Performance with Purpose: Sustainability Reporting

UNGC index

As a signatory of the United Nations Global Compact (UNGC), we are committed to living out the Compact's 10 principles on human rights, labor standards, environment and anti-corruption in our everyday business operations.

Message from our Chairman & Chief Executive Officer

PepsiCo supports the principles of the UN Global Compact and recognizes our duty to make positive, responsible contributions that will have a sustainable impact on the world.

We have clear values and principles that guide our actions in our businesses and in the local communities we serve. We've made a promise to be a good citizen of the world and have pledged numerous global commitments that support the company's mission of Performance with Purpose, which means delivering sustainable growth by investing in a healthier future for people and the planet.

We encourage people to live healthier by offering a portfolio of both enjoyable and wholesome foods and beverages. We're committed to protect the Earth's natural resources through innovation and more efficient use of land, energy, water and packaging in our operations. And we invest in our associates to help them develop the skills needed to drive the company's growth while creating employment opportunities in the communities we serve.

We will continue to contribute to the Compact's principles and this annual Communication on Progress report demonstrates our continued support.

Indra Nooyi

UNGC 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.

Overview

PepsiCo is a charter endorser of the Sullivan Principles, whose goals are to support 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.

Learn More Human Rights Talent Sustainability Policies/Code of Conduct Mission, Values & Guiding Principles Supplier Code of Conduct

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.

Overview

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 comply 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.

Learn More Talent Sustainability Policies/Code of Conduct Talent Sustainability - Diversity and Inclusion

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.

Overview

As a company that is expanding across many developed and emerging markets, we are committed to minimizing the impact our business has on the environment with methods that are socially responsible, scientifically based 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 can make the biggest impact.

Learn More Environmental Sustainability CEO Water Mandate

Anti-corruption

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

Overview

At PepsiCo, operating ethically and with integrity means compliance with the laws and regulations that impact our business worldwide, our Values, our Code of Conduct and the corporate and division policies that support the principles embodied in the Code. Such policies include but are not limited to the<u>International</u>

Anti-Bribery Compliance Policy. Learn More Talent Sustainability Policies/Code of Conduct Code of Conduct Speak Up Mission, Values and & Guiding Principles