

Environmental, Health & Safety

Overview

Protecting the safety, health and well-being of our associates around the world is one of PepsiCo's top priorities. Employees are the backbone of our business and without them, we can't operate. Not only do we want our employees to come to work and leave as safely as they arrived, PepsiCo also aims to create a positive-impact-culture. Having a large number of employees means that our footprint touches hundreds of communities around the world.

We are working in many ways to promote the values of health and safety at PepsiCo and the continual improvement of our culture and performance. Early in 2018, we aligned our Global Environment, Health and Safety (EHS) function behind a single strategy, which highlights the following vision:

Beyond Zero - Pursue Positive
Zero harm to our people and the environment today—
Pursue a positive impact culture for our future

Our EHS strategy provides the framework for our vision of 'Beyond Zero' whereby we focus on trying to achieve an injury-free work environment, as well as working to create a culture of positive impact on the health and wellbeing of our employees and the environment. Our EHS strategy is built on 3 pillars:

TO ACHIEVE THIS, OUR STRATEGY IS BASED ON THE FOLLOWING THREE PILLARS:



Creating a culture of risk anticipation, led by capable people



Identifying and controlling critical risks



Simplifying our standards, tools and auditing

OUR EHS STRATEGY PROVIDES THE FRAMEWORK FOR OUR VISION OF "BEYOND ZERO," WHICH INCLUDES:



Injury-free work environment



Positive impact on the health and wellbeing of our employees



Positive impact on the environment

Governance

There are inherent risks in all business operations. At PepsiCo, we believe that systems of risk management can be put in place to help prevent environmental incidents and occupational injuries/illnesses. Our EHS Policy formally establishes our focus on environmental protection and occupational health and safety at every level.

A key component of the overall risk management strategy is the implementation of a robust Global EHS Management System (GEHSMS), a thorough compilation of management and technical standards for key risk areas across our business.

Performance

As a member of the [Together for Safer Roads \(TSR\) Coalition](#) since its launch, PepsiCo collaborates with industry leading multi-national corporations to align private sector goals with the United Nations’ Decade of Action for Road Safety. The aim of this coalition is to improve road safety; enhance vehicles and systems; reduce deaths and injuries from road traffic; and promote safer road users, advocacy and thought leadership. A key component of PepsiCo’s World Day for Safety and Health at Work communication campaign has been to promote and bring awareness to the importance of safe driving practices.

Metrics and Indicators

We aim to achieve world-class health and safety performance. In 2018, PepsiCo had 4 percent fewer lost time incidents (LTI) across the business, compared to 2017, reducing our lost time incident rate (LTIR).

TOTAL GLOBAL LTIR

Year	2016	2017*	2018
Global LTIR (per 1 million hours)	2.81	2.49	2.44

*Final Injury Data can at times lag the date in which we report externally. This led to a revision in our 2017 LTIR data from 2.44 to 2.49.

Wastewater in direct operations

Responsible wastewater discharge from our manufacturing operations is a critical element of achieving positive water impact. For PepsiCo, adhering to this goal is vital to the continuity of our manufacturing operations, as it helps ensure that we maintain our license to operate in local communities.

Among PepsiCo’s GEHSMS, one technical standard is the Discharge of Process Wastewater Standard, which is aligned with the World Bank’s International Finance Council and Business for Social Responsibility’s (BSR) Sustainable Water Group. Our global wastewater standard formalizes the expectation that wastewater discharged from facilities will:

- Meet applicable regulatory requirements
- Be conducted in an efficient, safe and responsible manner
- Maintain an effluent quality that does not cause degradation of water quality of the local environment

In 2018, nearly 98 percent of wastewater from our operations met PepsiCo’s high standards for protection of the environment.

WASH in direct operations

Our business depends on the thousands of dedicated employees in our manufacturing sites who ensure the safety and quality of our products, and we in turn, are committed to ensuring safe conditions for them. Critical to this is the provision of employees’ access to safe water, sanitation and hygiene (WASH) for our employees.

We are committed to providing appropriate access to safe water, sanitation and hygiene to our manufacturing employees. This is aligned with our participation in the World Business Council for Sustainable Development’s (WBCSD) WASH in the workplace pledge, the premier global standard related to WASH in the workplace, which PepsiCo signed in 2015. By the end of 2018, our manufacturing facilities’ WASH conformance was at 92 percent.