

Coca-Cola in Europe

EU CODE OF CONDUCT - MOTIVATION LETTER

The Coca-Cola System wants to refresh the world and make a difference. We build loved brands, done sustainably for a better shared future.

Meeting the 2030 SDG targets depends to a large extent on the transformation of food systems. That is why The Coca-Cola Company and its leading bottling partners in Europe, [Coca-Cola Europacific Partners](#) and [Coca-Cola Hellenic Bottling Company](#), **support the EU Commission's Farm-to-Fork Strategy objective** to accelerate the transition to sustainable food systems. Our ambition is to ensure that for our consumers the healthier and more sustainable choice becomes the easy choice.

We **appreciate the opportunity** provided by the European Commission to contribute to the voluntary Code for Responsible Business Conduct and Marketing Practices. We agree that tackling the challenges of greatest concern to our European consumers, customers, communities, and employees requires legislative action as well as voluntary actions from business. We are committed to demonstrating that meaningful voluntary commitments by companies like ours can help achieve policy objectives effectively. As market leader in the soft drinks industry we understand the role we have to play not only as an individual company but also to raise the bar for our entire industry and drive change at a more systemic level. Therefore we support ambitious commitments from our associations to the EU Code of Conduct, complemented by our companies' own commitments. The areas we have identified are aligned with our companies' ESG priority issues (<https://www.coca-colacompany.com/sustainable-business/our-priority-sustainability-issues>), are connected with key SDG goals and are relevant to all aspirational objectives of the Code of Conduct. The below listed initiatives go beyond current EU legislation and/or are strengthening existing voluntary commitments. We will continue to go faster and further where we can.

As Coca-Cola in Europe, we are committed to the following initiatives:

Health&Nutrition (Aspirational Objective 1):

- We signed up to UNESDA's new commitment to reduce average added sugars in soft drinks by another 10% 2025 vs 2019 in the EU-27+UK; (reporting through UNESDA)
- We signed up to UNESDA's existing commitment not to sell soft drinks in primary schools and only sell no/low calorie soft drinks in secondary schools in unbranded vending machines across the EU; (reporting through UNESDA)
- We signed up to the enhanced responsible marketing commitments from both the EU Pledge and UNESDA stipulating that we will not market any of our beverages to children younger than 13 years (changed from the current 12years) and we will reduce our 35% audience threshold to 30%. These changes mean we will not market or advertise in any

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media that has an audience where 30% or more of that audience consists of children under 13 years old across the EU. (reporting through UNESDA and EU Pledge)

Climate (Aspirational Objective 3):

- We continue our progress to reduce our climate impact and, as a result, ambition to achieve Net Zero greenhouse gas (GHG) emissions in our entire European value chain by 2040. The Coca-Cola Company's leading bottling partners in Europe, Coca-Cola Europacific Partners and Coca-Cola HBC have now set new Net Zero 2040 goals, including interim science-based targets for 2030. This will result in a reduction of 2.5 million tons CO2 equivalent annually in Europe by 2030 compared to 2015 – a reduction of 30% – including all Scope 1, 2 and 3 emissions (reporting through the annual ESG-disclosure of Coca-Cola Europacific Partners and Coca-Cola HBC for their respective operations in Europe)

Packaging (Aspirational Objective 4):

- We have a global goal to collect and recycle a bottle or can for each one we sell by 2030. We signed up to UNESDA's new circular beverage packaging vision which includes the following for the EU:
 - **Recycle:**
 - By 2025:
 - Our beverage packaging (plastic, metal, glass) will be 100% recyclable;
 - All our PET bottles will contain a minimum average of 50% rPET.
 - By 2030:
 - All our PET bottles to be made from 100% recycled and/or renewable material if technically and economically feasible – thereby moving away from fossil fuel sources.
 - **Collect** – 90% collection of PET bottles, glass bottles and aluminium cans by 2030.
 - **Reduce and Reuse** – use more refillable packaging by 2030 compared to 2020 and study the best environmental and economic pathway to increase the use of refillable models.
(reporting through UNESDA)
- We recently announced we plan to reduce our use of virgin plastic derived from non-renewable sources by a cumulative 3 million metric tons over the next five years globally. In 2025, depending on business growth, we project that we will use approximately 20% less virgin plastic globally (reporting through annual Business and ESG Report from The Coca-Cola Company).

Water (Aspirational Objective 4):

- We have set a new global strategy to increase water security for our business, communities and nature. This new strategy maintains our commitment for at least 100% global replenishment of direct water use. It includes new goals such as 100% regenerative water use in all leadership locations (local 'net zero water usage'), 100% advanced water

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management practices for ingredients grown in water-stressed regions. (reporting through annual Business and ESG Report from The Coca-Cola Company)

- We will continue to develop and promote the natural capital concept in partnership with stakeholders. Specifically, we will develop natural capital assessments for all our replenishment projects in Europe to identify the co-benefits in terms of biodiversity, climate change mitigation and economic development.

Sustainable Agriculture (Aspirational Objectives 2,5,6,7)

- We are committed to uphold our global [Principles for Sustainable Agriculture](#), incl. human and workplace rights, environment and ecosystems, animal health and welfare, and farm management systems. Our goal is to sustainably source all our ingredients and paper-based packaging. (reporting through annual Business and ESG Report from The Coca-Cola Company)

We cannot achieve these goals alone. In key areas, we need enabling policy frameworks—at EU and at Member State level – to provide support and direction. Progress against the above commitments will be monitored and findings will be made public, either through the associations for the commitments they have submitted or through our own yearly ESG reporting. We look forward to a constructive multi-stakeholder dialogue that will accompany the roll out of this Code of Conduct to exchange with all interested parties the progress made, the opportunities for intensified collaboration among all actors and the necessary enablers to help accelerate this process.

For more information:

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