

PepsiCo DE&I Annual Report 2021



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PepsiCo is committed to fostering a diverse workforce and creating a collaborative, equitable and inclusive space where everyone, regardless of what we look like, where we come from or whom we love, has a voice. Only when we are open about our identity, our story, our highs and our lows, can we deliver more smiles, and build a better, more positive workplace for our people and world for our business partners and communities.

PepsiCo DE&I

Our partner agency Brandbuch

Brandbuch is a woman-owned boutique agency helping companies place purpose at the center of growth. The founder, Melissa Buch, has built a remote team based from Zurich to Toronto, Barcelona to London. Multidisciplinary, multicultural, and purpose-driven. For Brandbuch, DE&I in the workplace is a space where everyone feels supported inside and out. With the freedom to evolve in their own way. Learn more at brandbuch.com



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How to use this report

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🔊 Hear the story

▶ Watch the story

→ Learn more



Glossary of key DE&I terms

We're making our language more inclusive. Here are a few key terms:

Allyship: When someone supports and acts in solidarity with people who've experienced marginalization, discrimination or violence. The term "being an ally" can apply to a range of social issues. It normally refers to individual actions and education to support causes and people close to us. This is different to advocacy and activism, which are about working together with others to challenge systems and bring about change.

Diversity: Different and multiple characteristics making up individual and collective identities. These can include race, gender, age, religion, sexual orientation, ethnicity, national origin, socioeconomic status, language and physical ability.

Employee Resource Group (ERG): A support system for identity groups within PepsiCo, led by associates identifying with the groups, and their allies.

Equality: Ensuring everyone gets the same things in order to enjoy full, healthy lives. Equality aims to promote fairness and quality treatment, but it can only work if everyone has access to the same tools needed to succeed.

Equity: Depending on what they have access to, different people need different things to enjoy full, healthy lives. Equity is the state, quality or ideal of being just, impartial and fair, and involves trying to understand and give people what they need. It means ensuring processes and programs are impartial, fair and provide equal possible outcomes for every individual. Equity isn't just a desired situation or a lofty value. To be achieved and sustained, it needs to be thought of as a structural and systemic concept.

Ethnicity: A social construct dividing people into smaller social groups. These groups are normally based on characteristics like a shared sense of group membership, values, behavioral patterns, language, political and economic interests, history, and an ancestral geographic base.

Gender Pronouns: A set of pronouns an individual uses and would like others to use when speaking to them. There are several types of personal pronouns used for different groups and identities, including gendered, gender neutral and gender inclusive. The list of personal pronouns is always evolving.

Historically Marginalized / Historically Excluded: Groups who have been relegated to the lower or peripheral edge of society. Many groups were (and some continue to be) denied full participation in mainstream cultural, social, political, and economic activities.

Inclusion / Belonging: Creating environments where any individual or group feels welcome, respected, supported and valued enough to fully participate.

Individual with Disability: An individual that has a physical or mental impairment that substantially limits one or more major life activities, according to the definition shared by the Americans with Disabilities Act of 1990.

LGBTQ+: Lesbian, Gay, Bisexual, Transgender, Transsexual, Queer, Questioning, Two-Spirit, Asexual and Ally. Although all the identities within LGBTQ+ are grouped together in this acronym, there are specific needs and concerns related to each individual identity.

Multicultural Competency: The ability to understand, appreciate and interact with people who identify with cultures and/or belief systems different to our own. This multicultural competency leads to enhanced and effective communication that can strengthen relationships.

pep+: Announced in 2021, pep+ (PepsiCo Positive) is a fundamental transformation of what we at PepsiCo do, and how we do it, to create growth and shared value with sustainability and human capital at the center. pep+ will

guide PepsiCo's business - how we operate within planetary boundaries and inspire positive change for the planet and people.

Racial Equality Journey (REJ): In 2020, we launched our U.S. Racial Equality Journey Racial Equality Journey Initiative – a set of commitments worth more than \$570 million over five years. The aim is to increase Black and Hispanic representation at PepsiCo to mirror the workforce availability of the communities where we work, support Black and Hispanic-owned businesses, increase diverse representation, elevate diverse voices in our content, and help create economic opportunities in Black communities.

Self-Identification: We want to mirror the workforce availability of the communities where we operate. By encouraging self-identification, we can better understand the makeup of our workforce. This helps us see the needs within our workforce, measure our impact and drive an inclusive culture. Associates can voluntarily choose aspects of self-identification, like sexual orientation and gender identity (SOGI), veteran status or military spouse status, disability status and caregiver disability status.

Workforce Availability: In the U.S., workforce availability is the estimated number of qualified people of color and women available for employment in a job group. It's expressed as a percentage of all qualified persons available in that particular job group using the most current U.S. Census information.



