

United Nations Global Compact and CEO Water Mandate Communication on Progress

Keurig Dr Pepper has been a signatory to the United Nations Global Compact (UNGC) since 2004. With this Communication on Progress, we reaffirm our commitment to the Global Compact and its principles. This update also serves as our communication on progress for the CEO Water Mandate.

To download our 2019 Corporate Responsibility Report, visit

<https://www.keurigdrpepper.com/en/our-company/corporate-responsibility>

UNGC Principle		Report Section
HUMAN RIGHTS		
1	Businesses should support and respect the protection of internationally proclaimed human rights.	Keurig Dr Pepper: 2019 Code of Conduct, Source Responsibly and Respect Human rights, page 18 (view here) Keurig Dr Pepper Supplier Code of Conduct (view here)
2	Businesses should ensure that they are not complicit in human rights abuses.	
LABOR STANDARDS		
3	Business should uphold the freedom of association and effective recognition of the right to collective bargaining.	Keurig Dr Pepper: 2019 Code of Conduct (view here) GRI Index (view here)
4	Business should uphold the elimination of all forms of forced and compulsory labor.	Keurig Dr Pepper: Supplier Code of Conduct, Labor and Human Rights, page 2 (view here)
5	Businesses should uphold the effective abolition of child labor.	GRI Index (view here)
6	Businesses should uphold the elimination of discrimination in respect of employment and occupation.	Keurig Dr Pepper: 2019 Code of Conduct, Our Workplace, page 8 (view here) GRI Index (view here)

ENVIRONMENT		
7		Businesses should support a precautionary approach to environmental challenges.
8		Businesses should undertake initiative to promote greater environmental responsibility.
9		Businesses should encourage the development and diffusion of environmentally-friendly technologies.
<p>Keurig Dr Pepper: 2019 Corporate Responsibility Report, Environment, page 7 (view here)</p> <p>GRI Index (view here)</p> <p>2019 Stakeholder Engagement (view here)</p>		
ANTI-CORRUPTION		
10		Businesses should work against corruption in all its forms, including extortion and bribery.
<p>Keurig Dr Pepper: 2019 Code of Conduct, Our Customer, Suppliers & Competitors, Bribery, page 11 (view here)</p>		
CEO Water Mandate Commitment Area		REPORT SECTION
1	Direct Operations	Keurig Dr Pepper: 2019 Corporate Responsibility Report, Environment, page 7 (view here)
2	Supply Chain & Watershed Management	Keurig Dr Pepper: 2019 Corporate Responsibility Report, Supply Chain, page 18 (view here) Keurig Dr Pepper: 2019 Corporate Responsibility Report, Environment, page 7 (view here)
3	Collective Action	Keurig Dr Pepper: 2019 Corporate Responsibility Report, Supply Chain, page 18 (view here) Keurig Dr Pepper: 2019 Corporate Responsibility Report, Environment, page 7 (view here) 2019 Stakeholder Engagement (view here)
4	Public Policy	Keurig Water Policy (view here) 2019 Stakeholder Engagement (view here)

5	Community Engagement	Keurig Dr Pepper: 2019 Corporate Responsibility Report, Communities, page 26 (view here) 2019 Stakeholder Engagement (view here)
6	Transparency	Keurig Dr Pepper: 2019 Corporate Responsibility Report, Environment, page 7 (view here) 2019 Stakeholder Engagement (view here) GRI Index (view here)



drink well do good

2019 Corporate
Responsibility Report



Executive Letter

We compile this report to reflect on our progress toward our corporate responsibility goals amidst an extraordinary global health crisis and as our nation tackles issues of equality and justice. During these tumultuous times we reaffirm our commitment to listening, learning, revising and responding to the changing needs of the many stakeholders across our value chain.

Against this backdrop, we are proud of how quickly and effectively our 26,000 employees have united to keep each other safe and healthy, deliver for our customers and consumers and provide for our communities. Our response reflects our commitment to harness the collective power of our business to make a positive impact in the lives we touch.

In 2019, we introduced our new corporate responsibility platform, *Drink Well. Do Good.* Through this platform we established multi-year goals and initiatives for our supply chain, the environment, health and wellbeing and our communities. To meet these ambitious commitments, we designed a comprehensive and flexible program, allowing us to direct resources toward opportunities that are meaningful to our planet, our business and our people.

The challenge of eliminating waste impacts us all—so we're focused on ensuring our packaging is recycled and repurposed to remain in use and out of the environment. At the close of 2019, we forged a partnership with the American Beverage Association and industry peers to launch the *Every Bottle Back* initiative, backed by a \$100 million industry-led investment in recycling infrastructure and consumer education. We will continue to invest in partnerships that amplify our individual actions, including our most recent effort as a founding sponsor and largest funder of The Recycling Partnership's Polypropylene Recycling Coalition, an industry collaboration designed to increase and improve the recovery and recycling of this valuable plastic in the U.S.

We are also focused on reducing our carbon footprint. New to our corporate responsibility platform this year is the unveiling of our science-based carbon-reduction goals. The new commitments have been validated by the Science Based Targets initiative, ensuring that we are doing our part to mitigate climate change by reducing carbon emissions across our value chain.

During this past year we became inaugural members of Business For Inclusive Growth (B4IG), a coalition of 40 leading international companies committed to business action to advance human rights, build inclusive workplaces and strengthen inclusion across company value chains. We also launched our new Keurig Dr Pepper values, uniting all of our employees under one common culture and fostering a strong, cohesive environment in which everyone operates with shared purpose and common goals. These values are at the heart of everything we do and were developed with significant employee input.

We know that unpredictable challenges lie ahead, which will require resiliency, adaptability and empathy—all strengths of our Keurig Dr Pepper team. We will continue to prioritize societal and environmental health alongside our own business prosperity, and we will continue to pursue cross-industry partnerships with the belief that collective action positions us all for greater, shared success.



Bob Gamgort
Chairman & Chief Executive Officer

Monique Oxender
Chief Sustainability Officer

Contents

Overview 2

- Executive Letter
- About KDP
- Goals
- 2019 Progress Highlights

Environment 7

- Packaging
- Waste
- Water Stewardship
- Climate

Supply Chain 18

- Responsible Supply Chain Management
- Coffee
- Appliances
- Partnerships

Health & Wellbeing 24

Communities 26

- Corporate Philanthropy
- Charitable Employee Engagement
- Community Relations

Our Workplace 30

- Culture
- Health & Safety
- Governance & Compliance

Data Appendix 37

ABOUT THIS REPORT

Keurig Dr Pepper (KDP) has reported on its Corporate Responsibility (CR) program since the Company was formed in July 2018. This progress report focuses on the goals, programs and initiatives that encompass our key CR efforts for 2019. As part of our commitment to transparency, we have also included links and references to data and information not requiring an update from our 2018 report. In addition, we have created a data appendix, which can be found at the end of this report.

Unless otherwise noted, this report covers data and activities for calendar year 2019 from Keurig Dr Pepper's wholly owned operations, which are primarily located in the U.S., Canada and Mexico. The content covers the parts of our business in which we have operational control and does not include joint ventures, franchised or outsourced operations, except where noted. Selected data and information on our global supply chain activities are also included. All data is as of December 31, 2019, unless otherwise indicated.

To provide additional confidence in the data for our stakeholders, select environmental data in this report has been independently verified by ERM Certification and Verification Services (ERM CVS). The assured data points are flagged in the report and data appendix. To view the assurance statement, please visit [here](#).

