THE PEPSICO WAY

CAGNY 2023

RAMON LAGUARTA
CHAIRMAN & CEO

HUGH JOHNSTON
VICE CHAIRMAN & CFO
SAFE HARBOR STATEMENT & NON-GAAP INFORMATION

Safe Harbor Statement

Statements in this communication that are “forward-looking statements,” including our long-term targets, are based on currently available information, operating plans and projections about future events and trends. Terminology such as “aim,” “anticipate,” “believe,” “drive,” “estimate,” “expect,” “expressed confidence,” “forecast,” “future,” “goal,” “guidance,” “intend,” “may,” “objective,” “outlook,” “plan,” “position,” “potential,” “project,” “seek,” “should,” “strategy,” “target,” “will” or similar statements or variations of such words and other similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such terms. Forward-looking statements inherently involve risks and uncertainties that could cause actual results to differ materially from those predicted in such forward-looking statements. Such risks and uncertainties include, but are not limited to: the risks associated with the deadly conflict in Ukraine; future demand for PepsiCo’s products; damage to PepsiCo’s reputation or brand image; product recalls or other issues or concerns with respect to product quality and safety; PepsiCo’s ability to compete effectively; PepsiCo’s ability to attract, develop and maintain a highly skilled and diverse workforce or effectively manage changes in our workforce; water scarcity; changes in the retail landscape or in sales to any key customer; disruption of PepsiCo’s manufacturing operations or supply chain, including continued increased commodity, packaging, transportation, labor and other input costs; political or social conditions in the markets where PepsiCo’s products are made, manufactured, distributed or sold; PepsiCo’s ability to grow its business in developing and emerging markets; changes in economic conditions in the countries in which PepsiCo operates; future cyber incidents and other disruptions to our information systems; failure to successfully complete or manage strategic transactions; PepsiCo’s reliance on third-party service providers and enterprise-wide systems; climate change or measures to address climate change; strikes or work stoppages; failure to realize benefits from PepsiCo’s productivity initiatives; deterioration in estimates and underlying assumptions regarding future performance that can result in an impairment charge; fluctuations or other changes in exchange rates; any downgrade or potential downgrade of PepsiCo’s credit ratings; imposition or proposed imposition of new or increased taxes aimed at PepsiCo’s products; imposition of limitations on the marketing or sale of PepsiCo’s products; changes in laws and regulations related to the use or disposal of plastics or other packaging materials; failure to comply with personal data protection and privacy laws; increase in income tax rates, changes in income tax laws or disagreements with tax authorities; failure to adequately protect PepsiCo’s intellectual property rights or infringement on intellectual property rights of others; failure to comply with applicable laws and regulations; and potential liabilities and costs from litigation, claims, legal or regulatory proceedings, inquiries or investigations.

For additional information on these and other factors that could cause PepsiCo’s actual results to materially differ from those set forth herein, please see PepsiCo’s filings with the Securities and Exchange Commission, including its most recent annual report on Form 10-K and subsequent reports on Forms 10-Q and 8-K. Investors are cautioned not to place undue reliance on any such forward-looking statements, which speak only as of the date they are made. PepsiCo undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

Non-GAAP Information

Please refer to PepsiCo’s website at www.pepsico.com in the “Investors” section under “Financial Information – Events and Presentations,” and PepsiCo’s filings with the Securities and Exchange Commission, to find disclosure and a reconciliation of any non-GAAP financial measures contained herein. PepsiCo provides guidance on a non-GAAP basis as the Company cannot predict certain elements which are included in reported GAAP results, including the impact of foreign exchange and mark-to-market adjustments.
WHO WE ARE

