

# **CCEP Sustainability Webinar**

**30 April 2026**

*Good afternoon, everyone & thank you very much for joining us.*

*I'm Matt Sharff, Investor Relations Director here at CCEP & I'm joined this afternoon by our VP of Sustainability Joe Franses.*

*Before we get started a little bit of housekeeping.*

*This webinar is being recorded & will be made available on our website at the conclusion of the call.*

*We have a slide deck that will take around 25 minutes to run through before we open up for your questions.*

*To manage logistics your cameras and microphones are all disabled for the duration but you're able to ask any questions via the chat & we'd encourage you to do so. We do have a few which were submitted in advance & we'll start with those giving you a little time to submit others once the presentation concludes.*

*Finally, before I hand over to Joe, I'd just draw your attention to our forward-looking statement before the main set of slides. I won't read through that now – you can all do that at your leisure later on.*

*With that I'll hand over to Joe to kick off.*

*Over to you Joe.*

## **SLIDE 2 – INTRO**

*Thank you for joining us today.*

*Our intention will be to share an overview of our approach to sustainability.*

*And to demonstrate how sustainability supports business growth and value creation.*

*We've now fully integrated the Philippines into our plans and targets.*

*So we'll provide an update on the progress we are making, focused on what matters most to our business and to our stakeholders*

*Finally, we will share some of the actions we are taking to deliver against our targets and move faster where can.*

*All whilst continuing to navigate the challenging external context we find ourselves in.*

## **SLIDE 3**

*Let me begin with a quick reminder about our business.*

*CCEP is a €21bn business serving over 600m consumers, across 31 markets – spanning Europe, Australia, Pacific & South-East Asia (APS).*

*We have 85 manufacturing sites – with >90% of our products produced and consumed locally.*

*And in 2024 the Philippines joined the CCEP family as a result of the acquisition of CCBPI together with Aboitiz Equity Ventures.*

#### **SLIDE 4**

*Sustainability is now increasingly integrated into everything we do.*

*We serve the world's greatest brands, with 39,000 Great People, focusing on best in-market execution...and aiming to do all of that sustainably.*

*And we've embedded this into our day-to-day business through our group-wide sustainability action plan, This is Forward.*

#### **SLIDE 5**

*This is Forward was launched in 2017 and has evolved and grown as our business has changed.*

*In 2021, we updated our plan following the acquisition of Coca-Cola Amatil.*

*And last month we extended our plan once again, this time to incorporate the Philippines.*

*Throughout our journey, we have adopted a science-based approach. It's key to what we do.*

*We were one of the first 10 companies to set a science-based climate target in 2015, ahead of COP21 in Paris.*

*And I'm delighted that our most recent 2030 emissions reduction target, including the Philippines, has recently been validated by SBTi.*

#### **SLIDE 6**

*Throughout this journey, sustainability has helped to create significant value for our business.*

*Not only the benefit to our P&L - from the saving of energy & water and using less packaging.*

*But also through the long-term value creation we have been able to build with customers.*

*The brand love and consumer preference we have built through innovation.*

*And the strong employee engagement that is linked to our ongoing commitment to, and investment in sustainability.*

## **SLIDE 7**

*And we are making strong progress against our key environmental and social metrics.*

*By end of 2025 we had reduced our Scope 1,2,3 GHG emissions in absolute terms by 19% vs 2019 – whilst continuing to grow our business.*

*At group-level 46% of the PET we used to make plastic bottles was recycled PET in 2025 – reaching 64% in Europe and 22% in our APS markets.*

*Over 75% of the bottles and cans we sold in FY25 were collected for recycling.*

*And we continue to make strong progress on water - returning to nature the equivalent of over 100% of the water we used in all of our finished drinks.*

*And we do that through 50+ community based replenish projects.*

*And at 18 sites which experience the highest level of water risk – we go even further on water replenish - focusing not just on the water used in our finished drinks BUT on the total amount of water we use at each site.*

*Last year we returned to nature the equivalent of 56% of the total water used at these 18 sites.*

*And on communities we continue our focus on providing skills development opportunities across our markets – we have now supported over 146,000 people since 2023.*

