



2023 ESG Summary



The information within this PDF is accurate as of June 20, 2024. Unless otherwise noted, our sustainability data reflects progress made during the calendar year (ending December 31, 2023), whereas our financial reporting corresponds with our fiscal year, which ends on the last Saturday of December.

As a general matter, recent organizational changes (e.g., acquisitions and divestitures) are reflected in our reporting as soon as practical. Unless otherwise noted, goals and progress reflect the impact of our acquisitions of Hangzhou Haomusi Food Co., Ltd. (Be & Cheery), Pioneer Food Group Ltd. (Pioneer Foods), and SodaStream International Ltd. and our divestiture of Tropicana, Naked and other select juice brands (Tropicana).

Organizational changes (e.g., acquisitions, mergers, and divestitures) are evaluated to determine if they have a significant impact on our sustainability performance and, as data becomes available, all reported years for metrics impacted by an organizational change are recast to consistently reflect the impact of the organizational change.

Targets apply to PepsiCo's operations as well as our value chain (e.g., franchise bottlers, joint ventures where PepsiCo has operational control, co-manufacturers, etc.) unless otherwise noted.



"pep+ is our strategy to nurture the soil, air, and water that sustain us, positioning our company for future success and seeking to positively impact the communities we touch around the world, today and for future generations."

Ramon Laguarta

Chairman and Chief Executive Officer

Our Journey to Sustainability: The pep+ Story

In 2021, we introduced a new North Star to guide our work at PepsiCo: pep+ ("PEP Positive"). It's not just a business strategy; it's a transformative journey across our operations, from production to marketing to distribution. It's our vision to deliver a more sustainable, people-centric future, driving growth and value, for everyone.

Since 2021, the importance of our strategy has only grown clearer. We are dependent on the earth, relying on its resources to grow crops and produce the foods, snacks and drinks that bring joy and smiles to millions of people every day. pep+ is our strategy to nurture the soil, air, and water that sustain us, positioning our company for future success and seeking to positively impact the communities we touch around the world, today and for future generations.

The pep+ expo which we held at our New York headquarters last year exemplified our work. It was a gathering of minds and passion, where associates showcased sustainable farming practices, cutting-edge technologies, and innovative packaging solutions. The stories shared there were a testament to the deep integration of pep+ into the operations of PepsiCo.

This spirit of transformation echoed across the globe, with over 20 additional expos demonstrating our scale of change. From visits to our sites worldwide, I've seen our efforts in action – including digital tools saving water, programs aiming to support the communities in which we operate, and ongoing work to become resilient to climate change.

Last year, we made tremendous progress against many of our goals while also seeking to address challenges to others. Virgin plastic use and scope 1 and 2 emissions went down compared to 2022. We doubled our regenerative farming footprint. We made further improvements to water efficiency and introduced innovative new packaging. We continue to improve the nutritional qualities of our biggest selling brands. We set new goals on sodium and on including positive nutrients, such as legumes and whole grains, across our food portfolio. And on beverages we made low and zero sugar drinks the key pillar of our growth strategy.

At the same time, we've made real strides in our goal of improving the lives of many farmers through dedicated programming aiming to support economic prosperity, cut emissions, and increased our use of recycled plastic. Our focus on diversity is unwavering, with women and underrepresented groups making up a growing portion of our leadership.

None of this would be possible without our people, who have woven pep+ into the fabric of our culture. From leadership to grassroots initiatives, our associates are the driving force behind our progress.

Yet, our journey is far from complete. We aim to continue to be best-in-class company, and we know that requires creative collaborations and bold partnerships. This year, we've forged alliances across sectors, pushing the boundaries of what's possible in sustainability.

We're innovating, experimenting, and sharing both the risks and rewards. Together, we're making changes that matter – for our planet, our communities, and our business.

It's a challenging path, but every step is worth it. With pep+ guiding us, we're building a future that's better for people, the planet, and our business.

Thank you for walking this path with us.



Ramon Laguarta

PepsiCo Chairman and
Chief Executive Officer



From the CSO

"Since launching pep+ we've been transforming the way we do business to make us more resilient for the future. Through investment, innovative thinking, partnership and the impactful actions of our global associates, we've already reached some of our water, DEI and nutrition goals and made excellent progress on others, including the adoption of regenerative agriculture. I'm proud of the collective progress we've made so far and optimistic for continued momentum as we work with others who share our goals and the aim to build a stronger, more sustainable future for all."

Jim Andrew

Executive Vice President and
Chief Sustainability Officer



From the CFO

"pep+ is at the heart of our business, and we'll aim to continue making the strategic investments needed to future-proof and strengthen our business to drive sustainable growth while promoting positive action for the planet, people and our communities."

Jamie Caulfield

Executive Vice President and
Chief Financial Officer

This ESG Summary features information on our strategy, goals and progress of pep+ and its three pillars



Positive Agriculture

Positive Agriculture is our aspiration to source crops and ingredients in a way that restores the earth, makes the soil healthier, sequesters carbon and eliminates deforestation while also strengthening farming communities.

[Learn more →](#)

Learn more about how
we're making a difference

[Philanthropy →](#)

[ESG Topics A-Z →](#)

[Downloads →](#)



Positive Value Chain

Positive Value Chain is our focus on making products that help build a circular and inclusive economy, including our goal of achieving net-zero emissions by 2040, becoming net water positive, introducing more sustainable packaging, seeking to reduce inequities within and beyond our company walls, among others.

[Learn more →](#)



Positive Choices

Positive Choices is about using our brands to inspire people to make positive choices for themselves and the planet.

[Learn more →](#)



Our ESG approach

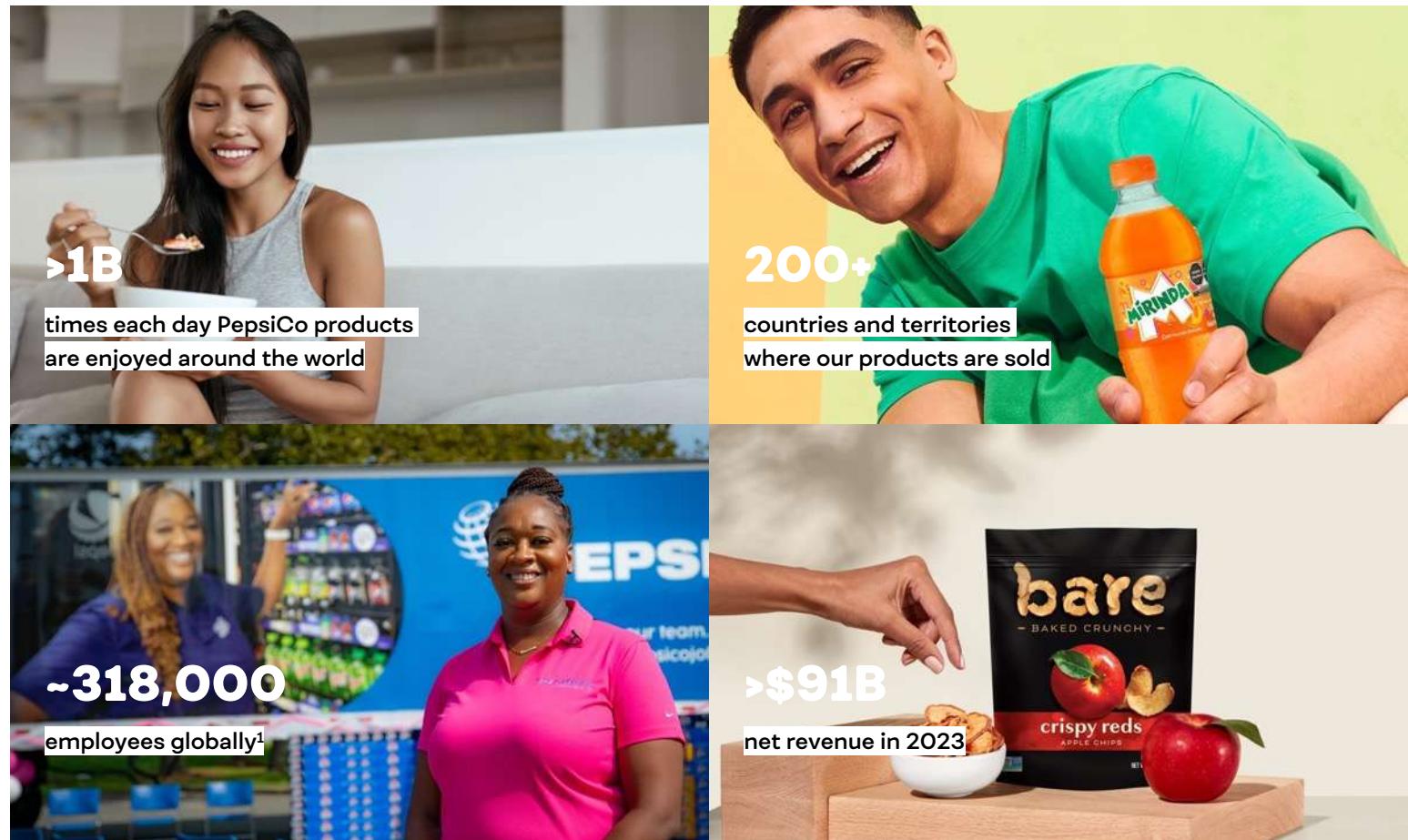
PepsiCo Positive

Our vision is to Be the [Global Leader in Convenient Foods and Drinks](#) by Winning with [PepsiCo Positive \(pep+\)](#). pep+ is our strategic end-to-end transformation that places sustainability at the center of how we will create growth and value by operating within planetary boundaries and inspiring positive change for the planet and people.

pep+ seeks to continue to transform the way we do business, inspiring our partners, peers and employees along the way to work together to advance positive change.

We strongly believe that the long-term success of our company is intrinsically linked to a healthy planet, resilient food systems and the holistic well-being of our people and the communities we serve. That's why we invest in Environmental, Social and Governance (ESG) programs, which we believe will help future-proof and strengthen our business for the long-term.

Since introducing our pep+ strategy in 2021, we've achieved a few of our goals ahead of schedule – including our 2025 operational water-use efficiency goal – and made meaningful progress on others. Still, there are areas of our pep+ agenda, like climate and packaging, where we continue striving to advance our work. These areas require systemic changes, collective actions and industry-wide investment to achieve broader progress in addition to our own efforts. We regularly review our pep+ goals and consider whether any changes to our goals are warranted. This ESG Summary communicates the work we're doing throughout PepsiCo as we work toward achieving our pep+ goals.



1. As of December 30, 2023

We are very clear that pep+ is the future of our company, and we are focused on three interconnected pillars with bold 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 people through our brands to make choices that create more smiles for them and the planet.

[Learn more →](#)

Our complex value chain

We aspire to help address global challenges such as the impacts of climate change, social inequality and lack of access to nutritious food.

More than 35 agricultural crops and ingredients are grown around the world before they are **made into beloved PepsiCo products** at more than 1,000 manufacturing facilities, including more than 290 company-owned facilities.

Our products are then **packaged and moved** by gas-, biofuel- and electric-powered vehicles across approximately 1.2 billion miles worldwide by our company-owned fleet (and even more through third-party transportation providers) to be **sold and enjoyed by our consumers** more than one billion times a day.

Once enjoyed, the packaging from our products should be **collected and recycled** where possible for another use to create a more circular economy.

1 Agricultural Sourcing

PepsiCo sources crops and ingredients from farmers in more than 60 countries. The outcomes and standards we promote can help improve the environmental, social and economic resilience of agricultural communities around the world.

2 R&D and Manufacturing

We spent more than \$800 million on R&D in 2023 as part of our continued investment in developing quality and innovative convenient foods and drinks. Our more than 290 company-owned manufacturing facilities bring together innovators and operations teams who strive to use water, energy and product ingredients more efficiently.

3 Distribution

PepsiCo products are sold in over 200 countries and territories. In 2023, our company-owned fleet traveled approximately 1.2 billion miles worldwide – and even more than that through third-party transportation providers – to bring PepsiCo products to customers. We are working to continue to address the environmental impact of our fleet by adopting more efficient vehicles and practices, and we are developing and sharing best practices with third-party transportation providers to encourage them to do the same.



4 Consumption

PepsiCo products are enjoyed by consumers more than one billion times a day. We are responding to changing consumer preferences by refreshing much of our product portfolio and reformulating many of our convenient foods and drinks to incorporate more diverse ingredients and reduce added sugars, sodium and saturated fat.

5 Post-Consumer

PepsiCo's sustainable packaging vision is to help build a world where packaging never becomes waste. We continue to focus on the amount of packaging we use, expand our portfolio of reuse offerings, innovate sustainable packaging and work to improve recycling infrastructure.

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 (including diversity, equity and inclusion) 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 and to align it with our sustainability agenda, the Board established the Sustainability, Diversity and Public Policy Committee (the Committee) in 2017. The Committee assists the Board in providing more focused oversight over the company's policies and programs and related risks that concern key sustainability, diversity, equity and 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

Reporting is one of the primary ways we inform key stakeholders about our ESG ambitions and progress. Our stakeholders include investors, potential and current employees, customers and consumers, suppliers, the communities where we live and work, non-governmental organizations (NGOs), regulators 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, data¹ and case studies according to our understanding of public interest and guided by key sustainability and reporting frameworks.

Our reporting suite consists of the following:

- **[ESG Summary](#):** A high-level overview of our pep+ agenda and annual progress. It aims to reflect the integration between ESG and our business and is designed to link seamlessly with our ESG Topics A-Z for more detail and the latest updates. Readers can also download a PDF of the report.
- **[ESG Topics A-Z](#):** An evergreen, encyclopedia-style deep-dive on more than 50 sustainability-related topics designed to provide accessible, consistent information for those looking for greater depth on PepsiCo's ESG strategy, management, policies, progress and partnerships.
- **[ESG Performance Metrics](#):** Time-series data² for our key sustainability goals³, intended to support ESG analysis primarily for investors, ESG raters and NGOs.
- **[ESG Data Hub](#):** A new stakeholder-centric digital platform that gives users access to visual representations of our key ESG performance metrics through interactive charts and downloadable tables.
- **[Indices and framework responses and other topic-specific disclosures](#):** These map our reporting to specific metrics established by voluntary reporting frameworks including [Sustainable Accounting Standards Board](#) (SASB), [Task Force on Climate-related Financial Disclosures](#) (TCFD) and CDP (formerly the Carbon Disclosure Project) [climate](#), [water](#) and [forest](#) responses. It also includes specialized reporting, such as our annual [Green Bond](#), [Diversity, Equity and Inclusion \(DEI\)](#) and the [PepsiCo Foundation's Global Impact](#) reports.

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2. For 2023 reporting, we've reduced our time-series data from five years to three years to better align with the number of years in evolving regulatory and voluntary frameworks

3. For detail on how we measure performance against these goals, see [Calculation methodology](#) on ESG Topics A-Z

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 is also responsive to the needs of our stakeholders and the world around us.



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



Sustainable Farming Program (SFP) launches: As of 2023, more than 90% of grower-sourced crops are sustainably sourced worldwide through SFP



Demonstration farms: First demonstration farm opens in India; by the end of 2023, 83 farms were testing and sharing best practices around the world



PepsiCo acquires SodaStream: As of 2023, SodaStream is sold in more than 40 countries



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 2023, the company has delivered access to safe water to more than 91 million people since 2006

Renewable electricity: PepsiCo achieves shift to 100% renewable electricity in U.S. direct operations



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 our commitment to, and driving momentum toward, the celebration of genuinely sustainable markets

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



2022

Net water positive: PepsiCo's Net Water Positive vision sets a new standard in water stewardship

Net-zero emissions: PepsiCo sets an ambitious new target to achieve net-zero emissions by 2040, one decade earlier than called for in the Paris Agreement

Regenerative agriculture ambition: PepsiCo announces a 2030 goal to spread regenerative agriculture practices across seven million acres, estimated to eliminate at least three million tons of greenhouse gas emissions

Global packaging goal: PepsiCo announces a global packaging goal to deliver 20% of beverage servings sold through reusable models by 2030

Green Bond: PepsiCo issues a new \$1.25 billion 10-year Green Bond to help fund key environmental sustainability initiatives under the pep+ agenda

Supplier Diversity Program: PepsiCo celebrates its Supplier Diversity Program's 40th anniversary and commits to spending more than \$400 million annually with Black- and Hispanic-owned suppliers



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

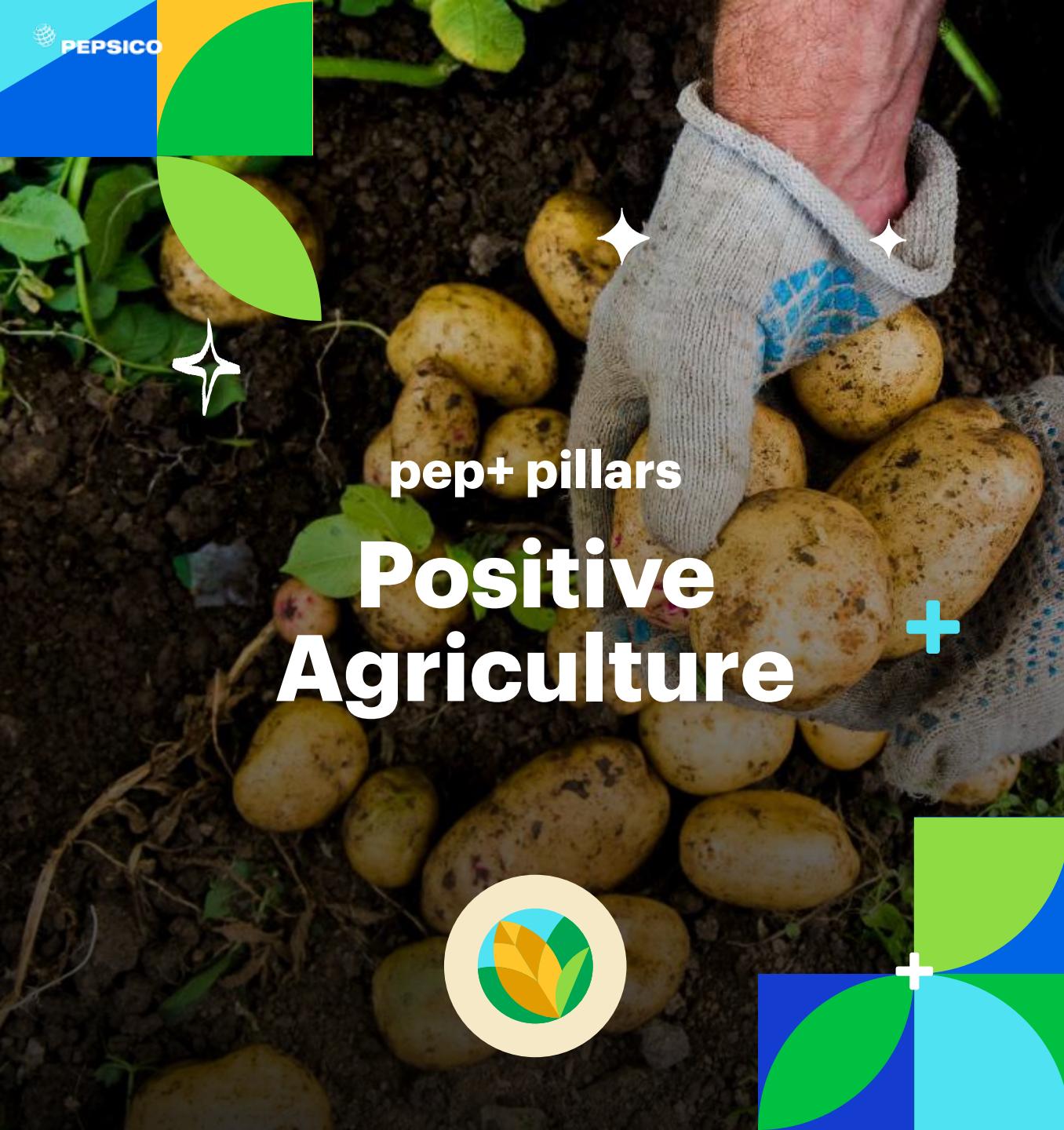
Sodium reduction and diverse ingredients: PepsiCo introduces additional nutrition goals to further reduce sodium and purposefully deliver more diverse ingredients in convenient foods portfolio

New packaging solutions: PepsiCo Beverages North America announces plans to remove plastic rings from multipacks in the U.S., building on progress in Canada



Retail partner 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

Regenerative agriculture transformation: PepsiCo announces a \$216 million multi-year investment in long-term, strategic partnership agreements with three farmer-facing organizations to support regenerative agriculture transformation



Positive Agriculture

pep+ pillars



Our business depends on agriculture.

As a global convenient foods and drinks company, our business depends on agriculture – the first mile of our complex value chain. We rely on a secure source of crops and ingredients so we can make our products. Yet across the globe, farmers continue to acutely experience the impacts of [climate change](#) and face the realities of climate-related risks. These risks – from freshwater scarcity to soil degradation – are also risks to our business and the livelihoods of individuals and families across the agricultural supply chain.

