

2022

Corporate Responsibility Report



Environment



Supply Chain



Health & Well-Being



People & Communities



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A Letter from our Chairman & CEO and Chief Sustainability Officer

Since the start of our journey as Keurig Dr Pepper (KDP) five years ago, we have worked diligently to embed conscious and responsible business practices into the foundation of our Modern Beverage Company. While the environmental, social and governance (ESG) landscape has continued to evolve, the commitment of our 28,000 employees to make a positive impact with every drink remains steadfast. It is through their efforts to advance our *Drink Well. Do Good.* corporate responsibility platform that we are able to build trust and brand equity with our consumers and communities, create a more resilient value chain and position our Company for continued growth. We are proud to share our progress and outlook in this report.

2022 was a year of significant advancement for KDP in the key areas of climate action and circular economy. Amidst steady progress on emissions reductions overall, 74% of our electricity came from renewable sources in 2022. We also maintained solid momentum towards our goal of recycled content, reaching 18% use across our plastic packaging portfolio. Equally significant, we reduced our virgin plastic use by 11%, a noteworthy jump from 6% the year prior. We also recognize that policy and legislation are critical in supporting the infrastructure needed to build a circular economy and enable climate transition plans for our industry. That's why we look forward to supporting the implementation of important legislation passed this past year, including laws establishing extended producer responsibility programs to strengthen collection and recycling infrastructure, as well as newly created federal funding and incentives to help the U.S. transition to a more renewable energy economy.

We are also very proud of the progress we made during the year in our other priority impact areas. Specifically, we continued to responsibly source our coffee — one of our largest ingredients — and cocoa, and we have advanced our work with apple farmers to launch a new native pollinator support program. In addition, through the strength of partnership, we supported regenerative agriculture and conservation on more than 11,000 acres of land, a relatively new area of focus for KDP, and we are pleased with the progress we have made to date. We advanced our work in the health and well-being space, completing a successful retail pilot program that combined the strength of marketing and merchandising to provide both easier on-site access to better-for-you beverages and information to guide shoppers towards making healthier choices. We also supported our team on their career

journeys through comprehensive recruiting, training and retention programs and enhanced our engagement strategies to foster a culture of inclusion, belonging and well-being. In support of our commitment to diversity, we made progress toward our representation goals for Director+ positions in the year, increasing our female representation by three percentage points and our people of color representation by one percentage point.

Many environmental and social issues facing our world today are complex and interconnected, requiring increasingly robust governance structures to support meaningful solutions. Looking ahead, we recognize that rising demands for ESG-related action and transparency will demand flexibility in our approach to setting our glidepaths and achieving targets. In particular, we see opportunities to implement advanced technologies, offer new products or formats and scale enabling infrastructure that will enhance our ability to deliver against our commitments.

Thanks to the collective passion for purpose of our employees, partners and consumers, our holistic ESG strategy remains well-positioned to drive tangible and scalable solutions in service of doing more and better for our people, communities and planet.



BOB GAMGORT
Chairman & Chief
Executive Officer



MONIQUE OXENDER
Chief Sustainability Officer

Overview

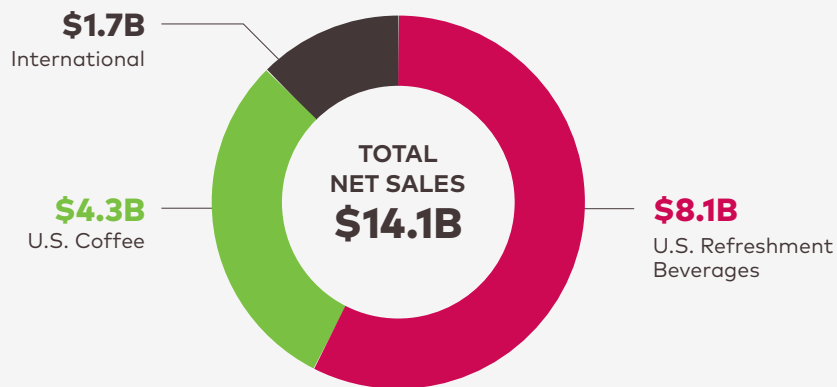
OUR COMPANY

Our vision is to provide a beverage for every need, available everywhere people shop and consume beverages.

NORTH AMERICAN CATEGORY LEADERSHIP¹

- #1 single-serve coffee brewing systems in the U.S. and Canada
- #2 shelf-stable premium ready-to-drink teas in the U.S.
- #1 flavored carbonated soft drinks in the U.S. and Canada; #2 in Mexico
- #1 shelf-stable apple juice/drinks in the U.S.
- #2 premium waters in the U.S.; #1 mineral water in Mexico
- #1 mixers in the U.S.

125+ Owned, Licensed and Partner Brands	165 Principal Warehouses/ Distribution Centers
~28,000 Employees	30 Manufacturing Locations



CORPORATE RESPONSIBILITY

Our ambition is to ensure our beverages make a positive impact with every drink. We focus on our greatest opportunities for impact across our *Drink Well. Do Good.* pillars. We are committed to transparency and disclosure of corporate responsibility strategies, programs, progress and governance.



Environment



Supply Chain



Health & Well-Being



People & Communities

OUR VALUES

KDP's values define how we work together and are foundational to our culture.



Team first

Win together. Be the kind of person you want on your team.



Deliver big

Achieve our commitments. Then push beyond the expected.



Think bold

Challenge the usual. Dare to try something new.



Be fearless & fair

Tell the truth with courage. Listen and act with respect.

ESG Intersectionality

ESG issues are fundamentally intersectional.

Our *Drink Well. Do Good.* corporate responsibility platform prioritizes our efforts in the four key pillars in which we can have the greatest impact. During the last five years, we have continued to see the intersection and interconnectedness of the work in one pillar create a positive outcome in another.

In 2022 and beyond, we are working to maximize our integrated approach to advance our corporate responsibility agenda. By adding measurement for all related social and environmental impacts for any given topic, we are creating overlapping and interconnected systems within KDP's operations and across our value chain — ultimately helping to build resiliency and make a positive impact with every drink.



Awards & Recognition



CANADA'S TOP 100 EMPLOYERS

Selected as one of Canada's Top 100 Employers for the 6th consecutive year



CANADA'S TOP EMPLOYERS FOR YOUNG PEOPLE

Listed as one of Canada's Top Employers for Young People for the 5th consecutive year



CDP DISCLOSURE

Achieved an A- for leading on corporate action and transparency on water risk and an A- for taking coordinated action on climate issues



CDP SUPPLIER ENGAGEMENT LEADER

Earned an A for engaging suppliers on climate change



EMPRESA SOCIALMENTE RESPONSIBLE (ESR)

Recognized as one of the Best Socially Responsible Companies from the Mexico Center of Philanthropy for the 17th consecutive year



FIELD TO MARKET COLLABORATION OF THE YEAR

Celebrated KDP's collaboration with key partners



FORBES BEST EMPLOYERS FOR WOMEN

Named as one of the Best Employers for Women



FORBES BEST LARGE EMPLOYERS

Awarded one of the Best Large Employers



FORTUNE WORLD'S MOST ADMIRED COMPANIES

Named one of Fortune World's Most Admired Companies for the 4th consecutive year



HUMAN RIGHTS CAMPAIGN BEST PLACES TO WORK FOR LGBTQ+ EQUALITY

Listed as one of the Best Places to Work for LGBTQ+ Equality by Human Rights Campaign



NEWSWEEK AMERICA'S GREATEST WORKPLACES FOR DIVERSITY

Named to the first annual list



NEWSWEEK AMERICA'S MOST RESPONSIBLE COMPANIES

Recognized for the 3rd consecutive year



NEWSWEEK AMERICA'S MOST TRUSTWORTHY COMPANIES

Named to the first annual list



UNITED NATIONS GLOBAL COMPACT COLUMBIA CHAPTER

Recognized for KDP's contribution to the Sustainable Development Goal #13 "Climate Action"



WSJ MANAGEMENT TOP 250

Named one of top 250 most effectively managed U.S. companies

Goals & Progress

For detail on methodologies and boundaries for our goals, see our [Goal Methodology](#). For 2022, we have obtained limited [third-party assurance](#) of certain sustainability performance metrics by ERM Certification and Verification Services (ERM CVS). The assured data points are flagged in the [Data Summary](#) and [Sustainability Accounting Standards Board \(SASB\) Standards](#) Reporting located in the [Appendix](#) of this report.

ENVIRONMENT

YEAR	GOAL	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL
2024	Engage bottlers and select suppliers representing 50% of Scope 3 emissions to set a science-based target	38%	36%	44%
2025	Obtain 100% of electricity from renewable sources	50%	62%	74%
2030	Reduce Scope 1 and 2 emissions by 30%	7%	9%	13%
2030	Reduce Scope 3 emissions in select categories by 15%	(23%)	3%	5%
2025	Improve our water use efficiency by 20%	7%	7%	7%
2025	Partner with our highest water-risk operating communities to replenish 100% of water used in our beverages in those communities	20%	49%	55%
2025	Convert 100% of packaging to be recyclable or compostable	90%	92%	90%
2025	Use 30% post-consumer recycled content across our packaging portfolio	22%	24%	24%
2025	Use 25% post-consumer recycled content in our plastic packaging	2%	11%	18%
2025	Achieve a 20% virgin plastic reduction across our plastic packaging portfolio	1%	6%	11%
2025	Send zero waste to landfill across our operations	92%	92%	92%

SUPPLY CHAIN

YEAR	GOAL	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL
ONGOING	Responsibly source 100% of our coffee*	100%	100%	100%
ONGOING	Responsibly source 100% of our cocoa**	N/A	100%	100%
2030	Support regenerative agriculture and conservation on 250,000 acres of land	N/A	N/A	11,296

HEALTH & WELL-BEING

YEAR	GOAL	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL
2025	Provide positive hydration in 60% of our products	54%	56%	57%

PEOPLE & COMMUNITIES

YEAR	GOAL	2020 ACTUAL	2021 ACTUAL	2022 ACTUAL
2025	Increase female representation in Director and above positions by 25% to 33% of the total	26%	28%	31%
2025	Increase people of color representation in Director and above positions by 25% to 21% of the total	17%	17%	18%

*2020 was our final transition year, with 82% of purchases of green coffee responsibly sourced through third-party certification or verification programs. By the end of 2020, all coffee contracted to be received going forward was 100% responsibly sourced. During 2021 and 2022, a small amount of coffee was received as conventional (0.38% and 0.36%, respectively) due to COVID-19 impacts, supplier error or shipping delays.

**2021 was our final transition year, with 81% of purchases of cocoa responsibly sourced through third-party certification or verification sourcing programs. By the end of 2021, all cocoa contracted to be received going forward was 100% responsibly sourced.



Environment

We are committed to reducing our environmental impacts while restoring resources in support of a regenerative and circular economy. We partner to accelerate and amplify our efforts, supporting climate resilience across our value chain.

[Strategy](#)[Climate, Emissions & Energy](#)[Water Efficiency & Stewardship](#)[Packaging & Circularity](#)

Strategy

At KDP, our environmental sustainability approach focuses on climate, water and packaging. Across environmental impacts, KDP is working to reduce resource use while increasing resiliency measures to account for a changing environment. Our water stewardship approach is focused on water efficiency in our operations, water replenishment in our highest water-risk areas and water use across our value chain. We are also committed to supporting the reuse, recycling, repurposing and composting of our products and packaging.

Core to our approach is the use of credible standards, robust disclosures and intentionally designed roadmaps to goals based on the tools and technologies available to us today. Addressing climate change and driving the transition to a circular economy is complex and requires scalable systems changes. Therefore, both individual company responsibility and collective action are critical to advance effective and efficient policy solutions, invest in infrastructure modernization and engage consumers to act in more sustainable ways. To make this happen, we partner with organizations, including state/provincial and municipal government leaders, recyclers, NGOs, industry peers and suppliers, in an effort to generate positive change.



Our environmental strategy focuses on several areas:

- Pursuing energy and water efficiency in our operations and products
- Decarbonizing our fleet and manufacturing through renewable and low carbon energy sources and technologies
- Using climate scenario risk analyses to build climate resilience into our operations and supply chain
- Investing in water replenishment activities in our highest water-risk operating communities to improve the availability, quality and access of water resources
- Engaging with our value chain partners on our shared climate and circularity journey
- Advancing the use of more sustainable packaging materials and designs that use less virgin plastic and leverage reuse and refill options, where appropriate
- Striving to eliminate waste from our operations through beneficial reuse and recycling
- Investing in infrastructure development and consumer behavior change to increase the recovery and circularity of our packaging
- Advocating for public policies to support strong environmental outcomes and the achievement of KDP's corporate responsibility commitments

MANAGEMENT APPROACH

KDP's cross-functional teams, including Procurement, Packaging Innovation, Supply Chain, Environmental, Health & Safety (EHS), Engineering and Sustainability across all geographies, work to meet our established environmental goals across our supply chain, operations and products.

Our established [Environmental Policy](#), [Climate Policy](#), [Water Policy](#) and [Human Rights Position Statement](#) govern how we assess and mitigate risks associated with climate change and water. We also identify near-term and long-term strategies to address environmental-related risks to our business in our [CDP Climate disclosure](#), [CDP Water disclosure](#) and our [Task Force on Climate-related Financial Disclosures \(TCFD\)](#).

Specific to sustainable packaging, we leverage third-party design standards and guidelines, such as the [Association of Plastic Recyclers Design® Guide for Plastics Recyclability](#) to inform our packaging's compatibility with recycling against industry accepted criteria. We track and measure the impact of our efforts by reporting them through organizations including [Ellen MacArthur Foundation](#) and [UN Environment Programme's New Plastics Economy Global Commitment](#), [U.S. Plastics Pact](#), [Canada Plastics Pact](#) and [WWF ReSource Plastic](#).

Read more in [Governance: Ethical Business Practices](#) ►

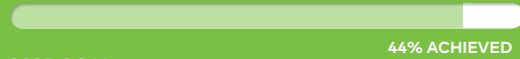
Read more in [Appendix: Glossary](#) ►

Progress & Highlights

PROGRESS AT END OF 2022

2024 GOAL

Engage bottlers and select suppliers representing 50% of Scope 3 emissions to set a science-based target



2025 GOAL

Obtain 100% of electricity from renewable sources



2030 GOALS

Reduce Scope 1 & 2 emissions by 30%



Reduce Scope 3 emissions in select categories by 15%



CLIMATE, EMISSIONS & ENERGY

Our current 2030 science-based targets (SBTs) are validated by the Science Based Target initiative (SBTi) and are aligned to emissions-reduction levels required to meet the Paris Agreement climate change goal of limiting global warming to well below 2°C². Our future ambitions will be informed by evolving standards, such as SBTi's Forest, Land and Agriculture (FLAG) Guidance³ and the GHG Protocol's Land Sector and Removals Guidance⁴.

As part of an effort to integrate the evolving SBTi and GHG Protocol Guidance, enhance our CDP disclosures and to be in line with the recommendations of the TCFD, we have completed a quantitative climate scenario analysis to measure climate-related risks and opportunities. The analysis includes climate-related risks to KDP's operational locations, key supply chain locations and commodity sourcing regions under multiple climate scenarios. The results will inform strategic decisions such as:

- How we evaluate potential physical and transition risks to our operations and supply chains under various climate scenarios;
- How we leverage opportunities such as regenerative agriculture, low carbon transportation and renewable energy to mitigate climate risks;
- How we strengthen the resiliency of our operations and supply chains to adapt to potential climate scenarios.

Details of our analysis will be reflected in our upcoming annual disclosures with CDP.

Specific to our efforts to drive deeper decarbonization, we are undertaking an in-depth assessment of our fleet operations to better understand the opportunities and limitations related to integrating heavy-duty electric trucks into our operations. The KDP-operated fleet is 46% of our Scope 1 and 2 emissions and, as a beverage company, it is critical that we transport heavy loads of product on a timely and regular schedule to serve our customers and consumers. The fleet analysis involves a review of our operating footprint, including existing equipment needs, the way we operate and the future implications for infrastructure requirements. Our continued commitment to fleet optimization in the near and mid-term will enable us to address our existing emissions reductions goals while we plan, invest and collaborate to deliver a long-term strategy.

Read more in [Appendix: TCFD Index](#) ▶

Read more in [Appendix: Glossary](#) ▶



GHG Emissions by Category

We made progress against our climate targets by increasing the electricity obtained from renewable sources to 74% in 2022. This is an increase from 62% in 2021, thereby reducing our Scope 2 emissions by over 24,000 metrics tons of GHG. In addition, we reduced emissions from our selected Scope 3 categories by 5% from the 2018 baseline. This decrease was primarily driven by the improvement in the energy efficiency of our Keurig brewers.

We also continue to engage with our suppliers and bottlers to encourage them to set their own SBTs. At the end of 2022, suppliers and bottlers representing 44% of our Scope 3 emissions have set SBTs.

Taking first steps toward decarbonizing our fleet:

In 2022, Van Houtte Coffee Services (VHCS), a subsidiary of KDP, purchased and deployed our first electric vehicle for our Montreal operations. By the end of 2023, we anticipate our electric fleet throughout Canada to increase to more than 10 electric vehicles.

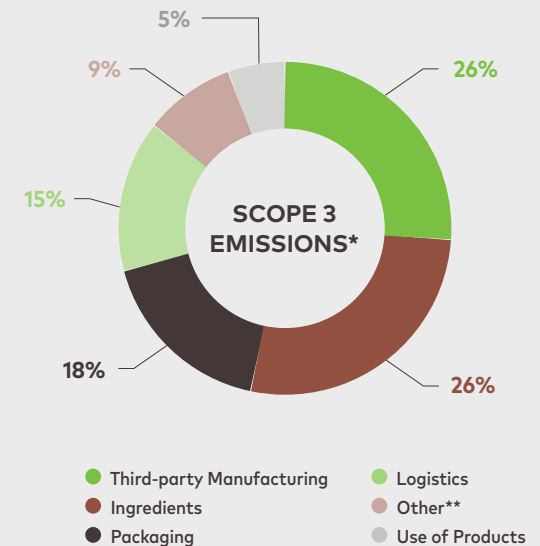
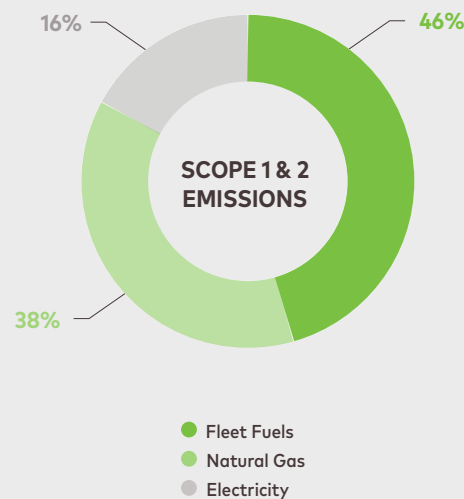
We also became the first buyer of carbon credits from ECOTIERRA's Pivot Forestry Project, which will enable us to offset the entirety of our Canadian Scope 1 mobile emissions.

Pursuing energy efficiency and reductions in our operations and products:

KDP held energy optimization events at seven plants to identify energy and emissions savings and to create cultures of energy management. These "energy treasure hunts" initially identified over 3,500 tons of potential emissions savings annually.

Engaging with our value chain partners on our shared climate journey:

We continued our participation in CDP Supply Chain and Supplier Leadership on Climate Transition programs in order to help our suppliers measure their GHG footprints and set meaningful reduction targets.



*% of Scope 3 Emissions may not sum due to rounding.

**Ingredients and packaging are included in purchased goods and services; logistics includes upstream and downstream transportation and distribution; Other includes employee commuting, business travel, upstream energy-related capital goods, professional services, etc. A more detailed breakdown of Scope 3 Emissions can be found in the [Data Summary](#).

Carbon Emissions Throughout our Value Chain



76%

SOURCING

Purchased Goods & Services; Capital Goods; Fuel-and-Energy-Related Activities; Processing of Sold Products



4%

PRODUCTION

Scope 1 Emissions; Scope 2 Emissions; Waste Generated in Operations; Business Travel; Employee Commuting



14%

DISTRIBUTION

Upstream Transportation & Distribution; Downstream Transportation & Distribution; Downstream Leased Assets



5%

USE & CONSUMPTION

Use of Sold Products



1%

POST-CONSUMER

End-of-Life Treatment of Sold Products

Our Path to 2030

2020-2025	<ul style="list-style-type: none"> Engage bottlers and select suppliers representing 50% of Scope 3 emissions to set a SBT Obtain 100% electricity from renewable sources
2025-2030	<ul style="list-style-type: none"> Reduce Scope 1 & 2 emissions by 30% Reduce Scope 3 emissions in select categories by 15% Encourage our value chain partners to set and make progress against SBTs and transition to low carbon energy Scale regenerative agriculture solutions across the value chain
2030-ON	<ul style="list-style-type: none"> Scale decarbonization of our fleet, including heavy-duty trucks, to electric and low carbon fuels, as infrastructure and technology allows Explore sustainable, low carbon fuels for our manufacturing operations Scale low carbon packaging solutions across brand portfolio

Building Climate Resilience in our Value Chain

We assess climate change risks most important to our business so that we can identify opportunities and implement measures that help build climate resiliency for our business and the communities and regions in which we operate.

