# 2022 Calculation methodology

Our sustainability goals are aligned with our three pep+ (PepsiCo Positive) pillars: Positive Agriculture, Positive Value Chain and Positive Choices. We measure and report progress against our goals and, more broadly, our pep+ agenda, through a series of target metrics.

In order to accurately and consistently measure this progress, we have defined a clear and detailed methodology for calculating each target metric. We believe that transparency is an important driver of trust and accountability with our stakeholders, and in that spirit, we publish this summary of our calculation methodology, intended to give a high-level view of the more detailed series of internal governance documents that are maintained by our ESG Data Governance team.

For consistency in sustainability reporting across various scenarios including mergers, acquisitions and divestitures, we have established and documented various boundaries for data inclusion, aligning with external industry standards where appropriate. Additionally, our internal data governance documentation is referenced by designated external agencies while conducting data verifications and audits.

As a general matter, recent organizational changes (e.g., acquisitions and divestitures) are reflected in our reporting as soon as practical. When the impact of organizational changes is deemed significant on previously-reported metrics measured against a baseline, those metrics are recast to consistently reflect the impact of such organizational changes. This updated data is included within our results unless otherwise noted in ESG Performance Metrics, which highlights performance against our pep+ goals. Refer to ESG data governance for more information regarding our internal data review process.

Unless otherwise noted, all metric targets are by 2030. All baseline-related metric targets are calculated against either a 2020 or 2015 baseline.

# Positive Agriculture

| Target metrics | How we measure |
|---|---|
| **Spread the adoption of regenerative agriculture practices across 7 million acres of the land used around the world to grow our crops and ingredients for our products** | This metric captures the summation of acres of land, across all sectors and value chains, that are involved in the continuous improvement journey of implementing regenerative practices. Regenerative acres demonstrate measured improvement in two or more of the following regenerative agriculture impact areas:<br>1. Build soil health and fertility<br>2. Reduce and sequester CO2<br>3. Improve watershed health; and<br>4. Protect and enhance biodiversity<br>PepsiCo considers an acre to be delivering regenerative impact when the adoption of regenerative agriculture practices results in quantified improvements across at least two of the four environmental outcome areas, with a strong preference for removing or reducing GHG emissions to be one impact area. Our approach to regenerative agriculture will also work to generate positive impact on livelihoods in these farming communities. PepsiCo validates regenerative agriculture status annually using approved reporting tools and on-the-farm data, often aggregated by a third party. Metric counts the cumulative number of regenerative acres since 2021. |
| **Advocate for and contribute to a measurable improvement in the health of high water-risk watersheds where we directly source our crops, including an improvement in water-use efficiency of 15% by 2025** | Agricultural water-use efficiency (WUE) is defined as the cubic meters ($m^3$) of water used as irrigation water per tonne of crop produced. This metric tracks the WUE improvement of PepsiCo's direct agricultural supply chain, and it is calculated as the weighted average of the percent improvement of WUE in producing direct crops in high water-risk areas measured against a 2015 baseline year. Data is measured at least once every three years. PepsiCo identifies locations in high water-risk areas which is re-confirmed every three years using the World Resource Institute's Aqueduct water stress assessment tool along with site-specific risk assessment surveys. |
| **Sustainably source 100% of our key ingredients, expanding to include not only our grower-sourced crops (potatoes, whole corn and oats), but also key crops from third parties, such as vegetable oils and grains** | This metric is calculated using the sum of the numerators (sustainably sourced) and denominators (total volumes) of the following four metrics:<br>1. The total metric tons of grower-sourced agricultural raw materials received from verified sustainable sources versus the total metric tons of direct agricultural raw materials sourced by PepsiCo for use in wholly-owned PepsiCo manufacturing facilities, contract manufacturing and joint venture (JV) facilities where PepsiCo has raw material purchasing authority. For grower-sourced crops, sustainable sourcing refers to meeting the independently-verified environmental, social and economic principles of PepsiCo's Sustainable Farming Program (SFP)<br>2. The volumes of supplier sourced crops that were sustainably sourced in the reporting year. This includes volumes that have been verified to a sustainability standard or certification recognized as equivalent to PepsiCo's SFP Principles and volumes from suppliers that they can demonstrate are engaged in a continuous improvement program to address material sustainability issues<br>3. The volume of Roundtable on Sustainable Palm Oil (RSPO) physically-certified sustainable palm oil as compared to the total volume of palm oil procured by PepsiCo for itself and on behalf of its divisions, subsidiaries, affiliates and JVs for which PepsiCo has purchasing authority<br>4. The volume of physically-certified and sustainable cane sugar by Bonsucro or equivalent standard as compared to the total volume of cane sugar procured by PepsiCo for itself and on behalf of its divisions, subsidiaries, affiliates and JVs for which PepsiCo has purchasing authority<br>For more details on program implementation, please see Sustainable Farming Program Scheme Rules. |

