

Corporate governance report

Governance framework

Our corporate governance framework is summarised below, with further detail provided on the following pages.

| | | > Delegation > | | | |
|---|--|---|--|--|--|
| Stakeholders Including our people, shareholders, franchisors, consumers, customers, suppliers and communities | Board of Directors Provides overall leadership and independent oversight of performance and is accountable to shareholders for the Group's long-term success | Audit Committee | Monitors the integrity of the Group's financial statements and results announcements, the effectiveness of internal controls and risk management, as well as managing the external auditor relationship and material CoC matters. | > | Read more about our Audit Committee on pages 117-124 |
| | | Environmental, Social and Governance (ESG) Committee | Oversees performance against CCEP's strategy and goals for ESG, reviews ESG risks facing CCEP, including health and safety and climate change risks, and the practices by which these risks are managed and mitigated, recommends to the Board for approval sustainability commitments and targets, and monitors and reviews public policy issues that could affect CCEP and CoC matters. | > | Read more about our ESG Committee on pages 125-126 |
| | | Nomination Committee | Sets selection criteria and recommends candidates for appointment as Independent Non-executive Directors, reviews Directors' suitability for election/re-election by shareholders, considers Directors' potential conflicts of interest, oversees development of a diverse senior management pipeline and Director succession, and oversees wider people matters for the Group, including culture, diversity, succession, talent and leadership. | > | Read more about our Nomination Committee on pages 113-116 |
| | | Remuneration Committee | Recommends remuneration policy and framework to the Board and shareholders, recommends remuneration packages for members of the Board to the Board, approves remuneration packages for senior management, reviews workforce remuneration and related policies and principles, and governs employee share schemes. | > | Read more about our Remuneration Committee on pages 127-143 |
| | | Affiliated Transaction Committee (ATC) | Has oversight of transactions with affiliates and makes recommendations to the Board (affiliates are holders of 5% or more of the securities or other ownership interests of CCEP). | | |
| | | Ad hoc committees | <ul style="list-style-type: none"> • Disclosure Committee • Results and Dividend sub committee | | |
| | | < Accountability < | | | |
| | | | | Culture Embodied by our CoC and ways of working Strategy built on three pillars: great brands, great people, great execution. Done sustainably. | |
| | | | | CEO Empowered by authority of the Board to put agreed strategy into effect and run CCEP on a day to day basis | |
| | | | | ELT Team members with defined areas of responsibility support and report to the CEO | |
| | | | | People 32,000 ^(A) employees making, selling and distributing great brands | |
| | | | | <small>(A) As at 31 December 2023</small> | |

Corporate governance report continued

Statement of compliance

The governance framework of the Company is set out in its Articles of Association (the Articles) and the Shareholders' Agreement. These provide a high level framework for the Company's affairs, governance and relationship with its stakeholders including its shareholders. The Articles, Shareholders' Agreement and frequently asked questions about the governance framework are available on the Company's website at cocacolaep.com/about-us/governance.

Statement of compliance with the 2018 UK Corporate Governance Code (the Code)

We follow the Code on a comply or explain basis. CCEP is not subject to the Code, as it has a standard listing of ordinary shares on the Official List. However, we have chosen to comply with the Code where possible and explain areas of non-compliance to demonstrate our commitment to good governance as an integral part of our culture. Save as set out below, CCEP complied with the Code during the year ended 31 December 2023.

A copy of the Code is available on the Financial Reporting Council's (FRC) website: www.frc.org.uk/library/standards-codes-policy/corporate-governance/uk-corporate-governance-code/

Chairman

Code provision 9

The Chairman, Sol Daurella, was not considered independent on her appointment. However, we benefit from her vast knowledge of, and long-term commitment to the Coca-Cola system, and her extensive experience and leadership skills, gained from her roles as director and CEO of large public and private institutions across many different sectors.

Annual re-election

Code provision 18

Sol Daurella, the Chairman, will not be subject to re-election during her nine year tenure following the completion of the merger in 2016. This recognises the importance of her extensive experience and knowledge of the beverage industry, and the significant shareholding of Olive Partners, S.A. (Olive Partners) in the Company.

CCEP follows governance best practice, with all other Directors standing for re-election annually at the Annual General Meeting (AGM).

