Refining our Goals

Focusing our sustainability ambitions where we believe we can help drive scale and position the company for long-term growth.*

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Agriculture

	PRIOR GOAL	EVOLVED GOAL	WHAT CHANGED
Goal **Regenerative Agriculture**	Spread the adoption of regenerative agriculture practices across 7 million acres of land used around the world to grow our crops and ingredients for our products by 2030 *PepsiCo considers an acre as delivering regenerative impact when the adoption of regenerative agriculture practices results in quantified improvements across at least two of the environmental outcome areas, with a strong preference for removing or reducing GHG emissions to be one impact area. Refer to PepsiCo's Regenerative Agriculture Practice Bank for a comprehensive listing of practices directly or indirectly linked to the five impact areas. Regenerative acres reported represent the annual count in each year presented based on actions undertaken since 2021*	**Spread the adoption of regenerative agriculture, restorative, or protective practices** across **10 million acres** **of land supporting the growth of our key crops and ingredients** by 2030 *See PepsiCo's Regenerative Agriculture Guidelines for additional information, including details on key crops and regeneration, restoration and protection criteria. Results represent the annual count in each year*	• **Expanded goal** to 10 million acres, including regenerative acres (already planned) and incremental protect and restore acres • **Expanded** to include specific objectives for nature in goal
Goal **Agricultural Water-Use Efficiency**	Advocate for and contribute to a measurable improvement in the health of high water-risk watersheds where we directly source our crops, including an improvement in water-use efficiency of 15% by 2025 *Measured versus a 2015 baseline. This metric tracks the improvement of the water-use efficiency of PepsiCo's direct agricultural supply chain. To focus efforts on implementing sustainable practices, we currently collect and publish agricultural water-use efficiency data at least once every three years. World Resource Institute's Aqueduct water stress assessment tool is used to reconfirm high water-risk areas every three years. Results reflect assessments performed in 2023, 2020 and 2018*	**Goal delivered two years early**	• **Goal sunset after achievement in 2023** • **Focus on watershed health** in sourcing regions is included in evolved Regenerative Agriculture goal
Goal **Sustainably Sourced Ingredients**	Sustainably source 100% of our key ingredients, expanding to include not only our grower-sourced crops (potatoes, whole corn and oats), but also key crops from third parties, such as vegetable oils and grains by 2030 *For grower-sourced crops, sustainable sourcing refers to meeting the independently verified environmental, social and economic principles of PepsiCo's Sustainable Farming Program (SFP). For supplier-sourced crops, sustainable sourcing is achieved through a third-party standard that has been benchmarked as equivalent to the SFP or, in limited regions, a continuous improvement program addressing the main environmental and social risks with growing the relevant crop. Sustainably sourced volumes are verified by third parties, including Roundtable on Sustainable Palm Oil (RSPO)-certified palm oil and Bonsucro-certified (or equivalent) cane sugar. Certain legal and systemic barriers will challenge us as we strive toward our goal of sustainably sourcing 100% of our key ingredients. For example, certain jurisdictions prohibit farmers from holding legal rights to the land they farm (a component of our sustainable sourcing definition). Our Sustainable Sourcing goal applies to areas where PepsiCo has purchasing control and excludes joint ventures, franchises, contract manufacturers and co-packers and other third parties over which we do not hold purchasing control. Key ingredients are listed in the 2023 Calculation Methodology*	**Sustainably source 90% of our key ingredients and progress volumes** (10% or less) that face systemic barriers towards being sustainably sourced in accordance with our guidelines, by 2030 *Sustainably sourced refers to in-scope ingredient volumes that meet the established criteria outlined in PepsiCo's Sustainable Sourcing Guidelines. Sustainable Sourcing practices can help manage risks, but challenges like deforestation or social issues can persist in some regions*	• **Changed quantified target** to what we have confidence we can achieve, while retaining aspiration to make progress on 100% of our key ingredients • **Updated key ingredients** and PepsiCo's Sustainable Sourcing Guidelines
Goal **Deforestation-Free Sourcing**	Realize deforestation-free sourcing in our company-owned and -operated activities and global supply chains by 2025 *Getting to deforestation-free supply chains requires tackling systemic issues in specific geographies and commodities. This requires working in-depth with a wide range of stakeholders to identify and tackle those issues, which can take time. Key challenges include our ability to trace supply to individual farms, lack of availability of public sector initiatives to incentivize conservation of forests and other natural ecosystems, impediments to identifying areas at high-risk of deforestation and conversion to prioritize action, root causes of deforestation and conversion such as poverty, lack of credibly-certified commodities in certain markets and lack of universally accepted definitions and protocols resulting in varying certifications*	Continue to strive toward **deforestation-free sourcing by 2025** and toward **deforestation- and conversion-free sourcing by 2030** for high-risk commodities in our company-owned and -operated activities *PepsiCo set this ambition in its Stewardship of Forests and Natural Ecosystems Policy. High-risk commodities include ingredients and materials at high risk of deforestation and conversion as defined in our Calculation Methodology. Systemic challenges continue to be an industry-wide barrier to reaching fully deforestation-free sourcing, but we continue striving toward this ambition and expect to reach more than 90% by the end of 2025*	**Combined deforestation- and conversion-free goals** into one goal
Goal **Conversion-Free Sourcing**	Realize conversion-free sourcing in our company-owned and -operated activities and global supply chains by 2030	**Wrapped into Deforestation-Free Sourcing goal** *(above)*	
Goal **Livelihoods**	Improve the livelihoods of more than 250,000 people in our agricultural supply chain and communities by 2030 *Metric counts the cumulative people impacted through dedicated programming aiming to support economic prosperity and farmer and farm worker security since 2021*	**Improve the livelihoods of more than 250,000 people in our agriculture supply chains and supporting communities** by 2030 *This goal captures the number of livelihoods reached through an outcome-focused evaluation measuring improvements in economic prosperity and farmer and farm worker security. Metric counts the cumulative people impacted since 2021*	**Updated wording to specify "supporting communities"**

