

PepsiCo, Inc. Global Supplier Code of Conduct

Effective June 2018

Revised August 2025

Purpose and Scope

At PepsiCo, we believe acting ethically and responsibly is not only the right thing to do, but also the right thing to do for our business. This belief is woven into everything that we do, and it is the foundation of our vision: to Be the Global Leader in Convenient Foods and Beverages by Winning with pep+ (PepsiCo Positive). Our Global Supplier Code of Conduct (“**Supplier Code**”) reflects international standards and outlines the expectations we have set for our suppliers in the areas of business integrity, ethics and anticorruption, human rights and labor practices, health and safety, and environmental management.

All direct suppliers, vendors, contractors, consultants, agents, and other third-party providers of goods and services who do business with or on behalf of PepsiCo (“Suppliers”) are expected to follow the Supplier Code and all other relevant policies and standards¹ as a condition of doing business with PepsiCo and its affiliates. Suppliers are also expected to apply the principles of the Supplier Code and relevant policies through their supply chain. In addition, Suppliers that provide on-site services at PepsiCo locations or by using PepsiCo equipment or property are expected to comply with all PepsiCo requirements relating to workplace conduct and the proper use of equipment and property.

Business Conduct Principles

PepsiCo expects its Suppliers to conduct business responsibly, with integrity, honesty, and transparency, and to adhere to the following principles:

- 1. Maintain awareness and comply with all applicable laws and regulations of the countries of their operation.**
- 2. Maintain the confidentiality of all PepsiCo’s and its partners’ information.**

PepsiCo Suppliers must take all reasonable and necessary precautions to safeguard PepsiCo’s and its partners’ information to which they have access, including not disclosing such information to anyone, inside or outside of PepsiCo, unless disclosure is properly authorized, in connection with a clearly defined legitimate business need (i.e., shared only on a need-to-know basis), and subject to a written confidentiality agreement.

- 3. Compete fairly for PepsiCo’s business and conduct all such business on behalf of PepsiCo in a lawful manner.**

PepsiCo is committed to conducting business legally and ethically and strictly prohibits corrupt arrangements with customers, Suppliers, government officials, or other third parties. As such, PepsiCo prohibits its Suppliers from engaging in any form of public sector or commercial bribery. Under no circumstances may a Supplier acting on behalf of PepsiCo promise or provide anything of value directly or indirectly to a government official, or to any person or entity in the private or commercial sector, if the payment is intended to induce the recipient to misuse his or her position to obtain or retain an unfair business advantage or personal benefit. Consistent with these principles, Suppliers acting on behalf of PepsiCo must comply with the U.S. Foreign Corrupt Practices Act, any applicable local anticorruption and antitrust laws, and are expected to comply with [PepsiCo’s Global Anti-Bribery Compliance Policy \(“ABAC Policy”\)](#).

¹ Applicable standards and policies include, but are not limited to, the International Bill of Human Rights, the International Labor Organization’s Declaration on Fundamental Principles and Rights at Work, [PepsiCo’s Global Anti-Bribery Compliance Policy](#), and [PepsiCo’s Global Policy on Sustainable Palm Oil](#). Copies of these documents and other relevant PepsiCo policies can be found on www.pepsico.com.

4. Provide a workplace free from discrimination, harassment, or any other form of abuse.

PepsiCo Suppliers should create a work environment in which employees and business partners feel valued and respected for their contributions. Harassment, including unwelcome verbal, visual, physical, or other conduct of any kind that creates an intimidating, offensive, or hostile work environment should not be tolerated. Employment decisions should be based on qualifications, skills, performance, and experience.

5. Treat employees fairly, including with respect to wages, working hours, and benefits.

PepsiCo Suppliers must comply with all applicable wage, working hours, and benefits laws and regulatory requirements. Suppliers must provide wages that meet or exceed the legal minimum and should strive to provide a wage sufficient to afford a decent standard of living. All wages should be paid on time and in full, and deduction of wages as a disciplinary measure is prohibited. Suppliers should also strive to meet international standards for working hours and rest periods, including: (i) work weeks of no more than 48 regularly scheduled work hours and 12 voluntary overtime hours, (ii) overtime hours compensated at a premium rate, and (iii) workers provided one day of rest every 7 days, except in emergencies or unusual situations. Where a Supplier's practices do not meet such international standards, the Supplier should identify the root causes and work to improve its practices.

6. Prohibit all forms of forced or compulsory labor.

PepsiCo prohibits the use of all forms of forced labor, including involuntary prison labor, indentured labor, bonded labor, military labor, slave labor, and any form of human trafficking. PepsiCo Suppliers shall adhere to these standards and respect fundamental human rights including freedom of movement of workers. Employment decisions must be based on free choice and there can be no coerced or involuntary prison labor, and no use of physical punishment or threats of violence or other forms of physical, sexual, psychological, or verbal abuse as a method of discipline or control. Employment documentation (e.g., offer letter, etc.) must clearly state the terms of employment and be in a language understood by the worker, with a verbal explanation provided when necessary. Suppliers must not restrict worker movement through the retention of identity papers, holding of deposits, or other actions aimed to prevent worker termination of their employment. In line with the Employer Pays Principle, workers should not be required to pay recruitment or other similar fees to obtain or retain their employment. The cost of recruitment should be borne by the employer. Suppliers and any third-party recruitment agencies shall comply with these principles and are expected to establish a reasonable remediation plan to reimburse fees when identified.

