



Coca-Cola Europacific Partners - Capital Markets Day
May 14, 2025

Corporate Speakers:

- Sarah Willett; Coca-Cola Europacific Partners; VP Investor Relations
- Sol Daurella; Coca-Cola Europacific Partners; Chair
- Damian Gammell; Coca-Cola Europacific Partners; Chief Executive Officer
- Stephen Lusk; Coca-Cola Europacific Partners; Chief Commercial Officer
- Yianne Burac; Coca-Cola Europacific Partners; Director Group Alcohol
- Tony Del Rosario; Coca-Cola Europacific Partners; VP Franchise Operations Philippines & Indonesia
- Xavi Selga; Coca-Cola Europacific Partners; MD Indonesia
- Wimam Limandibrata; Coca-Cola Europacific Partners; Director Field Sales Indonesia
- Triya Helianny; Coca-Cola Europacific Partners; Director P&C Indonesia
- Gareth McGeown; Coca-Cola Europacific Partners; MD Philippines
- Chris Pesigan; Coca-Cola Europacific Partners; VP Commercial Philippines
- April Apsay; Coca-Cola Europacific Partners; Director Commercial Philippines
- Ed Walker; Coca-Cola Europacific Partners; Chief Financial Officer
- Peter West; Coca-Cola Europacific Partners; General Manager APS

Participants:

- Sanjeet Aujla; UBS; Analyst
- Mitch Collett; Deutsche Bank; Analyst
- Lauren Lieberman; Barclays; Analyst
- Eric Serotta; Morgan Stanley; Analyst
- Nadine Sarwat; Bernstein; Analyst
- Simon Hales; Citi; Analyst
- Gen Cross; BNP Paribas Exane; Analyst
- Andrea Pistacchi; Bank of America; Analyst

PRESENTATION

Sarah Willett^ Right. So welcome, everybody. Very quick check on our forward-looking statements, and I'll move on to much more exciting things, which is mabuhay. Is that how you say that right? More or less? You can say it after me. Mabuhay.

Okay, excellent. So your first word, if you didn't know any already in Filipino, that's a welcome. So welcome to Manila. Welcome to the Philippines. To the iconic Jeepney. And I learned a little bit. This originates from surplus American military Jeeps post-World War II that were then elongated to form the iconic public transport that you see in Manila today. Now, I won't say exactly how, because there are a few surprises for later. But that's going to feature at some other point during the course of today. Okay?

So last time we did a capital markets event, it was in London, so late 2022. And it was dark, very, very wet, and very cold. Now, slightly different here. So much brighter, much drier for

now. We'll see what happens later. And as the Filipinos say, it is quite warm. Okay? So we expect that to continue. Make sure you wear your badges. You'll have seen this as well, this sort of device. It's with a sustainability hat. You can turn it into, post-event, into a luggage tag. So we'll leave that with you. And on the back of your badges, the badges that you use to access the building today, there's a QR code. I know most of you have downloaded that to have a look at-- well, you're here, basically. So that was part of the instructions. And that's dynamic. So it's going to change during the course of the event. And we'll give you the nod on when that happens.

Now, there's no fire alarm planned for today. Unfortunately, if there is one, we're on the 27th floor. So you'll have to walk down 27 flights of stairs. So let's hope that doesn't happen. There's Wi-Fi code on the tables. Obviously, put your phones on to silent. And then we are now not live webcasting - there's quite a few breaks and some breakouts happening. You can see here, presentations and breakouts. Breakouts won't be recorded. And obviously, the product sampling won't be recorded, which we'll do during the break and also into this evening as well.

But basically, the slides are now on our website. There'll be an RNS that goes out at 7 AM UK time as well. But basically, the recording will be available on the website later on today. So without further ado, these are the people that you're going to be meeting over the course of the event. And then I'll pass on to a video. And straight after that, we'll invite Sol up, first on the Who You'll Meet this week, if you haven't met her already. But Sol will be coming up to do an intro, our chair.

(Video Presentation)

Welcome to Manila – Sol Daurella

Sol Daurella^ So good morning and thank you to all of those have traveled as far as Manila and are joining us in person, as well as all of those who will be joining us online. It is terribly exciting for CCEP to be hosting you here in the Philippines, a dynamic, vibrant and fast growing country, which has turned out to be a great market for CCEP. I'm sure that you will share our excitement at the end of these couple of days when you get to know our business and our people here.

The Philippines has been one of the great milestones in CCEP's journey. And together with the acquisition of Coca-Cola Amatil, has given us an extended footprint and created a more diverse and robust business. We now have a great combination of established and developing markets. Many of you have been with us in this journey since 2016, but in fact, the history of CCEP goes back much, much further. For me, it all started with my grandfather who opened the first Coca-Cola bottler in Spain in the 1950s. But curiously enough, the legacy of the business in CCEP dates back to 1912. And in fact, with the Philippines, which was the first country to sell Coca-Cola outside the Americas. And this brings us to where we are today. We are one of the world's leading consumer goods companies. Many of you will know us from some of our most famous brands such as Coca-Cola, Fanta, Sprite, or Monster. But we also



have local favorites in our portfolio and products in exciting categories, such as coffee and alcohol ready to drink.

We make, move and sell some of the world's most loved brands to refresh 600 million consumers across our 31 markets. We are now a global company, but still with a very local footprint, employing 41,000 people to serve nearly 4 billion unit cases to 4 million customers. Indeed, an amazing history and legacy, which brings with it a great responsibility as we look into the future of this great company. We combine great brands, great people, and great execution in the market to refresh our consumers and create value for our customers. And this we do in the most sustainable way possible.

Our strategy aims to deliver sustainable revenue and profit growth for our business and for our shareholders. At the same time, we provide support to the communities where we live and work in. And we grow. We grow with our people. We grow with our partners. We grow with our customers and all stakeholders.

We have a strong track record of investing in the business, in the key areas of the business. And this has provided a strong platform for growth today and into the future. And all this we do in close alignment with our strategic partners, the Coca-Cola Company and other brand partners. Believe me when I tell you, as chair and together with our board, that we are still really excited about the future and excited about the next phase of growth in CCEP. And we will be talking a lot about this today and tomorrow.

So now I would like to pass on to Damian, who has been key in our success and has been so successfully leading this company. So I pass on to Damian to start with our growth conversations.

Thank you.

Introduction - Damian Gammell

Damian Gammell^ Thank you. Thank you, Sol. Good morning, everybody. And thank you for being here with us. It's going to be a great couple of days. I'd like to just start by thanking everybody who's made it happen in case I forget by the end. So a lot of people behind the scenes have got us to where we are today. So big, big thank you. I'd also like to just go back to Sol's chart. A lot of you have been with us since the beginning of CCEP in 2016. I'm sure if I gave everybody a dollar and said, by 2025, we'd be having a capital markets day in Manila, I'm not sure how many people would have put the bet on. So I think it's been a fantastic journey. It's not over. In some ways I feel, and I know Sol and the board do, that we're just at the beginning and entering probably the most exciting phase of CCEP. And really that's what we want to talk to you about today and tomorrow, is really how we see us accelerating growth across CCEP in the mid and into the long term.

It is going to be very growth focused. So in advance, you're going to hear from the Coca-Cola company. So Tony, thank you for joining us. He's going to talk about our exciting consumer platforms in Indonesia and in the Philippines. Originally, we were trying to do the impossible



and have a dual location days between Jakarta and Manila. For those of us who came here from Jakarta, it was a good decision not to try that. But we believe we've got a fantastic story in Indonesia. Unfulfilled, but a great story. And Xavi and his team are here to talk about that. So two big growth stories from Philippines, Indonesia, and then we're going to really take the time to articulate why we're so excited about our growth agenda in Europe, Australia and New Zealand and other markets.

So Stephen will talk you through the brand plans and how we see growth being unlocked inside our core business and outside of that. You're also going to hear from Yoanne on what is a category we're super excited about. Some of you tasted last night, it's our alcohol ready to drink. And then you're going to hear from Laia who really wraps tech around our strategy and really how do we get more leverage out of our growth strategy in terms of top line, accelerated growth and better margin on the bottom line. And all of this comes at a cost which we're well aware of. So you're also going to hear from Jose Antonio and Ed on how we're funding that growth agenda because as we all know in our business, nothing is free. So you got to work hard, you got to invest ahead of the curve and to do that, you got to continue to be more productive and that's part of our story at CCEP.

So a full agenda, I just thought I'd recap on where we are as a company, what we're really proud to do. I'm really proud to be the CEO of this business. Today I'm really telling the story on behalf of the 41,000 colleagues that make, move and sell the best brands. As Sol mentioned, we've had a very simple strategy at CCEP, combine the best brands in the world with the best people and pretty much everything else looks after itself.

We've very similar ways of working across our markets and I suppose what I hope you'll feel in the Philippines, particularly tomorrow, is the passion from Gareth on the team around growth, customer, front line execution and taking those brands to the next level, store by store or sari store by sari store as it is in the Philippines.

So we're talking really about winning today. We had a chat about some hedge funds last night over dinner. So winning today was a very good first quarter. We're having a good second quarter. We've reiterated our guidance for this year so we are winning today. But really what we're focusing on as well is creating tomorrow. And on this slide, it just gives you a sense what gives us confidence about the guidance and the direction of the business for the mid to long term. Great track record. I'll touch on that a bit later and so will Ed. Most importantly, when you see some of the information from Stephen, you'll get an understanding of strategically how well we're positioned. And what I mean by that is we're in the right categories that are growing and profitable. We've got relevant share in those categories so we've got pricing power and we've got scale in terms of supply chain and particularly our front line sales force that really is unmatched. So we're very well positioned. And most recently, we're very well positioned geographically.

So we've taken the strength of CCEP out of Europe, originally into Amatil and Indonesia and now into the Philippines. I'll talk a little bit later about Australia. Peter West is with us. Most of you know Peter. He's been the architect of the turnaround of our Amatil business since we acquired and we're really, really pleased with that.



We are scaling across multiple capabilities. That's really what you'll hear from Laia and Jose Antonio. We are obviously driving multi-year investment plans, both from a capital perspective, but most importantly, behind our brands with the Coca-Cola company. And we're very, very committed to make sure we are a great story in terms of generating above market average return to our shareholders, particularly in terms of EPS.

So today, we're reaffirming our guidance. I got lots of questions on this last night. It's really going to be a big surprise, a big reveal. We're pretty happy with our guidance. We believe particularly that top line guidance of four on revenue and seven on profit is sustainable. It's achievable on a multi-year basis. It provides the framework for us to invest in our business, to make this a multi-year story. But we are also committed to 4 MORE. So you're going to hear a lot about that today. So when we talk about 4 MORE, it's obviously as a baseline securing that 4% revenue growth that drives that 7% profit growth, that supports that free cash flow, that drives that nice EPS.

But what I think you will get a feeling for today, there's definitely 4 MORE out there. And when we look at our guidance, it reflects a number of things. It certainly reflects stronger momentum in a way from home in Europe. We see that coming through. We talked about that in Q1. It does reflect a slower than expected trajectory in Indonesia. You'll hear about that from Xavi. It certainly reflects ongoing productivity delivery. We have a great track record in taking waste out of business. That's included. It doesn't fully reflect ARTD yet. So when you hear from Yoanne, that's a category we're learning. We're just getting into. We're having a lot of success in it. But clearly, we felt it was a bit early to roll that into our guidance yet. And clearly, it reflects the great business of the Philippines and the momentum and the potential that you're going to hear from Gareth later. So we do talk a lot about 4 MORE as a leadership team with the Coca-Cola company, with Monster. Obviously, that gives us the benefit of shoring up our 4%, which gives us confidence in that guidance, but also unlocks the opportunity for us to excel and over-deliver, particularly as we look at some of the great brand plans and some of the technology initiatives that we're bringing to CCEP.

So not everything is where we'd like it to be. So we are going to share with you today some areas that we feel, as we look forward, we want to unlock faster growth on. The first one is we need bolder moves on Coke Classic and Diet Coke. We've started already in Europe. We've had This Is My Taste campaign on Diet Coke and GB. It's working. It's early days. But if you look at our numbers in GB, from a volume perspective, Diet Coke has been the biggest drag on our volume growth for a number of years. So that's now in play. We're also bringing more exciting innovation to Coke Classic. So Coke Classic has been a great brand in terms of pricing per case and revenue growth. It hasn't been a brand that has delivered volume growth. And as we look at the future, getting Coke Classic back to volume growth is a massive opportunity. And it's too big of an opportunity not to go after.

We've already started to Share a Coke. You'll see here, it's all over all of our markets. And then also, we're bringing flavour innovation back to Coke Classic. So that great flavour innovation that has worked on Coke Zero is now being reflected on Coke Classic. You'll also



see in Stephen's presentation a number of package innovations on Coke Classic-- 500 ml can, an 850 ml PET. So net, net, you're just going to see a lot more excitement around brand Coke.

The second area that's positive, and we see it, is on the back of interest rates coming down, inflation slowing, a bit more consumer confidence, we do see away from home looking more positive, particularly in Europe. We've seen that in Q1. And we expect that to continue through the summer. That is a great tailwind for our business. It's been something that has slowed us down. If you look over the last two years, year on year, we've had a great year in retail. We've beaten our targets in retail. We've just been really held back by a more benign away from home environment. It has traditionally grown in revenue. And we've benefited from that. But now we see it starting to come back. And we want to see volume growth coming back and away from home.

I mentioned on a number of our calls, particularly on our year end call, we're being very, very pointed in investing in away from home and making that market turn. So we're not being passive. Record cooler placements this year, more DME, more TME, and a lot of the brand initiatives that you hear from Stephen sit right in the away from home space. So as that market turns, we've been gaining share. We've about a two to three point share gain in those channels. So we believe we'll benefit even more from that channel going forward.

Sports and tea you'll hear about, super exciting categories. Better portfolio options, we'll hear about alcohol a little bit later. Bigger role for the Philippines and the Pacific Islands. Indonesia, Xavi will talk about the transformation. And you'll hear a lot and a lot about technology and digital across the CCEP family today and tomorrow.

So where does that leave us? I talked about a strong track record and foundation for growth. So Sol showed the timeline going back now to 1912. So it's great. We're getting even older as we go forward. But I just thought I'd bring it into a little bit more nearer term. So back when a lot of you joined us back in 2016, yeah, interesting time back then. If I look back to where Europe was, how people felt about Europe, the probability of success combining Germany, a great Iberian business, with a struggling CCE business. We were \$11 billion in revenue, \$16 billion in market cap, and clearly a lot has changed. So fundamentally, a very different business. More profitable, more diverse, strategically much more relevant to our partners, the Coca-Cola company, Monster, and much more relevant to our customers.

So now in Europe, when you go to our big retailers, home or away from home, the sparkling category is seen as a category that grows, that creates value, that drives traffic. And that's a very different position to where it was back in 2016. So a great history. And then for our shareholders, always our most important, TSR of 160%. As you know, we're in a program to buy back a billion of our own shares. So we've already returned \$7 billion. And a very, very nice EPS CAGR over 9%, so well ahead of our peer group.

And clearly, as you guys do really well, if you model the guidance that we're sharing today, that's a story that is going to continue over the next period at CCEP. M&A has been a big driver of our value, but we've enjoyed a lot of organic value creation.



We're obviously a proven integrator. I think we've demonstrated to our shareholders, to our employees, to the Coke Company, to our customers, that when we get a business, we take care of it, we integrate it well, we respect what's great about that business, and we bring a CCEP way of working to it. We're ready and able to do more. Ed will talk about our balance sheet and our debt profile. So we're in a great place when you look at our cash situation. Obviously, we've got a board that supports M&A, so we're intensely curious about what could become available, where could we go next with the CCEP story. And that's really built on performance. And if you perform, you earn, I think, the right to sit with the Coca-Cola company and at least explore opportunities.

Suffice to say, in my previous call, it's probably not something we see in the near term. And that's just a reflection of opportunity. That can change. We're now sitting in Manila. That probably wasn't on our list. Six months or a year beforehand, so things can move quickly in the Coca-Cola company or the system. But candidly, today, we think over the next two to three years, it'll really be more about doubling down on what is a great footprint already, unleashing the potential of the Philippines, Indonesia, getting that quality top line growth really robust in Europe, returning cash to our shareholders, and being really prepared if that M&A opportunity comes up that we can act.

I also had a lot of questions on markets that we're not touching on today or tomorrow. So Australia's probably been a great example of our M&A pedigree and a market that I think has unlocked massive value for our customers in Australia, but also for CCEP. As I said, any more insights required, Peter's with us for the whole time. But when we bought that business, there was a lot of questions on what are you going to do? It doesn't seem to be really performing. It's been a struggling business for quite a while. We had a clear game plan. And you can read it here. You can read the results in terms of share, some of the actions we've taken in terms of promo. But really, it was realigning our brands with the Coca-Cola company.

So we were very purposeful, saying it doesn't really help to be a bottler if you've got brands that compete with the Coke Company. Generally, not a good path to success. Quickly moved those over to the Coke Company, turned around our flavour portfolio, and over 860 basis points a share. So simple decision, well executed, and it delivered. We're also taking out, again, a lot of productivity. So we knew that leveraging our shared services. Originally in Bulgaria, but now, as you'll hear from Ed, we've shared services in Manila. So that's allowed us to move from what is a high operating cost environment in Australia to a lower and more flexible cost environment. And critically, we've made our customers happy. So we continue to drive value for them, deliver better service. So a great M&A story.

Another one that we haven't talked about too much is our Pacific Islands business. This starts to become material in our results now at CCEP. Really fast growing, profitable, and very diverse. And again, benefiting from ownership within CCEP. We're investing behind growth in PNG. We're seeing case growth in PNG, high teens into the 20s. It was really held back by lack of capacity. We've been able to unlock that. We see great operating margins. So in these businesses, you get scale, you get share, you generate good operating margins. And we see it growing ahead of the group in terms of its full year operating growth levels and profits.



So don't talk a lot about the islands. But as Peter will tell you, and I've recently been in Fiji, I'm heading to PNG. Super exciting markets, leading growth, leading profit, and good demographics. So a bigger play against that forum more as we go forward at CCEP.

We're not spending a lot of time today looking at the macro environment. I think everybody in this room probably knows it maybe even better than we do. So what's happening with volatility, oil prices, the president in Saudi Arabia, multiple different events globally. Well, we just wanted to reflect that as we've built our plans, clearly we've taken into account not just the macroeconomic, political, but also what's happening with consumers across our markets, and most importantly, our customers, as we look to grow with them into the future.

