

2022



# MAKING OUR PACKAGING MORE SUSTAINABLE



## OUR APPROACH

We believe every package has value and life beyond its initial use and that it should be collected and recycled into a new package. We also seek to minimize the overall amount of packaging that we use. Together with our suppliers and partners, we are working to design more sustainable packaging and take action to ensure that our packaging doesn't end up as waste.



## OUR COMMITMENTS & ACTION PLANS

**Collection:** Recover 75% of our primary packaging for recycling or reuse by 2025 and strive towards 100% collection by 2030

**Recyclability:** Make 100% of our primary packaging fully recyclable by 2025.

**Recycled Packaging:** Increase the percentage of recycled PET (rPET) in our bottles from 10% today to 35% by 2025 & to 50% by 2030 for our total business. In our EU countries and Switzerland, we aim to reach 50% rPET by 2025 and we strive towards 100% recycled or renewable PET by 2030, where technically and economically feasible.

**Eliminate Unnecessary Packaging:** Building on the extensive light-weighting programme delivered over the past decade, we will continue to light-weight our primary packaging towards 'best in class' bottles and cans in each market, while innovating to remove shrink film from multi-packs. We expect this programme to remove an additional 3000 tonnes packaging by 2024.

**Expand Reusable Packaging:** Deliver programmes to increase reusable packaging from 13% of transactions sold in 'returnable' & 4% in 'dispensed' formats.

**Reduce virgin plastic:** Through the increased use of circular PET (rPET), light-weighting, removal of plastic film and expansion of reusable packaging formats, we are contributing towards The Coca-Cola Company's global ambition to eliminate more than 3 million metric tonnes of virgin plastic by 2025.

**Innovation:** Deliver new sustainable packaging solutions through partnerships & R&D.

**Inspire & Engage Consumers:** Use the power of our brands to encourage consumers to recycle.



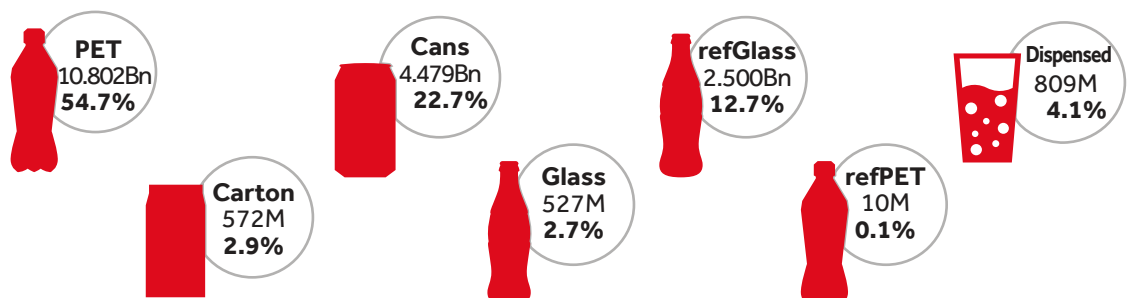
## OUR PROGRESS

OUR SUSTAINABLE PACKAGING COMMITMENTS	2021 ACTUAL	2021 TARGET	2025 TARGET	2030 WWW TARGET
Primary Packaging Recyclability*	99.9%	99.9%	100%	100%
Use of Recycled PET in Primary Packaging	10%	10%	35%	50%
Use of Recycled Aluminum in Primary Packaging	50%	N/A	N/A	50%
Use of Recycled Glass in Primary Packaging	35%	N/A	N/A	50%
Primary Packaging Collected for Recycling	46%	45%	75%	100%

\* Technical recyclability by design.



## OUR PACKAGING FOOTPRINT



\*This graphic represents the number of packaging units or transactions introduced across Coca-Cola Hellenic Bottling Company's (CCHBC) markets in 2021 by package type. We will continue to publish this information on an annual basis. In 2021 we introduced approximately 19.7 billion packs into the marketplace of which over 3.3 billion were sold in either refillable (refPET and refGlass) or dispensed (Fountain/Freestyle) formats.



## PACKAGING COLLECTION

Packaging collection is the cornerstone of our sustainable packaging agenda. We know that effective packaging collection systems are vital to ensure that our packaging doesn't end up as litter and to enable a circular economy for beverage packaging. Bottles that are collected separately can be recycled to make new bottles with a significantly lower carbon footprint.

