PEPSICO

2024

ESG Summary

Contents

The information within this PDF is presented as of August 26, 2025. Unless otherwise noted, our sustainability data reflects progress made during the calendar year, whereas our financial reporting corresponds with our fiscal year, which ends on the last Saturday of December.

Recent organizational changes (e.g., acquisitions, mergers and divestitures) are evaluated to determine if they have a significant impact on our sustainability performance and, if so, are reflected in our reporting as data becomes available. The data presented within this PDF do not reflect our acquisitions of Sabra Dipping Company, LLC, and PepsiCo-Strauss Fresh Dips & Spreads International GmbH, which became wholly owned subsidiaries in December 2024. Unless otherwise noted, goals and progress reflect the impact of our prior acquisitions as of the end of the 2024 calendar year.

We track and report sustainability data according to industry-accepted methodologies, where available. Our methodologies continue to evolve and may incorporate certain assumptions or estimates. Our sustainability reporting is based on the best available data as of the reporting date, which may reflect other uncertainties and limitations, such as where data tracking and collection is outside our direct control (for example, where we rely on third parties to provide data).

Our Environmental, Social and Governance (ESG) reporting suite includes multiple resources available online that further explain our approach. For more detail on how we measure performance against our pep+ goals, please see our Calculation Methodology.

3 Leadership Message →

4 Our ESG Approach →

8 pep+ Pillars →

9 Positive Agriculture →

20 Positive Value Chain →

43 Positive Choices →

50 Performance Metrics →

Leadership Message

> "pep+ is not just a sustainability strategy. It's an ongoing transformation that powers our whole business, from innovation to production, marketing to distribution."
>
> **Ramon Laguarta**
> Chairman and Chief Executive Officer

When we rolled out PepsiCo Positive (pep+), our vision to deliver a more sustainable, people-centric future, driving growth and value, in 2021, we knew it would be important for the long-term growth of our company. Consumers were demanding more positive choices, including products with less sodium, less saturated fat, less added sugar and more diverse ingredients. And as a business rooted in agriculture, we knew our future hinged on a healthy, stable ecosystem. That meant promoting practices that protect the soil, air and water while working to positively impact the communities where we operate.

Four years later, pep+ is embedded in practically everything we do. It's more than a sustainability strategy. It's a strategic, end-to-end transformation that places sustainability at the center of our business and powers our whole enterprise – from innovation to production, marketing to distribution – while building resilience into our operations and supply chains. Above all, it's our vision to drive growth and value by delivering a more sustainable, people-centric future for PepsiCo and for our planet.

As you'll read in this report, 2024 was a pivotal year for pep+. We crossed important milestones in regenerative agriculture and positive choices, while continuing to work to make progress on sustainable packaging and reducing our emissions – even accounting for external realities and business growth.

In May 2025, we refined our pep+ climate, water, packaging and agriculture goals based on the latest science to help make sure they remain actionable and achievable, including:

- Aligning our Scope 1, 2, and 3 emission reduction targets to a 1.5°C trajectory and updating our target to achieve net-zero emissions by 2050.
- Focusing our packaging efforts where we believe we can have the greatest impact.
- Driving regenerative, restorative or protective practices across 10 million acres – roughly the size of Switzerland – by 2030. We're also retaining our net water positive vision, with a refined focus on high-risk areas.

These are ambitious goals—but that's the point. A few highlights:

- We helped spread the adoption of regenerative, restorative or protective practices across more than 3.5 million acres in 2024, helping to drive healthier soil, cleaner air and greater yields for farmers. We're proud to help scale regenerative agriculture and believe that our efforts can serve as a model for how others can scale such efforts at pace.
- As of 2024, 89% of our direct global electricity needs were met with renewable electricity, including through use of power purchase agreements and energy attribute certificates. That's approximately 3,900 GWh, or enough energy to power more than 352,300 homes for a year. At the same time, we reduced our scope 1 and 2 greenhouse gas emissions by 18% against our 2022 baseline.
- We're continuing to evolve the nutritional profile of our foods and drinks. In 2024, we hit two of our Positive Choices goals ahead of schedule, with 67% of our beverage portfolio containing fewer than 100 Calories from added sugars per 12 oz. serving and 77% of our convenient foods portfolio volume not exceeding 1.3 milligrams of sodium per Calorie.

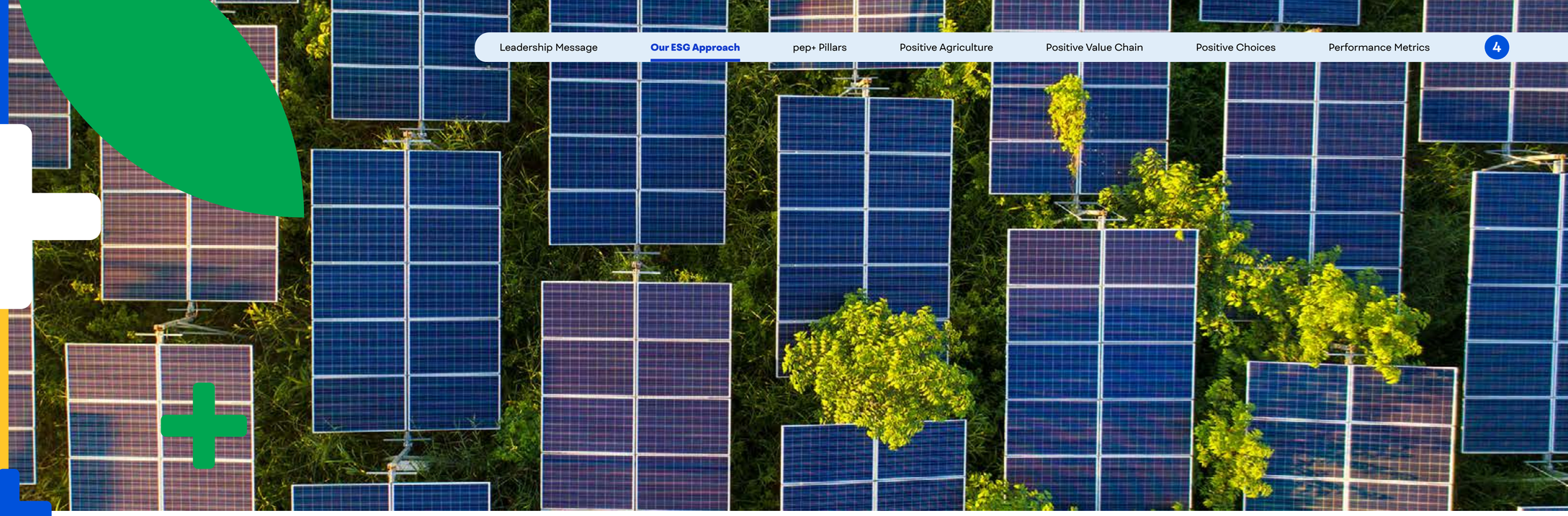
Actions like these help make our business more resilient to the impacts of climate change and also help us adapt to evolving consumer tastes, positioning us well for the long-term.

And yet, while we're proud of our progress against our pep+ goals, we know there's still work to do.

We have an ambition to have impact where we can and along the way we have found like-minded partners. Their work has been invaluable in delivering our 2024 results – and will remain so as we strive to meet the challenges ahead, including those posed by our business growth, and to overcome systemic barriers that limit our progress. We're also eager to work with the public sector on a range of new public-private partnerships, so we can create an environment that enables long-term investment in sustainability and resilience.

If we continue to move with courage and conviction, I'm confident we can contribute to a world where growth and sustainability go hand in hand.

Ramon Laguarta
Chairman and Chief Executive Officer



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 our business strategy, seeking to drive growth and build a stronger, more resilient future for PepsiCo and the communities where we operate. Through pep+, we seek 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 programs we believe will help strengthen our business for the long-term.

Winning with pep+ has been, and remains, core to our long-term success. It guides our efforts to work with our suppliers and customers, evolve our portfolio and develop the right capabilities to support our people and our business across the world.

We introduced our pep+ strategy in 2021 and have achieved several of our goals ahead of schedule, including our 2025 operational and agricultural water-use efficiency goals, and have made meaningful progress on others. In May 2025, we announced refined goals in agriculture, climate, water and packaging to focus our sustainability ambitions where we believe we can help drive scale and position the company for long-term growth. Our refined pep+ goals aim to further align our resources with core business priorities, build on learnings and progress and help our sustainability ambitions remain actionable and achievable while accounting for external realities and business growth.

We regularly review our pep+ goals and consider whether any changes to our goals are warranted. This ESG Summary shares some of what we're doing as we work toward our pep+ goals.

>1B

times each day PepsiCo foods and drinks are enjoyed around the world

~319,000

employees globally[1]

200+

countries and territories where PepsiCo foods and drinks are sold

Nearly $92B[1]

net revenue in 2024

1 As of December 28, 2024

Our complex value chain

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

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

Governance

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

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

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

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

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

Learn more about PepsiCo's Sustainability Governance on ESG Topics A-Z →

Our reporting strategy

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

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

Our reporting suite comprises:

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

Our sustainability journey

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

2006

Launch of Performance with Purpose: PepsiCo integrates sustainability into its daily business operations

2010

Electric vehicles: PepsiCo's first all-electric delivery trucks hit the road

2012

Water stewardship: PepsiCo wins prestigious Stockholm Industry Water Award

2017

Demonstration farms: First demonstration farm opens in India; by the end of 2024, 55 farms were testing and sharing best practices around the world

2019

CLIMATE LEADERSHIP AWARDS

Climate Leadership: PepsiCo receives Climate Leadership Awards for Organizational Leadership and Supply Chain Leadership for climate action

2020

Safe water access: PepsiCo exceeds safe water access goal five years early. As of 2024, the company has delivered access to safe water to >96 million people since 2006

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

2021

Terra Carta Seal: PepsiCo is awarded the inaugural Terra Carta Seal by His Majesty King Charles III in his former role as The Prince of Wales and the Sustainable Markets Initiative in recognition of its commitment to, and driving momentum toward, the celebration of genuinely sustainable markets

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

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

Regenerative agriculture ambition: PepsiCo announces a 2030 goal to spread regenerative agriculture practices across 7 million acres

2022

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

pep+ REnew: PepsiCo introduces pep+ REnew to accelerate the adoption of renewable electricity with some of its suppliers

N-Drip partnership: PepsiCo and N-Drip announce partnership to help farmers around the world adopt game-changing technology in water efficiency

2023

Water-use efficiency: PepsiCo reaches its 2025 global goal of a 25% improvement in operational water-use efficiency in high water-risk areas (measured against a 2015 baseline) two years ahead of schedule; also exceeds agricultural water-use efficiency target of 15% (reaching 22% when compared to a 2015 baseline) in high water-risk watersheds two years ahead of schedule by supporting farmers through partnerships and targeted training

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

Retail collaboration: PepsiCo announces a seven-year collaboration with Walmart focused on supporting U.S. and Canadian farmers in their pursuit to improve soil health and water quality

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

2024

Innovating climate solutions: PepsiCo partners to launch the online, open-access Climate Resilience Platform (CRP) together with the Alliance of Bioversity International and the International Center for Tropical Agriculture; recognized by Fast Company as a "Next Big Thing in Tech"

2025

Evolution of pep+ goals: PepsiCo refines pep+ agriculture, climate, water and packaging goals to continue to build a stronger, more resilient business that aims to drive scalable positive impact

Climate Transition Plan: PepsiCo publishes its Climate Transition Plan, which details updated Scope 1, 2, and 3 greenhouse gas (GHG) emissions reduction targets to align to 1.5°C, reflecting Science Based Target Initiative (SBTi) sectoral guidance on FLAG and E&I emissions, and related shift to our net-zero emissions goal by 2050

Learn more about how we're making a difference

Leadership Message
Philanthropy
ESG Topics A-Z
Downloads

pep+ Pillars

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

Positive Agriculture

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

Learn more →

Positive Value Chain

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

Learn more →

Positive Choices

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

Learn more →

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

10 Our agricultural footprint

11 Approach, goals & progress

13 What are regenerative agriculture, restorative and protective practices?

16 Approach to sustainable sourcing

17 Approach to deforestation- and conversion-free sourcing

18 Approach to supporting sustainable livelihoods

19 Positive Agriculture stories

Positive Agriculture

Our business depends on agriculture

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

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

Our Positive Agriculture agenda is designed to support sustainable food systems by identifying opportunities for action and collaboration and measuring the impact of our efforts. This includes our efforts to help support the advancement of farmers and farming communities, spread the adoption of regenerative agriculture, restorative and protective practices and sustainably source[1] our key ingredients in accordance with our guidelines.

Together with many of our customers and suppliers as well as NGOs and governments, we are working to help transform global food systems, while positioning our business for the long-term. By refining our pep+ goals earlier this year – including expanding our regenerative agriculture goal, aiming to spread the adoption of regenerative, restorative or protective practices across 10 million acres by 2030[2] – we are building on learnings and helping our sustainability ambitions remain actionable and achievable.

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

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

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

Our agricultural footprint

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

~50

agricultural crops and ingredients go into making our products

~60

countries supply key agricultural crops and ingredients for our iconic brands

>3.5

million acres[1] supporting growth of our crops and ingredients used regenerative, restorative or protective practices in 2024

>185k

Measurable improvements in more than 185,000 livelihoods since 2021[2]

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

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

Approach, goals & progress

The heart of our ambition is to help create a more resilient, sustainable food system

Our Positive Agriculture agenda aims to promote the adoption of regenerative agriculture, restorative or protective practices, including focus on watershed health and nature; source our key ingredients in line with our Sustainable Sourcing Guidelines; strive toward deforestation- and conversion-free sourcing for high-risk commodities in our company-owned and -operated activities and support improved livelihoods through measurable increases in economic prosperity and farmer and farm worker security.

We have made meaningful progress in some areas, while facing challenges in others. Across our Positive Agriculture goals, we strive to scale and accelerate what has worked, continue to work with stakeholders, adopt new technologies and establish partnerships that we believe can have a substantive positive impact.

