

Our ESG approach



About PepsiCo

Our vision is to Be the Global Leader in Beverages and Convenient Foods by Winning with PepsiCo Positive (pep+).

pep+ is our strategic end-to-end transformation that puts sustainability and human capital at the center of how we will create value and growth.



pep+ pillars

We're charting a new course to drive positive action for the planet and people. A better food system means better outcomes for the earth, and all of us.

By becoming better ourselves, we can help build a stronger, more sustainable future for us all. pep+ will guide our business – how we operate within planetary boundaries and inspire positive change for the planet and people.

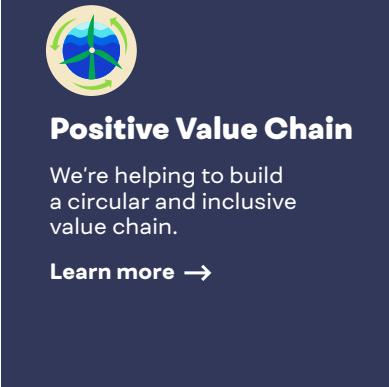
We're evolving how we source our ingredients and make and sell our products, and how we inspire people through our brands.



Positive Agriculture

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

[Learn more →](#)



Positive Value Chain

We're helping to build a circular and inclusive value chain.

[Learn more →](#)



Positive Choices

We're inspiring people through our brands to make choices that create more smiles for them and the planet.

[Learn more →](#)



Our value chain

Across our value chain, PepsiCo is using our global reach and expertise to drive solutions at scale.

PepsiCo's sustainability strategy targets every stage of our complex value chain to use resources more efficiently, reduce greenhouse gas (GHG) emissions, replenish water, improve our products and recapture packaging materials.

Investments in our circular and inclusive value chain will help accelerate the systemic change needed to address major global challenges.



1 Agricultural Sourcing

PepsiCo sources crops from more than 30 countries and supports more than 100,000 jobs throughout our agricultural supply chain. The standards we apply and promote can help improve the environmental, social and economic health of agricultural communities around the world.

2 R&D and Manufacturing

We spent >\$750 million on R&D in 2021 as part of our continued investment in developing quality and innovative beverages and convenient foods. Our 294 manufacturing facilities bring together innovators and operations teams who work to use water, energy and ingredients efficiently to create our beverages and convenient foods. In 2021, we produced more than 90 million metric tons of beverages and convenient foods.

3 Distribution

PepsiCo products are sold in over 200 countries and territories. In 2021, our company-owned fleet traveled approximately 1.2 billion miles worldwide to bring PepsiCo products to customers. We are working to reduce the impact of those miles by continuing to adopt more efficient vehicles and practices.

4 Consumption

PepsiCo products are enjoyed by consumers more than 1 billion times a day. We're responding to changing consumer preferences by transforming our product portfolio and reformulating many of our beverages and convenient foods to 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 by driving the shift from a linear economy to a circular economy. We continue to grow our portfolio of Beyond the Bottle offerings, innovate to develop sustainable packaging and work to improve recycling infrastructure.

Our sustainability journey

In 2006, PepsiCo started on a journey to transform the way we do business so that we can deliver strong financial returns in a way that is responsive to the needs of the world around us.



2006

Launch of Performance with Purpose, integrating sustainability into our daily business operations



2009

Naked Juice first U.S. brand to transition to 100% rPET bottles



2010

Our first all-electric delivery trucks hit the road



2012

PepsiCo wins prestigious Stockholm Industry Water Award



2013

Sustainable Farming Program (SFP) launches; as of 2021, more than 90% of grower-sourced crops are sustainably sourced worldwide through SFP



2017

1st demonstration farm opens in India; in 2021, 72 farms are testing and sharing best practices around the world



2018

PepsiCo acquires SodaStream, #1 sparkling water brand in the world by volume, with the potential to avoid 200 billion single-use plastic bottles by 2030



2019

PepsiCo receives Climate Leadership Award



2020

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



2020

PepsiCo exceeds safe water access goal 5 years early, delivering access to safe water to more than 55 million people to date since 2006



2021

PepsiCo announces a 2030 goal to spread regenerative agriculture practices across 7 million acres, estimated to eliminate at least 3 million tons of GHGs



2021

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



2021

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



2021

pep+ (PepsiCo Positive) is introduced



2021

PepsiCo is recognized with the inaugural Terra Carta Seal awarded by His Royal Highness The Prince of Wales and Sustainable Markets Initiative for demonstrating commitment to, and driving momentum towards, the creation of genuinely sustainable markets

Governance

We believe strong governance is the foundation for delivering on our pep+ (PepsiCo Positive) agenda. At PepsiCo, our ESG approach is integrated into, not separate from, our business.

In governing using this approach, we maintain a similarly integrated structure that combines Board and senior leadership oversight with the subject-matter and localized expertise that informs our strategy and how we execute it.

The full Board considers ESG issues to be an integral part of its business strategy oversight. To this end, our Sustainability, Diversity and Public Policy Committee assists the Board in providing more focused oversight of key sustainability, diversity, equity and inclusion and public policy matters. This Committee is comprised entirely of independent directors and reflects a mix of public policy, risk, international and science-related skills, qualifications and experience.

Strategy and progress against our pep+ goals are regularly reviewed during meetings of an Executive Committee sub-committee composed of members of our senior leadership management team and also reviewed as part of the expanded Executive Committee agenda. This provides opportunities for our senior leadership to align on major strategic issues relating to ESG.