PERFORMING WHILE TRANSFORMING

PRIORITIES AND VALUE CREATION
WE ARE A GLOBAL BEVERAGE AND CONVENIENT FOOD COMPANY WITH LARGE, TRUSTED BRANDS

<table>
<thead>
<tr>
<th>NET REVENUE</th>
<th>WINNING WITH</th>
<th>CORE OPERATING PROFIT</th>
</tr>
</thead>
<tbody>
<tr>
<td>More than $86 billion in 2022</td>
<td>[Pepsi+ logo] pepsi positive</td>
<td>More than $12 billion in 2022</td>
</tr>
</tbody>
</table>

2022 reported operating profit was $11.5 billion. Core operating profit is a non-GAAP financial measure that excludes certain items.
WHICH ARE SCALED AND WELL-POSITIONED IN LARGE, FAST-GROWING CATEGORIES

Strong Positions In Fast-Growing Categories

- Leading position in savory snacks
- Opportunities to target other macrosnacks occasions

Convenient Foods 58%

$50B

$36B

42% Beverages

- Competitive #2 position globally
- Strong positions in all LRB categories
- Opportunities to expand in other consumer occasions

PepsiCo data based on 2022 net revenue. Market share data (based on retail sales for savory snacks and beverages) based on 2022 Euromonitor.
WITH A DIVERSE GEOGRAPHIC PRESENCE

Balanced Geographic Revenue Mix

North America 61%  $52B
39% International  $34B

U.S.: 57%  $49 Billion
D&E Markets: 31%  $27 Billion

LatAm: 11%
Europe: 15%
AMESA: 7%
APAC: 6%
QFNA: 4%
PBNA: 30%

$86 billion

Net Revenue By Division

PepsiCo data based on 2022 net revenue.
WHO WE ARE

PERFORMING WHILE TRANSFORMING

PRIORITIES AND VALUE CREATION
IN 2019 WE SET AN AGENDA TO ACCELERATE GROWTH AND DELIVER SUSTAINABLE RESULTS

Accelerate investments

Holistic cost management

Consumer centricity

Talent and culture

Integrate purpose into strategy

Build digital capabilities

GOOD TO GREAT

FASTER STRONGER BETTER

Long-Term Targets

+4-6%
Organic Revenue Growth

+HSD%
Core Constant Currency EPS Growth

Organic revenue growth and core constant currency EPS growth are non-GAAP financial measures.
WE INCREASED CRITICAL INVESTMENTS TO FORTIFY OUR BRANDS AND BUSINESSES

Advertising and Marketing Spend

- 2018: $4.2 B
- 2022: $5.2 B
- Increase: 24%

Net Capital Spending

- 2018: $3.1 B
- 2022: $5.0 B
- Increase: 57%

Investments in Go-To-Market Systems
Digital Investments
Increased Manufacturing Capacity
AND HAVE DELIVERED ON OUR AGENDA WITH STRONG RESULTS

Organic Revenue Growth & Core Constant Currency EPS Growth

<table>
<thead>
<tr>
<th>Year</th>
<th>Organic Revenue Growth</th>
<th>Core Constant Currency EPS Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>4.5%</td>
<td>(1%)</td>
</tr>
<tr>
<td>2020-2022 Average</td>
<td>9.4%</td>
<td>8%</td>
</tr>
</tbody>
</table>

Ex-2020 COVID costs 11%

Long-Term Targets

- **Organic Revenue Growth**
  - +4-6%

- **Core Constant Currency EPS Growth**
  - +HSD%
WITH BROAD-BASED GROWTH ACROSS OUR GEOGRAPHIES AND CATEGORIES

2016 – 2018 average reported net revenue grew 1.7% for North America, 1.6% for Global Convenient Foods, and 0.1% for Global Beverages and declined 0.3% for International and 0.8% for Developing and Emerging Markets. 2019-2022 average reported net revenue growth was 7.2% for North America, 8.2% for International, 9.7% for Developing and Emerging Markets, 9.4% for Global Convenient Foods and 5.3% for Global Beverages. Organic revenue growth is a non-GAAP financial measure that excludes certain items.

