

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Keurig Dr Pepper Inc. is a leading beverage company in North America, with a diverse portfolio of flavored (non-cola) carbonated soft drinks (CSDs), non-carbonated beverages (NCBs), including water (enhanced and flavored), ready-to-drink tea and coffee, juice, juice drinks, mixers and specialty coffee, and is a leading producer of innovative single serve brewing systems. With a wide range of hot and cold beverages that meet virtually any consumer need, KDP key brands include Keurig, Dr Pepper, Canada Dry, Snapple, Bai, Mott's, Core, Green Mountain and The Original Donut Shop. KDP has some of the most recognized beverage brands in North America, with significant consumer awareness levels and long histories that evoke strong emotional connections with consumers. KDP offers more than 125 owned, licensed and partner brands, including the top ten best-selling coffee brands and Dr Pepper as a leading flavored CSD in the U.S. according to IRi, available nearly everywhere people shop and consume beverages.

KDP was created through the combination of the business operations of Keurig, a leading producer of innovative single serve brewing systems and specialty coffee in the U.S. and Canada, and DPS, a company built over time through a series of strategic acquisitions that brought together iconic beverage brands in North America such as Dr Pepper, Snapple, 7UP, Canada Dry, Mott's, A&W and the Peñafiel business in Mexico. The DPS Merger was consummated on July 9, 2018, at which time DPS changed its name to Keurig Dr Pepper Inc. and began trading on the NYSE under the symbol "KDP". Today, we trade on Nasdaq under the symbol KDP, and we are a member of the Nasdaq 100 Index.

In 2019, we introduced our new corporate responsibility platform, Drink Well. Do Good. Through this platform we established multiyear goals and initiatives for our supply chain, the environment, health and wellbeing and our communities. To meet these ambitious commitments, we designed a comprehensive and flexible program, allowing us to direct resources toward opportunities that are meaningful to our planet, our business and our people.

Throughout this response, we refer to our "hot business" and our "cold business". The "hot business" reflects our coffee segment which consists of our single-serve brewing system appliances, K-Cup® pods and other coffee products, and the "cold business" includes our packaged beverages, beverage concentrates, and Latin America beverages segments with CSDs, NCBs, other ready-to-drink beverages, and apple products.

Cautionary Statement: Certain statements contained herein are "forward-looking statements" which by their nature address matters that are, to different degrees, uncertain, such as statements regarding the estimated or anticipated future actions of Keurig Dr Pepper Inc. These statements are based on the current expectations of our management and are not predictions of actual performance, and are subject to a number of risks and uncertainties regarding the company's business and actual results may differ materially. Any forward-looking statement made herein speaks only as of the date of this document. We are under no obligation to, and expressly disclaim any obligation to, update or alter any forward-looking statements, whether as a result of new information, subsequent events or otherwise, except as required by applicable laws or regulations.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1 2021	December 31 2021	No	<Not Applicable>

C0.3

(C0.3) Select the countries/areas in which you operate.

- Canada
- China
- Hong Kong SAR, China
- Ireland
- Mexico
- Singapore
- Switzerland
- United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C-AC0.6/C-FB0.6/C-PF0.6

(C-AC0.6/C-FB0.6/C-PF0.6) Are emissions from agricultural/forestry, processing/manufacturing, distribution activities or emissions from the consumption of your products – whether in your direct operations or in other parts of your value chain – relevant to your current CDP climate change disclosure?

	Relevance
Agriculture/Forestry	Elsewhere in the value chain only [Agriculture/Forestry/processing/manufacturing/Distribution only]
Processing/Manufacturing	Both direct operations and elsewhere in the value chain [Processing/manufacturing/Distribution only]
Distribution	Both direct operations and elsewhere in the value chain [Processing/manufacturing/Distribution only]
Consumption	Yes [Consumption only]

C-AC0.6b/C-FB0.6b/C-PF0.6b

(C-AC0.6b/C-FB0.6b/C-PF0.6b) Why are emissions from agricultural/forestry activities undertaken on your own land not relevant to your current CDP climate change disclosure?

Row 1

Primary reason

Do not own/manage land

Please explain

KDP sources coffee, sugar, apples, and other beverage commodity ingredients from North America and around the globe via importers based on a number of factors like quality, certifications, and cost. The company is not vertically integrated in its agricultural supply chain and does not own any farms/crop production land or agricultural processing.

C-AC0.7/C-FB0.7/C-PF0.7

(C-AC0.7/C-FB0.7/C-PF0.7) Which agricultural commodity(ies) that your organization produces and/or sources are the most significant to your business by revenue? Select up to five.

Agricultural commodity

Other, please specify (Coffee)

% of revenue dependent on this agricultural commodity

20-40%

Produced or sourced

Sourced

Please explain

KDP's hot business consists of our single-serve brewing system appliances, K-Cup® pods and other coffee products. A very small proportion of our hot beverage portfolio includes cocoa, tea, powdered drinks, and dairy, but coffee represents the majority of the hot beverage portfolio.

Agricultural commodity

Other, please specify (Apples)

% of revenue dependent on this agricultural commodity

Less than 10%

Produced or sourced

Sourced

Please explain

Apples are the primary ingredient in our Mott's® branded applesauce products. (Apple juice products are dependent on apple juice concentrate, not considered in the scope for this response).

Agricultural commodity

Sugar

% of revenue dependent on this agricultural commodity

Less than 10%

Produced or sourced

Sourced

Please explain

We source cane sugar for several of our beverage brand products.

Agricultural commodity

Other, please specify (Corn)

% of revenue dependent on this agricultural commodity

20-40%

Produced or sourced

Sourced

Please explain

Corn, in the form of high fructose corn syrup is used in many of our beverage products.

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, a Ticker symbol	KDP

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board Chair	<p>The KDP Board of Directors directly oversees KDP's ESG strategy and goals, as outlined in our Corporate Governance Principles. In this role, the Board approves long-term 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. KDP's Board Chair has ultimate oversight for the performance of the business including its sustainability strategy and goals. This position's responsibility for climate-related issues covers potential risk impacts to the organization as part of overall enterprise risk management and oversight; approval of climate targets; and performance against these public goals.</p> <p>For example, in 2020, the Board reviewed and advised on KDP's Science Based Targets. In 2021, The Board reviewed and discussed performance against the new SBTs.</p>

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	<p>Reviewing and guiding risk management policies</p> <p>Monitoring implementation and performance of objectives</p> <p>Monitoring and overseeing progress against goals and targets for addressing climate-related issues</p>	<Not Applicable>	KDP's Board of Directors reviews matters of the Company's corporate sustainability efforts quarterly, including climate-related issues (but also: environment including water, waste, and packaging, health and wellness, philanthropy, and responsible sourcing). This process informs the Board's oversight of progress against goals and targets as well as the implementation of risk-management policies.

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Yes	<p>The Board is committed to the ongoing review of Board composition and regularly discusses the skills and characteristics required of KDP directors in the context of the current makeup of the Board, the operating requirements of the Company and the long-term interests of stockholders. The Remuneration Committee (RemCo) also reviews the collective experience of the Board and makes recommendations to the Board regarding the appropriate mix of skillsets, qualifications and attributes of the Board as a whole.</p> <p>The Board seeks candidates with diverse personal backgrounds and experiences and who are committed to active participation, sharing fresh perspectives and providing constructive feedback to management. Our Board prioritizes candidates with proven executive leadership capabilities; consumer product industry expertise; strategic planning experience; financial and accounting skills; and corporate governance, regulatory and risk management experience. With respect to diversity, the Board may consider such factors as diversity in viewpoint, professional experience, education, international experience, skills and other individual qualifications and attributes that contribute to board diversity, including characteristics such as age, gender, race and national origin.</p> <p>The Board oversees KDP's corporate responsibility strategy and sets the tone for the Company's commitment to act responsibly and be a force for positive impact. In early 2022, the Board updated the Corporate Governance Principles to formally reflect the longstanding commitment to addressing ESG matters directly with the full Board. The Board added as a core responsibility the oversight of the Company's environmental sustainability and social responsibility strategies and commitments, including for climate, water, circular economy, health and wellbeing, supply chain sustainability, human rights, and diversity and inclusion.</p> <p>The full Board approves long-term goals and commitments under our focus areas of Environment, Supply Chain, Health & Wellbeing and People & Communities.</p>	<Not Applicable>	<Not Applicable>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Chief Sustainability Officer (CSO)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

The SVP and Chief Sustainability Officer (CSO) reports to the Chief Corporate Affairs Officer (CCAO) and leads Corporate Responsibility (CR) (also referred to as Sustainability) for KDP, including development of vision and strategy as well as the day-to-day management of our CR program. The CSO and CCAO regularly collaborate with a cross-functional team of employees across the organization, including such areas as procurement, supply chain, research and development, quality, facilities, human resources and legal, to drive execution and measurement of the CR strategy. Our rationale for assigning responsibility for climate-related issues in these positions is grounded in the enterprise-wide scope of their positions, which allows them to assess risk and opportunity across the organization and its value chain. This scope is appropriate given the potential for climate issues to affect the company as a whole.

In addition to this key role, the CSO convenes the Sustainability Governance Committee (SGC), composed of key functional Executive Leadership Team (ELT) members, including the CCAO, which monitors progress monthly and approves key, cross-functional CR initiatives. The Committee’s responsibilities for climate-related issues include review of greenhouse gas emissions of the company, climate scenario assessment informing the company’s science-based target, and related topics. The full KDP ELT ensures the CR program aligns with the long-term objectives of the business and maintains broad oversight of programs and progress.

Responsibility for climate-related issues lies with the SGC. By our rationale, the SGC is the appropriate body to assume these responsibilities. It is the Committee best positioned to view relevant information cross-functionally from an executive perspective, act to guide the company’s response to the issues, and consider climate within the full scope of sustainability impact of the company. Further, the members serve to actively integrate the sustainability vision and strategy into relevant functions. For example, the teams led by the Chief Supply Chain Officer and the Chief R&D Officer – both members of the Governance Committee – collaborate to select packaging material such as PET plastic for our bottled CSDs. The teams have aligned the organization to evaluate and source recycled content PET (rPET) which will reduce the Scope 3 emissions associated with our packaging. The CCAO directs interaction with and response to investors on climate topics and oversees the submission of information contained in this disclosure in the interest of transparency and communication with investors.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

Provide incentives for the management of climate-related issues		Comment
Row 1	Yes	

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Chief Sustainability Officer (CSO)	Non-monetary reward	Emissions reduction target	Achievement of progress against our corporate responsibility goals is recognized internally for all employees involved through acknowledgement in company-wide meetings, internal news items, or team events. Our CSO oversees energy and emissions targets and practices that are integrated to relevant functions and included in their annual performance goals.
Buyers/purchasers	Non-monetary reward	Environmental criteria included in purchases	KDP purchases coffee that is managed under certification schemes such as Fair Trade, Rainforest Alliance, and UTZ Certified, which encourage practices with climate change mitigation or adaptation benefits. We achieved our 2020 goal that 100% of our green coffee purchases meet one of those certification programs. In 2021, 99.62% of our green coffee purchases met one of these certification programs (during 2021, COVID-19 impacts and shipping delays resulted in a very small amount of conventional coffee deliveries). In addition, KDP funds projects with specific suppliers to support the implementation of these practices. For Procurement, we capture the percentage of coffee that is responsibly sourced. Progress towards our responsible sourcing goals is publicized and buyers/purchasers are responsible via their annual goals to deliver to annual targets for traceability and responsibly sourced coffee. Accordingly, they receive recognition for their contributions.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	1	These are the timeframes that our legal & internal audit function utilize when evaluating appropriate horizons over which to focus their work on risk assessment.
Medium-term	1	3	These are the timeframes that our legal & internal audit function utilize when evaluating appropriate horizons over which to focus their work on risk assessment.
Long-term	3	10	These are the timeframes that our legal & internal audit function utilize when evaluating appropriate horizons over which to focus their work on risk assessment. Much of our sustainability-focused strategy fits in the long-term time horizon, for example in 2019 we set 2025 targets. Please note - long-term is anything beyond 3 years, 10 was selected as proxy for this. It depends on the issue and relevance over time as to what timeframe beyond 3 years would be considered, and it could be more than 10 years.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

KDP defines 'substantive impact' at the corporate level as a risk that could cause material financial change to our business. This definition is inclusive of direct and indirect impacts to operations, services and our supply chain. This distinction is in line with other KDP ERM risk assessment and audit processes. An impact that constitutes a quantifiable indicator of climate-related substantive change could be based on any or a combination of the following:

- Frequency of impact - a single or multiple occurrences over a 10-year time horizon.
- Disruption to production - at our manufacturing or distribution facilities as well as facilities of our suppliers, bottlers, contract manufacturers or distributors.
- U.S. and international laws and regulations could adversely affect our business.
- Weather, natural disasters, climate change legislation and the availability of water could adversely affect our business.
- Costs and supply for commodities, such as raw materials and energy, may change substantially and shortages may occur.
- Damage to our reputation - Product safety and quality concerns could negatively affect our business.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

At KDP, a variety of approaches and processes lend themselves to identifying, assessing and responding to climate-related risks and opportunities, applied at relevant frequencies for the related topics. At KDP, Enterprise Risk Management (ERM) is a periodic process designed to identify potential risk events that may significantly impact the achievement of the company's objectives and to manage those risks to be within the company's risk tolerance (i.e. willingness and/or ability to take risks). Through ERM identified this process climate change as a potential risk area, particularly around for its potential for operations disruption impacts and the issue of water security, was identified as a potential risk area.

As stated in the risk factors section of our annual Form 10K which was filed with the Securities and Exchange Commission on February 24, 2022, weather, natural disasters, water availability and climate change or related legislation could adversely affect our business. Climate-related risks could lead to substantive impact through one or more of the following: 1) physical damage 2) increased regulatory constraints, or 3) impacts to operations or services.