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*Graphic illustrates evolution of Agriculture, Climate, Water and Packaging goals and excludes *Positive Choices* and *Positive Value Chain: People* goals that are unchanged

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Climate

	PRIOR GOAL	EVOLVED GOAL	WHAT CHANGED
Goal **Scope 1 & 2**	Reduce Scope 1 and 2 emissions by 75% by 2030 (vs 2015 baseline)	**Achieve a 50% reduction** in Scope 1 and 2 emissions by 2030 (vs 2022 baseline) *Goal tracks Scope 1 and 2 emissions consistent wth the Greenhouse Gas Protocol. See Calculation Methodology for details*	• **Changed to 50%** target • **Remains SBTi 1.5°C aligned** • **Shifted baseline year** to 2022
Goal **Scope 3 E&I**	Reduce Scope 3 emissions by 40% by 2030 (vs 2015 baseline)	**Achieve a 42% reduction** in Scope 3 Energy and Industry (E&I) emissions by 2030 (vs 2022 baseline) *Goal tracks energy- and industry-related Scope 3 emissions consistent with the Greenhouse Gas Protocol's Scope 3 Standard and the Science Based Target Initiative's Corporate Net-Zero Standard V1.2. See Calculation Methodology for details on how these emissions are calculated and categories included in scope of this goal*	• **Split Scope 3:** E&I • **Changed to 42%** target • **SBTi 1.5°C aligned** • **Shifted baseline year** to 2022
Goal **Scope 3 FLAG**	Reduce Scope 3 emissions by 40% by 2030 (vs 2015 baseline)	**Achieve a 30% reduction** in Scope 3 Forest, Land and Agriculture (FLAG) emissions by 2030 (vs 2022 baseline) *Goal tracks Scope 3 emissions based on purchased goods emissions consistent with the Greenhouse Gas Protocol's draft Land Sector and Removals Guidance and Standard and the Science Based Target Initiative's Forest, Land and Agriculture (FLAG) Guidance. See Calculation Methodology for details on how these emissions are calculated and categories included in scope of this goal*	• **Split Scope 3:** FLAG • **Changed to 30%** target • **SBTi 1.5°C aligned** • **Shifted baseline year** to 2022
Goal **Renewable Electricity**	Achieve 100% renewable electricity in company-owned operations by 2030 *The goal is being accomplished using a diversified portfolio of solutions, including renewable energy certificates*	**Achieve 100% renewable electricity in company-owned operations** by 2030 *In working to achieve this goal, PepsiCo uses a diversified portfolio of solutions, including energy attribute certificates*	**No change** – former ambition is now a pep+ goal
Goal **Total Emissions (Scope 1, 2 & 3)**	Reduce total Scope 1, 2 and 3 emissions by more than 40% by 2030 (vs 2015 baseline)	**None**	**Sunset prior goal** as we focus on evolved near-term targets
Goal **Net-zero Ambition**	Achieve net-zero emissions by 2040 (vs 2015 baseline)	**Achieve net-zero emissions** by 2050 or sooner *Refer to our Climate Transition Plan for more information*	• **Updated to 2050 or sooner** timeline • **SBTi 1.5°C aligned**

