



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 or reused. We also seek to minimise 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 approach is complementary to The Coca-Cola Company's global World Without Waste strategy.



OUR COMMITMENTS & ACTION PLANS

- 1
- Collection: Recover 75% of our primary packaging for recycling or reuse by 2025 and strive to collect the equivalent of 100% of our primary packaging by 2030.
- 2
- Recyclability: Make 100% of our primary packaging fully recyclable by 2025.
- 3
- Recycled Packaging: Increase the percentage of recycled PET (rPET) in our bottles from 16%<sup>1</sup> today to 35%<sup>2</sup> by 2025. In our EU countries and Switzerland, we aim to reach 50% rPET by 2025 and we strive towards 100% recycled and/or renewable PET by 2030, where technically and economically feasible.
- 4
- 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 2,800 tonnes of packaging material by 2025<sup>3</sup>.
- 5
- Expand Reusable Packaging: Deliver programmes to increase reusable packaging from 12%<sup>4</sup> of transactions sold in 'returnable' and 4%<sup>4</sup> in 'dispensed' formats.
- 6
- Reduce Virgin Plastic: Through the increased use of circular PET (rPET), light-weighting, removal of plastic film and expansion of reusable packaging formats, we aim to eliminate at least 350,000 tonnes of Virgin Plastic by 2025<sup>5</sup>.
- 7
- Innovation: Deliver new sustainable packaging solutions through partnerships and R&D.
- 8
- Inspire & Engage Consumers: Use the power of our brands to encourage consumers to recycle.

<sup>1</sup> 2023 data excluding Egypt

<sup>2</sup> Mission 2025 target excluding Egypt

<sup>3</sup> vs a 2023 baseline

<sup>4</sup> 2023 data including Egypt

<sup>5</sup> vs a 2019 baseline

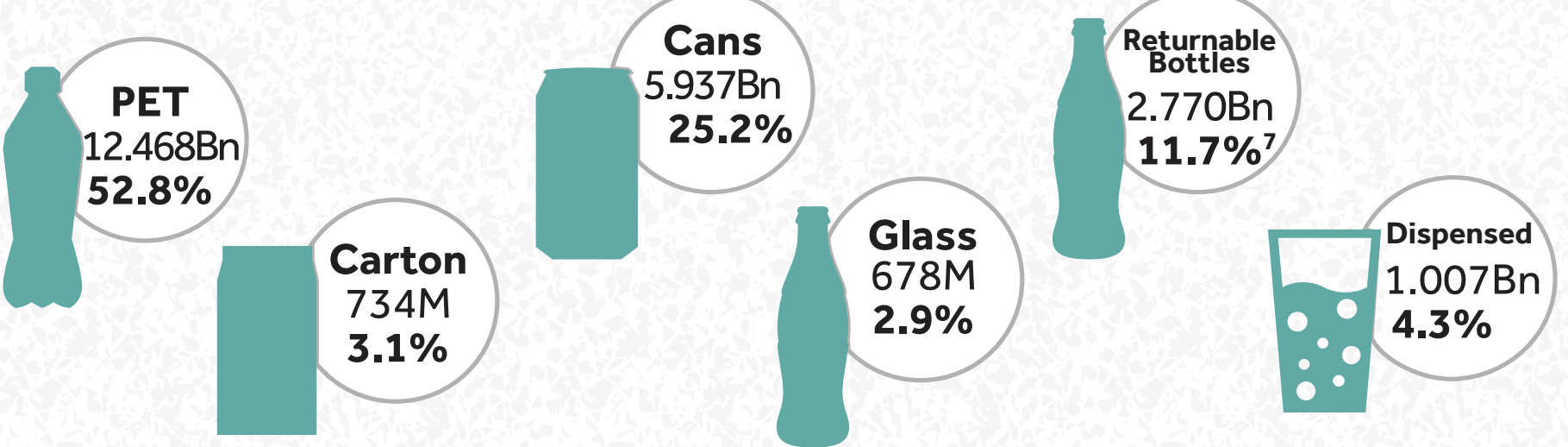
<sup>6</sup> Technical recyclability by design