Remuneration

Code provision 32

The Remuneration Committee is not composed solely of INEDs, although it comprises a majority of INEDs. The Shareholders' Agreement requires that the Remuneration Committee includes at least one Director nominated by:

- Olive Partners, for as long as it owns at least 15% of the Company
- European Refreshments Unlimited Company (ER), a subsidiary of TCCC, for as long as it owns at least 10% of the Company

The Remuneration Committee, and its independent Chairman, benefit from the nominated Directors' extensive understanding of the Group's market.

Remuneration

Code provision 33

The Remuneration Committee is not solely responsible for setting the remuneration of the Chairman and CEO. Instead, the Board (excluding any Director whose remuneration is linked to the decision) determines their remuneration, including the Non-executive Directors (NEDs), on the recommendation of the Remuneration Committee and following rigorous analysis and debate. To date, the Board has followed all of the Remuneration Committee's recommendations. All executives recuse themselves from decision making when discussing executive remuneration.

Differences between the Code and the Nasdaq corporate governance rules (the Nasdaq Rules)

The Company is classed as a Foreign Private Issuer (FPI). It is therefore exempt from most of the Nasdaq Rules that apply to domestic US listed companies, because of its voluntary compliance with the Code. Under the Nasdaq Rules, the Company is required to disclose differences between its corporate governance practices and those followed by domestic US companies listed on Nasdaq. The differences are summarised below.

Director independence

The Nasdaq Rules require a majority of the Board to be independent whilst the Code requires at least half of the Board (excluding the Chairman) to be independent. The independence of CCEP's NEDs is reviewed by the Board on an annual basis, taking into account the guidance contained in the Code and the criteria established by the Board. It has been determined that a majority of the Board is independent under the Code and INED criteria, without explicitly taking into consideration the independence requirements outlined in the Nasdaq rules.

Corporate governance report continued

Board Committees

CCEP has a number of Committees whose purpose and composition are broadly comparable to the requirements of the Nasdaq Rules for domestic US companies. However, other than the Audit Committee, committee members are not all INEDs, although in all cases the majority are. Each committee has its own terms of reference (broadly equivalent to a charter document) which are reviewed annually and can be found on our website at cocacolaep.com/about-us/governance/committees.

Audit Committee

More information about the Audit Committee is set out in its report, including compliance with the requirements of Rule 10A-3 under the US Securities Exchange Act of 1934, as amended, and Rule 5605(c)(2)(A) of the Nasdaq Rules.

The Audit Committee comprised only INEDs (who are also deemed independent under the Nasdaq Rules). However, the responsibilities of the Audit Committee (except for applicable mandatory responsibilities under the Sarbanes-Oxley Act) follow the Code's recommendations rather than the Nasdaq Rules, although they are broadly comparable. One of the Nasdaq's similar requirements for the Audit Committee states that at least one member of the Audit Committee should be a financial expert.

The Board determined that Dessi Temperley, John Bryant and Dagmar Kollmann possess such expertise and are therefore deemed financial experts as defined in Item 16A of Form 20-F. It was further determined that none of the Audit Committee members had participated in the preparation of the financial statements of the Company or any of its subsidiaries.

Code of Conduct

The Nasdaq Rules require relevant domestic US companies to adopt and disclose a code of conduct applicable to all Directors, officers and employees. The CCEP CoC applies to all employees, Directors and the senior financial officers of the Group. Our CoC seeks to ensure that we act with integrity and accountability in all our business dealings and relationships. Our policies also drive compliance with relevant legislation. The CoC covers issues such as anti-bribery, data protection, environmental regulation, human rights, health, safety, wellbeing and respect for others. It aligns with the UN Global Compact, the US Foreign Corrupt Practices Act, the UK Bribery Act, the Code, the EU General Data Protection Regulation, the Spanish and Portuguese Criminal Codes and Sapin II.

We also expect all third parties who work on our behalf to act in an ethical manner consistent with our CoC and to comply with our SGPs.

All employees are required to undergo CoC training, which is also a part of the induction process for new employees. Training on specific topics related to their roles is provided where needed. Our CoC specifically calls out manager responsibilities and includes a matrix to help with decision making and guidance on situations such as bullying and harassment.

If the Board amends or waives the provisions of the CoC, details of the amendment or waiver will appear on the website. No such waiver or amendment has been made or given to date.