## **SLIDE 8**

*We've updated our plan. And sharpened our focus on topics which are of greatest importance to our stakeholders and where we know we can make a significant difference.*

*Importantly, our long-term strategic direction remains unchanged.*

*Aiming to reach net-zero emissions by 2040. Focusing on the collection and recycling of our bottles and cans and on using recycled materials*

*Working to achieve long-term water security across our value chain. And strengthening and supporting our local communities.*

## **SLIDE 9**

*We now have six group-wide 2030 targets, all now include the Philippines.*

*Each target is supported by a comprehensive 2030 roadmap - ensuring our plan is credible, ambitious, focused on delivery and reflects the lessons we have learned.*

*On climate we have updated our 2030 target to reduce Scope 1, 2 and 3 emissions in absolute terms by 30% versus 2019 – this now includes the Philippines and integrates a new target for emissions from Forest, Land and Agriculture (FLAG).*

*On water we have retained our overall 100% water replenish target and added a target to replenish 85% of the water we use at our 18 high-risk locations (HRLs) by 2030 – 100% by 2035.*

*This aligns with TCCC's focus on over 200 HRLs across the Coca-Cola system.*

*Our target to collect and recycle the equivalent of 85% of the bottles and cans we sell now reflects the progress we anticipate making with collection partners across our markets and the complexities and challenges we face on collection and recycling.*

*On recycled plastic our group-wide target is for at least 30% of the PET we use to come from recycled plastic.*

*Whilst this is lower than 2025 (46%) – this now reflects the significant change we anticipate over the next five years, and the challenges we face in availability, access to recycled PET and the continued significant cost premium versus virgin PET.*

*On communities, our target also now incorporates the Philippines and reflects the scale of many different programmes and partnerships which support skills for work and employment, skills for local communities and for skills for business and entrepreneurs.*

## **SLIDE 10**

*Some of the things you won't see in our plan have now been embedded into our day-to-day.*

*This includes our continued focus on low and no calorie drinks, our focus on renewable electricity and our focus on water efficiency*

*All of which remain core enablers and metrics we will continue to track and report progress on an annual basis.*

Now let me go a little deeper on our four core topics – climate, packaging, water & nature and communities.

### **SLIDE 11**

*Climate change continues to be one of the most serious and complex challenges facing the world.*

*We recognise that everyone must play a part in cutting GHG emissions and supporting global efforts to limit global temperature increase in line with the Paris Climate Agreement.*

*Over the past decade we have built a strong understanding of GHG emissions across our value chain – using the GHG Protocol to guide our carbon accounting, reporting and disclosure.*

*Like many other businesses in our sector, ingredients and packaging account for 60-70% of emissions – with transport, manufacturing and our cold drinks equipment accounting for a much smaller segment of emissions.*

### **SLIDE 12**

*Looking at this another way – the vast majority of our emissions are Scope 3.*

*Including both upstream and downstream – ingredients, packaging, cold drink equipment, third party transportation and distribution, waste in our operations and business travel.*

*For those wanting more detail, we publish a full emissions breakdown in our Annual Report.*

### **SLIDE 13**

*So our climate strategy is focused what we have to do in order to reduce our value chain GHG emissions in line with climate science.*

*That means a dual focus on reducing emissions across our own operations and our value chain.*

*With supplier engagement to reduce Scope 3 emissions a core part of our strategy.*

*Aiming to move faster through our investments in low-carbon innovation and technology.*

## **SLIDE 14**

*This means continued focus on using renewable electricity in our own operations – 84% of the electricity we purchased in 2025 was from renewable sources – 100% in Europe, and nearly 67% in our APS markets.*

*It means focusing on reducing the carbon footprint of the packaging we use – for example, by using recycled content and by increasing collection and recycling.*

*And it means engaging directly with our suppliers - asking our 220 “carbon strategic suppliers” to set their own science-based targets – something that 58% have already done.*

## **SLIDE 15**

*We bring all of this together in our long-term climate transition roadmap and investment plan.*

*Which sets out our pathway to meeting our 2030 science-based target and our long-term journey to reaching Net Zero by 2040.*

*We had around 8.5m tonnes of CO<sub>2</sub>e within our 2019 carbon inventory baseline.*

