category 7: Employee commuting (including commuting and home working emissions)
- Category 11: Use of sold products (including home chilling)

We also disclose biogenic emissions which are outside of the three WRI/WBCSD GHG Protocol scopes. All other Scope 3 categories are not currently applicable to CCEP.

Data Sources and Calculation

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 carbon footprint, including packaging and ingredients, natural gas and purchased electricity, refrigerant gas losses, CO₂ fugitive gas losses and transport fuel, water supply, wastewater and waste management and cold drinks equipment.

0.35% our carbon footprint is based on estimated emissions. This includes the site energy emissions for small leased offices where energy invoices or the square metre footage size is not available, or packaging emissions where product specifications are unavailable. We also estimate the electricity consumption for the pure electric and plug-in hybrids in our company car fleet.

We use emission factors relevant to the source data including UK Department for Business, Environment and Industrial Strategy (BEIS) 2020 and International Energy Agency (IEA) 2018 emission factors.
Data sources include:

- Energy data: from metered sources, supplier invoices or calculations and estimates where data is not measured (e.g. our non-manufacturing sites in Norway have their energy use calculated based on their floor area and relative consumption compared to their main production facility).
- Refrigerant gas losses from contractors’ re-gassing invoices.
- CO₂ fugitive gases from measuring the amount of CO₂ we purchase and subtracting the quantity of CO₂ used in our products, accounting for the CO₂ generation process by suppliers in accordance with BIER guidance.
- Calculations of CDE emissions are based on weighted average hourly supplier energy consumption rates and by subtracting any savings achieved through carbon / energy use reduction initiatives completed during the reporting period or prior years.
- Transport fuel is calculated according to actual litres used or kilometres recorded with vehicle fuel efficiency rates provided by suppliers.
- Supply of water, treatment of wastewater and waste management are calculated by using litre and weight (kg) data respectively.
- Energy, fuel and fugitive gas raw data, is collected and converted to carbon equivalents (CO₂e), and multiplied by publicly available and/or supplier based GHG emission factors e.g. for electricity.

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 SKU-level (e.g. 500ml PET bottle in France).

GHG emissions associated with packaging recycling content and recycling rates are also included in line with 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 emission factors, including EAA and PETCORE – PlasticsEurope.

Emissions from End of Life (EoL)
Emissions from EoL disposal of packaging by consumers is captured and included in our reported emissions from packaging (split between Category 1 for recycled materials and Category 12 for packaging that is not recycled). Recycling rates used for the calculations are obtained from a variety of sources; see “Packaging Collection Rates” in this document.

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. Diet Coke, Coca-Cola). Ingredients included within our boundary, including our concentrate together with the juices, sugar and sweeteners also used to produce our products. Emissions factors used include World Food LCA Database, EcolInvent and bespoke LCA studies e.g. EU Study (Klenk et al. 2012).

ENERGY
Energy calculations
Energy consumption is based upon procurement data from each site, supported by monthly site invoices. Data is captured as part of our carbon calculation model. Energy and fuel consumption data, is collected and converted to carbon equivalents (CO₂e) using publicly available and supplier based GHG emission factors. Emission factors used include supplier data, BEIS 2020 and IEA 2018 emission factors.
Percentage of purchased electricity use sourced from renewable sources

Calculated as the quantity of electricity purchased (in MWh) from renewable sources divided by total electricity purchased. The quantity of renewable electricity was verified through renewable electricity Guarantees of Origin (GOOs) or Power Purchase Agreements (PPAs) from our electricity suppliers in each country, and through meter readings of renewable electricity generated on site.

Figures in this calculation are based solely on the amount of electricity that CCEP purchases. In 2020, we used 17,087 GJ of electricity (0.8% of total electricity use) in leased non-manufacturing sites where we do not purchase the electricity directly. Those sites, as we do not control the electricity purchasing, use fossil fuel sources. Emissions related to the generation of electricity for these sites are included in our Scope 2 emissions.

Manufacturing energy use ratio

CCEP’s manufacturing energy use ratio is calculated in line with TCCC’s common KORE manufacturing standards. All sites calculate manufacturing energy use ratio as the total of all energy consumed (MJ), divided by production volume (litres). This includes the use of diesel, natural gas (as well as other fuels used, where used in our manufacturing operations (e.g. heating, forklift trucks). The fuels used in our distribution fleet (e.g. diesel used in our trucks and vans) are not captured in the manufacturing energy use ratio.

WATER

Total manufacturing water use

CCEP’s total manufacturing water use is calculated in line with TCCC’s common KORE manufacturing standards. All sites calculate all water used by the facility, from all sources, including municipal, groundwater (well/borehole), surface water and collected rain water, and excluding treated wastewater and replenished water returned safely to nature and the community.

Water use ratio

CCEP’s water use ratio is calculated in line with TCCC’s common KORE manufacturing standards. Water use ratio is calculated as the total water (withdrawals divided by total production volumes) in CCEP’s manufacturing operations.