So what's the opportunity? So Stephen's going to talk about this in more granular detail. But as we sit today, we look at about \$170 billion of retail value opportunity spread across our markets. So it's a big, big pool of revenue for CCEP. It's diverse. So unlike most CPG companies, 45% of our revenues are outside of retail. And clearly, if away from home slows a bit, we feel it. But when you look at it over a multi-year, it gives us much more diversity. It's where we build brands, better margin structure for our retailers. So we're quite different in that we've got that 50%, 55% sitting in classical retail, which we love and we do well in. And we've got the balance in the fragmented trade, which we think for long-term margin and brand building is a great mix.

So that leads us to growth with our consumers, number one, with our customers. We'll talk about growing with our people at CCEP, a critical part of our formula, and then obviously with our partners and our shareholders.

So what are the drivers of growth as we look at the next three to five years at CCEP? One area that we've got better, particularly with the Coca-Cola company and Manolo, is we're much clearer about where we can grow, what we can grow, and how we can grow. So today, we've got unrivaled insights on our consumers, on our shoppers, what's happening by channel, day part occasion. And that provides wonderful insights that brings us to matching those insights with the best brands. Very simply, we then bring those brands to market with the largest sales force and what we believe is the most capable key account organisation. That drives accelerated value for us and our customers, and we do it sustainably to make sure we do what's right for the planet and for a topic that all of our customers and consumers increasingly are getting more passionate about.

So growth with our consumers. This is a slide, I'm sure a lot of you are at CAGNY. It's a big opportunity view slide, so it takes our share of all beverages. So clearly in Europe, if you just look at the share, it's about 9%, it drops to five. Clearly the biggest delta is non-commercial, which is massive in our emerging markets. And we know over time with middle class, as the economies grow, that non-commercial element will shrink as commercial beverages grow. And then obviously within cold beverages and within any RTD, if you looked at our share, we'd be closer to 25 to 30%. You know, and that's probably the number you're most familiar with, and within sparkling, we're pretty much around 50 to 60%. But if you take a big view of all beverages, which is what James outlined at CAGNY, there's still a massive amount of



opportunity, both in developed and in emerging markets going forward. We have the brands to unlock that opportunity.

This slide always amazes me when I just look at the stable of brands that we get from our great partnerships with the Coke Company and also with Monster. You'll see a little bit later how we're looking at brands coming out of the US, maybe like Body Armor. We're looking at some of the probiotic beverages that are making a lot of noise in the market. You know, the great news is we've got access to all those brands to just validate, are they right for the Philippines? Will they work in Germany? You know, are we happy to bring them to Europe? But across the need states that come from the insights I talked about, we really have the brands that we need to unlock that quality, top-line profitable growth. It's really around making the right choice and making sure we've got the money to invest for success.

You know, it's a competitive industry we operate within, so we acknowledge when we bring a new brand to market, you've got to stay patient, you've got to invest behind it multi-year, and that's what we're doing, and I'll talk a little bit about that later. But a great, great brand beverage portfolio.

(Video Presentation)

Damian Gammell[^] So as you can imagine, with the stable of brands from the Coca-Cola company, and the innovation they're bringing, combined with the stable of brands from Monster and the innovation they're bringing, we've got amazing choices of brands to bring to market to accelerate that growth at 4 MORE. So as we think about that growth, obviously it's all about our customers for us at CCEP. So taking those great brands, bringing them to market, you know, and that comes through the largest sales force, over 12,000 frontline salespeople. We're generating more value for our retailers. I just saw the numbers this morning from Q1. So we're still the leading value creator across all categories.

So that gives us a great seat at the table as we talk about these exciting ideas. 4 million customers, and on the back of a very integrated supply chain, we continue to serve them really well. And our case fill rates are between 97 and 98%. So we don't like losing any cases. So when we talk to our customers, because clearly we know they're at the heart of everything we do, we link into their passion points. And we really want to understand on a multi-year level, are we connecting with their growth agenda? And this gives you a flavour of the topics that we're working on together. Probably the area that's getting more and more exciting is connecting our insights and data with theirs.

So getting store level information, EPOS information, and translating that into store by store activation plans. And Laia will talk a lot about that later. From retail media, all the way through to the shelf. Clearly they share our passion on sustainability. So when we talk to all of our big customers, they've made a CO2 commitment, they've made a packaging commitment, and they really want to work with suppliers that are leading that for them. So that's something CCEP can be proud of. And it's also about online. So about 12% of our business now is online. That continues to grow. For sure it's slowed down a little bit. In recent years, it took a massive spike during the pandemic, but it continues both in a way from home and at home to be a key



channel for us and for our customers. One topic I just wanted to talk a little bit about is our sales force. And this is a passion point of mine. As I look at the future and the role of the sales force at CCEP, we just concluded a piece of work with BCG around the sales force of the future. And really the objective was to put ourselves 10 years out and think about what the way the world is changing in terms of technology, AI, what's going to be the role for the 12,000 frontline people at CCEP.

We still believe they're our core competitive advantage in terms of customer relations, driving execution, being close to the market. So we wanted to take a step back and say, let's reinvent the frontline sales force at CCEP. And this is what it kind of looks like top line. So we know our customers expect 24/7 access on a device or a tool of their choosing. It can be via WhatsApp, it can be through a portal, it can still be through a telephone call. I know that might surprise people, but we have a lot of customers, particularly in Europe when we ask them, other than a face-to-face conversation, what method do you like the most? And still a lot of them say a phone call. I'm sure you can guess the countries that index on the phone calls more than anybody else, but it's still an important part of their day. Maybe they like being interrupted. Maybe their family don't talk to them, they want to talk to someone. But phone still comes out when we look at that 24/7 as a key tool, but clearly it's moving much more online and much more digital.

What we're going to see in the future is our business developer will have a digital buddy. And the digital buddy will be always on. And think of it as an avatar online, an avatar on your phone, wherever you want to make contact, and that'll basically mirror our sales rep. And that buddy will do a lot of work for our sales rep behind the scene in terms of administration. So driving productivity, driving time and market. It'll also, and Laia will talk to it later, produce individual outlet specific recommendations for growth. So it'll feed off a whole network of information, internal and external, apply it to the outlet where the sales rep is about to visit in terms of its segmentation, its profile, what type of consumers are there, what type of outlet is it, what type of food are they serving, and apply a tailor-made growth plan for that outlet.

And we think that's game changing. So it's segmentation at a very different level. We've been very good at segmentation at a channel level. Now we're moving to segmentation at a store level. And it'll be through a combination of our physical sales force, his or her digital buddy, and an integrated engine that combines internal and external data and feeds that through to the sales rep at real time online. It's one of the most exciting technology projects we've taken at CCEP. It's very, very new. We're rolling it out in Europe, but ultimately it'll cover all of our sales force across all of our markets. And we truly believe it's going to be a game changer in terms of that 4 MORE, by getting every case opportunity at every outlet. The other element it'll do, it will identify outlets we're not calling on. So by scraping across platforms like Google, or Just Eat, or OpenTable, it'll drop down, it'll go into the menus of all the outlets on those platforms, and it'll tell us via the menu, who's not selling a Coke, who's not selling a Fanta, who's not selling a Monster. It'll then take that back up, and it'll provide a list of outlets for a sales rep to visit that we know are not selling our beverages, but are selling food, or are open.

So very intuitive, real time learning, and we believe both from a productivity perspective, but most importantly from a growth perspective, it will support that forum more objective as we go



forward. So more to come, it's something we'll talk to you about going forward, but really, really exciting for all of us, and particularly for our sales force.

I just want to close off on a couple of other areas that are important for us at CCEP. Obviously we talked about our people, high engagement score, very diverse workforce, lots of different nationalities now, but as we talk a lot, it is really about best brands with the best people. We take that very seriously at CCEP as we do diversity. -

(Video Presentation)

Damian Gammell^ So that's important because we believe we've got to grow capability ahead of opportunity. And that's something our board supports. We invest a lot every year in growing talent. One specific example, we've just closed off an executive program with London Business School. Myself and all of our team attended, our directors attended. 500 of our executives spent a week together in London and Singapore on campus. And really, we use that platform to talk about strategy, to bother the leadership for growth, and to bring the strategy CCEP to life. So we're now cascading it with the London Business School to 3,500 employees. And the first cascade started yesterday in Spain. So a tangible example about when we talk about the importance of people, we really invest behind that. And as I said, we want to make sure that the capability at CCEP grows faster or grows ahead of the opportunity.

So growth with our partners, I talked a lot about our shareholder return. Clearly, we support a lot of suppliers, and we're a key growth engine for Monster and for the Coca-Cola Company. We want to do it sustainably. This is forward has been our journey on our CO2 reduction. We remain committed to that to 2030. The Philippines has folded into that commitment, and we continue to make progress in terms of recognition, but also in terms of our CO2 reduction targets.

It's not all about investment. There's a lot of cost that comes out when you look at sustainability. So when we look at the initiatives that reduce CO2, they generally reduce op-ex. So I speak to a lot of investors, particularly in the US, and when you talk about ESG, they tend to feel, "Oh, this is going to cost us. "This is going to cost you guys money. "It's a drag on earnings." It's not. If you look at what really takes out most CO2, it's packaging, good for the P&L. It's logistics and wasted truck hours and fuel, good for the P&L. It's RPET, so reusing, it's good for the P&L. So we clearly see a nice sweet spot between reducing our carbon footprint, which is good for us, good for our suppliers, good for our employees, and the P&L. And we continue to validate all of our ESG goals, not just against that CO2 emission, but also against supporting earnings on the bottom line.

It's fair to say we haven't quite clicked the consumer yet. So we also believe over time, a lot of the elements will resonate to brand value and the brand love. That's happening, but I think everybody would accept it's a little bit slower on the back of some of the cost of living pressures than we'd like. But it'll come. Consumers will prefer brands that do a better job for the environment, for sure. Some do already, and more are going to follow. But it's good for the P&L in the short term.

We're not trying to solve some of those problems alone. We have a very exciting ventures group. I keep saying the head of ventures is the best job in the company. Craig gets to meet with lots of very eccentric people. He gets to spend time in university. He meets with startups. He meets with lots of crazy people, but who've got really crazy ideas. And some of those are really valuable for the future. So one of them, which is Airhive, is extracting CO₂. I'm sure you've all heard that this technology has been trialed. We're the first bottler to do it. So our factory in Barcelona will have a CO₂ extraction plant going live this year. And that will obviously allow us to use that in manufacturing and in production. So it's not just about putting out less CO₂. We believe there's really smart ways with technology to extract CO₂, use it in the business, and you get a benefit on both sides. We're also using our ventures to look at agriculture, more sustainable sugar, particularly for markets like the Philippines, and also on the energy side. So can we generate greener energy?

So fascinating part of our business, small group, five or six people, number of pilots with Stanford, University of Swansea. So we're also connecting into universities. So we try and get the pre-PhD ideas. And then we're dealing with the crazy entrepreneurs who dropped out of university, are going to save the world. And the frustrating thing is when you meet them, you know probably one of them is going to do something and be worth a fortune. But great people to engage with.

So we are now more connected internally and externally. We are going through a systems rebuild. So we are moving, as I'm sure you've heard, lots of companies are, to S/4HANA. That's a big move for us because we've never really been truly integrated. As you've heard, we're a business of mergers. So I think today, Ed, we've got five platforms. We manage them efficiently today, but ultimately there's a limitation. We're putting them all onto S/4HANA. That's going to drive a lot of productivity, both in terms of cost, but also a lot better decision-making. And Ed's going to touch on that a bit later. But we're moving all the way through to what I spoke about, that really, really exciting front-end platform. So none of this comes without a cost. So I'm sure lots of you sit through presentations about growth, growth expectations. We expect to grow four. We want to grow more. And we are very realistic that that's going to come with investment. So when we look at that investment, we are fully funded on price and promo. As you know, we've been investing in affordability for a couple of years now, really coming out of the pandemic. The magic in that is to use it smarter. And I'm going to let Laia talk about how that fully funded program is not going to go up in terms of Euro value, but we're going to get more value out of our Euros. We've already taken our CapEx up. We've guided from four to five. Ed will touch on that. It's a big amount of money. A lot of it's going into this wonderful market, but that's in our guidance. So we feel that CapEx level is good for the next few years. Candidly, we'd expect it then to come down. As we get through the SAP transition, as we get through some of the big projects like the Greenfield in the Philippines, like our big building in Paris, which we just visited, we expect it to come down probably in the midterm. And we have a commitment with the Coke Company to grow our consumer marketing ahead of revenue.

And that's really important because when you hear from Stephen shortly, there's a number of really exciting brands that we believe we can bring to our markets, but it's recognizing that we need to obviously invest behind them.



Some of the numbers are big. We've over 800 million invested in our supply chain and coolers. We spend 300 million Euros a year on trade marketing. So that's in store. That's bringing that activation to life store by store. And a big number that we've built up over the last five years is about 200 million in tech, in the liaise area, analytics, and innovation. So a lot of investment. Where does it come from? It comes from being much more productive. So we have a good track record of taking costs out of our business. That's a journey that we continue to be on. And today we've guided the 350 million to 400 million of productivity savings. And that's critically important to fuel that growth, support the 4 MORE, and deliver that 7% on the bottom line. And you'll hear a little bit more where's the next level of savings coming from.

So I'll close with two slides. One on our guidance. So hopefully no surprise. We're really committed to that 4% & 7%, 1.7 billion of free cash flow. It's all about the four. It's 4 MORE. That's the engine of our business. If we grow faster, we'll generate a better operating income level and more free cash flow. We know that. It's about maintaining a healthy level of CapEx for the future. A very healthy dividend policy at 50%. Net debt levels that are back a year earlier than we expected. Ed will touch on that later.

And then obviously that cash flow gives us a lot of optionality, whether that's on future M&A or near term returning cash to shareholders as we're doing with that 1 billion in '25. So I've left you with a big picture of where we are. Great track record. Reiterating our guidance. By the end of today and by tomorrow, I believe you'll see and get even more excited about the growth opportunities at CCEP, not just in the Philippines, not just in Indonesia, but across all of our markets. It's built on a multi-year investment plan. So we're very pragmatic about what we need to grow this business, whether that's in TME, DME and CapEx. And I think what's really different now is a couple of commitments with the company around brands like Classic and Diet. And what you'll see throughout the day is finally getting leverage out of our technology that will not only support the top line, but will drive that productivity as well.

So a lot to come. We're going to move straight over to the growth agenda. No surprise. And I'll hand over to Stephen. So thank you and look forward to talking to you later in the day. Thank you.

Winning Today & Creating Tomorrow – Stephen Lusk

Stephen Lusk^ Thank you, Damian. And it's great to be here again. Stephen Lusk, I'm Chief Commercial Officer. I'm great to see so many of you here back again that we're in London. I'm going to start, as Damian says, on the growth agenda and share with you the exciting 4 MORE. And we're going to talk about our growth and leading markets. I'm going to share how we're looking at the consumer, the consumer-led and occasion needs opportunities. We're going to deep dive in our portfolio strategy. I'm going to have Yoanne join me to talk about ARTD. And then I'm really going to get into how we focus on delivering the execution of what we believe will be 4 MORE and how we do that great every day.

So why don't I start by talking about the markets, as Damian said. So it's large. It's growing at 3% to 4%. It's important for our customers, as Damian said. NARTD is the largest in retail of any of the CPG categories. It enables us, with our customers, to fuel growth and drive growth



for the future. With the diversity that you see across Away From Home, across a number of channels, that creates more value than anyone else. And we believe also that it's going to enable us for the future to have sustainable growth. When we get into the categories, as Damian has said, we're very excited about the categories growing and us growing ahead of that. And it is our plans that with three to 4%, we want to obviously grow 4 MORE. You'll see 30% is around about our NARTD category share. And we highlight opportunities where we believe there's still a lot of growth, whether that be in energy or in tea or even within sparkling, as I'll talk.

But outside of our sparkling business, we know there's going to be a great opportunity to continue to grow. And as we'll see, in ARTD, there's a 15 share. And that's going to be very different between Europe and Australia and New Zealand, where the category's much more developed. And then you have coffee and our hot coffee business and ready to drink, where we're going to share our longer term strategies and how we see that growing.

So great industry, great contribution. And I think what we continue to do better than anybody else is being able to use our insight and enable the brands and the portfolio to connect with all the relevant occasions across the needs 24/7. We're doing that by having better insights, as Damian has said, with our consumers, by knowing the occasions even better and going after those occasions that we believe make the biggest difference. And that enables us to really target with our portfolio, with the company and Monster, where we need to create and where the opportunity for growth is.

We know that it's expandable. We know that it's impulsive. And we know that we'll create growth by just executing better. And this is really the emphasis that we put to be able to win with our customers and also give us that confidence that four will also be more. And that's set in a very simple strategy. And when we were in London, we talked about the what, the where and the how. We make choices on the categories that we play by the profit pool analysis. It enables us to decide where with the Coke Company and Monster, we really want to grow and where we believe margin growth comes from.

We then take that and we look at it by channel, at our profit to serve opportunities and by customer at our profit pool analysis. That enables us to make choiceful decisions on where we go faster. What's new in the last two years is we're getting much more precise on the 4 MOREs because we believe we can grow by getting more people to buy our products, households, more penetration, by getting more volume per transaction, by getting people more often and by doing that through our RMGM capability by creating more value. More to come on this as I share how we bring that to life digitally enabled and through all of our strategies of what great execution is for CCEP.

But let me talk about when it's all about creating more volume and more value, let me start with our portfolio. So, Damian said we will want to and need to create more value with Coke Original Taste and with Coke Zero. You'll see us with the Coke Company continue to invest in Coke Original Taste on new creative campaigns, on new uplift and breaks and bringing a new edge to Coke Original Taste that you haven't seen. Tony actually will talk about this and how



this is coming to life in Asia. But in Australia and Europe you're going to see us with the company coming through with new campaigns.

Secondly, you're going to see us continue to invest in the zeros. GB, Germany and Australia, we're just launching This Is My Taste. It's something that's very different for Diet Coke. We believe that we need to play alongside Coke Zero with Diet Coke in those markets to compete and win and have a larger share of the zero category. And with flavour extensions, which we haven't been doing on Coke Original Taste, we're now bringing that in. And on the zeros, we're obviously investing in Zero Zero, where Spain, one of our biggest markets, and we believe this will be a game changer for older households and also for younger households. So lots to be done on Coke and Coke Zero and more to be done, we believe, that will help us grow.

