

2017 PWP PERFORMANCE METRICS



performance
WITH
purpose

ABOUT OUR REPORTING

This is our second year of reporting progress against our Performance with Purpose (PwP) 2025 Agenda.

Our sustainability reporting suite comprises:

- This 2017 PwP Performance Metrics sheet containing detailed performance data against our 2025 goals for the past three years
- [2017 Sustainability Report](#) summarizing key aspects of the year's performance
- Online 'A-Z Topics' covering detailed information on progress, programs, governance and management



PEPSICO

♥ PRODUCTS

FOCUS AREA	GOAL	2015	2016	2017	2025 TARGET	COMMENTS
Added sugars	At least 2/3 of our global beverage portfolio volume will have 100 Calories or fewer from added sugars per 12-oz. serving	39% ¹	40% ¹	43% ¹ Global: 40%	67%	Beginning in 2017 we reported our global progress (40%) based on our Top 26 Beverage markets, which represent 80% of our global beverage volume as of 2017. Going forward, we will continue reporting our Top 26 markets.
Sodium	At least 3/4 of our global foods portfolio volume will not exceed 1.3 milligrams of sodium per Calorie	51% ¹	54% ^{1,2}	55% ¹ Global: 56%	75%	Beginning in 2017 we reported our global progress (56%) based on our Top 23 Foods markets, which represent 90% of our global foods volume as of 2017. Going forward, we will continue reporting our Top 23 markets.
Saturated fat	At least 3/4 of our global foods portfolio volume will not exceed 1.1 grams of saturated fat per 100 Calories	64% ¹	66% ¹	66% ¹ Global: 61%	75%	Beginning in 2017 we reported our global progress (61%) based on our Top 23 Foods markets, which represent 90% of our global foods volume as of 2017. Going forward, we will continue reporting our Top 23 markets.
Positive nutrition	Increase positive nutrition – like whole grains, fruits & vegetables, dairy, protein and hydration – by expanding our portfolio containing one or more of these ingredients	26.6%	27.1% ²	27.5%	>26.6%	Metric measures products classified as Everyday Nutrition Portfolio as percentage of total PepsiCo net revenue.
	Rate by which sales growth of Everyday Nutrition products outpaces the rate of sales growth in the balance of our product portfolio	Baseline year	2%	2%	Each year, rate of Everyday Nutrition sales growth outpaces rate of sales growth of rest of portfolio	
	Provide access to at least three billion servings of nutritious foods and beverages to underserved consumers and communities, through a variety of channels, and through programs supported by the PepsiCo Foundation	Baseline year	264 million ²	544 million	3 billion	Metric counts cumulative servings beginning in 2016 from the affordable nutrition business, Food for Good, and programs supported by the PepsiCo Foundation.

¹ Represents Top 10 markets. Top 10 markets represent 78% of foods volume and 62% of beverages volume as of 2017

² Prior period results for this metric have been adjusted to reflect currently available information



FOCUS AREA	GOAL	2015	2016	2017	2025 TARGET	COMMENTS
Water	Improve water-use efficiency of our direct agricultural supply chain by 15% in high-water-risk sourcing areas	Baseline year	– ¹	– ¹	15%	Baseline validation in progress; high-water-risk locations defined by WRI's Aqueduct tool.
	Build on the 25% improvement in water-use efficiency achieved as of 2016 with additional 25% improvement by 2025, focusing on manufacturing operations in high-water-risk areas	Baseline year	1%	2%	25%	Between 2006–2015, water-use efficiency improved by 25.8% in legacy operations.
	Maximize water reuse in high-water-risk areas and strive to have 100% of wastewater from our operations meet PepsiCo's high standards for protection of the environment	– ¹	90%	95%	100%	2016 was the baseline year; where wastewater discharges are not metered, volume is estimated based on production and process data.
	Work to provide appropriate access to safe water, sanitation and hygiene (WASH) for 100% of our own manufacturing employees	– ¹	14% ²	46%	100%	Manufacturing locations assess their conformance against 12 criteria encapsulated in our internal WASH standard and based on World Business Council for Sustainability (WBCSD) guidance.
	Replenish 100% of the water we consume in manufacturing operations located in high-water-risk areas, and ensure that such replenishment takes place in the same watershed where the extraction has occurred	– ¹	26%	22% ³	100%	Each year, progress will be measured against the volume of consumed water in previous year. Replenishment benefits claimed for local activities are capped at 100% to prevent overachieving projects from inflating global progress measurements.
	Advocate for strong water governance in communities and watersheds where we operate, promoting water solutions that meet local needs	<p>Our actions include:</p> <ul style="list-style-type: none"> • Advocating for the adoption of smart water policies and regulations • Sharing information and best practices with water stakeholders • Supporting public education and training for consumers and communities <p>Further details found on Water section of A–Z Topics on pepsico.com</p>				
Initiate and support collaborative efforts with other stakeholders to address water risk and mitigate water insecurity	<p>Examples of collaboration include:</p> <ul style="list-style-type: none"> • Collaboration with 2030 Water Resources Group • Hydro-BID project in partnership with Inter-American Development Bank, PepsiCo and PepsiCo Foundation <p>Further details found on Water section of A–Z Topics on pepsico.com</p>					
With the PepsiCo Foundation and its partners, work to provide access to safe water to a total of 25 million people since 2006 in the world's most at-water-risk areas, with a focus on communities near where PepsiCo works	9 million	11 million	16 million	25 million		Metric counts the cumulative number of people provided with access to safe water since 2006.
Climate	Scope 1 & 2: Reduce absolute greenhouse gas (GHG) emissions by at least 20% by 2030	Baseline year	6% ⁴	11%	100% (of 2030 TARGET)	Percentage for Scope 1 & 2 represents cumulative progress toward our 2030 target reduction amount.
	Scope 3: Reduce absolute greenhouse gas (GHG) emissions by at least 20% by 2030	Baseline year	1% ⁵	7%	100% (of 2030 TARGET)	Percentage for Scope 3 represents cumulative progress toward our 2030 target reduction amount.

