Statement from the Remuneration Committee Chairman

Remuneration outcomes for 2023 reflect strong overall business performance."

Dear Shareholder

On behalf of the Board, I am pleased to present the Directors' remuneration report for CCEP for the year ended 31 December 2023. This includes a summary of our remuneration policy (page 129), which shareholders approved at our 2023 AGM. We have also set out our Annual report on remuneration (ARR) (pages 131-143), which outlines how we implemented the policy during 2023 and how we intend to do so in 2024. This will be subject to an advisory vote at our 2024 AGM.

Remuneration outcomes for 2023

Annual bonus

The strong overall business performance outlined in the Strategic Report has been reflected through the annual bonus, with performance against all three financial metrics being above target. Revenue and comparable operating profit increased year on year by 5.5% and 11.0%, respectively. This, alongside strong comparable free cash flow generation, has resulted in an overall Business Performance Factor (BPF) of 165% of target being achieved. The strong business performance is also a reflection of the exceptional leadership of the CEO throughout 2023, which resulted in an Individual Performance Factor (IPF) of 1.15x being awarded to him. The final bonus payment to the CEO was 79% of maximum. Further details are provided on pages 131-132 of the ARR.

2021 Long-Term Incentive Plan

The 2021 Long-Term Incentive Plan (LTIP) award, granted in September 2021, was subject to earnings per share (EPS), return on invested capital (ROIC) and CO_2e reduction performance targets over the three year period to 31 December 2023. Around 275 senior executives and management participated in the scheme, including the CEO.

CCEP has performed very strongly over the last three years, with cumulative EPS growth of 20.5% per annum[(A)] and outperformance of our ROIC and CO_2e reduction targets. This level of performance results in a formulaic vesting outcome of 2.0x target.

In assessing the formulaic vesting outcome, the Committee also undertook a holistic assessment of overall performance over the three year period to determine whether the level of vesting was a fair reflection of broader CCEP performance. In the course of its assessment, the Committee noted that:

- As with EPS and ROIC, CCEP's performance against its other key financial indicators had been equally strong, as disclosed in more detail on pages 2-3 of the Strategic Report
- CCEP had delivered +50% total shareholder return over the performance period, which was upper decile versus our sector and ahead of the FTSE 100, Euronext 100 and S&P 500 indices
- The wider stakeholder experience, including that of our employees, had been positive, with no material areas of concern identified
- CCEP had delivered strongly against our sustainability initiatives, as disclosed in more detail on page 134 of the ARR

As a result of the assessment, the Committee determined that the overall performance of the business continued to be strong. Nonetheless, it was recognised that when the CO_2e reduction targets were set in 2021 there remained a degree of uncertainty about what represented appropriately stretching performance for the business. The Committee had been keen to include the metric, given its importance to CCEP's sustainability agenda, but as a relatively new measure there remained a number of moving parts. Reflecting now, the Committee considers it appropriate to follow a similar approach to the 2020 LTIP and apply downwards discretion in respect of the final vesting level to cap the outcome at target. This reduces the overall vesting level to 1.85x target and the Committee believes this to be a fair reflection of overall performance.

This is estimated to have a final vesting value for the CEO of £7.4 million, which includes £1.2 million of benefit from the strong share price growth and dividend delivery over the performance period, which has delivered more than £6 billion of value to shareholders.

All references to revenue, operating profit, operating free cash flow, EPS and ROIC targets refer to those measures that are defined within the ARR
(A) Comparable and on a tax and currency neutral basis, adjusted for brand sales.

Statement from the Remuneration Committee Chairman continued

Implementation of remuneration policy in 2024

The Committee considers that our overall remuneration framework remains fit for purpose and will implement our remuneration policy for 2024 on the same basis as for 2023 (see pages 141-142 for further details).

The Committee has approved a 2.0% salary increase for the CEO, effective 1 April 2024, which is significantly lower than the 3.5% merit increase for the wider GB workforce.

The structure of the 2024 annual bonus will be unchanged from last year, with the business performance element being based on stretching performance targets for operating profit, revenue and operating free cash flow. These targets will include the performance of the Philippines business following the successful acquisition of CCBPI. For the CEO, his individual element will be assessed against objectives aligned to the key strategic areas of focus of the business, which include: market share, operational objectives, ESG and people targets.

The 2024 LTIP award will continue to be based on a mix of EPS, ROIC, and CO_2e reduction. Due to the timing of the acquisition of CCBPI, and to enable robust targets to be set for the combined business, the awards will be made in Q2. The targets will be set at stretching levels taking into account both our long-term plan and external forecasts. Targets will be fully disclosed in next year's ARR.

Following the end of the performance period, LTIP awards will be subject to an additional two-year holding period.

Looking ahead

We regularly monitor the performance of our remuneration policy and will continue to engage with shareholders where necessary to ensure we are implementing the policy in a way which is aligned with both good governance and commercial best practice.

While the targets for the 2023 LTIP were substantially increased to reflect our CO_2e reduction trajectory at the time of grant, the Committee is conscious that the targets for the 2022 LTIP (due to vest in March 2025) were set in a consistent manner with those for the 2020 and 2021 awards. As such, the Committee will keep performance against the 2022 targets under review and ensure that the overall outcome appropriately reflects underlying performance at the point of vesting.

Our remuneration policy and outcomes reflect a strong emphasis on performance-related pay, aligned to shareholder interests and our strategic aims. I hope we continue to receive your support in respect of our ARR at our forthcoming AGM in May 2024.

John Bryant,
Chairman of the Remuneration Committee
15 March 2024

All references to revenue, operating profit, operating free cash flow, EPS and ROIC targets refer to those measures that are defined within the ARR

Overview of remuneration policy

Governance framework

Key principle	Application to policy	Current implementation
Focused on delivering our business strategy	Annual bonus and LTIP measures aligned to the KPIs of the business	**Annual bonus metrics**: Operating profit 50%; Revenue 30%; Operating free cash flow 20% **LTIP metrics**: EPS 42.5%; ROIC 42.5%; CO_2e 15% See ARR for definitions
Simple, transparent and aligning the interests of management and shareholders	• Only two simple incentive plans operated • Strong focus on pay for performance • Majority of remuneration package delivered in shares • Significant shareholding requirement of three times salary • CEO pension aligned to wider workforce	**CEO pay mix linked to performance at target** 22% Fixed pay; 29% Annual bonus; 49% LTIP
Able to be cascaded through the organisation and applicable to the wider workforce	The same remuneration framework is applied to all members of the ELT (but with lower incentive levels)	Fixed pay + Annual bonus + LTIP
Variable remuneration should be performance related against stretching targets	Targets are set at stretching levels in the context of the business plan and external forecasts	• Target performance linked to business plan • Maximum payout requires performance significantly above plan