 [See our CoC at view.pagetiger.com/code-of-conduct-policy](https://view.pagetiger.com/code-of-conduct-policy)

CCEP considers that the CoC and related policies address the Nasdaq Rules on the codes of conduct for relevant domestic US companies.

Shareholder approval of equity compensation plans

The Nasdaq Rules for domestic US companies require that shareholders must be given the opportunity to vote on all equity compensation plans and material revisions to those plans. CCEP complies with UK requirements that are similar to those of the Nasdaq Rules.

NED meetings

The Nasdaq Rules require INEDs to meet without the rest of the Board at least twice a year. The Code requires NEDs to meet without the Chairman present at least once annually to appraise the Chairman's performance. The NEDs have regular meetings without management present and, in 2023, there were two separate meetings of INEDs.

Corporate governance report continued

Board leadership and company purpose

Role of the Board

The Board is primarily responsible for the Group's strategic plan, risk appetite and oversight, systems of internal control and corporate governance policies, to ensure the long-term success of the Group, underpinned by sustainability.

> Read more about the Board's role in risk oversight in Principal risks on pages 68-78 **TCFD** on pages 48-60 **and the Audit Committee report** on pages 118-124

To retain control of key decisions and ensure there is a clear division of responsibilities, there is a formal schedule of matters reserved to the Board, which sets out the structure under which the Board manages its responsibilities, and provides guidance on how it discharges its authority and manages its activities. Reserved matters include strategic decisions, approval of annual and long-term business plans, suspension, cessation or abandonment of any material activity of the Group, and material acquisitions and disposals.

The Board, through the Nomination Committee, assesses and monitors the Group's culture to ensure it aligns with the Group's purpose, values and strategy set by the Board.

> Read more about our strategy on page 14 **and read our Nomination Committee's report** on pages 114-116

Table 1
Roles on the Board

| Role | Responsibilities |
|-------------------|---|
| Chairman | <ul style="list-style-type: none"> Operating, leading and governing the Board Setting meeting agendas, managing meeting timetables Promoting a culture of open debate between Directors and encouraging effective communication during meetings Creating the conditions for overall Board and individual Director effectiveness |
| CEO | <ul style="list-style-type: none"> Leading the business Implementing strategy approved by the Board Overseeing the operation of the internal control framework |
| SID | <ul style="list-style-type: none"> Advising and supporting the Chairman by acting as an alternative contact for shareholders and as an intermediary to NEDs |
| NEDs | <ul style="list-style-type: none"> Providing constructive challenge, strategic guidance, external insight and specialist advice to the Board and its Committees Holding management to account Offering their extensive experience and business knowledge from other sectors and industries |
| Company Secretary | <ul style="list-style-type: none"> Assisting the Chairman by ensuring that all Directors have full and timely access to relevant information Advising the Board on legal, compliance and corporate governance matters Organising the induction and ongoing training of Directors |

Stakeholders

The Board recognises the importance of stakeholders to CCEP – both their inputs to our business and our impact on them. We use a matrix to help ensure Directors have the right engagement and information to enable them to consider stakeholders' interests in their decision making.

> Read more about stakeholders on pages 61-64

Training and development

To ensure constructive challenge to management by the Board, training and development opportunities are provided to the Board in a wide range of topical areas in multiple formats, including:

- Briefings – to focus on matters of interest to CCEP such as innovation as well as on relevant ESG, commercial, legal and regulatory developments
- Deep dive sessions – to address requests from Directors to better understand CCEP or the environment in which it operates such as its markets
- Site visits – to Group businesses, production facilities and commercial outlets to enhance knowledge of CCEP operations and meet employees, suppliers and customers
- External speakers – to receive insights from experts and engage with stakeholders

> Some highlights from the programme for 2023 are set out on page 108

Corporate governance report continued

Board activities

Key topics discussed by the Board during 2023

The Chairman sets the Board agenda, which consists of discussion topics described in the table adjacent that align with its strategic objectives towards its aim of promoting the long-term success of CCEP.

In addition, at Board meetings the Directors receive reports back from Committee Chairs, business and commercial updates from the CEO (including on digital, technology and innovation), finance reports from the CFO, reports covering governance and regulatory updates from the Company Secretary, and updates on business performance and initiatives from other key senior executives.