Water Replenishment

CCEP’s total water replenishment volumes are sourced from TCCC. The Nature Conservancy, with support from LimnoTech and the Global Environment & Technology Foundation, helped TCCC develop methodologies to calculate the volume of water replenished using an approach based on widely accepted tools and methodologies.

We calculate this indicator based upon the total volume of water replenished through replenishment projects in these countries divided by the total production volume produced in our production facilities in areas of water stress.

In 2020, together with TCCC, we managed 15 community based water replenishment projects in Western Europe. As a result, we were able to replenish 275% of the water we sourced to make our drinks in areas affected by water stress. In 2020, the definition of areas of water stress used for our water replenishment calculations was based upon 19 of 46 production facilities. This definition will be updated in line with our updated global enterprise water risk assessment (EWRA) for our 2021 reporting cycle.
CCEP’s methodology varies from the published percentage of water replenished by TCCC, as TCCC calculates this indicator based upon total sales volume within a region, and it’s target is to replenish all of the water it uses. As we cannot tie sales volumes solely to areas of water stress, we have used production volumes. If we calculated the water replenishment percentage based upon TCCC methodology, using TCCC WEBU region, which includes territories not part of CCEP, this would be 113%.

**OUR DRINKS**

**Total sugar**
Calculation is based upon 2020 unit case sales volume data, and on the basis of product calorie or sugar information per SKU. For all of the below, data is sourced from product formulations provided by TCCC and our other cross franchisors and through estimates where data is not available (e.g. data for products out of production).

**Average sugar reduction per litre since 2015 and 2010**
Calculation is based upon 2015, 2010 and 2020 unit case sales volume data, and on the basis of product sugar content information, per SKU. Volumes include sparkling soft drinks, noncarbonated drinks and flavoured water only, and does not include plain water or juice.

The reduction in sugar per litre since 2015 is calculated as the total sugar (of included scope) 2020/total volume in litre (of included scope) vs total sugar (for included scope) 2010 or 2015/total volume in litre (of included scope).

**Percentage volume sold which is low or no calorie**
Calculation is based upon 2010 and 2020 total Non-Alcoholic Ready to Drink (NARTD) CCEP sales volumes. Calculations do not include coffee, alcohol, beer or freestyle. Low calorie beverages are defined as being less than or equal to 20 kcal/100ml. Zero calorie beverages are defined as being less than 4 kcal/100 ml.

**Percentage of volume sold in packs that are 250ml or less**
Calculation is based upon 2020 CCEP sparkling soft drinks sales volume, at an SKU level.

**Number of products which have had their recipes changed to reduce sugar since 2010**
Calculation is based upon product formulation tracking provided by TCCC and our other cross franchisors.

**Number of new low and no calorie products launched since 2010**
Calculation is based upon product launch tracking provided by TCCC and our other cross franchisors.

**SOCIETY**

**Total employee figures**
Calculations based upon data as of 31 December, 2020; excluding all contractors, pre-pensioners, employees on leave of absence as at 31 December 2020 (e.g. maternity leave, long term sick, parental leave) and any board members.

**Percentage of females in leadership roles**
Calculations based upon data as of 31 December, 2020; excluding all contractors, pre-pensioners, employees on leave of absence as at 31 December 2020 (e.g. maternity leave, long term sick, parental leave) and any board members. Includes females in ELT and management grades (Vice President, Directors, Associate Directors and Senior Manager levels).
Male/Female pay ratio
The country male/female pay ratios calculated for the purposes of this report differ in calculation methodology to those that may be required by law within each country. For the purposes of this report, country pay ratios were calculated based upon base pay, on an FTE basis, excluding contract types such as apprenticeships and internships. Management level includes ELT, Vice Presidents, Directors, Associate Directors and Senior Manager levels. Where disclosed, Executive level includes ELT and Vice Presidents.

Communities
CCEP uses the B4SI Framework to measure its total community contributions. Data is captured via survey within each country. The value of employee time is measured as both volunteering time and management time, and is valued at a cost of €37.23 per hour, based on total employee OPEX and CAPEX costs, on an average day of 8 hours. Where community partnerships are commercial projects that have a community benefit; e.g. recycling partnerships with customers, 50% of the contribution is counted.

LTIR (Lost Time Incident Rate)
Calculations based upon number of lost time incidents in 2020 per 100 full time equivalent employees.

SOURCING

Suppliers which comply with Supplier Guiding Principles (SGPs)
Calculated based upon the percentage of direct suppliers (concentrate and juice suppliers included) who signed terms and conditions (through our Purchase Orders) which included our SGPs in 2020.

Sugar suppliers which comply with Principles for Sustainable Agriculture (PSA)(1)
Data based upon compliance pathway agreements with sugar suppliers in 2020, and percentage of total sugar sourced through these suppliers.

Pulp and paper suppliers which comply with Principles for Sustainable Agriculture (PSA)
Data based upon compliance pathway agreements with pulp and paper suppliers in 2020, and percentage of total paper and pulp sourced through these suppliers.

(1) The PSA replace the Sustainable Agriculture Guiding Principles (SAGPs).