



PEPSICO

PepsiCo Global Sustainable Packaging Policy

PepsiCo's responsibility is to continually improve all aspects of the world in which we operate – environment, social, economic - creating a better tomorrow than today.

PepsiCo has a clear policy with regard to our understanding of the unique role packaging holds in shaping the way our products are presented to consumers, customers and communities. In addition to understanding its necessary role in protecting the quality and experience consumers have with our products, we respect our responsibility to contribute to the quality of life in our communities by optimizing the use of materials and continually improving our processes.

Our Global Packaging Policy expresses our *Performance with Purpose* vision and commitment to build shareholder value by making PepsiCo a truly sustainable company through programs that reflect our focus on economic growth, improving communities and environmental stewardship.

PepsiCo's Packaging Policy

PepsiCo is committed to develop packaging that:

- Supports continued shareholder growth
- Exemplifies Best-in-Class design and use of materials
- Maintains the highest quality and hygiene standards expected of our products by consumers
- Provides optimal protection for our products and trademarks
- Meets value, cost and performance criteria that satisfies consumer and customer desires
- Strives for the smallest possible environmental footprint

Our Aspirations regarding Sustainable Packaging

As we strive for the smallest possible environmental footprint, PepsiCo has been inspired by many science-based sources, including the Sustainable Packaging Coalition (SPC) and the European Organization for Packaging and the Environment (EUROPEN). While some elements are quite straightforward to commercialize, others will require the continued work of our innovation and procurement teams, in conjunction with our suppliers. Our sustainable packaging aspirations aim to:

- Increase the use of recycled content or materials from renewable sources
- Optimize packaging design to use the fewest materials necessary
- Promote the use of materials that can be recycled (beverage containers, cereal cartons, etc.)
- Minimize post-industrial waste
- Avoid known negative impacts to the environment
- Achieve a lower carbon footprint by ensuring efficient energy usage across the product lifecycle



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PepsiCo Principles regarding Sustainable Packaging

As we continue our journey to optimize materials, we have developed a set of principles to guide our decision making process. Decisions and actions will be based upon:

- The use of sound-science with reputable assumptions and benchmarks regarding the environmental impact of packaging
- Using common and understandable language, definitions and metrics
- Setting quantifiable, time-bound goals
- The responsible balancing of multiple considerations and variables when making packaging decisions
- Developing short-term and long-term continuous improvement packaging strategies

Setting and Achieving Goals

As part of this approach, we have established broad sustainable packaging objectives that are the basis for measurable goals that aim to turn these aspirations and principles into action across all functions within PepsiCo to focus our efforts and empower our employees.

The specific goals will be aligned with the line of business, such as Snacks and Beverages, and geographies, based on the opportunities that exist in those areas.

Broad Objectives	
Remove	Eliminate environmentally sensitive materials
Reduce	Achieve Best-in-Class material optimization or performance criteria for packaging
Recycle	Achieve Best-in-Class recycled content for Beverage primary packaging
	Increase recyclability of rigid (Beverage) packaging
	Increase recycling of post-industrial packaging related to PepsiCo packaging (trimmings, etc at suppliers)
Renew	Innovate and develop commercially viable biodegradable packaging (Snacks & Foods)
Reuse	Increase reuse of consumer, operational or transport packaging

As we continue to innovate and build upon our understanding of opportunities, PepsiCo may choose to add or update these goals to reflect the new technologies and materials that become commercially viable.