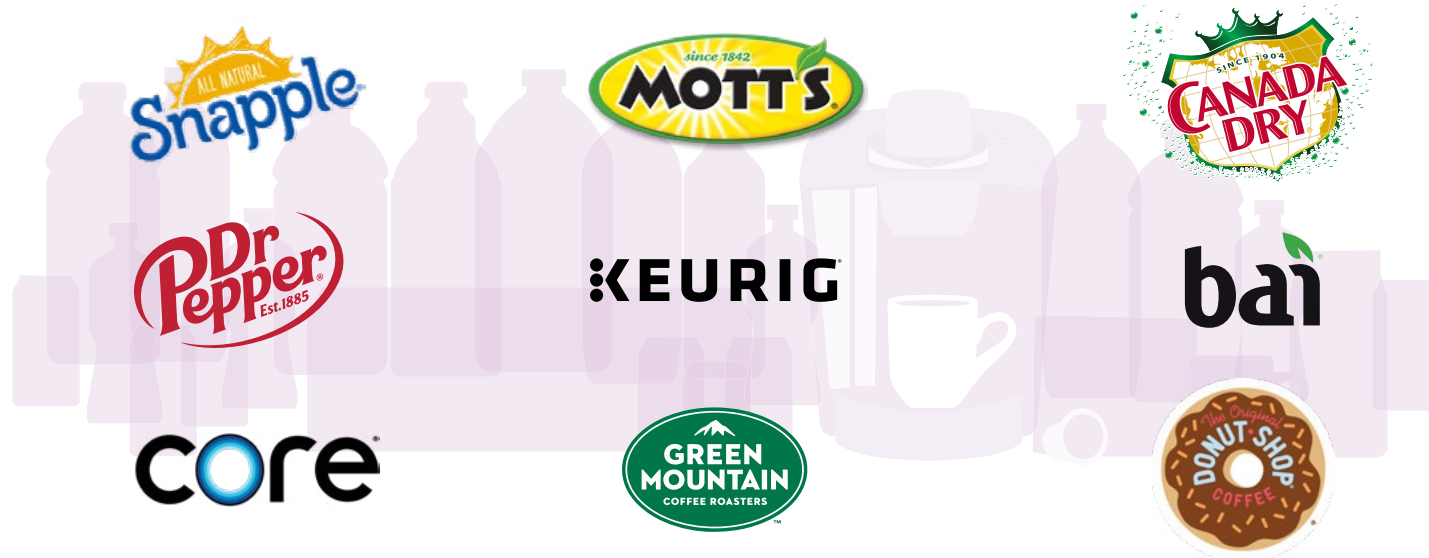
This report was created in accordance with Global Reporting Initiative (GRI) Standards Core option. To view our GRI Index, please visit: www.keurigdrpepper.com/CR.



About KDP



Keurig Dr Pepper is a leading producer and distributor of hot and cold beverages with a vision to provide a beverage for every need, anytime and anywhere. We will continue to seek opportunities across our portfolio, operations and innovation priorities to ensure we are moving forward as a purposeful and responsible company in key areas of impact.



Corporate Responsibility Goals

At Keurig Dr Pepper, our corporate responsibility commitments aim to ensure our beverages make a positive impact with every drink. Our broad portfolio of products and nearly 26,000 employees give us many opportunities to drive change and be a catalyst for good. We take a strategic approach to channeling our energy and resources into those opportunities where we can have the greatest impact.

ENVIRONMENT



PACKAGING

- Make all K-Cup® pods in the U.S. recyclable by 2020
- Convert **100%** of packaging to be recyclable or compostable by 2025
- Use **30%** post-consumer recycled (PCR) content across our packaging portfolio by 2025

WASTE

- Send **zero** waste to landfill across our operations by 2025

WATER

- Partner with our highest water-risk operating communities to replenish **100%** of water used for our beverages in those communities by 2025
- Improve our water use efficiency by **20%** by 2025

CLIMATE

- Obtain **100%** of electricity from renewable sources by 2025
- Reduce Scope 1 and 2 emissions by **30%** by 2030
- Reduce Scope 3 emissions in select categories **15%** by 2030
- Engage bottlers and select suppliers representing **50%** of Scope 3 emissions to set a science-based target by 2024

NEW GOALS

SUPPLY CHAIN



- Responsibly source **100%** of our coffee and brewers by 2020
- Engage **one million** people in our supply chain to significantly improve their lives by 2020



HEALTH & WELLBEING



- Partner with leading organizations to accelerate portfolio innovation and **transparency** for health and wellbeing



COMMUNITIES



- Provide play opportunities to **13.5 million** children and families by 2020



2019: A Year of Momentum

2019 was our first full year operating as one Keurig Dr Pepper team, and we delivered progress against all areas of focus within our corporate responsibility platform, *Drink Well. Do Good.* As we move through 2020, the COVID-19 pandemic is having an impact across all industries, and we are leveraging our flexibility and resilience to advance our work.

ENVIRONMENT

- Set new science-based emission reduction targets to help address climate change and build climate resilience
- Obtained **47%** of our energy through renewable sources
- Reached recyclability for **87%** of our packaging
- Used **20%** post-consumer recycled (PCR) content in our packaging
- Converted **100%** of our pod manufacturing lines for recyclable K-Cup® pods
- Launched the industry-wide *Every Bottle Back* initiative with our beverage peers, led by the American Beverage Association, to ensure more PET plastic gets recycled and reused
- Achieved **zero** waste to landfill in our hot beverage network

SUPPLY CHAIN

- Responsibly sourced **65%** of our coffee
- Responsibly sourced **63%** of our brewers
- Engaged over **783,000** people in our supply chain to improve their lives since 2014

HEALTH & WELLBEING

- Added **7** new low-calorie flavors and extensions to our beverage lines

COMMUNITIES

- Exceeded our Communities goal by providing **14.2 million** children and families with play opportunities since 2011
- Funded **\$3.5 million** in Let's Play initiatives
- Funded **\$1 million** in tuition grants

OUR WORKPLACE

- Established new KDP Values through a collaborative effort with employees
- Joined B4IG, a new coalition of multinational companies supported by the Organization for Economic Cooperation and Development (OECD), aimed at fighting inequalities in companies and global supply chains

The Environment: Refreshingly Responsible



2019 Employee
Source Trip in Brazil

MAXIMIZING OUR EFFORT, MINIMIZING OUR FOOTPRINT

Reduce, reuse, recycle, rethink. It takes all four—across all parts of our business—to move toward positive environmental impact. So we continue to look for new solutions and partnerships that accelerate change. This past year, we activated plans and projects to reduce our virgin plastic footprint, our emissions and our energy use.

IN THIS SECTION:

Packaging

Waste

Water

Climate



Packaging: Thinking Circular in All We Do

Keurig Dr Pepper's broad portfolio of products requires a range of packaging materials, and we are focused on enabling a second life for all of them.

We know driving demand for recycled plastics by increasing our use of PCR content is critical to supporting the broader circular economy, in addition to reducing our use of virgin plastic and our own carbon footprint.

Therefore, circular solutions are at the heart of our sustainable packaging efforts, and we continue to focus on three priority areas: innovative design, increased recovery and use of recycled materials. We're

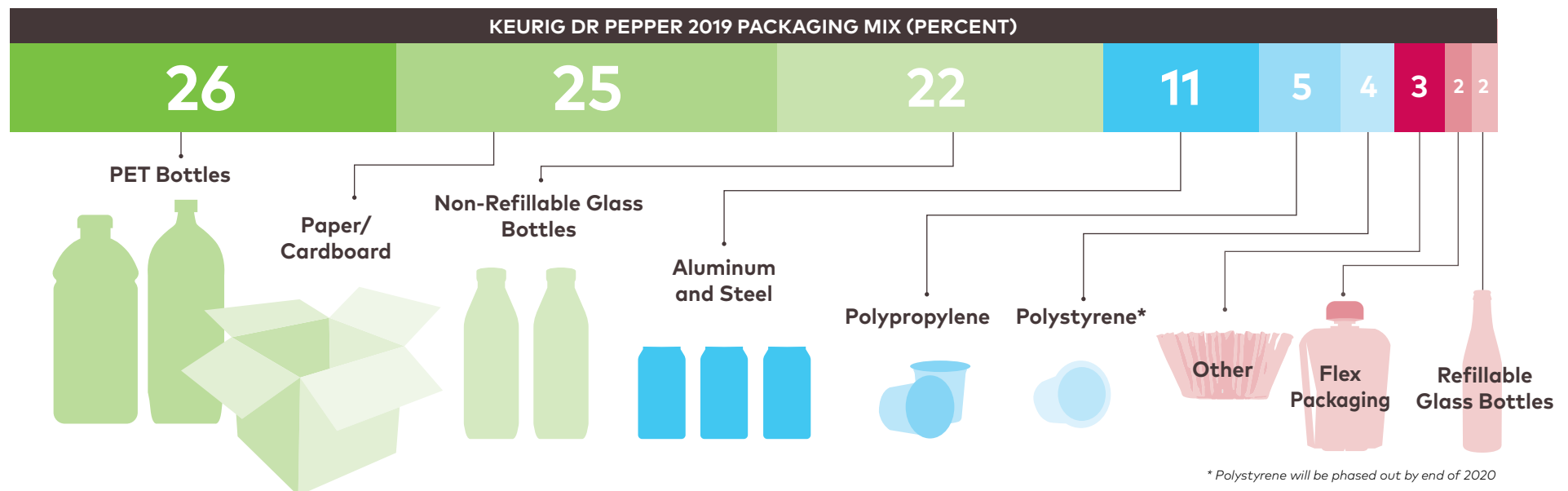
pleased to report progress in all three areas during 2019.

