Underpinning the strategic pillars of our sustainable packaging strategy is broad engagement with partners and other stakeholders to collectively drive change. We develop partnerships within and across all three of our pillars: reduce, recycle and reinvent. These partnerships range from a commitment to build infrastructure around the circular economy to consumer awareness and education programs to research partnerships around innovative technologies and materials. Additionally, PepsiCo engages on this issue through industry coalitions, producer responsibility organizations, trade associations, community-based organizations and in dialogue with policy makers to advocate for and create a circular economy.

Our partners are key to driving sustainable change in the packaging waste value chain. Due to the breadth of our global, regional and local partnerships, we cannot list every initiative in all markets and focus here on a representative sample of our work and commitment to collaboration.

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Cross-Cutting Multi-National Partnerships

These organizations leverage scale and resources across boundaries to address complex packaging issues and improve infrastructure, transform the value chain and focus on areas of urgent need to enable a circular economy for packaging. Examples include:

- **Alliance to End Plastic Waste (AEPW):** PepsiCo is an investor in the Alliance to End Plastic Waste, a non-profit organization partnering with the finance community, government and civil society that has raised $1.5 billion to bring new ideas to end plastic waste.
- **Circulate Capital:** In October 2018, the PepsiCo Foundation announced that it was the founding investor in Circulate Capital, which aims to catalyse investment in solutions to reduce ocean plastic pollution in South and Southeast Asia. The fund, created with Closed Loop Partners and The Ocean Conservancy, among other partners, will finance initiatives that aim to improve on waste collection and processing. In December 2019, Circulate Capital announced the first close of the US$106 million Circulate Capital Ocean Fund (CCOF) and in April 2020 they named their inaugural investments of US$6 million in two companies, in India and Indonesia, that recycle local plastic waste into useful products.
- **Consumer Goods Forum (CGF):** PepsiCo is a member of the Consumer Goods Forum, a global industry network working to support Better Lives Through Better Business. CGF brings together retailers and manufacturers to address key problems such as plastic waste, fostering success through collective action.
- **New Plastics Economy:** PepsiCo is a core partner of the Ellen MacArthur Foundation’s New Plastics Economy. This global initiative brings together industry, government, non-governmental organizations (NGOs), scientists, and students with the goal of creating a circular economy for plastics, starting with packaging. In October 2018 at the Our Oceans Conference, PepsiCo announced that it would be a New Plastics Economy Global Commitment signatory, becoming a founding member of a network of leading businesses and governments, receiving global recognition as front-runners in the shift towards a circular economy for plastics.
- **Ocean Conservancy’s Trash Free Seas Alliance:** At PepsiCo we recognize that many materials found in the ocean today should not have become waste in the first place and instead could be a valuable economic resource. As a result, we have joined the Trash Free Seas Alliance, an alliance joining industry, academia, and conservation thought leaders with a common goal of reducing the amount of plastic waste leaking into the ocean annually by 50% by 2025.
- **World Economic Forum (WEF) Global Plastic Action Partnership (GPAP):** PepsiCo is a founding member of the Global Plastics Action Partnership, launched by WEF in 2018, as a packaging-specific initiative under the Platform for Accelerating the Circular Economy (PACE). The initiative aims to facilitate collaboration on tackling plastic pollution and promoting circular economy solutions by championing a public-private partnership model involving the national governments and stakeholders in coastal countries.

Cross-Cutting National & Regional Partnerships

With focus in specific geographies and regions, these organizations also leverage scale and resources with broad focus on solving urgent packaging issues from improving infrastructure, increasing funding and driving local education to reduce packaging waste in their focus region. Examples include:

- **Circular Economy for Flexible Packaging (CEFLEX):** CEFLEX is a collaborative initiative of companies, including PepsiCo, and associations focused in Europe representing the entire value chain of flexible packaging. Their mission is to integrate flexible packaging into the circular economy through system redesign.
- **Closed Loop Fund:** We are a founding partner of the Closed Loop Fund, which has catalyzed $270 million in co-investments to support circular economy supply chains, including through improved curbside recycling infrastructure and materials processing. The first 45 projects the Closed Loop Fund has supported have improved recycling access and have diverted 1.3 million tons of waste from landfills.
- **ECOCE:** ECOCE was created as a non-profit consortium with the objective to increase collection and recycling rates of post-consumer packaging waste in Mexico. The group was created to develop PET’s value chain with the goal of creating a closed loop, bottle-to-bottle system. ECOCE has now expanded to recover various other materials including flexible films. PepsiCo is a funding partner of the organization.
- **Regional Inclusive Recycling Initiative (IRR):** In 2015, PepsiCo joined IRR, an initiative created by the Inter-American Development Bank (IDB) together with AVINA, RED-LACRE (Latin America Recyclers Association), and Coca-Cola. The IRR was founded with the
objective of improving waste pickers’ access to the formal recycling market in Latin America and the Caribbean by designing and implementing activities to (1) improve the socioeconomic situation of waste pickers, (2) facilitate their access to the formal recycling market, (3) promote the creation of public policies for integrated waste management which include waste pickers. Since its creation in 2011, IRR has increased the amount of material recovered by waste picker organizations and has seen a demonstrable increase in the average monthly income of waste pickers.

