



# Sustainable Development Report 2022



# INTRODUCTORY WORD



The year 2022 was a big breath of fresh air for us after the Covid era and a record breaking period in terms of sales and production. This gave us the opportunity to contribute more to local communities, reward our employees and prepare for the challenging year 2023. We continued our journey towards a sustainable future with an emphasis on our journey to carbon neutrality. I am proud of our team, which handled the challenges of 2022 excellently.

Dan Timotin,  
General Manager,  
Coca-Cola HBC Česko a Slovensko



## ENVIRONMENTAL TOPICS



Read more

## OUR PEOPLE AND THE COMMUNITY



Read more

## COMPANY MANAGEMENT



Read more



# AWARDS

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



The Dow Jones Sustainability Index, the leading global indicator of sustainability, ranks Coca-Cola HBC as the world's most sustainable beverage company for 2022. Globally, we are among the top three beverage companies for the twelfth year in a row. In the assessment, which is published in the S&P Global yearbook, the Company scored 94 out of a possible 100 points.



We defended second place in the consumer industry category in the Top Employers survey for 2022. We defended this prestigious position in a poll in which more than twelve thousand respondents voted. At the beginning of 2023 we have already moved up to first place in this category.



In the first year of the ESG rating co-organised by the Association of Social Responsibility and CEMS, we were ranked among the top 10 large companies. This is the highest ranking that could be achieved in this comprehensive evaluation.



In the TOP Responsible Company ranking, we managed to move up in the large company category and thus defended this prestigious award for 2022. The ranking is conducted by the Responsible for Society alliance. We also received the TOP Responsible Company in Reporting award and the TOP Responsible Company in the Environment project award for the creation of wetlands in Praha-Kyje.



# OUR YEAR 2022 IN THE CZECH REPUBLIC AND IN SLOVAKIA

We have had a record year in several respects:

1

**Record production volume:**  
471 million litres

2

**Record volume of beverages sold:**  
480 million litres

3

**Most Costa Coffee cups sold:**  
21.5 million cups

4

**Most premium alcoholic beverages sold:**  
611 thousand litres



We have done all this while reducing our carbon footprint across the value chain by more than 2 thousand tonnes of CO<sub>2</sub> and maintaining an excellent level of environmental indicators:

100% of the electrical energy for our production comes from renewable resources.

0,38 MJ  
el. energy

1,75 l  
water

The wetland in Prague-Kyje returns 12.5 million liters of water to nature a year. We make sure there is always great water in Broumovsko region.

## 1 LITER OF BAVERAGE

4,05 g  
waste

15,6 g  
CO<sub>2</sub>  
S1+2

HOW WE INFLUENCE  
NATURE

In 2022, we were able to reuse 100% of solid waste at our plant in Prague-Kyje. We do not dump!

HOW WE WANT  
TO REPAY

We are committed to being carbon neutral throughout the entire value chain by 2040.

## OUR SUCCESS HELPS

Thanks to these excellent results we were able to increase our support for community and environmental projects, pay almost CZK 25 million more in income tax and contribute almost EUR 18,000 more to non-profit organisations in Slovakia through tax allocation.

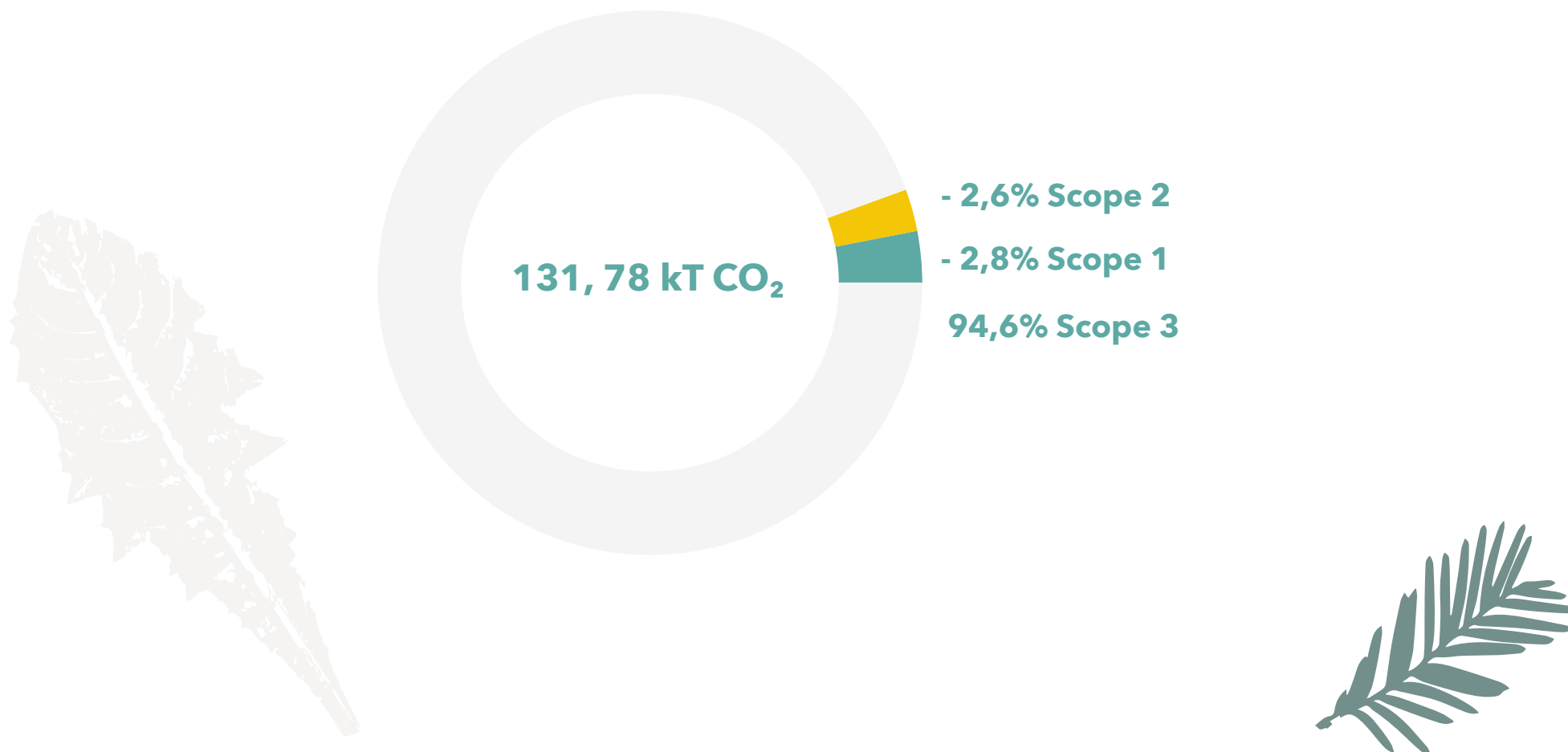
## TOGETHER WE ARE MORE POWERFUL

It's all thanks to 869 employees who live our values, realise our mission and work towards our vision of being the beverage leader for our customers 24/7.



# ENVIRONMENT

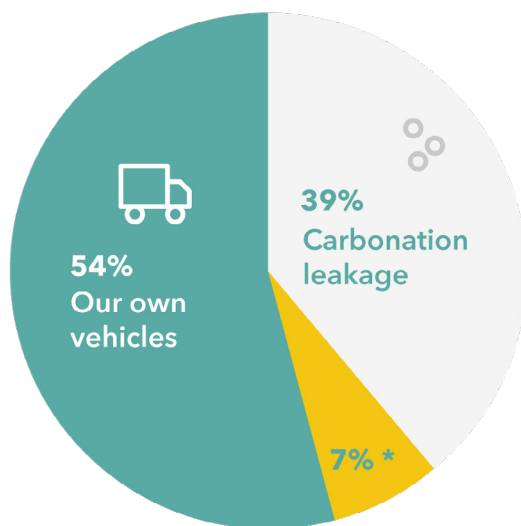
Despite record production and sales volumes, we managed to reduce our overall carbon footprint by 2,293 tonnes of CO<sub>2</sub>.



We measure and regularly report our carbon footprint according to GHG reporting standards, which further classify it into groups according to the origin of emissions – the so-called scopes.

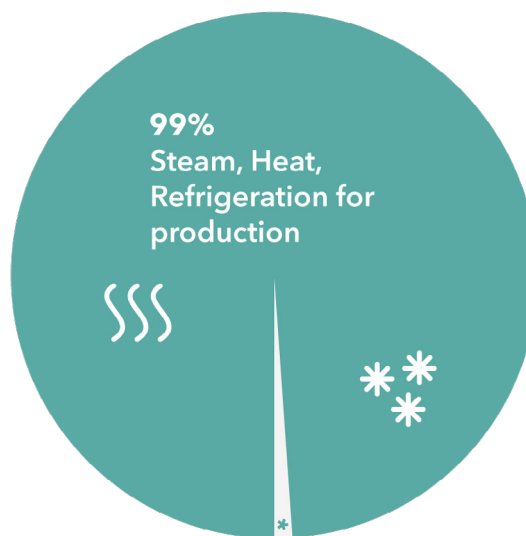
Our local carbon footprint reduction plan is part of a complex mosaic of projects that will lead to carbon neutrality for the entire Coca-Cola HBC Group by 2040 at the latest.