RISKS			
Changing weather patterns have the potential to disrupt ingredient supply chains	Heat stress and drought may impact the communities in which we operate	Carbon taxes may influence the way we make and distribute our products	Changes in climate may pose a risk to critical infrastructure and utilities
OPPORTUNITIES			
Advance regenerative agriculture practices for climate sensitive crops	Invest in watershed health to improve availability, access and quality	Explore fleet electrification and low carbon technologies for manufacturing	Deploy energy efficient infrastructure and utilities powered from renewable sources

Read more in [Supply Chain: Nature](#) ▶

Read more in [Environment: Water Efficiency & Stewardship](#) ▶

Read more in [Appendix: Glossary](#) ▶

WATER EFFICIENCY & STEWARDSHIP

PROGRESS AT END OF 2022

2025 GOAL

Improve our water use efficiency by 20%



2030 GOAL

Partner with our highest water-risk operating communities to replenish 100% of water used in our beverages in those communities



Water is the primary ingredient in many of our products and used across our operations. It is also a shared resource that is critical to the health of communities and ecosystems where we live and work. As a result, KDP has the unique opportunity as a beverage company to help address local and global water challenges.

In 2022, we announced our aspiration to achieve Net Positive Water Impact by 2050⁵, which builds on KDP's existing water stewardship commitments. To help scale the work we have underway through collective action, we also joined the Water Resilience Coalition (WRC). The WRC is an industry-driven coalition of the CEO Water Mandate, a partnership between the UN Global Compact and the Pacific Institute, that aims to elevate global water stress and its connection to climate change to the top of the corporate agenda and preserve the world's freshwater resources through collective action and ambitious, quantifiable commitments. Specifically,

the WRC is developing a framework for companies to deliver measurable Net Positive Water Impact focused on the availability, quality and accessibility of water in water-stressed basins.

KDP's comprehensive water risk assessment informs our water targets and is the foundation for the expanded scope of our 100% water replenishment goal to include 10 high-risk water sites and the extended time horizon of the goal to 2030. To complete the assessment, we leveraged tools including the World Resources Institute's Aqueduct Water Risk Atlas, WWF's Water Risk Filter, key crop databases and individual KDP manufacturing site surveys. Our partnerships with local organizations help to address shared water challenges by protecting and restoring threatened watersheds and supporting natural and public water infrastructure.

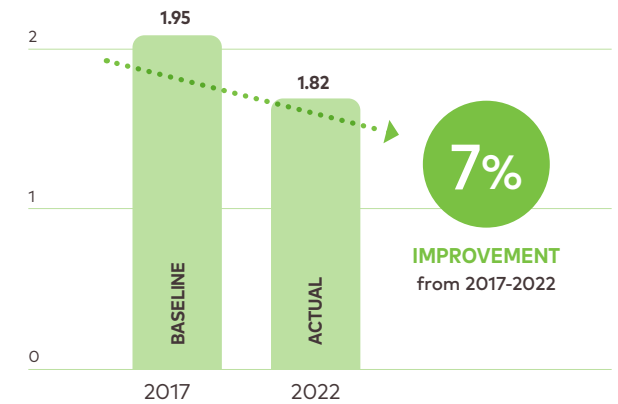
Water Efficiency

In 2022, we maintained a 7% improvement in our water use ratio from our baseline in our total cold beverage manufacturing plant network. We were able to drive efficiencies above our overall average in select facilities, including a 10% water efficiency improvement at our Houston plant as a result of actions stemming from a site-specific water optimization event held during the year. Our water efficiency initiatives in 2022 also included the installation of water metering infrastructure and digital dashboards in nine of our cold beverage plants. With this digital technology deployed, our plant managers and environmental staff now have visibility to real-time water use data, allowing us to make better decisions about our water efficiency practices.

Looking ahead, we are evaluating investments in our water filtration and treatment infrastructure to support more stringent water quality standards, which may require higher water usage to implement and result in challenges to efficiency gains. As we determine the appropriate next steps in this area, we will share in future reporting any potential impact to our glidepath for achieving our 2025 water use efficiency goal.

Read more in [Appendix: Glossary](#) ▶

WATER USE RATIO
Liters of Water Required to Make One Liter of Product



ASPIRATION TO ACHIEVE NET POSITIVE WATER IMPACT BY 2050





SPOTLIGHT ON WATER STEWARDSHIP

KDP's Tecamac plant is located in the State of Mexico, an area that is subject to frequent droughts and the overuse of the aquifers in the area. We use a resource conservation approach to reduce the amount of water being directly extracted from the aquifer, taking into consideration the needs of the surrounding land and community. Our efforts resulted in this facility having one of the lowest water use rates in the KDP network. Initiatives include:

- Utilizing low impact development concepts to reduce stormwater runoff
- Enhanced stormwater management for retention and reabsorption
- Water recycling and reuse
- Optimized manufacturing process for water efficiency

Water Replenishment

Through collaborations with local partners, KDP has conducted on-the-ground conservation projects that seek to enhance watersheds, protect habitats, increase biodiversity of native species and conserve water. This, in turn, is leading to long-term benefits in watersheds that are critical to sustaining healthy ecosystems and strengthening climate resilience, provided ongoing conservation efforts are sustained over time.

Following a re-baseline for our water replenishment goal to reflect the expansion from six to 10 production facilities as announced in 2022, we continue to improve our water replenishment performance. Through various partnerships and collaborations with nonprofits and industry partners, we achieved 55% replenishment for high water-risk operating communities through the end of 2022. Key to driving progress were additional investments and implementation of projects in Florida, Texas and Mexico that improved hydrological capacity through interventions such as forest management, conservation, agroforestry and flow restoration. While our investments in water replenishment have been anchored in improving the capacity for water availability, there are many co-benefits to this work, including positive impacts to aquatic habitats, biodiversity, protection of native species, and improved surface water quality.

WETLAND REHABILITATION PROJECT

KDP partners with the National Audubon Society in South Florida to restore Corkscrew Swamp Sanctuary's marshes and wet prairies via a multi-year restoration process to improve water resources and encourage biologically diverse, high functioning wetlands. In 2022, the project reached the important milestone of 1,000 acres under restoration.

Water in our Value Chain

Approximately 96% of our water footprint comes from indirect water use by our suppliers to grow our agricultural raw materials. While our most recent risk assessment found overall water quantity risks are low for all currently traced priority raw materials, we are taking action to safeguard water at the farm level through regenerative agriculture and conservation practices that can protect and restore the water required for the production of raw ingredients that go into our beverages.

One way we do this is through a collaboration called "Water At The Core." We partner with Colombia's National Federation de Coffee Growers (FNC) and JDE/Peet's to focus on supporting both water access and water quality improvements in two of the primary coffee-growing regions of Colombia. Activities include improving purification of municipal drinking water sources, promoting the use of high-efficiency coffee washing equipment by farmers and training on local water protection laws and on-farm water-smart agronomy practices. Over the last four years, KDP's funding has supported the training of 1,700 farmers and provided access to safer drinking water for 6,500 people.

Read more in [Supply Chain: Nature](#) ►

Read more in [Appendix: Glossary](#) ►



PACKAGING & CIRCULARITY

PROGRESS AT END OF 2022

2025 GOALS

Convert 100% of packaging to be recyclable or compostable



Use 30% post-consumer recycled content across our packaging portfolio



Use 25% post-consumer recycled content in our plastic packaging



Achieve a 20% virgin plastic reduction across our plastic packaging portfolio



Send zero waste to landfill across our operations

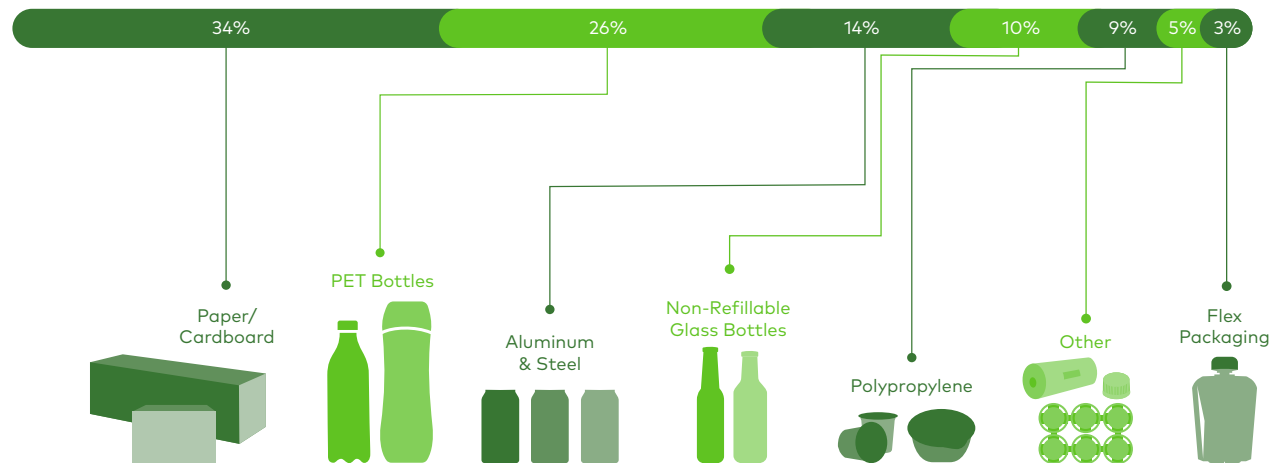


Sustainable packaging is a top priority for KDP and we continue to invest, innovate and collaborate to deliver meaningful impact. KDP is committed to reducing our virgin plastic use by 20% across our product packaging portfolio by 2025. Important to this reduction will be incorporating more post-consumer recycled (PCR) content, eliminating unnecessary materials, redesigning packaging and exploring reuse and refill models. We have continued to progress toward our goal of 25% PCR content in plastic packaging by 2025. In 2022, we completed the conversion of all Core Hydration and 16 oz. Snapple products to bottles made from 100% recycled polyethylene terephthalate (PET) plastic⁶, which helped to achieve 18% PCR content across our plastic packaging portfolio. These strides, along with several lightweighting accomplishments, helped to reduce our virgin plastic footprint by 11% versus the 2019 baseline.

In 2022, approximately 90% of our packaging was designed to be recyclable or compostable as compared to 92% the year prior. This slight decline was driven by our overall reported packaging mix. This mix was impacted by our lack of refillable glass purchases in the year due to a surplus of inventory from the year prior and successful returns by consumers. Coinciding with the mix shift, all Snapple 16 oz. packaging was converted to be recyclable in the year, enabled by removal of metal closures and paper labels. We remain committed to our glidepath to attain our 2025 goal with a continued focus on addressing the remaining PET bottles in our portfolio with labels that could negatively impact the recycling stream.

Read more in [Appendix: Glossary](#) ▶

2022 PACKAGING MIX*



*2022 Packaging Mix (% of total weight procured). In 2022, KDP continued to sell refillable glass bottles in Mexico and, due to steady inventory requirements throughout the year, did not purchase new refillable bottles. Looking ahead, we will be moving to measuring and reporting our overall packaging mix based on what we sold in the year versus what was procured. This change in measurement will allow us to better track the reusable and refillable packaging use by consumers in the year, as well as enable new reporting requirements for extended producer responsibility (EPR) programs.

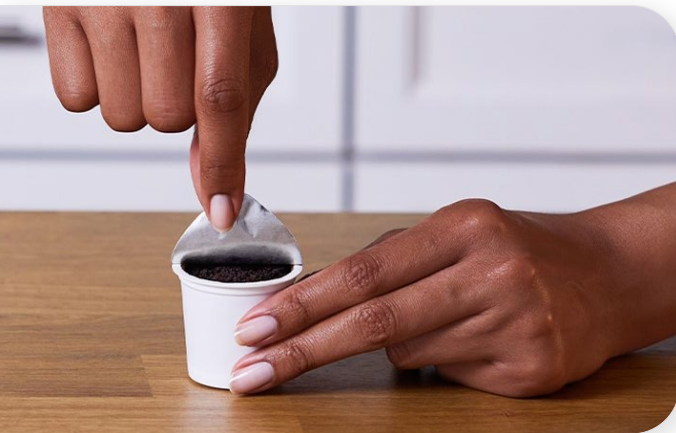
Circular Design & Innovation

We use smart design and packaging innovation to optimize the use of materials, incorporate more recycled content and eliminate non-recyclable materials. We aim to reduce the use of unnecessary materials and offer packaging that is compatible with recycling, reuse and composting systems. This includes creating and testing innovative packaging solutions that will further reduce our plastic footprint and enhance the consumer experience. We also aim to design our packaging to incorporate messaging to educate and encourage consumers to recycle, reuse or compost products in the right way.

In 2022, more than 50 KDP team members from Research & Development, Marketing, Procurement, Supply Chain and Sustainability participated in a session hosted by the Association of Plastic Recyclers to receive plastic packaging design-for-recycling training. The full-day event educated the team on the plastic recycling process, design-for-recycling principles and mindset, APR recycling guidance and best practices in reporting.

Read more in [Environment: Climate, Emissions & Energy](#) ▶

Read more in [Appendix: Glossary](#) ▶



REDUCING VIRGIN PLASTIC USE

Lightweighting the K-Cup Pod

We began the process of lightweighting our polypropylene K-Cup pods, while keeping the cup fit, form and functionality intact. This allows us to reduce the plastic packaging used in each pod by approximately 18%.

Post-Recycled Content in Keurig Brewers

Our black K-Mini and K-Mini Plus brewers contain at least 50% PCR content and our black K-Compact, K-Supreme Plus and K-Supreme Plus SMART brewers all contain at least 30% PCR content.

Recycled Plastic in Beverage Bottles

Our Core Hydration, Snapple 16 oz. & 20 oz., Mistic Juice Drink 16 oz., Nantucket Nectar, Aguafiel and Peñafiel bottles are made of recycled PET plastic, incorporating more than 43,000 metric tons of recycled PET into our packaging portfolio.

Paper Bottle Development

Throughout the year, we conducted lab and pilot scale trials of a bottle made of paper and organic materials. We also partnered with academia, recyclers and composting facilities to run technical assessments to understand how the bottle would perform in existing systems.

ENCOURAGING CONSUMER RECYCLING BEHAVIORS

Easy-Peel K-Cup Pod Lid

We expanded production of K-Cup pod varieties with a pull tab that allows consumers to more easily peel the lid and empty the grounds in order to prepare the pod for the recycling stream⁷. Check locally – not recycled in many communities.

On-Pack Recycling Messaging

We made "recycle right" instructions more visible through the addition of the How2Recycle[®] label on K-Cup pod, Core Hydration, Snapple and select Mott's packages.

Reuse-Refill Strategy

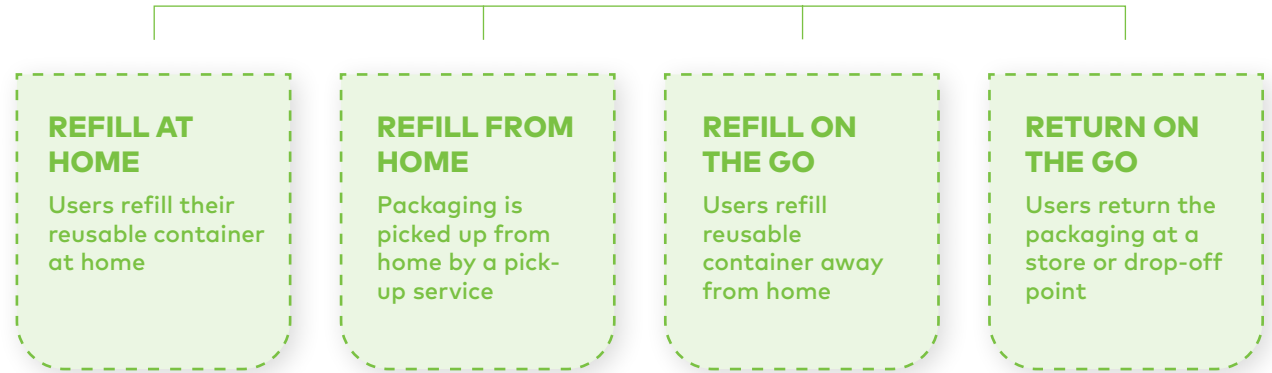
Our commitment to reducing our plastic footprint includes exploration of new partnerships and new delivery models such as reusable and refillable containers. According to the four consumer-facing models for reuse and refill that the Ellen MacArthur Foundation has outlined, we already offer a number of products that align with options for refill, including traditional fountain beverages, which enable reusable cup options, and the My K-Cup Universal Reusable Filter for use in Keurig brewers. As it relates to the reuse of returnable containers, we currently offer refillable glass bottles in Mexico where the infrastructure for collection, sanitation and refill currently exists, and we are evaluating expansion of our offerings in this region.

Throughout our business, KDP has a natural affinity for partnerships, and we view these partnerships as a way to learn more about new opportunities. For example, in 2022 we invested in Tractor Beverages, an innovative company offering a variety of organic carbonated and non-carbonated beverages via in-store “bubblers” that can facilitate refill options for consumers, similar to fountain beverages. We intend to learn through this and other potential partnerships by conducting reuse and/or refill pilots in 2024, including measurement of retailer and consumer participation which will be critical to success. KDP’s sales footprint is largely in the U.S. where infrastructure for reuse and refill beyond fountain beverages is currently limited, making partnership with retailers and others important

Also vital to the design of any reuse or refill pilot is meaningful impact measurement. We will continue to work with peers in the beverage industry to establish a common methodology for the measurement of reuse and refill servings delivered, so that we can more accurately and transparently measure and disclose these initiatives as part of our efforts to build a circular economy.

THE FOUR REUSE-REFILL MODELS

Business-to-consumer reuse models differ in terms of packaging “ownership” and the requirement for the user to leave home to refill/return the packaging.



Infrastructure & Advocacy

We advocate for policies at all levels of government to accelerate the development of a circular economy for packaging materials, particularly for the modernization and standardization of recycling and industrial composting infrastructure.

Across North America, a patchwork of regulations, inadequate investment and lack of minimum performance standards is preventing economies of scale in our recycling systems and confusing consumers⁸. That is why KDP supports smart policy solutions focused on efficient and equitable ways to increase material recovery, while reducing the economic and environmental costs of disposal. Our advocacy is focused on enhancing consumer education, increasing access to collection infrastructure, expanding recycling capacities and supporting sustainable funding mechanisms, particularly well-designed EPR programs. In our view, a well-designed EPR program seeks to generate strong environmental outcomes in an efficient and accountable manner, provide convenient services to consumers and move closer to a financially and operationally sustainable circular economy. We also support policies that encourage design for recyclability standards, support innovation and provide for studies of packaging and delivery alternatives.

Further, KDP has co-founded three industry coalitions and works with a variety of partners to invest in initiatives that amplify both dollars and action for recycling infrastructure and consumer education.

Read more in [Appendix: Glossary](#) ►

KDP HAS CO-FOUNDED THREE COALITIONS IN SUPPORT OF A CIRCULAR ECONOMY

Since 2014, KDP has committed nearly \$42M in support of a more circular economy through collaborative projects, partnerships and investments across North America.



2020-2022:

Goal to increase the quantity and quality of polypropylene recovered and recycled in the U.S.

\$8.8M
in funding to 34 local Materials Recovery Facilities

27.6M
Americans have increased polypropylene recycling access



2019-2022:

Goal to increase plastic bottle recycling through a \$100M industry investment that is being matched with additional funding for collective resources of \$400M⁹.

\$19.65M
in committed funding to 27 U.S. communities

719M
additional pounds of PET plastic recycled over 10 years



2020-2022:

Goal to advance the circular economy in Canada by optimizing plastics recycling through deploying optimization solutions in recycling and processing facilities¹⁰.

\$1M+
in funding received from the federal and Québec governments

\$200K CAD
in private funding received

2021 white paper published and 4 additional pilot and research projects launched in 2022

Waste Reduction

An important part of our circular economy ambitions is achieving zero waste to landfill from our manufacturing facilities. Each of our sites supports this commitment through production optimization and investing in reducing, reusing and recycling any waste. In 2022, we kept 92% of manufacturing waste from entering landfills and maintained zero waste to landfill at multiple manufacturing sites. Although our waste diversion rate remained stable in 2022, we continue to make progress through targeted efforts. As an example, at our Allentown, Pennsylvania facility, we partnered with a waste vendor to increase recycling and other opportunities, increasing waste kept out of landfill at that site from 84% in 2021 to 95% in 2022.

Read more in [Appendix: Glossary](#) ►



REDUCING FOOD WASTE

We have implemented a number of programs focused on eliminating waste at our co-headquarters location in Burlington, Massachusetts. As an example, we provide reusable drinkware and have implemented our K-Cycle recycling and composting program throughout all breakrooms for coffee pods. In addition, our food service staff composts all food waste from our cafeteria and catering events. They track the volume of food waste composted and use this data to help inform purchasing decisions and reduce over production thereby eliminating food waste at its source.



RECYCLING COFFEE FILTER PAPER

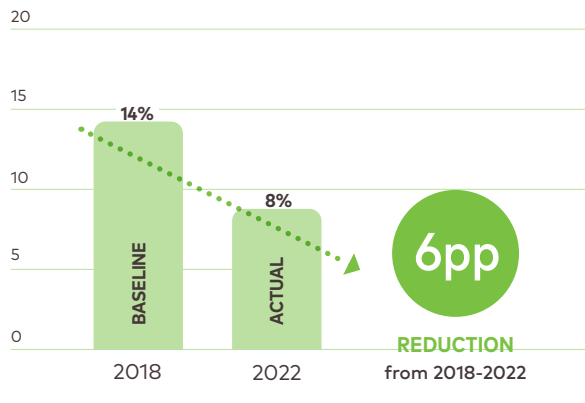
Our K-Cup pod manufacturing process yields scrap coffee filter material. KDP has been able to convert this scrap into a useful second life. One example is in our Knoxville, Tennessee plant, where scrap filter paper is shipped to a vendor that repurposes the material into pet bedding.



