



CAGNY 2021

February 19, 2021

JAMES QUINCEY
CHAIRMAN & CEO

JOHN MURPHY
CFO

FORWARD-LOOKING STATEMENTS

This presentation may contain statements, estimates or projections that constitute “forward-looking statements” as defined under U.S. federal securities laws. Generally, the words “believe,” “expect,” “intend,” “estimate,” “anticipate,” “project,” “will” and similar expressions identify forward-looking statements, which generally are not historical in nature. Forward-looking statements are subject to certain risks and uncertainties that could cause The Coca-Cola Company’s actual results to differ materially from its historical experience and our present expectations or projections. These risks include, but are not limited to, the negative impacts of the COVID-19 pandemic on our business; obesity and other health-related concerns; evolving consumer product and shopping preferences; increased competition; water scarcity and poor quality; increased demand for food products and decreased agricultural productivity; product safety and quality concerns; perceived negative health consequences of certain ingredients, such as non-nutritive sweeteners and biotechnology-derived substances, and of other substances present in our beverage products or packaging materials; an inability to be successful in our innovation activities; an inability to realize the economic benefits for our reorganization and related reduction in workforce; an inability to protect our information systems against service interruption, misappropriation of data or breaches of security; failure to comply with personal data protection and privacy laws; failure to digitize the Coca-Cola system; changes in the retail landscape or the loss of key retail or foodservice customers; an inability to expand operations in emerging and developing markets; fluctuations in foreign currency exchange rates; interest rate increases; an inability to maintain good relationships with our bottling partners; a deterioration in our bottling partners’ financial condition; increases in income tax rates, changes in income tax laws or unfavorable resolution of tax matters, including the outcome of our ongoing tax dispute or any related disputes with the U.S. Internal Revenue Service (the “IRS”); the possibility that the assumptions used to calculate our estimated aggregate incremental tax and interest liability related to the potential unfavorable outcome of the ongoing tax dispute with the IRS could significantly change, increased or new indirect taxes in the United States and throughout the world; an inability to successfully manage the possible negative consequences of our productivity initiatives; an inability to attract or retain a highly skilled and diverse workforce; increased cost, disruption of supply or shortage of energy or fuel; increased cost, disruption of supply or shortage of ingredients, other raw materials, packaging materials, aluminum cans and other containers; increasing concerns about the environmental impact of plastic bottles and other plastic packaging materials; changes in laws and regulations relating to beverage containers and packaging; significant additional labeling or warning requirements or limitations on the marketing or sale of our products; unfavorable general economic conditions in the United States; unfavorable economic and political conditions in international markets; unfavorable outcome of litigation or legal proceedings; conducting business in markets with high-risk legal compliance environments; failure by our third-party service providers and business partners to satisfactorily fulfill their commitments and responsibilities; failure to adequately protect, or disputes relating to, trademarks, formulae and other intellectual property rights; adverse weather conditions; climate change and legal or regulatory responses thereto; damage to our brand image, corporate reputation and social license to operate from negative publicity, whether or not warranted, concerning product safety or quality, workplace and human rights, obesity or other issues; changes in, or failure to comply with, the laws and regulations applicable to our products or our business operations; changes in accounting standards; an inability to achieve our overall long-term growth objectives; deterioration of global credit market conditions; default by or failure of one or more of our counterparty financial institutions; an inability to renew collective bargaining agreements on satisfactory terms, or we or our bottling partners experience strikes, work stoppages or labor unrest; future impairment charges; multi-employer pension plan withdrawal liabilities in the future; an inability to successfully integrate and manage our company-owned or -controlled bottling operations or other acquired businesses or brands; an inability to successfully manage our refranchising activities; failure to realize a significant portion of the anticipated benefits of our strategic relationship with Monster Beverage Corporation; global or regional catastrophic events; and other risks discussed in our filings with the Securities and Exchange Commission (the “SEC”), including our Annual Report on Form 10-K for the year ended December 31, 2019 and our subsequently filed Quarterly Reports on Form 10-Q and other reports, which filings are available from the SEC. You should not place undue reliance on forward-looking statements, which speak only as of the date they are made. We undertake no obligation to publicly update or revise any forward-looking statements.

RECONCILIATION TO U.S. GAAP FINANCIAL INFORMATION

The following presentation includes certain "non-GAAP financial measures" as defined in Regulation G under the Securities Exchange Act of 1934. A schedule which reconciles our results as reported under Generally Accepted Accounting Principles and the non-GAAP financial measures included in the following presentation is attached as an appendix hereto.

The 2021 outlook information provided in this presentation includes forward-looking non-GAAP financial measures, which management uses in measuring performance. The company is not able to reconcile full year 2021 projected organic revenues (non-GAAP) to full year 2021 projected reported net revenues, full year 2021 projected underlying effective tax rate (non-GAAP) to full year 2021 projected reported effective tax rate or full year 2021 projected comparable EPS (non-GAAP) to full year 2021 projected reported EPS without unreasonable efforts because it is not possible to predict with a reasonable degree of certainty the actual impact of changes in foreign currency exchange rates; the exact timing and amount of acquisitions, divestitures and/or structural changes; and the exact timing and amount of comparability items throughout 2021. The unavailable information could have a significant impact on our full year 2021 reported financial results.

A young man and woman are smiling and drinking from a Coca-Cola bottle. The woman is holding the bottle to her mouth, and the man is smiling next to her. In the foreground, there is a pizza. The background is slightly blurred, suggesting an indoor setting.