*And we have already reduced Scope 1, 2 and 3 emissions in absolute terms by almost 19% versus 2019 – all whilst continuing to grow our business.*

*Our 2030 roadmap is supported by €385 million EUR investment in emissions reduction initiatives between 2025 and 2027.*

*And our ongoing commitment is demonstrated by the fact that carbon reduction has been included into our LTIP for the last six years.*

*Looking ahead we have identified a clear set of opportunities to continue to reduce emissions.*

*For Scope 1 & 2 this includes continued investment in energy efficiency, electrification and renewable electricity.*

*And for Scope 3 this includes a continued focus on packaging, energy efficiency within our cold drinks equipment and continued supplier engagement.*

## **SLIDE 16**

*On supplier engagement we work closely with Ecovadis to assess the sustainability performance of 450 strategic suppliers.*

*We offer training and capacity building via the cross-industry Supplier Leadership on Climate Transition (SLoCT) programme.*

*And we offer sustainability-linked supply chain finance, directly linked to our supplier's Ecovadis scores.*

*Having credible, accurate supplier Scope 3 data will also be critical to ensuring we can track the progress we are making.*

*So in addition to asking our 220 "carbon strategic suppliers" to set their own science-based targets we have also asked them to share their product carbon footprint information with us.*

*In 2025, we conducted a pilot with 15 suppliers, and we aim to expand this across more packaging and ingredients suppliers this year.*

*To support we are working with Altruistiq and others in TCCS to develop a dedicated platform via which suppliers can share product carbon footprint data with us, ensuring it conforms to global standards.*

### **SLIDE 17**

*I wanted to share a few of the ways in which our strategy is brought to life across our business.*

*At our Dongen manufacturing site in the Netherlands - which produces 85% of the drinks we sell in the Netherlands - we have installed two new electric boilers to replace their natural gas-powered predecessors.*

*The e-boilers are part of an innovative new 'Heat Grid' system that captures residual heat from across the site, which significantly reduces emissions.*

*And we are partnering with agriculture start-up Avalo, which is using pioneering AI-based technology to naturally select SEEDS that require less water, less fertiliser and help farmers grow crops more efficiently.*

*We will be working with Avalo to try and reduce the carbon footprint of the sugarcane we use, aiming to test the technology in Australia in 2027.*

### **SLIDE 18**

*Let me turn now to packaging where we have an important responsibility to help address the significant challenge caused by plastic waste at a global level.*

*We believe that none of our packaging should end up as litter. Collecting packaging for recycling, once it has been used, is critical to keeping plastic out of the environment and to facilitating a model where beverage packaging is collected and recycled.*

*So, our strategy is focused on increasing the collection and recycling of our bottles and cans, on using recycled materials in our packaging, on continuing to drive the recyclability of our packaging and on continued investment in refillable and dispensed solutions.*

### **SLIDE 19**

*I wanted to share an overview of our diverse packaging footprint – with over 44 billion individual units of packaging placed into our markets in 2025.*

*Of which over 17% (or 7.5 billion) were refillable bottles (PET plastic and glass).*

*Our fountain and dispensed equipment served nearly 4 billion drinks, based on 500ml servings – 9% of our total footprint.*

*And we have placed a significant focus in ensuring that over 99% of the primary packaging we put into the market is recyclable.*

### **SLIDE 20**

*Collection is at the heart of our strategy. We support packaging collection across all of our markets, working in partnership with national and local governments and stakeholders.*

*Enhancing collection and recycling infrastructure is often complex. Solutions vary by market.*

*In markets where collection infrastructure is well developed, like Europe and Australia, we support industry led and well-designed beverage packaging return schemes.*

*In markets where collection infrastructure and legislation are less developed, such as Indonesia, and the Pacific Islands we are committed to proactive voluntary action and aim to directly fund collection solutions to recover used beverage packaging.*

*On recycled PET we have long-standing rPET supply agreements in place across all our markets.*

*And we have invested directly in PET recycling JVs to turn post-consumer PET bottles into new food-grade recycled PET.*

*We also continue to invest in refillable packaging across our markets. In the Philippines, 100% of the glass we use is refillable and in Germany we have a well-established returnable glass and returnable PET business.*