REUSING PLASTIC SCRAP MATERIAL

The plastic injection molding process used to make PET plastic bottles often produces by-product scrap. Our plant in Tehuacan, Mexico has invested in equipment which recycles smaller scrap material back into the molding process, allowing for less waste produced in the bottle production process. The Tehuacan, Mexico plant is the only site in our network with this capability today and has been able to advance KDP expertise on manufacturing waste reuse.

REDUCING WASTE SENT TO LANDFILL



ONGOING CHALLENGES

- Mitigating and adapting to climate change impacts, including operational and workforce disruption and resource and supply scarcity
- Mapping a feasible glidepath to fleet decarbonization at scale in the U.S., given lack of required technology, policy and infrastructure
- Minimizing excess water use while maintaining and advancing our strict product quality and ingredient water standards
- Navigating the lack of uniformity and underdevelopment of recycling and reuse/refill infrastructure as well as the patchwork of state and federal policies to support our packaging circularity strategy, including availability of post-consumer recycled materials



FUTURE OPPORTUNITIES

- Exploring new technology and electric heavy-duty trucks in support of fleet decarbonization
- Deploying innovative water treatment infrastructure with maximum efficiency
- Accelerating the roll-out of innovative packaging and reuse solutions that eliminate virgin plastic use or increase the value of recycled materials
- Collaborating to secure federal packaging collection policy or other national-level mechanisms that harmonize efforts to build a circular economy

COLLECTIVE ACTION FOR ENVIRONMENTAL IMPACT

We collaborate, partner with and are members of many organizations across our value chain to make positive and meaningful impact.

Climate



Water



Packaging





Supply Chain

With a commitment to responsible sourcing across our supply chain, we aim to use our buying power for good. We work with suppliers and a range of innovative partners around the world with the goal of improving livelihoods and restoring nature.

[Strategy](#)[Responsible Sourcing](#)[Nature](#)[Livelihoods](#)

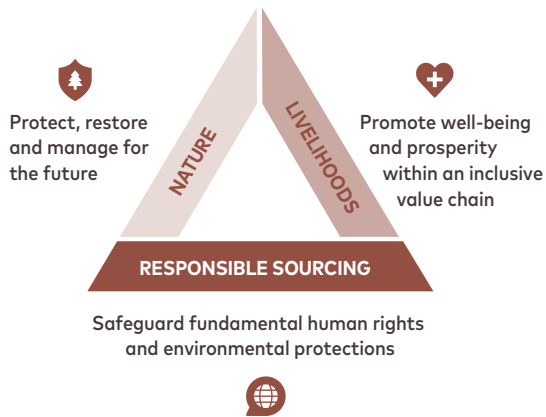
Strategy

Our pursuit of resilient supply chains is critical to our ability to secure a reliable supply of the inputs needed to make our products, while creating shared prosperity for farmers, workers and KDP alike. Our Company sources agricultural ingredients, such as coffee, cocoa, apples and corn, Keurig brewer components and packaging from communities and ecosystems around the world. These global supply chains are ever-changing, complex and come with specific regional challenges.

We recognize that interconnected environmental and social issues require holistic solutions, including shared investment and collaboration to deliver meaningful impact. Partnerships in key locations with farmer cooperatives, NGOs, academia, government and our contract manufacturers are a critical component of our approach.

Sustainable Supply Chain Framework

Interconnected environmental and social issues require holistic solutions.



MANAGEMENT APPROACH

KDP cross-functional teams, including Procurement, Quality, Sustainability, Marketing, Research & Development and Legal, collaborate to source materials and agricultural inputs that meet our established quality requirements and sustainability goals.

We use a combination of complementary tools and approaches to help safeguard fundamental human rights and environmental protections across high-risk segments of our supply chain. These include:

- Risk assessments
- Certification or verification
- Traceability and transparency
- Audits
- Industry engagement and collaborations
- Impact investments

Specific to coffee and cocoa, we use third-party certification or verification programs. For our factory-based inputs, we have employed a supplier rating system.

KDP has also established several policies and statements that reinforce our commitment to responsibly source our products and can be found on our [website](#). They include: [Supplier Code of Conduct](#), [Brazilian Coffee Purchasing Policy](#), [Conflict Minerals Policy](#), [Modern Slavery Statement](#) and [Human Rights Position Statement](#).

Read more in [Governance: Ethical Business Practices](#) ▶

Read more in [Governance: Human Rights](#) ▶

Read more in [Appendix: Glossary](#) ▶

KDP'S 2022 ACCEPTED THIRD-PARTY CERTIFICATION OR VERIFICATION PROGRAMS	
COFFEE	COCOA
	Fairtrade International
	Fair Trade USA
	The Rainforest Alliance/UTZ
	4C
	AtSource Entry Verified by ofi
	Great Lakes Coffee MaxTRACE



Progress & Highlights

PROGRESS AT END OF 2022

ONGOING GOAL

Responsibly source our brewers and 100% of our priority inputs:

Responsibly sourced coffee*



Responsibly sourced cocoa

100% ACHIEVED



100% ACHIEVED

RESPONSIBLE SOURCING: FARM

We are committed to 100% responsibly sourced coffee and cocoa, relying on third-party certification and verification programs to foster fundamental social, environmental and economic protections. For much of 2022, COVID-19 impacts persisted, including restrictions on travel and a shortage of auditors, which delayed certification and/or verification farm visits. In addition, the merger of two of the coffee industry's largest responsible sourcing programs, UTZ and the Rainforest Alliance, brought significant changes to the certified coffee supply with the integration of these two programs. By working closely with our suppliers and responsible sourcing partner programs, KDP was able to overcome those challenges and meet our responsible sourcing goals for coffee and cocoa in the year.

KDP is the largest buyer of Fair Trade Certified coffee in the world for the 13th consecutive year¹¹.

As we expand our sustainable supply chain work into additional priority inputs such as apple and corn, we continue to take a holistic approach and build upon the interdependence of systems, such as natural ecosystems and agriculture and social communities, to achieve impact at scale.

Read more in [Appendix: Glossary](#) ►

KDP'S 2022 PRIORITY INPUTS

Priority status is determined by the input's importance to KDP, measured by magnitude of spending, the social and environmental risk profile of the input and our unique opportunity for impact within the supply chain.



Apples

KDP sources whole apples to make Mott's Applesauce.

Sourced directly from U.S. farmers predominantly from upstate New York, with a small amount from Washington state.



Cocoa

KDP sources cocoa for our owned, licensed and partner brand cocoa drinks.

Sourced primarily from Ivory Coast, Ghana and Cameroon, with smaller volumes coming from Nigeria, the Democratic Republic of the Congo, Ecuador, Dominican Republic and Brazil.



Coffee

KDP sources coffee for our owned, licensed and partner brand K-Cup pods, as well as for whole bean and ground coffee.

Sourced from over 20 countries across Latin America, Africa and Asia.



Corn

KDP sources high-fructose corn syrup for our full calorie beverages and concentrates.

Sourced primarily from the U.S. with a smaller amount sourced from Mexico.

RESPONSIBLE SOURCING: FACTORY



Brewers

KDP sources a variety of components and materials to make our brewers. Components are sourced from all over the world and brewers are assembled in Indonesia, Thailand, Malaysia and China.



Apple Juice Concentrate

KDP sources apple juice concentrate (AJC) from a variety of suppliers in Europe, Latin America and Asia to make certain flavored waters, juices and juice drinks. Our AJC supply chain has a global factory footprint that takes in apples from local farms and processes them into juice concentrate.

KDP is committed to responsibly sourcing our brewers and priority inputs. In 2022, we began to execute on an evolved responsible sourcing program with a uniform methodology and supplier rating system that enables us to align and expand our audit program across more of our supply base where the risk is focused in manufacturing factories.

After completing a risk assessment and receiving a score of Low, Medium or High¹², we consider a factory compliant with our responsible sourcing program if it meets the following criteria:

- It receives a risk score of Medium or Low; or
- It receives a risk score of High and then earns a subsequent third-party audit rating that meets or exceeds the social and environmental standards that KDP accepts¹³.

KDP SUPPLIER RATING SYSTEM FOR FACTORIES

RATING	DESCRIPTION
Exceeds Expectations	Leadership performance
Meets Expectations	Foundational compliance
Below Expectations	Performing below minimum compliance standards
Not Yet Rated	

Methodology: All factories with the risk score of Low or Medium receive a Meets Expectations rating. A factory that receives a risk score of High is subject to in-person audits. Based on those audit findings, the factory is rated per the KDP Supplier Rating System for Factories. If the factory then receives a rating of Below Expectations, we work directly with them to remediate issues and verify corrective action through additional onsite audits.

In 2022, 90% of our Tier 1 brewer suppliers were rated Meets or Exceeds Expectations, with one supplier receiving a Below Expectations rating. We are working directly with the supplier to remediate issues and verify corrective actions through additional onsite audits.

Among our Tier 2 brewer component suppliers, 38% received a rating of Meets or Exceeds Expectations. The remaining suppliers that received a Below Expectations are primarily new Tier 2 suppliers and had minimal to no experience with audits. We are providing those suppliers training and capability building to improve their future audit compliance.

Due to the Russian-Ukrainian conflict, a number of our AJC suppliers received a risk score of High, and were therefore required to submit third-party audit results in order to obtain the appropriate rating in our responsibly sourced program¹⁴. In 2022, 63% of our AJC suppliers received a rating of Meets or Exceeds Expectations. The remaining suppliers were not rated in the year due to the ongoing regional conflict preventing the execution of onsite audits. In addition, we delayed an audit of one key supplier in China due to the resurgence of COVID-19 restrictions in the country.

Read more in [Appendix: Data Summary](#) ▶

Read more in [Appendix: Glossary](#) ▶

KDP & THE RESPONSIBLE BUSINESS ALLIANCE

In 2022, KDP achieved the highest membership level, Full Member status, in the Responsible Business Alliance (RBA). The RBA is the world's largest industry coalition dedicated to responsible business conduct in global supply chains and Full Member status is for companies that demonstrate leading labor, health and safety, environmental and ethical sourcing practices and disclosures, as well as adherence to the RBA Code of Conduct. As part of this new status, KDP will continue to audit suppliers, begin to integrate indirect suppliers into our auditing program and commit to close all Priority Findings¹⁵ from audits within the RBA's approved timelines.

NATURE

PROGRESS AT END OF 2022

2030 GOAL

Support regenerative agriculture and conservation on 250,000 acres of land



A critical strategy to supporting supply chain resiliency is focusing on regenerative agriculture and conservation. Smart agriculture practices contribute to soil health, water quality and replenishment improvements, biodiversity and farmer resilience, while also reducing GHG emissions and sequestering carbon. In addition, conservation of forests and other high-value landscapes is critical to safeguarding biodiversity and ecosystem function.

We have committed to support regenerative agriculture and conservation on 250,000 acres of land, which represents approximately 50% of the land used to grow three of KDP's priority crops (coffee, corn and apple), by 2030. Of the 11,296 acres achieved in 2022, 9,424 acres supported regenerative agriculture practices with individual farmers on their farms, while 1,872 acres supported conservation efforts on non-agricultural land located near farms. Because each cropping system, geography and climate is different, the activities for each project vary, yet the progress is measured via a standardized and transparent set of metrics that can be found in KDP's [Regenerative Agriculture & Conservation Monitoring & Evaluation Guide](#) published on our [website](#).

Read more in [Appendix: Glossary](#) ►

In addition, we partnered with key players in the global juice industry to launch our first project in our AJC supply chain. This project is engaging 100 Polish apple farmers to achieve Farm Sustainability Assessment silver certification for sustainable practices and to improve the biodiversity on their farms.

KDP'S 2022 REGENERATIVE AGRICULTURE INVESTMENTS

Blue Harvest Regenerative Project

In partnership with Catholic Relief Services

1,872
conservation acres supported

799
farmers supported

A project in Honduras and Nicaragua that integrates on-farm restoration of soil and water resources through regenerative agriculture and conservation practices with broader landscape protection within critical watersheds.

Café Selva Norte Project

In partnership with ECOTIERRA and financed by Urapí

924
regenerative agriculture acres supported

321
farmers supported

A project aimed at strengthening cooperative governance and providing technical assistance and training on agroforestry management activities, such as pruning, fertilization, harvesting, fermentation and drying.

Nebraska Farmer Resilience Project

In partnership with Practical Farmers of Iowa, Archer Daniels Midland and PepsiCo

8,500 regenerative agriculture acres supported

A project that unites cross-sector organizations and industry peers to continuously improve productivity, profitability and environmental outcomes for farmers, through direct contribution of funds to provide technical assistance to farmers and subsidize cover crop seed.

Native Pollinator Program

In partnership with the Danforth Lab at Cornell University's College of Agriculture and Life Sciences and the IPM Institute

1,804
regenerative agriculture acres enrolled

16
individual farmers enrolled

A program designed to incentivize practices supporting the abundance and survival of native pollinators to boost environmental resilience. Acres enrolled in this program are not contributing to 2022 progress, but will be reported in the 2023 Corporate Responsibility Report.

Public Policy Support

We support federal agricultural policies to advance climate-smart regenerative agriculture and conservation. This includes advocating for increased federal incentives to promote voluntary methods such as cover cropping. We also support policies to increase farmer access to federal technical and financial assistance programs, including opportunities offered through USDA's Natural Resources Conservation Service. This advocacy complements our direct investments and our activities to meet our 2030 goal.

In addition, KDP and World Coffee Research (WCR)¹⁶ are jointly advocating for public policy, including the Coffee Plant Health Initiative Amendments Act, which authorizes additional federal research, development and deployment of science-based tools, treatments and integrated pest management programs needed to help secure the future of coffee from climate pressures.

We recognize the interconnectivity of positive climate and water benefits, stemming from our regenerative agriculture and conservation projects in the supply chain, with KDP's broader environmental commitments and aspirations. As a result, we are looking to better integrate our measurement and reporting to ensure that progress from our supply chain efforts is also captured within our relevant enterprise climate and water goals going forward.

Read more in [Environment: Climate, Emissions & Energy](#) ►

Read more in [Environment: Water Efficiency & Stewardship](#) ►



LIVELIHOODS

We have an ambition to advance inclusion by addressing barriers to entry and prosperity in our supply chain, supporting a viable standard of living and livelihoods for farmworkers and farmers. Farmers are better positioned to contribute to sustainability outcomes, such as preservation of biodiversity, mitigating and adapting to climate change, improving water stewardship and boosting personal and community well-being, when they have access to economic opportunities. Importantly, with each of our livelihood-focused investments, KDP is helping to mitigate the root causes of labor violations in important sourcing regions, while also working to strengthen social and economic prosperity within those communities.

We support the reauthorization of the Global Food Security Act, which authorizes foreign assistance funding and international development programs benefiting smallholder farmers in low-income countries that are critical suppliers to the U.S. coffee industry.

Climate pressures coupled with the growing cost of production place significant burdens on these farmers that can result in them switching crops or abandoning their farms altogether. We have advocated for expanded investments in agricultural research and development as well as public-private partnerships that bring innovation to rural areas of low-income countries to improve resiliency and sustainability.

APPLE ROOTSTOCK & MODERN PLANTING SYSTEMS STUDY

A 10-year research study supporting the future of processing apples

Research to evaluate the impact on production and profitability from the use of innovative rootstocks and modern planting systems in processing apple orchards.

In partnership with Cornell University's College of Agriculture and Life Sciences, the project is occurring on two demonstration orchards that supply to Mott's in upstate New York.



FARMER IMPACT SOURCING GROUPS

143 coffee farmers directly supported

Improving farmer income among three producer groups in Honduras and Colombia by testing new models of purchasing practices.

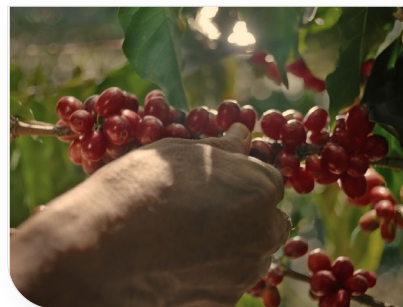
In partnership with Sustainable Food Lab and the Rainforest Alliance, we expect to measurably boost farmer income over three years by testing a combination of innovative purchasing practices and delivering direct investments to producer groups.

FARMWORKER PROSPERITY PROGRAM

300+ coffee farmworkers supported, 32% of which are women

The Las Manos del Café program supports farmworkers and their families in Colombia to make employment within the coffee industry more viable.

KDP provides funding to RGC Coffee to support a portfolio of services and benefits to workers, including protection and safety measures, access to medical services, provision of savings programs, training on entrepreneurship skills and more.



ECONOMIC VIABILITY OF COFFEE GROWING STUDIES

2 living income benchmark studies, aligned to Anker Research Institute Methodology

Colombia: Verité developed a living wage and living income study to provide a benchmark for assessing alternatives to piece-rate pay to support better working conditions for vulnerable workers, while helping farmers mitigate their financial risk.

Peru: Sustainable Food Lab, in their role in the Living Income Community of Practice and International Coffee Organisation, coordinated a sector-wide benchmark study to determine what a living income would be for smallholder coffee farmers.

2022 SUPPLY CHAIN IMPACT PROJECTS



CROPS:

- Coffee
- Apple
- Corn

- CLIMATE
- LIVELIHOODS
- WATER
- HUMAN RIGHTS
- STRENGTHENING FARMER BUSINESS

21 Total supply chain projects in 2022

\$72M Total coffee investments since 2003

ONGOING CHALLENGES

- Mitigating the risks to agriculture and food systems resulting from the effects of climate change
- Managing residual effects from COVID-19 and other ongoing macroeconomic and geopolitical impacts, including worker and auditor shortages, factory shutdowns, travel restrictions and fluctuating raw material availability
- Economic pressures driving up the cost of production for all players in value chains, but especially for agricultural raw materials



FUTURE OPPORTUNITIES

- Expanding our responsible sourcing program to more of our supply base
- Applying learnings gathered from multiple farmer economic impact projects to research and explore a new livelihoods approach for KDP
- Integrating our supply chain investments with our enterprise climate and water strategies to ensure connectivity and quantifiable impacts
- Incorporating deforestation and biodiversity considerations in our approach to sustainable supply chains



COLLECTIVE ACTION FOR SUPPLY CHAIN IMPACT

We collaborate with many partners to support sustainability across our ingredients and brewer supply chains.



Health & Well-Being

We strive to make a positive impact by offering a broad, well-balanced portfolio of products that is accessible to all consumers and marketed responsibly. We aim to understand root causes of health inequities and look for opportunities to address them through our portfolio and partnerships.

[Strategy](#)[Choice](#)[Access](#)[Transparency & Marketing](#)[Product Quality & Safety](#)

Strategy

Our health and well-being strategy focuses on accelerating innovation to increase the number of better-for-you beverage options in our portfolio, expanding distribution of those offerings in new and varied markets and providing transparency. Working alongside credentialed health and well-being experts, we are committed to empowering consumers to make informed choices that support their holistic health and well-being journeys.

We know that trust and transparency about ingredient and product safety is fundamental to our business. KDP applies rigorous safety and quality standards throughout the product lifecycle for all beverages and Keurig brewers we manufacture and market.

MANAGEMENT APPROACH

KDP cross-functional teams work to develop and distribute a broad portfolio of products that provide more than just great taste. The teams working to innovate, renovate and distribute more better-for-you beverages include Strategy, Research & Development, Scientific & Regulatory Affairs, Procurement, Marketing and Commercial Sales. Specific to our positive hydration goal, we collaborate with Partnership for Healthier America (PHA), a nonprofit committed to transforming the food landscape in pursuit of health equity in the U.S. PHA is providing KDP health and well-being guidance and annual validation of our positive hydration progress through our multi-year partnership.

We also have robust compliance programs and review systems to oversee KDP's product safety and quality

standards. A cross-functional team of Food Safety, Engineering, Quality Assurance and Scientific & Regulatory Affairs experts ensures our products meet or exceed legal requirements. For our Keurig coffee brewers, rigorous development and safety processes and procedures are overseen by teams within our Global Product Organization, including the Appliance Safety Management Committee and the Appliance Product Safety Council.

Our [Chemicals Management Policy](#) and [Responsible Marketing Policy](#) are two ways in which we govern our commitment to providing our consumers safe products that are marketed responsibly.

Read more in [Governance: Ethical Business Practices](#) ►

KDP'S FOOD, PACKAGING AND PRODUCT SAFETY SYSTEMS

Preventative Controls and Hazard Analysis and Critical Control Point (HACCP) Method

An internationally recognized system of identifying and managing food safety-related risks

Global Food Safety Initiative (GFSI)

An industry-recognized coalition that oversees food safety standards at every KDP manufacturing site through third-party audits

Annual Food Safety and Quality Training

Required for 100% of our KDP manufacturing facility employees

Mandatory Documented Standards and Audits and/or Certification

Compliance requirement of KDP's suppliers of raw materials, brewer components and packaging

Progress & Highlights

PROGRESS AT END OF 2022

2025 GOAL

Provide positive hydration in 60% of KDP products



CHOICE

KDP has committed that, by 2025, 60% of our product portfolio in the U.S. will provide positive hydration¹⁷ so that consumers have options available to them on their health and well-being journeys. Our Research & Development teams are focused on product innovations that support our positive hydration goal by reducing sugar and calories and/or incorporating the benefits of functional ingredients.