We engage proactively across all of our markets to support the work of packaging recovery organisations to make sure that our packaging is effectively collected and recycled. Where effective systems do not exist, we are working together with our industry peers to design and implement new systems. We support well-designed deposit return schemes (DRS), wherever an effective alternative doesn't already exist.

- 46% of the bottles and cans that we placed on the market in 2021 were either refilled or collected for recycling.
- In January 2022, we supported the launch of two new DRS in Slovakia and Latvia, bringing the total number of DRS in Coca-Cola HBC territories to five, including Croatia, Estonia and Lithuania.
- We are engaging proactively in Austria, Cyprus, Greece, Hungary, Ireland, Poland and Romania to assist in the design and implementation of new national DRS in each of these countries
- We are also conducting packaging collection modelling studies in several other countries, including Nigeria, Slovenia, and Italy, to help design effective locally-relevant collection systems.
- Our ambitious goal is to collect 75% of our primary packaging by 2025 and we strive towards 100% collection by 2030.



## RECYCLABILITY

Packaging can only be circular if it is recyclable. 99.9% of our primary packaging is already recyclable and by 2025, 100% will be recyclable.

We are also removing hard-to-recycle plastic film from our multipacks through KeelClip™, an innovative, minimalist paperboard packaging that replaces plastic shrink film from multi-pack cans. KeelClip™ is now sold in 22 of our countries, including all our EU markets, removing more than 2000 tonnes of plastic film annually.

In 2021, Coca-Cola HBC was one of the first companies to introduce tethered (or attached) caps, which is required by 2024 for all beverage bottles within the scope of the EU Single Use Plastics Directive. This initiative aims to ensure that more bottle caps are recycled.



## RECYCLED PACKAGING

To achieve circularity, beverage packaging needs to be collected, recycled and then the recycled materials used to make new bottles. This is the vision underneath which our sustainable packaging strategy is built, and it is critical to help achieve our Net Zero Emissions target by 2040.

In 2021, 10% of the PET that we used was recycled, with a 1ppt increase versus prior year. We remain committed to delivering our targets.

Our rPET Targets:

- 35% rPET by 2025 & 50% by 2030 across our total business.
- In EU countries, we aim to reach 50% by 2025 and will strive towards 100% recycled or renewable PET by 2030, where technically & economically feasible.

Our Progress:

- Five of our water brands are now sold in 100% rPET bottles: Romerquelle (Austria & Croatia), Deep RiverRock (Ireland), Valser (Switzerland), Dorna (Romania) and Natura (Czech Republic).
- In Italy, since 2021, all our single-serve sparkling drinks and iced tea brands have been sold in 100% rPET bottles.
- In 2022, Switzerland was our first country to move its entire locally-produced PET portfolio to 100% rPET.

Our corrugated cardboard packaging contains >80% recycled content, while our composite paper carton packs and KeelClip™ packaging are both 100% FSC certified. Together with our reusable wooden pallets, this means that 94% of the wood & paper packaging that we use is recycled or certified.



## ELIMINATE UNNECESSARY PACKAGING

We aim to use the least amount of packaging, whilst preserving the safety and quality of our products, in line with local consumer needs.

For more than the past decade, we have been light-weighting our bottles and cans, and in 2016, we published a target to reduce the overall amount of primary packaging that we use per liter of beverage sold by 25% by 2020.

- As a result of our light-weighting programme, we estimate that we are currently saving more than 50,000 tonnes of packaging annually (vs 2010 average pack weights) and we now use some of the most light-weight cans and bottles in the Coca-Cola System and in the market. For example, our 500ml PET bottles in most of our markets are now 19.5 g, compared to 28g back in 2010, while our typical 2L bottle is 42.7g, compared to 54g in 2010.
- We continue to light-weight our primary packaging towards 'best in class' bottles and cans in each market, while innovating to remove shrink film from multi-packs. We expect this programme to remove an additional 3000 tonnes packaging by 2024.
- In 2020, we made our first steps towards eliminating single use plastic film from multi-pack cans using KeelClip™ technology. KeelClip™ is now sold in 22 of countries, including all our EU countries, removing more than 2000 tonnes of plastic film annually from our supply chain.
- Building on some successful pilots in 2021, we are implementing plans for the reduction of plastic shrink film on multi-pack PET. We expect these programmes to reduce the amount of shrink film across our supply chain by 3% by 2024.