*Since 2020, we've invested approximately €90 million EUR in refillable lines in Germany and France and have recently been piloting 1 litre refillable glass bottles in 300+ retail outlets in France.*

## **SLIDE 21**

*And our packaging strategy continues to be brought to life through our day to day.*

*In Germany, Iceland, Norway and Sweden, where deposit return schemes are in place, our collection rates were well above 80% in 2025.*

*Volta, the new DRS scheme in Portugal launched successfully at the beginning of April.*

*And we are on-track for the launch of a new DRS for beverage bottles and cans in Great Britain from October 2027.*

*We now have PET recycling JVs in place with Indorama in the Philippines, with Dynapack in Indonesia and with multiple industry partners in Australia.*

*All of which facilitated our use of over 150,000 tonnes of recycled PET in 2025 and enables the vast majority of our 500ml PET bottles in Europe to be made from 100% rPET.*

## **SLIDE 22**

*Turning now to water, which of course is core to our business – not only the main ingredient in our products, but also critical to our manufacturing processes and supply chain.*

*Climate change continues to exacerbate water stress and water scarcity in many parts of the world including where we manufacture our products and source our ingredients.*

*Our strategy is focused on delivering best-in-class water stewardship and water efficiency across our own operations, on enhancing water security at our 18 high-risk locations and on returning water to nature via our network of over 50 community-based water replenish projects.*

## **SLIDE 23**

*Our water strategy is informed by our detailed understanding and mapping of water risks, which we undertake with TCCC.*

*All of our production facilities have water risks assessed through an Enterprise Water Risk Assessment (EWRA) which uses the World Resources Institute's Aqueduct water risk tool.*

*We also complete Facility Water Vulnerability Assessments (FAWVAs) every three to five years,*

*And we have categorised 18 of our 85 production facilities as high-risk locations – meaning they experience the highest level of water-related risks.*

*At each of these sites we have set best-in-class water efficiency targets.*

*And by 2030, at an aggregate level, we are working to return at least 85% of the total water we use at these sites, to nature and communities – aiming to reach 100% by 2035.*

*We do this through community-based water replenish projects, which are managed through NGO partners and funded together with TCCC and TCCF.*

*Our replenish projects aim to improve the natural hydrology of local watersheds, or enhance agricultural water use, or provide access to water sanitation or hygiene (WASH).*

*Many of these projects also provide significant benefits to natural eco-systems.*

*And we calculate replenish benefits in line with the well-established and widely used Volumetric Water Benefit Accounting model.*

*In 2025, in collaboration with TCCC and TCCF, we replenished 23.6 million m3 of water – this represents 105% of our total sales volumes.*

*Whilst this currently exceeds our 2030 target, many of our existing replenish partnerships are due to come to the end of their 10-year cycle in the coming years.*

*So we will have more to do to retain this level of replenish performance in the future.*

## **SLIDE 24**

*To bring this to life - we are investing directly in projects which provide water, sanitation and hygiene (WASH) access in communities in Indonesia, the Philippines and Papua New Guinea.*

*And investing in projects which improve watershed health and agricultural water use in priority ingredient sourcing regions – including our partnership with WWF and TCCC in the Guadalquivir basin in Spain, supporting natural habitats, while helping farmers use water more efficiently.*

## **SLIDE 25**

*And finally I wanted to touch on our fourth pillar – our communities - with local production, local people and local customers very much at the heart of everything we do.*

*Our strategy is focused on supporting grassroots community partnerships, in supporting skills development and in enabling our employees to play an active part in their local communities through our 2-day volunteering policy.*

## **SLIDE 26**

*Through our Skills for Impact programme we are aiming to support over 500,000 people by 2030 to gain the skills they need – that includes skills for work, skills for businesses and skills to support local communities.*

*We have already supported 146,000 people over the last three years – through a wide variety of programmes and partnerships across our markets.*

## **SLIDE 27**

*For example, our GIRA Youth Programme in Spain promotes skills development for young people from disadvantaged backgrounds, helping them gain long-term employment.*

*In 2025, our 13<sup>th</sup> edition of the programme supported approximately 700 people.*

*And our partnership with UK Youth is helping 16-25-year-olds in GB to overcome barriers to employment.*