At year-end 2022, 57% of our products provided positive hydration, an increase from 56% at year-end 2021. We continued to expand our range of positive hydration choices across our brands, including the introduction of new flavors from Bai and Green Mountain Coffee Roasters ICED coffee pods. At the close of 2022, 32% of our overall marketing budget promoted the 47% of our cold products and 94% of our hot products that met the definition of positive hydration.

Beyond the positive hydration products in our portfolio, we offer smaller portion sizes of our full-calorie beverages in mini cans to give people more control over their calorie consumption. Through the ABA, we are a member of the Portion Balance Coalition, a group of public health organizations and food and beverage manufacturers that promote awareness of how portion sizes can fit within a health diet. With this coalition, we participated in the White House Conference on Hunger, Nutrition and Health to discuss portion control as a way to promote a healthy lifestyle.

Positive Hydration

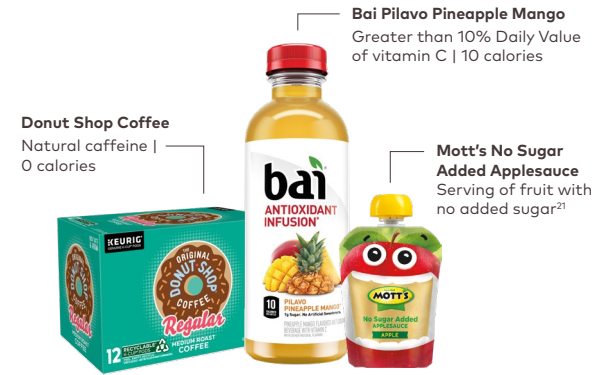
A product meets the positive hydration criteria if it:

Provides a serving of fruit or vegetables (with no added sugar)

OR

Is 40 calories or less per serving¹⁸ with a functional attribute¹⁹ or at least 10% Daily Value of a nutrient to encourage²⁰

Examples of our products that meet these criteria include non-caloric coffees and teas, 100% fruit juice and sauces with no added sugar, low-calorie energy and soft drinks, and sparkling, still and functional waters.



KDP continues to invest in emerging beverage categories and in the reformulation of existing options to expand consumer choices that complement a balanced lifestyle. In 2022, this included reducing sugar, and thus calories, in our Canada Dry Ginger Ale and reducing calories and sodium in our Original Clamato recipe.

Read more in [Appendix: Glossary](#) ▶

KDP'S PORTFOLIO EXPANSION AND RENOVATION JOURNEY

Expansion in the Non-Alcoholic Market

As an increasing number of consumers are moderating their alcohol consumption, KDP is investing in rapidly emerging beverage categories.

Athletic Brewing Company – invested \$50 million in America's leading non-alcoholic craft beer maker, providing KDP a minority stake and a Board seat



Atypique – acquired the global rights to the non-alcoholic, ready-to-drink cocktail brand

LaBatt Breweries of Canada | Canada Dry Mott's, Inc. – Partnership to distribute Labatt's non-alcoholic beers in Canada

Renovation of Hawaiian Punch

Nearly 12 years ago, KDP began the process to reformulate our Hawaiian Punch recipe to reduce the sugar and calories in the beverage without sacrificing the great taste consumers love.

Reformulating products requires striking a delicate balance to ensure that consumers do not reject the new formula and the flavor properties, safety and quality of the product all remain intact. This can sometimes take years. In the case of Hawaiian Punch, our team of formulation scientists made minor and gradual adjustments to the formula each year to reduce the high fructose corn syrup levels resulting in a final product that is 40 calories per 12 fl. oz.



ACCESS

KDP continues to accelerate and expand the distribution of better-for-you offerings to new and varied markets in order to reach a diverse mix of consumers. In 2022, we advanced that access through new outreach at both the local and national level.

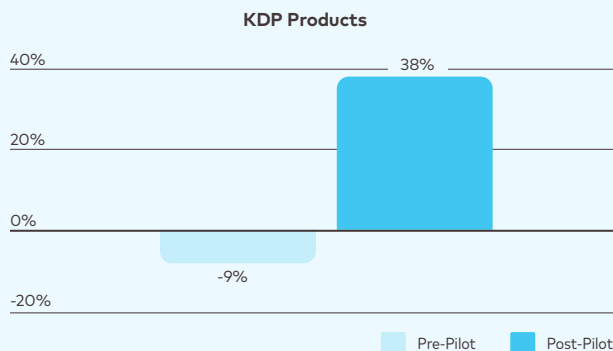
Better-For-You Merchandising Pilot



WHAT: KDP and Stop & Shop kicked off a pilot to test in-store marketing and merchandising strategies that prioritized the placement of better-for-you products, such as Core Hydration, Bai, Evian, Snapple Zero and Polar. The objective was to evaluate whether in-store strategies, such as front-of-store racks, end-cap displays, aisle cut outs and front-end coolers, could influence consumers to make healthier choices.

The partners selected a Stop & Shop store in a low-income, ethnically diverse neighborhood in Boston, Massachusetts. This specific store was also opening a dietician’s office and wellness center to provide helpful services and nutrition education to shoppers.

RESULTS: Between Aug. 19, 2022 and Dec. 31, 2022, KDP’s better-for-you products in the test store saw significant growth, showing that incremental display and merchandising drove choices and did not negatively impact the total beverage category. Due to the positive results, the partners are exploring additional ways to expand into other retail stores and locations.



Source: IRI Dollar Sales % Change vs. Year Ago; Time 2022 19wks we/08-10/22 thru we/01/23.

Cross-Sector Collaboration



WHAT: In 2022, KDP joined H2HC’s Leadership Council and committed \$250,000 a year for three years to work alongside The Greater Boston Food Bank, The Boston Museum of Science, Stop & Shop, Boston Medical Center and McKinsey & Company, to help address pressing national health challenges and promote an equitable and nutrition-secure future. Through H2HC’s national network, KDP is collaborating to identify and share innovative, scalable solutions that move forward the national conversation following the 2022 White House Conference on Hunger, Nutrition and Health.

RESULTS: H2HC is a trusted partner that educates national, regional and local stakeholders and was invited to serve on the National Task Force on Hunger, Nutrition and Health, which developed strategic recommendations that informed the White House’s National Strategy for ending hunger and reducing diet-related diseases by 2030. Since its founding in 2018, H2HC has awarded \$1.2 million in grants to support innovative community models and critical research.

Balance Calories Initiative



WHAT: KDP continues to collaborate with the ABA and the Canadian Beverage Association (CBA) on an industry-wide effort to fight obesity and track calorie reduction efforts. The Balance Calories Initiative (BCI) has the goal of reducing beverage calories consumed per person in the U.S. and Canada by 20% by 2025. We are doing this by providing access to more beverage choices with less sugar and smaller portion sizes and encouraging consumers to balance the sugar they consume.

RESULTS: The 2021 U.S. National BCI Progress Report²² highlighted the long-term trends that show industry efforts have contributed to reducing the calories per person by 7.4% nationally since BCI launched in 2014.

The Canadian Beverage Association releases a similar Balance Calories report on an ad-hoc basis with the same goal to reduce calories 20% by 2025. The last report released in 2021 showed a reduction of 16% of calories since the beginning of the program²³.

TRANSPARENCY & MARKETING

We aim to help consumers make informed choices by providing clear, transparent information about our ingredients and policies. Beyond adhering to local laws and regulations for nutrition labels, we include voluntary front-of-pack calorie labeling on many of our beverage containers. In 2022, we expanded our **U.S.** and **Canada** product facts websites to include nutrition and allergen information for our owned and licensed coffee brands. The site has also been enhanced to disclose certifications such as USDA organic or Fair Trade, as well as packaging attributes such as recycled content. Site visitors are also able to easily compare nutrition information between products and can view which ones meet the USDA Smart Snacks in school standards and/or meet our positive hydration criteria. In addition, the site has a calculator to estimate nutritional information for fountain beverages by product, cup size and ice level.

Keurig Dr Pepper | PRODUCT FACTS | [Our Products](#) | [Fountain Calculator](#) | UNITED STATES

FILTER PRODUCTS | 427 RESULTS

Filter Category	Value
PRODUCT TYPE	+
BRAND	+ [icon]
ALLERGEN	+
CERTIFICATION	+
FLAVOR	+
PRODUCT HIGHLIGHT	+

Dr Pepper® Zero Sugar

5 available sizes

Calories	0
Total Fat	0 g
Sodium	60 mg
Carbs	0 g

[COMPARE](#)

Snapple® Zero Sugar Peach Tea

4 available sizes

Calories	10
Total Fat	0 g
Sodium	15 mg
Carbs	1 g

[COMPARE](#)

Core Hydration®

5 available sizes

Calories	0
Total Fat	0 g
Sodium	0 mg
Carbs	0 g

[COMPARE](#)

ENGAGING STAKEHOLDERS IN OUR HEALTH & WELL-BEING JOURNEY

In October 2022, KDP hosted an in-person roundtable convening a select group of external stakeholders, including a strategic mix of public health advocates, academics and NGOs, to discuss critical impact areas related to health and well-being issues. KDP hosted an interactive Research & Development facility tour to provide practical context and demonstrate our efforts and expertise in product renovation and innovation. Facilitated discussion identified shared priorities and future opportunities on topics such as, low and no calorie sweeteners, equity and access to nutrition, responsible marketing and more. The engagement opened salient dialogue and highlighted the areas in which we can have the greatest impact in the health and well-being space when working together.

KDP engages in policy dialogue independently and in collaboration with the beverage industry on topics such as ingredient safety, innovative ways to improve consumer choice and strategies to increase consumer access to better-for-you beverages. We also continue to engage with the White House on their National Strategy for Hunger, Nutrition and Health.

To advance our transparency and rigor around our marketing practices and standards, KDP published a new **Responsible Marketing Policy** for the U.S. in 2023. We worked closely on its development with PHA to ensure it was both meaningful and impactful. This policy outlines the commitment that our advertising does not appear on or near content that is discriminatory or harassing. Employees and media agencies with primary responsibility for adhering to the Responsible Marketing Policy are required to complete mandatory training on our marketing standards.

In addition, as participants in the U.S. Children's Food and Beverage Advertising Initiative (CFBAI), we comply with the advertising standards set in CFBAI's Core Principles and report annually on our pledge to not engage in advertising primarily directed to children under 13 unless the product being advertised meets CFBAI's strict nutrition criteria²⁴. KDP complied with this commitment in 2022 and did not advertise to children under age 13, regardless of the product's nutrition profile.

PRODUCT QUALITY & SAFETY

Ensuring the safety and maintaining the trust of our consumers is critical to our business. We pursue rigorous quality and safety standards throughout our product development, sourcing, manufacturing and commercialization. In addition, we actively engage with outside experts and resources to understand emerging science and regulations so that we can continue to improve our processes and products.

Ingredient quality and safety is a continually evolving area that is important to both consumers and regulators. KDP provides transparent product facts and we continually work to safely manage chemicals used in our packaging and products, as outlined in our [Chemical Management Policy](#). KDP products comply with food safety regulations, and we regularly monitor evolving consumer preferences to ensure our research and development efforts meet future needs.

Producing both household and commercial appliances, our Keurig brewers have unique engineering and safety requirements. All of our brewers meet or exceed the market-leading safety standards of Underwriters Laboratories, Underwriters Laboratories of Canada and National Sanitation Foundation under normal use. Throughout the brewer development and production lifecycle, we employ a rigorous testing program to identify potential use cases and failure modes to support appliance quality and consistency of operation over time. Our brewer development process also improves our brewer design and performance.

KDP'S PRODUCT QUALITY & SAFETY INITIATIVES

Certified by UL's Witness Test Data Acceptance Program

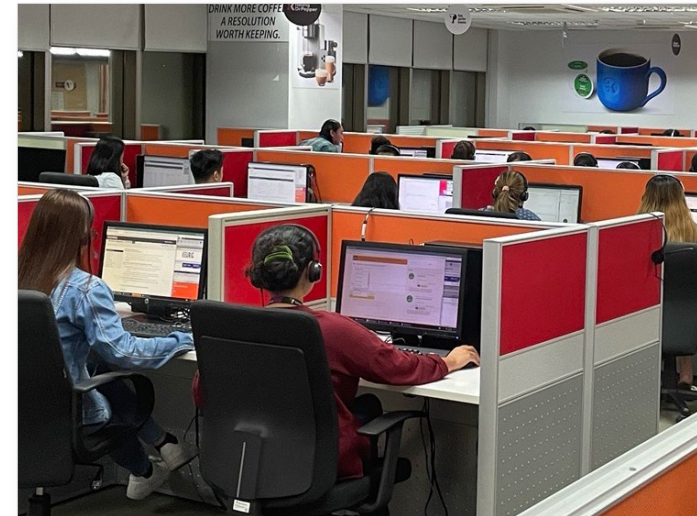
Expanded our on-site electrical safety testing capabilities for the Keurig appliance lab in Burlington, Massachusetts

Aseptic Production Training

Developed and instituted a professional aseptic processing course for all cold beverage manufacturing personnel, supporting quality assurance of our continued expansion into aseptic production

Quality Control Enhancements

Implemented manufacturing quality control technology throughout the majority of our production facilities, including artificial intelligence and computer vision to automate and improve machinery inspection



FOCUS ON FEEDBACK

KDP has teams devoted to managing relations with our consumers in the U.S., Canada and Mexico across our cold and hot beverage products, ready-to-eat Mott's products and Keurig brewers and accessories. We offer multiple avenues to contact our Consumer Care teams via telephone, email or social media to easily have a problem solved or message heard. Our Consumer Care representatives regularly handle inquiries related to product ingredients, where and how to purchase, appliance troubleshooting and more.

In addition, our Consumer Care teams review and respond to ratings and reviews of our products so that we comprehensively monitor feedback and concerns about our products' performance. Each team has a formal issue-handling protocol, including documentation, retrieval for inspection and trend monitoring and reporting to allow for further investigation by relevant teams internally.

ONGOING CHALLENGES

- Expanding equitable access to nutrition for consumers in a varied landscape
- Combating increasing public misinformation about ingredients and product safety
- Renovating and innovating products that both support a healthier lifestyle and meet taste preferences



FUTURE OPPORTUNITIES

- Expanding our better-for-you beverage merchandising pilot to additional geographies and retailers in the U.S.
- Increasing dialogue and engagement with key stakeholders, such as NGOs, government and public health officials

COLLECTIVE ACTION FOR HEALTH & WELL-BEING IMPACT

We partner with and are members of many organizations to advance our health and well-being and product quality and safety strategies.





People & Communities

We are committed to creating an inclusive, high-performing work environment in which all employees feel supported and talent can thrive. We also engage locally by investing in meaningful social impact programs to build strong, vibrant communities.

Strategy ▶

Employee Development, Engagement & Well-Being ▶

Diversity & Inclusion ▶

Workplace Health & Safety ▶

Community Engagement ▶

Strategy

At KDP, we recognize that our approximately 28,000 employees make our success possible. We strive to provide rich and meaningful career experiences so we can attract, develop and retain a highly talented, diverse and engaged workforce. We also aim to create a culture of well-being and inclusiveness to meet the needs of our employees while creating a positive impact where we live and work. Each country, region and local community in which we operate has a distinct set of challenges that we seek to address through employment opportunities, financial contributions, product donations and volunteer time. KDP's community engagement strategy aims to build community resilience through corporate partnerships, employee giving and volunteerism and brand and retail activations.

MANAGEMENT APPROACH

Our Human Resources team manages the total employee rewards experience, including company-wide benefits and compensation. Business leaders, along with Human Resources, provide oversight for recruitment, training and development programs, as well as employee programs that foster and strengthen our culture of inclusiveness. Our Environmental, Health and Safety (EHS) team manages oversight of our robust programs designed to safeguard the health and safety of our people.

Specific to community engagement, our Sustainability, Human Resources and Corporate Communications teams, as well as our Employee Resource Groups

(ERGs), collaborate to deliver impactful volunteerism and charitable giving opportunities for all employees. We follow our Charitable Giving Guidelines and use the Benevity system to screen all community partners and ensure they are reputable, registered nonprofit organizations.

Our **Corporate Code of Conduct** outlines the expectations we have of our employees to conduct business legally and ethically. In addition, our **Business Pledge Against Inequalities** and our **Human Rights Position Statement** outline core standards and expectations we have established for our employees in areas including human rights and building inclusive workplaces.

Read more in **Governance: Ethical Business Practices** ►



Progress & Highlights

EMPLOYEE DEVELOPMENT, ENGAGEMENT & WELL-BEING

KDP leverages a variety of tools and resources to source, develop and retain qualified talent. Our programs foster open dialogue and frequent feedback to support employee engagement and we offer robust benefits, well-being and development opportunities to support our employees in advancing their careers.

Onboarding & Talent Development

We continue to refine and streamline our processes and increase the quality and quantity of touchpoints with employees. In 2022, adjustments included:

- Leveraged mobile access for frontline applicant interviews for the first time
- Implemented a 30-60-90 day check-in program with new hires in the U.S.
- Added weekly integration sessions in Canada for non-union new hires to learn about KDP employee programs and benefits
- Adjusted the corporate new hire onboarding process to better align to our hybrid working model
- Provided more career development events and learning opportunities to empower employees to take ownership of their career journeys
- Facilitated department-level quarterly meetings in Canada to inform employees of priorities, key projects, organization updates and more
- Enhanced our annual performance review with the addition of quarterly employee/manager check-ins to facilitate two-way feedback²⁵

Workforce Benefits & Well-Being

We offer a range of benefits and resources across geographies that support our employees' total well-being, including their physical, mental and financial health. More details can be found on our [Careers website](#). In 2022, we made several key enhancements to our benefits for eligible non-union employees in the U.S., including:

- A second medical plan option, with a lower cost in premiums, giving our employees the opportunity to choose the coverage that best fits their budgets
- Enhanced fertility benefits, including adding coverage of in-vitro fertilization (IVF) and fertility drugs
- Increased the adoption assistance reimbursement

For our Canadian employees covered by our group benefits, enhancements in 2022 included:

- Expanded coverage for mental health consultation and resources
- Increased match and maximum contribution amount for Registered Retirement Savings Plans (RRSP)
- Added a new group provider of Tax-Free Saving Accounts (TFSA) with competitive fees



EMPLOYEE ENGAGEMENT SURVEY

KDP invests in fostering a dynamic, inclusive and rewarding environment in which we enable conversations at the team level to create a great place to work.

Our annual employee engagement survey invites feedback from all team members on topics including culture, engagement, well-being, development, leadership, diversity, inclusion and work environment. As a result of feedback from our 2021 survey, we adjusted our approach to sharing our 2022 survey results to create more opportunities to address our team members' feedback across every level at KDP. With 87% of employees participating in the 2022 survey, findings showed that 81% of KDP employees are engaged, committed to staying with KDP and have a strong sense of accomplishment from their work.

DIVERSITY & INCLUSION

PROGRESS AT END OF 2022

2025 GOALS

Increase female representation in Director and above positions by 25% to 33% of the total



Increase people of color representation in Director and above positions by 25% to 21% of the total



Embracing our teams' diverse experiences, perspectives and backgrounds is key to inspiring innovation, fostering and retaining talent, driving change and better connecting with our customers and consumers. We hold our leaders accountable for creating a culture of trust and respect in which all employees feel empowered and respected in an environment that values different perspectives.

In 2022, we made important progress on our representation goals by increasing our female representation at the Director level and above to 31% from a 26% baseline. We also increased our people of color representation at the Director level and above to 18% from a 17% baseline. We remain committed to our glidepaths to attain our 2025 representation goals through our continued efforts in recruitment, training and engagement.



- DIVERSITY
- INCLUSION
- DRIVING CHANGE

KDP'S 2022 KEY D&I INITIATIVES

Focused and Targeted Hiring Efforts

We strategically focused our hiring efforts on key focus areas of females in frontline roles and females and people of color in Director and above roles. We targeted our recruitment-related advertising spending, attended a range of job fairs targeted at different demographics, and revised our frontline job descriptions and job screening questions to advance our efforts²⁶.

In addition, we provided a variety of D&I training courses to our talent acquisition team equipping them to source candidates from diverse backgrounds and to help produce diverse slates of top talent. Courses included Sourcing for Diversity, Unlocking Talent from the Military and LGBTQ+ Inclusion in the Workplace.

Employee Development and Engagement

More than 5,000 KDP leaders and team members completed a training program designed to help people understand the importance of D&I, the impact of exclusion and how to foster an inclusive culture and psychological safety within teams. All new KDP employees now complete this program and we offer ongoing opportunities for all interested employees.

As a testament to our progress, our 2022 Employee Engagement Survey responses showed us that 87% of employees feel KDP has a work environment that is open to individual differences.



EMPLOYEE RESOURCE GROUPS

More than 5,400 KDP employees are members of one or more of our eight ERGs that help build connection and community. In 2022, these groups hosted more than 125 events and activities focused on the "4Cs":

CULTURE

Each ERG organizes a month of cultural awareness programming for their coworkers.

CAREER

ERGs provide development opportunities for their members through career advancement and mentoring programs.

COMMUNITY

Our impact in communities is amplified by ERG member volunteerism, sponsorship and fundraising.

COMPANY

ERGs contribute to our product pipeline with new ideas, strategies and innovations.