Our Positive Agriculture agenda is designed to help address these risks, identify opportunities for action and collaboration and measure the impact of our efforts. This agenda includes our efforts to promote regenerative agricultural practices, increase our water-use efficiency in crop irrigation, and sustainably source our key ingredients from our suppliers.

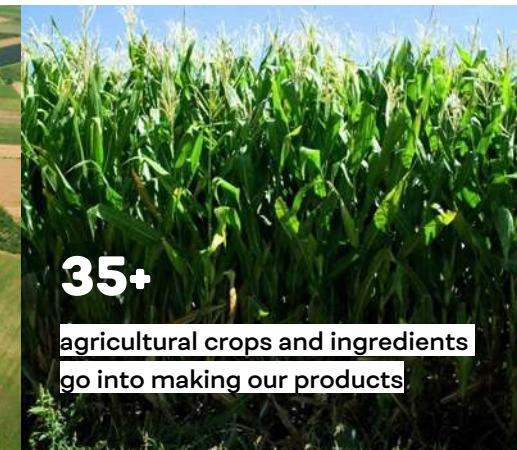
Together with like-minded partners, such as customers, suppliers and NGOs, we are trying to help transform global food systems. Ultimately, we aim to grow food in a way that revitalizes the earth, supports farmer livelihoods, feeds a growing population and innovates how ingredients are grown, all while seeking to positively impact farmers, communities and our planet.

Throughout 2023, we made progress across each of our Positive Agriculture goals in our supply chain, but remain focused on opportunities to expand upon our efforts.



Our agricultural footprint

Tens of thousands of farmers from more than 60 countries provide more than 35 agricultural crops and ingredients. These farmers ensure our portfolio of products continues to be enjoyed more than one billion times a day in more than 200 countries and territories around the world.



1. For grower-sourced crops, sustainable sourcing refers to meeting the independently verified environmental, social and economic principles of PepsiCo's Sustainable Farming Program (SFP). PepsiCo's Sustainable Sourcing goal applies to areas where PepsiCo has purchasing control and excludes joint ventures, franchises, co-manufacturers and co-packers, and other third parties over which we do not hold purchasing control

2. Programs designed to improve livelihoods include those supporting economic prosperity, farmer and farm worker security and women's economic empowerment

Approach, goals & progress

We want to support a positive future for farmers

The heart of our Positive Agriculture ambition is to support a positive future for farmers. Thriving communities and ecosystems are essential to achieve a secure supply of crops on which our business relies, so we aspire to help farmers grow food in a way that revitalizes the earth and supports their livelihoods.

Across our Positive Agriculture goals, we aim to scale and accelerate what has worked, continue to collaborate with stakeholders, adopt new technologies and establish partnerships that can have a substantive positive impact.

In 2023, we:

- Doubled our **regenerative farming** footprint year-over-year from more than 900,000 acres to more than 1.8 million acres globally;
- Exceeded our **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, targeted training and programs such as our demonstration farms. We regularly review our pep+ goals and consider whether any changes are warranted. As a result of achieving this goal ahead of schedule, we will no longer report on it. But we will continue our work in watershed health through other pep+ goals and remain focused on continuous improvement;
- Sustainably sourced** approximately 58% of our key ingredients¹; and
- Reached** more than 57,000 since 2021 in our agricultural supply chain with programming that aims to support economic prosperity and women's empowerment initiatives.

Approach to regenerative agriculture

Regenerative agriculture can be a powerful tool to confront climate change and mitigate risks for our business while also preserving natural resources for future generations. It can help with making soil healthier, capturing carbon, improving watershed health, protecting and enhancing biodiversity and raising the standard of living for farmers and farming communities.

Regenerative agriculture practices are implemented by farmers all over the world – from large-scale commercial farming systems to smallholder farms. In practice, each farm and its surrounding ecosystem is unique. Implementing regenerative agriculture practices requires us to balance newer regenerative practices with current, proven farming tactics adjusted to local ecosystems.

We support a wide range of outcome-oriented regenerative practices, including planting cover crops to protect the soil, reducing tillage to maintain soil health and encouraging livestock integration and crop diversity. Depending on local conditions, regenerative techniques can help farmers grow more food on the same amount of land with optimized usage of water, fertilizer and pesticides.

Throughout 2023, we provided support to nearly 5,500 farmers as they adopted regenerative farming techniques. In total, this has helped improve the carbon footprint, biodiversity, soil health and watershed health on more than 1.8 million acres.

Successful regenerative agriculture starts with trust. We strive to earn the trust of the farmers within our supply chain by partnering with them and their trusted advisors, investing in their legacies and futures. Consistently, we hear there are three key components needed to transition to mutually beneficial regenerative agriculture practices:

- Economic support:** Provide farmers with the [economic support](#), such as cost-sharing, needed to transition to regenerative agriculture in a safer, more viable way, while also funding innovation and supporting start-up organizations with the potential to scale.
- Social and cultural support:** Provide farmers with opportunities to connect with peers and community champions of regenerative agriculture through means such as holding field days for farmers to learn from other farmers in their community. For example, we showcase proven practices that work locally through [demonstration farms](#). We currently have 83 demonstration farms around the world.
- Independent agronomic support:** Help farmers scale regenerative agriculture, regardless of what stage of the process they're in, by providing technical support to demonstrate how practices will work on their individual farm with its specific soil and weather conditions. An example includes our [work with local implementers](#) like Practical Farmers of Iowa (PFI), Soil and Water Outcomes Fund (SWOF) and the IL Corn Growers Association (ICGA).

1. Key ingredients are defined in the [Agriculture](#) ESG Topics A-Z page. PepsiCo's Sustainable Sourcing goal applies to areas where PepsiCo has purchasing control and excludes joint ventures, franchises, co-manufacturers and co-packers and other third parties over which we do not hold purchasing control

What is regenerative agriculture?

We approach regenerative agriculture with the following **impact areas** and **outcomes** in mind

Impact Areas¹

Build soil health and fertility



- ◆ Build soil organic matter
- ◆ Maintain living roots as much as possible
- ◆ Incorporate livestock
- ◆ Increase diversity of crop rotations

Reduce or sequester CO₂



- ◆ Plant cover crops to sequester CO₂
- ◆ Promote reduced and no-till cultivation for minimal soil disturbance
- ◆ Optimize inputs like fertilizer and herbicide efficiently

Improve watershed health



- ◆ Help farmers access more efficient irrigation equipment
- ◆ Support best practices for scheduling and maintenance
- ◆ Transition from flood irrigation to more efficient methods (e.g., drip irrigation)
- ◆ Prevent loss of nutrients and other agrochemicals

Enhance biodiversity and nature



- ◆ Minimize deforestation and natural ecosystem conversion
- ◆ Enhance biodiversity
- ◆ Actively protect and restore nature on and around farms

Improve farmer livelihoods



- ◆ Support farmer and farm worker economic prosperity
- ◆ Improve farmer and farm worker sense of security
- ◆ Increase women's economic empowerment across the agriculture industry

Protect and restore natural ecosystems



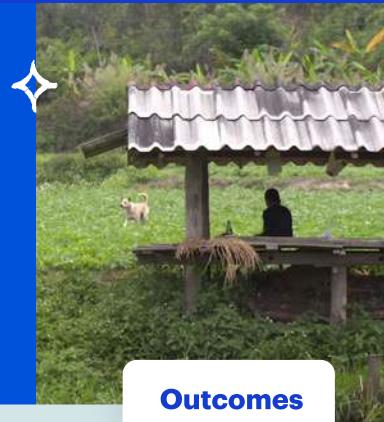
Build more resilient agricultural systems



Improve farmer livelihoods and respect human rights



Feed more people with fewer inputs such as less water and emissions



Outcomes

1. Refer to PepsiCo's [Regenerative Agriculture Practice Bank](#) for a comprehensive listing of practices directly or indirectly linked to the five impact areas

Working shoulder-to-shoulder with farmers and partners

We work with the farmers, farm workers, industry peers and agriculture partners in our supply chain to help transition to more sustainable agriculture practices that deliver farm-level impacts, such as greenhouse gas (GHG) emissions reductions.

Some examples of our stakeholder engagements that launched or expanded in 2023 include:

- Initiating a large-scale, strategic collaboration** with Walmart that aims to support regenerative practices on more than two million acres of farmland over seven years in the U.S. and Canada.
- Partnering with three well-respected farmer-facing organizations** through a multi-year \$216 million investment to support regenerative agriculture transformation on more than three million acres of U.S. farmland.
- Catalyzing public-private partnership funding in the U.S.** through PepsiCo-supported grant submissions to the USDA's Climate Smart Commodities Program. Our partners Field to Market and SWOF were awarded grants totaling up to \$165 million for their projects.
- Pioneering a 7.5-year shared value commercial agreement** with Archer Daniels Midland (ADM) that aims to reduce carbon intensity by expanding regenerative practices on up to two million acres across our shared supply chains. In 2023, the partnership expanded regenerative agriculture practices across more than 440,000 acres.
- Strengthening the climate resilience of potato farmers** in the Chiang Mai and Chiang Rai provinces in Thailand by working with Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) to help farmers adopt regenerative agricultural practices – equipping them with knowledge on climate resilience and adaptation essential for sustainable farming management.

- Creating demand for low-emission agricultural commodities** by serving as a launch member of the World Economic Forum's First Movers Coalition for Food, which aims to create a combined procurement commitment for sustainably produced and low-emission agricultural commodities.

- Placing food systems on the global climate agenda** at COP28 by joining forces with food and agriculture organizations for the Action Agenda on Regenerative Landscapes, which called for scaling the transition to regenerative agriculture by 2030. Over 20 leading players across the agriculture value chain, along with farmers, civil society, financiers and local government representatives will consolidate efforts to collectively scale-up implementation and land transition commitments.

- Partnering to create a global framework for regenerative agriculture** by working with the Sustainable Agriculture Initiative (SAI) that has historically set the standard for sustainable sourcing. PepsiCo participated on the steering committee that helped craft the Regenerating Together Programme, a global framework for regenerative agriculture that aims to increase the simplicity of farmer adoption and increase consistency across regenerative agriculture implementation.

Read more about our key agricultural partnerships. →



1. Through a multi-year investment with three farmer-facing organizations

Fueling innovative grassroots efforts

One way we cultivate innovation in agriculture is by supporting start-ups and grassroots organizations that we believe have the potential to scale. This, coupled with our continued partnerships with large, well-established organizations, helps us unlock business growth and access new ideas and technologies.

In 2023, we announced the continuation of the Positive Agriculture Outcomes Accelerator (the Accelerator) for a third year. The Accelerator incentivizes our local teams to design and scale innovative solutions by offering co-investment to projects that help progress toward our 2030 pep+ Positive Agriculture goals. By providing both financial and technical support, the Accelerator promotes long-term, transformative ideas impacting farming communities around the world.

We plan to catalyze more than \$30 million in investments through 2028 in over 30 different projects that span a range of sectors and supply chains. These investments support sustainable initiatives that test new solutions and help farmers "future-proof" their businesses and our supply chains. Examples from 2023 include:

- In Ecuador, we are **transforming farm waste into valuable materials** such as fertilizers and biogas. Focusing on potato farmers who also work with dairy cattle, the project seeks to promote sustainable practices like crop rotation and the conversion of farm waste into beneficial resources for the soil, crops and communities.
- In Canada, a **regenerative agriculture program focusing on enhancing soil health** aims to positively impact farm resilience, helping address adverse impacts of variable weather.
- In the U.K., a project is demonstrating how **biodiversity has a direct relationship with resilient farming** by introducing pollinator habitats and habitat restoration practices in the oat supply chain.

(continued)

Fueling innovative grassroots efforts (con't)

We also continued to provide local farmers with the space to engage in peer-to-peer learning and the ability to put into action scalable, innovative practices and solutions through our extensive **network of demonstration farms** around the world.

These partnerships have yielded value for farmers, the environment and the business. Notable programs for 2023 include:

- In Türkiye, launching "**Ortak Hareket, Yeniden Bereket**" ("Common Movement, Abundance Again") as part of the ongoing partnership between the PepsiCo Foundation, Anadolu Meralari and Lay's, providing tailored trainings and funding to smallholder farmers across the region through our demonstration farm.
- In Mexico, a new effort, the **Deep Soil Health project**, combines digital technology, biological products and alternative irrigation methods to enhance soil quality and restore soil health.

Supporting nature positive outcomes

We're focused on nature positive outcomes because our business is inextricably linked to the health of the land that grows the crops that ultimately end up in our products.

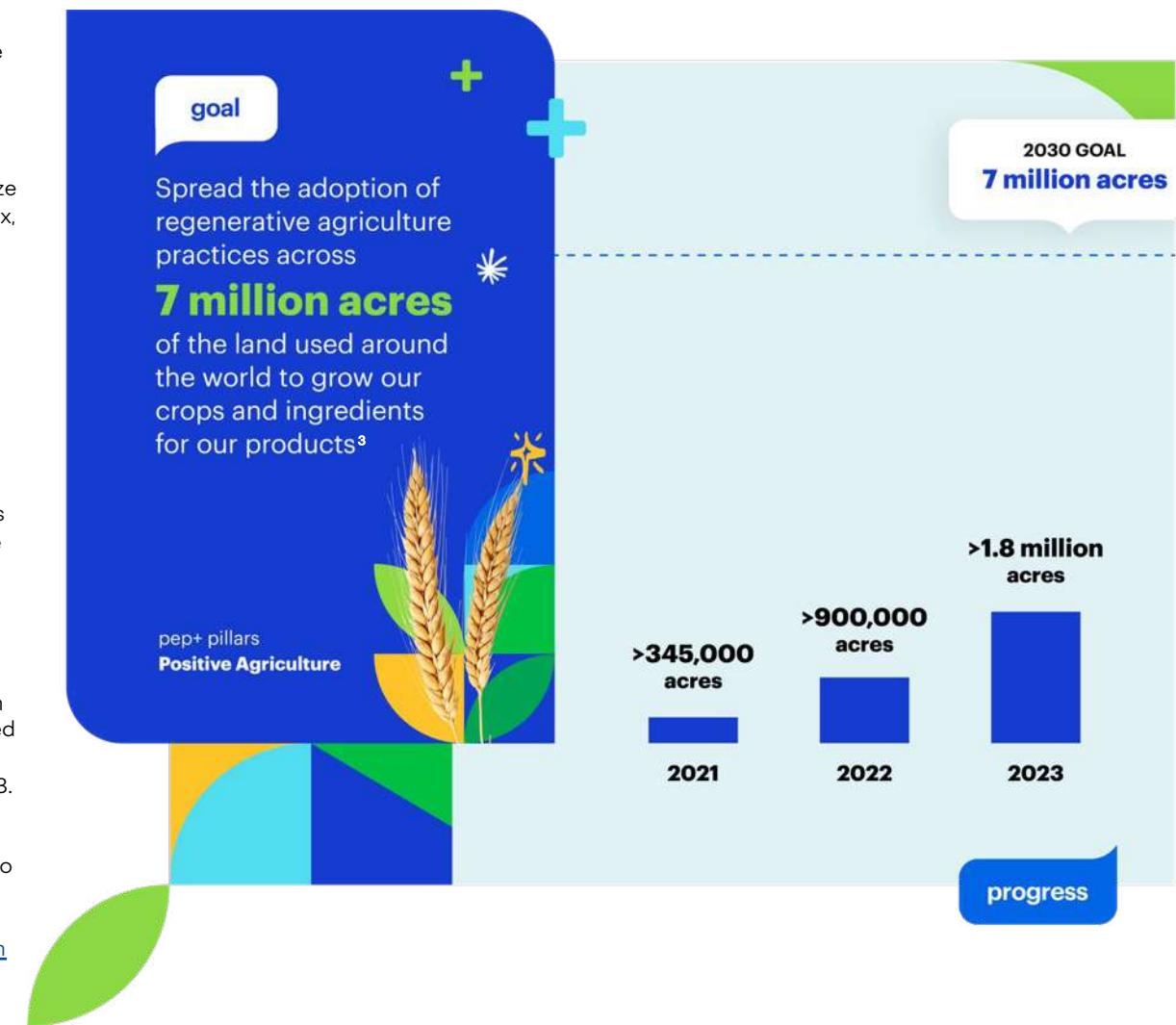
Promoting such outcomes has been a significant undertaking over the past two decades.¹ We recognize the interplay between nature and business is complex, and our understanding continues to evolve. Across our supply chains, we are seeking to identify opportunities to mitigate environmental risks and support nature conservation and restoration.

Examples of our recent efforts include:

- **Launching the Climate Resilience Platform (CRP)** together with the Alliance of Biodiversity International and CIAT. This online platform provides farmers, suppliers, NGOs and researchers with actionable insights about how climate change is impacting crops and geographies and how they can create resilience through regenerative agriculture. PepsiCo and CIAT are looking for partners to scale the CRP's impact.
- **Accelerating biodiversity on farms**, with more than 1.6 million of our more than 1.8 million acres farmed with regenerative farming practices seeing measurable positive impact² in biodiversity in 2023.
- **Working across our value chain to support the transformation of our sourcing regions** toward zero deforestation and supporting conservation, restoration and sustainable livelihoods with the Consumer Goods Forum's Forest Positive Coalition and the Palm Oil Collaboration Group.

For more information on our stewardship of forests and natural ecosystems in our supply chain, see [approach to sustainable sourcing](#). →

Regenerative agriculture goal



1. Since PepsiCo first launched its Performance with Purpose platform in 2006

2. Measured as per Field to Market's third-party biodiversity index

3. PepsiCo considers an acre as delivering regenerative impact when the adoption of regenerative agriculture practices results in quantified improvements across at least two of the environmental outcome areas, with a strong preference for removing or reducing GHG emissions to be one impact area. Refer to PepsiCo's [Regenerative Agriculture Practice Bank](#) for a comprehensive listing of practices directly or indirectly linked to the five impact areas. Regenerative acres reported represent the annual count in each year presented based on actions undertaken since 2021

Approach to agricultural water-use efficiency

Irrigation is an essential process for growing crops in many regions, so [water](#) is a critical resource for our business and the farmers we source from. This is what drives PepsiCo's approach to agricultural water-use efficiency – measured as the volume of irrigation water required to grow one ton of raw crop material – and our healthy watershed improvement target of 15% by 2025¹ which was achieved two years early in 2023.

We continually seek more sustainable ways to use water when making our products and preserve it for the communities where we operate. In 2023, we sourced approximately 51% of our grower-sourced key ingredients from high water-risk areas,² where our efforts to improve irrigation efficiency are especially focused.

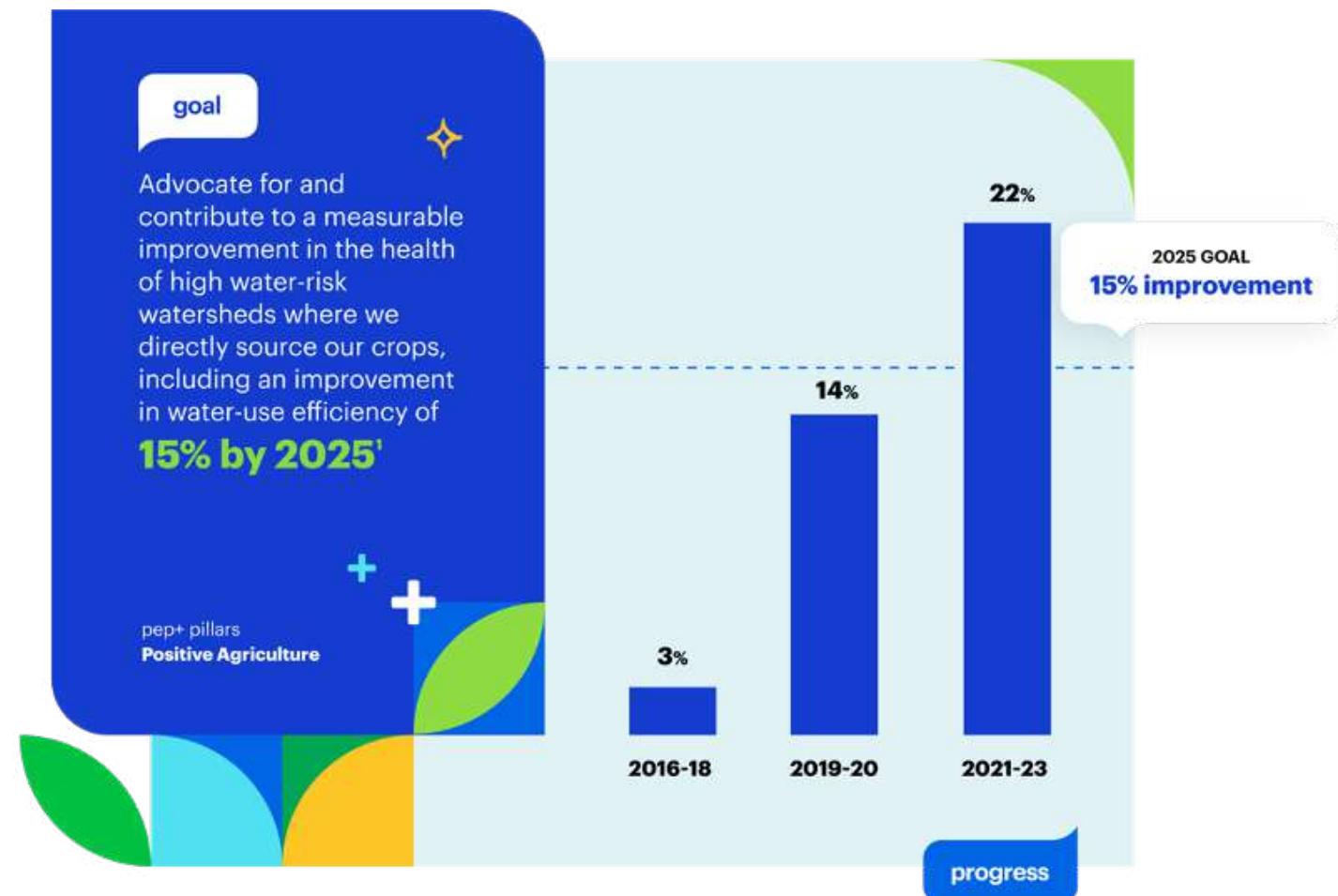
Another aspect of our approach is helping farmers transition to more water-efficient irrigation equipment, such as drip irrigation. Our [partnership with N-Drip](#) aims to help farmers in our supply chain adopt high efficiency irrigation technology across 25,000 acres by 2025. N-Drip's gravity-powered technology combines the water-saving benefits of high-pressure drip irrigation with lower energy, operating and maintenance demands.