## **SLIDE 28**

*Across all of our pillars one core theme remains fundamental – the importance of partnership.*

*We cannot deliver what we need to, by working alone.*

*And that means working with customers to deliver sustainability-linked business plans.*

*It that means joining forces with industry partners to advocate for policy shifts on topics like energy transition and fair access to recycled PET.*

*And it means working with community partners to deliver long-term water, nature and skills benefits for our local communities.*

*And of course, it means working closely in partnership with our franchise partners – TCCC and Monster.*

## **SLIDE 29**

*And it also means investing in innovation and early-stage start-ups which could help to accelerate what we do.*

*Like our investment in Hot Green, which is providing ultra-efficient low carbon heat and steam for use in manufacturing, helping to contribute to long-term decarbonisation.*

*And CURE, which is aiming to turn hard-to-recycle plastic waste into virgin-like rPET and could unlock high-quality rPET from coloured and contaminated PET.*

*Like INOECH, which is aiming to convert ambient energy from the air into electricity for high-demand uses, like our cold drinks equipment.*

*And like Airhive, with whom we are exploring the use of Direct Air Capture technology.*

## **SLIDE 30**

*And so to close, a big thank you those that provide validation or recognition to demonstrate that whilst we still have much to do, we are headed in the right direction.*

## **SLIDE 30**

*And to come back to where I started.*

*Hopefully I have demonstrated how sustainability is fully embedded into the way we do business – every single day.*

*It is core to how we make, move and sell our products.*

*And whilst we undoubtedly have more to do - it is embedded into the way we think about the future.*

*Because there is no other way to grow our business, than to do so sustainably.*

## **Q&A Section**

**Matt Sharff**

Excellent. Thanks, Joe. Well, look, I think an obvious place to start would probably be on the thinking behind reducing the number of targets. Obviously, you've touched on that briefly, but particularly on collection and recycled plastic. What was the thinking behind changing them?

**Joe Franses**

So that's a good prompt, Matt. And so look, the headline is that our long-term strategic direction just doesn't change. And the updates that we made a few weeks ago really are about sharpening our focus, ensuring that the plan reflects the shape of the business that we have today. So we've included the Philippines, but also it's about updating the targets to give us really clear direction. And the targets reflect what we've learned. They reflect the progress that we are anticipating to make, but they also reflect those complexities, the challenges that we're facing. And so if you think about collection, for example, I mentioned before, our 85% collection target, the reality is the infrastructure really is different across markets. So our long-term strategic direction remains the same, but actually the pathways become quite complex. So hopefully the change, the updates that we've made really help to reflect some of that, the progress over the next five years.

**Matt Sharff**

Thanks, Joe. So perhaps we can now look at emissions, where we've obviously made good progress versus the baseline with a reduction of 19% since 2019. But the target is reduction of 30% by 2030. So with that in mind, how achievable is it then to reach net zero only 10 years later?

**Joe Franses**

We're hugely proud of the fact that we've reduced emissions, again, in absolute terms by 19% versus our 2019 baseline. And the critical bit is we've done that whilst we've grown the business. And I think that's really key. The other bit that I really want to stress is that all of our targets, and climate is no exception, all of our targets are underpinned by really clear, credible roadmaps. And I mentioned the investment that we're putting into decarbonization before. And those roadmaps really set out all of the main levers that we'll use to get us to that 30% reduction.

And look, reaching 2030, it will be a milestone, and we've got a lot to do to get there. But it also locks in the reductions we can deliver today through the actions that we know are possible. So it locks in renewable electricity, it locks in energy efficiency, it locks in the packaging changes.