KDP's 2022 ERG Activity Snapshot



CONTRIBUTING TO OUR BEVERAGE PIPELINE

Our Hispanic & Allies ERG hosted the second entrepreneurial competition akin to the popular network TV program "Shark Tank." The event included a company-wide call for new ideas that would address the gap in the marketplace for products and merchandise for the Hispanic consumer. More than 40 ideas were submitted during Hispanic Heritage month and the top ten were presented to a six-person panel, which ultimately narrowed the field to include new K-Cup pod flavors steeped in Latino culture. The Café de Olla K-Cup pod, a traditional Mexican spiced coffee with cinnamon and raw dark sugars, will launch in 2023 with our partner McCafé.



TEAMING UP TO PROMOTE AWARENESS AND INTERSECTIONALITY

Our LGBTQ+ & Allies ERG and African American & Allies ERG worked together on an event that appealed to members of both groups during Pride Month and in celebration of Juneteenth. The two ERGs hosted a guest speaker to deliver a keynote presentation focused on how Juneteenth has helped empower and encourage a better understanding of LGBTQ+ history, community and family acceptance.



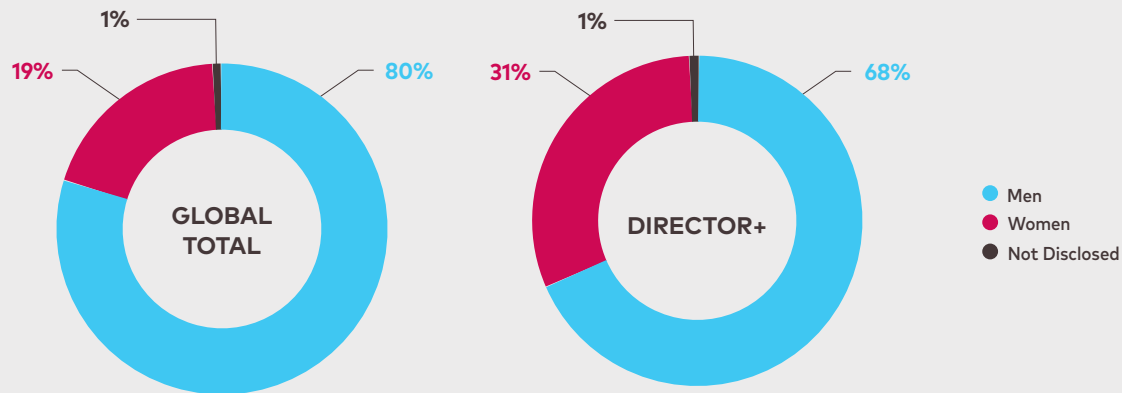
REWARDING OUR FRONTLINE HEROES & FIRST RESPONDERS

To celebrate Everyday Heroes Month in November, our Veterans & First Responders & Allies ERG asked its members to nominate an organization in their community, such as a local fire department or VFW, that is focused on first responders or veterans. In recognition for the important and positive work veterans and first responders do within the communities in which KDP operates, the first 75 approved nominees were selected to receive a K-Duo Plus brewer and starter K-Cup pod kit. The ERG member who nominated the local organization hand delivered the brewer, shared our appreciation and helped to energize the everyday heroes in their hometown.

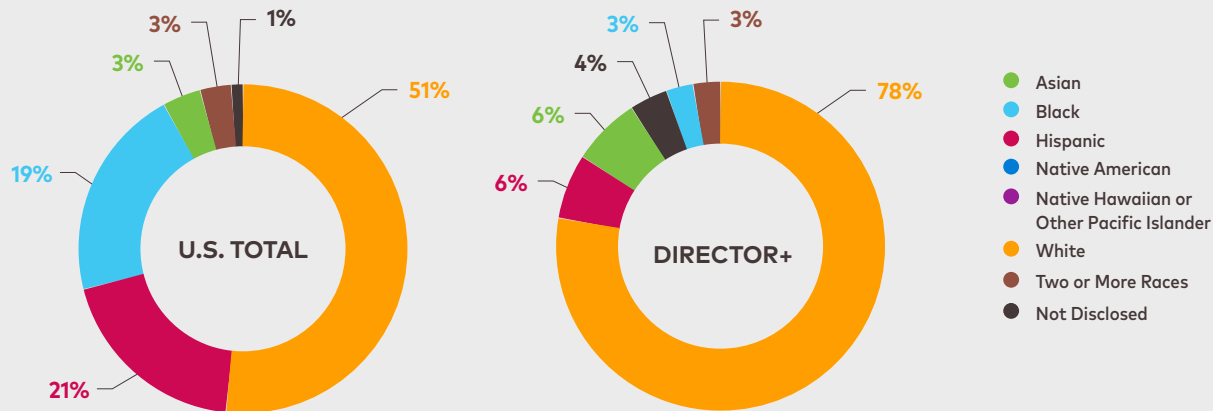
WORKFORCE DEMOGRAPHICS

A snapshot of KDP employee demographics as of December 31, 2022. We have also made available our [EEO-1 Report](#). Read more in the [Data Summary](#) of this report.

Global Gender Demographics



U.S. Racial/Ethnicity Demographics*



*% of U.S. Racial/Ethnicity Demographics may not sum due to rounding.

Pay Equity

At KDP, we are committed to fair and equitable pay and we recently worked with an independent third party to conduct a global pay equity review. As a result of this analysis performed in 2022, we confirmed that across similar job functions we pay consistently with no statistically significant difference regardless of gender in all of our locations. We will extend this work in the near future to include an analysis of pay equity in the U.S. for people of color.

Supplier Diversity

We recognize that we have an opportunity to support the growth and development of diverse suppliers and underrepresented businesses. This includes working with suppliers identified as owned by minorities, women, veterans, disabled and members of the LGBTQ+ community. Over the past year, we embedded a commitment to supplier diversity within our corporate Purchasing Policy and continued to build capabilities within our procurement function focused on expanding relationships with current diverse suppliers and bringing new diverse suppliers into our roster. Since our merger in July 2018, we have spent almost \$1B with diverse, Tier 1 suppliers.

WORKPLACE HEALTH & SAFETY

Our employees' safety and well-being are top priorities and a shared responsibility across KDP. We reinforce workplace safety through continuous improvement programs and investing in tools and technologies to enhance how we capture metrics, identify, report and solve health and safety issues.

Safety Training & Policies

Our employees receive a wide range of safety training, depending on their role and site location. Training programs include a review of safe practices at daily safety huddles, annual refresher courses, emergency response and specialized training, such as how to avoid musculoskeletal hazards. In 2022, we designed and implemented a new two-day EHS bootcamp for more than 40 frontline supervisors across 14 of our Supply Chain and DSD locations. The course was focused on teaching skills necessary to transition a local safety culture to one of commitment beyond compliance.

We continually review our library of safety policies and add procedures to ensure effective compliance. Policies added in 2022 include a hand-held device policy, which outlines restrictions around the use of mobile devices within our facilities and in truck cabs, and a safety shoe policy, which details appropriate protective footwear for all persons when working in areas with potential hazards.

Read more in [Appendix: Data Summary](#) ►

Operational Upgrades & Emergency Preparedness

Throughout 2022, we continued to add physical barriers and gates throughout our manufacturing and distribution facilities to clearly differentiate employee walkways from powered industrial truck travelways. In addition, we completed assessments across our loading door docks and rolled out a plan to improve the safety of dock workers by standardizing the use of vehicle restraints at our manufacturing and distribution facilities. In Canada, the Montreal plant increased our capabilities for confined space work by upgrading our local protocols, adding evacuation equipment and providing hands-on practical training.

All KDP facilities have an Emergency Response Plan that addresses emergency scenarios such as a natural disaster or an interruption in business operations. Our inspection, training and drill protocols ensure our plans remain up-to-date and accurate. In addition to the ongoing implementation of our new Workplace Violence Policy and active assailant awareness training program, in 2022, we updated our civil unrest protocol with new safety and security escalation for the people and facilities within our network.

REMAINING NIMBLE EMERGING FROM COVID-19

Throughout 2022, we navigated a new phase of the pandemic-management landscape. Our EHS team continually adjusted our on-site safety protocols for operations and offices, including masking and social-distancing policies, to align our requirements to updated regulatory guidelines and the broader environment. The return of more than 5,000 employees to our corporate offices via a hybrid model, with employees returning to the office at least three days a week, resulted in new disinfection and building ventilation procedures, in addition to multi-faceted leader and employee communications and support mechanisms.



KDP Workplace Health & Safety Systems

Total Productive Maintenance Principles

Globally recognized framework designed to improve manufacturing productivity by encouraging employees to share the responsibility of watching for developing hazards and preventing issues such as unplanned downtime, personnel errors and employee accidents.

Global Safety Tracking System

Method used to monitor safety metrics and trends throughout the enterprise to empower employees to be accountable for solving problems and taking corrective action as issues arise.

Occupational Safety and Health Administration (OSHA) Standards

OSHA's required safety procedures, laws and standards against which KDP is measured and assessed for compliance.

COMMUNITY ENGAGEMENT

Following the significant events of a global pandemic, civil unrest, increased frequency of natural disasters and food insecurity issues, we conducted a strategic review of our community engagement and programming. Throughout 2022, we used those findings to develop a new enterprise community impact partnership, refocus our disaster relief efforts and launch a revised employee giving and volunteerism program.

New Corporate Partnership

In early 2023, we announced a multi-year partnership with the Red Cross, the largest humanitarian network in the world, initially providing support to families and communities in need across the U.S. and Canada. Over the next three years, KDP will provide financial support to the American Red Cross and Canadian Red Cross totaling \$1.5 million. In addition, we will offer in-kind product donations and empower our employees and customers to support positive local impact and community resilience through efforts such as volunteerism, blood drives in the U.S., food drives in Canada and emergency relief efforts.



KDP'S 2022 COMMUNITY IMPACT SNAPSHOT

Disaster Relief

KDP provides critical hydration to individuals and families impacted by disasters such as wildfires, flooding and hurricanes. We operate through two key partners, Good360 and Operation Blessing, by stocking their warehouses with water and other hydrating beverages throughout the year so they are ready to respond at a moment's notice.



Engage for Good



KDP's employee match and volunteer program raises donations for nonprofit organizations. Employees are allotted eight hours per year of paid time off to volunteer in their communities. Responding to employee feedback, the program was expanded and is now offered year-round to employees across all KDP operating countries, including U.S., Canada, Mexico, Ireland, Switzerland, China, Hong Kong, Malaysia and Singapore.

Employee Relief Fund

This registered nonprofit is funded by employee donations and provides financial assistance to KDP employees and their family members who experience a disaster or emergency hardship. KDP also matches employee donations through our Engage for Good campaign.



Dr Pepper Tuition Giveaway



Since 1990, Dr Pepper has awarded more than \$17.6M in tuition assistance to deserving students through its various programs, including at the annual football throwing competition during halftime at five marquee NCAA conference championship games.

Atypique & Operation Red Nose

KDP Canada provided 25,000 cans of Atypique ready-to-drink non-alcoholic cocktails to support and brighten up the volunteer drivers of Québec's Operation Red Nose, a program that offers a safe ride service to residents during the holiday season to promote road safety.



Peñafiel Pink Campaign of Breast Cancer Awareness

In Mexico, Peñafiel brand partners with the COI Foundation to create awareness and support for breast cancer patients during October's Breast Cancer Awareness month. \$100,000 MXN was raised to help provide access to treatment, increase timely detection and improve quality of life for patients.



ONGOING CHALLENGES

- Competing for highly sought-after talent while navigating consistent employee turnover, particularly in frontline roles
- Adjusting to post-COVID-19 culture and engagement impacts in our workplace and communities
- Navigating company responses and supporting employee viewpoints on ever-evolving social movements
- Supporting community resilience given the higher frequency and more severe disasters brought on by climate change



FUTURE OPPORTUNITIES

- Implementing an Employer of Choice engagement program by utilizing enhanced tools, resources and data to help us attract, train and retain diverse talent
- Accelerating leadership development programs with mid-level and senior leaders for both frontline and non-frontline roles
- Scaling our new enterprise community impact partnership with the Red Cross through activations in new geographies

COLLECTIVE ACTION FOR PEOPLE & COMMUNITIES IMPACT

We partner with and donate to many organizations to help and build resilience in the communities in which we operate.



BOYS & GIRLS CLUBS OF AMERICA





Governance

We have strong governance structures in place to foster a culture built on integrity, transparency and responsibility.

Strategy



Ethical Business Practices



ESG Materiality & Stakeholder Engagement



Strategy

Our governance practices and transparent oversight help us to build trust inside and outside the Company and to consistently act with integrity.

MANAGEMENT APPROACH

The KDP Board of Directors oversees KDP's ESG strategy and goals, as outlined in our [Corporate Governance Principles](#). In this role, the Board approves our commitments and monitors progress in topics including climate, water, circular economy, health and well-being, sustainable practices within our supply chain, human rights and diversity and inclusion. While the full Board is responsible for oversight of KDP's overall ESG strategy, a committee of the Board, along with KDP's Executive Leadership Team (ELT), Sustainability Governance Committee, Chief Sustainability Officer and cross-functional KDP teams that include leaders from all areas of the business, provide specific management, advisory, accountability and collaboration capabilities in support of ESG efforts.

Read more in [Environment: Management Approach](#) ▶

Read more in [Supply Chain: Management Approach](#) ▶

Read more in [Health & Well-Being: Management Approach](#) ▶

Read more in [People & Communities: Management Approach](#) ▶

BOARD COMPOSITION

The diverse personal and professional backgrounds and experiences of our Board enhance its effectiveness and ability to provide broad perspectives and constructive feedback to management. When selecting and recruiting director candidates, the Board seeks experienced, qualified members with a diversity of backgrounds, including professional experience, education and international experience and perspectives, as well as characteristics such as age, gender, race and national origin.

More information on our Board is available on our [website](#) and in our [2023 Proxy Statement](#).

As of this report publication, the composition of the Board is as follows:



64%
are "independent" under
Nasdaq listing rules
7 OUT OF 11



36%
are women
4 OUT OF 11



18%
are racially or
ethnically diverse
2 OUT OF 11

ESG OVERSIGHT

Board of Directors

Provides primary board-level oversight of strategy, goals and policies.

Remuneration and Nomination Committee

Assists the Board with oversight of human capital management strategy and corporate governance.

Executive Leadership Team

Ensures alignment of our corporate responsibility platform and programs with our long-term business objectives, provides advisory support on programs and monitors progress.

Sustainability Governance Committee

Provides cross-functional decision-making and alignment with business strategy, oversees progress against commitments and reviews and monitors the preparation of our Corporate Responsibility Report and other key ESG disclosures, comprised of select ELT members and other key leaders.

Chief Sustainability Officer in Collaboration with Cross-Functional Teams

Establishes robust ESG agenda and strategic priorities throughout the organization, identifies and addresses challenges, enhances disclosure and monitors emerging trends.



ETHICAL BUSINESS PRACTICES

Corporate Policies & Compliance

Our suite of policies and programs outline the expectations we have of our Company, employees and suppliers to act in a professional, ethical and legal manner. KDP's **Corporate Code of Conduct** is an extension of our values and provides the guideposts for employees and directors in making the right decisions about how we work and what we do. Our policies cover topics including anti-bribery, anti-competitive behavior, insider trading and disclosure, in addition to the statements and policies covered in other sections in this report. KDP employees are required to hold themselves and each other accountable to all policies and the law. Our 24/7 "Speaking Up" hotline, managed by an independent third party, offers a way for employees to anonymously report any potential violations or concerns.

In 2022, we introduced an enhanced enterprise-wide annual compliance training program with curriculum tailored to specific roles and employee populations. The program update allows teams to predict, prioritize and plan for dedicated training time once a year and participate through an engaging and modernized learner experience, with courses available in multiple languages and on any device.

Human Rights

We recognize our responsibility to conduct business in a manner that respects the human rights and dignity of all people and communities impacted by our operations and business activities. Our commitment to human rights is embedded across a range of policies, including our **Corporate Code of Conduct**, **Supplier Code of Conduct**, **Conflict Minerals Policy** and **Modern Slavery Statement**, and is further specified in our new **Human Rights Position Statement**. The Statement is guided by internationally recognized standards, including the International Bill of Human Rights, the United Nations Guiding Principles on Business and Human Rights and the OECD's Guidelines for Multinational Enterprises. The standards in the Statement cover topics including discrimination and humane treatment, freedom of association and collective bargaining, child labor, and working hours, wages and benefits, among others.

Our engagement on human rights is further informed by our participation in a number of international

initiatives focused on sustainability and human rights, including the United Nations Global Compact, Business for Inclusive Growth (B4IG), the RBA, Fairtrade International, Fairtrade USA, the Rainforest Alliance and 4C.

Advocacy & Public Policy

We recognize that individual company action often needs to be supported by constructive policy solutions. In order to accelerate our collective progress, KDP participates in the public policy-making process in support of a variety of our ESG initiatives. These policy issues include, but are not limited to, restoring resources for a more circular economy, supporting sustainable global agricultural supply chains, reinforcing responsible marketing and labeling and ensuring product quality and food safety.

KDP's advocacy efforts include direct engagement with public officials as well as participation in trade associations, coalitions and stakeholder meetings. Given the diversity of interests of those groups, the positions they take do not always align with our Company's views. However, we understand and appreciate the value of the collaborative process and strive to maintain a strong voice in shaping policy agendas that are critical to our corporate responsibility strategy. We annually publish a report which details our trade association memberships and associated, as well as our and support contributions. We also adhere to all local, state and federal lobbying laws requiring registration and reporting of our direct engagement and associated membership. A link to this information is provided on our [website](#).

In the U.S., the Company administers the Keurig Dr Pepper PAC, a political action committee registered with the Federal Election Commission (FEC). The KDP PAC is funded solely through voluntary contributions from eligible employees and we have not held a fundraising campaign since 2018. All PAC contributions are bipartisan and given to federal and state candidates, where permissible by law, without regard to political party affiliation. Corporate funds are not contributed to the PAC, and the receipts and disbursements of the PAC are reported and available, as required, at the [FEC's website](#).

Data Privacy & Cybersecurity

At KDP, we are committed to protecting the personal information entrusted to us by our consumers, customers, employees and business partners. In accordance with applicable privacy and security laws and in alignment with the National Institute of Standards Framework, KDP's Privacy and Cybersecurity Programs implement and maintain a range of policies, processes and technical safeguards designed to protect our systems and preserve the confidentiality and integrity of personal information in our care.

Data Privacy: KDP's Privacy Program works to ensure that the collection, use and sharing of personal information is done in compliance with applicable privacy laws and as reflected in our privacy policies. We allow consumers to exercise their privacy rights, including limiting the access of or opting out of the sale or sharing of personal information, via our

privacy portal and company and brand websites. Our dedicated privacy compliance team, reporting to the Chief Legal Officer, is responsible for identifying and managing privacy risks, and, in partnership with our Cybersecurity team, implements and maintains policies, processes and procedures to keep pace with the current requirements of privacy regulations. At KDP, privacy is part of everyone's job. We invest in our team members and support certifications, including the International Association of Privacy Professionals, the largest global network of information privacy experts. In addition, employees with roles directly impacted by applicable privacy regulations also receive targeted role-specific privacy training to ensure compliance with applicable privacy laws.

Cybersecurity: KDP recognizes and embraces the responsibility we have to ensure the reliability, safety and security of our products and infrastructure. Our

security policies and standards inform employees on their responsibilities to protect customer and employee information and detail our information security program, which is focused on protecting the confidentiality, integrity and availability of KDP's infrastructure, resources and information. Our security processes include systems upgrades, vulnerability testing and monitoring. We proactively monitor and respond to risks, while identifying ways to constantly improve our information security preparedness, including annual and ongoing privacy and cybersecurity education and training programs for our employees. These trainings ensure that we remain vigilant in the face of various emerging threats that exist and informed about how to reduce the risk of cyberattacks or other security incidents.