# Positive Agriculture

| Target metrics | How we measure |
| --- | --- |
| **Improve the livelihoods of more than 250,000 people in our agricultural supply chain and communities, including by economically empowering women** | This metric captures the number of livelihoods reached through an outcome-focused evaluation from PepsiCo's positive Agriculture initiatives. The livelihoods improvement goal focuses on improvements in three areas:<br>1. **Economic prosperity:** profitability and relative poverty level<br>2. **Farmer and farm worker security:** food security, land rights, wages and labor practices<br>3. **Women's economic empowerment:** women's decision-making and women's access and control of resources<br><br>For livelihoods within a program or project to count toward this goal, the intervention must:<br>1. Operate in a high-risk country or target vulnerable farming communities;<br>2. Be associated with a current PepsiCo supply chain or sourcing region; and<br>3. Measure and demonstrate positive improvement in at least one primary indicator noted above.<br><br>This metric is limited to programs that are active between 2021-2030 and only counts outcomes achieved during this timeframe. |

# Positive Value Chain: Climate

| Target metrics | How we measure |
|---|---|
| **Reduce Scope 1 and 2 emissions by 75%** | Scope 1 and 2 GHG emission reductions are calculated as the percent reduction against a 2015 baseline.<br><br>Scope 1 and 2 results reflect emissions from company-owned manufacturing plants, warehouses, distribution centers and offices as well as company-owned and operated fleet and other vehicles under our operational control.<br><br>The reported progress for this metric is assured annually by an external auditor. |
| **Reduce Scope 3 emissions by 40%** | Scope 3 GHG emission reductions are calculated as the percent reduction against a 2015 baseline.<br><br>12 of the 15 GHG Protocol categories deemed material to the business and are included in our Scope 3 calculations. The categories included are:<br><br>**Category 1:** Purchased goods and services<br>**Category 2:** Capital goods<br>**Category 3:** Fuel and energy-related activities (not included in Scope 1 or 2)<br>**Category 4:** Upstream transportation and distribution<br>**Category 5:** Waste generated in operations<br>**Category 6:** Business travel<br>**Category 7:** Employee commuting<br>**Category 9:** Downstream transportation and distribution<br>**Category 10:** Processing of sold products<br>**Category 12:** End-of-life treatment of sold products<br>**Category 14:** Franchises<br>**Category 15:** Investments<br><br>The remaining three categories are not deemed material to the business and are excluded from our Scope 3 calculations:<br>**Category 8:** Upstream leased assets<br>**Category 11:** Use of products sold<br>**Category 13:** Downstream leased assets<br><br>Select categories within Scope 3 are assured annually by an external auditor. |
| **Reduce total absolute greenhouse gas (GHG) emissions by more than 40%** | A greenhouse gas (GHG) emissions inventory for Scopes 1, 2 and 3 is carried out on an annual basis, following the GHG Protocol and following the scopes and boundaries outlined in the climate goals above. Emission reductions are calculated as the percent reduction against a 2015 baseline. |