¹ Data for this time period not available

² In 2017, PepsiCo reset the baseline to account for full reporting from all manufacturing locations and better alignment to the WBCSD WASH Pledge, resulting in a decline in the baseline from 80% to 14%; primary drivers of gap to full compliance include training programs, signage and program documentation

³ As a result of franchising of operations in Jordan, replenishment benefits attributed to work in that watershed in 2016 have been removed from progress reporting for this goal in 2017

⁴ Percentage for Scope 1 & 2 represents cumulative progress toward the goal, where the denominator is 100% target; previously reported as reduction to baseline, where denominator was 20%; amended to align progress reporting with Scope 3

⁵ Percentage for Scope 3 represents cumulative progress toward the goal, where the denominator is 100% target



FOCUS AREA	GOAL	2015	2016	2017	2025 TARGET	COMMENTS
Waste	Strive to design 100% of our packaging to be recyclable, compostable or biodegradable	– ¹	~85%	~85%	100%	Updated from “Strive to design 100% of our packaging to be recoverable or recyclable” to new language to augment the goal.
	In partnership with the PepsiCo Foundation, work to increase recycling rates					<ul style="list-style-type: none"> • Educate and encourage consumers to recycle • Partner to increase and improve recycling infrastructure and build solutions for current and future material streams Updated from “Partner to increase packaging recycling and recovery rates” to new language to augment the goal.
	Strive to achieve zero waste to landfill across all of our direct operations through efficient and responsible waste management	8%	7%	5%	<1%	
Sustainable sourcing	Through PepsiCo’s Sustainable Farming Program (SFP) ² , strive to sustainably source our direct agricultural raw materials by 2020	– ¹	– ¹	24% ³	100% (2020 TARGET)	
	% of directly sourced crops grown by farmers engaged through our SFP by 2020	22%	34%	79%	100% (2020 TARGET)	
	Seek to sustainably source our traceable non-direct major agricultural raw material ingredients by 2025	– ¹	– ¹	12%	100%	
	Sustainably source 100% of our palm oil by 2020	8%	16%	32%	100% (2020 TARGET)	Progress based on volume of certified sustainable palm oil meeting RSPO standard.
	Sustainably source 100% of our cane sugar by 2020	– ¹	– ¹	34%	100% (2020 TARGET)	Progress based on volume of certified sustainable cane sugar meeting Bonsucro standard.

¹ Data for this time period not available

² Formerly Sustainable Farming Initiative (SFI)

³ Percentage of volume sustainably sourced and verified by a third party



FOCUS AREA	GOAL	2015	2016	2017	2025 TARGET	COMMENTS
Human rights	Continue to advance respect for human rights in our direct operations and with our third-party suppliers					These metrics represent one of the many ways we track our progress and evaluate the effectiveness of our actions in advancing respect for human rights. Please see the Human Rights section of A–Z Topics on pepsico.com for more information on our human rights program and initiatives. Updated from “Continue to advance respect for human rights in our operations” and “Continue to advance respect for human rights with third party suppliers” to new language to augment the goal.
	• % of total company-owned manufacturing operations assessed (sites are audited on a three-year auditing cycle)	– ¹	50%	80%	100%	
	• % of PepsiCo associates in critical groups receiving targeted human rights training	– ¹	– ¹	95%	100%	
	• % of required business critical third-party suppliers assessed in calendar year	– ¹	87%	96%	100%	
	• % of required contract-manufacturers and contract-packers assessed in calendar year	– ¹	91%	95%	100%	
	• % of required tier-1 palm oil and cane sugar suppliers assessed in calendar year	– ¹	75%	98%	100%	
Extend the principles of our Global Code of Conduct to all franchisees and joint venture partners		Compliance with our Code and all other applicable PepsiCo policies is already required for all joint ventures where we have management control. In 2017, we initiated work to develop a formal engagement program around this goal for all of our other joint venture partners and franchisees. We have met with a number of our partners and franchisees over the past several months to discuss our human rights agenda and gather input on the engagement program. Our aim is to finalize and launch the program later this year.				
Expand our Sustainable Farming Program (SFP) ² across approximately 7 million acres to increase responsible agricultural practices, improve crop yields and growers’ livelihoods, and advance respect for workers’ fundamental human rights		– ¹	– ¹	– ¹	7 million	
Diversity	Strive to achieve gender parity in our management roles	37%	38%	39%	50%	% of women in management roles.
	Strive to achieve pay equity for women	– ¹	Women and men are paid within 1% of each other ³		100%	U.S. and U.K. included in 2016 analysis. 21 countries included in 2017 analysis, representing 62% of salaried employees.
Prosperity	Benefit at least 12.5 million women and girls around the world in communities near where we work	– ¹	6 million	6.4 million	12.5 million	Metric counts the cumulative number of young women receiving benefits. 12.5 million target includes the goal of enabling 1.5 million young women to progress through school and succeed in the workforce.
	Invest \$100 million to support initiatives to benefit at least 12.5 million women and girls in communities near where we work	– ¹	\$6.7 million	\$14.3 million	\$100 million	Cumulative investments. These are funded by both PepsiCo and the PepsiCo Foundation.

Notes

Prior period results have been adjusted to reflect currently available information. Performance summary excludes food waste as goal is being reframed.

¹ Data for this time period not available

² Formerly Sustainable Farming Initiative (SFI)

³ After controlling for legitimate drivers of pay; analysis excludes frontline