Notably, we have:

- Increased the adoption of **regenerative agriculture, restorative, or protective practices** to more than 3.5 million acres[1] globally in 2024
- Collaborated with suppliers to work with farmers in different regions to **plant cover crops and implement other regenerative practices**, resulting in an approximately 1.6 million metric ton net reduction in on-farm GHG emissions, including soil carbon sequestration, in 2024[2]
- **Sustainably sourced** approximately 66%[1] of our key ingredients in line with our Sustainable Sourcing Guidelines in 2024
- **Contributed to measurable improvements** in more than 185,000 livelihoods based on an outcome-focused evaluation of economic prosperity and farmer and farm worker security since 2021[3]

Approach to regenerative agriculture

Regenerative agriculture can be a powerful tool to promote healthier soil, as well as to reduce agricultural emissions, enhance biodiversity and watershed health and help raise the standard of living for farmers and farming communities by supporting resilience. We believe it can help mitigate risks for our business while also preserving natural resources for future generations.

Driven by this belief and our progress and learnings to date, earlier this year we increased our regenerative agriculture goal, aiming to drive the adoption of regenerative agriculture, restorative or protective practices across 10 million acres of land by 2030.[4] This is an expansion of our original 7-million-acre regenerative agriculture goal and extends the ambition both in scale and depth, as it includes specific objectives for nature within the goal.

Our new goal intentionally brings together efforts to regenerate, restore and protect agricultural lands and surrounding ecosystems to encourage more holistic action. We consider an acre as contributing to nature restoration or protection when activities lead to biodiversity and ecological improvements on lands not used for agricultural production, and which remain out of agricultural production in the future, but which enhance the resilience of the ecosystem in the farming landscape. This could include, for example, increasing critical land area under protection or increasing the governance effectiveness of protected areas. For more information, please see our Regenerative Agriculture Guidelines.

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 balancing regenerative practices with current, proven farming tactics adjusted to local ecosystems.

We support farmers in implementing 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.

We also continue our work in watershed health. During 2023, we exceeded our agricultural water-use efficiency goal of 15%[5] (reaching 22% when compared to a 2015 baseline) in high water-risk watersheds two years ahead of schedule by supporting farmers through partnerships, targeted trainings and programs such as our demonstration farms. As a result of achieving this goal ahead of schedule, we will no longer report annual progress against it. However, we will continue our efforts through other pep+ goals, including with targeted interventions embedded within regenerative agriculture programs where water risk necessitates such action. Read more on our approach to water beyond agriculture in Positive Value Chain.

Throughout 2024, we provided support to approximately 20,000 farmers as they adopted regenerative, restorative or protective farming techniques on **more than 3.5 million acres**[1] globally.

1 Refined goal announced on May 22, 2025. 2024 performance calculated retroactively. For more information, see Calculation Methodology
2 Carbon sequestration from regenerative agriculture projects is calculated separately and outside of PepsiCo's GHG inventory. Carbon sequestration is not currently factored into PepsiCo's progress against climate goals
3 This goal captures the number of livelihoods reached through an outcome-focused evaluation measuring improvements in economic prosperity and farmer and farm worker security. Metric counts the cumulative people impacted since 2021
4 See PepsiCo's Regenerative Agriculture Guidelines for additional information, including details on key crops and regeneration, restoration and protection criteria. Results reflect total acreage meeting these criteria within the annual reporting period
5 Measured versus a 2015 baseline. This metric tracked the improvement of the water-use efficiency of PepsiCo's direct agricultural supply chain. Results reflected assessments performed in 2023, 2020 and 2018

Approach, goals & progress (cont.)

Based on our experience collaborating with farmers, we believe there are key components that can support transition to regenerative agriculture practices, including:

- **Economic support:** Provide farmers with economic support, such as cost-sharing, needed to transition to regenerative agriculture in a secure, more viable way, while also funding innovation and supporting start-up organizations with the potential to scale.
- **Community engagement 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 55 demonstration farms around the world.
- **Independent agronomic support:** Help farmers scale regenerative agriculture, regardless of what stage of the process they are in, by providing technical support to demonstrate how practices will work on their individual farm with its specific soil and weather conditions.

An example of our efforts to provide independent agronomic support includes work with local implementers like Practical Farmers of Iowa (PFI), Soil and Water Outcomes Fund (SWOF) and the IL Corn Growers Association (ICGA). Additionally, we continue to collaborate with like-minded peers across the food system. One example is STEP Up for Agriculture (Supporting Trusted Engagement and Partnership for Agriculture), a pioneering initiative by PepsiCo and Unilever and retailer partners to strengthen the capacity of farmer-facing organizations in the U.S. and Europe. Through tailored advisory support and a "train the trainer" model, the program focuses on building organizational capabilities, promoting regenerative agriculture practices and driving sustainable supply chain solutions with measurable environmental impact.

What are regenerative agriculture, restorative and protective practices?

We help farmers adopt practices with the following **impact areas** and **intended outcomes** in mind:

Impact Areas[1]

Build soil health and fertility

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

Reduce or sequester CO_2

- Plant cover crops to sequester CO_2
- Promote reduced and no-till cultivation for minimal soil disturbance
- Optimize inputs like fertilizer and herbicide

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 and security (such as food security, land rights, wages or labor practices)
- Increase economic empowerment

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

Intended Outcomes

Strengthen ecosystems and communities

Build more resilient agricultural systems

Improve farmer profitability and livelihoods

Feed more people with fewer resources

1 Refer to PepsiCo's Regenerative Agriculture Practice Bank for an indicative listing of practices directly or indirectly linked to the five impact areas

Listening to and collaborating with farmers and stakeholders

We listen to and collaborate with various farmers, farm workers, industry peers and agriculture participants in different parts of our value chain to help transition to more sustainable agriculture practices that deliver farm-level impacts, such as greenhouse gas (GHG) emissions reductions.

Examples of our stakeholder engagements that launched or expanded in 2024 include:

- Expanding opportunities in the agriculture sector, including a multi-year partnership with Practical Farmers of Iowa to provide opportunities for underrepresented and beginning farmers and a partnership with the Farm Foundation to create career opportunities within the agriculture industry.
- Awarding $6.7 million in grants to fund innovative regenerative agriculture projects in Canada, Australia and Mexico in partnership with AgMission.
- Partnering with Yara to help decarbonize crop production in Europe by providing farmers with crop nutrition programs to make sure crops get the nutrients needed to grow, including the right amount at the right time, which can help farmers use fewer inputs and help reduce in-field emissions.
- Launching the Sustainability Action Center to help agricultural suppliers set and track emissions reduction targets.
- Continuing to support regenerative agriculture transformation on more than three million acres of U.S. farmland through a partnership with three farmer-facing organizations and a multi-year $216 million investment.
- Scaling efforts to upskill certified crop advisors with soil health training in North America through the Trusted Advisor Partnership.

Read more about our key agricultural collaborations and our Grievance Mechanism for our Agricultural Supply Chain.

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.

Our Positive Agriculture Outcomes Accelerator (the Accelerator) is one example of this in action. The Accelerator aims to incentivize our local teams to design and scale innovative solutions by offering co-investment to projects that have the potential to help progress toward our 2030 pep+ Positive Agriculture goals. By providing both financial and technical support, the Accelerator promotes long-term, transformative ideas that can impact farming communities around the world.

Since 2022, we have expanded our work to support eight new innovation projects across eight countries and approximately $5 million has been granted through the Accelerator. These investments support initiatives designed to test new solutions and help farmers build more resilient businesses.

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

For example, in 2024 we hosted PepsiCo Milhão Regenera, a demonstration farm field day in Brazil organized together with Milhão Ingredients, a key corn supplier in the region. More than 400 farmers and members of the agriculture community participated, both sharing their experiences with and learning more about regenerative and precision agricultural practices.

Supporting nature-focused objectives

Our Positive Agriculture ambitions include a focus on nature because we believe our business is inextricably linked to the health of the ecosystems that support the growth of crops that ultimately end up in our foods and drinks.

Working to promote nature positive 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. Within our supply chain, we are seeking to identify opportunities to mitigate environmental risks and support nature conservation and restoration.

With this in mind, we have included specific objectives for nature within our expanded regenerative agriculture goal to drive the adoption of regenerative, restorative or protective practices across 10 million acres by 2030.[2] We consider an acre as contributing to nature restoration or protection when activities lead to biodiversity and ecological improvements on lands not used for agricultural production, and which remain out of agricultural production in the future, but which enhance the resilience of the ecosystem in the farming landscape.

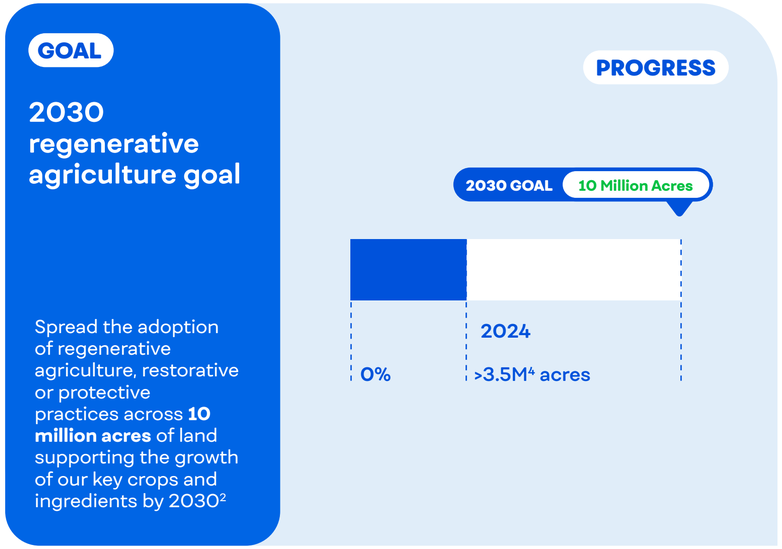
Examples of recent efforts include:

- **Providing farmers, suppliers, NGOs and researchers with actionable insights about how climate change is impacting crops** and how they can create resilience through regenerative agriculture with the open-access Climate Resilience Platform (CRP), created with the Alliance of Bioversity International and the International Center for Tropical Agriculture and the Foundation for Food and Agriculture Research. Recognized by Fast Company in 2024 as a "Next big thing in tech" for its contributions to food and agriculture, the CRP tool aims to help boost yields and reduce environmental impact.
- **Working to support the transformation of our sourcing regions,** including continuing to strive toward deforestation- and conversion-free sourcing for high-risk commodities in our company-owned and -operated activities[3] 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 our Stewardship of Forests and Natural Ecosystems Policy.

For more information on our efforts to improve watershed health, see Agriculture and for more detail on efforts to restore water resources, see Water.

In May 2025, we expanded the ambition of our regenerative agriculture goal from 7 million to 10 million acres and incorporated specific objectives for nature within the goal. Our 2024 ESG reporting suite, which includes this Summary and the Agriculture ESG Topics A-Z page, represents the first time we are reporting progress against this evolved goal. Progress is reflected on an annual basis.



1 Since PepsiCo first launched its Performance with Purpose platform in 2006
2 See PepsiCo's Regenerative Agriculture Guidelines for additional information, including details on key crops and regeneration, restoration and protection criteria. Results reflect total acreage meeting these criteria within the annual reporting period
3 PepsiCo set this ambition in its Stewardship of Forests and Natural Ecosystems Policy. High-risk commodities include ingredients and materials at high risk of deforestation and conversion as defined in our Calculation Methodology. Systemic challenges continue to be an industry-wide barrier to reaching fully deforestation-free sourcing, but we continue striving toward this ambition and expect to reach more than 90% by the end of 2025
4 Refined goal announced on May 22, 2025. 2024 performance calculated retroactively. For more information, see Calculation Methodology

Approach to sustainable sourcing

Without a consistent supply of agricultural crops and ingredients, we wouldn't be able to make our foods and drinks and meet the needs of our customers and consumers. Our sustainable sourcing approach aims to help ensure a steady supply of key ingredients for production while providing a strong risk management foundation.

We continue our efforts to source our key ingredients in line with our Sustainable Sourcing Guidelines. Because systemic barriers beyond our and farmers' control prevent certain ingredients from meeting our rigorous criteria, we have adjusted our goal to sustainably source 90% of our key ingredients and progress volumes (10% or less, reported as "Engaged") that face systemic barriers towards being sustainably sourced in accordance with our guidelines.[1]

As of the end of 2024, we sustainably sourced approximately 66%[2] of our key ingredients in line with our guidelines, and approximately 1%[2] of our key ingredients fell within the Engaged Tier, reflecting volumes that show credible progress in certain areas, despite systemic barriers preventing these volumes from meeting our full Sustainable Sourcing criteria.

We categorize ingredients into one of two pathways:

- Ingredients in the **Low-Risk** category may qualify as sustainably sourced through a PepsiCo-recognized certification or Verified Volumes pathway (the PepsiCo Sustainable Farming Program, for example) or a qualifying Continuous Improvement program.
- Ingredients in the **Not Low-Risk** category may qualify as sustainably sourced through a PepsiCo-recognized certification or a Verified Volumes pathway.

For more information on these pathways, and for a full list of key ingredients, please see our Sustainable Sourcing Guidelines.

For more than a decade, we have collaborated with many 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 is also designed to build farmer confidence, address risks and encourage 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.

A few examples of this program in action are tied to one of our key ingredients: potatoes.

- All potatoes used in United States manufacturing in 2024 were sourced through our SFP. The program also supported the adoption of regenerative agriculture practices, contributing to greenhouse gas emissions reductions and removals.
- All of our grower-sourced potato volume from Thailand is SFP-certified, helping to deliver regenerative agriculture impacts.[3] The program has reached thousands of farmers, supporting local livelihoods while delivering environmental benefits through improved soil health and resource efficiency.

~66%[2]

of our key ingredients are sustainably sourced in accordance with our guidelines in 2024

~1%[2]

of our key ingredients fell within the Engaged Tier in 2024

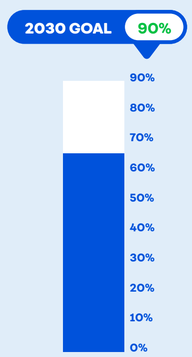
In May 2025, we refined our sustainable sourcing goal. Our 2024 ESG reporting suite, which includes this Summary and the Agriculture and Palm Oil ESG Topics A-Z pages, represents the first time we are reporting progress against this evolved goal.