Strategy was also a key focus of discussions, and the Board considered and debated consumer trends focusing on developments in AI, the status of the current global market, performance and opportunities in the API region and the retail landscape.

Link to strategy



Great brands



Great people



Great execution



Done sustainably

| Area of focus | Discussion topics | Strategic objectives |
|----------------|--|----------------------|
| Risk | • Assessment of market uncertainty, sanctions, risks and increased costs as a result of the war in Ukraine, Middle East and other economic factors | |
| | • Changes to retail environments and customer challenges | |
| | • Review of competitors, global market analysis and insights | |
| People | • People strategy, including focus on employee wellbeing, employee engagement, talent, learning and development and future ready leadership | |
| | • Promoting employee inclusion, diversity and equity | |
| | • Review of wider workforce remuneration | |
| | • Prioritising the safety of our people by piloting new technologies | |
| Sustainability | • Continual monitoring of our progress against our sustainability strategy | |
| | • Progression of our packaging initiatives | |
| | • Created new sustainable partnerships | |
| | • Consideration of the expanding framework of sustainability reporting requirements | |
| Commercial | • Progress towards improving route to market | |
| | • Expanding presence in API by exploring exciting new opportunities in the region, as evidenced by the acquisition of CCBPI | |
| | • Increasing consumer choice by growing our portfolio of products into exciting new categories such as alcoholic ready to drink (ARTD) | |
| | • Development of relationship with TCCC and other franchisors | |
| Finance | • Approval of capital expenditure and dividend payments | |
| | • Support for developments in innovation with CCEP Ventures, our dedicated investment fund | |
| | • Progress made on the implementation of our digital transformation programme | |
| | • Monitoring pricing challenges and opportunities in the current market | |

Corporate governance report continued

Board activities

This timeline highlights some of the training and development opportunities received by the Board in 2023.

March 2023

Market and production facility tours in Sydney, Australia and Auckland, New Zealand

During the March 2023 Board meeting, Board members attended tours of the Northmead production facility and the market in the Paramatta region of the city, gaining insights into the wider business in Australia, as well as a market visit in Auckland, New Zealand.

April 2023

Opening of new office in Sofia, Bulgaria

Board members and senior management attended the opening of the new, state of the art office in Sofia. The agenda for this visit included an ID&E lunch with local employees.

Image: New Sofia office being officially opened by Chairman, Sol Daurella, and CFO, Nik Jhangiani



May 2023

Great Britain Business Unit (BU)

Board members received a deep dive into the Great Britain BU during the May Board meeting. To supplement the insights received in this session, they also took part in a local market visit.

May 2023

Sidcup production facility tour

As part of their induction programmes, board members Nicolas and Mary were welcomed to the Sidcup production facility in GB.

Image: Colleagues with Board members, Nicolas Mirzayantz and Mary Harris, during their visit



September 2023

Artificial Intelligence (AI)

The Board received an informative session on the recent revolutions in the capabilities of AI and innovation, including its potential uses, risks and impacts on CCEP during the September strategy meeting.

September 2023

API

As a part of the September strategy session, Board members received a deep dive into API gaining insights on the territory from members of senior management. Part of this session focused on the market in the Philippines to provide insight to the Board ahead of the joint acquisition of CCBPI.

October 2023

Plastics and packaging

Board members received a deep dive into our packaging strategy, which included updates on refillable packaging and packageless to support delivery of CCEP's sustainability action plan, This is Forward.

October 2023

Seville production facility tour

The October Board meeting included a visit to the Coca-Cola Rinconada production facility in Seville, Spain.

Image: Board member, José Ignacio Comenge, and Chief Customer Service and Supply Chain Officer, José Antonio Echeverría, during visit



December 2023

Digital tools demo

Board members were given demonstrations of multiple digital tools used within the business, including MyCCEP.com and Customer Demand and Supply Planning (CDSPP).

Corporate governance report continued

Division of responsibilities and conflicts of interest

Governance structure

The Board, led by the Chairman, is responsible for the leadership of the Group. While both the Executive Director and NEDs have the same duties and constraints, they have different roles on the Board (see Table 1 on page 106). There is a clear, written division of responsibilities between the Chairman and the CEO. The Board has approved a framework of delegated authority to ensure an appropriate level of Board contribution to, and oversight of, key decisions and the management of daily business that support its long-term sustainable success. This framework has been designed to enable the delivery of the Company's strategy and is outlined in our governance framework on page 103.

