



2011 Sustainable Forest Initiative Annual Summit



September 15, 2011

Burlington, VT



When you hear PepsiCo what comes to mind?





Large muscular brands

19 \$1B+ brands



\$250MM - \$1B brands (examples)



Our Sustainability Vision

At PepsiCo, Performance with Purpose means delivering sustainable growth by investing in a healthier future for people and our planet.



“Performance with Purpose is at the foundation of every aspect of our business. We integrate a commitment to human, environmental and talent sustainability into all of our operations. Doing so creates a blueprint for PepsiCo to develop, manufacture and sell our products in a sustainable way, which gives us a competitive advantage in markets all over the world and drives long-term growth.”

Indra Nooyi



Delivering Performance with Purpose



**Human
Sustainability**

**Encourage
people to live
healthier**



**Environmental
Sustainability**

**Protect the
Earth's natural
resources**



**Talent
Sustainability**

**Invest in our
people**

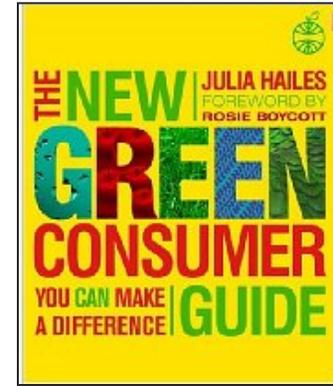




PEPSICO

Importance of Performance with Purpose

Consumers

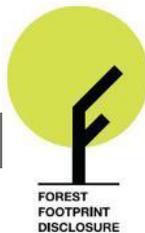


Investors

Customers



CARBON DISCLOSURE PROJECT



Bloomberg



Packaging Vision, Strategy, Policy

Vision

Rethink the way we grow, source, create, package and deliver our products to minimize our impact on land.

Strategy

Remove

Reduce

Reuse

Recycle

Renew



Global Sustainable Packaging Policy

<http://pepsico.com/Purpose/Performance-with-Purpose/Policies.html#environmental-sustainability>

Global Sustainable Packaging Policy - Forestry

PepsiCo seeks to only purchase responsibly-sourced wood fiber products and will not knowingly accept from its supply chain paper-based packaging that may contain wood fiber harvested illegally or sourced from protected forest areas.

PepsiCo will develop and maintain a deeper understanding of its paper-based packaging supply chain and its supply base sourcing as close to the forest of origin as possible. This commitment is an extremely complex undertaking since PepsiCo does not purchase direct raw material from the forest. However, such action is key towards achieving our ultimate goal to only purchase responsibly-sourced wood fiber products.

PepsiCo will continuously work with its suppliers to be environmentally sustainable in their practices by following credible forestry standards and ensuring their fiber purchasing is only from sources that support responsible forest management.

PEPSICO recognizes the forestry standards below as credible within their scope and requires our suppliers to commit to utilizing the appropriate standard:

CERFLOR - Sistema Brasileiro de Certificação Florestal in Brazil

CSA - Canadian Standards Association's Sustainable Forest

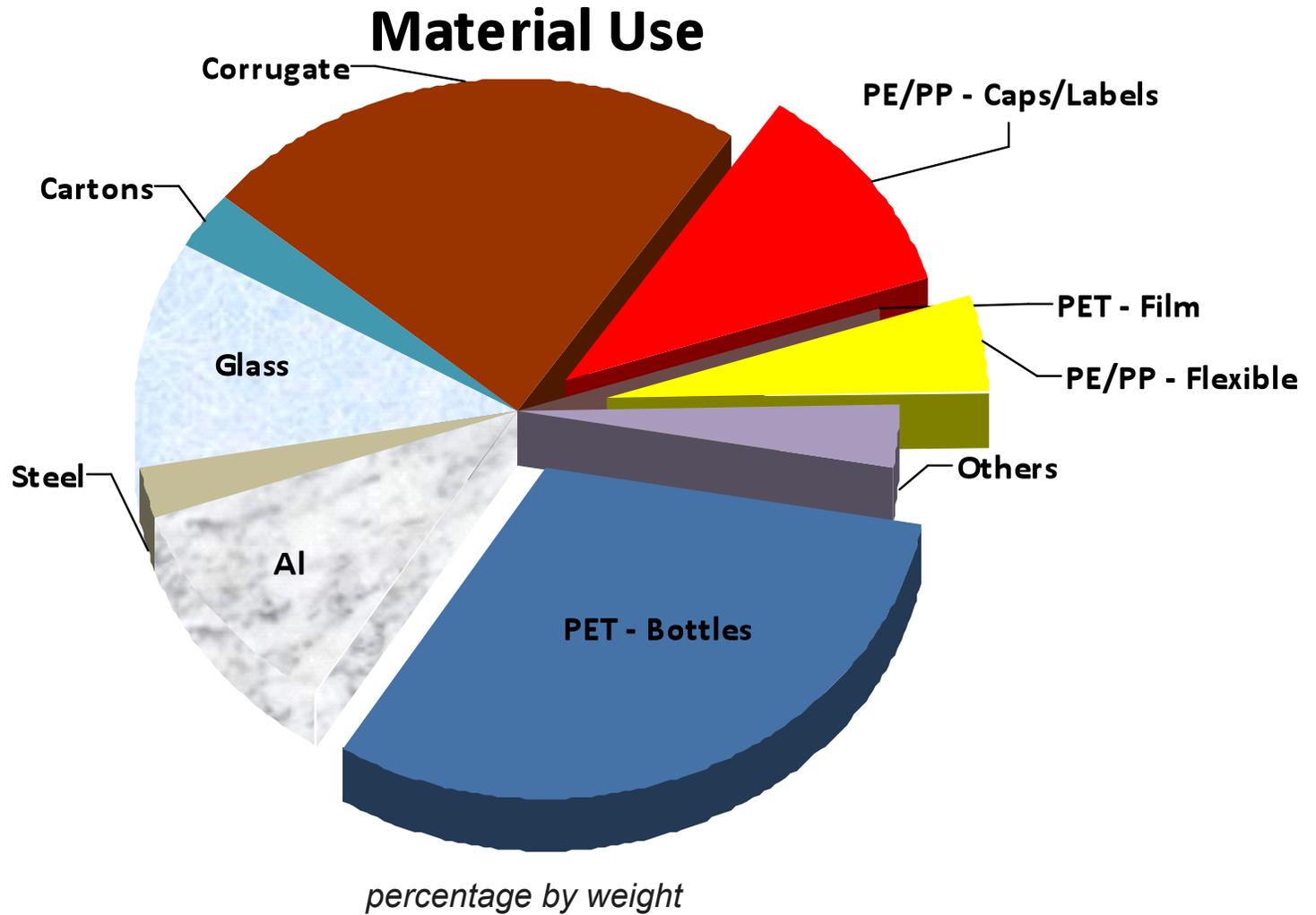
FSC - Forest Stewardship Council

PEFC - Program for the Endorsement of Forest Certification Schemes

SFI - Sustainable Forest Initiative



Packaging Footprint





Packaging sustainability is a burning platform for PepsiCo and our consumers

How a corporation treats the environment is important



Our brand packaging is our most tangible touch point with our consumers



Successes

Remove

Exit PVdC



Reduce

Light Weight



Reuse

100% PCR



Recycle

Away from Home

Renew

Natural Resources



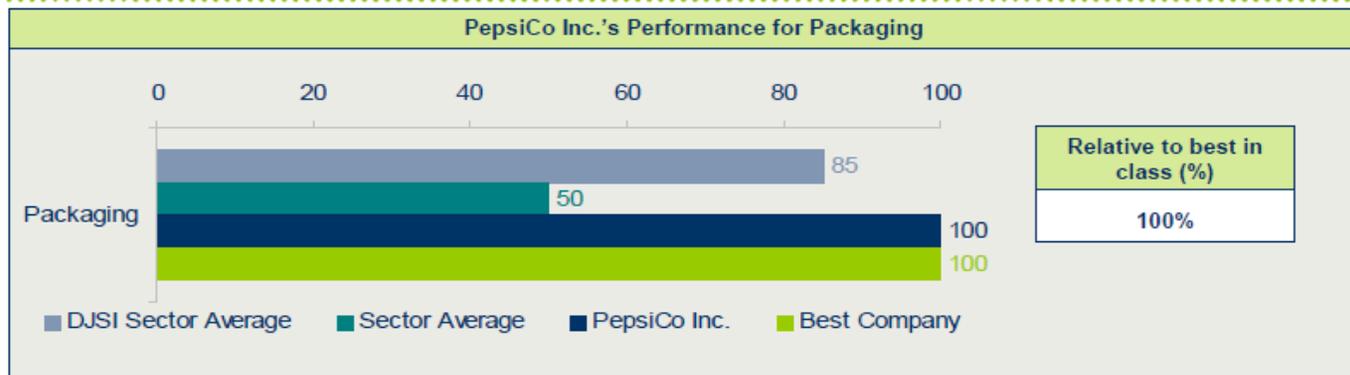


2010 “Best in Class”



Results

Environmental Dimension: Packaging



Criteria	Strengths	Areas for Improvement	Best Practice
Packaging	<p>All key packaging criteria are included in the packaging policy; packaging reduction, recyclable and recycled packaging, biodegradable packaging and take-back systems</p> <p>Integration of all key environmental aspects into the packaging policy</p> <p>Group-wide quantified packaging reduction targets are set</p>		<p>Environmental aspects considered while framing packaging policy</p> <p>Use of sustainable packaging materials</p> <p>Quantified packaging targets at group level</p>

The bar will be higher in 2011 and stakeholders expect continued improvement in our packaging performance, advancement, and goal results in all regions for Foods and Beverages.



Questions?