Flavours. Flavours is now the third biggest category in any RTD, head-to-head with energy. If you take colas and lights and discounting water, flavours is the third biggest category in any RTD. It is the area with which we believe we have the biggest growth, whether that be globally or locally. Even when you look at the reformulations of superior product on every market in Fanta and Sprite, you look at the new Zero range that we've launched in every market, zeros are only 10% to 15% of the category, whereas in colas it's nearly 50%. You look at the rainbow effect of all the innovation that's coming, and you look at the opportunity with which consumers, young and middle, are drinking more and more flavours, then the opportunity, we believe, is huge.

And with the 35 share, we know that this is one of those areas. Let me use this bucket hat as an example, and you're wondering why I've got a bucket hat.

In the Philippines last year, if you collected nine caps, you got a three Coke, three flavours, and three Sprite, you got to win a bucket hat. And we had 600,000 consumers basically queuing up and getting bucket hats through a simple promotion on flavours. And you'll see it tomorrow, it's now running on something new. But again, we believe there is so much headroom for growth on flavours, and another great way that we've brought it to life through with our consumers. So cola, Coke, and flavours are two key parts of our portfolio that, yes, is large and sparkling, that will drive growth.

But Damian's also talked about sports, tea, and energy. And let's talk about sports. Sports is growing faster and faster as consumers look for something more than boring water. And this is where we see a huge opportunity. Driven by Australia, per caps in Europe are lower. Australian per caps are lower than U.S. and Mexico. We see a substantial opportunity for growth. In the last three years, Germany has doubled the business in sport each year with Powerade. With winning innovation, with bold packaging changes, we've just launched a Powerade can in Germany. We're just launching a large PET for the single serve. And with great investment behind clear passion points in sport, we believe this is the next big category play that you will see us moving faster. A septic investment with which supply chain will lead also supports this. So another great area outside of sparkling that we believe will enable us to drive 4 MORE growth.



Tea. Since we have taken the tea business from Nestea to Fuze, we've doubled the business every three to four years. The success of Fuze has enabled us to drive a challenger mentality. Although it says we have 10 or 11% value, driven by a lower share in a big market in Indonesia, our European markets are anywhere from Spain at over 50 and the other markets at over 25. A huge opportunity, we believe, for more consumer health oriented Fuze, whether that be black tea, green tea or sparkling tea. Our Fuze transition and Nestea to Fuze in Spain is ahead of plan and going very well. And we believe it's another area of more growth that will be clear to support that accelerated growth that we know.

Now, many of you ask about energy, and I'm going to do a deep dive here on a bit more educative on energy. Energy remains a critical part of our growth. It is one of the, if not fastest growing categories for the past number of years. If you look at where energy has come from the 60 year olds that were drinking it back as the pioneers, all the way today to the embracers, there is year after year a category that continues to evolve and develop and get bigger. On average, if you look across the category, over 40% or about 40% of the energy drinkers in our markets are female. We have a better idea of who those fans are with more occasions. We see it continuing to grow significantly at a faster pace than anything else in any RTD, driven by a fantastic low and no calorie business that we have with Ultra. And you see as the facts show, Monster continues to grow faster than any other energy brand, driving more than 70%. And now in some of our markets like Spain or Portugal, we have taken market leadership on energy. So more to come. Why? Household penetration on energy is lower in Europe than the US. Even though soft drinks is very similar. Australia is lower again and then you look to markets like Philippines, it's even lower. So we believe there is significant headroom for growth.

Two out of three households still have not tried energy. So therefore we know there is significant penetration. Secondly, our distribution in a way from home is not as advanced as in home. So we see the continuation of everywhere there's a Coke, there will be in the future a Monster. We also see that many more local and innovations will continue to come. If you look at two of our innovations this year, Peachy Keen and Bad Apple in Europe, it was a top 10 innovation. And if you look at Strawberry Dreams in Australia, it was a top five. Having more occasions like having Burger King or QSR with an energy and having more multi-pack variants, like we see driving more household penetration, will enable that further growth.

Lastly, we believe that geography opportunity with markets like Philippines and placing more coolers than ever, will drive more volume than ever and sustainable growth. So we believe it is very bright for the future of energy. And what better way to bring it to life than in a Monster video.

(Video Presentation)

Stephen Lusk^ So I don't know what it says that Damian gets to present the Coke video and I get the Monster one between the two of us. You saw the last one there Predator, we're going to hear from Gareth a little bit later as we've entered into the market in the Philippines. And about how excited we are.

Yoanne's going to come up now and share with us in a second about ARTD and the excitement we have for that category. Damian touched on it. We are privileged at CCEP to sit at the table with the company and continue to review the opportunities that we see. Whether it be in protein and having conversations what and where we should go with protein across our markets. Or whether that be body armor or even prebiotic sodas. So those are ongoing conversations and I'm sure when we're ready with the company there'll be more to come on what we want to do and where. Again all driven by the opportunity we see in profit and the ability and capability to win in those markets.

Let me touch on coffee and ready to drink coffee and hot coffee and where we are on that. Because it's something I think we've been working on and enabling us to talk about that. So coffee, we've a business that many of you probably don't know is Grinders in Australia and New Zealand. It's the number two coffee brand. It's available both in hot and in retail and it's doing extremely well. It's very profitable and it's growing and it's very innovative. And that's obviously within the Australia and New Zealand business. We then have the cost of business that with the Coke Company we've ambitions and we've decided to use hot coffee in away from home. We've looked at a number of markets where we've looked very clearly at where we can see an ambition and a capability to win. Both in countries and also in a way from home with customers.

And then we have the ready to drink business where we've agreed with the Coke Company to focus on GB. We have the brand and where we're coming with significant investment, significant innovation as we see. Moving from cans into PET, moving into new products and moving into a new way of marketing. And this is where we want to prove the success knowing that there is a lot bigger opportunity on ready to drink coffee. But again with the company Manolo and ourselves doubling down. So that's really to give you an overview on coffee. Much longer trajectory we believe and a bigger opportunity and a bigger coffee market. But let's talk about exciting ARTD. So, Yoanne, please onto the stage and over to you.

ARTD : Winning in an Exciting New Category – Yoanne Burac

Yoanne Burac^ Thank you, Stephen. Good morning, everyone. My name is Yoanne Burac and I'm the alcohol ready to drink lead at group level. So I'm delighted to be here with you to share about how we are building this new revenue and profitability stream at CCEP and why we believe ARTD is a strong strategic opportunity for the future. So the way people are drinking alcohol is changing fundamentally. Today's consumers and especially younger generation like millennials, Gen Z, they want product that fits their lifestyle. Easy to drink, easy to share, easy to love. So they value authenticity, convenience, experience, taste. And this is exactly where ARTD is coming.

So ARTD is not just alcohol in a can. It's a light, refreshing, convenient experience ready to be enjoyed anytime, anywhere. And as you know, we are a consumer-led organisation. So I just would like to share with you some insight. When it comes to taste, flavour is the first driver to purchase ARTD. 81% of younger generation, millennials, Gen Z, they are more likely to choose and to buy a brand in a social event experience. And 60% of the purchase of ARTD are made in store. And 40% are consumed the same day of the purchase, often straight from



the coolers. So that means ARTD really in line with all the consumers' needs by offering variety, great taste experience, and more convenience. But to bring this to life, let's have a look on the trends on these slides. Traditional alcoholic segments like wine, beer, spirit, they are flight or declining. Why ARTD stand out? Gaining traction consistently, significantly. That means something. It's not just a short-term trend. Growth is coming from both mainstream bar, festivals, and also retail store. There is a significant shift in how people choose to drink alcohol.

And at CCEP, ARTD already represent a 9 billion business in RSV across our markets. And as Stephen said, we have two different type of countries. So we have market like Australia, New Zealand, where the category is already well established and still growing at a moderate pace. And we have also emerging markets like Europe and the Philippines, where the category is still smaller inside, but growth is high single digit and potential is massive. That gives us the best of both worlds. So we have solid foundation with a share that you can see in each market and also huge room to grow. So the question is not if the shift will happen or when it will happen. The real question is who can lead it.

For brewers, ARTD tends to be cannibalistic. For spirit players, ARTD can be margin dilutive. But for a company like CCEP, the story is completely different. ARTD build on our strength. It's highly synergistic, purely incremental. So this allow us to grow without compromising our soft drink portfolio. And we have a strong competitive edge. The partnership with the Coca-Cola company and maybe Monster in Time allow us to have access to fantastic brands and distinctive concepts like Jack Daniels and Coca-Cola, Absolute Vodka and Sprite, or more recently Bacardi and Coca-Cola. So the best brands mixture to combine with the world best spirit brands. And at CCEP, we also know how to build beverages category. Our supply chain can scale fast and efficiently. And last but not least, we have a field sales execution, our customer relationship and also our route to market capabilities are world class.

So let me give you an example. If we take Australia, which is one of the most ARTD global markets, we spend 18 years building expertise. So we work closely with our local colleagues there to understand what drives success. And here what we found. If you want to scale this category, you need to bring people in. You need to recruit consumers by working on mental and physical awareness. And that means five key principles. The first one is launching meaningful, distinctive, silent innovation without any compromise on taste. The second is creating memorable drinking moment for consumers through festivals, a sport event, all the big event that we can have. The third one is mimicking beer as we are preempting the same consumption occasion. And I think about the pack architecture. For example, in Australia, we move from single can to a multi-pack market. The fourth one is making the product available and visible in store, and especially during key selling periods like summertime and end of the year.

And last but not least is making it available cold. As far we know from Australia, cold gets sold. And this formula works. In Australia, today we are a solid number two with 21% of value share.

As you all know, we are now transitioning into a new portfolio in Australia and New Zealand in partnership with the Coca-Cola company. We are conscious that it will be a multi-year



transition, but we are also confident in our ability to secure our leading position in those markets. In February this year, the Coca-Cola company acquired Billson, a strategic move for long-term growth. And in H2 this year, we are going to scale Bacardi and Coca-Cola in Australia. So a lot of exciting projects to come with future great development. And you will have the opportunity to taste some of those products tonight during the tasting session, so I'm really looking forward to getting your feedback.

And of course, we know what's working in Australia won't copy paste into Europe or Philippines, but the fundamentals do. By replicating the winning formula from Australia and leveraging local insight, we've already seen great results. And I just would like to share with you a very recent one. So in GB last year -- last week, sorry, we just signed a five-year partnership with the Wembley Stadium in London. So that means we are going to have a whole ARTD portfolio across all the bars during all the music and sport events in Wembley. So it's a fantastic achievement like we did in Australia. So as I say, we are already seeing great progress. And in the market where we operate in Europe, we reach 4% of market share after only two years with only two products.

And in the Philippines, we also see great momentum with brand like Lemon Dou. So as you can see, we are not shaping a trend. We are building a business. Consumer behavior are shifting. The momentum is real. And we only see growth will accelerate from here. We have the brand. We have distinctive concepts. We have the capability. And most importantly, we have a clear road map for sustainable and profitable growth. But we are also humble about the journey. We know it will take time and consistency. But we are ambitious. And we are ready. So when ARTD, which is scaled globally, CCEP will be really ready to lead and ready to win. But rather than just tell you, I would like to show you what this looks like in action. So let's have a look on the video to show you how we are driving the category growth across Europe. And then I pass over to Stephen for execution. Thank you.

(Video Presentation)

Great Execution Every Day – Stephen Lusk

Stephen Lusk^ Thank you, Yoanne.

Another great example of why we're very clear that the 4 MORE is capable and doable and on plan. Let me now jump and talk about execution. We really have been able to build the capability to win and have the right plans. And to do that as a bottler, it's all about executing. And as Damian has said, with our customers, this is where it really starts.

We have a very clear agenda that's been built over a number of years that enables us to start with our customers working on the category backwards with a vision. We then take that into multi-year customer plans. We then take that and make sure that each account plan can be customized. It enables us to take it through to execution and be able to make sure that we can then measure and win that. To be able to do that, you need to be able to be great at that. We believe this is one of our biggest competitive advantages. We create the most retail value growth, as Damian says, for any CPG of all of our customers. And we've been recognized year



after year, and 2024 was the best year ever, being number one or two in 93% of all of our markets by our customers.

So it is critical to how we build that not only with our key accounts, but we believe this is a winning formula with the rest of our business as well. And that's where we're going with being able to do that. And to do that, we're introducing, as Damian talked about, the 4 MOREs on more than 4%, but the 4 MOREs on our strategic opportunity.

And this is really the job that we want to do as a bottler better than anybody else. To enable us with each of the categories, with each of the customers, and each of the channels, to be able to sell to more people by increasing the penetration of our brands, to be able to drive more incidence. Let me give you a number. On average, our brands are bought between four and five times out of 100 in baskets. One more basket across all of our CCEP markets is the equivalent of six billion of RSV growth. Just getting into one more basket. Driving incidence and away from home. Our incidence and away from home is at between eight and nine percent. One more incidence point is worth half a billion of RSV growth. This is why it is so critical that getting people more often to buy our brands.

When they're buying our brands more often, what we want is more volume. And when you get more volume, we enable to create more value. And we do that through our RGM capability. So what better way to show you than how we're bringing it to life. Now I know there's a lot on here, and I'm not going to cover everything. But to enable us to show we're really focused with the Coke Company and with Monster, on every time we want to drive households, that we do it digitally, that we do it end to end, pre, shop, and post, that we enable us to do it through our platforms digitally, and that we look at a new way of working with the Coke Company.

A great test that we've just done, Laia will cover later, on the end to end value that we see on the way of working with the company. Secondly, we know more often the opportunity to purchase. And if it's occasion based, we know that there's a three and a half times more chance than if it's brand only. And to be able to do that, we see our field sales force and key accounts doing that better than anyone else for the occasions. More volume, and we've talked about this since the last two years, it is very important that we grow our volume per transaction. And we see that being able to understand which shoppers are better than any other, whether that be families with kids, or those seeking value. Discounters becomes a critical growth. Over 40% of the next five years of retail growth will be driven by discounters. Since 2018, CCEP has grown our volume with discounters over 25%. We know how to win with discounters, and we know how to win in the future.

And last but not least, the examples we bring of small packs and revenue and premiumization. Since we took over the business in Amatil with Peter, in Australia we've taken our percentage of small, high-value premium margin packs in retail from 15% to over 35%. If you go to Belgium, it's at over 45%. So we know how to drive revenue growth margin with our customers. And being able to do that, we need to be able to also do it in a way from home. When Damian says that 45% of our business isn't away from home, we know that away from home will continue to play a significant role.



We have changed from looking at HORECA to BARECA, because bars, restaurants, and cafes, we believe, is going to be more relevant to what we need to do. We're intentionally investing with social and driving other types of media in many of our countries, like Spain or GB, where we know there is a way to drive traffic with our customers. When we get the customers into the outlet, we're doing a much better job of linking to socializing with alcohol or with food or on the go in quick service. And being able to do that enables us to drive more volume. There is also the way in which we're converting customers, whether it be Fullers from blue to red, or Alsea in Spain from blue to red. And this is another way that we continuously look to win with our customers.

And last but not least, it's all about driving that value. And that value in a way from home is either on the go or with returnable glass bottle. And being able to do that, we've talked about also increasing our investment. And what better way to do that whenever we talk about that is by looking at investing more in coolers. CCEP is going to, over the next five years, invest the biggest amount of coolers that we've ever done in our past 10 years of being. Those coolers are going to be more iconic. They're going to be more connected. They're going to be more energy efficient. And of course, they're also going to be more innovative.

I've got a video for you. And in that video, you're also going to see one of what we think is going to be a new disruptive idea on Coke and Go. In Australia, we've just launched Coke and Go as a way in which we believe we can disrupt the vending business. It's innovative. It's connected. It's showing 30% to 50% growth. It's 30% lower operating cost. It's digitally telemetry and with all the imagery. We believe this is going to be a game changer, and we're starting to roll that.

But what better way to talk about equipment and innovation and what it's going to mean to our 4 MORE journey than running the video.

(Video Presentation)

Stephen Lusk^ So another clear example, I believe, of the 4 MORE on the top line because we believe this is going to be another area of not only for today, but for tomorrow as we look at the innovation agenda. Being able to do that, we also have a muscle that we believe is game changing and more capable than anyone else, and that's a revenue and margin growth management. We've talked, obviously, as we've come out of the pandemic about our ability to pivot on managing affordability, understanding value and what it means with our customers. We've just launched an 850 ml PET for smaller households in Germany, in one of our biggest markets. We've looked at markets like GB and others where extra free and extra fill becomes a way in the cost of living crisis to manage, again, the discount, but also the promo investment.

We're doing a continued great job of building premiumization and learning how, whether it be with minis and cans or minis and PET in Australia, how we can build that capability as well as you've heard investing in RGB in some of our markets.

And later, Laia is going to talk about our capability to take data, insights, technology and tools to manage our pricing and promo investment, the ability to make that work harder, and the way

in which we do that through our customer strategies. Because as Damian says, we're fully funded, and now it's about making better use through insights and through understanding better our shoppers than anyone else. There is another more when it comes to the 4 MORE, and that's more online. We're better set up than anyone in the industry with our online business and our B2B portal, one of the biggest in the industry, with, as Damian said, 12% to 13% of online in retail, with working with the best and being category captain in this area with e-commerce or food service aggregators. And for many of our markets that are indirect, building wholesaler and cash and carry capability where we build their online ability with others. So this is another example where we believe our digital capabilities will enable us and more insight to come from Laia later. Let me finish by saying that we believe that the growth opportunities remain to be great. We have a great opportunity for more growth in many of our categories.

We know with cola, we know with flavours, and we know with the opportunity in sport, tea, and energy, we have great categories with well-invested. We know that the portfolio meets what our consumer needs, and we know that the opportunities are clear with our customer capability, and more importantly, our ability to drive 4 MORE for the future.

With that, I hope that gives you a great confidence in the ability of us to drive more than 4%, as what Damian was sharing earlier. And now I believe we're going to a break.

(BREAK)

Damian Gammell[^] Okay. So a very efficient break. We plan to finish as close on time as we can, but I'm sure as you can appreciate we've got a lot of really rich content that we want to share with you. Just want to reiterate, we're very comfortable with our guidance of 4, 7, and 1.7 billion in free cash flow. Included in that are two great markets that I think demonstrate the diversification of CCEP. Obviously, the one we're in, the Philippines, and then obviously Indonesia, which as we've talked about and as Xavi will talk about, is super exciting, but has been a mixed bag since we took over that business, and you'll hear a little bit more about that.