GOAL

2030 sustainable sourcing goals

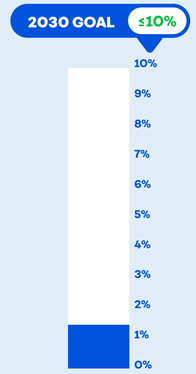
Sustainably source[1] **90% of our key ingredients and progress volumes (10% or less)** that face systemic barriers towards being sustainably sourced in accordance with our guidelines by 2030

PROGRESS



2024 Progress ~66%[2] sourced in accordance with our guidelines

Progress Volumes



2024 Progress ~1%[2] fell within the Engaged Tier

1 Sustainably sourced refers to in-scope ingredient volumes that meet the established criteria outlined in PepsiCo's Sustainable Sourcing Guidelines. Sustainable Sourcing practices can help manage risks, but challenges like deforestation or social issues can persist in some regions
2 Refined goal announced on May 22, 2025. 2024 performance calculated retroactively. For more information, see Calculation Methodology
3 Refer to PepsiCo's Regenerative Agriculture Practice Bank for an indicative listing of practices directly or indirectly linked to the five impact areas

Approach to deforestation- and conversion-free sourcing

We believe that forests are essential to the world. From conserving biodiversity to storing carbon and preserving the quality of water and air, forests are crucial to natural ecosystems and communities across the globe.

As a business that relies on a secure source of crops and ingredients to make our foods and drinks, our business is linked to forests through our sourcing of paper- and wood-based materials and raw agricultural materials, such as palm oil, soy, cocoa and sugarcane. We have a vested interest in helping to protect the world's forests and natural ecosystems.

Our Stewardship of Forests and Natural Ecosystems Policy outlines our aspirations. In May 2025, we combined our deforestation- and conversion-free goals into one goal to continue to strive toward deforestation-free sourcing by 2025 and toward deforestation- and conversion-free sourcing by 2030 for high-risk commodities in our company-owned and -operated activities.[1]

We strive to implement our Stewardship of Forests and Natural Ecosystems Policy in our agricultural supply chain where there is high risk of forest and natural ecosystem deforestation and/or conversion. For example, in our palm oil supply chains we expect suppliers to adhere to our No Deforestation, No Peat and No Exploitation (NDPE) commitments as outlined in our Global Policy on Sustainable Palm Oil.

In 2024, PepsiCo took steps toward achieving our 2025 deforestation-free goal in three key areas: enhancing traceability of the ingredients and materials that we source; leveraging technology to assess progress in the field and inform engagement with suppliers; and strengthening partnerships.

- **Enhancing traceability:** PepsiCo focused on enhancing traceability in our supply chain. We worked to identify the origins for in-scope ingredients and materials procured at the scale needed to confirm the deforestation- and conversion-free (DCF) status, which may include to the aggregator or to the farm itself. This is a foundational step for progress toward our goal.
- **Leveraging technology:** we collaborated with Satelligence, a satellite monitoring platform, to help improve our capability to monitor deforestation events, detect and respond to early alerts and verify origins as deforestation-free in our palm oil (global coverage), sugarcane (Mexico) and cocoa (Brazil, Mexico) supply chains.
- **Strengthening partnerships:** we deepened our partnerships with industry coalitions that support companies to deliver on deforestation and conversion-free sourcing goals, such as the Consumer Goods Forum's Forest Positive Coalition. We also joined new initiatives: PepsiCo formally joined WWF Forests Forward, focused on corporate action in support of nature, climate and people. At the field level, we continued to invest in landscape initiatives that support conservation, sustainable livelihoods and sustainable production in ingredient supply chain origins where forest and conversion risk exists. For example, we invested in a new initiative with our peers in Aceh, Indonesia aimed at respecting Indigenous Peoples and local community rights.

For more information on our stewardship of forests and natural ecosystems in our supply chain, see Deforestation and our Sustainable Sourcing Guidelines.

In May 2025, we combined our deforestation- and conversion-free ambitions across the ingredients in scope of this target into one goal. This Summary shares qualitative progress and actions taken in pursuit of this goal. Industry-aligned methodologies are under development for conversion-free sourcing for most ingredients, and PepsiCo continues to assess scope and timing of reporting on our progress toward conversion-free sourcing. In the interim, we plan to report quantitative progress toward our deforestation-free sourcing ambition as data become available.

GOAL

Deforestation- and conversion-free sourcing goals

Continue to strive toward **deforestation-free sourcing by 2025** and toward **deforestation- and conversion-free sourcing by 2030** for high-risk commodities in our company-owned and -operated activities[1]

PROGRESS

2024 deforestation-free progress to be reported at a later date this reporting year on the Agriculture ESG Topics A-Z page.

1 PepsiCo set this ambition in its Stewardship of Forests and Natural Ecosystems Policy. High-risk commodities include ingredients and materials at high risk of deforestation and conversion as defined in our Calculation Methodology. Systemic challenges continue to be an industry-wide barrier to reaching fully deforestation-free sourcing, but we continue striving toward this ambition and expect to reach more than 90% by the end of 2025

Approach to supporting sustainable livelihoods

Our business relies on farmers and the crops and ingredients they grow. 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 other risks.

Among the most vulnerable farming communities are smallholder farmers and farm workers. We recognize that we cannot solve the challenges facing farming and agricultural communities alone, but we hope our efforts will help promote more resilient agriculture practices and improved economic prosperity and farmer and farm worker security.

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. Supporting resilience for farming communities relies on a farmer-centric approach. In order to achieve this, we rely on strategic partnerships across certain geographies, sectors, industries and supply chains in an effort to drive landscape-level scale and impact.

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, farm and farm worker security and inclusion and economic empowerment.

LIFE was designed to advance 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. We expect our framework to evolve in response to learnings from implementation, emerging good practice and partner feedback.

Additional examples of our efforts to support sustainable livelihoods include:

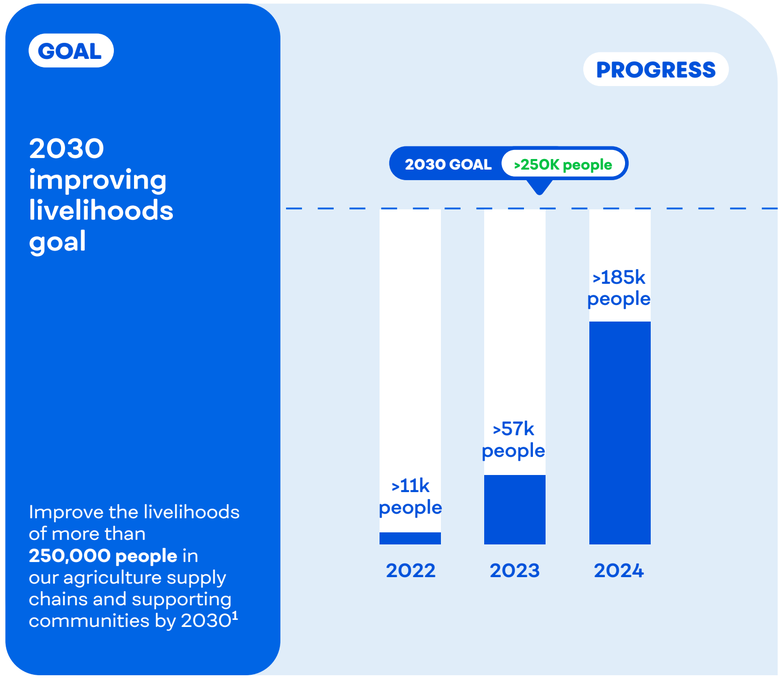
- Agrovita is a collaboration with the PepsiCo Foundation and non-profit Proforest which aims to support inclusion and economic empowerment, including of smallholder farmers in Southeast Mexico to grow crops in a more sustainable way. The program has garnered support from partners such as the Walmart Mexico Foundation, Technoserve and ECOM. The first rural cooperative formed through this collaboration now sells plantains to PepsiCo Mexico Foods for use in producing Natuchips.
- She Feeds the World is a multi-country partnership between the PepsiCo Foundation and CARE which aims to improve food security around the world by economically empowering small-scale producers and expanded to Türkiye in 2024. Since 2018, it has supported farmers in Uganda, Egypt, Peru, Colombia, Vietnam, Thailand and Pakistan and has reached over 3.6 million farmers and members of their communities.

Measurable improvements in livelihoods of more than

185,000 people[1]

>3.6M

farmers and community members reached through the PepsiCo Foundation's partnership with CARE



Learn more about PepsiCo's key agricultural strategic collaborations, how they strive to contribute to progress toward 2030 pep+ goals and the growing resilience and sustainability of our agricultural supply chain.

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

Positive Agriculture stories

PepsiCo Foods North America launches new "Planting Pathways Initiative" to expand opportunities in the agriculture sector

PepsiCo supports 3 novel farming projects

Learn more at pepsico.com/our-stories

Our 2024 ESG Performance Metrics

This download contains detailed performance data, tracking progress against our goals.

Download 2024 ESG Performance Metrics →

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
- Nature
- Palm oil
- Pesticides and other agrochemicals
- Water

Learn more about how we're making a difference

Positive Value Chain → | Philanthropy → | ESG Topics A-Z → | Downloads →

21 Climate
26 Water
31 Packaging
36 People

Positive Value Chain

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

Our value chain is extensive and complex, with operations beyond our own spanning the globe to source, make, move and deliver our foods and drinks to customers and consumers.

Guided by pep+, we're working to integrate more sustainable and inclusive solutions into different areas of our value chain. From how we strive to reduce the impacts of climate change, to how we aim to improve access to nutritious foods and beverages, these changes are not only good for our company but also encourage positive change for the business partners, people and communities that touch our value chain.

Specifically, we're taking action to help:

- Mitigate our climate-related impacts and adapt our business to the realities of climate change
- Replenish high water-risk watersheds and reduce operational water use
- Innovate more sustainable packaging and minimize waste
- Provide opportunities for our employees and communities by supporting sustainable food systems, inclusive workforce development and improved nutrition and safe water access.

In 2024, we continued advancing our pep+ ambitions across our Positive Value Chain pillar by identifying areas where we believe we can have the greatest long-term impact. In May 2025, we announced evolved pep+ Value Chain goals for climate, water, agriculture and packaging, further outlined in this report. See Positive Agriculture for detail on our evolved agriculture goals.

Climate

For our business, climate change has the potential to impact the quantity and quality of agricultural crops available for our foods and drinks, create weather patterns that hinder the operation of our facilities and value chain and affect the availability and quality of the water we use. For our people, suppliers and the communities where we operate, climate change has the potential to threaten their prosperity and could negatively impact their health and well-being through food insecurity and exposure to extreme weather.

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

We aim to **achieve net-zero emissions by 2050 or sooner**, and our targets have been officially validated by the SBTi.

In our path to net-zero, we also aim to achieve by 2030:

- A 50% reduction in Scope 1 and 2 emissions;[1]
- A 30% reduction in Scope 3 Forest, Land and Agriculture (FLAG) emissions;[2] and
- A 42% reduction in Scope 3 Energy and Industry (E&I) emissions.[3]

All 2030 climate goals are measured against a 2022 baseline. These goals reflect SBTi's sectoral guidance on FLAG and E&I emissions and are aligned to a 1.5°C trajectory by 2050. These ambitions are outlined in our Climate Transition Plan, first published in May 2025.

Approach

Our strategy is supported by our Climate Transition Plan (CTP), which outlines in detail the actions we believe will enable us to meet our climate mitigation ambitions, including in:

- **Direct operations:** We are taking action in an effort to reduce our emissions in many of our company-owned and -controlled operations across the world.
- **Value chain:** Outside our direct control, we strive to help reduce climate impact in our value chain, prioritizing decarbonization in agricultural sourcing, packaging and third-party transportation and distribution.
- **Wider society:** We believe that effectively addressing climate change requires coordinated and collective action. We seek to work beyond our operations to promote actions that support progress.

Our progress toward these ambitions relies on the wider systems in which we operate. Efforts such as collaborations within our value chain, working to align with industry standards, advocating for supportive government policies and understanding the views of diverse stakeholders will influence the progress we are able to make in working towards our targets.

Decarbonizing our value chain is a complex effort requiring a multi-pronged approach that leverages multiple options as we work to achieve our goals. We know that our efforts do not occur in a vacuum — they rely on the development of the wider systems in which we operate. Key areas, such as modernization of electrical grids and development of affordable renewable fuel supplies, will influence our progress as we work towards decarbonization. We have learned a lot as we have 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. However, making progress against our climate goals will take pursuing multiple initiatives across different areas of our value chain while collaborating with our suppliers, peers and other industry members.

In 2024, we:

- Continued to expand our electric fleet in North America with the addition of 50 Class 8 Tesla semi-trucks and 75 Ford E-Transit electric vans serving PepsiCo's manufacturing and distribution facility in Fresno, California.
- Upgraded to new, lower-carbon technologies in our beverage plant in Álava, Spain. This included installing new hot water pipelines and changing the electric transformers to assume the power demands to operate completely on electricity.
- Joined a Virtual Power Purchase Agreement alongside the Donaldson Company that will result in the creation of a solar energy project in Texas, expected to be completed by the end of 2025.
- Piloted long-haul electric truck operations along route I-10 in Texas, aiming to reduce fleet emissions and accelerate the transition to sustainable logistics through our involvement with the Sustainable Freight Buyers' Alliance (SFBA).

1 Goal tracks Scope 1 and 2 emissions consistent with the Greenhouse Gas Protocol. See Calculation Methodology for details

2 Goal tracks Scope 3 emissions based on purchased goods emissions consistent with the Greenhouse Gas Protocol's draft Land Sector and Removals Guidance and Standard and the Science Based Target Initiative's Forest, Land and Agriculture (FLAG) Guidance. See Calculation Methodology for details on how these emissions are calculated and categories included in scope of this goal

3 Refined goal (including 2022 baseline) announced on May 22, 2025. Past performance against the baseline calculated retroactively. For more information, see Calculation Methodology

Our Net-zero Ambition by 2050

We have a vision to achieve net-zero emissions across our value chain by 2050, in line with the Paris Agreement.