KEY THEMES FOR TODAY

PROGRESS ON EMERGING STRONGER

ACCELERATORS FOR GROWTH

DRIVERS OF SUSTAINABLE VALUE CREATION



PROGRESS ON EMERGING STRONGER

TOOK ACTION TO ACCELERATE OUR TRANSFORMATION

Guided by our Purpose

**REFRESH THE WORLD.
MAKE A DIFFERENCE.**



LOVED BRANDS

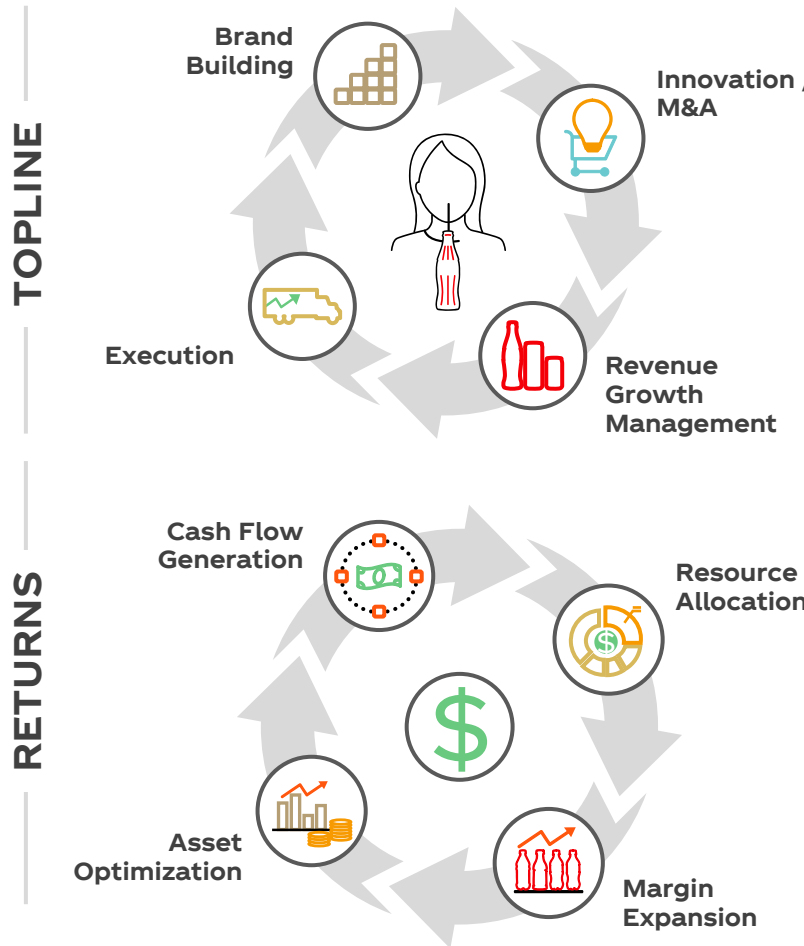


DONE SUSTAINABLY



**FOR A BETTER
SHARED FUTURE**

Rooted in our Strategy



Key Objectives



Win More Consumers



Gain Market Share



Strong System Economics



Strengthen Stakeholder Impact



Equip the Organization to Win



PROGRESS ON EMERGING STRONGER

ENCOURAGED BY THE PROGRESS WE MADE DURING 2020

Key Objectives



Win More Consumers



Gain Market Share



Strong System Economics



Strengthen Stakeholder Impact



Equip the Organization to Win

Key Priorities

- 1 Optimized portfolio of strong global, regional and scaled local brands
- 2 Disciplined innovation framework and increased marketing effectiveness
- 3 Stepped-up RGM and execution capabilities
- 4 Enhance our system collaboration and capture supply chain efficiencies
- 5 Evolve the organization and invest in new capabilities

Key Wins

- ✓ Increased consumer base in ~35%* of markets during the year
- ✓ Revenue per innovation was 1.5x versus 2019
- ✓ Gained underlying market share in both at-home and away-from-home channels
- ✓ Operationally strong bottling system with solid system alignment
- ✓ Improved 2 points on water stress score in MSCI ratings update and achieved “A-” score on CDP ranking
- ✓ Expanded Operating Margin** by ~170 bps and grew Free Cash Flow*** by 3%

* Based on data collected from a selection of 18 of top 40 markets

** Comparable (Non-GAAP)

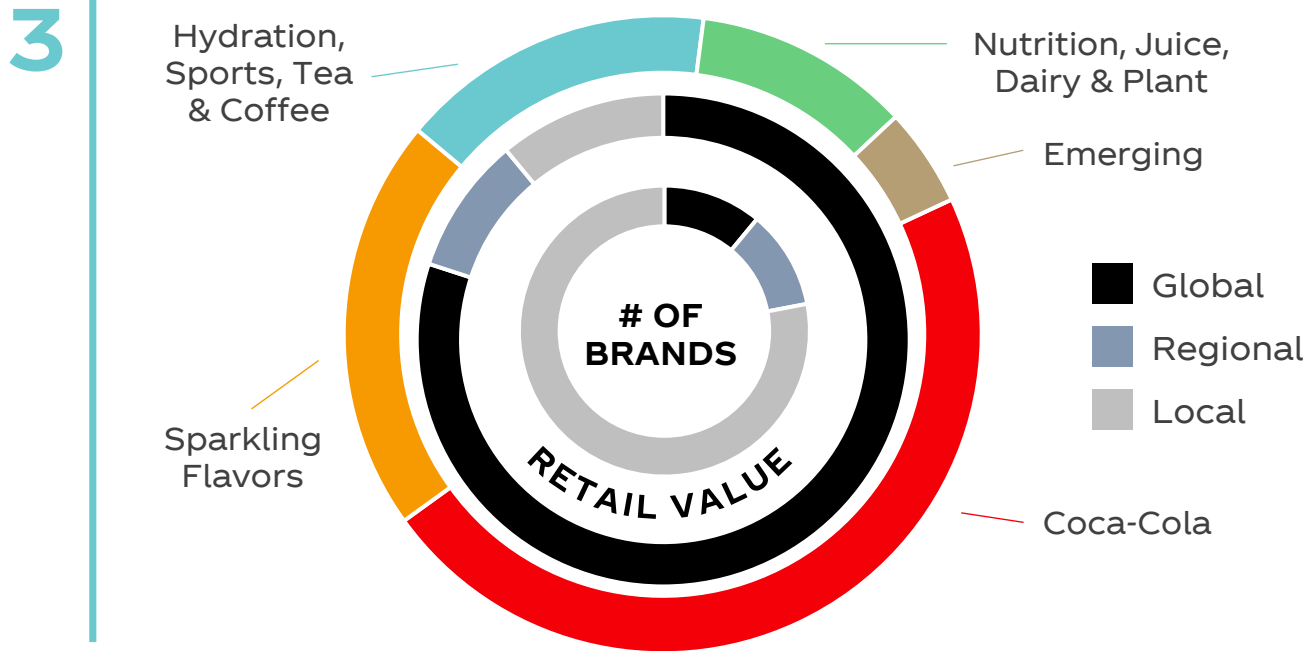
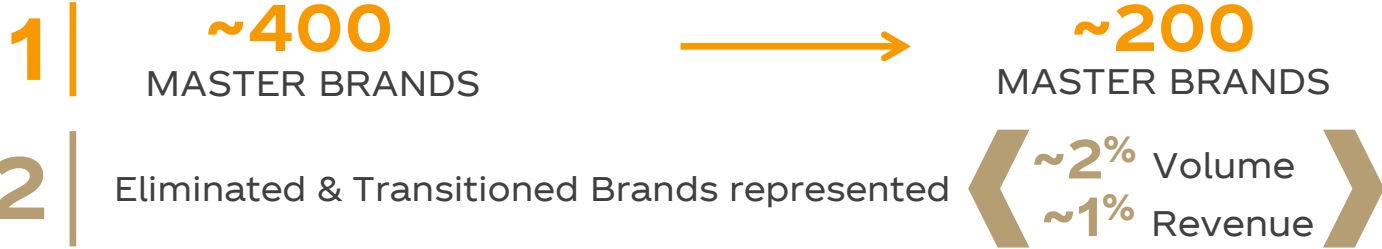
*** Non-GAAP; Free Cash Flow = Cash from operations minus capital expenditures