A letter from Ramon Laguarta



Last year, we introduced pep+ (PepsiCo Positive), a strategic end-to-end transformation placing sustainability and human capital at the center of how we create growth and value. In the process of developing this vision for the company, one thing needed to remain constant: our legacy of leading with diversity, equity and inclusion (DE&I).

For us, DE&I is a business imperative. We rely on the diversity of our teams to innovate and build our brands. We drive an inclusive environment to ensure our associates can perform at their best. And we lead with equity by providing the tools and resources needed to build strong teams and deliver strong business results. DE&I is and will continue to be a competitive advantage for our company, driving our performance and enabling our sustained growth over the long-term. This is why Raising the Bar on Talent and Diversity is a key component of our culture, The PepsiCo Way. It ensures DE&I is embedded in our DNA and tightly woven into our strategy. It also fosters an environment of dignity and respect for employees of every race, background, orientation and belief.

I know this well from my nearly 30 years with PepsiCo. It's a special company with a special culture, where a middle-class boy born in Barcelona can rise to lead one of the largest companies in the world. This is an opportunity that can only be realized in a true meritocracy. One that values new and creative ideas, strong performance, and sees DE&I as more than just a program or initiative, but integral to achieving our business objectives.

I'm proud to say my story isn't unique at PepsiCo. In this year's Global Diversity, Equity and Inclusion Report, you'll learn more about our actions and read and hear stories about our

associates from around the world, including:

- **Kety Castro in Venezuela**, part of our first production line in Santa Cruz operated solely by women.
- **Phumeza Nobhongoza** in South Africa, who worked as part of the team that developed our Graduate and Future Leaders program helping young people advance their skills and careers.
- **John J. Valdes in the U.S.**, a veteran who, over the course of his 15-year career with PepsiCo, has leveraged his military skills to drive results in a fast-paced environment.

Through their incredible talent, dedication, and passion, they've helped us progress towards our goals. Whilst, our work isn't complete, I'm excited by the steps we're taking to support gender parity, advance pay equity, and increase diverse representation at the managerial level, whilst also helping uplift marginalized communities. As we look to the year ahead, we remain committed to advancing this agenda with transparency and accountability. Together with our associates, business partners and communities, we can achieve our DE&I goals and build a company that is not only successful and sustainable, but inclusive and welcoming to all.

Ramon Laguarta (he/him)
Chairman & CEO



Messages from Tina Bigalke and Ronald Schellekens



Tina Bigalke (she/her)
Global Chief Diversity, Equity & Inclusion Officer



At PepsiCo, we don't settle for average and we strive to attract and retain the best talent for our teams. We're advancing our efforts with strategic intention - continuously leveraging data and insights to meet the needs of our workforce, listening to our associates, business partners and communities about how to optimize our impact, and inspiring actions to raise standards throughout our ecosystem. We're proud of our achievements and will continue to push ourselves forward.



Ronald Schellekens (he/him)
EVP, Global Chief Human Resources Officer

Raising the bar on talent and diversity sets high performance standards and ensures we build a diverse workforce representing our society. When walking through any of our facilities, you're guaranteed to feel invigorated. The liveliness of associates speaking different languages, yet finding a common language to connect and collaborate. The beauty of associates with disparate backgrounds working together towards a shared goal. And the excitement of being able to walk through our doors and know you'll have an equal opportunity to realize your ambitions.

A legacy of leading with diversity

Back in the 1940s, PepsiCo took bold steps for diversity by creating an all-Black sales force. In the 50s, we were one of the first major businesses with a woman on our board. And in the 80s, we helped the world see the power of multicultural marketing.

Our history, and our future, are defined by our diversity. From how we represent different backgrounds and lifestyles, to making our leadership more inclusive, to giving people from underserved communities equal opportunities to achieve their full potential.

We're proud to build on this legacy year after year.

1940s

- First major company to grant a franchise to people of color.
- First major company to hire African Americans as professionals.



1960s

- First major company to appoint an African American to a Vice President role, Harvey C. Russell.



1950s

- First company to feature a typical African American family enjoying Pepsi in a print advertising campaign. This campaign featured a boy named Ron Brown, who later became America's first African American Secretary of Commerce.
- First major company to have a woman on its Board.

1980s

- Pioneered multicultural music in marketing.
- Mosaic (Black) employee resource group (ERG) formed.



1990s

- Ethnic Advisory Board formed.
- Adelante (Hispanic) ERG formed.



2000s

- PepsiCo forms new ERGs: PepsiCo Asian Network (PAN), EQUAL (LGBTQ+), Women's Inclusion Network (WIN), RISE (Native American), Women of Color (WoC), and EnAble (individuals with disabilities).
- PepsiCo became the first major company to link executive bonuses to Diversity & Inclusion.
- Harvey C. Russell Chairman's Award established.