# Positive Value Chain: Water

| Target metrics | How we measure |
|---|---|
| **Improve operational water-use efficiency by 25% in high water-risk areas by 2025** | This metric measures the combined improvement in operational water-use efficiency in PepsiCo-controlled manufacturing operations located in high water-risk areas.<br><br>The metric is calculated as a weighted average of beverage and convenient food water-use efficiency improvements based on respective volume produced. Water-use efficiency is calculated as the liters of water used to produce one liter of beverage or kilogram of food and excludes rain water and water reused or recycled on-site. Progress is measured against a 2015 baseline.<br><br>PepsiCo identifies locations in high water-risk areas which is re-confirmed every three years using the World Resource Institute's Aqueduct water stress assessment tool along with site-specific risk assessment surveys. In 2022, PepsiCo re-evaluated all company-owned facilities, resulting in the re-classification of additional facilities as high water-risk. These were added in-scope for calculating progress against 2030 goals only. The incremental sites are not included in 2022 or future results for this metric.<br><br>Third-party progress reporting is excluded from this metric. The reported progress for this metric is assured annually by an external auditor. |
| **Best-in-class high water-risk convenient foods manufacturing facilities (liters/kg)** | This metric is calculated by dividing the total water used for food production in liters by total kilograms (kg) of convenient food production. Best-in-class water-use efficiency for convenient food production is achieved when an average 0.4 liters of water (or less) per kg of convenient food production is used at high water-risk PepsiCo and third party manufacturing facilities.<br><br>PepsiCo identifies locations in high water-risk areas which is re-confirmed every three years using the World Resource Institute's Aqueduct water stress assessment tool along with site-specific risk assessment surveys. In 2022, PepsiCo re-evaluated all company-owned facilities, resulting in the re-classification of additional facilities as high water-risk. These were added in-scope for calculating progress against 2030 goals only and are incorporated into 2022 results for this metric.<br><br>Third-party progress reporting is excluded from results to date. The reported progress for this metric is assured annually by an external auditor. |
| **World-class non high water-risk convenient foods manufacturing facilities (liters/kg)** | This metric is calculated by dividing the total water used for convenient food production in liters by total kg of food production. World-class water-use efficiency for convenient food production is achieved when an average 4.4 liters of water (or less) per kg of convenient food production is used at non high water-risk PepsiCo and third party manufacturing facilities.<br><br>Third-party progress reporting is excluded from results to date. The reported progress for this metric is assured annually by an external auditor. |
| **Best-in-class high water-risk beverages manufacturing facilities (liters/liter)** | This metric is calculated by dividing the total liters of water used for beverage production by total liters of beverage production. Best-in-class water-use efficiency for beverages is achieved when an average 1.2 liters of water (or less) per liter of beverage production is used at high water-risk PepsiCo and third party manufacturing facilities.<br><br>PepsiCo identifies locations in high water-risk areas which is re-confirmed every three years using the World Resource Institute's Aqueduct water stress assessment tool along with site-specific risk assessment surveys. In 2022, PepsiCo re-evaluated all company-owned facilities, resulting in the re-classification of additional facilities as high water-risk. These were added in-scope for calculating progress against 2030 goals only and are incorporated into 2022 results for this metric.<br><br>Third-party progress reporting is excluded from results to date. The reported progress for this metric is assured annually by an external auditor. |
| **World-class non high water-risk beverages manufacturing facilities (liters/liter)** | This metric is calculated by dividing the total liters of water used for beverage production by total liters of beverage production. World-class water-use efficiency for beverages is achieved when an average 1.4 liters of water (or less) per liter of beverage production is used at non high water-risk PepsiCo and third party manufacturing facilities.<br><br>Third-party progress reporting is excluded from results to date. The reported progress for this metric is assured annually by an external auditor. |