Summary of remuneration policy table

Fixed pay

Key features

Base salary

Annual increases will normally take into account business performance and increases awarded to the general workforce

Benefits

A range of benefits may be provided in line with market practice

Pension

- Can participate in the UK pension plan or receive a cash allowance on the same basis as all other employees
- Maximum employer contribution is £30k

Link to strategy

Supports recruitment and retention of Executive Directors of the calibre required for the long-term success of the business

Annual bonus

Key features

- Target bonus opportunity is 150% of salary
- Bonus calculated by multiplying the target bonus by a BPF (0–200%) and an IPF (0–120%)
- Business and individual performance targets are set in the context of the strategic plan
- Malus and clawback provisions may apply to awards
- Discretion to adjust the formulaic outcome up or down taking into account all relevant factors

Link to strategy

- Incentivises delivery of the business plan on an annual basis
- Rewards performance against key indicators which are critical to the delivery of the strategy

LTIP

Key features

- Based on performance measures aligned to the strategic plan and measured over at least three financial years
- Target LTIP award is 250% of salary (500% of salary maximum)
- Malus and clawback provisions may apply to awards
- Two year holding period applied after vesting
- Discretion to adjust the formulaic vesting outcome up or down taking into account all relevant factors

Link to strategy

- Focused on delivery of Group performance over the long term
- Delivered in shares to provide alignment with shareholders' interests

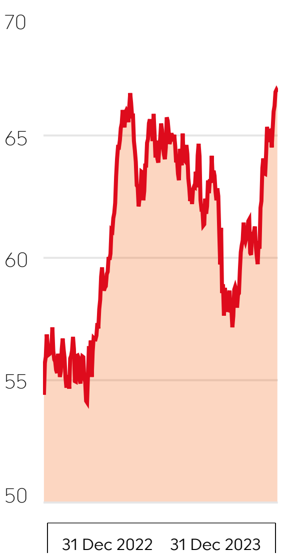
A full copy of the Remuneration policy can be found on pages 122–129 of the 2022 Integrated Report, in the reports & results section of the investor section of our website at cocacolaep.com/investors

All references to revenue, operating profit, operating free cash flow, EPS and ROIC targets for 2024 refer to those measures that are defined within the ARR

Remuneration at a glance

Overview of 2023 remuneration performance

CCEP share price[A] (US$)



(A) Nasdaq listing

Annual bonus outcomes

Operating profit

1.91x target

Revenue

1.03x target

Operating free cash flow

1.95x target

Bonus pay out = 79% of maximum (including IPF of 1.15x)

Reported long-term KPIs

Comparable EPS[B]

2021	2.83
2022	3.39
2023	3.71

Comparable ROIC[B]

2021	9.2%
2022	9.1%
2023	10.3%

CO_2e reduction per litre

2023	17.4 %

(Europe reduction 2020-2023)

2023 CEO single figure

Fixed pay	Annual bonus	LTIP
£1.4m (11%)	£3.5m (29%)	£7.4m (60%)

2023 total value

£12.3m

CEO shareholding

Current shareholding: As at 31 Dec 2023 — 2,156% of salary

Shareholding requirement: 300% of salary

(B) Comparable diluted EPS and comparable ROIC are non-IFRS performance measures. Refer to 'Note regarding the presentation of alternative performance measures' on pages 81-82 for the definition of our non-IFRS performance measures and to page 90 for a reconciliation of reported to comparable results.

Overview of 2024 CEO remuneration framework

Fixed pay

Base salary

2.0% increase for 2024

£1.27m

Benefits

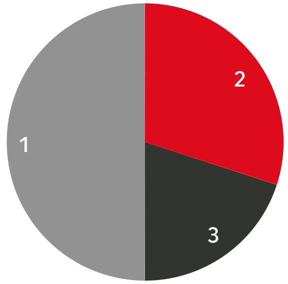
- Car allowance
- Private medical
- School fees
- Financial planning

Pension

Pension scheme contribution and cash in lieu aligned to wider workforce

£27k

Annual bonus



1	Operating profit	50%
2	Revenue	30%
3	Operating free cash flow	20%

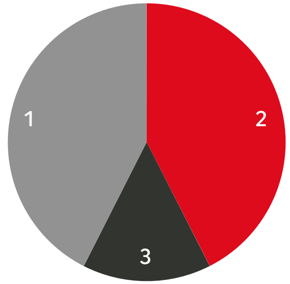
0x–1.2x

Individual multiplier

Target: 150%

Maximum: 360%

LTIP



1	ROIC	42.5%
2	EPS	42.5%
3	Reduction in CO_2e	15.0%

Target: 250%

Maximum: 500%

All references to revenue, operating profit, operating free cash flow, EPS and ROIC targets for 2023 outcomes and for 2024 refer to those measures that are defined within the ARR.

Read more in the Annual report on remuneration from page 131

Annual report on remuneration

Remuneration outcomes for 2023

The following pages set out details of the remuneration received by Directors for the financial year ending 31 December 2023. Prior year figures have also been shown. Audited sections of the report have been identified.

The Directors' remuneration in 2023 was awarded in line with the remuneration policy, which was approved by shareholders at the AGM in May 2023.

Single figure table for Executive Directors (audited)

Individual	Year	Salary (£000)	Taxable benefits (£000)	Pension (£000)	Fixed pay (£000)	Annual bonus (£000)	Long-term incentives (£000)	Variable remuneration (£000)	Total remuneration (£000)
Damian Gammell	2023	1,235	99	27	1,361	3,525	7,396[A]	10,921	12,282
	2022	1,208	135	26	1,369	3,730	7,054[B]	10,784	12,153

(A) Estimated value based on three month average share price and exchange rate at 31 December 2023 of US$61.15 (£49.25) and includes £589,000 cash payment in respect of dividend equivalents to be paid on the vested Shares. Number will be restated in next year's single figure table to show the final value on the vesting date of 15 March 2024. Around £650,000 of the vest value is attributable to share price appreciation.

(B) Restated from £6,720,000 in last year's single figure table to reflect actual share price on vesting date of $55.09 (£45.25) on 17 March 2023 applied to 144,544 vested Shares and £513,000 cash payment in respect of dividend equivalents paid on the vested Shares.

Notes to the single figure table for Executive Directors (audited)

Base salary

Damian Gammell received a salary increase of 2.0% from £1,217,098 to £1,241,440 effective from 1 April 2023. This increase was significantly lower than the merit increase provided to the wider GB workforce of 6.0%.

