



# PepsiCo Canada Sustainability

September 2021



# For Our Discussion Today

- PepsiCo's mission and using our scale for good
- PepsiCo's progress against our sustainability goals
- Packaging and recycling update
- The future of PepsiCo's approach to sustainability with pep+

# Sustainability is a critical priority for consumers and society



**More than 70% of consumers** want to be sustainable and believe they can have an impact, but often don't know how to identify and trust sustainable products.”

(EY-Parthenon Sustainability Survey)

**68% of consumers**

agree or strongly agree that food and beverage brands can be leaders in protecting the environment

(Mintel)

We are in the ‘Decade of Action’ with accelerated focus on sustainability

Corporations increasingly expected to become critical agents for societal change



Radical system interventions and strong collaboration is needed to solve shared global issues



**SUSTAINABLE DEVELOPMENT GOALS**

Investors signalling a change in attitude and willingness to enable transition

**BlackRock**



# PepsiCo is helping to build a more sustainable food system

MISSION

Create more smiles with every sip and every bite

VISION

Be the global leader in convenient foods and beverages by winning with purpose

THE  
PEPSICO  
WAY

FASTER

Winning in the marketplace, being more consumer-centric and accelerating investment for topline growth

STRONGER

Transforming our capabilities, cost, and culture by operating as one PepsiCo, leveraging technology, winning locally and globally enabled

BETTER

Integrating purpose into our business strategy and our brands, and doing even more for the planet and for our people

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HELPING TO BUILD A MORE SUSTAINABLE FOOD SYSTEM



CLIMATE



AGRICULTURE



PRODUCTS



WATER



PACKAGING



PEOPLE

# We aim to use our scale for good

We aim to use our scale for good and are targeting every stage of our complex value chain to use resources more efficiently, reduce emissions, replenish water, improve our products, and recapture packaging materials

**23**

billion-dollar brands

**\$67B**

net revenue in 2019

Products enjoyed

**1B+**

times each day

**260K+**

associates worldwide

Products sold in

**200+**

countries and territories



We source crops from 60 countries, promoting sustainable standards as we support 100,000 jobs in and throughout our agricultural supply chain.











We bring together innovators and operations teams who work to use water, energy, and ingredients efficiently to create our foods and beverages.

We're reducing GHG emissions with carbon-efficient delivery trucks and programs that improve fleet efficiency.

We're offering consumers more food and beverage choices and reducing added sugars, sodium, and saturated fat in many of our products.

We're helping to drive the shift to a circular economy and a world where plastics need never become waste.

# PepsiCo is actively working towards ambitious sustainability goals

 <p><b>CLIMATE</b></p>	 <p><b>AGRICULTURE</b></p>	 <p><b>PRODUCT</b></p>	 <p><b>WATER</b></p>	 <p><b>PACKAGING</b></p>	 <p><b>PEOPLE</b></p>
<ul style="list-style-type: none"> <li>• Reduce absolute carbon emissions for our entire value chain <b>by 40% by 2030</b></li> <li>• Aligned to the <b>Business Ambition for 1.5°C pledge</b></li> <li>  <b>Net-zero by 2040;</b> 98.1% of waste was diverted from landfills in 2020 for Canadian direct operations         </li> </ul>	<ul style="list-style-type: none"> <li>• Adoption of regenerative agriculture over <b>7MM acres</b></li> <li>• Improving the livelihoods of <b>250,000 people</b> in agricultural communities</li> <li>  <b>Sustainably source 100%</b> of our direct sourced ingredients and key 3<sup>rd</sup> party sourced crops         </li> </ul>	<ul style="list-style-type: none"> <li>• <b>Reduce added sugars, sodium, and saturated fats</b> throughout our product portfolio by 2025.</li> <li>  In Canada, <b>nearly 60%</b> of our beverage portfolio offers 100kcal or less of added sugar per 355ml serving.         </li> </ul>	<ul style="list-style-type: none"> <li>• Improve water use efficiency in high-risk water areas by <b>25% by 2025</b></li> <li>• <b>Replace 100%</b> of the water we consume in high-risk water areas by 2025</li> <li>  <b>Achieve world-class water-use standards</b> at all company-owned and third-party facilities by 2030         </li> </ul>	<ul style="list-style-type: none"> <li>• Design 100% of our packaging to be <b>recyclable, compostable or biodegradable</b> by 2025</li> <li>• <b>Reduce the use of virgin plastic</b> across beverages by 35% by 2025</li> <li>• Use <b>25% recycled content</b> in our global plastic packaging by 2025</li> <li>• <b>Increase recycling rates across the world</b></li> </ul>	<ul style="list-style-type: none"> <li>• Achieve <b>gender parity</b> in mgmt. roles by 2025 and sustain pay equity</li> <li>• Invest <b>\$100MM by 2025</b> in women empowerment</li> <li>• Drive <b>fair &amp; safe working conditions</b></li> <li>• <b>Invest \$845MM over five years</b> to uplift Black and Hispanic business and communities &amp; increase Black and Hispanic representation at PepsiCo</li> </ul>

# Canada Sustainability Activities



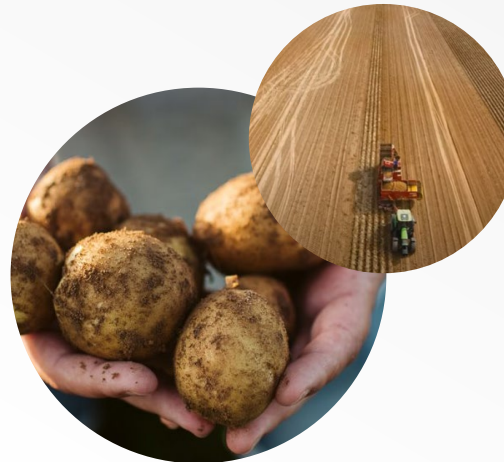
## CLIMATE

- Continuing to optimize our routes to reduce fuel consumption, mileage, and trucks on the road
- Begin introducing electric delivery trucks to our fleet by 2023
- Expand onsite solar generation



## AGRICULTURE

- Prioritizing sustainably sourced crops in Canada including Canadian potatoes and corn



## WATER

- Making progress toward new PepsiCo Net Water Positive Vision and meet world-class water-use standards at all company-owned and third-party facilities by 2030



# Sustainability Actions Impacting Communities



## PACKAGING

Compostable film packaging pilot in plan for US and being explored for Canada



Multiple brands moving into rPET



## ACTIVE RECYCLING PARTNER

- Founding member of Circular Materials Ontario to help the industry meet its obligations under the new EPR regulation
- Active advocate and industry leader in beverage container recycling programs in all provinces across Canada









Transform the way we create value by operating within planetary boundaries and inspiring positive change for planet and people in the global food system



## POSITIVE AGRICULTURE

**SOURCE** crops and ingredients in a way that accelerates regenerative agriculture and strengthens farming communities



## POSITIVE VALUE CHAIN

**MAKE** products in a way that builds a circular, inclusive economy



## POSITIVE CHOICES

**INSPIRE** people through our brands to make choices that create more smiles for them and the planet

# Thank you!