North America & International Organic Revenue Growth

- North America:
  - 2016 - 2018 Average: 1.5%
  - 2019 - 2022 Average: 7.3%

- International:
  - 2016 - 2018 Average: 6.2%
  - 2019 - 2022 Average: 9.5%

D&E 7.4%

D&E 11.3%

Global Categories Organic Revenue Growth

- Global Convenient Foods: 4.7%
- Global Beverages: 1.6%
- International: 9.4%
- Developing and Emerging Markets: 6.6%
AIDED BY STRONG MARKETPLACE EXECUTION AND BRAND PERFORMANCE

Global Brand Net Revenue Growth
2020 – 2022 CAGR

- G: +13%
- Doritos: +11%
- Cheetos: +11%
- Lay's: +9%
- Mtn Dew: +8%
- Pepsi: +7%
AND ENABLED BY THE BREADTH AND DEPTH OF OUR CONSUMER-CENTRIC INNOVATION

- **Positive Choices**
- **Refresh & Extend**
- **Packaging Variety**

**Beverages**

**Convenient Foods**
WITH AN EXPANDED OMNICHANNEL PRESENCE AND ENHANCED DIGITAL CAPABILITIES

E-Commerce

Away-From-Home

Each Delivered Strong +DD% Net Revenue Growth in FY’22

WE ALSO BROADENED THE SCOPE OF OUR HOLISTIC COST MANAGEMENT AGENDA

- Optimize Labor Through Global Business Solutions
- Simplify & Harmonize Technology Systems
- Automate Plants & Manufacturing
- Redesign & Optimize Route Efficiencies

Delivered at least $1 billion in annual productivity savings since 2019
AND HAVE ADDED DIGITAL CAPABILITIES TO MAKE THE BUSINESS MORE AGILE, PRECISE AND LEANER

**Digital Capabilities**

- AI & Machine Learning
- Sustainability Technology
- Analytics & Insights
- Internet of Things
- Automation
- Omnichannel E-commerce

**Outcomes**

- **Front line sales capabilities:** Improving retail execution and assortment precision at the store level
- **Driving sustainability:** Analyzing and monitoring resource usage patterns and modifying our processes to reduce waste
- **Optimizing packaging lines:** Increase throughput efficiency with digital monitoring and auto-enabled adjustments
- **Scaling omni-channel commerce:** Leveraging platform reusability to deliver B2B and D2C solutions
- **Supply Chain efficiency:** Increasing robotic automation of picking operations as part of Digital Operations
WHILE ALSO INVESTING IN OUR PEOPLE AND CULTURE TO FOCUS ON AGILITY AND INTEGRITY

Elevate Our Talent

- Reorganized with more empowered local structures
- Delayered to enable connectivity and speed-to-market
- Elevated diversity

Evolve Our Culture

- RAISE THE BAR ON TALENT & DIVERSITY
- BE CONSUMER CENTRIC
- VOICE OPINIONS FEARLESSLY
- ACT WITH INTEGRITY
- FOCUS & GET THINGS DONE FAST
- CELEBRATE SUCCESS
- ACT AS OWNERS

THE PEPSICO WAY
AND FORTIFYING OUR BUSINESS FOR THE LONG TERM WITH OUR STRATEGY

**POSITIVE AGRICULTURE**

345K+ acres adopted regenerative practices¹

Launched strategic partnership with ADM to jointly scale regenerative agriculture on up to 2MM acres of farmland

**POSITIVE VALUE CHAIN**

100% of sectors with beverage portfolio launched

100% rPET CSDs

18% water-use efficiency improvement²,³

25% scope 1 & 2 emissions reduced²

**POSITIVE CHOICES**

53% of beverage portfolio met sugar reduction target

66% of convenient foods portfolio met sodium reduction target

75% of convenient foods portfolio met sat fat reduction target

(1) Regenerative acres reported for 2021 include U.S. and Canada only; (2) Progress as of 2021 vs. 2015 baseline; (3) Excludes Be & Cheery portfolio; (4) Based on our Top 26 beverage markets, which represent 79% of our global beverages volume as of 2021; (5) Based on our Top 23 convenient foods markets, which represent 86% of our global convenient foods volume as of 2021.
WE BELIEVE THAT A LONG RUNWAY FOR GROWTH REMAINS IN OUR LARGE AND GLOBAL CATEGORIES

