



## Fleet Efficiency

Our fleet operations adopt sustainability in their everyday practices and long-term business plans by reducing emissions through efficiency, new technology and the development & sharing of best practices.

For a number of years, we also have made significant improvements in fleet efficiency. One way is diversifying the sources of energy used by our fleet. Our Frito-Lay North America Compressed Natural Gas (CNG) fleet drove 63 million miles in 2017, and has driven over 211 million miles life-to-date. Today, 42 percent of our Over-the-Road fleet has been converted to CNG.

In addition to the kinds of fuels we use, in the U.S. we are continuously making improvements in fleet efficiency through driver training, safety technology, and more efficient routing.

Through driver training that encourages gentler acceleration, avoiding unnecessary braking and eliminating idling, we are implementing best practices that improve fuel mileage. We have also gone above and beyond current federal and state safety regulations to outfit new class 8 vehicles with features including: collision mitigation, lane departure, blind spot detection, LED headlights and back-up cameras; and our class 6 vehicles with antilock brakes, traction control, electronic stability control, back-up cameras and collision mitigation. In addition, PepsiCo North America Beverages is accelerating deployment of its Geo Box delivery system, which replaces segmented bulk and bay delivery trucks with specially designed and specified trailers that are pre-loaded at the warehouse that service all segments in a truck of the community integrated routing solution. This helps ensure the right quantity and assortment of product reaches the retail customer in a more efficient and timely manner while saving time for route delivery drivers and fuel needed by eliminating overlapping delivery vehicles and less frequent trips to the warehouse.

In our effort to continuously explore emerging technologies that will position us for the future, in December 2017, we made an initial reservation for 100 all-electric semi-trucks from Tesla. The initial reservation we placed will allow us to deploy the Tesla semi trucks across both our snacks and beverage businesses to evaluate how best to leverage the technology moving forward.

We also believe it is important to engage in and support larger multi-stakeholder initiatives that move business forward toward more efficient alternatives. For example, we are one of the original signatories of the [Sustainable Fuel Buyers' Principles](#), developed by the non-governmental organization Business for Social Responsibility (BSR). These principles encourage accelerating the transition to sustainable, low-carbon fuel and related technologies. In the U.S., PepsiCo is a certified member of the U.S. Environmental Protection Agency's (EPA) SmartWay initiative. The program is a public-private initiative between the U.S. EPA, large and small trucking companies, commercial manufacturers, retailers, and federal and state agencies. Its purpose is to improve fuel efficiency and the environmental performance of goods-movement supply chains.