PepsiCo's Global Sustainability Office, led by the company's Chief Sustainability Officer with Sustainability teams in each sector, drives governance and delivery of the company's sustainability agenda across the value chain. Serving as the central connection point, the Sustainability Office works closely with leaders from across the business to drive continued progress against our pep+ agenda and ensure that ESG is embedded into our long-term strategic planning.

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

Our reporting strategy

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

Understanding that stakeholder needs differ, we publish a suite of reporting elements, targeted at different stakeholder groups. We combine disclosure of strategy, policy, data and case studies, according to our understanding of stakeholder interest. Our reporting suite comprises:

- **This ESG Summary:** An evolution from our prior [Sustainability Report](#), our digital ESG Summary provides a high level overview of our pep+ agenda and progress made during the year. It aims to demonstrate the integration between ESG and our business, and is designed to link seamlessly with [ESG Topics A-Z](#) for more detail and the latest updates. Users can also use the 'Report Builder' functionality to download a version tailored to their interests.
- **ESG Performance Metrics:** Time-series data for our key sustainability goals, intended to support ESG analysis, primarily for financial stakeholders, ESG raters and NGOs.
- **Indices and framework responses and other topic-specific disclosures:** These map our reporting to specific metrics established by key reporting frameworks including the [Global Reporting Initiative \(GRI\)](#), the [Sustainable Accounting Standards Board \(SASB\)](#), the [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 Reports](#).
- **ESG Topics A-Z:** An evergreen deep-dive on around 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.

We are constantly evaluating our goals and progress, assessing the technical and regulatory challenges we face in achieving our ambitious objectives, and innovating new ways to keep moving forward. As frameworks and regulations continue to expand in the U.S., Europe and beyond, and as we encounter new challenges and opportunities, our commitment to transparency in reporting our strategy, goals, initiatives and progress on ESG topics will remain steadfast.

Learn more about how we are making a difference.

[Goals and progress →](#)

[Philanthropy →](#)

[ESG Topics A-Z →](#)

[Downloads →](#)

Positive Value Chain: Climate

Our world is already feeling the effects of climate change and faster, bolder action is needed. Reducing greenhouse gas (GHG) emissions will benefit society and it's also crucial to the viability of our business, as we are experiencing the impacts of climate change directly within our own value chain.

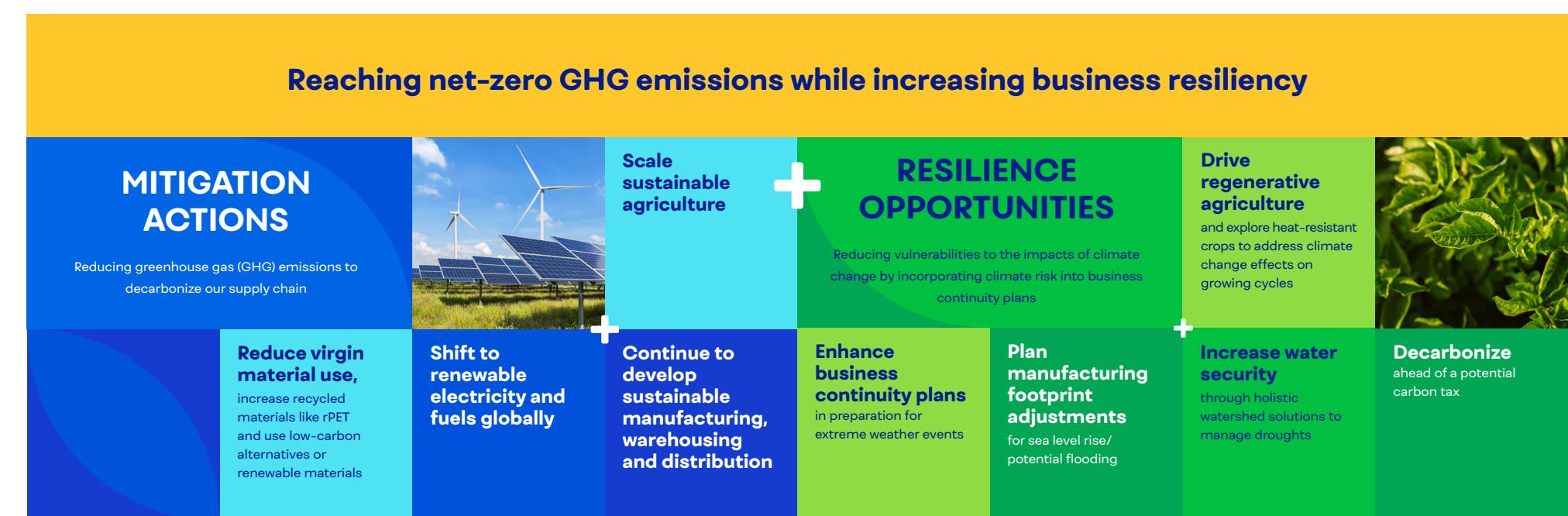
Urgent action is needed to decouple economic growth from carbon emissions. The increasingly severe impacts of climate change are affecting the quantity and quality of agricultural raw materials for our products, creating weather patterns and events that affect the operation of our facilities and supply chain and limiting the availability and quality of water.