As we continue to improve water-use efficiency in areas where we directly source our crops, we identify the specific needs of high water-risk locations and create action plans that support farmers with the relevant training, equipment and resources they need to meet water goals. For example:

- In Thailand, we have supported growers moving to more efficient irrigation through various approaches, including the use of **alternate furrow irrigation** – an inexpensive and simple method of improving the efficiency of flood irrigation.
- In India, we have encouraged greater uptake of **drip and sprinkler irrigation** to improve water management in water stressed areas.
- In South Africa and Australia, we have adopted a methodology of "**pivot audits**" created in partnership with University of Pretoria in South Africa to maximize the efficiency of pivot irrigation systems.

[Read more on our approach to water beyond agriculture in Positive Value Chain.](#) →

Agricultural water-use efficiency in areas of high water-risk goal



1. Measured versus a 2015 baseline. This metric tracks the improvement of the water-use efficiency of PepsiCo's direct agricultural supply chain. To focus efforts on implementing sustainable practices, we currently collect and publish agricultural water-use efficiency data at least once every three years. World Resource Institute's Aqueduct water stress assessment tool is used to reconfirm high water-risk areas every three years. Results reflect assessments performed in 2023, 2020 and 2018
2. Based on sourced volumes from tier 1 suppliers of potatoes and corn from identified high water-risk regions in Australia, Argentina, Chile, China, the Dominican Republic, Egypt, Greece, India, Mexico, Pakistan, Peru, Saudi Arabia, South Africa, Türkiye and the United States

Approach to sustainable sourcing

Without a consistent supply of agricultural crops and ingredients, we wouldn't be able to make our products and meet the needs of our customers and consumers. Our sustainable sourcing approach aims to address social, economic and environmental pillars of how our products are produced while ensuring a steady supply of key ingredients for production.

To do so, we aim to leverage our global scale and purchasing power to raise the standards of environmental management and conservation of natural resources. Our agricultural suppliers are expected to adhere to our [Supplier Code of Conduct](#) and other relevant [sustainable sourcing](#)¹ policies such as our [Land Policy](#) and [Global Human Rights Policy](#).

Our [Stewardship of Forests and Natural Ecosystems Policy](#) outlines our aspiration for deforestation- and conversion-free business operations and supply chain. We are implementing this policy in our agricultural value chains where we face forest and natural ecosystem conversion risk. For example, in our [palm oil](#) supply chains we uphold a No Deforestation, No Peat and No Exploitation (NDPE) commitment as outlined in our [Global Policy on Sustainable Palm Oil](#).

In 2023, 48% of our key ingredients (by volume) were "grower-sourced" – purchased directly from farmers through a grower group – while the remaining approximately 52% were "supplier-sourced" with multiple tiers between the farmer and PepsiCo. Key ingredients include, but are not limited to potatoes, corn, oats, milk, wheat, beet sugar, soy, cocoa, sunflower and canola. For a full list of key ingredients, see [Calculation methodology](#).

We collaborate with certain suppliers, industry groups and NGOs using two approaches to achieve our sustainable sourcing goal:

- High-risk approach (verified volumes):** Requires high-risk commodities (palm, cane and soy) and commodities grown in high-risk markets to be verified/certified to a sustainability standard recognized by PepsiCo.
- Low- and medium-risk approach (continuous improvement):** Consists of either approved certifications or a demonstration of active work and progress toward outcomes that address the key risks for the farmers in the sourcing region by 2030.

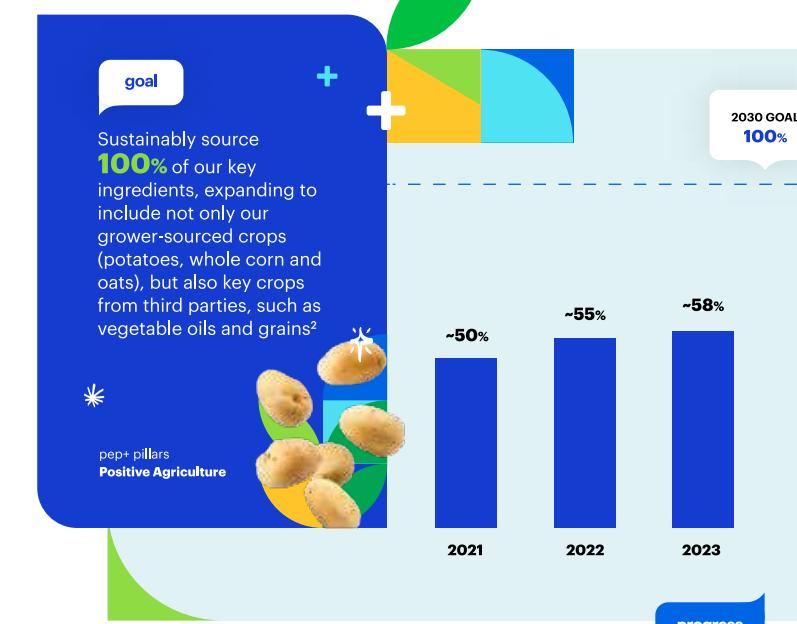
For more than a decade, we have collaborated with farmers to adopt practices that build resilience and improve and restore ecosystems through our **Sustainable Farming Program (SFP)**. Like our demonstration farms, this farm-level engagement also builds farmer confidence, addresses risks and encourages continuous improvement by providing farmers with safe spaces to grow accustomed to new processes and technologies. SFP focuses on self-assessment, capacity building and verification of farm-level sustainable agriculture practices and principles as described in the [SFP Scheme Rules](#) and [SFP Fundamental Principles](#).

For example, our Agriba Sustentable program in Mexico aims to promote the adoption of regenerative agricultural practices among wheat producers in the Bajío region. In 2023, the program engaged nearly 300 farmers in the region covering more than 12,000 acres, resulting in a more than 30% reduction in GHG emissions and a more than 5% reduction in water use per kilogram of wheat produced when compared to controlled fields without regenerative practices.

Certain legal and systemic barriers will challenge us as we strive toward our goal of sustainably sourcing 100% of our key ingredients. For example, certain jurisdictions prohibit farmers from holding legal rights to the land they farm (a component of our sustainable sourcing definition). In areas with such systemic challenges, we strive to make substantive progress on the social, economic and environmental pillars of our sustainable sourcing goal.



Sustainable sourcing goal



1. PepsiCo's approach to sustainable sourcing covers the production of ingredients in our direct supply chain where PepsiCo has purchasing control. It does not cover ingredients or products produced by joint ventures, franchises, co-manufacturers and co-packers and other third parties over which we do not hold purchasing control.
 2. For grower-sourced crops, sustainable sourcing refers to meeting the independently verified environmental, social and economic principles of PepsiCo's Sustainable Farming Program (SFP). For supplier-sourced crops, sustainable sourcing is achieved through a third-party standard that has been benchmarked as equivalent to the SFP or, in limited regions, a continuous improvement program addressing the main environmental and social risks with growing the relevant crop. Sustainably sourced volumes are verified by third parties, including Roundtable on Sustainable Palm Oil (RSPO) - certified palm oil and Bonsucro -certified (or equivalent) cane sugar. Certain legal and systemic barriers will challenge us as we strive toward our goal of sustainably sourcing 100% of our key ingredients. For example, certain jurisdictions prohibit farmers from holding legal rights to the land they farm (a component of our sustainable sourcing definition). Our Sustainable Sourcing goal applies to areas where PepsiCo has purchasing control and excludes joint ventures, franchises, co-manufacturers and co-packers and other third parties over which we do not hold purchasing control. Key ingredients are listed in the [Agriculture](#) ESG Topics A-Z page

Approach to improving livelihoods

When farmers thrive, we thrive. However, farmers and agricultural communities face many challenges that threaten both their livelihoods and our collective food systems – from extreme weather events to topsoil depletion and risks to human rights.

Among the most vulnerable are smallholder farmers, farm workers, temporary or migrant workers and women in rural agricultural communities. We recognize that we cannot solve the challenges facing these groups alone. We hope our efforts will help strengthen farming communities and farmer health and promote greater wellness and prosperity. Helping encourage more sustainable and inclusive food systems not only supports farmers, but is another way we work to secure the supply of ingredients our business depends upon.

Similar to other aspects of our Positive Agriculture agenda, we rely on strategic partnerships across certain geographies, sectors, industries and supply chains to leverage technical and financial resources that can help farmers transition to more inclusive and regenerative practices.

Importantly, our [Livelihoods Implementation Framework for Engagement \(LIFE\)](#) provides a roadmap for our programming with vulnerable communities in targeted sourcing regions and defined metrics to help us credibly measure the impact of our ongoing efforts, with a focus on trying to drive outcomes across three areas:

- Economic prosperity:** Supporting long-term farm profitability and productivity with an emphasis on regenerative agriculture.
- Farmer and farm worker security:** Addressing issues of food security, labor conditions and land rights and enabling access to resources.
- Women's economic empowerment:** Improving women's access, agency and use of resources, decreasing legal and institutional barriers and reducing women's time poverty.

LIFE advances a set of common indicators and metrics that reflect industry best practice and global norms and standards. These indicators are aligned with international norms including the United Nations' (UN) Sustainable Development Goals (SDGs), International Labor Organization (ILO), UN Food and Agriculture Organization (FAO) and UN Guiding Principles on Business and Human Rights.

PepsiCo offers this framework as a resource for others seeking to positively impact livelihoods.

We also aim to economically empower women within our agricultural supply chain by equipping them with workforce readiness resources. To combat systemic inequality in farming and agriculture, PepsiCo and the PepsiCo Foundation engage in a number of initiatives, including:

- Continued strategic partnerships with Inter-American Development Bank (IDB), Cooperative for American Relief Everywhere (CARE), National Future Farmers of America Organization and the National Black Growers Council, to support diversity and inclusion in farm management.
- [Agrovita](#) is a three-year collaboration with the PepsiCo Foundation and non-profit Proforest which aims to empower women and other smallholder farmers in Southeast Mexico to grow crops in a more sustainable way. The program has garnered support from partners such as the Walmart Mexico Foundation, Technoserve and ECOM, and has reached nearly 35,000 people since launch. At the end of 2023, three plantain producers formalized the first rural cooperative company which allows them to sell plantains to PepsiCo Mexico Foods, used to produce Natuchips.

Learn more about PepsiCo's [key agricultural strategic partnerships](#), how they are contributing to progress toward our 2025 and 2030 pep+ goals and the growing resilience and sustainability of our agricultural supply chain. →



Improving livelihoods goal



1. Metric counts the cumulative people impacted since 2021

Explore agriculture topics in more depth

PepsiCo's [ESG Topics A-Z](#) provides detail on strategy, data, policy, progress and more on a wide range of subjects.

- [Agriculture](#) →
- [Bioengineered food and ingredients](#) →
- [Climate change](#) →
- [Deforestation](#) →
- [Food and nutrition security](#) →
- [Human rights](#) →
- [Land rights](#) →
- [Nature](#) →
- [Palm oil](#) →
- [Pesticides and other agrochemicals](#) →
- [Sustainable sourcing](#) →
- [Water](#) →

Positive Agriculture stories



PepsiCo announces agriculture accelerator projects to support farmer livelihoods, scale sustainable innovation and accelerate regenerative agriculture across the globe

[Learn more →](#)



PepsiCo and Walmart Aim to Support Regenerative Agriculture Across More than 2 Million Acres of Farmland

[Learn more →](#)



An associate growing a regenerative future with farmers

[Learn more →](#)

Our 2023 ESG Performance Metrics

This download contains detailed performance data, tracking progress against our goals over the past three years.

[Download 2023 ESG Performance Metrics →](#)



Learn more about how we're making a difference

[Philanthropy →](#)

[ESG Topics A-Z →](#)

[Downloads →](#)



pep+ pillars

Positive Value Chain

Our business is only as strong and sustainable as our value chain.

Our value chain is extensive and complex, with operations spanning the globe to source ingredients, manufacture, package and deliver our foods and drinks to customers and consumers.

Guided by pep+, we're integrating more sustainable and inclusive solutions across our value chain. From how we strive to reduce the impacts of climate change, to how we aim to address social inequities and improve access to nutritious food, these changes are not only good for our company but also encourage positive change for our business partners, people and communities that touch our value chain.

Specifically, we're taking action aiming to help:

- Mitigate our climate-related impacts and adapt how we operate;
- Replenish high water-risk watersheds and reduce water use;
- Innovate more sustainable packaging and minimize waste; and
- Uplift our employees and communities.

In 2023, we continued to take steps to advance our pep+ ambitions across our Positive Value Chain pillar. We accelerated progress on some of our goals and maintained progress on others in our water and people agendas, while remaining focused on opportunities to expand and build upon our efforts in other areas such as climate and packaging. For more information on projects that advance key initiatives across our pep+ agenda, see the [Green Bond](#) ESG Topics page and our 2023 [Green Bond Report](#).



Climate

For our business, climate change has the potential to impact the quantity and quality of agricultural crops available for our products, create weather patterns that hinder the operation of our facilities and supply chain, and affect the availability and quality of the water we use. For our employees, farmers and the communities that touch our value chain, climate change has the potential to threaten their prosperity and can negatively impact their health and well-being through food insecurity and exposure to extreme weather.

For these reasons, we are focused on implementing solutions that mitigate and adapt to the effects of climate change.

In 2021, we established a goal of achieving net-zero GHG emissions across our value chain by 2040 – one decade earlier than called for in the Paris Agreement.

To help achieve this, the [Climate Action Strategy](#) we also established in 2021 included three more near-term interim science-based GHG emissions reduction targets:

- Reduce absolute emissions across our value chain (Scopes 1, 2 and 3) by more than 40% by 2030 (from a 2015 baseline).
- Reduce emissions from our direct operations (Scopes 1 and 2) by 75% by 2030 (from a 2015 baseline).
- Reduce indirect emissions from our value chain (Scope 3) by 40% by 2030 (from a 2015 baseline).

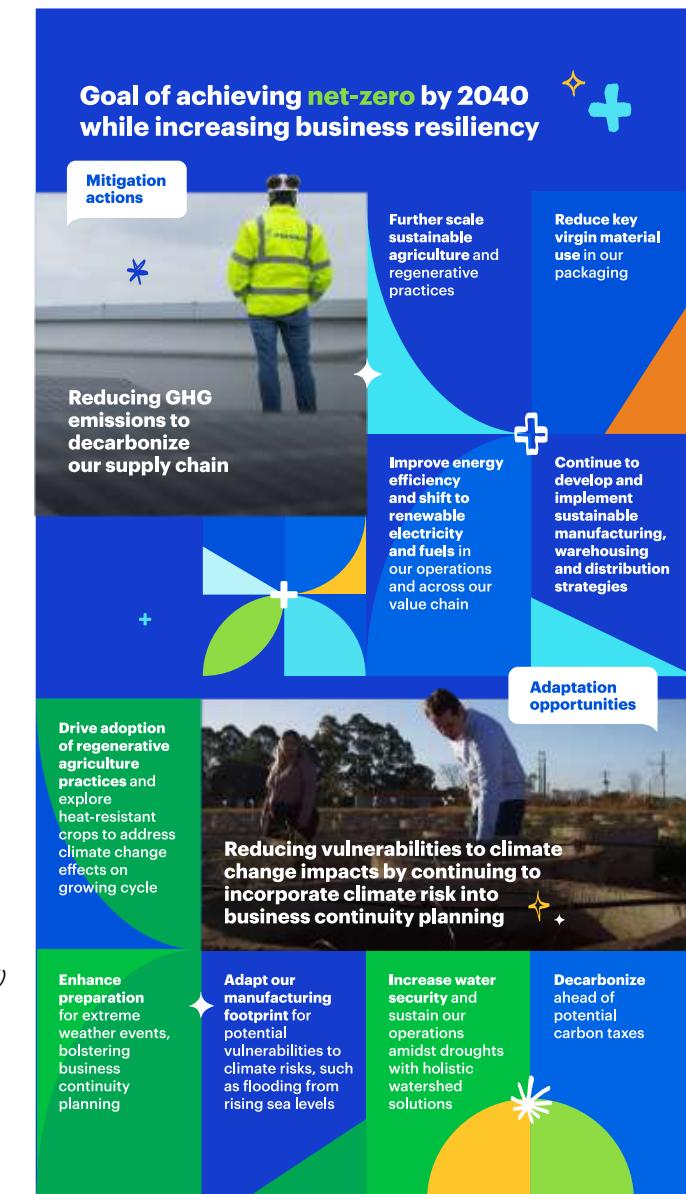
Despite the progress that we have made ([see goals and progress discussion](#)), our near-term emissions reductions goals face known and unknown challenges. We continue to review our goals in the context of new developments, including business growth, investments needed to meet the goals and steps necessary to maintain Science Based Target (SBT) alignment (which advises that targets are reviewed and, if necessary, recalculated and revalidated every five years at a minimum), as well as external developments.

Approach

PepsiCo's Climate Action Strategy is centered around two pillars: **mitigation** and **adaptation**. We aim to take action in the areas within our control and aspire to influence action in our value chain that will have the greatest impact on our carbon footprint, which includes manufacturing, agriculture, packaging, transportation and vending and cooling equipment. We plan to continue to evolve what we do and how we do it – from how our ingredients are grown; to how we make, move, sell and package our products; to how we partner with others who share our ambition to extend our impact.

(continued)

Our climate action strategy



Approach (con't)

Decarbonizing our value chain is a complex effort requiring a multi-pronged approach that leverages multiple options as we aim to achieve our goals. We know that our efforts do not occur in a vacuum – they rely on the developments of the wider systems in which we operate. Key areas, such as modernization of electrical grids and development of affordable renewable fuel supply, will influence our progress as we work towards decarbonization. We've learned a lot as we've tested different technologies to decarbonize and plan to continue to implement scalable solutions that are available today, while also investing in new promising technologies.

These solutions may hold the potential to be replicated at PepsiCo facilities around the world and serve as building blocks to scale decarbonization beyond our company walls.

In 2023, we:

- Set out guiding principles** – Sustainable Operations from the Start – that require all new operations, including building new manufacturing and distribution sites as well as expanding lines within existing operations, to be funded, scoped and activated with net-zero emissions and net water positive outcomes in mind.
- Continued to acquire new electric, hybrid and natural gas vehicles** to expand our sustainable fleets in the U.S., Latin America and Europe. For example, Frito-Lay North America (FLNA) unveiled its first-ever 100% fully-electric vehicle site in Charlotte, North Carolina; new electric vehicles deployed in Mexico will enable PepsiCo to reduce approximately 2,800 metric tons of CO₂ annually when compared to the gas-powered equivalent; and by the end of 2023, 80% of PepsiCo Romania's owned fleet transitioned to hybrid vehicles.
- Continued to expand our use of new sources of renewable energy** like biogas, which takes manufacturing byproducts (such as dried corn husks and potato peelings) and converts them into biomethane, a renewable fuel that can be used to generate electricity. We also scaled the use of hydrotreated vegetable oil (HVO) – used cooking oil – across our supply chain in the U.K. Now, in partnership with transportation partner, AB Texel UK, 240,000 tons of potatoes each year are transported from British farmers to our Leicester site in trucks powered by HVO.

- Assessed the energy efficiency of coolers** by completing a year-long joint assessment with one of our bottlers in Europe, Royal Unibrew, of past, current and future GHG outlooks. Findings are helping us prioritize more efficient technologies in the future which are expected to reduce cooler-related emissions by more than 30% between 2023–2030.

- Invested in developing more sustainable facilities**, such as our \$320 million production facility in Poland that opened in May 2023, which incorporates renewable energy for operations, implements measures to reduce water waste and aims to be net zero by 2035, and a [\\$58 million investment](#) in our Walkers facility in Leicester to progress our packaging and related nutrition goals. Our facility in Cork, Ireland became fossil fuel-free in 2023 and has transitioned away from natural gas by pioneering the use of HVO to power the facility's operations.