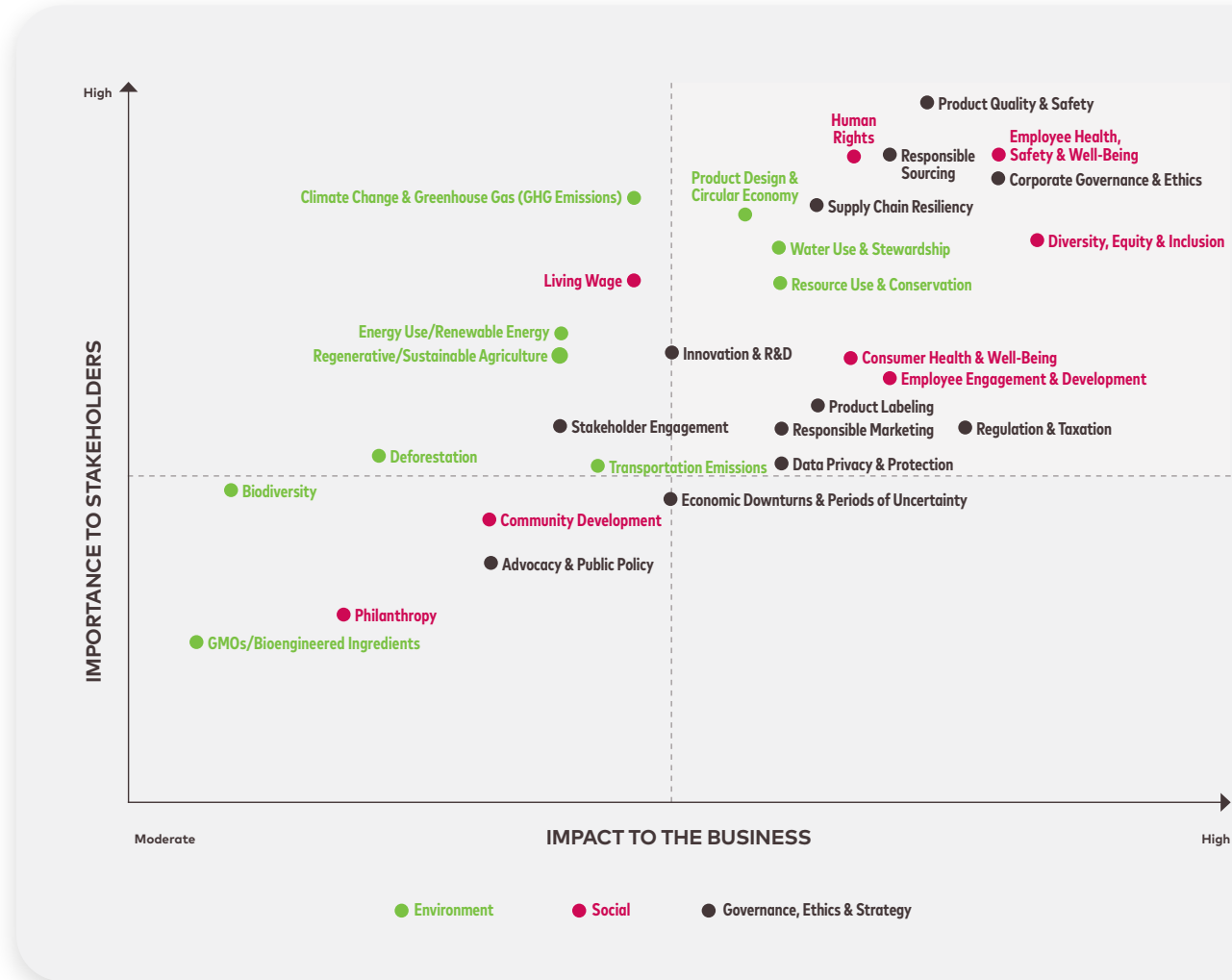
ESG MATERIALITY & STAKEHOLDER ENGAGEMENT

We understand the importance of focusing our efforts on the ESG topics in which we can have the greatest impact. Our most recent formal ESG materiality analysis took place in 2021, which included an evaluation of emerging trends and internal and external stakeholder input. The outcome of this process was our materiality matrix, which outlines a total of 30 non-financial issues ranked in relation to most important to stakeholders and most impactful to the business. We have maintained an up-to-date understanding of our material ESG issues through ongoing dialogue and engagement with key stakeholders as well as continuous monitoring of evolving sustainability issues and macroeconomic events globally.

The top-ranking issues identified in our matrix remain aligned with our *Drink Well. Do Good.* agenda and will continue to play a prominent role in our corporate responsibility strategy and related programs and policies. In addition, we have aligned our corporate responsibility platform with the seven UN Sustainable Development Goals most relevant to our business.

The definition of materiality with respect to ESG issues in this report is different than the definition of materiality in the context of our filings with the U.S. Securities and Exchange Commission (SEC). The identification of material issues that guide our corporate responsibility strategy should not be construed as a characterization regarding the materiality or financial impact of such issues or related information to investors in KDP. A discussion of the risks that are material to investors in KDP can be found in our Annual Report on Form 10-K for the year ended December 31, 2022, filed with the SEC, our subsequent Quarterly Reports on Form 10-Q and our Current Reports on Form 8-K.

Read more in [Appendix](#) ▶



The United Nations Sustainable Development Goals

The UN SDGs were developed to address the global challenges facing our current world and represent the transformative power of collective action. We have aligned our corporate responsibility strategy with the seven UN SDGs most relevant to our business.





Stakeholder Engagement

Through formal and informal methods and within every level of the organization, we engage with our suppliers, partners, customers, regulatory agencies, NGOs, consumers, employees, investors and others. This collaboration fosters trust, elevates our performance, helps us to identify emerging trends and allows us to find solutions to shared challenges.



Employees

- Intranet
- Employee communications website and app
- Online collaboration tools: Workplace and KDP wellness platforms
- Weekly newsletters, executive communications and team information cascades
- Quarterly Town Hall meetings
- Monthly VP+ meetings
- Employee engagement surveys
- Employee Resource Groups



Suppliers

- Individual and broad-based communications
- Supplier trainings, assessments and remediation processes
- Social impact investment through NGOs



Consumers

- Marketing and advertising campaigns
- Consumer Care hotlines
- Brand social media channels and websites
- Influencer engagement
- Sponsorships, sweepstakes and giveaways



Customers

- Individual and broad-based communications
- Industry conferences/trade shows
- Direct engagement
- In-store promotions



NGOs

- Corporate and organizational memberships
- Direct engagement
- Collective action coalitions



Investors

- Quarterly earnings reports, including conference calls and SEC filings
- Financial conferences, investor events and meetings, with involvement from management
- Financial publications and other filings, including Annual Report and Proxy Statement
- Company website



Regulators/Policy Makers

- Direct engagement
- Industry trade associations
- Policy coalitions
- KDP U.S. Political Action Committee



Communities

- Employee volunteering and financial giving
- Partnerships with local and national NGOs

About this Report

This progress report focuses on the goals, programs and initiatives that encompass our key corporate responsibility efforts for 2022. Unless otherwise noted, this report covers data and activities for calendar year 2022 from KDP's wholly owned operations, which are primarily located in the U.S., Canada and Mexico. The content covers the parts of our business in which we have operational control and does not include joint ventures, entities in which we hold a minority interest or franchised or outsourced operations, except where noted. Selected data and information on our global supply chain activities are also included.

This report was created with reference to the [Global Reporting Initiative \(GRI\) Index](#) and is in alignment with the [Sustainable Accounting Standards Board \(SASB\) Standards](#) and the [Task Force on Climate-Related Financial Disclosures \(TCFD\)](#).

For 2022, we have obtained limited third-party assurance of certain sustainability performance metrics by ERM Certification and Verification Services (ERM CVS). The assured data points are flagged in the [Data Summary](#) and [SASB Standards](#), located in the [Appendix](#) of this report. The [ERM CVS Independent Assurance Statement](#) can also be viewed on our [website](#).

KDP welcomes questions about, and feedback on, our corporate responsibility work and invites anyone to contact us as sustainability@kdp.com.

Read more in [Appendix](#) ▶

FORWARD-LOOKING STATEMENTS

Certain statements contained herein are "forward-looking statements" within the meaning of applicable securities laws and regulations. These forward-looking statements can generally be identified by the use of words such as "outlook," "guidance," "anticipate," "expect," "believe," "could," "estimate," "feel," "forecast," "intend," "may," "plan," "potential," "project," "should," "target," "will," "would" and similar words. Forward-looking statements by their nature address matters that are, to different degrees, uncertain. These statements are based on the current expectations of our management, are not predictions of actual performance, and actual results may differ materially. Forward-looking statements are subject to a number of risks and uncertainties, including the factors disclosed in our Annual Report on Form 10-K and subsequent filings with the SEC. We are under no obligation to update, modify or withdraw any forward-looking statements, except as required by applicable law.



Endnotes

1. Retail sales 52 weeks: NPD \$ 12/31/22 (U.S. and Canada brewers); IRI MULO+C \$ 01-01-23 (U.S. beverages); Nielsen \$ 12/31/22 (Canada and Mexico beverages).
 2. SBTi 2025 scenarios were aligned to the Paris Agreement climate change goal of limiting global warming to well below 2°C above pre-industrial levels. In 2021, SBTi scenarios were adjusted for companies to be aligned to a 1.5°C pathway by 2030 and Net Zero by 2050 (90% reduction across all Scope 1, 2 and 3 emissions, with all remaining value chain emissions neutralized by purchases of carbon removal offsets). Our planned actions in 2023 will allow KDP to explore revising our goals, as appropriate, no later than 2024, prior to the expiration of existing SBTs in 2025.
 3. In 2022, the SBTi launched a new methodology for the forest, land and agriculture sector. The **SBTi FLAG Guidance** is a standard for companies in land-intensive sectors to set SBTs that include land-based emissions, reductions and removals.
 4. In 2023, the GHG Protocol will publish its **Land Sector and Removals Guidance** to explain how companies should account for and report GHG emissions and removals from land management, land use change, biogenic products, carbon dioxide removal technologies and related GHG inventories.
 5. Net Positive Water Impact is defined as contributing more to basin health than what is taken from it, per the Water Resilience Coalition (**Global Business Leaders Unite for Water Resilience**).
 6. Excluding lid and cap.
 7. On January 6, 2022, Keurig Canada Inc. entered into a Consent Agreement with The Commissioner of Competition in Canada settling an inquiry related to Keurig's representation around recyclability of its K-Cup pods. The Consent Agreement resulted in Keurig enhancing its communications, reminding consumers to verify whether K-Cup pods are accepted in their municipality's recycling program and, if so, follow any additional steps that may be necessary to prepare the pods for recycling. Additionally, Keurig paid an administrative monetary penalty of CA\$3M and a donation to an environmental charity. The Consent Agreement carries a Term of five years.
 8. According to **The Recycling Partnership**, the U.S. recycling system is not a unified or governmental entity, but rather a network of more than 9,000 separate local recycling programs. Each individual program has specific parameters for which materials can be recycled, and municipalities collect recyclables in different ways.
 9. **America's Leading Beverage Companies Highlight Nationwide Effort to Improve Recycling Infrastructure During 'America Recycles Week'**, American Beverage Association, November 2021.
 10. **Rethinking Plastic Packaging Recycling Solutions Towards Increased Circularity in Québec and Canada**, Circular Plastics Taskforce, September 2021.
 11. Largest buyer status designated by Fair Trade USA and based on purchases for both KDP and KDP-owned and partner brands.
 12. KDP uses two data sources to determine a supplier's risk: Elevate's EiQ data and the Responsible Business Alliance's Risk Self-Assessment Questionnaire (RSAQ). Elevate's EiQ system provides risk data for the country and region that our suppliers operate and the RSAQ determines the strength of a supplier's social and environmental management systems. Based on these sources, KDP ranks suppliers as Low, Medium or High risk.
 13. We accept audit reports from the Responsible Business Alliance (RBA), Sedex Member Ethical Audits (SMETA), Social Accountability International (SAI) SA8000 and the Business Social Compliance Initiative (BSCI).
 14. In 2022, 61% of our AJC supplier facilities were located in high-risk countries. These suppliers represented 71% of our total volume of AJC.
 15. Priority findings refer to high-severity audit findings which must be contained within a standard set of time defined by the RBA.
 16. KDP is a founding partner of WCR, an organization that celebrated its 10-year anniversary in 2022. KDP supports WCR by investing in research that aims to preserve coffee origin diversity that is being threatened by climate change.
 17. Includes all owned, licensed and partner beverage brands, excludes private label.
 18. U.S. Food and Drug Administration definition of "low calorie", Code of Federal Regulations, Title 21.
 19. European Commission: "A food product that together with its basic nutritional impact has a beneficial effect on one or more functions of the human organism either improving the general physical conditions or/and decreasing the risk of the evolution of disease." Orrù S, et al. *Nutrients*. 2018.
 20. **Drewnowski A, et.al. Nutr Rev. 2019; Dietary Guidelines for Americans, 2020-2025.**
 21. Per 8 fluid oz.
 22. **2021 National BCI Progress Report**, American Beverage Association's Balance Calories Initiative, March 2, 2023.
 23. **Finding Balance**, The Conference Board of Canada; Canadian Beverage Association's Balance Calories Initiative, December 11, 2020.
 24. Effective January 1, 2023, compliance with the CFBAI's advertising standards is to not engage in advertising primarily directed to children under 13 or to advertise only products that meet CFBAI's strict nutrition criteria for this age group.
 25. 100% of our U.S. salaried employees receive an annual performance review. Our hourly workforce receives on-going feedback and coaching throughout the year.
 26. Focused on key roles for female frontline employees, such as machine operator, production technician, account manager and merchandiser.
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- Photo Credits: Lucia Bawot (page 2: Table of Contents; page 26: Public Policy Support; page 27: Farmer Impact Sourcing Groups, Farmworker Prosperity Program); the Rainforest Alliance (page 3; Cocoa).
- All amounts expressed in U.S. dollars unless otherwise noted.
- All brands owned by their respective trademark owners. All rights reserved.

APPENDIX

Data Summary

For detail on methodologies and boundaries for the goals that these data support, see our [Goal Methodology](#).

Year ended December 31

	2018	2019	2020	2021	2022
Greenhouse Gas Emissions & Energy					
SCOPE 1: Direct Emissions (MTCO₂e)*	273,576 [†]	268,712 [†]	289,755 [†]	294,455 [†]	298,188 [†]
Stationary	116,495 [†]	128,958 [†]	116,081 [†]	116,495 [†]	134,628 [†]
Mobile	157,081 [†]	152,631 [†]	160,797 [†]	162,642 [†]	162,435 [†]
SCOPE 2: Indirect Emissions, Purchased Energy (MTCO₂e)*					
Market-based	137,560 [†]	97,345 [†]	93,280 [†]	81,091 [†]	57,680 [†]
Location-based	166,484 [†]	162,746 [†]	165,076 [†]	167,493 [†]	168,450 [†]
SCOPE 3: Indirect Emissions, Value Chain (MTCO₂e)*	8,809,224	8,844,933	8,455,045	10,039,170 [§]	10,872,567
Category Breakdown:					
Purchased Goods and Services	3,963,399	4,048,579	3,245,733	4,762,340	5,511,255
Capital Goods	35,627	34,831	45,134	53,177	51,757
Fuel-and-energy-related Activities (not included in Scope 1 or 2)	97,291	93,618	97,180	88,351	83,121
Upstream Transportation and Distribution**	481,603	476,052	455,091	432,347	488,178
Waste Generated in Operations	797	6,120	7,365	7,323	9,536
Business Travel	8,324 [†]	9,335	4,243	2,616	1,337
Employee Commuting	52,644	53,681	50,833 [†]	52,268 [†]	49,103 [†]
Downstream Transportation and Distribution	1,007,135	960,902	1,073,631	1,106,642	1,115,535
Processing of Sold Products	2,632,469	2,648,284	2,726,216	2,856,423	2,876,039
Use of Sold Products	390,703	381,773	664,521	559,947	529,557
End-of-life Treatment of Sold Products	138,531	131,058	85,058	117,735	157,149
Downstream Leased Assets	700	700	0	0	0
Total Energy Use (MWh)	1,637,400	1,687,239 [†]	1,812,598 [†]	1,895,189 [†]	1,924,265 [†]
Total Direct Energy Usage (MWh)	1,211,103	1,248,290 [†]	1,352,299 [†]	1,398,647 [†]	1,398,100 [†]
Total Purchased Electricity Use (MWh)	426,297	438,949 [†]	460,299 [†]	496,542 [†]	526,165 [†]
% Grid Electricity	N/A	N/A	100%	100%	100%

Key: N/A = disclosures are not applicable; N/R = disclosures are not reported

	2018	2019	2020	2021	2022
Greenhouse Gas Emissions & Energy cont.					
% Renewable Electricity***	28%	47%	50%*	62%*	74%*
Fleet Fuel Management (Total Fuel Consumed) (Gigajoules)	N/R	N/R	2,325,866	2,312,032	2,316,494
Fleet Fuel Management (% Renewable)	0%	0%	0%	0%	0%

*Third-party data assurance completed by Trucost.

*Third-party data assurance completed by ERM CVS with limited assurance. The statement is available on our [website](#).

§Updated from the prior year.

*Scope 1, 2, and 3 emissions are accounted for in accordance with the GHG Protocol. We use the most current emission factors in our inventory each year and site- and supplier-specific factors where available. Scope 1 emissions are calculated with U.S. EPA Emission Factors for Greenhouse Gas Inventories. Scope 2 emissions are calculated following both the location-based and the market-based methodologies as defined in the GHG Protocol. Location-based factors are taken from the eGRID and International Energy Agency (IEA) datasets for U.S. and international sites, respectively; market-based factors are taken from supplier-specific utility factors (for larger sites), Green-e (U.S.), AIB (Europe) and IEA. The latest datasets available at time of publication are used.

**We have updated our methodology to reflect well-to-tank impacts and include CH4 and N2O. This resulted in a revision to prior year estimates for this category, and therefore Scope 3 totals as well.

***Renewable electricity in 2020, 2021 and 2022 was sourced through a mix of Green-e certified REC products. Our Ireland site is supplied with 100% wind electricity by the local utility.

Water					
Total Withdrawal (Million Liters)	13,112	12,653*	13,166*	13,355*	13,716*
% Withdrawal, Municipal	74%	74%*	75%*	79%*	78%*
% Withdrawal, Groundwater	26%	26%*	25%*	21%*	22%*
Total Consumption (Million Liters)	7,259	7,290*	7,407*	7,463*	7,326*
% Consumed in high baseline water stress areas	38%	38%	37%	38%§	59%
Total Discharge (Million Liters)	5,848	5,363*	5,759*	5,893*	6,390*
% Discharge to Municipal	68%	66%*	66%*	66%*	62%*
% Discharge to Waterbody	32%	34%	34%	34%	38%*
Water Use Ratio (L/L)* (Liters of Water Required to Make One Liter of Product)	1.95	1.88	1.82*	1.82*	1.82*
Water Replenished in Highest Water-Risk Areas (Million Liters per Year) **	N/R	97	725	1,817	2,084*
Water Replenished in Highest Water-Risk Areas (% Replenished)***	N/R	3%	20%	49%	55%

*Third-party data assurance completed by ERM CVS with limited assurance. The statement is available on our [website](#).

§Updated from the prior year.

*The Water Use Ratio is calculated based on water withdrawals and production volumes, for cold beverage sites only.

**Based on WRI's Aqueduct Water Risk Atlas v3.0 (2019) locations with High or Extremely High baseline water stress, aligned with SASB metric. Prior years used v2.1 of Aqueduct and additional indicators. Total water capacity "replenished" or otherwise restored, protected, conserved in nature through our water stewardship partner projects.

***Based on WRI's Aqueduct Water Risk Atlas v3.0 (2019) locations with High or Extremely High baseline water stress, aligned with SASB metric. Prior years used v2.1 of Aqueduct and additional indicators. Progress as the volume of water capacity replenished vs. the volume of water consumed by in-scope locations within the same year.

	2018	2019	2020	2021	2022
All Packaging*					
% Packaging Recyclable or Compostable	86%	87%	90%	92%	90%
% PCR across Total Packaging Portfolio	20%	20%	22%	24%	24%
Plastic Packaging					
% Plastic Packaging Recyclable or Compostable**	N/A	64%	74%	80%	77%
% Plastic Packaging Reusable or Refillable	N/A	0.10%	1%	0.20%	1.20%
% PCR across Total Plastic Packaging Portfolio	0.30%	0.40%	2%	11%	18%
% Virgin Plastic Reduction	N/A	N/A	1%	6%	11%
Total Plastic Packaging (Metric Tons)	208,000	230,000	230,000	243,000	246,588
Packaging Mix (% of Total Weight Procured)					
% Paper/Cardboard	28%	26%	26%	32%	34%
% PET Bottles	25%	23%	24%	27%	26%
% Aluminum and Steel	10%	11%	12%	14%	14%
% Non-Refillable Glass Bottles	24%	23%	22%	10%	10%
% Polypropylene	3%	6%	8%	8%	9%
% Other	1%	4%	4%	4%	5%
% Flexible Packaging and Plastic Film	2%	2%	3%	3%	3%
% Refillable Glass Bottles	2%	2%	1%	2%	0%
% Polystyrene and EPE	6%	4%	0.20%	0%	0%

*Data reported for 2019 and going forward includes most tertiary packaging and brewer packaging.

**Reported data reflects plastics that are designed for recycling systems in the geographies where KDP distributes product. The Ellen MacArthur Global Commitment definition of "recyclable" specifies that a package type be recycled at a 30% recycling rate across geographies of 400M or more inhabitants, which moves beyond the traditional definition of "recyclable". In 2019, 46% of KDP plastic packaging fit this definition. In 2020, 50% of KDP plastic packaging fit this definition. In 2021, 58% of KDP plastic packaging fit this definition. In 2022, 58% of KDP plastic packaging fit this definition.

Waste					
Total Waste Generated (Short Tons)	72,096	72,407	114,241	124,859	142,824
% Waste Diverted from Landfill	86%	88%	92%	92%	92%

	2018	2019	2020	2021	2022
Responsible Sourcing – Farm					
Coffee Fair Trade Community Development Premiums (Million USD)(Cumulative Since 2001)	N/R	96	107	116	129
% Coffee Responsibly Sourced*	31%	65%	100%	100%	100%
% Cocoa Responsibly Sourced**	N/A	N/A	N/A	100%	100%
Total Volume of Green Beans Received (Pounds)	N/R	N/R	N/R	278	294

*2020 was our final transition year, with 82% of our purchases of green coffee responsibly sourced through third-party certification or verification programs. By the end of 2020, all coffee contracted to be received going forward was 100% responsibly sourced. During 2021 and 2022, a small amount of coffee was received as conventional (0.38% and 0.36%, respectively) due to COVID-19 impacts, supplier error or shipping delays.

