

# ACTION ON SOCIETY (OUR PEOPLE) - FAQ

**We'll be a force for good by championing inclusion and economic development in society — with our employees and our communities.**

## Inclusion & Diversity

**Q. - What is CCEP's inclusion and diversity strategy?**

**A. -** Towards the end of 2018 we launched a new people strategy, with inclusion and diversity actions forming a core part of that plan. The strategy was informed by the results of our first engagement survey in 2018 and subsequent employee focus groups.

We're committed to fostering a diverse workforce and inclusive culture in our business. Our strategy is to leverage the full potential of diverse talent which links to achieving better business results and increasing innovation.

We aim for diversity, inclusion and belonging.

Improving gender balance at CCEP is an important part of our overall diversity strategy. We have set a target of ensuring that at least 40% of management positions (middle management and above) are held by women by 2025 - with a longer term goal of having equal representation at management levels at both CCEP and The Coca-Cola Company. In 2018, 35.6% of management positions at CCEP were held by women.

To ensure a sustainable pipeline of diverse talent for our business, we have a range of programmes and activities to promote inclusion and diversity at every stage of the candidate and employee journey through the organisation, from recruitment and apprenticeships to training, development and progression. These activities are supported by clear inclusion and diversity policies.

**Q. - Why is a diverse workforce and inclusive culture important for CCEP?**

**A. -** Fostering a diverse workforce and an inclusive culture has many advantages for our business.

Firstly, it helps us attract and retain the best people. Promoting diversity ensures that we recruit and develop the talent we need to succeed, regardless of gender, background or any other reason not related to performance. It also ensures that CCEP is a welcoming, stimulating and rewarding place to work.

We also know that diverse teams are more creative and innovative. Teams composed of people with varied perspectives and experiences bring more to the table, and are better attuned to the unmet needs of customers and consumers like themselves.

Finally, a more diverse workforce will also help us sell more, in more markets. We know that our customers and consumers are from increasingly diverse backgrounds. To serve them effectively, it's essential that our people reflect this diversity.

**Q. - Who is accountable for diversity at CCEP, and how do you measure progress?**

**A. -** Corporate accountability for diversity rests with our Executive Leadership Team (ELT) supported by our CCEP Diversity and Inclusion (D&I) Council. Diversity & Inclusion performance objectives are part of the ELT objectives.

A detailed D&I scorecard allows us to measure and benchmark progress. Every quarter, our ELT reviews the progress of each business unit and function against its D&I action plans. In addition, each member of our ELT has their own D&I performance objectives.

Our CCEP D&I Council is sponsored by three members of our ELT and comprises senior members of each business unit and function. There are also local D&I councils in countries where we operate.

**Q. - What are you doing to promote diversity within your recruitment process?**

**A. -** 2018 saw progress in hiring more female talent into senior positions. Within our supply chain we have 47 production facilities and women now lead seven of our facilities in France, Germany, Great Britain and Spain, an increase of five since the formation of CCEP. Within the Finance leadership team we appointed a woman in the role of VP Investor Relations, and a female country director has been appointed in Sweden. This progress is the result of a consistent focus on improving diversity in our recruitment process.

## ACTION ON SOCIETY (OUR PEOPLE) - FAQ- CONTINUED

In 2018, this included requiring our recruitment firms to provide better gender balanced candidate shortlists, using diverse interviewing panels, talent mapping for external female talent and reviewing our job adverts to ensure they use inclusive language.

We've also taken steps to ensure the language we use in our job advertisements is inclusive. For example in Germany, where we are aiming for 60% female candidates on each shortlist, we held a workshop on using inclusive language in recruitment advertisements in 2018. As a result, the number of job applications we received increased by 29% between May and August 2018, compared with the same period last year.

In Great Britain, we use the writing platform Textio to automatically check the inclusiveness of recruitment advertising language. In Spain, we avoid gender bias in the CV-reviewing process by removing names and other gender-defining features from CVs.

### Q. - What other work are you doing to develop a pipeline of diverse talent?

A. - We're also seeking to build pipelines of female talent in areas of the business where traditionally it has been hardest to attract women, through a number of partnerships and programmes.

To improve perceptions of opportunities in engineering and to develop the kind of skills we need, we provide mentors to the [Brunel University](#) mentorship scheme for female engineering students. In Norway, we hosted an engineering challenge for local schools in Oslo to encourage more girls to study STEM subjects. The winning team received funding to help increase interest in future STEM careers.

We continued our partnership with [JUMP](#), an organisation working for greater female representation in the workplace in Belgium. On [International Women's Day](#) in 2019, we again sponsored JUMP's Woman at Work award, which recognises Belgian leaders and companies making progress in gender balance and equality.

