

Modern Slavery Statement - 2022



This Modern Slavery Statement is provided by Coca-Cola South Pacific Pty Ltd (**CCSP**), a subsidiary of The Coca-Cola Company (**TCCC**, together referred to as **the Company**), for the calendar year 1 January to 31 December 2022 pursuant to its obligations under the *Modern Slavery Act 2018* (Cth).

Forced labour and modern slavery continues to be a critical human rights issue globally. Forced labour can take many forms, including forced work through physical or psychological coercion, extreme indebtedness, and restrictions on freedom of movement through document retention. The International Labour Organization (ILO) estimates that over 27 million people are in forced labour situations¹, many of whom are in industries that may ultimately feed into global supply chains. Geopolitical trends and effects of climate change including natural disasters are raising the vulnerability of those forced to migrate for work purposes.

It is imperative for companies to take action and make it clear that there is no place for such practices in any value chain. Respect for human rights is fundamental to The Coca-Cola Company and its subsidiaries and the Company is committed to ensuring that people connected to our supply chain are treated with dignity and respect. The Coca-Cola Company's Human Rights Policy, Supplier Guiding Principles and Principles for Sustainable Agriculture prohibit the use of all forms of forced labour, including prison labour, indentured labour, bonded labour, military labour, slave labour and any form of human trafficking.

Combating forced labour and human trafficking is essential to achieving globally agreed targets set forth in the UN Sustainable Development Goals (SDGs). The SDGs have become an important framework for companies, and they address an array of complex, interrelated global issues. Goal 8 focuses on promoting inclusive and sustainable economic growth and decent work for all and specifically calls out the need to eradicate forced labour and end modern slavery and human trafficking. We recognize that we cannot achieve any one of the SDGs on our own, but through collaboration with our partners and industry peers we aim to amplify our actions and positive impact.

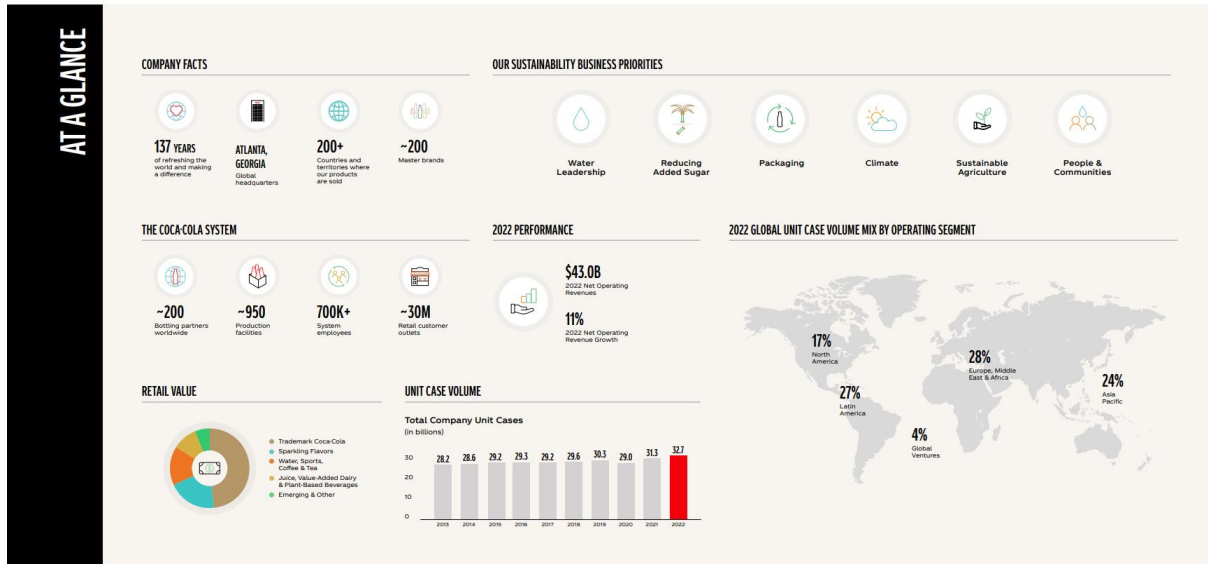
In evaluating our supply chain, the potential risk areas are agricultural commodity inputs and geographical corridors with high rates of migrant workers. We continue to be committed to working with our system, supply chain, peers and stakeholders to collectively address the issue of modern slavery. This summary report outlines the Company's overall structure and human rights due diligence approach as well as 2022 progress updates.

