

Growth pillar: Highlights in 2022

4. CULTIVATE THE POTENTIAL OF OUR PEOPLE

Continued to listen closely to our people

and act on their feedback, simplifying processes and investing in capabilities necessary to achieve our Growth Story 2025 targets.

Continued our efforts to build an inclusive workplace

and a diverse workforce that reflects our customer base and communities.

Kept our people safe

during turbulent geopolitical events.

Helped our customers and our people

adapt to the changing external environment with speed and agility through new ways of working.



Cultivate the potential of our people *continued*

KPIs

- Employee engagement
- Percentage of managers that are women
- Lost time accident rate

Principal risks

- Health and safety
- People retention
- Geopolitical and security environment

Stakeholders



Our people

Strengthening our culture and supporting our people

From the first days of the war, we have worked to protect our people. We provided advance salary payments when necessary, and re-skilling and redeployment options. We ensured that medical and life insurance programmes in Ukraine were operating and provided high levels of support and offered targeted mental health assistance. For an overview of our efforts to support our people and critically vulnerable populations in Ukraine, see page 43.

To simplify processes and make our people's lives easier, we have introduced a new, refined purpose, which highlights the value we create for all of our stakeholders: **open up moments that refresh us all**. To support the roll-out of this refined purpose, a new culture manifesto is being introduced, along with a new leadership model. These will be rolled out across the organisation throughout 2023. These efforts align with ongoing efforts to simplify and transform our business, Project Oxygen and Project Dolphin.

A highlight of 2022 was welcoming Egypt into our Group. We integrated our HR processes, starting with HR reporting, performance evaluation, selection tools and talent development, while respecting local cultural imperatives. In parallel, we started an internal talent exchange programme that gives our people the opportunity to pursue developmental assignments across our markets.

Designing a future-ready organisation

To achieve our Growth Story 2025 strategy and to future-proof our journey, we have taken a hard look at how we are organised and how we work.

A Group-wide initiative launched in 2022, Project Oxygen aims to reduce bureaucracy, simplify our processes and allow more time for value-adding tasks. We have identified the most critical pain points for our employees, prioritised them and secured investment behind the most impactful ones. We have developed a clear and sequenced



plan to remove complexity, drive process simplification and ensure a much better employee experience in those key moments.

We implemented a Group-wide organisational structure redesign, Project Dolphin, with consistent but modular functional frameworks. This ensures we have a consistent structure with some local modification when needed to best serve customers locally, while prioritising the capabilities critical for future growth.

To fuel our agility and ensure success in critical areas, we introduced a new, dynamic structure called Dynamic Pods. These cross-functional teams are completely dedicated to critical business missions to enhance speed, quality and focus. In 2022, we deployed 10 Dynamic Pods focused on business acceleration in the hotel, restaurant and café channel and trade investment optimisation. We plan to introduce more in 2023, with some focused on specific markets.

Targeted improvements in engagement

As the fast pace of change continues, we made pulse surveys a permanent part of our internal communications. This helps ensure that management and the Board really understand what our people need to succeed.

We conducted two all-employee surveys in 2022. The Company's Employee Engagement Index score, the outcome of our annual engagement survey conducted in October 2022, remained steady at 85% with 88% of the workforce participating. We continue to benchmark our employee engagement against other high-performing companies, partnering with Qualtrics. Our 2022 results were three percentage points below the Qualtrics Global Top Decile Norm, which represents the top 10% of more than 15 million people from more than 350 companies.

Cultivate the potential of our people *continued*

Our 2022 employee engagement results highlight progress in areas of focus since the 2021 survey. Both willingness to help each other and managers helping prioritise work increased by one percentage point to 89% and 86%, respectively, compared with 2021. We have invested in our Business Developers, a key segment of our workforce, and survey results found a significant increase in their perception of having the equipment and resources required. This metric increased five percentage points to 86% compared with the prior year. We have also adapted their pay, a key driver of retention. In 2022, 62% of our Business Developers reported feeling fairly paid, an increase of three percentage points compared with 2021.

