

# To Our Stockholders

**COCA-COLA CONSOLIDATED REACHED** a remarkable milestone in 2022 as we celebrated our 120th anniversary. Built on four generations of consistent, purposeful leadership, our longevity is an admirable achievement in today's turbulent, ever-changing business environment.

But more importantly, as we reached that milestone in 2022, we achieved another year of substantial operating success. Through solid revenue growth, operational excellence and improved margins, operating income increased 46 percent to \$641 million and total revenues increased 11.5 percent to more than \$6.2 billion.

Among the keys to our success was our "First 100 Days" selling season, which gave us a strong, cohesive start in 2022 across our market units. This excellent beginning enabled our team to successfully implement pricing and packaging strategies that drove profitable growth.

We achieved this strong performance despite persistent operating challenges throughout the year. There were lingering pandemic impacts, inflation, supply chain bottlenecks and staffing shortages. But our leadership and valued teammates delivered profitable growth by continuing to work toward our Operating Destination: One Coca-Cola Consolidated team, consistently generating strong cash flow while empowering the next generation of diverse servant leaders.

Our solid operating results reflect excellent performance in the sparkling category as we achieved a strong combination of price realization, drove consumer demand, and volume growth that outperformed historical price elasticities. Consumers gravitated toward core brands such as Sprite, Coke Zero Sugar and Fanta, as well as limited-time Coke Creations flavors such as Starlight and Dreamworld. Our still beverage portfolio contributed to overall performance with growth driven by Monster, BODYARMOR, Gold Peak and Fairlife Milk brands.

These positive outcomes were made possible by our team's highly effective execution across all aspects of our business. This success has enabled us to continue to strengthen our balance sheet through debt reduction, reward and recognize our teammates, invest in our business and serve our communities.

For example, we invested approximately \$240 million in 2022 primarily focused on enhancing efficiency and increasing capacity across our 14-state territory. These investments included a 350,000-square-foot distribution center in Chesterfield,

Virginia and automated packaging technologies at our facilities in Charlotte, Indianapolis and Sandston, Virginia. We also grew our brand footprint with the addition of BODYARMOR distribution rights in the Mid-Atlantic and new territory acquired in eastern North Carolina.

We strengthened our cybersecurity infrastructure, and we made it easier for customers to do business with us through enhancements to our online customer relationship portal, myCoke.com. This action generated higher revenue growth and better service to more than 60,000 customers on the platform.

In 2022, our company continued its rich legacy of building better futures for our teammates and the communities we serve. Specific actions included the introduction of our Hope Scholarship, a new program that will provide financial support for education to a growing number of our teammates and their family members.

It also included further evolution of our diversity, equity, and inclusion "Seat at the Table" framework, giving teammates a voice through communications, celebrations and resources that spur understanding and constructive dialogue. We also expanded health and wellness benefits and increased vacation time for teammates.

Through our volunteerism and philanthropic contributions, Coke Consolidated supported hundreds of communities with food, shelter, clothing, educational and spiritual growth opportunities. This type of

support has been, and will continue to be, a hallmark of our company's presence in each community we serve.

We're proud that others are taking notice of the stability, growth, and success created by our leadership philosophies and the excellent work of our teammates. Early in 2022, we were humbled to be named to Forbes' 2022 "Best Mid-Size Companies" list. And we are very pleased to have been named again to this list for 2023.

In the end, we navigated 2022 as we do every year - guided by Our Purpose, committed to our teammates, and focused on the critical investments needed to better serve our customers and consumers in the future. Through 120 years of operations, this focus remains unchanged.

We are thankful to each individual who has contributed to our success, grateful that the rich heritage of Coca-Cola Consolidated continues, and confident it will go on for generations to come.

Coke Consolidated's ability to achieve excellent results in 2022, and our historical 120-year record of success, is made possible by our continued focus on

#### OUR PURPOSE:

TO HONOR GOD IN ALL WE DO  
TO SERVE OTHERS  
TO PURSUE EXCELLENCE  
TO GROW PROFITABLY



A handwritten signature in black ink.

**J. FRANK HARRISON, III**  
CHAIRMAN OF THE BOARD  
& CHIEF EXECUTIVE OFFICER



A handwritten signature in black ink.

**DAVID M. KATZ**  
PRESIDENT  
& CHIEF OPERATING OFFICER