



Message from PepsiCo's Chairman & Chief Executive Officer

PepsiCo is proud to support the United Nations Global Compact and its 10 Guiding Principles in the areas of human rights, labor standards, the environment and anti-corruption.

For more than a decade, PepsiCo has been guided by a philosophy called Performance with Purpose, which helps ensure that we deliver superior financial performance in a way that is responsive to the needs of the world around us. Not only is this approach the right one for our society and our environment, we believe it is a business imperative for any successful global corporation in the 21st century.

That's why, in 2016, we redoubled our commitment to Performance with Purpose and renewed our goals for another decade. Our Performance with Purpose 2025 agenda includes transforming our portfolio of foods and beverages to include new, more nutritious options, while shrinking our environmental footprint, making our food system more sustainable, and lifting up our communities around the world. These goals are ambitious, science-based, and complementary to our business, while contributing positively to society.

We have closely mapped our plans to the United Nations 2030 Sustainable Development Goals and are working to make valuable contributions to this shared agenda. In the first year of Performance with Purpose 2025, we achieved meaningful progress on many of our goals, while setting the stage for continued success in the years ahead.

Our annual Communication on Progress demonstrates our ongoing commitment to the Global Compact. Thank you for the opportunity to participate once again.

A handwritten signature in black ink that reads "Indra Nooyi". The signature is written in a cursive style with a long horizontal line underneath.

Indra Nooyi

UNGC Principles

As a signatory of the United Nations Global Compact (UNGC), PepsiCo is committed to supporting the Compact's principles in our everyday business operations. We consider our [Sustainability Report](#) and [A-Z Topics page](#), both of which are available on PepsiCo.com, to be our primary sources for the Communication on Progress (COP) to the UN Global Compact. The following provides further relevant information on each of the 10 UNGC Guiding Principles.

Human rights

- 1. Businesses should support and respect the protection of internationally proclaimed human rights; and*
- 2. Make sure that they are not complicit in human rights abuses.*

At PepsiCo, we aim to ensure that all rights holders that might be affected by PepsiCo, both directly and through our value chain, can enjoy the human rights described in the International Bill of Human Rights and the ILO Declaration of Fundamental Principles and Rights at Work.

Our Human Rights Workplace Policy seeks to ensure a work environment that is free from all forms of discrimination, and where people feel comfortable and respected. Human rights policy violations can be reported to Human Resources, the PepsiCo Law Department or by using a confidential program called Speak Up, where associates can anonymously raise questions or concerns 24/7 by phone or Internet.

PepsiCo's commitment to respecting the human rights of workers throughout our value chain, as well as in the local communities where we operate, is articulated in our Human Rights Statement and Salient Issues Statement, our Code of Conduct, our Supplier Code of Conduct, and relevant policies including those on land rights, deforestation, and sustainable agriculture.

We are a charter endorser of the Sullivan Principles, whose goals are to advance economic, social and political justice by companies where they do business, to support human rights and to encourage equal opportunity at all levels of employment. In 2006, PepsiCo certified to requesting entities that its policies reflect the fair employment standards embodied in the MacBride Principles of fair employment.

To learn more about key areas, please see our website:

- [Human Rights](#)
- [Human Rights Statement and Salient Issues Statement](#)
- [Human Rights Workplace Policy](#)
- [Statement on Modern Slavery and Human Trafficking](#)
- [Ethics and Integrity](#)
- [Global Code of Conduct](#)
- [Supplier Code of Conduct](#)
- [PepsiCo Grievance Mechanism for Agricultural Supply Chain](#)
- [Land Rights](#)
- [Deforestation](#)
- [PepsiCo Palm Oil Action Plan Progress Report](#)

Labor standards

3. *Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;*
4. *The elimination of all forms of forced and compulsory labor;*
5. *The effective abolition of child labor; and*
6. *The elimination of discrimination in respect of employment and occupation.*

Our first priority as a company is the safety, health and well-being of our associates around the world. We provide competitive pay and a full range of benefits to help associates live healthier, balance work and family, and build a secure financial future. We are also continually working across our businesses to prevent occupational injuries and illnesses, striving for an incident-free workplace. We deal fairly and honestly with our associates regarding wages, benefits and other conditions of employment, and recognize our associates' right to freedom of association. We do not use compulsory or child labor. We do not tolerate discrimination, and we work to ensure equal opportunity for all associates. We are committed to compliance with all applicable laws, regulations and other employment standards, wherever we operate or work. We encourage our partners, suppliers, contractors and vendors to support these policies, and we place substantial value on working with others who share our commitment to human rights.

To learn more about key areas, please see our website:

- [Human Rights](#)
- [Human Rights Workplace Policy](#)
- [Talent](#)
- [Employee Well-Being](#)
- [Environmental Health and Safety Policy](#)
- [Diversity and Engagement](#)
- [Global Code of Conduct](#)
- [Supplier Code of Conduct](#)
- [Speak Up Hotline](#)

Environment

7. *Businesses should support a precautionary approach to environmental challenges;*
8. *Undertake initiatives to promote greater environmental responsibility; and*
9. *Encourage the development and diffusion of environmentally friendly technologies.*

PepsiCo is fully committed to protecting the earth's natural resources through innovation and the efficient use of land, energy, water and packaging in all our operations. We rely on the planet's natural resources every day, and as we grow our business in developed countries and expand in developing and emerging countries, we strive to use only methods and tools that are scientifically proven, socially responsible and economically sound. Our environmental sustainability efforts are primarily focused on water, climate change, agriculture and packaging - areas that are critical to our business and where we believe we can make the biggest impact.

To learn more about key areas, please see our website:

- [Water](#)
- [Climate Change](#)
- [Agriculture](#)
- [Packaging](#)
- [Waste](#)
- [CDP Climate Change Submission](#)
- [CDP Water Submission](#)
- [CDP Forests Submission](#)

Anti-corruption

10. Businesses should work against corruption in all its forms, including extortion and bribery.

PepsiCo has strict corporate standards that govern our operations and ensure accountability for our actions. We have internal controls, systems and processes in place to reduce the risk of corruption and bribery and to ensure our associates understand the importance of conducting PepsiCo business in compliance with the laws and regulations of the countries where we operate. We also believe that operating ethically and with integrity requires adhering closely to our policies, including PepsiCo's Global Anti-Bribery Compliance Policy, Global Code of Conduct, and Supplier Code of Conduct. We mitigate corruption risk and monitor compliance with these policies through anti-bribery/anti-corruption trainings, our global anti-corruption Third Party Due Diligence program, through proactive monitoring via our Speak Up Hotline, investigation of suspected policy breaches, and integrated risk assessments conducted periodically in key markets. We continually revise our policies and procedures in an effort to improve the Company's anti-corruption processes.

To learn more about key areas, please see our website:

- [Ethics and Integrity](#)
- [Global Code of Conduct](#)
- [Supplier Code of Conduct](#)
- [Speak Up Hotline](#)
- [Corporate Governance](#)