To achieve the level of decarbonization that the world needs to avert the worst impacts of climate change will require action at every level. At PepsiCo, we're striving to achieve net-zero emissions by 2040, a decade earlier than called for in the Paris Agreement and we've set an ambitious interim goal for reducing absolute emissions across our value chain by more than 40% by 2030, including a reduction of 75% in Scope 1 and 2 emissions (2015 baseline). These goals will not only have meaningful impact in themselves, but will also drive greater scale for systems like renewable energy and regenerative agriculture, which must become standard in our industry.



Our climate action strategy

Reaching net-zero GHG emissions while increasing business resiliency



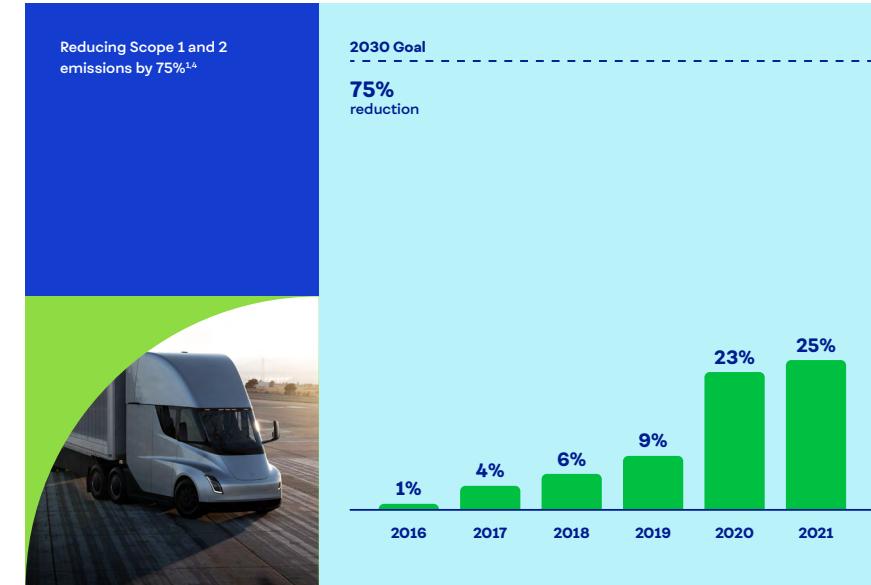
Goals & progress

Achieve net-zero emissions across our value chain by 2040

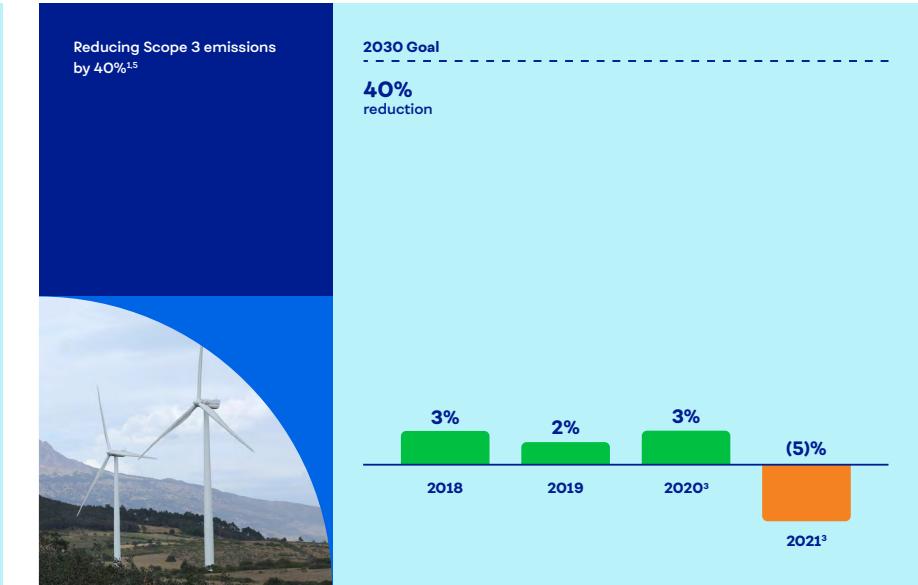
GHG emissions reduction goal



Scope 1 and 2 emissions reduction goal



Scope 3 emissions reduction goal



¹ Measured versus a 2015 baseline.

² Where 2021 actual data was not available, estimated 2021 data was used. Goal timeline extended to 2030. Goal ambition increased from 20% to more than 40% reduction. 2021 Scope 3 progress impacted by increased packaging use, transportation, third-party manufacturing and other purchased goods due to business growth.

³ Results reflect the exclusion of Be & Cheery and certain Scope 3 emissions for other acquisitions where data is not available.

⁴ Goal timeline extended to 2030. Goal ambition increased from 20% to 75% reduction.

⁵ Where 2021 actual data was not available, estimated 2021 data was used. Goal timeline extended to 2030. Goal ambition increased from 20% to 40% reduction. 2021 Scope 3 progress impacted by increased packaging use, transportation, third-party manufacturing and other purchased goods due to business growth.

Approach

Our climate action strategy is focused on mitigation to reduce GHG emissions and decarbonize our supply chain, and resilience to reduce the vulnerability of our supply chain to climate change-related impacts.

Informed by science, we target areas where our investments can have the greatest impact, while creating scalable models and partnerships to accelerate progress across the full value chain.

On our journey to achieve our overarching goal of net-zero emissions by 2040, we're working to reduce absolute GHG emissions by more than 40% across our entire value chain by 2030. Our emissions target aligns to the [Business Ambition for 1.5°C pledge](#) and has been approved by the Science Based Targets initiative.

To reach these ambitious goals, we're transforming how we operate across our entire value chain.

We're planning to transition to 100% renewable electricity through a diversified portfolio of options across all our company-owned and controlled operations globally by 2030 and across our entire franchise operations by 2040.

We are investing in zero- and near-zero emission delivery vehicles for our company-owned fleets and partnering with others to support decarbonization of the broader transport industry. We are improving energy-use efficiency and working to scale renewable fuel solutions at our manufacturing facilities.



PepsiCo is proud to be among the companies that are putting substantial investment behind climate action. We issued a Green Bond in 2019, one of the first food and beverage corporations to do so, and as of the end of 2020, \$858 million of the net proceeds had been allocated to investments that can make a lasting impact on our sustainability goals in packaging, decarbonization and water.

We're working to scale regenerative agriculture practices that reduce emissions and sequester CO₂ across the equivalent of our 7 million acre global agricultural footprint, through efforts like our [demonstration farm program](#).

We're investing in research and development of bio-based materials, increasing recycled content in our packaging (targeting 50% across our plastic packaging by 2030) and working with peers, policymakers and innovators to develop recycling infrastructure, while advocating for smart policies and engaging consumers in our vision that [packaging never becomes waste](#).

These global challenges will require partnership and collaboration among many companies and organizations, as well as international cooperation. We are actively engaged in and seeking out partnerships that help us further our goals.

Explore these topics in more depth

PepsiCo's ESG Topics A-Z resource provides detail on strategy, data, policy, progress and more on a wide range of subjects. Click on the climate-related links below.

[Climate change →](#)

[Renewable energy →](#)

[Fleet efficiency →](#)

¹ Total renewable electricity as a percentage of total electricity associated with manufacturing & warehouse operations, fleet operations, offices and distribution centers.

² This metric is ranked by the EPA Green Power Partnership.



pep+ pillars

Positive Choices

We're inspiring people through our brands to make choices that create more smiles for them and the planet.

At PepsiCo, we're making it easier for consumers to choose great-tasting beverages and convenient foods that are better for themselves and better for the planet.

We can have a positive influence on the diets of people around the world by providing delicious products that deliver important nutrients across food groups, and are trusted to meet high safety and quality standards.

We currently offer food products with whole grains, nuts, seeds, fruits and vegetables as well as complementary beverage options like water and unsweetened tea, which support hydration without adding calories. Nutritious offerings are vital to our business, and we're continuously renovating and expanding our portfolio to provide consumers with great-tasting products that provide positive ingredients.

While we're improving the nutritional profile of many of our products by reducing added sugars, sodium and saturated fat, we are also investing in innovation to deliver important food groups and nutrients to encourage a balanced diet, accelerating a journey we began decades ago.

We're rethinking packaging serving sizes, developing innovative packaging solutions to reduce our carbon footprint and avoid waste, working to provide simple, clear information on our packaging and exploring ways to empower consumers with transparent environmental labeling on our key products by 2030.

Our most iconic brands are leading the way to drive positive change, leveraging their scale and global popularity to inspire people to make positive choices for our communities and our planet.

Positive Choices: Planet + people brands

We're using the scale of our iconic, globally recognized brands to inspire people to make positive choices for our communities and planet.

At PepsiCo, we recognize that our brands connect with consumers and can have a positive impact on the choices they make. More and more people today are purchasing with purpose, expecting that corporations be accountable for the role and impact they have on the planet.

Data shows that [more than half](#) of consumers expect brands to have strong purpose and give back to society, and when consumers think a brand has a strong purpose, they are [4.5 times more likely](#) to champion the company and recommend it to friends and family.

Against that backdrop, our powerful brands are taking action – imagining and implementing steps toward a better future while aiming to deliver the Positive Choices our consumers want and amplify positive outcomes. This includes efforts to drive greater recycling, educating people about the planetary impacts of their buying choices and empowering consumers with transparent environmental labeling on our key products.



Our good partnerships



ELLEN MACARTHUR FOUNDATION



The Nature Conservancy



SB[®] SUSTAINABLE BRANDS

Goals & progress

Planet + People Brands goal

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

Goal introduced with the launch of pep+ in 2021. We are in the process of establishing our reporting methodology for this metric.



Our consumer brands have joined the pep+ planet + people agenda, launching initiatives around the environmental and societal causes where they can have the biggest impact:

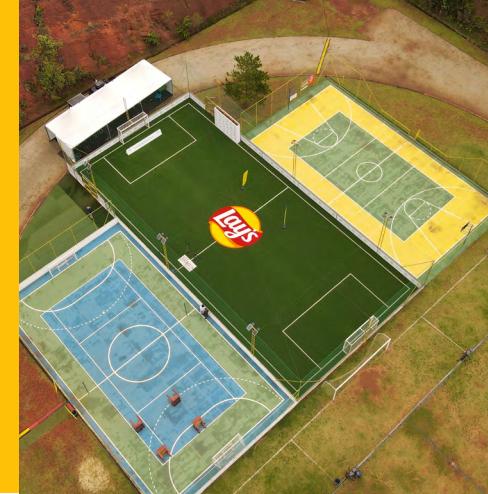
Pepsi

Pepsi educates consumers on the benefits of recycling (through Trash Talk activation with the NFL) and supported Black-owned and Hispanic-owned restaurants in the U.S. during the pandemic.



Lay's

Lay's supports female farmers in Egypt, Peru and Uganda and celebrates the local origin of our potatoes in our key markets, including the U.S., Mexico, Turkey and Brazil. In addition, Lay's RePlay initiative, in partnership with the UEFA Foundation for children and streetfootballworld, reuses empty chip packs to help create sustainable football pitches, uniting communities around the world through the power of football.



Quaker

Quaker is expanding their Qrece program in Latin America, a program with the PepsiCo Foundation, CARE and Un Kilo de Ayuda, which addresses the basic needs of malnourished children, beginning with a healthy meal and ending with the ingredients for a promising, fulfilling future.



Doritos

Doritos supports the LGBTQ+ community across Latin America with the ambition of promoting diversity, equality and respect by continuing the Doritos Rainbows initiative. In the U.S., Doritos promotes Solid Black, an initiative that amplifies bold Black voices of strength and resilience and aims to empower and give young Black people a positive platform to showcase their identity.



Approach

At PepsiCo, we are listening to consumers and taking the initiative to be more purposeful wherever we can. We're thinking about where ingredients are sourced and by whom, how much water and energy is used to make our products, how we can be more efficient and sustainable with our packaging solutions, and how our brands show up for their communities.

We know we don't have all the answers on this journey. Partnership is the key to progress, bringing expertise, complementing our capabilities and increasing trust and credibility. We're engaging with key partners with shared ambitions, including the Ellen MacArthur Foundation, The Nature Conservancy, World Wildlife Fund and Sustainable Brands.

We are working to develop industry-wide environmental labeling standards that let consumers know that buying a particular product will help build a more sustainable food system – from the way the ingredients were grown, to the way it was made, to the way it was designed to be consumed.

We're proud that our brands are leading the charge to become sustainability leaders, from Pepsi-branded products in 11 European markets transitioning to 100% rPET bottles by the end of 2022 (which is expected to eliminate over 70,000 tonnes of conventional virgin plastic per year and reduce GHG emissions per bottle by roughly 30%) to the effort of Frito-Lay's Off The Eaten Path to reduce GHG emissions by offering commercially compostable packaging made with 85% plant-based materials.

Explore these topics in more depth

PepsiCo's ESG Topics A-Z resource provides detail on strategy, data, policy, progress and more on a wide range of subjects. Click on the planet + people-related links below.

[Philanthropy →](#)

[Diversity, equity and inclusion →](#)

[Sustainable product design →](#)

[Read our latest sustainability and community impact stories →](#)



PEPSICO

2021 ESG Performance Metrics

The information within this PDF is as of June 28, 2022.

As a general matter, recent organizational changes (e.g., acquisitions and divestitures) are reflected in our reporting as soon as data becomes available, at which point, previously reported impacted metrics that are deemed significant are recast to consistently reflect the impact of the organizational changes.

Unless otherwise noted, information available with respect to our acquisitions of Hangzhou Haomusi Food Co., Ltd. (Be & Cheery), BFY Brands, Inc. (BFY), Pioneer Food Group Ltd. (Pioneer Foods), Rockstar Energy Beverages (Rockstar) and SodaStream International Ltd. (SodaStream) is included herein.

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 Sustainability Reporting Suite includes multiple resources available online that explain our approach to help build a more sustainable food system. This document reflects progress against our sustainability goals, as they were structured in 2021. For detail on how we measure performance against these goals, see the [Calculation Methodology on ESG Topics A-Z](#).

About our evolving ambitions

The introduction of pep+ (PepsiCo Positive) in 2021 gave PepsiCo the opportunity to re-evaluate its sustainability goals. For some of these, we made the decision – based on our latest understanding of needs and opportunities – to extend the scope and/or level of ambition. In most of these cases, we are now striving to achieve results by 2030 in line with our broader pep+ agenda.

We have also introduced 17 new goals that align with our pep+ vision to operate within planetary boundaries and inspire positive change for the planet and people.

Throughout this ESG Performance Metrics Sheet, we have indicated these new and evolved goals with the symbols indicated in the key below. Detail on specific goals is provided in the "Comments" column throughout.



POSITIVE AGRICULTURE



+ New goal introduced
↔ Expanded scope and/or timeline

★ 3rd-party limited assurance

Target Metrics	Status	2030 Target	2021	2020	2019	2018	2017	2016	Comments
Spread the adoption of regenerative agriculture practices across 7 million acres, approximately equal to 100% of the land used around the world to grow our crops and ingredients for our products	+	7 million acres	>345,000 acres ¹						Regenerative acres demonstrate measured improvement in sequestering carbon to reduce GHG emissions AND at least one other of the following: improved soil health, improved watershed health, improved biodiversity or improved livelihoods.
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 2025²		15% (2025 Target)	-% ³	14% ⁴	-% ³	3% ⁴	-% ³	-% ³	To focus efforts on implementing sustainable practices, we currently intend to collect and publish agricultural water-use efficiency data at least every three years. High water-risk locations defined by WRI's Aqueduct tool.
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 grains^{5,6}	↔	100%	~50%						Percentage of volume sustainably sourced and verified by third parties, including volume of certified sustainable palm oil meeting Roundtable on Sustainable Palm Oil (RSPO) standard and volume of certified sustainable cane sugar meeting Bonsucro or equivalent standard.
Improve the livelihoods of more than 250,000 people in our agricultural supply chain and communities, including by economically empowering women	+	>250,000 people							Goal introduced with the launch of pep+ in 2021. Progress reporting for this metric is in process.

¹ Regenerative acres reported for 2021 include U.S. and Canada only

² 15% improvement goal measured versus a 2015 baseline. The metric was previously reported in our Water section.

³ Data for this time period not available, as we measure this metric at least every three years

⁴ Results reflect the exclusion of Pioneer Foods, BFY and Be & Cheery

pepsico.com/our-impact/sustainability/sustainability-report • pepsico.com/our-impact/esg-topics-a-z

⁵ 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.

⁶ Cane sugar: Results reflect the exclusion of SodaStream and Pioneer Foods



POSITIVE VALUE CHAIN: CLIMATE



New goal introduced
 Expanded scope and/or timeline

3rd-party limited assurance

Target Metrics	Status	2030 Target	2021	2020	2019	2018	2017	2016	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.								For more information, visit the Climate Change page on ESG Topics A-Z .	
Reducing Scope 1 and 2 emissions by 75%¹		75%	25%	23%	9%	6%	4%	1%	Goal timeline extended to 2030. Goal ambition increased from 20% to 75% reduction.
Reducing Scope 3 emissions by 40%^{1,2}		40%	(5)%³	3% ³	2%	3%	- ⁴	- ⁴	Goal timeline extended to 2030. Goal ambition increased from 20% to 40% reduction. 2021 Scope 3 progress impacted by increased packaging use, transportation, third-party manufacturing and other purchased goods due to business growth.
Reducing total Scope 1, 2 & 3 emissions by more than 40%^{1,2}		>40%	(2)%³	5% ³	2%	3%	- ⁴	- ⁴	Goal timeline extended to 2030. Goal ambition increased from 20% to more than 40% reduction. 2021 Scope 3 progress impacted by increased packaging use, transportation, third-party manufacturing and other purchased goods due to business growth.

¹ Measured versus a 2015 baseline

² Where 2021 actual data was not available, estimated 2021 data was used

³ Results reflect the exclusion of Be & Cheery and certain Scope 3 emissions for other acquisitions where data is not available

⁴ Scope 3 data for this time period is not available



POSITIVE VALUE CHAIN: WATER



New goal introduced
 3rd-party limited assurance
 Expanded scope and/or timeline

Target Metrics	Status	2030 Target	2021	2020	2019	2018	2017	2016	Comments
Improve operational water-use efficiency by 25% in high water-risk areas by 2025 ^{1,2}		25% (2025 Target)	18%	15%	9%	4%	2%	1%	Between 2006–2015, water-use efficiency improved by 26% in global legacy operations.
Ensure we have net water positive impact by achieving:									
Best-in-class water-use efficiency in 100% of high water-risk manufacturing sites, PepsiCo and third-party facilities ³ (for PepsiCo facilities, this equates to more than 50% reduction in absolute water use from 2015 baseline year)									
High water-risk beverages sites (liters/liter) ²	 	1.2	1.8		Goal introduced with the launch of pep+ in 2021. Metric not reported in prior years.				
High water-risk convenient foods sites (liters/kg) ²	 	0.4	2.4		Goal introduced with the launch of pep+ in 2021. Metric not reported in prior years.				
World-class water-use efficiency in all other manufacturing sites, PepsiCo and third-party facilities ³									
Non high water-risk beverages sites (liters/liter) ²	 	1.4	1.8		Goal introduced with the launch of pep+ in 2021. Metric not reported in prior years.				
Non high water-risk convenient foods sites (liters/kg) ²	 	4.4	5.0		Goal introduced with the launch of pep+ in 2021. Metric not reported in prior years.				
Replenishing back into the local watershed more than 100% of the water we use ⁴	 	>100%	34%	18%	10%	8%	11%	9%	Goal ambition expanded to include third-party facilities (100%) and more than 100% for company-owned operations by 2030.
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		3	0	0	– ⁵	– ⁵	– ⁵	– ⁵	
Number of high water-risk facilities that are in the process of adopting the AWS Standard		31	10	3	– ⁵	– ⁵	– ⁵	– ⁵	

¹ 25% improvement goal measured versus a 2015 baseline. High water-risk locations defined by WRI's Aqueduct tool.

² Results reflect the exclusion of Be & Cheery

³ All best-in-class and world-class results for 2021 do not reflect inclusion of third-party facilities

⁴ Results reflect the exclusion of SodaStream and Be & Cheery, and do not reflect inclusion of third-party facilities

⁵ Data for this time period is not available



POSITIVE VALUE CHAIN: PACKAGING



New goal introduced
 3rd-party limited assurance
 Expanded scope and/or timeline

Target Metrics	Status	2030 Target	2021	2020	2019	2018	2017	2016	Comments
Cut virgin plastic from non-renewable sources per serving across our global beverages and convenient foods portfolio by 50% ¹ through:		50%	5%						Goal expanded in 2021 to 50% for beverages and convenient foods.
Scaling new business models that avoid or minimize single-use packaging materials				Goal introduced with the launch of pep+ in 2021. We are in the process of establishing our reporting methodology for this metric.					
Reducing our absolute tonnage of virgin plastic derived from non-renewable sources by 20%, including by:		20%	(5%)		Goal expanded with the launch of pep+ in 2021. Metric not measured in prior years.				2021 performance impacted by increased plastic use due to business growth.
Use of market-leading bio-based materials and increase incorporation of recycled content (50% across plastics)		50%	6%		Goal expanded with the launch of pep+ in 2021. Metric not measured in prior years.				Goal timeline extended to 2030 and goal expanded to 50% recycled content.
Design 100% of packaging to be recyclable, compostable, biodegradable or reusable by 2025		100% (2025 Target)	87%	87%	Goal expanded with the launch of pep+ in 2021. Updated metric not measured in prior years.				Goal expanded in 2021 to include reusable packaging.
Invest to increase recycling rates in key markets by 2025		Our actions include: <ul style="list-style-type: none"> • Educating and encouraging consumers to recycle • Partnering to increase and improve recycling infrastructure and building solutions for current and future material streams 							Further information on partnerships, including with Closed Loop Partners, the Alliance to End Plastic Waste and Circulate Capital, are detailed on the Packaging page on ESG Topics A-Z.

¹ Measured versus a 2020 baseline



POSITIVE VALUE CHAIN: PEOPLE



+ New goal introduced
↔ Expanded scope and/or timeline

★ 3rd-party limited assurance

Target Metrics	Status	2030 Target	2021	2020	2019	2018	2017	2016	Comments
<p>Provide meaningful jobs and growth opportunities for our people and empower them to make a positive impact at work, at home and in their local communities.</p>									
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 2021 actions include:</p> <ul style="list-style-type: none">• Launching a tuition assistance program giving U.S. associates access to 100+ debt-free degrees, certificates and trades programs• Increasing breadth and depth of self-paced learning content in our learner experience platform• Initiating platform rollout for frontline learning that is easier to access and navigate						
Empower our associates with the resources and time needed to cultivate prosperity in our communities	+		<p>Our actions include implementing the <u>One Smile at a Time</u> program to:</p> <ul style="list-style-type: none">• Empower our associates who volunteer with the resources they need• Unleash the passion of our employees, especially our frontline associates• Provide opportunities to volunteer and micro-volunteer• Enable employees to connect with their colleagues and communities• Provide a simple way to sign up, track and show impact through a digital platform• Provide clear communications to all employees and find ways to engage						



POSITIVE VALUE CHAIN: PEOPLE



New goal introduced
 3rd-party limited assurance
 Expanded scope and/or timeline

Target Metrics ¹	Status	2030 Target	2021	2020	2019	2018	2017	2016	Comments
Build a better workplace and world by advancing human rights and diversity, equity and inclusion (DE&I) for our people, in our business partnerships and our communities including:									
Continue to make measurable progress against our Racial Equality Journey goals in the U.S.									
Achieve 10% Black representation in U.S. managerial populations		10% (2025 Target)	8.3%	8.0%	Goal added to pep+ vision in 2021.				
Achieve 10% Hispanic representation in U.S. managerial populations		10% (2025 Target)	9.5%	9.3%	Goal added to pep+ vision in 2021.				
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"> Increasing our engagement and programs at colleges and universities to cultivate and increase hiring of diverse talent Tailoring our tools and resources, while continuing to deepen our engagement with external advocacy organizations to support our diverse workforce, including associates with disabilities, LGBTQ+ associates, veterans and communities of color Developed skill-building programs to elevate business impact, while focusing on sponsorship and mentorship of our diverse talent 							
Achieve and sustain 50% women in management roles		50% (2025 Target)	43%	41%	41%	40%	39%	38%	
Achieve and sustain pay equity for our global professional population by maintaining a comprehensive global pay equity review process		Women and men continue to be paid within 1% of each other²							
Extend the principles of our Supplier Code of Conduct to all of our franchisees and joint ventures by 2025		<p>Our actions include:</p> <ul style="list-style-type: none"> Continuing to engage directly with our franchise and joint venture partners on our pep+ priority areas, including human rights Completing expansion of our <u>Sustainable Sourcing Program</u> to franchise and joint venture partners in Europe and Latin America 							

¹ Having achieved our goal in 2021, we are sunsetting the goal to provide 12.5 million women with essential resources for workforce readiness and programs that empower women in the food system and farming by 2025. In 2022, we will report similar program efforts to economically empower women in agriculture.

² After controlling for legitimate drivers of pay and based on base compensation; analysis excludes frontline. U.S. and U.K. included in 2016 analysis. 21 countries included in 2017 analysis. 33 countries included in 2018 analysis. 69 countries included in 2019 analysis. 71 countries included in 2020 analysis, representing more than 99% of salaried population.



POSITIVE VALUE CHAIN: PEOPLE



+ New goal introduced
 ★ 3rd-party limited assurance
↔ Expanded scope and/or timeline