# Positive Value Chain: Water

| Target metrics | How we measure |
|---|---|
| **Replenish back into the local watershed more than 100% of the water we use by 2030** | This metric is calculated as the ratio of [volume of water replenished in liters within high water-risk facilities' watersheds during the reporting year] to [volume of water in liters used during the reporting year at those facilities].<br><br>Overall, the water we replenish should be more than the water we use at each location for company-owned facilities categorized as high water-risk. To measure progress towards the goal, the replenishment should occur in the minor basin where PepsiCo facilities are located, within the watershed where the PepsiCo facility water supply is sourced, or within an interconnected watershed.<br><br>For company-owned facilities, PepsiCo identifies locations in high water-risk areas which are re-confirmed every three years using the World Resource Institute's Aqueduct water stress assessment tool along with site-specific risk assessment surveys. In 2022, PepsiCo re-evaluated all company-owned facilities, resulting in the re-classification of additional facilities as high water-risk. These will only be included in-scope for the 2030 goal.<br><br>The volume of replenished water in liters is equal to the estimated volume of water in liters made available (returned or conserved) through PepsiCo-funded water replenishment projects in the source watersheds of PepsiCo's high water-risk facilities. Projects include those that improve water availability by increasing water quantity and in some cases also improving water quality. This metric is recalculated annually and always compares same-year replenishment and water use volumes.<br><br>PepsiCo will rely annually on a third-party partner to quantify the water benefits of each replenishment project in accordance with the methodologies laid out by the World Resources Institute in "Volumetric Water Benefit Accounting (VWBA): A Method For Implementing and Valuing Water Stewardship Activities."<br><br>With the launch of pep+ in 2021, PepsiCo expanded its 2025 replenishment goal. We continue to measure progress against both our original 2025 and extended 2030 goals and focus external reporting on our 2030 goal. The difference between these two goals is expressed below:<br>• **2025:** 100% water replenishment at company-owned facilities designated in high water-risk areas (prior to the re-assessment conducted in 2022)<br>• **2030:** >100% water replenishment at company-owned facilities and 100% replenishment at third-party facilities in high water-risk areas<br><br>Results reported in 2022 do not yet include third-party facilities. The reported progress for this metric is assured annually by an external auditor. |
| **Adopt the Alliance for Water Stewardship standard as our vehicle for water advocacy in high water-risk areas by 2025** | Progress for this metric is measured based on the number (count) of company-owned high water-risk facilities that are in the process of adopting the Standard and the number (count) of company-owned high water-risk facilities that have completed Standard adoption.<br><br>The reported 2022 metric results are assured by an external auditor. |

# Positive Value Chain: Packaging

| Target metrics | How we measure |
|---|---|
| Cut virgin plastic from non-renewable sources per serving across our global beverages and convenient foods portfolios by 50% by 2030 | This metric is calculated by dividing the total virgin plastic volume in metric tons by the total number of beverage and convenient food servings sold during the reporting year. The resulting figure is then measured against the 2020 baseline to determine the percent change.<br><br>This metric includes all PepsiCo-owned brands produced by franchise operations, all JVs with 50% or more ownership where PepsiCo has control over the packaging specifications, and all primary, secondary and tertiary packaging delivered and involved in the delivery to customers that can no longer be used for its intended purpose following consumer consumption. The reported progress for this metric is assured annually by an external auditor. |
| Scaling new business models that avoid or minimize single-use packaging materials (e.g., models that reuse, refill, prepare at home, utilize concentrates like powders, drops, etc.), with the aim of delivering 20% of all beverage servings we sell through reusable models by 2030 | Quantitative goal introduced in late 2022. We are in the process of refining methodology related to measuring servings delivered at customer locations in reusable cups. We plan to report progress against this goal starting with 2023 data. |
| Reducing our absolute tonnage of virgin plastic derived from non-renewable sources by 20% by 2030 | This metric is calculated by subtracting recycled and renewable plastic in metric tons from total plastics in metric tons to determine virgin non-renewable plastic. That output will then be measured against the 2020 virgin plastic baseline to determine the percent change.<br><br>This metric includes all PepsiCo-owned brands produced by franchise operations, all JVs with 50% or more ownership where PepsiCo has control over the packaging specifications, and all primary, secondary and tertiary packaging delivered and involved in the delivery to customers that can no longer be used for its intended purpose following consumer consumption. The reported progress for this metric is assured annually by an external auditor. |
| Use of market-leading bio-based and renewable materials | This metric is measured through qualitative information from various initiatives. See ESG Topics A-Z: Packaging to view additional progress towards goal. |
| Achieve our goal of using 50% recycled content in our plastic packaging by 2030 | This metric expresses the ratio of the volume of recycled plastic in metric tons to the total volume of plastic in metric tons used in our plastic packaging.<br><br>This metric includes all PepsiCo-owned brands produced by franchise operations, all JVs with 50% or more ownership where PepsiCo has control over the packaging specifications, and all primary, secondary and tertiary packaging delivered and involved in the delivery to customers that can no longer be used for its intended purpose following consumer consumption. The reported progress for this metric is assured annually by an external auditor. |