**2021 was our final transition year, 81% of our cocoa purchases responsibly sourced through third-party certification or verification sourcing programs. By the end of 2021, all cocoa contracted to be received going forward was 100% responsibly sourced.

Responsible Sourcing – KDP Supplier Rating System for Factories Summary*					
Tier 1 Brewer Suppliers					
Meets or Exceeds Expectations	N/A	N/A	N/A	N/A	90%
Below Expectations	N/A	N/A	N/A	N/A	10%
Not Yet Rated	N/A	N/A	N/A	N/A	0%
Tier 2 Brewer Suppliers					
Meets or Exceeds Expectations	N/A	N/A	N/A	N/A	38%
Below Expectations	N/A	N/A	N/A	N/A	13%
Not Yet Rated	N/A	N/A	N/A	N/A	49%
Apple Juice Concentrate Suppliers					
Meets or Exceeds Expectations	N/A	N/A	N/A	N/A	63%
Below Expectations	N/A	N/A	N/A	N/A	0%
Not Yet Rated	N/A	N/A	N/A	N/A	37%

*In 2022, we began to execute on an evolved responsible sourcing program with a uniform methodology and supplier rating system that enables us to align and expand our audit program across more of our supply base where the risk is focused in manufacturing factories.

	2018	2019	2020	2021	2022
Responsible Sourcing – Brewer Audit Summary*					
Total Number of KDP Managed Tier 1/Tier 2 Suppliers	N/A	N/A	N/A	N/A	46
Tier 1 Suppliers Risk Assessed	N/A	N/A	N/A	N/A	100%
Tier 2 Suppliers Risk Assessed	N/A	N/A	N/A	N/A	51%
Total Audits Conducted for Tier 1/Tier 2 Suppliers	N/A	N/A	N/A	N/A	33
Total Priority Findings Violations	N/A	N/A	N/A	N/A	14
Tier 1 Priority Findings	N/A	N/A	N/A	N/A	3
Tier 2 Priority Findings	N/A	N/A	N/A	N/A	11
Priority Findings Violations Closed	N/A	N/A	N/A	N/A	62%

*We met our responsible sourcing goal for brewers in 2021. In 2022, we adjusted our methodology for our Responsible Sourcing Brewer Program and will report on these metrics moving forward. Read more in Appendix: [Goal Methodology](#). See Historical Responsible Sourcing - Brewer Audit Summary table for 2018-2021 data.

Responsible Sourcing – Historical Brewer Audit Summary*					
Tier 1 Contract Manufacturers					
% Suppliers in Program Scope	N/A	100%	100%	100%	N/A
Number of Facility Audits Competed (Initial and Closure)	N/A	8	11	5	N/A
Average Initial Audit Score	N/A	142	109	145	N/A
Average Audit Score Post Closure Audit	N/A	176	188	152	N/A
% Findings Closed	N/A	50%	86%	N/A**	N/A
% Priority Findings Closed	N/A	N/A	N/A	33%	N/A
Tier 2 Component Suppliers					
Suppliers in Program Scope (%)	N/A	36%	36%	100%	N/A
Number of Facility Audits Competed (Initial and Closure)	N/A	28	19	16	N/A
Average Initial Audit Score	N/A	71	128	125	N/A
Average Audit Score Post Closure Audit	N/A	112	156	133	N/A
Priority Findings Closed (%)	N/A	36%	31%	25%	N/A

*We met our responsible sourcing goal for brewers in 2021. In 2022, we adjusted our methodology for our Responsible Sourcing Brewer Program and will report on these metrics moving forward. Read more in Appendix: [Goal Methodology](#). See Responsible Sourcing - Brewer Audit Summary table for 2022 data.

**In 2021, we decided to focus on closing Priority Findings in order to address the most pressing issues in our supply chain in a timely manner. Going forward we will report on the percentage of Priority Findings closed year-over-year instead of total percentage of findings closed.

Nature					
KDP Supported Regenerative Agriculture and Conservation (Acres)	N/A	N/A	N/A	N/A	11,296*

*Third-party data assurance completed by ERM CVS with limited assurance. The statement is available on our [website](#).

	2018	2019	2020	2021	2022
Livelihoods					
Investments Improving Livelihoods of Coffee Farmers (Million USD) (Cumulative through 2022, Since 2003)	\$60	\$63	\$64	\$71	\$72

Health & Well-Being					
% Products that Provide Positive Hydration*	N/A	N/A	54%	56%	57%*

*Third-party data assurance completed by ERM CVS with limited assurance. The statement is available on our [website](#).

*Includes partner brands and fountain, excludes private label. We define a positive hydration product as one that provides a serving of fruits or vegetables OR is 40 calories or less per serving with a functional attribute or at least 10% Daily Value of a nutrient to encourage.

Employee Engagement					
% Annual Survey Participation Rate	N/A	65%	81%	89%	87%
% Employee Engagement	N/A	60%	62%	71%	81%
% Total Employee New Hire Rate	N/A	N/R	32%	16%	15%
% Total Employee Turnover Rate	N/A	N/R	32%	41%	43%

Workplace Safety – Manufacturing*					
Lost Time Injury Rate	0.17	0.23	0.28	0.18	0.20
Total Fatalities (work-related)	0.00	0.00	0.00	0.00	0.00
Total Recordable Injury Rate	1.23	1.23	0.97	0.89	0.94

*Includes only owned and operated KDP facilities in the U.S., Mexico, Canada and Ireland; rates are calculated as frequency of injuries per 100 employees. 2020 and 2021 data revised due to incidents turning recordable or resulting in lost time after end of calendar year.

Workplace Safety – Direct Store Delivery*					
Lost Time Injury Rate	2.00	1.60	1.90	1.30	1.41
Total Recordable Injury Rate	9.70	8.20	6.70	5.20	6.27

*Includes only U.S. operations. Rates are calculated as frequency of injuries per 100 employees.

Diversity & Inclusion					
Female Representation in Director and Above Positions	N/A	N/A	26%	28%	31%*
% People of Color Representation in Director and Above Positions*	N/A	N/A	17%	17%	18%*

*Third-party data assurance completed by ERM CVS with limited assurance. The statement is available on our [website](#).

*Includes only U.S. employees

	TOTAL *	DIRECTOR+ PROFESSIONAL	OTHER PROFESSIONAL	HOURLY
2022 Global Employee Gender Demographics				
Total Global KDP	28,328	669	8,903	18,756
Female	5,506	207	2,427	2,872
Male	22,630	453	6,384	15,793
Not Disclosed	192	9	92	91

*Third-party data assurance completed by ERM CVS with limited assurance. The statement is available on our [website](#).

	TOTAL *	DIRECTOR+ PROFESSIONAL	OTHER PROFESSIONAL	HOURLY	
2022 U.S. Employee Racial/Ethnicity Demographics					
Total Global KDP	22,147	599	5,597	15,951	
White	Total	11,316	469	3,771	7,076
	Female	2,487	140	1,078	1,269
	Male	8,804	325	2,687	5,792
	Not Disclosed	25	4	6	15
Hispanic	Total	4,699	37	774	3,888
	Female	576	7	158	411
	Male	4,121	30	616	3,475
	Not Disclosed	2	0	0	2
Black	Total	4,278	18	562	3,698
	Female	810	9	160	641
	Male	3,461	9	399	3,053
	Not Disclosed	7	0	3	4
Asian	Total	746	36	281	429
	Female	251	17	122	112
	Male	494	19	158	317
	Not Disclosed	1	0	1	0
Two or More Races	Total	678	15	125	538
	Female	145	7	38	100
	Male	533	8	87	438
	Not Disclosed	0	0	0	0

*Third-party data assurance completed by ERM CVS with limited assurance. The statement is available on our [website](#).

2022 U.S. Employee Racial/Ethnicity Demographics cont.

		TOTAL *	DIRECTOR+ PROFESSIONAL	OTHER PROFESSIONAL	HOURLY
Native Hawaiian or Other Pacific Islander	Total	86	2	11	73
	Female	29	0	5	24
	Male	56	1	6	49
	Not Disclosed	1	1	0	0
Native American or Alaska Native	Total	63	1	6	56
	Female	13	0	2	11
	Male	50	1	4	45
	Not Disclosed	0	0	0	0
Not Disclosed	Total	281	21	67	193
	Female	67	5	25	37
	Male	192	14	35	134
	Not Disclosed	22	2	7	13

*Third-party data assurance completed by ERM CVS with limited assurance. The statement is available on our [website](#).

APPENDIX

Goal Methodology

GOAL	UNIT OF MEASURE	BASELINE (YEAR)	COMMITMENT MADE (YEAR)	TARGET COMPLETION (YEAR*)	BOUNDARIES	EXCLUSIONS	OTHER/COMMENTS
Engage bottlers and select suppliers representing 50% of Scope 3 emissions to set a science-based target by 2024	% of Scope 3 emissions covered by bottler and supplier SBTs	N/A	2019	2024	The suppliers and bottlers targeted cover the Scope 3 categories of purchased goods and services, downstream transportation and distribution, processing of sold products and the end-of-life treatment of sold products.	None	Validated by SBTi. For more information on our GHG emissions calculation methodology and boundaries please refer to our CDP Climate disclosure .
Obtain 100% of electricity from renewable sources by 2025	Renewable electricity purchases as % of total electricity purchases	N/A	2019	2025	All KDP owned and operated facilities' electricity consumption is included. Consumption is estimated for some small sites.	None	Validated by RE100.
Reduce Scope 1 and 2 emissions by 30% by 2030	MTCO ₂ e (metric tons carbon dioxide equivalents)	2018	2019	2030	The reductions targeted are against all KDP energy use from owned and operated assets and purchased electricity.	Refrigerant leaks from HVAC systems in facilities	Validated by SBTi. For more information on our GHG emissions calculation methodology and boundaries please refer to our CDP Climate disclosure .
Reduce Scope 3 emissions in select categories by 15% by 2030	MTCO ₂ e (metric tons carbon dioxide equivalents)	2018	2019	2030	The reductions targeted cover the Scope 3 categories of purchased goods and services (PET and glass packaging), fuel and energy-related activities, upstream transportation and distribution and the use of sold products.	None	Included categories account for approximately 20% of our Scope 3 emissions. Validated by SBTi. For more information on our GHG emissions calculation methodology and boundaries please refer to our CDP Climate disclosure .
Improve our water use efficiency by 20% by 2025	% improvement in water use ratio (water use ratio = water in final product divided by total water withdrawals and is measured as "Liters per Liters" or L/L)	2017	2019	2025	Cold beverage manufacturing sites	Excludes coffee production, applesauce production, third-party production and all other cold beverage facilities that were not fully operational in the reporting year.	Approach is aligned to Beverage Industry Environmental Roundtable definitions and approach.

GOAL	UNIT OF MEASURE	BASELINE (YEAR)	COMMITMENT MADE (YEAR)	TARGET COMPLETION (YEAR*)	BOUNDARIES	EXCLUSIONS	OTHER/COMMENTS
Partner with our highest water-risk operating communities to replenish 100% of water used in our beverages in those communities by 2030	% water replenished of volume used in products produced at highest water-risk sites	2014	2019	2030	Ten focus communities were determined by a water risk assessment that utilized the Ecolab Water Risk Monetizer and the World Resources Institute's Aqueduct Water Risk Atlas, and expert knowledge from LimnoTech. The locations are: Miami and Jacksonville, Florida; Houston and Irving, Texas; Sacramento, Vernon and Victorville, California; and Tecamac, Tehuacan and Tlajomulco, Mexico Water replenishment project water volumes are calculated on a yearly basis (ML/yr), based on the annual volume benefit they deliver.	None	In previous years, progress toward this goal was calculated as a percentage of the forecasted goal, not as a percentage of the reporting year's water consumption for sites in scope. Following the expansion of the goal boundary from six to 10 sites, as well as extending the target completion year to 2030, performance is now reported as volume replenished in the reporting year per volume of consumption in the reporting year. Duration of volumetric benefit varies and is based on project characteristics. Benefit duration is capped at 10 years. Validated by Limnotech.
Convert 100% of packaging to be recyclable or compostable by 2025	% of total packaging by weight	N/A	2019	2025	Primary, secondary, and tertiary packaging from KDP owned and operated food and beverage manufacturing facilities as well as packaging used for brewers and brewer accessories	Third-party bottlers' packaging material Plastic strapping, adhesives, tapes, wood pallets, brewers and brewer components	Ongoing projects to recycle coffee brewers are additional to this goal.
Use 30% post-consumer recycled content across our packaging portfolio by 2025	% of total packaging by weight	N/A	2019	2025	Primary, secondary, and tertiary packaging from KDP owned and operated food and beverage manufacturing facilities as well as packaging used for brewers and brewer accessories	Third-party bottlers' packaging material Plastic strapping, adhesives, tapes, wood pallets, brewers and brewer components	Ongoing projects to incorporate PCR in coffee brewers are additional to this goal.
Use 25% post-consumer recycled content in our plastic packaging by 2025	% of total plastic packaging by weight	N/A	2019	2025	Primary, secondary, and tertiary plastic packaging from KDP owned and operated food and beverage manufacturing facilities, as well as plastic packaging used for brewers and brewer accessories	Third-party bottlers' packaging material Plastic strapping, adhesives, tapes, brewers and brewer components	Ongoing projects to incorporate PCR in coffee brewers are additional to this goal.
Achieve a 20% virgin plastic reduction across our plastic packaging portfolio by 2025	% of virgin plastic packaging by weight	N/A	2019	2025	Primary, secondary, and tertiary virgin plastic packaging from KDP owned and operated food and beverage manufacturing facilities as well as virgin plastic packaging used for brewers and brewer accessories	Third-party bottlers' packaging material Plastic strapping, adhesives, tapes, brewers and brewer component	None

GOAL	UNIT OF MEASURE	BASELINE (YEAR)	COMMITMENT MADE (YEAR)	TARGET COMPLETION (YEAR*)	BOUNDARIES	EXCLUSIONS	OTHER/COMMENTS
Send zero waste to landfill across our operations by 2025	% solid waste, by weight, diverted from landfill	N/A	2019	2025	Solid waste at manufacturing sites only	Does not include offices or warehouses/ distribution centers except in some instances of co-location with the manufacturing site, or any other properties that are not production facilities. Nonetheless, many of these excluded facilities have robust recycling and waste	None
Responsibly source our brewers and 100% of our priority inputs	% of responsibly sourced coffee by volume	N/A	2014	Ongoing	All green coffee purchased by KDP for owned and partner brands.	Soluble and green coffee extract; green coffee or other coffee inputs purchased by partners	Accepted third-party certification or verification programs: Fairtrade International, Fair Trade USA, the Rainforest Alliance/UTZ, 4C, AtSource Entry Verified by ofi and Great Lakes Coffee MaxTRACE. KDP's evaluation tool to accept partner programs was independently reviewed by Conservation International and WWF.
	% of responsibly sourced cocoa by volume	N/A	2021	Ongoing	All cocoa purchased by KDP, including if sourced as a standalone ingredient or within a blended powder finished product; including if sourced directly or from a co-manufacturer or processor	Cocoa purchased by partners	Accepted third-party certification or verification programs: Purchased volumes validated by the Rainforest Alliance/UTZ, Fair Trade USA and Fairtrade International. KDP's evaluation tool to accept partner programs was independently reviewed by Conservation International and WWF.
	# of brewer suppliers that Meet or Exceed Expectations in a social compliance audit	N/A	2021	Ongoing	All KDP managed Tier 1 and Tier 2 brewer and brewer component suppliers	Contract manufacturer-managed Tier 2 suppliers and spot buy suppliers	Validated by third-party auditors. Scope for 2022 has expanded to include all KDP-managed Tier 2 suppliers. The number of Tier 2 suppliers in scope prior to this expansion was 23. The number of new suppliers integrated in 2022 was 33, resulting in a total of 56 KDP-managed Tier 2 suppliers in scope for the Responsible Sourcing Program.

GOAL	UNIT OF MEASURE	BASELINE (YEAR)	COMMITMENT MADE (YEAR)	TARGET COMPLETION (YEAR*)	BOUNDARIES	EXCLUSIONS	OTHER/COMMENTS
Support regenerative agriculture and conservation on 250,000 acres of land by 2030	Number of acres	N/A	2021	2030	Coffee, corn (for high fructose corn syrup), apple supply chains	Coffee: soluble and green coffee extract; green coffee or other coffee inputs purchased by partners Corn: corn starch, citric acid, erythritol, corn syrup, soluble corn fiber, gin, vodka, brown caramel color Apple: purees, flakes	Methodology was developed in partnership with Terra Genesis International with significant stakeholder outreach to farmers, NGOs and industry organizations. For more information, refer to KDP's Regenerative Agriculture & Conservation Measurement and Evaluation Guide .
Provide positive hydration in 60% of our products by 2025	% of total number of KDP products	N/A	2021	2025	Positive hydration is defined as a product that provides a serving of fruits/vegetables with no added sugar or is 40 calories or less per serving with a functional attribute or at least 10% daily value of a nutrient to encourage. Serving size is defined on product label. A product is defined as any unique portion size of a beverage or sauce. Includes all hot, cold, owned, licensed and partner brands and fountain beverages.	Excludes multi-packs, co-packed brands and private label	Validated by Partnership for a Healthier America.
Increase female representation in Director and above positions by 25% to 33% of the total by 2025	% of Director-level and above employees	2020	2021	2025	Director-level and above employees in all geographies	All employees below Director	None
Increase people of color representation in Director and above positions by 25% to 21% of the total by 2025	% of Director-level and above employees	2020	2021	2025	Director-level and above employees in the U.S. only	All employees below Director	None

*Goals will be met by the end of the specified year

APPENDIX

Global Reporting Initiative (GRI) Index

KDP has reported the information cited in this GRI content index for the period January 1, 2022 to December 31, 2022 with reference to the GRI Standards.

DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	
2-1 Organizational details	Overview, page 4 2022 Form 10-K
2-2 Entities included in the organization's sustainability reporting	About this Report, page 52
2-3 Reporting period, frequency and contact point	About this Report, page 52
2-4 Restatements of information	Data Summary, pages 54-61 SCOPE 3: Indirect Emissions, Value Chain (MTCO ₂ e), page 54 Water Consumed in high baseline water stress areas, page 55
2-5 External assurance	About this Report, page 52
2-6 Activities, value chain and other business relationships	2022 Form 10-K
2-7 Employees	People & Communities, pages 37-45 2022 Form 10-K
2-8 Workers who are not employees	People & Communities, pages 37-45 2022 Form 10-K
2-9 Governance structure and composition	Governance, pages 46-51 2023 Proxy Statement KDP Corporate Governance Principles
2-10 Nomination and selection of the highest governance body	Governance, pages 46-51 2023 Proxy Statement
2-11 Chair of the highest governance body	Governance, pages 46-51 2023 Proxy Statement
2-12 Role of the highest governance body in overseeing the management of impacts	Governance, pages 46-51 2023 Proxy Statement
2-13 Delegation of responsibility for managing impacts	Governance, pages 46-51 2023 Proxy Statement KDP Corporate Governance Principles KDP Audit and Finance Committee Charter
2-14 Role of the highest governance body in sustainability reporting	Governance, pages 46-51

DISCLOSURE	LOCATION
2-15 Conflicts of interest	Governance, pages 46-51 2023 Proxy Statement KDP Corporate Code of Conduct
2-16 Communication of critical concerns	Governance, pages 46-51 2023 Proxy Statement
2-17 Collective knowledge of the highest governance body	Governance, pages 46-51 2023 Proxy Statement
2-18 Evaluation of the performance of the highest governance body	Governance, pages 46-51 2023 Proxy Statement
2-19 Remuneration policies	2023 Proxy Statement KDP Remuneration and Nomination Committee Charter
2-20 Process to determine remuneration	2023 Proxy Statement KDP Remuneration and Nomination Committee Charter
2-21 Annual total compensation ratio	2023 Proxy Statement
2-22 Statement on sustainable development strategy	A Letter from our Chairman & CEO and Chief Sustainability Officer, page 3
2-23 Policy commitments	Governance, pages 46-51 Ethics & Compliance
2-24 Embedding policy commitments	Governance, pages 46-51 Ethics & Compliance
2-25 Processes to remediate negative impacts	Governance, pages 46-51 Ethics & Compliance
2-26 Mechanisms for seeking advice and raising concerns	Governance, pages 46-51 Ethics & Compliance
2-27 Compliance with laws and regulations	In the normal course of business, KDP is subject to a variety of federal, state and local environmental, health and safety laws and regulations. KDP maintains environmental, health and safety policies and a quality, environmental, health and safety program designed to ensure compliance with applicable laws and regulations. KDP had no issues of non-compliance in 2022. The cost of such compliance measures does not have a material financial impact on KDP operations.
2-28 Membership associations	Environment, pages 8-20 Supply Chain, pages 21-29 Health & Well-Being, pages 30-36 People & Communities, pages 37-45
2-29 Approach to stakeholder engagement	Governance, pages 46-51
2-30 Collective bargaining agreements	2022 Form 10-K