Taxable benefits

During the year, Damian Gammell received the following main benefits: car allowance (£14,000), financial planning allowance (£10,000), schooling allowance (£50,000 net) and family private medical coverage (£7,000).

Pension

The pension provisions that apply to Damian Gammell are aligned to all other GB employees. Damian Gammell elected to receive a contribution into the pension scheme up to the annual allowance with the balance up to the maximum allowed by the Remuneration Policy as a cash allowance. This equates to a total payment of £30,000 from CCEP inclusive of employer National Insurance contributions (i.e. the actual benefit received by Damian Gammell is less than £30,000 per year).

Annual bonus

Around 12,000 people across the organisation participate in the annual bonus (~38% of our total workforce). Around 70% of our employees participate in annual variable remuneration plans in total, including the annual bonus, sales incentive plans (~22% of our people), and local incentive plans (~25% of our people).

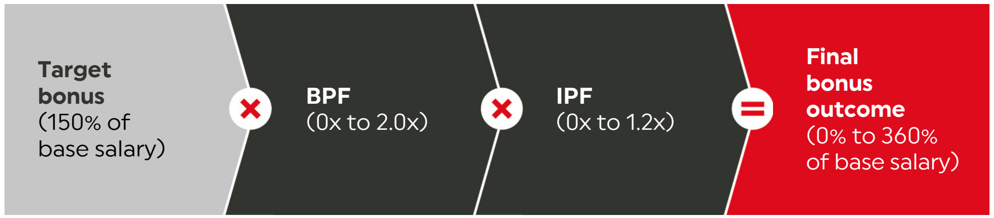
Overview of CCEP's annual bonus design

The 2023 CCEP annual bonus plan was designed to incentivise the delivery of the business strategy and comprised the following elements:

Business Performance Factor (BPF) – Provides alignment with our core objectives to deliver strong financial performance against our main financial performance indicators of operating profit (50%), revenue (30%) and operating free cash flow (20%).

Individual Performance Factor (IPF) – Individual objectives were also set for Damian Gammell, focused on a number of areas which are aligned to key longer-term strategic objectives of the business.

In line with the remuneration policy, Damian Gammell had a target bonus opportunity of 150% of salary. Actual payments range from zero to a maximum of 360% of salary depending on the extent to which business and individual performance measures were achieved.



Annual report on remuneration continued

2023 annual bonus outcome – BPF

As set out in the Statement from the Remuneration Committee Chairman (page 127) overall performance in 2023 has been strong. This has been reflected in the annual bonus outcome, with performance for all three financial measures being above target.

		Performance targets			Performance outcomes	
Measure	Weighting	Threshold (0.25x multiplier)	Target (1x multiplier)	Maximum (2x multiplier)	Actual outcome	Multiplier achieved
Operating profit[A]	50%	€2,135m	€2,286m	€2,437m	€2,423m	1.91x
Revenue[B]	30%	€17,772m	€18,636m	€19,254m	€18,655m	1.03x
Operating free cash flow[C]	20%	€2,074m	€2,305m	€2,489m	€2,481m	1.95x
Total	**100%**					**1.65x**

(A) Comparable operating profit on a FX neutral basis at budget rates.
(B) Revenue on a FX neutral basis at budget rates.
(C) Comparable operating profit before depreciation and amortisation and adjusting for capital expenditures, restructuring cash expenditures and changes in operating working capital, on an FX neutral basis at budget rates.

2023 annual bonus outcome – IPF

To determine an appropriate IPF, the Chairman of the Board assesses Damian Gammell's performance against the individual performance objectives that were set at the start of the year. The outcome is then discussed with and recommended by the Committee for final approval by the Board.

Damian Gammell once again provided exceptional leadership of the business during 2023 within a very challenging external environment. He delivered strongly against his individual objectives outlined below, and the Board determined that his IPF should be set at 1.15x for the year.

Further details of some of the specific objectives, which link to our strategy pillars (great brands, great people, great execution, done sustainably) achieved, are included in the table below:

2023 objectives	Performance delivered	Strategic objective
Value share growth in sparkling	• Full year sparkling volume maintained versus 2022. Value share growth target in sparkling not met. • NARTD value share gains across measured channels both in-store & online	
M&A	• Acquisition of CCBPI completed in February 2024	
Competitiveness	• Delivered savings significantly ahead of target	
Diversity and inclusion	• Increase in senior management gender ratio • Exceeded disability inclusion target[A]	

(A) Calculated based on the total number of employees responding to our voluntary 2023 inclusion survey (representing 38.4% of our workforce) and the number of employees self-declaring as having a disability.

Link to strategy

Great brands | Great people | Great execution | Done sustainably

2023 annual bonus outcome – calculation

Based on the level of performance achieved, as set out above, this resulted in a cash bonus paid following the year end to Damian Gammell as follows:

Target bonus (150% of base salary) × **BPF** (1.65x) × **IPF** (1.15x) = **Final bonus outcome** (285% of base salary)

Annual report on remuneration continued

Long-term incentives

Awards vesting for performance in respect of 2023

The 2021 LTIP award was subject to EPS, ROIC and CO_2e reduction performance targets measured over the three year performance period from 1 January 2021 to 31 December 2023.

		Performance targets[D]				
Measure	**Weighting**	**Threshold (25% vesting)**	**Target (100% vesting)**	**Maximum (200% vesting)**	**Actual performance outcome**	**Final vesting level**
EPS[A]	42.5%	€3.04	€3.41	€3.67	€3.78	2.00x
ROIC[B]	42.5%	8.3%	9.2%	9.9%	10.4%	2.00x
CO_2e reduction[C]	15%	6.0% per litre	8.0% per litre	10.0% per litre	17.4%[α] per litre	2.00x
Total formulaic vesting level						2.00x
Total vesting after discretion						1.85x

(A) Comparable and on a tax and currency neutral basis, adjusted for brand sales.

(B) ROIC calculated as comparable operating profit after tax attributable to shareholders, on a tax and currency neutral basis, divided by the average of opening and closing invested capital for the year, adjusted for brand sales and material non-cash equity accounting adjustments. Invested capital is calculated as the addition of borrowings and equity attributable to shareholders less cash and cash equivalents and short-term investments.

(C) Target based on entire value chain in Europe.

(D) Straight-line vesting between each vesting level shown.

(α) This metric was subject to external independent limited assurance for the year ended 31 December 2023. Please see cocacolaep.com/sustainability/download-centre for our 2023 assurance statement.