¹ <https://www.ilo.org/global/topics/forced-labour/lang--en/index.htm>

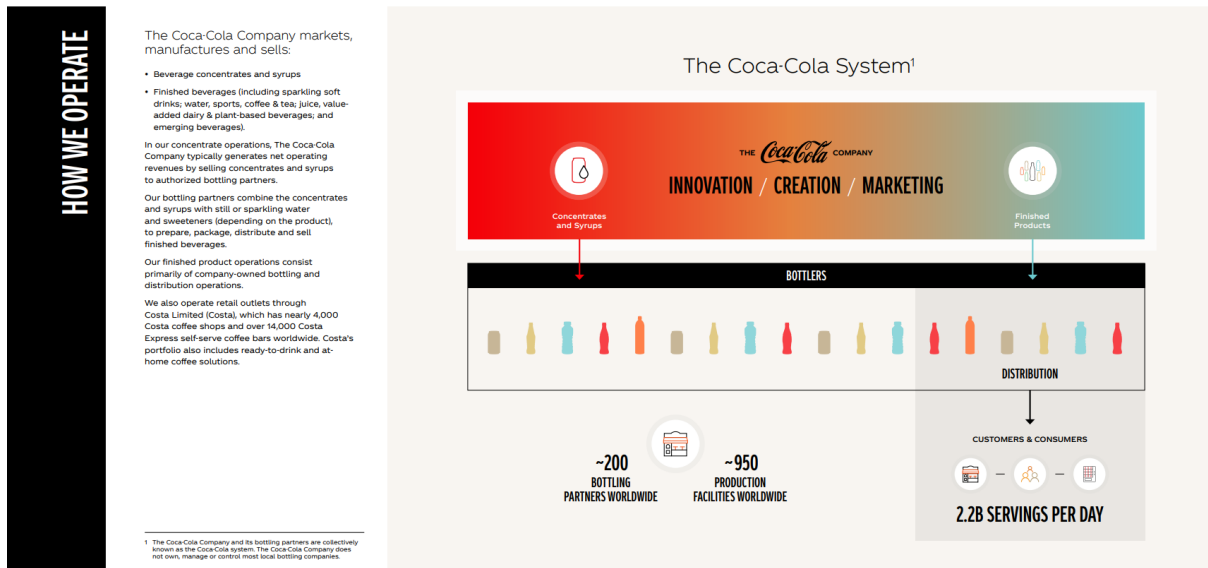
The Coca-Cola Company Structure and Operations

Pages 13-14 from the Sustainability Report: <https://www.coca-colacompany.com/content/dam/journey/us/en/reports/coca-cola-business-and-sustainability-report-2022.pdf>

The Coca-Cola Company Business Structure



TCCS Structure



CCSP provides services to TCCC to support the marketing and beverage quality standards of TCCC's beverage brands that are prepared, packed and sold in Australia by TCCC's authorised bottler, Coca-Cola Europacific Partners Australia Pty Ltd.

CCSP's registered office is located at Level 9, 40 Mount Street, North Sydney NSW. It employs approximately 114 staff. It does not own or control any entities.

Embedding our values into our policies and contracts

The Coca-Cola Company's [Human Rights Policy](#), [Supplier Guiding Principles](#), and [Principles for Sustainable Agriculture](#) prohibit the use of all forms of forced labour, including prison labour, indentured labour, bonded labour, military labour, slave labour and any form of human trafficking. The Company's Human Right Policy applies to Company owned and controlled operations worldwide and clearly articulates its corporate commitment to respect human rights in its operations. The Supplier Guiding Principles (SGP) apply to our supplier partners and independent bottlers and align with our overall vision for respecting human rights. The Principles for Sustainable Agriculture (PSA) set expectations of our agricultural ingredient suppliers. The PSA address sustainability challenges specific to agriculture and are founded on principles to protect the environment, uphold human and workplace rights and help build more sustainable communities.

Together these policies establish a strong and cohesive foundation for the business globally.