## EXPAND REUSABLE PACKAGING – RETURNABLE & DISPENSED

Expanding the use of reusable packaging is an important part of any strategy to reduce packaging in absolute terms. As members of UNESDA, we support the pledge to “increase collection rates and to reuse”.

- Today, 13% of the drinks that we sell (our transactions) are in refillable containers and 4% are sold through dispensed formats (i.e., fountain or freestyle machines).
- In some countries, like Nigeria, 39% of the packs we sell are already returnable, while in Bulgaria and Croatia, more than 25% are returnable.
- We have put together a dedicated cross-functional project team, that works jointly with the broader The Coca-Cola System team, to develop and implement programmes that will increase the volume that we sell in both returnable and dispensed packaging solutions.
  - Pilots of our new Compact Freestyle© dispensing system will be launched in Austria in the summer of 2022 and expanded to other Coca-HBC countries later in the year. Compact Freestyle® is a smart dispenser that offers greater choice and personalisation for Coca-Cola drinks, in a way that can help reduce carbon emissions and packaging.
  - We have also piloted new “syrops” in Austria for Fanta, Sprite and Mezzo Mix. These concentrated syrups allow consumers to make up their own drinks at home by adding sparkling water to the syrup concentrate. With a 1:5 dilution ratio, this helps to significantly reduce packaging. We expect to expand syrups availability in 2022/2023.



## REDUCE VIRGIN PLASTIC

In 2021, The Coca-Cola Company announced a goal to reduce their use of virgin plastic derived from non-renewable sources by a cumulative 3 million metric tonnes from 2020-2025. As a key bottling partner to The Coca-Cola Company, Coca-Cola HBC supports this global virgin plastic reduction goal. In 2020-2021, Coca-Cola HBC removed more than 50,000 tonnes of virgin plastic from our supply chain. We will continue to contribute towards the 3 million global target through the following actions and initiatives:

- Increasing the overall proportion of recycled and renewable PET that we use to make our PET bottles.
- Continuing to light-weight primary and secondary packaging, and switching to more sustainable non-plastic alternatives such as our KeelClip™ carton packs.
- Shifting our overall packaging mix towards more reusable packaging formats, including returnable glass and 'bring your own package' dispensed solutions.



## INNOVATION

- Each year, we host a supplier innovation day where we engage with key partners and potential new suppliers in area of sustainable packaging.
- From the 2019 and 2020 innovation days, we invested into several technologies that will allow us to (1) replace plastic film on multipacks with carton solutions, (2) process non-food grade 'hot washed' PET flakes, to produce high-quality food-grade rPET.
- Over the past 3 years we have partnered with our suppliers to commercialise these new sustainable packaging solutions, which are contributing towards our carbon emissions reduction goals and helping to improve our overall environmental performance.
  - KeelClip™, a novel solution to deliver plastic-free multi-packs for beverage cans, is now sold in 22 Coca-Cola HBC countries, including all our EU markets.
  - The Vaccurema Prime technology to support in-house production of 100% rPET preforms is fully installed in our Krakow plant in Poland and we expect to start up towards the end of 2022.
  - We are also installing the latest innovative technology to enable us to recycle PET in-house in both Italy and Romania and will start up once regulatory approvals are in place.
- In 2022, we started a new collaboration with the University of Portsmouth, part-funding a research project that will explore how to scale-up and commercialise novel technology for PET recycling.



## INSPIRE & ENGAGE CONSUMERS

- We partner with other organizations and use brand messaging to encourage consumers to reuse and recycle. This includes on-pack, in-store and other advertising messages to help consumers understand that our bottles and cans are 100% recyclable and encourage them to dispose of them correctly so that they can be recycled and made into new bottles and cans.
- We also continue to partner with various local organizations to help tackle litter. In Ireland, for example, the Coca-Cola Foundation funded an initiative called Dublin CircleCity - a unique partnership between Dublin City Council and charity group Hubbub, alongside local partners that include VOICE Ireland and RPS. Dublin CircleCity provides a fleet of dedicated on-street recycling bins for bottles and cans, which will support the collection & recycling of up to 300 million plastic bottles and 150 million aluminium cans each year.