30° Years of Optimism in Romania

Coca-Cola HBC Romania

Coca-Cola România

Coca-Cola System Romania
Sustainability Report 2020

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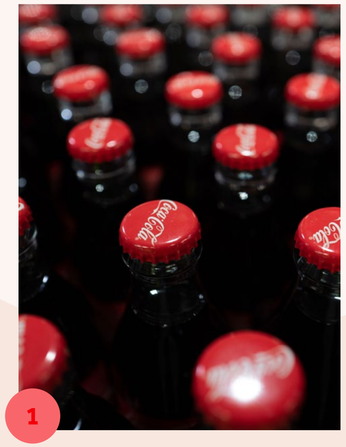

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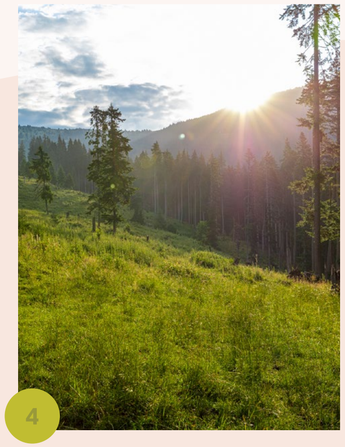

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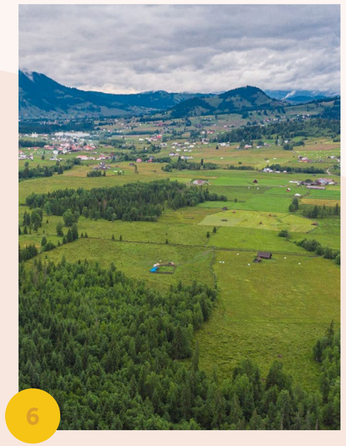

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Welcome Message

Jovan Radosavljevic
Director General
Coca-Cola HBC Romania

Paris Nikolopoulos
Director General
Coca-Cola Romania

GRI 102-14

Dear friends,

We went through a completely unexpected 2020, characterized almost entirely by the global crisis caused by the COVID-19 pandemic. We had reasons to hope, even though this year brought us many challenges along the way. The efforts made by the entire society and the solidarity that all of us showed brought back for us a feeling that perhaps somewhere, over time, we had lost - optimism.

Although it was a difficult year, we immediately realized that quick reactions were needed. An internal group was set up at System level, responsible for managing all the risk situations we could face as a result of the pandemic. We took all the necessary measures to protect the safety of our employees, especially those working in the front line – sales, production and warehouses. We provided protective equipment for all employees, developed new programs to support and advise them and maintained constant communication for them to stay connected to the team's pulse. For our partners in the industries most affected by the measures imposed by the health crisis, we developed a plan of practical support actions, providing them with safety kits, as well as marketing and advice to help them adapt to the new reality. We also offered our resources to support the community, donating money for medical equipment and drinks for hospitals and quarantine centers. Our colleagues took the initiative and became volunteers, being also personally involved in actions to mitigate the effects of the pandemic. We launched the platform **I am working again** (*Lucrez din nou*) to help people looking for a job and adapted our already established programs to find solutions to the existing needs. The special edition **Future Makers Coronavirus Solutions** provided financing for entrepreneurial solutions for social, economic and health issues.

Despite all the challenges we encountered, we did not deviate from the commitments we made. We continued to monitor and measure our social and environmental impact and we remained connected to the priorities behind our strategy: **World Without Waste**, **Leadership for water**, **Action to reduce emissions and tackle climate change**, **Reducing sugar content in beverages** and **Our people and communities**.

We continued to use 100% renewable or clean electricity in all our plants, while our CO_2 emissions per liter of beverage produced decreased by 15% compared with 2017. We accelerated our efforts to improve water efficiency, with a 2% drop of the water consumption intensity compared with the previous year. We constantly invest in innovation and new technologies to address the packaging problem, particularly plastics, rethinking how our beverages reach consumers, but also the types of materials used. Thus, in 2020, 20% of our portfolio was packed in recycled PET, **rPET**. At the same time, 94% of the waste generated from production has been recycled.

We communicate transparently information about the ingredients in our products and take steps to reduce the sugar content in our beverages, being aware of the importance of a balanced nutrition. In 2020, low & no calorie and water beverages accounted for 27.6% of our sales. At the same time, 21% of the marketing budget was allocated to promote low & no calorie beverages and 22% for water, while 90% of the advertising made for the Coca-Cola range promoted **Coca-Cola Zero Sugar**.

The performance and progress we make year after year are just a reflection of the involvement and dedication of our team of more than 1,550 employees. That is why, beyond an open organizational culture based on diversity and equal opportunities, we want to provide them with an environment that enables them to reach their potential. With an average of 37 hours of training offered to our colleagues and a benefit package updated to meet their needs, we are again **the Most Attractive Employer in the FMCG Industry**.

During all these years, helped by the efforts of all our colleagues in the System, we proved that we could build a successful business model, being the leader of the beverage industry in Romania and at the same time **the most sustainable company in the country**, a recognition received annually since 2016.

We stepped into 2021, the year that marks 30 years of Coca-Cola in Romania, with hope and optimism, having in mind a promise that we make in front of you and the entire Romanian society. And our promise is that **#wewontstophere** and we will continue to fight to make the difference, to be better, to be more responsible for the next **#30yearsofoptimism**.

About the Report

GRI 102-1
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The following pages present the 3rd Sustainability Report of the Coca-Cola System in Romania (the seventh of Coca-Cola HBC Romania). This report covers 2020, from January 1st to December 31st 2020 and provides information regarding the economic, social and environmental impact of the System. The report is compliant with the provisions of the 2014/95/EU Directive transposed to Romanian legislation through the Order no. 1938/2016 of the Ministry of Public Finance.

This report has been prepared in accordance with the GRI Standards: Core option.

The information presented in this report describes the activity of Coca-Cola System in Romania: Coca-Cola HBC Romania and Coca-Cola Romania. The report content was developed based on the materiality process results implemented between May and June 2021, which entailed System stakeholder consultation and economic, social and environmental impact dimension analysis.

The report provides relevant information describing the system's sustainability performance and indicators specific to our business model. The beginning of each chapter includes the targets for sustainable development to which the Coca-Cola system in Romania contributes through the actions, policies and programs implemented.

Where necessary to understand the context, we included relevant information across the Coca-Cola System. It also includes references to events, projects or policies launched in previous years or early 2021 to provide a full picture to the stakeholders.

The report was developed with the support of The CSR Agency, together with Coca-Cola HBC Romania and Coca-Cola Romania teams, under the supervision of:

Adina-Gabriela Tudor
Senior Community Affairs Coordinator
Coca-Cola HBC Romania

Cristina Hosu
Packaging Waste Coordinator
Coca-Cola HBC Romania

Mihaela Niță
Public Affairs Manager
Coca-Cola Romania

For questions, clarifications or feedback, please contact us at:

adina-gabriela.tudor@cchellenic.com
minita@coca-cola.com

Coca-Cola HBC Romania SRL
Global City Business Park
Sos. Bucharest North, 10,
O23 Building, 3rd floor
Voluntari, Ilfov

Coca-Cola Romania SRL
Bucharest Business Park
Sos. Bucharest-Ploiesti, 1A,
Entry A, et. 2
Sector 1, Bucharest

Interactive elements:

Content button, link to the Content Page

By clicking this button at the beginning of each chapter, you can see the list of Sustainable Development Goals to which we contribute through the actions/projects/measures/programs we implement.

Also, our contribution to meeting the Goals was highlighted at the level of the GRI Content Index. Each lens image shown has a link behind it and clicking on it redirects the reader to the official page sdgs.un.org and the related Goal presentation.

www.external-link.ro
LINK EXTERN
external link

1.

About Us

30 Years of Coca-Cola in Romania

Always Together: We Turn Obstacles into Opportunities

Key Figures

Ethics and Compliance

Risk Management

Awards and Affiliations

Globally, The Coca-Cola Company produces and sells concentrates and syrups for beverages, which are then processed into finished beverages by our bottling partners. They produce, bottle, package, sell and distribute the drinks so loved by billions of consumers around the world.

135

years of Coca-Cola

Headquartered in

Atlanta, Georgia,

United States

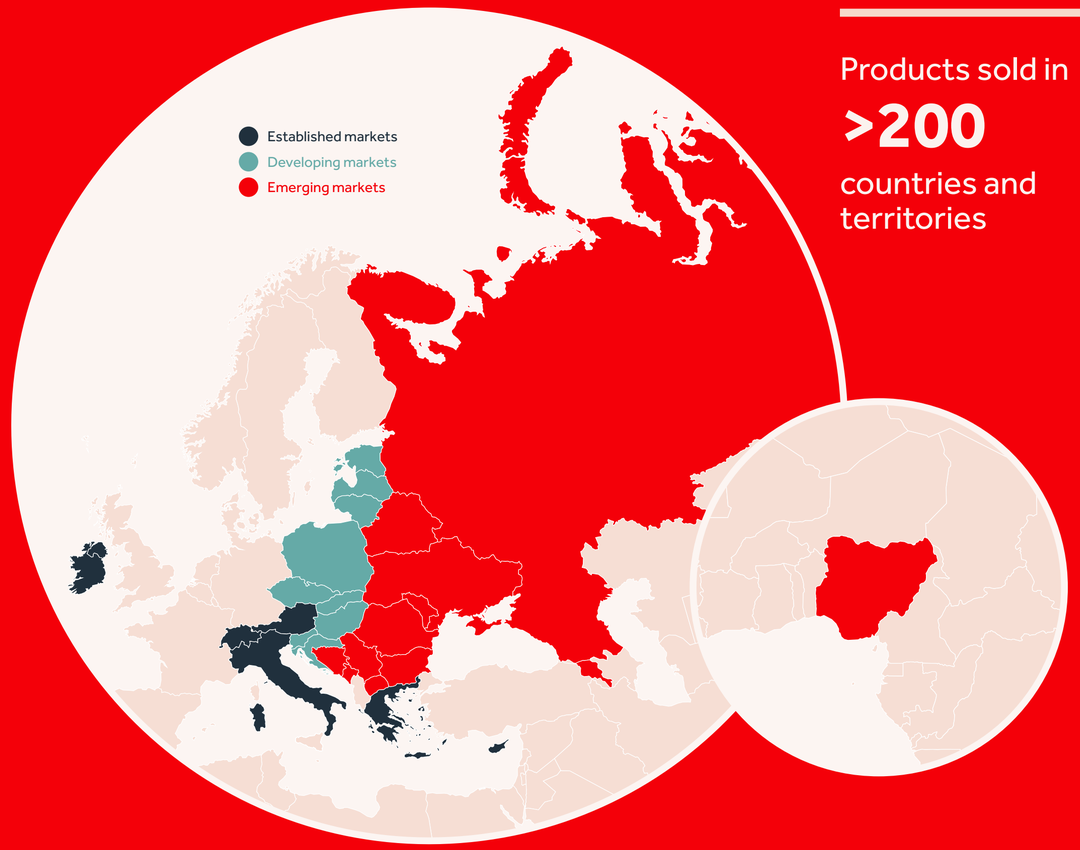
Products sold in

>200

countries and territories

>200

master brands



COCA-COLA HBC

Coca-Cola Hellenic Bottling Company is a strategic bottling partner of The Coca-Cola Company. With a rich portfolio, for all needs and tastes, the company is authorized to produce and sell The Coca-Cola Company products in 28 countries, on 3 continents.

17,000
suppliers

56
plants

98
distribution centers

THE COCA-COLA SYSTEM

225
bottling partners worldwide

900
bottling plants

>700,000
employees

GRI 102-3
GRI 102-4
GRI 102-6

30 Years of Coca-Cola in Romania

The period ending the third decade of the Coca-Cola story on the Romanian market was an extremely difficult one, which put us all to the test, both at the individual level, but especially at the societal level. We had to adapt to the context and restrictions imposed by the coronavirus pandemic, always keeping in mind safety of ourselves and our loved ones.

Although it was not easy at all, 2020 also taught us many things that will remain deeply imprinted in our minds for a long time to come and one of the most important lessons highlighted the power of solidarity and showed us how important it is to stay united, always together. We all learned to appreciate things that may have seemed trivial to us until then, we rediscovered old passions and we were tempted by new feelings, unknown till then. However, towards the end of a challenging year, the good news received from the medical community and the discovery of the COVID-19 vaccine brought back a taste of optimism and the hope that slowly, we can be reunited with our loved ones and return to normality. A different normal, in which we were given the chance to start from the very beginning: more humble, more responsible, more courageous and more attentive to the needs of the people around us, but also better than we have ever been, aware that each of us can make a difference.

2020 marks the end of the third decade of Coca-Cola System's presence in Romania, when Coca-Cola became part of the traditions of millions of Romanians and symbols of optimism, joy and emotion as elements of Coca-Cola's communication.
In 1991, the first bottle of Coca-Cola produced in Romania marked the beginning of a long partnership with positive impact in the community and the local economy.

With three plants, 15 production lines and 25 logistics warehouses in Romania and sustained investments over the years, we are the leader of the local beverage industry and the largest exporter. We produce more than 1 billion liters of drinks every year, we have more than 1,500 people in the local team and we support more than 15,800 jobs across the entire value chain. Growing year after year, along with our local partners, the Coca-Cola System has come to generate, together with all the partners involved in our operations, more than 434 million euros of added value annually, with contributions to the state budget of about 40% of this amount.*

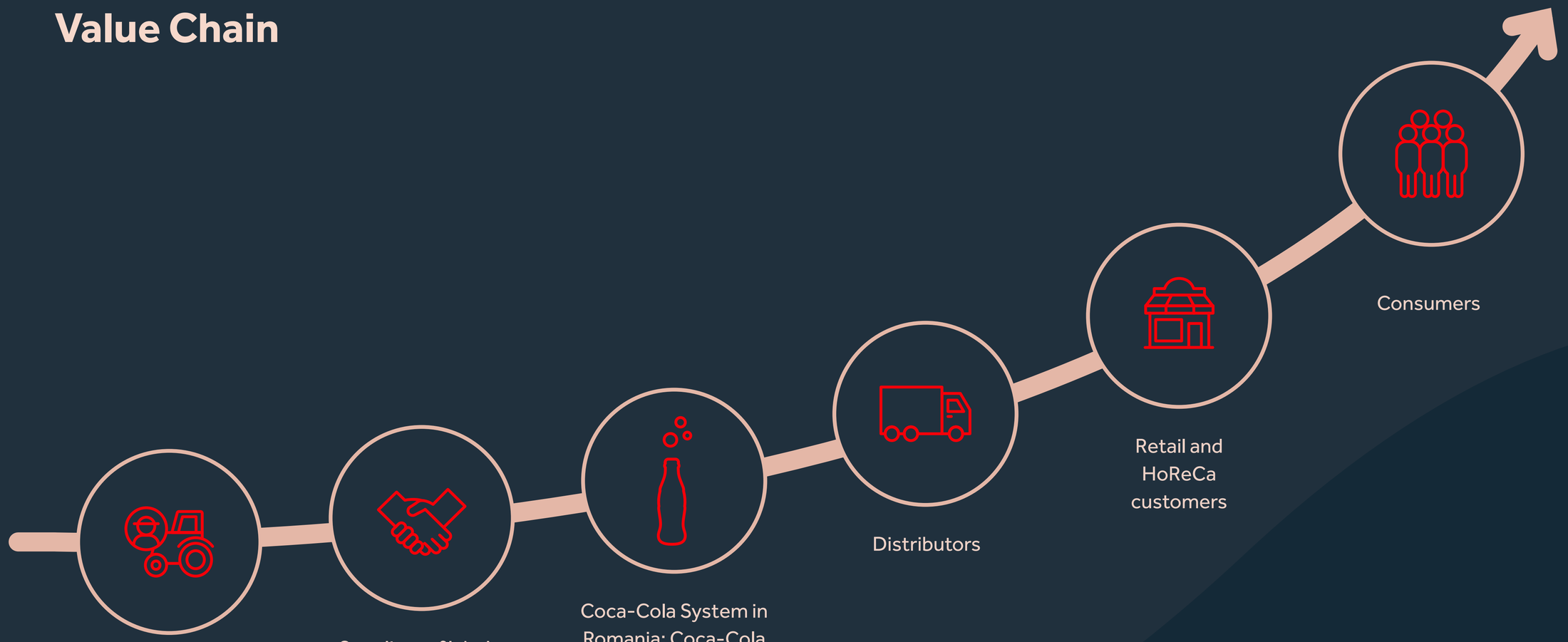
*According to the data from the socio-economic impact study carried out by the consultancy firm Steward Redqueen BV, based on the financial data for 2020.

Coca-Cola Romania is responsible for creating the marketing and packaging strategy, conducting market research in relation to Coca-Cola brands, as well as promoting products, communicating with consumers, public relations and brand management. The company generates net revenue from the sale of concentrates and syrups to authorized bottling partners.

Coca-Cola HBC Romania operates the production, bottling and distribution network of the product portfolio of Coca-Cola Romania.

Value Chain

GRI 102-6
GRI 102-9



Economic Performance

2020 brought many challenges, both for the society as a whole and for the business environment, and the effects of the coronavirus pandemic were also felt in terms of our economic performance, with revenue falling compared with 2019. However, the cost of employees' salaries and benefits increased and the investments we directed toward society, in a very difficult context that brought exceptional mobilization of the civil society and the economic environment, were 120% higher than the previous year.

COCA-COLA HBC ROMANIA

	2018 lei	2019 lei	2020 lei
Direct economic value generated:	**2,537,189,284**	**2,812,445,435**	**2,474,075,512**
Revenue	2,537,189,284	2,812,445,435	2,474,075,512
Economic value distributed	**2,583,923,844**	**3,029,218,937**	**2,451,433,774**
Operating cost	1,993,656,435	2,033,215,993	1,759,548,665
Employee wages and benefits	173,806,256	190,615,826	195,164,808
Payments to shareholders	337,839,075	713,183,258	393,770,769
Payments to the government/ state budget	76,737,411	92,203,860	98,130,348
Community investments	1,884,668	2,182,010	4,819,184
Economic value retained	**(46,734,560)**	**(216,773,502)**	**(22,641,738)**

	2018	2019	2020
Volum milioane de unit case-uri (uc) vândute	191,295,000	202,204,095.2	185,316,403.0*
Volum litri produs	1,086,173,010	1,148,114,852.5	1,079,796,551.8
Impozitul pe venit (după deducerea cheltuielilor sponsorizate)	76,737,411 lei	92,203,860 lei	60,456,247
Număr clienți (la sfârșitul anului)	94,000	96,810	93,424

*excludes alcoholic beverages and coffee

COCA-COLA ROMANIA

	2018 lei	2019 lei	2020 lei
Direct economic value generated:	**90,723,896**	**94,401,760**	**60,166,489**
Revenue	90,723,896	94,401,760	60,166,489
Economic value distributed	**21,245,269**	**21,155,319**	**19,016,559**
Operating cost	7,007,542	7,837,393	6,026,643
Employee wages and benefits	13,689,729	13,008,355	12,699,719
Payments to shareholders	In 2018, dividends for 2008-2016 were distributed. The 2018 dividends were not paid.	-	-
Payments to the government/ state budget	547,998	309,571	290,197
Community investments	*Community investments are managed through the Coca-Cola Foundation*		
Economic value retained	**69,478,627**	**73,246,441**	**41,149,930**

GRI 102-5
GRI 102-7
GRI 103-2
GRI 201-1

Shareholders

In 2020, there were no significant changes in the company's structure or ownership.

Shareholders	Percentage of shares
CC Beverages Holdings II B.V.	99.99998%
Jovan Radosavljevic	0.00002%

Shareholders	Percentage of shares
The Coca-Cola Export Corporation	99.99%
RPSI II INC.	0.01%

Tax Policy

GRI 103-2
GRI 103-3

Our commitment to be a value-adding partner for every community and jurisdiction in which we operate is at the core of our growth strategy and our tax payments are a key element in our ability to deliver on that commitment. CCH' s overall approach to tax is outlined and interpreted in our Tax Policy. The Tax Policy defines our strategic goals and objectives and specifies the governance role played by the CCH Group tax team in their delivery. It also sets out the principles that define how we deliver on these goals and objectives and defines tax accountabilities, responsibilities and delegations of authority. Our tax policy is based on a series of **core commitments** to:

- Observe all applicable laws, rules and regulations in meeting our tax compliance and reporting responsibilities everywhere we operate;
- Comply with the OECD transfer pricing guidelines and ensure that the arm's length principle is always observed in transactions between Group companies;
- Ensure that tax strategy is aligned with business and commercial strategy and tax planning opportunities are evaluated within clear risk parameters;
- Pay taxes on our activities in the country where the value is created;
- Avoid any tax structure or tax planning initiative that would potentially exploit gaps in the architecture of the international tax system to artificially shift profits to places where there is low or no taxation;
- Work positively, pro-actively and transparently with tax authorities;
- Apply diligent professional care and judgement to ensure all decisions are well-considered and documented;
- Ensure that due consideration is given to the Group's corporate and social responsibilities and the value it places on earning community trust.

Our Tax Policy is underpinned by our Tax Governance principles. **Tax governance principles** define how tax accountabilities, responsibilities and delegations of authority are allocated within the Group:

- The tax organizational model for CCH is global. This ensures that tax activities and behaviors are globally consistent and standardized wherever possible.
- Accountability for all taxes lies with Group Tax, unless accountability is clearly devolved and accepted elsewhere.
- All tax reporting lines for members of the CCH Tax Team are reflected in the Group Tax structure.

The Group Tax Director is responsible for the implementation of the Tax Policy, which is relevant to all entities and employees within CCH. Tax Policy is subject to approval by CCH Audit Committee, Group Chief Financial Officer (CFO), and the Group Tax Director. Upon approval, the Tax Policy document is then distributed to the Operating Committee, the Country General Managers (GMs) and Country CFOs. All delegations and segregation of authorities set out in Tax Policy align with the CCH Chart of Authority. As regards specifically accountabilities and responsibilities for tax activities, these are allocated to all stakeholders (Group Tax, Local Tx, Group Finance, Country CFO, Business units, external stakeholders) in line with the Group and Country Chart of Authority, as appliedfrom time to time.

We train and support all personnel with responsibilities for tax matters to ensure that they have the skills, technical expertise and knowledge to effectively and accurately fulfill their tax responsibilities and perform to the best of their abilities. This enables our people to develop into talented and competent professionals, to meet their development needs and remain motivated and challenged in their roles.

Tax Code of Conduct

The Tax Code of Conduct supports the tax mission statement and sets out the principles that define how Coca-Cola HBC operates. The Code of Conduct is aligned with the principles of Coca-Cola HBC's Strategic Framework.

Managing Relationships with Tax Authorities

Coca-Cola HBC's management of relationships with tax authorities is consistent on a global basis and is defined within the Tax Mission Statement and Tax Code of Conduct, namely:

- We commit to working positively, pro-actively and transparently with tax authorities to minimize the extent of disputes, to achieve early agreement on disputed issues when they arise and achieve certainty, wherever possible.
- We commit to ensuring compliance with all relevant legal disclosure requirements.
- We commit to being open and transparent with tax authorities about the Group's tax affairs and to disclosing relevant information to enable tax authorities to carry out their review.

GRI 103-2

Always Together:

TURNING OBSTACLES INTO OPPORTUNITIES

The onset of the pandemic presented us with what would prove to be an extremely difficult time for all of us. As expected, throughout the Coca-Cola System, safety has been the top priority for us: the safety of our employees, partners, customers, consumers, and products. From the beginning of the crisis, we have followed closely the guidance of the health authorities to protect the health and safety of office, manufacturing, distribution, and retail employees.

In immediate response to the situation that was taking shape at the beginning of 2020, an internal cross-functional group was set up at System level, whose main responsibility was to manage all the risk situations we may face as a result of the pandemic. The group, currently active, includes representatives of procurement, finance, human resources, marketing, sales, communications, and public relations, legal and IT (business systems and solutions) departments.

Thus, all scenarios and action plans developed across the group have been adapted to the Romanian context, taking all necessary measures to protect the safety of employees in the workplace, especially the frontline employees – sales, production, and deposits.

At the beginning of the pandemic, at Coca-Cola Romania, we considered it would not be appropriate, given the challenges and the uncertainty that we were facing at the time, to continue commercial advertising as before. Therefore, we made the decision to suspend our marketing activity starting April 2020. We focused our resources and energy on the top priorities, namely the safety of our employees, while remaining close to our business partners and trying to have a noticeable positive impact on the communities in which we operate. We have been involved in responding to urgent needs, such as those of health professionals, patients, but also to support society's efforts in general to overcome this unprecedented period well.

2020: OUR ACHIEVEMENTS

As part of the Coca-Cola HBC Group, our work is aligned with the highest international standards and practices, which is also demonstrated by the ratings and rankings where we are leading when it comes to social, environmental and governance performance.

Dow Jones - Sustainability Index (DJSI)

We are rated as the most sustainable beverage company in the world according to the *Dow Jones Sustainability Index*. This is the 5th time in 7 years that we ranked first globally in the Sustainability Index and the 10th consecutive year when we are ranked among the top three global and European beverage companies. At the same time, in 7 of the last 8 years, the company ranked first among the European beverage manufacturing companies.

Since 2008, our group has been included in the DJSI every year – which testifies to our efforts to continuously improve our performance in the area of sustainability. Launched in 1999, DJSI is considered a global benchmark in the field of corporate sustainability.

Member of
Dow Jones Sustainability Indices
Powered by the S&P Global CSA

MSCI ESG Assessment

In 2020, for the sixth year in a row, we received the "AAA" rating from the ESG MSCI.

The ESG MSCI assesses companies worldwide on the basis of their exposure to industry-specific ESG risks and their ability to manage those risks in relation to other competitors.

MSCI ESG RATINGS AAA
CCC | B | BB | BBB | A | AA | AAA

FTSE4GOOD

We have been included in the FTSE4Good Index series since it was established in 2000. In recent years, we have been rated with the highest rating in the beverage industry. This index series is designed to identify companies that demonstrate environmental, social and governance practices measured according to globally recognized standards.

FTSE4Good

CDP (Carbon Disclosure Project)

In 2020, we received the highest rating and the "A" rating for the CDP's climate and water disclosures. In addition, in the last five years (since 2016), we have been given the highest score on CDP Climate Disclosure and, four times, the "A" rating on CDP Water Disclosure. In addition, since 2016 we have been recognized by CDP as a global leader for engagement and communication with partners in the supply chain ecosystem.

