



VERIFICATION OPINION DECLARATION GREENHOUSE GAS EMISSIONS

Apex Companies LLC, (Apex) was engaged to conduct an independent verification of the greenhouse gas (GHG) emissions reported by PepsiCo, Inc. (PepsiCo) for the period stated below. This verification opinion declaration applies to the related information included within the scope of work described below.

The determination of the GHG emissions is the sole responsibility of PepsiCo. PepsiCo is responsible for the preparation and fair presentation of the GHG emissions statement in accordance with the criteria. Apex's sole responsibility was to provide independent verification on the accuracy of the GHG emissions reported, and on the underlying systems and processes used to collect, analyze and review the information. Apex is responsible for expressing an opinion on the GHG emissions statement based on the verification. Verification activities applied in a limited level of assurance verification are less extensive in nature, timing and extent than in a reasonable level of assurance verification.

Boundaries of the reporting company GHG emissions covered by the verification:

- Operational Control
- Worldwide Operations

Types of GHGs: CO₂, N₂O, CH₄, HFCs, PFCs,

GHG Emissions Statement:

- **Scope 1:** 3,552,706,479 kilograms of CO₂ equivalent (CO₂e)
- **Scope 2 (Location Based):** 1,719,609,541 kilograms of CO₂e
- **Scope 2 (Market Based):** 857,398,474 kilograms of CO₂e
- **Scope 3:** 1,930,891,863 kilograms of CO₂e
 - **Category 9 – Downstream Transportation and Distribution:** 1,930,891,863 kilograms of CO₂e

Data and information supporting the Scope 1 and Scope 2 GHG emissions assertion were historical in nature.

Data and information supporting the Scope 3 GHG emissions assertion were in some cases estimated rather than historical in nature.

Period covered by GHG emissions verification:

- January 1, 2020 to December 31, 2020

Criteria against which verification was conducted:

- World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard (**Scope 1 and 2**)
- WRI/WBCSD Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (**Scope 3**)

Reference Standard:

- ISO 14064-3 Second edition 2019-04: Greenhouse gases -- Part 3: Specification with guidance for the verification and validation of greenhouse gas statements



Level of Assurance and Qualifications:

- Limited
- This verification used a materiality threshold of 5% for aggregate errors in sampled data for each of the above indicators
- Qualifications: None

GHG Verification Methodology:

- Interviews with relevant personnel of PepsiCo;
- Review of documentary evidence produced by PepsiCo;
- Reviewing documentary evidence, data and information systems and methodology for collection, aggregation, analysis and review of information used to determine environmental data and information via web-based meetings with representatives at PepsiCo headquarters in Plano, Texas and at ten (10) PepsiCo global locations including Beijing, China; Wytheville, VA; Multan, Pakistan; Prospecton, South Africa; Rancho Cucamonga, CA; San Antonio, TX; Singapore; Tulsa, OK; Mexico City, Mexico; Veurne, Belgium; and
- Audit of sample of data used by PepsiCo to determine GHG emissions.

Verification Opinion:

Based on the process and procedures conducted, there is no evidence that the GHG emissions statement shown above:

- is not materially correct and is not a fair representation of the GHG emissions data and information; and
- has not been prepared in accordance with the WRI/WBCSD GHG Protocol Corporate Accounting and Reporting Standard (Scope 1 and 2), and WRI/WBCSD Greenhouse Gas Protocol Corporate Value Chain Accounting and Reporting Standard (Scope 3).

It is our opinion that PepsiCo has established appropriate systems for the collection, aggregation and analysis of quantitative data for determination of these GHG emissions for the stated period and boundaries.



Statement of independence, impartiality and competence

Apex is an independent professional services company that specializes in Health, Safety, Social and Environmental management services including assurance with over 30 years history in providing these services.

No member of the verification team has a business relationship with PepsiCo, its Directors or Managers beyond that required of this assignment. We conducted this verification independently and to our knowledge there has been no conflict of interest.

Apex has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities.

The verification team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes, has over 20 years combined experience in this field and an excellent understanding of Apex's standard methodology for the verification of greenhouse gas emissions data.

Attestation:


Joe Winslow, Lead Verifier
Associate Consultant
Apex Companies, LLC.


Christopher J. Ostermann, Technical Reviewer
Division Manager
Apex Companies, LLC.

May 18, 2021

This verification statement, including the opinion expressed herein, is provided to PepsiCo and is solely for the benefit of PepsiCo in accordance with the terms of our agreement. We consent to the release of this statement by you to CDP in order to satisfy the terms of CDP disclosure requirements but without accepting or assuming any responsibility or liability on our part to CDP or to any other party who may have access to this statement.

INDEPENDENT LIMITED ASSURANCE STATEMENT



To: The Stakeholders of PepsiCo

Introduction and objectives of work

Apex Companies, LLC (Apex) has been engaged by PepsiCo, Inc. (PepsiCo) to provide limited assurance of select environmental data (subject matter) reported in its corporate social responsibility report (the Report). This Assurance Statement applies to the Subject Matter included within the scope of work described below.