## Scope 1



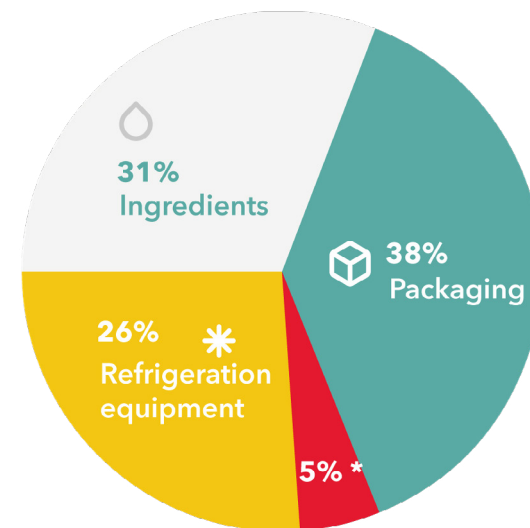
\* Refrigerators, Diesel aggregates...

## Scope 2



\* 1% Electricity without renewable certificates of origin

## Scope 3



\* Third party cars, CO<sub>2</sub> in products...



## HOW ARE WE REDUCING OUR CARBON FOOTPRINT?

In Scope 1, primarily through the **renewal of our own fleet**. We have followed up on the earlier replacement of cars and vans with alternative fuel vehicles. In 2022 conventional diesel cars were further replaced, with the aim of achieving a zero share of passenger cars by the end of 2023. Diesel cars, specifically the Škoda Karoq, Octavia and Superb, were replaced by the CNG hybrid Škoda Octavia TGI and the Škoda Enyaq fully electric cars.

- Thanks to this change we have **reduced our CO2 emissions per kilometre travelled to 115.25 g CO<sub>2</sub>/km**. In 2021 it was 127.92 g CO<sub>2</sub>/km, and in 2020 it was 142.57 g CO<sub>2</sub>/km
- **We drove more efficiently – on average 0.65 litres or kg of fuel per 100 km less than in 2021.**  
The average fuel consumption per km in the Czech Republic was 6.09 litres of diesel or 4.54 kg of CNG per 100 km. In Slovakia it was 5.72 litres and 4.29 kg of CNG per 100 km.

*„People often claim that the plug-in hybrid only has a low consumption on paper, so I tried it in 2022 and on my commutes to work I have a resulting long-term consumption of 0.27 l / 100 km. It took some work and self-control, but it can be done! With the possibility of charging on the premises of our production facilities, I also save money on fuel. For a motorsport fan like me, it was an interesting experiment.”*



Petr Vejdělek  
Category profitability  
finance manager



Thanks to a very successful year commercially, we have been driving more year-on-year despite an efficient journey planning system. In total our fleet of 456 vehicles covered 13,330,608 km, which is 12,7 % more than in 2021. Therefore, we ended up consuming 655,065 litres (or kg for CNG) of fuel. This is 58,692 litres (or kg for CNG) more than in 2021.



Despite this increase in our vehicle **mileage**, we have **managed to save 76 tonnes of CO<sub>2</sub>** in Scope 1 year-on-year, mainly thanks to the project to eliminate CO<sub>2</sub> leaks during beverage filling and to work efficiently with our refrigeration equipment and the remaining diesel units in production.

In Scope 2, 99% of the origin of our emissions is energy from the steam, heat and cooling supplied for production. We supply steam and heat from the nearby waste incinerator in Malešice. Energy recovery is the most appropriate form of waste management after reuse and recycling. Nevertheless, our production here has a carbon footprint that has increased year-on-year due to record production volumes. In Scope 2 we therefore saw an increase of 174 tonnes of CO<sub>2</sub> emissions year-on-year in 2022.

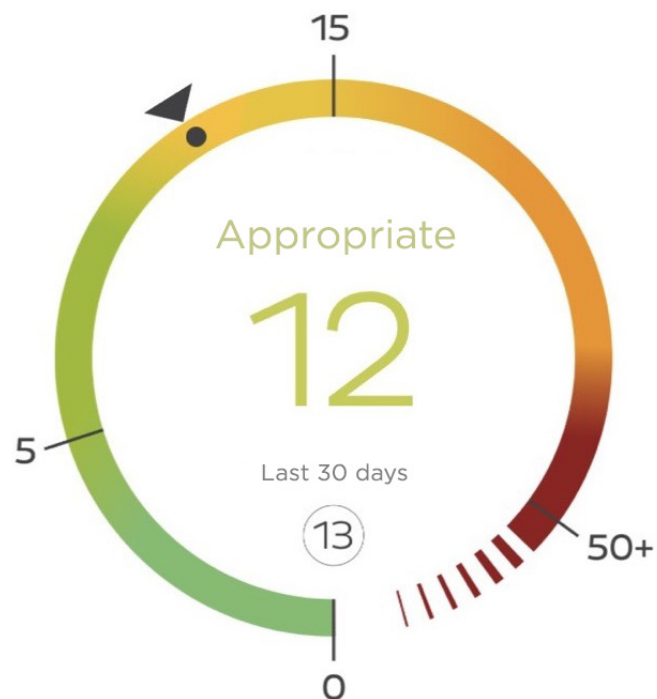
**However, the ratio of CO<sub>2</sub> emissions per litre of beverage produced fell to 15.6 g CO<sub>2</sub>/l. This is a significant improvement on the 2021 value of 16.34 g CO<sub>2</sub>/l.**

This trend of maintaining a low carbon footprint, even as production volumes grow, is addressed by the internal Energy TOP 20 project, which is a set of measures seeking optimal solutions for energy savings in production.





According to data from Pollutrack operated by DPD, which measures fine dust particles smaller than  $2.5\ \mu\text{m}$  (micrometer), the results of the occurrence of these particles measured in the vicinity of our production plant have been below the daily limit of  $15\ \mu\text{g}/\text{m}^3$  recommended by the World Health Organization. The last monthly measurement in 2022 showed an average value of  $13\ \mu\text{g}/\text{m}^3$ .



We managed to **keep the indicator of electricity consumption per litre of beverage produced at  $0.38\ \text{MJ}/\text{l}$** . It has fallen to less than half since 2008. In terms of electricity, we took a total of 105672247 MJ in Praha-Kyje and 4851061 MJ in Teplice nad Metují. All purchased electricity was certified as being from renewable sources.





Scope 3 is the most significant source group in our carbon footprint by volume. Our refrigerators, which we lend to our customers free of charge, play a role here, and their operation creates a carbon footprint. By the end of 2022 we were able to replace 48.6% of our refrigerators with energy-efficient models. They are smart appliances that work 57% more efficiently than the original fridge. **In total, we replaced 5,091 cooling devices** in 2022 and invested over EUR 4.5 million in their replacement. Replacing the refrigerators saved 2,210 tonnes of CO<sub>2</sub> in the year under review.



The carbon footprint of the ingredients in our products is influenced by both the behaviour of our suppliers and the final mix of the beverages we sell. We are proud that our suppliers are on the path to carbon neutrality with us, and that the resulting mix of products sold in 2022 has resulted in a **year-on-year reduction in the carbon footprint of our ingredients of 1,834 tonnes of CO<sub>2</sub>**. Increased sales of water and low-calorie variants of our beverages played a role in shifting this mix. For example, artificial sweeteners have a significantly lower carbon footprint than standard beet sugar or corn syrup.

**In 2022, we filmed an educational video with an important Slovak influencer about our path to carbon neutrality:**



We are pleased that our carrier suppliers are already adapting their fleets to reduce the carbon footprint of transporting beverages to customers. In addition, in recent years we have moved the central warehouse directly to the production facility in Praha-Kyje and, thanks to the acquisition of the Natura production facility in Teplice nad Metují, we have a source of spring water directly in the Czech Republic. All this reduces the mileage for the development of our drinks. Moving the warehouse helps us save one thousand litres of fuel per year. The water source in the Czech Republic saved 38 thousand litres of fuel per year.

The largest part of the carbon footprint in Scope 3 is our primary and secondary packaging. It has long been one of the most important topics for our stakeholders, and therefore we pay special attention to it.

## OUR PACKAGING AND WASTE MANAGEMENT

The infographic above ranks a few selected volumes of packaging used according to the impact of their market placement on the carbon footprint. The ranking is based on an LCA analysis we have developed to optimise the product mix both in terms of impact on the overall carbon footprint and in terms of responding to evolving legislative requirements. The LCA analysis was performed using the IEFU tool.

**All of the packaging we launched in 2022 was 100% recyclable by design.**

**LARGEST footprint**  
per litre of drink



**Smallest footprint**  
per litre of drink

## Packaging in a loop

In total we placed 20,960 tonnes of packaging on the market in 2022. Of these 16,603 tonnes are in the Czech Republic and 4,357 tonnes in Slovakia. In the Czech Republic the packaging put on the market is handled by the EKO-KOM system, which collected 85% of plastic in the Czech Republic in 2022 and was able to recycle 46% of plastic – the rest was used for energy. EKO-KOM also collected 63% of the aluminium placed on the Czech market and managed to recycle all of it. Fees for the care of our packaging amounted to CZK 55.7 million in 2022. Glass bottles come straight back to us thanks to the return deposit. If they are too worn we recycle the material again.

In Slovakia we helped to introduce a deposit system for PET packaging and cans. The first year of operation has already shown great results, with 71% of PET and can packaging being recycled. Thanks to the material option we also have the option to buy back the collected material and close the material loop. The record-breaking effectiveness of the first year of the advance payment system in Slovakia has strengthened our efforts to promote this system in the Czech Republic. Here we propose a solution together with the big beverage companies through the Backup Initiative [jdemeokrokda.cz](https://jdemeokrokda.cz)



*„In total our production facilities produced only 4.05 grams of waste per litre of beverage produced. That’s nearly 57% more than in 2021.”*



## Packaging design and use of recycled materials

We constantly bring innovative solutions to the design of our packaging. In 2022, we launched the Keelclip paper can holder, which is made from FSC-certified recycled paper and helps us save 35 tons of plastic per year. As part of ecological design, we continued to lighten our PET packaging for FuzeTea and Adez products. We also worked on lightening the lids and labels.