CDP's annual environmental disclosure and scoring process are widely recognized as the gold standard of corporate environmental transparency.

CDP uses a detailed and independent methodology to assess companies, with a score from A to D based on the comprehensiveness of disclosure, awareness and management of environmental risks and best practices associated with environment leadership, such as setting ambitious and significant targets.

CDP DISCLOSURE INSIGHT ACTION A LIST 2020 CLIMATE

CDP DISCLOSURE INSIGHT ACTION A LIST 2020 WATER

VIGEO

Vigeo has been evaluating Coca-Cola HBC since 2004; in 2020 we took first place in the rankings by Vigeo Eiris, in collaboration with Euronext. We have also maintained our position in Top 120 in Europe, as well as in the Top 20 Index in the UK. The Vigeo Group provides research and analysis to asset managers, assessing companies' performance on sustainable development and social responsibility.

ISS

We have maintained the status of ISS ESG Prime since 2016. Originally founded in 1993 and previously known as Oekom Research, the ISS is one of the most important agencies for research and evaluation of ESG factors for sustainable investment, with one of the best global assessment methodologies recognized for its quality.

FORUM ETHIBEL

Since 2007, we have been part of the Ethibel Excellence Investment Register. The Ethibel Forum is an independent agency that advises banks and brokers on socially responsible investments. It assesses companies worldwide in terms of economic, social, and environmental performance. Ethibel looks for companies that are socially responsible entrepreneurship trendsetters in the sector and regions in which it operates.

In the last decade, at the level of the Coca-Cola HBC Group, we have reduced our emission by

31%

2020 vs. 2010

Absolute →

Ingredients

-12%

Zero/low sugar products

Supplier improved carbon factor

Improved production efficiency

Packaging

-22%

PET, glass and alu cans lightweighting

Secondary packaging optimization

Introduction of rPET and bPET

Manufacturing

-37%

Energy saving programs

Investing/partnering in Co-generation (CHP)

New production lines/manufacturing consolidation

Purchasing renewable electricity

Distribution

-39%

Supply network optimization

Fleet optimization

New generation fleet

Refrigeration

-43%

HFC-free coolers

Energy-efficient new models

Replacing old coolers

Overall absolute GHG emissions reduction of 31% or 1.8 million tons of CO_2e.

Key Figures

Sistemul Coca-Cola Romania

GRI 102-7
GRI 405-2

>1 billion

liters of beverages produced

>93,000 customers

>1,550 employees

in the Coca-Cola System team

>17.6 mill. lei

value of benefits offered to CCHBC employees

45.8%

share of CCHBC management positions held by women*

0.92

ratio between the average wages for men and the average for women at CCBHC

37

average number of training hours per CCHBC employee

0

registered work accidents

The most sustainable company in Romania

according to The Azores Romania CSR Index 2020

Gold Level Recognition

in the assessment of the Community Index, the *Career Education* and *Waste Management* categories for the **La TINEri este puterea** (*YOUth empowered*) and **După noi strângem tot noi** (*Cleaning up after ourselves*) projects

Best FMCG supplier

in the Progresiv Awards 2020

Most attractive FMCG employer

according to the Randstad Employer Brand 2020 survey

Partnership of the Year Award

for the **Living Danube** project, Coca-Cola - WWF, at the Reuters Responsible Business Awards 2020

100%

of all electricity used comes from renewable and clean sources

~1.9%

decrease in water consumption compared to 2019, based on the volume of beverages produced in 2020

~2%

decrease in emission intensity of Scope 1 and Scope 2, based on the volume of beverages produced in 2020

20%

of the total portfolio was bottled in recycled PET

>9.5 mill. lei

value of community investments

110

number of volunteers from CCHBC employees

* management positions with a Job Grade 10+

Business Ethics and Responsibility

Corporate Governance

Through our leadership in the beverage industry, we have the responsibility to be an example of good practice for all our partners in our day-to-day operations. Thus, the robust framework that encompasses the policies and procedures that we pursue in decision-making processes is based on collaborative principles, ethical behavior, accountability and transparency.

They are constantly monitored and evaluated, updated whenever necessary, in accordance with national and international legislation, but also with the highest standards in this area.

Management Structures

COCA-COLA HBC ROMANIA

GRI 102-18
GRI 102-22
GRI 202-2
GRI 405-1
Sustainable Management

Coca-Cola HBC Romania is run by Jovan Radosavljevic as a General Manager who reports directly to the Regional Manager. Mr. Radosavljevic is responsible for supervising the Senior Management Team (SMT), the main governing body.

70%

of the members of the senior management team are Romanian nationals.

40%

of the positions in the senior management team are occupied by women.

Structure of Senior Management Team

Member name / Position / Nationality

Radosavljevic Jovan
General Manager
Serbian

Nichita Alice-Simona
Public Affairs & Communication Manager
Romanian

Malouhos Vasileios
Country Supply Chain Service Manager
Greek

Mulțescu Cosmin-Luca
Business Solutions & Systems Country Manager
Romanian

Ioniță Mihaela
Human Resources Manager
Romanian

Alexandru Raluca-Cătălina
Acting Legal Manager
Romanian

Hoffman Mihaela
Marketing Manager
Romanian

Rompis Satskos Dimitrios
Chief Financial Officer
Greek

Neacșu Paul- Leonard
Country Sales Manager
Romanian

Munteanu Cristian
Commercial Excellence Manager
Romanian

Senior Management Team, by age and gender of members — 2020

	Men		Women		Total	
	No.	%	No.	%	No.	%
<30 years	0	0%	0	0%	0	0
30-50 years	6	60%	4	40%	10	100%
>50 years	0	0%	0	0%	0	0

In the Senior Management Team (SMT), the General Manager, the Public Affairs&Communication Manager, the Human Resources Manager and the Supply Chain Manager, have performance indicators directly linked to the achievement of the sustainability commitments made for 2025, each in their area of responsibility.

Management Structures

COCA-COLA ROMANIA

GRI 102-18
GRI 102-22
GRI 202-2
GRI 405-1

Coca-Cola Romania is led by a General Manager, supported by three other members of the Top Management team: the marketing manager, the commercial manager and the public relations and communication manager.

50%

of the members of the senior management team are Romanian nationals.

25%

of the positions in the senior management team are occupied by women.

Structure of Senior Management Team

Member name / Position / Nationality

Paris Nikolopoulos
Country Manager
Greek

Miruna Smeureanu
Marketing Director
Romanian

Bosko Popeskov
Business & Commercial Strategy Manager
Serbian

Constantin Bratu
Public Affairs & Communication Manager
Romanian

Top Management Team, by age and gender of members 2020

	Men		Women		Total	
	No.	%	No.	%	No.	%
<30 years	0	0%	0	0%	0	0
30-50 years	3	75%	1	25%	4	100%
>50 years	0	0%	0	0%	0	0

GRI 102-18
GRI 103-1
GRI 103-2
GRI 103-3

The Ethics and Compliance Committee

Coca-Cola HBC Romania has an Ethics and Compliance Committee that has the role to support local management, ensuring that the way the company operates strictly follows local legislation and the highest ethical standards.

The committee is made up of seven members, including: general manager, head of the legal department, financial manager, head of the human resources department, head of the security department and head of regional code of conduct & compliance audit department (Area COBC & Compliance Audit Manager). The Committee's responsibilities include reviewing all violations or breaches of the Code of Business Conduct in accordance with Group policies and launching initiatives to help promote an ethical culture throughout the organization.

Code of Conduct

GRI 102-16
GRI 103-2
GRI 103-3

COCA-COLA HBC ROMANIA

Our company runs and implements complex compliance programs to ensure our values and policies are known and applied by all employees in their daily activities. These compliance programs are based on the Code of Business Conduct (COBC) and the Compliance Manual and Anti-Bribery Policy.

At Coca-Cola HBC Romania, we are firmly committed to conducting our entire business with integrity and respect for society and the environment.

The COBC, available on the website of Coca-Cola HBC Romania, here, sets the commitment of the company to the conduct of our business, in accordance with the values underlying the company; all applicable laws, regulations and standards in the industry are designed to guide all employees, regardless of the level of management, to ethical behavior. It details the principles to be followed strictly in the day-to-day operation, while also illustrating the consequences of non-compliance with the Regulation.

The COBC covers all the rules employees must observe when it comes to:

- **Integrity within the Company:**
  - human rights, diversity and inclusion
  - corporate records
  - reasonable use of Coca-Cola HBC goods
  - protection of operational information and assets
  - relations with suppliers and customers
  - conflicts of interest
- **Integrity in the community:**
  - anti-bribery principles
  - environment, health, and safety in the workplace
  - fair competition in the market and compliance with competition laws
  - confidentiality and protection of personal data
  - company securities principles
- **Managing issues related to compliance with the Code of Business Conduct**
  - penalties
  - code of conduct training
  - investigating reports of potential breaches of the Code

All employees, managers, members of the Operational Committee and Company Managers are required to comply with the COBC, to keep current with it, to participate in regular training and to ask questions if they need clarification. They can turn to ethics and compliance officers, who differ by role, as follows:

Employees at country level
↳ Legal Department Manager at country level

General managers and employees of Group Divisions
↳ Chief Compliance Officer

Executive General Manager
↳ Audit and Risk Committee at Group level

Our suppliers, distributors, agents, consultants and contractors also comply with many of the COBC principles as described in the supplier guidance principles/rules available here. More information on the application of the rules can be found in chapter 6.1. Supply chain.

COCA-COLA ROMANIA

Beyond the quality of the products that have contributed to the Coca-Cola's trademark over time, one of the most important values that characterize us is integrity. Deeply rooted in our organizational culture, integrity is a principle that all our employees must adopt in their daily work, regardless of their position or the area where they work.

How we apply this principle, as well as all the values that should describe the behavior of the team, are contained in the Code-Cola Company Code of Business Conduct, available here. The Code is a guide for our employees and outlines how they should act day by day:

- in an ethical and honest way,
- supporting values and protecting the company's reputation,
- making the best decisions every day,
- respecting the legal framework, regulations and standards required by the company,
- understanding where and how to request assistance or guidance when there are questions.

Reporting Channels

GRI 102-17
GRI 103-2
GRI 103-3

COCA-COLA HBC ROMANIA

The Code of Business Conduct also describes the procedures employees must follow when reporting certain issues or incidents. Thus, they have a responsibility to raise any concerns about the breach of the COBC by talking to the direct manager, the functional manager/direct manager, or the Ethics and Compliance Officer, or by contacting the Internal Audit Department and, in particular, the COBC Manager.

In addition, a number of issues relating to financial, accounting or audit matters need to be reported directly to the Corporate Audit Director or to the Chairman of the Audit and Risk Committee, while serious breaches of the Code, such as those involving upper management, large amounts of money, financial misstatements or alleged criminal activities, must be reported directly and without delay to the General Counsel, Group Chief Financial Officer or Corporate Audit Director.

Employees can use at any time and for any aspect, the **Vorbește!**/ Speak Up! line, available here or at www.coca-colahellenic.ethicspoint.com. The Company undertakes to have any senior management employee or manager who applies pressure or retaliation against a colleague who has raised concerns or discourages or prevents other employees from reporting or requesting assistance, penalized in accordance with the Reporting Policy/ "Whistleblowing" Policy.

17 complaints were made in 2020 via the **Vorbește!**/ Speak Up! line.

Of these, 2 targeted potential conflicts of interest. The specificity of each case, the resolution mechanisms, the results of investigations carried out in accordance with internal procedures and the corrective measures implemented are strictly confidential information and cannot be disclosed to the public.

COCA-COLA ROMANIA

All employees of the Company are encouraged to seek advice and to make/ raise any complaint/ concern about violations of the Code of Conduct or other Company policies, either to their direct manager or by using one of the channels available to them.

In 2020 were no complaints from Coca-Cola Romania employees.

To report	Resources	Reporting channels
Reporting Code of Business Conduct concerns	EthicsLine, employee's direct manager, local Local Ethics Officer, or the Ethics & Compliance Office	Online reporting: www.KOethics.com or toll-free phone numbers, which can be found on www.KOethics.com
Legal questions	Company legal counsel	Local legal support
Written approvals and guidance on ethical and compliance issues	Local Ethics Officer (LEO)	Ethics and Compliance intranet site for the Local Ethics Officer
Questions about the Code of Business Conduct	The Ethics and Compliance Office, or the Local Ethics Officer	Email: compliance@coca-cola.com Fax: +1-404-598-5579 Mail: Ethics and Compliance Office
Possible criminal matters	Strategic Security	Operation Center KOC@coca-cola.com 800-515-2022
Accounting and financial policy and procedure questions	Senior Finance Personnel	Local finance support
Human resources policy and procedures questions	HR department or Employee Relations Representative	Local Human Resources department
Human rights Policy questions	Global Workplace Rights team	Email: humanrights@coca-cola.com

Conflict of Interest

GRI 102-25
GRI 103-2
GRI 103-3

COCA-COLA HBC ROMANIA

We expect all our employees to act in pursuit of the interests of the company, making objective decisions, without allowing their personal interest to influence their daily activity in any way. Conflicts of interest can also arise in relation to potential customers, consumers, suppliers, other business partners or civil servants. Employees are encouraged to promptly report and communicate any situation that may be subject to a conflict of interest to the direct manager and the responsible Ethics and Compliance Officer. At the same time, they may also notify through the COBC approval Portal of any relationship or interest that may affect them or may affect their ability to act in the interests of the Company, such as: a relative or person with whom the employee has a close personal relationship, who is involved in a business decision related to Coca-Cola HBC, investments in customers, competitors or suppliers of Coca-Cola HBC (except for shares of publicly listed companies, which could be held as personal investments), another job in another company/other activity outside the Coca-Cola HBC working hours that could influence the employee's judgment.

In 2020, two complaints about conflict of interest were registered. Of these, only one complaint was founded. Although a conflict of interest is not a violation of the Code, the failure to report it is a violation. In that case, immediate steps were taken to resolve the conflict of interest.

Furthermore, the company took the necessary steps to bring to the attention of employees the need to report possible conflicts of interest and identify potential similar cases.

COCA-COLA ROMANIA

The Code of Business Conduct is intended to help employees know which situations might constitute or lead to a conflict of interest, and also to outline the steps they need to take when they are involved in a situation that could represent a conflict of interest. All employees are encouraged to report any suspected occurrence or conflict of interest to the local Ethics Officer or, depending on the nature of the situation, to the persons/departments responsible for their management.

In 2020, there were no reports on possible conflicts of interest at Coca-Cola Romania.

Anti-corruption Policy

Our success is directly proportional to the trust our business partners, customers and consumers of our products give us. That is why we are committed to doing our work in a fair manner, in accordance with the highest standards of ethics and integrity. Thus, across the System, there is a *zero-tolerance* policy when it comes to bribery or other corruption acts.

COCA-COLA HBC ROMANIA

At Coca-Cola HBC Romania, the Anti-Bribery Policy, describes the behavior we expect from our employees when they interact with public officials and includes directions and prohibitions on giving and receiving gifts and entertainment, factory visits and product testing, hospitality, travel and accommodation, premium events, lobbying and charitable or political contributions. The same rules apply to our suppliers, distributors, agents, consultants, and subcontractors acting on our behalf.

We monitor very carefully any third party we engage to interact with a public official on behalf of the Company, so third party due diligence is required. Each person interacting with such a supplier shall have the responsibility of the overall relationship with that party, from pre-screening to the end of the contractual relationship. Prior to the contract, the responsible employee must ensure that all pre-checks have been carried out and that they have obtained the prior written approval of the Ethics and Compliance Officer.

Prior verification of parties that could interact with civil servants on behalf of the company should be carried out in all cases through the Exiger platform at insight.exiger.com. This makes it possible to identify whether the third party is high risk, whether there have been previous allegations of unfair commercial behavior, etc. If the Exiger platform provides warning signals, the Ethics and Compliance Officer should be consulted. Prior checks must be carried out every two years.

In 2020, compliance trainings on the Code of Business Conduct and Anti-Bribery Policy were not conducted due to the pandemic context. However, the company held the Ethics and Compliance Week event in which more than 650 employees and 16 suppliers participated online at their dedicated sessions.

COCA-COLA ROMANIA

At Coca-Cola Romania, the Anti-Bribery Policy stipulates strict observance of the legislation in force in this respect as well as yearly training of all employees. Also, all suppliers interacting with civil servants must be aware of and comply with this policy and their evaluation is a routine process.

Category	Number of people informed about anti-corruption policies and procedures in 2020	Number of people trained in anti-corruption policies and procedures (online training) in 2020
The members of the Board	4	4
BU Senior Management	11	11
Employees (middle management + white collar)	19	19

In 2020, none of the following were registered:

- legal actions or public lawsuits brought against Coca-Cola Romania System or its employees involving corruption and no System employees were involved in incidents of corruption leading to dismissal or disciplinary sanctions;
- termination or interruption of contractual relations with partners as a result of corruption incidents.

Compliance with Competition Law

The whole historical journey of Coca-Cola and the loyalty consumers have to our drinks were obtained based on honest competition practices. We do not want to gain advantages over our competitors in any way through illegal or unethical business practices. The national legal framework governs our commercial practices with customers, distributors and other third parties.

At Coca-Cola HBC Romania, the competition guidelines are included in the Competition Law Handbook. All our employees should consult these guidelines and, if they have any questions, refer to the local Legal Department to understand the laws and special competition policies applicable to them.

The Code of Business Conduct of Coca-Cola Romania describes the procedures employees must adopt and observe and how they must act to ensure they comply with the rules of fair competition.

In 2020, no legal actions for anti-competitive behavior or sanctions for non-compliance with competition law were recorded at the level of the Coca-Cola Romania System.

Human Rights

Human Rights respect represents a fundamental aspect for the sustainability future of the Coca-Cola System.

The framework governing our approach to human rights is underpinned by strict policies and procedures, which incorporate the international human rights principles described in by the Universal Declaration of Human Rights, the International Labor Organization Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights and the UN's Global Compact initiative.

You can read more about our human rights commitments and policies by accessing the Coca-Cola HBC Romania Policy and the Coca-Cola Company's human rights policies and regulations.

We also have and continue to develop verification mechanisms and complex policies to ensure that human rights are respected and promoted throughout the entire supply chain. We expect all our suppliers to adopt the same standards and principles relating to respect for human rights. All these aspects are communicated to them at Coca-Cola HBC Romania through the Principles of Conduct for Suppliers and at Coca-Cola Romania through the Code of Business Conduct for Suppliers and Supplier Guiding Principles.

In 2020, no complaints were received from our employees on matters related to human rights abuses.

GRI 103-1
GRI 103-2
GRI 103-3
GRI 206-1

Personal Data Protection

COCA-COLA HBC ROMANIA

We value and protect the privacy of data for all employees, candidates for open positions, business partners and customers. The entire company has the responsibility to comply with the following fundamental principles when handling personal data:

- We process the data legally, fairly, and transparently.
- We collect the data for specified explicit and legitimate purposes.
- We do not collect or process data that we do not need.
- We keep the data properly and update it.
- We limit the time we retain the collected data.
- We ensure the right security measures for personal data.

The way in which we manage personal data must comply with the provisions of the Data Retention Policy and the Data Privacy Policy.

COCA-COLA ROMANIA

Detailed information on how Coca-Cola Romania uses and protects personal data is available on the company page here.

In 2020, there were no incidents at System level concerning the loss or theft of personal data or complaints received from third parties (e.g., authorities, customers, consumers, etc.) concerning breaches of personal data protection legislation.

Political Contributions

GRI 103-1
GRI 103-2
GRI 103-3
GRI 415-1
GRI 418-1

In 2020, none of the two companies comprising the Coca-Cola System Romania supported political parties or their candidates.

The way in which the political contributions are managed is detailed in the Code of Business Conduct of Coca-Cola HBC Romania and the Policy on Political Contributions of the Coca-Cola Company.

How We Manage Our Risks

GRI 102-11
GRI 102-18
GRI 102-30

Our Risk Management Program

We address the risks specific to our business in an integrated way across the Group.

The SmartRisk program, which reflects our enterprise risk management (ERM) approach, drives cultural change by encouraging all employees to take informed risks for to leverage opportunities for growth. By fully embedding risk discussions into existing monthly business routines, our leaders continue to boost their ability to identify risks and manage them in a timely manner.

At Group level, the ERM program is led by the Chief Risk Officer (CRO), who works closely with the risk management officers of our business units and Group functions, in the assessment and management of business risks. The CRO has the task to maintain an overview of all operations, including emerging risks and opportunities, and, through regular reporting, to be able to ensure that risk visibility is provided to the Operating Committee and our Board.

The Board retains overall accountability and responsibility for the Group's risk management and internal control systems, has defined the Group's risk appetite, and, through the Audit and Risk Committee, has reviewed the effectiveness of these systems.

At local level, risk management procedures involve:

- Discussions about risks and opportunities, part of monthly SMT meetings or the Business Performance Management System (BPMS) process. Formal monthly discussions are an important component of how we work and provide better identification and response to the risks and opportunities that may arise;
- The agenda of monthly risk discussions and reviews and the duration of these sessions are guided by market dynamics and complexity. At the meetings, the risk manager shall aim for the discussion to cover all items on the agenda and shall ensure that key points and all decisions taken are recorded;
- As a result of these meetings, risk mitigation and procedures are updated and new risks and opportunities are recorded in the system;
- The risks are reviewed and approved by the general manager and the risk manager in April and October of each year. The General Manager and the Risk Manager confirm by email to the group level CRO, the accuracy of the records and compliance with established internal processes.

At the same time, crisis management processes were established within the company, with a dedicated team responsible for their implementation. The processes are audited annually by the Group and, where appropriate, measures can be taken to improve processes and capabilities.

Program Review

Our internal audit department conducts an annual independent review of the ERM program and its implementation. The audit team evaluates, across business units and functions, the risk management and business resilience programs, the specific processes and their application against business best practices and the International Accounting Standards.

The Corporate Audit Director makes recommendations to improve the overall risk management program, where required, with the findings submitted to the Audit and Risk Committee. Building on the review of our ERM program, the Board and its committees also conduct annual reviews of the effectiveness of our internal controls and further details of that review, as usually decided by the Audit and Risk Committee.

The risk management and internal control systems have been in place for the year under review and up to the date of approval of the annual report and accounts.

Alignment of Risks with Material Topics

Many of the issues that our stakeholders consider material are more than direct risks that can affect our company and are risks that can affect the entire ecosystem of which we are all part. We also share a collective responsibility in terms of risk management. This brings long-term business benefits and helps solve wide-ranging problems for the communities in which we operate.

Thus, waste management and materials used in operations are among the top 5 topics in terms of how they influence stakeholder decisions and assessments, along with consumer health and safety, compliance with environmental legislation and promoting responsible consumption. These, together with several other issues, are, at the same time, the most significant long-term risks and opportunities for our activity.

Because we are an important part of the communities in which we operate, the way we approach and manage risk is also reflected in our long-term vision and strategy.