PROGRESS ON EMERGING STRONGER

OPTIMIZED BRAND PORTFOLIO WILL DRIVE QUALITY LEADERSHIP

Optimized Brand Portfolio



Strategic Rationale



BEVERAGES FOR LIFE

- Focus investments against the best opportunities to win in the marketplace
- Address critical Age Cohorts, Need States and Drinking Moments
- Target country/category combinations with greatest share and topline opportunity

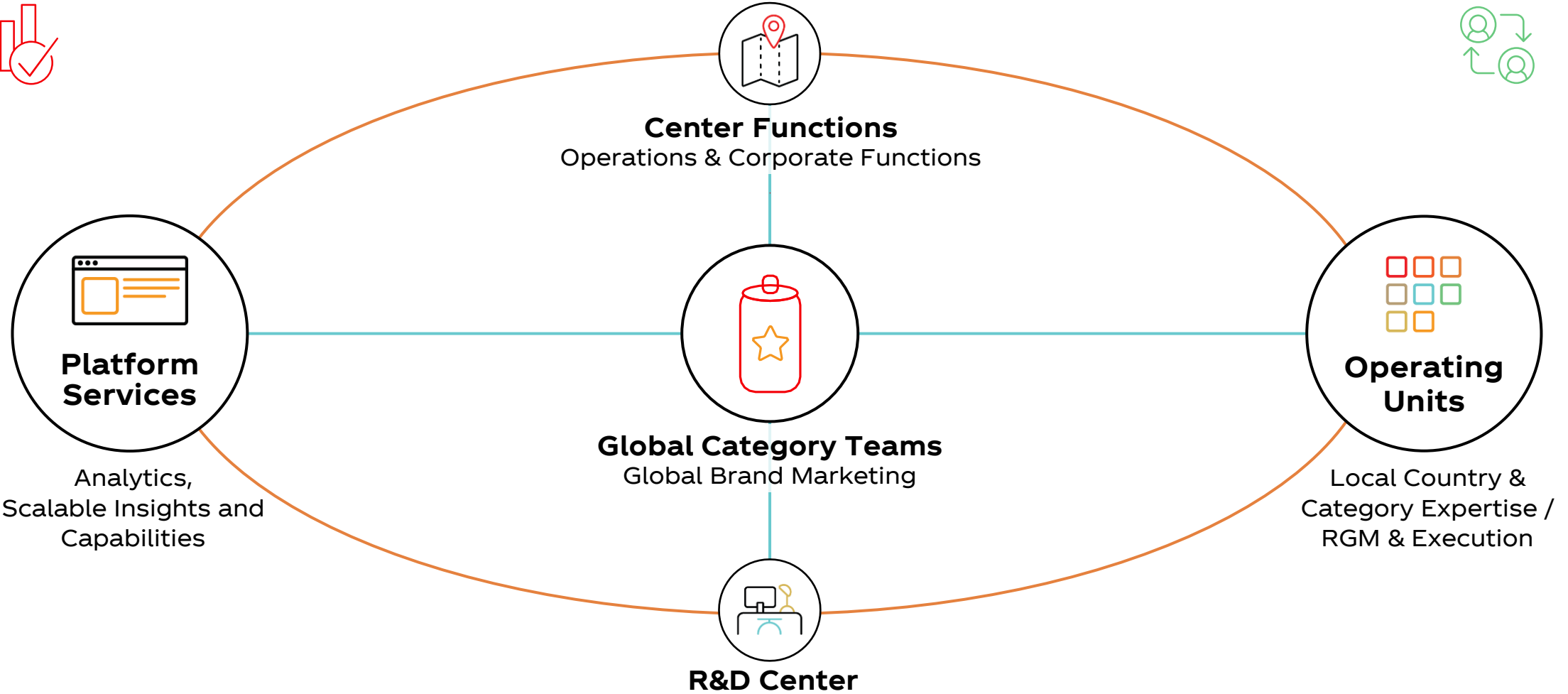


PROGRESS ON EMERGING STRONGER

NETWORKED ORGANIZATION TO FUEL TOP-TIER GROWTH

SCALE ←

→ INTIMACY



A photograph of several green glass bottles of Appletiser sparkling water chilling in a metal tray filled with crushed ice. The bottles are condensation-covered and have the brand name 'Appletiser' printed on them in a white, cursive font. The background is a soft, out-of-focus green.

