

## Our socio-economic impact

# Making an impact

We believe that business has a responsibility to address the key global challenges affecting all of us and our shared planet. Now, more than ever, we strive for Coca-Cola HBC to be a force for positive change and a partner in building a more sustainable future.

**“We support hundreds of thousands of jobs in our communities through direct and indirect employment.”**

### Our impact

We believe that the only way to create long-term value for all our stakeholders is through sustainable growth. Coca-Cola HBC creates value for the societies in which we operate by producing delicious, high-quality products that delight consumers and create growth opportunities for our customers and suppliers, as well as through employment, investment and taxes. Measuring and striving to increase these contributions through the sustainable growth of our business is an important part of our purpose.

While the business model on pages 16-17 describes the value our business creates for all our stakeholders, this is an incomplete picture of impact and value. Just as we measure and manage CO<sub>2</sub> emissions generated both directly from our plants and production and indirectly from activities such as raw materials sourcing, we also seek to measure and understand the direct and indirect socio-economic impacts of our activities. Since 2010, we have conducted socio-economic impact studies in our markets to gain a better understanding of the range and extent of the value created in our ecosystem.

We support hundreds of thousands of jobs in our communities through direct and indirect employment. We nurture our people, offering opportunities for promotion and development. We have a wide ecosystem of suppliers and our demand helps to sustain their businesses, while at the same time we work with them to improve the sustainability of their supply chains. We invest in the markets in which we operate and we work with our customers to create shared value. Finally, taxes paid by us as well as by our suppliers and trade partners make an important contribution to the fiscal budgets of governments in the markets in which we operate.

### Our socio-economic impact

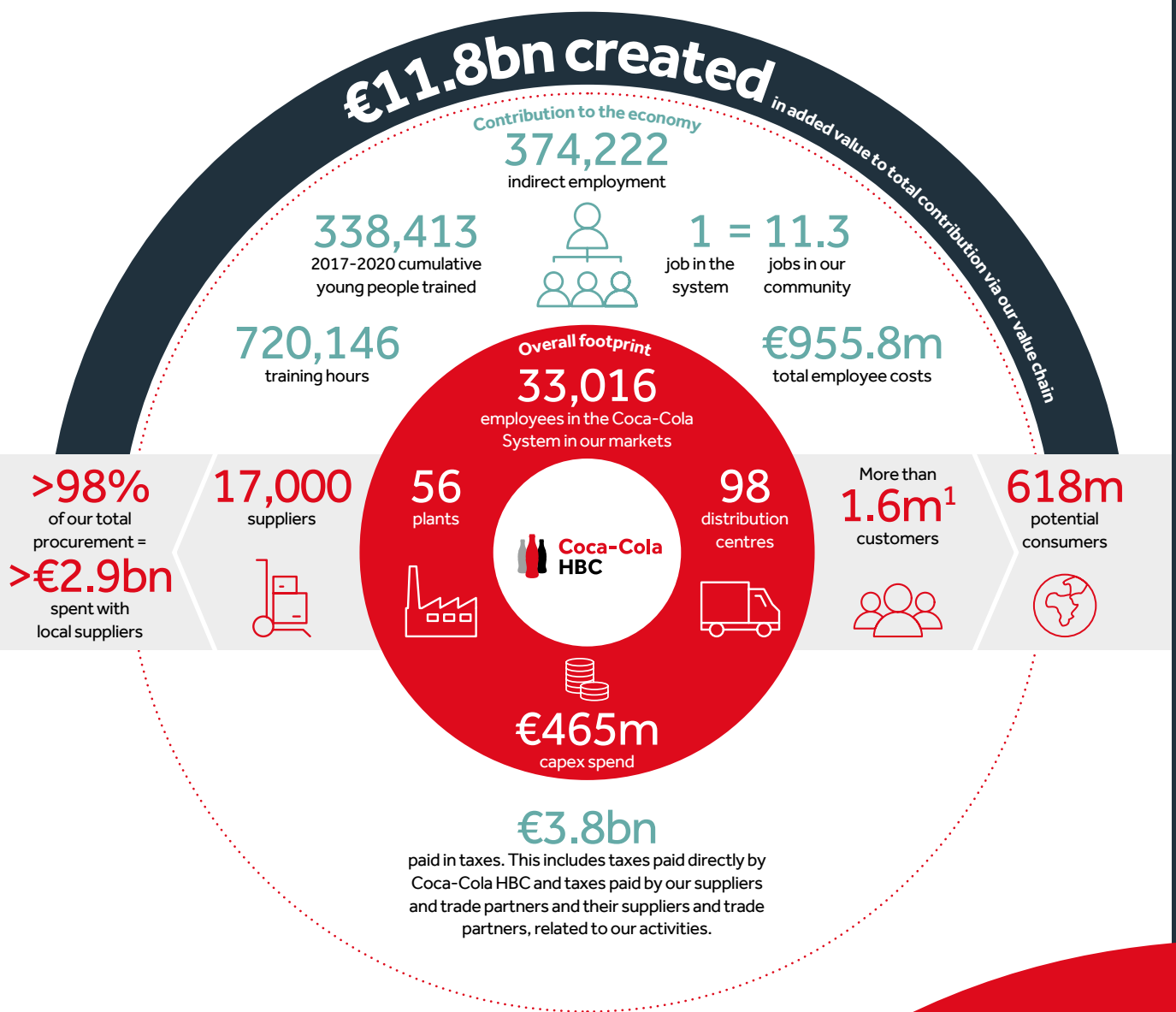
In conducting socio-economic studies, we use input-output modelling to generate estimates of jobs supported and economic value added. Data we use in this process includes our financial information (revenues, expenses, taxes, sales volume and profits) as well as some data from The Coca-Cola Company. While rigorous, the process involves statistical modelling, which should be considered when interpreting and using the results from the studies.

Modelling enables an assessment of three key dimensions of impact:

- **Direct:** immediate effect in terms of employment, wages and output
- **Indirect:** subsequent effect in the supply chain
- **Induced:** effect caused by staff spend on goods or services

Note that we do not conduct socio-economic studies for all of our markets every year; studies are conducted for each market on a rolling basis. In 2020, we conducted studies for five markets, adding this information to the aggregate results from all socio-economic impact studies for the period 2017-2020. As we continue this process in 2021, even more of the impact related to the COVID-19 pandemic will become evident.

**How we contribute to the socio-economic development of our communities**



**Notes on methodology:**

- Numbers presented are aggregated based on the local socio-economic studies from Coca-Cola HBC markets published between 2017 and 2020.
  - All KPIs represent annual impact.
  - Where applicable and relevant in local socio-economic studies, the impact of other entities of the Coca-Cola System is included.
1. As per our internal master data records, including both direct and indirect active outlets (December 2020 snapshot).