Principal risks	Description	Potential impact	How do we address it?	Relationship with material topics
Sustainability: **Waste** *plastics and packaging waste*	Concerns related to packaging waste and plastic pollution.	Decreased credibility in public discussions Long-term damage to our reputation and license to operate Increased cost of doing business, including discriminatory taxes Decline in consumer base	World Without Waste global vision Mission 2025 packaging related commitments Partnerships with local communities, NGOs, start-ups and academia to manage packaging recovery and minimize environmental impacts	Material Waste Environmental compliance Sustainable management
Sustainability: **Climate change**	The risks associated with unpredictable and more volatile effects of weather. Failure to reduce carbon emissions along the value chain.	Commodity availability Disruption of operations and distribution Long-term damage to our reputation and license to operate Increased cost of doing business	New Science-Based Target for 2030 Energy management programs and transition to renewable and clean energy Engagement and partnering with local and international stakeholders Focus on sustainable procurement Physical risk analysis including quantification and stress testing in line with TCFD recommendations Natural disaster plans in place across the operations	Emissions Energy Environmental compliance Sustainable management

GRI 102-11
GRI 103-2
GRI 201-2

Principal risks	Description	Potential impact	How do we address it?	Relationship with material topics
Sustainability: **Water availability and usage**	The risks in our operations, sourcing areas of raw materials, communities and the environment related to water availability, water stress and water quality.	Availability of water for the communities that we operate within and the impact on the environment Long-term damage to our reputation and license to operate Water shortage for our operations may lead to production interruptions Increased cost (e.g., Cost of water sourcing and treatment)	Source water vulnerability assessments (SVA) to identify and mitigate water supply risks are performed at all plants Alliance for Water Stewardship certification, to identify and mitigate shared water risks in the catchment areas are performed at all plants All key water-related risks are consolidated in the water-risk register and shared quarterly with Supply Chain Management Water usage reduction plans and wastewater discharge monitoring are implemented in all plants Water priority locations are identified, and context-based action plans are prepared Water stewardship initiatives and other forms of engagement and partnering with local and international stakeholders	Water and effluents Environmental compliance Sustainable management
Consumer health and wellbeing	Failure to adapt to changing consumer health trends, misconceptions about the health impact of our products.	Failure to achieve our growth plans Long-term damage to our reputation and license to operate Loss of consumer base Potential imposition of discriminatory Taxation	Focus on product innovation and expansion to a 24/7 beverage portfolio Expand our range of *low-* and *no-*calorie beverages Introduce smaller packs Reduce the calorie content of products in the portfolio Clearer labelling on packaging Promote active lifestyles through consumer engagement programs focused on health and wellness Address misconceptions about the health impacts of our products	Consumer health and safety Promoting responsible consumption Marketing and labeling Sustainable management
Cyber incidents	A cyberattack or data center failure resulting in business disruption, or breach of corporate or personal data confidentiality	Financial loss Operational disruption Damage to corporate reputation Non-compliance with data protection legislation (e.g., GDPR)	Implement a NIST-aligned cyber security and privacy control framework and monitor compliance Safeguard critical IT and operational assets Enhanced ability to detect, respond and recover from cyber incidents and attacks Foster a positive culture of cyber security Monitor threat landscape and remediate associated vulnerabilities Integration of Cyber Incident Response Plan into IMCR Framework	Customer privacy Security policy
Health and safety	The risk of health and safety and occupational workplace incidents involving our employees, contractors or third-party logistics providers.	Death, injury or disease of employees, contractors or members of the public Employee engagement and motivation Attraction of talent/prospective Employees	COVID-19 prevention protocol in place across the organization Monitoring system for internal COVID-19 cases and enhanced rapid response to reduce risk of transmission New Group-wide policy and support materials for improved mental health Behavioral-based Safety Program in place at all our facilities Standardized programs, policies and legislation applied locally Group oversight by the Health and Safety (H&S) Team H&S Board with mandate to accelerate the H&S step-change plan implementation	Occupational health and safety Employment management Sustainable management

GRI 102-11
GRI 103-1
GRI 103-2
GRI 201-2

Principal risks	Description	Potential impact	How do we address it?	Relationship with material topics
Channel mix	The immediate consumption channel remains under pressure and accelerated as consumers altered consumption habits and shifted occasions from out-of-home to at-home. A continued increase in the concentration of retailers and independent wholesalers on whom we depend to distribute our products.	Reduced availability of our portfolio and overall profitability	Prioritization of assortment per channel to drive higher margin packs Enhanced marketing campaigns to capture growing occasions of socializing at home accelerated by COVID-19 restrictions Refreshed and enhanced key account capabilities and tools to partner and grow profitable revenue with customers Work closely with our out-of-home channel customers to drive transactions and support them selling online to more effectively manage the impact of COVID-19 or in their re-opening as restrictions ease Accelerate Right Execution Daily (RED) to support our commitment to operational excellence Develop our digital and e-commerce capabilities to capture opportunities associated with existing and new distribution channels Localized management plans in specific countries dependent on channel impact and risk and including variance in the impact of COVID-19 restrictions	Economic performance Indirect economic impact Employment Product marketing and labeling Market presence Sustainable management
Foreign exchange and commodity costs	Foreign exchange and commodity exposure arises from changes in exchange rates and commodity prices. Currency devaluation combined with capital controls restricts movement of funds and increases the risk of asset impairment.	Financial loss Increased cost base Asset impairment Limitations on cash repatriation	Treasury policy requires, where possible, the hedging of 25% to 80% of rolling 12-month forecasted transactional foreign currency exposure Hedging beyond 12 months may occur in exceptional cases, subject to approval of Group CFO Treasury policy requires, where possible, the hedging of rolling three-year commodity exposures; Different policy limits apply for each hedgeable commodity Derivative financial instruments are used, where available, to reduce net exposure to currency and commodity price fluctuations	Economic performance Materials Procurement policy Sustainable management
Geopolitics and Macroeconomic	Volatile and challenging macroeconomic, security and geopolitical conditions together with adverse global events including health-related issues can affect consumer demand and create security risks across our diverse markets.	Eroded consumer confidence affecting discretionary spending Potential discriminatory taxation Inflationary pressures Social unrest Safety of people and assets	Seek to offer the right product at the right price in the right package through the right channel Robust security practices and procedures to protect people and assets Crisis response and business continuity strategies that enable effective responses to adverse events.	Materials Waste Emissions Water and effluents Market presence Sustainable management Customer health and safety
Employees	Inability to attract, retain and engage sufficient numbers of qualified and experienced employees in highly competitive talent markets.	Failure to achieve our growth plans	Upgrade our Employer Value Proposition and Employer Brand Develop leaders and people for key positions internally, improve leaders' skills and commitment for talent development Continuous employee listening to address culture and engagement effectively Promote an inclusive environment that allows all employees to achieve their full potential Create shared value with the communities in which we work to ensure we are seen and considered as an ethical business with an attractive purpose Expand talent pool by hiring more diverse workforce	Human resources management Occupational health and safety Training and professional development Non- discrimination Diversity and equal opportunities Respect for human rights Freedom of association and collective bargaining Labor-management relations Market presence Sustainable management
Quality	The occurrence of quality/food safety issues, or the contamination of our products across our diverse brand portfolio.	Damage to brand and corporate Reputation Loss of consumer trust Reduction in volume and net sales revenue	Stringent quality/food safety processes in place to minimize the likelihood of occurrence Early warning systems that enable fast issue identification Robust response processes and systems that enable us to quickly and efficiently deal with quality/food safety issues, ensuring customers and consumers retain confidence in our products	Sustainable management Consumer health and safety Marketing and labeling Stakeholder dialogue Social and environmental supplier assessment Market presence

GRI 102-11
GRI 103-2
GRI 201-2

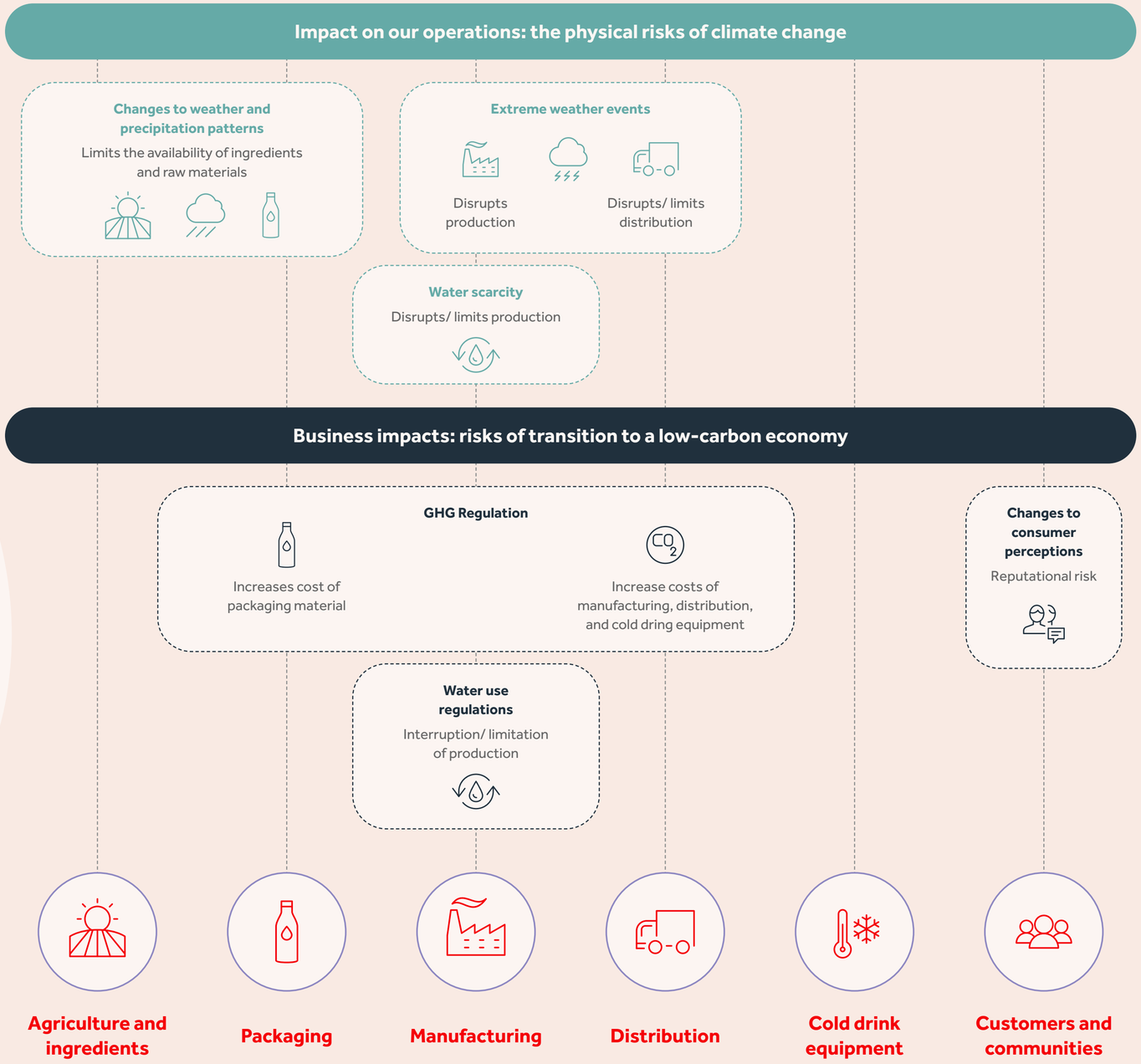
GRI 102-11
GRI 103-2
GRI 201-2

Principal risks	Description	Potential impact	How do we address it?	Relationship with material topics
Ethics and compliance	The risk of fraud against the Company, as well as risk of anti-bribery and corruption(ABAC) fines or sanctions if our employees, or the third parties we engage to deal with authorities, fail to comply with ABAC requirements. The risk of inadvertent non-compliance with international sanctions in certain countries.	• Damage to our corporate reputation • Significant financial penalties • Management time diverted to resolving legal issues • Economic loss because of fraud and reputational damages, fines and penalties, in the event of non-compliance	• Annual "Tone from the Top" messaging • Code of Business Conduct, ABAC and commercial compliance training and awareness campaigns for our entire workforce, training on international sanctions for our employees exposed to this risk • All third parties that we engage must comply with our Supplier Guiding Principles, which include ABAC and international sanctions compliance • All third parties that we engage to deal with governments on our behalf are subject to ABAC due diligence. Screening of third parties and transactions potentially exposed to international sanctions risk • Risk-based internal control framework and assurance program with local management accountability • Periodic risk-based internal audits of ABAC compliance program • **Vorbește!**/ Speak Up! Hotline	• Anti-corruption • Anti-competitive behavior • Economic performance • Sustainable management • Environmental and social supplier assessment • Socio-economic compliance • Respect for human rights • Public policies
Strategic stakeholder relationships	We rely on our strategic relationships and agreements with The Coca-Cola Company (including Costa Coffee Limited), Monster Energy Company and our premium spirits partners.	• Termination of agreements or unfavorable renewal terms could adversely affect profitability	• Management focus on effective day-to-day interaction with our strategic partners • Working together as effective partners for growth • Engagement in joint projects and business planning with a focus on strategic issues • Participation in "Top to Top" senior management forums	• Stakeholder dialogue • Labor-management relations • Local communities

GRI 102-11
GRI 103-2
GRI 201-2

The Impact of Climate Change Risks

Our value chain extends beyond Romania's borders, and our local activity is closely linked to the carrying out of the activities of the Coca-Cola System at international level. Thus, following a global, integrated analysis, the Coca-Cola Company and its bottling partners, including Coca-Cola HBC, have identified eight material risks related to the physical and transition impact of climate change on our operations, as outlined in the next figure:



GRI 102-11
GRI 103-2
GRI 201-2

Physical Risks

Physical risks are those caused by higher concentrations of greenhouse gases in the atmosphere, which in turn lead to higher average temperatures, more acidic oceans, changing weather patterns and rising sea levels.

Extreme weather, weather and precipitation patterns can affect our activity in the following ways:

Disruption to Manufacturing from Extreme Weather

Extreme weather events including floods and storms can disrupt and/or damage our manufacturing facilities leading to an inability to supply products to our customers and significant costs associated with repairs. It can also lead to injuries to our people.

We currently mitigate the financial costs of extreme weather events through our property damage insurance program. This includes annual surveys of our facilities by external risk engineers. We have also established a robust business continuity program that includes management of extreme weather to protect our people and to minimize losses. Throughout the year, we carried out additional assessments of plants and warehouses at risk due to extreme weather.

We recognize that much of the data we currently use in our assessments is based on historical information. Moving forward, we will increasingly include projected data using at least two different climate scenarios to enhance our understanding of the potential impact on our manufacturing.

Disruption to Distribution Caused by Extreme Weather

Extreme weather may impact key transport and logistics routes and reduce access to our fleets. This may impact our ability to distribute our products to markets as well as the safety of our employees and contractors.

We currently mitigate the financial costs through our insurance program as well as use of third-party logistics providers. We have also established a robust business continuity program that includes management of extreme weather to protect our people and to minimize losses.

We will increasingly include projected data using at least two different climate scenarios to enhance our understanding of the potential impact on our manufacturing.

Reduced Ability to Produce as Result of Water Scarcity

Access to water is fundamental to our business and to the communities we operate in. Climate change is impacting the availability and quality of water in some of the areas where we need it and might have an impact on our communities and the environment.

We have assessed future water stress levels based on different global warming scenarios. A number of our plants are located in areas that are or will be facing water challenges. These plants are called water priority plants.

During the year, we assessed revenue at risk for water priority plants. We are reducing our water usage across our business and, as part of our Mission 2025 sustainability commitments, have committed to a 20% reduction for water priority plants.

In 2021, at Group level we will include a quantitative assessment of the impact of climate change on water availability in key markets under different climate scenarios.

Impact on the Cost and Availability of Ingredients

The availability, quality and price of key ingredients are impacted by changes to weather and precipitation patterns. During the year, we continued to assess the ability of our suppliers and alternates to continue to supply key ingredients at the quality, quantity and cost that we expect under different conditions.

Moving forward, we will undertake further work to assess how our suppliers may be impacted by changes in weather and precipitation patterns under different climate scenarios.

GRI 102-11
GRI 103-2
GRI 201-2

Transition Risks

The physical effects of climate change can be limited if actions are taken to force a transition to a low-carbon economy. However, this will require regulatory, market and technological changes. The speed and severity of these changes will have a significant impact on our business. A fast and more aggressive approach by governments, for example, will have a much more significant financial impact than a gradual approach.

The transition to a low-carbon economy also presents a range of opportunities for our business. Our investments in new technologies not only help us meet expectations of key stakeholders to do our part to reduce carbon emissions, but they also present opportunities for significant cost savings.

Increased Costs along our Value Chain from GHG Regulations

Our business emits greenhouse gases (GHG) across our value chain. Actions to introduce carbon pricing could increase costs of packaging, manufacturing, distribution and cold drink equipment. During the year, we assessed the operational costs of carbon taxes on direct emissions and capital expenditures needed to reduce our carbon emissions based on a 1.5°C warming scenario. In December 2020, we received an approval of our carbon reduction targets by the *Science Based Targets Initiative* and we are committed to reduce our scope 1 and 2 emissions by 55% by 2030 vs. 2017 and our scope 3 emissions by 21% for the same period.

Increased Cost of Packaging

Our business uses various types of packaging materials and delivery methods with different carbon footprints. Regulations designed to decrease the use of packaging materials that contribute to GHG emissions could increase our costs.

During the year, we continued to introduce more innovative ways to reduce packaging such as our KeelClip™ launch. As part of our World Without Waste initiative, we are making concerted efforts to increase the amount of recyclable packaging across our operations, use more recycled PET and refillable packaging and help collect the packaging materials we place on the market.

Increased Costs and Disruptions Due to Water Regulations

Any change in the cost of water, or restrictions in this direction, can impact our production capacity or increase production costs. We monitor the state of water resources carefully, and internally we constantly invest to reduce the amount of water used per liter of produced beverage.

Damage to the Reputation of the Drink Sector

We are reliant on the brand value and positive reputation of Coca-Cola. Consumer perceptions of the beverage sector as a contributor to climate change may impact the reputation of our business and brands and ultimately demand for our products. In addition, being seen as part of the problem leads to the targeting of the beverage sector for new and/or increasing climate related taxes.

Awards and Affiliations

GRI 102-12
GRI 102-16

Coca-Cola HBC and the Coca-Cola Company, part of the United Nations Global Compact Network

We are committed to adopting and promoting a responsible business model, both in relation to our partners and in the Coca-Cola HBC and the Coca-Cola Company and by joining **The United Nations Global Compact**, we want to reinforce and strengthen this engagement by committing ourselves to the 10 principles that govern this network:

Human rights

Businesses should:

P1: support and respect the protection of internationally proclaimed human rights and

P2: ensure that they are not complicit in human rights abuses.

Labor

Businesses should:

P3: uphold freedom of association and the effective recognition of the right to collective bargaining,

P4: uphold the elimination of all forms of forced and compulsory labor,

P5: uphold the effective abolition of child labor, and

P6: uphold the elimination of discrimination in respect of employment and occupation.

Environment

Businesses should:

P7: support a precautionary approach to environmental challenges,

P8: undertake initiatives to promote greater environmental responsibility, and

P9: encourage the development and diffusion of environmentally friendly technologies.

Anti-corruption

Businesses should:

P10: work against corruption in all its forms, including extortion and bribery.

We are also aware of the important role that we, as industry leaders, as well as entire business community, play in achieving the UN Sustainable Development Goals.

In order to showcase the way in which we support reaching the Sustainable Development Goals, we mapped those goals that our initiatives, projects and measures contribute to at the beginning of each chapter. At the same time, the goals and the specific targets we contribute to were included in the GRI Content Index, found at the end of the report.

GRI 102-13

COCA-COLA HBC ROMANIA

At local level, Coca-Cola HBC Romania is part of:

Association/ Organization	The company holds a position in the management structures	The company provides substantial financing beyond membership fees	The company considers membership to this organization to be strategic
AmCham American Chamber of Commerce in Romania	Jovan Radosavljevic board member and chair of the environment committee	NO	YES
FIC Foreign Investors Council	–	NO	YES
ANBR Romanian Soft Drinks Association	Alice Nichita vice- president	NO	YES
ARAM Romanian Association for Packaging and the Environment	Alice Nichita vice- president	NO	YES
APEMIN Mineral Water Association	Alice Nichita vice- president	NO	YES
ROMALIMENTA apolitical, transparent, non-profit and independent national employers' federation, the professional representative of food and beverage companies in Romania	–	NO	YES
European Association UNESDA Union of European Soft Drinks Associations – through ANBR membership	–	–	YES
European Association EUROPEN The European Organization for Packaging and the Environment – through ARAM membership	–	–	YES

COCA-COLA ROMANIA

Coca-Cola Romania is part of:

Association/ Organization	The company holds a position in the management structures	The company provides substantial financing beyond membership fees	The company considers membership to this organization to be strategic
RAC Romanian Advertising Council	–	NO	YES
IAA International Advertising Association	Giulia Burlui board member	NO	YES
ANBR	–	NO	YES
AmCham	–	NO	YES
UNESDA – through ANBR membership	–	–	YES
EASA European Advertising Standards Alliance – through RAC membership	–	–	YES

Awards

COCA-COLA HBC ROMANIA

GRI 103-3

Romania's most sustainable company - Romania CSR Index 2020

Sustainability is a key aspect of our company's culture, and the recognition of the *Romanian CSR Index 2020* reconfirms our commitment: to generate value for our communities and to build relevant long-term projects.

Coca-Cola HBC Romania scored highest in this hierarchy, 98 points out of a maximum of 100 points, provided on the basis of a factsheet that assesses sustainability management, diversity policy, issues that reflect the economic, environmental, social impact of the rated company, employee responsibility and responsible marketing.

Carried out annually by the consultancy The Azores, CSR Index is the most important and complex sustainability ranking in Romania. The ranking takes into account those companies with more than 500 employees, more than 700 companies in Romania to be precise, analyzing 64 indicators from the 10 categories mentioned previously.

Community Index
The Azores

Career Education Category

GOLD: **La TINEri Este Puterea** (*YOUth Empowered*)
Coca-Cola HBC Romania + The Social Incubator Association

Environment Category: Waste Management

GOLD: **După Noi, strângem tot noi** (*Cleaning up after ourselves*)
Coca-Cola HBC Romania

SILVER: **Ziua bună! – Ziua Voluntarilor Mici** *(Good Day – Young Volunteers' Day)*
Coca-Cola HBC Romania & Tășuleasa Social

Romanian CSR Awards

Environment Category

1st Prize: **Harta Reciclării** (*Recycling Map*)

The Romanian CSR Awards competition aims to bring to the fore the public opinion and to highlight the projects, products and CSR campaigns of Romanian companies implemented during 2020. The competition awarded those projects, products or programs that led to the improvement and even change for the better, in the long term, of the quality of life of Romanian employees, customers and communities.

1st Place - Best FMCG Supplier
Progresiv Awards

Coca-Cola HBC Romania received the most votes in the Best FMCG Supplier category of the Progresiv Awards 2020, the most important awards in the national FMCG industry. *The Best FMCG supplier* is a prize that rewards all efforts made to be present in the lives of our consumers, suppliers, retailers, and customers, 24/7, regardless of time and opportunity. We were designated *Best FMCG Supplier*, following the selection by the Progresiv Awards 2020 Council of Specialists from a total of 300 nominations and self-nominations accumulated in 2 months. Both the arguments in the entry forms and the information available on the market about the nominated companies and brands were analyzed.

The most attractive FMCG employer
Randstad Romania

Non-financial benefits such as flexible hours, working from home and job security are some of the most powerful tools for employers to attract and retain talent in their organization. Research results highlight the main milestones of the new working environment, where the context becoming normality is guided by flexibility and teleworking. Moreover, with the unemployment rate rising in all 33 markets analyzed, job security is becoming much more important this year for employees.

In the *Randstad Employer Brand 2020 Study*, the employers were assessed according to 10 criteria, listed in order of those that turned out to be the most important for Romanian employees: attractive pay and benefits (66%), pleasant working environment (53%), job security (51%), career progression (49%), work-life balance (43%), followed by financial health, very good reputation, the use of state-of-the-art technologies, interesting responsibilities in the workplace, contribution in the community.

Taking these ten aspects into account, our company was designated *the most attractive employer in Romania* in the FMCG sector in 2020.

Awards

COCA-COLA ROMANIA

Partnership of the Year Award – Living Danube - Coca-Cola și WWF–CEE

Received at the *Reuters Response Business Awards 2020* online event, the *Partnership of the Year Award* went to Coca-Cola, WWF-CEE and ICPDR for the unique model of cross-sectoral cooperation under the **Living Danube** project. The partnership brings together the public, private and non-profit sectors, including the political framework of ICPDR and its member governments in the Danube basin, the resources and capacities of the Coca-Cola Foundation and the Coca-Cola System, and the capacity, know-how and facilitation of the WWF-CEE. Special mention was made of the long-term commitment and comprehensive approach of the partnership, which is now in its seventh year.

This award recognizes and promotes partnerships that can change, at a high level, the way a company operates and what the company and/or industry does/ produces/ offers (e.g., products or services) in terms of liability to society and the environment.

2

Products and Portfolio

Coca-Cola HBC Plants in Romania

Portofoliu diversificat

Marketingul și etichetarea produselor

Calitatea produselor

Coca-Cola HBC Plants in Romania

In Romania, our products are bottled in three Coca-Cola HBCs plants in Timișoara, Ploiești and Poiana Negrii, where the production process meets the highest quality and environmental standards. All parameters are carefully monitored and recorded so that we can make real-time decisions and implement the necessary measures to achieve our goals.

Furthermore, we use specific testing programs for all stages of bottling. For example, electronic bottle control equipment is mounted on all bottling lines for refundable glass packaging. They can also identify the smallest foreign body that could reach the finished product.

GRI 102-2
GRI 102-4
GRI 102-7
GRI 103-2

Certifications/ Standards

Certification/ Standard	Name	Date of certification	Following steps
	Description		
ISO 9001:2015	Quality management system	May 31st, 2002 Ploiești plant July 27th, 2006 Poiana Negrii plant August 2nd, 2002 Timișoara plant January 12th, 2006 CCHBC Romania	Annual surveillance and re-certification every 3 years.
	This standard specifies requirements for a quality management system when an organization needs to demonstrate its ability to consistently provide products and services that meet customer and applicable statutory and regulatory requirements and aims to enhance customer satisfaction through the effective application of the system, including processes for improvement of the system and the assurance of conformity to customer and applicable statutory and regulatory requirements.		
ISO 14001:2015	Environmental management system	January 21st, 2004 Ploiești plant March 27th, 2007 Poiana Negrii plant March 11th, 2004 Timișoara plant	Annual surveillance audit and re-certification every 3 years.
	This standard provides organizations with a framework to protect the environment and respond to environmental conditions in balance with socioeconomic needs, specifies the requirements for an environmental management system that an organization can use to increase its environmental performance and helps organizations achieve the intended results of their environmental management system, i.e., increase environmental performance, the fulfilment of compliance obligations and the achievement of environmental objectives.		
FSSC 22000	Food safety management system	July 25th, 2011 Ploiești plant August 3rd, 2011 Poiana Negrii plant September 27th, 2011 Timișoara plant	Annual surveillance and re- certification every 3 years. Transition to FSSC 22000 version 5.1
	The FSSC 22000 Certification Scheme sets out the requirements for the audit and certification of the food safety management system (FSMS) of organizations in the food chain. The certification confirms that the organization's food safety management system (FSSC 22000) complies with the requirements of the scheme. The scheme is based on publicly available standards and technical specifications: ISO 22000 requirements for any organization in the food chain, Relevant preliminary programs (PRPs) based on specific technical specifications (e.g., ISO/TS 22002-1, ISO/TS 22002-4) and Additional FSSC 22000 requirements: Service Management, Product Labelling, Food Defense, Food Fraud Prevention, Logo Use, Allergen Management, Environmental Monitoring, Transportation and Delivery.		
ISO 45001:2018 replaces OHSAS 18001:2007	Occupational health and safety management system	August 2021/ February 9th, 2007 Ploiești plant November 16th 2020 / January, 26th 2011 Poiana Negrii plant Nov 10th, 2020/ May 3rd, 2009 Timișoara plant	Annual surveillance and re- certification every 3 years. Transition to ISO 45001:2018 in July 2021 at Ploiești plant
	This standard sets requirements for an occupational health and safety management system which sets out requirements for a system of occupational health and safety management to provide a framework for managing OSH risks and opportunities, to prevent work-related injury and illness and to ensure safe and healthy jobs.		
AWS	Alliance for Water Stewardship	November 25th, 2020 Ploiești plant November 25th, 2020 Poiana Negrii plant February 12th, 2021, Timișoara plant	Annual surveillance and re-certification every 3 years.
	AWS International Water Stewardship Standard (AWS Standard) is a globally applicable framework for major water users to understand their water use and impacts, and to work collaboratively and transparently for sustainable water management within a catchment context. The Standard is intended to drive social, environmental and economic benefits at the scale of a catchment.		
RFA	Rain Forest Alliance - Chain of Custody Standard	March 25th, 2020 (Timișoara and Ploiești plants)	Surveillance every 2 years and re-certification every 3 years
	Rainforest Alliance supply chain standard requirements aim to promote transparency and responsible business practices between companies, from farm to shelf. The Rainforest Alliance certification helps farmers to produce better crops, adapt to climate change, increase productivity and reduce costs. These benefits provide businesses with a consistent and secure range of certified products. Sourcing Rainforest Alliance certified products also helps companies meet consumers' expectations and protect the credibility of their brand. At the heart of the Rainforest Alliance certification is the mission to create a better future for people and nature, making business responsible the new normality.		