We're also incentivizing employee participation in our climate action journey by adding pep+ as a category to our internal awards program, **Smiles**, which empowers employees to recognize one another for actions taken that support pep+. We continue to expand our **Green Teams**, a grassroots network that helps employees become more sustainable at work, at home and in their communities. Currently, we have over 200 Green Teams globally.



Addressing climate change across the value chain

Consistent with previous years, the majority of our carbon footprint in 2023 (94%) came from our Scope 3 emissions, particularly the following three key categories: agriculture (37%), packaging (26%) and third-party transportation and distribution (11%).

Like many large, global organizations, reducing Scope 3 emissions is the biggest challenge we face in advancing progress toward our 2040 net-zero goal. Given the indirect nature of these emissions, quantifying and managing them is difficult and requires strategic partnerships and engagement to make progress.

We try to work with our value chain partners – including suppliers, contract manufacturers, franchise bottlers and customers – to help them improve the sustainability of their operations.

We believe there are three fundamental elements – expectations, economics and enablement – that are needed to have successful value chain-partner engagement and more importantly, value chain-partner action.

Expectations

Setting clear and consistent expectations with our supply chain partners helps lay the foundation for successful collective action. At our 2023 annual global Supplier Summit, we laid out four climate-related expectations and asked our top 200 suppliers¹ to:

1. Set or commit to set an SBT;
2. Share an SBT-aligned decarbonization plan and annual progress;
3. Report Scope 1 and 2 emissions; and
4. For agricultural suppliers, collaborate with PepsiCo to develop an action plan for sustainable ingredients and to build regenerative agriculture acres.

Economics

With the scale and reach of our value chain, we may have an opportunity to remove barriers to pursuing decarbonization for our suppliers.

Examples include:

- Incentivizing tier 1 suppliers² through our **joint supplier financing program** with Citi. The program offers key PepsiCo suppliers a lower rate on supplier financing if they reach certain ESG targets, such as optimizing the management of environmental resources and meeting thresholds on sustainable sourcing. After launching in Brazil in 2022, we're looking to expand the program.
- Accelerating the adoption of renewable electricity in our value chain through **pep+ REnew** by helping value chain partners to access renewable electricity choices.
- Equipping our tier 1 suppliers in Asia Pacific, Australia and New Zealand and China Region (APAC), with the skills and knowledge required to access clean energy through the [Clean Energy Procurement Academy](#), an initiative launched alongside other global companies and the Clean Energy Buyers Association that is designed to accelerate the integration of clean energy into global supply chains and aims to spur renewable energy policy change where renewable power has historically been more challenging to source.

Enablement

PepsiCo has a long history of working together with stakeholders to advance shared sustainability goals.

Building on the success of our pep+ [Partners for Tomorrow](#) platform for customers in North America, we introduced the global platform pep+ Partners for Tomorrow – [Sustainability Action Center](#) to a broader range of value chain partners, including suppliers, contract manufacturers and bottlers. The platform is available in multiple languages and provides access to a suite of resources and capability building programs.

We also aspire to work closely with our farmers and other supply chain partners to scale [regenerative agriculture](#) practices as we aim to reduce carbon emissions.

1. By GHG impact

2. Tier 1 suppliers are the direct suppliers of PepsiCo

Progress against 2021 goals

In 2023, PepsiCo's total GHG emissions across Scopes 1, 2 and 3 were approximately 58 million metric tons, which represents a 4% decrease from the 2015 baseline and a 5% reduction from 2022. In 2023, approximately 80% (nearly 3,500 GWh) of the company's direct global electricity needs were met with renewable electricity mechanisms, including on-site solar, off-site power purchase agreements and renewable energy credits.

As described above, despite progress, our emissions reduction goals face systemic challenges that will require collective industry and government advances to overcome. We continue to review our climate goals and progress in light of such challenges. We remain squarely focused on identifying and scaling the solutions that will help us (and our partners) to deliver progress that align us with our climate ambitions.

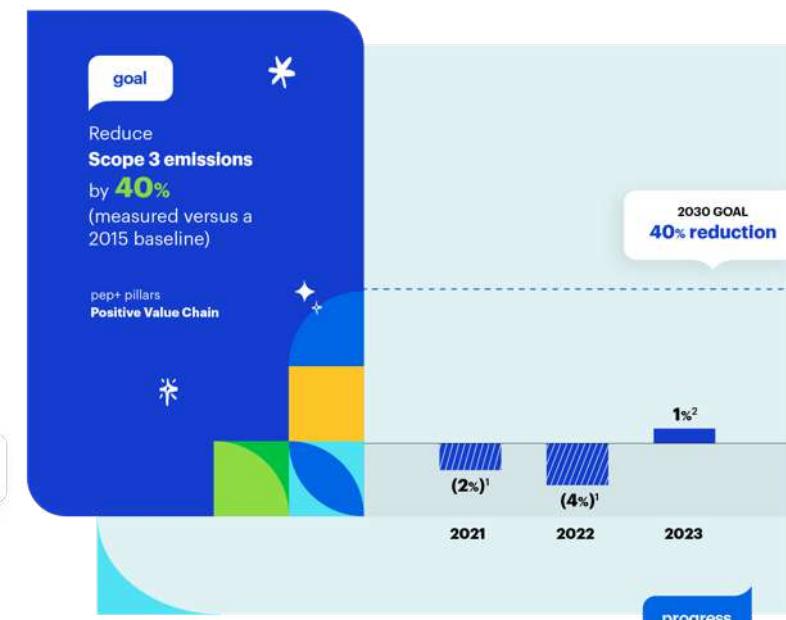
Progress against 2021 GHG emissions reduction goal



Progress against 2021 Scope 1 and 2 emissions reduction goal



Progress against 2021 Scope 3 emissions reduction goal



Explore climate topics in more depth

PepsiCo's [ESG Topics A-Z](#) provides detail on strategy, data, policy, progress and more on a wide range of subjects.

[Agriculture](#)



[Green Bond](#)



[Climate change](#)



[Renewable energy](#)



[Fleet decarbonization](#)



1. In 2023, we further remeasured the 2015 baseline to reflect the divestiture of Tropicana, enhancements in our calculation methodology and the inclusion of additional data. Where actual data was not available, estimated data was used.

2. In 2023, we continued to enhance our calculation methodology and reflected the inclusion of additional data. Where actual data was not available, estimated data was used.

3. In 2023, we remeasured the 2021 reported results to reflect the 2015 baseline that was recalculated following the divestiture of Tropicana.

[Read stories about Climate initiatives at PepsiCo](#) →



Approach

As one of the first companies of our size to acknowledge access to water as a human right, we take our goal of becoming net water positive seriously.

We've adopted an approach to watershed management that includes:

- **Improving water-use efficiency** across our value chain – including on farms and in manufacturing facilities;
- **Replenishing water** and improving the health of high water-risk watersheds where we operate; and
- **Increasing safe water access** for communities that face water insecurity, including scarcity and unsafe water sources.

Water

Water is a human right, indispensable to every community, ecosystem and economy. It's also a critical resource to PepsiCo's business: it irrigates the crops we use, is a key ingredient in many of our products and is essential to ensuring we meet the highest product safety and quality standards.

However, water insecurity is a significant global challenge. With climate change and other factors placing a heightened burden on the global water supply, companies like ours can contribute their expertise and resources to help address these issues.

That's why we're working to become net water positive by 2030. This means we're aiming to replenish more water than we use. Our vision is that wherever in the world we operate, water resources will be in a better state because of our presence.

We've set high standards for ourselves and our supply chain in support of this vision, including enhancing watershed management within our operations and across our agricultural practices, and contributing to broader community water health.

Our path to net water positive



Within our operations, we're focused on water-use efficiency

To make our operations among the most water-efficient in the world, we're focused on scaling proven manufacturing processes and treatment technologies across our businesses and geographies, and fostering a culture of sustainability among our employees.

In 2023, we [reached](#) our 2025 target to achieve 25% improvement (against a 2015 baseline) in operational water-use efficiency in high water-risk areas¹ – two years earlier than expected. To reach this milestone, we innovated and scaled solutions globally, including:

- **Scaling a new approach to how we wash corn** when making products such as Tostitos, Fritos and Doritos to more than 100 global manufacturing lines within a year. This corn hopper halo washer efficiency solution reduces the time the water is turned on by more than 85% during a phase of the corn-washing process.
- **Implementing membrane bioreactor technology** at 21 manufacturing sites globally, including 14 in high water-risk areas, to treat, purify and recycle processed water to drinking-level standards for reuse in operations. This can allow a site to reduce its freshwater demand by an average of 70% compared with prior technology.
- **Evaluating water treatment technologies** around the globe that improve the efficiency of the production of ingredient water. For example, across PepsiCo Beverages North America (PBNA), we have led the development with Research & Development (R&D) on piloting technologies like Closed Circuit Reverse Osmosis (RO), High-Efficiency Recovery RO and Capacitive Deionization that reduce wastewater from the water treatment process used in the manufacturing of our products.

We also continue to expand our **Resource Conservation (ReCon) program** across PepsiCo facilities. This program identifies and shares best practices in efficient water-use. We are now offering ReCon training and site deep dives to bottlers and co-manufacturers, sending PepsiCo experts to these third-party locations to help educate and scale best practices.

As a longstanding member of the [Alliance for Water Stewardship \(AWS\)](#), we set one of our pep+ water goals to achieve 100% adoption of the AWS Standard in high water-risk manufacturing areas by 2025. Since 2022, we have more than tripled the number of facilities that have fully adopted the AWS Standard (from eight in 2022 to 27 in 2023), largely due to our Africa, Middle East and South Asia (AMESA) sector-based sites.

We strive to replenish more than 100% of the water we use in high water-risk sites

We must understand the conditions, challenges and risks of local watersheds to help improve the availability and quality of water in the communities in which we operate. To do so, we support collaborative solutions that address the specific needs of local watersheds and partner closely with farmers, landowners, state and federal agencies and NGOs.

Throughout 2023, we catalyzed targeted engagements to drive progress toward our net water positive goal.

- **PBNA and FLNA announced a [pledge of \\$3.3 million](#)** toward water replenishment projects across North America. PepsiCo's industry-leading efforts were recognized with the [2023 Industrial Water Reuse Champions Award](#).

- **Our Alvalle gazpacho plant** in Spain launched the second phase of a project to replenish the Segura River in early 2023, which returned approximately 70 million liters of water to the river – the equivalent of the annual consumption of the gazpacho plant – by replacing invasive cane with riparian woodland. This also improved local biodiversity.

- Through our strategic relationship with **The Nature Conservancy (TNC)**, we are working to reduce consumptive crop water use during critical summer months along the Verde River, one of Arizona's most important waterways. By partnering with local farmers to transition from high water use crops (such as alfalfa and corn) to barley, a crop that requires less water, nearly 240 million liters of water were replenished during the 2023 growing season.

- Through our strategic relationship with the **World Wildlife Fund (WWF)** in South Africa, we support watershed conservation efforts, including projects to remove alien vegetation, that have resulted in the replenishment of over one billion liters of water, created economic opportunities and preserved biodiversity in the Drakensburg region.

Applying learnings from our operational replenishment program, PepsiCo India and Mexico piloted watershed health programs that assessed the state of the water resources in the areas where our direct growers work and live. Recognizing that the communities and farmers outside of our supply chain use these same water sources, we are implementing holistic, system-wide programs designed to have a positive impact on the watershed for all water users in each of these areas.

¹. Measured versus a 2015 baseline. Goal reflects the exclusion of third-party facilities. Between 2006–2015, water-use efficiency improved by 26% in global legacy operations at the date of target setting. World Resource Institute's Aqueduct water stress assessment tool is used to reconfirm high water-risk areas every three years

We're using our scale and influence to drive positive change beyond our walls

Water stewardship has long been a priority at PepsiCo, and we're sharing our learnings with our third-party manufacturers and others. In 2023, PepsiCo was an active participant at the UN's first Water Conference in nearly 50 years, engaging with NGOs, governments and peer companies on critical issues. We also launched an open-access online learning program on water with the platform Coursera. Courses include [The Water Cycle](#), [Water Security and Stewardship](#) and [Water Governance and Economics](#) and each can be taken by anyone interested.

PepsiCo and the PepsiCo Foundation have also helped more than 91 million people since 2006 gain access to safe water through distribution, purification and conservation programs.

[Learn more about our efforts to improve agricultural irrigation efficiency](#) and the strides we're making toward our goal to [deliver safe drinking water to 100 million people by 2030](#). →

[Learn more about our strategic water partnerships and engagement](#). →



Goals & progress

Achieving long-term improvements to high water-risk watersheds requires scale, partnership and engagement from all stakeholders in each of our locations. And given the uniqueness of each local watershed's ecosystem, scaling our solutions can take time and significant resources.

In 2023, we made progress on our pep+ water goals:

- Recorded a 25% improvement in water-use efficiency at our high water-risk company-owned locations when compared to a 2015 baseline, reaching one of our 2025 goals two years ahead of schedule. As a result, we will no longer report on it. Instead, our reporting focus will shift to our work to become net water positive, including progress against our aggressive 2030 goals aimed at world-class and best-in-class operational water-use efficiency.
- Continued our efforts to strive toward best-in-class and world-class water-use efficiency by 2030.
- Replenished approximately 69% of the water used in our company-owned manufacturing facilities in high-risk watersheds, the equivalent of more than 12 billion liters of water.
- Completed the adoption of the AWS Standard at 27 facilities and had 59 facilities in the process of adopting at the end of 2023.



1. Measured versus a 2015 baseline. Results reflect the exclusion of third-party facilities. Between 2006–2015, water-use efficiency improved by 26% in global legacy operations at the date of target setting. World Resource Institute's Aqueduct water stress assessment tool is used to reconfirm high water-risk areas every three years

2. Best-in-class water-use efficiency for convenient foods facilities is defined as 0.4 liters of water (or less) per kg of convenient foods production. We do not currently capture data from third-party manufacturers and are evaluating how to obtain and include information from our top third-party manufacturers in future calculations. World Resource Institute's Aqueduct water stress assessment tool is used to reconfirm high water-risk areas every three years

3. Best-in-class water-use efficiency for beverage facilities is defined as 1.2 liters of water (or less) per liter of beverage production. We do not currently capture data from third-party manufacturers and are evaluating how to obtain and include information from our top third-party manufacturers in future calculations. World Resource Institute's Aqueduct water stress assessment tool is used to reconfirm high water-risk areas every three years

4. World-class water-use efficiency for convenient foods facilities is defined as 4.4 liters of water (or less) per kg of convenient foods production. We do not currently capture data from third-party manufacturers and are evaluating how to obtain and include information from our top third-party manufacturers in future calculations. World Resource Institute's Aqueduct water stress assessment tool is used to reconfirm high water-risk areas every three years

5. World-class water-use efficiency for beverage facilities is defined as 1.4 liters of water (or less) per liter of beverage production. We do not currently capture data from third-party manufacturers and are evaluating how to obtain and include information from our top third-party manufacturers in future calculations. World Resource Institute's Aqueduct water stress assessment tool is used to reconfirm high water-risk areas every three years

Local watershed replenishment goal



Water Stewardship Standard goal



Explore Water topics in more depth

PepsiCo's [ESG Topics A-Z](#) provides detail on strategy, data, policy, progress and more on a wide range of subjects.

[Agriculture](#) →

[Human Rights](#) →

[Water](#) →

[Read stories about Water initiatives at PepsiCo](#) →

1. 2030 goal tracks replenishment tied to company-owned and third-party facilities in high water-risk areas. World Resource Institute's Aqueduct water stress assessment tool is used to reconfirm high water-risk areas every three years. The reported replenishment volumes for company-owned facilities are currently being capped at 100% per location. Once we achieve 100% for each company-owned location, we will start to then report progress of more than 100% replenishment. We do not currently capture data from third-party manufacturers and are evaluating how to obtain and include information from our top third-party manufacturers in future calculations.

2. We continue to measure progress against our original 2025 goal and our extended 2030 goal. World Resource Institute's Aqueduct water stress assessment tool is used to reconfirm high water-risk areas every three years. In 2022, an updated water risk assessment identified additional company-owned high water-risk facilities, which are in-scope for calculating progress against our 2030 goal only. Excluding these additional company-owned facilities water usage, we replenished 82% of water used in high water-risk facilities in 2023, representing progress against our original 2025 goal. See [Calculation methodology](#) on ESG Topics A-Z for additional details.



Packaging

PepsiCo's sustainable packaging approach is grounded in a vision to create a world where packaging never becomes waste.

We aim to reduce the amount of virgin plastic used in our packaging. As we look to achieve our ambitious packaging goals, our commitment to take action is steadfast. While our 2023 progress is trending in the right direction versus prior year, we're mindful that opportunities remain to continue expanding and building upon our efforts and we're always learning, evolving and investing strategically to meet our ambitions.

We also design our packaging to comply with food safety regulations while maintaining the freshness and quality of our products and with consideration to environmental sustainability, convenience and other consumer preferences.

However, no one company or industry can create a circular economy on its own. Sustainably managing our packaging requires comprehensive solutions, many of which are complex and hinge on significant systemic transformations such as infrastructure, policy or consumer engagement. To address this global issue, we are working together with our stakeholders, including governments, NGOs, suppliers, customers, peer companies, consumers and more, to find scalable solutions. To achieve these transformations, multi-stakeholder collaboration and

action-oriented partnerships across the entire packaging value chain are needed.

This will not only help us, but also further help build a circular economy for packaging that benefits us all.

Amongst a number of ways that PepsiCo is lending its voice to influence the necessary systems change, is our engagement as a member of the [Business Coalition for a Global Plastics Treaty](#). Through the coalition we advocate for an ambitious UN global agreement to end plastic pollution. We believe a global treaty that creates a common framework with legally binding rules for national action has potential to spur significant progress toward a circular economy for packaging. PepsiCo supports action across the value chain in the areas of reduction, circulation and prevention. More specifically, we believe the treaty could deliver benefits through aligned definitions and metrics, agreement on measures to improve packaging design and improved waste management systems, including smart extended producer responsibility (EPR) policies based on industry aligned principles, among other provisions.

Our sustainable packing vision



Approach

We are working to make our value chain more circular and to tackle significant global challenges related to packaging through innovation, policy advocacy and infrastructure investment.

Our three-pronged strategy (Reduce, Recycle and Reinvent) is designed to help our aim to drive progress toward our pep+ goals.

Reduce

To meaningfully address our use of plastic packaging and help drive progress toward our goal to reduce absolute virgin plastic from non-renewable sources by 20% by 2030,¹ we seek to lightweight our packaging and find opportunities to transition to alternative materials, such as paper. In 2023, we accomplished the following concerning plastic across our packaging:

- Became the first beverage company to announce a North American roll out of [paper solutions to replace plastic rings](#) on all beverage multipacks.
- Continued efforts to reduce head space in packaging.

Recycle

We're focused on further improving the recyclability of our packaging – both by incorporating more recycled content into our packaging and developing, funding and advocating for infrastructure solutions that further enable the collection and recycling of our packaging.

We acknowledge that this work does not come without its challenges for companies and society. Building sufficient collection, sortation and waste management infrastructure, as well as well-designed policies that support a circular economy, are significant challenges we and others face.

Significant changes are needed to address broader infrastructure, particularly in recycling and reuse systems to ensure packaging has the right end of life. We'll continue to engage externally and across industries to collaborate on the essential shifts needed to support this transformation.

(continued)

1. Measured versus a 2020 baseline

Approach (con't)

Despite the challenges, we've made several changes to our packaging to reduce plastic usage and enhance the recyclability of our products, such as transitioning to mono-material paper cups for our Rice-a-Roni and Quaker Porridge pots in the U.K.

We're also incorporating recycled polyethylene terephthalate (rPET) into the packaging we use within our beverages portfolio. In 2023:

- More than 60 markets had at least one PepsiCo product with rPET in beverage packaging. For example, Pepsi bottles in Uzbekistan are now made with 20% rPET as a result of a new recycled food-grade plastic introduced in the International Beverages Tashkent bottling partner factory – making PepsiCo the first beverage company to use rPET in the country.
- More than 30 markets had at least one PepsiCo product with 100% rPET (excluding caps and labels) in its packaging. For example, Pepsi Black in India became the first carbonated beverage to market with a 100% rPET bottle after the country's decision to permit its use in food and beverage applications.

We have also prioritized investments in sustainable packaging solutions and partnerships across the value chain. In 2023, we launched 50% recycled content¹ into our Sunbites packaging in the U.K. Several partners from across the flexible food packaging supply chain, including GreenDot, have worked together turning what was once plastic waste into food-grade packaging material, with the potential to eliminate 200 metric tons of fossil-based plastic across Sunbites packaging by the end of 2025.

To help meet our recycled content ambitions, we work with a variety of partners to drive improvements to collection and recycling systems and continue to invest in infrastructure that will provide greater accessibility to consumers who wish to recycle.