2010s

- 2025 Pay Equity and Gender Parity goals established.
- First female CEO of LATAM, Paula Santilli, appointed.
- First African American Sector CEO, Steven Williams, appointed.
- PepsiCo forms 2 ERGs: Valor (Veterans) and CONNECT (multi-generational).
- PepsiCo Pride Flags created and raised around the world.
- PepsiCo reaches milestone of spending \$23 billion+ with diverse suppliers.
- PepsiCo releases Policy for the Selection of Legal Services focused on improving diversity in the legal profession.
- PepsiCo publishes Diversity & Engagement Positions Report.



2020s

- Launched Racial Equality Journey, a more than \$570 million set of initiatives focused on increasing representation, and uplifting Black and Hispanic businesses and communities in the U.S.
- PepsiCo publishes new Global DE&I narrative 'A Space to be Y()u'.



NOW

- Implemented mandatory global unconscious bias and inclusive leadership training.
- Expanded Self-ID Initiative.
- Multicultural team created to address inequalities for historically excluded people and under-served businesses and communities.

Making progress one person at a time

We're committed to ensuring our programs and initiatives drive positive impacts for our people around the globe.



→ For more on our U.S. Racial Equality Journey progress, please see our most recent [Black](#) Initiative progress update and Hispanic Initiative progress update in [English](#) and [Spanish](#).

Gender Parity

We remain committed to achieving 50% women in managerial roles around the world by 2025.



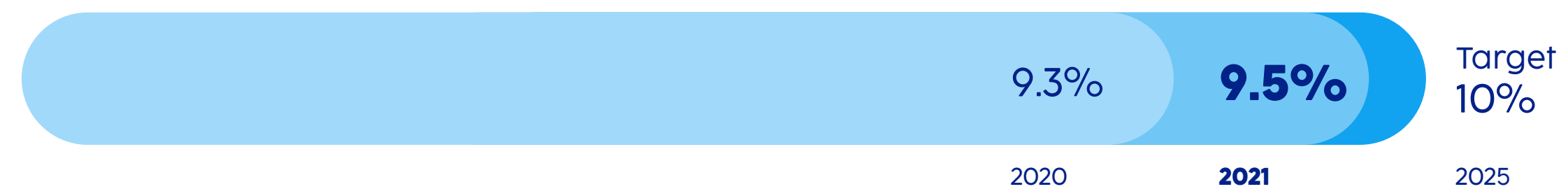
Black/Hispanic Representation

We're on track to increase U.S. Black and Hispanic managerial representation to 10%, to mirror the workforce availability of our communities.

BLACK MANAGERIAL REPRESENTATION



HISPANIC MANAGERIAL REPRESENTATION





Beyond the numbers

A diverse workforce is not just a moral imperative, it's a business one too. The best ideas and solutions are brought forth by teams from diverse backgrounds and experiences.

Driving Pay Equity

We have robust, long-standing processes for managing pay programs ensuring pay equity across employee groups. By increasing the rigor of our pay equity review processes, we've achieved and sustained pay equity for our colleagues around the world.

As of 2021, we implemented pay equity in 72 countries that collectively make up more than 99% of our salaried employees.

In the U.S. people of color¹ are paid within 1%² of non-minorities

¹Black, Hispanics, and Asians.

Men and women are currently paid within 1%^{of each other}¹

²Based on base compensation.

Building Inclusive Leaders

We're committed to building more inclusive leaders by offering development programs facilitated by diversity experts.

We implemented mandatory Unconscious Bias and Inclusive Leadership Training for our U.S. executives and have achieved 100% completion.

Supporting career development

These are some of our programs and initiatives to help with the development and retention of our talent.

Pinnacle

Helping female sales associates with strong performance records develop their careers, learn leadership skills and receive mentoring from senior sales leaders.

Transformational Leadership Program for Women

Giving women the tools they need to elevate their business impact and fulfill their careers.

Breakthrough Organizational Leadership Development (BOLD)

A six-month executive developmental program for Black and Hispanic managers and their direct managers.

Million Women Mentors

Fostering mentor and mentee relationships between STEM (science, technology, engineering and mathematics) career professionals and women who aspire to these careers.

Fostering a culture of recognition

These are some of the ways we celebrate the success of our associates.

Chairman's Award Harvey C. Russell & Steve Reinemund

Honoring outstanding leadership in driving diversity, equity and inclusion.

The Larry Thompson Ethical Behavior and Integrity Award

Honoring extraordinary examples of ethical leadership by individuals or teams.

Chairman's Ring of Honor

Honoring the top one tenth of one percent of our frontline sales force around the world.

Chairman's Circle of Champions

Honoring top global supply chain and operations performers around the world.



People



A space for people to be themselves

Our people have a voice. Our goal is to achieve representation mirroring the workforce availability of the communities where we work.

We also aim to build inclusive leaders across the organization and help uplift people from underserved communities around the world.