Global Convenient Foods Opportunity

- 5-YR Estimated CAGR: +5%
- PEPSICO 8% share
- $599 Billion

Global Beverages Opportunity

- 5-YR Estimated CAGR: +5%
- PEPSICO 9% share
- $626 Billion

PepsiCo defined convenient foods includes savory, sweet, grains and dairy foods categories. PepsiCo defined beverages includes liquid refreshment beverages and dairy categories. Figures exclude foodservice. Market size (2021) and 5-year category CAGR (2021-2026) based on retail sales value of top 80 PepsiCo countries from PepsiCo Portfolio Growth Model. Share is based on 2021 retail value share from Euromonitor.
AND REMAIN FOCUSED ON EXECUTING AGAINST OUR STRATEGIC FRAMEWORK

<table>
<thead>
<tr>
<th>MISSION</th>
<th>Create more smiles with every sip and every bite</th>
</tr>
</thead>
<tbody>
<tr>
<td>VISION</td>
<td>Be the global leader in beverages and convenient foods by winning with pep+</td>
</tr>
<tr>
<td>THE PEPSICO WAY</td>
<td>FASTER - Winning in the marketplace, being more consumer-centric and accelerating investment for topline growth</td>
</tr>
<tr>
<td></td>
<td>STRONGER - Transforming our capabilities, cost, and culture by operating as one PepsiCo, leveraging technology, winning locally and globally enabled</td>
</tr>
<tr>
<td></td>
<td>BETTER - Creating growth and value by operating within planetary boundaries and inspiring positive change for the planet and people</td>
</tr>
</tbody>
</table>

- BE CONSUMER CENTRIC
- ACT AS OWNERS
- FOCUS & GET THINGS DONE FAST
- VOICE OPINIONS FEARLESSLY
- RAISE THE BAR ON TALENT & DIVERSITY
- CELEBRATE SUCCESS
- ACT WITH INTEGRITY
THAT INCLUDES CLEAR PRIORITIES ACROSS OUR BUSINESSES TO CAPTURE ADDITIONAL GROWTH

**FASTER**

**PepsiCo Foods North America**
- Broaden the portfolio to capture more consumer occasions
- Accelerate Positive Choices by reducing sodium and adding positive benefit choices
- Digitize, automate and fortify the supply chain to deliver expanded product variety with greater speed, service and efficiency

**PepsiCo Beverages North America**
- Win in the marketplace
- Address changing needs of consumers by evolving our product and package mix
- Modernize our go-to-market systems
- Improve profitability

**International**
- Increase per capita consumption and build scale in convenient foods
- Drive scale in select high growth LRB categories
- Invest strategically in beverage markets to be strong, profitable #1 or #2 player

**STRONGER**

**BETTER**

FASTER, STRONGER, BETTER
AND A CONSUMER-CENTRIC MINDSET TO FURTHER BROADEN AND EXPAND OUR PORTFOLIO

<table>
<thead>
<tr>
<th>Broaden Positive Choices</th>
<th>Expand Into Different Occasions</th>
<th>Accelerate Packaging Optionality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beverages</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Convenient Foods</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
WITH TO REMAIN AT THE CENTER OF OUR STRATEGY TO FORTIFY OUR BUSINESS