In assessing the formulaic vesting outcome of the 2021 LTIP, the Committee additionally undertook a holistic assessment of overall performance over the three year period to determine whether the formulaic outcome was an appropriate vesting level for all participants (around 275 people who occupy the most senior roles in the business) and reflected underlying Company performance. The Committee took into account a wide range of performance reference points, including financial performance, returns to shareholders, the stakeholder experience and our sustainability achievements, as described below.

As a result of the assessment the Committee determined the overall performance of the business to be strong. However, as outlined in the Statement from the Remuneration Committee Chairman (page 127) the Committee considered it appropriate to follow a similar approach to that used for the 2020 LTIP and apply downwards discretion in respect of the final vesting level for the CO_2e reduction measure and cap this at target. This reduced the overall vesting level to 1.85x target, and the Committee believes this to be a fair reflection of overall performance.

As the award does not vest until 15 March 2024, the final value of the award has been estimated based on the average share price over the three month period from 1 October 2023 to 31 December 2023 of US$61.15 (£49.25). This would result in a final pay out of around £7.4 million including the value of the cash payment to be received in respect of dividend equivalents accrued during the performance period. As outlined in the Chairman's letter, this value included the benefit of the significant increase in share price over the three year performance period, which has delivered over £6 billion of value to shareholders over the same period. The actual value on the vesting date will be reported in next year's ARR.

Annual report on remuneration continued

Holistic review of overall performance over 2021 LTIP performance period

Overall business performance

- NARTD value share growth over the performance period (2021 = +40bps, 2022 = +10bps, and 2023 = +10bps).
- Largest FMCG value creator in Europe, and largest NARTD value creator in Australia and New Zealand – created over €1.3 billion of value in 2023 for our customers in Europe, Australia and New Zealand. Across the three year performance period, we created over €3.2 billion of value for customers across our markets, by focusing on core brands, in-market execution and revenue growth management initiatives.
- Strong revenue per unit case (FY23 +8.5%, Europe: +8.0% and API: +11.0%) driven by positive headline price increases and promotional optimisation alongside favourable mix.
- We committed to rebasing our cost base versus pre-pandemic levels. As a % of revenue, our comparable operating expenses are lower now (FY23: 24%), in-line with last year (FY22: 24%), mitigating inflationary pressures with productivity initiatives and more importantly below 2019 (FY19: 26%).
- Strong comparable free cash flow generation of €1.7 billion in 2023, in-line with our medium-term objective of at least €1.7 billion.

Shareholder experience

- Share price performance – highest share price in history of company of $66.82 achieved during the performance period, and exceeded in early 2024. Share price as at the date of signing the report remains over 25% above the grant price.
- Significant value delivered to shareholders through continued payments of dividends - FY23 dividend per share of €1.84 (+9.5% versus 2022), and cumulative dividends of €2.2 billion over the period, maintaining an annualised dividend pay-out ratio of approximately 50%.
- Strong TSR growth – 50% growth over the three year period, which was top decile performance versus FMCG peers and out-performed the FTSE 100 (32%), Euronext 100 (37%) and S&P 500 (34%).

Successful acquisition and integration of CCL

- Completed the acquisition of Coca-Cola Amatil (CCL) in May 2021 to become a truly global bottler and solidify our position as the largest Coca-Cola bottler by revenue in the world.
- Integration now well advanced, with portfolio reorientation initiatives completed, and strong financial performance in 2023 (achieving both revenue and operating profit growth versus last year[A]).

[A] On a comparable and FX neutral basis

Continued delivery of our sustainability agenda

- CCEP's focus on long-term value creation and innovation positions sustainability at the heart of everything we do. Over the 2021 LTIP performance period we delivered the following:
  - 16.7% reduction across our Scope 1, 2 and 3 GHG emissions since 2019.
  - Reduction in our Group Water Use Ratio of 4.9% versus 2019.
  - Continued to exceed our target to use >50% rPET, reaching 54.6% across the Group, and 59.2% in Europe in 2023.
  - 48.3% of our volume sold came from low or no calorie products, making progress against our target to reach 50% by 2030.

Wider workforce and other stakeholder experiences

- Our primary focus throughout the performance period, in the context of the global COVID-19 pandemic and macro geopolitical environment, was on the safety and wellbeing of our colleagues. This included emotional and mental wellbeing support through a COVID-19 support hub, an expanded EAP, and a significant Mental Health First Aider programme to provide ongoing support to all employees.
- In recognition of the rising cost of living, one-off payments were delivered in 2022 to our lowest paid colleagues in selected markets.
- As disclosed in previous remuneration reports, there was limited financial impact on all employees during the COVID-19 pandemic, with continued frontline and Group incentive payouts, limited use of government support schemes, with a total value received of less than 0.2% of total employee expenditure, and continued salary increases for over 75% of employees in 2021.

Annual report on remuneration continued

- In 2022, we launched the new global Employee Share Purchase Plan (ESPP), which gives our employees the opportunity to buy Shares in CCEP on a regular basis. For every share an employee purchases, CCEP will provide a matching share, up to an agreed limit. In Great Britain, we offer a similar opportunity under an employee share plan, which makes use of a tax-efficient opportunity for employees to become shareholders through salary sacrifice arrangements. Around 43% and 75% of eligible employees were participating in the global ESPP and Great Britain share plan, respectively, on 31 December 2023.
- Focus on our communities – Our employees in Europe volunteered 32,500 hours with a total of €14.8 million in community investment in Europe and API. Our Support My Cause initiative enables employees to nominate local charities they feel passionately about for a donation from the business. Since 2019, we have donated €1.2 million to 200 local charities and community groups across our territories. In addition, in 2023, we donated over €400,000 to support 125 grassroots charitable and community partnerships located close to our sites and offices.
- Focus on our customers – We have an unrivalled customer coverage with which we jointly create value, with more than €3 billion added to the FMCG industry since 2021.

Awards granted in 2023 (audited)

A conditional award of performance share units (PSUs) was granted under the CCEP LTIP to Damian Gammell on 13 March 2023, with a target value of 250% of salary in line with the remuneration policy. The performance measures were unchanged from the prior year and continued to align with the long-term strategy – EPS, ROIC and CO_2e reduction. Financial targets were set at stretching levels and on the same basis as in prior years, taking into account both our long-term plan and external forecasts. Targets for CO_2e reduction were significantly increased versus those used for prior awards.