We use 100% recycled material in selected PET packaging - this applies to our Natura and Römerquelle brand products. On average, we used 6.4% of recycled PET. Our glass suppliers add 40-60% of recycled material to the glass bottles, and our can suppliers use an average of 66% of recycled material.

## Waste in our production facilities

In 2022 we have succeeded in reusing 100% of the waste generated in Praha-Kyje. Plastic, aluminium and glass went for recycling and hard-to-recycle waste for energy recovery. For the second year in a row, we did not 'landfill' in Praha-Kyje. In total we produced 2,405.55 tonnes of waste there in 2022. In Teplice nad Metují we produced 73.9 tonnes of waste and managed to reuse 83.79% of this volume. We generated 85.45 tonnes of hazardous waste in 2022.

*„In total our production facilities produced only 4.05 grams of waste per litre of beverage produced. That's nearly 57% more than in 2021.”*

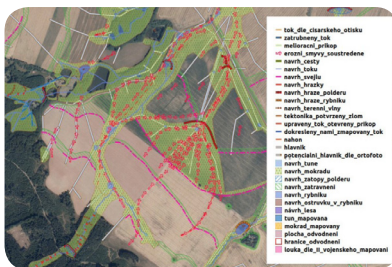
## Cleaning up the Czech Republic

Once again we became a proud partner of the Let's Clean Up Czechia event. and in 2022 we organised two volunteer clean-ups in the vicinity of our production facility. We also continued to support the Clean Jizera River clean-up event.





Our Natura spring water comes from the Adršpach-Teplice rocks. It is a low-mineralisation water of infant quality that is suitable for everyday drinking. Thanks to the natural filtration of the water through the sandstone bedrock, we can practically bottle the Natura right from our source, which is about 120 m below the surface. This source is therefore a real treasure for us and we take care to protect the water in the whole Broumov region.



again supported the project with a grant of CZK 250,000.

*„In 2022 we proceeded to implement the measures proposed in the technical studies in a number of areas. Among others it was wetlands similar to the one in Coca-Cola HBC in Praha-Kyje. We have already covered half of the Broumov region with landscape adaptation studies. One of the most challenging tasks for us is to communicate with landowners so that we can proceed with the preparation of project documentation and the actual implementation of the plans for the studies mentioned above on as large an area as possible. Coca-Cola HBC supports us in this task.”*



Jan Školník  
Zakladatel agentury pro rozvoj  
Broumova



## We save water during production

As part of the construction of the automated warehouse in Praha-Kyje, unique wetlands were built on the premises of the production facility, which collects rainwater from the area and annually returns approximately 12.5 million litres of water to nature. In 2022, thanks to a grant from The Coca-Cola Foundation, a nature trail was created in the wetlands area, which will be opened to schools and the public in 2023 through guided tours. The trail and other measures to promote biodiversity, such as dredging pools, were implemented on site by the non-profit organisation Beleco. The Coca-Cola Foundation supported the project with a grant of USD 70,000 and Coca-Cola HBC contributed EUR 20,000. Post-implemen-



tation observations showed that multiple species of birds, insects, amphibians and deer live on the site. Among others, for example, the Dusky Large Blue, a species of butterfly which could not survive in a mown-down meadow.

We regularly assess the impact of our activities on biodiversity and ecosystems using the Credit 360 system. We have additionally carried out a group-level [study of the impact of our activities on natural capital](#).



## We save water during production

In 2022 we drew 774,224,129 litres of water from VAKat our production facility in Praha-Kyje and 1,725,000 litres from VAK and 48,308,000 litres from the Natura water source at our production facility in Teplice nad Metují.

A key indicator in measuring water use efficiency is the number of litres withdrawn per litre of beverage produced. In regards to this indicator we have reached an average of 1.75 litres per litre of beverage produced in 2022. This is a top value in international comparison, yet year-on-year, due to the challenging production mix and the increase in the production of beverages sold in glass, it represents an increase of 0.06 l/l. The water consumption in the production facility in Kyje was 1.76 l/l and in Teplice nad Metují 1.64 l/l.

Controls on the quality of the discharged water were carried out in accordance with the requirements of the legislation and the IPPC. Thanks to the reuse of 867 m<sup>3</sup> of water in the production process, we are among the leaders in efficient care of this key resource. In 2022 we were once again able to secure Alliance for Water Stewardship gold certification.



## Helping nature in Prague 14

A contribution of CZK 250,000 in 2022 was used by the Prague 14 municipality for the planting of trees and the creation of green roofs on public buildings. The grant has thus helped to cool the temperature in the city and makes efficient use of rainwater.

## CERTIFICATIONS AND SUSTAINABLE SUPPLIERS

At Coca-Cola HBC Czech Republic and Slovakia, we have set criteria for the evaluation of tenders, which also include aspects of social responsibility. Our suppliers are required to document one of the following audit reports: TCCC SGP AUDIT, Unilever URSA, SMETA 6.0, AIM-Progress, SMETA 4 Pilar, GSCP Equivalent, BSCI or EICC. If suppliers do not have the aforementioned audit reports, we require EcoVadis certification.



RFA is an international non-profit organisation that works to create a better future for people and nature, and encourages responsible business practices. Only approximately 6% of coffee beans comes from Rainforest Alliance Certified TM farms. Costa Coffee not only received the certificate in 2008 for its coffee, but also for its chocolate. Our FUZETEA iced teas also received the RFA certificate.

Throughout the entire Coca-Cola HBC Group, we do not use ingredients that are genetically modified or come from genetically modified organisms in any of the 29 countries where we operate. If you are interested in discovering more: [Genetically modified organisms.](#)

In addition to the aforementioned RFA and AWS certifications, we are regularly audited against these environmental standards:

- ISO 14 000/14 001 – Environmental management
- ISO 50001 – Energy management
- GAO – Sustainability and quality audit of The Coca-Cola Company

Other brands and ratings:

- EKO-KOM Responsible company
- SVA-SWPP – Vulnerability assessment and protection of water resources





# SOCIAL

We worked more engaged,  
with less overtime and for higher pay



Average overtime worked dropped  
to 5.39 hours per month



Sustainable Engagement Index increased  
year-on-year from 78% to 83%



On average we increased wages  
by 6% year-on-year

## OUR SECRET INGREDIENT - OUR PEOPLE

There were 855 employees on indefinite contracts, 248 women and 607 men. There were 14 employees on fixed-term contracts, 6 women and 8 men.

In 2022 our Company had 149 line managers and 720 employees without subordinates.

There were 850 full-time employees. In the Czech Republic there were 718, of which 246 were women and 472 men. 132 in Slovakia, of which 40 women and 92 men. In terms of FTE, 19 people were employed part-time. 63 people were employed in the Czech Republic and Slovakia under a work agreement (Agreement on Completing a Job or Agreement to Perform Work).

We have newly hired 178 employees in 2022. 181 employees left. This results in a fluctuation of 21%.

***„In 2022 Coca-Cola HBC Czech Republic and Slovakia will have 869 employees, of which 287 will be women and 582 men.”***



# TEAMWORK IS OUR CORE VALUE

Highly committed teams and managers who understand their people are the foundation of our success. That's why we regularly measure employee satisfaction and engagement through surveys, which are followed up with team action plans.

In 2022 our sustainable engagement index has climbed to 83%, an increase of 5 percentage points from last year. To achieve this result after an extremely challenging season in which our staff had to meet unprecedented demand and deal with several crises is a huge achievement and demonstrates the tremendous resilience and passion of our teams.

The increase in ratings across survey questions was noticeable. The driving force behind the overall change was the ability of our managers to help employees prioritise tasks, which was positively rated by 83% of us, and the willingness of colleagues to help each other beyond the call of duty, which was affirmed by 90% of our employees. The fact that we were able to reduce the average monthly overtime to 5.39 hours from 6.83 hours in 2021 also contributed to higher engagement.



## Remuneration and growth

We take great care to ensure that our employees are fairly rewarded and that our Company provides space for personal growth. We increased wages by 6% on average in 2022.

The package of popular employee benefits includes a pension contribution, a daily fluid intake plan, a cafeteria or, for example, the popular stock programme, where the Company donates the same value of shares to an employee when they purchases up to 3% of the employee's salary each month. 36% of employees have the option of working from home. In this case we recommend a working model of two days working from home and three days working in the office to build synergies in face-to-face meetings. In total we contributed over CZK 25.5 million to employee benefits in 2022.

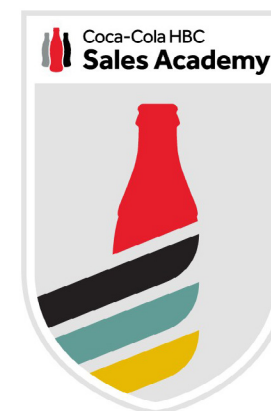
We promoted a total of 72 colleagues internally in 2022.

We continue to develop talent programmes that start with onboarding for new colleagues, continue through the Sales Academy, Supply Chain Academy with programmes for the development of operators and lab technicians, and end with the development of our managers at all levels of management in Fast Forward programmes. Our young talent programmes, such as the Early Talent Internship Programme and the Trainee Programme for graduates, have a special position in our Company. In total we provided 7,644 hours of training and education in 2022. We pay for the study and financial certification of CIMA for selected employees. We provide retraining of Group B drivers to Group C. A unique form of development is the

in-house Learning Labs programme, where CCHBC employees prepare courses for their colleagues directly.