# Positive Value Chain: Packaging

| Target metrics | How we measure |
|---|---|
| **Design 100% of packaging to be recyclable, compostable, biodegradable or reusable by 2025** | This metric tracks the percent of packaging by weight in metric tons that is recyclable, compostable, biodegradable, or reusable (RCBR). Specific packaging material components are identified as either recyclable or non-recyclable based on both a global list of non-recyclable materials and local market conditions such as type of local recycling system and actual end use of the material. Additionally, the Ellen McArthur Foundation (EMF) Recyclability Assessment tool may be used to determine whether a specific material is recyclable. Our RCBR definitions are based on, among others, the guidance of the New Plastics Economy, the U.S. Federal Trade Commission Green Guides, Association of Plastics Recyclers, and European PET Bottle Platform.<br><br>In order for packaging material to be considered RCBR, it must be both designed to be recyclable, compostable, biodegradable or reusable and meet at least one of the following end-of-life waste management criteria:<br><br>1. **Is collected and recycled or composted in practice and at scale.** This means the packaging achieves the end-of-life waste management criteria of either a minimum 30% recycling/ composting rate for the given material, or sale within a market for which at least 60% of the population has access to collection for recycling/composting<br>2. **Meets the internal definition of biodegradable based on applicable standards.** For classifying a material as biodegradable it needs to be tested and proven that in unintended end of life conditions of soil, marine environment and landfill to disappear as per international standard tests:<br>• **Soil Biodegradation Tests:** ISO 17556.2, ISO 11266 or ASTM D.5988-96<br>• **Aquatic, Aerobic Biodegradation Tests:** ISO 14851, ISO 9408, OECD 301, ASTM D.5271-92, EN 29408, ISO 9439, OECD 301B, ASTM D. 5209-92 or EN 29439<br><br>This metric includes all PepsiCo-owned brands produced by franchise operations, all JVs with 50% or more ownership where PepsiCo has control over the packaging specifications, and all primary, secondary and tertiary packaging delivered and involved in the delivery to customers that can no longer be used for its intended purpose following consumer consumption. The reported progress for this metric is assured annually by an external auditor. |
| **Invest to increase recycling rates in key markets by 2025** | Progress against this metric is illustrated through qualitative information from various initiatives. See ESG Topics A-Z: Packaging to view additional progress towards goal. |