KDP further defines 'substantive impact' at the corporate level as a risk that could cause material financial change to our business. This definition is inclusive of direct and indirect impacts to operations, services and our supply chain. This distinction is in line with other KDP ERM risk assessment and audit processes. An impact that constitutes a climate related substantive change could be based on any or a combination of the following:

- Frequency of impact - a single (or multiple) occurrence over a 10-year time horizon.
- Disruption to production - at our manufacturing or distribution facilities as well as facilities of our suppliers, bottlers, contract manufacturers or distributors.
- U.S. and international laws and regulations could adversely affect our business.
- Weather, natural disasters, climate change legislation and the availability of water could adversely affect our business.
- Costs and supply for commodities, such as raw materials and energy, may change substantially and shortages may occur.

Risks and opportunities related to climate change are identified via three different mechanisms: our EHS process, carbon inventorying, and our Environmental KPI Scorecard:

- EHS process: KDP utilizes audit tools and 3rd party compliance assessments to help ensure all sites comply with applicable local and state laws, including environmental laws relating to air pollution and clean water.
- Carbon inventorying and Energy Star Benchmarking: Through our partners, KDP tracks and calculates the carbon output from our U.S.-based buildings and manufacturing on a monthly basis, and that information is added to annual carbon emissions data from our fleet, Mexico operations, third-party logistics, and currently captured value-chain carbon. Understanding our asset level carbon data, and associated trending, gives KDP decision makers relevant information from which to make possible mitigation decisions.
- Environmental KPI Scorecard: We collect data on water, waste, and energy to integrate into our Environmental Scorecard, which is produced on a monthly basis. This process assists KDP in quickly and proactively identifying outliers to resolve possible environmental issues.

Our sustainability strategy is based on the most important sustainability issues for our Company and for our stakeholders. We utilize sustainability materiality analysis to prioritize the risks and opportunities, and we take into account the above data, tools, and context in developing our responses and actions to manage each issue identified, including climate. 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. For a discussion of the risks that are material to investors in KDP, please see our Annual Report on Form 10-K for the year ended December 31, 2021, filed with the SEC, our subsequent Quarterly Reports on Form 10-Q and our Current Reports on Form 8-K.

One example of how the climate-related risk assessment process has been applied to physical risks is our decision to cascade resource consumption, pollution prevention and waste minimization guidelines to our suppliers through our Supplier Code of Conduct. These guidelines state that business shall be conducted in a manner which proactively embraces sustainability. Suppliers shall optimize their consumption of natural resources, including energy and water. Compliance with these guidelines also presents a climate-related opportunity as it results in resource conservation and improved environmental quality for our suppliers and nearby communities.

One example of how the climate-related opportunity assessment process is applied to transitional opportunities is our recently achieved goal that by 2020, 100% of our green coffee purchases are responsibly sourced and meet one of the following accepted sustainability programs: Fair Trade USA, Fairtrade International, Rainforest Alliance or UTZ. KDP is committed to high standards of social and environmental responsibility and ethical conduct. We believe this presents an opportunity for KDP to strengthen the resilience of our suppliers, as well as establishing ourselves and our products as an ethical choice to increasingly informed and discerning consumers and investors alike.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & Inclusion	Please explain
Current regulation	Relevant, always included	Concern over climate change has led to legislative and regulatory initiatives directed at limiting greenhouse gas ("GHG") emissions. For example, proposals that would impose mandatory requirements on GHG emissions continue to be considered by policy makers in the countries in which we operate. Laws enacted that directly or indirectly affect our production, distribution, packaging, cost of raw materials, fuel, ingredients and water could all negatively impact our business and financial results, which is why KDP considers regulatory risk in our climate-related risk assessment. At KDP, Enterprise Risk Management (ERM) is a process designed to identify potential risk events that may significantly impact the achievement of the company's objectives and to establish plans to manage those risks to be within the company's risk tolerance. Risks relating to current regulation are relevant and always included in that process.
Emerging regulation	Relevant, always included	Concern over climate change will continue to lead to legislative and regulatory initiatives directed at limiting greenhouse gas ("GHG") emissions. For example, emerging proposals that would impose mandatory requirements on GHG emissions continue to be considered by policy makers in the countries in which we operate. Laws enacted that directly or indirectly affect our production, distribution, packaging, cost of raw materials, fuel, ingredients and water could all negatively impact our business and financial results, which is why KDP considers regulatory risk in our climate-related risk assessment. At KDP, Enterprise Risk Management (ERM) is a process designed to identify potential risk events that may significantly impact the achievement of the company's objectives and to establish plans to manage those risks to be within the company's risk tolerance. Risks relating to emerging regulation are relevant and always included in that process.
Technology	Relevant, always included	We use a significant amount of energy in our business, and therefore may be significantly impacted by changes in fuel costs due to the large truck fleet we operate in our distribution business and our use of third-party carriers. As part of our 2025 sustainability targets, we have committed to procuring 100% renewable electricity for our operations, and in 2020 we set a science-based target (SBT). We evaluate technology risks and opportunities across our value chain to be able to meet an SBT. For example, one opportunity is the use of alternative fuel or electric vehicles in our fleet, and by third-party carriers. Alternative fuel, hybrid and electric vehicle and charging infrastructure technology is still maturing in North America, particularly for long-haul trucks, and may not be available in the locations or in the volume required to adapt our fleet or those of the third-party carriers we use. This means we continue to rely on fossil fuels and the associated business risks of fuel costs, which is why KDP considers technology risk in our climate-related risk assessment. Risks relating to technology are relevant and always included in the process of identifying risks and opportunities related to climate change.
Legal	Relevant, always included	From time to time we may be a party to various litigation claims and legal proceedings. From time to time we may be a defendant in class action litigation. Plaintiffs in class action litigation may seek to recover amounts that are large and may be indeterminable for some period of time. We evaluate litigation claims and legal proceedings to assess the likelihood of unfavorable outcomes and estimate, if possible, the amount of potential losses. We may establish reserves as appropriate based upon assessments and estimates in accordance with our accounting policies. We will base our assessments, estimates and disclosures on the information available to us at the time and rely on legal and management judgment. Actual outcomes or losses may differ materially from assessments and estimates. Costs to defend litigation claims and legal proceedings and the cost and any required actions arising out of actual settlements, judgments or resolutions of these claims and legal proceedings may negatively affect our business and financial performance. Any adverse publicity resulting from allegations made in litigation claims or legal proceedings may also adversely affect our reputation, which in turn could adversely affect our results of operations, which is why KDP considers legal risk in our climate-related risk assessment. At KDP, Enterprise Risk Management (ERM) is a process designed to identify potential risk events that may significantly impact the achievement of the company's objectives and to manage those risks to be within the company's risk tolerance. Legal risks are relevant and always included in that process.
Market	Relevant, always included	The beverage industry is highly competitive and continues to evolve in response to changing consumer preferences. Competition is generally based on brand recognition, taste, quality, price, availability, selection and convenience, as well as factors related to corporate responsibility and sustainability. Some of our competitors can use their resources and scale to rapidly respond to competitive pressures and changes in consumer preferences by introducing new products, changing their route to market, reducing prices or increasing promotional activities. We also compete with a number of smaller brands and a variety of smaller, regional and private label manufacturers. Smaller companies may be more innovative, better able to bring new products to market and better able to quickly exploit and serve niche markets. We also compete for contract manufacturing with other bottlers and manufacturers. Competitive pressures may also cause us to reduce prices we charge customers or may restrict our ability to increase such prices. In addition, the rapid growth of e-commerce may create additional consumer price deflation by, among other things, facilitating comparison shopping, and could potentially threaten the value of some of our legacy route-to-market strategies and thus negatively affect revenues, which is why KDP considers market risks in our climate-related risk assessment. At KDP, Enterprise Risk Management (ERM) is a process designed to identify potential risk events that may significantly impact the achievement of the company's objectives and to manage those risks to be within the company's risk tolerance. Market-related risks are relevant and always included in that process.
Reputation	Relevant, always included	Consumers' preferences continually evolve due to a variety of factors, including changing demographics of the population, social trends, changes in consumer lifestyles and consumption patterns, concerns or perceptions regarding the health effects of products, concerns regarding the location of origin or source of ingredients and products, changes in consumers' spending habits, negative publicity, economic downturn or other factors. Consumers are increasingly focused on sustainability, with particular attention to the recyclability of product packaging, reducing consumption of single-use plastics and non-recyclable materials, and the environmental impact of manufacturing operations. If we do not meet consumer demands by providing recyclable packaging options and focusing on sustainability throughout our manufacturing operations, our sales could suffer. If we are not successful in timely response to changing markets and consumer preferences, and/or some of our competitors are better able to respond to these changes, our business and financial performance will be negatively affected, which is why KDP considers reputational risks in our climate-related risk assessment. At KDP, Enterprise Risk Management (ERM) is a process designed to identify potential risk events that may significantly impact the achievement of the company's objectives and to manage those risks to be within the company's risk tolerance. Reputational risks are relevant and always included in that process.
Acute physical	Relevant, always included	A disruption in production at either of our beverage concentrates manufacturing facilities, which manufactures our concentrates, or at our other facilities, could have a material adverse effect on our business. In addition, a disruption could occur at any of our other facilities or those of our suppliers, bottlers, contract manufacturers or distributors. The disruption could occur for many reasons, including fire, natural disasters, weather, water scarcity, manufacturing problems, disease, epidemics, strikes, transportation or supply interruption, contractual dispute, government regulation, cybersecurity attacks or terrorism. For example, our Houston, TX plant closed for ~4 days following Hurricane Harvey in 2017 due to heavy flooding. As the severity of extreme weather events increase, we acknowledge the inherent risks to production capacity and incorporate those assessments into our Enterprise Risk Management processes accordingly. Moreover, if demand increases more than we forecast, we will need to either expand our capabilities internally or acquire additional capacity. Alternative facilities with sufficient capacity or capabilities may not be available, may cost substantially more than existing facilities or may take a significant time to start production, each of which could negatively affect our business and financial performance, which is why KDP considers acute physical risks in our climate-related risk assessment. At KDP, Enterprise Risk Management (ERM) is a process designed to identify potential risk events that may significantly impact the achievement of the company's objectives and to manage those risks to be within the company's risk tolerance. Acute physical risks are relevant and always included in that process.
Chronic physical	Relevant, always included	Unusual weather, natural disasters or long-term climate changes may negatively impact the price or availability of raw materials, energy and fuel, our ability to produce and demand for our products. Unusually cool weather during the summer months or unusually warm weather during the winter months may result in reduced demand for our products and have a negative effect on our business and financial performance. Global climate change poses a serious threat to communities, businesses, farmers and ecosystems. Climate change is already affecting the agricultural sector, and disruptions to crop growing conditions are expected to increase with extreme weather events, increasing temperatures, and changing water availability. The competition for water among domestic, agricultural and manufacturing users is increasing in the countries where we operate, and as water becomes scarcer or the quality of the water deteriorates, we may incur increased production costs or face manufacturing constraints which could negatively affect our business and financial performance. Even where water is widely available, water purification and waste water treatment infrastructure limitations could increase costs or constrain our operations. We are also faced with the impact of disruptions to crop growing conditions as a result of changing weather patterns, which can cause changes in geographical ranges of crops, as well as weeds, diseases and pests that affect those crops. For example, in 2012, an outbreak of Coffee Leaf Rust – the highest incidence in 40 years – infected more than half of Central America's coffee farms and caused losses reaching \$1 billion in the 2012 – 2013 harvest, according to the International Coffee Organization. Root Capital launched the Coffee Farmer Resilience Initiative in partnership with Keurig Green Mountain, USAID, and others. These impacts may limit availability or increase the cost of key agricultural commodities, such as coffee and corn and tea, which are important sources of ingredients for our products, which is why KDP considers chronic physical risks in our climate-related risk assessment. At KDP, Enterprise Risk Management (ERM) is a process designed to identify potential risk events that may significantly impact the achievement of the company's objectives and to manage those risks to be within the company's risk tolerance. Chronic physical risks are relevant and always included in that process.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Other, please specify (Increased severity and frequency of extreme weather events such as cyclones and floods)
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Primary potential financial impact

Decreased revenues due to reduced production capacity

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Severe weather including tornadoes, snowstorms, hurricanes and flooding could affect our operations and therefore sales. According to the 2014 National Climate Assessment, "there has been a substantial increase in most measures of Atlantic hurricane activity since the early 1980s...including...intensity, frequency, and duration as well as the number of strongest (Category 4 and 5) storms. By late this century, models, on average, project an increase in the number of...Category 4 and 5...hurricanes. Models also project greater rainfall rates in hurricanes in a warmer climate, with increases of about 20% averaged near the center of hurricanes." A disruption to our operations could occur for many reasons, including but not limited to fire, natural disasters, weather including extreme precipitation, water scarcity, epidemics, transportation or supply interruption. These physical risks could negatively impact our direct operations, potentially decreasing production for a period of time. Severe weather could also result in increased demand as people stock up before a storm, and reduced demand due to grocery/retail closures following a storm. As the severity of extreme weather events increases, we acknowledge the inherent risks to production capacity and incorporate those assessments into our Enterprise Risk Management processes accordingly. While our inventory planning and geographically diverse production and distribution sites can provide a buffer against the risk of temporary plant operational shutdowns, sales are nevertheless affected when retail stores are forced to temporarily close or we cannot meet immediate demand. We undertake numerous actions before, during, and after storm events to minimize disruption to our customers.

Time horizon

Short-term

Likelihood

More likely than not

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

90000

Potential financial impact figure – maximum (currency)

105000

Explanation of financial impact figure

To estimate potential financial impact, we assume a portion of sales are lost in a regional market in the Southeast in the week following a storm. We use syndicated IRI regional sales data for 1 week during hurricane season (June to November) in Miami and Houston adjusted for stockouts and estimated lost operating income, and including distribution from alternate sourcing locations. This impact could range from \$90,000 to \$105,000.