We traditionally reward the best employees with points for the cafeteria and announce them at Company-wide meetings. In addition to the traditional Employee of the Month and Employee of the Year awards, we also symbolically award TOP Leaders. Nominations for all these awards can be submitted by any of our Company employees.

We use our internal Performance for Growth tool to manage employee performance and growth. It is a year-round, comprehensive employee performance management and evaluation system that is linked to regular feedback tools (from subordinates, teammates, project teams, or ad hoc/spontaneous feedback) and a personal development plan for each employee that either strengthens them in their current position or prepares them for a future position. The performance of employees and the fulfilment of set goals is subsequently reflected in the variable component of the salary – the bonus.



## Safety first

We always go one step further in ensuring the safety of our employees, which is why we have implemented a Behaviour Based Safety Programme based on reporting potentially dangerous situations, which we then systematically address. It additionally helps us to adjust the mind-set of our employees so that they actively prevent accidents by their behaviour. We addressed 292 activities under the BBS Programme in 2022.

Occupational safety training is mandatory for all new recruits on their first day of work and is regularly renewed. In addition, we regularly organise Health and Safety Week and Health Days, which provide free health screenings, workshops and training to employees.

An important benefit that can help our employees with their mental health is the Employee Assistance Programme provided by Morneau Shepell. It is a confidential support system that can help solve a wide range of life issues. EAP offers fast and qualified support that is accessible 24/7.

In 2022 we recorded 7 disabling accidents and resolved 13 of the 20 reported near-accidents.



## We speak with our employees

Our employees are not unionised. The trade union function is replaced by the Employee Council, to which employees are elected for 3 years. It involves 15 employees in the Czech Republic and 5 in Slovakia. This represents 2.3% of the workforce. The structure of the CCHBC Employee Council is also organised at a European level. Meetings with the employer are held every month. The Employee Council has its own budget, which it spends on selected activities.



## Drawing on our diversity

The international environment of our Company is conducive to the cooperation of different cultures and approaches. In the Czech Republic and Slovakia alone, there are employees of 17 different nationalities. The average age of the our Company's employees has stabilised at 40 years. 21% of employees under 30 worked for us, 64% of employees aged 30-50 and 15% of employees over 50.

We value the loyalty of our employees. That is why we reward significant work anniversaries with monetary and non-monetary gifts and celebrate them at Company get-togethers. 149 colleagues celebrated their 5, 10, 15, 20, 25 or 30 year anniversaries with us in 2022.

Our CCHBC group is working towards a gender balance within Company management. In the Czech Republic and Slovakia, women represented 33.6% of Company management in 2022. There were 3 women in the Company's top management – the so-called Senior Leadership Team in the year under review. HR, Marketing and Legal directors. This represents 27.3% of the 11 members of this team. When analysing remuneration, women on average earned 16.8% less in the year under review. After the project to compare this difference, it was only 1.4% less in December 2022.



Internally we support women in managing roles with our extensive 'June belongs to women' event, which includes workshops on the following topics: women's self-esteem, women in leadership, returning to work after maternity leave and paternity leave. The event is complemented by inspiring interviews with successful female managers from the CCHBC. We regularly comment on the topic of women in leadership at external conferences. For example, we are a long-term partner of the Inspirational Networking for Women in Leadership, which takes place at the Opero in Prague.



We regularly dedicate a 'D&I Week' awareness campaign to diversity and inclusion, reminding us of our zero tolerance policy on discrimination on the grounds of age, disability, gender or gender reassignment, sexual orientation, marital or partner status, including pregnancy, maternity, paternity or other nursing and care status, race, including ethnic origin, nationality or colour, religious, political or other beliefs, full-time or part-time employment, and any other characteristic in respect of which legal protection is provided under local law. We also strictly adhere to [the equality policy](#) in the recruitment process.

There were 5 people with disabilities working in our Company in 2022, representing 0.58% of our workforce. Positions suitable for employees with disabilities are available, for example, in our customer service centre, where work can also be done 100% from the home office.



### **Coca-Cola is the world's largest brand that has long supported the LGBT+ community**

The Coca-Cola Company has become the main official partner of the Prague Pride Czech festival for the third year running. At the time of the festival a special banner with a rainbow flag was once again displayed on the main building of The Coca-Cola Company in Praha-Kyje. The Company's open attitude to equality issues for the LGBT+ community has a huge impact on the Company culture, where equality values are lived every day.



## WE LENT A HAND WHERE IT WAS NEEDED

The spring of 2022 marked the start of our assistance to refugees from war-torn Ukraine. Right at the start of the crisis we contributed EUR 100,000 to the refugees through the Slovak Red Cross together with The Coca-Cola Company. The CCHBC Group donated EUR 1.5 million for this purpose immediately at the start of the crisis.

This was followed by coordinated assistance, where our employees personally volunteered to organise the functioning of the refugee centres and provide material assistance. We directly assisted colleagues from our Ukrainian organisational unit who were able to work with us remotely.

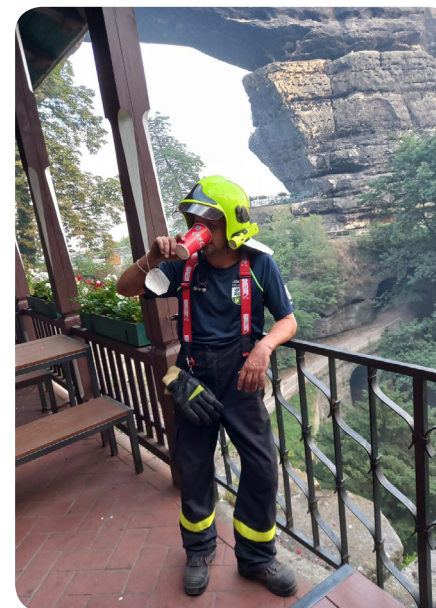
Throughout 2022 we supplied refugee centres with drinks through the Red Cross and various food banks.

We donated a record 530,000 litres of beverages to food banks in 2022. These were worth CZK 13.7 million at depreciated prices. Their commercial value was three times higher. One third of the drinks donated to food banks went to refugee centres. Nearly 80,000 litres of beverages went to refugee centres through the Red Cross.





The summer in the Czech Republic was marked by a fire in the municipality of Hřensko. The efforts of fire fighters, which finally resulted in the extinguishing of the fire after several weeks, were supported by our Company with beverage supplies. In addition to drinks for the fire fighters worth over CZK 600,000, the Company donated CZK 500,000 to the area's National Park together with The Coca-Cola Company to rebuild the destroyed tourist infrastructure. Thanks to this contribution the Park's main tourist attractions are now accessible again.



Thanks to the grant a new information system has been built on the site, consisting of maps and new signposts.

Due to the danger of falling trees, the Gabrielina Trail, which led visitors to the Pravčická Brána Archway, had to be closed. The new signage showed hikers an alternative route that is safe and opens up incredible views of the rock masses and the impact of the fire. A new telescope has also been purchased for the trail. For the comfort of visitors it is lined with new benches on sandstone pillars.



**We have entered into strategic partnerships that transcend our business world**

The Natura brand also includes infant water in its product line, which has partnered with the Institute for Mother and Child in Podolí, Prague. To celebrate this partnership a conference on healthy drinking for mothers was organised and a contract was signed for the supply of free drinks. Clients of this renowned institution can thus enjoy more than just free water of infant quality in the counselling rooms.



The McDonald's Foundation opened the first Ronald McDonald House in the Czech Republic in Motol, Prague. This long-built and anticipated project provides accommodation for families of long-term sick children who, in most cases, are treated at the Motol Hospital.

During its construction our Company contributed by lending refrigeration equipment for the House equipment free of charge and started supplying free drinking water in the form of our drinks.



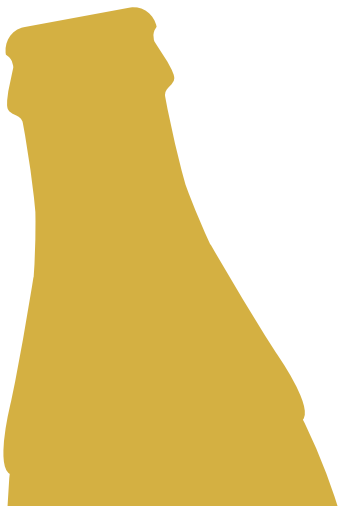
### **Our employees once again volunteered some more**

98 of our employees participated in volunteer activities during their working hours in 2022. This represents 11% of the total. Altogether they worked 1,059 volunteer hours, a rapid increase from the 549 hours in 2021. The week leading up to Christmas, Coca-Cola HBC held a charity market where employees donated to the Coke Angels Programme, which helps colleagues in difficult family situations. In addition, they were able to support other charitable causes by purchasing promotional items from partner non-profit organisations at the booth. The Christmas charity market was then rounded off with the traditional charity auction. We have renewed a grant programme where employees can apply for a drinking scheme for community events they organise in their spare time in the future.



### **Once again we opened the way for young people to get a better job**

The Youth Empowered Project, which in 2022 was still operating under the name You Can Do It! (To dáš!), provided training for future employment or even direct work to a record number of 6,610 young people in the Czech Republic and Slovakia. A total of 17,857 people have already been through the project. In the Czech Republic a huge part of the work was done by the social recruitment agency run by the Tereza Maxová Foundation for Children and the International Coach Federation, which provided training as part of the programme. In Slovakia, especially disadvantaged young people were helped by getCLIENTS in tandem with the non-profit organisation A Smile as a Gift (Úsmev ako dar). The focus of the project now shifts to training and lectures delivered directly by Coca-Cola HBC managers and the online educational platform [youthempowered.cz](https://youthempowered.cz), where the Company unlocks free educational courses for young people.