Our ambition is validated by the Science Based Targets initiative, aligns with the Business Ambition for 1.5°C pledge and is in line with the vision to limit global warming to 1.5°C above pre-industrial levels.

A note on carbon credits

We plan to achieve net-zero by 2050 by working towards significant emissions reduction across our value chain first, then balancing residual emissions with limited use of carbon credits at the end of our net-zero journey generated beyond our value chain.

We have a set of near-term 2030 targets, all measured against a 2022 baseline:[1]

50%
reduction in emissions from our direct operations (Scope 1 and 2)[2]

30%
reduction in value chain forest, land and agriculture (FLAG) emissions (Scope 3)[3]

42%
reduction in energy and industry emissions (Scope 3)[4]

To meet our near-term targets, we are focusing on:

1. Improving energy efficiency
2. Transitioning to renewable electricity
3. Decarbonizing thermal energy in manufacturing
4. Deploying low-carbon fleet solutions
5. Sourcing ingredients in accordance with our guidelines
6. Reducing, recycling and reinventing packaging
7. Decarbonizing third-party transportation and distribution
8. Transitioning to less carbon-intense product formulations
9. Minimizing emissions in vending and cooling
10. Engaging our value chain

On the road to net-zero by 2050, we estimate we'll need to reduce our emissions by the following (all measured against a 2022 baseline):

90% reduction in Scope 1 and 2 emissions

72% reduction in Scope 3 FLAG emissions

90% reduction in Scope 3 energy and industry emissions

After 2030, our full emissions inventory will be in-scope for net zero by 2050.

1 We have established a Historic Data Restatement Policy in line with the GHGP, which governs any changes to historic data including the treatment of mergers, acquisitions and divestitures

2 Scope 1 and 2 energy and industry emissions inventory: Scope 1 includes on-site fossil fuel combustion and fleet fuel consumption emissions. Scope 2 includes indirect GHG emissions from the generation of electricity, heat or steam purchased from a utility provider

3 Scope 3 FLAG emissions inventory: Includes upstream land sector related emissions from purchased agriculture and packaging materials. FLAG emissions in these categories include land use change emissions, land management net CO2 emissions and land management non-CO2 emissions. PepsiCo's Scope 3 FLAG target excludes the following emissions in our inventory: small volume agriculture materials that make up 4% of emissions and FLAG emissions due to purchases of agricultural materials by our co-manufacturing business

4 Scope 3 energy and industry emissions inventory: Includes energy and industry emissions from purchased goods and services, capital goods, fuel and energy-related activities (not included in Scope 1 or 2), upstream transportation and distribution, waste generated in operations, business travel, employee commuting, downstream transportation and distribution, processing of sold products, end-of-life treatment of sold products, franchises and investments. PepsiCo's Scope 3 energy and industry target excludes the following emissions in our inventory: capital goods, "other" purchased goods and services, employee commuting, waste generated in operations, processing of sold products, end-of-life treatment of sold products, investments, small volume materials in agriculture and packaging purchases that amount to 4% and 5% of emissions in those categories respectively, agriculture Scope 3 energy and industry emissions for PepsiCo Global Concentrate Solutions business, Scope 3 energy and industry emissions for co-manufacturing business, and upstream transportation

Addressing climate change in the value chain

Like many large, global organizations, reducing Scope 3 emissions is the biggest challenge we face in advancing progress toward our 2050 net-zero goal. Given the indirect nature of these emissions, quantifying and managing them is difficult and requires strategic partnerships and broad engagement to make progress.

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

We believe **expectations**, **economics** and **enablement** are three fundamental elements needed to drive successful engagement and action:

~80%

of compressed natural gas (CNG) purchased for our North American foods fleet was renewable in 2024

39 countries

Our operations in 39 countries used 100% renewable electricity, including energy attribute certificates in 2024

Expectations

Setting clear and consistent expectations with our suppliers helps lay the foundation for successful collective action. Aligning supplier performance with the "4 Asks" clearly demonstrates their sustainability commitments. As suppliers meet or exceed these criteria, they climb our Leader Ladder, showcasing their value as indispensable partners in achieving business excellence. We created this framework for our top GHG emitting suppliers (who account for 80% of our emissions in the agricultural ingredient and packaging categories of our Scope 3 emissions) to help better understand how we can lean in and support each other on our sustainability journeys.

When we launched this effort in 2023, 21% of suppliers were in the *Initiating* phase of their sustainability journey and 15% were already in the *Accelerating* phase. In 2024, suppliers continued to advance progress with 10% in the first stage of the journey and 18% achieving *Leader* status position of the Leader Ladder.

The four asks of suppliers are:

1. Commit and set a Science-Based Target (SBT)
2. Share their SBT-aligned decarbonization plan and annual progress
3. Report their Scope 1 and 2 emissions and where they are taking action
4. Collaborate with PepsiCo to roll-out regenerative agriculture practices (specific to our agricultural suppliers)

Economics

We strive to identify opportunities to remove barriers to pursuing decarbonization for our suppliers. For example, in 2024, we launched the Climate Collaboration Group (CCG) which brings together 18 of PepsiCo's leading suppliers on climate action. The purpose of the group is to identify shared climate issues where collaboration could be a significant financial unlock and speed transformation.

Enablement

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

In 2024, we introduced our pep+ Partners for Tomorrow global Sustainability Action Center to a broader range of participants within our value chain, including suppliers, contract manufacturers and bottlers. The content is available in eight languages and can be accessed via a public website that also serves as a collaborative platform that helps partners stay up to date on pep+ ambitions, track participants' status versus the goals, measure how their progress compares to peers and provides them with a personalized pep+ dashboard. In addition, it provides resources such as playbooks and programs to further support participants on their decarbonization journey.

We also aspire to work closely with farmers and others within our supply chain to scale regenerative agriculture practices as we aim to reduce carbon emissions.

Progress against climate goals

In May 2025, we refined our climate goals as part of a broader effort to refocus our sustainability ambitions where we believe we can help drive scale and position the company for long-term growth. Our 2024 ESG reporting suite, which includes this Summary and the ESG Topics A-Z page, represents the first time we are reporting progress against the evolved goals.

In 2024, 89% (approximately 3,900 GWh) of the company's direct global electricity needs were met with renewable electricity, including through use of power purchase agreements (PPAs) and purchase of unbundled energy attribute certificates (EACs).[1]

Details on our 2022 baseline emissions footprint can be found in our Climate Transition Plan with performance against climate goals noted below.

GOAL

2030 Scope 1 and 2 emissions reduction goal

Achieve a **50% reduction in Scope 1 and 2** emissions by 2030 (versus a 2022 baseline)[2]

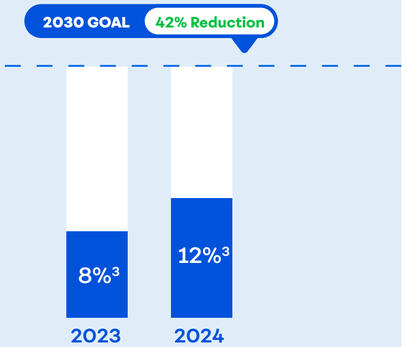
PROGRESS

GOAL

2030 Scope 3 Energy and Industry (E&I) emissions reduction goal

Achieve a **42% reduction in Scope 3 Energy & Industry (E&I)** emissions by 2030 (versus a 2022 baseline)[4]

PROGRESS

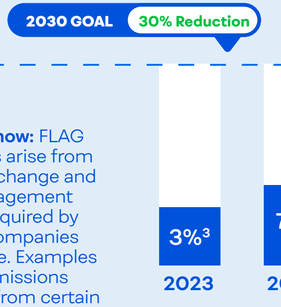


GOAL

2030 Scope 3 Forest, Land and Agriculture (FLAG) emissions reduction goal

Achieve a **30% reduction in Scope 3 Forest, Land and Agriculture (FLAG)** emissions by 2030 (versus a 2022 baseline)[5]

PROGRESS



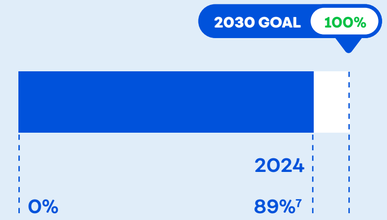
Did you know: FLAG emissions arise from land-use change and land management and are required by SBTi for companies to disclose. Examples include emissions resulting from certain agricultural practices and deforestation.

GOAL

2030 renewable electricity in company-owned operations goal

Achieve **100% renewable electricity** in company-owned operations by 2030[6]

PROGRESS



1 In working to achieve this goal, PepsiCo uses a diversified portfolio of solutions, including purchase of unbundled energy attribute certificates
2 Goal tracks Scope 1 and 2 emissions consistent with the Greenhouse Gas Protocol. See Calculation Methodology for details
3 Refined goal (including 2022 baseline) announced on May 22, 2025. Past performance against the baseline calculated retroactively. For more information, see Calculation Methodology
4 Goal tracks energy- and industry-related Scope 3 emissions consistent with the Greenhouse Gas Protocol's Scope 3 Standard and the Science Based Target Initiative's Corporate Net-Zero Standard V1.2. See Calculation Methodology for details on how these emissions are calculated and categories included in scope of this goal
5 Goal tracks Scope 3 emissions based on purchased goods emissions consistent with the Greenhouse Gas Protocol's draft Land Sector and Removals Guidance and Standard and the Science Based Target Initiative's Forest, Land and Agriculture (FLAG) Guidance. See Calculation Methodology for details on how these emissions are calculated and categories included in scope of this goal
6 In working to achieve this goal, PepsiCo uses a diversified portfolio of solutions, including purchase of unbundled energy attribute certificates
7 Former ambition became a pep+ goal in 2025. 2024 performance calculated retroactively. For more information, see Calculation Methodology

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
- Climate change
- Fleet decarbonization
- Green Bond
- Packaging
- Renewable energy

Read stories about Climate initiatives at PepsiCo →

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 an ingredient in many of our foods and drinks 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 try to help address these issues.

That's why we're aiming to become net water positive and working to replenish the water that we use in areas of high water risk by 2030.

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.

Approach

As one of the first companies of our size to acknowledge access to water as a human right, we take our vision of becoming net water positive seriously. The foundation of our net water positive vision is an effort to work towards improving water resources in high water-risk areas where we operate.[1] Progress toward this vision relies not only on our own operations, but on water stewardship at franchise bottler manufacturing facilities.

In pursuit of our vision to become net water positive, we have adopted an approach to watershed management that includes efforts to:

- **Improve water-use efficiency** in manufacturing facilities;
- **Replenish water and improve the health of the local watersheds** that are at highest water risk where we source crops and where we operate; and
- **Increase safe water access** for communities that face water insecurity, including scarcity and unsafe water sources.

1 High water-risk facilities are identified as part of PepsiCo's triennial water risk assessment process which integrates third-party data (e.g., World Resource Institute's (WRI) Aqueduct tool; World Wide Fund for Nature (WWF) Water Risk Filter tool) and subject matter expertise alongside site-specific data to determine and quantify the level of physical (quantity and quality), regulatory and reputational water risk. More information on how we assess water-risk can be found on the Water page of ESG A-Z Topics

Our path to net water positive

How is PepsiCo working to be net water positive?

	Use less water	Replenish water	Provide safe water access
How	**Increasing** water-use efficiency in manufacturing and agriculture by:	**Partnering** with leading NGOs to deliver nature-based solutions to strengthen and rehabilitate degraded ecosystems in high water-risk areas by:	**Investing** in distribution, purification and conservation programs that:
	Improving on-farm irrigation efficiency and water management	Helping to restore degraded wetlands	Support the construction of water supply and sanitation facilities
	Helping farmers irrigate their crops by collecting, treating and reusing rainwater	Applying forestry management, including reforestation, in stressed catchments	Improve access to hygiene in schools and sanitation in households
	Optimizing water use efficiency in manufacturing through initiatives such as implementing innovative technologies to create circular water systems for manufacturing	Removing non-native species where they negatively impact local watersheds	
		Using sustainable land management tools to control water levels and reduce runoff	

Why

- To mitigate risks to our manufacturing water supply which affects agriculture and crops
- To improve the health of and protect high-risk watersheds
- To enhance access to safe drinking water for communities where we operate
- To support the healthy functioning and governance of watersheds

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

To continue making our operations more water-efficient, we're focused on scaling proven manufacturing processes and treatment technologies, and fostering a culture of water sustainability among our employees.

By innovating and scaling solutions globally, we met our 2025 water targets (to achieve a 25% improvement in water-use efficiency in high-risk areas and to improve water-use efficiency by 15% as part of our broader goal to advocate for and contribute to a measurable improvement in the health of high water-risk watersheds where we directly source our crops) two years early. In 2024, we continued this momentum, expanding and refining these solutions to deepen impact, including:

- **Ingredient water capture:** Since 2021, PepsiCo has been pioneering technology to capture the water in potatoes during the frying stage of chip production. We recover and treat to safe drinking standards the fryer vapor condensate from potato chip operations instead of letting it evaporate off as steam. In 2024 at our Pune, India foods site, we piloted a newer, more efficient edition of this technology. Using an air cooled heat exchanger instead of a conventional water cooled system, we optimized the fryer vapor, heat and condensate recovery without the need for cooling water.
- **Water efficient potato chip processing:** We expanded the use of new washing technologies at convenient foods factories in the U.S. in 2024. Two new tools, used in the peeling and slicing stages of processing potatoes, help us reduce the amount of freshwater needed by up to 30 percent.

We also continue to expand our **Resource Conservation (ReCon) program** across PepsiCo facilities. The program helps employees identify low- or no-cost opportunities for energy and water savings at our manufacturing sites. 2,000 people were trained and 25 site ReCon Deep Dives were completed across the PepsiCo manufacturing network during 2024.

As a longstanding member of the Alliance for Water Stewardship (AWS), we set one of our pep+ water goals to adopt the AWS Standard in high water-risk manufacturing facilities by 2025. The number of facilities that have fully adopted the AWS Standard nearly tripled year over year from 27 in 2023 to 73 in 2024.