The Supplier Guiding Principles are embedded into contractual agreements and purchase orders between the Company and all direct suppliers. The Company expects partners and suppliers to develop and implement appropriate internal business processes to ensure compliance with the Supplier Guiding Principles. We closely monitor the implementation of our Supplier Guiding Principles by utilising independent third parties to assess supplier and bottler compliance (see section Monitoring & Evaluation). Our policies and practices align with the United Nations Guiding Principles on Business and Human Rights. The Coca-Cola Company has publicly supported the UNGP on Business and Human Rights from their inception. We continue to focus on all three components necessary in a corporate context under the UNGPs:

- A policy commitment to respect human rights.
- A due diligence process to identify, prevent, mitigate and be accountable for adverse human rights impacts.
- Processes to enable the remediation of the adverse human rights impacts the Company causes or to which it contributes. This framework is the foundation of our policies and programs related to human rights.

We continuously strive to demonstrate our commitment through our sustainability and community initiatives, as well as our efforts to identify and remedy human rights impacts.

We recently rolled out a refreshed human rights framework, [Real Impact](#), which aims to leverage our work to make a positive impact.

Salient Human Rights

The UNGP Reporting Framework encourages companies to focus their human rights disclosure on “the most severe actual and potential impacts on human rights associated with their activities and business relationships.” These risks are called a company's salient human rights risks.

We conducted an initial mapping of human rights risks in our Company and value chain with the help of Shift. We mapped and prioritized our human rights risks according to scale, scope and ability to remediate, which were then discussed and evaluated in workshops with participants from all functions across four continents, involving more than 180 experts. To ensure a broad variety of stakeholders participated openly in this engagement, the risk ranking that resulted from these workshops was further discussed in a broad consultation process with more than 57 civil society groups, including NGOs, socially responsible investors, Global Union Federations and many others, to ensure a broad variety of stakeholders participated openly in this engagement.

This list was the foundation of our first stand-alone human rights report which was published in 2017. In 2022, the Company engaged a human rights advisory firm to conduct a global risk and governance assessment to update our salient human rights risks and to evaluate the strength of our governance to meet future challenges. The result of the assessment was a revised set of salient human rights risks and an [updated report](#). These reports provide a comprehensive overview of risk, engagement approaches and impacts on people and communities.

Forced Labour and Human Trafficking continues to be one of the salient human rights identified and we continue to monitor action and progress as outlined in this summary.

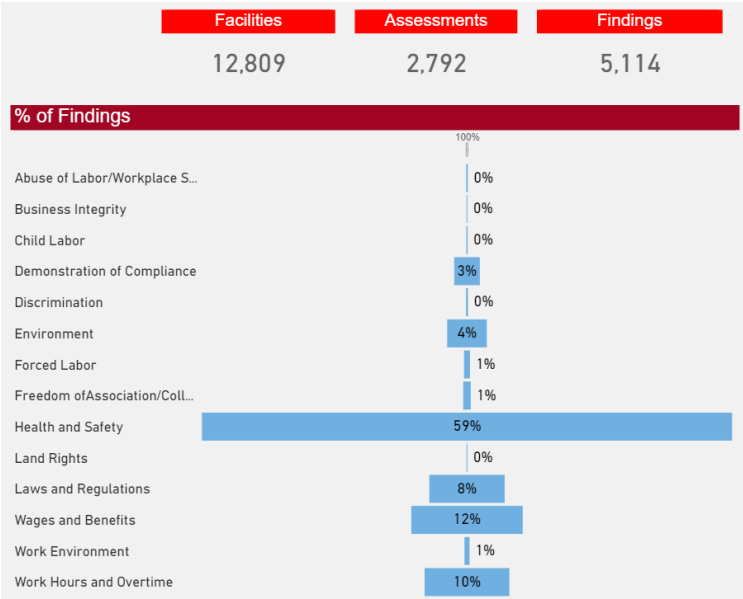
Monitoring & Evaluation – Internal Due Diligence

Identifying, preventing and mitigating human rights impacts, including forced labour, is a critical aspect of our program. As part of this ongoing due diligence the company utilises independent onsite third-party audits to verify compliance with our policies. Each year, The Coca-Cola Company facilitates more than 2,000 third-party audits of company locations, franchise bottlers, and suppliers and more than 40,000 third-party audits since the audit program began in 2003.