The Board delegates certain matters to its Committees. Each Committee has its own written terms of reference, which are reviewed annually. These are available at cocacolaep.com/about-us/governance/committees.

The CEO with the ELT manages the day to day business. All decisions are made in accordance with our chart of authority, which defines our decision approval requirements and ensures that all relevant parties are notified of decisions impacting their area of responsibility.

Board support

Board meetings are generally scheduled at least one year in advance, with ad hoc meetings arranged to suit business needs. Meetings are held in a variety of locations, reflecting our engagement with all aspects of our international business.

The agenda of Board meetings follow our annual Board programme. This sets out the standing items at each meeting, such as periodic activities (including results and AGM documentation), business plan and the assessment of Board evaluation results.

Before the Board meeting, the Chairman, CEO and Company Secretary agree the final agenda. This covers discussion items such as the status of ongoing projects and stakeholder considerations. Comprehensive briefing papers are circulated electronically to all Directors, to allow time to review the matters which are to be discussed.

Throughout the year, Directors have access to the advice and services of the Company Secretary and independent professional advice, at the Company's expense.

Independence of Non-executive Directors

The Board reviewed the independence of all the NEDs against the Code and also considered the requirements of SEC Rule 10A-3 in relation to the Audit Committee.

It determined that Guillaume Bacuvier, John Bryant, Nathalie Gaveau, Mary Harris, Thomas H. Johnson, Dagmar Kollmann, Nicolas Mirzayantz, Mark Price, and Dessi Temperley are independent and continue to make effective contributions.

The Board recognises that the remainder of CCEP's NEDs, including the Chairman, cannot be considered independent. However, they continue to demonstrate effective judgement when carrying out their roles and are clear on their obligations as Directors, including under section 172 of the Companies Act.

Our CEO, Damian Gammell, is not considered independent because of his executive responsibilities to the Group.

Consequently, the majority of the Board are independent.

Conflicts of interest

The UK Companies Act 2006 (the Companies Act), the Articles and the Shareholders' Agreement allow the Directors to manage situational conflicts (situations where a Director has an interest that conflicts, or may conflict, with our interests). The ATC exists to oversee transactions with affiliates. The Nomination Committee considers issues involving potential situational conflicts of interest of Directors. Each Director is required to declare any interests that may give rise to a situational conflict of interest with CCEP on appointment and subsequently as they arise. Directors are required to review and confirm their interests annually. The Board is satisfied that the systems for the reporting of situational conflicts are operating effectively.

Corporate governance report continued

Board and Committee meetings

The Board held seven formal meetings during 2023, with additional ad hoc meetings with Board and Committee members held in line with business needs. Directors are expected to attend every meeting. If a Director is unable to attend, the relevant papers are provided to that Director in advance so that comments can be given to the Chairman or Committee Chairman, as applicable, who relays them at the meeting. Afterwards, the Chairman or Committee Chairman, as applicable, also briefs the Director on the matters discussed.

Attendance during 2023 is set out in Table 2. The Chairman attends most Committee meetings. There is cross membership between the Audit Committee and Remuneration Committee. This helps ensure remuneration outcomes align with the underlying performance of CCEP. This reflects CCEP's joined up approach to investing in and rewarding our people.

Table 2

Meeting attendance by Board and Committee members^(A)