Design

We are continually innovating our packaging designs and processes to reduce our total material usage and incorporate materials that are accepted for recycling and highly valued as PCR content, in order to eliminate unnecessary plastics. For example, in 2019, we transitioned our A&W Root Beer bottles from dark to clear plastic, which is more

compatible with recycling processes and helps to produce a higher quality end product, increasing its likelihood of reuse by KDP and others.

To ensure our packaging is optimally designed to be recovered by recyclers, we adhere to the Association of Plastic Recyclers (APR) guidelines. We also use lifecycle assessment (LCA) tools to better understand the environmental performance of our packaging throughout its lifecycle.



* Polystyrene will be phased out by end of 2020

We continue to use a variety of sustainable packaging options across our portfolio, such as recyclable aluminum cans. Deja Blue was the first water brand available, over 10 years ago, in recyclable aluminum cans, and many of our new brand partners like Adrenaline Shoc® (A-Shoc®) and Limitless® are sold exclusively in recyclable aluminum can formats.

In 2019, with 87% of our packaging now recyclable, we are well on our way to achieving our goal of 100% recyclable or compostable packaging by 2025.

In addition, we continue to innovate package-free options for consumers, such as batch-brewed coffee and fountain drinks, that can be consumed in reusable glassware or reusable glass bottles. In addition to significant volumes of refillable beverage servings, new options and investment in reuse infrastructure are critical. In 2018, KDP invested in LifeFuels, Inc., to accelerate the commercialization of their reusable, portable drink maker.

Recovery

Through partnership and investment, KDP is working to recover more of our packaging materials and affect needed change in recycling behaviors and infrastructure in North America. We

launched our sustainable packaging engagement strategy in 2014, as an initial investor in the Closed Loop Infrastructure Fund and supporter of community projects led by The Recycling Partnership in the U.S. We are now mobilizing on material-specific, regional collaborations with the same two leading environmental organizations, as well as the World Wildlife Fund, to provide expertise and rigorous reporting and to help direct investments to where they can have the greatest impact.

Earlier this year, we co-founded the *Every Bottle Back* initiative with our industry peers, led by the American Beverage Association, to ensure our bottles stay out of our oceans and waterways and become new bottles or other everyday products. Together, we're working to increase plastic bottle recycling through a \$100 million industry-funded investment program. These funds will help recycling facilities across the U.S. make critical infrastructure improvements as well as increase consumer education on "recycle right" behavior—all with the goal of getting more bottles back so they can be reused again and again.

In July 2020, KDP announced our founding sponsorship and status of lead funder for The Recycling Partnership's Polypropylene



In 2019,
87%
of our packaging
was recyclable



In 2019,
20%
 of our packaging
 contained post-
 consumer recycled
 content

Recycling Coalition, dedicated to increasing the quantity and quality of polypropylene plastic recycling in the U.S. and solidifying its status as a standard curbside recyclable material nationwide. Similarly, and in order to optimize plastics recycling in Canada, KDP co-founded the Circular Plastics Task Force with several other companies. The Task Force aims to identify and trial concrete solutions to align market needs with the plastics recycling value chain and to build a circular plastics economy in that country. Overall, KDP has committed over \$30 million since 2014 in collaborative projects and partnerships in North America to encourage the circular economy.

Recycled materials

To build a more circular economy, we're working to use more PCR content, including glass, metal, paper and plastic, in our packaging and products and items used to support our business and partnerships. In 2019, we manufactured our first brewers made in part with PCR plastic and are exploring ways to increase its use across our brewer portfolio. In 2019, 20% of our overall packaging was PCR, and we are investing in initiatives to increase the quantity and quality of recycling as we march toward our goal to use 30% PCR content across our portfolio by 2025.

Circular opportunities exist across our business and via our partnerships. For example, we incorporated recycled content into materials for our Let's Play playground builds for the first time in 2019—using an average of 46% recycled content in 11 new playgrounds.

AMPLIFYING OUR IMPACT THROUGH COLLECTIVE ACTION



GOING 100% IN ON RECYCLABLE K-CUP® PODS

Making 100% of our K-Cup® pods recyclable continues to be a priority packaging goal. Our recyclable pods are made of #5 polypropylene, a material that is high-value, versatile and currently in high demand as a recycled material. We hit that milestone in Canada in 2018, and we're on track to meet this goal in the U.S. by the end of this year.

All of our packaging lines across our manufacturing network in the U.S. and Canada are now ready to produce the new recyclable K-Cup® pods. This required transforming more than 100 diverse packaging lines to properly manage the newly designed pods. We also worked with our raw material partners to support them in making the appropriate changes to their products. As we near the 100% transition for all pods, our work carries on. We will continue to work with recyclers and communities to improve sortation and processing for polypropylene so it can be reused in future packaging.

GIVING OUR PODS NEW PURPOSE

K-Cycle™ (formerly Grounds to Grow On®), our workplace recycling service for customers and our own facilities, grew significantly in 2019. Renewed focus and education around the program led to an almost 300% increase in volume in the last four

years. Keurig Canada launched their own program in January 2019 with recycling partner Emterra Environmental and has since made it available across the country. In 2019, both programs combined kept over 1.4M pounds of material out of landfills.



Waste: Zeroing In On Our Goal

In 2019, we achieved zero waste in our hot beverage manufacturing network, enabled by projects including recycling our burlap coffee bean bags and composting coffee grounds. Across our hot and cold beverage production sites, we kept 88% of our total waste out of landfills. We are on track to meet our goal of zero waste to landfill by 2025, while building a zero-waste culture across our business.

In 2019,
88%
of total waste was kept out of landfills

SUSTAINABLE FROM THE START IN SPARTANBURG

In 2019, we continued construction on our new Spartanburg, South Carolina, K-Cup® pod manufacturing site, which will be our first site designed from the ground up for zero waste and increased energy efficiency. **In July 2020, the Spartanburg facility was named the largest industrial manufacturing facility certified under LEEDv4 BD+C in North America.**



The highly automated production process for all of our manufacturing lines at the site was designed to eliminate waste. Specific separation of materials for compost, recycling and reuse ensures all materials are put to highest value use. The plant will have a best-in-class waste baler for paper and cardboard, and will use shipping trays made from recycled plastic that will be returned to our supplier for reuse, completely eliminating that cardboard waste stream.

Our Sustainability Room in the new Spartanburg facility moves all waste from production to be recycled, reused, repurposed or converted to energy.





SHINING A LIGHT ON SUSTAINABILITY AT THE STAR

At KDP's new Texas headquarters under construction in a growing area just north of Dallas, our sustainability commitments will be brought to life for employees and visitors as we implement actions aimed at reducing the building's environmental impact. The facility is targeting a high-level LEED certification (for Commercial Interiors) and will integrate recycled material, including recycled KDP packaging, into furniture and surfaces throughout the space. Inspirational signage and branding in all areas of the new facility will inform and educate our teams and guests about our sustainability journey and commitments.