Focus Areas

1. Discover and attract new talent
2. Retain and develop diverse talent
3. Foster an inclusive environment



Paula Santilli (she/her)

Chief Executive Officer,
PepsiCo Latin America

“At PepsiCo, we’ve made significant progress in advancing women in leadership positions and building equity. And while we’re proud of our progress, we want to go further.”

Every woman in the world deserves more, and we want to be there for as many as possible so they can move up the career ladder.”



People



Advancing gender parity in Operations

SANTA CRUZ, VENEZUELA

In December 2021, we opened our first production line operated solely by women. The line is located in the community of Santa Cruz in Aragua, Venezuela, and aims to promote the development of women talent in Operations. **After six months and almost one thousand hours of job training per woman, 65 women associates are working hard to produce our beloved Ruffles and Papas Jacks products** and taking strides forward to advance gender equity in operational positions.

I work as a packing assistant in Production Line 1 at the Santa Cruz Plant, where the Nosotras Program was developed. It's very motivating to be part of this initiative and shine a light on women doing jobs previously only done by men. I'm always learning, developing, and seeing how we can take on challenges by growing and strengthening our competencies, abilities and skills. I feel very proud to be part of the program and the PepsiCo Venezuela family.



Kety Castro (she/her)
Packaging Auxiliary



See how we're increasing gender parity in Operations in Saudi.

First production line operated entirely by women

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People



Fostering inclusion through flexible policies

GURGAON, INDIA

In 2021, PepsiCo India doubled the number of women in sales, with more than 25% in senior management roles. This means women are handling key large-scale sales roles. To attract talent and provide women with development opportunities, PepsiCo India is leveraging sales and management trainee programs and formalizing mentorships through employee resource groups. These include 'Wings of Dreams', where junior to mid-level women are paired with senior women on a similar career path. PepsiCo offices also offer other resources, like increased job-location flexibility and childcare services.

Working women find themselves pulled in several directions. There's work, home, and multiple things in between. Because of these circumstances, organizations like PepsiCo should continue to strive to create a diverse and inclusive work environment encouraging every associate to bring his or her whole self to work. On the day of an important strategy meeting, I had a childcare conflict that caused me to have to bring my toddler to the office. The acceptance of my situation and my leaders responding with empathy reiterated to me how PepsiCo India and its leaders are people-first and solutions-oriented.

Dipti Gupta (she/her)
Sales Director

Doubled the number of women in sales





Creating paths of opportunity

BURGOS, SPAIN

At our Burgos co-packing plant in Spain, our team partnered with a local nonprofit employment center to create opportunities for people with disabilities. This program helps remove obstacles that typically prevent this community from securing work. Since it began in May 2021, **the program has helped nearly 80 people with different mental abilities join the labor market.**

This project has given me the opportunity to develop myself professionally, but also personally. We've created stable labor opportunities for people whose mental illnesses put them at risk of exclusion. This is especially important, as these illnesses are often socially invisible.

Angel Antonio Valin (he/him)
Warehouse Distribution Manager

Helped create opportunities for nearly 80 people with different mental abilities





A space for business partners to progress

Our business partners have a voice. Our goal is to build more resilient diverse-owned businesses. We also want to leverage a broader diversity of partners across our “make, move and sell” supply chain, to better reflect the many markets we serve.



Focus Areas

- 1. Invest in diverse suppliers
- 2. Strengthen diverse-owned businesses
- 3. Amplify diverse voices

➔ Watch this video for an example of how we're supporting paths of opportunity for our business partners in Brazil.



Lilly Yip (she/ her)

Chief Marketing Officer and Chief Sustainability Officer, PepsiCo Asia Pacific, Australia, New Zealand and China (APAC)

“At PepsiCo, we’re combining consumer trends data with a deep empathy and understanding of the cultural nuances of our consumers. The diversity of our workforce allows us to connect with the consumer on a personal level and put consumer needs at the center of

innovation and marketing. For example, Pepsi’s annual ‘Bring Happiness Home’ event celebrated Chinese New Year and reinforced the importance of Chinese tradition and family bonds. And it really resonated with consumers.”

Local products for local tastes



- **Pepsi Osmanthus Flavor:** Pepsi went local in China to provide the comfort of local culture and tastes with this Osmanthus-flavored beverage.
- **SodaStream bubly Drops:** This lets people make refreshing bubly sparkling water at home with their SodaStream.
- **Quaker Porridge To Go:** Quaker Porridge To Go Breakfast Squares have the same amount of Quaker Oats as a bowl of porridge, and are combined with extra ingredients like golden syrup.
- **Quaker Bubur Lambuk:** Quaker Bubur Lambuk celebrates the classic Malaysian dish.
- **Walkers Taste Icons:** These new limited-edition flavors celebrate and support local eateries. Flavours include: Fish & Chips (inspired by the The Wetherby Whaler in Yorkshire), Madras Curry (inspired by the Radhuni restaurant in Loanhead), Thai Green Curry (inspired by Mantra in Newcastle) and Chicken Burrito (inspired by Yukka in London).
- **Alvalle Gazpacho:** Alvalle Gazpacho uses an original Spanish gazpacho recipe, and is made with only fresh tomatoes and carefully selected vegetables.
- **Lay's Super Chips:** Lay's Super Chips combine intense flavor with a deep ridged structure.
- **Manzanita Sol:** A crisp, refreshing apple beverage in the U.S., reminiscent of the flavors of Latin America and the Caribbean.
- **Lay's Magic Masala:** Lay's India Magic Masala chips combine Lay's classic chip with a blend of Indian spices.
- **KFC x Lay's BBQ Crunch Chicken:** In Singapore, Lay's partnered with KFC on a limited-edition innovation - coating spicy fried chicken with a crushed Lay's BBQ chips.