| | Independent or nominated by Olive Partners or ER ^(B) | Board of Directors | Affiliated Transaction Committee | Audit Committee ^(I) | ESG Committee ^(I) | Nomination Committee | Remuneration Committee |
|--------------------------------------|---|--------------------|----------------------------------|--------------------------------|------------------------------|----------------------|------------------------|
| Chairman | | | | | | | |
| Sol Daurella | Nominated by Olive Partners | 7 (7) | 5 (5) | | | 6 (6) | |
| Executive Director | | | | | | | |
| Damian Gammell | CEO | 7 (7) | | | | | |
| Non-executive Directors | | | | | | | |
| Manolo Arroyo | Nominated by ER | 7 (7) | | | | 6 (6) | 5 (5) |
| Jan Bennink ^(C) | Independent | 2 (2) | | | 2 (2) | | |
| John Bryant | Independent | 7 (7) | | 7 (7) | | | 5 (5) ^(J) |
| José Ignacio Comenge | Nominated by Olive Partners | 7 (7) | | | | | 5 (5) |
| Christine Cross ^(C) | Independent | 2 (2) | | | | 1 (1) | 2 (2) |
| Nathalie Gaveau ^(E) | Independent | 7 (7) | 5 (5) | | 6 (6) | | |
| Álvaro Gómez-Trénor Aguilar | Nominated by Olive Partners | 7 (7) | | | | | |
| Mary Harris ^{(D)(F)} | Independent | 5 (5) | | | | 5 (5) | 3 (3) |
| Thomas H. Johnson | SID | 7 (7) | | | | 6 (6) ^(J) | 5 (5) |
| Dagmar Kollmann | Independent | 7 (7) | 5 (5) ^(J) | 7 (7) | | | |
| Alfonso Líbano Daurella | Nominated by Olive Partners | 7 (7) | 5 (5) | | | | |
| Nicolas Mirzayantz ^{(D)(G)} | Independent | 5 (5) | | | 4 (4) | | |
| Mark Price | Independent | 7 (7) | | | 6 (6) | 6 (6) | |
| Nancy Quan ^{(D)(G)} | Nominated by ER | 5 (5) | | | 4 (4) | | |
| Mario Rotllant Solá | Nominated by Olive Partners | 7 (7) | | | 6 (6) ^(J) | | |
| Brian Smith ^{(C)(H)} | Nominated by ER | 1 (2) | | | 1 (2) | | |
| Dessi Temperley | Independent | 7 (7) | | 7 (7) ^(J) | | | |
| Garry Watts ^(C) | Independent | 7 (7) | 5 (5) | 7 (7) | | | |

(A) The maximum number of scheduled meetings in the period during which the individual was a Board or Committee member is shown in brackets.

(B) Nominated pursuant to the Articles of Association and terms of the Shareholders' Agreement.

(C) Jan Bennink, Christine Cross and Brian Smith each stepped down from the Board effective 24 May 2023. Garry Watts stepped down from the Board effective 31 December 2023.

(D) Effective 24 May 2023, Mary Harris, Nicolas Mirzayantz and Nancy Quan were appointed to the Board.

(E) Effective 24 May 2023, Nathalie Gaveau was appointed as a member of the Affiliated Transaction Committee.

(F) Effective 24 May 2023, Mary Harris was appointed as a member of the Remuneration and Nomination Committees.

(G) Effective 24 May 2023, Nancy Quan and Nicolas Mirzayantz were appointed to the ESG Committee.

(H) Brian Smith was unable to attend the March 2023 Board and ESG Committee meetings due to other pre-agreed commitments.

(I) One meeting was a joint meeting of the Audit Committee and ESG Committee held in February 2023.

(J) Chairman of the Committee.

Corporate governance report continued

Composition, succession and evaluation

Board diversity and composition

The composition of the Board and its Committees is set out on page 110. As their biographies on pages 95–99 show, our Board members have a range of backgrounds, skills, experience and nationalities, demonstrating a rich cognitive diversity.

> See an overview of our Directors' skills and experience on page 93

> Read more about the Group's approach to ID&E on page 23

Our commitment to diversity begins at the top, with clear leadership from our Board, and is embedded at every level of our business through our, Board Diversity Policy, Inclusion, Diversity and Equity Policy, This is Forward and the CoC.

> Read more about Board succession and Board diversity on pages 113–116

Board evaluation

In line with best practice, we conduct an external Board evaluation at least once every three years. We did this last in 2021 and have begun the process of conducting the external evaluation in 2024.

Following the strong feedback and outputs following the internal 2022 Board evaluation, it was determined that a similar process was appropriate for 2023. The Board followed the Chartered Governance Institute's Principles of Good Practice for Listed Companies when appointing Lintstock to support in the questionnaire-based exercise, alongside interviews with all Directors by the SID. Lintstock has no other connection with CCEP or any individual Director.

The questionnaire and interview responses were collated and reports produced on the performance and effectiveness of the Board, each Committee and the Directors. The Board discussed the results openly and constructively.

