W0. Introduction

W0.1

(W0.1) Give a general description of 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) CSDs, 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.

W-FB0.1a

(W-FB0.1a) Which activities in the food, beverage, and tobacco sector does your organization engage in?

Processing/Manufacturing
Distribution

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

<table>
<thead>
<tr>
<th></th>
<th>Start date</th>
<th>End date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reporting year</td>
<td>January 1 2021</td>
<td>December 31 2021</td>
</tr>
</tbody>
</table>

W0.3

(W0.3) Select the countries/areas in which you operate.

Canada
Mexico
United States of America
(W0.4) Select the currency used for all financial information disclosed throughout your response.
USD

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.
Companies, entities or groups over which operational control is exercised

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?
Yes

(W0.6a) Please report the exclusions.

<table>
<thead>
<tr>
<th>Exclusion</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>We do not include several small office locations, and some small sales and distribution locations. Our manufacturing facility in Newbridge, Ireland, is excluded as it was under construction and not fully operational during 2021. We expect this facility to be operational during 2022.</td>
<td>We are focused on where we use the most water in our organization and can therefore drive the most efficiency and meaningfully contribute to water stewardship. Included in our scope are all of our operational manufacturing sites, all major warehouses and distribution centers, and headquarters offices. Within our scope that is included, our cold manufacturing sites make up nearly all (99%) of our water withdrawals. The exclusion of the minor non-manufacturing sites does not represent a significant portion of total water used/consumed nor discharged, nor pollutant load discharged (less than 1%).</td>
</tr>
</tbody>
</table>

(W0.7) 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.
Yes, a Ticker symbol
KDP

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

<table>
<thead>
<tr>
<th>Direct use importance rating</th>
<th>Indirect use importance rating</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sufficient amounts of good quality freshwater available for use</td>
<td>Vital</td>
<td>The primary freshwater use in KDP’s direct operations is as a key ingredient in our finished products. Maintaining the highest standards of safety and quality are of vital importance in our direct use of freshwater. Additionally, our supply chain is dependent on good quality freshwater for cultivating crops that are ingredients in our products, making it of vital importance for indirect use. We expect our operational and value chain dependency on this water source to remain the same in the future, because our evolving portfolio will always rely on sufficient amounts of good quality freshwater available for use in order to produce beverages whether they be bottled in our plants or made with water in the home (like our coffee products today).</td>
</tr>
<tr>
<td>Sufficient amounts of recycled, brackish and/or produced water available for use</td>
<td>Not very important</td>
<td>Recycled, brackish and other types of water are not ingredients in KDP’s products or processes. Certain manufacturing processes use recycled water for cooling, which makes up less than 1% of our water use. We don’t expect our operational dependency on this water source to change because we do not anticipate using recycled or brackish water in our products. Recycled, brackish and other types of water are not used to our knowledge in upstream supply chain processes nor is use of this water source expected in the future.</td>
</tr>
</tbody>
</table>

W-FB1.1a
(W-FB1.1a) Which water-intensive agricultural commodities that your organization produces and/or sources are the most significant to your business by revenue? Select up to five.

<table>
<thead>
<tr>
<th>Agricultural commodities</th>
<th>% of revenue dependent on these agricultural commodities</th>
<th>Produced and or sourced</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other, please specify (Apples)</td>
<td>Less than 10%</td>
<td>Sourced</td>
<td>Applies are the primary ingredient in our Motts® branded applesauce products. Apple juice products are dependent on apple juice concentrate, not considered in the scope for this response.</td>
</tr>
<tr>
<td>Other, please specify (Coffee)</td>
<td>21-40</td>
<td>Sourced</td>
<td>KDP’s hot business consists of our single serve brewing system appliances, K-Cup® pods and other coffee products. Coffee represents the vast majority of the hot beverage portfolio, which has a very small proportion of cocoa, tea, powdered drinks, and dairy.</td>
</tr>
<tr>
<td>Maize</td>
<td>21-40</td>
<td>Sourced</td>
<td>A substantial portion of our CSD portfolio is sweetened with high fructose corn syrup (HFCS), derived from maize.</td>
</tr>
<tr>
<td>Sugar</td>
<td>Less than 10%</td>
<td>Sourced</td>
<td>We source cane sugar for several of our beverage brand products.</td>
</tr>
</tbody>
</table>