DISCLOSURE	LOCATION
GRI 3: Material Topics 2021	
3-1 Process to determine material topics	Governance, pages 46-51
3-2 List of material topics	Governance, pages 46-51
3-3 Management of material topics	Environment, pages 8-20 Supply Chain, pages 21-29 Health & Well-Being, pages 30-36 People & Communities, pages 37-45
GRI 201: Economic Performance 2016	
201-1 Direct economic value generated and distributed	2022 Form 10-K
201-2 Financial implications and other risks and opportunities due to climate change	2022 Form 10-K 2022 CDP Climate Submission
201-3 Defined benefit plan obligations and other retirement plans	2022 Form 10-K
GRI 205: Anti-corruption 2016	
205-1 Operations assessed for risks related to corruption	Governance, pages 46-51 KDP Corporate Code of Conduct
205-2 Communication and training about anti-corruption policies and procedures	Governance, pages 46-51 KDP Corporate Code of Conduct
GRI 206: Anti-competitive Behavior 2016	
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Governance, pages 46-51 KDP Corporate Code of Conduct
GRI 301: Materials 2016	
301-1 Materials used by weight or volume	Environment, pages 8-20 Data Summary, pages 54-61
301-2 Recycled input materials used	Environment, pages 8-20 Data Summary, pages 54-61
301-3 Reclaimed products and their packaging materials	Environment, pages 8-20 Data Summary, pages 54-61
GRI 302: Energy 2016	
302-1 Energy consumption within the organization	Environment, pages 8-20 Data Summary, pages 54-61
302-2 Energy consumption outside of the organization	Environment, pages 8-20 Data Summary, pages 54-61

DISCLOSURE	LOCATION
302-3 Energy intensity	Environment, pages 8-20 Data Summary, pages 54-61
302-4 Reduction of energy consumption	Environment, pages 8-20 Data Summary, pages 54-61
302-5 Reductions in energy requirements of products and services	Environment, pages 8-20 Data Summary, pages 54-61
GRI 303: Water and Effluents 2018	
303-1 Interactions with water as a shared resource	Environment, pages 8-20 Data Summary, pages 54-61
303-2 Management of water discharge-related impacts	Environment, pages 8-20 Data Summary, pages 54-61
303-3 Water withdrawal	Environment, pages 8-20 Data Summary, pages 54-61
303-4 Water discharge	Environment, pages 8-20 Data Summary, pages 54-61
303-5 Water consumption	Environment, pages 8-20 Data Summary, pages 54-61
GRI 304: Biodiversity 2016	
304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Environment, pages, 8-20 Supply Chain, pages 21-29 Data Summary, pages 54-61
304-2 Significant impacts of activities, products and services on biodiversity	Environment, pages, 8-20 Supply Chain, pages 21-29 Data Summary, pages 54-61
304-3 Habitats protected or restored	Environment, pages, 8-20 Supply Chain, pages 21-29 Data Summary, pages 54-61
GRI 305: Emissions 2016	
305-1 Direct (Scope 1) GHG emissions	Environment, pages 8-20 Data Summary, pages 54-61
305-2 Energy indirect (Scope 2) GHG emissions	Environment, pages 8-20 Data Summary, pages 54-61

DISCLOSURE	LOCATION
305-3 Other indirect (Scope 3) GHG emissions	Environment, pages 8-20 Data Summary, pages 54-61
305-4 GHG emissions intensity	Environment, pages 8-20 Data Summary, pages 54-61
305-5 Reduction of GHG emissions	Environment, pages 8-20 Data Summary, pages 54-61
GRI 306: Waste 2020	
306-1 Waste generation and significant waste-related impacts	Environment, pages 8-20 Data Summary, pages 54-61
306-2 Management of significant waste-related impacts	Environment, pages 8-20 Data Summary, pages 54-61
306-3 Waste generated	Environment, pages 8-20 Data Summary, pages 54-61
306-4 Waste diverted from disposal	Environment, pages 8-20 Data Summary, pages 54-61
306-5 Waste directed to disposal	Environment, pages 8-20 Data Summary, pages 54-61
GRI 308: Supplier Environmental Assessment 2016	
308-1 New suppliers that were screened using environmental criteria	KDP Supplier Code of Conduct
308-2 Negative environmental impacts in the supply chain and actions taken	Environment, pages 8-20 Supply Chain, pages 21-29 Data Summary, pages 54-61
GRI 401: Employment 2016	
401-1 New employee hires and employee turnover	People & Communities, pages 37-45 Data Summary, pages 54-61
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	People & Communities, pages 37-45
401-3 Parental leave	People & Communities, pages 37-45
GRI 403: Occupational Health and Safety 2018	
403-1 Occupational health and safety management system	People & Communities, pages 37-45
403-2 Hazard identification, risk assessment, and incident investigation	People & Communities, pages 37-45
403-3 Occupational health services	People & Communities, pages 37-45
403-4 Worker participation, consultation, and communication on occupational health and safety	People & Communities, pages 37-45

DISCLOSURE	LOCATION
403-5 Worker training on occupational health and safety	People & Communities, pages 37-45
403-6 Promotion of worker health	People & Communities, pages 37-45
403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	People & Communities, pages 37-45
403-9 Work-related injuries	Data Summary, pages 54-61
403-10 Work-related ill health	Data Summary, pages 54-61
GRI 404: Training and Education 2016	
401-1 Average hours of training per year per employee	Our non-frontline, full-time, salaried team members have completed more than 100,000 hours of training in 2022.
404-2 Programs for upgrading employee skills and transition assistance programs	People & Communities, pages 37-45
GRI 405: Diversity and Equal Opportunity 2016	
405-1 Diversity of governance bodies and employees	People & Communities, pages 37-45 Governance, pages 46-51 Data Summary, pages 54-61
405-2 Ratio of basic salary and remuneration of women to men	People & Communities, pages 37-45
GRI 406: Non-discrimination 2016	
406-1 Incidents of discrimination and corrective actions taken	People & Communities, pages 37-45 Human Rights Position Statement
GRI 407: Freedom of Association and Collective Bargaining 2016	
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Supply Chain, pages 21-29 Governance, pages 46-51 Human Rights Position Statement
GRI 408: Child Labor 2016	
408-1 Operations and suppliers at significant risk for incidents of child labor	Supply Chain, pages 21-29 Human Rights Position Statement
GRI 409: Forced or Compulsory Labor 2016	
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Supply Chain, pages 21-29 Human Rights Position Statement
GRI 410: Security Practices 2016	
410-1 Security personnel trained in human rights policies or procedures	Supply Chain, pages 21-29 Human Rights Position Statement
GRI 411: Rights of Indigenous Peoples 2016	
411-1 Incidents of violations involving rights of indigenous peoples	Supply Chain, pages 21-29 Human Rights Position Statement

DISCLOSURE	LOCATION
GRI 413: Local Communities 2016	
413-1 Operations with local community engagement, impact assessments, and development programs	Environment, pages 8-20 Supply Chain, pages 21-29 Health & Well-Being, pages 30-36 People & Communities, pages 37-45
GRI 414: Supplier Social Assessment 2016	
414-1 New suppliers that were screened using social criteria	Supply Chain, pages 21-29
414-2 Negative social impacts in the supply chain and actions taken	Environment, pages 8-20 Supply Chain, pages 21-29
GRI 415: Public Policy 2016	
415-1 Political contributions	Governance, pages 46-51
GRI 416: Customer Health and Safety 2016	
416-1 Assessment of the health and safety impacts of product and service categories	Health & Well-Being, pages 30-36
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Health & Well-Being, pages 30-36
GRI 417: Marketing and Labeling 2016	
417-1 Requirements for product and service information and labeling	Health & Well-Being, pages 30-36
417-2 Incidents of non-compliance concerning product and service information and labeling	Health & Well-Being, pages 30-36
417-3 Incidents of non-compliance concerning marketing communications	Health & Well-Being, pages 30-36
GRI 418: Customer Privacy 2016	
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Governance, pages 46-51

APPENDIX

Sustainability Accounting Standards Board (SASB) Standards

For additional detail, including assurance on data for the report, see [Data Summary](#).

Non-Alcoholic Beverages					
TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE
Fleet Fuel Management	Fleet fuel consumed, percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	FB-NB-110a.1	2,316,494, 0%
Energy Management	(1) Operational energy consumed, (2) percentage grid electricity, (3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	FB-NB-130a.1	(1) 4,610,835 (2) 41% grid energy (3) 74% renewable electricity
Water Management	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic meters (m3), Percentage (%)	FB-NB-140a.1	(1) 13,716, 48% (2) 7,326, 59%
	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	N/A	FB-NB-140a.2	We operate in areas of high baseline water stress, and stress is projected to increase over time. Our water efficiency target aims to reduce impact to local water supplies and our water stewardship efforts implement water replenishment and conservation in areas of highest water risk where we have operations. Water Efficiency & Stewardship, pages 13-14 Data Summary, pages 54-61
Health & Nutrition	Revenue from (1) zero- and low-calorie, (2) no-added-sugar, and (3) artificially sweetened beverages	Quantitative	Reporting Currency	FB-NB-260a.1	We do not report this publicly. We have a goal that 60% of our beverages will provide positive hydration by 2025. Positive hydration is defined as a product that provides a serving of fruits/vegetables with no added sugar or is below 40 calories with either a functional attribute or at least 10% Daily Value of a nutrient to encourage. Choice, page 32
	Discussion of the process to identify and manage products and ingredients related to nutritional and health	Discussion and Analysis	N/A	FB-NB-260a.2	Health & Well-Being, pages 30-36

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE
Product Labeling & Marketing	Percentage of advertising impressions (1) made on children and (2) made on children promoting products	Quantitative	Percentage (%)	FB-NB-270a.1	(1) 0% (2) 0% Transparency & Marketing, page 34
	Revenue from products labeled as (1) containing genetically modified organisms (GMOs) and (2)	Quantitative	Reporting Currency	FB-NB-270a.2	We do not report this publicly. Per our materiality assessment, we have determined this is not a material issue for KDP. We comply with the Federal bio-engineered labeling law in the U.S. for any product containing a bioengineered ingredient.
	Number of incidents of non-compliance with industry or regulatory labeling and/or marketing codes	Quantitative	Number	FB-NB-270a.3	0 incidents of non-compliance
	Total amount of monetary losses as a result of legal proceedings associated with marketing and/or labeling	Quantitative	Reporting Currency	FB-NB-270a.4	We do not report this publicly.
Packaging Lifecycle Management	(1) Total weight of packaging, (2) percentage made from recycled and/or renewable materials, and (3) percentage that is recyclable, reusable, and/or compostable	Quantitative	Metric tons (t), Percentage (%)	FB-NB-410a.1	(1) 605,671 (2) 24% (3) 90%
	Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	Discussion and Analysis	N/A	FB-NB-410a.2	Packaging & Circularity, pages 15-19
Environmental & Social Impacts of Ingredient Supply Chain	Suppliers' social and environmental responsibility audit (1) non-conformance rate and (2) associated corrective action rate for (a) major and (b) minor non-conformances	Quantitative	Rate	FB-NB-430a.1	We do not report this publicly. Because our risk assessments show that the major social and environmental risks are at the farm level, we focus our efforts on upstream suppliers, particularly for coffee and cocoa. Within these supply chains, we rely on third-party certification and verification programs that include audits and corrective action processes for both major and minor non-conformities. Supply Chain, pages 21-29

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE
Ingredient Sourcing	Percentage of beverage ingredients sourced from regions with High or Extremely High Baseline Water Stress	Quantitative	Percentage (%) by cost	FB-NB-440a.1	<p>In alignment with our CDP Water disclosure, we report the percentage of key ingredients (by volume) sourced from areas of water stress, which corresponds very closely to reporting the percentage by cost. Based on our most recent risk assessment in 2021, the data was as follows:</p> <p>Coffee: 0% Apple: 0% Corn (for High Fructose Corn Syrup): 9% AJC: 72%</p>
	List of priority beverage ingredients and description of sourcing risks due to environmental and social considerations	Discussion and Analysis	N/A	FB-NB-440a.2	<p>We use third-party risk data, as well as other industry group data, to assess our ingredients based on environmental and social risk factors. We consider risk level, spend, volume purchased, KDP influence and other factors to determine the prioritization of our ingredients. Our 2022 priority beverage ingredients are: coffee, cocoa, apple and corn.</p> <p>See KDP's Modern Slavery Statement for details on the social sourcing risks and management approach for our priority inputs. Additional environmental risks for coffee and cocoa are climate change and deforestation. For corn, apple and apple juice concentrate, the key additional environmental risks are agrochemical use and biodiversity. Our strategy to address these risks is being shaped by our regenerative agriculture efforts.</p> <p>Supply Chain, pages 21-29 KDP Modern Slavery Statement</p>

Activity Metric				
TOPIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE
Volume of products sold	Quantitative	Millions of hectoliters (Mhl)	FB-NB-000.A	KDP discloses revenues by segment. 2022 Form 10-K
Number of production facilities	Quantitative	Number	FB-NB-000.B	2022 Form 10-K
Total fleet road miles traveled	Quantitative	Miles	FB-NB-000.C	76,627,787

[†] Note to FB-NB-270a.1 – The entity shall disclose the applicable dietary guidelines and the methodology used to estimate advertising impressions

[‡] Note to FB-NB-270a.4 – The entity shall briefly describe the nature, context, and any corrective actions taken as a result of the monetary losses

Appliance Manufacturing

TOPIC	ACCOUNTING METRIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE
Product Safety	Number of (1) recalls issued and (2) total units recalled	Quantitative	Number	CG-AM-250a.1	0 appliance recalls
	Discussion of process to identify and manage safety risks associated with the use of its products	Discussion and Analysis	N/A	CG-AM-250a.2	Product Quality & Safety, page 35
	Total amount of monetary losses as a result of legal proceedings associated with product safety	Quantitative	Reporting Currency	CG-AM-250a.3	We do not report this publicly.
Product Lifecycle Environmental Impacts	Percentage of eligible products by revenue certified to the ENERGY STAR® program	Quantitative	Percentage (%) by revenue	CG-AM-410a.1	0%
	Percentage of eligible products certified to an Association of Home Appliance Manufacturers (AHAM) sustainability standard	Quantitative	Percentage (%) by revenue	CG-AM-410a.2	0%
	Description of efforts to manage products' end-of-life impacts	Discussion and Analysis	N/A	CG-AM-410a.3	In the U.S. and Canada, we offer a program to select retailers to send in-store returned Keurig brewers to be recycled through a third-party partner. Utilization of this program by our retailers varies. In Canada, we also offer a recycling program for our commercial brewers through VHCS.

Activity Metric

TOPIC	CATEGORY	UNIT OF MEASURE	CODE	RESPONSE
Annual production	Quantitative	Number of units	CG-AM-000.A	KDP discloses revenues by segment. 2022 Form 10-K

ⁱ Note to CG-AM-250a.1 – The entity shall discuss notable recalls such as those that affected a significant number of units of one product or those related to serious injury or fatality.

ⁱⁱ Note to CG-AM-250a.3 – The entity shall briefly describe the nature, context, and any corrective actions taken as a result of the monetary losses.

ⁱⁱⁱ Note to CG-AM-000.A – Production shall be disclosed as the number of units produced by product category, where relevant product categories may include small appliances and major appliances.

APPENDIX

Task Force on Climate-Related Financial Disclosures (TCFD) Index

In alignment with the TCFD recommendations, the following index provides links to KDP's key disclosures on climate change, including our CDP climate change response and this current 2022 Corporate Responsibility Report.

TCFD METRICS		RESPONSE
Governance	Describe the board's oversight of climate-related risks and opportunities.	2022 CDP Climate Submission (FY 2021 Reporting): C1.1a, C1.1b 2022 Form 10-K Climate, Emissions & Energy, pages 8-12 Governance, pages 46-51
	Describe management's role in assessing and managing climate-related risks and opportunities.	2022 CDP Climate Submission (FY 2021 Reporting): C1.2 2022 Form 10-K Climate, Emissions & Energy, pages 8-12 Governance, pages 46-51
Strategy	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	2022 CDP Climate Submission (FY 2021 Reporting): C2.1a, C2.3, C2.3a, C2.4, C2.4a 2022 Form 10-K Climate, Emissions & Energy, pages 8-12
	Describe the impact of climate-related risks and opportunities on the organization's business, strategy, and financial planning.	2022 CDP Climate Submission (FY 2021 Reporting): C2.3a, C2.4a, C3.1, C3.2, C3.2a, C3.2b, C3.3, C3. 2022 Form 10-K Climate, Emissions & Energy, pages 8-12
	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	2022 CDP Climate Submission (FY 2021 Reporting): C3.2, C3.2a, C3.2b Climate, Emissions & Energy, pages 8-12
Risk Management	Describe the organization's processes for identifying and assessing climate-related risks.	2022 CDP Climate Submission (FY 2021 Reporting): C1.2, C2.1, C2.2, C2.2a Climate, Emissions & Energy, pages 8-12 Governance, pages 46-51
	Describe the organization's processes for managing climate-related risks.	2022 CDP Climate Submission (FY 2021 Reporting): C1.2, C2.1, C2.2 Climate, Emissions & Energy, pages 8-12
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	2022 CDP Climate Submission (FY 2021 Reporting): C2.1 Climate, Emissions & Energy, pages 8-12 Governance, pages 46-51
Metrics and Targets	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	2022 CDP Climate Submission (FY 2021 Reporting): C4.2, C4.2a, C4.2b, C9.1 Climate, Emissions & Energy, pages 8-12
	Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	2022 CDP Climate Submission (FY 2021 Reporting): C6.1, C6.3, C6.5, C6.5 Climate, Emissions & Energy, pages 8-12 Data Summary, pages 54-61
	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	2022 CDP Climate Submission (FY 2021 Reporting): C4.1, C4.1a, C4.1b, C4.2, C4.2a, C4.2b Climate, Emissions & Energy, pages 8-12

APPENDIX

Glossary

TERM	DEFINITION
Circular Economy and Circularity	Terms used to describe the efforts made by KDP and peers to design products, packaging and processes for durability, reuse, recycling and/or composting while supporting the necessary infrastructure to enable circularity.
Compostable Packaging	Packaging that is able to be broken down into carbon dioxide, water, and biomass within a specific time-frame under specific conditions. This can mean either home-compostable (at specific temperatures and with a natural microbial community) or industrially compostable (under increased temperatures, humidity, and specifically formulated microbial conditions). Compostable material can be made from either bio-based or petro-chemical inputs and is subject to third-party certification.
Conservation	The act of bringing non-agricultural land into conservation protection or supporting an increase in protections and/or stewardship on already conserved lands.
Consumers	People who buy and use our products for the purpose of personal use and consumption.
Customers	Retailers that buy products from KDP and sell to consumers.
Extended Producer Responsibility (EPR)	A policy approach that assigns producers responsibility for the end-of-life of product. This can include both financial responsibility and operational responsibility.
GHG Emissions – Scope 1, 2 and 3	<p>Scope 1 emissions: Direct GHG emissions from sources that are controlled or owned by KDP (e.g. fuel used in fleet and manufacturing).</p> <p>Scope 2 emissions: Indirect GHG emissions associated with the purchase or operations of sources that are not controlled or owned by KDP (e.g. electricity).</p> <p>Scope 3 emissions: Indirect GHG emissions from sources not owned by the company throughout our value chain (e.g. upstream transportation, materials processing, use of sold products, etc.).</p>
K-Cycle Program	Working with recycling partners, this service offered to KDP's workplace customers collects high-volume bins of brewed K-Cup pods and recycles the pod plastic, filter paper and aluminum lid. The coffee or tea is diverted to compost.
Net Positive Water Impact	An approach developed by the Water Resilience Coalition to exceed the positive impact to water-stressed basins across quantity, quality and access.
Positive Hydration	A KDP product that provides a serving of fruits or vegetables OR is 40 calories or less per serving with a functional attribute or at least 10% Daily Value of a nutrient to encourage.
Priority Inputs	Materials of importance to KDP's business, including coffee, cocoa, corn, apple and apple juice concentrate, as well as our brewer components critical to brewer function and quality. Priority status is determined by the input's importance to KDP by magnitude of spending, its social and environmental risk profile and our unique opportunity for impact within the supply chain.
Recyclable Packaging	Packaging for which design is not a barrier to the packaging being successfully collected, sorted and reprocessed into another material, a product component or a recycled raw material. Packaging we consider to be recyclable includes materials and formats for which recovery, sortation and end markets exist or can practically be scaled across North America, noting that many communities may not accept or sort certain materials or formats today.
Regenerative Agriculture	A holistic, localized approach to agricultural production and land management that seeks to mitigate climate change, increase soil health, support resilient landscapes and improve farmer livelihoods.
Responsible Sourcing	Our approach to help safeguard fundamental human rights and environmental protections across our supply chain. For coffee and cocoa, we rely on third-party certification and verification programs. For factory-based inputs, we employ KDP's Supplier Rating System.

TERM	DEFINITION
KDP-managed Brewer Suppliers	<p>KDP-managed brewer component suppliers: Suppliers that are critical to brewer function and quality where KDP dictates volume and price.</p> <p>Tier 1 brewer suppliers: Contract manufacturers that assemble our brewers.</p> <p>Tier 2 brewer suppliers: Component suppliers that provide component parts to final assembly manufacturers.</p>
Value Chain	A value chain is the complete journey of a product or process, covering all stages from material sourcing to end-of-life. It includes sourcing, production, distribution, and disposal, highlighting the interconnectedness of each step.
Virgin Plastic	Newly manufactured resin produced from petrochemical or biomass feedstock used as the raw material for the manufacture of plastic products and which has not been used or processed before.
Workforce Definitions	<p>"Director+ Professional" - CEO, CFO, ELT, SVP, VP, Sr. Director, Director</p> <p>"Other Professional" - Any employee with a pay rate type of salaried, below Director</p> <p>"Hourly"- Any employee with a pay rate types "Hourly-Bi-weekly", "Hourly-Weekly", "Daily", "Commission Only"</p>