GRI 103-2
GRI 103-3

GRI 102-2

Diversified Portfolio

The COVID-19 pandemic brought changes to our consumers' daily routine, but our diverse portfolio allowed us to react quickly to continue offering their favorite drinks to Romanian people.

We had the flexibility to adapt our production processes by offering packages and products that meet the changing needs of consumers. We were able to make use of all the efforts we made to consolidate, expand, and make our portfolio more flexible, and as consumption went from "out of the house" to "home" during government restrictions, we brought new products or packages to consumers at a relevant price.

GRI 102-2

Diversified Portfolio

and diversity in packaging,
15 different packages
from 200 ml to 2,5 liters

sparkling soft drinks
+ low & no calorie options

Coca-Cola

Fanta

Sprite

Schweppes

coffee

Costa Coffee

still drinks

Cappy

Cappy Pulpy

Cappy Lemonade

FUZETEA

+ low & no calorie options

AdeZ

beverages with benefits

ready-to-drink
premium coffee range

Illy

Aquarius Water

beverages with benefits

mineral water

Dorna

Dorna Izvorul Alb

Poiana Negri

bottled water

Smartwater

energy drinks

Burn

Monster

Products Launched in 2020

Aquarius

with the two options:

- Non-carbonated soft drink with lemon flavor
- Non-carbonated soft drink with red orange flavor

Promoting Low or No Sugar Products

In 2020:

Low calorie products accounted for 6.8% of total NARTD (non-alcoholic ready to drink) volumes, no calorie products accounted for 3.1% and water accounted for 17.7%.

In total, 27.6% of all our sales were *low&no calorie* drinks and water.

21%

of the marketing budget was allocated to support *low&no calorie* drinks and

22%

fow water.

90%

of the advertising for the Coca-Cola range promoted Coca-Cola Zero Sugar.

Products in our portfolio containing high nutrient ingredients (fibers, vitamins, minerals) are **AdeZ** and **Aquarius Water**.

*Low energy - A claim that a food is low in energy, and any claim likely to have the same meaning for the consumer, may only be made where the product does not contain more than 40 kcal (170 kJ)/100 g for solids or more than 20 kcal (80 kJ)/100 ml for liquids. For tabletop sweeteners the limit of 4 kcal (17 kJ)/portion, with equivalent sweetening properties to 6 g of sucrose (approximately one teaspoon of sucrose), applies.

**Energy-free - A claim that a food is energy-free, and any claim likely to have the same meaning for the consumer, may only be made where the product does not contain more than 4 kcal (17 kJ)/100 ml. For table-top sweeteners the limit of 0,4 kcal (1,7 kJ)/portion, with equivalent sweetening properties to 6 g or sucrose (approximately one teaspoon of sucrose), applies.

In compliance with the December 20th, 2006 Regulation (EC) No. 1924/2006 of the European Parliament and of the Council on nutrition and health claims made on foods.

Marketing and Labeling of Products

GRI 103-1
GRI 103-2

How we engage in direct business and how we promote our products are essential for fostering a relationship of trust with all the stakeholders.

We comply with the Coca-Cola Company's Global Responsible Marketing Policy as well as the Global School Drinks Guide, which means:

NO ADVERTISING TO CHILDREN UNDER 12 YEARS OF AGE. We respect the right of parents to choose what they consider appropriate for their children, which is why we do not advertise to children under the age of 12. Thus, we do not buy advertising space in broadcasts that target audiences with more than 35% children under 12 years of age. This policy applies to all our brands and applies to television, radio, print media, internet and mobile phone.

NO DRINKS, EXCEPT WATER, OFFERED FOR SALE IN SCHOOLS, in accordance with local legislation.

Regarding labelling, all our products are in accordance with EU Regulation 1169/2011 on consumer information, transposed locally through Government Emergency Ordinance 106/2002 on food labelling.

According to the aforementioned regulations, the following elements must be included on the labels:

a. the name of the food product;
b. the list of ingredients;
c. any ingredient or processing aid mentioned in annex II or which comes from a substance or product mentioned in annex II causing allergies or intolerance, that is used in the production of a food product and is still present in the final product, even in a modified form;
d. the quantity of certain ingredients or categories of ingredients;
e. the net quantity of food;
f. minimum durability or "use by" date;
g. special storage conditions and/or conditions of use;
h. company name or commercial name and address of the operator within the food sector mentioned in article 8, paragraph (1);
i. country of origin or place of provenance, in the cases referred in article 26;
j. instructions for use, where their omission would make the proper use of the food difficult;
k. for beverages containing more than 1.2% alcohol in volume, alcohol content;
l. a nutrition declaration.

In addition to the requirements above, certain products also include nutritional and health claims on their labels in accordance with EU Regulation 1924/2006 on nutritional and health claims.

Furthermore, all labels comply with Government Emergency Ordinance no. 621 of June 23rd 2005 on the management of packaging and packaging waste, according to which: Economic operators producing products packaged in reusable packaging are required to mark or write on the packaging or label the phrase "Reusable packaging". This includes information on the nature of the packaging (e.g., PET, ALU), as well as the recommendation to be selectively collected for recycling by adding the "green dot" and "tidy man" graphic elements. Moreover, some packaging (AdeZ) includes additional information recommending the removal of the label prior to recycling.

100% of Coca-Cola HBC Romania products have been evaluated regarding compliance with these regulations.

In 2020, there were no fines, penalties, warnings received for:

- non-compliance with the legislative regulations or voluntary codes regarding marketing and product promotion communications;
- non-compliance with the legislative regulations or voluntary codes regarding product labelling.

In addition to consulting the labels, consumers can also learn about the content of the products through INFOLINE, by calling 0800 080 800 or by visiting the Coca-Cola Romania website www.coca-cola.ro.

Product Quality

GRI 103-2
GRI 103-3
GRI 416-2

The quality of our products remains a fundamental aspect, so that we can continue to enjoy the confidence that all consumers give us.

The bottling process of Coca-Cola products strictly complies with local and international legislative rules and regulations in the field of food safety and quality, as well as the operating requirements of The Coca-Cola Company (KORE). Procedures based on the principles of Hazard Analysis Critical Control Point (HACCP) are also in place, while product compliance is evaluated through the Quality Control and Testing Program, through procedures that include physical, chemical, and microbiological tests carried out during the production cycles.

KORE defines policies and standards for quality management, food safety, environmental protection and occupational health and safety. To guide us in achieving a safe and quality product, the operating requirements also define a rigorous set of operational controls for risk management. These controls shall be aligned with the global top requirements and shall include the following:

- risk assessment and management
- commitment of leadership
- promotion and integration of a culture of food quality and safety
- setting targets and monitoring performance
- communication and involvement of the stakeholders

Thus, according to the Coca-Cola Company's operating requirements, we are committed to always improve the products we distribute, by developing, implementing and maintaining food quality and safety management systems that comply with ISO 90001 and FSSC 22000 standards. Our policy in this regard is shaped by the goals we set and communicate to all levels of our organization, which apply to all operations covered by the food quality and safety management system that we constantly monitor, analyze and regularly review. In order to ensure the constant improvement of the system and to reach its targets, we constantly monitor and evaluate risks.

Virtual Audits at Our Factories

Unannounced physical audits are normally carried out on a yearly basis at the plant level as part of the combined effort of the Coca-Cola System to continuously improve its operations. Although physical audits could not take place in the context of 2020, technology allowed them to be carried out in the virtual environment to validate workplace safety, as well as process and product quality and environmental risks. In 2020, a GAO (Global Audit Organization) audit took place at the Coca-Cola HBC plant in Timisoara.

In 2020, there were no incidents of non-compliance with legislation or with Coca-Cola Romania's standards and requirements regarding quality and customer health and safety. There were also no fines, penalties or warnings received from authorities.

In 2020, quality complaints accounted for only 4% of all complaints received (compared with 25% in 2019).

3

Our Mission: Sustainability

Lon-term Strategy

How We Measure Our Contributions to Sustainable Development

Material Topics

How We Communicate with Our Stakeholders

GRI 103-2

Long-term Strategy

The reputation of Coca-Cola brings with it great responsibility, both in terms of environment protection and in terms of the social impact that the Coca-Cola System generates or contributes to through its operations. These aspects are reflected in our strategic priorities, set across the system, adapted locally in annual targets and objectives. The common points of our strategy are:

GRI 103-2

Domain	The Coca-Cola Company	Coca-Cola HBC
Packaging and waste	**World Without Waste** We have a responsibility to help resolve the global crisis of packaging waste. That is why, in 2018, we launched a World Without Waste - an ambitious initiative that focuses our efforts to find sustainable packaging solutions. After three years on this journey, the global conversation about plastic pollution and the calls for urgent, collaborative action are intensifying. We continued to make progress in 2020, despite the challenges posed by the pandemic. We are working to include drink packaging in the circular economy. Our fundamental belief is that our packaging materials have value and that we need to capture that value and prevent packaging from becoming waste at the end of life. Our goal is to create closed loop systems, extracting the maximum value from materials and products during use, then recovering them and re-using or recycling them.	
Climate change	**Actions to combat climate change** Climate change is a priority topic for our business and, as a global company, we have a long-standing strategy to reduce our carbon footprint. We address this challenge by reducing our impact on climate change – reducing emissions, improving energy consumption, identifying the risks a changing climate has on our company, and working with key stakeholders to increase the impact of our actions. While in 2020 we achieved our target of reducing our relative carbon emissions by 25% compared to 2010, our actions and initiatives will now focus on Science Based Targets: reducing absolute greenhouse gas emissions (Scope 1, 2 and 3) by 25% by 2030 and achieving neutrality by 2050.	**Emission reduction** **Climate changes** generate many risks across our entire value chain, with a significant impact on the availability of natural resources. Our aim is to reduce the long-term impact by improving processes and making consumption more efficient. All of this is reflected in our commitments for 2025, which aim to reduce emissions, but also energy consumption per liter of beverage produced. At the same time for 2030, our Science Based Targets aim to reduce absolute emissions from Scope 1 and Scope 2 by 55% and reduce emissions from Scope 3 by 21% compared with 2017. The objectives thus set are in line with the emission reduction action plans required to keep global warming at 1.5°C.
Water consumption	**Leadership for water** More than a decade ago, we set our ambitious goal of replenishing the water we use in our drinks and their production. We also set targets for a more efficient use of water and to treat all wastewater in our production processes. In 2020, and in each of the last six years, we achieved and exceeded the water supply target set. At the same time, we have continued with our bottling partners to improve water efficiency.	**Reduction of consumption and water management** Considering the nature of our business, water is an important resource for us, being essential in the beverage manufacturing process. Thus, our commitments for 2025 include clear targets for reducing water consumption, with a focus on plants located in drought-risk areas.

GRI 103-2

Domain	The Coca-Cola Company	Coca-Cola HBC
Sustainable farming	**Sustainable agriculture** A sustainable and resilient agricultural supply chain has never been more critical for our objectives, particularly in terms of climate, water, human rights and facilitating the empowerment of women. Since 2013, our goal has been to have agricultural raw materials supplied in a more sustainable way, including our main fruit juices, coffee, tea, soya, natural sweeteners and wood products. Sustainably delivered means our partners can demonstrate that farms that cultivate the ingredients we purchase for our products meet a number of requirements aligned with global sustainability standards, as set out in our Principles for Sustainable Agriculture (which replaced the *Guiding Principles for Sustainable Agriculture*). The principles cover issues such as human and employee rights, environmental protection, responsible farm management and animal health and welfare. Thus, in 2020, we implemented a comprehensive review of policies and principles for sustainable agriculture, while launching for the first time the Principles for Animal Health and Welfare.	**Sustainable supply** Beyond the action we take at the operational level, we are aware that we have a responsibility to take the best practices to our suppliers, as well. Our impact is evident throughout the entire value chain, which is the supply of 100% ingredients. Basic farming certified in accordance with the sustainable farming principles of the Coca-Cola Company is our commitment for 2025.
Reduction of added sugar content	**A company for all** Reducing sugar content remains a high priority. As we continue to evolve and respond to consumers' wishes for more choice within the drink categories, we reduce the amount of added sugar while offering more nutrition-friendly drinks; optimizing our product range; offering smaller packaging options; and providing clear nutrition information to consumers. We offer a wide range of drinks - including acidic soft drinks, water, coffee, tea, dairy, juices, sports drinks, and plant-based options. We monitor the results of our efforts to reduce sugar content, most of which come from changes in our carbonated beverage recipes and reduction in packaging size. We research and bring new alternatives to the market that keep the extraordinary tastes people love, but with less added sugar and fewer calories. Globally, Coca-Cola Zero Sugar became a popular alternative to our original formula and continued to show strong growth in 2020.	**Nutrition** We continue to improve and expand our portfolio with sugar-free or low-calorie drinks and provide transparent information about the nutritional content of our drinks. We are committed to reducing our calories per 100 ml of carbonated beverages by 2025 by 25% compared to 2015.

GRI 103-2

Domain	The Coca-Cola Company	Coca-Cola HBC
People and communities	**Supporting human rights** Respect for human rights lies at the heart of our business and is rooted in our culture, guiding our interactions with our employees, bottling partners, suppliers, customers, consumers, and communities we serve. Our commitment starts with our own employees, ensuring that they have stable jobs, where they are supported and respected, where everyone's dignity is recognized. Our human rights policy sets the framework to ensure that we fulfill this commitment in our own operations and those that we have management control over. Our suppliers and partners also need to adopt responsible workplace practices. Supplier Guiding Principles (SGP), which are aligned with our human rights policy, are included in all contractual agreements between the Coca-Cola Company and our direct and authorized suppliers. **Enabling women** Our commitment to the empowerment of 5 million female entrepreneurs, 5 by 2020, to address structural inequalities and economic barriers women entrepreneurs face, was attained and exceeded by the end of the year. More than 6 million women thus benefited from training, access to networking networks, financial services and other measures to support their entrepreneurial journey. **Giving back to the communities** People are at the heart of everything we do, from employees to our customers to those living in the communities we serve. We believe that each of us has the power to make a difference, and our company and the Coca-Cola Foundation have a long history of investing in programs and activities that improve lives. We cultivate a culture that values how we work as much as we do - emphasizing inclusiveness, empowerment, curiosity, and agility. We support diversity, fairness, and inclusion by building a workforce as diverse as the consumers we serve.	**Our people and our communities** We are aware that our success is equally reflected in the success and well-being of our people and the communities in which we operate. Therefore, we are committed to ensuring a safe and inclusive working environment, with commitments made to reduce the rates of accidents at work or to increase management positions occupied by women to 50%. Over time, community investment has evolved from independent philanthropic initiatives to long-term programs and partnerships closely linked to our business strategy and material topics. 5 out of the 17 commitments for 2025, relate to programs for communities.

How We Measure Our Contributions to Sustainable Development

Area
- Global commitment 2025
- Our progress in 2020

GRI 103-2
GRI 103-3

Reducing emissions

- 30% reduction of direct carbon emissions ratio
- 15% (22.78 gCO_2/Lpb)

- 50% of our refrigerators in customer outlets to be energy efficient
- 35.47%

- 50% of energy used by plants, sourced from renewable and clean sources
- 78.7%

- 100% of the total electricity used in our plants in EU and Switzerland to be from renewable and clean sources
- **100%** of the total electricity used in our plants to be from renewable and clean sources*

Water reduction and stewardship

- 20% reduction in water consumption in plants located in water risk areas
- 7% (1.54 l/lpb)

- Help secure water availability for all our communities in water-risk areas

Ingredient sourcing

- 100% of our key agricultural ingredients sourced in line with sustainable agricultural principles
- 85.3%-95%

World Without Waste

- 100% of consumer packaging to be recyclable
- **100%** - refreshing beverage

- 35% of total PET used from recycled PET and/or PET from renewable material
- 20%

- Help collect the equivalent of 75% of our primary packaging
- 70%

Nutrition

- 25% reduction in the number of calories per 100 ml of sparkling soft drinks**
- Stagnation: 11%

Our people and communities

- Target zero fatalities and reduce accident rate by 50% among our workforce
- **100%**

- 50% of managers are women
- 45.8%***

*cogeneration (CHP)
**baseline: 2015
***the goal refers to management positions with a Job Grade 10+ (that is not the same for the role considered middle management)

Material Topics

GRI 102-42
GRI 102-46
GRI 103-2

To understand how we need to address the risks and opportunities arising in the ever-changing global and local context, we conduct a comprehensive materiality process every year – the System sustainability impact assessment and stakeholder consultation - in order to identify and incorporate sustainability priorities into our strategy.

The results of this process are also the basis for the development of the Coca-Cola System Sustainability Report in Romania, published every year.

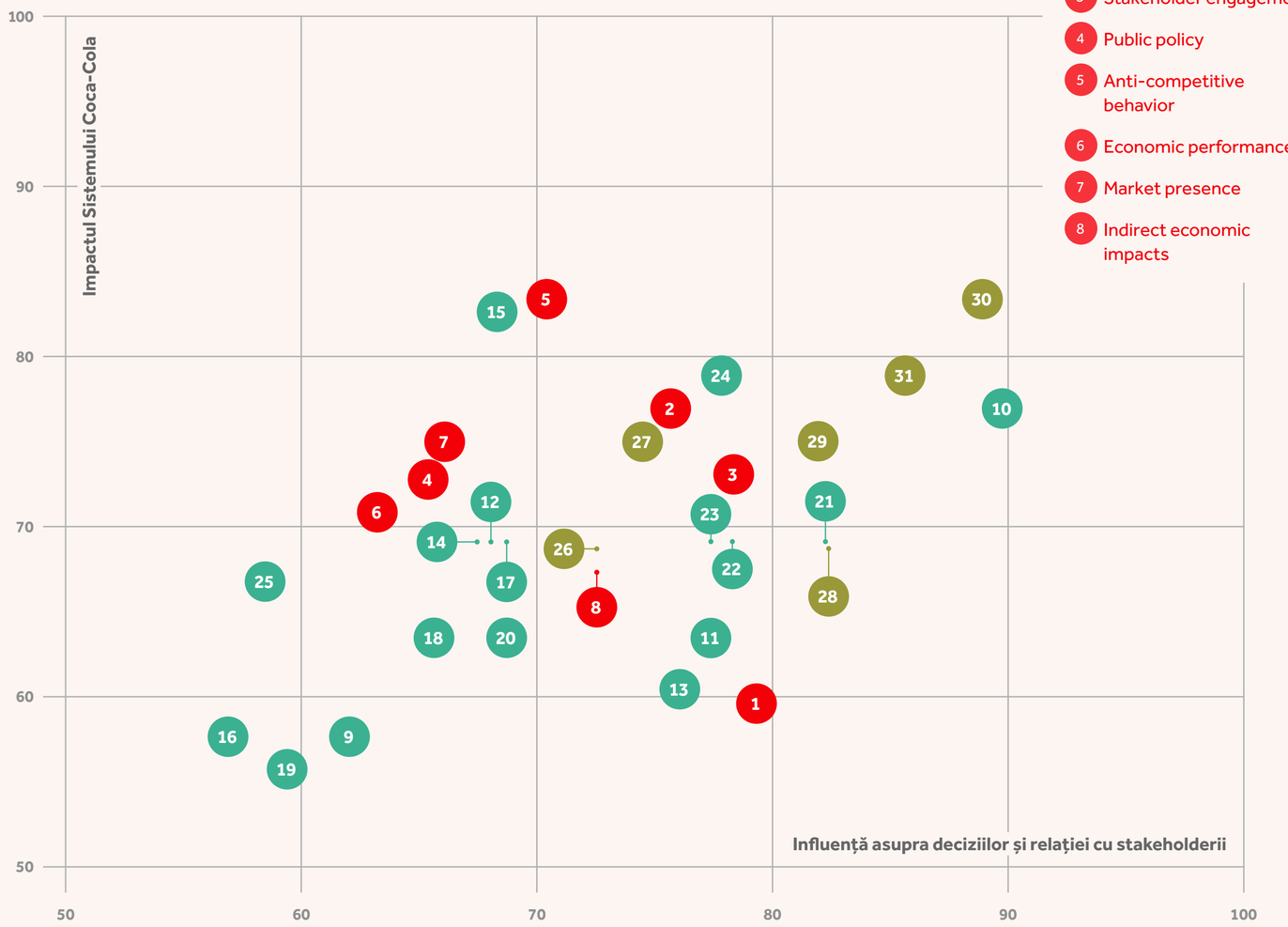
Thus, the main categories of System stakeholders were identified and consulted by means of an online questionnaire, with a total of

294 responses:

- Consumers
- Coca-Cola System Romania employees
- Suppliers
- Customers/ Distributors
- Civil society/ Non-governmental organization representatives
- Business partners/ Consultants
- Local community members
- Industry representatives
- Media
- Authorities/ Political decision-makers.

A number of strategic priorities are at the heart of the Coca-Cola System sustainability strategy. What is, from your perspective, the most important area in which the company should invest?

Materiality Matrix



ECONOMIC

1. Anti-corruption
2. Sustainable management
3. Stakeholder engagement
4. Public policy
5. Anti-competitive behavior
6. Economic performance
7. Market presence
8. Indirect economic impacts

SOCIAL

9. Customer privacy
10. Customer health and safety
11. Marketing and labeling
12. Procurement practices
13. Supplier social and environment assessment
14. Employment
15. Occupational health and safety
16. Labor - management relations
17. Diversity and equal opportunity
18. Training and education
19. Freedom of association and collective bargaining
20. Non-discrimination
21. Human rights assessment
22. Socioeconomic compliance
23. Local communities
24. Responsible consumption
25. Security practices

ENVIRONMENT

26. Energy
27. Water and effluents
28. Emissions
29. Materials
30. Waste
31. Environmental compliance

Click on each element to reveal the topic

Click here to hide all topics

GRI 102-46
GRI 102-47

1. Coca-Cola System Romania employees
2. Authorities/ Political decision-makers
3. Customers/ Distributors
4. Consumer
5. Supplier
6. Media
7. Business partners/ Consultants
8. Industry representatives
9. Civil society/ Non-governmental organization representatives
10. Local community members

No.	Material topic	Boundaries: Direct impact*	Boundaries: Indirect impact**	Stakeholders	GRI
	ECONOMIC				
1	Anti-corruption	✓	✓	1 2 3 4 5 6 7 8 9 10	GRI 102-40, GRI 102-44, GRI 102-46, GRI 102-47, GRI 103-1
2	Sustainable management	✓	✓	1 2 3 4 5 6 7 8 9 10	
3	Stakeholder engagement	✓	✓	1 2 3 4 5 6 7 8 9 10	
4	Public policy	⊘	✓	1 2 3 4 5 6 7 8 9 10	
5	Anti-competitive behavior	✓	✓	1 2 3 4 5 6 7 8 9 10	
6	Economic performance	✓	✓	1 2 3 4 5 6 7 8 9 10	
7	Market presence	✓	✓	1 2 3 4 5 6 7 8 9 10	
8	Indirect economic impacts	✓	✓	1 2 3 4 5 6 7 8 9 10	
	SOCIAL				
9	Customer privacy	✓	✓	1 2 3 4 5 6 7 8 9 10	
10	Customer health and safety	✓	✓	1 2 3 4 5 6 7 8 9 10	
11	Marketing and labeling	✓	⊘	1 2 3 4 5 6 7 8 9 10	
12	Procurement practices	✓	✓	1 2 3 4 5 6 7 8 9 10	
13	Supplier social and environment assessment	✓	✓	1 2 3 4 5 6 7 8 9 10	
14	Employment	✓	⊘	1 2 3 4 5 6 7 8 9 10	
15	Occupational health and safety	✓	✓	1 2 3 4 5 6 7 8 9 10	
16	Labor - management relations	✓	⊘	1 2 3 4 5 6 7 8 9 10	
17.	Diversity and equal opportunity	✓	✓	1 2 3 4 5 6 7 8 9 10	
18	Training and education	✓	⊘	1 2 3 4 5 6 7 8 9 10	
19	Freedom of association and collective bargaining	✓	⊘	1 2 3 4 5 6 7 8 9 10	
20	Non-discrimination	✓	✓	1 2 3 4 5 6 7 8 9 10	
21	Human rights assessment	✓	✓	1 2 3 4 5 6 7 8 9 10	
22	Socioeconomic compliance	✓	✓	1 2 3 4 5 6 7 8 9 10	
23	Local communities	✓	✓	1 2 3 4 5 6 7 8 9 10	
24	Responsible consumption	⊘	✓	1 2 3 4 5 6 7 8 9 10	
25	Security practices	⊘	⊘	1 2 3 4 5 6 7 8 9 10	
	ENVIRONMENT				
26	Energy	✓	✓	1 2 3 4 5 6 7 8 9 10	
27	Water and effluents	✓	✓	1 2 3 4 5 6 7 8 9 10	
28	Emissions	✓	✓	1 2 3 4 5 6 7 8 9 10	
29	Materials	✓	✓	1 2 3 4 5 6 7 8 9 10	
30	Waste	✓	✓	1 2 3 4 5 6 7 8 9 10	
31	Environmental compliance	✓	✓	1 2 3 4 5 6 7 8 9 10	

*Direct impact resulting from Coca-Cola Romania System's activities
**Indirect impact resulting from contractual relations with partners, clients and suppliers

How We Communicate with Our Stakeholders

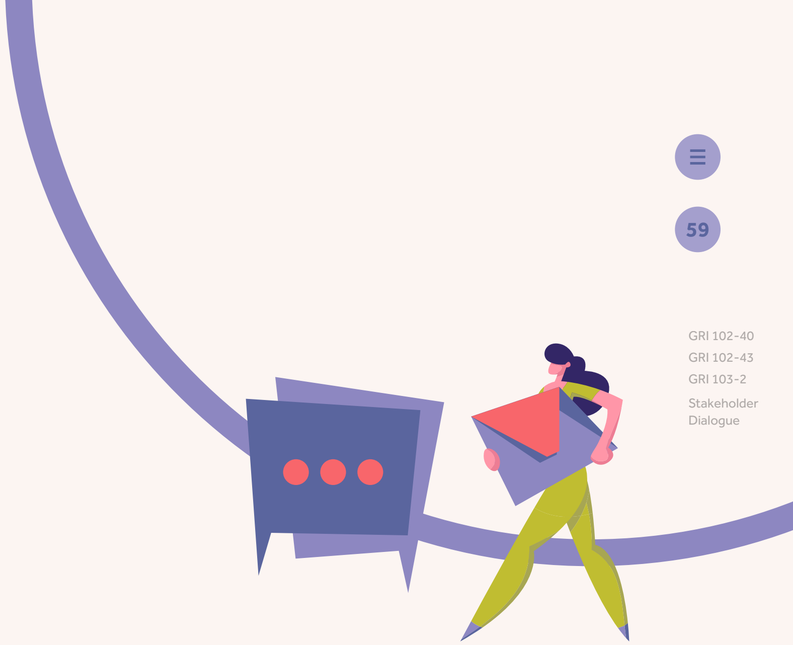
GRI 102-40
GRI 102-43
GRI 103-2
Stakeholder Dialogue