*But also, it gives us real visibility on where the complex challenges actually are, particularly in scope 3. And we know that we're going to require much, much deeper collaboration with suppliers, more innovation, more collaboration.*

*So when we talk about net zero, whilst we've got loads to do, it's not a jump into the unknown. So I'm completely with you on the question. It's not going to be easy to get to 2040. But don't forget that the 2040 journey also depends, by the way, on significant change in the external world. So, for example, we are dependent on a faster transition to renewable electricity, particularly in our developing markets. We're going to be relying on continued decarbonization. We're going to be relying on continued electrification of transport, for example, and continued policy shifts away from fossil fuels. So not going to be easy. I can't pretend that we've got all of the answers, but I'm very confident that we're heading in the right direction for 2030.*

### **Matt Sharff**

*Good. And just following along from that, and we've had a few questions coming in on the chat. It would be really good to hear your thoughts on packaging, which is obviously a key contributor to our emissions, as you pointed out. The questions coming in are really asking about why we've set our target for rPET at 30% when we obviously exceeded that in 2025.*

*So how much of that is down to the inclusion of the Philippines? Are there other factors at play? I think you mentioned structural challenges. If you could go into them a little bit.*

### **Joe Franses**

*Yeah, look, it's a really fair question. And I mean, at the heart of the challenge is that the cost premium on recycled PET versus virgin has just has not reduced in the way that we would have expected it to. And so the premium we pay in many markets is currently not commercially viable. And that really means taking decisions against the backdrop of those difficult external conditions that we and the rest of the industry are facing. So it's why at a group level, our 2030 rPET target is lower than where we've been. But we really believe that the 2030 target of 30% is credible. We believe it's achievable across the whole business, not just in our developed or advanced markets. And really importantly, that target is a floor, not a ceiling. So looking at our ambition, that is to go beyond our 2030 target. And to get rPET to be competitively priced, we need a lot, we need to first of all deliver the deposit return schemes that I've referred to. We need policies that are going to help us get both the volume that we need back of our packaging, but also quality and fair access to recycled PET. And that's going to require a lot of investment. So it's definitely a challenge, but we're*

confident that the 30% is the right 2030 target based on the complexity that we see in the market.

**Matt Sharff**

Great. Thank you. I think probably a lot of people on the call will be interested to hear about the overlap of water and climate. And we have a couple of questions on that. Specifically, the risk of increasing water stress in Europe. You know, our climate disclosure, suggests this will have a high impact on the long term. So can you tell us a little bit more about that?

**Joe Franses**

Yeah, look, climate change and water risks are really closely linked and particularly in parts of Europe, actually, where rising temperatures and changing rainfall patterns are beginning to intensify water stress. We're working really hard not just to understand, but to address those risks. So the clear targets and investment plans that we've got in place protect both the resilience, the long term resilience of our business, but also aim to address and improve and enhance the health of local watersheds. And of course, we rely on those watersheds, but our communities also rely on those watersheds. So the principle of long-term water security is very much at the heart of what we do. So all of our manufacturing sites, for example, undergo those baseline water risk assessments. I mean, that really helps us to understand where we're going to see risk in the future.

Look, we've already experienced potential water restrictions due to drought in several of our markets. Authorities in France, Great Britain and Spain particularly raised the prospect of that. Now those restrictions didn't, in the end, affect our sites. But it's really important that we understand that all of our water work, whether it's our water efficiency targets, also our water replenishment projects, all of that helps in the long term to mitigate those regulatory risks and helps to lessen the potential water restrictions that we might see. We've also developed a water scarcity handbook based on the experience of those markets. And that handbook helps our local businesses to mitigate potential water scarcity impacts in the short term. And look over the long term, we're going to have to continue to prioritise all of those different investments and initiatives that are going to help to address and reduce both the water and the climate related risks we've identified.

**Matt Sharff**

*Just changing tack a little. How do sustainability considerations affect consumer trust and purchase behaviour for CCEP brands? And what does that mean, do you think, for where we focus investment and execution?*

**Joe Franses**

*Sustainability plays a really important role in building consumer trust and also long-term brand credibility, particularly on visible issues like packaging. And look, we know from all of our research that consumers increasingly expect brands to act responsibly. And where we do demonstrate progress, that supports trust and it builds brand strength and equity over time. But having said all of that, we're very aware of the gap between stated expectations and then, I guess, actual purchasing. Sustainability is rarely, if we're honest, the primary driver at the point of purchase, because factors like price or choice or taste are still key. And that is especially true in a challenging cost of living environment. But what's critical is that many of the different sustainability initiatives that matter most from an environmental standpoint also make strong business sense. So when you look at what genuinely reduces, for example, greenhouse gas emissions or helps us deliver sustainable packaging, for example, increasing recycled content, all of those areas, you often have the potential to reduce overall operating costs, particularly if you think about the P&L and energy and water savings. So on the whole, there are many cases where there's a sweet spot between reducing emissions, improving efficiency and strengthening financial performance.*

