Hi everyone. Good to see you all, virtually speaking, CAGNY 2021. I guess our first virtual CAGNY Presentation. Let's jump straight in. You'll recognize this forward-looking statement, which I draw your attention to. It's in your book. So, I won't dwell on it any further.

John and I would like to talk to you about three things. We'd like to talk about our progress so far on emerging stronger. About how we see our accelerators for growth going forward. And how we see that being a part of a driver of sustainable value creation well into the future. Let me start with the actions we took to accelerate our transformation in the last year. Now, as you know, as a system, we went into this crisis in a strong position. We really rallied around a focus on winning, and we had some good numbers and good results in 2018 and 2019.

And importantly, we leveraged the 2020 crisis as a catalyst to accelerate the business transformation that was already underway. We remain, of course, guided by our purpose, which is to refresh the world and make a difference. And rooted in our strategy to drive top line growth and generate good returns.

Now, we identified key objectives to navigate the pandemic, and propel us back to a growth trajectory, winning more consumers, gaining share, maintaining strong system economics, strengthening our impact with stakeholders, and equipping our organization to win in the future. These were our North Star in determining our approach to emerging stronger.

Now, over the course of the year, we were very encouraged by our progress in 2020. We got sequential improvement in the business as we went through 2020 and came out of the year. And as I said, the pandemic was a catalyst for change for our company. We highlighted five priorities to accelerate transformation in order to emerge stronger.

We moved swiftly against these priorities with a goal to reach pre-COVID levels for our business, well ahead of the general economic recovery. And we've had some initial wins. We are well on our way to emerging stronger. And yet, of course, there's still more to deliver on our objectives.

One of the things we did, very importantly, is we took the decision to optimize the portfolio so that we could really drive for quality leadership. We put deep analysis into our portfolio optimization process, to really focus on those brands that have the best potential to drive the Beverages for Life strategy, and to remove the weakest ones.

We undertook this exercise to shape our portfolio, ultimately, to really support and strengthen our growth agenda. And to ensure that we emerge from this crisis not just stronger, but able to grow at the top of our algorithm. So, as I said, we streamlined our portfolio. We came down from some 400, to under 200 master brands, allowing the global category teams to identify the greatest opportunities and
allocate resources accordingly. We aspire to achieve a balanced combination of global, regional, and local brands with scale.

These will be the ones with the strongest potential to help us grow our consumer base, increase frequency, and drive system margin accretion. We believe we now have a strong portfolio of brands that will enable us to address all drinking moments across day parts. And we will continue to grow these brands through focused execution and targeted innovation where relevant.

Now, to support this new portfolio and many other things in execution, our business strategy, we have transformed our organization. Our new networked organization is now coming together, and it’s already changing the way we work. Striking a better balance between scale and local intimacy.

We've created global category leads with clear decision rights to modernize our approach to marketing and innovation. We've established Platform Services to elevate and accelerate data analytics and insight capabilities to help us accelerate top-line and bottom-line growth. And this will help us reduce duplication and drive scale.

These actions free up time, resources, and energy to focus for growth. And they facilitate accountability and speed of execution across the frontline areas closest to the consumer. So, great progress so far on emerging stronger. We fully anticipate, as we highlighted in our earning call last week, that we will emerge stronger in the course of 2021. So, let me turn, next, to talk about what are the accelerators that are really going to propel us, and move forward on that growth agenda.

Firstly, standing back, you all have seen these two bottles on the left-hand side before. And they have been our way of typifying the huge opportunity that continues to exist for us to be competitive and win in the marketplace. Both in the developed markets, where today three-quarters of what you drink is already some form of commercial beverage.

And yet we have a huge share opportunity within that total universe of commercial beverages. Or the developing markets where only a quarter of what people drink is a commercial beverage. So not only is there a share opportunity, but there's an even bigger opportunity to develop the industry in what is ultimately the place where 80% of the world's population still is. A huge opportunity still ahead of us, both in terms of developing the industry and gaining share. And we, the Coca-Cola system, we have the platform to take advantage of that.