Our stakeholders. Who are they?	How do we interact?	How frequently do we interact?	Our actions 2020
Central and local authorities Presidential Administration Government Ministries: Ministry of Public Finance; Ministry of Internal Affairs; Ministry of Foreign Affairs; Ministry of Economy, Energy and the Business Environment; Ministry of Agriculture and Rural Development; Ministry of Environment, Waters and Forests; Ministry of Public Works, Development and Administration; Ministry of European Funds; Ministry of Health; Ministry of Education and Research; Ministry of Labor and Social Protection; Prefect Institution; Parliament; Specialized committees of the Senate and the Chamber of Deputies; **Central and local public institutions:** Environmental Fund Administration,	Meetings Platforms for common actions Legislative initiatives Position documents Studies Events Programs, projects Programs to support actions against the COVID-19 pandemic	Participating in public debates (based on the projects) and to events Supporting local or central initiatives and/ or public events Participating in the meetings of commissions, committees, working groups Consultations with all stakeholders interested in defining operational programs financed by European funds	Bill to cap the price of food products Position paper for the European Commission proposal on plastic tax Position paper on the programs financed from the allocations for Romania under the 2021-2027 multiannual financial framework, namely the European Green Deal Amendments to the bill on the waste regime (Law 211/2011 on the waste regime) Position paper for transposition into local law of the Single-Use Plastics Directive
	National Environment Protection Agency, "Romanian Waters" National Administration, National Sanitary Veterinary and Food Safety Authority,	National Agency for Mineral Resources, Romanian General Inspectorate for Emergency Situations, Department of Public Health, National Authority for Consumer Protection,	National Agency for Fiscal Administration, City Councils, Local Councils and County Councils
Embassies: Embassies of the United States of America, Hellenic Republic	Supporting legislative initiatives of great impact Projects regarding common interests	Regular communication to remain informed about the status of the projects and their implementation whenever needed if an initiative or project regarding a common interest arises	-
Business and industry associations: American Chamber of Commerce (AmCham) Foreign Investors Council (FIC) Romanian Soft Drinks Association (ANBR) ROMALIMENTA Romanian Association for Packaging and the Environment (ARAM) Romanian Society of Diabetes, Nutrition and Metabolic Diseases (SRDNBM) Mineral Water Association (APEMIN) Institute of Internal Auditors (IIA) Romanian Advertising Council (RAC)	Partnerships for relevant matters Supporting legislative initiatives with great impact Position documents Meetings with governmental representatives	Regular participation in Associations' Committees, working groups, Board of Directors, General Shareholders' Meeting (monthly or whenever needed) Keeping current with legislative topics of interest or with business impact, following relevant updates about common interest subjects, and to be property informed Participating, together with other interested parties, to public events and to work meetings Analysis of long-term public policies regarding legislation on the business environment Exchange of experiences and best practices in the management of the pandemic	Bill to cap the price of food products Position paper for the European Commission proposal on plastic tax Position paper on the programs financed from the allocations for Romania under the 2021-2027 multiannual financial framework, namely the European Green Deal Amendments to the bill on the waste regime Law 211/2011 on the waste regime Position paper for transposition into local law of the Single-Use Plastics Directive

Our stakeholders. Who are they?	How do we interact?	How frequently do we interact?	Our actions 2020
Media: TV media channels Digital media content creators Printed press and radio stations Social media	Interviews Editorial content Articles Meetings Contests Marketing actions Events	Proactive communication about company priorities and reactive response in crisis situations Communication of initiatives Defending the company's reputation, supporting commercial and marketing goals	The relaunch event of the After us #Wedontstophere (Dupa Noi #NuNeOprimAici) sustainability platform PET education and collection campaign, in partnership with Penny Promoting the "I'm working again" ("Lucrez din nou") platform
Employees: 1,525 Coca-Cola HBC employees 34 Coca-Cola Romania employees (December 31st, 2020)	Internal communication Online meetings CSR (corporate social responsibility) events calendar Sports events Informal events	At least one interaction per month Regular volunteering events	Online meetings with all employees and senior management team (every 2 months) Week of Ethics and Compliance - Code of Business Conduct, Anti-Bribery Policy, Gift and Entertainment Policy, GDPR Policy, Speak-Up! (Vorbeste!) line Pandemic information (local authorities' decisions) Virtual planting campaign "Adopt a tree" Innovation for Growth campaign
Business partners: Key Accounts Strategic suppliers National Mineral Water Company (SNAM) APA NOVA	Meetings Working sessions Events	Continuous communication (at least twice a month and when required) Engaging in longer-term initiatives (e.g., developing supplier capabilities, creating shared values with customers) Integrating/ sustainability principles into business relationships Long-term initiatives to develop suppliers' capabilities	-
Organizații non-guvernamentale: Hospice Casa Sperantei (Hospice Hope) Asociația Viitor Plus (Future Plus Association) Școala de Valori (School of Value) Tasuleasa Social Alucro Crucea Roșie The Social Incubator WWF Global Shapers	Partnerships regarding relevant matters Seminars Meetings Events	Special events/activities Sports and CSR volunteering events as planned	Bucharest International Half-Marathon and Marathon Support for the patients in the care of the Hospice Casa Sperantei Development and promotion of the "Recycling Map" platform Training session for NEETs (young people not in education, employment or training) with a view to integration into the labor market Separate waste collection events Financial and drink support for hospitals, quarantine centers, Romanian General Inspectoarate for Emergency Situations (ISU), the Ambulance Service, in the context of the pandemic
Key opinion leaders & economy experts: Economy experts Financial analysts	Partnerships regarding relevant matters Expert support for the sustainability strategy Meetings Position documents Studies	Interaction in the context of projects Engaging in longer-term and complex initiatives such as market analyses	-

GRI 102-40
GRI 102-43
GRI 103-2
Stakeholder Dialogue

Customers: Cash&Carry HORECA Supermarkets Hypermarkets Discount stores Local & Traditional stores Kiosks BTR (Bars, Terraces, Restaurants) QSR (Quick Serving Restaurants) Distributors	Meetings Working sessions Events	Interaction during daily activity Constantly working with retailers and other customers on sustainability issues Integration of sustainability principles into business relations Long-term initiatives to develop suppliers' capabilities	PET education and collection campaign, in partnership with Penny Support for customers in the context of the pandemic Involvement in the "Today for Tomorrow on the Beach"(Azi pentru Maine pe plaja) program Setting up the medical support unit in the context of the pandemic, at the "Auchan" initiative
Certification bodies: Lloyd's Register Quality Assurance Ltd (LRQA) LAREX Control Union SGS Denkstadt	Meetings Audits	Annually or when required	Alliance for Water Stewardship
Investitori: The Coca-Cola Company Kertas Holding Greece Investors from the USA and Great Britain Coca-Cola HBC	Meetings Phone conferences Analysis sessions E-mail Special announcements	Regular meetings Annual report and CSR report Contact with all the levels of the organization	
Consumers: All consumers of our products	Product labels Online platform Informative publications and reports Special events CSR activities	Regular and constant communication	Costa Coffee launch Separate waste collection campaigns Presentation of sustainability results Campaigns to promote the Coca-Cola portfolio brands



4

Environment

Packaging and Waste Management

Eficiență energetică și reducerea emisiilor de GES

Conservarea resurselor de apă

Impactul de mediu al Coca-Cola Romania

Packaging and Waste Management

GRI 103-1
GRI 103-2
GRI 203-2

In 2018, Coca-Cola launched a global strategy aimed at creating a World Without Waste. With an ambitious goal of collecting and recycling by 2030, the same quantity of packaging placed on the market, for every bottle or dose sold, A World Without Waste is our holistic approach to the packaging problem that we face across the industry.

This approach requires complex investments, that involve a particular focus on the entire life cycle of packaging, from the design and production of bottles and cans to the way they are recycled and replaced and at the same time, long-term partnerships with regional and local organizations and close collaboration with key customers to motivate consumers to recycle more packaging.

Thus, our priorities focus on:

- **Developing and testing new packaging made from renewable materials**
- **Using a high percentage of recycled materials in packaging production**
- **Weight reduction of packaging**
- **Recovering as much as possible of the packaging we place on the market**
- **Support for programs aimed at educating the consumer, particularly with regard to recycling**
- **Getting involved in campaigns and initiatives encouraging the circular economy**

Materials used in operations	2020 kg
Glass	11,057,852
PET	24,219,335
Aluminum	330,769
Steel (caps)	147,548
PP or PE caps	1,767,993
Plastic labels	703,007
PE foil	3,504,109
Cardboard	1,996,612

Recycled materials used	2020 total kg	2020 % of the total materials used
Glass	1,335,788	12.00%
Aluminum	128,007	39.00%
Steel	54,651	37.04%
rPET	3,320,470	13.71%

Recovered packaging materials and waste	Total quantity of packaging placed on the market		Recovered and recycled packaging		Percentage recovered from the quantity placed on the market
	Primary	Secondary	Primary	Secondary	
Glass	11,404,363	-	6,988,768	-	61.28%
Aluminum	2,615,297	-	585,230	-	22.38%
Metal/Steel	161,498	262,390	94,247	153,125	58.36%
Plastic	2,019,967	3,625,896	1,203,773	2,160,806	59.59%
PET	22,299,296	58,926	12,763,575	33,728	57.24%
Paper and cardboard	40,886	3,019,250	26,341	1,945,174	64.43%
Wood	-	2,063,778	-	543,467	26.33%
Total					**57.00%**

Quantities calculated based on the recovery targets imposed by Romanian legislation, met as part of the extended producer responsibility principle.

At local level, the target for 2020 imposed by the CCHBC Group for Romania was 49% of primary packaging to be collected, a target that was reached and exceeded. Similarly, the target imposed by local legislation, 60% of primary packaging recovered, has been exceeded.

70%

recycled packaging out of the total primary packaging placed on the market.

Waste diverted from disposal	2020 t
Non-hazardous waste recycled (glass, aluminum, plastic, PET, paper and cardboard, steel, wood)	4,333
Hazardous waste recycled	10
Waste sent for disposal	
Non-hazardous waste incinerated with energy recovery	24
Hazardous and electronic waste in landfills	2
Landfilled non-hazardous waste (household waste)	263
Total waste generated on-site	4,632

94%

of the waste generated on-site was recycled.

GRI 103-1
GRI 103-2

Energy Efficiency and Reduction of GHG (Greenhouse Gases) Emissions

We seek to limit our contribution to greenhouse gas emissions by constantly investing in new equipment, technologies and alternative energy sources.

Direct greenhouse gas emissions from our operations result from the consumption of fuel by our fleet of vehicles or the consumption of fuel and heat from our plants. In terms of indirect emissions, our impact results from the raw materials used in the production process (ingredients and packaging), the fleet of contractor carriers or drink cooling equipment located at customer sites. More information on the measures we are taking to reduce GHG emissions can be found in our Climate Change Policy, available here.

Energy

GRI 103-2
GRI 302-1
GRI 302-3

Total fuel consumption from conventional sources of the fleet

Fuel	2018	2019	2020
	GJ	GJ	GJ
Gasoline	154.03	183.23	288.62
Diesel	43,779.18	47,507.32	40,541.14
Total	**43,933.21**	**47,690.55**	**40,829.76**

Conversion factors: 1 L Gasoline = 0.0344 GJ | 1 L Diesel = 0.0371 GJ

Total energy consumption from renewable sources

	2018		2019		2020	
	GJ	%*	GJ	%*	GJ	%*
Electricity from renewable sources	67,901.40	93.50%	67,701.40	100%	50,205.45	100%

*Percentage of electricity from renewable sources out of total electricity purchased. The amount of energy mentioned above is taken from the national grid and represents 100% renewable energy. In the Ploiesti and Timisoara plants, we also use energy produced internally through CHP (Combined Heat and Power – cogeneration) plants, using conventional fuel (natural gas)

Total fuel consumption from conventional sources in plants

Fuel	2018	2019	2020
	GJ	GJ	GJ
Natural Gas	78,525.45	79,667.68	76,396.26
LPG	22,783.76	18,200.72	14,253.71
Light liquid fuel (fuel oil for the heating plant)*	15.60	198.67	5.34
Total	**101,324.81**	**98,067.07**	**90,655.31**

*LLF quantities reported in the previous report were expressed in GJ, not liters

Light liquid fuel is used only as a reserve when natural gas/ propane is not available. For this reason, there are significant variations from one year to the other.

Energy consumption

Type	2018	2019	2020
	GJ	GJ	GJ
Electricity (total)	**263,533.49**	**267,716.47**	**246,191.25**
• out of which electricity from the grid	67,901.40	69,444.21	50,205.45
• out of which electricity from CHP	195,632.09	198,272.26	195,985.80
Thermal energy from CHP (steam, hot water)	88,202.97	98,067.06	88,685.00

Conversion factors: 1 MWh = 3.6 GJ

Total Energy Consumption = Fuel Consumption in plants + Electric Power Consumption in plants

Total Energy Consumption in Plants = 425,532 GJ

The total share of renewable or clean energy used in plants in the manufacturing process is 78.7%. The difference arises from the energy produced by burning conventional fuels - natural gas, LPG, and light liquid fuel (fuel oil).

Energy intensity	2018	2019	2020
	MJ/lpb	MJ/lpb	MJ/lpb
	0.39	0.38	0.39

Energy intensity is calculated in relation to the total energy consumption of the plants, without considering the fuel consumption of the fleet.

GRI 103-2
GRI 302-4
GRI 305-5

Initiatives, projects, and investments for energy efficiency

Project title and description	Completion date 2020	Annual estimated savings - energy consumption kWh	Annual estimated savings – water consumption Kiloliters
Monitoring system for electricity and heat consumption	November	250,000	-
Product water chiller	December	15,850	-
Modification of glass line conveyors	November	45,000	-
Upgrade of high-pressure compressor cooling system	September	64,000	-
LED lighting system for the production area (Dorna-Poiana Negri)	December	18,488	-
LED lighting system for the production area (Timisoara)	October	15,000	-
New PET bottling line	May	200,000	10,021
General maintenance of wastewater treatment plant	September	100,000	-
General maintenance of 40 bar compressors	October	100,000	-
Purchase of new high-pressure compressor	July	24,000	-

The energy efficiency projects implemented in 2020 hada total value of

11,150,000 €,

helping to save

832,338 kWh

of energy.

Emissions

Emissions GHG	2018 tons CO_2e	2019 tons CO_2e	2020 tons CO_2e
Scope 1	12,731.71	14,260.00	12,126.00
Scope 2	13,122.50	13,674.00	12,473.00
Scope 3	310,648.35	324,403.00	256,274.00

All carbon emissions (all scopes: Scope 1, 2 and 3) are calculated and disclosed in our 2020 Coca-Cola System Romania Sustainability Report and in our Group 2020 Integrated Annual Report. The Group's emission (Scope 1, Scope 2 and Scope 3) inventory was verified by an external independent audit company. The verification of the carbon footprint required verification of the emission inventories of all countries where the Group operates first. More on the auditor's assurance statement can be found on pages 234-236 of the 2020 Integrated Annual Report.

scope 1

- Combustion of fuels in thermal power plants
- CO_2 emissions from the fleet
- Emissions related to coolers
- Loss of CO_2 in the production process

scope 2

- Current emissions associated with the supply of electricity, steam, hot water, cooled water

scope 3

- Emissions associated with the contracting carrier fleet, packaging and CO_2 stored in products

The emission consolidation method uses the operational control approach. The methodology for calculating emissions follows the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard.

Source of emission factors:

- IPCC 2006, IPCC guidelines for national greenhouse gas inventories
- GHG Protocol - Global Warming Potential (GWP) CO_2 values
- IFEU LCA Study (Heidelberg Institute for Energy and Environmental Research)
- IFEU Study conducted for The Coca-Cola Company based on EcoInvent
- IFEU LCA Study conducted for The Coca-Cola Company packaging, based on the European Environment Agency guide (EAA 2013)
- Worldsteel 2012 + Elec 2013
- EcoInvent Database

GRI 103-2
GRI 103-3
GRI 305-4
GRI 305-7

Emission Intensity

Emission intensity	2018	2019	2020
	gCO_2 e/liter of product	gCO_2 e/liter of product	gCO_2 e/liter of product
	22.43	23.23	22.78

Scope 1 and Scope 2 emissions are counted in the calculation of intensity.

Emissions in the Atmosphere

Emissions	2019	2020
	kg	kg
NO_x	5,535.26	6,784.9
SO_x	50.14	61.4
Volatile organic compounds (VOC)	1,720.41	2,108.8
Partickles (PM)	58.35	71.5

In 2020, emission intensity per liter of beverage produced decreased by

2%

compared with 2019.

	2018	2019	2020
Number of cars	694	751	762
Distance traveled km	21,055,137	23,369,338	20,397,829

Water Stewardship

Sustainable water management is a major priority for us. Water is an important resource for us – it is the main ingredient in our beverages, but is also essential in the manufacturing process of beverages. At the same time, water is fundamental to the cultivation of the ingredients that form the basis of our products.

Water consumption, by source		**2020**	
		Total operating areas ('000 litri)	Hydric stress areas ('000 litri)
Total water extracted, by source	Total Groundwater	1,668,226.00	0
	Fresh water (≤1.000 mg/L TDS*)	1,668,226.00	0
Total water extracted		**1,668,226.00**	**0**

Quantity of water discharged		**2020**	
		Total operating areas ('000 litri)	Hydric stress areas ('000 litri)
Water discharged, by destination	Surface waters	414,257	0
	Water discharged to suppliers or other organizations (total)	368,651	0
Total water discharged		782,908	**0**
Water discharge, by type	Fresh water (≤1.000 mg/L TDS*)	782,908	
	Other types of water (>1.000 mg/l TDS)	0	
Water discharged, by treatment type	No treatment	0	
	Physico-chemical and biological treatment	782,908	

*TDS=total dissolved solids

The intensity of water consumption decreased by 1.9% in 2020 compared with the previous reporting period.

Intensity of water consumption	**2018**	**2019**	**2020**
	l/ lpb	l/ lpb	l/ lpb
	1.60	1.57	1.54

The local target imposed by the Group for Romania in 2020, in terms of water consumption per liter of produced beverage was 1.56 l water/lpb, a target that was reached and exceeded.

The entire quantity of water used in production comes from groundwater sources. The plants in Ploiesti and Timisoara operate their own water drillings, while the Poiana Negrii plant uses both drillings and its own catchments of springs, as well as natural mineral water from the National Mineral Water Company (SNAM). Water sources are found on the sites of the production plants or nearby and the water is transmitted through supply pipes, without being stored or carried in bulk.

Coca-Cola HBC Romania plants are found in areas with important groundwater resources. Therefore, we take care in ensuring that the operations are carried out in a way that maintains the balance of the water cycle in nature, without damaging the ecological or social role of water. In this respect, the impact on water resources is analyzed for each basic activity, from internal projects subject to technical and managerial analysis (where indicators relating to water consumption are important decision-making factors), to large investment projects that require approval from the authorities (water management documentation requires an analysis of the impact on water resources) or the organizational context through which the company implements policies, standards and certified and audited management systems.

GRI 103-1
GRI 103-2
GRI 203-2
GRI 303-1
GRI 303-2
GRI 303-3
GRI 303-4
GRI 303-5

GRI 103-2
GRI 103-3
GRI 303-1
GRI 303-2

Recovered and recycled water

In order to increase efficiency of use, we invest in technologies that enable water recycling and recovery and re-introducing it into the production circuit, wherever the technological process allows it. Thus, some of the water used to wash filters from various water treatment processes is saved and recovered. Likewise, some of the water used in cleaning the production facilities is recovered and saved.

	2018	2019	2020
	ML	ML	ML
Recovered and recycled water	40.45	38.08	33.58

Transition from EWS (European Water Stewardship) to AWS (Alliance for Water Stewardship)

In the context of the decreasing relevance and representativeness of this body (EWS), Coca-Cola HBC made the decision to have all of production facilities AWS (Alliance for Water Stewardship) certified from 2020. An increasing number of global companies adhere to AWS' standard.

Already included in The Coca-Cola Company's (KORE) operating requirements, the AWS principles include issues relevant to all 17 Sustainable Development Goals.

The AWS 2.0 Standard aims to be an accessible framework to guide the implementation of a water management system, targeting results in five directions:

- good water stewardship
- sustainable water balance
- good water quality
- important areas reliant on water resources
- clean water, sanitation, and hygiene (WASH)

The implementation of the standard follows a structured five-step approach, each involving several criteria, with each criterion having one or more indicators for compliance.

The certification according to the standard takes into account the route of the water from the catchment area and engages, in the process, all stakeholders. More detailed information on the certification process, as well as the indicators tracked, can be found by downloading the AWS 2.0 standard, available here.

To understand and collect feedback from our stakeholders on the challenges they have in relation to the efficient management of water resources and how our production processes influence these challenges, between April and June 2021, as part of the stakeholder consultation process to identify material topics, we included a series of questions in the stakeholder questionnaire that focused on water management issues. The categories of stakeholders consulted were consumers, employees of the Coca-Cola System in Romania, suppliers, customers/distributors, representatives of civil society/non-governmental organizations, business partners or consultants, members of the local community, industry representatives, journalists and authorities/policy makers.

The results are presented below from an overall perspective (average responses for each category), but also from the perspective of the responses received from members of the local community:

I Please prioritize the main topics related to efficient water management according to their importance to you.

where 1 - most important and 5 - least important

1. The quality of water resources
2. Availability of water resources
3. Protected areas dependent on water resources
4. Access to drinking water, sewerage and wastewater infrastructure
5. Administration, regulation, and best practice system available for water resources management

II Please prioritize the main challenges you face related to water resources.

where 1 - most important and 5 - least important

1. Reducing water consumption
2. Protecting the natural quality of water resources
3. Conservation of protected areas dependent on water resources
4. Improving access to drinking water, sanitation and wastewater treatment infrastructure
5. Enhancing the administrative, regulatory, and best practice system available for water resources management

III How would you rate the level of connection and influence between the Coca-Cola System and you for each of the key water efficiency topics?

on a scale of 0 to 4, where 0 means no connection and 4 means very high level of influence

- Administration, regulation, and best practice system available for water resources management
- Access to drinking water, sewerage and wastewater infrastructure
- Availability of water resources
- Protected areas dependent on water resources
- The quality of water resources

IV Please rate the areas where you think the Coca-Cola System should develop implementation of best practices.

on a scale of 0 to 4, where 0 means should not develop, and 4 means should develop as a priority

- Administration, regulation, and best practice system available for water resources management
- Access to drinking water, sewerage and wastewater infrastructure
- Availability of water resources
- Protected areas dependent on water resources
- The quality of water resources

V How do you rate the Coca-Cola System's water resource management strategy, plan, and performance (described on pages 52-54 of the 2019 Sustainability Report)?

0 is very poor performance and 4 is very good performance

- Our results in regards to water consumption reduction
- Investments and projects implemented for water consumption efficiency
- Our efforts for environmental protection and water resources in particular
- The general approach of the Coca-Cola System in water resources management
- Our efforts to implement best practices in regards to water resources

GRI 103-2
GRI 103-3
GRI 303-1

Environmental Impact of Coca-Cola Romania

Our environmental protection strategy is aligned locally with Coca-Cola HBC Romania's policies. In this way, we work together to manage the main aspects that have an impact on the environment: sustainably sourced products, responsible use of natural resources, energy efficiency and reduction of greenhouse gas emissions, packaging of our products, etc.

In Romania, the impact generated in our own operations is low, as Coca-Cola Romania operates through a team of 34 employees in a single location.

Materials used in operations	2018 kg	2019 kg	2020 kg
Paper	250	220	307
Cardboard	70	70	0

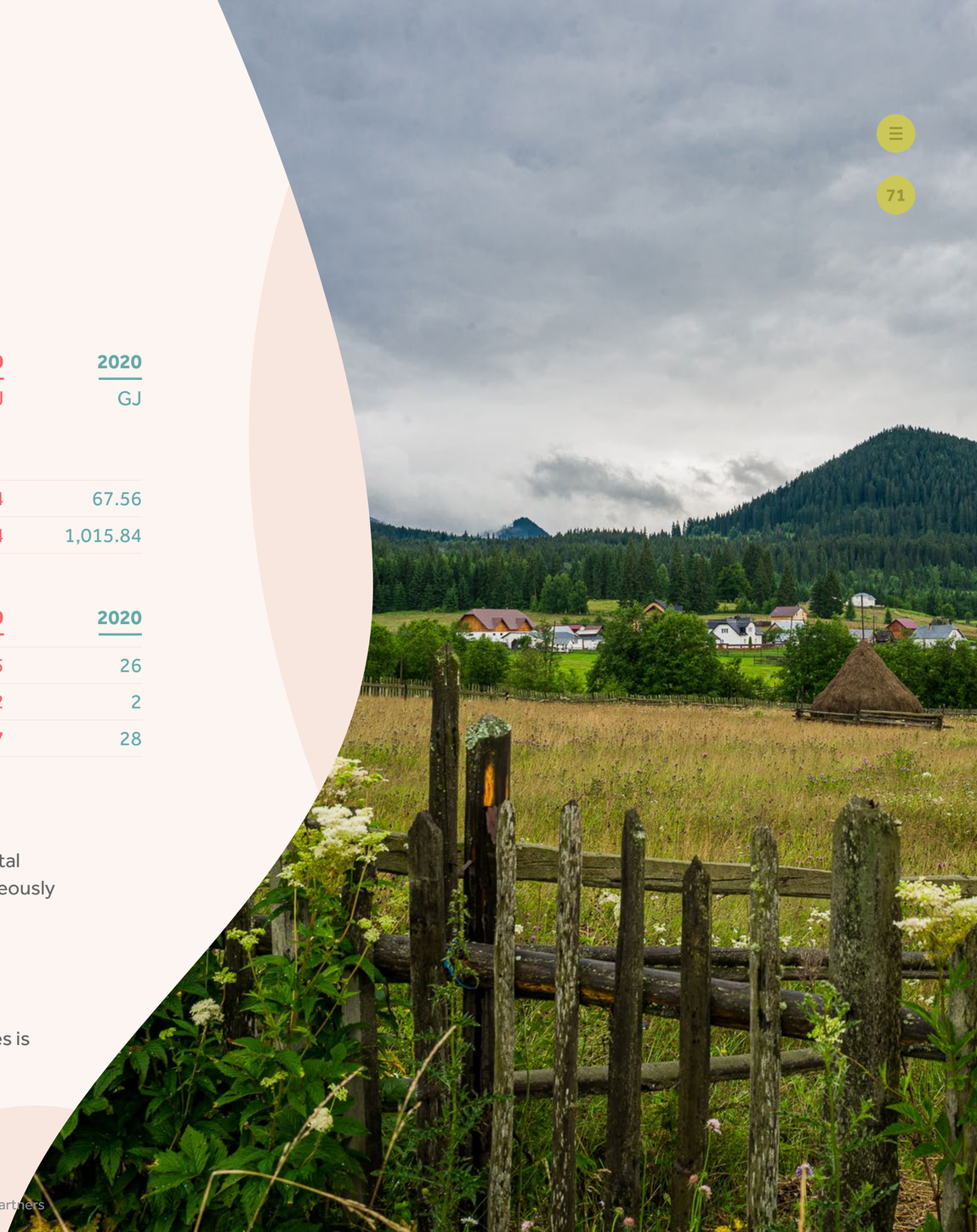
Total fuel consumption from conventional sources	2018 GJ	2019 GJ	2020 GJ
Gasoline	128.03	49.74	67.56
Diesel	1,054.93	1,237.84	1,015.84

Vehicle fleet	2018	2019	2020
Diesel	23	25	26
Gasoline	2	2	2
Total	**25**	**27**	28

In order to support The Coca-Cola Company's efforts towards sustainability and environmental protection, purchased vehicles must simultaneously comply with the following requirements:

- fuel consumption < 6 l/100 km
- emissions < 160 g CO_2/km

The purchase of hybrid, electric or LPG vehicles is encouraged, as well.



