

## The Coca-Cola Europacific Partners plc Employee Share Purchase Plan

### Summary

Coca-Cola Europacific Partners plc (the “**Company**”) is launching a new global Employee Share Purchase Plan (“**ESPP**”), which will give our employees the opportunity to buy shares in the Company on a regular basis, providing the opportunity for employees to become shareholders in the Company, benefiting from the long-term value creation by the Company. The ESPP proposes that all eligible employees and executive directors of participating companies within the Company’s group will be able to participate in the plan. Furthermore, it is proposed that in recognition of the employee investment, for every share an employee purchases, the Company will provide a “matching share award”, up to an agreed limit.

### 1. General

The operation of the ESPP will be overseen by the Company’s Board of Directors or a committee duly authorised to carry out that board’s functions under the ESPP (the “**Board**”).

The ESPP operates with sub-plans, which specify further details about how the ESPP will be operated in respect of particular members of the Company’s group (“**Participating Companies**”), countries and/or categories of eligible employees and/or participants. The ESPP currently has 3 sub-plans – for the UK, the Netherlands and the general international sub-plan – and may operate with additional sub-plans in future. All sub-plans will comply with the main rules of the ESPP, including the limits on participation in the ESPP. Currently, eligible employees in most countries will be eligible to participate in the international sub-plan.

Decisions of the Board are final and conclusive.

None of the benefits under the ESPP are pensionable.

### 2. Eligibility

Normally, all employees (including employed executive directors) of Participating Companies who have satisfied any qualifying period, and satisfy any additional criteria set out in the relevant sub-plan will be eligible to participate in the ESPP. It is currently intended that the ESPP will be offered to all eligible employees, except, in accordance with the UK Takeover Code, certain individuals closely connected to significant shareholders in the Company.

### 3. Award types

Four types of award may be granted under the ESPP:

- acquisitions of purchased shares, consisting of the opportunity for participants to purchase fully paid ordinary shares in the capital of the Company (“**Shares**”) (“**Purchased Shares**”);
- acquisitions of dividend shares, consisting of the Company arranging for cash dividends received in relation to a participant’s Shares to be reinvested in the acquisition of further Shares (“**Dividend Shares**”);
- matching awards, consisting of a conditional right to acquire Shares which are granted in connection with corresponding acquisitions of Purchased Shares (“**Matching Awards**”); and
- free awards, consisting of a conditional right to acquire Shares (“**Free Awards**”, and together with Matching Awards, “**Awards**”)

The types of award that may be available will be specified in the relevant sub-plan and may differ between sub-plans, Participating Companies, award documents or otherwise as determined by the Board. The ESPP is currently intended

to operate with Purchased Shares, Dividend Shares and Matching Awards in most jurisdictions that the ESPP will be operated in.

All eligible employees of the same Participating Company will generally be invited to participate on substantially the same terms.

After shareholder approval, awards may be settled using newly issued, treasury or existing Shares (although it is not anticipated treasury Shares would be used). No newly issued Shares or Shares transferred from treasury may be used following the tenth anniversary of shareholder approval of the ESPP unless further shareholder approval is obtained.

Awards may not be transferred or otherwise disposed of except on the participant's death.

#### **4. Dilution limits**

Awards and acquisitions of Purchased Shares and Dividend Shares cannot be made if they would cause the "total plan shares" to exceed 10% of the ordinary share capital of the Company in issue.

The "total plan shares" figure relates to the total number of new issue or treasury Shares that have been used to satisfy awards / acquisitions in the previous 10 years (or could still be used to satisfy awards) under the ESPP or any other employee share plan operated by the Company's group.

For so long as required by institutional investor guidelines, treasury Shares count towards this limit. Where certain variations of capital occur, the number of Shares taken into account under this limit will be adjusted as the Board considers appropriate to take account of that variation.

#### **5. Nominee**

Shares acquired by participants pursuant to the ESPP will usually be held by a nominee on their behalf (the "**Nominee**"). Shares held on behalf of participants may normally be withdrawn or sold from the Nominee arrangements by participants at any time, subject to the terms of the relevant sub-plan and award documents. However, the withdrawal of Purchased Shares will usually cause the relevant proportion of the related Matching Award to lapse if it is unvested.

