

## Chair's letter

### Leadership for long-term success



**Our considered, sustainable growth strategy has laid strong foundations and enabled us to be future ready. Together, we have faced uncertainties and made bold, ambitious choices, opening up moments that refresh us all – our people, our customers, our partners, our shareholders and our wider stakeholders."**

#### Another successful year

I'm pleased that 2024 was another successful year, with Zoran and the Executive Leadership Team (ELT) delivering continued strong financial performance as well as making ongoing strategic progress and maintaining our leadership in sustainability. Despite a mixed macro-economic environment across our markets, we remain on track to meet the medium-term targets we set out at our Investor Day in 2023. Our Growth Story continues to drive revenue growth, margin improvements and sustained strong cash generation.

I would like to thank our people for their commitment and dedication in delivering these results despite sometimes challenging circumstances. This year was marked by some increased consumer sensitivity to pricing as well as continued inflation in some markets. We also faced flooding in parts of Eastern Europe and Nigeria. I would like to take this opportunity to thank the Board for its counsel and guidance in 2024, and especially for supporting the ELT and me.

#### Leading with purpose and responsibility

Our unique culture, heritage and values are a fundamental part of delivering sustainable value to all stakeholders. Monitoring and assessing the Company's culture, and its ongoing evolution, continues to be a Board priority. It was wonderful to see our culture in action at the company's most recent Leadership Conference in Prague, with several inspiring breakout sessions presented by colleagues.

Our refreshed purpose, which was formally launched in 2023, continues to be successfully embedded throughout the organisation. It has been a privilege to see colleagues thrive and grow as they have embraced this purpose.

The Board continues to be proactive in representing the interests of stakeholders on a diverse range of issues. In 2024, it focused on overseeing overall strategic execution, the progress of the sustainability agenda, the Finlandia Vodka integration and reviewing key insights on employee engagement.

#### Protecting our people and communities

We are cognisant of the ongoing situation in Ukraine. First and foremost, we have focused on protecting our employees and ensuring, as far as possible, their health and safety.

The Coca-Cola HBC Foundation is dedicated to supporting the communities where we operate. This year, the Foundation approved grants for flood relief efforts in Nigeria, Greece, Romania, Poland, Hungary and Bosnia & Herzegovina.

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#### Dividend growth and capital returns

For 2024, the Board is proposing a dividend of €1.03 per share, an 11% increase on the dividend per share versus the prior year and is continuing its commitment to a progressive dividend. The dividend represents a 45% payout ratio, within our targeted range of 40% to 50% of comparable earnings per share. Our progressive dividend is testament to our confidence in the strong fundamentals of the Company, as well as our commitment to shareholders.

The Group's capital allocation framework follows clear priorities: organic investment in the business to drive delivery of our medium-term financial targets; payment of a progressive dividend; strategic M&A; and additional capital returns. In 2023, the Board approved a share buyback programme and by the end of 2024, €226 million had been returned to shareholders. The share buyback programme has been a compelling opportunity to enhance shareholder value, while continuing to invest in the business.

#### Looking ahead

We continue to face uncertain markets, but as I look ahead to 2025 and beyond, I have great optimism, knowing we have built strong foundations through thoughtful investment, an adaptable culture and continued sustainability leadership. I am confident we are future ready.

We will continue to make courageous choices and live our purpose: Open up moments that refresh us all – our people, customers, partners and wider stakeholders.

**Anastassis G. David**  
Chair of the Board

#### Section 172

Section 172 of the UK Companies Act 2006 requires directors to promote the success of their company for the benefit of the members as a whole, having regard to the interests of stakeholders in their decision making. Engaging with stakeholders is an indispensable part of how Coca-Cola HBC does business. The Board considers the interests of the our employees and other stakeholders in its decision making as a matter of good governance, and understands the importance, and value, of taking into account their views, as well as considering the impact of our activities on the community, environment and the Group's reputation. The Board also considers what is most likely to promote the success of the Coca-Cola HBC for its shareholders in the long term. Although Coca-Cola HBC is Swiss incorporated and, as such, the UK Companies Act 2006 has no legal effect, this approach is in accordance with the UK Corporate Governance Code 2018.

How we ensure business resilience and manage double materiality

Read more on p.37 and 178

How we engage with key stakeholders

Read more on p.200