Further details are set out below:

Individual	Date of award	Maximum number of Shares under award	Target number of Shares under award[A]	Closing Share price at date of award	Face value	Performance period	Normal vesting date
Damian Gammell	13 Mar 2023	130,738	65,369	US$55.20	US$7,216,738	1 Jan 2023 – 31 Dec 2025	13 Mar 2026

(A) Number of Shares awarded calculated using 10 day average share price to the normal grant date (13 March 2023) of US$55.13.

The vesting of awards is subject to the achievement of the following performance targets:

Measure	Definition	Weighting	Vesting level[D] (% of target) 25%	100%	200%
EPS[A]	EPS achieved in the final year of the performance period (FY 2025)	42.5%	€3.63	€4.07	€4.37
ROIC[B]	ROIC achieved in the final year of the performance period (FY 2025)	42.5%	10.8%	12.0%	13.1%
CO_2e reduction[C]	Relative reduction in total value chain GHG emissions since 2022 (gCO_2e/litre)	15%	12.0% per litre	14.5% per litre	17.0% per litre

(A) Comparable and on a tax and currency neutral basis, adjusted for brand sales. Should there be share repurchases during the performance period, an adjustment will be made to neutralise for the impact of share repurchases and will be fully disclosed at the time of vesting.
(B) ROIC calculated as comparable operating profit after tax attributable to shareholders, on a tax and currency neutral basis, divided by the average of opening and closing invested capital for the year, adjusted for brand sales and material non-cash equity accounting adjustments. Invested capital is calculated as the addition of borrowings and equity attributable to shareholders less cash and cash equivalents and short-term investments.
(C) Target based on entire Group value chain.
(D) Straight-line vesting between each vesting level (shown).

Any award vesting for the CEO will be subject to a two year post-vesting holding period.

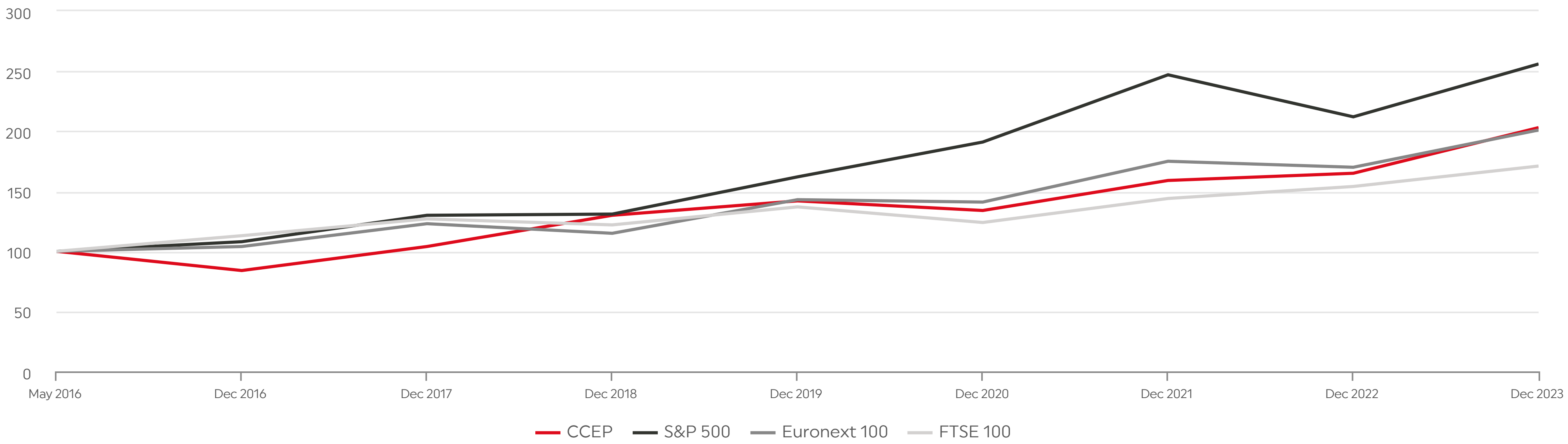
Annual report on remuneration continued

Historical TSR performance and CEO remuneration outcomes

The chart below compares the TSR performance of CCEP from admission up until 31 December 2023 with the TSR of the Euronext 100, the FTSE 100 and the S&P 500. These indices have been chosen as recognised equity market indices of companies of a similar size, complexity and global reach as to CCEP.

30 trading day average data: against S&P 500, Euronext 100 and FTSE 100

Total shareholder return data



The following table summarises the historical CEO's single figure of total remuneration and annual bonus pay out as a percentage of the maximum opportunity over this period:

	2016(A)	2016(A)	2017	2018	2019	2020	2021	2022	2023
	John Brock	Damian Gammell	Damian Gammell	Damian Gammell	Damian Gammell	Damian Gammell	Damian Gammell	Damian Gammell	Damian Gammell
CEO single figure of remuneration ('000)	US$3,890	£27	£3,716	£3,821	£7,839	£5,513	£7,672	£12,153(B)	£12,282
Annual bonus pay out (as a % of maximum opportunity)	31.23%	40.6%	60.7%	63.1%	43.7%	35.3%	84.1%	85.8%	79.3%
LTI vesting (as a % of maximum opportunity)	N/A	N/A	N/A	N/A	59.0%	36.5%	45.0%	92.5%	92.5%

(A) The figures for 2016 are in respect of the period for which each individual served as CEO during the year. John Brock served as CEO from 29 May to 28 December 2016. Damian Gammell served as CEO from 29 December to 31 December 2016.
(B) Restated from last year's single figure to reflect the actual share price on vesting date for the 2020 LTIP.

Annual report on remuneration continued

Percentage change in CEO and Director remuneration

The table below shows the percentage change in CEO and Director remuneration from 2022 to 2023 (and between prior years) compared to the average percentage change in remuneration for all employees of the Parent Company, in line with the revised reporting regulations.