KEY THEMES FOR TODAY

PROGRESS ON EMERGING STRONGER

ACCELERATORS FOR GROWTH

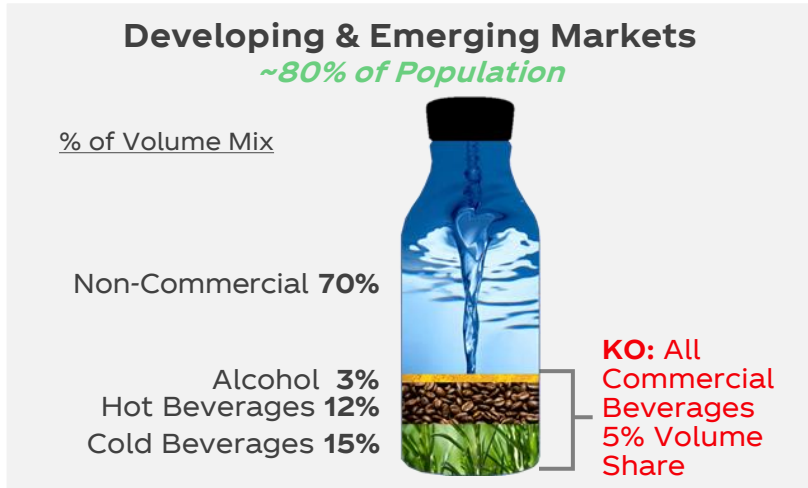
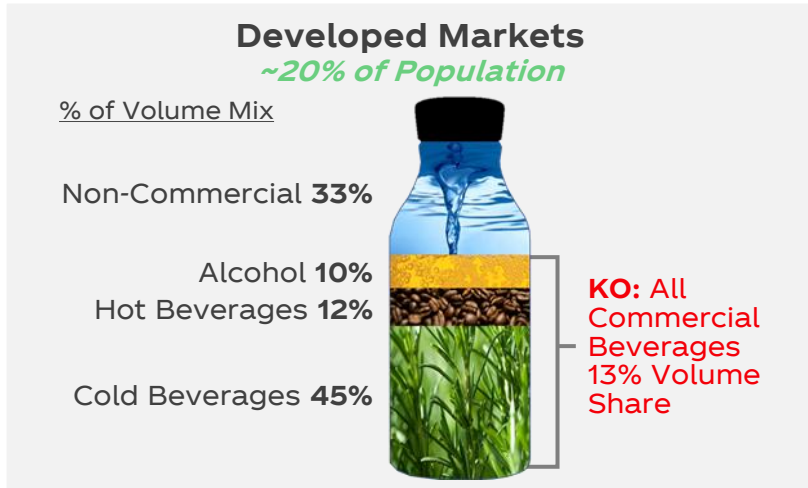
DRIVERS OF SUSTAINABLE VALUE CREATION



ACCELERATORS FOR GROWTH

UNPARALLELED STRENGTH TO SEIZE LONG-TERM GROWTH OPPORTUNITY

Long-Term Growth Opportunity



Loved Brands



Diversified and Optimized Brand Portfolio

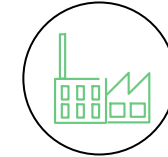


Strong Global Value Share — #1 Position in 4 out of 5 Categories



Focused on the Core + Experimenting in Adjacencies

Pervasive Distribution



~\$8 Billion System Capex*



> 20 Channels



30M Customer Outlets*



16M Cold-Drink Assets*



ACCELERATORS FOR GROWTH

WHAT WE DO BEST: WORLD-CLASS MARKETING





ACCELERATORS FOR GROWTH

TARGETED RESOURCE ALLOCATION



CAMPAIGN OPTIMIZATION

Bigger, Higher Quality and More Effective Campaigns



MEDIA

One Global Digital Media Infrastructure



ASSETS

Aligned to Passion Points and Strategic Goals



EXPERIENTIAL PROMO & SHOPPER

Streamlined Sourcing on a Digital Platform



PRODUCTION & DEVELOPMENT

Transparent Pricing and Efficient Processes



RESEARCH

Standardized Approach - High Value Market Research



CREATIVE AGENCY

Consolidated Agency Model



ZERO-BASED REVIEWS

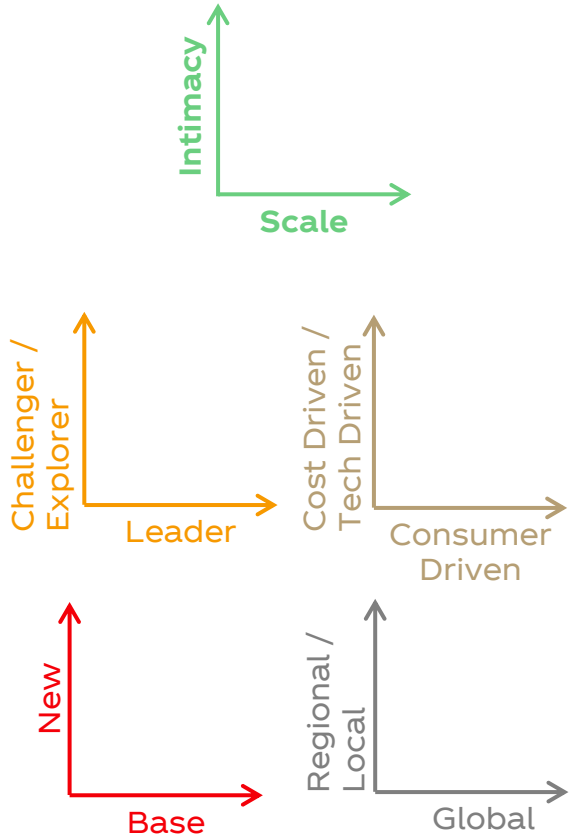
Ensuring Strong Return on All Spend

**STEP CHANGE
IN MARKETING
EFFECTIVENESS
AND
EFFICIENCY**



BIG BETS + EXPERIMENTATION DRIVE SUSTAINABLE INNOVATION

Innovation Lenses



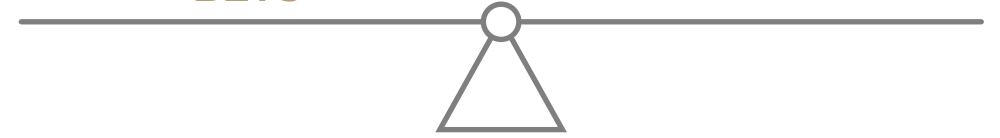
Delivering on 1 of 3 Objectives

- 1 | Significantly increase **New Drinkers** (Weekly+)
- 2 | Significantly increase the **Frequency** of existing drinkers
- 3 | Significantly increase the **Value** of each existing transaction (if no additional drinkers / frequency)