So on that note, I'd like to hand over to Tony. Tony is a great partner for CCEP. He'll explain a little bit about his background, but it's been a big bonus for us that the company have combined Indonesia and Philippines under one leadership from a franchise in consumer marketing, because while they're quite different, we see a lot of commonalities in the journey. So to hear a bit more about that, Tony, we're all yours.

Intro to South East Asia from TCCC – Tony Del Rosario

Tony Del Rosario[^] Thank you. Thank you, Damian. So good morning. Mabuhay. Welcome to the Philippines, my home country. I hope you have a great few days here in Manila. Allow me to introduce myself. I'm Tony Del Rosario. I'm the VP of Franchise Operations for Philippines and Indonesia for the Coca-Cola Company. Been with the company for 28 years in different leadership roles across Southeast Asia, including Singapore, Malaysia, Thailand, Vietnam, Cambodia, the Philippines, and now Indonesia. And my learnings over those 28 years is that we succeed when we act local, when we're agile, and when we think long-term in a system



approach. And I'm really, really looking forward to leveraging those learnings and bringing what we've done here in the Philippines into Indonesia over the next coming years.

So we're building a portfolio, a huge portfolio of powerful brands in both the Philippines and Indonesia. And we're doing that to offer choice to our consumers and to fulfill their consumer needs. And at the heart of each of these brands is the consumer, the local consumer. In the Philippines, it is about extending our leadership. We have a very strong array of sparkling brands led by brand Coke, Sprite, Coke, followed by Fanta, and then, of course, tea. Tea is a huge category in Indonesia, and we have a lot of work to do there still and more to come in the coming months and years.

We're very clear on our priorities in both countries. We have a focused kind of marketing and innovation agenda. Here you see a sampling of the different campaigns we've already done this year. Brand Coke is critical for our growth and for recruitment. And as we speak, and you'll see in the market here in the Philippines today and also executing Indonesia, our global iconic Share a Coke campaign. And in just a couple of weeks, we've already reached many, many millions of consumers in both markets. As Stephen said also earlier, we're investing in Coke Zero in both the Philippines and Indonesia.

Winning with flavours is key, and it is about building scale, building scale here in the Philippines, but in particular in Indonesia where Sprite and Fanta are our largest brands. In Ramadan this year, we launched Fanta Fruit Punch, an in-and-out flavour, did extremely well in Indonesia. Here in the Philippines, and Stephen mentioned it earlier, we had our biggest consumer promo, the Royal Collect-and-Win. Collect nine caps, you get a great merchandising hat, 600,000 redemptions of hats already during the promo period. We are growing stills. We're innovating. And in the Philippines, we've been focused on Minute Maid juice over the last couple of years with Minute Maid NutriPlus, and we've been growing double digit over the last couple of years. And in Indonesia, we launched Frestea Markisa, which is passion fruit, last year, and it's done extremely well for us.

Lastly, here in the Philippines, we've launched in January this year Absolut Sprite, and this now nicely complements our Jack and Coke and our Lemon Dou that's also been doing extremely well over the last couple of years. And this is allowing us to capture those premium drinking occasions.

Whatever we do, all the marketing that we have, we do in a very local way and with the consumer in mind. In the Philippines, our focus continues to be about recruitment and driving per capita consumption. Super important, and we're doing that because in the Philippines, it's a very young population. 57% of the consumer is below 30 years old, and 40% of the consumer is below 20 years old. So recruitment is absolutely key. And we do that by winning with Gen Zs, and we do it winning with Gen Zs in their passion points of music, food, and dance. We're in year nine of our Coke Studio music platform, and what we do is we create festivals, concerts. We create music with up-and-coming bands, and we engage consumers throughout the year. Over 360 million consumers engaged last year alone.



We also launched last year our Foodmarks. It was also referenced by Stephen, which is our food platform in over 5,000 outlets. And with Royal, for the first time ever, we did a national dance competition. Filipinos love to sing and dance. Don't worry, I'm not going to do that today for you.

But trust me, Gen Zs love to dance. They love to sing. Now, we back this up with culturally relevant iconic campaigns. So, for example, Christmas. Coke Christmas. In the Philippines, Christmas starts on September 1. I'm pretty sure it's the longest Christmas around the globe. And we had the first ever drone and light show. So picture this. A red Coke truck across the sky and with Santa on it.

Secondly, we're in summer. It's super hot. So we activate summer in the Philippines. We do that with Sprite in our beaches. We're activating 60 beaches as we speak all across the country. We also excite our consumers with innovation. And we're doing that by expanding our portfolio of flavours and likewise our Zeros line. All in all, we're doing great in the Philippines. We're meeting our KPIs and we're growing the business.

In Indonesia, it's about revitalizing our brands, particularly with sparkling. We've done a lot of different things over the last couple of years. Now, it's super important to go hyper local in Indonesia. And we are starting on that journey, creating unique and personalized consumer experiences. We're creating clear occasions for when to drink and why to drink. And we're communicating that in the Bahasa language in a very local way so Gen Zs can relate to it. We're doing that with digital channels. TikTok Indonesia is the second largest market for TikTok in the world. And here we use TikTok a lot and we're growing 80% in terms of impressions.

Now, we integrate that above the line marketing at the ground level with below the line programs. And we're doing that with consumers, activating consumers in hot spots across the country, particularly universities. And we're also doing that in the retail trade.

Lastly, we are focused on selective innovations. And we're doing that in a much bigger and bolder way when we get into it. To close, in both the Philippines and Indonesia, we're building that full portfolio of powerful brands. And we're doing it in a way where we're marketing at the very local level with the consumer in mind and in a focused and disciplined manner.

Thank you very much. And I will now pass over to Xavi.

Indonesia: Exciting Long-Term Opportunity – Xavi Selga

Xavi Selga^ Hello, hello. Good morning, everyone. Super great to be here. Xavi Selga, Managing Director of CCEP Indonesia. Before I start clicking and going and moving forward my slides, some reflections as we look back on our journey in the country. I think Indonesia is such an amazing place. Great people, great culture, great energy is growing. In CCEP, we feel very fortunate to be in this country. It's a country where we are learning a lot. We are learning every day. We are learning from the competitors, from the consumers, as you listen from Tony, from our employees. So it's been a continued journey of learning in Indonesia. Lots of heavy



lifting work has been done. And I'm showcasing today a lot of it. But I think I have to be fair and stand here and say that overall, the performance of the business is lagging behind the expectations that we had for such an amazing country.

More important, we know why. Some are external that you might be aware of, and some are internal. The external, we can shortlist them into three. The world is in quite a volatile situation. We have a new government starting last November, defining a little bit the playbook of growth for the country, having a ripple effect on consumption household, and we can see that through all the categories. And the third one is this geopolitical sentiment has been called a boycott, starting very strong in Q3 2023 in our modern trade and hitting us very hard in Q2 2024.

If we look at the internal factors, I think Tony talked about how we can localize better our brands. Historically, sometimes we might consider an Indonesian the cousin of someone in Istanbul. They are very different. And we got this. And I think we see a real change of how bringing local brands and local impact for our consumers is going to drive profitable growth. The second one is the route to market. And I saw yesterday evening a lot of curiosity around our route to market transformation. And I'm going to give you a flavour of course today. It was not delayed. It's just a huge project. And our starting point was to build a team. And I'm having the pleasure to bring you one of the experts that we brought in our franchise to put in place that project.

And the third one is the affordability. As you can see, household consumption going down. So affordability is more important than ever. We've done things. We have to do more. And I'm going to show you how we are going to fix. So we are firmly believing that the external ones are going to go away. And in the internal ones, we are having an attitude of not admiring the problem. And a very strong problem-solving mindset.

Having said that, we see good growth in some areas of our business. In areas like Bali or in Puma, we see high double digit growth for the last 18 months. We've also seen beautiful growth in transactions in our future consumption new OPP Zero set. We had a price point of 15,000 we moved it down to 10,000 with a one liter pack, double digit growth is happening. And I want to share another one which is our zero strategy. We launched in January, in March 2023 our zero variant in all packs and today it accounts for more than 30 percent of our sales mix in softdrinks in our modern trade channel. So a little bit of mix but I wanted to start my presentation with a little bit of a step back and reflections with you.

For the next 20 minutes we're going to go through the opportunity kind of reminding ourselves why we are so excited about the opportunity in Indonesia, I want to drive you through this big transformation journey and I have two of my dear colleagues from Indonesia with me that I'm going to introduce you shortly. And lastly we have a surprise we're going to share with you our four key pillars to unlock profitable growth in Indonesia for the years to come.

So let's get started.

If we talk about the opportunity I could do a very brief executive summary just saying that this is the biggest market for CCEP in terms of consumers. It's very hot weather and people



doesn't like alcohol. All these three things really great for our business. But let's dive a little bit. 280 million people, 50 percent below 30 years old. 70 million gen Zs and we have a huge bonus demographic that guarantees growth for the future. We have 8.3 births per minute in Indonesia. This is going to be a 350 million population country. Very engaging consumers as Tony said, second biggest market of TikTok. On all that, also is supported by the credentials of a strong economic growth for the last 20 years ahead of 5%. Only China exceeds those numbers. So really strong credentials on growth.

Let's deep dive on the NARTD. You all know NARTD in Indonesia is dominated by water, 66 percent of the volume, 34 percent of the value. But there's a reason why. Water is a necessity in Indonesia. There's no available tap water in the country. If we extract the relevancy of water in the category, what we observe is that it's not only soft drinks that is a category underdeveloped. It's any category, whether it's tea, juice or dairy that has substantial lower per caps than any other Southeast Asian markets.

And the job to do here is clear, is to develop the categories. And I'm going to share with you what is our focus. Though I think you already know.

On the right side of the slide you'll see the channels in Indonesia. To win in Indonesia you need to win in the general trade. It's 70% of the volume. It's 4 million outlets which are intermediate by 120,000 wholesalers. It's the most hyper-fragmented market in the world after China and India. And you have to win there. At the same time, you have to invest in modern trade. 30% of the volume and outgrowing the general trade. And that gives me pace. This winning on the market, that gives me pace to start a conversation about our route to market. If you think about it, in order to develop our category, expand our numerical distribution is key. So how we maximize our product availability in this 4 million outlets is key. And the direct route to market that we inherited pretended to do it ourselves. It's extremely ineffective. You have a limit and it's extremely costly. And this is the route to market that we inherited after the acquisition of Amatil.

To be honest with you, we were an anomaly on the marketplace. And as I mentioned, we learned from the winners. We learned from Philippines. And we are busy implementing this indirect model in the country. Which basically is a model that relies on partners. Partners with your same growth mindset like the one CCEP has. Partners that are willing and capable. Partners that know their markets. That's a huge country. Partners that know their markets. And partners that have a skin in the game. Now we are having business conversation with someone that has a skin in the game with us and has a real growth projection about our products. So at the end of the journey, what we want to have is a system of alliances. And I want you to think like small Coke bottlers. Whether it's in North Sulawesi or North Sumatra or West Java. That they feel part of the family of Coca-Cola and they can drive it with proudness and can help us to grow profitable in the country.

Somebody asked me where are we on the transformation. We are halfway. The team has done a stunning job on executing the new route to market. Basically Java and Bali is the last work to be done. And it's going to happen from now until the end of the year.

The output expected very clear. Profitable volume growth. Expansion on numerical distribution. And now I want to invite Wimam. I mentioned to you before the first thing was to build a team to bring the hands that are going to help us. So I'm here with Wimam that is going to share how these partners are living the new route to market journey. Welcome Wimam.

Wimam Limandibrata

Wimam Limandibrata^ Hi everyone. My name is Wimam. I'm heading the field sales for CCEP Indonesia right now. So Xavi already explained to you what has been done for route to market for the past one and a half years. So talking from distributor point of view, the fair batting if I can quote from the distributor is now they feel they truly being part of the CCEP family. So back then you only sell passive fulfillment. You don't do active market development. Right now you are selling and distributing the product. So with that, they being part of the active market development for CCEP.

So from internal point of view, what we see when we talk with the distributor first, they are more engaged. So they are practically moving from passive to active market development. They have, we see more engagement during the joint business planning and market executions. Second one, skin in the game.

The biggest difference is actually now distributor is putting the resources in the region. So they invest in the sales force, they invest in the infrastructure. And one thing that we never seen before, distributors start doing the local activations in the market. So that is something new that we've seen in Sulawesi, for example, with the coke trucks, with the activations, with the pesantren, with the local organisations. And third one, it's business building conversation. So what we've seen is actually we moving away from talking only about shipment. Now we are talking about outlet level development. We are talking about future strategy on how we continue to winning in the market. And sharpen executions.

The biggest difference is actually with the local knowledge and local capability. You can react faster to the market when there's a competition or we need to deliver something, right?

All in all, we see early encouraging result. Top line is growing. The numeric distributions after past nine months we are doing all of this is start increasing in the area that we're doing transformations. And then the third one is sharpen on the execution. So this road to market is changing the nature of partnership that we are doing with the distributor. It's we're building the market together with the distributor. And I think this is a game changer, Xavi.

Xavi Selga^ Thank you. Thank you, Wimam.

So it was really exciting for us to bring Wimam and give you a little bit of a flavour. The second big heavy lift that we've done in CCEP is around productivity. And productivity as a habit, not as a one-off. And the productivity conversation comes as a responsibility to extract value from the cost base of the organisation to support our growth ambitions. And as we know, affordability is a problem that we have to solve. So I can say that as of today, we've extracted around EUR30 million from our cost base that we've reinvested in activities that is going to

drive profitable growth. Here, just two examples. We really went through all the P&L and we tried to put in place a lot of programs. From our network optimization view, while we are investing capacity in the country, we have a space to optimize our volume per plant, our productivity per head. So we are working on that space. From our cost to serve, again, a very important part of our business where logistics are extremely complex. From our cost to serve, we are moving from an in-house model into a more outsourced model that can give us a world-class cost to serve without compromising in our customer service. So just to give you a flavour on that.

Something that Damian talked about and it's very close to my chest is around people in CCEP. When we started in CCEP in Indonesia, we had a very clear vision around people. More local, more diverse, more capable, and more engaged. Indonesia is a big business, it's a local business, and it has to be led by local executives and local leadership. And it's a great pleasure for me to introduce you, Triya, our People and Culture Director, to give you more flavour around what we are doing around people.

Triya Heliany

Triya Heliany^ Thank you, Xavi. So Xavi and Damian already mentioned about how beyond everything all is about the people. So the transformations that Xavi and Wimam, my friend, has been talking about now, how about the people transformation? On the people transformations in CCEP Indonesia, as Xavi was mentioning, we are committed to optimizing the local management team as well as empowering our local talents. With our people development through the Five Rights Program, we have specifically designed the system to identify and build the future leaders that will be able to foster a culture of growth and innovation.

And we equip our leaders with the right skills to build a high-performing team to drive the business growth in Indonesia. We believe that investing in people capability is a critical part of transforming our workforce. Therefore, in 2024, we'll launch School of Indonesia, that is an integrated capability building initiative. Through the School of Indonesia, we deploy a customized development center to pinpoint the leaders' gaps and focus the capability building where it is needed the most. One pillar of the School of Indonesia as well is about our graduate training program or GTP, which has a proven track of record with more than 25% of the GTP alumni now holding an associate director position.

The School of Indonesia is transforming our teams from the top to the bottom. Our leadership team to the frontliners, including our graduate training program, are engaged in a comprehensive development capability focusing on developing in these six critical competencies that is necessary to grow our business. Meanwhile, we also continue enhancing our graduate trainee program to ensure that we build the talent bench strengths for the future leaders.

By combining the local talents with the transfer of knowledge from the systems and CCEP, our intention is clear. We are building a stronger organisation that is poised to drive the business growth in Indonesia. So, continuing to the sustainability. At CCEP Indonesia, sustainability is also another part at the core of the growth of our strategy and also a key element of our



employer value proposition that is appealing to attract the talents in the market. Amandina Bumi Nusantara is Indonesia's first facility that produced a food grade recycled PET or ARPET from the used bottles, implementing a closed loop bottle to bottle recycling system through Mahija.

So, we are focusing on the three key initiatives on our packaging pillar. The first one is the innovations in sustainable packaging by using 100% recycled PET bottles and redesigning to use less plastic to reduce waste. The second initiative is inclusive collection network. By partnering with the local communities as well as our partner Mahija, we are empowering the informal waste workers to responsibly collect and also recycle the bottles. And the third initiative is the closed loop recycling, where the PET bottles that we are collecting are transformed into a food grade material, which is done through our facility plants. So, what we did in 2024, 20% of the PET that we use in our bottles was recycled PET. We collected 148% of our primary packaging footprint. Together with Mahija, we empower our informal waste workers with responsibly collecting collective practices, education, as well as healthcare.

Also in 2024, we relaunched the returnable glass bottle or RDB as part of our commitment to a more sustainable packaging. Thank you. Now back to you, Xavi.

Xavi Selga^ Thank you very much. I hope Triya gave a clear view on our people and sustainability.

So, if you appreciate the four key pillars of this transformation, what we are creating is a strong foundation for profitable growth. From which categories this growth is going to come, it's very clear for us. It's going to come from sparkling. There's no great business in the Coca-Cola system that has not been growing through sparkling. And this is where we feel we have the better rights to win, and tea, which is the biggest category if we exclude water. So, this is going to be our focus for the next years to come. And now, I know Damian said we did the impossible to bring you to Jakarta. And obviously it didn't happen. But we want to bring you to Jakarta. And we're going to have a virtual market tour where I'm going to showcase our four key pillars that are going to help us to unlock profitable growth in Indonesia.

The first one, I touched base in my intro, it's affordability. It's key. And it's key more than ever before, given where we sit in the country. We are covering a lot of price points. We have reset our OPPC. And I'm going to bring you to Jakarta to see how this looks and feels in the real world.

(Video Presentation)

Xavi Selga^ Gistang is not an actor, he's our head field sales in Jakarta. It's great, but it's also for me a great opportunity to display the great energy that we have in the country.

The second pillar is about acceptability. And Tony touched, and this is how we want to be more relevant with our consumers, how we enhance the desire for our products and our brands. Whether it's through portfolio, occasion, or how we target our target audience, which is



the Gen Zs. Remember, 70 million of them. Where do we activate, and how do we work? Gistang has more things to tell you. Let's keep listening.