<sup>7</sup> Majority refillable glass bottles with a small volume of refillable polycarbonate bottles for water dispensers

OUR PROGRESS

| OUR SUSTAINABLE PACKAGING COMMITMENTS          | 2023 ACTUAL <sup>1</sup> | 2023 TARGET | 2025 TARGET <sup>2</sup> | 2030 TCCC WWW GOAL |
|--|--------------------------|-------------|--------------------------|--------------------|
| Primary Packaging Recyclability <sup>6</sup>   | 100%                     | 100%        | 100%                     | 100%               |
| Use of Recycled PET in Primary Packaging       | 16%                      | N/A         | 35%                      | 50%                |
| Use of Recycled Aluminium in Primary Packaging | 47%                      | N/A         | N/A                      | 50%                |
| Use of Recycled Glass in Primary Packaging     | 31%                      | N/A         | N/A                      | 50%                |
| Primary Packaging Collected for Recycling      | 56%                      | 48%         | 75%                      | 100%               |

OUR PACKAGING FOOTPRINT



This graphic represents the number of packaging units or transactions introduced across Coca-Cola HBC (CCHBC) markets in 2023 by package type (excluding beer, coffee and spirits). The packaging footprint for our joint venture business in North Macedonia is not included. Egypt has been included in our packaging footprint report since 2022. We will continue to publish this information on an annual basis. In 2023 we introduced approximately 23.6 billion packs into the marketplace of which over 3.8 billion were sold in either refillable or dispensed (Fountain/Freestyle) formats.



PACKAGING COLLECTION

Packaging collection is the cornerstone of our sustainable packaging agenda.

We engage proactively across all 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 and governments to design and implement new systems. We support well-designed deposit return schemes (DRS) in our European markets, wherever an effective alternative doesn't already exist.

**56% COLLECTED FOR RECYCLING OR REFILL** 56%<sup>8</sup> of the bottles and cans that we placed on the market in 2023 were either refilled or collected for recycling, an increase of 8 percentage points from 2022. Our collection rate in EU markets and Switzerland was 63% in 2023.

**8 CCHBC MARKETS HAVE DRS IN PLACE** As of 2024, eight of our markets now have DRS in place: Croatia, Estonia, Hungary, Latvia, Lithuania, Republic of Ireland, Romania and Slovakia.

**SUPPORT FOR NEW NATIONAL DRS** We are engaging proactively in Austria, Bulgaria, Cyprus, Czech Republic, Greece, Moldova, Northern Ireland, Poland, Serbia and Slovenia to assist in the design and implementation of new national DRS in each of these countries.

**ACCELERATING PACKAGING COLLECTION IN NIGERIA** In Nigeria in 2023, we supported a range of collection projects, including those of the Food & Beverage Recycling Alliance (FBRA). As an alliance, FBRA collected almost 40,000 metric tonnes (MT) PET in total in 2023 – more than three times the amount collected in 2022. In 2024, we are co-investing with The Coca-Cola Company to build the first-ever Coca-Cola System-owned and operated packaging collection facility in Nigeria. We expect it to be operational in the second half of 2024, collecting up to 1,000 tonnes of plastic bottles each month, once it is fully scaled.

**RECYCLING PARTNERSHIP** In Egypt, our ongoing partnership with recycler BariQ helped to collect more than 20,000 MT of PET in 2023. We also continue to engage with the Egyptian government to offer our support in establishing a new national Packaging Recovery Organisation (PRO).

**COLLECT 75% BY 2025** Our ambitious goal is to collect 75%<sup>9</sup> of our primary packaging by 2025 and we strive towards collecting the equivalent of 100% of our primary packaging by 2030.