Creating community within a company

U.K.

In 2021, the U.K. EQUAL Employee Resource Group (ERG) teamed up with Doritos to celebrate Reading Pride. As well as marching in the parade and celebrating the LGBTQ+ community, the team created Chill Out zones, where attendees could relax, enjoy a variety of PepsiCo products and charge their phones.

👂 It makes me incredibly proud to work for a company that not only encourages ERGs like EQUAL to drive an internal culture where everyone can bring their whole self to work, but continues the support externally to impact the wider LGBTQ+ community. 🗣️



Ben Cooper (he/him)
Purchased Services
Category Lead

➔  Read more about Ben Cooper and other PepsiCo associates who are driving our culture of inclusion.



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Leveraging global brands to drive inclusion

U.S. & MEXICO

The activation in the U.K. complements ongoing work in the U.S. and Mexico to support LGBTQ+ communities. In the U.S., the #DragForAllFlavors campaign supports New York City-based creators, entertainers, photographers and drag kings and queens helping to lift up their communities. In 2021, bubly donated \$15,000 to support Henrietta Hudson, one of just 15 remaining lesbian bars in the country. In Mexico, the Doritos Rainbow “Día de Muertos” ad elevated the idea that it’s never too late to be your true self - a message ingrained in the brand’s larger #ProudAllYear platform, celebrating and promoting respect and support for diversity.

🗣️ Doritos has boldly spearheaded the conversation about diversity and inclusion in Mexico in favor of the LGBTQ+ community. In the “Día de Muertos” short story, Doritos represents our culture, tradition and the never-ending love that characterizes Mexican families. True inclusivity in my opinion is not only about being counted in, but genuinely and actively making everyone feel that they truly belong. 🗣️

🗣️ **Eduardo Córdoba** (he/him)
Sr. Marketing Director

➔ Watch the Doritos “Día de Muertos” short story.



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Opening the door of opportunity for diverse suppliers

U.S.

Supplier diversity is a critical business advantage. It ensures we seek out nimble, innovative vendors who challenge how we think. This helps deliver on our bottom line while building a supplier base mirroring the diversity of our colleagues, customers, consumers and communities. In 2021, our diverse supplier spend was more than \$1.6 billion in the U.S., including over \$450 million with Black- and Hispanic-owned suppliers. **We've also hired Pink Patch Group, a Black woman-owned certification**

consultancy, to help with the diverse supplier certification process and to remove barriers to economic advancement. Assisting small diverse-owned businesses with the minority certification process will allow them to work with many Fortune 500 companies beyond PepsiCo. This is one of several steps PepsiCo is taking to drive racial equality and create systemic change in the communities we serve.

 PepsiCo's Supplier Diversity Program is all about making our global supply chain more inclusive, by identifying and partnering with certified diverse-owned businesses. From companies owned by people identifying as women and LGBTQ+, to members of the Black, Hispanic and Asian communities. Over the last three years, the program has spent \$2.9 billion with diverse businesses. We've also helped them make a bigger and longer-lasting economic impact by offering more support with the supplier certification process. 

 **Christina Tyson** (she/her)
2021 Director of Supplier Diversity

In 2021 we spent \$1.6 billion with diverse U.S. suppliers





Leading in her own way

THU DAU MOT CITY,
BINH DUONG PROVINCE, VIETNAM

In 2021, Vietnam was one of the many countries hit with a severe wave of the COVID Delta variant. To minimize exposure and keep production lines running, the team had to make the difficult decision to ask associates to isolate from their friends and families and live in a hotel near the manufacturing facility for three months. Plant manager Tuyen Huynh Thi Mong wasn't sure how

the associates would respond to this suggestion, but within five days, more than 300 PepsiCo associates volunteered to support the effort, showing their dedication and resilience. For three months, these associates worked and interacted only with each other. **And the results speak for themselves. The business grew net revenue by 20%.**

I keep pushing forward by empowering myself and doing my best to break the prejudices for a better tomorrow.