KDP's new Texas headquarters is targeting a high LEED certification and will integrate recycled material, including recycled KDP packaging, into furniture and surfaces throughout the space.

ALL-IN IN ALLENTOWN

KDP's new Allentown cold beverage production facility is being designed and built to enable product benefits like recyclability and significant operational efficiencies. A few key features minimize the impact of transporting materials to the site. Bottle preforms will be delivered from a local supplier and blown into bottles on-site, reducing the volume of shipments otherwise required. A rail spur is being added for access to the site so that in the future, other materials can be shipped in by rail, a lower emissions transportation mode than over the road. In addition, the site has access to public transport services, so employees will have a lower carbon footprint option for their commutes.



Water Stewardship: Making Every Drop Matter

Water is a precious natural resource that is the essence of our business. Because it's the primary ingredient in most of our beverages, we have a particular responsibility to be good stewards of water use in our operations and in the communities in which we operate.

In 2019, we set a new stewardship direction for KDP. This started with a new corporate water policy, stronger governance processes and enhanced transparency, including reporting to CDP (formerly Carbon Disclosure Project) Water. These reports are publicly available [here](#) and include additional detail on water-related risks and opportunities.

SETTING A HIGH BAR FOR HIGH-RISK COMMUNITIES

To refine our understanding of challenges for our high water-risk sites, we are assessing the water management and operation of each site in the context of the surrounding watershed, the local water issues and other local entities' interest and perspective on those issues. We're also working with The Nature Conservancy to ensure our efforts in these communities are comprehensive, grounded in scientific understanding and locally relevant.

Since 2014, we have replenished 73% of the water used for our coffee beverages and for cold beverage production in our highest water-risk manufacturing locations.



TAKING VITAL STEPS FOR A VITAL RESOURCE

In 2019, we chartered a water optimization team to create an even greater appreciation for water use in our business and to develop comprehensive water management practices that improve our usage and performance. The team prioritized operating sites to assess three key areas: water reduction and efficiency, stewardship in the surrounding communities in which we operate, and focused attention on emerging trends and issues for water quality.

We continue to track our water usage ratio and establish visibility of this important metric. **Overall, in 2019, we improved our water use efficiency by 4.4% from our baseline.** Some of our bottling plants did particularly well, achieving water use ratios (liters of water required to make a liter of product) below 1.60 for the year.

OUR WATER FOOTPRINT AND RISK ASSESSMENT

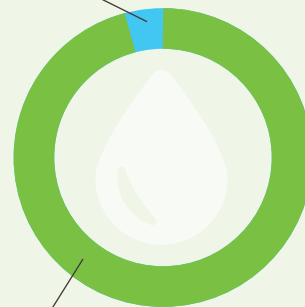
To understand the different causes and magnitude of our water impacts, we assess our water footprint across our full value chain. The largest portion of our footprint comes from indirect water use consumed when growing agricultural raw materials. We analyzed the water risk for our top two raw materials—coffee and corn—across quantity, quality and climatic trends. We’re managing these risks through our Supplier Code of Conduct, product-specific standards and water stewardship projects within our supply chain.

OUR WATER FOOTPRINT

Green Water Footprint = volume of rainwater consumed (e.g., for growing crops)

Blue Water Footprint = volume of surface or groundwater consumed (e.g., irrigation water for crops, or process water in operations)

BLUE WATER: 279 Billion Liters



GREEN WATER : 1,805 Billion Liters

BREAKDOWN ACROSS VALUE CHAIN

STAGE	GREEN	BLUE
Raw materials	97%	91%
Processing	0%	2%
Packaging	3%	1%
Energy	0%	5%
Use/Consumption	0%	1%
Total	100%	100%



Photo by Oscar Leiva/Silverlight for Catholic Relief Services.

Climate: New Goals, New Momentum

We're pushing harder than ever to tackle climate change and build the resilience of our business and supply chain. In 2019, we laid the groundwork for important new climate goals to reduce greenhouse gas (GHG) emissions from the 2018 baseline developed for our newly merged company. This foundation included a corporate policy, governance structures and greater transparency, including reporting to CDP Climate. That report is publicly available [here](#) and includes additional detail on climate-related risks and opportunities.

WE COMMIT TO:

Reduce absolute Scope 1 and 2
GHG emissions by

30%

by 2030.

Reduce absolute Scope 3
emissions in select categories by

15%

by 2030.


Ensure our suppliers
and bottlers representing

50%

of our emissions will have
Science Based Targets by 2024.


These targets have been approved by the Science Based Targets initiative (SBTi) and are in line with the reductions that are required to meet the Paris Agreement on climate change goal of keeping global warming below 2 degrees Celsius. Our new climate goals provide a clear path for us to reduce our share of greenhouse gas emissions through continuation of existing efforts and the development of new focus areas, such as packaging improvements and value chain engagement.

ADDRESSING CLIMATE CHANGE ACROSS OUR VALUE CHAIN




SOURCING

Investing in agricultural research to help produce climate-resilient coffee varieties, as a founding member of World Coffee Research.




PRODUCTION

Reducing our CO2 emissions from our operations. We exceeded our 2019 energy reduction targets in Mexico and improved roasting energy intensity by 2% across our coffee roasting operations, contributing to a lifetime roasting energy efficiency improvement of 32%.




DISTRIBUTION

Replacing older vehicles in our fleet with newer, more efficient models, while exploring and evaluating new ways to deliver to our customers with fewer emissions.



USE/CONSUMPTION

Improving the energy efficiency of our brewer systems by shipping all brewers with an Auto-Off feature already enabled, using 75% less energy than before, as well as beginning to use more efficient heating technology.



POST-CONSUMER

Using 30% post-consumer recycled content across our packaging portfolio by 2025 to reduce our carbon emissions related to virgin material production.

DRIVING DOWN FLEET EMISSIONS

To ensure our beverages are delivered where and when our customers want them, we have more than 7,500 vehicles in the U.S. and Mexico and over 300 in Canada. We continue to explore new ways to improve our fleet’s efficiency, while continuing to deliver what our customers need.

In 2019, we replaced older vehicles with more efficient ones. This is just the beginning of the potential for our fleet’s efficiency. We continue to reduce miles traveled by our fleet, starting with over 30,000 miles eliminated in 2019.

In Mexico, we converted 90% of our car fleet to liquefied petroleum gas. This change in fuel type resulted in an estimated 23% reduction in greenhouse gases and 85% reduction in carbon monoxide for this fleet.

In 2019, we completed switching to electric forklifts in our Jacksonville, Florida, regional distribution center (RDC), following our 2018 conversion of our Dallas RDC. In total, in 2019, we procured 12 electric forklifts and will continue to evaluate adding more to our facilities. We also converted four propane scrubbers to electric scrubbers.

TAKING STEPS TO REDUCE OUR GHG FOOTPRINT

Our footprint outlines the emissions impacts of our full value chain.

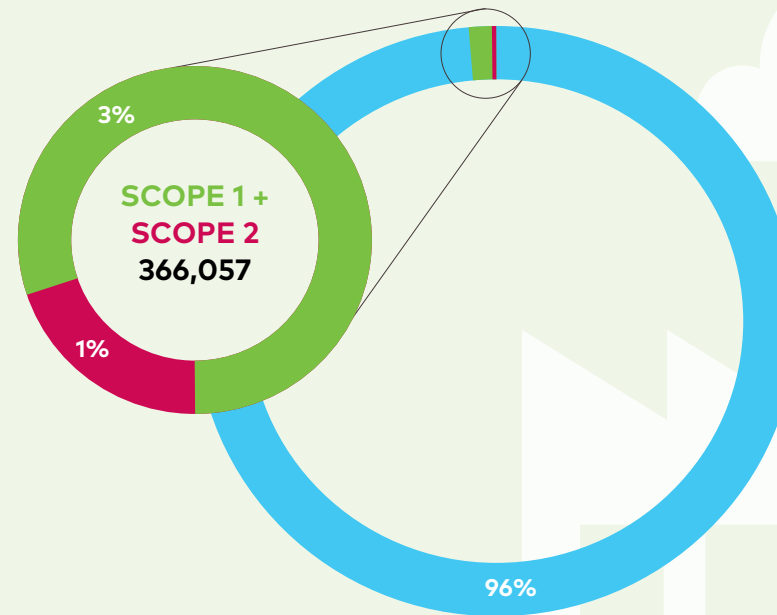
GREENHOUSE GAS EMISSIONS, 2019
(Tonnes of carbon dioxide equivalent)

SCOPE 1
268,712*

Emissions from direct operations

SCOPE 2
97,345*

Emissions from purchased electricity (market-based)



SCOPE 3
8,749,723

Emissions from all activities outside of direct control (i.e., suppliers, third-party transport, appliance usage)

*Data assured by ERM CVS. ERM CVS additionally assured the emissions figures for location-based Scope 2 and employee commuting within Scope 3. See Data Appendix for full detail. See full assurance statement [here](#).