2021 Innovation Pipeline

BIG BETS

INTELLIGENT EXPERIMENTATION



+~40%

New Projects vs. 2020

45%

Value from big bets projects (25% of total projects)

+~20%

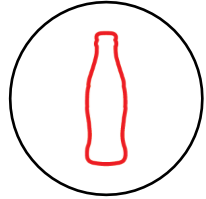
Incremental GP Contribution vs. 2020
Incremental GP Contribution



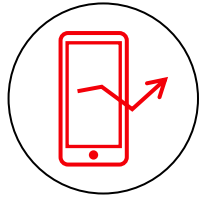
ACCELERATORS FOR GROWTH

DIGITAL IS INTEGRAL TO EVERYTHING WE DO

CONSUMER



Brand Engagement



Marketing



Direct-to-Consumer



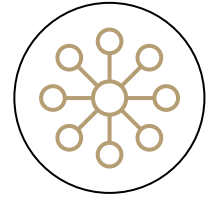
CUSTOMER



Digitize Traditional Trade



Partnerships

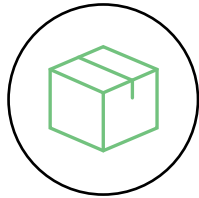


Omnichannel Execution

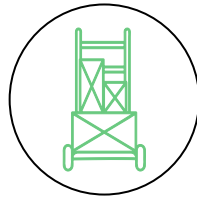
SYSTEM



Connectivity

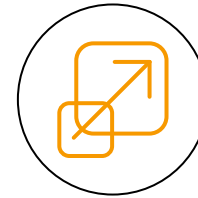


Distribution Ecosystem

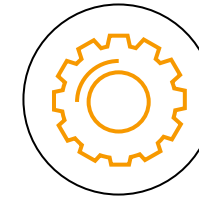


Procurement

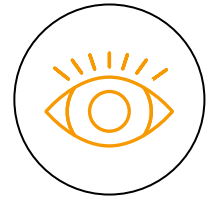
COMPANY



Scaled Approach



Efficiency



Forecasting



[Click here to access the video of launch of 13.2oz rPET in the U.S.](#)

GUIDED BY OUR PURPOSE AND CREATING SHARED VALUE

Current Priorities

Current Goals

Actions



WATER

- Replenish 100%+ water used annually
- Focus on water-scarce regions

- Adding the target to be 100%+ replenish in high stress areas



SUGAR

- Reduce added sugar and package size

- ~350k tons added sugar removed*
- 29% volume low- or no-sugar*
- 42% packages ≤250ml*



PACKAGING

- Make 100% of our packaging recyclable by 2025
- Reduce virgin plastic by a cumulative 3 million metric tons by 2025
- 100% package collection and recycle rate by 2030
- Use 50% recycled material in our packaging by 2030

- 90-92% packaging recyclable**
- 60% package collection**
- 12% rPET in our packaging**



CLIMATE

- 25% absolute emissions reduction by 2030 (Science-Based Target)
- Introducing ambition to be Net Zero Carbon by 2050

- “A-” 2020 CDP climate score



DIVERSITY, EQUITY & INCLUSION

- 50% women-led
- Align U.S. representation to census data
- 5by20: Empower 5 million women

- 33% women in senior leadership
- 5by20: 5+ million women empowered**

* 2019 data

** Estimated; not assured by E&Y until April 2021 Business & Sustainability Report publication



ACCELERATORS FOR GROWTH

KEY STRATEGIC TAKEAWAYS

- Guided by our Purpose and Rooted in our Strategy
- Great Industry with Unparalleled System Strength
- Consumer-Centric Marketing Powered by Effectiveness and Efficiency
- Robust Innovation Pipeline: Big Bets + Intelligent Experimentation
- Strong RGM & Execution Capabilities to Capture Opportunities
- Strategic Transformation to Drive Long-Term Growth



A top-down view of a picnic on a striped blanket. In the center is a glass of orange juice with a red and yellow striped straw. To the left is a clear plastic bottle of smartwater sparkling water with a blue cap and a blue label. To the right, a hand holds a small coffee cup with a brown sleeve. The background shows a woven basket, a slice of green apple, and some cheese on a napkin. The scene is set on a green lawn.

KEY THEMES FOR TODAY

WE ARE EMERGING STRONGER

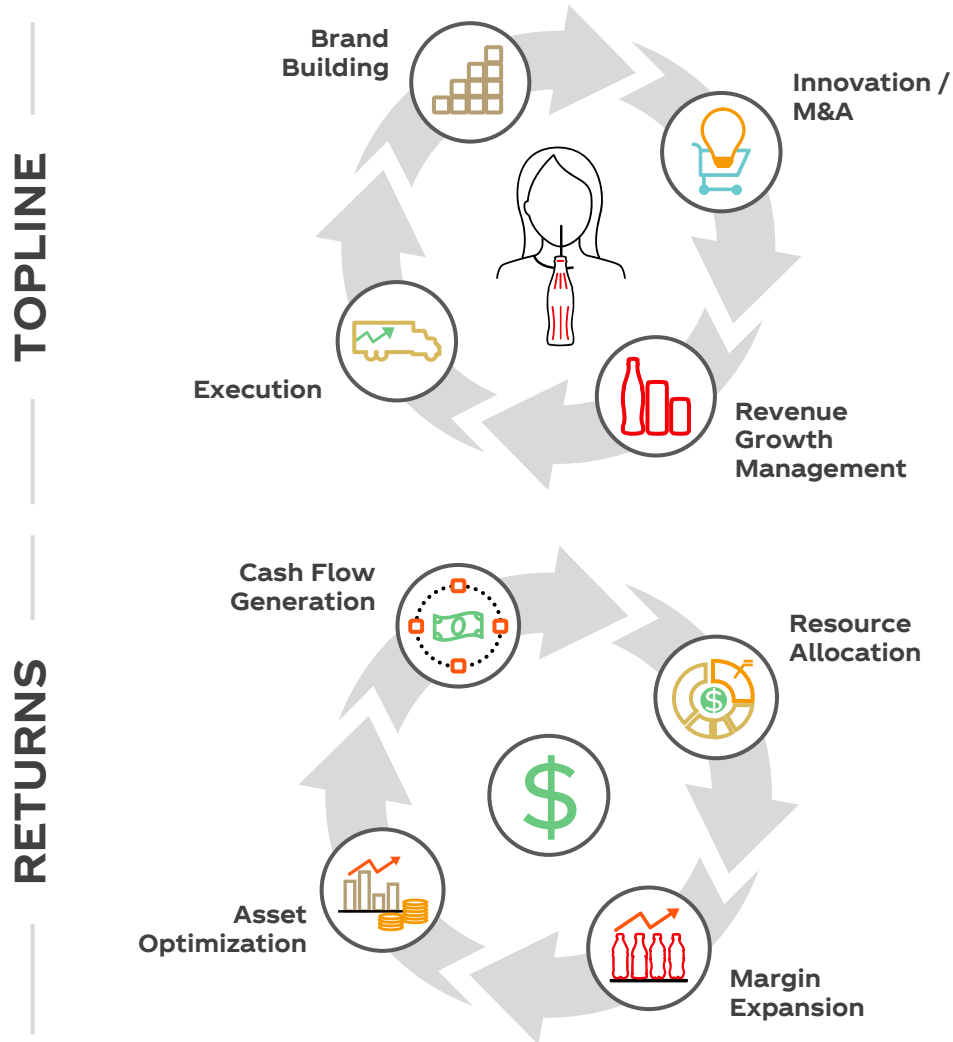
ACCELERATORS FOR GROWTH

DRIVERS OF SUSTAINABLE VALUE CREATION



DRIVERS OF SUSTAINABLE VALUE CREATION

CONFIDENT IN OUR LONG-TERM TARGETS



Long-Term Growth Targets

Organic Revenue* **4% to 6%**

Operating Income** **6% to 8%**

Earnings Per Share** **7% to 9%**

Free Cash Flow* **90% to 95%**
Adjusted Free Cash Flow Conversion Ratio*

* Non-GAAP
 ** Comparable currency neutral (non-GAAP)
 Note: Adjusted free cash flow conversion ratio = free cash flow adjusted for pension contributions / GAAP net income adjusted for noncash items impacting comparability



DRIVERS OF SUSTAINABLE VALUE CREATION

DRIVING ONGOING TOPLINE GROWTH AT THE HIGH END OF OUR TARGET

Compelling Industry

Population

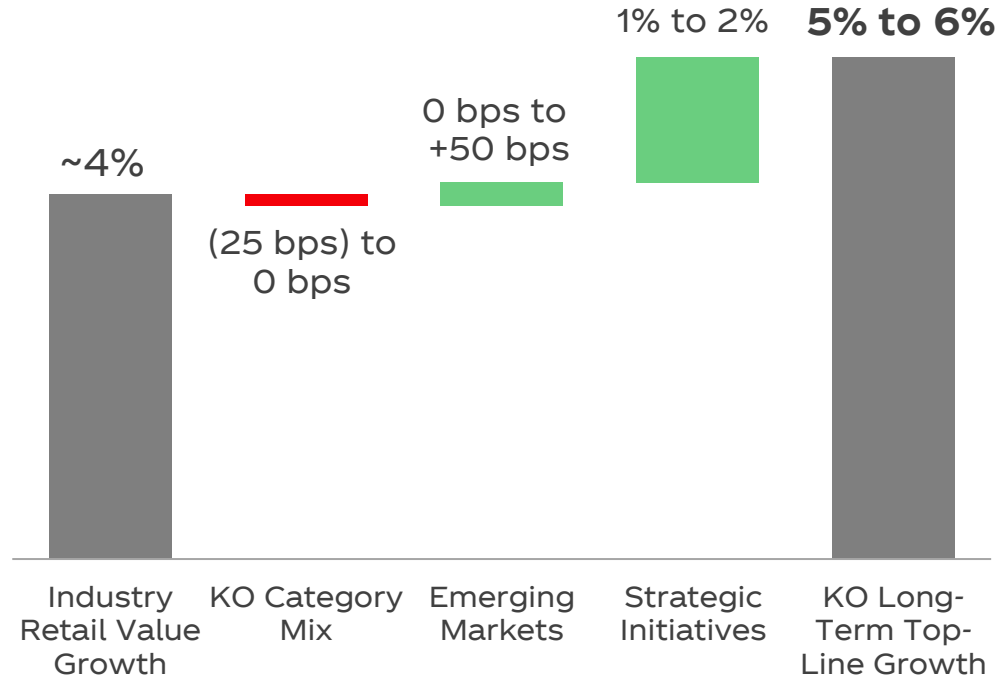
Inflation

Disposable Income

Accessibility

Consumer Choice

Driving Accelerated Topline Growth



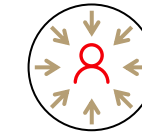
Strategic Initiatives



Optimized Growth Portfolio



Scaled & Disciplined Innovation Pipeline



Effective Consumer-Centric Marketing



Data-Driven RGM in the Marketplace



Targeted Resource Allocation



DRIVERS OF SUSTAINABLE VALUE CREATION

DRIVING TOPLINE... WHILE EXPANDING UNDERLYING MARGIN

CONCENTRATE

FINISHED GOODS

FOUNTAIN

COSTA

BOTTLING INVESTMENTS



Mission

Grow and win in the core business with rapidly emerging new channels

Scale platforms with unique competitive advantage

Optimize away-from-home platforms for future growth

Drive multi-platform coffee strategy

Capitalize on market potential and inflect performance



Margin Levers (e.g.)

SG&A optimization through scale & digital productivity

Evaluate asset-light business models;
Lift and shift capabilities and model to scale

Trade promotion optimization;
Supply Chain synergy through System Procurement Advantage

Revenue synergies through expansion;
Optimize fixed SG&A cost

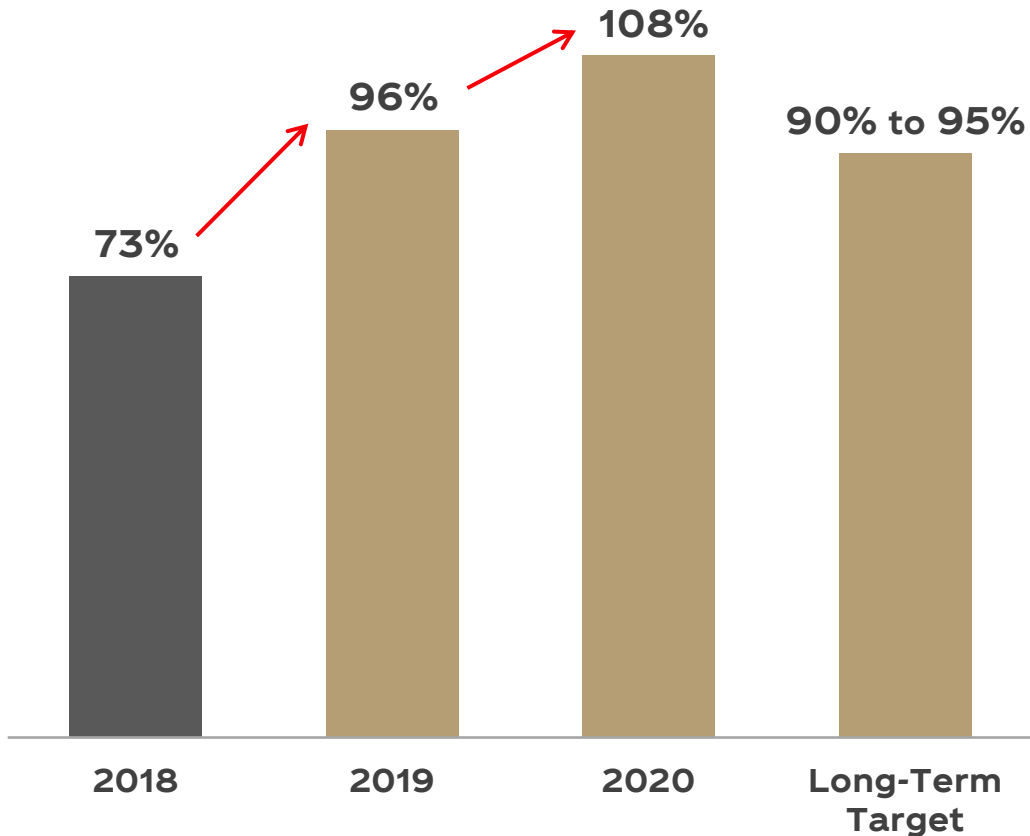
Trade promotion optimization;
Fixed-cost productivity



DRIVERS OF SUSTAINABLE VALUE CREATION

FOCUSED ON MAXIMIZING FREE CASH FLOW CONVERSION

Adjusted Free Cash Flow Conversion Ratio* Target



Key Drivers

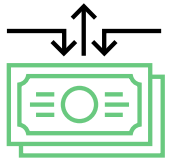
Capital Investments

- Optimal Levels of Capital Investments to Maximize ROI
 - Additional project evaluation and prioritization metrics



Working Capital Management

- Drive Continuous Improvement in Payables
 - Supply Chain Financing
- Optimize Receivables
 - AR Factoring



Productivity Program Costs

- Minimize Nonrecurring Costs Going Forward



* Non-GAAP; adjusted free cash flow conversion ratio = free cash flow adjusted for pension contributions / GAAP net income adjusted for noncash items impacting comparability



TAX CONSIDERATIONS

We disagree with the U.S. Tax Court opinion and will vigorously defend our position.

Based on the technical and legal merits, including the unconstitutionality of the IRS' retroactive imposition of tax liability, we believe we will ultimately prevail in the litigation.

If the U.S. Tax Court opinion is ultimately upheld, along with an adverse ruling on pending issues:

- We estimate ~\$12 billion of aggregate incremental tax liability for all years up to and including 2020, including interest accrued through Dec. 31, 2020.
- Applying the IRS' proposed transfer pricing methodology would increase our underlying effective tax rate* by ~3.5%.

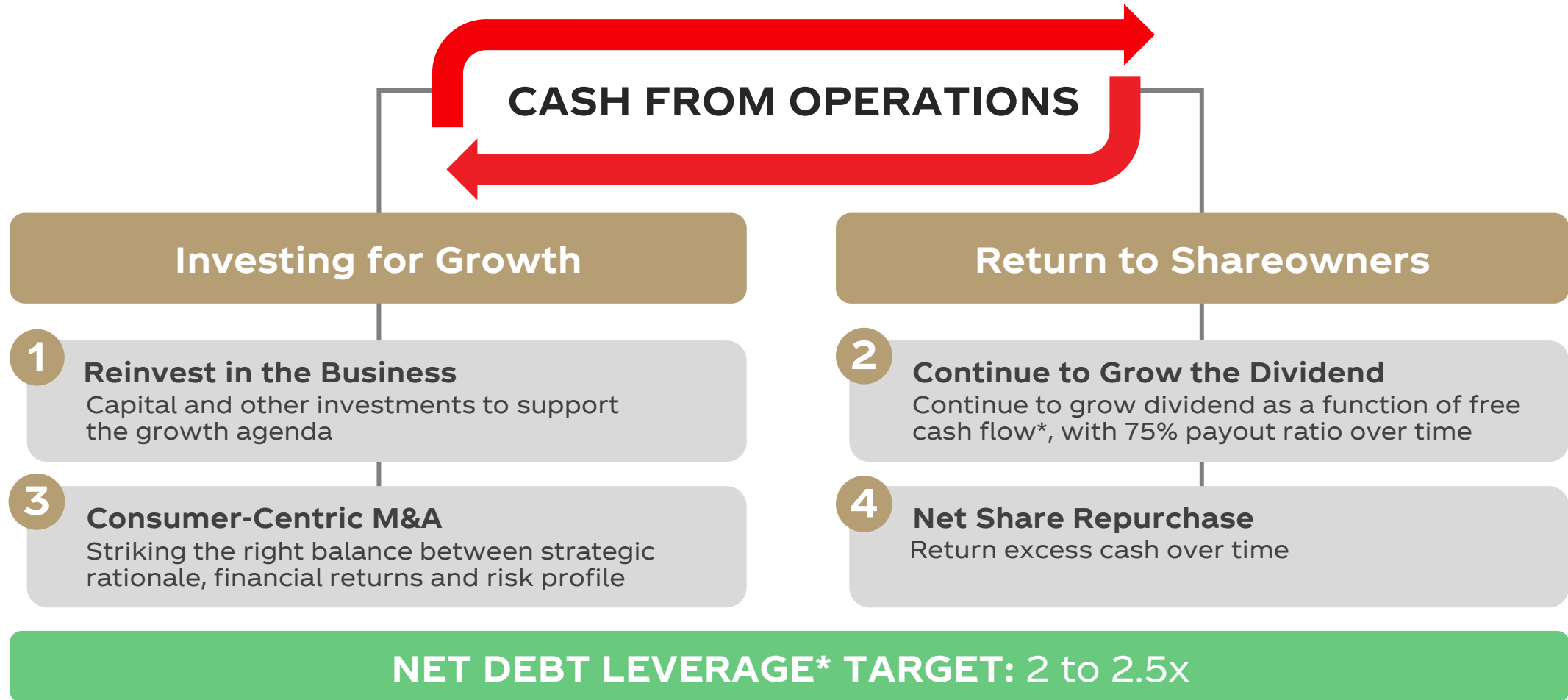
Our intention is to be as transparent as possible throughout the process.

We continue to prioritize investing in the business to drive long-term growth, as well as supporting dividend growth for our shareowners.



DRIVERS OF SUSTAINABLE VALUE CREATION

OUR CAPITAL ALLOCATION STRATEGY SUPPORTS OUR GROWTH AMBITIONS





DRIVERS OF SUSTAINABLE VALUE CREATION

2021 OUTLOOK

2021 GUIDANCE

Organic Revenue*

**High Single-Digit
% Growth**

Comparable EPS*

**High Single-Digit to
Low Double-Digit
% Growth**

Free Cash Flow**

At least \$8.5 Billion

KEY PRIORITIES

Driving growth through consumer-centric optimized portfolio

Brand building through effectiveness and efficiency

Strengthening bottling partnerships to enhance execution

Working as a networked organization

Focusing on free cash flow* generation

* Non-GAAP

** Non-GAAP; excluding any potential payments related to the ongoing tax litigation with the IRS
Note: Free Cash Flow = Cash from operations minus capital expenditures



DRIVERS OF SUSTAINABLE VALUE CREATION

SUMMARY

- Emerging stronger and focused on top-tier growth
- Focused on margin expansion across all lines of business
- Continued efforts to maximize Free Cash Flow Conversion*
- Disciplined Capital Allocation Framework to support our growth ambitions
- Confident in our Long-Term Growth Targets





THANK YOU

THE COCA-COLA COMPANY AND SUBSIDIARIES
Reconciliation of GAAP and Non-GAAP Financial Measures
(UNAUDITED)

Operating Margin:

Reported Operating Margin (GAAP)
Items Impacting Comparability (Non-GAAP)
Comparable Operating Margin (Non-GAAP)

	Year Ended December 31, 2020	Year Ended December 31, 2019	Basis Point Growth
	27.25%	27.07%	18
	(2.36%)	(0.85%)	
	29.61%	27.92%	169

THE COCA-COLA COMPANY AND SUBSIDIARIES
Reconciliation of GAAP and Non-GAAP Financial Measures
(UNAUDITED)
(In millions)

Free Cash Flow:

	Year Ended December 31, 2020	Year Ended December 31, 2019	% Change
Net Cash Provided by Operating Activities (GAAP)	\$ 9,844	\$ 10,471	(6)
Purchases of Property, Plant and Equipment (GAAP)	<u>(1,177)</u>	<u>(2,054)</u>	(43)
Free Cash Flow (Non-GAAP)	\$ 8,667	\$ 8,417	3

Note: Certain growth rates may not recalculate using the rounded dollar amounts provided.

THE COCA-COLA COMPANY AND SUBSIDIARIES
Reconciliation of GAAP and Non-GAAP Financial Measures
(UnAUDITED)
(In millions)

Free Cash Flow and Adjusted Free Cash Flow Conversion Ratio:

	Year Ended December 31, 2018	Year Ended December 31, 2019	Year Ended December 31, 2020
Net Cash Provided by Operating Activities	\$ 7,627	\$ 10,471	\$ 9,844
Purchases of Property, Plant and Equipment	(1,548)	(2,054)	(1,177)
Free Cash Flow (Non-GAAP)	6,079	8,417	8,667
Plus: Cash Payments for Pension Plan Contributions	—	—	—
Adjusted Free Cash Flow (Non-GAAP)	\$ 6,079	\$ 8,417	\$ 8,667
Net Income Attributable to Shareowners of The Coca-Cola Company	\$ 6,434	\$ 8,920	\$ 7,747
Noncash Items Impacting Comparability:			
Asset Impairments	925	773	493
Equity Investees	120	96	216
Transaction Gains/Losses	759	(463)	(933)
CCBA Unrecognized Depreciation and Amortization	(170)	(67)	—
Other Items	315	(148)	291
Certain Tax Matters	(92)	(331)	207
Adjusted Net Income Attributable to Shareowners of The Coca-Cola Company (Non-GAAP)	\$ 8,291	\$ 8,780	\$ 8,021
Cash Flow Conversion Ratio¹	119%	117%	127%
Adjusted Free Cash Flow Conversion Ratio (Non-GAAP) ²	73%	96%	108%

¹ Cash flow conversion ratio is calculated by dividing net cash provided by operating activities by net income attributable to shareowners of The Coca-Cola Company.

² Adjusted free cash flow conversion ratio is calculated by dividing free cash flow by adjusted net income attributable to shareowners of The Coca-Cola Company.

THE COCA-COLA COMPANY AND SUBSIDIARIES
Reconciliation of GAAP and Non-GAAP Financial Measures
(UNAUDITED)

Projected 2021 Free Cash Flow (Non-GAAP) (In Billions):

Net Cash Provided by Operating Activities (GAAP)
Purchases of Property, Plant and Equipment (GAAP)
Free Cash Flow (Non-GAAP)

Year Ending December 31, 2021	
\$	10.0
	(1.5)
\$	8.5