**Matt Sharff**

*So let's just go back into something more specific and probably relevant. We've recently seen the launch of a deposit return scheme in Portugal. That's just kicked off a couple of weeks ago and will be operational in the UK from October next year. So it'd be good to hear your views on DRS schemes generally, what our expectations are for collection rates and what, if any, impact we would expect on volumes?*

**Joe Franses**

*So look, I said before, we're really supportive of deposit return schemes in developed markets, provided they are well designed and they're industry led. And we know that in markets with DRS in place, you can get up to 90 or even 95% collection for PET bottles and cans. And that's critical. Not just from a recycling perspective, but also because it helps support, give us an increase the availability, for example, of high-quality recycled plastic that we can use back in our bottles.*

*And of course, it helps to reduce emissions as well. We've got, you mentioned Volta, the new deposit return scheme in Portugal that's gone live earlier this month. You would expect to see a ramp up period as systems bed in, but honestly, over time, our expectation is that well-designed schemes will significantly improve collection rates, heading up to that 80 to 90%. In terms of volume, evidence to-date suggests that deposit return schemes do not have a material long-term impact on demand. So consumers tend to adapt quickly and in established markets, DRS simply becomes part of normal purchasing behaviour. And we're really looking forward to seeing how they do in Portugal.*

*It's only been early days, it's only been four weeks that Volta has been operating and there's still about a month until bottlers are required to have fully compliant stock. So we're still in that transition period. So more to come on Portugal.*

### **Matt Sharff**

*Excellent. So just continuing, I suppose, along that theme, talking about packaging, we often get asked about refillables. We have a good sized refillables mix in Germany with reusable rPET. We've got glass in Spain and obviously the Philippines, where we have a lot of reusable glass. So what role do we expect refillables to play over the coming years?*

### **Joe Franses**

*Look, we believe in the right packaging for the right occasion. And I mean, you're absolutely right. We've got a well-established refillable glass business in many of our markets. I mentioned before, over 7.5 billion refillable bottles are being placed into the market which is about 17% of total units. And over 90% of the glass we use is refillable glass. We've got markets like Great Britain, for example, that are one-way glass, but the vast majority of our glass is refillable. I mentioned before the investment in those systems, so investing in refillable production. But at the same time, refillables are not a one-size-fits-all solution. So we use them where they make good economic, environmental and operational sense.*

*And it's worth noting that there's often a break-even when it comes to refillables because successful refillable schemes depend upon bottles coming back again and again and again and again. Coming back one time doesn't really help from an environmental perspective. And also, if bottles are transported over 250 kilometres, there's a bit of a break even point. So refillables are definitely not a one-size-fits-all solution. One thing that, alongside traditional refillables, we're also investing in is next generation digital dispensed equipment, and that allows consumers to enjoy drinks using, for example, refillable or sorry, reusable cups, refillable bottles. So we've got*

that as well as well as the traditional refillable glass. and in Germany, refillable PET as well.

### **Matt Sharff**

Great. So just moving away from packaging a little bit, we've just got a couple of questions on nature and biodiversity. So broadly, the question is how is CCEP developing and governing its nature and biodiversity strategy across disclosures, obviously including TNFD? and target setting like SBTN. And what's the expected scope and timeline for progress here?

### **Joe Franses**

It's a good alphabet soup there, Matt. Look, it's an emerging area for us. And the majority of the nature related impacts that we see actually are directly linked to our water use. I'll go back a couple of years. In 2024, we carried out our very first nature and biodiversity risk assessment. We did that across our value chain in line with the SBTN methodology. And that helped us to get, I guess, a first handle on identifying our impacts. And also helped us to understand really where we are dependent on ecosystem services. But it also helped us practise where we might need to start to act. The work also really helped to inform our double materiality assessment. We published that in our annual report.

