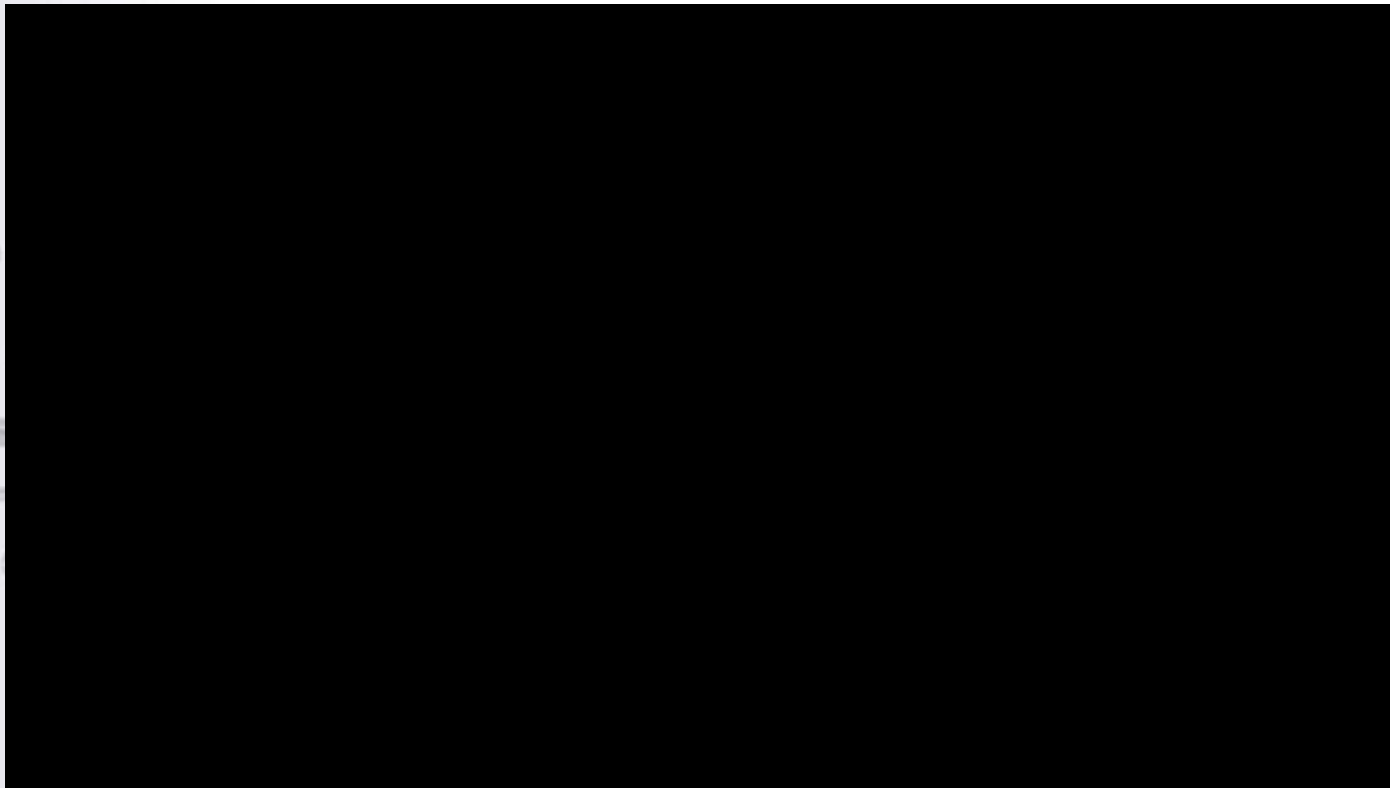


Coca-Cola Consolidated

State Political Involvement strategies



Who We Are



Our Story



Our Story

THE LARGEST INDEPENDENT COCA-COLA BOTTLER IN THE UNITED STATES



TEAMMATES
2013: 6,500
2017: 16,000+



OPERATIONS
IN
14 states



CONSUMER BASE
65 million



OUR PURPOSE
To honor God in all we do.
To serve others. To pursue excellence.
To grow profitably.

FOUNDED IN 1902
Greensboro, NC

HEADQUARTERS
Charlotte, NC

13 PRODUCTION CENTERS*
plus 80 distribution & sales centers

COKE CONSOLIDATED territory

DATAVENTURES
www.dataventures.com

RED CLASSIC
www.red-classic.com

* Bishopville, SC facility is a cooperative managed by Coca-Cola Bottling Co. Consolidated.