Cost of response to risk

0

Description of response and explanation of cost calculation

Any disruption in production or inability of our manufacturing sites to produce adequate quantities to meet our needs, whether as a result of a natural disaster or other causes, could significantly impair our ability to meet demand for packaged beverage products. We have operations across the Southeastern U.S. which is a region often in the path of hurricanes. For example, our Houston, TX plant closed for ~4 days following Hurricane Harvey in 2017 due to heavy flooding. After Hurricane Harvey, many area sales outlets were closed for days. We have a business continuity plan that mitigates risk in case of a business disruption. The plan has a two-pronged approach that utilizes company manufacturing sites and supplier manufacturing sites to make products in the event of a business disruption. Intellectual property is protected in this process to avoid any risk to our brands. Cost data of this management method is proprietary. Precise cost data would be highly dependent on the exact scenario of weather impacts, the products and the routes to market affected. In the case of hurricanes when there is typically ample warning, we work in advance to adjust inventory, distribution, and product mix to limit the effects of any retail disruptions or closures. The low costs of management for this risk are associated with the full-time employees who manage inventory and distribution planning, as part of regular business, and therefore, even as severe weather events require response, the cost of management is not incremental to business as usual and we indicate the cost of response as \$0.

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Upstream

Risk type & Primary climate-related risk driver

Chronic physical	Changing precipitation patterns and types (rain, hail, snow/ice)
------------------	--

Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

The principal raw materials used in our business are packaging materials and agricultural commodities including green coffee, paper products, juices, teas, fruit, sweeteners, as well as water, and other ingredients. These ingredients and packaging costs can fluctuate substantially and comprise almost 60% of our cost of sales. According to the IPCC and the U.S. National Climate Assessment, climate change is already affecting the agricultural sector, and disruptions to crop growing conditions are expected to increase with extreme weather events, increasing temperatures, and changing water availability. This may cause changes in geographical ranges of crops, as well as weeds, diseases and pests that affect those crops. Agricultural commodity prices could increase as a result of these or other climate impacts. While changing prices or climate-related disruptions to supply for any of KDP's inputs could materially and adversely affect our business, we provide a green coffee example here. The rationale for this focus is that coffee is a significant agricultural raw material for our Coffee Systems segment (which contributed 37% of 2021 net sales and 46% of 2021 income from operations) and climate change is having obvious impacts on the success of coffee cultivation and thus on the livelihoods of coffee farmers. KDP recognizes the threat of climate change as a long term risk to its coffee supply chain and to the farming communities the company depends upon. Specifically, the risk comes from decreased or shifting agricultural productivity in coffee-growing regions as a result of increasing temperatures, changes in precipitation patterns, and extreme variability in weather patterns. Coffee crops are highly sensitive to changes in weather, which can decrease both quantity and quality of harvests. These changes could potentially pose a substantive risk in the form of increased prices and availability of the type, quality and quantity of coffee beans we require. As these climate-related changes constrain coffee, diseases could be harder to manage. For example, a 2012 outbreak of Coffee Leaf Rust infected more than half of Central America's coffee farms and caused losses reaching \$1 billion in the 2012 – 2013 harvest, according to the International Coffee Organization. Note, the risk presented here is of a long-term nature due to chronic changes in weather patterns, and does not reflect short-term inflation pressure or other agricultural commodity market dynamics.

Time horizon

Long-term

Likelihood

More likely than not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

75000000

Potential financial impact figure – maximum (currency)

105000000

Explanation of financial impact figure

This financial estimate assumes the risk of the change in agricultural commodity prices is entirely unhedged. KDP utilizes commodities derivative instruments and supplier pricing agreements to hedge the risk of movements in commodity prices for limited time periods and certain commodities. For the purpose of this response, we note that as of December 2021, the impact of a 10% change (increase or decrease) in agricultural commodities market prices is estimated to be approximately \$105M, again, assuming no hedging or other adjustments are implemented.

Cost of response to risk

418000

Description of response and explanation of cost calculation

To mitigate the risk of climate change and the implications on the cost of raw agricultural materials, KDP is expanding its responsible sourcing program and we anticipate that supporting additional climate-focused initiatives for other agricultural commodities will be appropriate. Our response here highlights a key coffee initiative. For coffee, we work with farmers and industry coalitions to ensure positive impact in our supply chain via: (1) Responsible Sourcing: At KDP, responsibly sourced means that we work with our supply chain to help ensure that fundamental human rights and environmental protections are in place. ; (2) Supply Chain Investments: Investing in coffee communities and in coffee R&D helps us address larger challenges like climate change, farmer profitability, regenerative agriculture and inclusive growth. For example, among many organizations we support to drive climate resiliency in coffee and for coffee farmers, World Coffee Research (WCR) is an industry-backed R&D organization focused on growing, protecting and enhancing coffee as a global crop. Its goal is to build farmers' capabilities to adapt to climate change and adapt coffee plants to deal with increasing environmental stress. A core element of its research is identifying and/or creating coffee varieties that will be climate resilient and disease resistant, while maintaining high productivity and quality. During 2020, WCR continued its work evaluating new variety candidates, expanding access to healthy and genetically pure trees across Latin America, supporting 16 national-level programs to advance their operations, and testing variety performance through their global network of 262 on-farm research trials. Keurig Green Mountain was a founding member and now, as part of KDP, we are one of the organization's largest donors, having invested more than \$3.3 million since 2012. Thus, we have invested on average approximately \$418,000 a year in WCR (\$3.3M/8 yrs = ~\$418k/yr). KDP not only invests in WCR's work, but also contributes to its strategic direction by serving on the Board of Directors.

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Current regulation	Mandates on and regulation of existing products and services
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Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Emerging or recently passed legislation requiring post-consumer recycled (PCR) plastic content in packaging poses potential risks if we are unable to secure sufficient supply at required quality levels within regulatory timelines. To illustrate an example of the risk for PCR, we describe polyethylene terephthalate (PET) plastic usage and

availability. In 2021, PET bottles made up 27% of our overall packaging footprint. Studies have shown that bottles made with recycled PET plastic (rPET) have lower greenhouse gas (GHG) emissions than those made with virgin PET (for example, Benavides et. al. 2018 found 20% lower GHG for 35% rPET bottles). In an analysis of the U.S. markets for rPET, The Recycling Partnership (TRP) found that there is a significant gap between the available supply of rPET and the demand created by the goals that brands have set to use rPET. Specifically, using 2017 data, TRP notes a 1.6 billion pound shortfall of rPET bottle supply in the U.S. if all brands using PET in bottles, on average, target 25% recycled PET by 2025. We expect there to be competition for the available supply of food-contact suitable rPET as well as continued rPET demand for other applications such as textiles. The same risks could also affect others in our value chain such as suppliers and bottlers. These challenges introduce risk to our ability to deliver on our PCR goal and its associated carbon emissions reduction, and could impact our ability to comply with emerging regulation. For example, California's AB793 sets minimum PCR plastic content levels for plastic bottles, such as beverage containers. The policy imposes graduated fines for violations if companies do not meet the minimum PCR threshold set for a given year. Higher fines would be imposed on a company that uses 25% of the PCR required by the legislation than on a company that achieves 75% of the required usage.

Time horizon

Medium-term

Likelihood

Unlikely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

360000

Potential financial impact figure – maximum (currency)

1500000

Explanation of financial impact figure

In the case of California's AB793, due to the various risks to rPET supply or other limitations, we estimate that for use of up to 75% of the PCR pounds mandated by the draft legislation, the financial impact would be between approximately \$360K and \$1.5M per year for compliance in the state of California. KDP PET and rPET volumes are public in CA.

Cost of response to risk

100000000

Description of response and explanation of cost calculation

This figure represents the entire industry fund to which KDP and the other companies have contributed to improve plastic recycling in North America. It is not a KDP-only number. \$100M x 100% of this multi-partner industry fund = \$100M.

Regardless of existing and pending legislation which we monitor, KDP is working to ensure all of our packaging is designed to be recyclable or compostable by 2025. This includes working to replace or re-design components of packaging that may prove detrimental to collection, sortation, or re-processing. Additionally, KDP is working with specific rPET manufacturers to secure supply of high quality rPET resin that will meet the needs for our bottles.

KDP supports numerous initiatives that improve recycling, such as our recent work at the beverage industry level. In October 2019, KDP together with Coca-Cola and PepsiCo launched the Every Bottle Back initiative, a breakthrough effort to reduce the industry's use of new plastic by making significant investments to improve the collection of the industry's valuable plastic bottles so they can be made into new bottles. Critically, the initiative will improve the quality and availability of recycled plastic in key regions of the country by directing investments to TRP and Closed Loop Partners through a new industry fund that will be matched three-to-one by other grants and investors. The investments will be used to improve sorting, processing and collection of recyclables in areas with the biggest infrastructure gaps to help increase the amount of recycled plastic available to be remade into beverage bottles. It is estimated that EBB could lead to a 20% increase in the amount of PET recycling over the next ten years. The initiative has announced several community grants to improve PET recycling in key states.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Use of more efficient production and distribution processes

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

We are focused on reducing our energy use and greenhouse gas (GHG) emissions to lessen our environmental impact. In our manufacturing facilities, we pursue efficiency

by implementing lighting upgrades, using low-energy idling mode on equipment, scheduling production efficiently, conducting leak audits and other techniques. KDP uses a significant amount of energy in our business operations. For example, in 2021 KDP consumed 1,895,189 MWH of various types of energy. KDP uses electricity and natural gas in order to convert raw materials such as coffee, tea, and apples into beverages. Increased resource efficiency could result in substantial cost savings through reduced operating costs.

Time horizon

Long-term

Likelihood

Very likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

28000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

For our science-based target (SBT) analysis, we used a 10+ year time horizon to 2030 (a common practice for SBT development) to estimate energy efficiency opportunities. These are high-level estimates that will need to be further validated. We have extrapolated from our audits that continuing and expanding current energy efficiency programs could deliver net savings of approximately \$28M in costs for natural gas and electricity over a time horizon to 2030. The cumulative net savings total recognizes ongoing savings in future years through 2030 of prior year efficiency gains (not just one-year energy cost savings).

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

As part of our analysis of opportunities to set and achieve an SBT (approved SBT published in 2020), we have identified energy efficiency at our manufacturing sites as an opportunity to reduce our Scope 1 and 2 emissions. We have conducted a set of internal energy audits of our facilities and have identified opportunities including LED lighting and potential for greater efficiency in our compressed air systems. Pursuing energy efficiency will be a key strategy for our implementation of our science based target. The carbon reduction estimates from these initiatives reflect energy reduction efforts. We plan to further reduce electricity emissions through renewable energy and renewable energy certificate (REC) purchases in pursuit of our 2025 goal to purchase 100% renewable electricity. We estimate they would be in the range of 20,000 to 50,000 metric tons CO2e. The net savings for the opportunity are after estimated opex and capex spend of approximately \$12.5M (~\$1M/year).

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Use of recycling

Primary potential financial impact

Other, please specify (Investing in collection and recycling will support the circular economy and reduce risk of emerging regulation penalties)

Company-specific description

KDP acknowledges that demonstrating continued improvement and building opportunities to reduce value chain emissions will enhance our reputation with stakeholders and potentially contribute business benefit. Circular solutions are at the heart of our sustainable packaging efforts and we continue to focus on three priority areas: design, increased recovery, and use of recycled materials. We believe that action in each of these areas contributes to a circular economy, has the potential to reduce emissions, and enables us to meet or exceed requirements outlined in existing and emerging draft regulations. The States of California, New Jersey, Washington, and Maine have passed minimum PCR content bills that require increasing amounts of PCR in packaging over the next 10 years. To the extent we are prepared with packaging that already contains PCR at the levels required, we have an opportunity to avoid potential fines. For example, California's AB793 would set minimum PCR plastic content levels for plastic bottles, such as beverage containers. The policy imposes graduated fines for violations if companies do not meet the minimum PCR threshold set for a given year. For example, higher fines would be imposed on a company that uses 25% of the PCR required by the legislation than on a company that achieves 75% of the required usage.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

360000

Potential financial impact figure – maximum (currency)

1500000

Explanation of financial impact figure

We expect that if we successfully incorporate PCR in advance of regulatory penalties being imposed, we could avoid non-compliance fees. In the case of California's legislation, we estimate that those fees could be between approximately \$360K and \$1.5M per year, if we did not meet the full regulatory requirements for PCR usage. Therefore, the financial benefit of avoiding these fines would be the same, between approximately \$360K and \$1.5M per year.

Cost to realize opportunity

30000000

Strategy to realize opportunity and explanation of cost calculation

Since 2014, we've committed over \$30 million to encourage the circular economy through collaborative projects and partnerships across North America. This commitment is calculated as the total of KDP's investments and contributions to initiatives and organizations: In addition to our founding investments in The Polypropylene Coalition and the EBB initiative, we continue to invest in The Recycling Partnership and the Closed Loop Infrastructure Fund to help modernize recycling infrastructure across the country. We are members of the World Wildlife Fund's ReSource: Plastic activation hub – the first-of-its-kind effort to quantify corporate impact and track company actions to reduce plastic waste. We also co-founded the Circular Plastics Taskforce (CPT) to improve plastics recycling in Canada. We take a portfolio approach to circular solutions and invest in both product innovation and infrastructure for material recovery. End-of-life product recovery and recycling is as important as innovative product design in supporting the circular economy. KDP has taken action by making investments with partners that focus on recovery and recycling. Using our strength in forming partnerships, we collaborate closely with a number of industry groups, NGOs, investment firms and communities. For example, KDP was an initial investor in the \$100 million Closed Loop Fund to enhance recycling infrastructure and sustainable manufacturing technologies, and this investment to date has supported keeping 2.3 million tons of waste in circulation to date and avoiding 5.3 million tons of greenhouse gas emissions.