The Coca-Cola HBC Management Challenge again resonated among university students, where student teams had the opportunity to tackle case studies from real business environments. Prize money and a day with our CEO was eventually won by the Sasalele team from the Prague University of Economics and Business.

[Full report here.](#)

We have long been partners with the largest student organisations. As regards secondary schools this is the Junior Achievement organisation and in universities AIESEC. We have supported a number of our partner schools events, such as the traditional StreTech at the Czech Technical University in Prague. At the Czech Technical University we have also become partners in a unique robotic bar project.



### Moving for a good cause

We are proud that in 2023 we became a partner of the Teribear Moves Prague event, where our employees' mileage, financial contribution and donated drinks all made their mark. We continued to support the Emil Open games for disabled youth, we supported sporting events of the Jedlička Institute such as Scooter Day (Koloběžka den), and we again supported the great tradition of the Night Runs for Fireflies (Noční běhy pro Světlušku).



## Cafés where the drinks are on us

Our products help the Jedlička Institute's charity TA Café and the Světluška Café in the Dark – a Czech Radio Endowment Fund.



## We are a good neighbour

We are in touch with the management of the Prague 14 municipal district mainly through representation on its Public Involvement Board. The most frequently discussed issues here are the joint sustainability strategy of the district within the framework of Agenda 21. In addition we have long co-organised various community events with Prague 14 Kulturní.

We supported community life in Prague 14 by communicating with leisure associations such as Stop Zevling, which in 2022 organised both a summer and winter festival with a sports competition.

In Teplice nad Metují we have again become a partner of the International Climbing Film Festival and also the celebration of the town's anniversary, which we have combined with the celebration of 30 years of the Natura race. Among the community events in the Broumov region, we have supported, for example, the traditional Broumov Discussions and the MTB Trilogy mountain bike races.

*„We supported community events of all types with more than 260 shipments of our beverages made in 2022. That's more than one load for every working day.”*

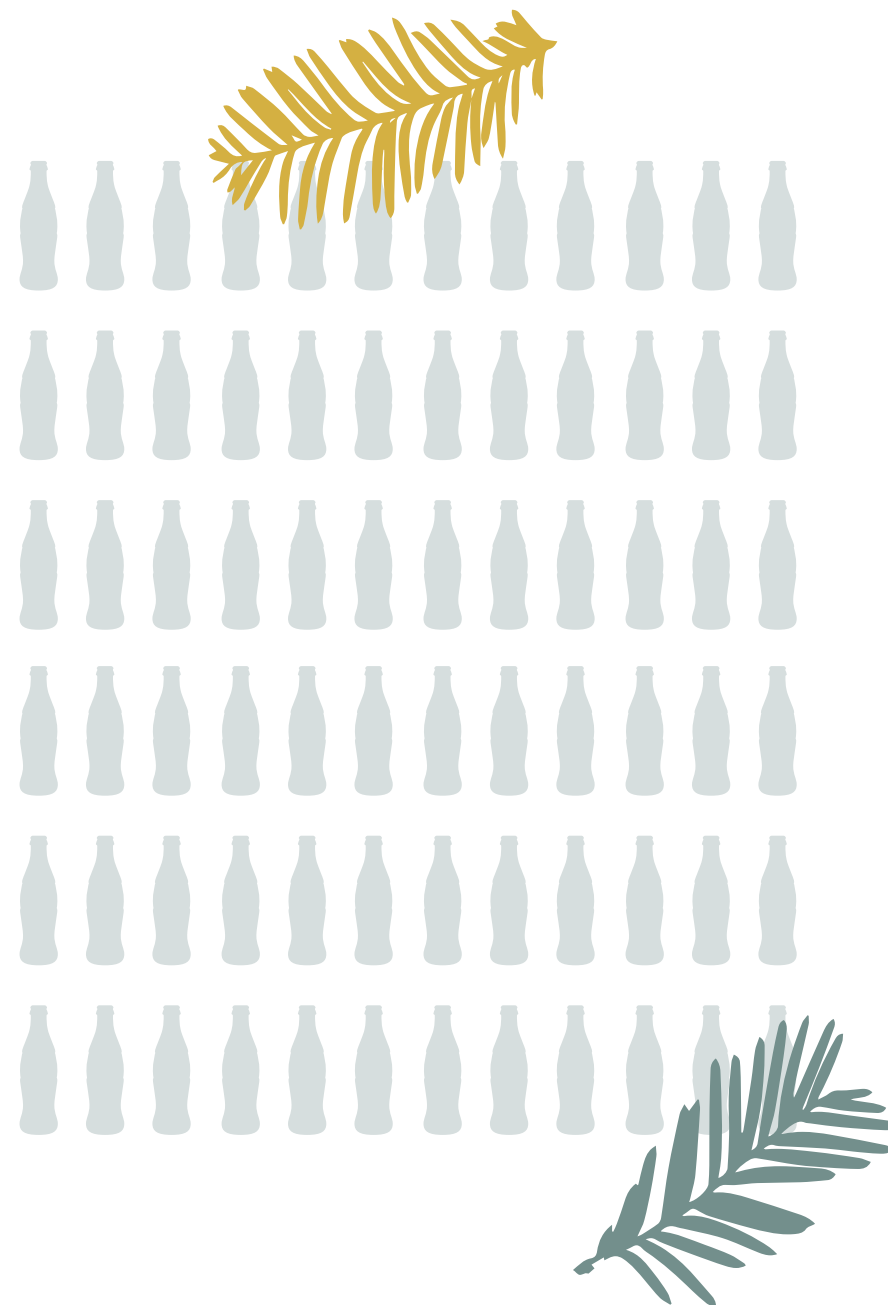


## CERTIFICATION, AUDITS AND SUMMARY

We regularly report on community and charitable activities for the Group's IAR report. The data is subject to regular back-ups. According to the reported data for 2022, we donated EUR 184,493 to charity and EUR 385,896 to community causes in the Czech Republic. In Slovakia the amount was EUR 120,436 for charitable purposes and EUR 31,681 for community purposes. This includes the value of material donations and supported environmental community projects.

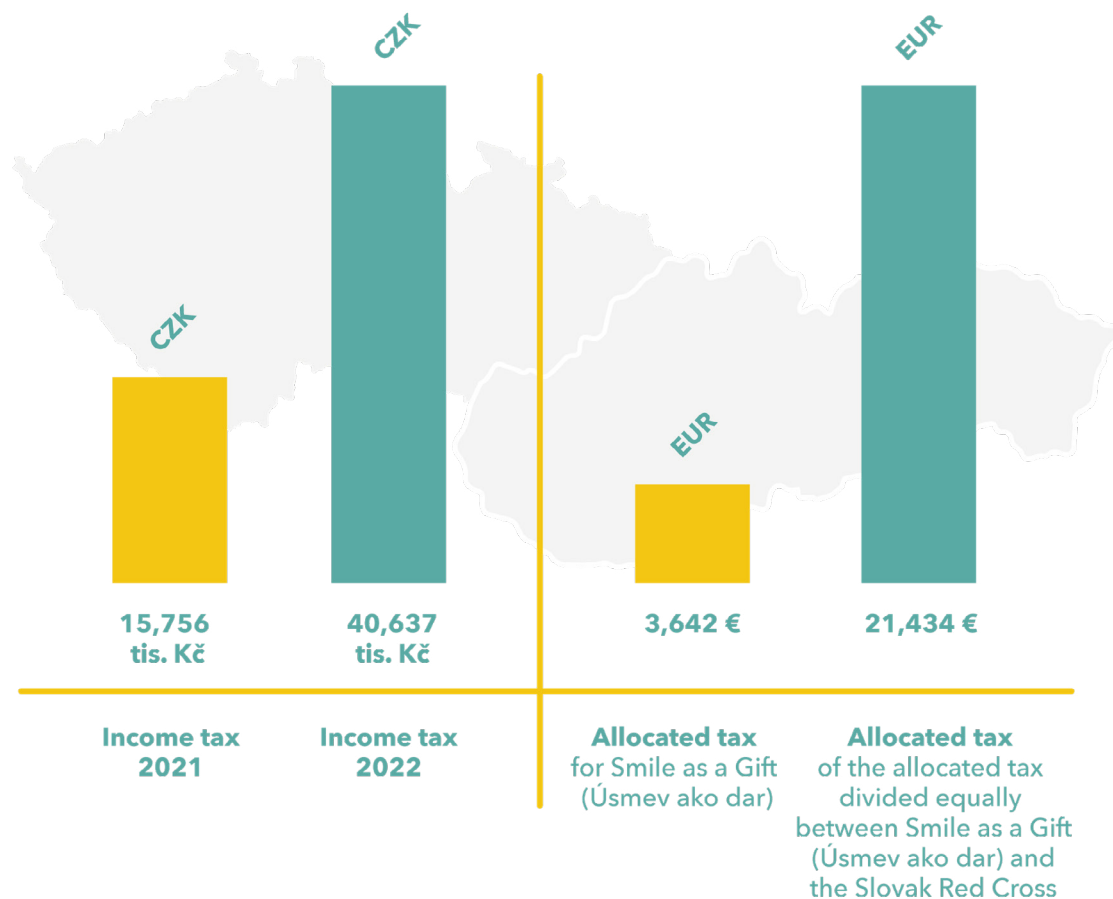
Other relevant social certifications and audits:

- ISO 45001 – Occupational health and safety management



# GOVERNANCE

Thanks to our excellent business results we contributed almost CZK 25 million more in income tax than last year.



In Slovakia we contributed almost EUR 18,000 more to non-profit organisations through tax allocation year-on-year.