• **The Recycling Partnership (TRP):** We are a partner of The Recycling Partnership, a grassroots organization with the goal of increasing curbside recycling rates across the U.S. through residential home bin placement and consumer education. TRP utilizes public-private partnerships to support these programs. In 2018, we made a $10 million investment in The Recycling Partnership (an organization PepsiCo has been a funding member of since 2016) to launch “All In On Recycling,” an industry-wide challenge to raise $25 million to improve recycling for 25 million families across the country, while supporting a circular economy, simplifying recycling and creating stronger, cleaner communities. In addition to contributions from other corporations, the more than 2,800 communities that participate in the initiative are expected to triple the collective investment, catalyzing roughly $75 million in municipal funding, and bringing the total amount of support to $100 million.

• **The Recycling Partnership’s Film and Flexibles Task Force:** PepsiCo is a founding member and advisor for The Recycling Partnership’s Film and Flexibles Task Force, working with industry partners to define, pilot and scale recycling solutions for materials including plastic film, bags and pouches. The Task Force is employing a four-step framework that includes data gathering and benchmarking; goal setting; establishment of pilot programs; and determining the means for long-term scalability.

• **WE CARE:** In India, we formed a consortium of industries to conduct a pilot project, WE CARE (waste efficient collection and recycling), to recover, segregate, and manage post-consumer multi-layer packaging (MLP) waste. The pilot demonstrated that businesses’ collective action to recover, segregate, and generate energy from MLP waste is feasible; the collected waste was used as fuel to generate electricity at municipal waste-to-energy plants, co-processed in cement-kilns, and used to form fiberboard for furniture making. Other members of the consortium are Nestle, DS group, Dabur, and Petfetti Van.

• **UK Plastics Pact:** In April 2018, we became a signatory of the UK Plastics Pact. The UK Plastics Pact is a bold and unique initiative that will transform the UK’s plastic system. By bringing together the entire plastics value chain behind a common set of ambitious targets, it will move us towards a system which keeps plastic in the economy and out of the environment. The pact encompasses innovation, research and new business models to rethink and redesign what packaging we put on the market in the first place, and how we can encourage more re-use of packaging.

**Innovation Partners**

*These partner organizations are looking at new ways to solve packaging challenges across all three of our pillars: reduce, recycle and reinvent. Examples include:*

• **Carbios:** PepsiCo is a partner of Carbios, a company pioneering new, bio-industrial solutions to reinvent the lifecycle of plastic and textile polymers. Conventional recycling is efficient for clear bottles and packaging, but it is unable to reclaim the material in colored, opaque, or multilayered plastic products to produce high quality recycled PET. Carbios enzymatic recycling technology fully breaks down post-consumer PET plastics into their original building blocks (i.e., monomers) that can then be used to produce PET plastics equivalent to virgin ones, such as bottles and other packaging. It’s the first biological approach to enable PET plastics to be recycled repeatedly within circular economy principles.

• **Bioplastic Feedstock Alliance:** As research moves forward on bio-based plastics, we know we must be part of the solution to source these materials responsibly. To this end, PepsiCo joined the Bioplastic Feedstock Alliance, a multi-stakeholder alliance convened by the World Wildlife Fund, which is committed to improving awareness around the environmental and social impacts of sources for bioplastics.

• **Materials Recovery for the Future Collaborative (MRFF):** To improve recovery and recyclability of flexible packaging in the U.S., PepsiCo joined the MRFF Collaborative. MRFF is dedicated to creating a system where flexible packaging can be recycled curbside and bring value in its post-consumer life.

• **NaturALL Bottle Alliance:** In 2018, PepsiCo joined The NaturALL Bottle Alliance, a research consortium with consumer packaged goods industry leaders and a bio-based materials development company, Origin Materials, to accelerate the development of innovative
packaging solutions made with sustainable and renewable resources, including post-consumer cardboard, thus creating additional end market demand for this material.

- **TerraCycle Loop**: In January 2019, PepsiCo announced a partnership with TerraCycle to join the launch for a new initiative called Loop. The Loop initiative is piloting a model that delivers products in redesigned durable containers to consumers that will later be picked up to be cleaned and refilled. This initiative exemplifies PepsiCo’s commitment to a circular economy and a shift towards innovative packaging models.