(Video Presentation)

Xavi Selga^ Couple more, couple more. The third one, our core competency, availability. How we reach and how we maximize our distribution in the country, understanding this level of fragmentation. And at the same time, how we can lock all these big accounts that are operating in the country, whether it's on CBS or Minis or QSRs. You're going to meet Gistang and you're going to meet someone else in Jakarta. Let's go for it.

(Video Presentation)

Sari, another great example of talent and resilience, especially she's managing QSRs for us in Indonesia. So imagine how resilient and this great energy. The fourth pillar is around the activation. How our brands get displayed. We're trying to build this ecosystem around the life of our consumers, whether it's digital or on the ground or on retail. And Sari is going to tell us the plans we are having.

(Video Presentation)

Xavi Selga^ So we're getting close to the end of our small presentation. Very clear, four pillars, the four A's. Everybody in the organisation knows them. This is what is going to drive our profitable growth. Four enablers that I went through you before. So just as a closing messages, I think the first one is, it's impossible to live in Jakarta or in Indonesia without being excited about the opportunity. We remain extremely excited despite the headwinds. We believe they will pass.

The second one is, because we've learned a lot, and we've developed this problem solving mentality, we are not admiring the problem, and we're unlocking them one by one. The third one, and I hope you appreciate, we are creating this solid foundation for the growth in the future. And the fourth one is, we remain very confident that Indonesia will be an active part of the growth trajectory of CCEP in the future. So that was us. Thank you for listening. Thank you very much.

Philippines: Solid Growth Platform for Today & Tomorrow – Gareth McGeown

Gareth McGeown^ Good morning. Once again, welcome to the Philippines. For those I didn't get to meet last night, my name is Garrett. I'm the GM for the Philippines business here. And I've been in this role for seven years. This is my second tour of duty in the Philippines. I'm really excited to be with you today to talk not only about our growth story today, but more importantly to talk about our growth for the future.

With me is Chris, who's our head of commercial, and we also have April, who's our head of modern trade. And over the next 25 to 30 minutes, we want to talk to you a little bit about this amazing country and the amazing potential that lies before us.

As we start the presentation, there's three things I'd really like you to take away from what we're going to talk about today, and hopefully over the next 24 hours and 36 hours. The first one is, this is an amazing country with great opportunities. We're going to talk a little bit about the demographics, a little bit about the age profile, and a little bit about our brands.

Second thing I want you to take away is, we are engaged in the biggest categories with the biggest headroom for growth and we believe that we have the rights to win with a proven track record. And the third thing, similar to Xavi and similar to Damian, is we have amazing talent. What you're going to see today and tomorrow should inspire you to believe that our best days truly remain ahead of us. So those are the three things I'd like you to take away.

So let's talk around the country's potential. Massive country, over 7,000 islands. But the three things that I would note in here is there is a population of 117 million consumers. What a great opportunity for our brands. What a great opportunity for the future. We're adding 1.5 million consumers every year across the Philippines. That makes the Philippines the 13th largest populous country in the world and continuing to grow. The second stat, Tony mentioned it, very, very similar to Indonesia. But over half of the population are below 30 years old. What a great opportunity for our brands for the future. And the third stat that I think is really important is the middle class continues to grow. And April will talk a little bit about modern trade growing faster than general trade as we look forward.

But I want to play a video just to share a little bit of the excitement I have for this great country.

(Video Presentation)

Gareth McGeown^ It's more fun in the Philippines. So I really like this video. It kind of brings the energy, the vibrancy, the excitement, and the kind of youth and spirit that the Philippines has. And I noticed some people in the room smiling and dancing. So we've taken note of who's dancing. So you might be called up to dance a little bit later with Tony tonight.

So a little bit about who we are. We have a diverse portfolio, as mentioned by Tony, my partner, earlier, built on core sparkling. And we'll talk a little bit about sparkling. Second largest category is water, which we have a strong position in. And we have a selective presence in stills. And recently we've gone into ARTD only 18 to 24 months ago and doing really well. In fact, we have a 55 share in the premium can energy segment that's in the Philippines today with Monster. And then we've also gone into affordable energy with Predator, which we're really excited about that.

Overall, we have a 93% household penetration in the Philippines, which is a pretty staggering number across the globe. And you'll see just the execution that we've been able to do over the last few years has helped us get to that number. Chris is going to talk a little bit about what Sari stores are. And tomorrow you're going to see them. And if you've never been in the market, they're quite something to see. We've 1.3 million of those all across the 7,000 plus islands. We have around a 94% numeric distribution number in those stores. And that's a core competency for our business.



And if you just look at our market share since around 2019, we went from 64 to around 77. And just a little nugget of data for you, that's our highest market share since World War II. So we're really proud of the progress that we've made, but we absolutely believe there are more opportunities for us moving forward. And then the last one, and referencing something that Stephen mentioned earlier, we've been the number one value creator for retailers all across the Philippines over the last two years, and something we're really excited about. And there's lots of awards that the team continue to receive as we partner closer and closer with our customers to unlock and create value for them and also for us.

So we've had quite a number of challenges over many years, and that's just the nature of the Philippines, whether it's sugar taxes, whether it's sugar shortages, whether it's natural disasters. But we have a fundamental belief that we can turn those challenges into opportunities. And over the last few years, you can see we've been able to grow our business consistently year on year. And a good stat to share with you is we've been able to grow our value share of any RTD from 40 to 47 in just 60 months. That's a gain of just over 17.5% in the last 60 months. So we're confident that we have the track record and we have the people in place to do it.

It's driven primarily by our sparkling portfolio, and affordability and recruitment is absolutely key. And tomorrow you're going to see returnable glass in the market. And that's key for recruiting new consumers into our franchise and into our brands.

Second, we have a strong share in water. We're the number two water player in the category, and water is a profitable category in this market. And then the third category is energy, where we have one share. And this presents a lot of opportunity. And I saw some Predator on the tables earlier, and that will be our affordable energy strategy moving forward. And April will talk to us a little bit more about that.

So this is what the overall NARTD category looks like. And the three categories that make up the most are sparkling, water, and energy. Those three categories alone represent 76% of all NARTD. 76% in just three categories. And we compete in all. Sparkling, we believe there's mid-single-digit growth. Water, we continue -- we believe that there's double-digit growth. And then in energy, we've seen a strong CAGR over the last few years as more come into the category with affordable energy.

And April will touch on this. Similar to the Indonesian team, modern trade continues to grow at a faster rate as general trade, but general trade also continues to grow. Super exciting. And ARTD space, we talked a little bit about ARTD space. This segment today is small in the Philippines, but it's growing. And we're leading the category in how we're shaping it and how we think about it. The challenge for us is to be patient, to be deliberate, and over time continue to recruit consumers from the beer category, which is big here, and into our brands. We've recently launched Absolute Sprite. We launched Lemon Dou Peach. And we're really excited about the platforms we've built. And our retailers are really happy with the progress we've made.



Probably the slide I really like the most and something I'm really proud of, especially when we went through COVID and all the challenges, is we have 9,000 amazing people that turn up every day to make a difference for our business. Some of them are second-generation Coke. Some of them are third-generation Coke. They turn up every day, passionate, committed, and engaged to make a difference for our business, for our customers, and for consumers. In fact, you can see it in our engagement scores where we annually deliver over 80% engagement scores all across 9,000 people across all the functions.

We are blessed to be recognized as the top employer across the country on many years. But what really excites me the most has been able to leverage CCEP's talent, skills, to kind of step change how we operate. We're leveraging CCEP on the commercial side, world-class key accounts that Stephen mentioned this morning. How can we move much, much faster with the help and support of CCEP? Also, on supply chain investments, how do we move faster, technically become much better, and kind of step up our total performance as a business?

So, really excited about our Tigers. As we move to sustainability, there's a statistic that's not on the slide, but I feel it's worth sharing. 50% of our package business in sparkling remains in returnable glass. So, you'll see tomorrow a lot of returnable glass in the business and how we work through recruitment, affordability, and also our pack price architecture that Chris will touch on a little bit. And working closely with the Coke Company, with Tony, and the Coke Foundation here in the Philippines, we've made some great progress around water, energy, and packaging with some of our SKUs already in returnable PET. And we have a joint venture with Indorama on recycling, similar to our Indonesia team.

I'll touch a slight bit on infrastructure. I know Frank is at the back. Frank is our supply chain head. He's going to spend a little bit of time tomorrow when we're in the plant talking about it. But it's large. We have scale. And it's sophisticated. I think it's a core competitive advantage for us that has been built over many, many, many decades that we're leveraging to maximum output today. We have 18 manufacturing sites, 71 manufacturing lines, and we keep adding annually manufacturing lines. And probably the biggest statistic to know on this is we have around 3,500 trucks on the road every day. In fact, that makes us the largest logistics company in the Philippines.

We'll know more about this tomorrow. But what I want to do is, speaking of size and scale, I'm going to ask Chris to come up and talk just a little bit about our general trade business, which is the largest part of our business, and will continue to be the driving force of our business moving forward. So, Chris, thank you very much.

Chris Pesigan

Chris Pesigan^ Thank you very much, Gareth. I know it's 12 noon, but here in the Philippines, we always like to say good morning, regardless if it's morning, afternoon, evening, because we want to maintain the energy in the room. So don't be surprised tomorrow when you go to the market, people will say good morning to all of you.



My name is Ramon Pesigan, or Chris Pesigan, and I'm the commercial VP for CCEP. And I can't begin to describe how excited I am to be talking about the Philippine market today with all of you. Not because I'm a Filipino, but because I personally walk the streets, work side by side with the many men and women of CCEP who continue to hustle every day, to fight for every case, and to look for all the opportunities out there. They're the reason why we continue to win in the market and continue to grow, and I feel privileged to be speaking on their behalf. So, again, in advance, thank you for your attention and for lending me your ears.

Zooming out, the Philippines is an archipelago, just like Indonesia. We have more than 7,000 islands in the country, and across these 7,000 plus islands, depending on high tide, low tide, we have about 1.4 million retail outlets that sell our beverages. We serve these outlets through two main channels. 60,000 of these retail outlets are served by our fast-growing, exciting modern trade channel, who April will talk about in a bit. But the lion's share of the outlet universe, about 1.3 million of them, are served through the general trade channel. To note, 64% of our NARTT volume to date is generated in this channel. And if I just zoom in to CSD, 81% is generated in this channel as well. Now, it's important to understand what a retail outlet in general trade is, and I'll try to do my best to describe it to you, and you'll see them tomorrow.

An outlet in general trade is called a sari-sari store. And sari-sari is a Filipino word that means variety or assortment. They are a typical mom-and-pop, local neighborhood convenience store that have a very small amount of capital and a limited amount of space. They are normally clustered in high, dense areas and have a loyal customer base of roughly 10 to 20 households that live within the vicinity. Now, I talked about limited space. To give you a visual, this screen where these slides are being presented is the rough footprint of a sari-sari store, and you'll see this tomorrow. Yes, there might be some that are larger, but I can guarantee you more outlets, more of the 1.3 million are actually this size or smaller.

Talking about capital and what they actually have to spend on, very, very limited, and they need to convert to cash always. They live hand to mouth, and therefore, they need to stock up on only fast-moving consumer goods, no perishables. Now, 25% of what they sell on a daily basis can be generated through the beverage industry, and this, ladies and gentlemen, is where we fight for every case and every bottle. We are very focused and disciplined in terms of our portfolio strategy. We've been purposeful on segmenting the pack roles into two. First, it's on recruitment, and second, it's on creating value through convenience.

For nearly 114 years now, we continue to manufacture, sell, and deliver Coca-Cola in its iconic glass bottles to the more than 1.3 million sari-sari stores in the country today. It remains to be the most popular and in-demand pack that consumers like to look for because, again, it is affordable. To note, the majority of the Filipinos are very, very price-sensitive because of the size of our lower-income class, and just to note, our middle-income class is growing. 46% of our volume today is generated in RGB. We are also cognizant that the economy is growing, a GDP of 5% to 6%, and again, the middle-income class is actually expanding, and therefore, we've been cognizant on growing our footprint in PET.

What was merely 38% of volume contribution has now ballooned to a 46% share of contribution, equaling already our RGB footprint. So it's safe to note that if there's an RGB



glass bottle in a sari-sari store, there's going to be likely a PET as well, and we are very proud of that.

Now that we've talked about the portfolio, it's important to understand how we get our products into the trade. And general trade has one mission, to be available everywhere, every time, and sold at an attractive price to our consumers. And this is made possible through our route to market.

I fondly describe our route to market as saturation, and when I say saturation, if there's an order for beverage, it will be served either by a distributor or a wholesaler, always. So our route to market only has two service models, a distributor. A distributor is a professional logistics partner who we sell to. They maintain a warehouse space, their own inventory. They have their own fleet of delivery units, could be a big truck or it could be a motorcycle with a sidecar. They also have their own fleet and their own sales personnel, roughly about 3,000 to 5,000 of them, that are responsible for serving the beverage needs of sari-sari stores that are in an area of coverage committed to them.

Now here's a clincher. In the Philippines, we introduced our wholesaler strategy in 2018, and this is what actually allows us to be saturating the market. Wholesalers operate in the same area as our distributors, and they serve the beverage needs of retailers who are either inaccessible, because as you'll see tomorrow, there are many areas that cannot be accessible through a truck. They're in deep alleyways. They're also far-flung in some areas. Therefore, it is costly to go on a frequent basis. And last but not least, quite frankly, if partners or distributors cannot serve the orders of these outlets, the wholesaler will always be there.

So this healthy tension between distributors and wholesalers is the magic of saturation, and it's the reason why we are at 94% numeric distribution in the more than 1.3 million sari-sari stores in the country today.

Now, we are cognizant of the fact that we need to digitize. The world is digitizing, and we've been very choiceful on developing solutions and testing, and in fact deploying digital solutions for all of our service models today with a clear purpose of having better visibility up to the last mile.

The goal is to know where we sell, to whom we sell, what we sell, and how often we sell so that we can really optimize our resources, our discounts, our promos, so that we can know where we need to push our products where they are under-indexing, and of course to capture growth where it matters most.

The 4 MORE strategy is very, very aligned to CCEP. We are aligned to drive more penetration, more volume, more incidence, and of course capture value through encouraging people to spend more. I would like to leave you with three things from this slide-- people and culture, execution, and third is the route to market.

People and culture--we have 2,000 front-line tigers, as we call them, that walk the streets every single day. They work with our distributors and our wholesalers. They solve their



problems. They go to the 1.3 million retail outlets out there, and they execute our picture of success. You will see this tomorrow. Our products are displayed beautifully and are sure to really capture every incidence out there.

Equally so, we have what we call our help-sell associates-- people from finance, supply chain, IT, and the people team. And they work day in, day out to make sure that every Monday to Friday we sell our products. But it's important to note that here in the Philippines, our culture is very, very unique. Every Saturday, we have what we call our Saturday MITs. This is our market impact teams where close to 2,000 associates have already volunteered to walk the streets, to really sample our products to the consumers, to actually deliver manually products from the distributors' bodegas and deliver them to the retailers.

This passion and commitment to really add on to the business no matter what, even on a day off, is something that makes this place truly magical and unforgettable.

Now, the Coca-Cola system, us, Coca-Cola, as well as Monster Energy, can never be more aligned. We are so aligned in everything that we do, and I'm very, very grateful to Tony and his team. We continue to build more amazing and exciting brand campaigns. We continue to introduce new products that excite the consumers and the retailers. And, of course, we continue to have these amazing grassroots consumer activations that have definitely added transactions to our business today. And we're just getting started.

Second thing I wanted to take away from this was on execution. We are obsessed with execution, and you can describe this in two ways, availability and activation. Availability and activation. We want to be up front and center everywhere. Tomorrow you'll see in the retail outlets our products are always displayed on all the top shelves. They are massively displayed in main thoroughfares in what we call our big, massive Coca-Cola racks. We have about 5,000 of them in the market today. And we also are obsessed with our chilled availability, our coolers. We continue to invest in coolers and deploy them across the market where they will make most sense and display our products beautifully.

For us, a cold Coke is a sold Coke, need I say more. The last thing I want to leave you with here is on our route to market. Our route to market is a flywheel. It's been working for us really well, and we are not stopping there. We continue to invest in it to make sure that our distributors are future ready for technology, and we also continue to invest in our wholesalers, enrolling more of them, because, again, they form part of our saturation model.

So I am confident about the General Trade Channel, very, very excited, because we have the right people and culture, we have the right execution standards, and, again, our route to market will carry us through to the future.

So we continue to grow steadily despite the scale, and I'm proud to be one of these Tigers.

Equally so, or even more so, I want to pass it on to April, who will talk about an even more exciting channel, the Modern Trade Channel, which is growing faster than what I've just spoken about in General Trade. Take it away, April.

April Apsay

April Apsay^ Thank you, Chris. Thank you. If you have been in sales in the Philippines long enough, you just know that you are in a modern trade store. When the lights are bright, the aisles are wide, and most importantly, there is air conditioning.

Good morning, everybody. I am April, and I am the Modern Trade Director for the Philippine business. Gareth and Chris highlighted that modern trade is gaining momentum, and we are not stopping. We are actually doubling our efforts to continue winning in this channel. Our growth drivers are very much anchored on CCEP's world-class key account management capabilities that allow for operational excellence and mastery in key account management.

This is supported by a robust infrastructure and tailored service models that facilitate expansion and product availability across the 60,000 outlets that we cover nationwide. We are very much committed to best-in-class operations that translate our market leadership into in-store execution through strong brand visibility, as demonstrated in our share of visible inventory, what you will see in our shelves in the stores when you go on market visit, as well as on-shelf availability.

We grow our core SKUs, or what we call must-haves, that drive volume and value for our customers and for our business. This approach has led us to earn industry recognition, coming from being recognized as the top retail value creator, as well as recipient of multiple awards from our different retail partners. I would be remiss in saying that by combining data-led strategy, as well as collaborative planning with our customers, and solid key account management guided by CCEP's global expertise and experience, we are positioning ourselves as future-ready business partners.

We are also very much aligned with the 4 MORE strategy. There is so much on this slide, but just to summarize, this is how we bring this to fruition in modern trade. First off, constant, consistent recruitment of our consumers, very much driven with synergistic approaches and system alignment with a Coca-Cola company. Second, ongoing premiumization of our portfolio through innovative products and pack formats, most notably of which is in the area of ARTD, where we offer different consumer proposition and experience.