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Water

	PRIOR GOAL	EVOLVED GOAL	WHAT CHANGED
Goal **2025 Operational Water-Use Efficiency**	Improve operational water-use efficiency rate by 25% in high water-risk areas by 2025 *Measured versus a 2015 baseline. Goal reflects the exclusion of third-party facilities. Between 2006–2015, water-use efficiency improved by 26% in global legacy operations at the date of target setting. World Resource Institute's Aqueduct water stress assessment tool is used to reconfirm high water-risk areas every three years*	**Goal delivered two years early**	**Goal sunset after achievement in 2023**
Goal **2030 Operational Water-Use Efficiency High Water-Risk (HWR)**	Reach best-in-class water-use efficiency in 100% of high water-risk PepsiCo and third-party manufacturing facilities by 2030 *Best-in-class water-use efficiency for beverage facilities is defined as 1.2 liters of water (or less) per liter of beverage production. Best-in-class water-use efficiency for convenient foods facilities is defined as 0.4 liters of water (or less) per kilogram of convenient foods production. We do not currently capture data from third-party manufacturers and are evaluating how to obtain and include information from our top third-party manufacturers in future calculations. World Resource Institute's Aqueduct water stress assessment tool is used to reconfirm high water-risk areas every three years*	**Reach average water-use efficiency ratios** of **1.4 liters/liter of production in beverages sites** and **1.7 liters/kilogram of production in convenient foods sites for 100% of high water-risk PepsiCo and franchise bottler manufacturing facilities** by 2030 *Contract manufacturers and co-packers are excluded. Our progress toward this goal relies in part on water-use efficiency at high water-risk franchise bottler manufacturing facilities. We are working to integrate their data into future calculations*	• **Changed ambition** for beverages to 1.4 l/l • **Changed ambition** for foods to 1.7 l/kg • **Changed scope** (company-owned and franchise bottler manufacturing facilities)
Goal **2030 Operational Water-Use Efficiency Non-HWR**	Reach world-class water-use efficiency in all other PepsiCo and third-party manufacturing facilities by 2030 *World-class water-use efficiency for beverage facilities is defined as 1.4 liters of water (or less) per liter of beverage production. World-class water-use efficiency for convenient foods facilities is defined as 4.4 liters of water (or less) per kilogram of convenient foods production. We do not currently capture data from third-party manufacturers and are evaluating how to obtain and include information from our top third-party manufacturers in future calculations. World Resource Institute's Aqueduct water stress assessment tool is used to reconfirm high water-risk areas every three years*	**None**	**Sunset goal** as we focus on high water-risk sites
Goal **2025 Replenishment**	Achieve 100% water replenishment at company-owned facilities designated in high water-risk areas by 2025 *World Resource Institute's Aqueduct water stress assessment tool is used to reconfirm high water-risk areas every three years. We continue to measure progress against our original 2025 goal and our extended 2030 goal. In 2022, an updated water risk assessment identified additional company-owned high water-risk facilities, which are in-scope for calculating progress against our 2030 goal only. The reported replenishment volumes for company-owned facilities are currently being capped at 100% per location. Once we achieve 100% for each company-owned location, we will start to then report progress of more than 100% replenishment. We do not currently capture data from third-party manufacturers and are evaluating how to obtain and include information from our top third-party manufacturers in future calculations*	**Achieve 100% water replenishment** at company-owned facilities designated in high water-risk areas by 2025 *World Resource Institute's Aqueduct water stress assessment tool is used to reconfirm high water-risk areas every three years. We continue to measure progress against our original 2025 goal and our extended 2030 goal. In 2022, an updated water risk assessment identified additional company-owned high water-risk facilities, which are in-scope for calculating progress against our 2030 goal only. The reported replenishment volumes for company-owned facilities are currently being capped at 100% per location. Once we achieve 100% for each company-owned location, we will start to then report progress of more than 100% replenishment. We do not currently capture data from third-party manufacturers and are evaluating how to obtain and include information from our top third-party manufacturers in future calculations*	• **No change** • **Goal will sunset** after 2025 completion
Goal **2030 Replenishment**	Replenish back into the local watershed more than 100% of the water we use in high water-risk manufacturing facilities by 2030 *World Resource Institute's Aqueduct water stress assessment tool is used to reconfirm high water-risk areas every three years. We continue to measure progress against our original 2025 goal and our extended 2030 goal. In 2022, an updated water risk assessment identified additional company-owned high water-risk facilities, which are in-scope for calculating progress against our 2030 goal only. The reported replenishment volumes for company-owned facilities are currently being capped at 100% per location. Once we achieve 100% for each company-owned location, we will start to then report progress of more than 100% replenishment. We do not currently capture data from third-party manufacturers and are evaluating how to obtain and include information from our top third-party manufacturers in future calculations*	**Replenish back into the local watershed 100%** of the water we use in high water-risk **PepsiCo and franchise bottler manufacturing facilities** by 2030 *Contract manufacturers and co-packers are excluded. Our progress toward this goal relies in part on replenishment associated with high water-risk franchise bottler manufacturing facilities. We are working to integrate their data into future calculations*	• **Removed the phrase 'more than'** • **Changed scope** (company-owned and franchise bottler manufacturing facilities)
Goal **Watershed (AWS)**	Adopt the Alliance for Water Stewardship (AWS) Standard in high water-risk manufacturing facilities by 2025	**Adopt the Alliance for Water Stewardship (AWS) Standard** in high water-risk manufacturing facilities by 2025	• **No change** • **Goal will sunset** after 2025 completion
Goal **Net Water Positive**	Achieve net water positive by 2030	**Achieve net water positive by 2030**	**No change**