W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

<table>
<thead>
<tr>
<th>% of sites/facilities/operations</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water withdrawals – total volumes</td>
<td>100%</td>
</tr>
<tr>
<td>Water withdrawals – volumes by source</td>
<td>100%</td>
</tr>
<tr>
<td>Entrained water associated with your metals &amp; mining sector activities - total volumes [only metals and mining sector]</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Produced water associated with your oil &amp; gas sector activities - total volumes [only oil and gas sector]</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Water withdrawals quality</td>
<td>100%</td>
</tr>
<tr>
<td>Water discharges – total volumes</td>
<td>100%</td>
</tr>
<tr>
<td>Water discharges – volumes by destination</td>
<td>100%</td>
</tr>
<tr>
<td>Water discharges – volumes by treatment method</td>
<td>100%</td>
</tr>
<tr>
<td>Water discharge quality – by standard effluent parameters</td>
<td>100%</td>
</tr>
<tr>
<td>Water discharge quality – temperature</td>
<td>Not relevant</td>
</tr>
<tr>
<td>Water consumption – total volume</td>
<td>100%</td>
</tr>
<tr>
<td>Water recycled/reused</td>
<td>Not monitored</td>
</tr>
<tr>
<td>The provision of fully-functioning, safely managed WASH services to all workers</td>
<td>100%</td>
</tr>
</tbody>
</table>

W1.2b

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?

<table>
<thead>
<tr>
<th>Comparison with previous reporting year</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total withdrawals: 13355</td>
<td>About the same</td>
</tr>
<tr>
<td>Total withdrawals: 13355</td>
<td>Total withdrawals are about the same as last year at 1.7% higher compared to 2020. In 2021, our water use ratio was 1.82 liters of water to make 1 liter of product, which is the same as the 2020 value (1.82 L/L). This metric accounts for the cold side of our business which makes up 99% of our water use. Withdrawals are directly related to our production so will rise, fall or remain flat in line with production volume as mitigated by future efficiency improvements. While our withdrawals increased, our efficiency remained flat. KDP has committed to improving our water use efficiency 20% by 2025 so there is potential for improvement in water withdrawal. Thresholds used include: Less than (51) much lower, (6)-(50) lower, (5)-5 about the same, 6-50 higher, greater than 51 much higher.</td>
</tr>
<tr>
<td>Total discharges: 5893</td>
<td>About the same</td>
</tr>
<tr>
<td>Total discharges: 5893</td>
<td>Total discharges are about the same as last year at 2.3% higher compared to 2020. In 2021, our water use ratio was 1.82 liters of water to make 1 liter of product. This metric accounts for the cold business which makes up 99% of our water use. Discharges are directly related to our production so will rise, fall or remain flat in line with production volume mitigated by future efficiency improvements. Discharges were higher in 2021 due to higher production. KDP has committed to improving our water use efficiency 20% by 2025 so we expect our discharges to decrease accordingly relative to production. Thresholds used include: Less than (51) much lower, (6)-(50) lower, (5)-5 about the same, 6-50 higher, greater than 51 much higher.</td>
</tr>
<tr>
<td>Total consumption: 7462</td>
<td>About the same</td>
</tr>
<tr>
<td>Total consumption: 7462</td>
<td>Total consumption is about the same as last year, up 1.6%. We calculate consumption using the following formula (Consumption = Withdrawal – Discharges) 7,462 +13,355 - 5,893. Because withdrawals and discharges are fairly flat, consumption is also flat. Our consumption volumes are directly tied to our sales volumes, so in the future, they will rise, fall or remain flat in line with demand. Thresholds used include: Less than (51) much lower, (6)-(50) lower, (5)-5 about the same, 6-50 Higher, greater than 51 much higher.</td>
</tr>
</tbody>
</table>
### (W1.2d) Indicate whether water is withdrawn from areas with water stress and provide the proportion.