Tuyen Huynh Thi Mong (she/her)
Plant Manager

Grew net revenue by 20%





A space for communities to thrive

Our communities have a voice. Our goal is to boost their prosperity by helping them succeed, enjoy economic opportunities, and gain mobility through investments in education, health, nutrition and workforce readiness.



Focus Areas

1. Meet the needs of our local communities
2. Unlock opportunities and cultivate future talent
3. Catalyze positive change



Roberto Azevêdo (he/him)

Executive Vice President,
PepsiCo Chief Corporate Affairs Officer
and Chairman of the Board of Directors,
PepsiCo Foundation

“At PepsiCo, we recognize that we have a duty to give back to the communities we serve. As a food and beverage company, we have a special responsibility to help make nutritious food more accessible for underserved communities. With proper nourishment, children are better educated. Economies grow. Communities thrive. And people live healthier, more fulfilling lives. This is why we signed the Zero Hunger pledge in 2021. Why food security is a key pillar of our pep+ agenda. And why

the PepsiCo Foundation is working through our Food for Good program to increase access to nutritious food. So far, we've partnered with more than 60 nonprofits across 28 countries to implement local solutions that meet the unique challenges of each community. In 2021 alone, we reached more than 50 million people. Now we are raising the bar to ensure sustained food security for these individuals and millions more.”

Developing future leaders

SOUTH AFRICA

Our Graduate and Future Leaders program helps advance the skills and careers of young talent in South Africa. In the inaugural 2021 program, 43 candidates from Nigeria, Ethiopia and South Africa took on the 18-month program to advance their business, leadership and technical capabilities.

🗨️ When intention and purpose coincide, success is inevitable. Our Graduates and Future Leaders program aims to develop young talent for our future pipeline and the fast moving consumer goods (FMCG) industry at large. In 2021, 18 men and 25 women from South Africa, Ethiopia and Nigeria took on the inaugural 18-month program. The majority of the candidates have been absorbed into the business to date, a testament to the program's intent and purpose. 🗨️

🗨️ We cultivated a lot of practical problem-solving skills and leadership abilities. There are new sets of challenges every day, but you learn from your mistakes as you overcome and polish your strengths. 🗨️

 **Phumeza Nobhongoza** (she/her)
Graduates and Future Leaders Program Lead

 **Nomfundo Gumede** (she/her)
Production Planner

→  Watch this video from our program participants.

Nomfundo is one of the hires from the 2021 Graduate program



Phumeza Nobhongoza

Nomfundo Gumede

Supporting our veterans

U.S.

At PepsiCo, we strive to provide opportunities for military hires. Not just to honor their service, but to bring in people with the integrity, drive and teamwork skills we need to succeed. From our hiring and employment practices to our VALOR community outreach and Employee Resource Group, we're committed to supporting a successful transition from military to civilian life. By letting U.S. associates and their partners self-identify as veterans or military spouses in internal PepsiCo systems, we can better

understand the needs of veterans and their partners, and work to build a more inclusive culture. In 2021, 36 PepsiCo drivers, who happen to be military veterans themselves, participated in the Rolling Remembrance cross-country relay. They transported an American flag between 51 nationwide stops along normal business routes. Since 2015, the program has raised \$1.2 million in donations for Children of Fallen Patriots Foundation.

Much like the military, our industry is fast-paced, results-driven, challenging, and personally rewarding. Over the course of my 15-year career with PepsiCo, the company has continuously supported my service as a military reservist. As a member of the military reserve force, I've been able to work full-time at PepsiCo, while fulfilling my training requirements on drill weekends and maintaining availability for annual tours. During my recent six-month deployment, my PepsiCo family stayed connected with me regularly, which means so much.

John J Valdes III (he/him)
Planning Manager, PepsiCo
22-year veteran U.S. Air Force & U.S. Air Force Reserve

Watch this video to learn more about how we're supporting U.S. veterans.

Over \$1.2 million raised for Children of Fallen Patriots Foundation




Expanding our Racial Equality Journey around the world

SÃO PAULO, BRAZIL

In 2020 we launched our Racial Equality Journey in the U.S., with an investment of over \$570 million over five years to increase Black and Hispanic representation at PepsiCo and to uplift their businesses and communities. In 2021, we expanded to Brazil, where **we invested \$3.1 million to support more than two million people by the end of 2022, by increasing economic prosperity, addressing food insecurity, and improving safe water access.**

An example of our progress on this journey is The Lift Project. This initiative provides free English language courses and mentoring to more than 240 Black college students, and has achieved over 92% entering the job market.

 At PepsiCo, I found an opportunity to think about diversity broadly. This safe space lets me be myself and use my voice, so I can build programs, review processes and propose actions. One of the initiatives I'm most proud of is Brazil's Racial Equity Journey, a program where we focus our efforts intentionally and holistically to combat structural racism and build commitments to change things inside and outside the walls of PepsiCo. We're committed to ensuring more black representation in leadership positions and taking solid actions for the short, medium and long-term. 