Achieve 100% water replenishment at company-owned facilities designated in high water-risk areas by 2025[1]

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.

In 2024, we invested $3.6 million into new water replenishment projects across 9 countries, bringing the total number of active water replenishment projects to 48. Combined, these projects replenished approximately 24 billion liters of water back into local watersheds. For detail on how we calculate the goal, please see our Calculation Methodology. Examples of 2024 projects include:

- **Stormwater Retention Ponds Project with The Nature Conservancy in the Florida Everglades:** This project aims to improve stormwater pond performance in the Florida Everglades watershed by retrofitting ponds with sensors, weather forecasting and adaptive controls to enhance and improve water quality, help mitigate floods and restore more natural flows.
- **Mokelumne River Watershed Project:** Sacramento-San Joaquin River watershed in California: In partnership with Blue Forest, the World Resources Institute and the Upper Mokelumne River Watershed Authority, this project focuses on restoring forest structure, composition and function in over 2,000 acres of the Mokelumne Basin, part of the greater Sacramento-San Joaquin River system in Sacramento, California.
- **Using native plants in Andalusia, Spain to help replenish the Segura River:** We are working with local stakeholders near the plant where we produce Alvalle Gazpacho to replenish the Segura River by replacing water-intensive invasive species with native plants adapted to the water availability of the region.

1 Contract manufacturers and co-packers are excluded. Our progress toward this goal relies in part on water-use efficiency at high water-risk franchise bottler manufacturing facilities. We are working to integrate their data into future calculations

Expanding our efforts 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, we launched a free, open-access online learning program on water through the learning platform Coursera. Courses include The Water Cycle, Water Security and Stewardship and Water Governance and Economics. To-date, over 730 non-PepsiCo individuals have registered for the program.

PepsiCo and the PepsiCo Foundation have also helped more than 96 million people since 2006 gain access to safe water through distribution, purification and conservation programs. In 2024, the PepsiCo Foundation invested $0.7 million in safe water access programs, and it plans to continue to expand the reach of its safe water access program by providing grants.

- The PepsiCo Foundation launched VivaOliva, a program aimed at supporting regenerative agriculture and water conservation in olive farming practices in Jaén, a region in Spain facing economic hardship.
- In 2023, PepsiCo launched a pilot program in India that aims to address water stress at a broader watershed level. Through this pilot program, we aim to work with farmers outside of our value chain to improve their knowledge on water-efficient farming practices while also working with ten local villages to develop long-term water security plans. In 2024, we engaged over 1,500 farmers in project activities and recharged over 80 million liters of water. Going forward, we plan to expand this program to additional villages, pursue additional funding and collaborate with local governments to increase reach.

Learn more about how water stewardship is integrated into our regenerative agriculture agenda, our strategic water collaborations and engagement and the strides we're making toward our goal to deliver safe drinking water to 100 million people by 2030.

~75%[1]

Replenished ~75% of the water we use in our company-owned manufacturing facilities in high-risk watersheds in 2024

~24B

Replenished ~24 billion liters of water to local watersheds in 2024

1 Refined 2030 goal announced on May 22, 2025. 2024 performance calculated retroactively. We continue to measure progress against our original 2025 goal and our extended 2030 goal. In addition to internal site-specific data, 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. Reported performance does not include data from franchise bottler manufacturing facilities but work is underway to obtain it for inclusion in future years. For more information, see Calculation Methodology

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 May 2025, we refined certain water goals as part of a broader effort to refocus our sustainability ambitions where we believe we can help drive scale and position the company for long-term growth. Our 2024 ESG reporting suite, which includes this Summary and the ESG Topics A-Z pages, represents the first time we are reporting progress against these evolved goals.

In 2024, we made progress on our pep+ water goals:

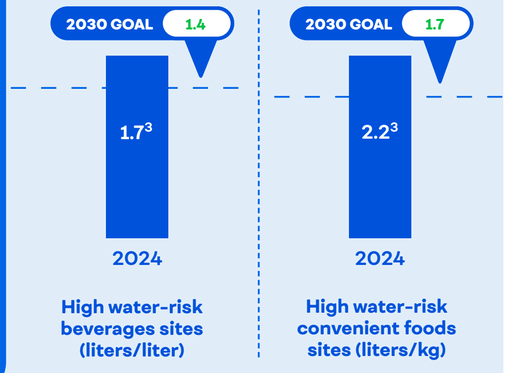
- Replenished approximately 75%[1] of the water used in our company-owned manufacturing facilities in high water-risk areas
- In total, global projects replenished approximately 24 billion liters of water
- Completed the adoption of the AWS Standard at 73 facilities and had 28 facilities in the process of adopting at the end of 2024
- Announced the delivery of our operational water-use efficiency goal in 2023, two years ahead of schedule

GOAL

2030 operational water-use efficiency high water-risk (HWR) goal

Reach average water-use efficiency ratios of **1.4 liters/liter of production in beverages sites** and **1.7 liters/kilogram of production in convenient foods sites** for 100% of HWR PepsiCo and franchise bottler manufacturing facilities by 2030[2]

PROGRESS

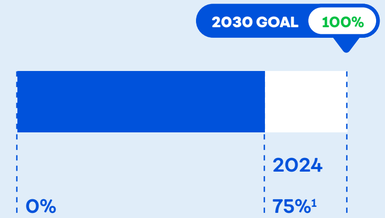


GOAL

2030 local watershed replenishment goal

Replenish back into the watershed **100% of the water** we use in high water-risk PepsiCo and franchise bottler manufacturing facilities by 2030[4]

PROGRESS

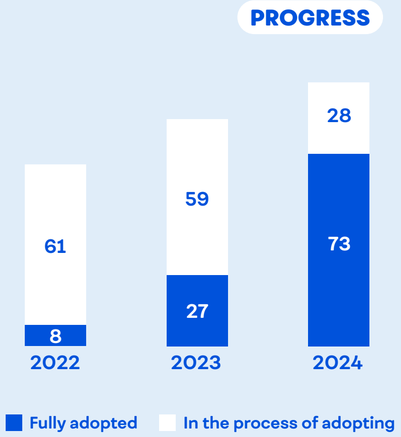


GOAL

2025 water stewardship standard goal

Adopt the **Alliance for Water Stewardship (AWS) Standard** in high water-risk manufacturing facilities by 2025

PROGRESS

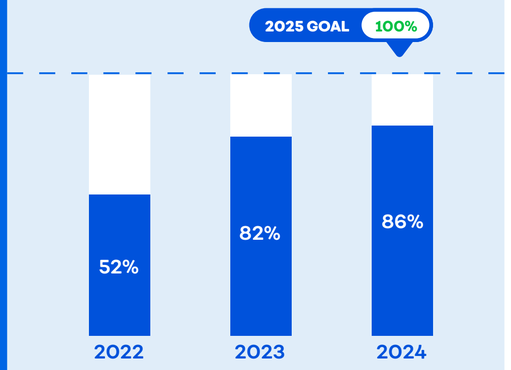


GOAL

2025 local watershed replenishment goal

Achieve **100% water replenishment** at company-owned facilities designated in high water-risk areas by 2025[5]

PROGRESS



1 Refined 2030 goal announced on May 22, 2025. 2024 performance calculated retroactively. We continue to measure progress against our original 2025 goal and our extended 2030 goal. In addition to internal site-specific data, 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. Reported performance does not include data from franchise bottler manufacturing facilities but work is underway to obtain it for inclusion in future years. For more information, see Calculation Methodology

2 Contract manufacturers and co-packers are excluded. Our progress toward this goal relies in part on water-use efficiency at high water-risk franchise bottler manufacturing facilities. We are working to integrate their data into future calculations

3 Refined goal announced on May 22, 2025. 2024 performance calculated retroactively. For more information, see Calculation Methodology. Reported performance does not include data from franchise bottler manufacturing facilities but work is underway to obtain it for inclusion in future years

4 Contract manufacturers and co-packers are excluded. Our progress toward this goal relies in part on replenishment associated with high water-risk franchise bottler manufacturing facilities. We are working to integrate their data into future calculations

5 World Resource Institute's Aqueduct water stress assessment tool is used to reconfirm high water-risk areas every three years. We continue to measure progress against our original 2025 goal and our extended 2030 goal. 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. 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 at sites as applicable

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 →

Packaging

PepsiCo's sustainable packaging approach is grounded in a vision to create a world where packaging never becomes waste. Sustainably managing our packaging requires comprehensive solutions, many of which are complex and hinge on significant systemic transformations such as improved infrastructure, policy or consumer engagement.

Packaging plays an essential role in safely delivering our foods and drinks to customers and consumers. We believe long-term transformation requires agility to identify what's working, what isn't, and adjust our approach to focus on areas where we can have the greatest impact.

We aim to design our primary packaging to comply with food safety regulations while maintaining the freshness and quality of our foods and drinks and carefully considering consumer preferences, environmental sustainability and consumer convenience.

Our packaging goals – refined in 2025 – include targets for primary and secondary packaging materials and focus on key markets where we believe our efforts can make the most positive impact and better account for external factors outside of the company's control. By prioritizing efforts in these key markets and continuing work to reduce our use of virgin plastic,[1] increase incorporation of recycled content[1] and improve the design of our packaging,[2] PepsiCo plans to focus on investments that aim to improve the packaging lifecycle.

Our goals remain ambitious and will continue to require investment, innovation and cross-sector collaboration to drive systemic change and support the business. At the same time, challenges remain. For example, India only passed laws allowing rPET for beverage packaging in 2023, with food packaging added this year. Well-designed collection and recycling policies, such as Extended Producer Responsibility (EPR) programs, are still lacking in many parts of the world.

No one company or industry can create a circular economy on its own. Advancing the sustainability and circularity of our packaging requires comprehensive systems solutions, many of which are complex and hinge on significant systemic transformations such as infrastructure, policy, and consumer engagement. We are working 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 key points along the packaging value chain are needed.

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

Among 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 more circular economy for packaging.

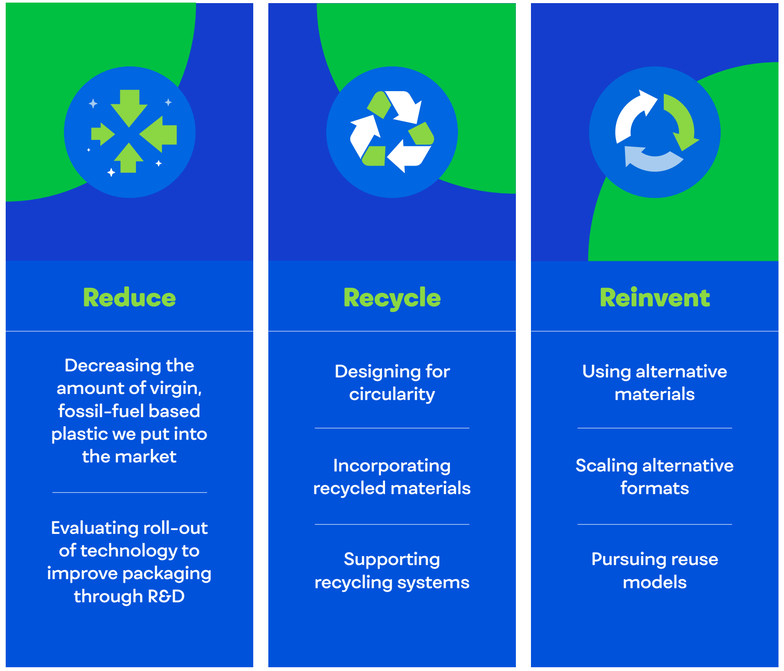
PepsiCo supports action across the value chain in the areas of reduction, circulation and waste prevention. More specifically, we believe the treaty could deliver benefits through aligned definitions and metrics, agreement on measures to improve packaging design and improved waste management systems, including smart EPR policies based on industry aligned principles, among other provisions.

Approach

PepsiCo's sustainable packaging vision is to help build a world where packaging never becomes waste. To achieve this vision and help drive progress toward our pep+ goals, we take a three-pronged approach focused on Reduce, Recycle and Reinvent.

Our sustainable packaging vision

As we work to achieve our vision, we measure progress against a defined set of packaging goals.



1 Goal tracks primary plastic packaging in PepsiCo's key packaging markets. This scope represents more than 80% of PepsiCo's 2024 global plastic packaging footprint (by weight)
2 Goal tracks primary and secondary packaging in PepsiCo's key packaging markets. This scope represents more than 85% of PepsiCo's 2024 global packaging footprint (by weight). Reusable packaging must also be designed to be recyclable or compostable

Reduce *(Use less packaging)*

Reducing plastic packaging supports both our packaging and climate ambitions by decreasing the amount of virgin, fossil-fuel based plastic we put on the market. Transitioning away from virgin plastic decreases the GHG emissions that would otherwise be generated from our production.

To reduce plastics across primary packaging, we have made progress in reducing the weight of our bottles and other packaging materials. Our R&D teams continue to explore and roll out technology to improve food packaging, including pre-settling food in order to use a smaller bag for the same amount of product and introducing new packaging materials.

Recycle *(Support a circular economy for plastic)*

Our approach to supporting a circular economy includes emphasis on designing for circularity; incorporating recycled materials; and supporting recycling systems.

While we work to phase out materials that are challenging in the recycling process, such as non-recyclable labels, we continue searching for solutions to improve the recyclability of flexible foods packaging and to increase consumer access to recycling.

Significant changes are needed to address broader recycling infrastructure, particularly to ensure packaging has the right end of life so it can eventually be incorporated into the recycled materials we use. Achieving circularity for certain materials, such as PET and other plastics, is contingent on many external forces, including both demand and supply. We will continue to engage externally and across industries to collaborate on the essential shifts needed to support this transformation.

We've made several changes to our packaging to reduce plastic usage and enhance the recyclability of our foods and drinks. We advanced progress toward our goal of achieving 97% or greater reusable, recyclable, or compostable (RRC) packaging by design by 2030 in our primary and secondary packaging in our key packaging markets, with 93% of primary & secondary packaging in key packaging markets designed to be reusable, recyclable or compostable (RRC) in 2024.[1] We continued work to design RRC packaging in different markets during 2024, including by:

- Changing the color of Mountain Dew bottles in Pakistan from dark green to light green in line with local recycling standards;
- Moving from whole-bottle shrink labels to partial-bottle wrap labels for Pepsi Black in China; and
- Transitioning to paper packaging for Snack A Jacks multipacks in the U.K. The new outer bag can be widely collected for curbside recycling collection.

