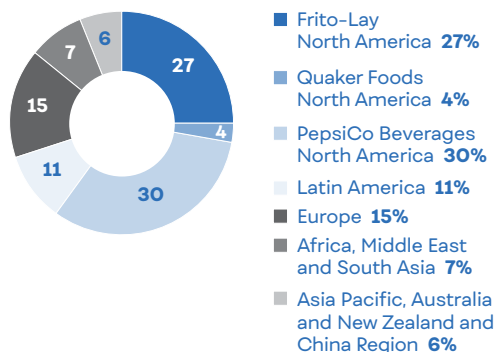
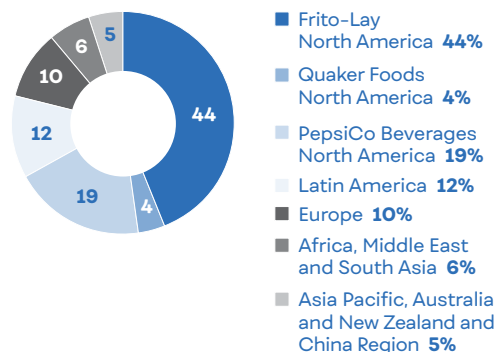


2022 Financial Highlights

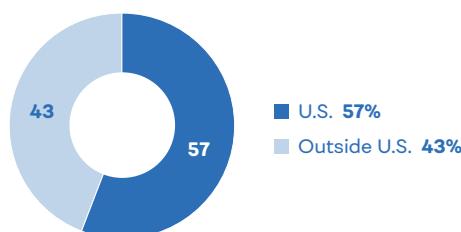
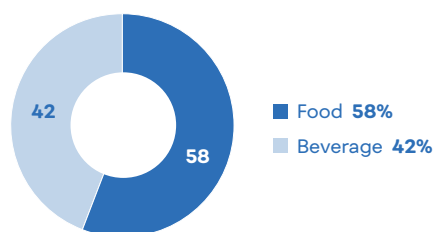
Net Revenue



Core Division Operating Profit¹



Mix of Net Revenue



PEPSICO, INC. & CONSOLIDATED SUBSIDIARIES

(in millions, except per share data; all per share amounts assume dilution)

Summary of Operations

	2022	2021	% Change ²
Net revenue	\$86,392	\$79,474	9%
Core operating profit ¹	\$12,325	\$11,414	8%
Reported earnings per share	\$6.42	\$5.49	17%
Core earnings per share ³	\$6.79	\$6.26	9%
Free cash flow ⁴	\$5,855	\$7,157	-18%
Capital spending	\$5,207	\$4,625	13%
Common share repurchases	\$1,500	\$106	1,320%
Dividends paid	\$6,172	\$5,815	6%

1. Excludes the mark-to-market net impact of our commodity derivatives, restructuring and impairment charges, as well as acquisition and divestiture-related charges. In 2022, also excludes the gain associated with the sale of Tropicana, Naked and other select juice brands (Juice Transaction) as well as impairment and other charges. See page 129 "Reconciliation of GAAP and Non-GAAP Information" for a reconciliation to the most directly comparable financial measure in accordance with U.S. Generally Accepted Accounting Principles (GAAP). On a reported basis, the division operating profit percentages were: Frito-Lay North America 45%, Quaker Foods North America 4%, PepsiCo Beverages North America 40%, Latin America 12%, Europe (10%), Africa, Middle East and South Asia 5% and Asia Pacific, Australia and New Zealand and China Region 4%. 2021 and 2022 reported operating profit was \$11,162 and \$11,512, respectively, reflecting an increase of 3% in 2022.

2. Percentage changes are based on unrounded amounts.

3. Excludes the mark-to-market net impact of our commodity derivatives, restructuring and impairment charges, acquisition and divestiture-related charges, pension and retiree medical-related impact, as well as tax expense related to the Tax Cuts and Jobs Act (TCJA). In 2022, also excludes the gain associated with the Juice Transaction, impairment and other charges, and tax benefit related to the Internal Revenue Service (IRS) audit. In 2021, also excludes charge related to cash tender offers. See page 129 "Reconciliation of GAAP and Non-GAAP Information" for a reconciliation to the most directly comparable financial measure in accordance with GAAP.

4. Includes the impact of net capital spending. See page 129 "Reconciliation of GAAP and Non-GAAP Information" for a reconciliation to the most directly comparable financial measure in accordance with GAAP. 2021 and 2022 net cash provided by operating activities was \$11,616 and \$10,811, respectively, reflecting a decrease of 7% in 2022.

To Our Shareholders,



To put it simply, 2022 was a stellar year for PepsiCo. Despite another dynamic period that featured difficult and unpredictable circumstances, we delivered our best financial performance in a decade, whilst staying true to our values and continuing to build a strong, durable foundation for long-term growth—proof that we can deliver sustainable performance, even as we transform our business to meet the challenges of the future.

Our success in 2022 is a testament to the agenda we set out in 2019. An agenda focused on transforming a good company into a great one by becoming Faster, Stronger, and Better. At the end of 2021, we took our ambitions a step further, launching PepsiCo Positive (pep+), a strategic end-to-end business transformation designed to drive long-term sustainable business performance and value, with sustainability and human capital at the center.