#### **6. Purchased Shares**

The Board may issue invitations to eligible employees to participate in the acquisition of Purchased Shares. The relevant sub-plan and/or award documents provided to the employee will specify the intervals of contributions, any acquisition period (over which contributions will normally be accumulated until used to buy Purchased Shares), the intervals at which Purchased Shares will be awarded, and how long contributions will continue to be made. The Board may impose limits on the amount of contributions that participants can make to acquire Purchased Shares, and/or on the maximum number of Purchased Shares that may be awarded. It is currently intended that a contribution limit of no more than EUR150 a month (or local currency equivalent) will apply in most jurisdictions.

Employees will specify the amount they would like to contribute to the ESPP as part of their application. Contributions to acquire Purchased Shares will usually be taken by way of after-tax deduction from the participant's salary. The number of Purchased Shares awarded to participants will be determined in accordance with the Shares' market value, at the frequency specified in the relevant sub-plan and/or applicable award documents.

Participants may stop or vary the amount of their contributions. Likewise, the Company may terminate participation, and/or suspend, stop or reduce participants' contributions.

#### **7. Awards**

The Board may decide to issue invitations to eligible employees to participate in one or more Matching Awards in relation to corresponding acquisitions of Purchased Shares, and/or may choose to grant Free Awards to eligible employees.

The Board intends to operate the ESPP with Matching Awards. There is no current intention to grant Free Awards, although it retains flexibility to do so in future (in which case, further details will be included in the relevant sub-plan). Whilst the Company has no current intention to grant Free Awards, it is currently anticipated that (should they ever be granted) Free Awards would be of a size at grant of no more than is permitted for a free share award under a UK tax-advantaged share incentive plan.

For Matching Awards, the Board will specify the applicable terms in the relevant sub-plan or applicable award documents, including the matching ratio (which is the ratio applied to the number of Purchased Shares acquired by a participant in order to calculate the number of Shares subject to a Matching Award), any other conditions applicable to the Matching Award, and the date on which the Matching Award is expected to vest.

Awards may be operated with dividend equivalents. Where an Award carries this right, the participant will be entitled to receive an additional amount following vesting of the Award (in cash or Shares) as near as practicably equal to the value of the dividends the record date for which falls between grant and vesting of the Award, in respect of the number of Shares that have vested. It is not currently intended that dividend equivalents will be used, however.

The Board may impose a limit on the maximum number of Shares in respect of which Matching Awards and/or Free Awards may be granted and may decide that Matching Awards will only be granted up to a specified contribution limit for each participant. Currently, where Matching Awards are granted, the Board intends for Matching Awards to normally be granted on a 1:1 matching ratio to Purchased Shares, and only up to the relevant contribution limit for Purchased Shares.

Matching Awards will vest as and when set out in the relevant sub plan or applicable award documents. Under the international sub-plan, a Matching Award will normally vest on the later of the expected vesting date and the date the Board determines any other conditions have been satisfied. A Matching Award will usually vest pro-rata to the number of related Purchased Shares that continue to be held by the Nominee on behalf of the participant, and normally only to the extent the Board determines any other conditions are satisfied. The Board retains the ability to grant Free Awards or Matching Awards over cash, and may settle Matching Awards or Free Awards partly or fully in cash.

## **8. Dividend Shares**

The Board may arrange (or stop making arrangements) for acquisitions of Dividend Shares. Where Dividend Shares are offered, the relevant sub-plan or applicable award documents will specify whether Dividend Shares will be mandatory, or whether participants may opt in or opt out of dividend reinvestment. The Board currently intends to offer dividend reinvestment but allow participants to opt out after signing up to participate in the ESPP (and later restart again, if desired).

Where dividend reinvestment is not offered or participants opt out, any dividends paid in respect of Shares held by the Nominee will be paid to the relevant participants as soon as practicable. The Board may impose limits on the maximum number of Dividend Shares that may be acquired and/or the amount of cash dividends that may be reinvested.

## **9. Leavers**

If a participant ceases to hold any employment with a Participating Company or any associated company ("**Leaver**"), then normally:

- any unvested Awards will lapse;
- their contributions will cease as soon as practicable;
- aside from in respect of contributions already made, the Leaver will not be entitled to make any further acquisitions of Purchased Shares or grants of Matching Awards;

- dividend reinvestment may continue for so long as their Shares remain with the Nominee; and
- their Shares will be removed from the Nominee arrangements in accordance with their instructions.