- PepsiCo, along with other leading U.S. beverage companies, is part of the [Every Bottle Back initiative](#) in the U.S., which has collectively invested just over \$25 million in community recycling infrastructure upgrades to collect bottles that can be made into new ones. Investments made in 2023 as part of this initiative are expected to bring more than 800 million pounds of new recyclables into the recycling stream, including more than 30 million pounds of PET and more than 10 million pounds of aluminum.
- We have helped set up a **voluntary EPR program** for the collection and reuse of flexible packaging in Thailand. The program, [Journey to Zero Waste](#), collected 1,000 metric tons of flexible films in 2023.
- We engage proactively with governments that intend to establish **Deposit Return Systems** (DRS) for beverage containers in order to increase PET collection rates. For example, in 2023, we were among the companies that initiated and invested in a well-designed DRS in Romania, which is expected to increase recycling rates.

- PepsiCo helped launch the first packaging producer responsibility organization (PRO) in the U.S., [Circular Action Alliance](#) (CAA). As a formal PRO approved to implement EPR programs in Colorado and California, CAA aims to deliver harmonized best-in-class compliance services, scale innovation and build systems that help both companies and consumers waste less and recycle more. PepsiCo holds board seats at both the national and state-level and supports the implementation of well-designed EPR programs in the U.S.

Reinvent

Our reinvention efforts focus on improving the environmental impact of our packaging through the use of alternative materials, such as non-plastic and compostable options, as well as scaling reuse models and low-packaging formats. Central to this approach are **working closely with partners** to promote sustainable practices and **accelerating innovation** throughout the packaging value chain.

In 2022, we set a goal of having 20% of our beverage servings sold in reusable models by 2030.² This target supports our drive for innovative packaging solutions and delivery models that can help us reduce our use of virgin plastic per serving, decouple business growth from virgin plastic use and, over time, decrease GHG emissions. As of 2023, 10% of our beverage servings are sold in reusable models.³

Throughout 2023, we continued accelerating our efforts. For example, we:

- Trialed paper for secondary packaging** of multi-serve packaging of Walkers Baked in the U.K.
- Opened the doors to the **Greenhouse Learning Center** in Plano, Texas, a first-of-its-kind facility dedicated to advancing progress on compostable packaging.
- Continued to **invest in returnable bottles** with program expansions in Mexico and implemented a universal bottle across our beverage brands in Spain. As of the end of 2023, we have returnable bottle programs in more than 75 international markets.
- Expanded our SodaStream portfolio** through the launch of two new models (E-Terra and E-Duo) and automated refill program for CO₂ canisters to further improve consumer convenience and customization.
- Piloted a **reusable cup solution** in Baltimore, Maryland in partnership with [TURN](#), featuring gamification to incentivize consumers to return their fountain beverage cups after use.
- Eliminated more than 15,000 disposable cups at the Union of European Football Association (UEFA) Champions Festival in Istanbul through a **reusable cup initiative**, in partnership with TURN.

(continued)

1. Recycled plastic content allocated using the International Sustainability and Carbon Certification Plus (ISCC+) certified mass balance approach

2. Our total beverage servings account for all beverage sales volume. Reuse models may include, but are not limited to, SodaStream, fountain beverages delivered in reusable containers, returnable glass and plastic bottles, and concentrates and powders sold to consumers

3. Fountain beverages delivered in reusable containers requiring third-party data are not currently measured

Approach (con't)

PepsiCo is leveraging partnerships to identify reuse solutions within the value chain and advocate for smart policies. For example, in 2023, we continued engagement with the [NextGen Consortium](#), a multi-year industry collaboration with Closed Loop Partners, working to reimagine foodservice packaging including accelerating learnings and action on reusable cups. Together, we are striving to develop reuse and refill models that will inspire consumers and drive reuse growth. We also joined the Consumer Goods Forum Reuse/Refill Workstream, partnering with peer companies and retailers to move beyond pilots toward scaled reuse solutions.

We know that transforming the traditional beverage consumption model will require a holistic approach on the part of industry, consumers, retailers and government. While this starts with making reuse and refill options accessible and convenient at scale for consumers, industry efforts are only one piece of a complex puzzle – we will need all parties to take action.

We regularly engage with policymakers and stakeholders throughout the value chain with the goal of ensuring a broad definition of reuse models is adopted and incentivized to scale, as we have been doing during the policy process leading to the finalization of the European Union's Packaging and Packaging Waste Directive (PPWR). We're actively engaged with industry platforms such as Ellen MacArthur Foundation and the World Economic Forum's Consumers Beyond Waste to scale reuse models and align on standardized measurement methodology.

We know working toward more sustainable packaging solutions is a complex endeavor, one that will require collaboration from federal, state and local governments, the private sector and NGOs. This, coupled with an effective and well-designed policy framework, will help us progress toward a more circular economy. PepsiCo is supportive of global action and is dedicated to being part of the solution.



We are reimagining our packaging solutions so that more packaging is recyclable, compostable, biodegradable or reusable by design

Compostable packaging innovation
FLNA and Quaker Foods North America opened an industry-leading Greenhouse learning center focused on speeding up the rate of compostable packaging innovation

Paper-based multipack designs
Recyclable, paper-based solutions to replace plastic rings on beverage multipacks in North America and plastic secondary packaging for food multipacks in U.K.

1. Excluding caps and labels

Goals & progress

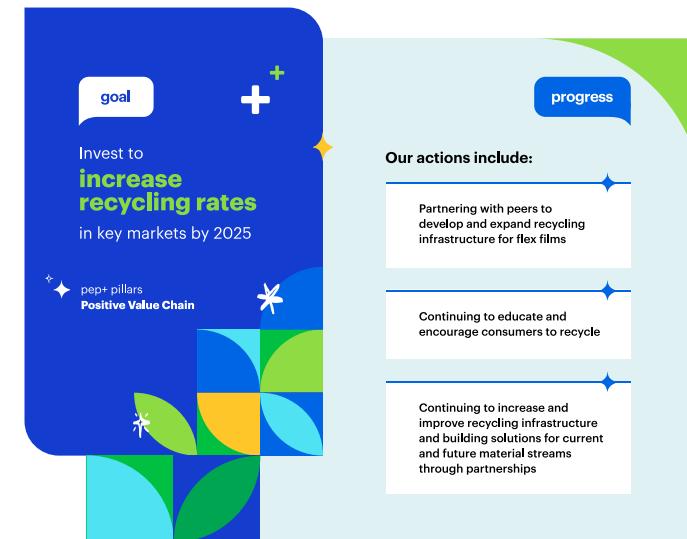
While achieving our packaging goals comes with a unique set of challenges to overcome, we continued to work toward our ambitions in 2023.

Given those challenges, we currently project that, by 2025, we will have designed 98% of our packaging to be recyclable, compostable, biodegradable or reusable (RCBR)¹ and that 92% of our packaging will be overall RCBR—that is, both designed to be RCBR and RCBR based on availability of end of life solutions. This current projection has us short of our 100% goal, but, we continue with our ambition to innovate, invest and partner to progress further.

Recyclable, compostable, biodegradable or reusable goal



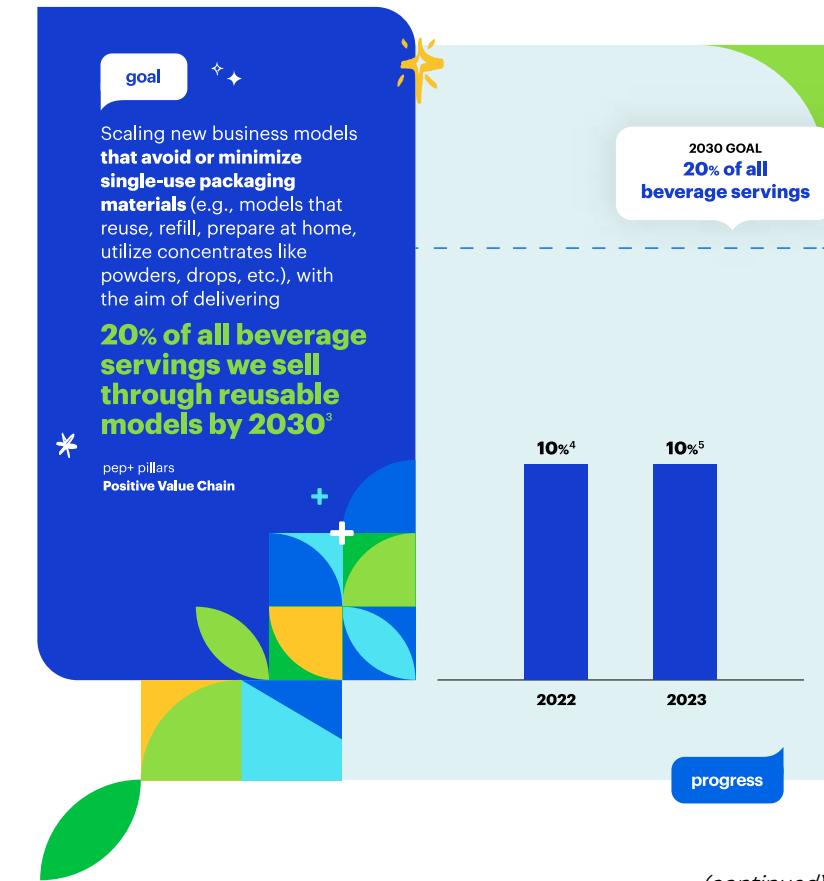
Recycling rate goal



Per serving non-renewable virgin plastic reduction goal



Scaling new business models goal



(continued)

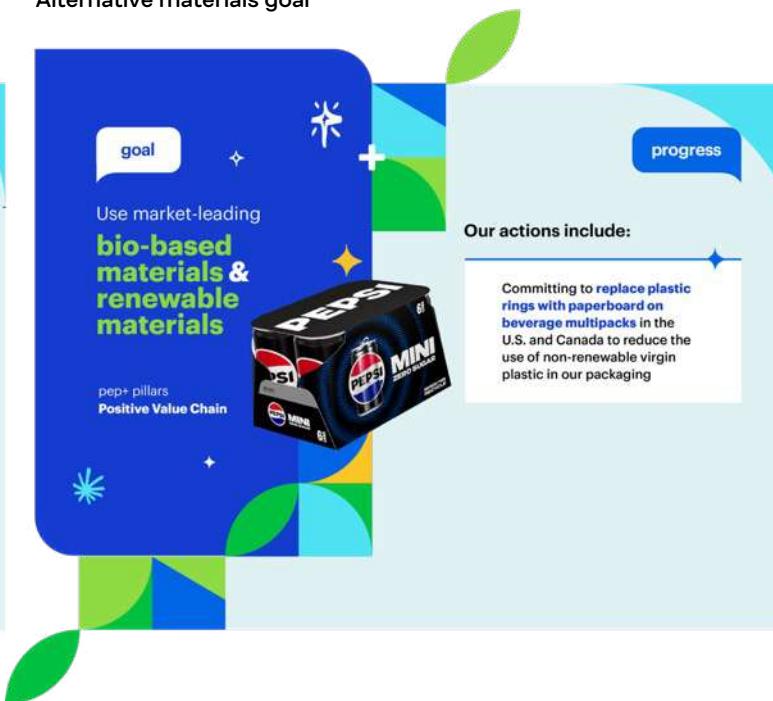
1. PepsiCo considers packaging to be recyclable, compostable, biodegradable or reusable (RCBR) if certain end of life waste management criteria is achieved. See [Calculation methodology](#) on ESG Topics A-Z for an explanation of how we calculate the percentage of our packaging that is RCBR
2. Measured versus a 2020 baseline
3. Our total beverage servings account for all beverage sales volume. Reuse models may include, but are not limited to, SodaStream, fountain beverages delivered in reusable containers, returnable glass and plastic bottles, and concentrates and powders sold to consumers
4. At the time we announced our new reuse goal, we estimated that approximately 10% of our beverage servings were already in reusable packaging. Fountain beverages delivered in reusable containers requiring third-party data are not currently measured
5. Fountain beverages delivered in reusable containers requiring third-party data are not currently measured

Goals & progress (con't)

Absolute non-renewable virgin plastic reduction goal



Alternative materials goal



Increase recycled content goal



Explore Packaging topics in more depth

PepsiCo's [ESG Topics A-Z](#) provides detail on strategy, data, policy, progress and more on a wide range of subjects.

[Green Bond](#) →

[Packaging](#) →

[Sustainable product design](#) →

[Read stories about Packaging initiatives at PepsiCo](#) →

¹ Measured versus a 2020 baseline



People

As a global convenient foods and drinks leader, our reach enables us to uplift lives and champion ethical business practices.

Prioritizing people and their experiences is critical to the overall success of our business. We are actively working to foster an engaging workplace culture; support the inclusivity of our teams; promote equity within our company and, where possible, reduce inequalities across our supply chains and throughout our communities, as we champion human rights.

Approach, goals & progress

We focus on providing meaningful job and growth opportunities so our people are better positioned to make positive impacts at work, at home and in their local communities.

Our positive impact on people

How we are using our scale and scope to have a positive impact on people

- Progressed women in management roles globally**
Achieved 45% women in management roles in 2023 in part due to our continued career development opportunities and expanded life milestone benefits
- Continued to expand our development programs**
Such as myEducation, myDevelopment, First Time Manager and Indelible Mark, which offer transformative learning experiences and give employees tools to fulfill their career aspirations and succeed as leaders
- Delivered meals around the world**
Through our Food for Good program in the U.S., the PepsiCo Foundation has delivered more than 75 million meals since 2009 and has served over two million children from 2016 through 2023
- Expanded One Smile at a Time**
Employees contributed more than 163,000 hours to communities in 2023 through our first global volunteering program

Approach to job and volunteer growth opportunities

In 2023, more than 11,000 employees volunteered more than 163,000 hours around the globe through [One Smile at a Time](#), our internal global volunteering program.

Programmatic highlights that contributed to our pep+ employee volunteering goal in 2023 included:

- Nearly 700 employees volunteered and packed more than **65,000 meals and food packages** which were donated to local food banks and feeding programs through a series of PepsiCo Foundation Holiday Hunger meal packing events across six different countries, in partnership with local nonprofit organizations.
- Employees from Egypt, Iraq, Lebanon, Pakistan, U.A.E. and Saudi Arabia distributed **1.1 million meals** to vulnerable children and communities in the region as part of the "Filling Hearts Outside the Box" campaign.
- Employees in Mexico created more than **2,000 volunteering activities** and volunteered more than **58,000 hours** to positively impact their communities through activities such as cleanup, restoration projects and food packing events.

We also provide opportunities for employees to learn, grow and engage at work. Examples include:

- PEP U Degreed**, an online, self-service platform that leverages artificial intelligence and machine learning to suggest personalized resources based on skill level, interests, colleague connections and learning habits. Course topics include giving feedback and cross-culture collaboration. In 2023, employees completed more than 1.5 million hours of learning.
- myEducation**, which offers tuition-free learning opportunities for all U.S. employees through targeted programs and personalized coaching, is funded by PepsiCo. Based on internal data, participants in those programs are nearly two times more likely to advance in their careers. Since the program's inception in 2022, more than 3,000 employees have enrolled and in 2023, more than 450 employees completed a degree or program.
- myDevelopment**, PepsiCo's internal talent marketplace, identifies internal opportunities that align with participating employees' long-term PepsiCo career paths, considering their skills, interests and goals. In 2023, nearly 700 projects were created in the marketplace and more than 300 employees were assigned to and took part in short-term projects or new opportunities.

Job growth goal



Volunteer growth goal



Advance equality, inclusivity and human rights for our people, across our communities, so that together we can envision a better workplace and world.

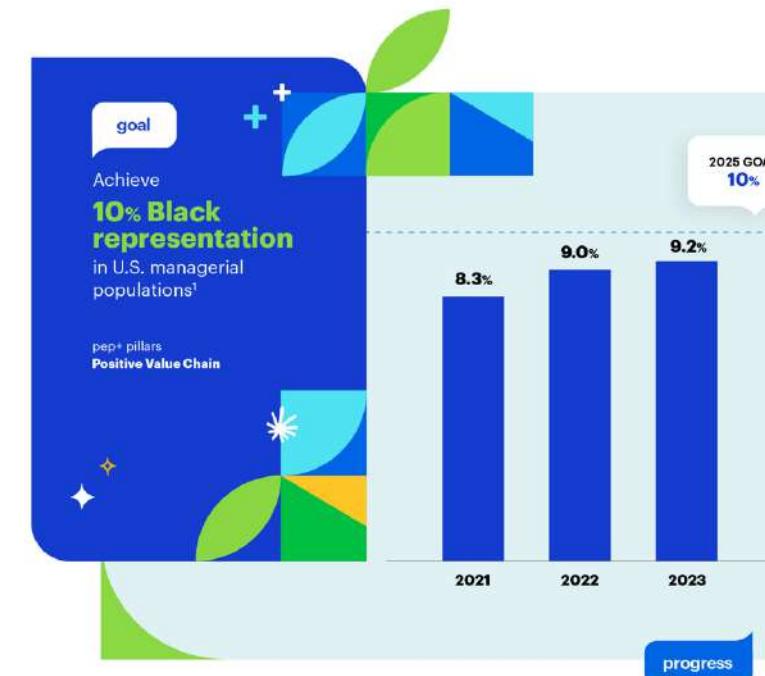
Approach to managerial representation in the U.S.

We aim to increase representation at the manager level to reflect the workforce availability of the communities where we operate. To do so, we are expanding our recruitment pipeline to be more inclusive while providing training opportunities for our employees.

Programs like our [Kickstart Sophomore Leadership Program](#) help us identify potential talent while providing college students exposure to a career at PepsiCo. Since launching in 2021, over 200 students have participated in the 5-week leadership development program.

As we continue to build more inclusive leaders, since 2019 more than 27,000 PepsiCo employees have completed our Inclusive Leadership Training and since 2020 approximately 30,000 PepsiCo employees have completed our Unconscious Bias course.

Managerial representation in the U.S. goals



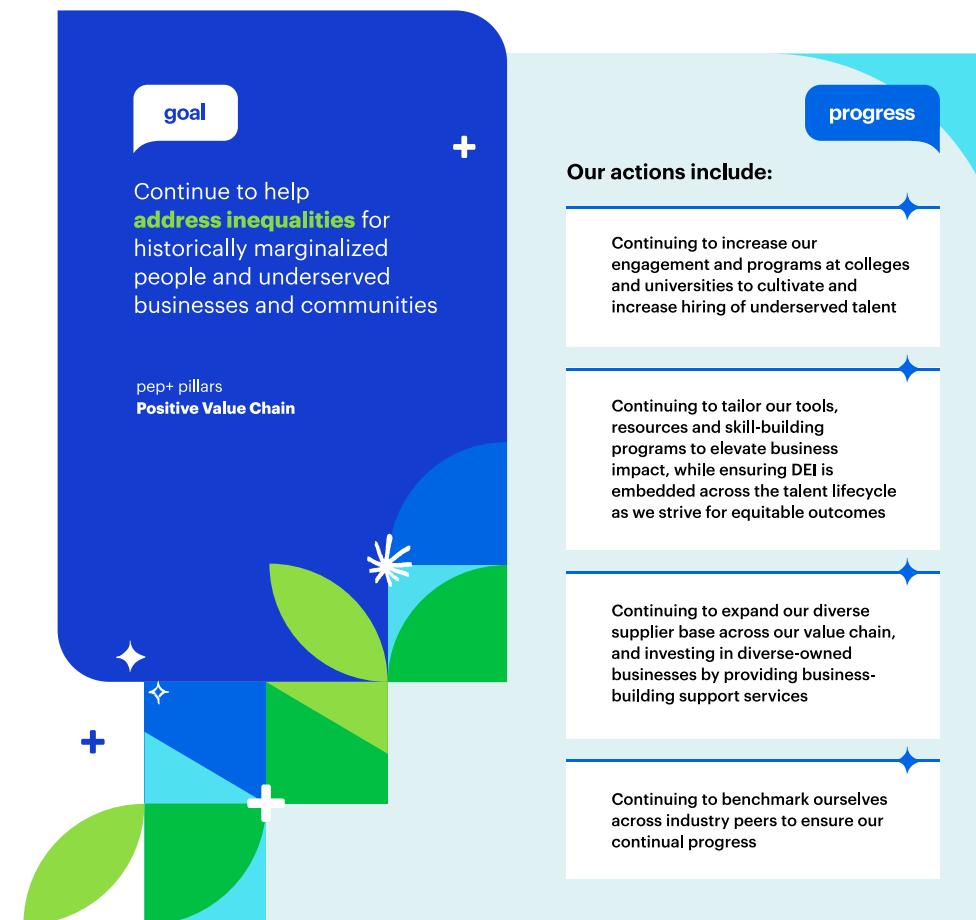
1. To reflect workforce availability of the communities where we operate

Approach to helping to address inequalities

Across our organization, we're fostering a collaborative, equitable and inclusive culture where our people can bring their full selves to work, our business partners are set up for success and our communities can thrive. Specifically, we're:

- Creating a space for employees to bring their full selves to work** by seeking to understand the various identities of our employees. In 2023, we expanded our Global Self ID program so that employees around the world can voluntarily disclose aspects of their identity, as permitted by applicable law, such as their display name, pronouns, sexual orientation or gender identity, disability status or if they are a caregiver of an individual with a disability. In the U.S., employees can also disclose their military, veteran or military spouse status. By providing these options, we're able to better respond to our employees' needs with resources and benefits.
- Strengthening diverse owned businesses** by developing relationships with a range of suppliers. This helps us build the world-class supplier base we need to succeed and strengthens mutually beneficial relationships that expand economic opportunity. Since 1982, when our Supplier Diversity program began, our annual volume of business with U.S.-based certified, diverse suppliers – Women, Black, Hispanic, Asian, LGBTQ+, Native American, Individuals with Disabilities and U.S. Veterans – has grown from an initial spend of \$5 million to nearly \$30 billion spent over the past 40 years.
- Creating access to economic opportunity through education** by leveraging our reach and resources through the PepsiCo Foundation. Since 2021, more than 2,500 scholarships have been awarded to students across the U.S., progressing toward our goal to reach 4,125 students by 2025.