Our diversified portfolio of beverages and brands is the right one to address this opportunity. We have a strong share position, not just in total, but in most categories. And so we really are in a position to take all of that opportunity in general, and specifically by category. And as a company, we are laser focused on the core, whether that be sparkling, or hydration, or teas. And we have begun experimenting in adjacencies.

Whether that be Costa and the coffee or the Lemon-Do product in Japan, and the launch of Topo Chico Hard Seltzer in multiple markets around the world. They are all in line with our approach to test and learn so that we continue to become ever more consumer and customer centric. All of this is supported by an unparalleled distribution system, which are the Coca-Cola bottlers. It is tremendously powerful and has pervasive reach across the world. The combination of the right brands and the distribution system are an unbeatable combination.
And of course, we need to do what we do best, world-class marketing. And of course, great marketing begins with human insights, understanding what the consumer wants and making a superior tasting product to meet that taste profile.

And then through the consumers' passion points, telling a brand story in a relatable way. If we look at our new global Sprite campaign, it's a great example of our more effective and efficient marketing approach. As we look at the Gen Z centric insights, our new global campaign, Let's Be Clear, is rooted in some sharp, human insights around how Gen Zs today seek to refresh themselves so they can reset the unclear world with greater clarity and transparency. And in this campaign, we'll also be scaling up Sprite Zero based on winning recipes. This offers us a tremendous opportunity to replicate our proven success with Coke and Coke Zero Sugar into the Sprite franchise. We're complimenting that with some occasion-based marketing. So in addition to having strong films for TV, we've taken a close look at the consumer journey, and be mapping key moments where they need a reset, whether that be on the go or while chilling at home.

And accordingly, our campaign executions feature a wide array of content, ranging from refreshing digital films to iconic out of home and print, to user generated content. And we've produced all this with a one network, one global campaign approach. So this is actually our first ever global Sprite campaign. And it's going to be launched in approximately 50 markets this year. And it's a powerful example of how we've leveraged our network ways of working. Key markets around the world came together to align strategically and seek common human ground. Ultimately, everyone needs a refresh, or a reset. And the world indeed needs more clarity and more transparency.

And as we approach our reset to the marketing, we've reset the portfolio, optimized the portfolio, and started to work on better campaigns. We are also bringing a much more focused approach to resource allocation. And so we'll deliver the magic of marketing, through the lens of more efficiency and more effectiveness. It is ultimately about fundamentally transforming the way we execute our marketing programs, and no stone remains unturned in this process. And so, the model combines commercial prioritization, backed by advanced analytics that drives leverage through scale. And as we look across the eight areas we've looked at in the marketing resource allocation model, and I'll touch on four by example, we really are looking everywhere. So for example, campaign optimization. We're really focusing our investments behind fewer, bigger, and more efficient integrated campaigns.

When you look at media, leveraging the new media chassis platform, we've been consolidating media planning and buying agencies to drive transparency into the media buying process. On assets, aligned to consumer passion points like music and gaming, and take the example of Coke Studio, and how we can scale that across various countries to back the music passion point. Or even experiential promotions, simplifying our roster of agencies and reusing ideas, designs and assets across markets, also streamlining our marketing material sourcing to unlock better pricing. Ultimately, by improving our processes, eliminating duplication and optimizing spend on things like third-party agencies, we will increase our effectiveness and be able to fuel reinvestments in our brands.

Complementing our work to deliver great brands is an ever-increasing discipline to the critically important era of innovation, and we must continue to bring new, relevant product and equipment ideas to the table. And we're approaching innovation through an evolved set of lenses, and with more rigorous objectives. Our pipeline for 2021 has been developed through clear routines and processes to assess the purpose and right level of innovation. Innovation must be more than just flavor extensions, and it is being primarily driven by our commitment to be consumer-centric. They can also be tech
driven, or enhance a package, or enhance a formula, but in the end, it must be consumer-centric. And so, we’re looking, yes, for more innovation, but also more impact. Overall, we have much more innovation activity in 2021, versus 2020, principally because 2020 was heavily impacted by our response to the pandemic, so we'll have 40% more projects, driving 20% incremental gross profits.