 **Carlos Domingues** (he/him)
DE&I and Culture
Senior Manager



Helped more than 200 Brazilian college students enter the workforce



Increasing access to educational opportunities



U.S.

The PepsiCo Foundation's Community College Scholarship program has grown to impact even more U.S. students. Our Uplift scholarship (students transitioning from two-year to four-year programs) has funded nearly 1,800 students across 20 cities. And our S.M.I.L.E. (Success Matters in Life & Education) initiative has awarded 25 scholarships to Black and Hispanic students.

 The PepsiCo Foundation Community College Scholarship Program has evolved from an idea to a full blown, life changing opportunity. The stories of our scholars are humbling, and knowing that this work is opening doors to increased economic opportunities that were otherwise closed or unreachable for these students is truly inspirational. As a first generation college student myself, I'm honored to help lead this initiative, as I've seen firsthand the opportunities that are unlocked with a college education. 

 **Traci Rue White** (she/her)
Director, Early Talent DE&I Initiatives,
U.S. Lead

Scholarship program has grown from 11 to 20 U.S. cities

 Receiving this scholarship motivates me to work even harder towards my goal of becoming a cybersecurity analyst, and hopefully one day attain my dream of becoming a Chief Technology Officer. 

Frank Coleman (he/his)
COMP TIA A+ 1001 and 1002
Certification Candidate



OUR EMPLOYEE RESOURCE GROUPS HIGHLIGHTS

The heart of our company



Employee Resource Groups (ERGs) are the heart of PepsiCo. **Nearly 14,000 PepsiCo associates belong to one or more of our 10 ERGs around the world.** PepsiCo looks to ERGs to speak fearlessly with truth and candor about how the organization can step up its efforts to address inequities in our workforce and society and how we can all be better allies. Local ERG chapters help to make our culture more inclusive and engage associates in our workplace and communities.

- **Adelante** helps PepsiCo gain a competitive advantage by helping unleash the potential of PepsiCo's multicultural Hispanic community to drive consumer insights and develop top talent and accelerate growth opportunities.
- **CONNECT** builds a network among multi-generational professionals who mutually advance each other's careers, and drive growth and success.
- **EnAble** champions inclusion and engagement of people with different abilities and their caregivers, and seeks

to promote physical, technological and cultural opportunities to enable our people to realize their full potential.

- **EQUAL** fosters an open, inclusive and respectful environment for LGBTQ+ associates by building awareness of critical issues and driving positive change in our workplace.
- **MOSAIC** helps make PepsiCo the premier company for Black talent and supports continued growth of PepsiCo by making a positive impact on the careers of PepsiCo's Black associates and the communities where it conducts business.
- **PepsiCo Asian Network (PAN)** aims to make PepsiCo the employer of choice for Asian Americans through the recruitment, retention and development of our Asian associates, while making a positive impact on the business.
- **RISE** creates meaningful relationships between PepsiCo and Native

American tribes across the U.S., raises awareness of diverse Indigenous culture for our associates, and fosters engagement with these communities.

- **VALOR** supports the military, veterans, and their families to help them succeed in the workplace and strengthen PepsiCo's role as a leading military business partner.
- **Women's Inclusion Network (WIN)** strengthens our culture and promote a work environment that attracts, retains and develops women, and helps create a more inclusive PepsiCo.
- **Women of Color (WoC)** assists PepsiCo in identifying strategies to increase representation, provide meaningful career development opportunities, and elevate Women of Color worldwide, and is committed to supporting our multicultural Women of Color and connecting them with each other and the broader organization.