300
BRANDS AND FLAVORS

Visit us on:
f t i y

www.cokeconsolidated.com

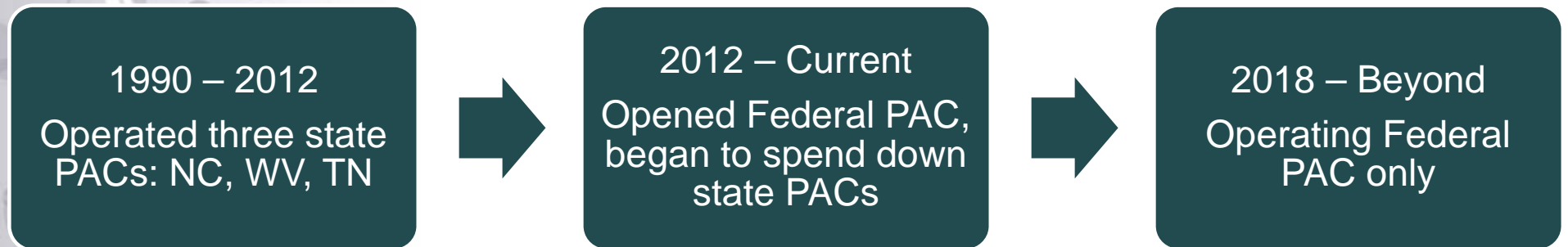
All content current as of October 2, 2017



- Part of the Coca-Cola system
- Largest independent bottler in the US
- Went through a 3-year growth period (2014-2017)
 - Expanded territory from operating in 8 states to operating in 14 states plus the District of Columbia
 - Added 10,000 new teammates
 - Grew customer base



Our PAC History



Historical PAC Receipts

- Limited contributor universe to officers only
 - Percent of salary
 - Raised enough to cover the needs at the time
- Handful of executives actively contributed directly to candidates
- PAC fundraising was not a priority
- No active solicitation beyond initial hire date
- Resulting in an average historical cycle receipts from early 90s – mid 2000s ~ \$35K

Historical PAC Disbursement Strategy

- No real structure for the PAC Board; much of the decision making was determined by the leaders of the Company and the 2-person Government Affairs shop
- Model worked because we were small and often times only had to cover a handful of legislative races because we did not always have the entire state as part of our territory
- Model also worked in our favor at times because of contribution limits
- State Beverage Association (“SAO”) PACs for industry giving and strategy
- Limited giving to statewide elections – primarily only Governor and legislative offices (leadership, committee members, footprint)

New PAC Strategy

- Much larger territory but receipts have not tracked growth and expansion
- Continue to fund SAO PACs but currently rethinking strategy
 - Is it the best ROI?
 - New leadership questions giving everyone a small check v. investing a more significant amount with key members
 - Although territory and business has had exponential growth, our team is still small, thus, makes more sense to operate out of one federal PAC versus managing small state PACs

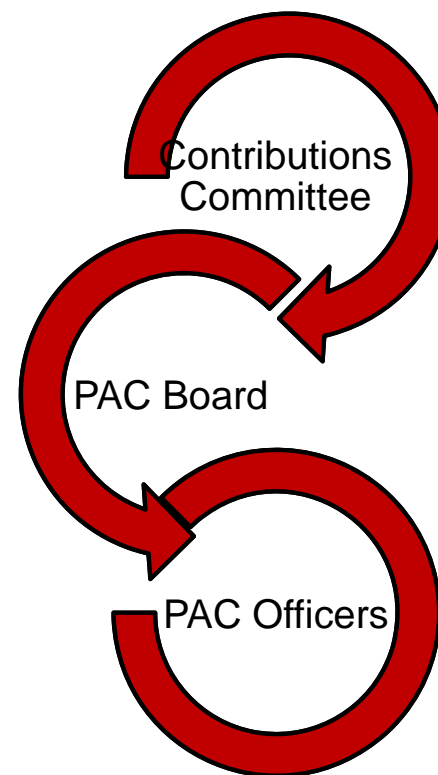
2018 Audit



- Many points of compliance exposure
- Lack of overall strategy and internal controls
- No leadership or teammate communication and limited engagement opportunities
- Limited visibility on corporate political giving
- Outdated processes and lack of transparency
- Unable to manage increased requests from larger territory

Legal Upgrades

- Rewrite bylaws
- Contributions Approval Process
 - Political Authorization System
- Set up Internal Controls
 - Contributions criteria
 - Contributions committee
 - Disbursement procedures
 - Establish affirmative vote of PAC & Corp Contributions budget
- Collapse all state PACs
 - No more transferring deposited funds
 - Spend all state PAC dollars
- Leverage corporate contributions where permissible



Corporate & PAC Budget

- Corporate & PAC Under Singular Structure & Governance:
 - GR team provides proposed corporate and PAC budget by July for following year
 - All giving to follow same candidate criteria, internal controls, record keeping & check request process
 - All contributions – corporate and PAC Must be approved by the PAC Board and also go through PAS