Target Metrics	Status	2030 Target	2021	2020	2019	2018	2017	2016	Comments
Build a better workplace and world by advancing human rights and diversity, equity and inclusion (DE&I) for our people, in our business partnerships and our communities including (continued):									
Promote fair and safe working conditions for all by advancing respect for human rights everywhere we operate and throughout our business activities			Our actions include: <ul style="list-style-type: none">• Revising our Global Human Rights Policy to strengthen our expectations and reflect emerging best practices in several areas, including our salient human rights issues• Piloting a new remote worker voice initiative with over 500 workers to gain insight into potential risks in our direct operations, and planning to further scale this initiative within other operations in 2022• Continuing to expand our Sustainable Sourcing Program to additional segments of our external value chain (e.g., contract labor providers) and evaluating additional areas for expansion in 2022 (e.g., transportation and logistics)						In late 2021, we initiated a strategic review of our salient human rights issues to ensure we are focusing on the rights at risk of the most severe impacts throughout our value chain. We anticipate concluding this review and providing a more detailed update in late 2022. See additional information within our Human Rights and Sustainable Sourcing pages on ESG Topics A-Z.
Continue to strive for an injury-free work environment	+ ★	2.48¹	1.99 ¹	2.28 ¹	2.44	2.49	2.81		Progress showcases Lost Time Incident Rate (LTIR) per million hours worked. While this metric is new to our pep+ agenda, metric has been previously reported on our Environment, Health and Safety page on ESG Topics A-Z.
Reach 100 million people with safe water access²	↔	100 million	>68 million	>55 million	44 million	22 million	16 million	11 million	Goal increased to 100 million by 2030, having achieved more than 50 million in 2020.
Partner with communities to advance food security and make nutritious food accessible to 50 million people³	+	50 million	>54 million	Goal introduced with the launch of pep+ in 2021. Metric not measured in prior years.					Progress results include programs funded by the PepsiCo Foundation that are intended to provide nutritious meals, utilizing external standards established by the Global Alliance for Improved Nutrition (GAIN) and the Food and Agriculture Organization of the United States (FAO).

¹ 2021 and 2020 results reflect the exclusion of SodaStream and Pioneer Foods. 2019 results reflect the exclusion of SodaStream.

² Metric counts the cumulative number of people provided with access to safe water since 2006. This metric was previously reported in our Water section.

³ Initial target setting for this metric did not include Pioneer Foods, which delivered accessibility for over 20 million people by 2021.



POSITIVE CHOICES: EXPANDED PORTFOLIO OFFERINGS



New goal introduced
Expanded scope and/or timeline

3rd-party limited assurance

Target Metrics	Status	2025 Target	2021	2020	2019	2018	2017	2016	Comments
Continue to provide consumers choice for every occasion by expanding our product offerings by 2025.									
Reduce added sugars: ≥ 67% of beverage portfolio volume will have ≤100 Calories from added sugars per 12oz. serving	★	≥67%	53%	48% ²	47% ³	44% ⁴	40% ⁵	40% ⁶	Our global progress is based on our Top 26 beverage markets, which represent 79% of our global beverages volume as of 2021.
Reduce sodium: ≥ 75% of convenient foods portfolio volume will not exceed 1.3 milligrams of sodium per Calorie	★	≥75%	66% ¹	64% ²	61% ³	58% ⁴	56% ⁵	54% ⁶	Our global progress is based on our Top 23 convenient foods markets, which represent 86% of our global convenient foods volume as of 2021.
Reduce saturated fats: ≥ 75% of convenient foods portfolio volume will not exceed 1.1 grams of saturated fat per 100 Calories	★	≥75%	75% ¹	71% ²	62% ³	61% ⁴	61% ⁵	66% ⁶	Our global progress is based on our Top 23 convenient foods markets, which represent 86% of our global convenient foods volume as of 2021.

¹ Results reflect exclusion of Be & Cheery portfolio

² As of 2020, Top 26 Beverage markets represented 80% of our global beverages volume and Top 23 Convenient Foods markets represented 88% of our global convenient foods volume. Results reflect exclusion of Be & Cheery portfolio.

³ As of 2019, Top 26 Beverage markets represented 79% of our global beverages volume and Top 23 Convenient Foods markets represented 90% of our global convenient foods volume

⁴ As of 2018, Top 26 Beverage markets represented 80% of our global beverages volume and Top 23 Convenient Foods markets represented 89% of our global convenient foods volume

⁵ As of 2017, Top 26 Beverage markets represented 80% of our global beverages volume and Top 23 Convenient Foods markets represented 90% of our global convenient foods volume

⁶ As of 2016, Top 10 markets represented 63% of our global beverages volume and 79% of our global convenient foods volume



POSITIVE CHOICES: INNOVATIVE PACKAGING SOLUTIONS



New goal introduced
 3rd-party limited assurance
 Expanded scope and/or timeline

Target Metrics	Status	2030 Target	2021	2020	2019	2018	2017	2016	Comments
Develop and deploy disruptive sustainable packaging materials and new models for beverages and convenient foods.									
Beverages: SodaStream/SodaStream Professional, powders, bio- and paper-based packaging		Our actions include: • Launch of Gatorade sachets in Australia, allowing consumers to use their own reusable water bottles • Transitioning of brands like Pepsi Zero Sugar, Mtn Dew and Aquafina to 100% recycled PET in various markets							By year end 2022, we intend to set a new target to expand alternative business models, including reusable and refillable bottles or containers, beverages that utilize concentrates such as fountain drinks, prepare-at-home beverages (e.g., SodaStream), or beverages sold in powder or drop form.
Convenient Foods: bio- and paper-based materials, reusable or low/no package models		Our actions include: • Expansion of pilots with rollout of Off the Eaten Path commercially compostable packaging in Whole Foods in the United States							



POSITIVE CHOICES: PLANET + PEOPLE BRANDS



New goal introduced
 3rd-party limited assurance
 Expanded scope and/or timeline

Target Metrics	Status	2030 Target	2021	2020	2019	2018	2017	2016	Comments
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		Goal introduced with the launch of pep+ in 2021. We are in the process of establishing our reporting methodology for this metric.							