If the Leaver holds unvested Awards and the reason for leaving is injury, disability, redundancy, the transfer of the participant's employing company or business outside the Company's group, retirement, death or any other reason at the discretion of the Board, their Awards will normally vest to the fullest extent possible on the date the Board determines to be appropriate and once settled their Shares will usually be removed from the Nominee arrangements in accordance with their instructions.

## **10. Company events and variation of capital**

In the event of a takeover (including a person becoming bound or entitled to acquire Shares under UK company law) or voluntary winding up of the Company or certain other corporate events including certain variations of capital, the Board may decide that Awards will vest, in which case they will normally vest to the fullest extent possible on such date as the Board determines appropriate. In some circumstances, Awards may instead be exchanged for new awards. The Board will decide whether or not contributions will continue.

Depending on the type of corporate event, participants as shareholders of Shares also may be able to direct the Nominee as to how to act in relation to their Shares held in the Nominee arrangements. If there is a rights issue, the Board may direct the Nominee to carry out tail swallowing.

Under the international sub-plan, where the corporate event is a variation in the share capital of the Company, a demerger, special dividend or special distribution or any other transaction that will materially affect the value of Shares, the Board may adjust the number or class of Shares to which a Matching Award relates (in which case, the Board would not accelerate vesting or exchange the Matching Award).

## **11. Rights attaching to Shares**

All Shares issued in connection with the ESPP will rank equally with other shares of the same class then in issue. The Company will apply for the listing of any Shares issued in connection with the ESPP.

Participants will not be entitled to any dividend, voting or other rights in respect of Shares until the Shares are issued or transferred to the participant or the Nominee on their behalf.

## **12. Amendments**

The terms on which a participant can participate in the ESPP, or the terms of their Awards, may be adjusted if the participant changes jurisdiction or tax residency in circumstances where there may be adverse legal, regulatory or tax consequences. Alternatively, their Awards may lapse and/or their Shares may be removed from the Nominee.

The Board may change the ESPP in any way at any time, but it will obtain prior shareholder approval for any change that is to the advantage of present or future participants and which relates to any of the following: the persons who may receive Shares or cash under the ESPP; the total number or amount of Shares or cash that may be delivered under the ESPP; the maximum entitlement for any participant; the basis for determining a participant's entitlement to, and the terms of, Shares or cash provided under the ESPP; the rights of a participant in the event of a capitalisation issue, rights issue, open offer, sub-division or consolidation of Shares, reduction of capital, or any other variation of capital; or to the provision in the rules requiring shareholder approval for changes.

There is an exception for minor amendments to benefit the administration of the ESPP, to comply with or take account of a change in legislation and/or to obtain or maintain favourable tax, exchange control or regulatory treatment of any member of the group or any present or future participant.

The Board may adopt sub-plans to the ESPP, within the framework of the main rules, as necessary or desirable to take account of local laws and practices and/or to include further specific terms on points of practice. Additional terms

and conditions may be contained in a relevant sub-plan or applicable award documents. In addition, the Board seeks shareholder approval to establish further incentive plans or schedules which modify the ESPP as necessary to take account of local tax, exchange control or securities laws in overseas territories.

At the date of this Notice, the ESPP operates with an international sub-plan for most countries, which also includes a US appendix to ensure the international sub-plan is exempt from potentially adverse tax rules for US taxpayers.

### **13. European Prospectus Regulation**

The offer to participate in the ESPP is being made to selected employees as part of an employee incentive programme to provide an additional incentive and to encourage employee share ownership and to increase your interest in the success of the Company. For the avoidance of doubt, the company offering these rights is Coca-Cola Europacific Partners plc. The Shares which are the subject of these rights are ordinary shares in the Company. More information in relation to the Company, including the Share price, can be found at the following web address: [www.cocacolaep.com](http://www.cocacolaep.com).

The obligation to publish a prospectus does not apply in the EU because of Article 1(4)(i) of the EU Prospectus Regulation. The total maximum number of shares which are the subject of this offer is capped at the number of shares available under the Company's Form S-8 Registration Statement as filed with the United States' Securities and Exchange Commission from time to time and subject to the dilution limits as set forth in paragraph 4.