RECYCLABILITY

Packaging can only be circular if it is recyclable or reusable. 100% of our packaging is already recyclable by design. We achieved this target four years ahead of our 2025 target.

We are removing plastic film from our multipacks through KeelClip™, an innovative, minimalist paperboard packaging that replaces the plastic shrink film previously used to hold can multi-packs together. KeelClip™ is sold in 23 of our countries, including all our EU markets. Together with the QFlex carton solution for large format can multipacks sold in Ireland, we avoided the use of more than 2,300 tonnes of plastic shrink in 2023.

In September 2023, we launched an industry-first packaging innovation called LitePac Top in Austria, which removes shrink film from PET bottle multipacks, replacing it with paperboard packaging. This innovation is expected to remove approximately 135 tonnes of plastic from our supply chain annually in Austria. We continue to explore opportunities to launch LitePac Top in other markets.

In 2023, we extensively rolled out tethered (or attached) caps to over 80% of our beverage containers in scope, ahead of the 2024 deadline mandated in the EU Single Use Plastics Directive. The roll-out covered locally-produced products in our EU markets and imports into Bosnia, North Macedonia, Serbia and Switzerland. This initiative aims to ensure that more bottle caps are recycled.



<sup>8</sup> 2023 data excluding Egypt  
<sup>9</sup> Mission 2025 target excluding Egypt



## RECYCLED PACKAGING

To achieve circularity, beverage packaging needs to be collected, recycled and then the recycled materials used to make new bottles.

Circularity is core to our sustainable packaging strategy and it is critical to help achieve our Net Zero Emissions target by 2040.

In 2023, **16%<sup>10</sup> of the PET that we used was recycled**, which is significant progress from 10.5% in 2022. In our EU countries and Switzerland, 32% of the PET that we used overall in 2023 was recycled and we plan to reach >60% by 2025.

We remain committed to delivering our targets and have a clear roadmap to get us there.

### OUR rPET TARGETS:

- **35%<sup>11</sup> rPET BY 2025.**
- **IN OUR EU COUNTRIES AND SWITZERLAND, WE AIM TO REACH 50% BY 2025 AND WILL STRIVE TOWARDS 100% RECYCLED OR RENEWABLE PET BY 2030, WHERE TECHNICALLY AND ECONOMICALLY FEASIBLE.**

### OUR PROGRESS:

- **Five of our water brands are now sold in 100% rPET bottles:** Romerquelle (Austria, Czech Republic, Slovakia, Serbia, Croatia & Slovenia), Deep RiverRock (Ireland & Northern Ireland), Valser (Switzerland), Dorna (Romania) and Natura (Czech Republic & Slovakia).
- In 2022, Switzerland was our first country to move its entire locally-produced **PET portfolio to 100% rPET**. This was followed by Italy<sup>12</sup> and Austria, and in 2023, Romania, the Republic of Ireland and Northern Ireland also transitioned to 100% rPET for the locally-produced PET portfolio.
- Our strategy involves establishing our own infrastructure for in-house rPET production in selected markets. To achieve this, we have invested over **€50 million in dedicated facilities** in Italy, Poland and Romania.
- In 2023, Romania successfully combined three key ingredients for plastic packaging circularity to help us close the loop:
  1. A 100% rPET local bottle portfolio.
  2. An in-house rPET facility.
  3. A Deposit Return Scheme.
- **We continue our use of recycled shrink film in Ireland**, where our Deep RiverRock water multi-packs are packaged in Reborn®, a fully recycled plastic film made from post-industrial and post-consumer waste. We are exploring opportunities to launch Reborn® in other markets.

Our corrugated cardboard packaging contains >80%<sup>13</sup> recycled content, while our composite paper carton packs, KeelClip™, Qflex and LitePac Top are 100% FSC certified. Together with our reusable wooden pallets, this means that 93% of the wood and paper packaging that we use is recycled or certified.