## HOW DID WE DO?



The record year 2022 meant over 471 million litres of beverages had been produced. Of this 441 million litres were produced at the production facility in Praha-Kyje and 30 million litres in Teplice nad Metují. Some of the production is exported and some of the beverages sold are imported from other CCHBC countries. We sold a record 480 million litres of beverages in the Czech Republic and Slovakia this year. We sold 21.5 million cups of coffee and 611,000 litres of premium alcoholic beverages.

As a result we were able to increase the Company's net profit after tax and interest to CZK 49,967 thous. The Company's turnover increased again to CZK 8,773,623 thous., and the total assets of the Company amounted to CZK 6,425,188 thous.

The positive business results allowed us to pay income tax in the amount of CZK 40,637 thous., on which we paid almost CZK 24 million more than in 2021. The tax allocation in Slovakia of EUR 21,434 is also significantly higher than the EUR 3,242 in 2021. This year the amount was divided equally between the Slovak Red Cross and Smile as a Gift (Úsmev ako dar), non-profit organisations, with which we have long cooperated.

In 2022 we served 41,908 customers, of which 452 were new.



# CORPORATE GOVERNANCE AND OWNERSHIP STRUCTURE

Coca-Cola HBC Czech Republic and Slovakia is a limited liability company with its registered office in Prague – Českobrodská 1329. In Slovakia it operates through a branch office located at Kalinčiakova 33, Bratislava. The sole Managing Director of the Company is its CEO Dan Timotin, who is also the head of the Slovak branch. Other members of the management acting, for example, in contractual relations act on the basis of a power of attorney. The Company's top management is represented by an eleven-member team – the so-called Senior Leadership Team (SLT) consisting of the directors of each department. Michal Dyttert was responsible for sustainability within SLT in 2022.

Our Company is a subsidiary of Coca-Cola HBC AG, a joint stock company based in Zug, Switzerland. The shares are traded on the London and Athens stock exchanges. In 2021 the Company paid dividends of EUR 0.78 per share to shareholders. In total the Company has paid out EUR 4.5 billion to shareholders since 2001. The value of share prices in 2022 was noticeably affected by the start of the war in Ukraine. However, the Company's performance still managed to balance the fluctuations during the year and, from a fall in share value to GBP 14.61/piece, the price rose to GBP 19/piece by the end of the year. The rise in share value then continues in 2023, with the highest traded share price coming within less than a pound of the peak in early 2022.



Coca-Cola HBC AG's shares are 21% owned by The Coca-Cola Company, 23% by the founding company Kar-Tess and 56% are freely traded by other retail owners. More information is available in the Investor Centre [here](#).



## Company strategy

The Company's local strategy is based on a framework that guides the entire CCHBC Group towards achieving its vision. The Company's vision, mission and values can be found on [the front page of this report](#). The strategy was developed by the Company's management in cooperation with external consultants in order to respond to the current situation on the local market, leveraging the strengths of the international background and portfolio, and targeting the needs of the customer. That's why the Clientology Institute worked with the Guiding Coalition to communicate management strategy at the level one rung below the Senior Leadership Team. It co-organised a series of day-long meetings for about 80 managers, where the strategy gained concrete implications. The strategy was communicated to the entire staff at the annual conference. The strategy is linked to internal communication throughout the year and is based on the recognition of the best employees.

***„According to an internal survey, 80% of our employees strongly believe in the Company's strategic priorities. This is nearly 8% more than in 2021.“***



## RISK MANAGEMENT

Also in 2022 we continued to integrate our internal ERS – Enterprise Risk Management system. The system relies on the prompt identification of potential risks that could prevent the Company from achieving its objectives. It not only sees the identified risks as threats, but as opportunities that can result from addressing them in a timely manner. The system is part of our holistic resilience programme and is led at Group level by the Chief Risk Officer, who is in close contact with designated colleagues in the Czech Republic and Slovakia. Every month this team in the Czech Republic and Slovakia presents the identified risks to the Senior Leadership Team and enters them into a shared register. The risks are then addressed. They are ranked in the register according to importance and trend. Twice a year the entire resilience team attends a conference where the most important trends and key risks are discussed.

The ERS is followed by the IMCR – Incident Management and Crisis Resolution programme, which is a set of rules for anticipating, monitoring, communicating and resolving crisis situations affecting our society. Training of IMCR officers and validation of the team's readiness was also conducted in 2022, and 2 important risks were also addressed within the IMCR. As a preventive measure regular meetings of the IMCR team were held and databases of potential situations that could result in an IMCR incident were monitored.



From a risk management perspective, we also monitor the impact of environmental and social aspects on our business. Among the most important risks monitored within the framework of the integrated system are: crisis associated with employees and management of the Company, security, availability of inputs for production and logistics, legislative risks and regulations, behaviour of competitors on the market, quality control and others. The most important economic trends that need to be addressed by adjusting the Company-wide strategy are gathered at group level by the Treasury Department.

## INNOVATION AND QUALITY



We have already invested over CZK 2.5 billion in our development and innovation between 2017 and 2022. All these innovations are aimed at greater efficiency, competitiveness, environmental friendliness and superior quality of our products. In 2022, among other things, we innovated the refills of carbonated soft drinks into PET bottles in 1.5 l and 2.0 l for EUR 880,000. The modification to enable the use of non-removable caps on PET bottles cost EUR 200,000. For EUR 120,000 we purchased new label applicators for packages and pallets. We invested EUR 340,000 in a new empty glass bottle inspector machine, and EUR 45,000 was spent on a laser PET bottle printer for the production facility in Teplice nad Metují.

Our broad portfolio has seen a large number of product innovations. In July Coca-Cola HBC became the exclusive distributor of Bacardi-Martini premium alcoholic beverages. Together with the coffee represented in 2022 by the Costa Coffee brand, the Company has expanded its presence in the categories it collectively calls New Business with this partnership. Established brands have not been left behind either by introducing new flavours. Coca-Cola came out with the new Zero Lime flavour. Monster enriched its portfolio of energy drinks with fruit juice with the new Monarch and introduced Monster Nitro – the first energy drink in the country carbonated with nitrous oxide for a smooth and creamy texture. Fanta refreshed our consumers with the new Strawberry and Kiwi flavour, which played an important role in the Halloween campaign. Fanta Shokata started to be offered in a can, Peach Cappy in a glass bottle for the HoReCa segment.



Packaging innovations were primarily aimed at more sustainable solutions, including the introduction of the KeelClip paper can holder, preparation for the introduction of non-removable caps for PET bottles, lighter design of packaging and the transfer of Sprite to a transparent PET bottle. It is the transparent PET bottles that can be recycled to produce slightly cloudy, once again transparent PET bottles. They can also be used in the production of coloured PET bottles. The green PETs will always be green or blue. The blue ones will always remain blue.



The quality of our products is our high priority, regular laboratory control and sensory testing give us the assurance that the final product that reaches the consumer will always be of top quality. Water treatment systems and regular sanitation of production facilities, combined with certification of raw material suppliers, give us the assurance that our beverages will go to market in the highest possible quality. In 2022 we only handled 22 consumer complaints in the Czech Republic and Slovakia.



## Calories and product labelling

The category of low-calorie and no-calorie soft drinks played a significant role in our business trading. In the carbonated soft drinks segment, low-calorie variants such as Coca-Cola Zero accounted for 22.5% of beverage volume sold, up one percentage point from 2021. Zero were almost all the newcomers in this category in 2022.

In the Czech Republic the average calorie per 100 ml of carbonated soft drinks fell year-on-year from 31.63 kcal / 100 ml to 31.14 kcal / 100 ml. In Slovakia, it was a decrease from 33.7 kcal / 100 ml to 33.09 kcal / 100 ml.

Our products are not only carefully labelled according to legislation, but also through Evolved Nutrition Labelling in Czech nutritional traffic lights. We have been using them on our products since 2018 and are still one of the few exceptions on the Czech and Slovak markets. Our consumers know precisely, easily and without long research which product to choose and include in their diet based on its composition.

In Slovakia and the Czech Republic we are part of the Drink Wisely forum and actively communicate recommended alcohol consumption behaviour and groups for whom drinking is not appropriate.



## WE BEHAVE ETHICALLY



The Company's Code of Conduct is available to all employees on the Company's intranet and in printed form at selected locations. [It can be viewed here](#). All new recruits are trained in the policy on their first day of work and training is regularly refreshed. An additional internal communication campaign is dedicated to ethics twice a year, each time with a different, currently resonating theme.

***„100% of employees in the high-risk zone are trained annually in anti-corruption principles. Each training is based on current legislation and we always add specific current cases from real life. We list the fines imposed and the implications for our business. As a result, participants praise the training every year.***



Tereza Koubová  
Legal counsel a trainer

Employees can report violations of the Code of Conduct using the online form, the Legal Department or HR Department. In addition there is an anonymous Speak-up! help line for them. There were 4 incidents reported on this line in 2022. All of them were investigated in detail, but none was found to have violated the Code.

In 2022 there was 1 lawsuit in Slovakia and 1 in the Czech Republic involving our Company. Both of these disputes remained unresolved at the end of the year.

Personal data is maintained in our Company in accordance with the GDPR and we have a standard operating procedure in place in the event of a data breach. Information on the handling of employees' personal data is available to our people on our intranet. There were no data protection incidents in 2022. Compliance with GDPR principles is the subject of regularly updated training.



