

Our complex value chain

Our value chain begins with suppliers of approximately 50 agricultural crops and ingredients from more than 60 countries around the world, which are made into beloved PepsiCo foods and drinks at more than 690 of our company-owned and third-party manufacturing facilities.

Our foods and drinks are then packaged and moved worldwide by gas-, biofuel- and electric-powered vehicles by both our company-owned fleet and third-party transportation providers, to be sold and enjoyed by our consumers more than one billion times a day.



Governance

We believe that strong governance is the foundation for delivering on our pep+ agenda. Our ESG approach is integrated into – not separate from – our business.

Our [corporate governance](#) reflects this approach, with an integrated structure that combines Board and senior leadership oversight with subject-matter and localized expertise that informs our strategy and how we execute it.

The full Board considers sustainability issues to be an integral part of its business strategy oversight. Throughout the year, the Board and the relevant committees receive updates from and discuss with management sustainability, human capital management and public policy matters, including the company's key programs, related goals and progress toward achieving these goals.

To assist the Board in its oversight of our sustainability agenda, the Board established the Sustainability and Public Policy Committee (the Committee). The Committee assists the Board in providing more focused oversight over the company's programs, policies and related risks that concern key sustainability, inclusion and public policy matters. The Committee is comprised entirely of independent directors and currently reflects a mix of public policy, risk, international and science-related skills, qualifications and experience.

At the executive level, our ESG strategy and progress toward our pep+ goals are also regularly reviewed by the Sustainability sub-committee of our Executive Committee. This sub-committee is composed of members of our senior leadership management team and provides opportunities for our senior leadership to align on major strategic issues relating to sustainability and keep sustainability in focus among competing priorities.

[Learn more about PepsiCo's Sustainability Governance on ESG Topics A-Z →](#)

Our reporting strategy

Our reporting is the primary way we inform key stakeholders about our sustainability ambitions and progress. Our stakeholders include investors, potential and current employees, customers and consumers, suppliers, non-governmental organizations (NGOs) and others.

Understanding that each group's needs differ, we publish a suite of reporting elements targeted at various sets of stakeholders. We combine disclosure of strategy, policy, data and case studies, according to our understanding of public interest and guided by key voluntary sustainability and reporting frameworks. Unless otherwise noted, our sustainability data reflects progress made during the calendar year (ending December 31, 2024), whereas our financial reporting corresponds with our fiscal year, which ends on the last Saturday of December.

Our reporting suite comprises:

- **Environmental, Social and Governance (ESG) Summary:** High-level overview of our pep+ agenda and annual progress that aims to reflect the integration between ESG and our business and is designed to link seamlessly with ESG Topics A-Z for more detail and the latest updates. Readers can also download a PDF of the report.
- **ESG Performance Metrics:** Time-series data for our pep+ goals, intended to support ESG analysis primarily for investors, ESG raters and NGOs.
- **ESG Data Hub:** A visual representation of our key ESG performance metrics through interactive charts and downloadable tables. It includes metrics addressed by our pep+ ambitions.
- **Indices and framework responses and other topic-specific disclosures:** These map our reporting to specific metrics established by key voluntary reporting frameworks and also includes specialized reporting, such as our annual [Green Bond Report](#).
- **ESG Topics A-Z:** An evergreen, encyclopedia-style deep-dive on nearly 50 topics that aims to provide accessible, consistent information for those looking for greater depth on PepsiCo's strategy, management, policies, actions and partnerships.

Our sustainability journey

For nearly two decades, PepsiCo has been on a journey to transform the way we do business so that our pursuit to deliver strong financial returns over the long-term is also responsive to the needs of our stakeholders and the world around us.