<table>
<thead>
<tr>
<th>Agricultural commodities</th>
<th>% of total agricultural commodity sourced from areas with water stress</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other commodities from WGI: FB1.2e, please specify (coffee)</td>
<td>1-10</td>
<td>Based on our updated risk assessment, 9% of maize is sourced from areas of high water-stress. We anticipate that this proportion could increase over the long (3-10 years) term due to the potential for climate change to increase maize’s water demand and limit the water available for irrigation. KDP uses this metric within the organization to inform its responsible sourcing strategy for maize among other relevant water and sustainability factors.</td>
</tr>
<tr>
<td>Other commodities from WGI: FB1.2e, please specify (apples)</td>
<td>0%</td>
<td>Based on our updated risk assessment, 0% of coffee is sourced from areas of high water-stress. We anticipate that this proportion could increase over the long (3-10 years) term as the temperature increases under changing climatic conditions can cause water stress and more frequent irrigation cycle for sugarcane cultivation. KDP uses this metric within the organization to inform its responsible sourcing strategy for sugarcane among other relevant water and sustainability factors.</td>
</tr>
<tr>
<td>Maize</td>
<td>26-50</td>
<td>Based on our updated risk assessment, 47% of cane sugar is sourced from areas of high water-stress. We anticipate that this proportion could increase over the long (3-10 years) term. KDP defines apple supplier water withdrawals sourced from a water stressed area as the sum of municipal, groundwater and surface water sourced from geographic areas defined by WRI’s Water Risk Atlas tool where Baseline Water Stress is “high” or extremely high” stress (the proportion of total withdrawals to total renewable supply in a given area, 40-100%). In 2021, 29% of the water withdrawn by KDP was from an area defined as water stressed which is slightly higher than in 2020 (31%). KDP utilizes WRI’s Aqueduct tool to assist us in assessing our risk relative to our water use. Through our enterprise risk management (ERM) process, company level risks are identified and prioritized. WRI’s Aqueduct tool is used to assess risk assessment of priority raw materials from our supply chain. Raw materials sourced from areas with water stress are identified based on KDP’s sourcing regions at the country level and the Baseline Water Stress indicator from the WRI’s Aqueduct Water Risk Atlas tool. A spatial analysis was conducted to map country level crop growing areas and Baseline Water Stress indicator. High water stress areas for apples are defined as regions where 40% or more of the growing areas falls under “high” and/or extremely high” baseline water stress as defined in Aqueduct (the ratio of total withdrawals to total renewable supply in a given area, 40-100%). Apples sourced from water stressed areas are identified using the 2021 sourcing data.</td>
</tr>
<tr>
<td>Sugar</td>
<td>26-50</td>
<td>Based on our updated risk assessment, 47% of cane sugar is sourced from areas of high water-stress. We anticipate that this proportion could increase over the long (3-10 years) term as the temperature increases under changing climatic conditions can cause water stress and more frequent irrigation cycle for sugarcane cultivation. KDP uses this metric within the organization to inform its responsible sourcing strategy for sugarcane among other relevant water and sustainability factors.</td>
</tr>
<tr>
<td>Coffee</td>
<td>0%</td>
<td>Coffee sourced from water stressed areas are identified using the 2021 sourcing data.</td>
</tr>
<tr>
<td>Maize</td>
<td>Not applicable</td>