Retention is also a key priority, supported by an ongoing exit survey, continued focus on remuneration and plans to introduce stay conversations. Overall turnover was 11.4% in 2022 compared with 13.1% in 2021, showing a significant improvement due to our conscious efforts. As retention rates for women were lower, we conducted focus groups to better understand the root causes, and subsequently introduced relevant action plans. By year end, retention rates amongst women had stabilised in key markets.

Health, safety and wellbeing

We have focused on reducing road accidents for many years, and our 16.3% improvement in accidents per million kilometres travelled in 2022 was our tenth consecutive year of improvement. We established dedicated routines and corrective actions for our markets with higher road traffic incidents, Nigeria and Egypt, in 2022. We also introduced our first virtual training simulator in Nigeria to train employees and contracted partners who operate forklifts and drive trucks. These new initiatives build on our fleet safety training, which blends classroom and on-the-road elements, and our installation of collision avoidance technology in fleet vehicles.

Regrettably, for the first time in five years, one of our employees died in a work-related road accident in 2022. In addition, seven contractors had fatal incidents, mainly road accidents. This compares to three contractor fatalities in 2021. All of these reported fatalities were followed by investigation and root-cause analysis. Appropriate corrective action were defined and relevant lessons learned in each case, which have also been shared across our markets.

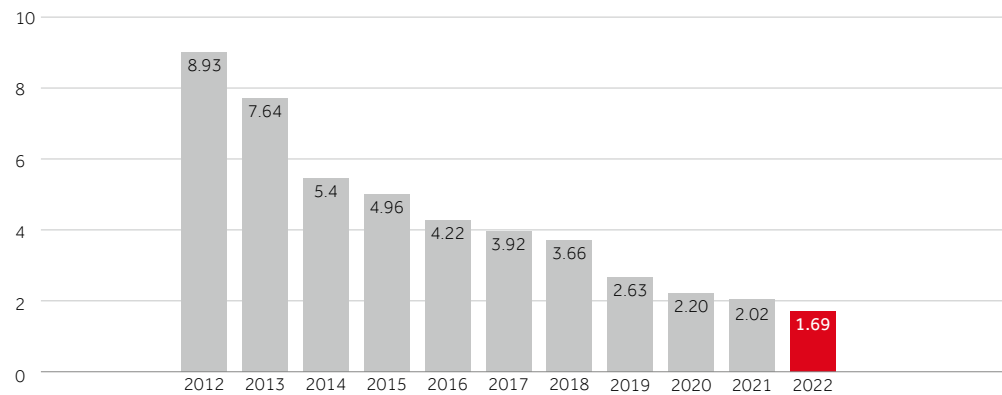
Overall, our Lost Time Accident Rate increased to 0.35 for 2022 compared with 0.25 in the prior year, primarily due to falls/slips/trips, road accidents and contact with machinery and tools. In order to reverse this trend and stay on track towards our 2025 commitment, we are closely working with the leadership teams of selected business units with the highest Lost Time Accident Rate. We are also putting strong focus on refreshing their behaviour-based safety programmes and strengthening the safety culture of our employees.

Aiming to create a proactive safety culture, our refreshed behaviour-based safety programme has been implemented in all our business units excluding Egypt. All of our manufacturing facilities, and all of our commercial territories excluding Nigeria, are covered by the programme.

In 2022, we expanded it to Group offices, achieving 52% coverage. We have eliminated 84.7% of the barriers to safety identified and have trained 9,219 employees and 1,229 contractors as behaviour-based safety observers supporting the programme. We plan to deploy this programme in Egypt in 2023.

To maintain engagement around health and safety, we conducted three communication campaigns across the Group in 2022. We also expanded our quarterly assessment of compliance with The Coca-Cola Company's Life-Saving Rules from manufacturing to include all non-manufacturing locations, achieving a final assessment score in the fourth quarter of 2022 of 81.2% (excluding Russia), vs 62.5% reported in 2021 (including Russia).

Accidents per million kilometres (APMK) trend



Cultivate the potential of our people *continued*



We view mental health as an important part of employee wellness and are equipping our people with tools to recognise and address mental health issues and early signs of burnout.