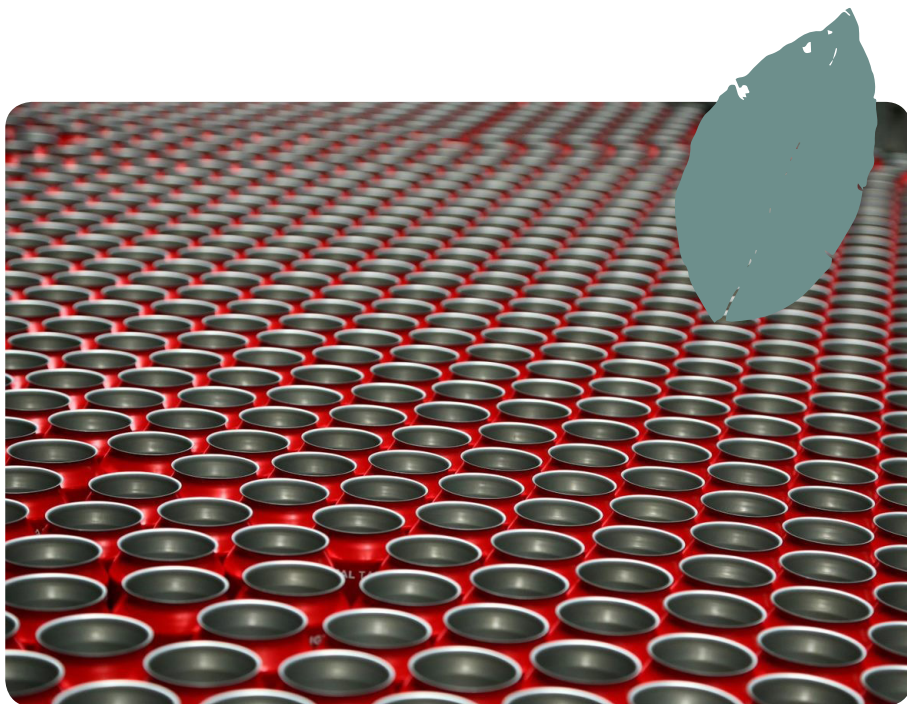
### **We act responsibly towards children**

We are committed to responsible marketing through our membership of the UNESDA European Beverage Association and adhere to the following voluntary commitments: we do not market to children under the age of 13; we avoid direct advertising to children to persuade parents to buy our products. Furthermore, we do not offer sweetened lemonades, iced teas or energy drinks in primary and secondary schools. Our coolers in schools do not carry any beverage promotions, their stickers are neutral and only encourage drinking.



## OUR SUPPLIERS

In 2022 we used 792 Czech, 171 Slovak and 200 foreign suppliers in the Czech Republic and Slovakia. This represents a share of 83% local and 17% foreign suppliers. Supplier selection is also strongly influenced by their sustainability certification, as described in the environmental section of this report.



An important group are the suppliers of our ingredients such as CO<sub>2</sub> and Ni food gasses, sweeteners such as sugar, dextrose and glucose-fructose syrup (HFCS). All ingredient suppliers are subject to approval by The Coca-Cola Company for the specific manufacturing facility and product. The product must meet the technical specification according to KORE, the quality requirements of The Coca-Cola Company and receive an LoA – Letter of Authorisation. Ingredient suppliers must have FSSC 22000, ISO 14001, GMP certification.

The purchase of packaging material is managed in accordance with the Purchasing Policy issued by the Purchasing Department at Group level. Packaging is divided into primary and secondary. Again, primary packaging suppliers must meet KORE requirements, have authorisation from The Coca-Cola Company and LoA including FSSC 22000, GMP and ISO 14001. Suppliers are selected on the basis of tenders, which are carried out every 3 years. They are regularly assessed. The selection criteria are quality, price, delivery conditions and sustainability.



## COMMUNICATION WITH STAKEHOLDERS



Our network of sales representatives is in daily contact with our customers to discuss how our cooperation can be developed and grown together. In 2022 we surveyed our customers for the first time about their willingness to recommend our Company. The result of the survey is the so-called Net Promoter Score (NPS), which ranges from -100 to 100%. In our first evaluation of 1,065 customers, we came in at the positive end of the scale at 26%. The most frequent complaints were about the unavailability of products and their pricing. The stability of the Company as a partner and the quality of the products were positively evaluated. The quality of our customer service centre is measured by the so-called Service Level, which shows what percentage of calls we are able to answer within 20 seconds. The service level for 2022 was at an excellent 84.6%. The internal indicator DIFOTAL, which shows the % of correctly composed, correctly timed, correctly imported and correctly invoiced deliveries, stood at 92.96% in 2022. We operated with 99.54% accuracy in meeting production plans and 68.4% accuracy in sales forecasts.

Communication with employees takes place through a mix of internal communication tools, including e-mail, internal TV, intranet, Facebook group, bulletin boards, micro and Company-wide events or personal meetings. The Company-wide VOX meeting, where management presents Company news, strategies, plans and priorities in hybrid online/offline mode to all employees, was held 7 times in 2022. At this meeting the management also regularly answered questions collected in advance and live, which can also be sent anonymously. Town halls of the top management with employees in production were held three times and our management went to business teams across the Czech Republic and Slovakia for the so-called Roadshow, comprising local team workshops and networking, nine times in total. Management additionally meets regularly with representatives of the aforementioned Employee Council. We also held an annual conference for all employees in 2022 to celebrate our achievements and as a communication channel for future plans.



Natura celebrates 30 years of production in 2022. The celebration associated with the anniversary of the town of Teplice nad Metují was attended by the town mayor, families of our employees, the current and former long-time director of the production facility and representatives of partner non-profit organisations. The event was attended by more than 600 visitors, who were able to take a look into the production or enjoy the accompanying programme with the projection of period photographs and attractions for children.

In the local communities around our manufacturing facilities we are in regular contact with associations and non-profit organisations, as well as with local government leaders. We get direct feedback on activities that directly affect our neighbours and can help them in their efforts to build sustainable communities. In our communication with the Prague 14 municipality, we mainly use the Council for Public Involvement, where we are represented, and in Teplice nad Metují we communicate directly with town management.

The public can contact our Company via e-mail [vnejsi-vztahy.cz@cchellenic.com](mailto:vnejsi-vztahy.cz@cchellenic.com) for the Czech Republic and [vonkajsievztahy.sk@cchellenic.com](mailto:vonkajsievztahy.sk@cchellenic.com) for Slovakia or via telephone on +420 283 015 801 for the Czech Republic and +421 249 494 944 for Slovakia. Investors and potential investors can contact us via our e-mail address: [investor.relations@cchellenic.com](mailto:investor.relations@cchellenic.com)

### **Audits and reporting**

In terms of financial audits, in 2022 we underwent a comprehensive external audit by PWC, an internal audit by COBC – compliance and anti-corruption, a comprehensive internal group process audit and a series of quarterly internal reviews. We successfully completed all of these audits with no findings of violations of the monitored rules. Risks identified during audits are continuously addressed by authorised employees so that they do not develop into problems in the following periods.

For non-financial reporting, in addition to audits to ISO standards and other external quality and sustainability standards mentioned in the social and environmental pillar sections above, we conduct a number of internal quality audits of the Coca-Cola system. Among the most extensive audits is the so-called GAO audit. Our inputs to the group Integrated Annual Report are also audited on a regular basis. This summarises ESG issues at group level and for 2022 [can be viewed here](#).

For internal reporting we use the integrated Power BI system, which provides up-to-date dashboards with the results of both financial and non-financial indicators. In this way the current results can be evaluated regularly and clearly. For example, the Company's community activities are also reported on a monthly basis.

ISO and other norms connected to this area:

- ISO 9001 – Quality management system
- ISO 22000 – Food safety management
- FSSC – Food quality certification

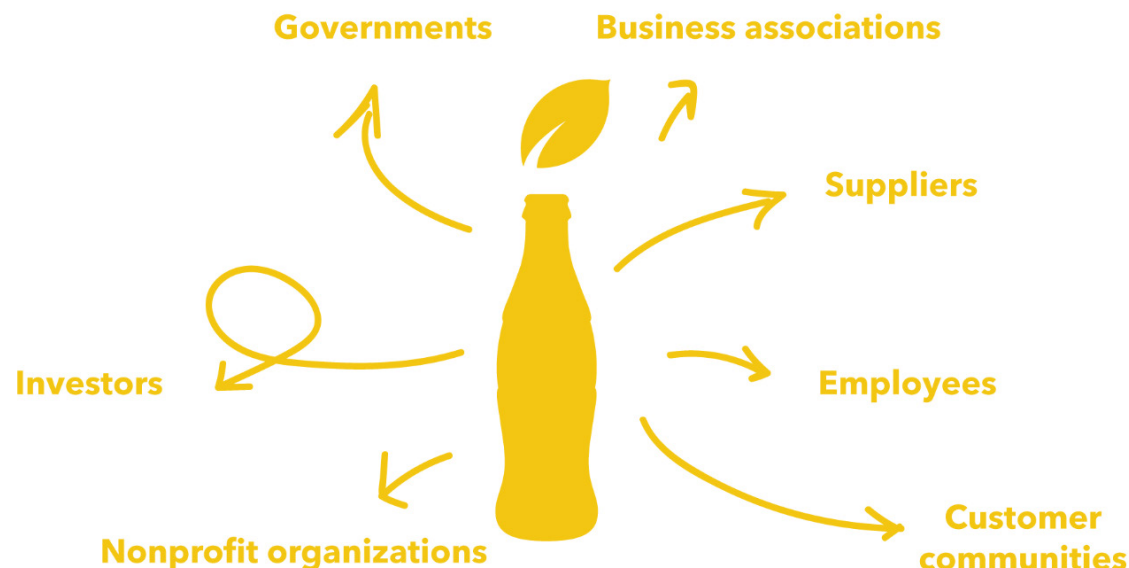


# OUR STAKEHOLDERS AND MATERIALITIES

At Coca-Cola HBC we approach materiality issues on an annual basis. We are thus trying to figure out how to deal with the opportunities and face the risks that the year has brought. We pay attention to the correct prioritisation of agendas that have the greatest impact on the economy, society and the environment.