Supply Chain: Good from the Start



Photo by
Root Capital

RESPONSIBLY RESILIENT, SUSTAINABLY STRONG

Keurig Dr Pepper is committed to addressing social, environmental and business challenges throughout our complex and varied global supply chains—from farms producing coffee, corn and apples to the facilities that process those raw materials and the factories that build our appliances.

IN THIS SECTION:

Responsible Supply Chain Management

Coffee

Appliances

Partnerships

Responsible Supply Chain Management

Over the past year, we rolled out the new KDP Supplier Code of Conduct to our suppliers and trained our procurement team on its requirements and their key role in implementing it throughout our supply chains. The Code sets out universal requirements applicable to suppliers from any part of the world and for any product supplied to KDP.

The Supplier Code of Conduct is reviewed and approved annually by KDP's Executive Policy Review Group (EPRG). This group ensures consistency across and integration of all KDP corporate policies and is made up of KDP's Chief Legal Officer, Chief Human Resources Officer, Chief Supply Chain Officer, SVP Corporate Controller and Senior Corporate Counsel.

For our most important supply chains, we go further by specifying product-specific standards such as independent raw material certifications and manufacturing standards. The intent behind this approach is to not only ensure a set of clear expectations applying to all KDP's suppliers, but also recognize that the diversity of our supply chains demands more detailed and tailored standards. Last year we also developed a rigorous set of requirements for acceptance of product-specific standards across KDP's supply chains.

KDP's Supplier Performance Management (SPM) program creates focused and impactful category strategies, manages and improves supplier performance and proactively assesses and mitigates supplier risk. The program scope includes Tier 1 and selected Tier 2 and Tier 3 suppliers. To administer the SPM program, cross-functional teams coordinate to ensure strategies are aligned and business requirements are met. Social and environmental considerations are an important part of this program and are integrated into the tools and processes used. Suppliers undergo performance reviews against our SPM scorecard, our tool that measures indicators such as quality, service and engagement, cost transparency, supply chain sustainability and innovation. This work ensures that KDP is playing a proactive role where its influence is strongest—with our direct suppliers.



KDP SUPPLIER
PERFORMANCE
MANAGEMENT
Success Through Collaboration



Coffee

Keurig Dr Pepper is committed to finding holistic solutions to ensure the long-term success of coffee. As one of the largest global purchasers of coffee, we embrace both our ability and responsibility to support farmers throughout our supply chain in partnership with industry associations, governments and NGOs.

RESPONSIBLY SOURCED COFFEE

KDP has high standards for social and environmental practices at the farm level—which is where our product-specific standards come into play. To us, responsibly sourced coffee is coffee grown and sold in adherence to a credible, sustainable sourcing program that aligns with our KDP Supplier Code of Conduct. To date, these programs have included Fairtrade International, Fair Trade USA, Rainforest Alliance and Utz. We recognize the investments farmers have already made in committing to sustainable production via these programs, which is why we have chosen to partner with them.

We've continued to work closely with our suppliers over the past year, and our efforts and impact around responsible coffee sourcing continue to grow.

Today, the majority of the coffee we purchase is responsibly sourced, and we pay a corresponding premium over the base commodity price. In fact, in 2019, for the tenth consecutive year, Keurig Dr Pepper was named the largest buyer of Fair Trade coffee in the world, through purchases for our own brands and our partner brands. These purchasing practices, coupled with our farmer support programs, help build sustainable supply chains for our business.



65%

responsibly sourced coffee



97%

traceable to exporter, mill, farm group or farm level

\$96M

paid as Fair Trade community development premiums since 2001

FARMER SUPPORT

We have a deep-rooted commitment to engaging with our coffee supply chain on complex, long-term issues impacting farming families, such as low productivity, climate change, price volatility, food insecurity and lack of access to credit and farming materials. We're on track to meet our 2020 goal of engaging one million people in our supply chain to significantly improve their lives. Since 2014, we have positively impacted more than 783,000 people.

Our social impact investment program has existed since 2003 and has invested more than \$63 million toward improving the livelihoods of coffee farmers. In 2019, we managed a portfolio of 17 investment projects globally.

No single company working alone can solve the complex challenges facing the global coffee sector. KDP has been recognized in the industry as a forward-thinking leader that drives for impact and collaboration, seeking out innovative partnerships to address the greatest challenges

for coffee farmers and their communities—from climate change to income diversification.

Our work with **Blue Harvest** has contributed to efforts that protect and restore water sources, improve coffee productivity with water-smart practices, increase market access and strengthen local water resource management in Central America.

Our partnership with **Root Capital**, a nonprofit agricultural lender, supports financial training and

critical advisory services to the organizations that small farmers rely on to market and sell their coffee to buyers like KDP.

As a co-founder of **World Coffee Research (WCR)**, we have invested in agricultural research and development to make coffee farming more profitable and resilient to a changing climate. This work not only focuses on developing future coffee tree varieties, but also on ensuring they get into the hands of the farmers that need them.



Fortifying Farmers

IMPACT OF BLUE HARVEST AND KDP (SINCE 2014)

3,111 farmers trained

78,863 people have improved water quality

119,997,501 liters of water saved through water systems repair and new water stewardship practices (roughly 48 Olympic-sized swimming pools)

Building Capacity

IMPACT OF ROOT CAPITAL AND KDP¹ (SINCE 2017)

170 co-ops received loans and/or financial training—representing 310,494 farmers

62 co-ops received a high-additionality loan, meaning no other financier would have made the loan on the same terms

26 co-ops showed significant improvement in their financial management capacities, which requires major changes to their usual way of operating. As a result, they are now better positioned to be profitable and resilient

31 co-ops have implemented digital data management systems to support decision-making

Safeguarding Coffee's Future

IMPACT OF WORLD COFFEE RESEARCH AND KDP (IN 2019)

- Completed the first production harvest of **climate resilient coffee varieties**
- Completed **breakthrough research** on coffee leaf rust genetics critical for the long-term fight against crop damage
- Expanded the **global network of farmer field trials** dedicated to improving farmer profitability to 294 trials in 15 countries

¹ All data points are related to the Feed the Future Partnership for Sustainable Coffee, which was co-funded by KDP and the U.S. Agency for International Development.

Appliances

When it comes to sourcing our Keurig brewers, we work closely with suppliers to meet our standards and ensure we can seamlessly and continuously deliver our products to customers and consumers. Our brewers are made of various materials and components from all over the world and are manufactured in China, Indonesia, Italy, Malaysia and Thailand. We've expanded our manufacturing locations in the past few years to support innovation and ensure continuous supply as market conditions shift.

RESPONSIBLY SOURCED BREWERS

We are members of the Responsible Business Alliance (RBA), the world's largest industry coalition focused on corporate social responsibility in global supply chains. RBA members commit to a common code of social, environmental and ethical industry standards. We assess suppliers against the RBA Code of Conduct using the RBA's Validated Assessment Program (VAP), and we work closely with them to make improvements as needed. For more information on our methodology, please see the 2018 Drink Well. Do Good. corporate responsibility report.