Teammate Engagement Opportunities

- Year-long activation
- Variety of events centered around teammate education & candidate interaction:
 - Facility tours, Lunch 'n' Learns, “Meet the Candidate” breakfast
- Voter information guides (on business/industry issues)
- Voter registration drives
- “Get Out & Vote” effort

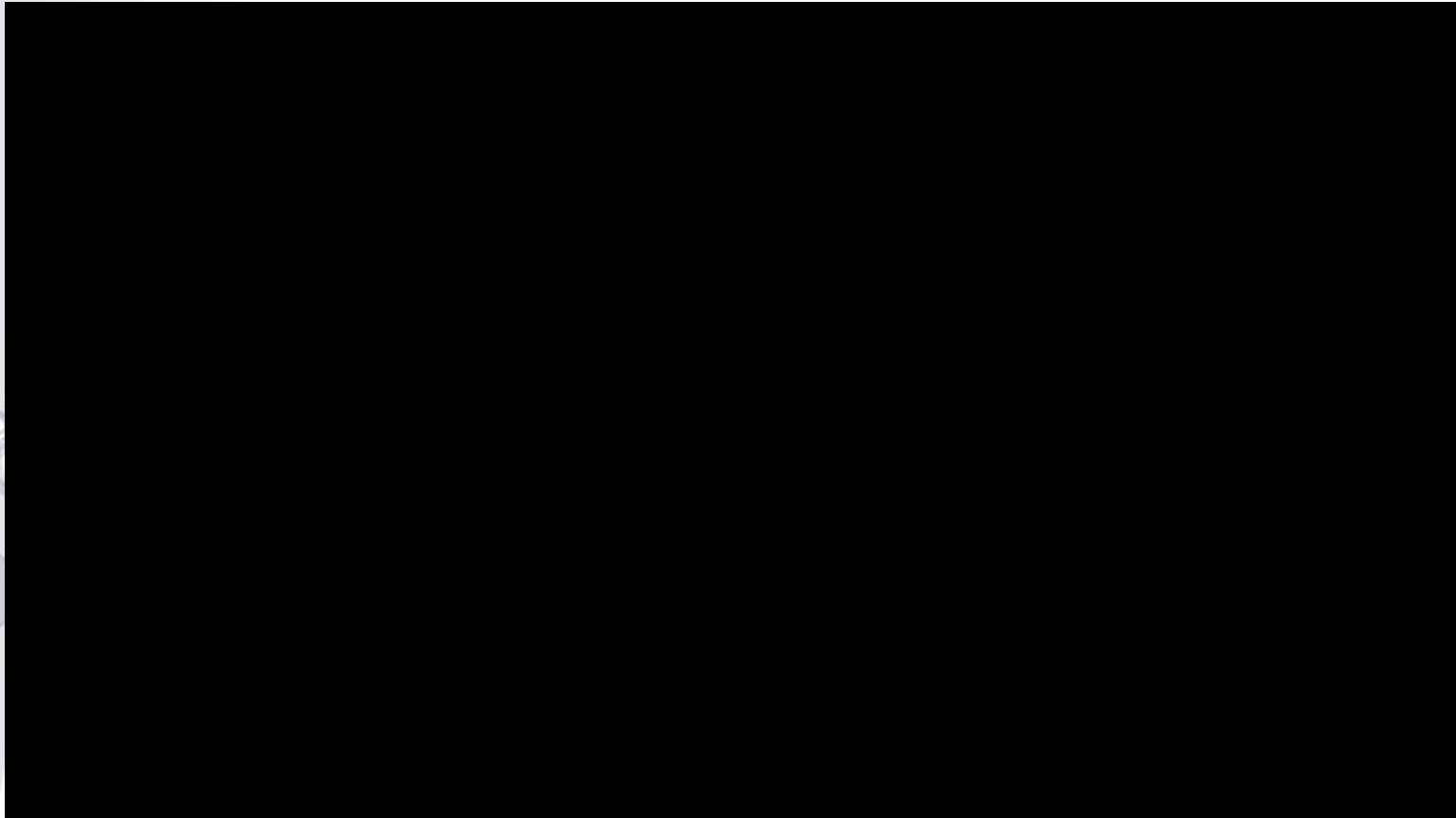


Strategic Community Engagement Opportunities

- Identify community/charitable opportunities
- Coca-Cola Consolidated Community Programs:
 - Message in a Bottle
 - Big Hearts mini cans
 - Christmas in July
 - Zero Waste Zero Sugar
- Leverage customers, partners and other assets:
 - Plant/facility tours; honorary official roles for unique events