To attend to trauma due to geopolitical turmoil, special group sessions led by trauma experts were held in Ukraine, Poland and the Baltic countries. Through these sessions, we also reminded our people of the support services available to them. Our global Employee Assistance Programme provides 24/7 confidential support for our people and their families. Specialised support is also provided to our line managers to help them support team members.

Our wellbeing framework also addresses employees' physical, financial and social needs. To address employees' concerns about energy costs and inflation, we offered a financial wellbeing session during our annual Learn Fest, providing tips on budgeting.

Trust and belonging as a foundation of our culture

How well we collaborate across functions makes a big difference in our ability to have an impact on the market – to act fast and exceed customer expectations. Therefore, for the first time this year we introduced a standardised measurement of cross-functional collaboration, the Collaborating for Impact survey. We applied the same approach that we use for measuring our collaboration with our customers, a Net Promoter Score as a gold standard for measuring customer experience. As all employees had the opportunity to anonymously share their opinion, we received almost 15,000 feedback points with ideas how to strengthen collaboration and further simplify our ways of working. Going forward, we are addressing the biggest opportunities to create a tangible impact with our frontliners and our customers.

In 2022, storytelling remained the main tool for fostering a culture of belonging and trust. One of our main storytelling tools remains Red Talks, a format for sharing stories about one's growth either during meetings or through recordings shared through internal channels. We also continued to grow our informal Coffee Corner events, inviting our storytellers to talk about topics such as caring leadership and effective collaboration. These events inspired a growing interest in learning from each other's stories across the organisation.

To celebrate collaboration across the Group, we invited colleagues to write thank-you notes to their most important or most frequent collaborators during the year, and these touching messages of gratitude were shared at festive year-end events. The toolkit for this culture activation was shared with all of our markets in the Red Talks community.

In our third year of continuous performance conversations with mutual accountability, more than 70% of our people provided feedback to their managers in 2022. Nearly all of our people, 93%, completed quarterly snapshot discussions with their managers.

Prioritising diversity and inclusion

As a part of our commitment to have at least 50% of management positions held by women by 2025, we have accelerated our diversity and inclusion efforts. Our strategy starts from retention, building capabilities, complemented by external hiring to create a gender-balanced organisation. Every country has targets included in their business plan together with prioritised diversity and inclusion actions. In 2022, 51% of our internal appointments were women, and women held 39.6% of management roles, compared with 39.2% in 2021. In addition, in 2022 female representation among senior leaders grew to 39.5% from 36.5% in 2021. Our efforts to create a more diverse work environment were recognised externally in 2022 with 11 diversity-related awards.

The entire Executive Leadership Team volunteered to sponsor participants of our Women in Leadership programmes, which involve sponsors to help participants work through common career barriers. In 2022, 80 women in our workforce participated. To increase opportunities for networking, we added three women's networks in Poland, Nigeria and Austria to our existing base of local networks, with participation of our Senior Leadership.

We improved our external hiring gender ratio for management roles by 11 percentage points in 2022 compared with the prior year. With special focus on Commercial roles, we increased the ratio of women amongst our externally hired managers in the Sales and Marketing functions to 68%, an increase of 25 percentage points from 2021.

We continue to be a proud supporter of WeQual, and our CEO continues to be a judge of the WeQual awards for female leaders. The network we launched with our Coca-Cola System partners organised the largest diversity and inclusion event for the European FMCG and Retail industry in Paris in 2022, where we also participated. As members of The Boardroom in Greece and Switzerland, we support development of women for Board positions.

To ensure we adhere to all applicable laws and regulations and demonstrate best practice, we regularly review our Human Rights Policy, our Code of Business Conduct, and other internal standards. These documents are online at <https://www.coca-colahellenic.com/en/about-us/corporate-governance/policies>.



Cultivate the potential of our people *continued*

Helping our people realise their potential and developing talent

Our employees had over 900,000 hours of learning in 2022, including 56,000 in personal skills. About 80% of learning items completed – representing more than half of all learning hours – are self-paced and driven by our employees, demonstrating our culture of continuous learning.

To enhance continuous learning, we organised our virtual Learn Fest for the third consecutive year, drawing over 6,000 attendees. Ensuring all employees can also learn from each other, we provide all employees with access to pools of coaches and mentors through technology-enabled solutions. In 2022, the number of active mentors rose to 349. After a campaign to encourage internal coaching relationships, the number of active engagements rose to 71.

We also accelerated development through our Talent Review Framework. Compared to 2021, we increased identification of potential emerging leaders within our workforce by 20% in 2022. More than 300 talents went through acceleration programmes in 2022, while, every year, more than half of the participants are getting promoted in their first year after programme completion.

To optimise the hiring process and improve efficiency and collaboration within hiring teams, we launched a new recruitment platform. We also continued our internal gig project postings through Opportunity Marketplace, increasing visibility of opportunities, while piloting Talent Marketplace in Austria as an integrated, skill-based talent management solution.

Developing critical capabilities in our sales and supply chain teams

To provide the best solutions to our customers, we have carried out a 360-degree review of our most important customer-facing role, the Business Developer. We successfully launched a new, fully-integrated selection tool and upgraded our Sales Academy curriculum, upskilling Sales Team Leaders to help Business Developers grow.

Over 1,000 new Business Developers received their Licence to Start and Licence to Sell certifications through the Sales Academy in 2022, and over 8,500 existing sales force members were re-certified in Licence to Sell. To build on our success, licences for the roles of Sales Team Leader, Sales Manager and Sales Trainer have also been added, with over 40 people managers and 25 sales trainers acquiring licences in 2022.

Inspired by the effect of the Sales Academy on our people's growth, we launched specialised versions of the content to meet the needs of our dedicated coffee and premium spirit teams and introduced a Supply Chain Academy. Covering manufacturing, logistics, planning, quality and procurement, over 1,000 employees have already been certified through our Supply Chain Academy.

To increase the time Business Developers have to spend with customers, we created guidelines to streamline meetings and introduced feedback mechanisms to understand their pain points. We have also committed to set fewer priorities and clarify links between targets and incentives. Sales leadership teams in each market are implementing these changes in 2023.

Onboarding has also remained an important focus point. Following the launch of our digitised onboarding experience for our Business Developers in 2021, we simplified the experience and onboarded 39 new Sales Team Leaders using an improved, user-centric development experience in 2022.

Staying relevant to our candidates

According to a bespoke talent market survey conducted by Universum, we maintained Top 10 rankings amongst the most attractive employers in the fast-moving consumer goods industry in all of our markets in 2022. In 14 of our markets we are ranked in the Top 5 FMCG desired employers, and in 6 markets we are the number 1 FMCG employer.

More than 40% of our external social media communication is diversity-focused, including our video series 'Women of Coca-Cola HBC' which highlights the successes of women across the Group, reaching over 15 million people so far. Our practices have been externally recognised across markets, with 60 awards and certifications received in 2022, such as Top Employers, Randstad or PWC Employers ranking. Out of these, 11 recognitions are in the area of inclusion and diversity, and we're also listed 26th in the Refinitiv Top 100 Global Diversity & Inclusion Index.

Employee-generated content is a key element of our external presence and nearly a third of our social media content is 'behind the scenes', such as #Togetherness moments posted by our colleagues. Our employees' active posting on social media ranked us in the Top 50 most active food and beverage companies in Europe in 2022 according to employee-influencer platform DSMN8. Looking ahead, we will continue to strengthen our candidate pipeline by communicating our internal strengths authentically.

Priorities in 2023

- Build unmatched sales teams by strengthening our commercial talent pipeline
- Stay resilient and closely connected with our teams through continuous listening and simplifying their lives to the maximum, so that they continue focusing on helping our customers grow
- Shape our culture of proactive collaboration using the power of our cross-functional teams through everyday behaviours, to be ready for whatever challenges the future may bring
- Continue to build a diverse and inclusive workplace where we value and respect the skills and differences of our employees, allowing all unique voices to be heard

UN Sustainable Development Goals

Efforts to foster an engaging workplace and an inclusive environment, nurture and develop the capabilities of our people, increase gender balance in our management ranks and reduce stress and support employee wellbeing all contribute toward global goals for development. The specific Sustainable Development Goals supported are those for: good health and wellbeing; gender equality; decent work and economic growth; reducing inequalities; and peace, justice and strong institutions.