5

Our Team

Echipa Sistemului Coca-Cola

Promovăm diversitatea

Cum încurajăm performanța colegilor noștri

Siguranța la locul de muncă

WHAT MEASURES WE IMPLEMENTED FOR OUR EMPLOYEES IN THE CONTEXT OF COVID-19

In 2020, the total employee protection expenses in the context of the health crisis stood at

5,654,614 lei*

GRI 103-2
GRI 403-6

One of the key priorities for us in 2020 was the safety of our employees. Although there were significant changes in the way we work, having to adapt to the context of the health crisis in a period marked by changes difficult to anticipate and the need to make the best decisions in the shortest time, we knew we could rely on our employees.

Aware of the challenging times we were going through in 2020, they made extraordinary efforts, worked together to achieve their goals and proved an incredibly high level of commitment and dedication, confirming once again that our organizational culture is based on trust and responsibility.

As early as March 2020, we mobilized quickly, developed and implemented new working guidelines and special protocols in all our facilities, constantly communicating them to our employees and ensuring that they are always informed about safety and protection measures.

Thus, we provided protective equipment for all our employees (masks, sanitizers, gloves, etc.), and during the state of emergency, for their families, too.

The work from home program was extended to other positions that had not been previously eligible. All employees, whose positions allowed them to work from home, were able to take their office chairs and monitors with them, so that they could work in a comfortable environment. We also implemented a new policy allowing them to purchase company-used equipment (e.g., laptops, tablets).

In June 2020, we launched - **The Employee Assistance Program** - a service to support the physical, mental health and wellbeing of our people. Operated by an external partner, the program offers our employees and their family members free access to 6 counseling sessions per year (for each difficult situation they are going through), providing emotional support for issues related to managing stress, anxiety, depression, or support for situations that may arise in everyday life, such as financial problems, retirement plans, parenting etc. The program can be accessed by phone, online or via a mobile app, in a private and confidential way. At the same time, the program is also an additional support for colleagues in managerial positions within the company, as they can access counseling on managing issues such as dealing with conflict, communication with team members, stress management, returning to work after a long period of time, etc.

At the same time, we provided employees with a series of webinars to facilitate the adjustment process to the new reality, while maintaining a work-life balance: stress management in crisis situations, sport, and ergonomics, eating healthily while working from home, how to sleep better, parenting in times of coronavirus, etc.

To ensure we understood what our people needed, we included in the Pulse Surveys, conducted three times in 2020 (April, July and October), questions on how they adapted to the measures imposed by the pandemic context, as well as the response and actions taken by the company throughout this period (e.g. whether the protective equipment was sufficient, whether they felt sufficiently well informed about how the company was handling the situation, whether they felt supported by line managers, or whether they were aware of new health and safety protocols implemented by the company).

*1,169,396 euros, at an average exchange rate of 1 euro = 4.8355 lei

Coca-Cola System Team

Contract type/ Working hours	2019	2020
COCA-COLA HBC ROMANIA		
Fixed term	20	28
Permanent	1,474	1,497
Full time	1,494	1,525
Part time	0	0
COCA-COLA ROMANIA		
Full-time/ Permanent	34	34

Category	2020			
COCA-COLA HBC ROMANIA	New employees*		Employees who left the company**	
	No.	Rate (%)	No.	Rate (%)
Gender				
Women	42	10.21%	50	10.20%
Men	96	8.62%	112	8.00%
Total	**138**	**9.05%**	**162**	**8.60%**
Age Group				
<30	71	18.73%	50	11.40%
30-50	61	6.77%	86	7.50%
>50	6	2.46%	26	8.90%
Total	**138**	**9.05%**	**162**	**8.60%**
Location				
Bucharest	44		55	
Cluj	10		13	
Constanta	15		17	
Craiova	6		4	
Galati	3		4	
Iasi	7	9.05%	6	8.60%
Oradea	4		8	
Poiana Negrii	5		11	
Ploiesti	17		21	
Timisoara	27		23	
Total	**138**		**162**	

*is calculated as the total number of new employees in relation to the average number of employees in that category
**According to the internal rules, the staff turnover rate is calculated in relation to the number of permanent employees on the last working day of the previous month.

COCA-COLA ROMANIA

In 2020, at Coca-Cola Romania level, one employee left the company and a new employee joined our team (3% rate of new employees, 3% rate of employees who left the company).

GRI 102-8
GRI 103-2
GRI 401-1

Right to Freedom of Association and Collective Bargaining

GRI 102-41
GRI 103-1
GRI 103-2
GRI 402-1

We respect the right of our employees to join a union, to form one or not to join a union without fear of retaliatory measures, intimidation, or harassment. If employees are represented by a legally recognized trade union, we undertake to establish a constructive dialogue with their freely elected representatives and to participate in the negotiation processes in good faith.

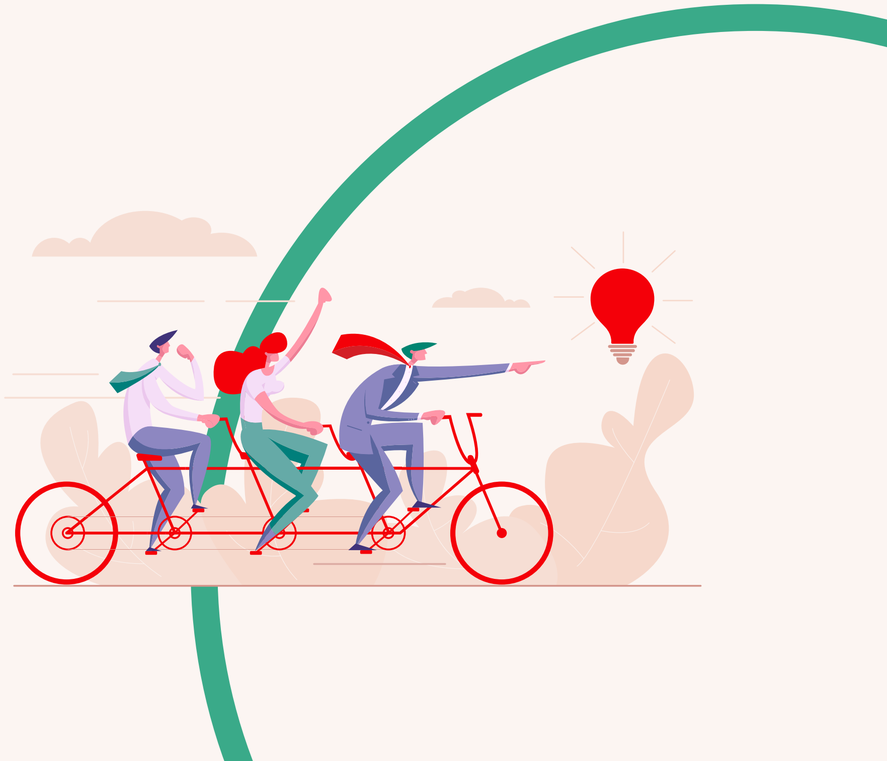
All changes or decisions, which may have a major impact on employees, will be communicated to them 5 calendar days after the date of the decision, in accordance with the provisions of the collective agreement.

Union	2019	2020
Company employees enrolled in unions (% of the total)	13.90%	11.69%
Employees enrolled in the Coca-Cola HBC Romania Free Union	1.60%	1.90%
Employees enrolled in the Coca-Cola HBC Romania Independent Union	11.90%	9.60%
Employees enrolled in the Coca-Cola HBC Brothers' Union	0.40%	0.19%

At Coca-Cola Romania, there are 2 colleagues elected by the employees in Romania, who represent them in consultations/dialogue with the company representatives, in accordance with the legislative provisions.

All employees of the company benefit from the decision* of the Director General, which replaced the collective labor contract.

*the decision keeps the same stipulations as those contained in the collective labor agreement, but by subtracting the number of employees from the company's employees' unions, they no longer have representativeness, according to the legislation in force



Diversity and Equal Opportunity

Diversity, equal opportunities, equity, and inclusion are core values of our HR policy, which are the foundation of our growth strategy.

We believe in a better future, a future in which all people have access to the same kind of resources, benefits and opportunities, regardless of gender, race, sexual orientation, genetic traits, age, nationality, race, color, ethnicity, religion, political affiliation, social origin, disability, family, or responsibility status. Therefore, we are committed to maintaining an environment of equal opportunity, free from discrimination and harassment. The criteria for recruiting, hiring, training, compensating, or promoting employees in the company are based on performance, qualifications, skills and experience of our people, and, regardless of an employee's personal characteristics or status, we do not tolerate disrespectful, inappropriate behavior, unequal treatment or any form of discrimination. All employees are encouraged to report any suspicion of any violation of these principles with the Local Ethics Officer or to report them through the reporting channels available to them.

We are aware of the power we have through our brand, which is why we believe it is our responsibility to engage and promote respect for the principles of diversity, equal opportunity, equity and inclusion beyond our internal policies and procedures. Thus, we focus our resources on investing in and promoting important causes and get involved whenever we have the opportunity.

Locally, Coca-Cola HBC Romania was one of the first signatories of the **Diversity Charter**, signing it in March 2018 and thus committing to continuing the promotion and implementation of diversity, inclusion and equal opportunity principles, both within and outside the company.

Category — COCA-COLA HBC ROMANIA — 2020

	Men				Women			
	<30	30-50	>50	Total	<30	30-50	>50	Total
Senior Management Team	0	5	0	**5**	0	3	1	**4**
Middle Management Team	23	148	25	**196**	22	48	15	**84**
Professionals	175	393	82	**650**	123	144	21	**288**
Blue Collar	34	140	88	**262**	3	21	12	**36**
Total	**232**	**686**	**195**	**1,113**	**147**	**215**	**49**	**412**

Category — COCA-COLA ROMANIA — 2020

	Men				Women			
	<30	30-50	>50	Total	<30	30-50	>50	Total
Senior Management	0	2	1	**3**	0	3	0	**3**
Middle Management	0	6	1	**7**	2	12	1	**15**
White Collar	1	0	0	**1**	2	3	0	**5**
Total	**1**	**8**	**2**	**11**	**4**	**18**	**1**	**23**

Employees with disabilities — COCA-COLA HBC ROMANIA

	2019		2020	
	B	F	B	F
Blue collar	6	-	5	-
White collar	-	2	-	2

In 2020, there was one incident of discrimination at Coca-Cola HBC Romania.

The investigation of the incident and the measures undertaken were conducted and implemented in accordance with internal procedures and applicable national legislation. There were no legal consequences.

At Coca-Cola Romania there were no incidents of discrimination or sanctions against employees as a result of violations of policies on inclusion and equal opportunities.

GRI 102-12
GRI 103-1
GRI 103-2
GRI 103-3
GRI 405-1
GRI 406-1

How We Foster the Performance of Our Colleagues

GRI 103-2
GRI 401-2
GRI 403-6

Benefits

The remuneration process and benefits package are fair and are solely based on the individual performance of each employee, regardless of gender, age, race, religion, skin color, sexual orientation, ethnic origin, or nationality etc.

In 2020, the total value of benefits offered to Coca-Cola HBC Romania employees was

17.627.865 lei,

an increase of approximately 10% compared with 2019.

COCA-COLA HBC ROMANIA				2020	COCA-COLA ROMANIA	
Full-Time		Temporary		Benefits offered by type of contract	Full-Time	
< 1 year	> 1 year	< 1 year	> 1 year		< 1 year	> 1 year
✓	✓	✓	✓	Meal vouchers	⊘	⊘
⊘	✓	⊘	✓	Holiday vouchers/ bonuses	⊘	⊘
✓	✓	✓	✓	Transport from/ to work	✓	✓
⊘	✓	⊘	✓	Support for personal events (marriage, death, etc.)	⊘	⊘
✓	✓	✓	✓	Gifts and bonuses for underage children of employees	⊘	⊘
✓	✓	✓	✓	Easter and Christmas bonuses	✓	✓
✓	✓	✓	✓	Life and accident insurance	✓	✓
✓	✓	✓	✓	Medical plan (for employees and first-degree family members)	✓	✓
✓	✓	✓	✓	Product quota (soft drinks/water)	⊘	⊘
⊘	✓	⊘	✓	Additional vacation days	⊘	⊘
✓	✓	✓	✓	Days off for various events	⊘	⊘
⊘	⊘	⊘	⊘	Private health insurance	✓	✓

GRI 103-2
GRI 401-3
GRI 403-6

All Coca-Cola HBC Romania and Coca-Cola Romania employees benefit from life and accident insurance, as well as medical plans for themselves and their families. In addition, Coca-Cola Romania employees also have access to private health insurance, while those who have been employed at Coca-Cola HBC Romania for over a year can enjoy additional vacation days.

Coca-Cola HBC Romania employees are also registered in the Benefit Systems platform, where they can access a monthly allowance and choose the services they wish to benefit from. Therefore, we facilitate workers' access to non-occupational medical and healthcare services, offering them varied discounts to benefits such as gym memberships, sports medicine and physical therapy, and nutrition programs, helping them fight the most common health issues of our times (obesity, mental health, physical activity, nutrition, etc.).

COCA-COLA HBC ROMANIA	2020	COCA-COLA ROMANIA
	Value of bonuses - Percentage of salary	
10-50%	Employees	6-10%
15-30%	Management	15-30%
30-45%	Top Management	>30%

Men	Women	Parental Leave	Men	Women
39	22	No. of employees who were entitled to parental leave*	11	23
1	18	No. of employees who took parental leave	1	1
6	7	No. of employees who returned to work (in 2020) after parental leave	1	0
5	10	No. of employees who returned to work (in 2019) after parental leave and were still employed after 12 months (in 2020)	0	1
65%		Return to work rate	100%	100%
83%	63%	Retention	100%	100%

*As in the case of Coca-Cola Romania, all Coca-Cola HBC Romania employees are entitled to parental leave. However, for Coca-Cola HBC Romania, the figures presented in the table above refer to the employees who were able to access it in 2020 (employees who have had a child born).

GRI 103-2
GRI 404-1
GRI 404-3

Training and Development

Average number of training hours by category	2020
Average number of training hours	37
Average number of training hours (women)	30
Average number of training hours (men)	40
Average number of training hours (professionals)	39
Average number of training hours (management)	39
Average number of training hours (middle management)	39

At Coca-Cola Romania, a sizable proportion of the training and training programs offered to employees are on request, self-paced or with voluntary enrollment. Coca-Cola University (CCU) is the Coca-Cola Company employee Development Program, through which they benefit from activities aimed at educating and developing their skills. Our employees also had a number of courses available in 2020 that they could voluntarily access, such as Leading in the Network, E-commerce, Agile, Digital Literacy, etc.

66,5%

of Coca-Cola HBC Romania employees went through a performance evaluation and career development plan in 2020.

Examples of training offered to employees	2020	
	Total hours	No. of participants
New categories knowledge (Coffee & Premium Spirits)	3,300	1,100
Trainings developed in the context of COVID-19 (Customer prioritization/ Safety/ Phone sales	731	576
Operator Development Program	1,166	205

COCA-COLA HBC ROMANIA 2020					COCA-COLA ROMANIA 2020				
	Men		Women		Performance evaluation and career development plan	Men		Women	
	No.	%	No.	%		No.	%	No.	%
	697	62.6%	316	76.7%	All levels				
		5			Senior management	3	27%	3	13%
		264			Management*				
		745			Professionals				
					Middle management	7	64%	15	65%
					White collar	1	9%	5	22%
					Total	**11**	**100%**	**23**	**100%**

*Front line leaders and changes leaders

Employee Development Programs

GRI 103-2
GRI 404-2

Although the context we faced in 2020 was also challenging from the perspective of in-class training programs, we addressed the challenges by quickly identifying new opportunities or adapting already established employee programs to further facilitate the team's access to professional development.

Coaching for All Employees

Over the years, coaching has become a very important part of our strategy, a key lever for business performance acceleration and nurturing our employees to use their natural talents and strengths. Our coaching story was initiated in 2020. In time, our company committed to extend and accelerate the impact that coaching has on our culture. Investing in coaching programs has had extraordinary benefits, by fostering innovation, improving work autonomy, increasing workplace satisfaction and stimulating business and individual performance, becoming a valued pillar of our human resources strategy, with a direct impact on:

Leadership style - managers use coaching skills to create relationships based on trust within their teams and a culture in which employees are empowered and responsible.

Performance coaching - managers use coaching techniques in daily discussions, for optimizing business processes and developing new strategies to improve business performance.

Talent development - coaching is one of our main tools for developing our people. It is part of the managers' transition plans when they take on new roles and part of the development actions for people with high potential. Also, all employees have access to our internal group of trainers, depending on their needs.

Experienced managers are part of our internal coaching program, based on ICF standards and competencies and provided by an ICF accredited trainer. Each of them has been offered a mentor consultant to guide their development, all of them being included in our internal group of consultants. All employees have access to individual and confidential coaching sessions with them, on topics such as: personal development, self-knowledge, career prospects, workplace performance, etc.

In these uncertain times, we understood that coaching is one of the main tools that will allow us to remain agile and overcome challenges, so we wide-opened our doors for coaching within the organization.

We organized coaching events throughout the company to promote the coaching activity and over 300 employees participated in each session. In 2020, 60 pairs of coaching were formed, with the demand for coaching increasing from year to year.

GRI 103-2
GRI 404-2

Code of Talent

Online learning platform

The online learning platform dedicated to our Business Developers was designed to support learning, knowledge accumulation and skill development. The platform includes short learning sessions, as well as challenges that our coworkers must overcome, while receiving direct feedback from the team manager.

Learning Day with Customers

In 2020, we organized learning sessions for our sales colleagues, to which customer representatives were invited. Their main purpose was to find out directly from them what constitutes the ideal attitude of a supplier and how they can be as customer oriented as possible. The initiative was highly appreciated by both our colleagues and customers.

Fast-Forward

The **Fast Forward** programs give employees the opportunity to accelerate their career development. These key programs cover the most common transitions to leadership positions and are designed around principles that aim at Enhancing self-awareness and developing an appropriate spirit for a senior leader, improving leadership skills, acquiring critical experience for higher level leadership, expanding the support network to include people from superior positions and developing and seeking experiences outside the comfort zone.

In 2020, some of the core elements were redesigned so that the focus was on authentic leadership, self-reflection and external perspectives, while also inviting guests from the outside.

Occupational Safety

GRI 103-1
GRI 103-2
GRI 403-1
GRI 403-8

In 2020, the health and safety of our employees took on a new dimension in the context of the healthcare crisis. In addition to the measures we take daily to ensure that work in our factories is carried out in a safe manner, limiting employee exposure to work-specific hazards, we took constant action to ensure that our team was protected from exposure or infection with the new coronavirus.

We have strictly followed the recommendations imposed by the authorities, worked closely with our colleagues within the Group to adopt the best practices, constantly communicated with our teams, implemented new protocols at our plants and headquarters and the necessary protective equipment was made available to employees. Throughout the year, several information campaigns were carried out for both our employees and contractors.

Occupational Health and Safety Policy

We take full responsibility for ensuring a safe working environment for our employees, which is why we strictly implement the requirements of national legislation. All our plants are certified to OHSAS 18001:2007 and we will be transitioning to ISO 45001:2018 in the coming period, replacing 18001:2007 (Ploiesti plant - July 2021). ISO 45001:2018 sets out the requirements of the occupational health and safety management system, providing a framework for managing risks and opportunities in this area. All company employees are covered by the occupational health and safety management system.

Our occupational health and safety policy consists of targets set and communicated at all levels of the organization and for all operations within the scope of the management system, which are regularly monitored, reviewed, and revised. Responsibility for the effectiveness of the occupational health and safety management system resides with the top management, which is committed to provide the necessary resources and to communicate the importance of this approach, so that each employee is aware of their role as well as their responsibilities.

Occupational Health and Safety Committee

In order to ensure the development of appropriate policies and their effective implementation, an Occupational Health and Safety Committee has been established within Coca-Cola HBC Romania, legally assembled through at least half plus one of its members being present.

The OH&SC decides by a vote of at least two thirds of the members present at each meeting. The Secretary writes a report to be signed by all members of the committee and is then required to display the report in a visible place and to send a copy to the Territorial Labor Inspectorate within 10 days.

The topics discussed during the meetings are set by the President and the committee's Secretary, consulting workers' representatives and communicated to the members and the Territorial Labor Inspectorate within 5 days.

The Secretary of the Occupational Safety and Health Committee summons the members of the Committee in writing with at least 5 days prior to the meeting, indicating the agreed venue, date, and time.

The responsibilities of the Occupational Health and Safety Committee are as follows:

a. analyzes and makes proposals on the occupational health and safety policy and prevention and protection plan, in accordance with the internal regulations;

b. pursues the implementation of the prevention and protection plan, including the allocation of the means necessary to achieve its provisions and their effectiveness in terms of improving working conditions;

c. analyzes the introduction of new technologies, the choice of equipment, taking into account the consequences for the health and safety of workers, and makes proposals when identifying certain deficiencies;

d. analyzes the choice, purchase, maintenance and use of work equipment, collective and individual protective equipment;

e. examines how to carry out the tasks of the external prevention and protection service, as well as their maintenance or replacement, where appropriate;

f. proposes measures for the development of workplaces, considering the presence of sensitive groups, subject to specific risks;

g. analyzes the proposals made by workers regarding working conditions and the way in which designated people and/or the external service perform their duties;

h. monitors the way in which legal requirements regarding occupational health and safety, as well as measures ordered by labor and health inspectors are applied and respected;

i. analyzes workers' proposals regarding the prevention of work accidents and occupational illnesses, as well as regarding the improvement of working conditions, and proposes their inclusion in the prevention and protection plan;

j. analyses the aspects causing accidents at work, occupational illnesses and events and may propose technical measures in addition to the measures ordered as a result of the research;

k. carries out its own checks on the application and working instructions and makes a written report on the findings made;

l. debates the written report submitted to the Committee on Health and Safety at Work by the Head of the Unit at least once a year on the situation of safety and health at work, the actions that have been taken and their effectiveness in the year ended, and the proposals for the prevention and protection plan to be carried out in the following year.

GRI 103-2
GRI 403-2
GRI 403-3

Preventing Work-related Injuries and Hazard Reporting

In order to create and maintain a safe environment in our business, we continually promote and support a culture of occupational health and safety based on rules, regulations, procedures and good practices that are undertaken and respected by all our employees, as well as by our contractors, who must adopt the same safe working conditions. Safety is the responsibility of everyone and of all employees. Employees can prevent harming themselves and their colleagues by always following safe working practices and reporting unsafe conditions when observed.

As set out in the company's Internal Regulations and in accordance with the job description, all employees are bound by the obligation and responsibility to comply with the rules in the field of occupational safety and health and emergency situations, and to contribute to the prevention and removal of any situations that could endanger the life, bodily integrity, or health of people.

Many employees go beyond these basic responsibilities by participating in safety committees, participating in joint teams in improvement projects, by engaging in the **Behavior Based Safety** as observers, by informing management of safety policies and procedures, helping to carry out safety inspections at work.

For careful monitoring of compliance with occupational safety and health rules, 2,159 internal controls and inspections were carried out at the company level, resulting in preventive and corrective measures meant to avoid the occurrence of occupational accidents in the future.

According to our procedures, employees and contractors can report hazards, dangerous situations, and mild incidents when they are observed, to managers, both directly and through the "Near-miss" events reporting system. Such reports shall be collected directly or through the reporting sheets submitted by any person who identifies such situations which may impact the safety and health of workers during their activity. Immediately after reporting, these situations are analyzed by the managers of the jobs where they were reported, and appropriate corrective measures are applied. The information is tracked monthly through local performance indicators and reported at Group level. Quarterly, the "Near-miss" situations and the corrective and preventive measures applied are discussed at the meeting of the **Occupational Health & Safety Committee** (OH&SC).

GRI 103-2
GRI 403-5

Employee Training and Engagement

The consultation and participation of employees in matters regarding OH&S is carried out through the Occupational Health and Safety Committees set up at company level, through the participation of employees' representatives in the elaboration and application of OH&S decisions within this committee and through the suggestion program based on the concept of innovation implemented in the locations.

The OH&SC meetings are held quarterly, and the report written as a result is communicated internally to the employees and staff of the locations and, externally, to the occupational health and safety authority.

The results of the OH&SC meeting are communicated to the staff by posting the report on the dedicated OH&S boards in the locations/ departments.

On a monthly basis, two-way information and communication sessions take place between employees and workplace managers on various aspects of OH&S, sessions organized in the work area, called "Toolbox Talks" meetings. The topics discussed are work-related issues, assessed risks for new activities and equipment, audits, internal OH&S inspections and sharing of good safety practices.