Onsite assessments include document review, facility walkthrough, meetings with management as well as confidential interviews with employees and onsite contract workers. Our audit guidelines require auditors to select employees from different production lines and duties within the facility, employees of different genders, ethnic or religious backgrounds. Protection of the workers in the process is of utmost importance. Worker participation in interviews is voluntary, and the interviews are strictly confidential with no reference to the employee's name when findings are disclosed to management. Interviews are conducted in a private location that guarantees separation from management influence.

If a company, supplier or bottling partner facility fails to uphold any aspect of the audit requirements, implementation of corrective actions is required within an agreed-upon time frame. Any serious non-compliance is managed by the regional team lead and escalated, as needed, to the global level for further action. A corrective action plan should include a root cause analysis, the actions to be taken to prevent future non-compliance and the assignment of a person responsible for implementation. These corrective action plans are tracked and require an in-person or remote re-audit to determine if improvement has occurred. Generally, follow-up assessments should occur within six months and if serious non-compliances are

identified, a re-audit is scheduled after a year to ensure compliance is sustained. The below chart outlines non-compliances found during audits in 2022.



The company reserves the right to terminate an agreement with any supplier unable to demonstrate compliance with our SGP requirements.

As of Q4 2022, 93% of company-owned facilities and bottlers and 91% of suppliers reached full compliance with our Human Rights Policy and Suppliers Guiding Principles. Audit results are discussed at the board level on an annual basis.

In addition to onsite audits, TCCC continues to partner with Diginex Solutions to develop an online platform to track migrant worker employment experiences in high risk geographies. The program began in the Gulf region and in 2022 extended to parts of the Asia Pacific region. Given the high prevalence of migrant workers in these regions, we know the risk of modern slavery is also higher. The tool, called Lumen 360, improves transparency, identifies risks and increases governance. In hopes of improving transparency in the sector overall, we have made the tool open source and invited peers to join the effort. The platform collects information on employment terms to ensure practices are in line with TCCC expectations and also includes a worker voice element.

Monitoring & Evaluation – Industry Collaboration

As an active member of a number of industry and cross-sector initiatives, The Coca-Cola Company supports a collaborative approach to eradicating human trafficking and forced labour. Our VP for Global Human Rights is the co-chair for the Consumer Goods Forum’s (CGF) workstream on human rights and forced labour. A key element of this workstream is working with the Fair Labour Association (FLA) to enhance due diligence and implement the Priority Principles within own operations. The Coca-Cola Company endorsed the Priority Principles early on and integrated the guidelines into our supplier trainings and monitoring program.

Priority Principles on the eradication of forced labour include: Every worker should have the freedom of movement, no worker should pay for a job, and no worker should be indebted or coerced to work.

Serving as co-chair of the coalition, The Coca-Cola Company has helped HRC drive action to:

- Implement effective Human Rights Due Diligence (HRDD) systems focused on forced labour in coalition members' own operations.
- Implement HRDD systems in certain, targeted high-risk supply chains.
- Support the development of responsible recruitment markets through capacity building & government advocacy.

Additional information about the coalition work is provided here:

<https://www.theconsumergoodsforum.com/wp-content/uploads/2021/03/2021-HRC-HRDD-Framework.pdf>

The Coca-Cola Company has taken active leadership roles in a variety of industry initiatives related to eradicating forced labour. Examples include:

- Founding member of the Leadership Group for Responsible Recruitment which advocates for the "Employer Pays Principle." This business group works closely with international organizations, trade unions, and key NGOs such as the Institute for Human Rights and Business and Verité to eliminate all worker fees in recruitment, both in law and in practice, by 2026.
- Appointed to Steering Committee of Responsible Labour Initiative (RLI).
- Collaborator with Global Business Coalition Against Trafficking (GBCAT).
- Active member of AIM-PROGRESS, a forum for peer Consumer Goods manufacturers focused on responsible sourcing. TCCC representatives sit on the Advisory Board, Leadership Team and Human Rights working group as well as responsible recruitment workstream.

Monitoring & Evaluation – Risk Areas

Certain sectors of the business and geographical areas run a higher risk of employing workers who may be vulnerable to the risk of forced labour. For example, certain geographical areas tend to employ migrant workers, who are at higher risk of forced labour as they can often be trapped by debt or have their government paperwork withheld. Auditing firms are therefore required to look more closely at topics like:

- Recruitment process to ensure workers are not charged fees.
- Ensure identity documents including passports, are not withheld.
- No inappropriate or excessive wage deductions.
- Overtime wage rates.