7. Prohibit use of child labor.

PepsiCo prohibits the hiring of individuals under the age of (15), the local legal minimum working age, or the compulsory schooling age, whichever is higher. PepsiCo Suppliers shall adhere to these standards, all applicable laws and regulations, and all relevant International Labor Organization (ILO) standards. In line with ILO Guidance, in no instance shall a Supplier permit younger workers to perform work that is potentially hazardous to their health or safety. Suppliers should verify the age and employment eligibility of all workers at the time of hiring and establish appropriate systems to responsibly remediate any potential policy violations. PepsiCo Suppliers located in the United States shall use the United States Department of Homeland Security's E-Verify program to verify employment eligibility and mandate the use of E-Verify by all of their labor agencies, sub-contractors, and suppliers located in the United States.

8. Respect employees' rights to freedom of association and collective bargaining.

Consistent with applicable law, PepsiCo Suppliers shall respect employees' rights to join associations and worker organizations. Intimidation, harassment, retaliation, or violence against union members, trade union representatives, and any employee seeking to exercise their right to join or refrain from joining such

organizations are prohibited. Where the right to freedom of association is restricted by local law, Suppliers should strive to support alternative means of engagement while remaining in compliance with local law.

9. Provide safe and healthy working conditions.

PepsiCo Suppliers shall proactively manage health and safety risks to provide an incident-free environment where occupational injuries and illnesses are prevented. Suppliers must implement management systems and controls that identify hazards, assess and control risks related to their specific industry, and provide training to proactively address health and safety risks and focus on the continuous improvement of their health and safety performance. In addition, Suppliers shall provide access to safe drinking water, sanitation, and hygiene, including adequate restrooms and handwashing facilities; fire exits and essential fire safety equipment; Personal Protective Equipment (PPE) and emergency aid kits; and access to emergency response services including environmental, fire, and medical.

10. Comply with all applicable environmental laws and regulations and conduct business activities such that environmental impacts are minimized.

PepsiCo Suppliers should comply with all applicable laws and strive to reduce the environmental impact of their business operations consistently over time. The opportunities for conservation of natural resources through water and energy use efficiency improvements, waste reduction, material recycling, and pollution control enhancements should be considered, where possible. PepsiCo encourages its Suppliers to implement action plans to improve water use efficiency, to reduce waste and eliminate waste sent to landfill, and to integrate conservation of biodiversity into sourcing and operations.

11. Maintain accurate financial books and business records in accordance with all applicable legal and regulatory requirements and accepted accounting practices, including with respect to all invoices submitted to PepsiCo for payment or reimbursement.

12. Deliver products and services meeting applicable quality and food safety standards.

PepsiCo is committed to producing high quality and safe products across all of our brands. Suppliers involved in any aspect of developing, handling, manufacturing, packaging, transporting, or storing our products are expected to:

- Know and comply with the product quality standards, policies, specifications, and procedures that apply to the products produced at your location;
- Follow and adhere to good manufacturing practices and testing protocols;
- Comply with all applicable federal, state, and local food safety laws and regulations; and
- Report issues immediately to PepsiCo that could negatively affect the quality or public perception of a PepsiCo product.

13. Support compliance with the Supplier Code by establishing appropriate management processes and cooperating with reasonable assessment processes requested by PepsiCo.

To conduct business with PepsiCo, Suppliers enter into contracts and execute purchase orders that mandate compliance with the Supplier Code. We expect Suppliers to adopt appropriate policies, procedures, and management systems to support ongoing compliance with the standards and expectations outlined in the Supplier Code. With prior notice, PepsiCo may request to conduct reasonable audits, including human rights audits, and other targeted assessments to verify Supplier's compliance with the Supplier Code. PepsiCo may also request Suppliers to complete trainings to demonstrate compliance with the Supplier Code. Suppliers are expected to conduct their own human rights due diligence, as defined by the [United Nations Guiding Principles on Business and Human Rights](#). In addition, as further outlined in the ABAC Policy, certain Suppliers are required to complete our Third Party Due Diligence process from time to time.

14. Avoid potential conflicts of interest when dealing with PepsiCo employees.

PepsiCo Suppliers are prohibited from providing or offering gifts to PepsiCo employees that could inappropriately influence PepsiCo's business decisions or gain an unfair advantage. Suppliers shall abide by PepsiCo's business gifts restrictions which allow only occasional low value appropriate gifts (under \$100 USD in value) and prohibit any gifts (1) during contract negotiations or a bid process and (2) to employees in procurement roles. Supplier shall avoid any other activities that would cause a conflict of interest or appear to cause a conflict of interest when dealing with PepsiCo employees.

15. Ensure that all land acquisitions (including leasing and utilization) meet International Finance Corporation (IFC) Performance Standards, including Free, Prior, and Informed Consent.

16. Establish grievance management processes and report suspected violations of the Supplier Code.

Suppliers should establish a grievance management mechanism to escalate, manage, and address grievances raised by workers within their operations and by third parties. The mechanism's structure and functions should align with the effectiveness criteria outlined in the United Nations Guiding Principles on Business and Human Rights. Suppliers should explicitly prohibit retaliation against individuals or organizations that raise concerns in good faith. Retaliation includes, but is not limited to, any legal action, economic retaliation, intentional reputational harm, threats, intimidation, and violence against any individual or organization that has raised a good-faith concern.

Suppliers and their workers may also report suspected violations of this Code to the PepsiCo "Speak Up" hotline at 1-866-729-4888 in the United States or to dedicated phone lines in other countries throughout the world. A list of international hotline telephone numbers is available [here](#). The "Speak Up" hotline is available worldwide on a 24/7 basis. Communications may also be made electronically at the "Speak Up" web-line address (See [here](#)). All such reports are treated as confidential, whether provided through our Speak Up telephone or web-line, and you may remain anonymous, where permitted by law.