2006						
Launch of Performance with Purpose: PepsiCo integrates sustainability into its daily business operations	Electric vehicles: PepsiCo's first all-electric delivery trucks hit the road	Water stewardship: PepsiCo wins prestigious Stockholm Industry Water Award	Demonstration farms: First demonstration farm opens in India; by the end of 2024, 55 farms were testing and sharing best practices around the world	Climate Leadership: PepsiCo receives Climate Leadership Awards for Organizational Leadership and Supply Chain Leadership for climate action	Safe water access: PepsiCo exceeds safe water access goal five years early. As of 2024, the company has delivered access to safe water to >96 million people since 2006	Renewable electricity: PepsiCo achieves shift to 100% renewable electricity, including renewable energy credits, in U.S. direct operations
2021						
Terra Carta Seal: PepsiCo is awarded the inaugural Terra Carta Seal by His Majesty King Charles III in his former role as The Prince of Wales and the Sustainable Markets Initiative in recognition of its commitment to, and driving momentum toward, the celebration of genuinely sustainable markets	Green Bond: PepsiCo issues a new \$1.25 billion 10-year Green Bond to help fund key environmental sustainability initiatives under the pep+ agenda	Water-use efficiency: PepsiCo reaches its 2025 global goal of a 25% improvement in operational water-use efficiency in high water-risk areas (measured against a 2015 baseline) two years ahead of schedule; also exceeds agricultural water-use efficiency target of 15% (reaching 22% when compared to a 2015 baseline) in high water-risk watersheds two years ahead of schedule by supporting farmers through partnerships and targeted training	Innovating climate solutions: PepsiCo partners to launch the online, open-access Climate Resilience Platform (CRP) together with the Alliance of Bioversity International and the International Center for Tropical Agriculture; recognized by Fast Company as a "Next Big Thing in Tech"	Evolution of pep+ goals: PepsiCo refines pep+ agriculture, climate, water and packaging goals to continue to build a stronger, more resilient business that aims to drive scalable positive impact	Climate Transition Plan: PepsiCo publishes its Climate Transition Plan , which details updated Scope 1, 2, and 3 greenhouse gas (GHG) emissions reduction targets to align to 1.5°C, reflecting Science Based Target Initiative (SBTi) sectoral guidance on FLAG and E&I emissions, and related shift to our net-zero emissions goal by 2050	
pep+ (PepsiCo Positive) is introduced: PepsiCo announces pep+, a strategic end-to-end transformation of how the company will create growth and value by operating within planetary boundaries and inspiring positive change for the planet and people at scale	pep+ REnew: PepsiCo introduces pep+ REnew to accelerate the adoption of renewable electricity with some of its suppliers	N-Drip partnership: PepsiCo and N-Drip announce partnership to help farmers around the world adopt game-changing technology in water efficiency	Retail collaboration: PepsiCo announces a seven-year collaboration with Walmart focused on supporting U.S. and Canadian farmers in their pursuit to improve soil health and water quality	Sodium reduction and diverse ingredients: PepsiCo introduces additional nutrition goals to further reduce sodium and purposefully deliver more diverse ingredients in its convenient foods portfolio		
Net water positive: PepsiCo's net water positive vision sets a new standard in water stewardship				Learn more about how we're making a difference	Leadership Message	ESG Topics A-Z
Regenerative agriculture ambition: PepsiCo announces a 2030 goal to spread regenerative agriculture practices across 7 million acres				Philanthropy		Downloads

pep+ Pillars

pep+ aims to invest in building a stronger and more resilient business, and we are focused on three interconnected pillars with ambitious goals:



Positive Agriculture

We are working to source our crops and ingredients in ways that restore the earth and strengthen farming communities.

[Learn more →](#)



Positive Value Chain

We are helping to build a circular and inclusive value chain.

[Learn more →](#)



Positive Choices

We are inspiring consumers through our brands to make choices that create more smiles for them and the planet.

[Learn more →](#)

Please refer to our [2024 Calculation Methodology](#) for additional information regarding our pep+ goals, including how we measure progress against each goal



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Positive Agriculture

Our business depends on agriculture

We rely on a secure supply of crops and ingredients so we can make our foods and drinks. Put simply, our business depends on agriculture.

Thriving communities and ecosystems support this supply, so we aspire to help farmers grow food in a way that revitalizes the earth and enables resilience.

Our Positive Agriculture agenda is designed to support sustainable food systems by identifying opportunities for action and collaboration and measuring the impact of our efforts. This includes our efforts to help support the advancement of farmers and farming communities, spread the adoption of regenerative agriculture, restorative and protective practices and sustainably source¹ our key ingredients in accordance with our guidelines.

Together with many of our customers and suppliers as well as NGOs and governments, we are working to help transform global food systems, while positioning our business for the long-term. By [refining our pep+ goals](#) earlier this year – including expanding our regenerative agriculture goal, aiming to spread the adoption of regenerative, restorative or protective practices across 10 million acres by 2030² – we are building on learnings and helping our sustainability ambitions remain actionable and achievable.

Throughout 2024, we made progress across our Positive Agriculture goals. However, we know there is more work to do, and we remain focused on opportunities to expand upon our efforts.

¹ Sustainably sourced refers to in-scope ingredient volumes that meet the established criteria outlined in PepsiCo's Sustainable Sourcing Guidelines. Sustainable Sourcing practices can help manage risks, but challenges like deforestation or social issues can persist in some regions

² See PepsiCo's [Regenerative Agriculture Guidelines](#) for additional information, including details on key crops and regeneration, restoration and protection criteria. Results reflect total acreage meeting these criteria within the annual reporting period

Our agricultural footprint

There are 300,000 farmers in our direct and indirect supply chains around the world who provide approximately 50 agricultural crops and ingredients that make up PepsiCo foods and drinks. These farmers and suppliers help ensure our foods and drinks continue to be enjoyed more than one billion times a day in more than 200 countries and territories around the world.

~50

agricultural crops and ingredients go into making our products



>3.5

million acres¹ supporting growth of our crops and ingredients used regenerative, restorative or protective practices in 2024



~60

countries supply key agricultural crops and ingredients for our iconic brands



>185k

Measurable improvements in more than 185,000 livelihoods since 2021²



¹ Refined goal announced on May 22, 2025. 2024 performance calculated retroactively. For more information, see [Calculation Methodology](#)

² This goal captures the number of livelihoods reached through an outcome-focused evaluation measuring improvements in economic prosperity and farmer and farm worker security. Metric counts the cumulative people impacted since 2021