Reduced inequalities goal



Approach to gender parity in management

Women having equal access to employment and promotion is not only essential for a prosperous society, but also makes our company more innovative and competitive. Supporting women in building successful and fulfilling careers, while providing continued support through different stages of their lives and career paths is a key component of how we work toward gender parity. Following are examples of efforts that have helped us achieve 45% [women in management](#) roles globally in 2023.

- Offering career development programs:** Our mentoring, coaching and development initiatives are tailored to various points throughout the employee life cycle. For example, INSPIRA is our multi-year talent development program in Latin America that offers tools, knowledge and experiences to accelerate the growth of managers, executive women and male allies. This engagement helps reduce turnover and build a gender-diverse talent pipeline.
- Expanding benefits:** We enhanced life milestone benefits in the U.S. to include a family planning concierge service, a manager toolkit to improve support for new parents and an innovative benefit that helps ship breast-milk for nursing mothers who need to travel. We also launched a global menopause education campaign, along with new benefits to support women in perimenopause and menopause. We're also expanding family building resources outside the U.S. (e.g., education, fertility, surrogacy and adoption support).

Additionally, to increase representation of our frontline employees, we launched [She is PepsiCo](#), a campaign to spotlight women in manufacturing and operations in North America to inspire more women to seek opportunities in roles that are not at gender parity.

Gender parity goal

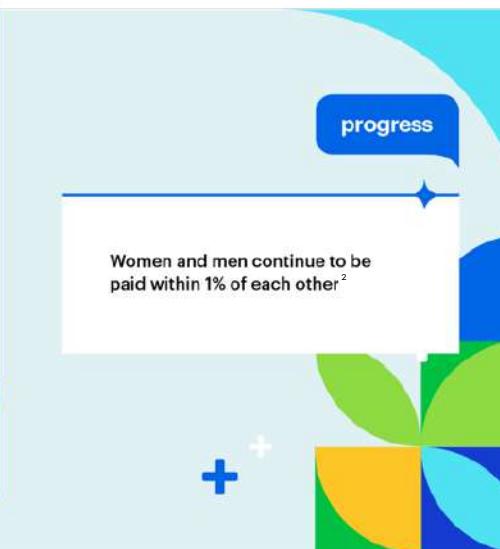


Approach to pay equity

[Pay equity](#) is a critical factor in supporting our workforce goals in the U.S. and internationally. It's also an important component of our talent attraction and retention strategy.

Our aim is consistent and fair compensation throughout our workforce, considering legitimate drivers of pay, such as job level, geographic location and performance ratings.

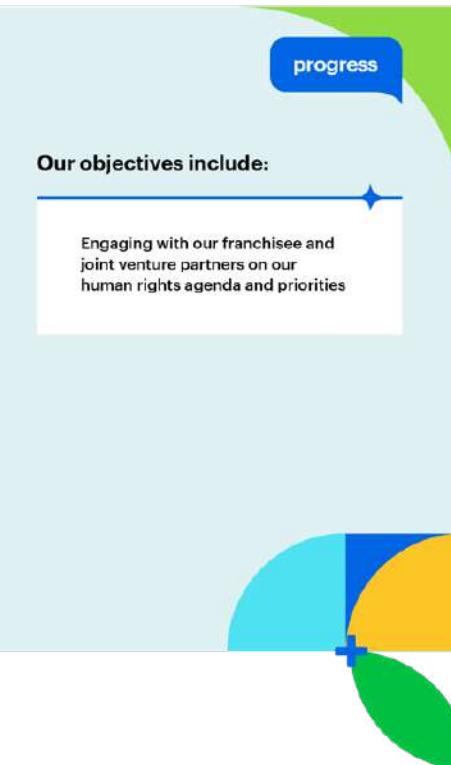
Pay equity goal



Approach to our Supplier Code of Conduct

Our suppliers play a critical role in our value chain, and we expect them to adhere to the same standards of integrity to which we hold ourselves. Our suppliers are expected to adhere to the expectations contained in our [Global Supplier Code of Conduct](#) (SCoC), which outlines our core standards in the areas of ethics, human rights and labor practices, health and safety and environmental management. Our SCoC is updated periodically to reflect evolving international and industry standards, and we offer our suppliers trainings to help them better understand and implement the principles of our SCoC. PepsiCo has also set a goal to extend the principles of our SCoC to our franchisees and joint ventures by 2025.

Supplier Code of Conduct goal



1. After controlling for legitimate drivers of pay such as job level, geographic location, and performance ratings; based on base compensation

2. Based on pay equity program implemented in 71 countries that collectively made up more than 99% of our salaried employee population in 2023. 72 countries included in 2021 and 2022 analysis, representing more than 99% of salaried population

Approach to human rights

We aim to respect the fundamental [human rights](#) of all workers and communities throughout our supply chain. We employ a global management approach, grounded in the UN Guiding Principles on Business and Human Rights, to help proactively prevent, identify and address potential risks across our operations and supply chain.

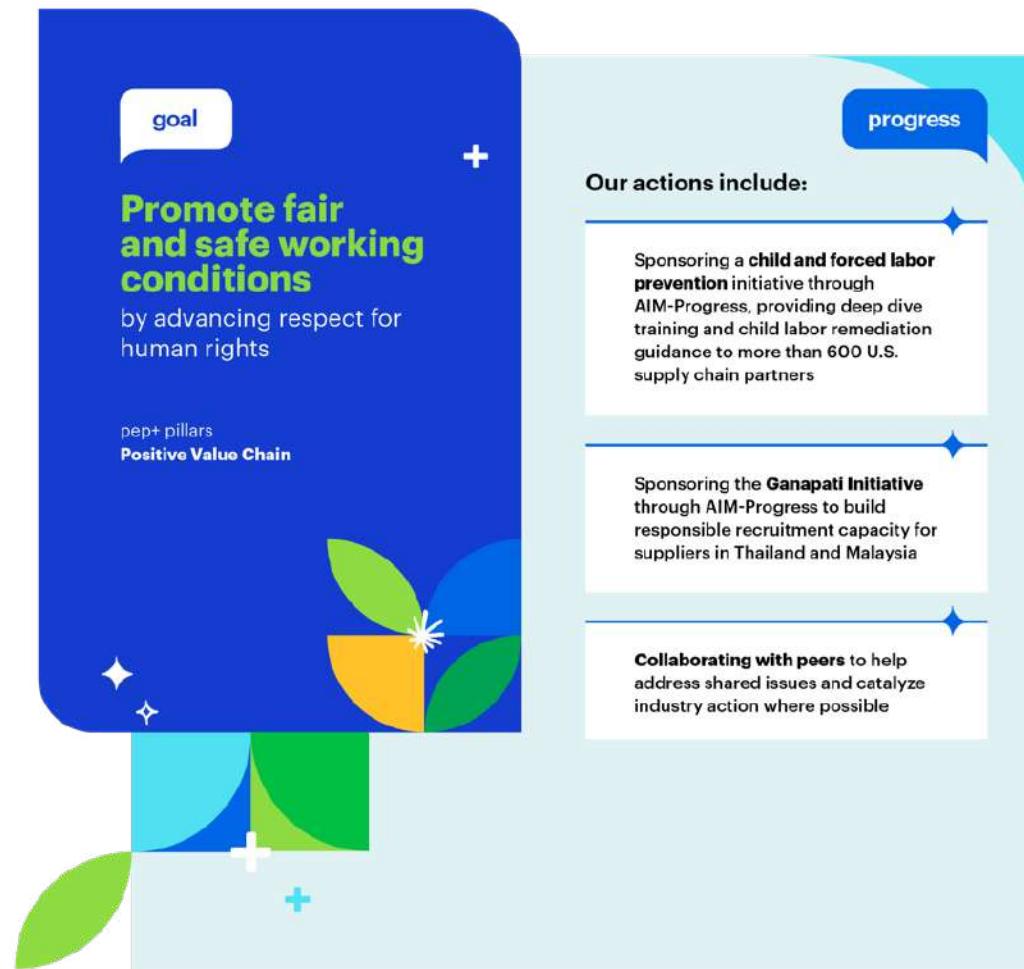
We focus our strategy on our most salient human rights issues to help ensure that we have the appropriate policies and procedures in place to help prevent and mitigate potential human rights risks across our own operations and supply chain. We also closely monitor emerging risks and regularly review our salient issues to ensure ongoing implementation of best practices.

Our salient issues include [climate change](#), fair pay and employment conditions, [forced labor](#), [freedom of association](#), human right to [water](#), workplace [health and safety](#) and [land rights](#).

Examples of actions we're taking to promote human rights include:

- Empowering our direct suppliers through capacity building and collaboration to have similar standards and processes as PepsiCo around conducting human rights due diligence, risk screening, training on human rights risks, risk mitigation, investigations and remediation and reporting on human rights risk and due diligence.
- Sponsoring and launching several initiatives and partnerships to support our overarching goal of promoting fair and safe working conditions. This includes co-funding a forced and child labor prevention initiative through [AIM-Progress](#), an industry membership organization.
- Training suppliers in Thailand and Malaysia on responsible recruitment management systems and risk mitigation protocols as part of our sponsorship of the [Ganapati Initiative](#).

Human rights goal



Approach to striving for an injury-free work environment

A key aspect of our commitment to respecting human rights is fostering fair and safe working conditions throughout our value chain and aiming to achieve an injury-free workplace. We build a proactive EHS culture by driving ownership of environment, health and safety performance at the individual, managerial and organizational levels. We engage, collaborate with and train our people and actively encourage participation in building our proactive EHS culture – which we call "Courage to Care".

At the end of 2023:

- All manufacturing facilities were implementing our Global Environment Health & Safety Management System (GEHMS) standards, which are designed to reflect both "best-in-class" and ISO standards while providing assurance that our operations are working to improve EHS performance; manage and mitigate EHS risks and impacts; and comply with relevant EHS regulations in the locations we do business.
- Our Lost Time Incident Rate (LTIR) remained nearly flat to the prior year, at 0.48 lost time incidents per 200,000 hours worked.



1. Results reflect lost time incidents per 200,000 hours worked

2. Results reflect the exclusion of SodaStream and Pioneer Foods

3. Results reflect the exclusion of SodaStream

Approach to providing safe water access

We believe that all communities should have access to safe water as a fundamental human right to drive health and economic prosperity. Gender equality is another important focus as the burden of unpaid work related to water, sanitation and hygiene (WASH) most often falls on women and girls.

PepsiCo and the PepsiCo Foundation are focused on three paths for delivering safe water access to millions of people in water-risk communities:

- **Conservation** to increase availability and improve quality of water
- **Distribution** to improve sanitation services and hygiene training
- **Purification** through community-based facilities to make water affordable, reliable and safe

As climate change and environmental degradation increasingly threaten access to clean, safe water, PepsiCo and the PepsiCo Foundation have continued to invest in bringing safe water access to millions of people in the water-risk communities where PepsiCo operates. As a result, we have helped more than 91 million people gain access to safe water, including more than 10 million people in 2023, significant progress toward our 2030 goal of reaching 100 million people.

Integral to our progress are our partnerships with NGOs including WaterAid, Water.org, Safe Water Network and the National Business Initiative, as well as local organizations that support on-the-ground efforts. Our safe water access projects are primarily implemented in Latin America, Asia and Africa.

[Read more about our efforts to expand access to safe water in the PepsiCo Foundation's Global Impact Report and in the water ESG Topics A-Z page. →](#)

Safe water access goal



1. Metric counts the cumulative number of people provided with access to safe water since 2006

Approach to advancing food security

In recent years, access to nutritious food has become more challenging for many around the globe due to factors like climate change-induced crop failures, conflicts disrupting food supply chains and economic inequalities for vulnerable communities.

Food security has been at the center of our work for decades, using our global scale to drive local impact in communities where we live and work to increase equitable access to nutritious food. Through strategic partnerships and programs with industry peers, local and international nonprofit and public sector organizations and our employees around the world, we help address some of the most pressing challenges surrounding access to food.

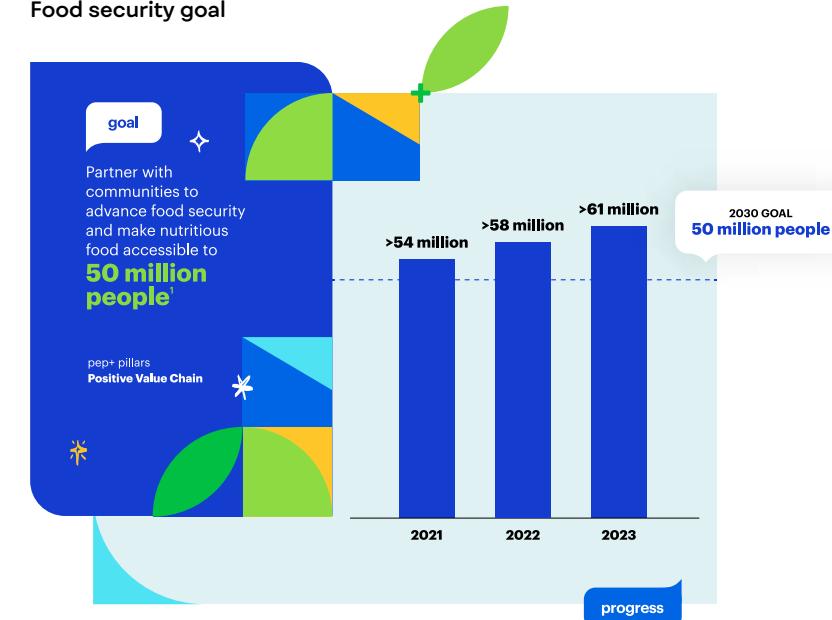
One example is our pledge to invest \$100 million in sustainable agriculture and other food and nutrition access programs in priority markets by 2030 as part of the [Zero Hunger Private Sector Pledge](#).

Some of our flagship programs include:

- The PepsiCo Foundation began its partnership with the **UN World Food Programme (WFP)** in 2008 with a grant to strengthen the capacity and effectiveness of WFP's supply chain management. Since then, we've contributed more than \$10 million through various programs to help improve the long-term food security needs of communities affected by climate change, natural disasters and humanitarian crises. In 2023, we supported flood relief efforts for impacted communities in Libya, an effort which is estimated to reach thousands of people.
- Food for Good**, PepsiCo and the PepsiCo Foundation's philanthropic global commitment to advance food security. In the U.S., our Food For Good social enterprise has delivered more than 75 million meals since 2009 and served over two million children from 2016 through 2023 – of which 5.3 million meals were delivered to over 150,000 children in 2023 alone.
- She Feeds the World** (SFTW), a multi-country partnership between the PepsiCo Foundation and CARE, aims to improve food security and nutrition of rural households while supporting small-scale women agricultural producers by providing local support to help them adopt regenerative agricultural practices, increase their yields and ultimately increase their income. Since 2018, the PepsiCo Foundation has invested nearly \$15 million and reached 1.8 million people, including over 460,000 female farmers and members of their communities in 2023.

[Read more about our efforts to advance food security in the PepsiCo Foundation's Global Impact Report. →](#)

Food security goal



1. Results represent the cumulative sum of people reached with nutritious meals per annual reporting period through programs funded by the PepsiCo Foundation, as well as through commercial efforts that are intended to provide nutritious meals. Initial target setting for this metric did not include Pioneer Foods, which delivered accessibility to more than 20 million people in each reported year. The target will be reassessed in the future to fully account for both commercial and charitable efforts. See [Calculation methodology](#) in our ESG Topics A-Z for further explanation of how we calculate this goal.

Explore People topics in more depth

PepsiCo's [ESG Topics A-Z](#) provides detail on strategy, data, policy, progress and more on a wide range of subjects.

- [Diversity, equity and inclusion](#) →
- [Employee demographics](#) →
- [Employee engagement](#) →
- [Employee learning and development](#) →
- [Employee recruitment](#) →
- [Employee well-being](#) →
- [Environment, health and safety](#) →
- [Forced labor](#) →
- [Freedom of association](#) →
- [Gender parity](#) →
- [Human rights](#) →
- [Pay equity](#) →
- [Philanthropy](#) →
- [Supplier diversity](#) →
- [Sustainable sourcing](#) →

Our 2023 ESG Performance Metrics

This download contains detailed performance data, tracking progress against our goals over the past three years.

[Download 2023 ESG Performance Metrics](#) →



Learn more about how we're making a difference

[Diversity, Equity & Inclusion](#) →

[ESG Topics A-Z](#) →

[Downloads](#) →

[Read stories about People initiatives at PepsiCo](#) →

Positive Value Chain stories



PepsiCo Debuts New Customer Sustainability Platform Designed To Deliver Critical Solutions Most Needed by Customers

[Learn more →](#)



A PepsiCo project turning potatoes into power



Frito-Lay Expedites 2040 Net-Zero Emissions Goal with Over 700 Electric Delivery Vehicles



PepsiCo Beverages North America announces funding for four additional water replenishment projects driving further progress toward goal of becoming Net Water Positive by 2030



A PepsiCo associate innovating water-saving techniques



How capturing rainfall is preserving freshwater in Colombia



Frito-Lay and Quaker Open New Industry-Leading Greenhouse Learning Center to Fast-Track Sustainable Packaging Innovation

[Learn more →](#)



PepsiCo Announces It Will Eliminate Plastic Rings on Beverage Multipacks Across U.S. & Canada By Introducing Recyclable Paper-Based Designs

[Learn more →](#)



An associate giving PepsiCo's packaging another life



Breaking the Silence: How a Deaf Associate is Promoting Inclusion at PepsiCo



Small Business Owners Share how PepsiCo's Impacto Program is Helping Them Thrive



Taking Action to Fight the Hunger and Global Water Crises

[Learn more →](#)



pep+ pillars Positive Choices

We're working to make the positive choice the easy choice for our consumers all around the world.

We look across our entire portfolio for ways to create more smiles with every sip and every bite. By creating joyful moments for our consumers through delicious and nourishing products and unique brand experiences, we aim to inspire decision-making that has a positive impact on the planet, our communities and our consumers.

We've been on a journey to make it easier for consumers to choose the great-tasting convenient foods and drinks they want that are nutritious, enjoyable and fit their lifestyle. To do so, we're taking a multi-pronged approach to transform recipes across our portfolio to accelerate the reduction of added sugars, sodium and saturated fat. Building on our progress, in 2023 we set two new [nutrition goals](#) to further reduce sodium and to purposefully deliver more diverse ingredients in our global convenient foods portfolio.

Our iconic brands have unique resonance with our consumers, so we're leveraging their power to create positive impact for people, the planet and our business by further embedding purpose at the core of our brand identities.

We're also making it easier for our consumers to learn how the ingredients in our foods and drinks were grown, prepared and packaged through clear nutritional and environmental labeling on our products.

In 2023, we continued working toward our goals by transforming areas of our portfolio through a combination of current offerings, reformulating our existing products and innovating to come up with new ones while continuing to infuse purpose into the heart of our brands. Our approach has helped enable growth across our portfolio, and we expect this growth to accelerate as we harness the power, reach and culture-shaping impact of our iconic brands.



Expanded portfolio offerings

We've been transforming our portfolio so that we can bring more choices to our consumers without compromising on the taste or experience consumers want.

We strive to act as an industry leader and set ambitious [nutrition](#) goals that are aligned with guidance from global health authorities. We are primarily focused on accelerating the reduction of added [sugars](#), [sodium](#) and [saturated fat](#) in our convenient foods and drinks, and increasing the diversity of ingredients we use to make them.

In 2023, we introduced [two new global 2030 nutrition goals](#) to further reduce sodium and to purposefully deliver more diverse ingredients – like legumes, whole grains, plant-based proteins, fruits and vegetables, and nuts and seeds – in our global convenient foods portfolio. In line with the more balanced lifestyle our consumers are moving toward, these new goals demonstrate where our portfolio is headed in the future.

Beyond the ingredients used in our products, we also aim to make [labeling](#) on product packaging easy to understand, to help our consumers make informed choices for themselves, their families and the planet.

Product innovation

Innovating our portfolio to inspire more choices

Simply Lay's Veggie Poppables Introduced to the Simply lineup in 2023 Made with potatoes and veggies No colors from artificial sources No artificial flavors	Muscle Milk Plant Protein Shake Introduced a plant-based protein option to the Muscle Milk lineup in 2023 At least 25g of plant-based protein All 9 essential amino acids High in vitamin B12	Walkers Continued to grow low sodium options in 2023 45% less sodium (when compared to the average sodium value of regular potato crisps) Low in saturated fat and made with healthier oils
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Approach

Since 2015, we've been charting progress against a set of strategic, ambitious goals that cut across our entire portfolio of products – not just a subset. We've made significant progress on our 2025 goals and are already underway on advancing our new 2030 goals.