	2023			2022			2021			2020		
Comparator	Base salary/fee	Taxable benefits	Annual bonus	Base salary/fee	Taxable benefits(H)	Annual bonus	Base salary/fee	Taxable benefits(H)	Annual bonus	Base salary/fee	Taxable benefits(H)	Annual bonus
CEO	2.2%	(26.7)%	(5.5)%	2.5%	0.7%	4.6%	0.4%(I)	0.0%	139.4%	2.0%	5.5%	(17.5)%
All employees	4.3%	0.5%	(7.0)%	3.4%	0.6%	11.7%	1.7%	1.1%	139.9%	2.7%	0.2%	(21.9)%
Other Directors												
Sol Daurella	1.3%	133.3%	n/a	2.4%	200.0%	n/a	0.0%	0.0%	n/a	0.5%	0.0%	n/a
Manolo Arroyo(A)	4.5%	(87.5)%	n/a	71.9%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Jan Bennink(B)	(61.0)%	(100.0)%	n/a	(7.8)%	200.0%	n/a	0.0%	100.0%	n/a	0.0%	(66.7)%	n/a
John Bryant(C)	17.9%	(11.1)%	n/a	3.5%	125.0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a
José Ignacio Comenge	1.0%	33.3%	n/a	2.0%	125.0%	n/a	0.0%	300.0%	n/a	1.0%	(80.0)%	n/a
Christine Cross(B)	(65.4%)	(100.0)%	n/a	1.6%	80.0%	n/a	0.0%	400.0%	n/a	(1.5)%	(75.0)%	n/a
Nathalie Gaveau	12.2%	200.0%	n/a	6.5%	200.0%	n/a	0.0%	0.0%	n/a	0.0%	(66.7)%	n/a
Álvaro Gómez-Trénor Aguilar	1.2%	62.5%	n/a	2.4%	100.0%	n/a	0.0%	100.0%	n/a	0.0%	(71.4)%	n/a
Mary Harris(D)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Thomas H. Johnson	7.8%	23.1%	n/a	2.7%	550.0%	n/a	0.0%	n/a	n/a	3.5%	(100.0)%	n/a
Dagmar Kollmann	3.8%	20.0%	n/a	16.8%	150.0%	n/a	0.0%	300.0%	n/a	71.2%	(83.3)%	n/a
Alfonso Líbano Daurella	(2.9)%	66.7%	n/a	1.0%	n/a	n/a	0.0%	n/a	n/a	1.0%	(100.0)%	n/a
Nicolas Mirzayantz(D)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Mark Price	5.5%	100.0%	n/a	5.8%	200.0%	n/a	0.0%	0.0%	n/a	71.7%	(50.0)%	n/a
Nancy Quan(D)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Mario Rotllant Solá	8.0%	33.3%	n/a	14.3%	125.0%	n/a	0.0%	300.0%	n/a	1.0%	(80.0)%	n/a
Brian Smith(B)(F)	(59.2)%	(83.3)%	n/a	6.5%	500.0%	n/a	109.1%	n/a	n/a	n/a	n/a	n/a
Dessi Temperley(E)	8.0%	(30.0)%	n/a	15.3%	150.0%	n/a	69.0%	n/a	n/a	n/a	n/a	n/a
Garry Watts(G)	(5.6)%	(16.7)%	n/a	(7.5)%	50.0%	n/a	0.0%	n/a	n/a	0.8%	(100.0)%	n/a

(A) Appointed to the Board on 26 May 2021.
(B) Resigned from the Board on 24 May 2023.
(C) Appointed to the Board on 1 January 2021.
(D) Appointed to the Board on 24 May 2023.
(E) Appointed to the Board on 27 May 2020.
(F) Appointed to the Board on 9 July 2020.
(G) Resigned from the Board on 31 December 2023.
(H) Reduction and increases in taxable benefits reflect the impact of travel restrictions across 2020, 2021 and 2022.
(I) No increase was applied for 2021, but small increase reflects the 2020 salary increase applying only from 1 April 2020.

Annual report on remuneration continued

Relative importance of spend on pay

The table below shows a summary of distributions to shareholders by way of dividends and share buyback as well as total employee expenditure for 2023 and 2022, along with the percentage change of each.

	2023	2022	% change
Total employee expenditure	€2,433m	€2,318m	5.0%
Dividends(A)	€841m	€763m	10.2%

(A) There were no share buybacks in 2022 or 2023.

CEO pay ratio

The table below shows the ratio of the CEO's single figure of remuneration for 2023 to the 25th percentile, median and 75th percentile total remuneration of full time equivalent GB employees. The ratio is heavily influenced by the fact that the CEO participates in the LTIP. If the LTIP were excluded from the calculation, then the median ratio would be 75:1. The main reason for the increase in the ratio from 2022 to 2023 is driven by a change in the disclosed LTIP value for the CEO.

Year	Method	25th percentile ratio	Median ratio	75th percentile ratio
2023	Option B	246:1(A)	189:1(B)	150:1(C)
2022	Option B	281:1	171:1	130:1
2021	Option B	221:1	162:1	92:1
2020	Option B	175:1	105:1	83:1
2019	Option B	250:1	169:1	111:1

(A) The individual used in this calculation received total pay and benefits of £50,000 (of which £36,000 was salary).
(B) The individual used in this calculation received total pay and benefits of £65,000 (of which £52,000 was salary).
(C) The individual used in this calculation received total pay and benefits of £82,000 (of which £56,000 was salary).

The Committee has chosen Option B (hourly gender pay gap information as at 5 April 2023) to determine the ratios, as that data was already available and provides a clear methodology to calculate full time equivalent earnings. No component of pay and benefits has been omitted for the purposes of the calculations.

The Committee is satisfied that the individuals whose remuneration is used in the above calculations are reasonably representative of employees at the three percentile points, having also reviewed the remuneration for individuals immediately above and below each of these points, and noted that the spread of ratios was acceptable. No adjustments were made to the three reference points selected.

The Committee believes the median ratio is consistent with the pay and reward policies for CCEP's GB employees. CCEP is committed to offering an attractive package for all employees. Salaries are set with reference to factors such as skills, experience and performance of the individual, as well as market competitiveness. All employees receive a wide range of employee benefits and a large number are eligible for an annual bonus. Our LTIP is designed to link remuneration to the delivery of long-term strategic objectives and therefore participation is typically offered to senior employees who have the ability to influence these outcomes. The 25th percentile, median and 75th percentile employees identified in the above calculation do not participate in the LTIP. As the CEO participates in the LTIP, the ratio will be influenced by vesting outcomes and will likely vary year on year. In consideration of these points, the Committee considers that the levels of remuneration are appropriate.

Annual report on remuneration continued

Payments to past Directors (audited)

There were no payments to past Directors during the year.

Payments for loss of office (audited)

There were no payments for loss of office during the year.

Statement of Directors' share ownership and share interests (audited)

Interests of the CEO

The CEO is required to hold 300% of their base salary in Shares. The guideline is expected to be met within five years of appointment. Until the guideline is met, 50% of any vested Shares from incentive awards (after tax) must be retained. The guideline continues to apply for one year following termination of employment.

Share ownership requirements and the number of Shares held by Damian Gammell are set out in the table below.