This information and its presentation in the Report are the sole responsibility of the management of PepsiCo. Apex was not involved in the drafting of the Report. Our sole responsibility was to provide independent assurance on the accuracy of the Subject Matter. This is the 14th year in which we have provided assurance over PepsiCo's Report.

Scope of work

The scope of our work was limited to assurance over the following information included within the Report for the period January 1, 2020 to December 31, 2020 (the 'Subject Matter'):

- Global Energy Consumption associated with Manufacturing & Warehouse Operations, Fleet Operations, Offices & Distribution Centers
 - 15,941,902,589 kWh of Total Energy Consumption
 - 3,994,892,306 kWh Total Site Electricity Consumption
 - 2,194,507,630 kWh Total Renewable Electricity Consumption
- Total Renewable Electricity as a percentage of total electricity associated with Manufacturing & Warehouse Operations, Fleet Operations, Offices & Distribution Centers
 - 55 percent
- Total United States of America Electricity Consumption associated with Manufacturing & Warehouse Operations, Fleet Operations, Offices & Distribution Centers
 - 1,711,233,706 kWh
- Total Renewable Energy Certificates (RECs) allocated to PepsiCo, Inc. associated with electric power generation from renewable resources in the United States of America.
 - 1,711,233,706 kWh (100%)
- Water Consumption associated with Manufacturing & Warehouse Operations
 - 82,662,127,438 liters
- Waste Generation associated with Manufacturing & Warehouse Operations
 - 2,384,414,635 kilograms
- Primary Production associated with Manufacturing & Warehouse Operations
 - 33,978,056,738 kilograms

Our assurance does not extend to any other information included in the Report.

Reporting Boundaries

The following are the boundaries used by PepsiCo for reporting sustainability data:

- Operational Control
- Worldwide Manufacturing & Warehouse Operations

Reporting Criteria

The Selected Information was evaluated against PepsiCo's internal reporting procedures for environmental data (the Reporting Criteria). The assurance used a materiality threshold of 5%.

Limitations and Exclusions

Excluded from the scope of our work is any verification of information relating to:

- Activities outside the defined assurance period;
- Text or other written statements associated with PepsiCo submissions and the Report

This limited assurance engagement relies on a risk based selected sample of sustainability data and the associated limitations that this entails. The reliability of the reported data is dependent on the accuracy of metering and other production measurement arrangements employed at site level, not addressed as part of this assurance. This independent statement should not be relied upon to detect all errors, omissions or misstatements that may exist.

Responsibilities

This preparation and presentation of the Subject Matter in the Report are the sole responsibility of the management of PepsiCo.

Apex was not involved in the drafting of the Report or of the Reporting Criteria. Our responsibilities were to:

- obtain limited assurance about whether the Subject Matter has been prepared in accordance with the Reporting Criteria;
- form an independent conclusion based on the assurance procedures performed and evidence obtained; and
- report our conclusions to the Directors of PepsiCo.

Assessment Standards

We performed our work in accordance with Apex's standard procedures and guidelines for external Assurance of Sustainability Reports and International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements Other than Audits or Reviews of Historical Financial Information (effective for assurance reports dated on or after Dec. 15, 2015), issued by the International Auditing and Assurance Standards Board. A materiality threshold of ± 5 -percent was set for the assurance process.

Summary of Work Performed

As part of our independent verification, our work included:

1. Assessing the appropriateness of the Reporting Criteria for the Subject Matter;
2. Conducting interviews with relevant personnel of PepsiCo (including individuals at the plant, regional and corporate levels);
3. Reviewing the data collection and consolidation processes used to compile Subject Matter, including assessing assumptions made, and the data scope and reporting boundaries;

4. Reviewing documentary evidence, data and information systems and methodology for collection, aggregation, analysis and review of information used to determine environmental data and information via web-based meetings with representatives at PepsiCo headquarters in Plano, Texas and at ten (10) PepsiCo global locations including Beijing, China; Wytheville, VA; Multan, Pakistan; Prospecton, South Africa; Rancho Cucamonga, CA; San Antonio, TX; Singapore; Tulsa, OK; Mexico City, Mexico; Veurne, Belgium; and
5. Agreeing a selection of the Subject Matter to the corresponding source documentation;
6. Reviewing of PepsiCo information systems for collection, aggregation, analysis and internal verification and review of consolidated environmental data; and
7. Assessing the disclosure and presentation of the Subject Matter to ensure consistency with assured information.

Conclusion

On the basis of our methodology and the activities described above:

- Nothing has come to our attention to indicate that the Subject Matter has not been properly prepared, in all material respects, in accordance with the Reporting Criteria; and
- It is our opinion that PepsiCo has established appropriate systems for the collection, aggregation and analysis of relevant environmental information, and has implemented underlying internal assurance practices that provide an appropriate degree of confidence that such information is complete and accurate.

Statement of Independence, Integrity and Competence

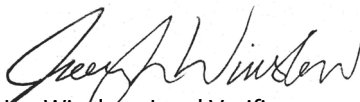
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