Our Cultural Diversity and Inclusion Network in Great Britain focuses on the recruitment, development and retention of culturally diverse talent. In addition, we ran a programme called Hiring for Potential, which resulted in an increase in gender- and ethnically-diverse hires from non-FMCG backgrounds.

### Q. - How are you increasing female representation at management and leadership levels?

A. - We build our female leadership pipeline through Women in Leadership, a series of training and mentoring programmes supporting the professional development of our female employees at different stages of their careers.

For example, the series includes Connect to Grow, a mentoring programme aimed at senior managers, associate directors and directors. Connect to Grow supports our talented women leaders to achieve their potential by partnering them with experienced leadership mentors, and building their connections across the business. Since its launch in 2017, and continuation in 2018, 68 women have taken part in the programme.

Other programmes in the series include Leading with Purpose, which gives leadership training to women in their mid-careers, and the Signature Programme, which helps our senior leaders build contacts across different industries. We have launched a new internal recruitment program called Hiring Manager Excellence which trains managers in recognising unconscious bias and mitigating against it during the recruiting process.

### Q. - What role do employee networks play in promoting diversity across the business?

A. - Recent years have seen the emergence of a number of employee networks dedicated to gender and other forms of diversity and inclusion.

One example is our Women's Networks: groups that promote gender diversity awareness, encourage personal development and act as a platform for communication and networking both internally and externally. Women's Networks exist across our territories. For example, in Sweden we have established Malala – a network giving women in our supply chain a platform to share their experiences. The network supports our broader ambition to increase the proportion of women working in our supply chain. In 2018, women made up 29% of all supply chain employees working in warehouse and production in Sweden, up from 7% in the previous year. We launched a similar network in Iberia in 2018.

## ACTION ON SOCIETY (OUR PEOPLE) - FAQ- CONTINUED

We also have a number of networks providing a platform for our LGBT colleagues. For example, the LGBT+ & Friends Action Group launched in Great Britain in 2018 with around 60 initial members and a new newsletter focused on LGBT+ rights called 'Ripple'. Additionally we have trained over 85 Inclusion Ambassadors who have increased our focus on broader inclusion activities. In Germany, the Rainbow Network provides networking opportunities and raises awareness of LGBT issues.

### Q. - Do you engage in external partnerships to support diversity?

A. - As part of our commitment to inclusion and diversity, we support a number of external organisations that promote diversity.

This includes our partnership with the [Women of the Future programme](#), a platform of events and projects to support and celebrate the business successes of women, and encourage the next generation of women business leaders. In 2018, we again sponsored Women of the Future's annual summit and awards.

In Spain, we took part in the National Congress Factor W 2018: Diversity & Inclusion, the largest National Congress on Diversity in Spain. CCEP representatives spoke on a panel alongside others from Procter & Gamble, Telefonica, RoomMate Hotels and AXA.

Together with The Coca-Cola Company, we are co-sponsors of [LEAD](#) (Leading Executives Advancing Diversity). LEAD's ambition is to attract, retain and advance women in the retail and consumer goods industry in Europe through education, leadership and business development. At the European LEAD Conference in London during 2018, CCEP speakers shared our actions with other industry attendees to increase the cross industry learnings. We hosted a LEAD London Chapter event in September 2018, bringing around 60 members together for an evening of networking, learning and development.

In 2018, we again sponsored the European Diversity Awards.

### Q. - Have you received any recognition or awards for diversity and inclusion?

A. - In 2018, our business in Iberia received the Intrama Top Diversity Award for its innovation and commitment in improving gender diversity. In Germany, The Rainbow Network was awarded the PRIDE 500 seal, in recognition for its work in raising awareness of LGBT issues.

## Wellbeing & Safety

### Q. - What is CCEP's employee wellbeing and safety strategy?

A. - We are committed to providing our employees with a safe and healthy work environment that safeguards their mental and physical wellbeing.

We are working to achieve world-class safety standards across our business. We're committed to achieving year-on-year reductions in workplace accidents, with the ultimate goal of zero incidents in the workplace.

In cases where employees are injured or have other mental or physical health issues during employment with CCEP, we make any adjustments to their duties and working environment that are necessary to support their recovery and continued employment.

We have a safety road map in place to drive a harmonised approach to mitigate top safety risks and create a culture of continuous improvement.

We also support our employees' health and wellbeing through a range of benefits and other programmes.