## ELIMINATE UNECESSARY 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 a decade, we have been light-weighting our bottles and cans, and in 2019, we reached our 2020 target to reduce our primary packaging weight by 25% per litre of beverage sold.

As a result of our primary packaging light-weighting programme, we estimate that we are currently saving more than 50,000 tonnes of packaging annually (vs 2010 average pack weights). We now use some of the most light-weight cans and bottles in the Coca-Cola System and in the market. For example, the 500ml PET bottles in most of our markets are now 19.5g, 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 2,800 tonnes packaging by 2025 vs a 2023 baseline.



<sup>10</sup> 2023 data excluding Egypt

<sup>12</sup> Excluding water in Italy

<sup>11</sup> Mission 2025 target excluding Egypt

<sup>13</sup> Excluding Russia



# ELIMINATE UNNECESSARY PACKAGING

## 2023 HIGHLIGHTS:

- 1. KeelClip™ and QFlex carton solutions **helped us to avoid the use of over 2,300 tonnes of plastic shrink film** across our supply chain in 2023 compared to previous formats.
- 2. In Italy we piloted down-gauged carton formats for **150ml can multipacks**. Following positive results, we plan to develop the commercial solution and will assess other options to downgauge carton weights in 2024.
- 3. The launch of the LitePac Top carton solution in Austria is expected to **remove 135 tonnes plastic** from our supply chain annually. We are exploring opportunities to launch LitePac Top in other markets and formats.
- 4. We trialled new, light-weighted, high-performance stretch film in Ireland and Austria that **reduces the amount of plastic needed by 30%**. We will continue to test this in 2024 across 5 markets and plan to introduce this to our sparkling soft drinks portfolio in 2025.
- 5. We **reduced the weight of plastic closures** on our juice and tea portfolio in the Czech Republic, Hungary, Poland and Romania, and closures for sparkling soft drinks in Nigeria. Overall, this saved 300 tonnes of High-Density Polyethylene (HDPE) in a year, reducing CO2 emissions by over 600 tonnes.
- 6. We completed an assessment to introduce low-density film for our PET labels. With positive results, we expect to roll out **low density labels in 2024**, which we expect will **reduce the weight of plastic in labels by 12%**.
- 7. In 2023, we successfully piloted label height reductions on selected packs in Greece, Cyprus, Poland and Italy. We are now planning the roll out of **shorter labels across all markets by 2025**. This is expected to save up to **200 tonnes of plastic annually**.
- 8. In 2024, we are piloting 'Lock 'n' Pop', a water-based palletising adhesive used to secure pallet layers together in Poland, Serbia, Croatia, Romania and Nigeria. This will eliminate the use of **pallet layer pads, saving up to 2,000 tonnes of corrugated cardboard packaging**.



# 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”.

## PACK MIX OF THE FUTURE PROGRAMME

**12%<sup>14</sup> OF THE DRINKS ARE IN RETURNABLE CONTAINERS**

## HIGH-SPEED RETURNABLE GLASS BOTTLING LINE

- In 2023, we kick-started the **Pack Mix of the Future programme** across all EU geographies. It sets out our vision and trajectory on pack mix to continue profitable growth while reducing our CO2 footprint through packaging.
- We continued to explore the role of **dispensers and reusable vessels** to assess how they could contribute to increasing reusable packaging. As we do this, we leverage existing market solutions and pilot new technologies.
- Today, **12%<sup>14</sup> of the drinks** that we sell (in transactions) are in **returnable containers** and **4%<sup>14</sup>** are sold through dispensed formats (i.e., fountain or freestyle machines).
- In some of our countries, our share in returnable packaging is already high. For example, the total transactions (or the 'drink in your hand') is **34% in Nigeria, 29% in Croatia** and **25% in Bulgaria**.
- In Austria, supported by a €4 million grant from the Austrian government, we invested €12 million in a high-speed returnable glass bottling line. For the first time in any of our markets, this facility is manufacturing an innovative **400ml refillable, returnable, and resealable glass bottle** for the Austrian market.