Last but not the least is in terms of our excellent trade execution. I would like to share with you one notable example that we have done so far, and this is in terms of deployment of 48,000 eggshells. This is the one that you see there on top. Why? Why am I highlighting this? This 48,000 units has already given us an incremental volume of 210 million more bottles in the market. You would see this firsthand tomorrow, and this has allowed for easier product accessibility in key shopper touch points in our stores.

As much as we have so much to be very proud of, we remain grounded and clear with what we still have to do. When we look at the space, what are our opportunities? In energy, it remains to be a very strong and attractive category for us. It still presents a very big opportunity that we have to capture. In terms of our homework, we still need to do our job for



Monster and Predator. For Predator, I'm very excited to share with you that we are banking on a very new platform. This platform consists and features the top basketball players in the country. These are the top three, most edgy, most influential basketball players that would elevate brand relevance and drive deeper engagement.

We are very much confident in the strength of our product and of our proposition. And as a matter of fact, separate to what Chris has mentioned as our regular Saturday MITs, we will have an MIT specifically for this, starting tomorrow until the 17th. And we will be bringing this to life.

When you look at our Zeros line, currently it represents 4% of CSD business, but we are actively expanding our portfolio through multiple brands and different pack sizes to induce trial and drive recruitment. And lastly, in flavours, we are set to challenge the category leader in select strategic geographies backed by a launch of a new Cloudy Lemon brand and product, which we will do this July.

There are so many things to be proud of, honestly. And that in a nutshell, ladies and gentlemen, is where we stand in modern trade, where every case and every space counts. Exciting times in our journey, but still a lot of tailwinds propelling acceleration and growth. And together with the strength of our general trade business, the future just not lies ahead. The future is actually here. So thank you everyone. And I now turn you over to Gareth.

Gareth McGeown^ So just a big thank you to Chris and April for a passionate presentation of our business and belief. I hope what you take away from the past few slides is how we work with the Coca-Cola company, how we work with Monster, how we're leveraging the collective genius of CCEP, how we're working with our local partners here to get to the next chapter of growth for this amazing business. And talking about roadmaps, I think we want to talk a little bit about roadmap of margin expansion, which I know is a question that continues to be asked.

We have a good track record of margin expansion over the last few years, and we're really confident, and I hope you are too, after today's presentation, that we know what a headroom for growth is, we know what we need to do, and we know how to get there. I think if you look across how we're going to get to that double-digit margin that we're asked about a lot, it's primarily driven from volume, and that volume is going to come from investments, and CCEP has backed us on investments. That's investments in Greenfield, lines, fleet, float, and coolers, and we're a growth market, and we absolutely believe in that growth. Coupling the volume and the expectation on growth with the ability and the capabilities we're learning from CCEP on RMGM, we feel really excited around our opportunity to take price and elevate our mix, and April talked a little bit about the channel mix and about some of the new SKUs we want to launch.

There's also opportunity for us in productivity, unlocked with capital, unlocked with technical expertise that we're leaning into, and we feel really strong about that, and the third one that I think is going to unlock the value for us is on our execution, a little bit to what Chris and a little bit to what April talked about. We have a good track record in margin. We have a great track



record in expanding it, and we feel really confident that we will get to double-digit margin expansion.

As I started, I want you to take away three things. Great country, great potential, demographics, proven track record. Second, the categories we compete in and will compete in have a strong headroom for growth, and we're set up for success, and the third one is, and I hope you've seen it with April and Chris, and you'll see it tomorrow, we have absolutely amazing talent that wake up every day to make a difference to our business.

In conclusion, and it would be remiss of me not to say, after seeing this business for 20 years and for re-franchising, I can say that this has probably been the most successful, and genuinely, it comes down to leadership, listening, supporting, a willingness to join us on the journey and leverage all the collective genius we have from both CCEP and from Aboitiz and the Coke Company to do it. It is a great business with great brands, great relationships, and I'm really excited for its future. I think it deserves the right to be called the Pearl of the Orient, and it has been the highlight of my career. So thank you so much for your time and attention today, and I think we're going to go and break for lunch now, Sarah.

So maraming maraming salamat. Ingat lahat. Thank you.

(BREAK)

(Video Presentation)

Fuelling Growth through Productivity – Ed Walker

Ed Walker^ I'm going to talk to you about productivity and transformation, and even more critically, how we use that to fuel growth for the future. We're very proud of our track record in this area. We've saved now over 800 -- On this journey back in 2016, it's really built around five key areas. The first is really harmonizing and standardizing the best practices that we have across our business. With over 31 markets, there's a lot of benefit we get from doing things one way and the best way. The second area has really been around how we optimize our supply chain network to serve our customers in an efficient and better way, and you've heard a lot about that just now from Jose Antonio.

Thirdly, we have created centres of expertise using our scale and technology to really accelerate those best-in-class capabilities and delivering them to the markets. And doing that by fourthly embracing the use of technology.

And finally, it's about leveraging our scale. Given the size of our operation as the biggest bottler in the Coca Cola system, leveraging that scale is a huge advantage and opportunity. If you think about areas like procurement or even getting the most out of the investments that we make in technology as a business.

And we've got a very strong track record in demonstrating that, and it's really now embedded fully within our culture. If we look at the journey, it's in three quite distinct phases. The first one

was really around the merger and the synergies that we got from the coming together of our Spanish, German, and the old CCE businesses. It was really around procurement and leveraging that scale to start with. The beginning of all the network optimization opportunities. And it was some of our first forays into the area of shared services starting with finance. The second phase then was about how we refine that. How do we optimize that network? How do we make and move more things into shared services than just finance? And also how do we take all the learnings that we got during the pandemic? Whether it's from SKU rationalization or just simplifying the way we do business. And of course, finally bringing Amatil into the family, all of the integration and transformation opportunities that presented itself from that.

And then the third phase is all about scaling and differentiating those capabilities and integrating with the Philippines. This is the phase we're in now. We're in the second year of this program. It's about more network optimization and efficiency and using technology harder to drive that. It's about scaling AI. It's about expanding our shared services operations to include more above market capabilities and things beyond finance. And it's about items like the route to market transformation you heard earlier in Indonesia and into the future, sales force of the future.

But there's a lot more to come. We keep looking at opportunities that will come down the pipeline. And a lot of those will be enabled as technology continues to develop. And as we find more opportunities to really adopt and scale that technology.

This is my favorite chart. If you look at that journey, you can really see it in the metrics that we deliver as a business. We see an ongoing reduction in our OPEX as a percentage of our revenue, a reduction in our labour costs as a percentage of our revenue, which is particularly important because OPEX is influenced by a number of things, including global macro factors. But labour is something we more directly control. So particularly pleased to see the progress on that.

We see an increase in revenue per FTE, which means we're driving more sales, more volume from our frontline sales force. And we see our volume per line increasing, which talks to the supply chain utilization and the optimization that Jose Antonio mentioned earlier.

But of course, you also see it in our operating margin improvement. We've had year on year operating margin improvement and are committed with our growth algorithm to seeing that increasing over the future. I want to talk in a little bit more detail about two examples. And the first is supply chain and our expanded network. So as we've grown, so has our supply chain network grown. And that's provided as many opportunities to really get the scale benefits from that network.

And we've really done it through four areas. The first is in driving best practice. With 90 sites and 90 ambitious, motivated, innovative plant directors, you can imagine there's a lot of views about what best practices and how that should be adopted. So by taking that, identifying what really is the best in class practice, and ensuring that's consistently rolled out across CCEP, drives a lot of value.



The second is around adapting to our customer needs, which as we do so, that gives us an opportunity to streamline our supply chain. Thirdly is centers of expertise. So given our scale, we can afford now to bring together real specialist experts in some of these core areas to drive efficiency. If you think about areas like engineering, planning, as we talked about earlier, quality, operational excellence, we can get the right people in the right place with the right technology to really drive value.

And fourthly is about investment. By having the means to invest, the funds to invest, we can put in state of the art equipment that really drives the overall improvement and utilization of our whole asset base. You can see this very clearly in Europe. From 2016, we've moved from 214 lines to 191 lines as we drive those assets harder.

And we've moved from 49 sites to 41, so a reduction of eight sites. And that's particularly important from my perspective. Every plant we have has a fixed cost, even if it produces no cases in a year. Cost of operation, setup, personnel. So the fact we've been able to consolidate our operation down from 49 to 41 drives a lot of value throughout our P&L.

A couple of examples here. In Germany, which had a history as a very fragmented infrastructure, given the consolidation of all of the bottlers that have happened over time, we've moved from 18 to 13 sites. Also in Germany, our customers' needs have changed over the years as we've moved more and more to an indirect model. And that's allowed us to streamline our distribution network at the same time.

In France, we've looked at a regional supply structure. We've ensured that each plant is able to supply the vast majority of products needed in that territory. And we've taken the opportunity in Paris, as we heard earlier, to consolidate into one mega facility in Grigny to improve our cost, but also to improve the service for our customers. All driven by better asset utilization, better use of our capabilities and leveraging our scale.

The next area I wanted to talk about was shared services, which is something that I have a real passion for. This really now is a sustainable source of value creation for CCEP going forward. And I truly believe it's a source of competitive advantage when we look outside into the market. It all starts with our integrated above market model. It's a multi capability model built on a global footprint with scalable capabilities and functions. And that's enabled by extremely diverse, multi-skilled high performing teams, a global approach to managing our master data and our processes, all enabled by technology. And that delivers growth and growth from three areas.

Firstly, from having more efficient operations in themselves, which saves costs and resources that can be reinvested back into growth. That's the obvious one. But secondly, by having these enhanced above market capabilities, which can now be performed at scale to drive that growth. We have found that it's not possible to develop these capabilities on a market by market basis. The investment required just doesn't pay back. And these can only really be delivered at above market level.



And thirdly, because these shared service models provide a better employee experience and a better customer experience. And we know that the easier we are to work with from our customer perspective, the more our customers want to work with us. And that drives growth. Our scope has really expanded from finance, which is where we started. But even at that first stage for finance, we recognize that this was going to be a strategic capability for CCEP. And so we wanted our own people building our own capabilities to develop this core competence.

From that core finance, we moved into finance planning and performance management and procurement, and then into data and analytical services. And we're now in a situation where the vast majority of all of our commercial, supply chain, and finance analytical services that we provide back to the business are provided from our shared service facility in Sofia.

And then most latterly this year, we've rolled out people services and commercial operations, which has been a great success. This has all been driven by two things, our talent and tech. From a talent perspective, we're very fortunate in the markets that we operate. By operating in Bulgaria and the Philippines, we have access in the market to some incredible talent. These are centers of graduate, educated, multilingual, young, diverse, innovative, tech savvy individuals that bring a real energy and engagement into our shared service operation. And every time I visit operations, I'm always inspired and actually a bit humbled by the quality of the people that we have there and their desire day in day out to leave the business a bit better than when they came in the morning. And the second area is technology. And I want to take a bit of time to talk through a few examples. So firstly, in core finance, we've been a very early adopter of robotics. So here we're using digital robotics to with a digital robot perform activities that were previously performed by a person. We've now got over 60 robots performing over 430 activities. And we estimate that that's now saving us over 200,000 man hours a year of work, which is a staggering EUR4 million per annum of savings.

The next opportunity for this will be in further use of AI and using those robotics to make changes now to the data, to do approvals, to cleanse the data when they see errors and to do validation. So a lot more opportunity to come from robotics.

The second area I wanted to talk about was procurement. So throughout our procurement strategy and approach, we've used technology heavily and particularly AI. Whether it's starting in terms of understanding our spend and consolidating it through to identifying the right suppliers, getting the right price and the right terms for those suppliers, managing the risk to the supply base, through to managing the renewal or termination of contracts, we use technology throughout that process.

One of the first areas we invested in was in IBM Watson. As CCEP has come together as a combination of different businesses, we realized that with managing billions of spend, over 17,000 suppliers who operate in over 30 languages, and literally purchasing millions of individual items, we had a huge opportunity to scale our procurement. But the challenge was, with all of this data in disparate systems, it was hard to unlock the opportunity. So we invested with IBM Watson to really understand that spend database and the possibilities.

Just a few examples, in the sales and marketing area, we moved from having literally hundreds of individual agencies to a much more rationalized list that performs a clear set of activities across the markets, serving as over four million a year. And a personal favorite, in the area of printers. We found out that we had over 80 individual types of printers, and we thought, there's no reason we need to have more than five. And that in itself just saved us EUR200,000. Now that's a small example, but when you think about printers, that's just one of over hundreds of different types of categories, where this technology and capability can add value.

The second area is Keelvar. So Keelvar is where we use AI and the tool to help us with much more complicated tendering and negotiation situations. So perhaps it's best brought to life with an example like haulage. So imagine doing the CCEP haulage tender. We have hundreds of different suppliers across our regions, and each of those haulage suppliers has hundreds of individual routes, all with different terms and conditions for that route. So what AI has allowed us to do is to design a process and a set of requirements that allows us to consolidate that list, prepare bids for suppliers, receive the bids, compare the bids, and end up coming up with the right solution geography by geography.

That saved us that haulage contract in 2022, 25 million over the life of the next contract. So AI can really make a difference in these areas.

And the final example I wanted to talk about in procurement is Fairmarkit. So these are for tactical spends of a reasonable volume, but where we're spending a lot of money, maybe things that we don't buy on a regular basis, but where AI can really supplement the process and help us make sure we design the right type of sourcing solution.

But I think rather than me describe it, it's best described by Vanya, who is our global procurement director, and I'll now run a video where Vanya will explain.

(Video Presentation)

Ed Walker^ Thank you, Vanya. Vanya is real, by the way.

And then the last example from a technology perspective is really in our data and analytical services area. So here, as I said earlier, now nearly all of our data analytical services are provided out of our shared service facilities, and that's only really been made possible because of the technology. So with the technology that we have now, we can consolidate all of the data that we use as an organisation, both our internal data, but also external data sources into one business warehouse data platform that pulls everything together. And then with other tools like Power BI, we can access that data to provide insightful reports for the user, but also to allow the user to interrogate real-time that data.

So we would never have been able to consolidate that activity without the ability, without the technology and what that technology provides.

So as I said, we've had a great track record in shared services, but I do think there's a lot more to come. One of the things we haven't really talked about today is S/4HANA and what we're doing with SAP and our platforms. This will be a big unlocker of value for us, but particularly in the shared services area. As Damian mentioned, we operate with five systems today. We've done our best to still drive out the value and the scaled opportunities we can, but there's a lot more to come when we're really operating from one SAP platform.

We're really excited about the expansion opportunities that we have to make more use of our shared services in Manila. And I think the use of technology will only continue to provide more and more opportunities to adopt and really scale with impacts of what technology and AI can do. And finally, that will also help us as we increase the capabilities that we can provide above market.

So if I take a step back and look at our whole transformation journey, as I said, we've got an extremely strong track record, and this productivity and transformation willingness is really built into the culture of CCEP. I think there's a lot more opportunity to come in the future with this fantastic asset we've now built with shared services. And I think there's only more we can do from an above markets capability, and as we optimize the network as Jose Antonio talked about.

So hopefully that's given you a lot of confidence in our transformation journey, confidence that we can deliver this third wave, of which we're in our second year now, and also confidence there's a lot more to come for CCEP as it transforms its business. Thank you very much. And I think now we're going to go to a break.

(BREAK)

Great Shareholder Returns – Ed Walker

Ed Walker^ Great, so last but certainly not least, I'm going to talk about how we take all this great opportunities and ideas that we've heard today and use that to deliver continued shareholder value growth. So we've been growing, we have grown our shareholder returns and we've done that within our disciplined capital allocation framework. It all starts with quality profit growth at the top. So we've talked about earlier today, converting that into free strong cashflow and using our strong flexible balance sheet to make sure that we then invest back in the areas that are required to grow the business. And I'll talk about each of these in a bit more depth in the next slides.

These are our mid-term objectives that you've seen earlier today and seen many times. We look at these as something that we should be able to deliver on an ongoing consistent basis. Not just something that is delivered in an individual given year, but something that will be delivered over the long term. And so we were particularly pleased in 2025 when we were able to reaffirm our guidance against these objectives, despite the challenging macro drop. I'm pleased to be reaffirming today that this is still the right guidance for 2025. I'll go again into a bit more depth in each of these areas, starting with the top line. So you've heard today that we've got great plans, whether it's from a category development perspective, whether it's new

categories, whether it's leveraging our capabilities in RMGM, whether it's growing our mix to deliver this top line volume growth. And hopefully you've got from today confidence that we can deliver our 4%.

We take that 4% and we leverage it with margin expansion to deliver a profit of seven. And there's three areas and three ways we do this. The first is by operational efficiencies, and that's through leveraging our productivity and transformation program that I just talked to you about, through capabilities like shared services and network optimization. The second is by unlocking this culture of productivity that we've now built into the organisation. And the third is just the simple leverage opportunity by volume growth, as Gareth mentioned earlier. We're a relatively fixed-cost business, so any volume growth flows very quickly to generate more profit at the bottom line.

And then we move that profit and convert that into a very healthy, at least EUR1.7 billion of cash flow every year. And through three things. Firstly, exceptional working capital management, which we take a real pride on in CCEP. Then by driving strong returns from all the money that we invest. And thirdly, by maintaining this very disciplined approach to our capital allocation.

Now, if you take these numbers and roll them forward, you know by 2030, we will be a 4 billion profit organisation. 50% profit growth from where we are today. And our capital allocation framework. You've seen this many times, but it all starts with making sure we make the right investments to unlock the growth and productivity opportunities that exist. We don't manage this to a finite number. We manage it on a case-by-case basis. And we always have then optionality as well for M&A. We've got a strong balance sheet and a strong record of successful acquisition and then integration in our business. So as the opportunities present themselves in the future, I'm sure that we'll do more M&A. And then any excess cash that's left after that, we will return to shareholders. And that's either through our growing annual dividend or through other mechanics like the share buyback.

We're currently in our €1 billion plan program for 12 months that runs from '25 into '26 and runs out February '26. And at that point, we'll give you an update on the next level, the next plan in terms of those shareholder returns.

And now let's have a look in a bit more depth then at our balance sheet. We've got a very strong balance sheet, which gives us a lot of flexibility for the future. We have investment grade rating, which we're committed to maintaining and has just been updated by both Moody's and Fitch. We've got a very nice weighted average maturity when you look at the graph. And you can see that actually within every individual year, we've got maturities of between EUR1 billion and EUR1.2 billion, which is great because that's actually below the free cash flow that we generate within each year. We have an average interest rate of around 2%, so very attractive. We do think that will grow modestly over the coming years as we replace debt that has matured with debt on the market now, which is at slightly higher rates. But we think only a growth of about 50 basis points over the coming years.