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Packaging

	PRIOR GOAL	EVOLVED GOAL	WHAT CHANGED
NESTED GOALS	Applies to **Virgin Plastic Reduction** (tonnage) and **Recycled Content only.** For our primary plastic packaging in key packaging markets, our goals are:		
Goal **Virgin Plastic Reduction (tonnage)**	Reduce our absolute tonnage of virgin plastic derived from non-renewable sources by 20% by 2030 (vs 2020 baseline)	**Achieve an average of 2% year-over-year reduction** in our absolute tonnage of virgin plastics through 2030 *Goals track primary plastic packaging in PepsiCo's key packaging markets. This scope represents more than 80% of PepsiCo's 2024 global plastic packaging footprint (by weight)*	• **Sunset baseline**, changed to 2% year-over-year reduction • **Changed scope** (key packaging markets, primary plastic packaging)
Goal **Recycled Content**	Achieve our goal of using 50% recycled content in our plastic packaging by 2030	**Use 40% or greater recycled content** in our plastic packaging by 2035 or sooner *Goals track primary plastic packaging in PepsiCo's key packaging markets. This scope represents more than 80% of PepsiCo's 2024 global plastic packaging footprint (by weight)*	• **Changed to 40% or greater** ambition • **Updated to 2035 or sooner** timeline • **Changed scope** (key packaging markets, primary plastic packaging)
Goal **RCBR/RRC**	Design 100% of packaging to be recyclable, compostable, biodegradable, or reusable (RCBR) by 2025 *PepsiCo considers packaging to be recyclable, compostable, biodegradable or reusable if certain end-of-life waste management criteria is achieved. See 2023 Calculation Methodology for an explanation of how we calculate the percentage of our packaging that is RCBR*	**Achieve 97% or greater reusable, recyclable, or compostable (RRC) packaging** by design by 2030 in our primary and secondary packaging in our key packaging markets *Goal tracks primary and secondary packaging in PepsiCo's key packaging markets. This scope represents more than 85% of PepsiCo's 2024 global packaging footprint (by weight). Reusable packaging must also be designed to be recyclable or compostable*	• **Focused goal on 'by design'**, excluding end of life • **Updated to 97% or greater** (vs 100% prior) • **Updated to 2030** timeline • **Removed biodegradable** from scope • **Changed scope** (key packaging markets, primary & secondary packaging)
Goal **Virgin Plastic Reduction (servings)**	Cut virgin plastic from non-renewable sources per serving across our global beverages and convenient foods portfolio by 50% by 2030 (vs 2020 baseline)	**None**	**Sunset goal** as we focus on absolute virgin plastic tonnage reduction
Goal **Reuse**	Scaling new business models that avoid or minimize single-use packaging materials (e.g., models that reuse, refill, prepare at home, utilize concentrates like powders, drops, etc.), with the aim of delivering 20% of all beverage servings we sell through reusable models by 2030 *Our total beverage servings account for all beverage sales volume. Reuse models may include, but are not limited to, SodaStream, fountain beverages delivered in reusable containers, returnable glass and plastic bottles, and concentrates and powders sold to consumers*	**None**	**Sunset goal** while continuing to track reusability in our refined RRC goal
Goal **Innovative Packaging Materials**	Use market-leading bio-based and renewable materials	**Develop and support innovation, in collaboration with our partners and external organizations, of new packaging material technologies and solutions**	**Focus on forward-looking innovation ambition**
Goal **Recycling Rates**	Invest to increase recycling rates in key markets by 2025	**Invest to increase recycling rates in our key packaging markets** *Goal relates to primary and secondary packaging in PepsiCo's 2024 key packaging markets. This scope represents more than 85% of PepsiCo's 2024 global packaging footprint (by weight)*	• **Removed "by 2025"**, kept as an aspiration • **Changed scope** (key packaging markets)

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