At the end of 2019, we considered 63% of our in-scope suppliers to be responsibly sourced and continued to make progress toward our goal of 100% of in-scope suppliers considered responsibly sourced by 2020. As we look ahead to the end of this year, our journey does not end. Our dynamic brewer supply chain has evolved significantly in the past several years, with the

addition of new suppliers to support product innovation and enable the accelerated geo-diversification of our supply base. We will continue to strive for responsibly sourced brewers, ensuring coverage of both new and existing suppliers over time.

We are also committed to the ethical sourcing of conflict minerals in our products and conduct annual due diligence in our supply chain, with the aspiration to source from conflict-free sources. These measures and results are available on our website and in our SEC filings.

At the end of 2019,

63%

of our in-scope
suppliers are
responsibly sourced



Partnerships

At KDP, we understand that meaningful change can only happen through the power of collaboration. That's why we're committed to achieving greater impact via our partner ecosystem.



BUSINESS FOR INCLUSIVE GROWTH (B4IG)

In 2019, we joined **B4IG**, a new coalition of multinational companies coordinated by the OECD and launched at the G7 Leaders' Summit in Biarritz, France. The coalition aims to accelerate concrete projects to fight inequalities in companies and global supply chains. We are excited that KDP's social impact investment project—the Partnership for Sustainable Coffee implemented by Root Capital—was one of the projects chosen to be a part of this accelerator work. We look forward to working with our global colleagues to drive and implement meaningful change in these critical areas.



SUSTAINABLE COFFEE CHALLENGE (SCC)

KDP is a founding partner and a member of the **SCC** advisory council. In 2019, KDP and other SCC members contributed to the Plant Trees Save Coffee campaign. The campaign supports coffee tree renovation and reforestation on coffee farms and meaningfully engaged both coffee consumers and KDP employees to build awareness and support for the cause.



SUSTAINABLE FOOD LAB (SFL)

KDP holds a board seat on this nonprofit organization that is helping to improve mainstream food systems worldwide. Through our **SFL** membership, we engage with peer companies to measure sustainability performance and promote climate change resilience.

Health & Wellbeing: Better Choices, Better Lives



POURING OUR EFFORTS INTO HEALTHY OPTIONS

As consumers hit the beverage aisle, they're moving toward selecting low- or zero-calorie beverage choices. And we're moving right along with them. In 2019, we expanded our portfolio with seven new low-calorie flavors and variety extensions to our lines and continued our work with industry partners to provide consumers choice and help them balance what they eat and drink.



Health & Wellbeing

QUENCHING A THIRST FOR HEALTHY BEVERAGES

Our portfolio is well balanced, with access to beverages with less sugar and smaller proportions. We currently have a wide range of beverage options, with around 75 ready-to-drink beverages with zero calories. In fact, most of our full-calorie beverage varieties offer a zero-, low- or mid-calorie option, and we continue to offer smaller portion sizes of our most popular drinks.

But we continue to do even more to provide our consumers with unique and refreshing beverages that support their personal wellness and nutritional goals.

In 2019, we expanded options within our CORE® Hydration line, including broadening varieties in our fruit-infused CORE® Organics beverages, which have 10 calories or less, one or zero grams of sugar and added zinc for daily immunity support. We



added more flavors to our popular enhanced water line, Bai®, which has antioxidants and just five calories, as well as introducing new Bai® lemonade with just one gram of sugar. And we added Adrenaline Shoc™ energy drink, which has zero sugar and calories and no artificial colors or chemical preservatives, to our partner portfolio.

We also introduced three new Mott's 100% juice varieties with no sugar added and converted Mr. and Mrs. T® mixers to natural, non-GMO sugar cane instead of high fructose corn syrup.

Our research & development teams are continuously working to develop new product innovations with reduced sugar or sugar alternatives. This year, the team made exciting progress with introducing new zero-calorie and plant-based sweeteners into our portfolio of ingredients, providing more options to complement a balanced lifestyle with no compromise in flavor.

PARTNERS FOR PROGRESS

Our health and wellness efforts are informed by the World Health Organization's Global Action Plan for the Prevention and Control of

Non-Communicable Diseases and demonstrate specific recommended actions around clear labeling, responsible marketing and reduction of added sugars.

We continue to be active partners with the American Beverage Association and the Alliance for a Healthier Generation on the Balance Calories Initiative (BCI). This voluntary effort is on track to meet a goal of reducing beverage calories consumed per person nationally by 20% by 2025. KDP efforts include overall product transparency with front-of-pack calorie labeling, as well as ingredient descriptions, calorie information and helpful comparisons to other offerings on our website.

MORE THAN RESPONSIBLE MARKETING

KDP is committed to advertising our products in a responsible and truthful manner. While we already had strict advertising standards, in 2019, we formally joined the Children's Food and Beverage Advertising Initiative (CFBAI) and pledged to not advertise products to children under 12 unless they meet CFBAI's nutrition criteria. Going a step further, in 2019, KDP did not advertise any products to children, regardless of their nutrition profile.



Communities: Responsible Citizens, Good Neighbors



GIVING BACK, IMPROVING LIVES

KDP is committed to enriching our communities through philanthropic efforts, community relations and charitable employee engagement. In 2019, we exceeded our goal to provide play opportunities to 13.5 million children by more than 5%, through building new playgrounds, awarding playground construction grants, and providing sports equipment grants to youth-serving organizations.

IN THIS SECTION:

Corporate Philanthropy

Charitable Employee Engagement

Community Relations

Corporate Philanthropy

KDP's philanthropic efforts allow us to make a difference in key areas important to our business, while enriching our communities and amplifying the charitable interests of our employees.

ACTIVE KIDS, HEALTHIER COMMUNITIES

KDP's Let's Play initiative continued to positively impact children and families across North America. In 2019, we built 12 playgrounds and offered 61 playground construction grants in partnership with national nonprofit KABOOM! Together with Keep America Beautiful, 10 of those playgrounds incorporated recycling bins and recycling-themed imagery, which was a new aspect of our program. The aim is to build awareness among children about the importance of taking care of the environment.

In partnership with Good Sports, a national nonprofit, we awarded more than \$1.3 million worth of

brand-new sports equipment to 242 deserving youth-serving organizations in 2019. From discretionary youth sports grants to fun field day events, we positively impacted the lives of more than 1.1 million kids during the year.

For the third year in a row, high schools across the nation participated in the Let's Play High School Equipment Makeover Challenge. Central High School in Tulsa, Oklahoma, won the grand prize and received a \$100,000 grant for equipment and uniforms needed to re-introduce girls' volleyball and soccer. The grant also funded upgraded equipment for several other sports teams, the physical education program, weight room and athletic training room.

Again named as an honoree to the Points of Light The Civic 50, recognizing us as one of the 50 most community-minded companies in America



Provided play opportunities to **14.2M** children and families

Invested **\$38.5M+** in Let's Play since 2011

2019 IMPACT SNAPSHOT	LIFETIME* SNAPSHOT
● 1.3M+ kids served	● 14.2M+ kids served
● 12 playspaces built	● 103 playspaces built
● 252 grants awarded	● 4,528 grants awarded
● \$3.5M+ invested	● \$38.5M+ invested

*2011-2019

Charitable Employee Engagement

Our employees are our best ambassadors, and we want to provide them with opportunities to support the organizations they love. In 2019, we launched two new employee engagement programs, Dollars for Doers and Engage for Good.

DOLLARS FOR DOERS

In September 2019, KDP launched our Dollars for Doers volunteer program, which encourages employees to support their communities by volunteering, allowing them to earn financial grants for nonprofits of their choice. Employees can earn grants of \$100 for every 10 hours volunteered, up to 30 hours per year.

ENGAGE FOR GOOD

In 2019, KDP supported 736 non-profit organizations through Engage for Good, our company match program. Of those, 36% aligned with key KDP focus areas of health and wellbeing, environment and disaster relief. KDP employees across 118 locations participated.