We are, of course, looking to drive bigger bets. There's a greater emphasis on big bets, or said another way: projects that can achieve scale that’s relevant for the company. Our proxy here is global and regional big bets, and about 25% of the projects represent almost half the value in the pipeline, because we must not just innovate and experiment; we must achieve scale and converge on the biggest bets. But that, ultimately, also can't be at the cost of continuing to have some intelligent experimentation. There is a strategic shift to even more purposeful big bets, yes, but we must compliment that with thoughtful and intelligent experiments. We have approximately 11 of them for 2021, and they comprise 20% of the value in the global pipeline, and in future, we expect these intelligent, focused experiments to increase in number, and to increase in percentage of the pipeline value.

The digital frontier is vast and obviously has many fronts. And our view of digital is one that is of an integrated ecosystem of platform that creates value across both the digital and physical world. And our digital strategy creates value, not only for consumers and for customers, but across our organization and the system as well. And the pandemic has allowed us to accelerate our digital transformation and evolve into an organization that can execute its marketing, commercial, sales and distribution strategies, both in an online digital world, as well as in the physical world. At the heart of all this, of course, exists the data. And our recent organizational changes have set us up to leverage data across the enterprise, as well as the system. We’ve reshaped the organization around this opportunity, including a new O2O digital transformation officer, and a chief data officer role. This, combined with cutting edge digital tools, will facilitate more efficient marketing, strengthen our brands, and improve the execution.

It's still early days, but these digital investments are starting to transform logistics, transform the entire distribution model, transform client relationships, consumer engagement with the company, and with its brands.

As we execute all this, we, as I said at the beginning, continue to be guided by our purpose, and the objective to create shared value, and embedded in that is the idea that sustainability is about creating business value, in addition to living our values. We've stated very much that sustainability and our priorities around shared value are not a separate, adjacent piece of the business strategy; they are an integral piece of the strategy, and it's about pushing our enterprise to do what's right for the business, and for our stakeholders.

For example, in plastics, we recently announced our goal of reducing our use of virgin PET by 3 million metric tons. This is the equivalent of taking out one whole year's virgin plastic over the next five years.

On diversity and inclusion, we are ensuring we have diverse and equitable representation across our global workforce, with the goal of mirroring the diversity of the consumers and customers we serve. And beginning in this year's Business and Sustainability Report, we will be publicly sharing the data about our current company’s diversity representation; we’ll have representation on both race and gender across the general population employees, and across the various leadership levels.

And before I moved to summarize, let me just show you a quick video about how we’re bringing together both our imperatives on ESG and plastic and recyclability and recycled use of plastics with
branding and the centricity of RGM and a great entry-level pack size with brand Coca-Cola. Let's see a video and then I'll come back and close.

Ultimately, we have a fantastic system that is guided by our purpose, and with a strategy rooted in Beverages for Life. It’s a great industry. We have unparalleled system strengths. We've recentered ourselves on being consumer-centric with our marketing and being powered by greater effectiveness and efficiency. We're complimenting that with a robust innovation pipeline, balancing the big bets with ongoing intelligent experimentation. We didn't talk much about it today, but we continue to invest and to underpin everything with strong RGM and great executional capabilities to capture these opportunities. Our strategic transformation continues, and we are confident that we will deliver on long-term growth.

With that, let me hand over to John to take you through the next section.

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John Murphy  
*Executive Vice President & Chief Financial Officer, The Coca-Cola Co.*

Thank you, James. And let me start with the reaffirmation of our long-term growth targets. Organic revenue at 4% to 6%, operating income 6% to 8%, earnings per share 7% to 9%, and free cash flow in the 90% to 95% range. I'd also like to affirm that our focal points remain the two flywheels that drive our Beverages for Life strategy, enabling us to convert top line into value creation.