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Use of more efficient modes of transport

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

As part of the analysis supporting our science-based target (approved SBT published in 2020), we have modeled fleet efficiency as a long-term strategy to 2030. Emissions from our combined fleet were approximately 162K MTCO_{2e}, which was about 43% of our scope 1 and 2 emissions in 2021. Converting to more fuel-efficient technologies may provide an opportunity to reduce emissions. We actively manage transportation of our products using our fleet of approximately >7,800 vehicles in the U.S. and Mexico, as well as third party logistics providers.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

1200000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Modeling of this opportunity assumes that KDP pursues 12.5% total fuel efficiency within its cold truck fleet from 2020 through 2030, increasing evenly each year up to 12.5% total. The savings from fuel efficiency measures are calculated as an assumed fuel price per gallon saved, for a total of \$16M. The estimated cost of new efficiency technologies is \$4M for net savings of \$12M. \$12M divided by 10 years is \$1.2M per year.

Cost to realize opportunity

400000

Strategy to realize opportunity and explanation of cost calculation

We have modeled fleet efficiency as a long-term strategy to 2030. Investigating and implementing efficiency technologies and practices such as aerodynamic devices and idling reduction is underway at KDP and will continue to evolve along with advances in these technologies. This is high-level modeling from today's standpoint and various factors such as performance of specific technologies will affect the actual implementation of efficiency measures in the fleet, and could change the estimates in either direction. If all technologies under investigation are implemented and estimated costs hold, the cost estimate for technologies under investigation for the fleet is \$4M. \$4M divided by 10 years is \$400,000 per year.

Comment

Cost to realize opportunity is an annual figure

C3.1

(C3.1) Does your organization’s strategy include a transition plan that aligns with a 1.5°C world?

Row 1

Transition plan

No, but our strategy has been influenced by climate-related risks and opportunities, and we are developing a transition plan within two years

Publicly available transition plan

<Not Applicable>

Mechanism by which feedback is collected from shareholders on your transition plan

<Not Applicable>

Description of feedback mechanism

<Not Applicable>

Frequency of feedback collection

<Not Applicable>

Attach any relevant documents which detail your transition plan (optional)

<Not Applicable>

Explain why your organization does not have a transition plan that aligns with a 1.5°C world and any plans to develop one in the future

Our current 2030 emissions-reduction targets, validated by the Science Based Target initiative (SBTi), are aligned to levels required to meet the Paris Agreement climate change goal of limiting global warming to well below 2°C.

Looking ahead, we aim to make progress toward our existing emissions reduction goals with the tools and technologies available to us today and explore ways to accelerate our reductions in the future as technology, policy and investment opportunities develop. We will continue to use science-based targets (SBTs) that are aimed at reducing GHG emissions across our value chain, remaining mindful of evolving science and guidance, such as SBTi’s 1.5°C guidance pathway. We are committed to continually assessing the risks climate change poses to our business and identifying near-term and long-term strategies to help mitigate climate-related risks.

Explain why climate-related risks and opportunities have not influenced your strategy

<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	Yes, qualitative, but we plan to add quantitative in the next two years	<Not Applicable>	<Not Applicable>

C3.2a

(C3.2a) Provide details of your organization’s use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Transition scenarios IEA NZE 2050	Company-wide	<Not Applicable>	KDP’s has selected two scenarios against which to assess and analyze climate change impacts to the business over the medium-term (2030) and long-term (2050). The business has selected to analyze a 1.5 °C scenario in order to better understand how transition risks attributed to aggressive climate policy and government regulation will impact the business. KDP has also analyzed a 4 °C scenario in order to understand how physical risks attributed to climate change will impact our supply chain and own operations.
Physical climate scenarios RCP 8.5	Company-wide	<Not Applicable>	KDP’s has selected two scenarios against which to assess and analyze climate change impacts to the business over the medium-term (2030) and long-term (2050). The business has selected to analyze a 1.5 °C scenario in order to better understand how transition risks attributed to aggressive climate policy and government regulation will impact the business. KDP has also analyzed a 4 °C scenario in order to understand how physical risks attributed to climate change will impact our supply chain and own operations.

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

KDP has selected two scenarios against which to assess and analyze climate change impacts to the business over the medium-term (2030) and long-term (2050). The business has selected to analyze a 1.5 °C scenario in order to better understand how transition risks attributed to aggressive climate policy and government regulation will impact the business. KDP has also analyzed a 4 °C scenario in order to understand how physical risks attributed to climate change will impact our supply chain and own operations.

Results of the climate-related scenario analysis with respect to the focal questions

KDP’s analysis of a 1.5 °C scenario identifies potential risks associated with accelerated decarbonization of energy resources which could impact sourcing costs for energy intensive agricultural commodities and low carbon forms of energy, including transportation fuels, on a 2030 time horizon. Over the long-term (2050), further decarbonization requirements may impact carbon pricing as well as investments in low carbon transportation.

KDP’s analysis of a 4 °C scenario identifies potential risks associated with agricultural commodity sourcing, manufacturing, and distribution attributed to changing weather patterns and extreme weather events on a 2030 time horizon. Over the long-term (2050) these risks are likely to increase as extreme weather events become more common, exacerbating impacts to manufacturing, upstream and downstream value chains.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	KDP acknowledges that demonstrating continued improvement and delivering on opportunities to reduce emissions associated with our products and services is important to our stakeholders, including consumers. Climate-related risks and opportunities have influenced several key environmental sustainability strategies and goals set by the company over multi-year time horizons, including those related to product and packaging design. Our sustainable packaging strategy responds to the identified opportunity to reduce emissions from packaging representing 21% of KDP’s Scope 3 emissions. Three examples of strategic decisions KDP has made with regard to our products and packaging include: (1) reduced packaging material impact by changing the material in our K-Cup® pods from a multi-layer plastic to polypropylene which we accomplished over the time horizon 2014 to 2020 when 100% of our pods were converted; (2) Sourced rPET to complete the transition of Core Hydration, 16 oz. Snapple and Aguafiel varieties to bottles made of 100% recycled plastic. Bottles made with rPET produce about 30% less GHG emissions compared to bottles made of virgin plastic, in addition to reducing our use of virgin plastic.; and (3) helping our customers to reduce their energy usage and greenhouse gas emissions through our coffee brewer default settings that save energy.
Supply chain and/or value chain	Yes	Climate-related risks and opportunities have influenced KDP’s strategy as it relates to our supply chain in a number of ways. Coffee is a significant agricultural raw material for our coffee systems business (which contributed 37% of 2021 net sales and 46% of 2021 income from operations for KDP) and climate change is having obvious impacts on the success of coffee cultivation and thus on the livelihoods of coffee farmers. For example, KDP purchases supply chain risk data that includes climate impact and resilience data for the countries of origin of our key raw materials. This data helps us to understand where we have supply chains that operate in high risk environments. For coffee, the data show that the risk of quality and supply disruptions is high within most countries of origin over the next 20-50 years. An example of a substantial strategic decision in this area is our commitment to 100% responsibly sourced coffee, a goal we met over the time horizon of 2014 to 2020, and an achievement that we have maintained in 2021. We use third-party certification or verification programs to safeguard fundamental social, environmental, and economic protections. At the end of 2021, our accepted third-party partner programs were Fairtrade International, Fair Trade USA, Rainforest Alliance/Utz, 4C, AISource Entry and Great Lakes Coffee Max Trace. KDP recognizes that regenerative agriculture and conservation actions are key drivers for protecting, restoring, and managing natural resources to support the resilience of supply chains. Smart agricultural practices contribute to soil health, water quality and quantity improvements, biodiversity, and farmer resilience, while also reducing carbon impacts. In 2021, we committed to a new goal of supporting conservation and regenerative agriculture on 250,000 acres of land by 2030, which represents approximately 50% of the land used to grow KDP’s top climate-sensitive crops. Our supplier engagement strategy reflects the need for value chain alignment to science-based emissions reduction targets. We are working to engage suppliers and bottlers representing 50% of our Scope 3 emissions to set their own SBTs and, in 2021, our engagement was at 36%, reflecting a gain of three new suppliers with SBTs as well as a loss of two prior companies as suppliers to KDP.
Investment in R&D	Yes	KDP acknowledges that demonstrating continued improvement and delivering on opportunities to increase climate resiliency is important to our stakeholders and can potentially contribute business benefit. One example of a strategic decision influenced by climate scenario analysis is our investment in agricultural R&D for coffee. To help farmers better adapt to the growing stressors of climate change and declining productivity, World Coffee Research (WCR) is conducting research and accelerating new approaches to grow, protect and enhance supplies of quality coffee. KDP is a co-founder and long-term supporter of WCR and in 2021 committed \$1 million over the next four years in funding to make coffee farming more profitable and resilient to climate change. The grant supports developing and testing future coffee tree varieties on a global scale for field performance and quality. It will also support improving the seed and nursery infrastructure to get healthy, new trees into the hands of farmers that need them.
Operations	Yes	Climate-related risks and opportunities have influenced KDP’s strategy as it relates to our operations. For example, as we invest in infrastructure, we have focused on sustainably built facilities. Our new K-cup pod manufacturing site in Spartanburg, South Carolina, is the largest industrial manufacturing facility certified under the LEEDv4 BD+C rating system in North America, and it includes a separation room that moves all waste from production to be recycled, reused, repurposed or converted to energy. Additionally, our new high-speed cold beverage production facility in Allentown, Pennsylvania, incorporates sustainability focused design, including a central room with magnetic bearing chillers that provide cooling for air conditioning as well as chilled water for production processes, a highly energy-efficient approach. Our new Frisco, Texas headquarters location is LEED v4 ID+C Gold certified, and our Newbridge, Ireland manufacturing facility is focused on renewable energy sources, with 100% of its energy provided by wind in 2021. Additionally, in 2021 we expanded renewable electricity procurement activities to source 62% of our electricity needs from renewable resources, a 10 point improvement versus 2020. As part of this progress, our new Allentown, Pennsylvania, facility transitioned to 100% renewable electricity during the year. As part of the analysis supporting our science-based target, we have modeled fleet efficiency as a long-term strategy to 2030. Emissions from our combined fleet were about 43% of our scope 1 and 2 emissions in 2020. Converting to more fuel-efficient technologies may provide an opportunity to reduce emissions. An example of a substantial strategic decision in this area is that as we closed a two-year pilot of electric forklifts in our Jacksonville, Florida, and Dallas, Texas, distribution centers, which reduced each facility’s forklift fleet emissions by 67%, we committed to phase in electric forklifts across all distribution centers and warehouses by 2026, while exploring new and emerging technologies for broader fleet decarbonization at scale, including the heavy-duty trucks that distribute our beverages.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

Financial planning elements that have been influenced	Description of influence
Row 1 Revenues Direct costs Capital expenditures Capital allocation	<p>Weather, natural disasters, water availability, and climate change or related legislation could adversely affect our business. Unseasonable or unusual weather, natural disasters or long-term climate changes are expected to add volatility to commodity prices and have the potential to disrupt the availability of raw materials, energy and fuel, our ability to produce and demand for our products. Unusually cool weather during the summer months or unusually warm weather during the winter months may result in reduced demand for our products and have a negative effect on our business and financial performance.</p> <p>Global climate change poses a serious threat to communities, businesses, farmers and ecosystems across the world. Climate change is already affecting the agricultural sector, and disruptions to crop growing conditions are expected to increase with extreme weather events, increasing temperatures, and changing water availability. Water is the main ingredient in substantially all of our products. Climate change may cause water scarcity and a deterioration of water quality in areas where we maintain operations. The competition for water among domestic, agricultural and manufacturing users is increasing in the countries where we operate, and as water becomes scarcer or the quality of the water deteriorates, we may incur increased production costs or face manufacturing constraints which could negatively affect our business and financial performance. Even where water is widely available, water purification and waste treatment infrastructure limitations could increase costs or constrain our operations.</p> <p>We are also faced with the impact of disruptions to crop growing conditions as a result of changing weather patterns, which can cause changes in geographical ranges of crops, as well as weeds, diseases and pests that affect those crops. These impacts may limit availability or increase the price volatility of key agricultural commodities, such as coffee, corn and tea, which are important sources of ingredients for our products.</p> <p>Concern over climate change, including global warming, has led to legislative and regulatory initiatives directed at limiting greenhouse gas emissions. For example, proposals that would impose mandatory requirements on greenhouse gas emissions continue to be considered by policy makers in the countries in which we will operate. Laws enacted that directly or indirectly affect our production, distribution, packaging, cost of raw materials, fuel, ingredients and water could all negatively impact our business and financial results.</p> <p>Consumers are increasingly focused on sustainability, with particular attention to the recyclability of product packaging, reducing consumption of single-use plastics and non-recyclable materials, and the environmental impact of manufacturing operations, including greenhouse gas emissions. If we do not meet consumer demands by providing recyclable packaging options and focusing on sustainability throughout our manufacturing operations, our sales could suffer. If we are not successful in timely response to changing markets and consumer preferences, and/or some of our competitors are better able to respond to these changes, our business and financial performance will be negatively affected. In acknowledgment of this risk, we have aggressive environmental responsibility goals that address greenhouse gas reductions, energy and water use efficiency, and packaging sustainability, among others.</p>

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Year target was set

2020

Target coverage

Company-wide

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Market-based

Scope 3 category(ies)

<Not Applicable>

Base year

2018

Base year Scope 1 emissions covered by target (metric tons CO2e)

273576

Base year Scope 2 emissions covered by target (metric tons CO2e)

137560

Base year Scope 3 emissions covered by target (metric tons CO2e)

<Not Applicable>

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

411136.2

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

100

Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

<Not Applicable>

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes
100

Target year
2030

Targeted reduction from base year (%)
30

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]
287795.34

Scope 1 emissions in reporting year covered by target (metric tons CO2e)
294455

Scope 2 emissions in reporting year covered by target (metric tons CO2e)
81091

Scope 3 emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)
375546

% of target achieved relative to base year [auto-calculated]
28.8551579744134

Target status in reporting year
Underway

Is this a science-based target?
Yes, and this target has been approved by the Science Based Targets initiative

Target ambition
Well-below 2°C aligned

Please explain target coverage and identify any exclusions
Our scope 1, 2 Science based target was approved by SBTi in the spring of 2020: KDP commits to reduce absolute scope 1 and 2 GHG emissions 30% by 2030 from a 2018 base year.