	Interests in Shares at 31 December 2023	Interests in share incentive schemes subject to performance conditions at 31 December 2023[(A)(B)(C)]	Interests in share option schemes[(A)(B)]	Share ownership requirement as a % of salary	Share ownership as a % of salary achieved at 31 December 2023	Shareholding guideline met
Damian Gammell[(D)]	510,907	443,920	324,643	300%	2,156%	✓

(A) For further details of these interests, please refer to footnote (C) of the outstanding awards table below.
(B) Do not count towards achievement of the share ownership guideline.
(C) The CEO has no interests in share incentive schemes not subject to performance conditions at 31 December 2023.
(D) A further 138,201 shares will vest under the 2021 LTIP on 15 March 2024.

Details of the CEO's share awards are set out in the table below.

Director and grant date	Form of award	Exercise price	Number of Shares subject to awards at 31 December 2022	Granted during the year	Vested during the year	Exercised during the year	Lapsed during the year	Number of Shares subject to awards at 31 December 2023	End of performance period	Vesting date
Damian Gammell[(A)]										
17 Mar 2020	PSU[(B)]	N/A	156,264	–	144,544	N/A	11,720	–	31 Dec 2022	17 Mar 2023
29 Sep 2021	PSU[(C)(D)]	N/A	149,406	–	–	N/A	–	149,406	31 Dec 2023	15 Mar 2024
10 Mar 2022	PSU[(C)]	N/A	163,776	–	–	N/A	–	163,776	31 Dec 2024	10 Mar 2025
13 Mar 2023	PSU[(C)]	N/A	–	130,738	–	N/A	–	130,738	31 Dec 2025	13 Mar 2026

(A) In addition, the CEO has 324,643 vested but unexercised options with an expiry date of 5 November 2025 and an exercise price of US$39.00. No options were exercised by the CEO during the year.
(B) The performance condition was satisfied at 92.5% of maximum on 31 December 2022. Award vested on 17 March 2023.
(C) The number of Shares shown is the maximum number of Shares that may vest if the performance targets are met in full.
(D) The 2021 PSU awards will vest at 185% of target (138,201 shares) on 15 March 2024.

Annual report on remuneration continued

Interests of other Directors (audited)

The table below gives details of the Share interests of each NED either through direct ownership or connected persons.

	Interests in Shares at 31 December 2023
Sol Daurella(A)(B)	33,385,384
Manolo Arroyo	–
Jan Bennink(C)	49,790
John Bryant	3,340
José Ignacio Comenge(A)(D)	7,842,464
Christine Cross(C)	–
Nathalie Gaveau	–
Álvaro Gómez-Trénor Aguilar(A)	3,143,876
Mary Harris(E)	–
Thomas H. Johnson	14,000
Dagmar Kollmann	–
Alfonso Líbano Daurella(A)	6,701,540
Nicolas Mirzayantz(E)	7,930
Mark Price	–
Nancy Quan(E)	–
Mario Rotllant Solá	–
Brian Smith(C)	–
Dessi Temperley	–
Garry Watts(F)	10,000

(A) Shares held indirectly through Olive Partners. The number of Shares increased slightly during the year as a result of a reduction in Olive Partners' share capital.
(B) For the purposes of Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended), Sol Daurella (and her connected persons within the meaning of section 252 of the Companies Act) are deemed to be interested in the shares held by Olive by virtue of their indirect minority interest in Cobega S.A, which indirectly owns 57.5% of Olive.
(C) Resigned from the Board on 24 May 2023. Share interests stated are as at the date of resignation.
(D) José Ignacio Comenge's Share interests increased to 7,855,504 on 12 February 2024 following an increase to his overall holding in Olive Partners.
(E) Appointed to the Board on 24 May 2023.
(F) Resigned from the Board on 31 December 2023. Share interests stated are as at the date of resignation.

Dilution levels

The terms of the Company's share plans set limits on the number of newly issued Shares that may be issued to satisfy awards. In accordance with guidance from the Investment Association, these limits restrict overall dilution under all plans to under 10% of the Company's issued share capital over a 10 year period in relation to the Company's issued share capital, with a further limitation of 5% in any 10 year period on discretionary plans.

Single figure table for NEDs (audited)

The following table sets out the total fees and taxable benefits received by the Chairman and NEDs for the year ended 31 December 2023. Prior year figures are also shown.

	2023 (£'000)				2022 (£'000)			
Individual	Base fee	Chairman/ Committee fees	Taxable benefits(D)	Total fees	Base fee	Chairman/ Committee fees	Taxable benefits(D)	Total fees
Sol Daurella	582	30	7	619	578	26	3	607
Manolo Arroyo	85	30	1	116	84	26	8	118
Jan Bennink(A)	34	12	0	46	84	34	12	130
John Bryant	85	53	8	146	84	33	9	126
José Ignacio Comenge	85	16	12	113	84	16	9	109
Christine Cross(A)	34	11	0	45	84	46	9	139
Nathalie Gaveau	85	25	9	119	84	14	3	101
Álvaro Gómez-Trénor Aguilar	85	0	13	98	84	–	8	92
Mary Harris(B)	51	19	14	84	–	–	–	–
Thomas H. Johnson	117	48	16	181	116	37	13	166
Dagmar Kollmann	85	52	12	149	84	48	10	142
Alfonso Líbano Daurella	85	16	5	106	84	20	3	107
Nicolas Mirzayantz(B)	51	9	13	73	–	–	–	–
Mark Price	85	30	12	127	84	25	6	115
Nancy Quan(B)	51	9	8	68	–	–	–	–
Mario Rotllant Solá	85	36	12	133	84	28	9	121
Brian Smith(A)	34	6	2	42	84	14	12	110
Dessi Temperley	85	37	7	129	84	29	10	123
Garry Watts(C)	85	32	5	122	84	40	6	130

(A) Resigned from the Board on 24 May 2023.
(B) Appointed to the Board on 24 May 2023.
(C) Resigned from the Board on 31 December 2023.
(D) Taxable benefits mainly relate to travel and accommodation costs in respect of attendance at Board meetings with FX rates used as at the date of the relevant meeting.

Annual report on remuneration continued

Implementation of remuneration policy for 2024

Base salary

Damian Gammell will receive a 2.0% salary increase effective 1 April 2024. This is lower than the average merit increase provided to the wider GB workforce of 3.5%.

Individual	2023 salary	2024 salary (effective from 1 April)	% increase
Damian Gammell	£1,241,440	£1,266,269	2.0%

Taxable benefits

No significant changes to the provision of benefits are proposed for 2024. The main benefits for Damian Gammell will continue to include allowances in respect of: a car, financial planning, schooling and private healthcare.

Pension

No changes are proposed in respect of the pension provision for Damian Gammell. He will continue to receive a contribution into the pension scheme up to the annual allowance, with the balance up to the maximum allowed by the Remuneration Policy (£30,000 inclusive of employer National Insurance contributions) as a cash allowance.