## ACTION ON SOCIETY (OUR PEOPLE) - FAQ- CONTINUED

### Q. - How did CCEP perform in 2018?

A. - In 2018, our lost-time incident rate (LTIR) was 1.14 per 100 full-time equivalent employees across our whole business, compared to 1.23 in 2017. Overall, our LTIR has reduced by 55% over the last five years, with a 30% reduction since the formation of CCEP two years ago. This result was achieved through investing in our people, work equipment and infrastructure.

Several of our sites celebrated important safety milestones during 2018. Our site in Rosbrud, Norway, experienced no loss of absence (LTA) throughout the year. CCEP Sweden also celebrated one year without an accident causing an absence to any employee.

Our Luxembourg site celebrated 1,000 days of no accidents and was recognised for quality and excellence in the Luxembourg Prize.

### Q. - How does CCEP manage and measure safety performance?

A. - CCEP has a number of integrated management systems and programmes in place to measure and manage our safety performance.

In 2018, we have updated our methodology for tracking and managing safety performance to show us more clearly how and why incidents are occurring. For example, we have now begun to use total incident rates (TIR) as a key performance indicator, instead of lost-time incident rates (LTIR). With TIR, any incident leading to an injury that requires medical treatment is counted in the overall rating.

In 2018, we took a number of steps to improve our safety management systems. These included harmonising our five core safety training programmes, progressing them from the design to the development phase. In Germany, we piloted a new behavioural safety observation app, and we plan to roll this out across our territories.

During the year, we launched a contractor management system across all our territories. Under the new system, all contractors are required to pass a risk-based assessment before they are permitted to work at CCEP sites. We also completed a safety maturity profile assessment for all our manufacturing sites.

In 2018, 46 of our 47 manufacturing sites and all our regional distribution centres were certified to Occupational Health and Safety management system OHSAS 18001.

### Q. - What investments is CCEP making in workplace safety?

A. - In 2018, CCEP approved an investment of €11M for safety projects. The investment will be used to upgrade and improve workplace equipment and infrastructure, including upgrading machinery safeguarding, improving loading bay safety, segregating people from vehicles and reducing noise levels.

## Training & Development

### Q. - How do you support your employees' professional development?

A. - CCEP has a number of training programmes and systems to support our people and develop talent at every level of our organisation. These include our Accelerate Performance working sessions, as well as tools to identify talent and growth potential among our employees.

Our training programmes support our people at every stage in their careers, from the moment they join CCEP onwards. Programmes designed for new employees include our Red University in Belgium, a series of training sessions designed to give newcomers a complete understanding of our brands and products.

In 2018, we launched a new learning platform called Juice as part of our new people strategy. The platform will offer short training videos, guides and other online tools covering a wide range of subjects, from time management to team building. Available on any device, Juice will give all our employees a way to learn at their own pace, whenever they like.

To further support development we have an online Performance Acceleration tool which captures an employee's objectives, personal development and career aspirations. An employee can send and receive feedback in this tool too. In 2018, we also launched a coaching section within the Performance Acceleration tool which enables line managers to objectively coach employees, record feedback and therefore embed skills and knowledge learnt from training interventions.

## ACTION ON SOCIETY (OUR PEOPLE) - FAQ- CONTINUED

### Pay & Benefits

**Q. - What benefits does CCEP offer to employees?**

**A. –** Benefits are available to all employees and vary according to the employee's country and level in the organisation. They can include medical or dental insurance, life insurance, eye-care vouchers, holiday time and leave packages to cover sickness, the birth of a child, bereavement or a long-term illness in the family.

Depending on their country, level and grade, some of our employees are offered pension plans or share ownership schemes that are tied to CCEP's performance. For example, in Great Britain, CCEP offers an Employee Share Plan (ESP), giving employees a tax-efficient mechanism to become shareholders through salary sacrifice arrangements. Around 66% of eligible employees took part in the ESP by the end of 2018.

**Q. - How do you work to develop pay equity?**

**A. –** CCEP is an equal opportunities employer. We make all employment-related decisions, including pay decisions, solely on the grounds of individual ability, achievement, expertise and conduct. We do not discriminate on the basis of gender or any other reason not related to job performance or prohibited by law.

To ensure that line managers make appropriate pay decisions, we provide training and support during the salary review process and when employees are being hired or promoted. We monitor pay equity within our territories through annual or bi-annual reviews. These take account of additional factors, such as performance over time, which can affect the pay of both men and women.

We publish our pay ratio in each of our countries of operation where required, using the methodologies defined by local laws and regulations. Our corporate gender pay ratio can be found in our Corporate data table.

CCEP Iceland is certified to pay equal salaries to both genders and today the management team is 50/50 men and women.