PARTNERS

COMMUNITIES

EMPLOYEES

CUSTOMERS

CONSUMERS
WHILE REMAINING HIGHLY DISCIPLINED IN HOW WE ALLOCATE CAPITAL

Capital Allocation Approach

1. Invest appropriately in our business
   - Capital spending to drive growth and productivity agenda

2. Pay and grow our dividend
   - Increased dividend for 51 consecutive years

3. Optimize portfolio construction
   - Selectively consider acquisitions, divestitures, and partnerships

4. Share repurchases
   - While maintaining access to debt capital markets at attractive rates

2022 Capital Allocation Breakdown

- Capital Expenditures
- Share Repurchases
- Portfolio Construction
- Dividends
WITH AN EMPHASIS ON INVESTING IN OUR BUSINESSES

Net Capital Spending As A % Of Net Revenue

<table>
<thead>
<tr>
<th>Year</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td>4.4%</td>
<td>4.9%</td>
<td>6.0%</td>
<td>5.9%</td>
<td>5.6%</td>
<td>5.7%</td>
</tr>
</tbody>
</table>

2022 Net Capital Spending Breakdown

- Manufacturing Capacity
- Go-to-Market Systems
- Agriculture
- Climate
- Packaging
- IT Harmonization
- Automation
- Logistics
- Digitalization
- Maintenance
- Sustainability

Sustainability
- Agriculture
- Climate
- Packaging
AND PROVIDING AMPLE CASH RETURNS TO OUR SHAREHOLDERS WITH DIVIDENDS AND BUYBACKS

Cash Dividends Paid Per Share

<table>
<thead>
<tr>
<th>Year</th>
<th>Dividends Paid Per Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>$1.89</td>
</tr>
<tr>
<td>2011</td>
<td>$2.03</td>
</tr>
<tr>
<td>2012</td>
<td>$2.13</td>
</tr>
<tr>
<td>2013</td>
<td>$2.24</td>
</tr>
<tr>
<td>2014</td>
<td>$2.53</td>
</tr>
<tr>
<td>2015</td>
<td>$2.76</td>
</tr>
<tr>
<td>2016</td>
<td>$2.96</td>
</tr>
<tr>
<td>2017</td>
<td>$3.17</td>
</tr>
<tr>
<td>2018</td>
<td>$3.59</td>
</tr>
<tr>
<td>2019</td>
<td>$3.79</td>
</tr>
<tr>
<td>2020</td>
<td>$4.02</td>
</tr>
<tr>
<td>2021</td>
<td>$4.25</td>
</tr>
<tr>
<td>2022</td>
<td>$4.53</td>
</tr>
<tr>
<td>2023E</td>
<td>$4.95</td>
</tr>
</tbody>
</table>

Consecutive years of dividend hikes

Share Repurchases (in billions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Repurchases</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>$5.0</td>
</tr>
<tr>
<td>2011</td>
<td>$2.5</td>
</tr>
<tr>
<td>2012</td>
<td>$3.2</td>
</tr>
<tr>
<td>2013</td>
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<td>2020</td>
<td>$2.0</td>
</tr>
<tr>
<td>2021</td>
<td>$0.1</td>
</tr>
<tr>
<td>2022</td>
<td>$1.5</td>
</tr>
<tr>
<td>2023E</td>
<td>$1.0</td>
</tr>
</tbody>
</table>

2023 dividend increase effective with the dividend expected to be paid in June 2023. We expect to repurchase $1.0 billion worth of shares in 2023.
## AS WE AIM TO DELIVER SUSTAINABLE GROWTH AND LONG-TERM VALUE CREATION

<table>
<thead>
<tr>
<th>Long-Term Targets</th>
<th>Income</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Organic Revenue Growth</strong>&lt;br&gt;+4 – 6%</td>
<td><strong>Current Dividend Yield</strong>&lt;br&gt;2.5%</td>
</tr>
<tr>
<td><strong>Core Operating Margin Expansion</strong>&lt;br&gt;+20-30 bps annually</td>
<td></td>
</tr>
<tr>
<td><strong>Core Constant Currency EPS Growth</strong>&lt;br&gt;+HSD%</td>
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</tr>
</tbody>
</table>

**Value Creation**

Organic revenue growth, core operating margin and core constant currency EPS growth are non-GAAP financial measures.