And biodiversity and ecosystems is one of those topics that we flagged as material. Last year we followed that up with a second nature and biodiversity assessment and that was in line with the task force for nature related financial disclosures. We're still completing, we're just at the very end of that assessment and now we're working to think about how we align our disclosure in the future linked to both the ESRS, the European Sustainability Reporting Standards, and of course that's linked to TNFD. So we've got a bit more work to do. I think that work is going to continue in 2026. But what we're really doing now is working to identify where in the value chain is that most acute interaction with nature, really understand those interdependencies and also where the opportunities are. But most of those relate to water.

And I mentioned before, Matt, in terms of the water replenish projects, many of those water replenish projects actually provide significant benefits to nature, particularly those that are providing direct nature-based solutions. So if you think about water restoration, it's not just restoring a local river, but it also has significant benefit on local biodiversity. And of course, that varies project by project. Worth also stating, I mentioned right at the beginning,

*I'm really pleased that our updated climate target includes both a forest, land and agriculture target, so a FLAG target. But as part of that, there's also a deforestation commitment in there. And for our key commodities, that means pulp and paper packaging and also coffee.*

*So we're looking at nature. I think we've got a lot more to do. So probably want to continue to monitor and look out for in the next year.*

**Matt Sharff**

*Very good. Thank you. We've had one more that was just submitted earlier. We've got time for a couple more questions. There's one I'd like to finish on. But before we get to that one. Where have you deliberately chosen not to invest in relation to sustainability? Which I think is a great question. And how do you how do you make those trade-offs?*

**Joe Franses**

*That's a great question. I guess like the rest of our business, every sustainability initiative is assessed because we look at impact, we look at feasibility, we look at cost, and we look at deliverability. So, can we do this? And where we've reduced spend or chosen, I guess, chosen not to invest is typically in areas where we know that maybe the environmental benefit is marginal or where the economics don't stack up, or where we know solutions are maybe not scalable at the moment across our business. And you see that reflecting, for example, in some of the targets that we've updated. And look, recycled PET is a really good example. In some markets, we're really well advanced. But in others, the availability and really significantly the cost of high quality recycled PET just remains a constraint and we're not able to lean into it in the way that we'd like to. So in that instance, that's why we've perhaps taken a more measured approach.*

*Ultimately I think there's always a bit of a trade off. So it's a bit of a trade off between credibility and the return we get. And frankly, I'd rather as a business, we focus our investment and time on initiatives that we know we can deliver a significant environmental impact. We know we can deliver and we know we can drive long term value for the business. And that we don't overextend into areas that don't quite make the right sense. So I don't know if that answers the question, but that's kind of where we're thinking.*

**Matt Sharff**

*Well, look, just before we wrap up, there's one other which I think is a good question to end on. So, you know, you've been through what success looks like, I guess purely*

*from a sustainability perspective, you know, in this is forward by 2030. But what would success look like from a commercial perspective?*

**Joe Franses**

*Well, it's about bringing the two together, I guess, as a summary. But look, from a commercial perspective, I guess it's a business that is more resilient. It's a business that is more efficient, better positioned for long term growth. And probably if you think about our cost base, it's probably a lower cost base when you think about things like energy or packaging or water. If we get this right, we will certainly reduce our exposure to some of the volatility that we're seeing. It will reinforce our supply chain, but it also means probably a business that has greater operational flexibility. So it means that as a business, we're going to be able to, I guess, secure our licence to win or our licence to operate far, far longer.*

*And look, from a brand perspective, I mentioned before, success is about supporting long-term brand trust. And look, overall, by 2030, when you look at This is Forward, If we get it right, it will have helped us to create a resilient and competitive business. It will have delivered significant value. It will have positioned us for the decade ahead, but it will also have hit all of those key environmental and social indicators that I've referred to. But at the same time, Matt, we're also the first to recognise that we've got a long way to go to deliver those roadmaps. So I'm counting on the partnerships that I referred to before.*

**Matt Sharff**

*Excellent. Well, Joe, thank you very much for your time and thank you, everyone. We appreciate your participation. If you did ask a question that we haven't managed to cover, we'll be sure to e-mail you a response.*

*Should you have any other sustainability related questions or indeed sort of broader strategy related questions that you'd like to engage on, please do reach out to me or any of the IR team.*

*Wishing you all a lovely evening and weekend when we get there.*

*Thank you very everyone.*