Our efforts are made possible through the cutting-edge innovations developed by our more than 2,600 employees across 18 R&D centers around the world. These experts are:

- Agricultural scientists who partner with farmers to grow the crops that produce ideal flavor profiles;
- Nutrition scientists who guide product innovation and introduction of more positive choices;
- Seasoning specialists who can optimize flavor while using less sodium; and
- Professional chefs who develop flavors using various seasonings, herbs, spices and dairy that also contain less sodium overall.

PepsiCo also complies with all relevant labeling laws and regulations in all markets in which our products are sold. As we work to provide consumers with a range of Positive Choices, we aim to have a consistent approach to nutritional labeling across the world through our [Global Labeling Policy](#).



Goals & progress

Inspiring Positive Choices by raising the bar to improve the nutritional profile of our products.

Over the past 10 years, we've continued to advance our product portfolio goals. In fact, we achieved our 2025 saturated fat reduction goal to have at least 75% of our convenient foods portfolio volume not exceed 1.1 g of saturated fat per 100 Calories ahead of schedule in 2021. We've continued our progress against this goal because of the technology investments we made early on in our journey. These investments have unlocked innovation that has been central in transitioning our products to the use of healthier oils.

Additionally, 72% of our convenient foods portfolio volume did not exceed 1.3 mg of sodium per Calorie in 2023, and 62% of our beverage portfolio volume contained no more than 100 Calories from added sugars per 12 oz. serving.

Sugar reduction goal



Saturated fat reduction goal



1. Our global results are based on our Top 26 beverage markets

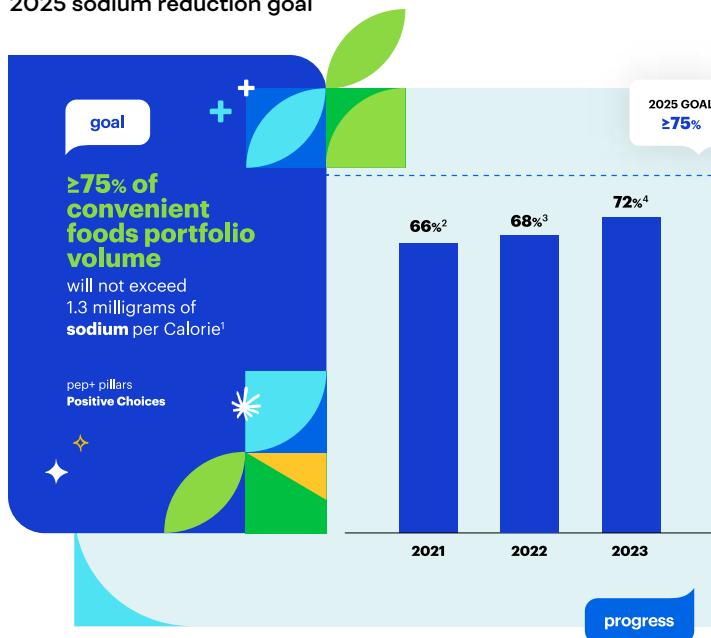
2. As of 2021, our Top 26 beverage markets represented 79% of our global beverages portfolio volume and our Top 23 convenient foods markets represented 86% of our global convenient foods portfolio volume. Results reflect the exclusion of Be & Cheery portfolio

3. As of 2022, our Top 26 beverage markets represented 78% of our global beverages portfolio volume and our Top 23 convenient foods markets represented 86% of our global convenient foods portfolio volume. Results reflect the exclusion of Be & Cheery portfolio

4. As of 2023, our Top 26 beverage markets represented 78% of our global beverages portfolio volume and our Top 23 convenient foods markets represented 86% of our global convenient foods portfolio volume. Results reflect the exclusion of Be & Cheery portfolio

5. Our global results are based on our Top 23 convenient foods markets

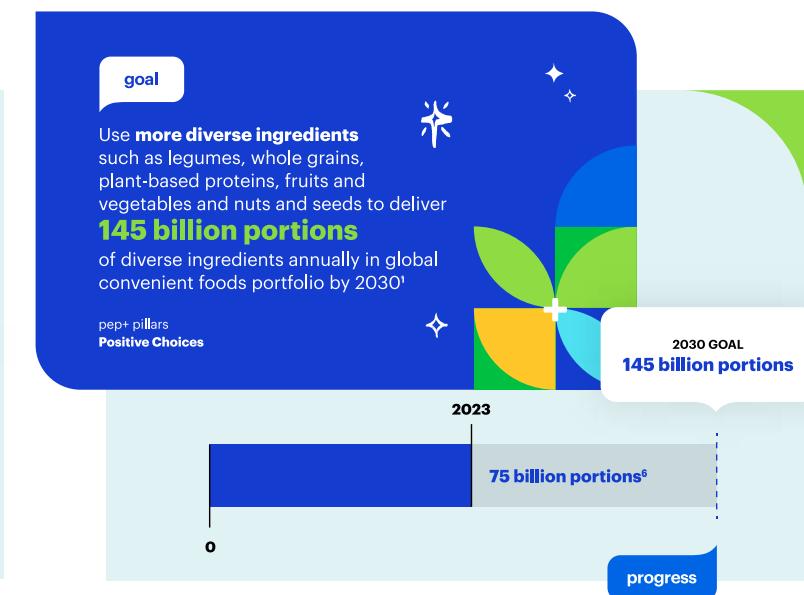
2025 sodium reduction goal



NEW 2030 sodium reduction goal



NEW diverse ingredients goal



1. Our global results are based on our Top 23 convenient foods markets

2. As of 2021, our Top 26 beverage markets represented 79% of our global beverages portfolio volume and our Top 23 convenient foods markets represented 86% of our global convenient foods portfolio volume. Results reflect the exclusion of Be & Cheery portfolio

3. As of 2022, our Top 26 beverage markets represented 78% of our global beverages portfolio volume and our Top 23 convenient foods markets represented 86% of our global convenient foods portfolio volume. Results reflect the exclusion of Be & Cheery portfolio

4. As of 2023, our Top 26 beverage markets represented 78% of our global beverages portfolio volume and our Top 23 convenient foods markets represented 86% of our global convenient foods portfolio volume. Results reflect the exclusion of Be & Cheery portfolio

5. Our global results are based on our Top 23 convenient foods markets. Refer to the [Sodium](#) ESG A-Z topics page for complete list of food categories

6. As of 2023, our Top 23 convenient foods markets represented 84% of our global convenient foods portfolio volume. Results reflect the exclusion of Be & Cheery portfolio and the exclusion of dairy and baby food categories in Russia and Ukraine



Brands with positive impact

With the scale and reach of our iconic brands – like Lay's, Doritos, Gatorade, Pepsi-Cola, Quaker and SodaStream – we're able to harness their power to enable our consumers to deliver positive impact to the planet and their communities.

Our positive brands strategy strives to build stronger connections with our consumers through behavior-led objectives – inspiring millions of people through creative campaigns, leveraging transformative technology to move quickly and meet heightened expectations and designing immersive experiences that aim to bring communities together.

Approach

People are at the center of our approach – from the stories we elevate in our brand campaigns to the collaborations we pursue to help execute community impact initiatives.

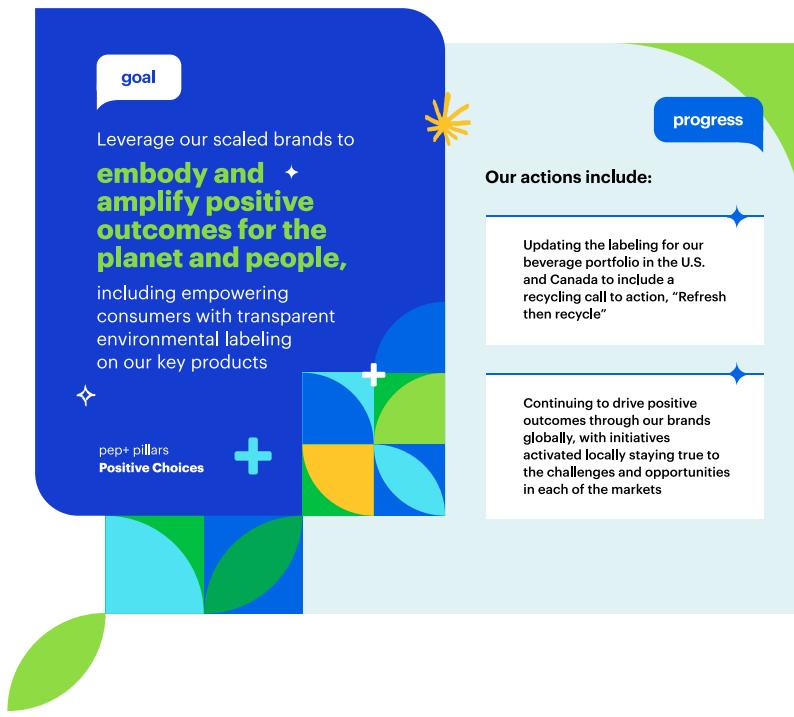
Guiding our efforts is our positive marketing strategy, which focuses on three ambitions:

- Inclusion:** Inclusive marketing that is accessible to all and reflects the diversity of the billions of people we serve, and our teams.
- Well-being:** Responsible marketing that puts human well-being and safety first.
- Environment:** Helping people to make more sustainable choices and reducing our own impact on the planet.

Underlying our strategy is the intent to be transparent. To build and maintain trust with our consumers, our brand initiatives must be authentic to the markets in which they're activated and supported by measurable action. Part of being transparent also means adopting clear environmental labeling on our products – enabling consumers to learn how the ingredients in the foods and drinks they consume were grown, prepared and packaged.

Goals & progress

Brands with positive impact goal



Many of our consumer brands leverage their scale and influence to make a positive impact on environmental and societal causes that most align with their purposes.



Pepsi, Lay's, Doritos and Gatorade

PepsiCo brands Pepsi, Lay's, Doritos and Gatorade partnered with UEFA to implement circular economy practices at the 2023 Champions League Finals events. For example, Doritos Nachos were served in returnable trays and Pepsi showcased soccer legends performing tricks with empty Pepsi bottles that ended with bottles in recycling bins. All PepsiCo product packaging at events throughout the Finals were designed to be recyclable.



Marias Gamesa

To address the constant pressure mothers often face, in 2023, Marias Gamesa launched "Being a Mom" and "Story time," two campaigns focused on raising awareness for and supporting the emotional well-being of mothers by giving them a space to tell their authentic stories.



Lay's

Through the Lay's RePlay initiative, Lay's and the UEFA Foundation for Children and Common Goal help create soccer fields from disposed Lay's potato chip bags. Unveiled in the U.S. for the first time in 2023, the Lay's RePlay field in Santa Ana, California provides a community space in a predominantly Hispanic neighborhood and is the sixth field to open in underserved communities around the world.



Gatorade

Gatorade Equity in Sports is a multi-year initiative in North America that aims to help every athlete have equal opportunities to play sports and realize their potential. In 2023, we intensified our efforts to help break down barriers and provide more athletes the opportunity to play through local partnerships and grants, expanding athlete support and reach. To date, Gatorade has contributed \$7 million in grant donations and supported 2,000 nonprofit organizations, benefiting 400,000 athletes.

Explore Positive Choices topics in more depth

PepsiCo's [ESG Topics A-Z](#) provides detail on strategy, data, policy, progress and more on a wide range of subjects.

- [Diversity, equity and inclusion](#) →
- [Food and nutrition security](#) →
- [Nutrition](#) →
- [Philanthropy](#) →
- [Product labeling and claims](#) →
- [Saturated fat](#) →
- [Sodium](#) →
- [Sugar](#) →
- [Sustainable product design](#) →
- [Trans fat](#) →

Our 2023 ESG Performance Metrics

This download contains detailed performance data, tracking progress against our goals over the past three years.

[Download 2023 ESG Performance Metrics](#) →



Learn more about how we're making a difference

[Philanthropy](#) →

[ESG Topics A-Z](#) →

[Downloads](#) →

Positive Choices stories



PepsiCo sets goals to further reduce sodium and deliver more diverse ingredients in convenient foods portfolio

[Learn more →](#)



How an R&D leader is perfecting PepsiCo's food recipes

[Learn more →](#)



PepsiCo's portfolio evolution: Our progress and what's still to come

[Learn more →](#)



PepsiCo and UEFA Unveil a Series of Innovative Sustainable Food & Beverage Practices at the 2023 UEFA Champions League Finals

[Learn more →](#)



Lay's® unveils first Lay's RePlay soccer field in the U.S. made from reused chip bag packaging

[Learn more →](#)



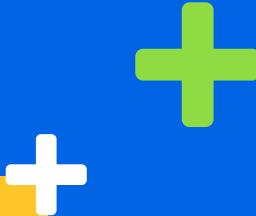
Cheetos® launches world's first fingertip sponsorship with global superstar Becky G to celebrate return of Deja tu Huella campaign

[Learn more →](#)



2023

ESG Performance Metrics

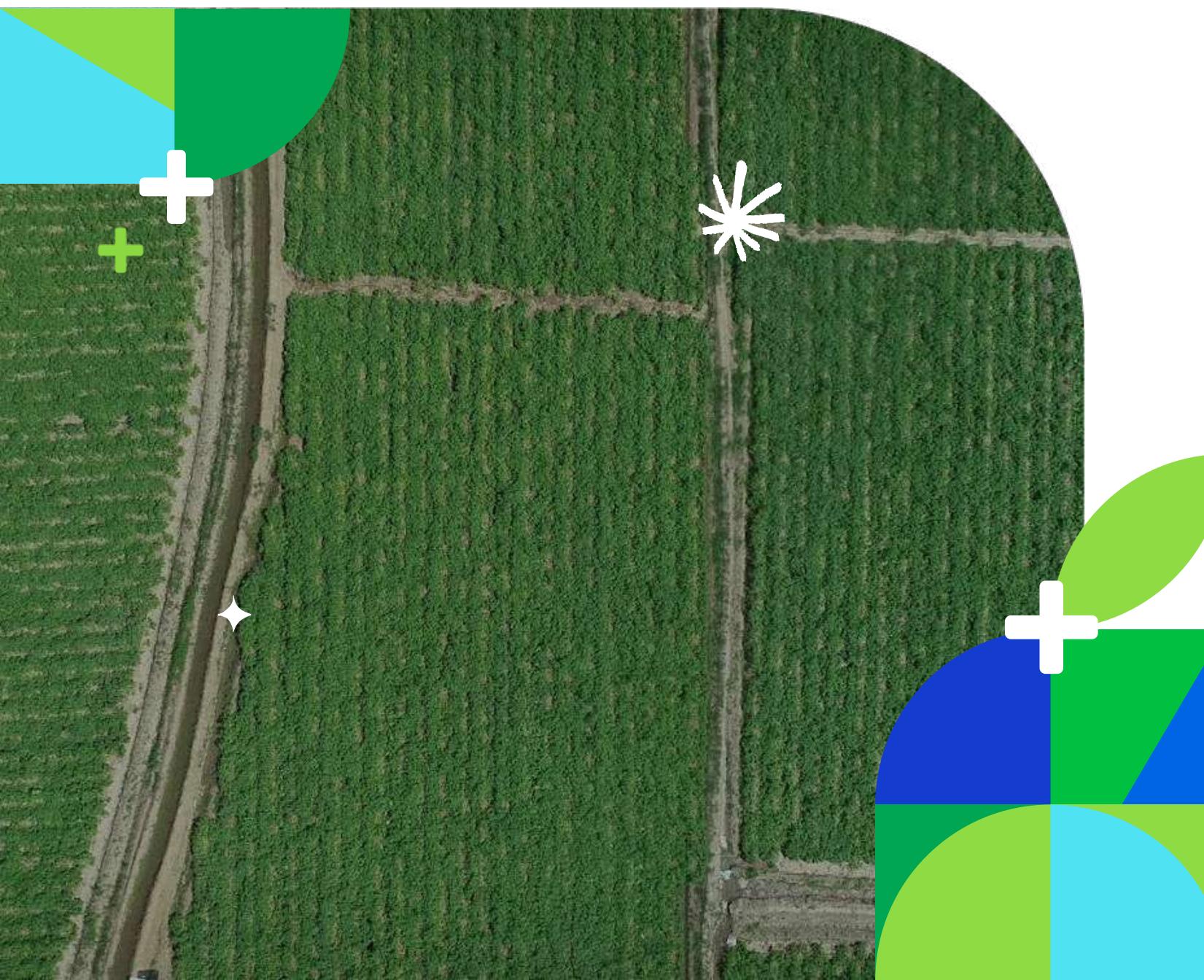


The information within this PDF is accurate as of June 20, 2024. Unless otherwise noted, our sustainability data reflects progress made during the calendar year (ending December 31), whereas our financial reporting corresponds with our fiscal year, which ends on the last Saturday of December.

As a general matter, recent organizational changes (e.g., acquisitions and divestitures) are reflected in our reporting as soon as practical. Unless otherwise noted, goals and progress reflect the impact of our acquisitions of Hangzhou Haomusi Food Co., Ltd. (Be & Cheery), Pioneer Food Group Ltd. (Pioneer Foods), and SodaStream International Ltd. and our divestiture of Tropicana, Naked and other select juice brands (Tropicana).

Organizational changes (e.g., acquisitions, mergers, and divestitures) are evaluated to determine if they have a significant impact on our sustainability performance and, as data becomes available, all reported years for metrics impacted by an organizational change are recast to consistently reflect the impact of the organizational change.

Targets apply to PepsiCo's operations as well as our value chain (e.g., franchise bottlers, joint ventures where PepsiCo has operational control, co-manufacturers, etc.) unless otherwise noted.



Our **Environmental, Social and Governance (ESG) reporting suite** includes multiple resources available online that explain our approach to help build more sustainable food systems.

This document reflects progress against our sustainability goals, as they were structured in 2023.

For detail on how we measure performance against these goals, see [Calculation methodology](#) on ESG Topics A-Z.



Positive Agriculture



Metrics marked with a star signify third-party limited assurance

Target metrics	2030 Target	2023	2022	2021	Comments
Spread the adoption of regenerative agriculture practices across 7 million acres of the land used around the world to grow our crops and ingredients for our products¹	7 million acres	>1.8 million acres	>900,000 acres	>345,000 acres	
Advocate for and contribute to a measurable improvement in the health of high water-risk watersheds where we directly source our crops, including an improvement in water-use efficiency of 15% by 2025 ²	15% (2025 Target)	22%	-%	-%	We regularly review our pep+ goals and consider whether any changes are warranted. As a result of achieving this goal ahead of schedule, we will no longer report on it. But we will continue our work in watershed health through other pep+ goals and remain focused on continuous improvement.
Sustainably source 100% of our key ingredients, expanding to include not only our grower-sourced crops (potatoes, whole corn and oats), but also key crops from third parties, such as vegetable oils and grains³	100%	-58%	~55%	~50%	
Improve the livelihoods of more than 250,000 people in our agricultural supply chain and communities through dedicated programming aiming to support economic prosperity, farm and farm worker security and women's economic empowerment⁴	>250,000 people	>57,000 people	>11,000 people	Goal introduced with the launch of pep+ in 2021.	

1. PepsiCo considers an acre as delivering regenerative impact when the adoption of regenerative agriculture practices results in quantified improvements across at least two of the environmental outcome areas, with a strong preference for removing or reducing GHG emissions to be one impact area. Refer to PepsiCo's [Regenerative Agriculture Practice Bank](#) for a comprehensive listing of practices directly or indirectly linked to the five impact areas. Regenerative acres reported represent the annual count in each year presented based on actions undertaken since 2021.

2. Measured versus a 2015 baseline. This metric tracks the improvement of the water-use efficiency of PepsiCo's direct agricultural supply chain. To focus efforts on implementing sustainable practices, we currently collect and publish agricultural water-use efficiency data at least once every three years. World Resource Institute's Aqueduct water stress assessment tool is used to reconfirm high water-risk areas every three years. Results reflect assessments performed in 2023, 2020 and 2018.

3. For grower-sourced crops, sustainable sourcing refers to meeting the independently verified environmental, social and economic principles of PepsiCo's Sustainable Farming Program (SFP). For supplier-sourced crops, sustainable sourcing is achieved through a third-party standard that has been benchmarked as equivalent to the SFP or, in limited regions, a continuous improvement program addressing the main environmental and social risks with growing the relevant crop. Sustainably sourced volumes are verified by third parties, including Roundtable on Sustainable Palm Oil (RSPO) - certified palm oil and Bonsucro-certified (or equivalent) cane sugar. Certain legal and systemic barriers will challenge us as we strive toward our goal of sustainably sourcing 100% of our key ingredients. For example, certain jurisdictions prohibit farmers from holding legal rights to the land they farm (a component of our sustainable sourcing definition). Our Sustainable Sourcing goal applies to areas where PepsiCo has purchasing control and excludes joint ventures, franchises, co-manufacturers and co-packers and other third parties over which we do not hold purchasing control. Key ingredients are listed in the [Agriculture](#) ESG Topics A-Z page.

4. Metric counts the cumulative people impacted since 2021.



Positive Value Chain: Climate



Metrics marked with a star signify third-party limited assurance

Target metrics	2030 Target	2023	2022	2021	Comments
REDUCE ABSOLUTE GREENHOUSE GAS (GHG) EMISSIONS ACROSS OUR VALUE CHAIN BY MORE THAN 40% BY 2030, INCLUDING A 75% REDUCTION IN EMISSIONS FROM OUR DIRECT OPERATIONS. ACHIEVE NET-ZERO EMISSIONS BY 2040.					
Reduce Scope 1 and 2 emissions by 75% (measured versus a 2015 baseline)	75%	33%	23%	26% ¹	<p>After transitioning our U.S. direct operations to sourcing 100% renewable electricity, including renewable energy credits, in 2020, we set our sights more broadly and by the end of 2023, 40 countries in PepsiCo's operations consumed 100% renewable electricity, including renewable energy credits, for both manufacturing and non-manufacturing facilities.</p> <p> Metric assured since 2006</p>
Reduce Scope 3 emissions by 40% (measured versus a 2015 baseline)	40%	1% ²	(4)% ³	(2)% ³	<p>Delivering our products requires certain key inputs and activities whose emissions we cannot always control or influence. This may contribute to emissions related to the crops that make up our products, the packaging that holds them and parts of the transportation system that delivers them to our customers. We know that turning the tide will take diligence and time, but we are laying the foundation by putting substantial support and investment behind climate action and building resilience in our own operations.</p> <p> Pending 2023 assurance</p>
Reduce total Scope 1, 2 and 3 emissions by more than 40% (measured versus a 2015 baseline)	>40%	4% ²	(1)% ³	0% ³	We continue to review our goals in the context of new developments, including business growth, investments needed to meet the goals and steps necessary to maintain Science Based Target alignment (which advises that targets are reviewed and, if necessary, recalculated and revalidated every five years at a minimum), as well as external developments.

1. In 2023, we remeasured the 2021 reported results to reflect the 2015 baseline that was recalculated following the divestiture of Tropicana

2. In 2023, we continued to enhance our calculation methodology and reflected the inclusion of additional data. Where actual data was not available, estimated data was used

3. In 2023, we further remeasured the 2015 baseline to reflect the divestiture of Tropicana, enhancements in our calculation methodology and the inclusion of additional data. Where actual data was not available, estimated data was used



Metrics marked with a star signify third-party limited assurance



Positive Value Chain: Water

Target metrics	2030 Target	2023	2022	2021	Comments
Improve operational water-use efficiency by 25% in high water-risk areas by 2025¹	25% (2025 Target)	25%	22%	19%	After 2023, we will no longer report on this goal. Instead, our reporting focus will shift to our work to become net water positive, including progress against our aggressive 2030 goals aimed at world-class and best-in-class operational water-use efficiency. Metric assured since 2015
SEEK TO HAVE NET WATER POSITIVE IMPACT BY ACHIEVING:					
Best-in-class water-use efficiency in 100% of high water-risk PepsiCo and third-party manufacturing facilities					
↳ High water-risk beverages facilities (liters/liter) ²	1.2	1.7	1.7	1.8	Metric assured since 2021
↳ High water-risk convenient foods facilities (liters/kg) ³	0.4	2.3	2.4	2.4	Metric assured since 2021
World-class water-use efficiency in all other PepsiCo and third-party manufacturing facilities					
↳ Non high water-risk beverages facilities (liters/liter) ⁴	1.4	1.8	1.7	1.8	2023 results reflect the adverse impact of year-over-year decrease in production output in certain markets. This had the effect of reducing capacity utilization and water-use efficiency as a result. Metric assured since 2021
↳ Non high water-risk convenient foods facilities (liters/kg) ⁵	4.4	5.2	5.3	5.0	Metric assured since 2021

1. Measured versus a 2015 baseline. Goal reflects the exclusion of third-party facilities. Between 2006–2015, water-use efficiency improved by 26% in global legacy operations at the date of target setting. World Resource Institute's Aqueduct water stress assessment tool is used to reconfirm high water-risk areas every three years.

2. Best-in-class water-use efficiency for beverage facilities is defined as 1.2 liters of water (or less) per liter of beverage production. We do not currently capture data from third-party manufacturers and are evaluating how to obtain and include information from our top third-party manufacturers in future calculations. World Resource Institute's Aqueduct water stress assessment tool is used to reconfirm high water-risk areas every three years.

3. Best-in-class water-use efficiency for convenient foods facilities is defined as 0.4 liters of water (or less) per kg of convenient foods production. We do not currently capture data from third-party manufacturers and are evaluating how to obtain and include information from our top third-party manufacturers in future calculations. World Resource Institute's Aqueduct water stress assessment tool is used to reconfirm high water-risk areas every three years.

4. World-class water-use efficiency for beverage facilities is defined as 1.4 liters of water (or less) per liter of beverage production. We do not currently capture data from third-party manufacturers and are evaluating how to obtain and include information from our top third-party manufacturers in future calculations. World Resource Institute's Aqueduct water stress assessment tool is used to reconfirm high water-risk areas every three years.

5. World-class water-use efficiency for convenient foods facilities is defined as 4.4 liters of water (or less) per kg of convenient foods production. We do not currently capture data from third-party manufacturers and are evaluating how to obtain and include information from our top third-party manufacturers in future calculations. World Resource Institute's Aqueduct water stress assessment tool is used to reconfirm high water-risk areas every three years.



Positive Value Chain: Water



Metrics marked with a star signify third-party limited assurance

Target metrics	2030 Target	2023	2022	2021	Comments
SEEK TO HAVE NET WATER POSITIVE IMPACT BY ACHIEVING (CONTINUED):					
Replenishing back into the local watershed more than 100% of the water we use¹	>100%	69% ²	45%	34%	Metric assured since 2021
Continue to adopt the Alliance for Water Stewardship (AWS) Standard in high water-risk manufacturing areas, by 2025, as a vehicle for water advocacy					
Number of high water-risk facilities that have fully adopted the AWS Standard	(2025 Target)	27	8	3	Metric assured since 2022
Number of high water-risk facilities that are in the process of adopting the AWS Standard	(2025 Target)	59	61	31	Metric assured since 2022

1. 2030 goal tracks replenishment tied to company-owned and third-party facilities in high water-risk areas. World Resource Institute's Aqueduct water stress assessment tool is used to reconfirm high water-risk areas every three years. The reported replenishment volumes for company-owned facilities are currently being capped at 100% per location. Once we achieve 100% for each company-owned location, we will start to then report progress of more than 100% replenishment. We do not currently capture data from third-party manufacturers and are evaluating how to obtain and include information from our top third-party manufacturers in future calculations.

2. We continue to measure progress against our original 2025 goal and our extended 2030 goal. World Resource Institute's Aqueduct water stress assessment tool is used to reconfirm high water-risk areas every three years. In 2022, an updated water risk assessment identified additional company-owned high water-risk facilities, which are in-scope for calculating progress against our 2030 goal only. Excluding these additional company-owned facilities water usage, we replenished 82% of water used in high water-risk facilities in 2023, representing progress against our original 2025 goal. See [Calculation methodology](#) on ESG Topics A-Z for additional details.



Metrics marked with a star signify third-party limited assurance



Positive Value Chain: Packaging

Target metrics	2030 Target	2023	2022	2021	Comments
Cut virgin plastic from non-renewable sources per serving across our global beverages and convenient foods portfolio by 50% through: ¹	50%	1%	(2)%	2%	Metric assured since 2021
Scaling new business models that avoid or minimize single-use packaging materials (e.g., models that reuse, refill, prepare at home, utilize concentrates like powders, drops, etc.), with the aim of delivering 20% of all beverage servings we sell through reusable models by 2030 ²	20%	10% ³	10% ⁴	Coal expanded in late 2022 with first year reporting in 2023. Metric not measured in prior years.	Metric assured in 2023
Reducing our absolute tonnage of virgin plastic derived from non-renewable sources by 20%, including by seeking to: ¹	20%	(6)%	(11)%	(5)%	Business growth in certain markets, particularly in markets that do not allow, or have only recently allowed, rPET in food grade packaging, has presented challenges to virgin plastic reduction. Metric assured since 2021
<ul style="list-style-type: none"> - Use market-leading bio-based and renewable materials 					<p>Our actions include:</p> <ul style="list-style-type: none"> • Committing to replace plastic rings with paperboard on beverage multipacks in the U.S. and Canada to reduce the use of non-renewable virgin plastic in our packaging
Achieve our goal of using 50% recycled content in our plastic packaging	50%	10%	7%	6%	Metric assured since 2021

1. Measured versus a 2020 baseline

2. Our total beverage servings account for all beverage sales volume. Reuse models may include, but are not limited to, SodaStream, fountain beverages delivered in reusable containers, returnable glass and plastic bottles, and concentrates and powders sold to consumers

3. Fountain beverages delivered in reusable containers requiring third-party data are not currently measured

4. At the time we announced our new reuse goal, we estimated that approximately 10% of our beverage servings were already in reusable packaging. Fountain beverages delivered in reusable containers requiring third-party data are not currently measured



Positive Value Chain: Packaging



Metrics marked with a star signify third-party limited assurance

Target metrics	2030 Target	2023	2022	2021	Comments
Design 100% of packaging to be recyclable, compostable, biodegradable or reusable by 2025¹	100% (2025 Target)	89%	88%	87%	<p>We currently project that, by 2025, we will have designed 98% of our packaging to be recyclable, compostable, biodegradable or reusable (RCBR) and that 92% of our packaging will be overall RCBR—that is, both designed to be RCBR and RCBR based on availability of end of life solutions.</p> <p> Metric assured since 2021</p>
Invest to increase recycling rates in key markets by 2025	(2025 Target)		<p>Our actions include:</p> <ul style="list-style-type: none"> Partnering with peers to develop and expand recycling infrastructure for flex films Continuing to educate and encourage consumers to recycle Continuing to increase and improve recycling infrastructure and building solutions for current and future material streams through partnerships 		<p>See Packaging and Packaging partnerships and engagement for more information about our efforts to improve access to recycling.</p>

1. PepsiCo considers packaging to be recyclable, compostable, biodegradable or reusable (RCBR) if certain end-of-life waste management criteria is achieved. See [Calculation methodology](#) on ESG Topics A-Z for an explanation of how we calculate the percentage of our packaging that is RCBR



Positive Value Chain: People



Metrics marked with a star signify third-party limited assurance

Target metrics	2030 Target	2023	2022	2021	Comments
PROVIDE MEANINGFUL JOB AND GROWTH OPPORTUNITIES SO THAT OUR PEOPLE ARE BETTER POSITIONED TO MAKE POSITIVE IMPACTS AT WORK, AT HOME AND IN THEIR LOCAL COMMUNITIES.					
Increase the employability of our people through increased access to degrees, skill development and new roles, providing meaningful growth opportunities to everyone at every stage		<p>Our actions include:</p> <ul style="list-style-type: none"> Continuing to provide fulfilling growth opportunities and career advancement programs through a variety of programs such as PEP U Degreed. In 2023, employees completed more than 1.5 million hours of learning Supporting our associates through our internal talent marketplace myDevelopment. In 2023, more than 300 associates were assigned and took part in short-term projects or new opportunities Continuing to offer tuition-free opportunities for all U.S. employees to acquire new skills or refine existing ones through myEducation. In 2023, more than 450 employees completed a degree or program 			See additional information within our Employee learning and development page in ESG Topics A-Z.
Empower our associates with the resources and time needed to build and cultivate prosperity in our communities		<p>Our actions include:</p> <ul style="list-style-type: none"> Expanding the One Smile at a Time program to more than 50 countries around the world, doubling country count compared to prior year and increasing the number of volunteer events within our communities Embedding volunteerism into programming throughout 2023, including Global Volunteer Month in April and PepsiCo Gives Back Month in October which totaled to more than 85,000 volunteer hours during these two months alone. In 2023, employees donated more than 163,000 hours in volunteering actions around the world 			See additional information within our Philanthropy page in ESG Topics A-Z.



Positive Value Chain: People



Metrics marked with a star signify third-party limited assurance

Target metrics	2030 Target	2023	2022	2021	Comments
ADVANCE EQUALITY, INCLUSIVITY AND HUMAN RIGHTS FOR OUR PEOPLE, ACROSS OUR COMMUNITIES, SO THAT TOGETHER WE CAN ENVISION A BETTER WORKPLACE AND WORLD BY:					
Continue to make measurable progress against our Racial Equality Journey goals in the U.S.					
Achieve 10% Black representation in U.S. managerial populations ¹	10% (2025 Target)	9.2%	9.0%	8.3%	
Achieve 10% Hispanic representation in U.S. managerial populations ¹	10% (2025 Target)	10.3%	10.1%	9.5%	
Continue to help address inequalities for historically marginalized people and underserved businesses and communities <p>Our actions include:</p> <ul style="list-style-type: none"> Continuing to increase our engagement and programs at colleges and universities to cultivate and increase hiring of underserved talent Continuing to tailor our tools, resources and skill-building programs to elevate business impact, while ensuring DEI is embedded across the talent lifecycle as we strive for equitable outcomes Continuing to expand our diverse supplier base across our value chain, and investing in diverse-owned businesses by providing business-building support services Continuing to benchmark ourselves across industry peers to ensure our continual progress <p>See additional information within our Diversity, equity and inclusion, Supplier diversity and Employee recruitment pages in ESG Topics A-Z.</p>					
Achieve and sustain 50% women in management roles	50% (2025 Target)	45%	44%	43%	
Achieve and sustain pay equity for our global professional population by maintaining a comprehensive global pay equity review process ²	Women and men continue to be paid within 1% of each other³				
Extend the principles of our Supplier Code of Conduct to all of our franchisees and joint ventures by 2025	(2025 Target)	<p>Our objectives include:</p> <ul style="list-style-type: none"> Engaging with our franchisee and joint venture partners on our human rights agenda and priorities <p>See additional information within our Human rights and Sustainable sourcing pages in our ESG Topics A-Z.</p>			

1. To reflect workforce availability of the communities where we operate

2. After controlling for legitimate drivers of pay such as job level, geographic location, and performance ratings; based on base compensation

3. Based on pay equity program implemented in 71 countries that collectively made up more than 99% of our salaried employee population in 2023, 72 countries included in 2021 and 2022 analysis, representing more than 99% of salaried population



Positive Value Chain: People



Metrics marked with a star signify third-party limited assurance

Target metrics	2030 Target	2023	2022	2021	Comments
ADVANCE EQUALITY, INCLUSIVITY AND HUMAN RIGHTS FOR OUR PEOPLE, ACROSS OUR COMMUNITIES, SO THAT TOGETHER WE CAN ENVISION A BETTER WORKPLACE AND WORLD BY (CONTINUED):					
Promote fair and safe working conditions by advancing respect for human rights		Our actions include: <ul style="list-style-type: none"> Sponsoring a child and forced labor prevention initiative through AIM-Progress, providing deep dive training and child labor remediation guidance to more than 600 U.S. supply chain partners Sponsoring the Ganapati Initiative through AIM-Progress to build responsible recruitment capacity for suppliers in Thailand and Malaysia Collaborating with peers to help address shared issues and catalyze industry action where possible 			For more information on our salient issues, please see the dedicated webpages on our Human rights webpage.
Continue to strive for an injury-free work environment¹		0.48	0.46 ²	0.51 ³	Metric assured since 2015
Reach 100 million people with safe water access⁴	100 million	>91 million	>80 million	>68 million	
Partner with communities to advance food security and make nutritious food accessible to 50 million people⁵	50 million	>61 million	>58 million	>54 million	

1. Results reflect lost time incidents per 200,000 hours worked

2. Results reflect the exclusion of SodaStream

3. Results reflect the exclusion of SodaStream and Pioneer Foods

4. Metric counts the cumulative number of people provided with access to safe water since 2006

5. Results represent the cumulative sum of people reached with nutritious meals per annual reporting period through programs funded by the PepsiCo Foundation, as well as through commercial efforts that are intended to provide nutritious meals. Initial target setting for this metric did not include Pioneer Foods, which delivered accessibility to more than 20 million people in each reported year. The target will be reassessed in the future to fully account for both commercial and charitable efforts. See [Calculation methodology](#) in our ESG Topics A-Z for further explanation of how we calculate this goal



Positive Choices: Expanded portfolio offerings



Metrics marked with a star signify third-party limited assurance

Target metrics	2030 Target	2023	2022	2021	Comments
CONTINUE TO INSPIRE POSITIVE CHOICES BY RAISING THE BAR TO IMPROVE THE NUTRITIONAL PROFILE OF OUR PRODUCTS.					
Reduce added sugars: ≥ 67% of beverage portfolio volume will have ≤100 Calories from added sugars per 12 oz. serving¹	≥67% (2025 Target)	62% ²	56% ³	53% ⁴	Metric assured since 2016
Reduce sodium: ≥ 75% of convenient foods portfolio volume will not exceed 1.3 milligrams of sodium per Calorie⁵	≥75% (2025 Target)	72% ²	68% ³	66% ⁴	Metric assured since 2016
Reduce sodium: ≥ 75% of global convenient foods portfolio volume will meet or be below category sodium targets by 2030⁶	≥75%	36% ⁷	Goal introduced in 2023. Metric not measured in prior years.		In 2023, we launched a new goal to reduce sodium further in our global convenient foods portfolio, considering the latest guidance from public health authorities. The category targets are approximately 15-30% lower than the company's current target for key convenient food categories. Metric assured in 2023
Reduce saturated fats: ≥ 75% of convenient foods portfolio volume will not exceed 1.1 grams of saturated fat per 100 Calories⁵	≥75% (2025 target)	77% ²	75% ³	75% ⁴	We have met or exceeded our 2025 target each year since 2021 – but we recognize that our work isn't done. We will need to continue working to find solutions to maintain the nutritional composition of our convenient foods. Metric assured since 2016
Increase diverse ingredients: Use more diverse ingredients such as legumes, whole grains, plant-based proteins, fruits and vegetables and nuts and seeds to deliver 145 billion portions of diverse ingredients annually in global convenient foods portfolio by 2030⁵	145 billion portions	75 billion portions ⁷	Goal introduced in 2023. Metric not measured in prior years.		Our goal is to ensure each portion will provide approximately 10% of the suggested daily amount of a diverse ingredient. ⁸ Metric assured in 2023

1. Our global results are based on our Top 26 beverage markets

2. As of 2023, our Top 26 beverage markets represented 78% of our global beverages portfolio volume and our Top 23 convenient foods markets represented 86% of our global convenient foods portfolio volume. Results reflect the exclusion of Be & Cheery portfolio

3. As of 2022, our Top 26 beverage markets represented 78% of our global beverages portfolio volume and our Top 23 convenient foods markets represented 86% of our global convenient foods portfolio volume. Results reflect the exclusion of Be & Cheery portfolio

4. As of 2021, our Top 26 beverage markets represented 79% of our global beverages portfolio volume and our Top 23 convenient foods markets represented 86% of our global convenient foods portfolio volume. Results reflect the exclusion of Be & Cheery portfolio

5. Our global results are based on our Top 23 convenient foods markets

6. Our global results are based on our Top 23 convenient foods markets. Refer to the [Sodium](#) ESG A-Z topics page for complete list of food categories

7. As of 2023, our Top 23 convenient foods markets represented 84% of our global convenient foods portfolio volume. Results reflect the exclusion of Be & Cheery portfolio and the exclusion of dairy and baby food categories in Russia and Ukraine

8. Based on published dietary guidelines for select countries, WHO Healthy Diet Fact Sheet and Eat Lancet Planetary Healthy Diet report



Positive Choices: Brands with positive impact



Metrics marked with a star signify third-party limited assurance

Target metrics	2030 Target	2023	2022	2021	Comments
<p>Leverage our scaled brands to embody and amplify positive outcomes for the planet and people, including empowering consumers with transparent environmental labeling on our key products</p>					<p>Our actions include:</p> <ul style="list-style-type: none"> Updating the labeling for our beverage portfolio in the U.S. and Canada to include a recycling call to action, "Refresh then recycle" Continuing to drive positive outcomes through our brands globally, with initiatives activated locally staying true to the challenges and opportunities in each of the markets

**Read the PepsiCo 2023
ESG Summary [here](#).**

This PepsiCo, Inc. 2023 ESG Summary contains statements reflecting our views about our future performance that constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are generally identified through the inclusion of words such as "aim," "anticipate," "believe," "drive," "estimate," "expect," "goal," "intend," "may," "plan," "project," "strategy," "strive," "target" and "will" or similar statements or variations of such terms and other similar expressions. Forward-looking statements inherently involve risks and uncertainties. For information on certain factors that could cause actual events or results to differ materially from our expectations, please see PepsiCo's filings with the Securities and Exchange Commission, including its most recent annual report on Form 10-K and subsequent reports on Forms 10-Q and 8-K. Investors are cautioned not to place undue reliance on any such forward-looking statements, which speak only as of the date they are made. PepsiCo undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.