Plan for achieving target, and progress made to the end of the reporting year
As outlined in KDPs 2022 annual Corporate Responsibility Report: Pursuing energy efficiency and energy reduction for our operations and products (Secured Leadership in Energy and Environmental Design (LEED) Gold certification for Commercial Interiors at new co-headquarters in Frisco, Texas. LEED provides a framework for designing and operating efficient, carbon and cost saving buildings); Decarbonizing our fleet (Closed a two-year pilot of electric forklifts in our Jacksonville, Florida, and Dallas, Texas, distribution centers, which reduced each facility's forklift fleet emissions by 67%); Continuing our transition to low carbon energy (Expanded renewable electricity procurement activities to source 62% of our electricity needs from renewable resources, a 10 point improvement versus 2020. As part of this progress, our new Allentown, Pennsylvania, facility transitioned to 100% renewable electricity during the year)

List the emissions reduction initiatives which contributed most to achieving this target
<Not Applicable>

Target reference number
Abs 2

Year target was set
2020

Target coverage
Company-wide

Scope(s)
Scope 3

Scope 2 accounting method
<Not Applicable>

Scope 3 category(ies)
Category 1: Purchased goods and services
Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)
Category 4: Upstream transportation and distribution
Category 11: Use of sold products

Base year
2018

Base year Scope 1 emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 2 emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3 emissions covered by target (metric tons CO2e)
1990039

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)
1990039

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

<Not Applicable>

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

<Not Applicable>

Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

22

Target year

2030

Targeted reduction from base year (%)

15

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

1691533.15

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3 emissions in reporting year covered by target (metric tons CO2e)

1935040

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

1935040

% of target achieved relative to base year [auto-calculated]

18.4247645397904

Target status in reporting year

Underway

Is this a science-based target?

Yes, and this target has been approved by the Science Based Targets initiative

Target ambition

2°C aligned

Please explain target coverage and identify any exclusions

Our scope 3 Science based target was approved by SBTi in the spring of 2020: KDP commits to reduce absolute scope 3 GHG emissions 15% by 2030 from a 2018 base year, covering purchased goods and services, fuel and energy-related activities, upstream transportation and distribution and the use of sold products.

Plan for achieving target, and progress made to the end of the reporting year

As outlined in our 2022 Corporate Responsibility Report: Engaging with our value chain partners on our shared climate journey (Sourced rPET to complete the transition of Core Hydration, 16 oz. Snapple and AguaFiel varieties to bottles made of 100% recycled plastic. Bottles made with rPET produce about 30% less GHG emissions compared to bottles made of virgin plastic¹², in addition to reducing our use of virgin plastic.); Investing in infrastructure development and consumer behavior change (Continued investment in recycling access, education and infrastructure, which provides the opportunity for emissions reductions from recycling versus landfill); Building climate resilience into our operations and supply chain (Continued investment in World Coffee Research, driving agricultural innovation to enhance productivity of climate resilient farming to support farmer profitability.)

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Target(s) to increase low-carbon energy consumption or production

Other climate-related target(s)

C4.2a

(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.

Target reference number

Low 1

Year target was set

2019

Target coverage

Company-wide

Target type: energy carrier

Electricity

Target type: activity

Consumption

Target type: energy source

Renewable energy source(s) only

Base year

2018

Consumption or production of selected energy carrier in base year (MWh)

426297

% share of low-carbon or renewable energy in base year

28

Target year

2025

% share of low-carbon or renewable energy in target year

100

% share of low-carbon or renewable energy in reporting year

62

% of target achieved relative to base year [auto-calculated]

47.22222222222222

Target status in reporting year

Underway

Is this target part of an emissions target?

Yes

Is this target part of an overarching initiative?

RE100

Please explain target coverage and identify any exclusions

Coverage includes: all KDP owned and operated facilities' electricity consumption is included. Consumption is estimated for some small sites. No exclusions.

Plan for achieving target, and progress made to the end of the reporting year

Looking ahead, we aim to build a portfolio of additional, long-term renewable energy opportunities to achieve our 100% goal across our operations, which may include on-site solar, retail renewable electricity products, power purchase agreements, investments in infrastructure and green tariffs.

In 2021, we expanded renewable electricity procurement activities to source 62% of our electricity needs from renewable resources, a 10 point improvement versus 2020. As part of this progress, our new Allentown, Pennsylvania, facility transitioned to 100% renewable electricity during the year.

List the actions which contributed most to achieving this target

<Not Applicable>

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set

2020

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Engagement with suppliers	Percentage of suppliers (by emissions) with a science-based target
---------------------------	--

Target denominator (intensity targets only)

<Not Applicable>

Base year

2018

Figure or percentage in base year

17.6

Target year

2024

Figure or percentage in target year

50

Figure or percentage in reporting year

36

% of target achieved relative to base year [auto-calculated]

56.7901234567901

Target status in reporting year

Underway

Is this target part of an emissions target?

Yes. It is part of our approved Science Based Target: KDP also commits that 50% of its suppliers by emissions covering purchased goods and services, downstream transportation and distribution, processing of sold products and the end-of-life treatment of sold products will have science-based targets by 2024.

Is this target part of an overarching initiative?

Science Based Targets initiative – approved supplier engagement target

Please explain target coverage and identify any exclusions

As part of our science-based emissions reduction target approved by the Science Based Targets Initiative, KDP has committed that 50% of its suppliers by emissions covering purchased goods and services, downstream transportation and distribution, processing of sold products and the end-of-life treatment of sold products will have science-based targets by 2024. We're partnering with World Wildlife Fund (WWF) and CDP to advance this supplier engagement approach. In collaboration with our procurement team, WWF and CDP will deliver training and resources to help our suppliers set science-based targets and navigate the transition to a low-carbon future. This magnifies the positive climate impact we are able to achieve throughout our value chain.

Plan for achieving target, and progress made to the end of the reporting year

As members of the Supplier Leadership on Climate Transition Consortium (S-LoCT), we are collaborating to deliver training and resources for suppliers setting SBTs and navigating the transition to a low-carbon future. KDP is also part of the EPA SmartWay program focused on documenting and improving transport emissions, and we partner with the World Wildlife Fund (WWF) and CDP to advance supplier engagement.

List the actions which contributed most to achieving this target

<Not Applicable>

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	0	0
Implementation commenced*	0	0
Implemented*	1	86402
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Low-carbon energy consumption	Low-carbon electricity mix
-------------------------------	----------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

75000

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

490000

Payback period

No payback

Estimated lifetime of the initiative

1-2 years

Comment

Procurement of Renewable Energy Certificates; US Green-E

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for other emissions reduction activities	We annually budget for the purchase of RECs.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

Level of aggregation

Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon

Other, please specify (GaBi software used to inform and estimate)

Type of product(s) or service(s)

Other	Other, please specify (Polypropylene recyclable K-Cup ® pods)
-------	---

Description of product(s) or service(s)

Polypropylene recyclable K-Cup ® pods

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

<Not Applicable>

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

<Not Applicable>

Functional unit used

<Not Applicable>

Reference product/service or baseline scenario used

<Not Applicable>

Life cycle stage(s) covered for the reference product/service or baseline scenario

<Not Applicable>

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

<Not Applicable>

Explain your calculation of avoided emissions, including any assumptions

<Not Applicable>

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

29

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

No

Name of organization(s) acquired, divested from, or merged with

<Not Applicable>

Details of structural change(s), including completion dates

<Not Applicable>

C5.1b

(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	Yes, a change in methodology	Updated emission factors for purchased goods and services (coffee - updated based on a more granular country-level emissions factor set for current year and prior year; packaging - shift to physical data for some materials and refreshed recycled content for some materials based on more accurate data; ingredients - higher level of granularity in underlying data) Updated emission factors for use of sold products (brewer energy impacts, updated based on lab test data) Fuel, Energy Related Activities now reported as market-based

C5.1c

(C5.1c) Have your organization's base year emissions been recalculated as result of the changes or errors reported in C5.1a and C5.1b?

	Base year recalculation	Base year emissions recalculation policy, including significance threshold
Row 1	No, because the impact does not meet our significance threshold	Base year inventory will be adjusted in response to any structural or methodology changes if the resulting adjustment is more than 5% of base year emissions. Adjustments below this threshold are considered insignificant and will be decided case by case.

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

273576

Comment

Scope 2 (location-based)

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

166484

Comment

Scope 2 (market-based)

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

137560.36

Comment

Scope 3 category 1: Purchased goods and services

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

3963399

Comment

Scope 3 category 2: Capital goods

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

35627

Comment

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

97291

Comment

Scope 3 category 4: Upstream transportation and distribution

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

481603

Comment

Scope 3 category 5: Waste generated in operations

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

797

Comment

Scope 3 category 6: Business travel

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

8324

Comment

Scope 3 category 7: Employee commuting

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

52644

Comment

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

1007135

Comment

Scope 3 category 10: Processing of sold products

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

2632469

Comment

Scope 3 category 11: Use of sold products

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

390703

Comment

Scope 3 category 12: End of life treatment of sold products

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

138531

Comment

Scope 3 category 13: Downstream leased assets

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

700

Comment

Scope 3 category 14: Franchises

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 15: Investments

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

294455

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

167493

Scope 2, market-based (if applicable)

81091

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.**Purchased goods and services****Evaluation status**

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

4762340

Emissions calculation methodology

Average data method

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

89

Please explain

Hot side: Coffee, packaging and brewer impact calculated from numbers purchased and LCA data for coffee production or for each type of packaging or brewer.

Environmentally Extended Input-Output emission factors applied to expenditure (indirect spend) on other Purchased Goods and Services. Cold side: ingredients consist of physical footprints based upon LCA data by ingredient type and quantity purchased. Environmentally Extended Input-Output emission factors applied to expenditure (indirect spend) on other Purchased Goods and Services.

Capital goods**Evaluation status**

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

53177

Emissions calculation methodology

Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Hot side: Environmentally Extended Input-Output emission factors applied to expenditure on Capital Goods. Cold side: Environmentally Extended Input-Output emission factors applied to expenditure on Capital Goods.

Fuel-and-energy-related activities (not included in Scope 1 or 2)**Evaluation status**

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

88351

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Upstream emissions from purchased fuels and electricity include generation and T&D emissions, and any other losses in this category. Emissions were calculated using activity data (electricity consumed and fuel consumption by fuel type) multiplied by country or region-specific emissions factors from UK Defra 2021 Guidelines for GHG Reporting and IEA 2021 factors. FERA calculation is market-based.

Upstream transportation and distribution**Evaluation status**

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

432347

Emissions calculation methodology

Average data method

Distance-based method

Site-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

95

Please explain

Hot side: Calculated from reports of weights and distances moved by mode. Relevant emission factors applied to total tonne-km or vehicle-km as appropriate. Emissions factors are a combination of average data and supplier-specific. Also includes warehousing impacts using a combination of the site-specific method and average data method. CO2 uplifted for other gases and WTT.

Cold side: Calculated from reports of weights and distances moved by mode. Relevant emission factors applied to total tonne-km or vehicle-km as appropriate. Emissions factors are mostly supplier-specific leveraging the EPA SmartWay database. CO2 uplifted for other gases and WTT.

Waste generated in operations

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

7323

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Emissions based on reported operations waste total tonnages for various waste streams were multiplied by relevant emission factors per the GHG protocol. Includes emissions associated with transportation to waste sites.

Business travel

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

2616

Emissions calculation methodology

Average data method
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Air travel: Emissions from air travel are calculated using data on distance travelled categorized into long, medium and short haul.

Car rental and rail: Total distance travelled by mode of transport used to calculate business travel emissions. 2020 rail data used as proxy.

Employee commuting

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

52268

Emissions calculation methodology

Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Employee Commute: Total number of employees working on-site in 2021 was multiplied by an average distance of 11.5 miles per one-way trip. It was assumed that 85% of the total trips made was by car (Source: 2018 National Household Travel Survey). Emission factors applied were adopted from US EPA 2021 (Emission factors for Greenhouse gas inventories, Version April 2021). Remote/Work-from-home emissions: The number of remote workers in 2021 was multiplied by natural gas and electricity intensities to estimate energy consumption. Emission factors applied to natural gas were taken from US EPA 2021 (Emission factors for Greenhouse gas inventories, Version April 2021) while emissions associated with electricity use were calculated using IEA 2021, Green-e 2021 and eGRID2020 factors.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

KDP does not lease upstream assets.

Downstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

1106642

Emissions calculation methodology

Average product method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Cold side: consists of retailer chilling and distribution of all goods, including distribution via 3rd party bottlers and Allied brands. Estimated from studies of representative products based on actual sales data.

Processing of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

2856423

Emissions calculation methodology

Average product method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Cold side: Estimated from studies of representative products multiplied by sales figures. Processing consists of third-party bottling, including packaging for 3rd party bottled products plus manufacturing waste.

Use of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

559947

Emissions calculation methodology

Other, please specify (direct use phase emissions: Products that directly consume energy (fuels or electricity) during use; indirect use phase emissions: average product method applied for products that indirectly consume energy (fuels or electricity) during use)

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Hot side: Brewer use was estimated from technical data about power ratings and estimates of lifetime hours in use for each brewer type multiplied by actual sales figures by brewer type. Relevant country electricity emission factors were applied to the total kWh. Proxy technical data used for some brewer types.

Cold side: consumer refrigeration impact estimated from studies of representative products multiplied by actual sales figures.

End of life treatment of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

117735

Emissions calculation methodology

Average product method
Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

42

Please explain

Hot side: consists of brewer, coffee and coffee packaging EOL impacts. Brewers: assumed all brewers produced will be landfilled apart from those returned to the company, which are recycled. EOL impact derived from brewer LCA. Actual quantities of returned brewers used. Coffee and coffee packaging: assumptions applied for rate by destination for EOL stream, multiplied by actual quantities of coffee and coffee packaging.