We're also incorporating recycled polyethylene terephthalate (rPET) into the packaging we use within our beverages portfolio. In all, approximately 60 markets had at least one PepsiCo product with rPET in its packaging in 2024. Examples of these efforts include:

- Introducing the first 100% rPET carbonated beverage bottle in Taiwan with 7UP®; and
- Introducing the first energy drink in India with an rPET bottle for Sting®.

We have also prioritized investments in sustainable packaging solutions and alliances across the value chain. To help meet our recycled content ambitions, we work with a variety of stakeholders to drive improvements to collection and recycling systems. In 2024, we continued to invest in infrastructure that will provide greater accessibility to consumers who wish to recycle through collaborations and engagements including:

- Continuation of Journey to Zero Waste, a voluntary EPR program in Thailand for the collection and recycling of flexible packaging; in 2024, the program collected over 9,000 kg of multilayered packaging that was upcycled into school desks and chairs.
- We announced a new collaboration with Intuitive AI to offer the Oscar Sort AI recycling and sortation system in high-traffic areas across the U.S. Oscar Sort has been deployed at several PepsiCo office locations and will be launched at select customer locations in the coming months, including locations like universities, airports, malls and stadiums. Oscar Sort identifies materials and guides users to the correct bin to aid in proper disposal, improving overall recycling accuracy.
- We continued our work with the Fair Circularity Initiative (FCI) – launched in 2022 – where we work with peers and NGOs to support a set of principles to guide corporate engagement with the informal waste sector and work towards a fairer circular economy. Internally, a cross-functional group is developing a holistic strategy to implement these principles through internal guidance, on the ground projects and multi-stakeholder partnerships.
- The Purna Project, funded by PepsiCo India, focuses on efforts to improve ownership of waste, recognition and dignity as well as health and hygiene of the waste pickers, professional benefits and growth and entrepreneurship opportunities.

1 Goal tracks primary and secondary packaging in PepsiCo's key packaging markets. This scope represents more than 85% of PepsiCo's 2024 global packaging footprint (by weight). Reusable packaging must also be designed to be recyclable or compostable

Reinvent *(improve the packaging and materials that we use)*

PepsiCo's reinvention efforts focus on improving the environmental impact of our packaging by developing and supporting packaging innovations and new technologies. This work includes using alternative materials; scaling alternative formats; and pursuing reuse models. One example from 2024 is with Quaker® cereals in Brazil: Within our convenient foods business, we are implementing new technology to change the way we package our foods. In 2024, we reduced the plastic used in packages for Quaker® cereals in Brazil by switching the pouches from plastic to paper.

Reuse models used in our beverages business include, but are not limited to, SodaStream®, fountain beverages delivered in reusable containers and returnable glass and plastic bottles sold to customers. For example, In 2024, we launched Gatorade® glass bottles in Guatemala.

We're continuing to reinvent our offerings to deliver high-quality drinks through reusable formats. These models aim to help us decouple business growth from virgin plastic use and, over time, decrease GHG emissions. Informed by the Ellen MacArthur Foundation's reuse framework, we are pursuing multiple approaches to scale reuse, including:

- Expanding SodaStream®;
- Building out our returnable plastic and glass bottle offerings in collaboration with customers and PepsiCo bottlers; and
- Driving adoption of reusable cups for our fountain drinks.

Reuse

When we announced our updated packaging goals in May 2025, we sunset our reuse goal while continuing to track reusability as part of our refined RRC goal. Reuse remains core to our packaging approach and our partner engagements to identify reuse solutions within the value chain and advocate for smart policies. Examples include:

- Our continued engagement with the NextGen Consortium. The multi-year industry collaboration with Closed Loop Partners works to reimagine away-from-home 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.
- In 2024, we joined forces with Starbucks®, The Coca-Cola Company and other major brands to launch the Petaluma Reusable Cup Project, an initiative led by the NextGen Consortium that aims to make reuse a norm across an entire U.S. city. In total, eight Pepsi© customers served as both a cup outlet and/or return location. In addition to collecting over 200,000 cups for reuse, the pilot program provided key insights into what may be required to improve collection and consumer participation in future reuse initiatives.

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 a broad definition of reuse models being 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.

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 aims to be part of the solution.

For our primary plastic packaging in key packaging markets, we:

5%

Achieved a 5% reduction in our absolute tonnage of virgin plastics between 2023 and 2024[1]

15%

Used 15% recycled plastic in 2024[1]

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

Goals & progress

Our packaging goals – updated in May 2025 – cover specific types of packaging and focus on the key markets where we believe our efforts can make the most positive impact while accounting for external realities and business growth. Our 2024 ESG reporting suite, which includes this Summary and the ESG Topics A-Z pages, represents the first time we are reporting progress against these evolved goals.

By prioritizing efforts in these key markets, continuing work to reduce our use of virgin plastic and improve the design of our packaging and sunsetting our stand-alone reuse goal, PepsiCo plans to focus on investments that aim to improve the packaging lifecycle.

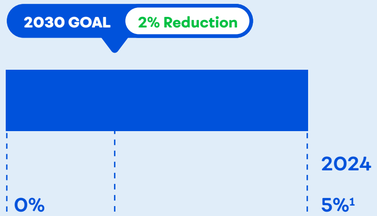
While challenges, including those related to infrastructure and technological advancements, persist, our goals remain ambitious, and progress will continue to require investment, innovation and cross-sector collaboration to drive systemic change.

GOAL

2030 virgin plastic reduction (tonnage) goal

For our primary plastic packaging in key packaging markets, achieve an average of **2% year-over-year reduction** in our absolute tonnage of virgin plastics through 2030[1]

PROGRESS

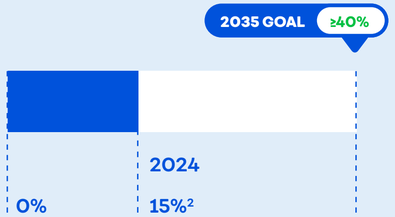


GOAL

2035 recycled content goal

For our primary plastic packaging in key packaging markets, use **40% or greater recycled content** in our plastic packaging by 2035 or sooner[1]

PROGRESS

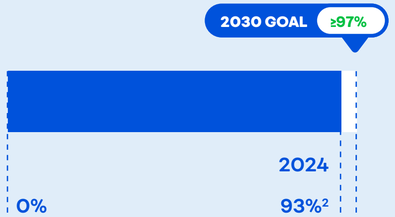


GOAL

2030 reusable, recyclable or compostable (RRC) goal

Achieve **97% or greater RRC packaging** by design by 2030 in our primary and secondary packaging in our key packaging markets[3]

PROGRESS



1 Goal tracks primary plastic packaging in PepsiCo's key packaging markets. This scope represents more than 80% of PepsiCo's 2024 global plastic packaging footprint (by weight)
2 Refined goal announced on May 22, 2025. 2024 performance calculated retroactively. For more information, see Calculation Methodology
3 Goal tracks primary and secondary packaging in PepsiCo's key packaging markets. This scope represents more than 85% of PepsiCo's 2024 global packaging footprint (by weight). Reusable packaging must also be designed to be recyclable or compostable

GOAL

Innovative packaging materials goal

Develop and support innovation, in **collaboration with our partners and external organizations**, of new packaging material technologies and solutions

PROGRESS

Our 2024 actions include:

- Using **market-leading, bio-based** and renewable materials
- Transitioning the exterior bag for Snack A Jacks® multipacks from **plastic to recyclable paper packaging** in the U.K.
- Converting Mini's canisters from metal to **recycle-ready paper** bottoms for all take-home size canisters in North America

GOAL

Recycling rates goal

Invest to **increase recycling rates** in our key packaging markets

PROGRESS

Our 2024 actions include:

- Helping to set up a **voluntary EPR program** for the collection and recycling of flexible packaging in Thailand
- Launching the **Positive Packaging Outcomes Fund**, a program for funding internal projects aimed at progressing our sustainable packaging goals. In 2024, we **established collection programs for increased recycling** in Mexico, Brazil and Uganda
- Launching a chip bag **collection program with a recycling consortium** at our Plano, Texas offices
- Announcing a new **collaboration with Intuitive AI** to offer the Oscar Sort AI recycling and sortation system in high-traffic areas across the U.S.

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 →

People

As a global convenient foods and drinks leader, we strive to use our reach to champion responsible business practices. This means aspiring to positively influence our business partners and communities and championing our employees' well-being.

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; and, where possible, aim to reduce barriers to equality in our supply chains and throughout the communities where we operate.

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.

Approach to job and volunteer growth opportunities

In 2024, over 16,000 employees around the globe volunteered over 169,000 hours through One Smile at a Time, our internal global volunteering program. Volunteers contributed their time on issues important to our employees, their communities and the company, including water access, food security and economic empowerment.

Programmatic highlights that contributed to our pep+ employee volunteering goal in 2024 included:

- Nearly **1,100 employees volunteered** and packed more than **200,000 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 13 countries, in partnership with local nonprofit organizations.

GOAL

Job growth & career advancement goal

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

PROGRESS

Our 2024 actions include:

Continuing to provide fulfilling growth opportunities and career advancement programs through a variety of programs such as PEP U Degreed and myLearning. In 2024, employees completed more than **1.8 million hours of learning** across all programs

Continuing to support our associates through our **internal talent marketplace, myDevelopment, where employees** were assigned and took part in short-term projects or new opportunities

Continuing to offer programs that **fully-fund and reimburse tuition for many U.S. employees**. These help them to acquire new skills or refine existing ones through myEducation where employees can complete a degree or program

GOAL

Volunteer growth goal

Empower our associates with the resources and time needed to **build and cultivate prosperity** in our communities

PROGRESS

Our actions include:

Launching the **first-ever global volunteer webcast to celebrate exceptional associates and projects worldwide**, while highlighting the alignment between our volunteering program and key PepsiCo initiatives – including pep+, Employee Resource Groups (ERGs), Green Teams, frontline participation and executive sponsorship

Embedding volunteerism into programming throughout 2024, including Global Volunteer Month in April and PepsiCo Gives Back Month in October. In 2024, employees donated more than **169,000 hours in volunteering actions** around the world

Engaging our Employees

We're also incentivizing employee participation in our sustainability journey by adding pep+ as a category to our internal awards program, **Smiles**, which encourages employees to recognize one another for taking actions to 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 nearly 300 Green Teams globally. In 2024, Green Teams around the world held initiatives ranging from tree plantings to expanding EV charging on campuses to sustainability-focused workshops.

We further encourage PepsiCo employees to engage on sustainability through sustainability trainings and educational courses ranging from climate basics to technical trainings via PEP U.

We also provide opportunities for employees to learn, grow and engage at work. Across the globe, our employees spent over 1.8 million hours learning through our digital platforms in 2024, including:

- **PEP U Degreed** is 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. In 2024, we expanded the reach of PEP U Degreed to include courses on data and analytics, cloud computing, A.I., automation, software development and project management.
- **myEducation** offers learning opportunities for many U.S. employees through tuition reimbursement and access to 80+ fully funded, flexible upskilling programs from highly reputable schools and universities. Based on internal data, participants in those programs are nearly two times more likely to advance in their careers.
- **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 2024, over 600 projects were created in the marketplace and over 550 employees were assigned to and took part in short-term projects or new opportunities.

Approach to driving inclusion

We aim to create an inclusive workplace with meaningful opportunities that will attract and retain the best talent in a competitive landscape.

Our Inclusion for Growth strategy is structured around three pillars:

- **People:** Continuing to attract and retain top talent, providing associates with the opportunities to succeed and striving to create a culture of inclusion where excellence and contribution drive success.
- **Business:** Building a global workforce and supplier ecosystem that strengthens our ability to compete by leveraging diverse perspectives for innovation, gaining deeper consumer insights in markets around the world and delivering excellence in all areas.
- **Community:** Deepening our impact by focusing on meaningful partnerships that drive business growth and opportunity and that strengthen brand trust and our license to operate by fortifying relationships with suppliers, customers, consumers, governments and local organizations.

Across our organization, we're fostering a collaborative 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.
- **Creating access to economic opportunity through education** by leveraging our reach and resources through the PepsiCo Foundation. From 2021 to 2025, more than 4,200 scholarships have been awarded to students across the U.S., helping meet our goal of reaching 4,125 students by 2025.
- **Our 2024 internal survey results show that PepsiCo employees feel high levels of pride** in working for PepsiCo, are energized by their work and are confident in PepsiCo's future success. PepsiCo's Organizational Health Survey Score stood at 78% with employee engagement at 80% and employee commitment at 76%. External benchmarking suggests that our employee engagement remains strong compared with other Fortune 500 peers. By listening to employees through various channels and acting to solve issues raised, we aim to provide the best employment experience possible.

Approach to pay equity

As part of our pep+ ambitions, we are working to achieve and sustain pay equity for our global professional population to help ensure women and men continue to be paid within 1% of each other.

GOAL

Pay equity goal

Achieve and sustain **pay equity for our global professional population**

ASSESSMENT

Women and men continue to be paid within **1%** of each other in 2024[1]

Approach to our Supplier Code of Conduct

Our suppliers play an important role for our business, and we expect them to adhere to the core principles (including to conduct business responsibly, with integrity, honesty, and transparency) outlined in our Global Supplier Code of Conduct (SCoC). Our SCoC is updated periodically to help reflect evolving international and industry standards, and we offer trainings to help our direct suppliers better understand and implement the principles of our SCoC. We recognize that our policies and programs may not prevent all adverse impacts across our supply chain. Our aim is to use our leverage to encourage, where we can, our suppliers to help enable remedies where we learn there are impacts directly linked to our business operations.

While the SCoC applies to suppliers of goods and services, PepsiCo has also set a goal to extend the core principles of our SCoC to our franchisees and joint ventures by the end of 2025. To meet this goal, we continue to reiterate to our franchisees and joint ventures our expectations that they should adhere to the principles outlined in the SCoC and, where possible, continue to update contractual requirements for these parties to help clarify our expectations. We also continue to engage with franchisees and joint ventures on our human rights agenda and priorities.