So a very attractive balance sheet, which gives us a lot of optionality for things for the future. And we use that to successfully delever the business. We're now back within our target range of 2.5 to 3 and finished last year at 2.7. We went up to over 4, as you will recall, with the Amatil acquisition. But we've got back down to target actually one year earlier than planned, as Damian mentioned earlier.

We plan to maintain ourselves in that lower end of the range to give us more flexibility for the future as we go forward. We have a rigorous focus on free cash flow generation, as I mentioned earlier. And we expect at least 1.7 billion going forward every year. A lot of that has been driven by the exceptional efforts we've made on working capital, which we're really proud of in CCEP. We started Project Bond back in 2018, and since then we have delivered over EUR1.6 billion of cash that was trapped in the business and unlocked that, allowing us to invest back in the business.

One of the key steps to doing that was around educating the whole business on the importance of cash and how that cash can be used to reinvest in the business, but also about building it into our annual incentive plans for all of our leaders. And it's amazing how much that focuses the mind in terms of delivering those targets. This has all resulted in a very strong cash conversion of over 90%, which compares very favorably, as I'm sure you'll see, versus our peers.

So, as you heard earlier today, my colleagues have a lot of wonderful ideas of areas that they would love to invest back into the business. And actually, if you total up everything we spend on the asset and infrastructure side with everything we spend in the market, that's over 3 billion euros a year of investment. So, how do we manage that?

So, if we look on the market-facing side, if you look at activities like pricing and promotions, we measure those using the traditional financial metrics, but we also look at the impact on our share, on the profit pool of the category that we're operating within, the impact on the returns from a promotional perspective, as Laia mentioned earlier with the tools. We look at it from the customer's point of view as well, in terms of the retailer's profitability, the retailer's margin, but also the retailer's cash return, which is a very exciting return from our category. And then we look at it as well in terms of how does it compare to opportunities to increase investment in trade marketing or cold drink equipment.

On the asset and infrastructure side of the business in CCEP, we look at the traditional financial metrics, but when we look at our rates of return, we do that on a risk-adjusted basis, depending on the risk profile of the individual initiative. We also look at it involving carbon-based pricing to make sure we take a long-term view of the sustainability impacts and the impacts of that on our P&L. And we do that as well for asset investment, but also for business transformation. And we look at that using the same metrics as our CapEx to make sure we have comparability between the projects.

This is all backed up with a lot of market insight, a very rigorous governance and gating process, using cutting-edge tools and technology, and then very robust post-evaluation returns

to make sure we learn the lessons as we go along of the investments that have worked and investments where we could have done better.

If you look at those investments in a bit more depth in CapEx, you can see that over time we have found more opportunities to invest in growth for the business. Some of the increases back in '22 and '23 were by the digital and technology increases as we started our SAP and S/4 journey, as Damian mentioned. And then most laterally, the increase has been driven by the Philippines, where, as Gareth talked earlier, we see a lot of opportunities to invest and unlock growth for the future. But that's all managed with our risk-adjusted hurdle rates.

That means that our percentage of revenue of CapEx has now drifted to the higher end of our 4 to 5 range, but we do think over time that will come down as we get through the big initial deployment of the capital and the new capabilities within the Philippines. But nevertheless, throughout that period, we've delivered continual year-on-year growth in our return on invested capital.

And when you add all of that together, we can see a very strong story in terms of shareholder returns. We've now delivered over EUR7 billion of capital returns back to shareholders since CCEP was created in 2016. And if you take our algorithm of top-line growth, the profit that we managed to lever from that of 7%, and then converting that successfully into at least EUR1.7 billion of cash every year, that should give you a lot of confidence that there'll be more returns to come and that those returns will deliver excess cash that we can return to our shareholders, or that we can do in value-accretive M&A.

So to wrap it up, it's all about top-line volume growth, driven by the initiatives that we heard earlier today, to generate an operating profit of 7% when we leverage all our capabilities in productivity, transformation, and the culture of CCEP. Then by leveraging the working capital expertise we have and careful, disciplined investment management, we can deliver at least €1.7 billion of free cash flow. We then manage carefully our balance sheet, keeping within that 2.5 to 3 leverage range, maintaining our investment grade rating and our commitment to 50 basis points of ROIC growth a year, whilst investing back in the business to unlock that growth of between 4% to 5% of our CapEx, will generate significant shareholder value growth and cash, cash that can be used for M&A or cash that can be returned to shareholders.

That now wraps up the capital allocation piece. I'm now going to hand back to Damian to wrap us up and we'll take some Q&A.

QUESTIONS AND ANSWERS

Sarah Willett^ Okay, so I'll give this to you, Damian. But basically, obviously we'll look for hands up, star one, etc. I've got a couple of people in the audience who will help with giving you a voice. When you do give your voice, can you start with your name and where you're from?

Sanjeet Aujla^ Hi, it's Sanjeet from UBS. A couple from me, please. Damian, I heard a lot today about 4 MORE. If you deliver above four, is there such a concept as seven and more on

the EBIT line or will you find areas to further step up in investments and kind of cap that? That's my first question.

Damian Gammell^ Yeah. So I think the leverage delta we would keep. So I think we feel we're well-funded in terms of CapEx. I talked about promotional funding and it's more about getting more for the same through technology, so we feel good about that. So if in a given year we were able to beat that four, we don't see any reason why leverage wouldn't flow through to the bottom line.

But I do want to say that that four is a mid-term guidance. We have massive opportunities. I think Stephen and the team laid out a lot of optimism. We also, as we have had in the past, we've always had some headwinds sometimes, whether it's what Xavi said in Indonesia, maybe a weaker summer. So I think we've got to look at that four as something that we believe in on a consistent level over the mid-term we can deliver. If we do better in a given year, clearly we'd expect to get the same amount of leverage on the P&L, Sanjeet. There's nothing else. And we're conscious that we're well-invested and well-funded. Capital, promo, particularly in technology. I mean I hope you got a feeling from what you heard today. We're a very different bottler in terms of technology than when we spoke together in London. I think we were just at the beginning of that journey. We were very ambitious. We've got more to do, particularly in S/4HANA. But again, that's reflected in the capital guidance.

Sanjeet Aujla^ Got it. My second one, just on Indonesia, quite an honest assessment of where you are today versus plan. But is there, I guess given the height and macro headwinds you're facing there, is there a need to further step up affordability measures to really execute on that opportunity? And maybe just an update on how important returnables are to achieving that and where you are on that journey, please.

Damian Gammell^ Yeah. I mean I think Xavi laid it out really well. It's been a tough couple of years, but our appetite and excitement about the opportunity hasn't gone away. Actually, I think the team has done a remarkable job using that to change faster. So I don't think we would have had a route to market completed by the end of this year if the team just didn't get behind it.

Affordability is key. It's more important than we probably appreciate it given the macroeconomic headwinds that Xavi laid out. We've seen it working on one leader. So the amount of transactions that we've seen on one leader has been better than we expected. We need to bring that to single serve, and that's going to happen in the second half of this year. We haven't got there yet. That's going to be predominantly led by PET at the beginning because we can't wait to build back up the RGB infrastructure. I mean as you know, RGB is a multiyear business to build. So we'll start in Jakarta, but fundamentally we'll offer a PET product at a more affordable price starting in the second half of this year.

We'd expect that to have similar impact as the one litre, and then as the macroeconomic headwinds unwind, which they will, it's a great country, it's got a very bright future economically, we believe we'll benefit from that in the marketplace. Yeah, so that's what we're

looking at. RGB will be part of it, but honestly in the near term for the next two or three years, it's got to be a PET-led solution with cans on the outer islands.

Mitch Collett^ Hi, it's Mitch Collett from Deutsche here. So another question on the 4 MORE for Damian, please. So it sounds like what you're saying is you're confident you can do four, but there's an aspiration to do more. I just wondered how does that get reflected in incentivisation, and in particular how is that cascaded down the organisation? Has there been any change to the way people are incentivized and measured in terms of trying to achieve that stretch target? And then I've got a question for Ed as well, if that's okay.

Damian Gammell^ Yeah, so if I look at our short-term incentives, which cover pretty much all of the organisation, we're pretty consistent around revenue, which is obviously key, operating profit, and free cash flow. And Ed talked about the power of free cash flow being in our incentives, so we're not changing the structure.

Below that, we're all incentivised on market share. So I think that's been something culturally at CCEP we've been passionate about, that we want to grow faster than our competitors and continue to grow share. And in some ways, that is an offset against a higher growth ambition as well, because clearly as the market moves, regardless of what your internal targets are, you've got to continue to outperform. So our short-term incentives will reflect our guidance, but clearly from a payout level, Mitch, the way our incentives work, there's massive incentives for over-delivery. We have a multiple-based incentive scheme, which means we generate a base bonus pool, but dependent on how you perform, particularly on revenue, and particularly on profit, that can go up quite considerably.

So that certainly pushes everybody to go for more, whether it's on profit, free cash flow, or revenue. But I'd have to say we've been pretty good at getting in and around that number. I mean, last year, candidly, we were slightly behind that four. So we have a lot of optimism with a lot of the new brands and initiatives, but clearly we'll still guide to the four, and our incentives will reflect that, albeit everybody likes to generate a bigger bonus. And certainly, as Ed laid out, the way that works in our business model is really led by revenue. So I think that's definitely driving the right behavior.

Also, very disciplined about it's not at any cost, so we're committed to OI margin expansion. I think all of us had conversations about our GP margin having to continue to improve. So as we look for that better quality top line, let's be clear, it's not going to be to expense a margin or profitability, and that's why we feel very comfortable with four as the guidance. If you want to add more or not, that's up to you, but that's where we're at the moment.

Mitch Collett^ Okay, thank you. And then, Ed, I appreciate more than 1.7 billion of free cash doesn't have an upper limit, but you've done more than 1.7 in each of the last three years. If you do 7% EBIT growth consistently, and also you've got a bit of CapEx that might roll off, so I think 200 million of digital and then whatever the incremental is on the Philippines expansion, I guess is there any reason why you shouldn't, given those factors, be sort of targeting two and more? Is there anything I'm missing?

Ed Walker^ So when you look back at that free cash flow history, which we are super proud of, you can see going back in '22, '23, we got a lot of benefit in those years from the early benefits of the working capital program, Project Bond, that I mentioned. And the way working capital works is you get a benefit that year, then you need to find the same projects just to cycle it the following year. So that really helped the free cash flow delivery in those years. And then all things being equal, the free cash flow would go up, and actually the cash we generate from operations is increasing, but we have stepped up the CapEx in '24 and into '25. We'll also spend over a billion, and that's driven by the digital and also the Philippines.

So we don't want to constrain where we can spend CapEx by having given too aggressive a free cash flow guidance. So over time, I'm sure it will increase and stay in line with that profit delivery, but I think for the medium term, we need to make sure that we still have enough CapEx to invest back in the business to really unlock those growth opportunities that I mentioned. But as and when we feel comfortable taking that up, we will take that up.

Mitch Collett^ Thank you both.

Lauren Lieberman^ Thank you. Lauren Lieberman from Barclays. So there were a couple of mentions today of commitment to the company and commitment from the company. And I thought, given that you've got Tony here and then obviously Gareth and Xavi, it would be interesting to have each of them -- sorry, so it's not for you guys -- but to just talk about how they spend their days, because I think one thing that still everybody can always use more enlightenment on is the interaction between the company and the bottler, but you guys in particular, on just day-to-day, right, strategy, decision-making, because it's hard to imagine how they operate without each other, but at the same time, it feels sometimes like there's a lot of overlap, too.

Damian Gammell^ So does Gareth want to -- I'm fascinated. How do you spend your day, Gareth? Lauren, you're going to get me in trouble here. I might take some notes here.

Gareth McGeown^ I would say the relationship -- and maybe I'll just move over here so it's a little bit easier. If I look at the relationship that we have with the Coca-Cola system in the Philippines, not just particularly Tony, but Tony, because he leads it, super, super close. If we start talking about a headroom for growth, where we want to focus, where we want to win, and that kind of drives all the conversation about where we put our resources. And we share top line and bottom line, so we can see Tony's ATL plans, where he wants to spend, what's on social media, what's on radio, what's on TV, what's on billboards, by what brand. And in return, he also gets to see where we spend our ATL, what's on consumer in store, what are we spending in general trade, what are we putting capital behind coolers, where are we putting investment behind capacity. So we're super transparent about what we do. There are times when you have slight disagreements, but because we're so long-term focused on growth and creating value for our retailers and for the business, we tend to kind of merge fairly, fairly quickly.

And on a day-to-day basis, we just have good cadence around how we operate. We would spend two to three days in the market or the plants every week. And then on a biweekly or

monthly basis, we would get together as teams, like as a leadership team, and talk about what's working, what's not working. I think our speed to move and agility to make changes should things not work is pretty good. It could be better. We always say we're not fast enough, and we always remind ourselves that FMCG, F stands for fast. So we kind of work really, really closely. Our teams then down the line, the trade marketing team on our side and the brand marketing team, they work, like, super close just to collect and win that Stephen talked about, collect the hat, 600,000 redemptions. We had 900,000 in X promo. There's a new one coming as well in the next few months.

And just if you look at the initiatives around NPLs, new products of what we want to do, we need to work together if we want to capture those opportunities. So I would say after 23 years in Coke, the relationship, the system relationship, it's very difficult, I think, sometimes to see who's the bottler and who's the company. And we hold hands to try and capture that opportunity, be it with customers or be it in the market. So I would say the relationship has not been better.

Xavi?

Peter West^ I was just going to add, Lauren, it starts where Stephen presented on headroom for growth. And so by having the same view of where the categories are growing, which subcategories, and therefore what does it take to win. So I'd say our long-term planning aligns category and channel with the opportunity. Then it becomes in the partnership in the market. But that absolute planning and the alignment, that creates then the rhythms after that.

Xavi Selga^ Just echoing with Peter and Gareth, I would also say when we look up in the ladder and you look at the partnership that Damian is able to have with the Coca-Cola company or the board and our shareholders, that comes as a responsibility for us to also make it work. And I think one of the key things is to own the problems together and hold hands. Roles and responsibilities are very clear. We have very clear routines and checkpoints where we have very candid conversations. We try to be accountable and professional. And I think it's working. I think once you own the problem, you look upstairs and you see this strong alignment that has created this value for many, many years, that brings a responsibility.

And as Gareth said, I think it's a very strong system mindset where we'd rather not point finger each other. So we are going to take our eyes out and we're going to be blind. So very strong routines, very candid conversations, transparency in Indonesia. Our business model is very clear. We share everything in Indonesia with the Coca-Cola company.

Damian Gammell^ And the good news is Gareth and Xavi's golf handicaps are getting worse. And to me that's always a good indication that they're spending their time the right way.

Eric Serotta^ Eric Serotta from Morgan Stanley. Damian, I thought it was interesting that you started, you know, and the first thing you called out in terms of areas to accelerate growth was actually sparkling in Europe. You talked about more that you could do on original taste and diet being the biggest drag. Hopefully, can you give a little bit more granularity there? You know, sort of you've done very well with zero sugar. How do you grow that with diet?

And then sort of bigger picture, how you're looking at sparkling in Europe in terms of opportunities. And then, sorry, just one more unrelated question would be Indonesia. Xavi, I don't think mentioned much in terms of Ramadan and expanding the occasions. That had been a big focus kind of in the past. I've heard it mentioned a lot in the presentations. Are you looking at it through a different lens? Is that, you know, have you made some progress there? So any update with that?

Damian Gammell^ Yeah, so maybe I'll take the second one first, Eric. I mean, for sure, and I think Tony touched on it, we have definitely changed our view in Indonesia to be more locally relevant to consumers and exactly to do what you said, which is to try and build the relevance outside of Ramadan. So we know in Ramadan, and again this year, despite some of those macro factors, our business spikes, household penetration spikes, volume spikes. So clearly we know at that period we connect with a relevance in terms of consumption, and we overcome the affordability challenge. And that's the magic that we want to bring to the rest of the year. You know, clearly like Easter or like Christmas or the big celebrations in other markets, at those points of the year, you know, affordability, people will spend a bit more. It's a special time of the year. So what we've realised, and I think the One Leader has proven it, is that we have to offer that a little bit more throughout the year. So we're doing the same whether it's Independence Day, whether it's Chinese New Year. So any occasion that the team can get their hands on outside of Ramadan, we're going after. And that's both on Sprite, Fanta, and on Coke.

To your first point, and I think that's, you know, definitely where we face the most challenges. So if you look at over the last number of years, you know, Coke Classic is still our biggest brand in Europe. It's our best tasting brand. And clearly it's been a revenue generator for us and our customers. So we've seen revenue grow on both Coke Classic, a little bit less on Diet Coke. But we haven't seen volumes perform as we'd like. You know, some of that is down to the fact that Coke Classic over-indexes in Away From Home. You know, it tends to have a higher share in bars, restaurants, and with food. So as the Away From Home was a bit sluggish. Clearly it impacted that brand more. But obviously we haven't done enough in terms of bringing innovation to that brand. And Stephen talked about it. So traditionally we put all of our flavour innovation behind zero. That worked. But we know there's loyal Coke Classic consumers that also want innovation. So by bringing flavours back to Coke Classic, you know, we're going to bring a bit more excitement back into that brand. Ultimately every case in Coke Classic, just giving it scale has a massive impact on hitting that four.

Likewise, Diet Coke, you know, originally we expected that Zero would pick up more lapsed Diet Coke users than it has. That's true for Australia. It's true for GB and Germany. It's still got a very loyal user base. I mean, same in North America. But again, with our pivot to Zero, clearly we lost a bit of focus in that brand. And we haven't got all those cases back either on Zero or Classic. And in some cases, we've seen consumers have moved out of the category. So as we look at, you know, reasons to try and stimulate growth, we've gone back to a campaign, which is "This is my taste" in the UK. We've included Diet Coke in all of our markets outside of the UK on Share Coke. We've got a new campaign going to Australia, and I think



Germany is the next market, Stephen, right? So it's still a huge brand. It's still bigger than Coke Zero in GB, believe it or not.