In 2020 we provided

6,836

hours of training for managerial roles and

33,088

hours for non-managerial positions.

In November, the occupational health and safety awareness campaign was held under the name of **Occupational Safety and Health Week 2020** and addressed topics of interest for colleagues from all departments in the organization.

Regular trainings for workers are organized at each workplace in the company. Training requirements are determined by analyzing the specific hazards and risks associated with the activities and services carried out by the organization and follow the applicable legal requirements in the OH&S field, as well as the requirements of the OH&S Management System implemented and certified at company level. Whenever external training needs are identified for specialized personnel or personnel requiring authorization for certain occupations, participation in training and training courses is organized. Frequency and training materials are included in training topics for all workplaces.

In 2020, in addition to all these trainings, we conducted additional training sessions with employees from all the departments and contractors at our locations, on measures and rules against COVID-19.

Work-related Accidents

COCA-COLA HBC ROMÂNIA

In 2020, Coca-Cola HBC Romania did not register any work-related accidents or illnesses, as a result of exposure to occupational hazards.

Although no occupational accidents were recorded during the reporting period, the company continues to implement measures to reduce the risk of injury in its work processes. Thus, as an initiative of the CCHBC Group, the ongoing project **Road to Zero LTA** has brought together good practices and measures implemented in other countries to ensure reduced risk in high-risk activities such as: circulation of vehicles and people across the territory, working at height, working with machinery and others.

Another program designed to identify unsafe behaviors and situations is **Behavior Based Safety**, which promotes safe behaviors by engaging employees to observe and give feedback to co-workers in-situ and identifies barriers that cause people to work unsafely.

COCA-COLA ROMÂNIA

In 2020, Coca-Cola Romania did not register any accidents at work or illnesses as a result of exposure to occupational hazards.

At Coca-Cola Romania, our long-term success depends on how we protect the safety and health of our employees, visitors and the public. We believe that a safe and healthy job is a fundamental right of every person and also an imperative for a healthy business. Our workplace rights policy requires taking responsibility for maintaining a productive job in every part of our company, doing everything we can to minimize the risk of accidents, injuries and health hazards for all our associates and contractors. In addition, we work with our bottling partners to ensure that health and safety risks are minimized for contract workers and employees.

6

Togheter with Our Partners

Supply Chain

Suppliers Guiding Principles

Reporting Channels

Procurement Process

Local Community Investments

Together for a Common Purpose

6.1

Supply Chain

WHAT MEASURES WE IMPLEMENTED FOR OUR PARTNERS IN THE COVID-19 CONTEXT

With the launch of Coca-Cola campaign "Open like never before", the first since the onset of the pandemic, a regional campaign that marked a period of social and cultural transformation, we developed a plan of concrete actions to support our partners, including restaurants, bars and local coffee shops, significantly affected during these challenging times.

The campaign was launched with a manifesto created especially for Coca-Cola by George the Poet, an award-winning spoken poetry artist. The manifesto was inspired by the promise of new possibilities, discovered during the quarantine, and urged us all to be "open, like never before" and appreciate all that we have around us.

We learnt throughout this period how to stick together in the hardest of times, committing ourselves to those around us, aware that responsible gestures were the only way to overcome those moments. Thus, we set out to support the HoReCa community by initiating programs to help both those working in the hospitality industry and also those who had lost their jobs in the sector during that period:

- we provided safety kits for HoReCa reopening – masks, gloves, protective face shields, and hand sanitizer;
- we kept in touch with our partners via newsletters, providing information relevant to their business, about the trend of sales, economic indicators, changes in consumer behavior and buying habits;
- we provided expert advice, supporting the organization of webinars to adapt the business to the new reality;
- we invested in promoting HoReCa partners by sponsoring their advertisements through a digital platform
- we created a special menu in our partners venues, directing a percentage of the cost of the menu to a fund dedicated to the professional reintegration of unemployed people in the hospitality sector

At the same time, for some of our partners, we ensured the reimbursement of expired products or extended the payment terms from 21 to 28 or 60 days.

Supply Chain

We consider our suppliers to be critical partners to the ongoing success of our business. Long-term relationships, based on principles of ethics and accountability, are the key points within our supply chain.

We, therefore, consider sustainability within our supply chain to be as important as the management of sustainability issues within our own operations. At the same time, we are aware that adopting business practices that respect the principles of sustainable development can be a challenge for our suppliers, therefore, we are supporting them to improve the sustainability process of their supply chains.

GRI 103-1
GRI 103-2
GRI 103-3
GRI 403-7

Supplier Guiding Principles

Our impact goes beyond the borders of our bottling plants, and being the largest beverage producer in Romania market brings us great responsibility: to pass on the best practice models we implement in our operations and to take the lead in adopting the latest and most effective measures to reduce the negative social and environmental impacts. The way we operate is guided by a strong set of values and principles, built on high standards of quality, integrity, and excellence.

In 2020, we revisited our procurement guidelines to implement stricter rules over human rights, ethics and compliance practices expected from our suppliers, and retrained our buyers' community about the sustainability risk assessment tools available for supplier selection and governance.

At Coca-Cola HBC Romania, the principles that govern our relationship with the suppliers are described in the Supplier Guiding Principles. All our partners are required to follow them, as well as guarantee compliance with them before entering into any contract with us. We are pleased to work with our suppliers to ensure an understanding of and compliance with our requirements in the following areas at least:

- **workplace practices:** we support fair employment practices consistent with our commitment to human rights in our workplace and we also expect our suppliers to comply will all applicable laws and similar standards and principles in the countries where they operate
- **work environment:** we expect our suppliers to judge their employees and contractors based upon their ability to do their jobs and not upon their physical and/or personal characteristics or beliefs, affirming the principle of no discrimination based on race, color, gender, religion, political opinion, national origin, or sexual orientation
- **health and safety:** we expect our suppliers to provide a safe workplace with policies and practices in place to minimize the risk of accidents, injury, and exposure to health risks
- **child labor, abuse of labor:** we expect our suppliers neither to employ anyone under the legal working age nor to condone physical or other unlawful abuse or harassment, in any of their operations
- **slavery, forced labor and human trafficking:** we expect our suppliers not to hold any person in slavery or servitude and not to use forced, bonded or compulsory labor or engage in any form of human trafficking
- **wages and benefits:** we expect our suppliers to compensate their employees fairly and competitively relative to their industry, in full compliance with applicable local and national wage and hour laws
- **third parties:** in the event their employees have lawfully chosen to be represented by third parties, we expect our suppliers to recognize such parties in good faith and not to retaliate against employees for their lawful participation in labor organization activities
- **environmental practices:** we expect our suppliers to conduct business in ways that protect and preserve the environment. At a minimum, we expect our suppliers to meet applicable environmental laws, rules, and regulations in their operations in the countries in which they do business
- **conflicts of interest:** we expect our employees and suppliers to avoid select situations where conflict of interest may arise and to report any such potential situation
- **business and financial records:** we expect our suppliers to comply with all applicable legislation on how to report and maintain financial records
- **bribery:** we expect our suppliers to comply with all applicable laws regarding bribery and not to use such practices or engage in fraudulent activities, as our company has "zero-tolerance" approach to violations of applicable anti-corruption or anti-bribery laws

We expect our suppliers to develop and implement internal processes for conducting business to ensure compliance with our supplier standards. We collaborate with Coca-Cola Romania who uses independent third parties to verify suppliers' compliance with the Supplier Guiding Principles; this verification includes confidential interviews with employees and contractors at the workplace. If a supplier fails to comply with any of the requirements of the Supplier Guiding Principles, we expect the supplier in question to implement corrective measures. Coca-Cola HBC Romania reserves the right to terminate the contract with any supplier who cannot prove conformity with our requirements.

Reporting Channels

COCA-COLA HBC ROMANIA

We encourage our suppliers and partners, who consider that an employee of the company or any other person who acts on behalf Coca-Cola HBC Romania, has engaged in illegal or otherwise improper conduct, to report it through the channels available to them.

Any concern or suspicion along these lines should first be discussed with the employee's manager or the Compliance Officer at *compliance@cchellenic.com*, or via **Speak Up!** line at coca-colahellenic.ethicspoint.com. The company will not tolerate any retaliation by any of its employees against suppliers as a result of reporting possible misconduct in good faith or as a result of cooperating in the investigation..

*Strategic suppliers are defined as suppliers with whom the company has contractual relationships that exceed a certain value or are critical suppliers to operations.

Suppliers expenses

	2019	2020
Local suppliers' expenses	100,359,404.71 € 476,054,836.24 lei*	142,494,080.37 € 689,258,116.20 lei**
Other suppliers' expenses	136,686,593.90 € 648,372,858.17 lei*	96,015,833.03 € 446,438,185.90 lei**
Total	**237,045,998.60 €** 1,124,427,694.41 lei*	**238,509,913.40 €** 1,153,696,302.10 lei**

*average exchange rate of 1 euro = 4.7435 lei
**exchange rate of 1 euro = 4.8371 lei

	2019	2020
Number of local suppliers	1,009	961
Other suppliers	184	192
Total	**1,193**	**1,153**
Of which new suppliers:	186	218

In 2020, approximately 60% of the Coca-Cola HBC Romania expenses were directed to its approximately 83% local suppliers. The proportion of the budget directed to local suppliers increased with 18%, compared with 2019.

We monitor the performance of strategic suppliers* through supply base assessments, audits of compliance and third parties' tools. One such platform that involves going through a third-party assessment is **EcoVadis**, which includes registering the supplier, completing assessment forms and uploading documents to support the statements and claims included in the completed forms (policies, procedures, certifications, sustainability reports, etc.) The indicators assessed through EcoVadis cover four strategic areas: Environment, Ethics, Labor and Human Rights and Sustainable Procurement. The platform generates an objective score for each supplier that goes through the evaluation methodology.

In 2019, 26 suppliers were checked through the EcoVadis platform, and 5 were rated with a score of less than 40 points, not complying with our requirements. In 2020, 10 suppliers were checked through the EcoVadis platform.

GRI 102-17
GRI 103-1
GRI 103-2
GRI 103-3
GRI 204-1
GRI 308-1
GRI 414-1

Procurement Process

GRI 102-9
GRI 103-2
GRI 308-1
GRI 414-1

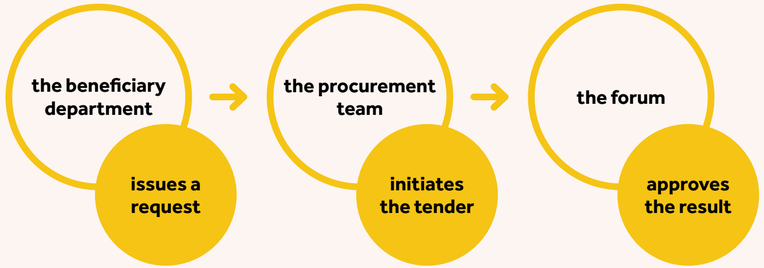
COCA-COLA HBC ROMÂNIA

At Coca-Cola HBC Romania, the procurement process begins with the issuance of a request from the beneficiary department, based on which the procurement team conducts an auction. The criteria, which also include specific environmental requirements, are defined according to the nature of the acquisition. According to the CoA (Chart of Authority), its result is subject to the approval of a forum consisting of budget manager, procurement manager, a representative of the legal department and a representative of the financial department. The approval process is intended to ensure that the supplier principles of conduct are included in the contract.

Supplier Selection

Depending on the specificity of each acquisition, our colleagues use a wide range of criteria when selecting suppliers, prior to concluding contracts. The selection of our suppliers for bottling lines and equipment is based on complex criteria, which include, in addition to commercial aspects, the consumption of resources arising in the operational phase: water consumption, electricity, heat, other consumables, chemicals, etc.

In 2020, 95% PEQ suppliers (professional equipment) and MRO suppliers (maintenance, repair, and operations) were selected* through tenders that included environmental criteria.



*may be new suppliers or suppliers with whom contractual arrangements have been extended
**average exchange rate of 1 Euro = 4.7435 lei
***exchange rate of 1 Euro = 4.8371 lei

COCA-COLA ROMÂNIA

All of our suppliers signed the Code of Business Conduct and are committed to fully complying with the principles and standards set out regarding workplace safety, product quality, human rights, anticorruption, and environmental protection.

In terms of the ingredients for our cold drinks, we are committed towards sourcing them from more ethical and sustainable sources. The Principles for Sustainable Agriculture (PSA) are the next iteration from the Sustainable Agriculture Guiding Principles (SAGP) and describe The Company's first principles for sustainable agriculture based on environmental, social, and economic criteria. The PSA reflect the most recent scientific and external stakeholder perspectives, include animal welfare and husbandry to reflect new product categories and simplify language where possible. The PSA are aimed at primary production level (i.e., farm), are inclusive of small-scale farmer cooperatives, medium and large commercial operations, and form the basis for our continued engagement with suppliers to achieve compliance, transparency, and continuous improvement of their farm base according to these principles. They will also guide our continued collaboration with industry platforms and standardization bodies to drive the adoption of sustainable agriculture practices in the production stage of our supply chain.

The PSA apply to all our agricultural product and packaging materials of agricultural origin. The "PSA Governance Framework and Implementation Guide" further describes the processes and criteria by which The Coca-Cola Company and System operationalize these principles to advance compliance with its vision on sustainable agriculture.

	2019 euro / lei**	2020 euro / lei***
Local suppliers' expenses	30.200.226 143.254.772,0	21.624.475 104.599.748,0
Other suppliers' expenses	3.538.470 16.784.732,4	4.392.403 21.246.492,6
Total	**33.738.696** **160.039.504,0**	**26.016.878** **125.846.240,6**

	2019	2020
Number of local suppliers	90	56
Other suppliers	12	13
Total	**102**	**69**
Of which new suppliers	8	5

6.2

Local Community Investments

GRI 103-2
GRI 413-1

WHAT MEASURES WE IMPLEMENTED FOR OUR COMMUNITY PARTNERS THROUGHOUT THE COVID-19 PANDEMIC

We entered 2020 planning projects with our civil society partners and embarking enthusiastically on a new journey full of ambitious goals. The period that followed was, however, completely unexpected. We went through moments we could hardly have imagined at the beginning of the year, moments that tested our coping mechanisms, tested our reaction speed and our ability to work together as a society for our common good.

We realized, perhaps more than ever during this entire period, how important it is to stay close to each other, even though we were physically far apart, for safety reasons. We found new ways to collaborate and work together so that we could continue our new mission, suddenly changed by the pandemic that started in March 2020: to stand by those in great need, to carry forward the message of solidarity and to support those fighting the pandemic on the frontline.

Although during the pandemic, some of our projects/initiatives were put on hold due to social distancing measures, adapted, or reconsidered, we developed and implemented many new projects targeting specific issues that were identified as the situation in the country became increasingly alarming.

We used our own resources to support of the community and, thus, the Timisoara Municipal Hospital increased its Covid-19 testing capacity by 100 tests per day, thanks to the equipment donated by our factory in Timisoara.

The Coca-Cola System in Romania made significant donations to the **Red Cross** for medical equipment and beverages for hospitals and quarantine centers, totaling 200,000 euros, and the Coca-Cola Foundation contributed with additional **$250,000** funding for protection and testing equipment. At the same time, we donated to the Bucharest-Ilfov Ambulance Service beverages, and money for purchasing protective masks.

Donations to the Red Cross were the first step. Our support was not limited to donations, our colleagues took the initiative and volunteered, getting personally involved in actions to limit the effects of the pandemic. Thus, our colleagues from Ploiesti plant, eager to contribute to the efforts that the entire community was making, developed and implemented a system whereby, aided by our 3D printing technology, they produced and distributed face shields that could provide additional protection to those most vulnerable.

WORKING AGAIN

The effects of the coronavirus pandemic were felt beyond the pressure upon the healthcare system, with a strong impact on the manufacturing, construction and HoReCa industries and negative implications for the labor market.

To support those looking for a job, we started together with The Social Incubator Association, the project "I am working again" (Lucrez din nou) as early as June 2020. Designed as a platform to help people find a job and aimed primarily at people with limited digital skills, "I am working again" project integrates seven key components:

- a job aggregator that integrates 6 main portals, including the National Agency for Employment (ANOFM), making it the only platform that includes both public and private job offers
- an easy-to-use CV-builder that can be filled out by people whose digital skills are not very advanced
- 6 career orientation, skills, and abilities tests;
- 14 video lessons delivered by trainers specialized in both professional and personal development
- 2 sections of relevant information for jobseekers – a section of useful legislative information and a blog section
- a team of professional counsellors specialized not only in mediating the relationship with the employer, but also in the retraining component
- and, in many cases the most important component, the telephone counseling carried out by the Association's team of counsellors and the constant contact with the users, who seek counseling, until employment

The main objective of the program is for www.lucrezdinnou.ro to become a reference platform for all job seekers, but especially for people from disadvantaged backgrounds who can be helped either by mediating a relationship with a potential employer or by providing vocational training.

Launched in November 2020, the first six months of the "I am working Again" project meant in figures:

3,400
accounts created on the platform

9,000
video lesson views

1,800
tests performed

7,400
unique visitors to the platform

600
CVs built on the platform

66
counseling interventions

GRI 103-2
GRI 203-1
GRI 413-1

Proiect inițiat de Coca-Cola HBC România în parteneriat cu THE SOCIAL INCUBATOR

FUTURE MAKERS: CORONAVIRUS SOLUTIONS

GRI 103-2
GRI 203-1
GRI 413-1

The special edition of the Future Makers program came as a quick response to the challenges generated by the COVID-19 pandemic in Romania and supported entrepreneurial solutions to social, economic and health problems.

The winner of the 10,000 euro prize and implementation support was the **www.VecinulTau.ro** platform. Four friends developed a tool that brings together those who want to help and those in need (food shopping, medicine shopping or pet walking). The platform had over 500 beneficiaries, with the help of over 300 registered volunteers. The *Vecinul Tau* platform was replicated in the UK and Germany.

In addition to the grant winner, 2 other solutions received funding of 5,000 euros for the realization of the functioning prototype and also support with the necessary expertise. Those 2 solutions were:

- **Ventilator AirUP** - several young technology enthusiasts from Cluj-Napoca developed, using a 3D printer, an easy-to-build artificial ventilator that can be used in emergency situations, where the air introduced is enriched with oxygen and humidified
- **Smart Disinfection System** - three young people from Craiova built a disinfection tool that is effective in preventing the transmission of viruses through clothes, objects or luggage

Câștigătorii Future Makers
Soluții Coronavirus

vecinultau.ro | airUp | Smart Disinfection

Social Innovation Solutions | Coca-Cola România

Read more about the Coca-Cola Romania System's community involvement and support in the fight against COVID-19 here.

GRI 103-1
GRI 103-2

Together for a Common Purpose

After almost 30 years of presence in the local market, at the end of 2020, we brought together our community involvement and environmental action efforts under the umbrella of the Dupa Noi (After Us) platform in order to be able to develop projects with even greater impact, which generate and amplify positive effects in the local communities where we operate. The platform aims to inspire as many people as possible to realize the importance of what they leave behind and to adopt a more responsible lifestyle, which they can pass on to future generations.

In 2020, community investments made by the Coca-Cola System in Romania stood at:

>9.5 mill. lei

The strategy behind the platform is based on four pillars that reinforce the System's promise to continue to be active in the development of a sustainable society:

"După noi, strângem tot noi"

Cleaning up after ourselves

Protecting the environment by prioritizing the management of packaging waste, especially plastic

Working continuously to develop more sustainable packaging, we are committed to recover the same amount of packaging that we put on the market by 2030 through education, information, and awareness-raising projects to promote separate collection. The Coca-Cola System tackles the problem of packaging waste through multi-pronged efforts: we invest in sustainable packaging and in reducing the amount of plastic used, with the goal of reaching 100% recyclable packaging (already achieved in Romania) and 50% recycled material by 2030 (20% has already been achieved by switching the Dorna's natural mineral water portfolio to 100% rPET packaging). Together with our NGO partners, we are involved in projects to raise awareness, educate, and involve the public in separate waste collection/sorting, projects such as "Today for Tomorrow", "Recycling Map", "Big Belly", "ExtravaCANtza" or "Eco-bon".

"După noi, apa hrănește viața"

Protecting and conserving the water resources

We take responsibility for identifying and managing ways to recycle the water used in the production process, so that local communities are not deprived of this limited resource. "Impreuna pentru Dunare" ("Together for a Living Danube") and "H2O - Helping to obtain water" are key projects under this pillar.

"După noi, cresc oameni noi"

Supporting young people and their potential

We are involved in initiatives aimed at developing young people and helping them to reach their full potential. Through programs such as "Future Makers" and "La TINEri Este Puterea" ("YOUth Empowered"), we work to develop solutions that support their first steps in business or career, as well as their growth as individuals in society.

"După noi, dăinuie ce-i al locului"

Local community development

We support local communities through projects and investments aimed at improving, developing or preserving Romanian traditions and natural ecosystems. We believe that the beauty of places and customs, the stories of old times, the authenticity of people and communities are values worth preserving for future generations and also resources for development. It is our mission to discover and support them. "After us in the Dornelor Country", "Eco-touristic redevelopment of Bigar Waterfall", "Stories from Ciocanesti", "Living Museum of Tecsesti", "Via Transilvanica" or "Hiking School" are some of the projects we are implementing, projects aimed at promoting and preserving local values.

Volunteering

GRI 103-2

We also encourage and promote volunteering and charitable activities and give our employees the opportunity to participate in such events, taking the necessary safeguards to provide them with a pleasant experience and be able to support them in their desire to help forward.

Volunteers among employees	2019	2020
No. of employees (during working hours)	165	110
Total hours (during working hours)	592	442

In 2020, our community partners were:

- Viitor Plus
- CSR Nest Association
- The Social Incubator Association
- WWF Romania
- Tasuleasa Social
- Global Shapers
- Social Innovation Solutions
- Romanian Red Cross
- Mereu Aproape Foundation
- Zi de Bine Association

DUPă noi .ro | Strângem tot noi

GRI 203-1
GRI 413-1

Harta Reciclării

Harta Reciclarii (*Recycling Map*) is the first national, interactive platform that allows the identification and localization of separate collection points for recyclable waste in Romania. This platform was launched by ViitorPlus Association, in partnership with Coca-Cola HBC Romania, giving users the opportunity to contribute to the map's database by adding new separate collection points, or by reviewing existing ones if their description is not accurate.

Achievements 2020:

5,400 new collection points marked on the map, bringing the total to

12,100

27

educational articles published, and 6 new recyclable materials categories posted on the site

140,000

new users accessed the platform

43,000

participants in educational sessions, in the 2019-2020 school year

We moved to online educational materials.

Eco-bon

Eco-bon is a pilot campaign organized in partnership with the PENNY chain of stores and the GreenPoint Management organization. It ran from 27 November 2020 to 10 January 2021. The goal of the campaign was to promote and reward the separate collection of PET packaging. During this campaign, held under the philosophy "**Collect.Recycle. RePET**", consumers who brought their packaging to the collection points at PENNY Brasov stores were rewarded with Dorna natural mineral water bottles in 100% recycled PET (rPET) packaging.

Number of beneficiaries (direct and indirect):

1,200

Number of PETs collected:

14,000

GRI 203-1
GRI 413-1

Big Belly

Coca-Cola HBC Romania started a strategic partnership with GreenPoint Management Organization and District 3 Town Hall, through which **30 smart containers** were installed, as part of the campaign **Dupa noi, Strangem tot Noi** (i.e., *Cleaning up after ourselves*), to encourage separate collection. These are found in the central area of the Bucharest, Piata Unirii – Piata Universitatii (*Union Square – University Square*), of which 15 containers for the collection of recyclable waste and 15 containers for household waste. These **Big Belly** bins have a direct result: they make the space used more efficient and reduce the number of actual collections per day. They also helped reduce CO_2 emissions and the amount of fuel consumed in the collection process. Each container has a capacity of 570 liters.

Big Belly is one of the most innovative separate waste collection systems, successfully implemented in many EU countries. One of its main advantages consists of an intelligent waste compaction system, powered by solar energy through photovoltaic panels, which increases the storage capacity of these containers to 5 times their volume.

Rezultate:

94% efficiency in the frequency with which packaging waste is collected - while a traditional container needs to be emptied up to 5 times a day on average, a Big Belly container needs a single collection every 10 days

90% decrease in the number of plastic bags used for traditional collection

Reduction of CO_2 emissions and the amount of fuel consumed in the collection process

The 15 containers dedicated to separate collection gathered a total of

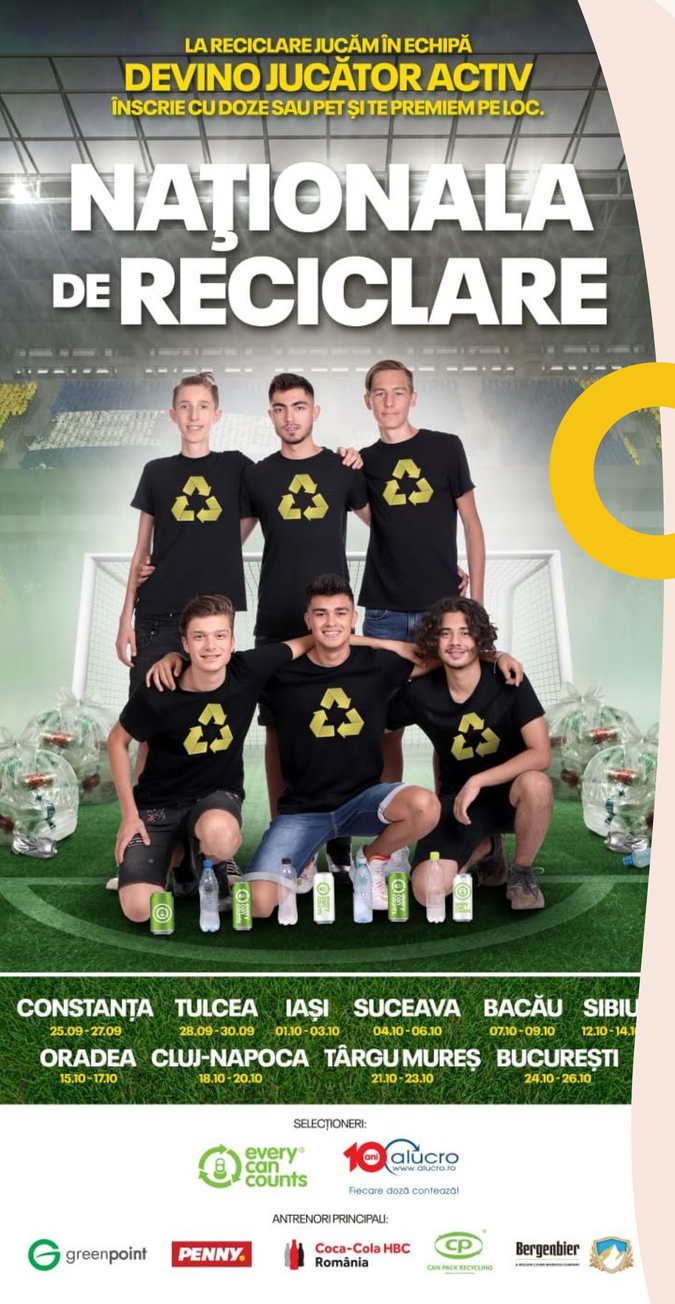
46.2

tons recyclable waste collected

ExtravaCANza

The **ExtravaCANza** campaign, organized by Alucro Association and supported by Coca-Cola HBC Romania, ran from 24 July to 3 September for the third consecutive year. This project is part of a series of actions organized under the umbrella of the European program Every Can Counts, dedicated to the recycling of aluminum cans. This campaign runs on the Romanian seashore during the season with the purpose of educating tourists about the importance of collecting and recycling aluminum cans and cleaning up the beaches. It is important to say again that the cans are fully recyclable, regardless of size and color, and the recycled can returns to stores within 60 days. Tourists involved in the collection/sorting of cans are rewarded with symbolic prizes from the organizers to promote and stimulate involvement in activities of this type. With each edition, **ExtravaCANza** facilitates access to recycling for thousands of tourists and contributes to the recovery of the beverage cans consumed.