Community Relations

KDP supports families and communities in need, as well as causes in our hometowns. In 2019, we contributed to a variety of worthy organizations and causes and, in early 2020, we rallied our organization around supporting frontline hospital workers during the outbreak of the COVID-19 pandemic.

SUPPORTING STUDENTS IN NEED

For 11 years running, the Dr Pepper Tuition Giveaway Program has awarded millions of dollars to deserving students. Students submit videos explaining how the award would help them make the world a better place. In 2019, we awarded \$1 million in tuition to students chosen to participate in the giveaway during the College Football Conference Championship.

CARING FOR OUR COMMUNITIES

From tropical depressions and tornadoes to hurricanes and water crises, KDP has been there to provide relief to areas impacted by disasters in our hometowns. In 2019, we provided both hot and cold beverages to the communities affected by Tropical Storm Imelda, Hurricane Dorian, Tropical Storm Nestor and the Newark Water Crisis, to name a few.

MAKING A DIFFERENCE IN MEXICO

KDP strives to positively impact communities around the world. In 2019, Grupo Peñafiel—our Keurig Dr Pepper operations in Mexico—was recognized by several organizations for their outstanding community support efforts across the country.

- 2019 Distinctive ESR® (Socially Responsible Company) Award (14 Consecutive Years)
- Ranked one of the Best Socially Responsible Companies in Mexico by TOPS México



As this report is being issued, the COVID-19 pandemic continues to impact our communities. When the outbreak began, we created our Fueling the Frontline program to support the healthcare heroes working on the frontlines. Since the beginning of the pandemic, Fueling the Frontline has donated more than **3,000,000** cups of coffee and cold beverages to **438** hospitals across **35** states, providing **3,400** breakrooms with coffee stations.



Our Workplace: Empowering Our People



ENGAGING EMPLOYEES FOR A BETTER WORKPLACE

One of Keurig Dr Pepper's greatest strengths is our team of nearly 26,000 employees across the globe, who are our best ambassadors and amplify our positive impact in the communities we serve. At KDP, we are building a culture that is our competitive advantage—one that is growth-focused, collaborative, innovative, nimble, accountable and inclusive.



IN THIS SECTION:

Culture

Health & Safety

Governance & Compliance

Culture

EMPLOYEE ENGAGEMENT

Engagement is bringing your whole heart and mind to work. It's the individual commitment each of us has to the organization. We take every opportunity to gather employee feedback and, even more importantly, use that feedback to make our workplace better. We utilize regular touchpoints of communication to ensure employees' needs and opinions are being heard.

After joining two great companies to form Keurig Dr Pepper in July 2018, we conducted our first employee engagement survey as a combined company in early 2019, inviting all employees to share their feedback on a wide array of elements related to culture and work environment. We had 65% of our employees respond to the survey, which provided a starting point for turning information into action. Overall, the data defined 60% of our employees as engaged. In our second survey, conducted early in 2020, we increased our participation to 85%, and our overall engagement increased slightly to 62%. Our external survey partner benchmarks the national average engagement at 65%. We are proud of the resilience, capabilities and passion

that our employees have shown in our first two years as a company, and we continue to strive to improve engagement through their feedback.

The survey data is a basis for our leaders and managers to have open, honest conversations with their teams about results and to work together to take action to build an even better work environment. This connection not only boosts engagement—it brings forward new thoughts and ideas that make KDP a better company. Everyone's voice matters.

CRAFTING EMPLOYEE-DRIVEN CORE VALUES

In 2019, we invited all KDP employees to participate in creating our KDP core values to ensure those values reflect both who we are as KDP and who we aspire to be.

Through surveys, focus groups and discussions, team members shared what attributes are most meaningful to them. From their direct feedback and words, we created our new values, which we've brought to life in our facilities, processes, recognition programs and communications.



Our values define how we work together and are the cornerstone of our culture. They are a unifying force for our team and will guide our actions, each and every day.

KDP CORE VALUES



TEAM FIRST

Win together. Be the kind of person you want on your team.



DELIVER BIG

Achieve our commitments. Then push beyond the expected.



THINK BOLD

Challenge the usual. Dare to try something new.



BE FEARLESS AND FAIR

Tell the truth with courage. Listen and act with respect.

DIVERSITY AND INCLUSION

At KDP, we're dedicated to building and fostering a diverse team and an inclusive workplace. We believe that every team member has an important role to play and an important voice to share. We know that when all of these voices are welcomed and heard, we are able to achieve better outcomes. Consistent with our newly created values, we assume good intent always and aim to tackle issues, share opinions, listen and disagree in a respectful, fair and fearless way.

In 2019, we focused on building the foundation of our culture as a newly formed KDP to help us move toward our vision for a more diverse and inclusive workplace. We benchmarked our workforce demographics and our employee-focused activities, both internally and externally. This work helped



EMPLOYER AWARDS





More than
70%
of eligible employees
received their annual
biometric
screening

determine priority focus areas, including demonstrating leadership commitment, fostering connection and community, enhancing talent acquisition processes and augmenting talent development programs.

In 2020, we are taking several specific steps and making organizational commitments to amplify support for diversity and inclusion. These include the formation of a Diversity & Inclusion Leadership Team comprised of committed leaders from across KDP to help set priorities and lead two-way dialogue throughout the organization, launching Employee Resource Groups, and incorporating professional external advice and a broad range of employee perspectives every step of the way.

LIVE WELL AT KDP

KDP offers benefits and resources to support the wellbeing of our teams—including health and wellness, financial saving, family benefits, education and more. In 2019, we launched the KDP Wellness program, which educates employees about the importance of preventive care and encourage them to be proactive about their health. The program is fueled by a third-party wellness vendor, and employees can log on to the website or app any time of day and engage in activities and challenges focused on all aspects of living well—from physical and mental health to supporting the health of our planet.

Since we launched the program, almost 50% of our 21,000+ eligible U.S. KDP employees logged on to the app, and more than 2,600 employees earned prizes by participating in activities and challenges. One of the most popular team challenges, the Team Step Challenge, encouraged teams to take more steps while exercising and by switching up their everyday routines. Our Wellness program also sponsors KDP's annual health screening process so that employees can get a health check, which reduces their monthly health insurance premiums, and take steps toward living healthier lives. In response to COVID-19, we've also provided employees with expanded back-up care benefits and a variety of resources through our Employee Assistance Program.

TRAVELING TO ORIGIN: EMPLOYEE SOURCE TRIPS

Each year, we give employees from across the company the opportunity to connect firsthand with the people and places where our coffee is grown. They have the opportunity to meet the farmers and families who grow our coffee, understand what they do, and see the impact of our work and relationships at the source of our coffee products. This is truly an experience of a lifetime for participants in the program. In 2019, 70 employees traveled on six trips to our top coffee sourcing origins—Colombia and Brazil.

"Working in marketing, we often talk about the quality of our coffee, but this trip absolutely gave that word a new meaning. Watching our local coffee partners manually sort coffee, bean-by-bean to check for quality defects was incredibly eye-opening."

*— Susie Siegel
Brand Manager,
Coffee Portfolio, KDP
(Brazil targeted learning
source trip participant)*



Employee Health & Safety

KDP uses a wide variety of strategies and programs to support the health and safety of our employees. From training on risks from non-routine tasks, such as unexpected maintenance on equipment, to installing automated systems to prevent trailers from shifting during loading and unloading, our Environmental Health & Safety team looks at all aspects of what our employees may encounter and works to minimize risk.

Key to these efforts are data and preventive actions. KDP measures Lost Time Incident Rate (LTIR), a true indication of Total Recordable Injuries Rate (TRIR) severity, and uses a risk reduction process that thoroughly analyzes injuries and near misses. With this information at hand, sites are supplied targeted areas to evaluate for such issues as trips, slips and falls and provided action plans to implement. This method has produced risk reduction rates as much as 60% across a variety of our sites.

Our TRIR remained flat through 2019. Our LTIR increased in 2019, partly due to the addition of three new logistics sites not counted in 2018. We are well below benchmark rates for soft drink and coffee manufacturing, as reported by the Bureau of Labor Statistics. We remain committed to improving our safety performance every year and, as a result, have seen improvements of our LTIR and TRIR throughout the first half of 2020.

