

To Our Stockholders

Coca-Cola Consolidated's 2023 was filled with record-breaking accomplishments. We achieved strong financial success, invested heavily in our Teammates and made major advances in our infrastructure to support future growth, all while serving our local communities in ways that will pay dividends for generations to come.

We recorded robust profits and became net debt free for the first time in nearly 40 years, driven by a 7% increase in annual revenues to more than \$6.6 billion. Our operating income was \$834 million, a 30% increase over 2022, and we achieved steady gross margin expansion throughout the year.

This growth was made possible through investments with our retail partners and a relentless focus on driving consumer engagement through a broad portfolio of Coca-Cola brands, a wide assortment of packages emphasizing affordability and innovative local marketing strategies.

Although standard physical case volume declined 1.9% in 2023, our sparkling, energy and enhanced water portfolios performed well in a higher retail price environment. Our Fanta sparkling fruit flavors posted 19% volume growth, and our sparkling zero sugar category continued to gain momentum as Coke Zero Sugar, Sprite Zero Sugar and Fresca combined grew 5%. In the energy category, we welcomed Bang Energy into our portfolio.

We were also recognized by Forbes magazine for the second year in a row as one of America's Best Midsize Companies, and our ongoing success allowed us to re-invest in Teammates through leadership development, apprenticeship programs and enhanced total rewards.

We broke ground on projects that will enable future growth, including a 400,000-square-foot distribution and

warehouse facility in Columbus, Ohio and a 42,000-square-foot expansion at our regional cold drink equipment remanufacturing center in Monroe, North Carolina. Through enhancements to our myCoke.com digital portal, which serves more than 60,000 customers, we continued to improve our customer service.

We also continued our strong commitment to community service. One highlight included collaboration between our Teammates, customers, nonprofit organizations and our marketing partners, including The Ohio State University, to provide nearly 13,000 backpacks and teacher totes at schools across our territory.

We adopted innovative solutions aimed at reducing our environmental impact through package recovery, climate protection and water leadership initiatives. This included closed-loop recycling programs at large venues and events across our territory, and facility improvements designed to reduce our overall manufacturing intensity ratio.

As we reflect on the past year, 2023 was marked by meaningful moments large and small. Our unwavering commitment to our Purpose, coupled with enthusiastic Teammates, succeeded when it mattered most: to serve our customers, consumers, and communities with our best.

We are grateful for the rich heritage that built the foundation of our Company, and thankful for those who continue to build our legacy. We look forward to the opportunities ahead and the impact we can make together.

OUR BUSINESS RESULTS AND MOMENTS OF POSITIVE IMPACT ON THE PEOPLE WE SERVE WILL ALWAYS START WITH A FOCUS ON OUR PURPOSE:

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



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



David M. Katz
DAVID M. KATZ
PRESIDENT
& CHIEF OPERATING OFFICER