In 2020, **23,200 cans** (approximately 1,150 kg of aluminum) were collected, while a total of approximately **169,000 cans** were recycled under this campaign, between 2015 and 2020.



Nationala de Reciclare

The campaign, **Nationala de Reciclare** (*National Recycling Championship*), organized by Alucro Association and supported by GreenPoint Management, PENNY, Bergenbier S.A. and Can Pack Recycling, ran in September and October 2020 and visited **10 cities**.

The campaign was carried out with the support of local authorities and aimed to raise awareness about the importance of collecting and recycling aluminum cans and PETs, engaging people to work together for the good of the environment, both at household, city, and national level. Thus, **National Recycling** invited communities from the cities of Tulcea, Iasi, Suceava, Bacau, Sibiu, Oradea, Cluj-Napoca, Targu Mures, Constanta and Bucharest to join team recycling aluminum cans or PET bottles which they had in their home, in exchange for prizes that could be used towards the benefit of the entire family.

The adult audience, interested not only in recycling but also in sport, was able to take part in interactive games at the football gate installed at the venue. In exchange for a symbolic entry fee of 5 empty cans, each participant could take 5 football kicks and had the chance to receive 6 cans of beer on the spot if they scored at least 3 goals.

The **National Recycling Championship** received a positive response from Romanians and, as a results, in 30 days

43,253
aluminum doses and

21,636
r-PET bottles were collected.

La TINEri este Puterea

Designed as a support program aimed mainly at young people from disadvantaged backgrounds, **La TINEri este Puterea** (*YOUth Empowered*) is an inclusive program that aims to equip young people with the skills and capabilities needed to succeed in their lives. The project aims to provide free of charge personal and professional development tools for young Romanians in the NEETs category, interested in strengthening the skills needed to complete their education or to find a job.

Beyond live and online personal and professional training sessions, the **YOUth Empowered** program aims to give young people the opportunity to create long-term personal and professional relationships with other young people, as well as with potential employers.

In 2020, we had to adapt our way of working to the conditions imposed by the pandemic, so live sessions were replaced by webinars as of mid-March and the efforts to promote the mobile app intensified.

Results 2020:

5,813
young people enrolled in the project

628
3-day live sessions

2,123
webinars

3,062
mobile app users who completed at least 5 courses

Every year, our goal is to have at least 5,000 young people, beneficiaries of the project. In 2020, the total number of beneficiaries was 5,813, compared to 5,390 in 2019, meaning an increase of about 8%.

GRI 203-1
GRI 203-2
GRI 413-1

Muzeul Viu de la Tecsesti

Muzeul Viu de la Tecsesti (*The Living Museum in Tecsesti*) was born out of a similar motivation to the promise we made to ourselves at the beginning of the **After Us** journey - to carry forward the authentic stories and the Romanian language in all its forms of expression. It is also the reason why supporting this initiative was the next natural step in our journey.

Our mission is to transform the village of Tecsesti into a live-in museum and a school for traditional restoration and rehabilitation, thus keeping authenticity, preserving the traditional architecture and continuing the customs and crafts specific to this area. Here, young people, pupils and students from all over the country encounter the practical aspects of traditional art and actively participate in restoration, painting, photography and music camps, with the chance to experience history firsthand and then reveal it to those who come #afterus.

Together for a Living Danube

WWF and the Coca-Cola Foundation have been working for over 7 years on the **Together for the Danube** project, whose vision is to restore wetlands and floodplains along the Danube and its tributaries. The project's goal is to reconstruct 5,996 ha of wetlands, which would make it possible to obtain more than 17 million m^3 of water - an amount that would fill 4,800 Olympic pools. The project is being carried out in six countries: Austria, Hungary, Croatia, Serbia, Romania and Bulgaria. The amount invested by the Coca Cola Foundation for the conservation of wetlands and the Danube riverbed is **$4.4 million** over seven years, and by 2020 ecological reconstruction works had been completed on a total area of 5,483 ha in Austria, Serbia, Hungary, Croatia and Bulgaria.

In Romania, work on the ecological reconstruction of the Garla Mare-Vrata area (Mehedinti county) started in December 2020. The work involves reconnecting the ponds on the banks of the Danube with the river. The ecological reconstruction of the Garla Mare wetland will contribute to the storage of more than 5 million m^3 of water during the Danube floods and to the restoration and maintenance of biodiversity, especially the habitats needed by fish for spawning.

The project started with the consolidation of the supply canal that will carry water from the Danube to the area where the water meshes are to be formed. The next step will be to strengthen the dike, clear the water and create water meshes, and finally to set up fishing platforms, which will allow the locals to fish in an organized way. In addition to the ecological benefits, restoring the river's connectivity with its floodplain will contribute, to some extent, to the reduction of the flood impact on the Danube riparian communities, downstream of the project area, and to replenishing the local groundwater supply. The resurfacing works in the Garla Mare-Vrata area will be completed in October 2021.

Azi pentru Maine

Funded by the Coca-Cola Foundation and implemented by the CSR Nest in 2019, the project **Azi pentru Maine** (*Today for Tomorrow*) aims to educate and provide separate collection infrastructure through three components: **Today for Tomorrow in School**, **On the Beach** and **In the Community**. The program is supported by the Ministry of Environment, Waters and Forests.

Azi pentru Maine în Scoala

Azi pentru Maine in Scoala (*Today for Tomorrow in School*) is an educational project developed in primary schools across Romania with the aim of increasing students' understanding of separate waste collection and recycling.

The educational component is supported by the necessary infrastructure used for separate collection in each school included in the project.

The edition carried out between September 2020 and June 2021 had the following results:

- 50,000 students, their parents and teachers participated in the project
- 63 schools included in the project
- 630 indoor separate collection containers were offered to all the schools included in the project
- 30 open-air separate collection containers were provided to the schools additionally included in the project (33 schools from the previous edition were equipped with such containers)

Azi pentru Maine pe Plaja

Azi pentru Mâine pe Plajă (*Today for Tomorrow on the Beach*) is a project intended to raise awareness among Romanian tourists regarding the separate waste collection on the Romanian Black Sea coast. Its aim is to increase environmental responsibility among the people and to encourage HoReCa companies based in Constanta County and operating on the Romanian Black Sea coast to collect their waste separately.

In addition to the information and awareness campaign, the project supports HoReCa operators with specific infrastructure for separate waste collection.

The second edition of the project, which took place on the Romanian coast, from March to September 2020, achieved significant results:

- 23.5 tons of recyclable waste recovered in the 3 months of the project
- 60 HoReCa partners included in the project
- 62,000 tourists informed directly and 40,000 informed indirectly (via radio spots, advertising, etc.)
- 150 volunteers got involved in actions regarding cleaning and increasing the level of environmental education on the beach
- 100 HoReCa members informed
- 120 separate collection containers provided to the HoReCa partners included in the project
- 400 managers and employees of HoReCa businesses were informed about the separate collection of recyclable waste and its importance

The results of the project exceeded those of the previous edition, both in terms of the amount of waste collected (more than triple compared to 2019) and the number of HoReCa partners involved in the project (almost double). The 2020 edition covered 17 kilometers of beach, almost 50% of the Romanian coastline.

Azi pentru Maine în Comunitate

The project **Azi pentru Mâine în Comunitate** (*Today for Tomorrow in Community*) aims to raise awareness with the people in the southern part of Romania, regarding the importance of separate waste collection and to encourage them to improve this process in their communities. In addition, the project aims to facilitate public access to the separate waste collection infrastructure by bringing together all the stakeholders: citizens, local authorities, NGOs, public institutions.

Results 2020:

- 1 toolkit on separate waste collection designed for both individuals and companies
- 1 online platform developed
- 8 debates organized in the southern counties of Romania (including Bucharest)
- 16 public meetings organized in the counties included in the project
- 50 people/organizations with ideas/projects in the field of separate recycling included in the project
- 28,532 direct beneficiaries of the advertising and information campaigns

GRI 203-1
GRI 413-1

Future Makers

GRI 203-1
GRI 203-2
GRI 413-1

Future Makers is a comprehensive educational program dedicated to young entrepreneurs in Romania, a start-up incubator for future-oriented business ideas, with the potential to reach the market.

The objectives of the program include:

- empowering young people with the necessary attitude, knowledge and facilitate access to an expert community, to turn entrepreneurship into a career option
- supporting early-stage entrepreneurship ideas so that they can be implemented
- growing the right mindset to generate solutions

The third edition, which ran from February to November 2020, consisted of:

- organizing entrepreneurial workshops focusing on understanding entrepreneurship, business modelling and planning, impact design
- organizing a business ideas competition and selecting the 50 best ideas to enter in the incubator program (for the business development plan with the support of the designated mentor and in close connection with the business community)

The COVID-19 pandemic had a significant impact upon the program, particularly in terms of adapting training sessions from offline to online. Nevertheless, the program had impactful results:

- more than 1,800 young people in 23 cities were involved in entrepreneurship workshops and meetings
- Future Makers had over 75 media appearances on major TV networks, radio, business magazines and online media, while social media platforms had reached over 80,000 people and the finalist videos received over 5,000 votes
- more than 75 businesspeople and entrepreneurs were involved in the program as mentors or experts for the finalist teams
- the final pitch day of Future Makers 2020 was part of an international conference focusing on the future, with 100 international speakers and over 1,200 participants in a 5-day online event
- the 50 finalist teams received professional support from over 25 experts to grow their businesses through workshops on marketing, sales, taxes and legal, HR, macroeconomics and 2 online bootcamps focused on their business models and adoption of various technologies
- 7 winners received a total funding of $25,000

GRI Content Index

GRI Content Index

GRI CONTENT INDEX SERVICE 2021

For the GRI Content Index Service, GRI Services reviewed that the GRI content index is clearly presented and the references for all disclosures included align with the appropriate sections in the body of the report.

GRI Standard	Information	Sustainable Development Goal	Page number(s), links and/or direct answers	Omission
GRI 101: Foundation 2016				
General disclosures				
GRI 102: General disclosures 2016	**Organizational profile**			
	102-1 Name of the organisation		4	
	102-2 Activities, brands, products, and services		8, 40, 42-44	
	102-3 Location of headquarters		4, 6	
	102-4 Location of operations		6, 8, 40	
	102-5 Ownership and legal form		4, 10	
	102-6 Markets served		6, 9	
	102-7 Scale of the organization		8, 10, 16, 40	
	102-8 Information on employees and other workers	8 DECENT WORK AND ECONOMIC GROWTH 8.5 10 REDUCED INEQUALITIES 10.3	74	
	102-9 Supply chain		8, 9, 90, 93	
	102-10 Significant changes to the organization and its supply chain		No significant changes.	
	102-11 Precautionary Principle or approach		27-34	
	102-12 External initiatives		35, 76	
	102-13 Membership of associations	17 PARTNERSHIPS FOR THE GOALS 17.4	36	
	Strategy			
	102-14 Statement from senior decision-maker		3	
	Ethics and integrity			
	102-16 Values, principles, standards, and norms of behavior	16 PEACE, JUSTICE AND STRONG INSTITUTIONS 16.5	21, 35	
	102-17 Mechanism for advice and concerns about ethics	16 PEACE, JUSTICE AND STRONG INSTITUTIONS 16.5	22, 92	
	Governance			
	102-18 Governance structure		18-20, 27, 83	
	102-22 Composition of the highest governance body and its committees		18, 19	
	102-25 Conflict of interest		23	
	102-30 Effectivness of risk management processes		27	
	Stakeholder engagement			
	102-40 List of stakeholder groups		56-59	
	102-41 Collective bargaining agreements	8 DECENT WORK AND ECONOMIC GROWTH 8.8	75	
	102-42 Identifying and selecting stakeholders		54	
	102-43 Approach to stakeholder engagement		57-59	
	102-44 Key topics and concerns raised		56	
	Reporting practice			
	102-45 Entities included in the consolidated financial statements		4	
	102-46 Define report content and topic Boundaries		54-56	
	102-47 List of material topics		55-56	
	102-48 Restatements of information		There are no restatements of information.	
	102-49 Changes in reporting		There are no changes in the reporting process.	
	102-50 Reporting period	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 12.6	4	
	102-51 Date of most recent report	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 12.6	Published in 2021 for the period 01 January - 31 December 2020.	
	102-52 Reporting cycle	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 12.6	Annual.	
	102-53 Contact point for questions regarding the report		4	
	102-54 Claims of reporting in accordance with the GRI Standards	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 12.6	4	
	102-55 GRI content index		108-113	
	102-56 External assurance		The report was not externally assured.	

Material topics			
CORPORATE GOVERNANCE AND ECONOMIC PERFORMANCE			
Anti-corruption			
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary		56, 24
	103-2 The management approach and its components		20-24
	103-3 Evaluation of the management approach		20-24
GRI 205: Anti-corruption 2016	205-2 Communication and training on anti-corruption policies and procedures	16.5	24
	205-3 Confirmed incidents of corruption and actions taken	16.5	24
Sustainable management			
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary		56
	103-2 The management approach and its components		49-53
	103-3 Evaluation of the management approach		53
Sustainable management	Number of management team members with performance indicators linked to the achievement of sustainability targets.		18
Stakeholder dialogue			
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary		56
	103-2 The management approach and its components		54, 57-59
	103-3 Evaluation of the management approach		22, 47, 92
Stakeholder dialogue	Channels and frequency of communication with stakeholders.		57-59

Public policy			
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary		26, 56
	103-2 The management approach and its components		21, 23, 26
	103-3 Evaluation of the management approach		20, 21, 26
GRI 415: Public policy 2016	415-1 Political contributions	16.5	26
Anti-competitive behavior			
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary		56, 25
	103-2 The management approach and its components		20, 21, 25
	103-3 Evaluation of the management approach		20, 21, 25
GRI 206: Anti-competitive behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		25
Economic performance			
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary		8, 56
	103-2 The management approach and its components		8, 10, 11, 28-34
	103-3 Evaluation of the management approach		8, 11, 37
GRI 201: Economic performance 2016	201-1 Directly economic value generated and distributed	8.1 8.2 9.1	10
	201-2 Financial implications and other risks and opportunities due to climate change	13.1 13.2	28-34
Market presence			
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary		8, 56
	103-2 The management approach and its components		8
	103-3 Evaluation of the management approach		37
GRI 202: Market presence 2016	202-2 Proportion of senior management hired from the local community	8.5	18, 19

Indirect economic impacts			
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary		8, 56
	103-2 The management approach and its components		8, 10, 12, 89, 95-98
	103-3 Evaluation of the management approach		37
GRI 203: Indirect economic impacts 2016	203-1 Infrastructure investments and services supported	5.4 9.1 9.4	96, 97, 101-106
	203-2 Significant indirect economic impacts	1.2 1.4 8.2 8.3 8.5	61, 68, 103, 106
SOCIETY			
Customer privacy			
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary		26, 29, 56
	103-2 The management approach and its components		26, 29
	103-3 Evaluation of the management approach		26
GRI 418: Customer privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data		26
Customer health and safety			
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary		29, 56
	103-2 The management approach and its components		29, 40, 41, 44, 47, 51
	103-3 Evaluation of the management approach		41, 47, 53
GRI 416: Customer health and safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services		47

Marketing and labeling			
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary		45, 46, 56
	103-2 The management approach and its components		44-46
	103-3 Evaluation of the management approach		46
GRI 417: Marketing and labeling 2016	417-1 Requirements for product and service information and labeling	12.8	46
	417-2 Incidents of non-compliance concerning product and service information and labeling	12.8	46
	417-3 Incidents of non-compliance concerning marketing communications	12.8	46
Procurement practices			
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary		56
	103-2 The management approach and its components		51, 89-93
	103-3 Evaluation of the management approach		53, 92
GRI 204: Procurement practices 2016	204-1 Proportion of spending on local suppliers	8.3 9.3	92
Supplier social and environmental assessment			
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary		91, 56
	103-2 The management approach and its components		91-93
	103-3 Evaluation of the management approach		53, 92
GRI 414: Supplier social assessment 2016	414-1 New suppliers that were screened using social criteria	8.7 8.8 16.2	92, 93
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary		91, 56
	103-2 The management approach and its components		91-93
	103-3 Evaluation of the management approach		53, 92
GRI 308: Supplier environmental assessment 2016	308-1 New suppliers that were screened using environmental criteria	13.2	92, 93
Employment			
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary		56, 91
	103-2 The management approach and its components		73, 74, 77, 78, 91
	103-3 Evaluation of the management approach		37
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	5.1 8.5 8.6 10.3	74
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	3.4 8.5	77
	401-3 Parental leave	5.1 8.5	78
Occupational health and safety			
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary		56, 82
	103-2 The management approach and its components		82-86
	103-3 Evaluation of the management approach		37, 53, 86
GRI 403: Occupational health and safety 2018	403-1 Occupational health and safety management system	8.8	82, 83
	403-2 Hazard identification, risk assessment, and incident investigation	3.6 8.8	84
	403-3 Occupational health services	8.8	83, 84
	403-4 Worker participation, consultation, and communication on occupational health and safety	8.8 16.7	83
	403-5 Worker training on occupational health and safety	8.8	85
	403-6 Promotion of worker health	3.7 3.8 8.8	73, 77, 78
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	8.8	91
	403-8 Workers covered by an occupational health and safety management system	8.8	82
	403-9 Work-related injuries	3.6 3.9 8.8	86
	403-10 Work-related ill health	3.9 8.8	86

Labor/ Management relations			
GRI 103: Management approach 2016	**103-1** Explanation of the material topic and its Boundary		56
	103-2 The management approach and its components		75
	103-3 Evaluation of the management approach		37
GRI 402: Labor/ Management relations 2016	**402-1** Minimum notice periods regarding operational changes	8.8	75
Diversity and equal opportunity			
GRI 103: Management approach 2016	**103-1** Explanation of the material topic and its Boundary		56, 76
	103-2 The management approach and its components		76
	103-3 Evaluation of the management approach		37, 76
GRI 405: Diversity and equal opportunity 2016	**405-1** Diversity of governance bodies and employees	5.1 5.5 8.5	18, 19, 76
	405-2 Ratio of basic salary and remuneration of women to men	5.1 8.5 10.3	16

Training and education			
GRI 103: Management approach 2016	**103-1** Explanation of the material topic and its Boundary		56
	103-2 The management approach and its components		79-81
	103-3 Evaluation of the management approach		37
GRI 404: Training and education 2016	**404-1** Average hours of training per year per employee	4.3 4.4 4.5 4.7 5.1 8.2 8.5 10.3	79
	404-2 Programs for upgrading employee skills and transition assistance programs	8.2	80, 81
	404-3 Percentage of employees receiving regular performance and career development reviews	5.1 8.5 10.3	79
Freedom of association and collective bargaining			
GRI 103: Management approach 2016	**103-1** Explanation of the material topic and its Boundary		56, 75
	103-2 The management approach and its components		75, 91
	103-3 Evaluation of the management approach		37
GRI 407: Freedom of association and collective bargaining 2016	**407-1** Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	8.8	In 2020, there were no assessments conducted on this topic, in Romania.

Non-discrimination			
GRI 103: Management approach 2016	**103-1** Explanation of the material topic and its Boundary		56, 76
	103-2 The management approach and its components		76
	103-3 Evaluation of the management approach		37, 76
GRI 406: Non-discrimination 2016	**406-1** Incidents of discrimination and corrective actions taken	5.1 8.5 10.3	76
Human rights assessment			
GRI 103: Management approach 2016	**103-1** Explanation of the material topic and its Boundary		25, 56
	103-2 The management approach and its components		25, 91
	103-3 Evaluation of the management approach		91
GRI 412: Human rights assessment 2016	**412-2** Employee training on humang rights policies or procedures	4.7	In 2020, no trainings dedicated to human rights policies or procedures were organized.
Socioeconomic compliance			
GRI 103: Management approach 2016	**103-1** Explanation of the material topic and its Boundary		20, 56
	103-2 The management approach and its components		20, 21
	103-3 Evaluation of the management approach		20
GRI 419: Socioeconomic compliance 2016	**419-1** Non-compliance with laws and regulations in the social and economic area		The company did not receive any significant fines or non-monetary sanctions on this topic.

Local communities			
GRI 103: Management approach 2016	**103-1** Explanation of the material topic and its Boundary		56, 98
	103-2 The management approach and its components		95, 98, 99
	103-3 Evaluation of the management approach		37, 38
GRI 413: Local communities 2016	**413-1** Operations with local community engagement, impact assessments, and development programs	4.3 4.4 4.5 4.6 4.7 17.17	95-97, 101-106
Promoting responsible consumption			
GRI 103: Management approach 2016	**103-1** Explanation of the material topic and its Boundary		45, 56
	103-2 The management approach and its components		44, 45, 51
	103-3 Evaluation of the management approach		46
	Marketing budget directed towards promoting low-calorie or no-calorie drinks		44
Security practices			
GRI 103: Management approach 2016	**103-1** Explanation of the material topic and its Boundary		56
	103-2 The management approach and its components		25, 91
	103-3 Evaluation of the management approach		20
GRI 410: Security practices 2016	**410-1** Security personnel trained in human rights policies or procedures		In 2020, no trainings dedicated to human rights policies or procedures for security personnel were organized.

ENVIRONMENT			
Energy			
GRI 103: Management approach 2016	**103-1** Explanation of the material topic and its Boundary		56, 63
	103-2 The management approach and its components		50, 63-65
	103-3 Evaluation of the management approach		37, 53
GRI 302: Energy 2016	**302-1** Energy consumption within the organization	7.2 7.3 8.4 12.2 13.1	64
	302-3 Energy intensity	7.3 8.4 12.2 13.1	64
	302-4 Reduction of energy consumption	7.3 8.4 12.2 13.1	65
Water and effluents			
GRI 103: Management approach 2016	**103-1** Explanation of the material topic and its Boundary		56, 68
	103-2 The management approach and its components		68-70
	103-3 Evaluation of the management approach		37, 53, 69, 70

GRI 303: Water and effluents 2018	**303-1** Interactions with water as a shared resource	6.3 6.4 12.4	68-70
	303-2 Management of water discharge-related impacts	6.3	68, 69
	303-3 Water withdrawal	6.4	68
	303-4 Water discharge	6.3	68
	303-5 Water consumption	6.4	68
Emissions			
GRI 103: Management approach 2016	**103-1** Explanation of the material topic and its Boundary		56, 63, 66
	103-2 The management approach and its components		63, 66, 67
	103-3 Evaluation of the management approach		37, 53, 66, 67
GRI 305: Emissions 2016	**305-1** Direct (Scope 1) GHG emissions	3.9 12.4 13.1 14.3 15.2	66
	305-2 Energy indirect (Scope 2) GHG emissions	3.9 9.4 12.4 13.1 14.3 15.2	66

GRI 305: Emissions 2016	305-3 Other indirect (Scope 3) GHG emissions	3.9 9.4 12.4 13.1 14.3 15.2	66
	305-4 GHG emissions intensity	9.4 13.1 14.3 15.2	67
	305-5 Reduction of GHG emissions	9.4 13.1 14.3 15.2	65
	305-7 Nitrogen oxides (NO_x), sulfur oxides (SO_x), and other significant air emissions	3.9 12.4 14.3 15.2	67

Materials			
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary		56, 61
	103-2 The management approach and its components		50, 61
	103-3 Evaluation of the management approach		37, 53
GRI 301: Materials 2016	301-1 Materials used by weight or volume	8.4 12.2	62
	301-2 Recycled input materials used	8.4 12.2 12.5	62
	301-3 Reclaimed products and their packaging materials	8.4 12.2 12.5	62
Waste			
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary		56, 61
	103-2 The management approach and its components		50, 61
	103-3 Evaluation of the management approach		37, 53
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	3.9 6.3 6.4 6.6 12.4 12.5 14.1	62 Un viitor mai sustenabil (A More Sustainable Future) O lume fără deșeuri (World Without Waste)
	306-2 Management of significant waste-related impacts	3.9 6.3 12.4 12.5	62 Un viitor mai sustenabil (A More Sustainable Future) O lume fără deșeuri (World Without Waste)
	306-3 Waste generated	8.4 12.4 12.5	62
	306-4 Waste diverted from disposal	8.4 12.2 12.4 12.5	62
	306-5 Waste directed to disposal	8.4 12.2 12.4 12.5	62
Environmental compliance			
GRI 103: Management approach 2016	103-1 Explanation of the material topic and its Boundary		20, 56
	103-2 The management approach and its components		20, 21
	103-3 Evaluation of the management approach		20
GRI 307: Environmental compliance 2016	307-1 Non-compliance with environmental laws and regulations		The company did not receive any significant fines or non-monetary sanctions on this topic.

Coca-Cola HBC
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Raport de Sustenabilitate 2020