

SIX STRATEGIC PRIORITIES

Progress in 2002

ONE

Accelerate carbonated soft-drink growth, led by Coca-Cola.

Volume of brand Coca-Cola products was up 3 percent in North America, led by the launches of Vanilla Coke and diet Vanilla Coke. Rollout to selected global markets is expected to expand in 2003.

TWO

Selectively broaden our family of beverage brands to drive profitable growth.

In noncarbonated beverages, we are one of the largest competitors in the world. We introduced Disney products internationally, strategically added water brands to flank Dasani in North America, continued growth in Minute Maid single-serve fruit drinks and extended the global reach of POWERADE.

THREE

Grow system profitability and capability together with our bottling partners.

Our drive for profitability throughout our system brought us even closer to our bottlers in 2002. These renewed relationships led our largest bottlers to increased profitability, as reflected by our strong growth in equity income.

FOUR

Serve customers with creativity and consistency to generate growth across all channels.

Our sponsorship of the FIFA World Cup™ and the Olympic Winter Games of 2002—the world's only truly global sporting events—gave us a promotional platform that enabled our customers to reach millions of consumers.

FIVE

Direct investments to highest-potential areas across markets.

Our business approach is tailored to each market based on its stage of development. In rural areas of China, we direct our efforts toward expanding availability of affordable packages, while in cities such as Shanghai and Beijing, we execute more sophisticated image-building promotions, activating points of purchase so that consumers have greater connections with our brands.

SIX

Drive efficiency and cost effectiveness everywhere.

We continue to drive efficiency throughout our system, establishing disciplined routines and gaining economies of scale in material and ingredient purchasing.