Cold side: packaging EOL has been estimated from studies of representative products multiplied by sales figures.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Cold side: impact of KDP-owned chillers is already included in Category 9 Downstream Transportation and Distribution (total retailer chilling) and thus is not reported here to avoid double counting. KDP does not have other downstream leased assets.

Franchises

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

KDP does not have franchises.

Investments

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Investments are not a material contribution to our total S3 emissions.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

not applicable

Other (downstream)

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

not applicable

C-AC6.8/C-FB6.8/C-PF6.8

(C-AC6.8/C-FB6.8/C-PF6.8) Is biogenic carbon pertaining to your direct operations relevant to your current CDP climate change disclosure?

No

C-AC6.9/C-FB6.9/C-PF6.9

(C-AC6.9/C-FB6.9/C-PF6.9) Do you collect or calculate greenhouse gas emissions for each commodity reported as significant to your business in C-AC0.7/FB0.7/PF0.7?

Agricultural commodities

Other (coffee)

Do you collect or calculate GHG emissions for this commodity?

Yes

Please explain

Total weight of raw coffee purchased was multiplied by a Gabi emission factor for coffee growing to give total agriculture emissions for coffee used in the hot side.

Agricultural commodities

Other (Apples)

Do you collect or calculate GHG emissions for this commodity?

Yes

Please explain

For the cold side, we calculate emissions based on LCAs multiplied by purchased quantities for relevant types of products.

Agricultural commodities

Sugar

Do you collect or calculate GHG emissions for this commodity?

Yes

Please explain

For the cold side, estimates of the impacts of sugar and natural sweeteners were made based on LCAs of typical soft drink products multiplied by purchased quantities for relevant types of products.

Agricultural commodities

Other (Corn)

Do you collect or calculate GHG emissions for this commodity?

Yes

Please explain

For the cold side, estimates of the impacts of sugar and natural sweeteners were made based on LCAs of typical soft drink products multiplied by purchased quantities for relevant types of products.

Agricultural commodities

Other (Other Agricultural)

Do you collect or calculate GHG emissions for this commodity?

Yes

Please explain

For the cold side, estimates of the impacts of sugar and natural sweeteners were made based on LCAs of typical soft drink products multiplied by purchased quantities for relevant types of products.

C-AC6.9a/C-FB6.9a/C-PF6.9a

(C-AC6.9a/C-FB6.9a/C-PF6.9a) Report your greenhouse gas emissions figure(s) for your disclosing commodity(ies), explain your methodology, and include any exclusions.

Sugar

Reporting emissions by

Total

Emissions (metric tons CO2e)

39655

Denominator: unit of production

<Not Applicable>

Change from last reporting year

About the same

Please explain

For the cold side, estimates of the impacts of sugar and natural sweeteners were made by Ecoinvent emission factors multiplied by purchased quantities of the product. FAO data on production was used sometimes to convert from raw ingredients to purchased ingredients, eg juice concentrate.

Other

Reporting emissions by

Total

Emissions (metric tons CO2e)

1369630

Denominator: unit of production

<Not Applicable>

Change from last reporting year

About the same

Please explain

For the cold side, estimates of the impacts of sugar and natural sweeteners were made by Ecoinvent emission factors multiplied by purchased quantities of the product. FAO data on production was used sometimes to convert from raw ingredients to purchased ingredients, eg juice concentrate.

Total weight of raw coffee purchased was multiplied by a Gabi emission factor for coffee growing to give total agriculture emissions for coffee used in the hot side.

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.0000296

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

375546

Metric denominator

unit total revenue

Metric denominator: Unit total

12683000000

Scope 2 figure used

Market-based

% change from previous year

10

Direction of change

Decreased

Reason for change

Numerator (total scope 1 and 2, market based) decreased by approximately 2% (additional renewable electricity purchases as reported in 4.3b contributed to this reduction)
Denominator (unit total revenue) increase by approximately 9%

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
Please select		Please select
CO2	292755	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	220	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	1480	IPCC Fifth Assessment Report (AR5 – 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
United States of America	271321
Canada	8665
Mexico	13710
Ireland	759

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

By activity

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
United States of America - hot business	22811
United States of America - cold business	248510
Canada - hot business	8663
Mexico - beverages	13710

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Hot side	31474
Cold side	262980

C-AC7.4/C-FB7.4/C-PF7.4

(C-AC7.4/C-FB7.4/C-PF7.4) Do you include emissions pertaining to your business activity(ies) in your direct operations as part of your global gross Scope 1 figure?

Yes

C-AC7.4b/C-FB7.4b/C-PF7.4b

(C-AC7.4b/C-FB7.4b/C-PF7.4b) Report the Scope 1 emissions pertaining to your business activity(ies) and explain any exclusions. If applicable, disaggregate your agricultural/forestry by GHG emissions category.

Activity

Distribution

Emissions category

<Not Applicable>

Emissions (metric tons CO2e)

162642

Methodology

Default emissions factor

Please explain

Includes fuel consumed in company owned vehicles used in transportation/distribution, as well as corporate aviation activities

Activity

Processing/Manufacturing

Emissions category

<Not Applicable>

Emissions (metric tons CO2e)

131813

Methodology

Default emissions factor

Please explain

Includes fuels used in manufacturing/warehousing

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
United States of America	135533	53018
Canada	3169	6.1
Mexico	27937	27937
Hong Kong SAR, China	2.3	2.3
China	124.5	124.5
Switzerland	1.1	1.1
Singapore	2.6	2.6
Ireland	723.9	0

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

By activity

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
US – Hot business	30931	0
US - Cold business	104602	53018
Canada - Hot business	3163	0
Mexico - beverages	27937	27937

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Hot business	34224	130.22
Cold business	133269	80961

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	14606	Decreased	3.89	Application of renewable electricity to address scope 2 emissions have resulted in an incremental reduction of 14,606 metric ton of GHGs over the previous reporting year. The change in emissions of additional renewable electricity between the current reporting year and 2020 was calculated as $(-14,606 \text{ tCO}_2\text{e} / 375,546 \text{ tCO}_2\text{e}) * 100 = -3.89\%$.
Other emissions reduction activities	295	Decreased	0.08	Improvement in roaster efficiency in coffee operations have avoided 295 metric tons of GHGs over the previous reporting year. $(-295 \text{ tCO}_2\text{e} / 375,546 \text{ tCO}_2\text{e}) * 100 = .08\%$
Divestment		<Not Applicable >		
Acquisitions		<Not Applicable >		
Mergers		<Not Applicable >		
Change in output		<Not Applicable >		
Change in methodology		<Not Applicable >		
Change in boundary		<Not Applicable >		
Change in physical operating conditions		<Not Applicable >		
Unidentified		<Not Applicable >		
Other		<Not Applicable >		

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 5% but less than or equal to 10%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	85	1398562	1398647
Consumption of purchased or acquired electricity	<Not Applicable>	304521	192021	496542
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total energy consumption	<Not Applicable>	304606	1590583	1895189

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	No
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

HHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Other biomass

Heating value

HHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Other renewable fuels (e.g. renewable hydrogen)

Heating value

HHV

Total fuel MWh consumed by the organization

85

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

biodiesel used in company owned fleet

Coal

Heating value

HHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Oil

Heating value

HHV

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Gas

Heating value

HHV

Total fuel MWh consumed by the organization

727879

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

HHV

Total fuel MWh consumed by the organization

670682

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Includes gasoline, propane, kerosene, compressed natural gas, ethanol, and liquid petroleum gas

Total fuel

Heating value

HHV

Total fuel MWh consumed by the organization

1398647

MWh fuel consumed for self-generation of electricity

<Not Applicable>

MWh fuel consumed for self-generation of heat

<Not Applicable>

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

C8.2g

(C8.2g) Provide a breakdown of your non-fuel energy consumption by country.

Country/area

United States of America

Consumption of electricity (MWh)

400130

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

400130

Is this consumption excluded from your RE100 commitment?

No

Country/area

Canada

Consumption of electricity (MWh)

25079

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

25079

Is this consumption excluded from your RE100 commitment?

No

Country/area

Mexico

Consumption of electricity (MWh)

68852

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

68852

Is this consumption excluded from your RE100 commitment?

No

Country/area

Ireland

Consumption of electricity (MWh)

2230

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

2230

Is this consumption excluded from your RE100 commitment?

No

Country/area

China

Consumption of electricity (MWh)

199

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

199

Is this consumption excluded from your RE100 commitment?

No

Country/area

Hong Kong SAR, China

Consumption of electricity (MWh)

3

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

3

Is this consumption excluded from your RE100 commitment?

No

Country/area

Switzerland

Consumption of electricity (MWh)

44

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

44

Is this consumption excluded from your RE100 commitment?

No

Country/area

Singapore

Consumption of electricity (MWh)

7

Consumption of heat, steam, and cooling (MWh)

0

Total non-fuel energy consumption (MWh) [Auto-calculated]

7

Is this consumption excluded from your RE100 commitment?

No

C8.2h

(C8.2h) Provide details of your organization's renewable electricity purchases in the reporting year by country

Country/area of renewable electricity consumption

United States of America

Sourcing method

Unbundled Energy Attribute Certificate (EAC) purchase

Renewable electricity technology type

Wind

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

214968

Tracking instrument used

US-REC

Total attribute instruments retained for consumption by your organization (MWh)

214968

Country/area of origin (generation) of the renewable electricity/attribute consumed

United States of America

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Vintage of the renewable energy/attribute (i.e. year of generation)

2021

Brand, label, or certification of the renewable electricity purchase

Green-e

Comment

Country/area of renewable electricity consumption

Canada

Sourcing method

Unbundled Energy Attribute Certificate (EAC) purchase

Renewable electricity technology type

Wind

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

25032

Tracking instrument used

US-REC

Total attribute instruments retained for consumption by your organization (MWh)

25032

Country/area of origin (generation) of the renewable electricity/attribute consumed

United States of America

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Vintage of the renewable energy/attribute (i.e. year of generation)

2021

Brand, label, or certification of the renewable electricity purchase

Green-e

Comment

Country/area of renewable electricity consumption

United States of America

Sourcing method

Green electricity products from an energy supplier (e.g. Green Tariffs)

Renewable electricity technology type

Wind

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

62291

Tracking instrument used

Contract

Total attribute instruments retained for consumption by your organization (MWh)

62291

Country/area of origin (generation) of the renewable electricity/attribute consumed

United States of America

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)

Vintage of the renewable energy/attribute (i.e. year of generation)

2021

Brand, label, or certification of the renewable electricity purchase

Green-e

Comment

Country/area of renewable electricity consumption

Ireland

Sourcing method

Green electricity products from an energy supplier (e.g. Green Tariffs)

Renewable electricity technology type

Wind

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)

2230

Tracking instrument used

Contract

Total attribute instruments retained for consumption by your organization (MWh)

2230

Country/area of origin (generation) of the renewable electricity/attribute consumed

Ireland

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)**Vintage of the renewable energy/attribute (i.e. year of generation)**

2021

Brand, label, or certification of the renewable electricity purchase

No brand, label, or certification

Comment

C8.2j

(C8.2j) Provide details of your organization's renewable electricity generation by country in the reporting year.**Country/area of generation**

United States of America

Renewable electricity technology type

Solar

Facility capacity (MW)

0.52

Total renewable electricity generated by this facility in the reporting year (MWh)

556

Renewable electricity directly consumed by your organization from this facility in the reporting year for which certificates were not issued (MWh)

0

Renewable electricity directly consumed by your organization from this facility in the reporting year for which certificates were issued and retired (MWh)

0

Renewable electricity sold to the grid in the reporting year (MWh)

566

Certificates issued for the renewable electricity that was sold to the grid (MWh)

0

Certificates issued and retired for self-consumption for the renewable electricity that was sold to the grid (MWh)

0

Type of energy attribute certificate

<Not Applicable>

Total self-generation counted towards RE100 target (MWh) [Auto-calculated]

0

Comment

Photovoltaic array located at Burlington, MA headquarters.

C8.2k

(C8.2k) Describe how your organization's renewable electricity sourcing strategy directly or indirectly contributes to bringing new capacity into the grid in the countries/areas in which you operate.

100% of KDP's unbundled energy attribute certificate purchases for North America (renewable energy certificates, or RECs) are Green-e certified, indicating that the seller is required to disclose the quantity, type, and geographic source of each certificate, in addition to other Green-e requirements regarding vintage and asset age. Our purchase of RECs helps to build a market for renewable electricity by increasing demand for, and generation of, renewable electricity in the region where the generator is located.

C8.2l

(C8.2l) In the reporting year, has your organization faced any challenges to sourcing renewable electricity?

	Challenges to sourcing renewable electricity	Challenges faced by your organization which were not country-specific
Row 1	No	<Not Applicable>

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Waste

Metric value

0.92

Metric numerator

tons of waste diverted from landfill

Metric denominator (intensity metric only)

tons of waste generated

% change from previous year

0

Direction of change

No change

Please explain

Achieving zero waste to landfill from our manufacturing facilities is an important part of our circular economy ambitions. This commitment involves reducing, reusing and recycling our waste in creative ways. Despite pandemic-related challenges in 2021, KDP kept 92% of our manufacturing waste out of landfills and we remain on track to meet our 2025 goal.

We value the site champions we have in many of our locations who are working hard to get employees actively engaged in waste diversion. In our hot beverage manufacturing network, more than 99% of our waste was kept from landfills by composting coffee grounds, recycling filter paper scrap and burlap coffee bean bags and converting waste to energy.