Our emerging stronger priorities and the acceleration of our transformation, has been designed to get us back to this long-term growth algorithm as fast as possible. Our confidence stems from the fact that we operate in an industry that will enjoy growth for a long time to come. James highlighted earlier a number of the growth drivers. And these will be complimented over time by a number of macro, social, economic, and behavioral factors that you see here on the slide.

In addition, it's important to keep in mind the following. Number one, the sparkling business, while large and often perceived as being tapped out, remains very healthy indeed, thanks to its enduring appeal to our consumer base across the world and supported by the great work being done to invigorate and keep relevant, brands like Coca-Cola and Sprite that we talked about earlier.

Number two, we expect a tailwind from emerging markets as they continue to develop and grow. And last, but certainly not least, our global system is fitter than ever before, and with a ruthless focus on a few strategic initiatives. And this gives us the confidence to believe that 5% to 6% topline growth is very much in our reach.

For the flywheels to really work in tandem, we need to start with a very granular understanding of the sources and drivers of value across each line of business that we manage. Each of these businesses, as you know, have different margin profiles, and therefore different opportunities to be captured ahead. Costa, for example, is a multi-platform coffee business with unlimited potential to scale globally.

Each platform has its own margin characteristics and drivers as well as different routes to market. Many of which are being activated with our bottling partners. Our Bottling Investments Group is on a journey
to expand underlying margins with two consecutive years now in the bag and the very robust plan to make it three in a row this year.

We are injecting similar discipline and focus across all of these business lines so as to achieve, over time, our overarching margin expansion objectives. And in addition, we continue to navigate a very methodical path to becoming asset right over time.

On cash flow, we've made great progress, I have to say, in the past couple of years, thanks to a tremendous response across our entire organization to execute the comprehensive program we have put in place since 2019. But it's very much a continuous process, and we know there are still opportunities ahead for us to go after. Best-in-class working capital levels, through for example leveraging some innovative AR factoring programs and expanding our supply chain financing to all business lines. Minimal non-recurring costs as we drive inbuilt productivity in everything we do. Optimal capital spending with new rigor and discipline across the business.

I'll stare at this slide for a little bit longer because it's my favorite one in the entire presentation as some of you won't be surprised to hear. While intensely focused on the core business, we are very mindful of the importance of the pending tax dispute with the IRS and how our share owners think about it. And so we want to just reiterate our resolve to defend our position. I encourage you to refer to the updated disclosure in our 8K filing for further details.

Our capital allocation strategy will continue to support our growth ambition. And at the same time stay cognizant of our financial flexibility. We continue to prioritize investing in the business to drive long-term growth, as well as supporting dividend growth for our share owners.

Our improving level of visibility into the recovery as the year goes on, as well as many of the lessons we've learned in the past year, have enabled us to provide a clearer outlook for 2021. We currently expect organic sales percentage growth of high-single digits and comparable earnings per share percentage growth of high-single to low-double digits versus 2020.

Our free cash flow guidance is at least eight and a half billion dollars, which reflects a strong conversion ratio. It's important to mention that this free cash flow does not include any potential payments related to the ongoing tax litigation with the IRS. While we're confident we'll see recovery this year, the year no doubt is going to be known as a year of two parts.

And there is still some uncertainty as we speak today as to when the inflection takes place. Taking this into consideration, we've provided a wider range than usual to account for some lingering uncertainty in the near-term, as well as the potential for the acceleration to take a little longer to play out.

But our focus, as James outlined, is to emerge stronger and to return to top-tier growth, to continue to do what we need to do to expand margins across our lines of business, to continue with our efforts to maximize free cash flow conversion, to bring a disciplined approach to our capital allocation framework to support our growth ambitions. And all of this gives us great confidence in our long-term growth targets.

Thank you.