1 Based on analysis of more than 99% of our salaried population across 71 countries

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 in our direct operations and direct supply chain and strive to ensure that we have the appropriate policies and procedures in place. We also closely monitor emerging risks and regularly review our salient issues to help 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.

GOAL

Human rights goal

Promote **fair and safe working conditions** by advancing respect for human rights in our direct operations and direct supply chain

PROGRESS

Our actions include:

- Empowering our strategic, tier-1[1] suppliers through capacity building and collaboration to adopt and implement processes for conducting human rights due diligence, deploying training on human rights risks, and implementing measures to mitigate potential risks when they are identified
- Co-sponsoring an AIM-Progress grievance mechanism capacity building program in Brazil to support local suppliers in improving existing industry level grievance management systems
- Continuing to co-sponsor the AIM-Progress Tackling Forced Labor and Child Labor Initiative, which has trained nearly 800 representatives from sanitation providers, labor providers, and co-manufacturers and co-packers across the food and beverage industry in the United States

Approach to striving for an injury-free work environment

A key aspect of our efforts to respect human rights is fostering fair and safe working conditions in our operations and aiming to achieve an injury-free workplace. We build a positive and 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 employees and actively encourage participation in building our proactive EHS culture – which we call "Courage to Care."

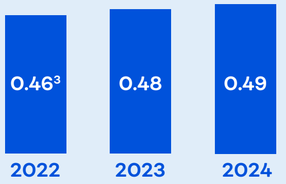
All PepsiCo-owned manufacturing facilities are executing our GEHSMS standards. In addition to pursuing GEHSMS standards, 54% of our company-owned manufacturing facilities were certified to the ISO 45001 standard at the end of 2024. In 2024, our Lost Time Incident Rate remained nearly constant with the prior year, at 0.49 per 200,000 hours worked.

GOAL

Injury-free work environment goal

Continue to strive for an **injury-free work environment**[2]

PROGRESS



Lost Time Incident Rate (per 200,000 hours worked)

1 A tier-1 supplier is a company that supplies products, goods, or services directly to PepsiCo, Inc.
2 Results reflect lost time incidents per 200,000 hours worked
3 Results reflect the exclusion of SodaStream and Be & Cheery

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.

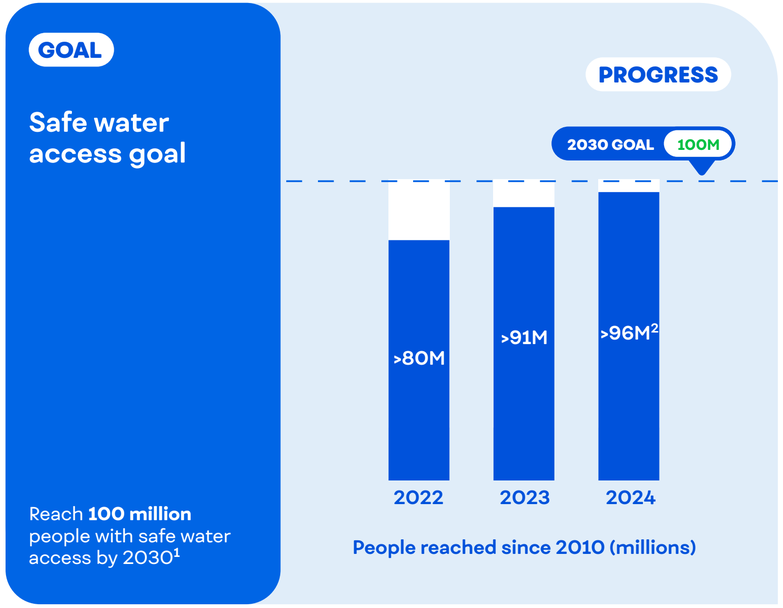
PepsiCo and the PepsiCo Foundation are focused on three paths for delivering safe water access to millions of people in water-risk communities:

- **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 >96 million people gain access to safe water since 2010, including more than 4.4 million people in 2024,[2] marking 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.



Approach to advancing food security

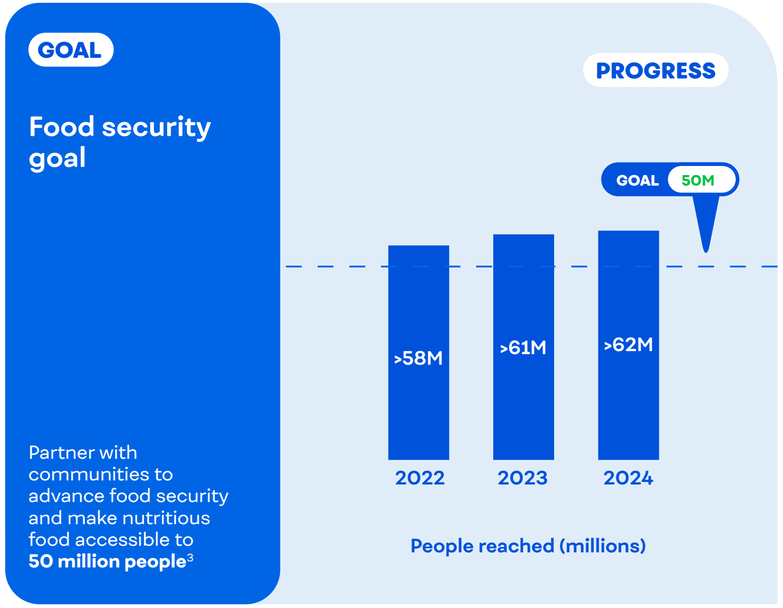
In recent years, access to nutritious food has become more challenging for many around the globe due to factors like climate change-induced crop failures, conflicts disrupting food supply chains and economic inequalities for vulnerable communities.

Food security has been at the center of our work for decades, and we strive to increase equitable access to nutritious food in the communities where we live and work. 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.

Additionally, we are furthering our philanthropic global commitment to advance food security through our flagship programs such as PepsiCo and the PepsiCo Foundation's Food for Good program. In the U.S., our Food for Good social enterprise has delivered more than 78 million meals since 2009 – of which 2.6 million meals were delivered to over 68,000 children in 2024 alone.

Read more about our efforts to advance food security in the PepsiCo Foundation's Global Impact Report.



1 Metric counts the cumulative number of people provided with access to safe water since 2010
2 Cumulative results include current year performance and performance in prior years which were adjusted to reflect the availability of improved data
3 Results represent the cumulative sum of people reached with nutritious food per annual reporting period through programs funded through charitable contributions, as well as through commercial efforts that are intended to provide nutritious food. For more information, see Calculation Methodology

Explore People topics in more depth

- Employee demographics
- Employee engagement
- Employee learning and development
- Employee recruitment
- Employee well-being
- Environment, health and safety
- Food and nutrition security
- Human rights
- Inclusion
- Pay equity
- Philanthropy

Read stories about People initiatives at PepsiCo →

Positive Value Chain stories

Climate

Meet Gail, PepsiCo's towering wind turbine

How sunlight + cooking oil adds up to zero fossil fuels in Cork

How PepsiCo is equipping industry partners with tools to help lower emissions

Water

Restoring our waterways, one tree at a time

A water-saving idea having ripple effects around the globe

How we're saving millions of liters of water in Spain

Packaging

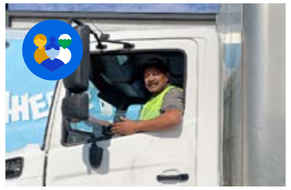
5 ways PepsiCo is innovating to create more sustainable packaging

See Quaker® porridge pots' sustainable makeover

PepsiCo and Intuitive AI Join Forces to Launch Oscar Sort - AI Recycling Sortation and Education Technology First Being Deployed at High-Traffic PepsiCo Customer Locations Across the U.S.

People

The PepsiCo Foundation shares stories of community impact



One driver's million-mile journey to help PepsiCo fight hunger

Associates share how a PepsiCo Foundation scholarship has helped their children

Learn more at pepsico.com/our-stories

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
- Climate change
- Fleet decarbonization
- Green Bond
- Packaging
- Renewable energy

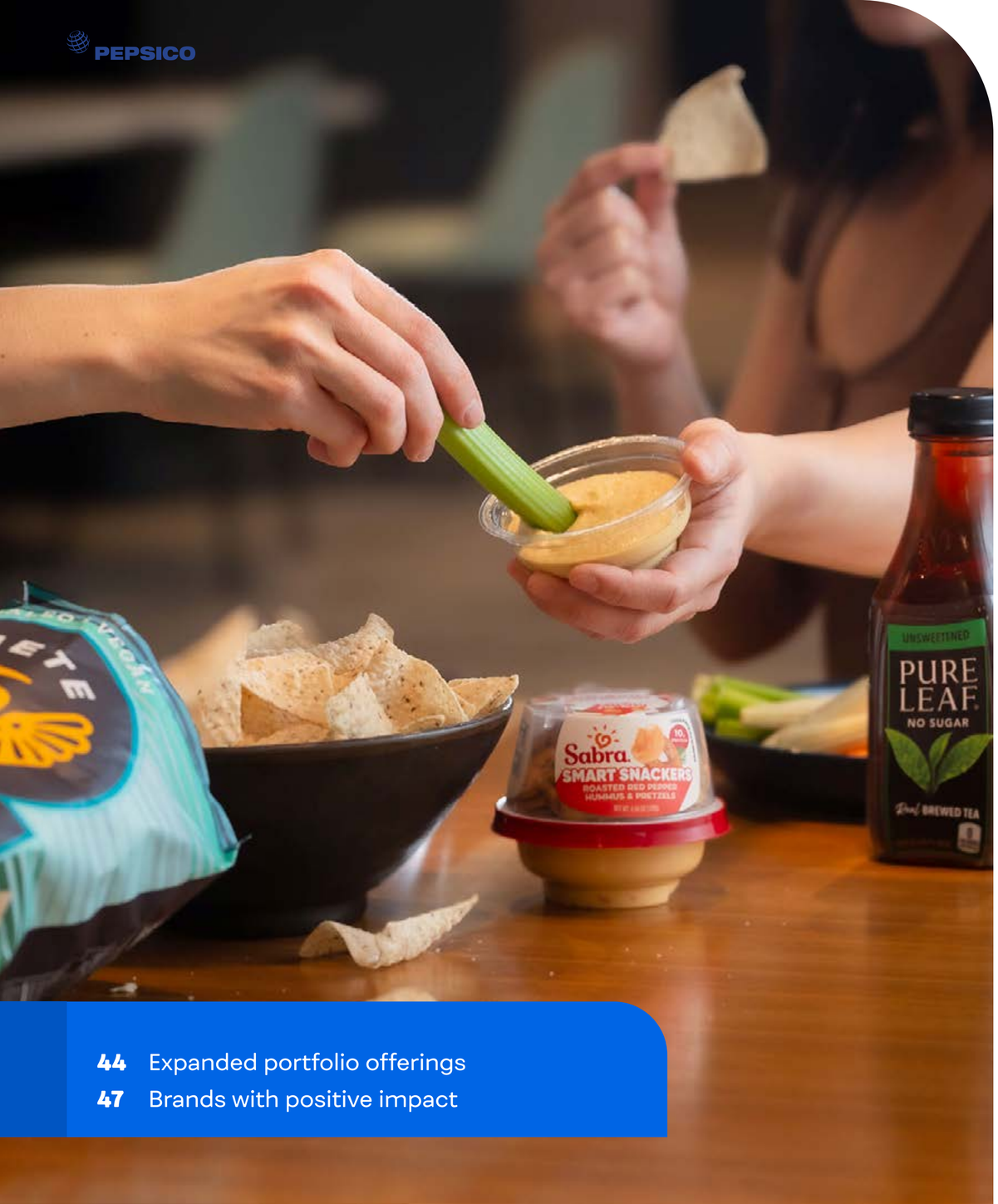
Our 2024 ESG Performance Metrics

This download contains detailed performance data, tracking progress against our goals.

Download 2024 ESG Performance Metrics →

Learn more about how we're making a difference

Positive Value Chain → | Philanthropy → | ESG Topics A-Z → | Downloads →



44 Expanded portfolio offerings
47 Brands with positive impact

Positive Choices

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

We look across our portfolio for ways to create more smiles with every sip and every bite. By creating joyful moments for our consumers through delicious and nourishing foods and drinks and unique brand experiences, we aim to inspire choices that have 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 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 and increase servings of diverse ingredients that we deliver. Building on our progress, in 2023 we set two new nutrition goals to further reduce sodium and to purposefully deliver more servings of 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 labeling on our foods and drinks.

In 2024, we continued working toward our goals by transforming areas of our portfolio through a combination of current offerings, reformulating some 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 in our beverages, reducing sodium and saturated fat and increasing the diversity of ingredients used in our convenient foods.

In 2023, we introduced two new global 2030 nutrition goals to further reduce sodium and to purposefully deliver more portions of diverse ingredients – like legumes, whole grains, plant-based proteins, fruits and vegetables and nuts and seeds – in our global convenient foods portfolio. These new goals demonstrate how we expect our portfolio to offer more choices in the future.

Beyond the nutritional content of our foods and drinks, 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. Learn more about our global labeling policy here.