Looking ahead, we will continue to pursue a range of inventive waste reduction strategies and collaborations across our operations.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Y
ERM CVS-Assurance Statement for KDP 2021.pdf

Page/ section reference

Pages 1 and 2

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Y

ERM CVS-Assurance Statement for KDP 2021.pdf

Page/ section reference

Pages 1 and 2

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Y

ERM CVS-Assurance Statement for KDP 2021.pdf

Page/ section reference

Pages 1 and 2

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

Scope 3: Employee commuting

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Y

ERM CVS-Assurance Statement for KDP 2021.pdf

Page/section reference

Pages 1 and 2

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C8. Energy	Energy consumption	ISAE 3000	Total energy (MWhs), Total direct energy (MWhs), Total indirect energy (MWhs) ERM CVS-Assurance Statement for KDP 2021.pdf

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

Yes

C11.2a

(C11.2a) Provide details of the project-based carbon credits originated or purchased by your organization in the reporting period.

Credit origination or credit purchase

Credit purchase

Project type

Forests

Project identification

The REDD+ Project Resguardo Indígena Unificado–Selva de Mataven (REDD+ RIU-SM) project aims to Reduce Emissions from Deforestation and Forest Degradation (REDD) pristine Amazonian in southeastern Peru. The project protects and conserves more than 1 million hectares of tropical forest in the Indigenous Reserve of the Mataven Forest, and is home to 5 indigenous communities, 31 endangered animals and 4 species threatened forests. The project allows the maintenance of forest protection units, the financing of activities with indigenous communities, tree planting and monitoring for potential invasions

Verified to which standard

VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)

4435

Number of credits (metric tonnes CO2e): Risk adjusted volume

4435

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

- Yes, our suppliers
- Yes, our customers/clients
- Yes, other partners in the value chain

C12.1a**(C12.1a) Provide details of your climate-related supplier engagement strategy.****Type of engagement**

Innovation & collaboration (changing markets)

Details of engagement

Run a campaign to encourage innovation to reduce climate impacts on products and services
Other, please specify (development)

% of suppliers by number**% total procurement spend (direct and indirect)****% of supplier-related Scope 3 emissions as reported in C6.5**

7.7

Rationale for the coverage of your engagement

World Coffee Research (WCR) is an industry-backed agricultural Research & Development organization focused on growing, protecting and enhancing coffee as a global crop. KDP was a founding member of WCR and is one of the organization's largest donors, having invested more than \$3.3 million since 2012. Thus, we have invested on average approximately \$418,000 per year in WCR. KDP not only invests in WCR's work, but also contributes to its strategic direction by serving on the Board of Directors. Due to WCR's extensive, global network of partners, and more than 262 trials across 14 countries, the impact of WCR's coffee agricultural research covers the entirety of our green coffee sourcing.

Impact of engagement, including measures of success

A core element of WCR's research strategy is identifying and/or creating coffee varieties that will be climate resilient and disease resistant, while maintaining high productivity and quality. WCR also conducts the field work to test these varieties (for example, farmer field trials), addresses systemic barriers to adoption (for example, nursery infrastructure), and brings scientific rigor to other critical research (for example, pest and disease). During 2021, WCR continued its work to preserve origin diversity by accelerating innovation for coffee agriculture in multiple strategically targeted geographies. KDP's support enables the long-term WCR research strategy to continue so that new knowledge and technologies can be delivered to coffee producers around the world.

Comment

This response pertains to our green coffee business only.

Type of engagement

Other, please specify (compliance and onboarding)

Details of engagement

Other, please specify (Included climate change in supplier selection / management mechanism)

% of suppliers by number

100

% total procurement spend (direct and indirect)**% of supplier-related Scope 3 emissions as reported in C6.5****Rationale for the coverage of your engagement**

For this section, we have focused the scope on green coffee. The rationale is that coffee is a significant agricultural raw material for our coffee systems business (which contributed 37% of 2021 net sales and 46% of 2021 income from operations for KDP) and is also one where climate change is having obvious impacts on the success of coffee cultivation and thus on the livelihoods of coffee farmers. For example, KDP purchases supply chain risk data that includes climate impact and resilience data for the countries of origin of our key raw materials. This data helps us to understand where we have supply chains that operate in high-risk environments. For coffee, the data show that the risk of quality and supply disruptions is high within most countries of origin over the next 20-50 years. This past year, responsibly sourced 99.62% of our coffee through purchases of certified/verified sustainably sourced coffee (During 2021, COVID-19 impacts and shipping delays resulted in a very small amount of conventional coffee deliveries). The rationale for coverage (i.e. percentage of suppliers and percentage total procurement spend) is based on the number of suppliers that participate in our responsible sourcing commitment and the % of spend represented by the 100% of our total volume that we purchased as Responsibly Sourced in 2021.

Impact of engagement, including measures of success

The partners we currently work with on our Responsible Sourcing Program are Fair Trade USA, Fairtrade International, Rainforest Alliance and Utz. Each of these programs includes specific water- and climate-smart agricultural practices as part of achieving the certification. In order to sell coffee to KDP (and other buyers seeking sustainably sourced coffee), suppliers must achieve and maintain the certification, including the criteria focused on climate. The information requested of suppliers relates specifically to the compliance criteria and codes of practice required by each certification scheme. They include data around climate change adaptation and mitigation (e.g. soil management, shade cover, farm management plans, etc.). This information feeds the certification status of each farm/group, which is what KDP relies on in order to purchase 'responsibly sourced' coffee from that farm/group. Success for KDP is measured by the % of responsibly sourced coffee that is delivered to us each fiscal year (99.62% in 2021). Success at the farm level is measured by the actual performance metrics around climate-smart agriculture. KDP is also supporting coffee farms (via investments) to increase their climate- and water-smart practices and this work in turn supports farmers to achieve and maintain their certification status.

Comment

This response pertains to our green coffee business only.

Type of engagement

Engagement & incentivization (changing supplier behavior)

Details of engagement

Run an engagement campaign to educate suppliers about climate change
Other, please specify (investments)

% of suppliers by number

14

% total procurement spend (direct and indirect)

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

KDP engages with coffee farmers throughout the regions from which it sources coffee. Climate change poses a significant risk to the coffee industry and will not only impact our ability to deliver the quality coffee that our consumers know and love, but will have a significant impact on the communities where coffee is grown. As weather patterns change, the areas where it can be grown are being threatened, endangering future crops. KDP invests in agronomy programs that directly support farmer capacity-building to adapt to climate change. Since 2003, we've invested more than \$634 million with partners towards efforts to improve livelihoods and one of our main focus areas for these investments is Climate Adaption and Water Stewardship. For the coverage noted above, we used the % of our suppliers that source coffee for us from the farmer groups engaged in the referenced Climate Projects and the % of our total coffee procurement volume those purchases represent. The impact of these programs is to improve the resilience of coffee farmers and farms to risks associated with climate change.

Impact of engagement, including measures of success

The impact of these programs is to improve the resilience of coffee farmers and farms to risks associated with climate change. We measure success through common metrics such as the number of farmers who have adopted climate smart agricultural practices promoted by the project. Some examples of our Climate Projects are: (1) Blue Harvest: KDP has invested more than \$5.7 million in Blue Harvest over the last seven years to promote sustainable farming practices and increase access to clean water for coffee farmers and communities in Central America. This program has trained more than 4,500 farmers to apply water- and climate-smart practices on their coffee farms, protected more than 73,000 hectares of critical watersheds, and improved drinking water for more than 145,000 people. (2) Heifer Mexico: KDP has supported Heifer to work with 750 farmer households in Chiapas to improve coffee productivity and quality, diversify on-farm production, and implement climate-smart practices. (3) Colombia Farmer Capacity Building (2 programs): Programs provide training to farmers on climate-smart agricultural practices and subsidize infrastructure to manage coffee wastewater, working with over 2000 farmer households.

Comment

This response pertains to our green coffee business only.

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement & Details of engagement

Education/information sharing	Share information about your products and relevant certification schemes (i.e. Energy STAR)
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% of customers by number

100

% of customer - related Scope 3 emissions as reported in C6.5

9

Please explain the rationale for selecting this group of customers and scope of engagement

Walmart is an important customer and has led a charge to reduce supply chain emissions via its Project Gigaton. We joined the campaign as Keurig Green Mountain in FY17 and have retained "Giga-Guru" status as listed on their site: <https://www.walmartsustainabilityhub.com/supplier-recognition>. We regularly share sustainability information including our GHG footprint and efforts to reduce it during business meetings.

Impact of engagement, including measures of success

The engagement has strengthened internal awareness of Walmart's campaigns and the importance of our emissions work. In 2020, we won Walmart's Sustainability Award in the Packaged Goods category, for the second year in a row, one of just a few awards given among thousands of global suppliers, for our joint efforts on end-to-end supply chain, decreasing emissions by reducing the number of trucks on the road, responsible sourcing and product stewardship. We have been happy to be listed as a "Giga-Guru" on their site since 2017: <https://www.walmartsustainabilityhub.com/supplier-recognition>. Together, these represent two of the metrics of success we aimed for: both internal and external recognition. This strategic initiative has had a positive impact on our reputation with our customers.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

KDP strategically engages with multiple partners in our value chain in several countries around the world including upstream suppliers, primarily in coffee farming. Our engagement strategy focuses on improving farming techniques, addressing local water issues, planning for changes in climate and strengthening farmer organizations. A large majority of spend is directly on, or in service of, climate readiness. KDP currently collaborates with international organizations to work with upstream coffee suppliers and growers to raise awareness and prepare them for future weather-related effects anticipated by climate change. Since 2014, we have engaged more than 1,000,000 people in our coffee supply chain to improve their lives through projects that we fund. For example, we have an enduring 20-year partnership with Root Capital, a non-profit agricultural lender. Root Capital provides smallholder enterprises with access to resources and expertise (including climate advisory services) to develop independence, sustainability and competitiveness. We invested \$2 million in Root Capital through the Partnership for Sustainable Coffee, co-funded by the United States Agency for International Development (USAID). Through this program, Root Capital has reached 183 coffee enterprises, fueling business growth and strengthening the livelihoods of more than 330,000 smallholder farmers in Colombia, Honduras, Peru, Rwanda, Uganda, and Indonesia.

Another example of KDP's climate-related engagement strategy with partners in our value chain is with World Coffee Research (WCR), an industry-backed R&D organization focused on growing, protecting and enhancing coffee as a global crop. During 2021, WCR continued its work to preserve origin diversity by accelerating innovation for coffee agriculture in multiple strategically targeted geographies. KDP's support enables the long-term WCR research strategy to continue so that new knowledge and technologies can be delivered to coffee producers around the world.

In addition, KDP has invested more than \$5.7 million in Blue Harvest over the last six years to promote sustainable farming practices and increase access to clean water for coffee farmers and communities in Central America. This program has trained more than 4,500 farmers to apply water- and climate-smart practices on their coffee farms, protected more than 73,000 hectares of critical watersheds, and improved drinking water for more than 145,000 people.

Going downstream from our operations in our value chain, we work with additional partners. KDP has taken action by making investments with partners that focus on challenges and appropriate solutions related to improving recycling access and infrastructure. Improving packaging solutions for product quality, consumer use, recoverability and reuse requires collaboration of all players along the value chain. Using our strength in forming partnerships, we collaborate closely with a number of industry groups, NGOs, investment firms and communities. For example, KDP was an initial investor in the \$100 million Closed Loop Fund, which provides zero or low-interest loans to public and private entities to expand and enhance recycling infrastructure and sustainable manufacturing technologies. We have committed \$10 million over 10 years to advance the circular economy, and our investment to date has supported such progress as keeping 2.3 million tons of material in circulation to date, and 5.3 million tons of greenhouse gas emissions avoided. In 2020, KDP was also the founding member and largest funder of The Recycling Partnership's Polypropylene Recycling Coalition with the mission of increasing and improving the recovery and recycling of polypropylene plastic in the U.S, through targeted infrastructure investment grants to municipal recycling facilities. This sponsorship supports KDP's broader efforts to reduce its plastic footprint through circular solutions and collaborations.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

No, and we do not plan to introduce climate-related requirements within the next two years

C-AC12.2/C-FB12.2/C-PF12.2

(C-AC12.2/C-FB12.2/C-PF12.2) Do you encourage your suppliers to undertake any agricultural or forest management practices with climate change mitigation and/or adaptation benefits?

Yes

C-AC12.2a/C-FB12.2a/C-PF12.2a

(C-AC12.2a/C-FB12.2a/C-PF12.2a) Specify which agricultural or forest management practices with climate change mitigation and/or adaptation benefits you encourage your suppliers to undertake and describe your role in the implementation of each practice.

Management practice reference number

MP1

Management practice

Other, please specify (Prioritized list provided in "Description of management practice")

Description of management practice

Agroforestry – Managing shade trees and improving number and variety of tree stocks on coffee farms.

Diversifying farmer income – Encouraging household food production for consumption and sale. Encouraging diverse income sources.

Fertilizer Management – Conducting soil analysis to determine fertilization plan. Using organic compost. Implementing practices to reduce runoff.

Pest management – Preventing, monitoring and responding early to pest and disease outbreaks. Implementing IPM strategies.

Seed variety selection – Understanding seed varietal characteristics and selecting varieties that will perform according to the micro-climate of the farm and the market of the farmer.

Waste Management – minimizing waste from coffee process, and treating wastewater before it is released back into ecosystem.

Your role in the implementation

Financial

Procurement

Explanation of how you encourage implementation

Financial: Funder of climate-change programs.

Procurement: Buyer of certified or verified coffees.

Climate change related benefit

Emissions reductions (mitigation)

Increasing resilience to climate change (adaptation)

Increase carbon sink (mitigation)

Reduced demand for fossil fuel (adaptation)

Reduced demand for fertilizers (adaptation)

Reduced demand for pesticides (adaptation)

Comment

KDP purchases coffee that is managed under certification schemes such as Fair Trade, Rainforest Alliance, UTZ Certified which encourage practices with climate change mitigation or adaptation benefits. In addition, KDP funds projects with specific suppliers to support the implementation of these practices. Example: Blue Harvest program. For Procurement, we capture the % of coffee responsibly sourced. For Financial, we capture the number of farmers who have adopted climate or water-smart agricultural practices as a result of our project. This is a measure of increasing resilience.