Since then, pep+ has become the North Star for how we want to win in the marketplace, how we want to transform,

and how we want to create value for ourselves and others. To make this clear, we elevated it to be part of our overarching vision: to be the global leader in beverages and convenient foods by Winning with pep+.

2022's fantastic results demonstrate that even in the most trying of times, the investments we have made and our commitment to pep+ are helping us win in the marketplace and create value for our shareholders, as well as our consumers, customers, associates, and communities.

FASTER: To be an even Faster company, we are focusing our efforts on continually winning in the marketplace, finding ways to be even more consumer-centric, and accelerating investment for top-line growth, including by pivoting our portfolio. In 2022, we achieved these goals by:¹

- Delivering more than **14% organic revenue growth and 10% growth in core constant currency operating profit**—our highest growth levels in the last decade;
- Growing core constant currency **earnings per share (EPS) by 11%**;
- Finishing the year strong with **14.6% organic revenue growth in Q4**—our fifth straight quarter of double-digit growth;
- Continuing to **invest in the business—more than \$10 billion** in advertising and marketing and capital investments; and
- Announcing a **10% increase in our annualized dividend**, effective with the dividend expected to be paid in June 2023. This will represent PepsiCo's **51st consecutive** annualized dividend per share increase.

In addition to continuing our strong financial performance, we've demonstrated an ability to lead with growth and win in the market. In 2022, we:

- Ranked **#1 in the Kantar PowerRanking** for the seventh year in a row;

1. 2022 reported net revenue increased 8.7%. 2022 reported operating profit increased 3%. 2022 reported EPS increased 17%. Q4 2022, Q3 2022, Q2 2022, Q1 2022, and Q4 2021 reported net revenue increased double digits, high single digits, mid-single digits, high single digits, and double digits, respectively. Organic revenue growth, core constant currency operating profit, and core constant currency EPS growth are non-GAAP financial measures. See page 129 "Reconciliation of GAAP and Non-GAAP Information" for definitions and more information about these results, including a reconciliation to the most directly comparable financial measure in accordance with GAAP.

- **Held or gained share across many of our key markets**, including the U.S., Mexico, Brazil, the U.K., China, Saudi Arabia, and India; and
- Continued to **meet consumers' needs and improve the consumer experience**, making meaningful progress on all key portfolio transformation bets and with significant growth in more nutritious snacking and zero sugar platforms.

STRONGER: To be an even Stronger company, we are continuing to transform our capabilities, cost, and culture, especially through innovation and by putting data at the center of our business. We also want our associates to continue to feel proud of our company and engaged with what we are doing. With these goals in mind, in 2022, we:

- Made strong progress toward **modernizing and fortifying our Enterprise Resource Planning backbone** across certain markets and divisions to harmonize global data and business processes with seamless access to critical information;
- Continued to **build out Global Business Services (GBS) to help fuel PepsiCo's growth**, accelerating the impact GBS can have on productivity, standardization, and process improvement;
- Initiated key digital programs in many markets to advance the automation of our **business planning processes** across our value chain in how we make, move, and sell our products;
- Celebrated the **40th anniversary of our Supplier Diversity Program**, where we currently spend more than \$1 billion annually with certified, diverse suppliers;
- Continued to **invest in talent development and learning** to become the best possible workplace—in two years, **over 30,000 people managers and associates** have registered for live-interactive leadership development workshops, and many have leveraged performance support content; and
- Doubled down on our company culture by **relaunching The PepsiCo Way**, the seven behaviors that define who we are and how we work, whilst updating their definitions to better reflect our pep+ and digital transformations.

BETTER: To be an even Better company, we are striving to create growth and value by operating within planetary boundaries and inspiring positive change for the planet and people. The power that we have as individuals and as a collective group to make an impact in our communities is massive. We know that by doing what's right for society and the environment, we can position ourselves as a consistent top market performer, generating stronger and more loyal connections with our consumers and customers, engaging more meaningfully with our associates, and building deeper roots in our communities to help them prosper over the long term.

This strategic, end-to-end focus has enabled us to make visible progress across the three pillars of pep+: Positive Agriculture, Positive Value Chain, and Positive Choices:

Positive Agriculture: We are working to spread regenerative practices to help restore the earth across 7 million acres—land approximately equal to the company's entire agricultural footprint; sustainably source key crops and ingredients; and help improve the livelihoods of more than 250,000 people in our agricultural supply chain and communities, all by 2030. In 2022, we moved closer to these goals by:

- Elevating external strategic partnerships with **Archer Daniels Midland Company (ADM)** to scale regenerative agriculture practices across our shared supply chains, up to 2 million acres in the U.S., and with **N-Drip** to scale micro irrigation technology to provide water-saving, crop-enhancing benefits to farmers around the world;
- Granting funding to 14 projects in 11 countries through our **Positive Agriculture Outcomes Fund**, helping to tackle some of the most difficult challenges facing agriculture today; and
- Continuing to advance the five-year **"Investing in Women to Strengthen Supply Chains" Global Development Alliance** with the U.S. Agency for International Development. This includes training women on overall farm management as a business, so they can make informed decisions about investment; improving agronomic skills critical for the sustainable or regenerative agriculture transition; building women up to be lead farmers; and improving working conditions. The program is currently operating in Colombia, Pakistan, India, and Vietnam and will soon launch in Peru.