# Positive Value Chain: People

| Target metrics | How we measure |
|---|---|
| **Increase the employability of our people through increased access to degrees, skill development and new roles, providing meaningful growth opportunities to everyone at every stage** | Progress against this metric is illustrated through qualitative updates from various initiatives. See ESG Topics A-Z: Employee learning and development to view additional details. |
| **Empower our associates with the resources and time needed to build and cultivate prosperity in our communities** | Progress against this metric is illustrated through qualitative updates from various initiatives. See ESG Topics A-Z: Philanthropy to view additional details. |
| **Achieve 10% Black representation in U.S. managerial populations by 2025** | The percentage of our identified Black employees in management roles is specific to the U.S. It is calculated by dividing the number of identified Black employees in U.S. management roles by the total number of U.S. employees in management roles as of December 31st of the reporting period. This metric includes full-time, part-time, temporary and seasonal employees and employees of JVs (with greater than 50% ownership held by PepsiCo). |
| **Achieve 10% Hispanic representation in U.S. managerial populations by 2025** | The percentage of our identified Hispanic employees in management roles is specific to the U.S. It is calculated by dividing the number of identified Hispanic employees in U.S. management roles by the total number of U.S. employees in management roles as of December 31st of the reporting period. This metric includes full-time, part-time, temporary and seasonal employees and employees of JVs (with greater than 50% ownership held by PepsiCo). |
| **Continue to help address inequalities for historically marginalized people and underserved businesses and communities** | Progress against this metric is illustrated through qualitative updates from various initiatives. See ESG Topics A-Z: Diversity, Equity and Inclusion to view additional details. |
| **Achieve and sustain 50% women in management roles by 2025** | The percentage of women in management roles is calculated by dividing the number of female employees in management roles by the total number of employees in management roles as of December 31st of the reporting period. Employee gender is recorded on a self-reported basis. This metric includes full-time, part-time, temporary and seasonal employees and employees of JVs (with greater than 50% ownership held by PepsiCo). |
| **Achieve and sustain pay equity for our global professional population by maintaining a comprehensive global pay equity review process** | Following professional guidance from a designated third party, this metric measures the pay equity index by gender based on the actual and predicted pays of our male and female employees. Predicted pay is calculated based on a multiple linear regression model which predicts an employee's base pay using factors that are business relevant and aligned with our compensation philosophy. |
| **Extend the principles of our Supplier Code of Conduct to all of our franchisees and joint ventures by 2025** | Progress against this metric is illustrated through qualitative updates from various initiatives. This metric tracks our progress in verifying that we have extended the principles of PepsiCo's Global Supplier Code of Conduct to all of our franchisees and joint ventures. See ESG Topics A-Z: Sustainable sourcing to view additional details. |

# Positive Value Chain: People

| Target metrics | How we measure |
|---|---|
| **Promote fair and safe working conditions for all by advancing respect for human rights everywhere we operate and throughout our business activities** | These metrics capture both qualitative and quantitative information that reflects PepsiCo's progress in addressing its salient human rights issues. This information may include:<br>• Recent policy, position statement, and training developments;<br>• Progress of PepsiCo's Due Diligence Programs (i.e., Sustainable Sourcing Program, Global Labor Human Rights Assessment Program, Sustainable Farming Program) in identifying these issues across PepsiCo's supply chain;<br>• Recent engagements with external stakeholders to inform our approach and initiatives or resolve identified issues;<br>• Recent participation in multi-stakeholder forums or industry initiatives to drive collaborative action on systemic human rights challenges;<br>• Progress of PepsiCo's grievance mechanisms (i.e., Speak Up Hotline, Agricultural Grievance Mechanism);<br>• Progress of ongoing initiatives to address each salient issue |
| **Continue to strive for an injury-free work environment** | Lost Time Incident Rate (LTIR) measures the frequency of occupational impacts that result in days away from work. It is calculated by multiplying the sum of the total number of cases meeting the lost time occupational injury and lost time occupational illness definitions that resulted in one or more lost days by 200,000, then dividing the product by the total number of hours worked by all employees and dependent contractors in a calendar year. 200,000 represents the number of hours 100 employees, working 40 hours per week, 50 weeks per year would work, and provides a standard basis for calculating incident rate for an entire year. Investigations occur on a case-by-case basis and close in various timeframes that may affect historical results. The LTIR is in accordance to the Occupational Safety and Health Administration (OSHA) Part 1904 - Recording and Reporting Occupational Injuries and Illnesses. The reported progress for this metric is assured annually by an external auditor. |
| **Reach 100 million people with safe water access by 2030** | This metric measures the number of people provided with access to safe water through projects led and executed by non-governmental organization (NGO) partners funded by the PepsiCo Foundation. Access to safe water is achieved at watershed, community and household levels by making water more readily available, better managing supply or volume of water, and/or ensuring quality through water treatment, improved hygiene, and community sanitation. We classify a person as having been provided access to safe water by aggregating the number of individuals who benefit from our investments in water conservation, distribution, and purification projects. Beneficiary information is self-reported by funded NGOs and aggregated by a third-party validator on behalf of PepsiCo. This metric is measured against a 2006 baseline. |
| **Partner with communities to advance food security and make nutritious food accessible to 50 million people by 2030** | This metric represents the cumulative sum of people who gained access to nutritious meals through philanthropic or commercial efforts during the reporting period after discounting individuals with sustained access to meals.<br><br>For our philanthropic efforts, the number of individuals who have gained access to nutritious meals as a result of our investments is self-reported by funded NGO partners and aggregated by a third-party validator on behalf of PepsiCo.<br><br>For commercial efforts (e.g., Pioneer's White Star brand in South Africa and Quaker's Tres Minutos in Mexico), the calculation is derived by using household penetration data as a proxy for population penetration. The total population for lower socio-economic levels is obtained from relevant geographic government websites and is then multiplied against the total household penetration by lower socio-economic levels obtained from third-party sources to arrive at total number of people reached. Initial target setting for this metric did not include Pioneer Foods, which delivered accessibility for over 20 million people in 2021.<br><br>The target will be reassessed this year to fully account for both commercial and charitable efforts. |