Product innovation

Innovating our portfolio to inspire more choices

Gatorade® Hydration Booster electrolyte powder

Gatorade®'s first electrolyte powder introduced in 2024

Contains 100% daily value of essential vitamins A, B3, B5, B6 and C

No artificial flavors

No sweeteners or added colors

NatuChips® (Plantain)

Introduced 2024 in Colombia and Mexico

Below Category Sodium targets

Delivers against Diverse Ingredients targets

Low in saturated fat and made with healthier oils

Approach

Since 2015, we've been charting progress against a set of strategic, ambitious goals that cut across our portfolio of foods and drinks. As of 2024, we've achieved all three of our 2025 targets, which focus on reducing saturated fat and sodium in convenient foods and added sugars in beverages:

- ≥67% of beverage portfolio volume will not exceed 100 Calories from added sugars per 12 ounce serving.[1]
- ≥75% of convenient foods portfolio volume will not exceed 1.3 milligrams (mg) of sodium per Calorie.[2]
- ≥75% of convenient foods portfolio volume will not exceed 1.1 grams (g) of saturated fat per 100 Calories (first met in 2021).[2]

We strive to continue to meet these targets moving forward, and building on this progress, we are already underway on advancing toward our new 2030 goals to deliver:

- At least 75% of our convenient foods portfolio volume at or below category sodium targets.[3]
- 145 billion portions of diverse ingredients annually in our convenient foods portfolio.[2]

We're continuing to evolve the nutritional profile of our best-selling brands. In 2024, we achieved our 2025 goal for reducing added sugar in our beverages, with 67%[4] of our beverage portfolio containing fewer than 100 Calories from added sugars per 12 oz. serving. We also surpassed our 2025 sodium reduction goal, with 77%[4] of our convenient foods portfolio volume not exceeding 1.3 milligrams of sodium per Calorie.

Our Positive Choices goals focus on accelerating the reduction of added sugars in our beverages, reducing sodium and saturated fat and increasing servings of diverse ingredients that we deliver in our convenient foods as we continue evolving our portfolio offerings to meet the varied taste and expectations of consumers.

1 Our global results are based on our Top 26 beverage markets
2 Our global results are based on our Top 23 convenient foods markets
3 Our global results are based on our Top 23 convenient foods markets. Refer to the Nutrition ESG Topics A–Z page for complete list of food categories
4 As of 2024, Top 26 beverage markets represented 78% of our global beverages volume and Top 23 convenient foods markets represented 86% of our global convenient foods volume. Results reflect the exclusion of Be & Cheery portfolio

Our nutrition efforts are made possible through the cutting-edge innovations developed by our more than 2,800 employees across 18 R&D centers around the world. These experts include:

- 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's policy is to comply with all relevant labeling laws and regulations in all markets in which our foods and drinks 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.

We converted Pepsi® to lower sugar formulations in markets such as China, Egypt, Saudi Arabia and India

Our U.S. Lightly Salted product line contains 50% less sodium than its traditional counterparts

Goals & progress

Inspiring Positive Choices by raising the bar to improve the nutritional profile of our foods and drinks

Over the past decade, we've continued to advance our product portfolio goals. We've met all three of our 2025 goals ahead of schedule, specifically:

- **Saturated fat reduction (first met in 2021):** 81%[1] of our convenient foods portfolio volume did not exceed 1.1 g of saturated fat per 100 Calories[2] in 2024
- **Sodium reduction (first met in 2024):** 77%[1] of our convenient foods portfolio volume did not exceed 1.3 mg of sodium per Calorie[2] in 2024
- **Added sugars reduction (first met in 2024):** 67%[1] of our beverage portfolio volume contained fewer than 100 Calories from added sugars per 12 oz. servings[3] in 2024

Additionally, we continued to make progress toward our 2030 targets in 2024:

- **Sodium reduction:** 44% of our global convenient foods portfolio met or was below category sodium targets[4]
- **Diverse ingredients:** 69 billion portions of diverse ingredients were delivered[4,5]

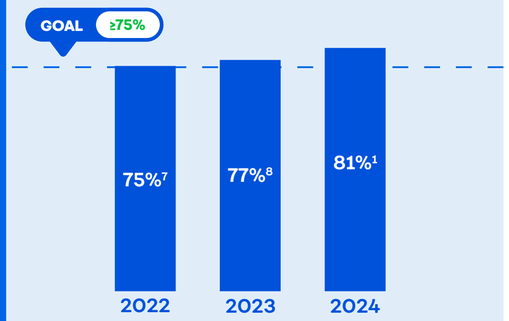
We saw a slight year-over-year increase towards our diverse ingredients goal, and we remain focused on further advancing our progress.

GOAL

2025 saturated fat reduction goal

≥75% of convenient foods portfolio volume will not exceed **1.1 grams of saturated fat per 100 Calories**[6]

PROGRESS



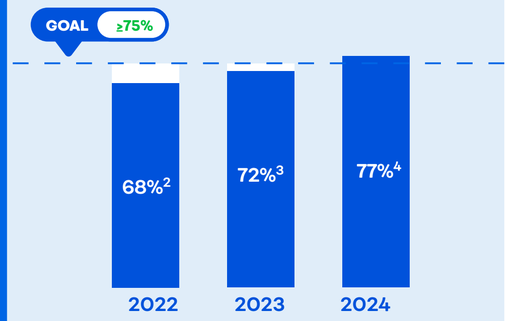
1 As of 2024, Top 23 convenient foods markets represented 86% of our global convenient foods volume and Top 26 beverage markets represented 78% of our global beverages volume. Results reflect the exclusion of Be & Cheery portfolio
2 Our global results are based on our Top 23 convenient foods markets
3 Our global results are based on our Top 26 beverage markets
4 Results reflect the exclusion of the Be & Cheery portfolio and the Dairy and Baby Food categories in Russia and Ukraine. As of 2024, the Top 23 convenient foods markets accounted for 84% of our total global convenient foods volume, adjusted for these exclusions
5 Including legumes, whole grains, plant-based proteins, fruits and vegetables and nuts and seeds
6 Our global results are based on our Top 23 convenient foods markets
7 As of 2022, Top 23 convenient foods markets represented 86% of our global convenient foods volume and Top 26 beverage markets represented 78% of our global beverages volume. Results reflect the exclusion of Be & Cheery portfolio
8 As of 2023, Top 23 convenient foods markets represented 86% of our global convenient foods volume and Top 26 beverage markets represented 78% of our global beverages volume. Results reflect the exclusion of Be & Cheery portfolio

GOAL

2025 sodium reduction goal

≥75% of convenient foods portfolio volume will not exceed **1.3 milligrams of sodium per Calorie**[1]

PROGRESS

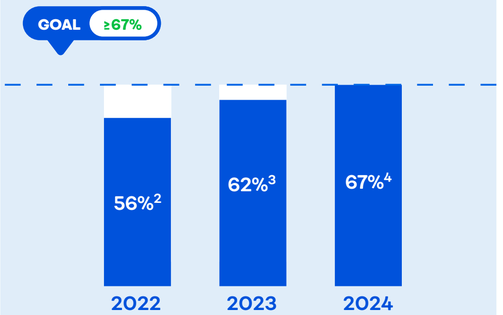


GOAL

2025 sugar reduction goal

≥67% of beverage portfolio volume will have **<100 Calories from added sugars per 12 oz. serving**[5]

PROGRESS

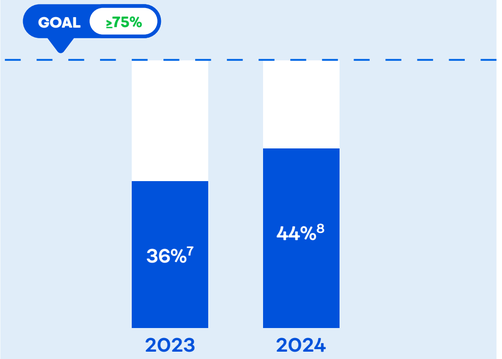


GOAL

2030 sodium reduction goal

≥75% of global convenient foods portfolio volume will **meet or be below category sodium targets** by 2030[6]

PROGRESS

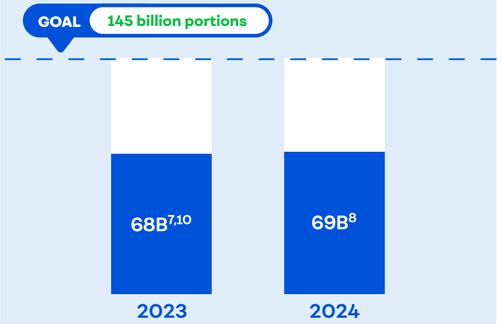


GOAL

Diverse ingredients goal

Deliver **145 billion portions of diverse ingredients annually** in our global convenient foods portfolio[1] and to ensure each portion will provide approximately 10% of the suggested daily amount of a diverse ingredient[9]

PROGRESS



Portions of diverse ingredients delivered (billions)

1 Our global results are based on our Top 23 convenient foods markets
2 As of 2022, Top 26 beverage markets represented 78% of our global beverages volume and Top 23 convenient foods markets represented 86% of our global convenient foods volume. Results reflect the exclusion of Be & Cheery portfolio
3 As of 2023, Top 26 beverage markets represented 78% of our global beverages volume and Top 23 convenient foods markets represented 86% of our global convenient foods volume. Results reflect the exclusion of Be & Cheery portfolio
4 As of 2024, Top 26 beverage markets represented 78% of our global beverages volume and Top 23 convenient foods markets represented 86% of our global convenient foods volume. Results reflect the exclusion of Be & Cheery portfolio
5 Our global results are based on our Top 26 beverage markets
6 Our global results are based on our Top 23 convenient foods markets. Refer to the Nutrition ESG Topics A–Z page for complete list of food categories
7 Results reflect the exclusion of the Be & Cheery portfolio and the Dairy and Baby Food categories in Russia and Ukraine. As of 2023, the Top 23 convenient foods markets accounted for 84% of our total global convenient foods volume, adjusted for these exclusions
8 Results reflect the exclusion of the Be & Cheery portfolio and the Dairy and Baby Food categories in Russia and Ukraine. As of 2024, the Top 23 convenient foods markets accounted for 84% of our total global convenient foods volume, adjusted for these exclusions
9 Based on published dietary guidelines for select countries, WHO Healthy Diet Fact Sheet and Eat Lancet Planetary Healthy Diet report
10 Metric restated in 2024 to exclude 6.5 billion portions of corn previously reported as whole grain in 2023

Brands with positive impact

With the scale and reach of our iconic brands — like Lay's®, Pepsi®, Doritos®, Gatorade®, Quaker® and SodaStream® — we aim to inspire choices that have a positive impact on the planet, our communities and our consumers.

Our positive brands strategy strives to build stronger connections with our consumers — inspiring millions of people through our brand experiences, 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:

- Transform, champion and accelerate the growth of our Positive Choices portfolio.
- Design our portfolio and marketing activities to be more sustainable and inclusive from the start — minimizing our environmental impacts while better connecting our brands with the people we serve.
- Inspire consumers to choose sustainable brands and adopt sustainable behaviors.

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 labeling on our foods and drinks — these are opportunities to enable consumers to learn how the ingredients in the foods and drinks they consume were grown, prepared and packaged as well as learn about our vision to create a world where packaging never becomes waste.

Goals & progress

GOAL

Brands with positive impact goal

Leverage our scaled brands to **embody and amplify positive outcomes for the planet and people**, including empowering consumers with transparent labeling on our key products

PROGRESS

Our actions include:

Continuing to update 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

Many of our consumer brands seek to make a positive impact.

Pepsi®, Lay's®, Doritos® and Gatorade®

PepsiCo brands Pepsi®, Lay's®, Doritos® and Gatorade® continued to partner with UEFA to implement circular economy practices at the 2024 UEFA Champions League Finals events. We expanded our sustainability efforts with returnable cups and trays across fan zones and concessions in London. Pepsi® and Rockstar® Energy Drink brought sustainable practices into the fan experience via a digital gamified experience and other simple, fun and rewarding ways to reduce waste. By prioritizing ease-of-use solutions, we're turning sustainability into an engaging part of the celebration.

Lay's® RePlay

In 2024, Lay's® RePlay unveiled its 11th community football pitch in Bilbao, Spain, just ahead of the UEFA Women's Champions League Final. Designed to support young talent through sport, the pitch launch marked the latest chapter in Lay's® RePlay program – an initiative that combines social impact and sustainability by transforming used chip bags into community football pitches. With over 1,500 participants reached monthly through 8,000 hours of programming, and another 2,300 benefiting through broader community access, Lay's® RePlay continues to expand its global footprint – now spanning South Africa to Mexico – helping young people build skills, confidence and connection through play.

Marias Gamesa®

Marias Gamesa® is helping Latina moms be seen and supported with the return of its Cafecito con Marias Gamesa® campaign in partnership with Super Mamás podcast to offer a virtual space for moms to connect, share and prioritize themselves. Inspired by insights showing that 70% of Latina moms often feel too overwhelmed to call their own mothers, the campaign's "Márcale a Mamá" ("Call Mom") message encourages reconnection. The effort also features the Marias Gamesa® Squad, a group of Latina creators sharing authentic stories of motherhood to inspire community and conversation.

Gatorade®

Launched globally in 2024, Gatorade®'s Fuel Tomorrow platform is designed to tackle the barriers that keep young people out of sports, aiming to help 2.5 million teens around the world access the life-changing power of sport by 2030. In 2024, Gatorade® expanded its Confidence Coaches campaign to spotlight how low confidence can lead some girls to drop out of sports. Gatorade® also brought together 25,000 teens globally participating in its 5v5 tournament and a chance to play the final matches at the UEFA Finals.

Positive Choices stories

Julio Rodríguez and Christian Pulisic join Candace Parker on Muscle Milk athlete roster, star in "Strength for it All" Campaign

Gatorade® launches Fuel Tomorrow, a new global platform that addresses equity in sport

In its continued partnership with UEFA, PepsiCo leads the charge towards a more sustainable 2024 UEFA Champions League Final

You'll Never Stay Defeated: Football legend Kaka surprises aspiring teens with confidence talk at 2024 Gatorade® 5v5 Finals 2024

Global superstar J Balvin and Cheetos® team up to support Latino community and search for next Deja tu Huella™ ambassador

Gatorade® ushers in a new age of football by expanding its roster with emerging NFL talent and first female flag football athlete

Follow a potato's journey from farm to shelf with a Lay's® fan

Learn more at pepsico.com/our-stories

Our 2024 ESG Performance Metrics

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

Download 2024 ESG Performance Metrics →

Learn more about how we're making a difference

Positive Value Chain →
Philanthropy →
ESG Topics A-Z →
Downloads →

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.

- Food and nutrition security
- Inclusion
- Nutrition
- Philanthropy
- Product labeling and claims
- Sustainable product design

This PepsiCo, Inc. 2024 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.

The information on any third-party website mentioned herein is not, and shall not be deemed to be, a part of this document.

PEPSICO