- Hours of work including maximum overtime hours and overtime wage rates.
- Summary of the living conditions, if applicable.
- Legalities regarding terminating employment.

Through our due diligence efforts, we know that agriculture is a risk area for forced labour. As part of our longstanding commitment to drive transparency, accountability and sustainability throughout our business and supply chain, we are working to conduct commodity studies with a focus on sugar in key markets. The studies focused on child labour, forced labour and land rights in countries from which we source sugar. Overall, the issues identified through the studies were largely at the farm level. The nature and extent of the risks varied in terms of severity. The risks are highest in small, independent farms and third-party labour contractors were less likely to have proper policies and protections in place to prevent forced labour. The complicated landscape for child and forced labour requires a multi-stakeholder approach. We have followed up on findings of the studies through direct remediation, supplier engagement and broader initiatives including bringing brands together to provide better access to clean water and sanitation and sponsoring multi-stakeholder convenings. All sugar mill suppliers are expected to uphold our Principles for Sustainable Agriculture and demonstrate compliance through Bonsucro certification or SGP audits.

Examples of efforts to address risks vary from new commitments to achieve certifications to developing community-based child and forced labour monitoring through Fairtrade producer associations. In Mexico, we are working through Pan Americana Mexico to create capacity building for mills and mill-owned farms. In parallel, we are working with peer companies under the umbrella of AIM-PROGRESS to drive improvement at the industry level and in collaboration with the Mexican government. The methodology for the studies can be found on our website and more information on results and remediation is available [here](#). The Company has completed and published 22 studies.

Raising Awareness and training

The company provides a series of human rights training sessions, informational videos, regional specific webinars and regular updates on human rights issues and developments for our employees worldwide, including senior managers across key functions such as procurement and sustainability. These resources help to embed, at both the corporate and operating unit levels, a practical understanding of fundamental human rights, our human rights policies and programs, and how we as a company can improve respect for human rights within our own operations and throughout the Coca-Cola system and value chain. Our goal is a proactive approach to human rights, where our employees are empowered with the knowledge to make decisions that help advance the company's human rights approach. In addition to educating our own employees, the company conducts local training sessions for our suppliers and bottling partners, addressing our expectations of them and our audit program.

Geographies are deemed high risk for forced labour if SGP audits uncover specific indicators and/or if there is a large proportion of migrant workers. In these high-risk geographies, we conduct focused training on forced labour. These trainings cover requirements under the CGF priority principles, including no passport retention; no recruitment fees; and clear communication of employment terms prior to hire. Further training on forced labour –

designed and delivered by the Fair Labour Association - was rolled out as part of the CGF Human Rights Coalition for operations in high-risk geographies and covers the priority principles. Additional information about the coalition work is provided here:

In 2022, we conducted bottler and supplier human rights-focused training across seven of our operating units, attended by over 1,000 participants.

Reporting Grievances

At Coca-Cola we are determined to empower our employees to do the right thing, and therefore we've created a comprehensive system of reporting grievances. Company employees are provided multiple internal mechanisms to report violations of Company policy or law. The Company provides third-party services to allow employees and workers in the supply chain to report violations in multiple languages via KOethics.com 24 hours a day.

The ethics line is a global web and telephone information and reporting service. Telephone calls are toll-free, and the Ethics Line is open 24 hours a day, seven days a week, with translators available.

Resolving abuses can be very complex, requiring a comprehensive approach that includes cooperation with NGOs, local government and other organizations, but we are always determined at resolving them.

Looking Forward

In 2023, the Company is publishing a refreshed Human Rights Policy which enhances our policy language regarding forced labour and specifically calls out prohibiting recruitment fees. A risk evaluation intends to continue to advance due diligence efforts related to monitoring recruitment practices and to update related guidance in the Supplier Guiding Principles. We will continue to pursue joint training initiatives with peer companies, seek out innovative solutions to pilot and continue to use our voice to leverage change among the business community.

When non-compliances occur, the Company will continue to pursue remediation. The Company strives to enable any consumer anywhere in the world to enjoy a moment of happiness, from a beverage that has been made in line with the values and with respect for human rights.

This Statement was approved by the Board of Directors of CCSP.

Yours sincerely

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