# Positive Choices: Expanded Portfolio Offerings

| Target metrics | How we measure |
|---|---|
| **Reduce added sugars: ≥ 67% of beverage portfolio volume will have ≤100 Calories from added sugars per 12oz. serving by 2025** | This metric measures the portion of our global beverage portfolio volume in our global Top 26 beverages markets containing 100 Calories or less from added sugars per 12 ounce serving. It is calculated by dividing the total number of liters of PepsiCo's beverage portfolio sales volume with 100 Calories from added sugars or less per 12 ounce serving size (within our global Top 26 beverages markets) by PepsiCo's total sales volume of beverage products in liters within the same 26 markets. The reported progress for this metric is assured annually by an external auditor. |
| **Reduce sodium: ≥ 75% of convenient foods portfolio volume will not exceed 1.3 milligrams of sodium per Calorie by 2025** | This metric measures the portion of our global food volume in our global Top 23 convenient foods markets with 1.3 milligrams or less of sodium per Calorie. It is calculated by dividing the total number of kilograms of PepsiCo's convenient food portfolio sales volume with 1.3 milligrams or less of sodium per Calorie (within our global Top 23 convenient foods markets) by PepsiCo's total sales volume of convenient food products in kilograms within the same 23 markets. The reported progress for this metric is assured annually by an external auditor. |
| **Reduce saturated fats: ≥ 75% of convenient foods portfolio volume will not exceed 1.1 grams of saturated fat per 100 Calories by 2025** | This metric measures the portion of our global food volume in our global Top 23 convenient foods markets with 1.1 grams of saturated fat or less per 100 Calories. It is calculated by dividing the total number of kilograms of PepsiCo's convenient foods portfolio sales volume with 1.1 grams or less of saturated fats per 100 Calories (within our global Top 23 convenient foods markets) by PepsiCo's total sales volume of convenient food products in kilograms within the same 23 markets. The metric considers all PepsiCo global Top 23 markets convenient food sales volumes. The reported progress for this metric is assured annually by an external auditor. |

# Positive Choices: Planet + People Brands

| Target metrics | How we measure |
| --- | --- |
| **Leverage our scaled brands to embody and amplify positive outcomes for the planet and people, including empowering consumers with transparent environmental labeling on our key products** | Progress against this metric is illustrated through qualitative updates from various initiatives. See ESG Topics A-Z: Product labeling and claims to view additional details. |