Overall, the Board confirmed that it continued to perform effectively. Board culture, its relationship with senior management and Board support were highly rated, but some areas for further improvement were identified. These are set out in Table 3.

Table 3
2023 Board evaluation findings and actions

| | Disruptive technologies | Strategic topics | Emerging markets | ESG |
|----------------------------|---|--|--|---|
| 2023 findings | Show preparedness for the impacts of disruptive technologies and how to harness them. | Review Board focus on strategic topics including in relation to AI, competition and consumer insights. | Demonstrate capability and skill in emerging markets, including measuring and assessing success in existing territories. | Provide additional insights into ESG topics such as sweeteners, carbon reduction, and water resources. |
| Actions undertaken in 2023 | The Board received an overview of the digital transformation programme in September 2023. Board training sessions on innovation and the future of frontline have been scheduled for 2024. | Board meetings throughout the year, as well as the Board strategy session held in September 2023, provided the Board with greater visibility of competitor analysis and consumer trends. The Strategy meeting also included a session on AI. | Board members received deep dive sessions on Indonesia, the Philippines and inorganic M&A during the strategy meeting in September 2023, which provided detailed insights into the markets, including risks and opportunities. | The Board received a deep dive into plastics and packaging as part of the October 2023 Board meeting. The ESG Committee received a presentation about sweeteners in May 2023. |

Corporate governance report continued

Table 4
Disclosure of compliance with provisions of the Audit, risk and internal control and Remuneration sections of the Code

| Items located elsewhere in the 2023 Integrated Report | Page(s) |
|---|---------|
| Directors' responsibilities statement | 147 |
| Directors' statement that they consider the Integrated Report and financial statements, taken as a whole, to be fair, balanced and understandable | 147 |
| Going concern statement | 146 |
| Assessment of the Group's principal risks | 68-78 |
| Viability statement | 79 |
| Risk management and internal control systems and the Board's review of their effectiveness | 77, 124 |
| Audit Committee report | 118-124 |
| Directors' remuneration report | 127-143 |

Election and re-election of Directors

The Board has determined that the Directors, subject to continued satisfactory performance, shall stand for election or re-election at the May 2024 AGM with the exception of the Chairman, as explained on page 104. The Board is confident that each Director will carry on performing their duties effectively and remain committed to CCEP.

The NED terms of appointment are available for inspection at the Company's registered office and at each AGM. Among other matters, these set out the time commitment expected of NEDs. The Board is satisfied that the other commitments of all Directors do not interfere with their ability to perform their duties effectively.

 See the significant commitments of our Directors in their biographies on pages 95-99

Audit, risk and internal control and Remuneration

Disclosures of compliance with provisions of the Audit, risk and internal control and Remuneration sections of the Code are located in this Integrated Report. These disclosures include descriptions of the main features of CCEP's internal control and risk management systems as required by Rule 7 of the Disclosure Guidance and Transparency Rules (DTRs). Table 4 sets out where each respective disclosure can be found.

Annual General Meeting

The AGM continues to be a key date in our annual shareholder calendar.

The 2024 AGM of the Company will be held on 22 May 2024. The Notice of AGM will set out further details and a full description of the business to be conducted at the meeting. This will be available on our website from the time of its posting to shareholders in April 2024.

The Chairman, SID and Committee Chairmen are available to shareholders for discussion throughout the year to discuss any matters under their areas of responsibility, by contacting the Company Secretary.

At our 2023 AGM, we were pleased that all resolutions were passed by >80%, save for the resolution relating to the whitewash under Rule 9 of the Takeover Code, which permits buyback authorities without obliging Olive Partners to make a general offer for the entire issued share capital of the Company. The resolution provides CCEP with the mechanics and flexibility to return cash to shareholders by buying back shares and thus ultimately increasing shareholder value. Since the AGM, CCEP has continued to engage where appropriate with its shareholders to address any concerns they may have. The Company has also communicated with Institutional Shareholder Services on their standing policy to recommend a vote against a Rule 9 waiver which we believe may be influencing investor decisions in this regard. The Board maintains that the resolution remains in the best interest of all stakeholders and is comforted by the security of CCEP's governance arrangements in protecting the Company's position.

 Read more about our engagement with investors on page 62

Sol Daurella,
Chairman

15 March 2024