So they're the two brands that when we look at, you know, getting sparkling growing in Europe, that will be the biggest unlocker of growth. And that's why I deliberately call them out, because they haven't been -- they've been growing revenue. They've been growing profit for us and our customers, no issue. But we believe that a healthy franchise has also got to grow volume. In many cases, they've grown transactions. So we've done more premiumisation. We've done mini cans. If you look at Coke Classic, you'll see growth in transactions. So that's good news. But we want to see a bit more volume. And for sure, with away from home, you know, turning a bit, it will be the biggest benefit, because it's the biggest brand in away from home. And Diet Coke is going to be a multi-year journey. You know, that brand has not been growing volume for multiple years. So we've really got to get behind that. We've just started.

That's a multi-year journey. Yeah.

Nadine Sarwat^ All right. Thank you. Nadine Sarwat from Bernstein. Two longer-term questions for me. The first one on M&A, you called out happy with your footprint for, I think you said, two to three years, but you never know, with the Philippines. So what would you like in terms of M&A in that you-never-know scenario? I don't expect you to actively call out a specific business, but what would be on your wish list, whether that's category or countries? So I'll ask that one, and then I'll come back to my second one.

Damian Gammell^ Yeah, I've got to be careful. I can't name countries, because it's a bit like talking about someone else's partner. It's probably not a good thing to do in public. Yeah. So, you know, I think we've ended up with a really nice diversification footprint. So clearly, adjacent territories in Europe or in Asia make sense for us. I think we can leverage scale. We're building out a big shared services in Manila, so anything that we could add that we could also leverage above market would help here and in Europe. As we look a bit further, it would have to be markets that create good shareholder value.

And I think, you know, for us, that's a key determinant. And when we look through that, it would clearly be markets where we believe we can grow the top line. We like markets that traditionally have been under leveraged from a delivery perspective. So when we looked at the Amatil assets, you know, we felt that there was a lot of potential there that Peter's helped unlock.

Clearly, when we looked at the Philippines, you know, we felt that some of the capabilities that we could bring from CCEP would unlock value. That's probably happening faster than we expected. So we look for assets adjacent, good top line dynamics, but probably a little bit under leveraged in terms of capabilities or management. And I think that will, you know, continue to be the lens. The challenge, as you know, when you look through that lens, there's not a lot of obvious candidates in the near term. Having said that, I think we talked last night when some of you were with us at our first Capital Markets Roadshow, when we created CCEP, definitely none of us thought we'd be sitting in Manila in 2025. So that's why I say you never know. We've got the balance sheet. We've got the free cash. I'm hoping today and



tomorrow you get the sense we have the leadership. You know, it's very much a shared leadership at CCEP. And most importantly, it's about performance. And I think if we keep performing, it puts, you know, positive pressure on KO, I think, to at least invite us to the table if something comes up. And that's all we can ask.

And objectively, just, you know, in terms of I call it like a monopoly board, you know, when you look at the Coke bottling system as a monopoly board, most places have got hotels and houses on it already. We may land on the right spot. We certainly did here. Yeah, but I think in the near term, it'll probably be more about cash returns to shareholders until we can find that sweet spot in M&A.

Nadine Sarwat^ Perfect. And the second long-term question, again, on the slides, hinted at a willingness and interest in bringing other Coke brands that, you know, are perhaps already present in the U.S. to your given markets. Could you expand a little bit on that? Are there sort of a couple of brands that you're eyeing that you think that would work really well, whether that's in Europe or Asia? And then what's the process to make that happen?

Damian Gammell^ I think one that comes to mind straightaway is Powerade. So, you know, if we look at the U.S., the size of the sports category, you know, how dynamic it is, pack differentiation, you know, multipacks, formats, variance. And if you go to any of our supermarkets in Europe, it's probably Powerade Blue, right, Steve? That's it. And despite that, it's a healthy category. We go to our business in Australia, you'll see Powerade. You know, when you walk the stores now, you'll see sparkling, energy, and sports as the three biggest categories. You know, traditionally, in terms of value, traditionally it would have been juice, water, and soft drinks. So certainly sports is a category that I think we can learn more from the U.S.

We're always curious when we hear about Fairlife. We're always curious when we hear about probiotic sodas and whether they can deliver on a need state that we're not capturing in Europe. So we'll keep exploring those opportunities. Stephen pointed to the energy per cap set of the U.S., so that's another category that we're doing well in, but there's a lot of headroom for growth. So they'd be the main areas. You know, I spend quite a bit of time with some of you actually in New York. I think what the bottlers done there on immediate consumption, smart water, pH, always gets my interest. Europe's a very different water market to the U.S., so it's not as easy to lift and shift. But we're certainly not short of stimulus.

But I think, Stephen, they'd be the main areas that we're -- we had an innovation day with KO in Brussels. They have an innovation lab three weeks ago. You know, we've got to just manage our appetite to what we can execute and what we can invest behind it.

Stephen Lusk^ I mean, we've got to make sure with the company we're funding, as Damian said, you know, the sports and tea. We will for sure look -- continue to look based upon when and if and where we would go into other categories. Sometimes it may be too early. Sometimes it may be the right time. And that's a conversation that's ongoing, as Damian said, whether it be the future of prebiotic sodas or protein or other things. It's all based upon how we see that.

Damian Gammell^ Probably one brand, Body Armor. We'll probably try that in one of our markets a bit quicker. We like what we see in terms of the consumer proposition. It seems to be good margin for our customers. So that's probably a brand that we didn't really touch on today. But we'll probably pick one of our markets and give it a go.

Stephen Lusk^ So, yeah, more to come on Flashlight probably, yes, exactly, with Body Armor. But we can't say when and where yet. So more to come.

Nadine Sarwat^ And just one following on actually Lauren's question on relationship with Coke. You mentioned ongoing with those discussions. Are there instances where you will say we really think this new product will work for this market and they go, absolutely not, it's too soon, or vice versa? And how does that play out? That's my last one.

Damian Gammell^ Yeah, for sure. And the other way around. They would come and say we think this brand is ready to go in this market. And we go, we just don't see it. Generally, it's a fairly healthy fact-based conversation. I think back to Peter's point in terms of we've got a three-year LRP. We align on growth objectives. And I think that's taken away a lot of that volatility. But for sure, like any franchise system, I think one of the healthy benefits is we'll go knocking on the door saying, you know, we think this would be great for GB. And they might go, we're not seeing it. Why do you think that? And then we'll get into a fact-based discussion. And similarly, they come along and say, you know, we think you should go faster with this product in Germany. And we end up in a place that we both walk away from feeling, okay, it's a good idea or it's maybe too soon. But that tension and I think that positive push, I think it's part of the Coke system. I think it's what makes it great. And it happens.

Simon Hales^ It's Simon Hales from Citi. I just want to come back on the shareholder returns question or debate. I mean, Damian, you partly answered this, I think, in your last answer. I just want to be clear on how we think about this going forward. Clearly, a great deal of confidence in delivering at least 1.7 billion in cash, no M&A on the horizon. You know, why shouldn't I be penciling into my model at least a billion of ongoing buybacks for the next two to three years, given you're going to be deleveraging the balance sheets below two and a half times quite quickly from here? And then the second one on ARTD. Obviously, it's still a big opportunity, small business for you at the moment. How much of the opportunity going forward is dependent on further partnerships with existing spirits players versus what you can grow organically from a brand standpoint within the business?

How do we think about the tradeoff between those two areas?

Damian Gammell^ So maybe I'll let Ed come as well on the first one. I mean, we've never guided to multiyear share buybacks. I think we've been very consistent that, you know, with our board in a given year, we'll commit to a program like we've done with a billion. And then we'll come back, you know, at the end of the year as we move through to our planning for 2026. Yeah, exactly. I mean, I think where we have set out a long-term framework is actually with the capital allocation framework itself. So as you said, you can do the maths and do your own assumptions about what we'll generate. And absolutely, absent nothing else, it will

generate at least that billion to be returned, you know, to shareholders. But we don't want to constrain ourselves today because what if there is an M&A opportunity? What if we do see more opportunities to invest into growth in the business in something that's not in our 4% to 5% of CapEx today?

Ed Walker^ And we don't want to feel we can't take those opportunities because of a multiyear commitment we've made today on buyback. And because we'll want to look at the situation as well as we get closer to the end of this first one year and see how it's been received, see what the shareholder perspective is. So that's the reason we only commit to one year at a time.

Damian Gammell^ But I think, you know, you can look at what we've done previously and what we've done this year. I think we're pretty consistent with what will happen, all things being equal to Ed's point. So on AORTD, and again, you know, I think Yoanne did a great presentation laying out where we are today. We're still very much at the beginning. I think we benefit compared to a lot of other players by having that experience coming out of Australia and New Zealand with 18 years of building a category, leading a category, okay, with a different brand partner. We're changing that.

I would imagine it'll be partnership-led on the big categories. So I think it's hard in bourbon or in gin or in vodka or in rum to do it as a kind of generic blend. We haven't seen that working. I think what will be interesting is in our Biltons acquisition out of Australia, which is a dedicated brand for ARTD, how does that go and will it be transferable? But I think in the near term, absent that acquisition, we've a lot of headroom with Absolut, I'm going to miss one of you, Yoanne, Bacardi, obviously Jack. Absolute. And Absolute. So, and Schweppes, we've done some work as well.

Peter West^ Damian, I was just going to add, when the GB team were launching into ARTD, they came down to Australia for the week and they presented their ARTD plans to the Australian team, who then did a huddle and gave some feedback and critique of the things that they would consider based upon their experience. So the first example was the importance of getting into multipacks into the future, because if you want to get any sustainable volume from beer, so much beer gets sold in multipacks in retail.

And then there was also the example of zero sugar and that opportunity. So we did a lot of work relative to the category in our current partnerships, because we take all the soft drink knowledge of where zeros sell really well and took that across. So what Stephen would say, the success that they've had is that they leveraged lots of those learnings, a lot of that segmentation to build out. So I do think we are leveraging that well within the business. So doing really well in GB, and Stephen would say a lot of the things that they learned, they've applied as they've rolled out into GB.

Damian Gammell^ I think one of the challenges we're thinking about is outside of GB, I don't want to upset Peter, but culturally very aligned to Australia in terms of habits, behaviours. Once you go into mainland Europe, particularly if you look at France or Spain, there is nearly a ceremony around how people drink spirits and mixers, and we've obviously got Royal Bliss. So we think with younger consumers, we can build a different type of occasion. But certainly some

markets seem to open themselves up quicker to that occasion. I think GB is one, Australia has obviously been one, I think Germany. As you move towards the med, we certainly see it being more of a habit we're going to have to really build. The category is there, but it's not really relevant in southern Europe yet.

So you'll see faster acceleration in GB, Germany, Australia, New Zealand, and then probably more about building the category in the other markets.

Gen Cross^ Gen Cross, BNP Paribas Exane. First question is on the Philippines, since we're here. I think when you announced the acquisition, there was quite a lot of questions around whether you'd have the same difficulties as some of the previous bottlers. Gareth's presentation, I think you mentioned you've been in the business 20 years, seen a lot of re-franchises, and this is the most successful one. So I just wonder if you could elaborate a little bit on what you've done most differently as CCEP in the Philippines.

Damian Gammell^ I suppose the good news is I don't really know what the others tried to do. So I think as Gareth laid out, I think we got this business at the right time. I think the work that Gareth was doing when it was part of the Coke system created a great foundation. I think we've continued to support Gareth and the local team on that journey, but we've kind of brought a bit more to the mix in terms of CapEx, leveraging our balance sheet, and then more importantly, leveraging our capabilities. I think what has helped is that Xavi talked about it, that alignment with CCEP and the Coke Company right across the levels and a commitment from our board. We really believe in the business for the long term. So I think if you take that mentality to the Philippines or to Indonesia, I think it gives management a lot more freedom to make the right decisions.

So we tried to learn what happened here before, but ultimately, will you ever learn the truth? Will people really tell you what happened? I think we just took a view to say the macro's here, the share position, and the support we could bring because in that period, being a big, big bottler but not being part of a big bottler, you under-leverage a lot of capabilities. I think that's the message we've brought since day one. It's working, and I think also the model with having a local partner here, which is the first time that model has existed here, that just seems to work really well. So you get the global expertise of CCEP, our great local team, but then also having a partner that can help us navigate the Philippines, and that seems to be a good combination. Maybe that's the biggest difference to the historic models.

Ed Walker^ Maybe just to add, culturally, this is really our third big integration, the first being CCEP's creation, then Amatil, and then Philippines. We've learnt along the way, but we are very choiceful about how we integrate. So we don't try and do everything on day one. We don't kind of ram the CCEP culture down everyone's throat, whether they like it or not. So we really prioritize where we can add value, and it's really what will generate growth in the market, or what do we need to do from a risk or compliance perspective. Those things are the things that are done first. We get the feedback from the market on things that they think will add value as well, and we build out the plan from there.

And it's always an integration with a real openness to listening on both sides, and there's lots of best practices we've taken from Amatil that we've applied back in Europe, and vice versa, and there's lots of things that we are taking and will take, because it's still early for the Philippines, and apply back in CCEP. So I think all those things make a big difference in terms of making an integration that's as smooth as it can be.

Damian Gammell[^] I think the speed at which we want to go to the full model and the route to market in Indonesia, a lot of that's from the confidence we've got from how that model works from Gareth and the teams since we came to the Philippines, and Xavi spent a lot of time here. So we probably wouldn't have been as confident to go as quick. So it is really a two-way street.

Gen Cross[^] Thank you. The second question is more on the group growth. So, I mean, it seems like confidence is riding pretty high, and at least being able to live on the 4% commitment. And you talked a bit about the potential to kind of improve volumes on Coke Classic, Diet Coke, potentially unlocking the capabilities from your digital tools. My own sense was that there's a bit more confidence in the kind of potentially and more part of 4 and more on the volume side. So I just wondered if my interpretation is correct and kind of linked to that. I think when you upgraded the guidance a few years ago, you talked about roughly 40% volume, 40% pricing, and about 20% mix. I just wondered if you could give us a rough idea of how you're thinking about the shape of the 4 and maybe 4 and more going forward.

Damian Gammell[^] Yeah, we've always tried to, you know, in the midterm, balance that price, mix, and volume. I think what we've seen in our business, we've consistently delivered on the price. I think we've made good strategic pricing decisions against premiumization and affordability, so that will continue. Mix has been a bit of a drag as away from home has been a bit slower, so we'd certainly like to see mix coming back into our business a bit more, and that's on the back of, you know, as we see that market returning to pre-2019 volumes. We're there in revenue. We're not there in volume yet, so that will be a factor.

And excluding markets in a top midterm like Indonesia, Philippines, Australia, and New Zealand, where we see on the back of GDP and demographics solid volume growth in the category, and for us the big unlocker of getting volume to that one-third will be Western Europe.

And if you look not too long ago, last year, our revenues, we didn't get to the 4, and when you look at really what held us back, it was volumes in Europe, particularly in away from home. So midterm, that's definitely the same algorithm. You know, we're seeing pricing at around, you know, two basis points, and then the balance will come from that combination of volume and mix, and I'm just talking in Europe, and clearly outside of Europe it's a little bit stronger.

Andrea Pistacchi[^] Andrea Pistacchi from Bank of America. You talked about obviously the importance of getting the right time for accelerating categories in a given market or region. What gives you the confidence that now is really the right time for sports in Europe, and could sports, in your view, sort of become the next energy in Europe? That's the first question.

Damian Gammell[^] So what gives us confidence is when we do the consumer need state analysis with the Coke Company and we just look at what consumers want in terms of advanced hydration, wellness, sports, Powerade, you know, just fits really nicely within that consumer need state, and then I suppose we multiply that with what we have in Australia and New Zealand already, and that kind of gives us tangible belief. And then candidly, when we look at what we haven't done in terms of investment or innovation, and as the category leader, we probably haven't led that category as well as we could have.

So it starts with the consumer, and I think most importantly, we've done it in other markets, and we just need to come back to Western Europe, and I think it's certainly on trend. Energy has been the winning category for quite a while now in most of our markets. We're still super excited about it. Despite our growth rates, I think we're 25 shares, Stephen, on average. It's maybe slightly higher. So still a long way to go. You saw some of the imagery from Monster on the slide. They continue to be masters of product development and innovation on flavours, sugar-free, fruit-based. So those two categories, we believe, will lead our growth for sure.

Andrea Pistacchi[^] And then there's a second question on another category. Coffee so far probably hasn't quite played out as expected since the Costa deal. Where from here? I think earlier in the presentation you highlighted refocusing the RTD in UK and hot coffee more spread across out of home in Europe.

Damian Gammell[^] Yeah, we certainly learned a lot on coffee. We're definitely -- we've tried a lot. We've learned a lot in multiple markets. I think, you know, Stephen laid out we're really pivoting back to where we believe we've got the route to market and the space and the relationships to win, which is ready to drink. You know, it's a very fast-growing part of the NARTD category. I'm sure most of you see now a lot of coffees consume cold. I've got three teenagers. If they get a coffee, it doesn't matter what time of the year, it's a nice coffee, it's a cold coffee. So we definitely see that's the space in the market that we can win in.

So we've always had a pretty good ready to drink business in the UK. We've reformulated both in terms of product formulation. I think we're going with a tiramisu, slightly sweet tea -- coffee, sorry. And we're looking at new packaging. So you'll see most of our efforts in the UK on ready to drink, good business in Australia on grinders. Beyond that, you know, as Stephen said, we'll selectively playing hot where we can make money. I mean, I'm sure you've looked at the cost of coffee, some of the headwinds in terms of commodity costs. It's putting a lot of pressure on pricing. So we will be more selective in the hot space.

We've had some good momentum in Norway, which is traditionally for us a good coffee market. We've had good momentum in Germany and Belgium. But beyond that, we're not really looking at hot coffee outside of those markets until we can get scale and guarantee a good return. And therefore, we'll kind of spend our time on ready to drink where we think we've got probably a greater right to win, both in terms of route to market. And the new product taste and feel is really strong from the Costa company. So we're excited about that. And then we look at ready to drink in other markets. Some of our markets, it's much more dairy-based like Germany. Rather than coffee, I mean, it's more dairy with a bit of coffee. So we'll continue to



look. It's growing in markets like Spain. It's growing in France as a category. But before we go there, we've really got to get to where we want to get to in GB, and I suppose that's our focus.

So a lot of learning, pivoting to ready to drink where we can make good margin. I think we've a right to win there. Selectively playing in hot in markets where we get a return and continue our Grinders momentum in Australia and learning from that.

Sarah Willett^ Okay, that's all we've got time for. Obviously, there's lots of opportunities to ask further questions over dinner, and maybe beyond or maybe not. So thank you very much, Damian & Ed.

<End of transcript>