In response to the COVID-19 pandemic, we've implemented extraordinary safety procedures to keep our employees safe and healthy. These procedures include temperature checks and health screenings, extensive sanitization practices, required face coverings and mandated social distancing protocols. Additionally, employees across our organization have continued to develop creative ways to protect our team. For example, our supply chain and R&D teams created in-house capability to self-manufacture hand sanitizer; a fleet manager in Los Angeles built a barrier prototype to aid in protecting workers during temperature checks; and, our manufacturing team in Sumner, Washington, transformed one break room into three and outfitted several conference and training rooms to give employees enough room to take a break safely. Through a constant drive to zero incidents, training, teamwork and enhanced safety measures, we are dedicated to reducing risk and improving operations to create the safest environment possible for our team.



Governance & Compliance

CORPORATE GOVERNANCE

Guided by our values, ethics and integrity, our governance and management systems ensure that we operate our business and conduct ourselves with the highest level of accountability. As a publicly traded company, the KDP Board of Directors oversees KDP's corporate responsibility (CR) strategy and progress, receives regular updates and approves long-term sustainability goals.

Development of vision and strategy is led by our Chief Corporate Affairs Officer, our Chief Sustainability Officer and our Vice President, Corporate Communications, Philanthropy & Community Relations, as well as members of the broader organization. They regularly collaborate with a cross-functional team of employees across the organization, including from such areas as procurement, supply chain, research and development, quality, facilities, human resources and legal, to drive execution and measurement of CR strategy. The Chief Sustainability Officer convenes the Sustainability Governance Committee, comprised of key

functional executive leadership team members, which monitors progress and ensures our projects and key initiatives align with the long-term objectives of the business.

See our website for our [Governance Guidelines](#) and related materials.

ETHICS AND COMPLIANCE

Anchoring our ethics and compliance program is the [KDP Code of Conduct](#) which can be found on our [website](#) along with our Respectful Workplace and Anti-Harassment Policies, Supplier Code of Conduct, Conflict Minerals Reports, Modern Slavery Statements and Environmental Policies.

STAKEHOLDER ENGAGEMENT

We support our commitments to responsible business practices across our portfolio through engagement in both the political process and public policy development. More information on our political contribution and engagement policies can be found on our [website](#). Additional information on our approach can be found in our stakeholder engagement document [here](#).

SUSTAINABLE DEVELOPMENT GOALS

The United Nations Sustainable Development Goals were developed to address the global challenges facing our current world and represent the transformative power of collective action. KDP has aligned with several of these important initiatives as we work toward achieving our own goals.



Data Appendix

DRINK WELL. DO GOOD. GOALS

	Goals	Key Performance Indicators	2018	2019
PACKAGING	By 2025: 100% of packaging will be recyclable or compostable	Recyclable (%)	86%	87%
	30% PCR across KDP portfolio	Recycled content (%)	20%	20%
ENERGY & EMISSIONS	By 2025: 100% renewable energy	Renewable energy (%)	28%	47%
	Engage suppliers and bottlers representing 50% of our Scope 3 emissions to set their own targets*	Emissions coverage by supplier and bottler goals (%)	N/A	32%
	By 2030: Reduce absolute Scope 1 & 2 emissions by 30%	Emissions reduction (%)	N/A	11%
	Reduce absolute Scope 3 emissions in select categories by 15%		N/A	0%
WATER	By 2025: Partner with highest water risk operating communities to replenish 100% of water used for our beverages	Water restored (%)	73%	73%
	Improve our water use efficiency by 20%	Efficiency improvement (%)	3%	4%
WASTE	By 2025: Send zero waste to landfill across our operations	Diversion rate (%)	86%	88%
SUPPLY CHAIN	By 2020: 100% responsibly sourced coffee and brewers	Responsibly sourced coffee (%)	31%	65%
		Responsibly sourced brewers (%)	50%	63%
	1M people engaged in our supply chain to significantly improve their lives	People engaged	630K	783K
COMMUNITIES	By 2020: Provide play opportunities to 13.5 million children and families	Number of children and families	12.9M	14.2M

*By end of 2024



SAFETY RECORD*

	2018 [†]	2019
Lost Time Injury Rate (LTIR)	0.18	0.24
Workplace Fatalities	0	0
Total Recordable Injury Rate (TRIR)	1.22	1.22

Note: Rates are calculated as frequency of injuries per 100 employees

*This data is pertinent to only owned and operated manufacturing facilities.

[†]2018 data revised due to incidents turning recordable after end of calendar year.



2019 EMPLOYEE DIVERSITY

Ethnicity*	% of U.S. Employees
Non-minority	53
Minority	47

*Employee ethnicity data is self-reported. Due to post-merger systems integration, data may not reflect the actual demographics of KDP employees. In 2020, we are working to improve our self-reporting structure in order to more accurately represent our employee population.

Age Group	% of Employees
18-19	1
20-29	21
30-39	29
40-49	24
50-59	18
60 and over	7

Gender	% of Employees
Male	82
Female	18

WATER

	2017	2018	2019
Total Withdrawal (Million Liters)	13,112	13,132*	12,653[†]
% Withdrawal, Municipal	74	74	74 [†]
% Withdrawal, Groundwater	26	26	26 [†]
Total Consumption (Million Liters)	7,259	7,559*	7,290[†]
Total Discharge (Million Liters)	5,848	5,573	5,363[†]
% Discharge to Municipal	68	66	66 [†]
% Discharge to Waterbody	32	34	34 [†]
Water Use Ratio (L/L)	2.05	1.99*	1.96
Liters of water required to make one liter of product			

*A correction to our 2018 water withdrawal data resulted in a revision to these figures. The changes were not material (<1%), but we are revising the figures as it affects our Water Use Ratio.

[†]Third-party data assurance completed by ERM CVS with limited assurance. Statement available on our reporting website [here](#).

WASTE

	2018	2019
Waste diverted from landfill (%)	86	88
Total waste generated (short tons)	72,096	72,407

GREENHOUSE GAS EMISSIONS & ENERGY

	2018	2019
SCOPE 1: Direct Emissions (MtCO₂e)	273,576	268,712*
Stationary	116,495	116,081*
Mobile	157,081	152,631*
SCOPE 2: Indirect emissions, purchased energy (MtCO₂e)		
Market-based	137,560	97,345*
Location-based	166,484	162,746*
SCOPE 3: Indirect emissions, value chain* (MtCO₂e)	8,712,903	8,749,723
Category breakdown:		
Purchased goods and services	3,963,399	4,048,579
Capital goods	35,627	34,831
Fuel-and-energy-related activities (not included in Scope 1 or 2)	97,291	93,618
Upstream transportation and distribution	385,283	380,842
Waste generated in operations	797	6,120
Business travel	8,324	9,335
Employee commuting	52,644	53,681*
Downstream transportation and distribution	1,007,135	960,902
Processing of sold products	2,632,469	2,648,284
Use of sold products	390,703	381,773
End-of-life treatment of sold products	138,531	131,058
Downstream leased assets	700	700
Total Energy Use (MWh)	1,637,400	1,687,239*
Total direct energy usage (MWh)	1,211,103	1,248,290*
Total purchased electricity use (MWh)	426,297	438,949*
Renewable Energy (%)	28	47

*Third-party data assurance completed by ERM CVS with limited assurance. Statement available on our reporting website [here](#).

†In 2019, we refined our Scope 3 accounting and added additional categories. These improvements are reflected in both the 2018 and 2019 emissions data.

PACKAGING

Material	% of Total Weight (2018)	% of Total Weight (2019)
PET Bottles	25.3	26.0
Paper/ Cardboard	27.5	25.4
Non- Refillable Glass Bottles	23.9	21.9
Aluminum & Steel	10.2	10.5
Polypropylene	2.7	5.5
Polystyrene	5.5	3.7
Other	1.3	3.4
Flexible Packaging	1.5	1.9
Refillable Glass Bottles	2.1	1.7