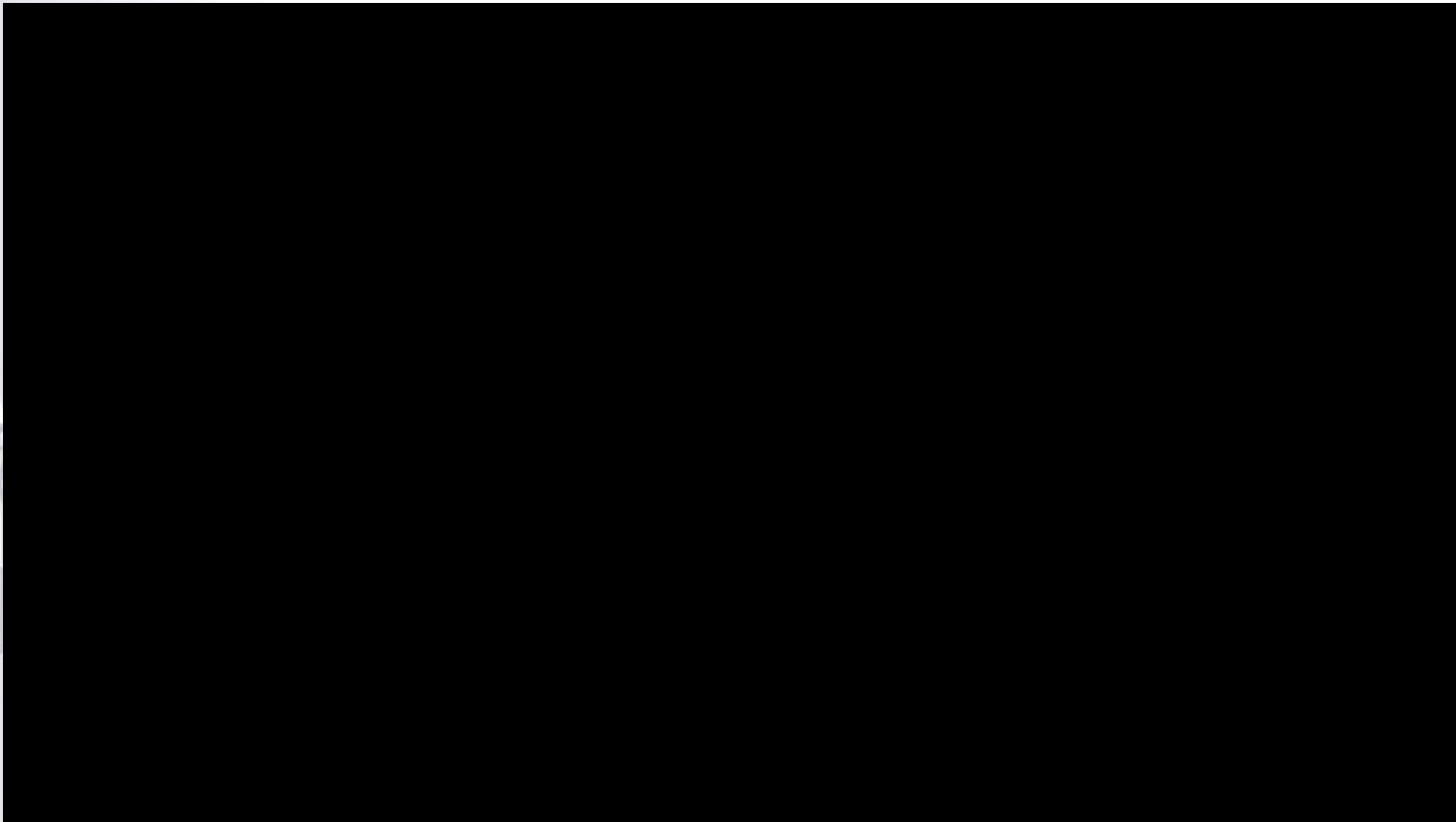
'Message in a Bottle' Video - Indy



'Message in a Bottle' Video – DC



‘BIG HEARTS. mini cans.’ Video - WV



Supplement – Not Replace

- The community events do not replace dollars but can enhance the relationship
- Always engage local and state officials – speaking and press opportunities and engage constituents
- We benefit by educating officials on our business, portfolio, and policy issues in a community setting

What Works for Us

- Institute realistic guardrails
 - Governance structure, internal controls, compliance visibility
 - Process + Transparency = Success
- Align corporate and PAC giving
 - Be realistic about the budget and other resources
 - Provide engagement and educational opportunities – create a two-way street of relationship sharing
- Be creative and strategic on HOW to support local and state officials – does not always have to be \$\$
 - Community programming
 - Leverage events and assets

Our Success

- YES, money matters but relationships matter more
- Much bigger company, more territory, and more policy challenges, BUT more opportunities to engage more elected officials