<sup>14</sup> 2023 data including Egypt



## 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.

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, while switching to non-plastic alternatives.
- Shifting our overall packaging mix towards more reusable packaging formats, including returnable glass and 'bring your own package' dispensed solutions.



## INNOVATION & SUPPLIER ENGAGEMENT

Each year, we host a supplier innovation day where we engage with key partners and potential new suppliers in the area of sustainable packaging.

From opportunities identified in past innovation days, we piloted and then scaled technologies that now allow us to replace plastic film on multipacks with carton solutions, and process non-food grade 'hot washed' PET flakes to produce high-quality food-grade rPET.

We are proud to be on CDP's 2023 supplier engagement leader board, which shows how effective we are at engaging our supply chain partners on climate change. In 2003, our Supplier Conference brought together more than 200 of our suppliers, together with experts from CDP and the World Economic Forum, to inspire and provide practical tools to help our suppliers with their emissions reduction plans.

In 2022, we started an ongoing collaboration with the University of Portsmouth, to investigate the potential commercialisation of technologies and processes for the enzymatic recycling of PET. This co-funded research project is exploring new applications for bio-recycling enzymes that could have the potential to promote packaging circularity at industrial scale.

## INSPIRE & ENGAGE CONSUMERS AND CUSTOMERS

We partner with other organisations and use brand messaging to encourage consumers to reuse and recycle. This includes on-pack messaging such as 'Recycle Me' and 'Recycle Me Again', as well as in-store and other advertising messages to help consumers understand that our bottles and cans are recyclable and encourage them to dispose of them correctly so that they can be recycled and made into new bottles and cans.

For example, in Italy and Romania, when we shifted our fully local portfolios to 100% rPET in 2023, we ran heavyweight 360 campaigns to help consumers understand the benefits of recycled PET. This helped to boost sustainability awareness for our audiences in both countries.

In Italy, we have also supported Cial's "Every can counts" campaign for the past three years, partnering to collect more than 330,000 cans in summer events like concerts and festivals and on over 100 beaches in the south of Italy.

We partner with our retail, wholesale and HoReCa customers to help them reduce their scope 3 emissions and to identify opportunities for collaboration, especially in the area of sustainable packaging.

For example, in Poland, we partnered with our customer Żabka, (a large chain of convenience stores) to develop and pilot reusable display units with replaceable branding. This system cuts waste and emissions, creating commercial value for us and for our customers.

The Coca-Cola System continues to partner with various local organisations and invests in solutions that help to accelerate the transition to a Circular Economy. The following initiatives have been funded by The Coca-Cola Foundation:

- In Austria, working together with Österreichische Gesellschaft für Umwelt und Technik, the programme "Less Waste for a better life" supports recycling and awareness raising efforts in Schladming by providing recycling bins, training, and messages on proper waste disposal and recycling.
- In Greece and Cyprus, the "Zero Waste Future" programme with Oikologiki Etaireia Anakyklosis, supports recycling collection efforts and awareness raising programmes for local businesses, residents and visitors.
- The "Today for Tomorrow" programme in Romania, with CSR Nest Association, supports recycling and awareness raising efforts through a series of outreach efforts with local communities, schools and public spaces. In Cyprus, "Zero Waste Beach" programme, with the NGO AKTI Project and Research Centre, supports recycling collection efforts and awareness raising, targeting coastal businesses on the island.
- In Nigeria, the "CYCLE-PLAST" project supports efforts to improve recycling collection and raise awareness of proper waste disposal across the country.
- The "Empowering Collectors Initiative" was implemented by the Growing Business Foundation to address plastic waste in Nigeria by increasing collection and processing capacity for 15 aggregators, while providing education and awareness support for communities on recycling.
- In Egypt, the "Dawar" programme with the Al Joud Foundation, is driving waste collection and recycling awareness efforts in Cairo.