LIVING THE PEPSICO WAY

Pushing for gender parity

HYDERABAD, INDIA

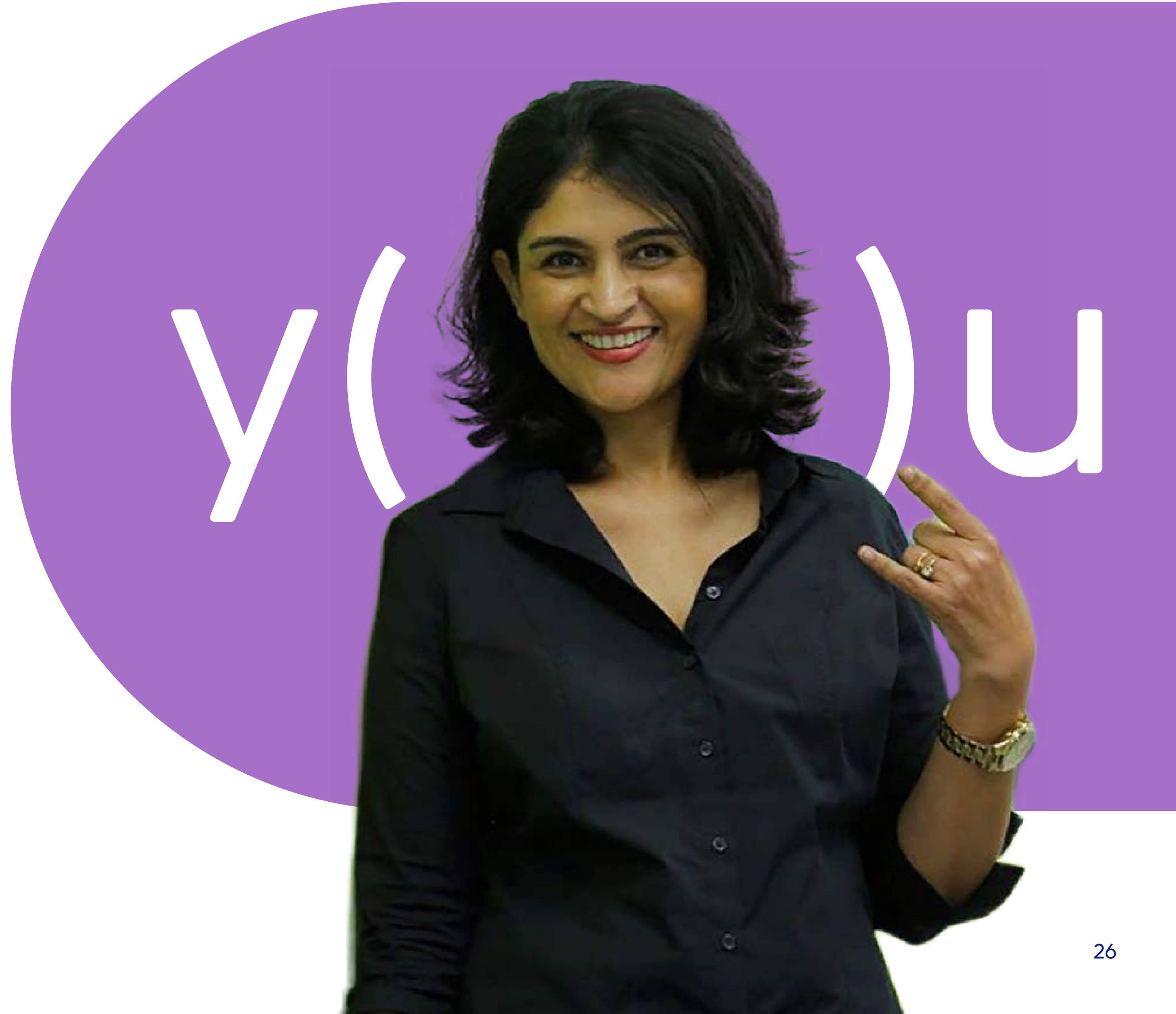
As Head of HR for PepsiCo's Global Business Services India Hub in Hyderabad, Avantika Nigam and her team reached an extraordinary threshold in just 18 months: 30% of Hyderabad Business Services managers are women, compared to the industry average of 11%. Nigam's strategy included a mix of thoughtful outreach, intentional hiring, and internal community-building, among

other measures. To encourage more young women to enter STEM fields, she launched an apprenticeship program for female students from underserved communities. Avantika is raising the bar on talent and diversity by driving us towards our gender parity agenda and creating environments where women are set up to thrive.

 Bringing in one or two women at a time doesn't advance diversity enough. You need to have the volume to really create a culture change in the team. And it's not enough to just hire women. You need to have them in leadership positions. 

 **Avantika Nigam** (she/her)
Head of Human Resources

 [Read more about how Avantika is driving a culture where women in STEM can win.](#)



LIVING THE PEPSICO WAY



Powering economies

MEXICO CITY, MEXICO

Dulce Santana is empowering women farmers to take on a larger role in producing crops in PepsiCo's cocoa, plantain and palm supply chain. It's all part of the Agrovita three-year program PepsiCo launched in partnership with nonprofit Proforest. Dulce and her colleagues began developing Agrovita in 2019, targeting the regions of Tabasco and Chiapas - agricultural-based economies that are among the poorest areas of the country. The idea was that training women and other smallholder farmers to grow their

crops in a more sustainable way would help PepsiCo reach its goal of spreading regenerative agriculture practices across seven million acres globally.

At least half of Agrovita's 37,000 beneficiaries will be women, including more than 20% of the producers. Dulce is raising talent and diversity standards by empowering women in southern Mexico and providing them with the resources to support their economic development.

 We recognize that women have the potential to take on more of a leading role in agriculture. Inviting them to participate and giving them more opportunities to develop themselves is how we raise the bar on talent and diversity. A lot of female leaders and coaches have helped me throughout my career, and I feel I owe the same to my community and the people I'm trying to serve. 

 **Dulce Santana** (she/her)
Corporate Citizenship
and Sustainability Manager

 [Read more about how Dulce is empowering women farmers.](#)



Thank
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