This year we have again compared the CCHBC survey with the local survey of the importance of topics for the Czech Republic and Slovakia, which was prepared for us last year by IPSOS.

The Integrated Annual Report of The Coca-Cola HBC Group, published annually, is in accordance with the principles of the International Council for Integrated Reporting and is prepared in accordance with the standards of the Global Reporting Initiative. This year, thanks to Denkstatt's Gap Analysis, we have brought the local report even closer to ESRS standards for CSRD.





## 2022 THROUGH THE EYES OF STAKEHOLDERS

Our material issues include topics that have a significant economic, environmental and social impact or materially influence the evaluation and decision-making of our stakeholders. 75 of the most important stakeholders participated in the survey, and we therefore have a comparison between the point of view of local stakeholders and the average point of view of all stakeholders from Coca-Cola HBC countries. The results of a Group survey completed by more than 1,000 stakeholders from 29 CCHBC countries can [be viewed here](#).

In the local and global overview of the importance of topics, almost the same priorities remain in the top five, which confirms the relevance of the Group's global direction for the Czech and Slovak markets. Individual variations between Group and local results highlight themes that need to be more focused on regionally.

The global top 5 topic ranking places the topics in order from most important as follows: climate change, packaging and waste management, economic impact, corporate governance, sustainable resources. In the global view the topic of climate change jumped to the top spot, overtaking the previously long-standing most important topic of packaging and waste management. The importance of the pillar of corporate governance, the letter G in the ESG ranking of sustainability

topics, confirms the return of this topic to the top 5 after a one-year hiatus.

### Local ranking of the top 5 most important topics:

- Packaging and waste management
- Sustainable resources
- Water management
- Climate change
- Economic impact

In the local sense packaging and waste management remain the most important topic. Sustainable resources come second. Here we perceive an emphasis on careful certification of suppliers and monitoring of their impact. In 2023 we will once again follow the path to carbon neutrality of our entire value chain, i.e., including resources, and our suppliers as well.

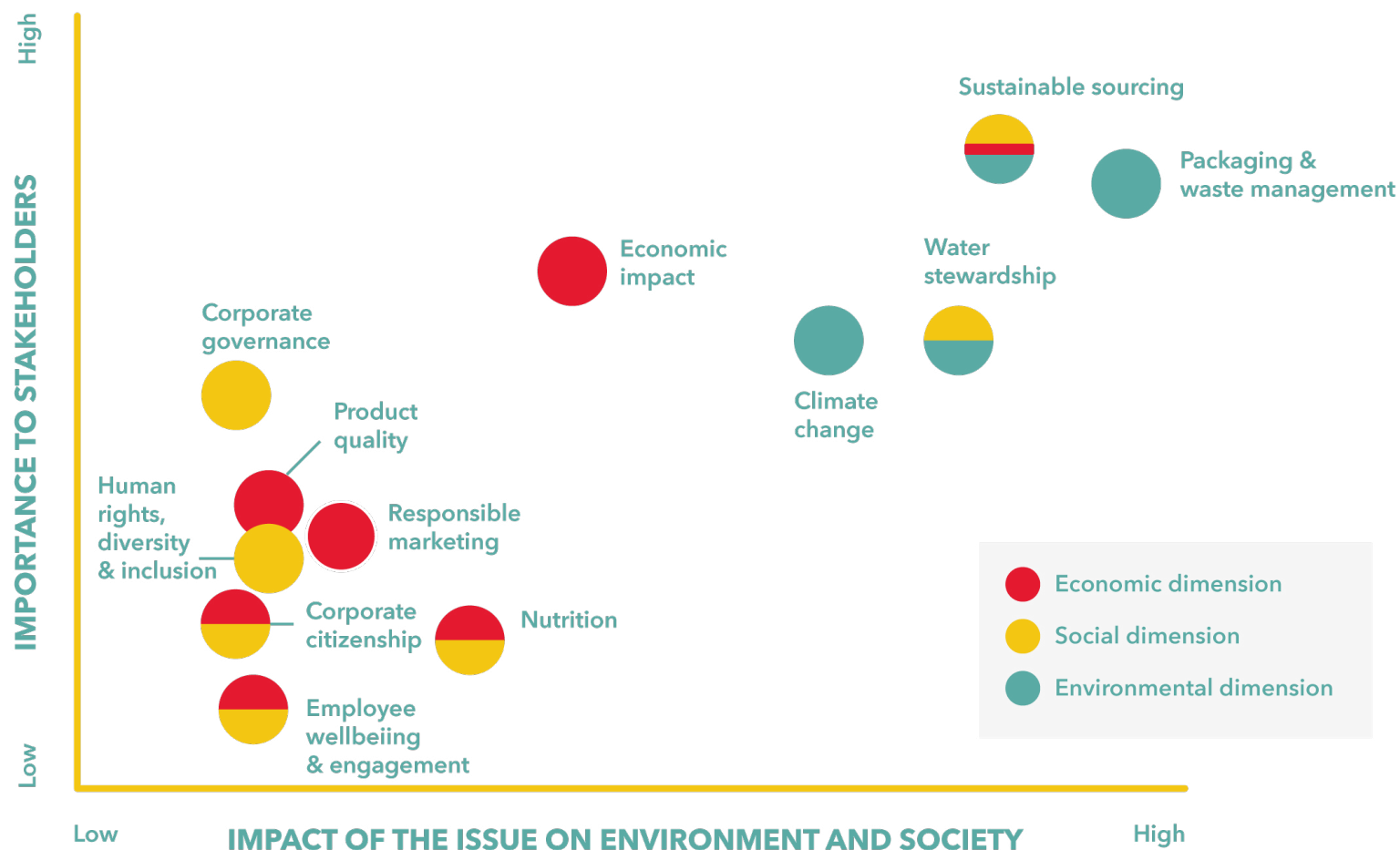
In an important third place is the topic of water management, so in 2023 we will expand the support of our water sustainability activities.

The importance of the commitment to carbon neutrality underlines the fourth place of the topic of climate change in the local concept, and the topic of economic impact is in fifth place.





# LOCAL MATERIALITY MATRIX FOR THE CZECH REPUBLIC AND SLOVAKIA COMPILED IN 2022



## WHAT ARE WE LEARNING FROM OUR STAKEHOLDERS?

Understanding the needs and interests of our stakeholders including our partners, customers, suppliers and community members, as well as employees, helps us create the right Materiality Matrix over time. It is also an important helper in developing a sustainable business strategy.

### **We actively seek the opinions and insights of our stakeholders:**

- we invite local stakeholders to the annual International Stakeholders Forum organised by CCHBC;
- we conduct interviews with key internal decision-makers and external partners;
- we continuously work with external stakeholders;
- we survey our leaders and external stakeholders;
- we take into consideration the list of material issues from The Coca-Cola Company and other bottlers and food and beverage companies;
- we listen to feedback from our Risk Forum and our risk register.

### **Management of our materiality issues**

The result of our materiality survey represents their order of importance. By assessing the importance of these issues to our stakeholders and their decisions, combined with an assessment of the issue's impact on society and the environment, we de-

rive the relative importance of each issue and prioritise them accordingly. Following the process of prioritisation of our material issues, the Executive Leadership Team ensures their proper implementation in the overall strategy of the CCHBC Group. This includes setting and publishing goals and metrics to measure progress.

We have linked our material issues with the Sustainable Development Goals (SDGs) set by the UN to achieve long-term growth and development by 2030. In 2018, as we launched the 2025 Sustainability Mission with our sustainability commitments, we not only aligned our themes of significance with valid targets, but with all relevant core targets for each SDG.



## HOW DO WE ASSESS MATERIAL ISSUES?

Our material issues are those of greatest importance to our stakeholders and wider shareholder groups and, therefore, impact our Company's value drivers, our competitive position and long-term value creation.

### Annual assessment

Our material issues are reviewed annually to fully understand how to manage the risks and opportunities they present. Thanks to this, we can prioritise topics that have the greatest impact on the economy, society and the environment.

Our annual materiality assessment is conducted in four stages by a multidisciplinary team dedicated to our 2025 Sustainability Mission.

### Phase:

- determination of substantive issues;
- assessment of impact on stakeholders or their significance;
- social and environmental impact assessment;
- review and confirmation of findings..

Steps to ensure that material management is successfully embedded in our strategy and business activities as such are carried out by three groups within the entire Coca-Cola HBC Group.

- The Sustainability Mission 2025 team assesses a list of essential issues and ensures that our approach to sustainability is fully aligned with our business priorities;
- The Committee for Social Responsibility based on the Board of Directors subsequently approves the priority list of questions and the resulting Materiality Matrix;
- Finally it is the responsibility of the Executive Leadership Team to integrate our sustainability priorities into our business strategy..

For our annual materiality assessment we have an ongoing dialogue with our stakeholders, which include employees, consumers, customers, suppliers, communities, governments, NGOs, investors, trade associations and even academia. In addition we monitor external trends and other industries to see how the ability of our business to grow sustainably over the long term is affected.

Our systematic approach to materiality helps us prioritise topics in line with GRI standards. The topics are often intertwined and should not be seen separately.



# WHERE NEXT?

## IAR REPORT OF THE WHOLE COCA-COLA HBC

 Read more

## DETAILED OVERVIEW INDICATORS ACCORDING TO GRI AT GROUP LEVEL

 Read more



We will be happy for your comments, feedback and questions.

**Ladislav Jelen**, manager of social responsibility and communities  
Coca-Cola HBC Czech Republic and Slovakia  
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