C-AC12.2b/C-FB12.2b/C-PF12.2b

(C-AC12.2b/C-FB12.2b/C-PF12.2b) Do you collect information from your suppliers about the outcomes of any implemented agricultural/forest management practices you have encouraged?

Yes

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate

Yes, we engage directly with policy makers
Yes, we engage indirectly through trade associations
Yes, we engage indirectly by funding other organizations whose activities may influence policy, law, or regulation that may significantly impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

Yes

Attach commitment or position statement(s)

KDP Climate Policy 2019 (1).pdf

Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy

Keurig Dr Pepper's climate policy combines three primary approaches—namely, mitigation, adaptation and engagement. These approaches and associated commitments support the United Nations' related Sustainable Development Goals (SDGs) for Affordable and Clean Energy and Climate Action: SDGs 7 and 13. These SDGs call for "affordable, reliable, sustainable and modern energy for all," and "urgent action to combat climate change and its impacts," respectively.

Engagement. Working collaboratively with others is the only way to have significant and lasting impact on climate change. We commit to:

Engaging with governments to support healthy economies, encourage significant reductions in GHG emissions, and improve resilience and support adaptation

Collaborating directly with other companies in the food and beverage sector and via multi-stakeholder platforms and collaborations to align efforts to maximize our collective positive impact and scale climate change mitigation and adaptation practices

Collaborating with NGOs, leveraging their expertise and providing them with the resources they need to do their work
Communicating openly with stakeholders about progress and challenges

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

C12.3a

(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?

Focus of policy, law, or regulation that may impact the climate

Circular economy
Extended Producer Responsibility (EPR)

Specify the policy, law, or regulation on which your organization is engaging with policy makers

Supporting a circular economy requires leadership from companies and all levels of government to modernize and standardize recycling infrastructure. In the U.S., inadequate investment, a patchwork of regulations and lack of minimum performance standards across more than 9,000 recycling programs is preventing economies of scale in our recycling systems and confusing consumers. 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. It has been shown through models like the EPA WARM model, that recycling provides significant greenhouse gas avoidance benefits. For example, in 2018 the EPA reported that 68 million tons of material were recycled in the United States, resulting in a net benefit of 193 MMT CO₂e avoided.

In 2021, KDP actively engaged advocating for the creation and successful implementation of EPR programs at the state (e.g., California, Colorado, New Jersey, New York, Oregon, and Washington) and federal level within the U.S. and at the provincial level in Canada. In addition, KDP supported enhanced recycling-related federal funding for collection and education in the U.S. bipartisan Infrastructure Investment and Jobs Act, signed into law by U.S. President Biden in November 2021.

Policy, law, or regulation geographic coverage

Regional

Country/region the policy, law, or regulation applies to

Canada
United States of America

Your organization's position on the policy, law, or regulation

Support with no exceptions

Description of engagement with policy makers

Our public-policy activities include direct engagement with public officials as well as participation in trade associations, coalitions and stakeholder convenings. Information pertaining to our direct engagement and associated expenditures are reported to the U.S. Congress in accordance with the Lobbying Disclosure Act of 1995. We adhere to all local, state and federal lobbying laws requiring registration and reporting, and a link to this information is provided on our website.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

<Not Applicable>

Have you evaluated whether your organization's engagement is aligned with the goals of the Paris Agreement?

No, we have not evaluated

C12.3b

(C12.3b) Provide details of the trade associations your organization engages with which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

Other, please specify (American Beverage Association)

Is your organization's position on climate change consistent with theirs?

Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We publicly promote their current position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

As published on the ABA's website, the association pursues a range of environmental initiatives and commitments, including reducing greenhouse gas emissions. "We're working to improve energy efficiency and reduce greenhouse gas emissions. Climate change affects us all. That's why America's beverage companies have worked to improve energy efficiency and reduce greenhouse gas emissions. From our factories to our fleets to our vending machines, we've made significant changes. And we're committed to doing even more."

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

Describe the aim of your organization's funding

<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

No, we have not evaluated

Trade association

Other, please specify (National Coffee Association)

Is your organization's position on climate change consistent with theirs?

Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We publicly promote their current position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

The National Coffee represents the shared public policy interests of the U.S. coffee industry. Pressures from a changing climate coupled with the growing costs of production are putting small-scale coffee growers out of business or pushing them to switch to other crops—or out of farming altogether—at alarming rates. The NCA is advocating for increased federal funding to help ensure smallholder farmers have the tools and resources they need to be successful. This includes supporting enhanced agricultural research and development of more climate resilient and sustainable coffee crops.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

Describe the aim of your organization's funding

<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

No, we have not evaluated

C12.3c

(C12.3c) Provide details of the funding you provided to other organizations in the reporting year whose activities could influence policy, law, or regulation that may impact the climate.

Type of organization

Non-Governmental Organization (NGO) or charitable organization

State the organization to which you provided funding

The Recycling Partnership

Funding figure your organization provided to this organization in the reporting year (currency as selected in C0.4)

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate

As published on their website: "At The Recycling Partnership, we are solving for circularity. We mobilize people, data, and solutions across the value chain to unlock the environmental and economic benefits of recycling and a circular economy. We work on the ground with thousands of communities to transform underperforming recycling programs; we partner with companies to achieve packaging circularity, increase access to recycled materials, and meet sustainability commitments; and we work with government to develop policy solutions to address the systemic needs of our residential recycling system and advance a circular economy. We foster public-private partnerships and drive positive change at every step of the recycling and circularity process. Since 2014, we have diverted 770 million pounds of new recyclables from landfills, saved 968 million gallons of water, avoided more than 670,000 metric tons of greenhouse gases, and driven significant reductions in targeted contamination rates."

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?

No, we have not evaluated

Type of organization

Non-Governmental Organization (NGO) or charitable organization

State the organization to which you provided funding

World Coffee Research

Funding figure your organization provided to this organization in the reporting year (currency as selected in C0.4)

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate

KDP supports continued investment in World Coffee Research, driving agricultural innovation to enhance productivity of climate resilient farming to support farmer profitability.

From the WCR website:

"Through its "global leadership" function, WCR works to generate consensus on the most important challenges facing coffee (for which agricultural R&D can provide solutions), and to mobilize research on these challenges. As of 2021, this is a new program area for WCR, and we are still working to define what it will look like going forward. Clearly, however, climate mitigation is a central challenge.

Questions WCR is engaging on this topic include:

What tools, methods, and data are needed to support more accurate carbon accounting at the farm level? (see below)

What types of coffee production systems will be needed in the near and medium-term future to support the world's urgent climate goals?

What are the barriers to shifting existing systems to the coffee agricultural systems of the future? How can variety improvement and enhanced productivity address some of these barriers?

Can the coffee plant itself contribute to carbon sequestration, e.g., through increased biomass?"

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?

No, we have not evaluated

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In voluntary sustainability report

Status

Complete

Attach the document

Y

KDP-CR-Report-2021 (2).pdf

Page/Section reference

Environment Section, page 14

Content elements

Governance

Strategy

Risks & opportunities

Emissions figures

Emission targets

Other metrics

Comment

C13. Other land management impacts

(C-AC13.2/C-FB13.2/C-PF13.2) Do you know if any of the management practices mentioned in C-AC12.2a/C-FB12.2a/C-PF12.2a that were implemented by your suppliers have other impacts besides climate change mitigation/adaptation?

Yes

C-AC13.2a/C-FB13.2a/C-PF13.2a

(C-AC13.2a/C-FB13.2a/C-PF13.2a) Provide details of those management practices implemented by your suppliers that have other impacts besides climate change mitigation/adaptation.

Management practice reference number

MP1

Overall effect

Positive

Which of the following has been impacted?

Biodiversity

Soil

Water

Yield

Description of impacts

In 2021, KDP set a new goal to support regenerative agriculture and conservation on 250,000 acres of land by 2030. KDP will partner with key suppliers and farmers to achieve the goal, which represents 50 percent of the land used to grow the Company's top climate-sensitive crops, including coffee, corn and apples. In addition to the climate change mitigation/adaptation impacts, this new goal will accelerate the Company's efforts to protect water resources within its supply chain, as regenerative agriculture practices contribute to improved water quality and quantity, while also supporting biodiversity and strengthening farmer economic resilience. Nearly all the management practices implemented by our suppliers and supported by our projects (including agroforestry, diversifying farmer income, fertilizer management, pest management, seed variety selection, and waste management) have multiple intended outcomes such as improving yield, soil health, and preserving biodiversity.

Have any response to these impacts been implemented?

Yes

Description of the response(s)

One of our 2020 targets which we achieved this year, was to engage one million people in our supply chain to improve their lives. Connecting people to clean water is an integral part of that engagement. To accomplish this, we're collaborating with key partners who are working to ensure good water management and access to clean water in coffee communities. Our investments in key supplier regions are enabling research, infrastructure, support tools, training in good agronomic practices, and more. Better water management not only improves the quality of the coffee, but the livelihoods of our coffee farmers and their neighbors downstream. Water is an essential input across our value chain, from coffee trees to bean processing to brewing beverages. It is also critical to the resilience of coffee farmers and their communities. In fact, upwards of 9 million people in Central America depend on coffeelands for their water supply. Because coffee grows optimally at high altitudes in agroforestry systems, farmers have the opportunity and ability to be stewards of vital water resources for the entire watershed. Well-managed coffee systems can protect and restore watersheds that provide potable water for rural and urban communities downstream. This is the aim of the Blue Harvest program, a four-year initiative coordinated by Catholic Relief Services (CRS), to which Keurig Green Mountain, a founding funder, has invested more than \$5.7 million over the last six years to promote sustainable farming practices and increase access to clean water for coffee farmers and communities in Central America. This program has trained more than 4,5000 farmers to apply water- and climate-smart practices on their coffee farms, protected more than 73,000 hectares of critical watersheds, and improved drinking water for more than 145,000 people.

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	No, and we do not plan to have both within the next two years	<Not Applicable>	<Not Applicable>

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	No, and we do not plan to do so within the next 2 years	<Not Applicable>	<Not Applicable>

C15.3

(C15.3) Does your organization assess the impact of its value chain on biodiversity?

	Does your organization assess the impact of its value chain on biodiversity?	Portfolio
Row 1	No, and we do not plan to assess biodiversity-related impacts within the next two years	<Not Applicable>

C15.4

(C15.4) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Land/water protection Land/water management Livelihood, economic & other incentives

C15.5

(C15.5) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No	Please select

C15.6

(C15.6) Have you published information about your organization’s response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In voluntary sustainability report or other voluntary communications	Impacts on biodiversity	Page 19 - Water stewardship projects Page 22 - Responsible sourcing, coffee and cocoa Page 25 - Regenerative agriculture and conservation Page 26 - Economic viability for farmers and workers KDP-CR-Report-2021 (2).pdf

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

At Keurig Dr Pepper, our corporate responsibility commitments aim to ensure our beverages make a positive impact with every drink. Our broad portfolio of products and nearly 27,000 employees give us many opportunities to drive change and be a catalyst for good. We take a strategic approach to channeling our energy and resources into those opportunities where we can have the greatest impact. We are committed to partnership, innovation, transparency and investment as we work to deliver progress.

We’re pushing harder to do our part to support the process to tackle climate change and build the resilience of our business and supply chain. In 2019, we laid the groundwork for important new climate goals to reduce greenhouse gas (GHG) emissions from the 2018 baseline developed for our newly merged company. This foundation included a corporate policy, governance structures and greater transparency, including reporting to CDP Climate.

In 2020 we set new science-based climate targets. We committed to:

- Reduce absolute Scope 1 and 2 GHG emissions by 30% by 2030
- Reduce absolute Scope 3 emissions in select categories by 15% by 2030
- Ensure our suppliers and bottlers representing 50% of our emissions will have Science Based Targets by 2024

These targets have been approved by the Science Based Targets initiative (SBTi) and are in line with the reductions that are required to meet the Paris Agreement on climate change goal of keeping global warming below 2 degrees Celsius. Our new climate goals provide a clear path for us to reduce our share of greenhouse gas emissions through continuation of existing efforts and the development of new focus areas, such as packaging improvements and value chain engagement.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Senior Vice President and Chief Sustainability Officer	Chief Sustainability Officer (CSO)

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

At Keurig Dr Pepper, our corporate responsibility commitments aim to ensure our beverages make a positive impact with every drink. Our broad portfolio of products and nearly 27,000 employees give us many opportunities to drive change and be a catalyst for good. We take a strategic approach to channeling our energy and resources into those opportunities where we can have the greatest impact. We are committed to partnership, innovation, transparency and investment as we work to deliver progress. We're pushing harder to do our part to support the process to tackle climate change and build the resilience of our business and supply chain. In 2019, we laid the groundwork for important new climate goals to reduce greenhouse gas (GHG) emissions from the 2018 baseline developed for our newly merged company. This foundation included a corporate policy, governance structures and greater transparency, including reporting to CDP Climate. In 2020 we set new science-based climate targets. We committed to:

- Reduce absolute Scope 1 and 2 GHG emissions by 30% by 2030
- Reduce absolute Scope 3 emissions in select categories by 15% by 2030
- Ensure our suppliers and bottlers representing 50% of our emissions will have Science Based Targets by 2024

These targets have been approved by the Science Based Targets initiative (SBTi) and are in line with the reductions that are required to meet the Paris Agreement on climate change goal of keeping global warming below 2 degrees Celsius. Our new climate goals provide a clear path for us to reduce our share of greenhouse gas emissions through continuation of existing efforts and the development of new focus areas, such as packaging improvements and value chain engagement.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	12683000000

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
Customer base is too large and diverse to accurately track emissions to the customer level	Guidelines as to the most acceptable approximations of emissions associated with different customers.

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

No

SC1.4b

(SC1.4b) Explain why you do not plan to develop capabilities to allocate emissions to your customers.

Customer base is too large and diverse to accurately track or allocate emissions to the customer level.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

No

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

No, I am not providing data

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms