



In 2021 we continued to listen to our people to understand how we could best support them to succeed while staying safe through the pandemic.



4

Growth pillar

# Cultivate the potential of our people

**Highlights in 2021**

- Protected the health and wellbeing of our people as the COVID-19 pandemic continued, while further investing to support new ways of working
- Sought more feedback from our people, through the annual employee engagement survey and periodic pulse surveys, and acted on their feedback
- Strengthened the collaborative spirit and growth mindset values which underpin our culture and continued our efforts to make learning available to everyone
- Launched a unique development experience for all our frontline sales people to upgrade their critical capabilities and enhance customer support
- Continued working towards a more diverse and inclusive workforce

**Priorities in 2022**

- Build unmatched sales teams by strengthening our commercial talent pipeline
- Drive an inclusive and purpose-driven culture by redefining our culture narrative and updating our leadership model
- Continue simplifying processes and investing in capabilities necessary to achieve our growth strategy
- Continue efforts to build an inclusive workplace and a diverse workforce that reflects our customer base and communities

**KPIs**

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

**Stakeholders**



Our people

**Principal risks**

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

## Cultivate the potential of our people *continued*

### Strengthening our culture

We strive to create an irresistible place to work, where our people feel heard, valued and supported. In 2021 we continued applying what worked best during the early days of the pandemic: listening to our people to understand how we could best support them to succeed while staying safe in a period of rapid change.

Our teams have emerged from two years of a global pandemic even stronger. As a result of their dedication, perseverance and innovation, we helped our customers reopen quickly and adapt and grow sustainably despite the turbulent market conditions. We continue to unite around a common purpose, democratise learning for all our colleagues and build a resilient and agile organisation.

### Support and engagement during the pandemic

Ensuring the safety of our people, as well as our customers, partners and communities, continued to be our top priority in 2021. This was the focus of our Company leadership as well as the cross-functional teams leading our COVID-19 pandemic response across the Group and in each market. We continuously adapted our guidelines and protocols as vaccines were rolled out and as new COVID variants emerged.

Due to the extraordinary circumstances in 2020, we conducted two employee pulse surveys in addition to our annual employee engagement survey to better understand what employees needed during the pandemic.

As the fast pace of change continues, we have made pulse surveys a permanent part of our internal communications, ensuring employees have multiple opportunities to provide feedback each year. This helps ensure that management and the Board really understand what our people need to succeed.

We once again conducted three all-employee surveys in 2021. The Company's Employee Engagement Index score, the outcome of our annual engagement survey conducted in October 2021, remained steady at 88% with 85% of the workforce participating. We continue to benchmark our employee engagement against other high-performing companies, partnering with Qualtrics, our partner in measuring company culture. Our 2021 results were three percentage points above the Qualtrics Global Top Decile Norm, which represents the top 10% of more than 15 million people from more than 350 companies.

Importantly, 96% of employees working directly with our customers feel they have all the necessary protective equipment they need and 96% of all employees are aware of the Company's health and safety policies. Many of our employees enjoy being able to work from home at least part of the time, but not everyone is the same. From survey responses in 2020, we learned that remote work arrangements increased the need for line manager support. In our 2021 engagement survey, 85% of our people reported feeling supported by their line manager. Through surveys conducted during the year, employees expressed their concerns about the complexity of processes and the resulting impact on workloads.

To address this important finding, we have intensified our focus on simplification.

To support new ways of working, we conducted more meetings virtually to optimise time spent travelling and with our customers. In Poland and Austria, we streamlined and redesigned offices, improving the work experience for our people while reducing costs.

We continued offering support to family members through a global employee assistance programme, providing 24/7 confidential support for our people and their families. The programme features trained specialists through an external partner for help with challenges ranging from work-related issues and relationship difficulties to isolation and trauma. Help is available by phone, online or through an app. Specialised support is also provided to our line managers to help them support team members facing challenges.

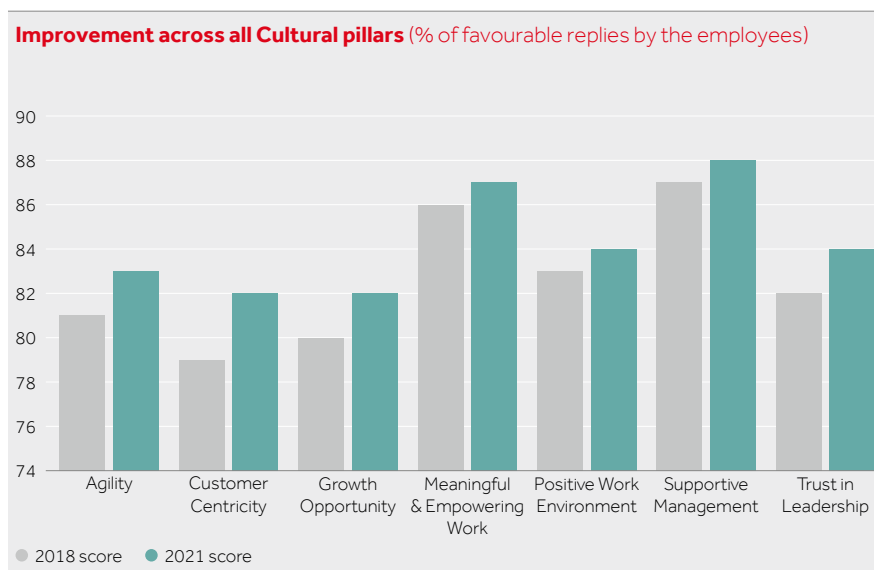
### Health, safety and wellbeing

We believe that a safe and healthy workplace is a fundamental right and also a business imperative. As the COVID-19 pandemic impacted markets across our territory for a second year, we continually updated our relevant guidelines and protocols. We also carefully monitored illness rates to monitor possible cases of transmission on our premises. While employees continued to become ill with COVID, we attempted to eliminate transmission within the workplace.

As hybrid working models combining remote and office-based work became the norm, we focused on new approaches to wellbeing and employee support. Our refreshed wellbeing framework addresses employees' physical, mental, emotional, financial and social needs. Each of our markets offers tools and resources in each area, tailored to market-specific needs. In Russia, where we have an extremely comprehensive wellbeing programme, our leaders act as role models, sharing their personal wellness stories.

To ensure a workplace that safeguards mental health and supports our people when mental wellbeing issues arise, we introduced a mental wellbeing policy and provided online access to useful resources. This addresses the risk of isolation some employees report with hybrid work arrangements. To help leaders understand how they can assist in safeguarding the mental wellbeing of their team, we created a guide for all managers.

For the fourth consecutive year, no employees lost their life at work during 2021. Regrettably however three contractors died in road incidents.



This compares with two contractor fatalities in road incidents during 2020. Our fleet safety training programmes blend classroom and on-the-road training elements. Safety training combined with ongoing installation of collision avoidance technology in fleet vehicles led to an 8.2% improvement of accidents per million kilometres travelled in 2021. This is our ninth consecutive year of improvement.

Overall, employee workplace-related accidents increased by three compared to a previous year. Our Lost Time Accident Rate was 0.25 for 2021, compared with 0.23 in the prior year. Meanwhile, the Lost Time Incident Frequency Rate for contractors improved by 7.05% vs 2020. Our behaviour-based safety programme was expanded from manufacturing plants and warehouses to 90% of our commercial function. During 2021, we eliminated 82.8% of barriers to safety identified under this programme. By the end of 2021, we are proud to report that 7,652 employees and 865 contractors were trained as behaviour-based safety observers supporting the programme.

We also successfully launched the Coca-Cola System's Life Saving Rules, with each of our sites taking corrective actions to achieve error-intolerant systems and processes by the end of 2022.

**Building a sense of belonging and trust**

Our values-based culture remains a strength and a source of resilience as our common beliefs help us adapt with speed and agility. Two important findings from our 2021 engagement survey were an increase in our people's understanding and belief in our overall purpose and vision and improvements in engagement scores across all of our cultural pillars. This reflects the success of our efforts to empower our people and foster the growth mindset needed to achieve our vision.

We believe inviting people to bring their true self to work and share their authentic stories is the best way to foster trust and behaviours that support our strategic goals. Storytelling is therefore used extensively across the business to strengthen connections.

Our Red Talks programme shares personal transformation stories across the Group, inspiring our people to change and grow. At our 2021 virtual leadership conference, stories were shared from different countries covering management of wellbeing to dealing with change.

Similar storytelling campaigns took place in all our markets, featuring personal, authentic stories from each region. To expand opportunities to share and connect, we built a community of over 100 colleagues organised in an informal virtual community. We have also organised virtual Coffee Corner sessions attracting over 700 colleagues, which feature podcast-like interviews on topics such as how to become a better colleague or finding strength to face difficulties.

Through our internal #thisisme campaign, we invite our people to bring their true self to work by sharing photos, quotes and sources of inspiration and motivation. Launched initially for Group employees, the programme proved extremely popular, growing organically with posts from colleagues across all countries, functions and layers.

To further enhance our growth mindset values and collaborative culture, a Culture Activation Toolkit was launched in 2021 giving our markets the ability to target local needs. To empower people in different settings, the toolkit includes guides on setting up and building communities or leading from within.

In our second year of continuous performance conversations with mutual accountability, nearly all of our people, 95%, completed quarterly snapshot discussions with their managers. More than 75% of our people gave feedback to their managers during the year. Usage data for our feedback app shows that continual feedback is becoming well established across the Group.

**Achieving greater diversity and inclusion**

As part of our Mission 2025 sustainability goals, our Company has committed to increase the proportion of women in management to 50%. The proportion of management roles held by women edged up 1pp to 39% in 2021. Despite continual progress, to achieve our ambition of a diverse workforce that reflects our customer base and communities we must do even more.

In 2021, we created a new Diversity, Equity and Inclusion (DEI) Steering Committee, sponsored by CEO Zoran Bogdanovic, to provide strategic direction and governance to our DEI efforts. To help us drive the right behaviours, we introduced new training to identify and act on potential instances of discrimination. Several hundred employees in our People & Culture and Legal, Ethics & Compliance functions participated. Our workshops on disrupting unconscious bias are also being rolled out to leadership teams of business units across the Group.

Together with our Coca-Cola System partners, we launched an International Coca-Cola System-wide series of women's network events. Quarterly events were held, including a panel discussion with our CEO and Chief People & Culture Officer on how leaders can drive inclusion. This role modelling was also seen in our CEO's continued participation as a judge in the WeQual awards for female leaders.

Newly introduced initiatives built on our existing Inclusive Leadership e-learning modules, available to all leaders. Every business unit has targets and action plans appropriate to their market to contribute to our gender diversity commitment and our DEI Community continues to ensure best practices to support diversity, equity and inclusion are shared across our territory.

To attract more women into our Company, we once again ran an International Women's Day campaign, #NoJobHasAGender, which was promoted through social media channels. We continued to increase our social media presence with a focus on female career experience, covering subjects such as career growth and leadership. Our series #WomenofCCHBC included 19 videos and was viewed by over two million people online.

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

**Helping our people realise their potential and developing talent**

To ensure that everyone in our Company has the ability to contribute to our purpose, vision and mission, we make learning accessible to every employee. We provide tools and encouragement for our employees to continue growing through self-learning, coaching and mentoring to develop both leadership and functional skills.

As we continued to strengthen our culture of continuous learning, digital learning is becoming more important. About 80% of our employees are self-driven active learners on our various digital platforms. We have expanded our Personal Learning Cloud, which now offers over 2,500 resources. For the second year, we organised a virtual LearnFest. Over 6,000 attendees and more than 40 internal and external speakers participated.

## Cultivate the potential of our people *continued*



**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.**

In our efforts to boost the agility of our Company, we have completed more than 80 agile initiatives, trained over 700 people, and certified 135 Scrum Masters and 18 Agile coaches since 2019. As we evolve into a truly agile organisation, we are establishing mission-based, cross-functional, empowered and self-managed teams, which we call dynamic pods. These allow us to improve our speed and quality of delivery on critical missions through dynamic staffing of critical capabilities. To accelerate channel and category growth, we launched dynamic pods in eight of our business units in 2021.

Taking into account the global trends of increasing turnover and intensifying scarcity of talent, development of high-performing people is a top priority. We made notable progress accelerating the leadership development of more than 450 of our colleagues during the year. Learning from others continues to act as a multiplier of leadership development, with 80 new active internal coaches and 71 new coaching engagements. Mentoring is now technology-enabled, with 339 active mentors and 259 new mentoring engagements supported online during the year. The success of these initiatives is demonstrated by extremely high participant satisfaction rates. All of the leadership coaching participants and 97% of mentoring participants reported satisfaction with their learning experience.

In 2021 we further evolved our Talent Review Framework to accelerate development across functions and borders. We identified 20% more potential emerging leaders within our workforce than in 2020. We remain focused on maintaining bench strength, particularly in our commercial function, and building a strong, diverse pipeline of leaders. A majority of participants in many of our leadership development programmes, including our Fast Forward programmes, are female. This supports our ambition to achieve gender balance in senior management roles by 2025.

As employee turnover rebounded to pre-pandemic levels in 2021 to 13.1%, compared to 8.8% in 2020 and 12.3% in 2019, the higher rate of external hiring gave us the opportunity to recruit people with critical new capabilities. As 35.5% of all external hires during the year were female, and more than half of new hires for senior leadership roles were women, we also succeeded in strengthening gender diversity.

As the skills needed for our organisation to be successful in an ever-changing market are constantly evolving, this year we launched a skills-based talent marketplace, which enables us to better understand our employees' skills and capabilities, while matching them to the challenges of both today and tomorrow. The programme was successfully piloted in Austria in 2021 and will be rolled out to additional markets in the coming years.

### Developing the critical capabilities of our sales teams

Following the 2020 launch of our digital Sales Academy, we continued to roll out this comprehensive developmental experience for our sales force across all our markets in early 2021. About 1,300 new business developers have completed our Licence to Start certification, which gives new hires a strong onboarding experience and ensures they are equipped to support our customers even faster. Over 8,500 members of the existing sales force have also benefited from Sales Academy modules. Building on this success, similar learning modules designed for supply chain management will be rolled out for 12,000 people in our supply chain function in 2022.

To enhance the onboarding experience for business developers, we have created a fully integrated onboarding experience that includes pre-onboarding activities, human resources information and country-specific content.

About 90% of new business developers report satisfaction with the onboarding experience, including feedback from their line managers about their progress and performance.

To identify the main drivers of business developer turnover in five selected business units, we performed an in-depth analysis using artificial intelligence in close collaboration with our Group Data, Insights & Analytics team. The main findings of this analysis, which include issues around complexity, compensation and line manager support, are now forming the basis of a holistic review of how we attract, select, develop and compensate our frontline sales people. As part of this effort, we are simplifying tasks so that they can spend more time with our customers.

### An attractive and authentic employer brand

During 2021, we improved the visibility and attractiveness of our employer brand. We received 76 recognitions across 28 countries reflecting different measurements of employer attractiveness. The perception of our employer brand improved in 11 of our markets during the year, and our compounded average rank also improved according to Universum, an employer brand consultancy. We are especially proud of being recognised in the Forbes World's Best Employers 2021 list and, thanks to our progress on diversity and inclusion, we were ranked 8<sup>th</sup> in the Refinitiv D&I index.

Over 550 of our employees post regularly on social media, and we are ranked the 39<sup>th</sup> most active company on social media in the food and beverage sector in Europe, according to analysis by employee influencer platform DMSN8. We encouraged social media conversations through 24 campaigns around our products or around specific events. We also introduced monthly 'behind the scenes' features on LinkedIn and Facebook. The initial features shared, highlighting photos of unique employee experiences, received more than 100,000 views on each platform.

Looking ahead, we will continue strengthening our pipeline with a special focus on our commercial function and increasing retention through targeted career conversations. We will also support the development of our employees through more cross-functional, skills-based development, identify and accelerate the development of emerging leaders, and build a more inclusive and diverse workforce that reflects the communities we serve.