Annual bonus

No changes have been made to the structure of the annual bonus plan for 2024, and the opportunity for Damian Gammell will remain unchanged at 150% of salary for target performance and 360% for maximum performance.

Performance will continue to be assessed against financial and individual performance measures on a multiplicative basis as set out on page 131. The financial measures and relative weightings will also remain unchanged.

Measure	Definition	Weighting
Operating profit	Comparable operating profit on a FX neutral basis at budget rates	50%
Revenue	Revenue on a FX neutral basis at budget rates	30%
Operating free cash flow	Comparable operating profit before depreciation and amortisation and adjusting for capital expenditures, restructuring cash expenditures and changes in operating working capital, on a FX neutral basis at budget rates	20%

In determining the IPF for Damian Gammell for 2024, he will be assessed against a number of objectives which are aligned to the key longer-term strategic objectives of the business, which include:

Objectives include:	Strategic objective
• Growth in volume and volume share aligned with the business plan	Great execution
• Succession planning	Great people
• Operational targets relating to our recent acquisitions	Great brands
• Sustainability objectives	Done sustainably

Link to strategy

Great brands | Great people | Great execution | Done sustainably

The actual financial targets are not disclosed prospectively, as they are deemed commercially sensitive. We intend to disclose them in next year's ARR. A fuller description of individual performance objectives, including specific quantitative measures (where appropriate) and their outcomes, will also be disclosed in next year's ARR.

Annual report on remuneration continued

Long-term incentive

Damian Gammell's long-term incentive opportunity for 2024 will be aligned with the limits set out in the remuneration policy. He will be granted a target award of 250% of salary and may receive up to two times this target award if the maximum performance targets are achieved.

The 2024 LTIP award will continue to be based on a mix of EPS, ROIC and CO_2e reduction, unchanged from last year, and the targets will be set at stretching levels taking into account both our long-term plan and external forecasts.

Due to the timing of the acquisition of CCBPI, and to enable robust targets to be set for the combined business, the awards will be made in Q2. Full details of the targets will be disclosed in next year's ARR.

Following the end of the performance period, awards will be subject to an additional two year holding period.

Chairman and NED fees

The NED base fee, Chairman fee were increased by 3.5% with effect from 1 April 2024, as outlined below, alongside increases to the additional fee for the Senior Independent Director and Committee membership fees. Fees were last increased with effect from 1 April 2022, other than for the Nomination Committee which were last increased with effect from 1 April 2023.

Role		Current fees	Fees effective 1 April 2024
Chairman		£582,000	£602,250
NED basic fee		£85,000	£88,000
Additional fee for Senior Independent Director		£31,750	£32,750
Additional fee for Committee Chairman	Audit and Remuneration Committees	£37,250	£37,250
	Affiliated Transaction, Nomination and ESG Committees	£36,000	£36,000
Additional fee for Committee membership	Audit and Remuneration Committees	£16,000	£16,500
	Affiliated Transaction, Nomination and ESG Committees	£15,500	£16,000

The Remuneration Committee

The entire Board determines the terms of the compensation of the CEO and fees for the NEDs and Chairman and approves the remuneration policy, all on the Committee's recommendation. The Committee is also responsible for setting the remuneration for each member of the ELT reporting to the CEO.

The Terms of Reference can be found on our website at cocacolaep.com/about-us/governance/committees.

Remuneration Committee members and attendance

In line with the Shareholders' Agreement, the Committee has five members, as set out on pages 95-99. There are three independent NEDs, one Director nominated by Olive Partners and one Director nominated by ER. The Committee formally met five times during the year. Attendance is set out in Table 2 on page 110 of the Corporate governance report.

As described in the remuneration policy, the Committee receives an annual report in respect of wider workforce remuneration, including pay and reward policies, which informs its decisions on executive pay. The Committee does not engage directly with employees on the issue of executive pay; however, within CCEP, employee groups are regularly consulted about matters affecting employees, including our strategy, Company performance, culture and approach to reward, and this feedback informs decisions on people matters and other activities.

Support for the Remuneration Committee

Deloitte was appointed by the Remuneration Committee in 2016 following a selection process. During the year, Deloitte provided the Committee with external advice on executive remuneration. Deloitte is a member of the Remuneration Consultants Group and has voluntarily signed up to the Remuneration Consultants' Code of Conduct relating to executive remuneration consulting in the UK. The Committee is satisfied that the engagement partner and team that provide advice to the Committee do not have connections with CCEP or individual Directors that may impair their independence. During 2023, the wider Deloitte firm also provided CCEP with other tax and consultancy services.

Total fees received by Deloitte in relation to the remuneration advice provided to the Committee during the year amounted to £61,400 based on the required time commitment.

Annual report on remuneration continued

Remuneration Committee key activities

The table below gives an overview of the key agenda items discussed at each scheduled meeting of the Remuneration Committee during 2023:

Meeting date	Key agenda items	
February 2023	• Approval of financial performance outcome for 2022 annual bonus • Approval of final vesting outcome for 2020 LTIP	• Approval of 2022 annual bonus outcome for the ELT • Review of ELT individual objectives in respect of the 2023 annual bonus
March 2023	• Approval of 2023 annual bonus financial performance measures and targets • Approval of 2023 LTIP opportunities • Review of Chairman and NED fees	• Approval of 2023 ELT Remuneration packages • Review of 2022 Remuneration Report
May 2023	• Review of Committee effectiveness • Advisor review	• AGM voting update • Deloitte Market Update
October 2023	• Review of 2023 annual bonus and 2021 LTIP performance • Review of Malus and Clawback Policy	• Review of executive shareholding guidelines • Review of annual report on wider workforce remuneration
December 2023	• Review of first draft of the 2023 Remuneration Report • Performance update for 2023 annual bonus	• Base pay design for 2024 • Incentive design for 2024

The Chairman, CEO, CFO and the Chief People and Culture Officer attended meetings by invitation of the Committee to provide it with additional context or information, except where their own remuneration was discussed.

Summary of voting outcomes

The table below shows how shareholders voted in respect of the ARR and the remuneration policy at the AGM held on 24 May 2023:

Resolution	Votes for (%)	Votes against (%)	Number of votes withheld
Approval of the ARR	81.46%	18.54%	477,284
Approval of the remuneration policy	99.10%	0.90%	70,554

This Directors' remuneration report is approved by the Board and signed on its behalf by

John Bryant,
Chairman of the Remuneration Committee
15 March 2024