<td>We utilize the Aqueduct Water Risk Atlas 3.0 tool to conduct risk assessment of priority raw materials from our supply chain. Raw materials sourced from areas with water stress are identified based on KDP’s sourcing regions at the country level and the Baseline Water Stress indicator from the WRI’s Aqueduct Water Risk Atlas tool. A spatial analysis was conducted to map country level crop growing areas and Baseline Water Stress indicator. High water stress areas for maize are defined as regions where 40% or more of the growing areas falls under “high” and/or extremely high” baseline water stress as defined in Aqueduct (the ratio of total withdrawals to total renewable supply in a given area, 40-100%). Maize sourced from water stressed areas are identified using the 2021 sourcing data.</td>
</tr>
<tr>
<td>Sugar</td>
<td>Not applicable</td>
<td>Sugar sourced from water stressed areas are identified using the 2021 sourcing data.</td>
</tr>
<tr>
<td>Coffee</td>
<td>Not applicable</td>
<td>Coffee sourced from water stressed areas are identified using the 2021 sourcing data.</td>
</tr>
<tr>
<td>Maize</td>
<td>Not applicable</td>
<td>We utilize the Aqueduct Water Risk Atlas 3.0 tool to conduct risk assessment of priority raw materials from our supply chain. Raw materials sourced from areas with water stress are identified based on KDP’s sourcing regions at the country level and the Baseline Water Stress indicator from the WRI’s Aqueduct Water Risk Atlas tool. A spatial analysis was conducted to map country level crop growing areas and Baseline Water Stress indicator. High water stress areas for coffee are defined as regions where 40% or more of the growing areas falls under “high” and/or extremely high” baseline water stress as defined in Aqueduct (the ratio of total withdrawals to total renewable supply in a given area, 40-100%). Coffee sourced from water stressed areas are identified using the 2021 sourcing data.</td>
</tr>
<tr>
<td>Sugar</td>
<td>Not applicable</td>
<td>We utilize the Aqueduct Water Risk Atlas 3.0 tool to conduct risk assessment of priority raw materials from our supply chain. Raw materials sourced from areas with water stress are identified based on KDP’s sourcing regions at the country level and the Baseline Water Stress indicator from the WRI’s Aqueduct Water Risk Atlas tool. A spatial analysis was conducted to map country level crop growing areas and Baseline Water Stress indicator. High water stress areas for cane sugar are defined as regions where 40% or more of the growing areas falls under “high” and/or extremely high” baseline water stress as defined in Aqueduct (the ratio of total withdrawals to total renewable supply in a given area, 40-100%). Cane sugar is sourced from areas of high water stress. We anticipate that this proportion could increase over the long (3-10 years) term as the temperature increases under changing climatic conditions can cause water stress and more frequent irrigation cycle for sugarcane cultivation. KDP uses this metric within the organization to inform its responsible sourcing strategy for sugarcane among other relevant water and sustainability factors.</td>
</tr>
<tr>
<td>Coffee</td>
<td>0%</td>
<td>Coffee sourced from water stressed areas are identified using the 2021 sourcing data.</td>
</tr>
<tr>
<td>Maize</td>
<td>26-50</td>
<td>Maize sourced from water stressed areas are identified using the 2021 sourcing data.</td>
</tr>
<tr>
<td>Sugar</td>
<td>Not applicable</td>
<td>Sugar sourced from water stressed areas are identified using the 2021 sourcing data.</td>
</tr>
</tbody>
</table>

### (W-FB1.2e) For each commodity reported in question W-FB1.1a, do you know the proportion that is produced/sourced from areas with water stress?

<table>
<thead>
<tr>
<th>Agricultural commodities</th>
<th>The proportion of the commodity produced in areas with water stress is known</th>
<th>The proportion of the commodity sourced from areas with water stress is known</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other commodities from WGI: FB1.1a, please specify (Apples)</td>
<td>Not applicable</td>
<td>Yes</td>
<td>We utilize the Aqueduct Water Risk Atlas 3.0 tool to conduct risk assessment of priority raw materials from our supply chain. Raw materials sourced from areas with water stress are identified based on KDP’s sourcing regions at the country level and the Baseline Water Stress indicator from the WRI’s Aqueduct Water Risk Atlas tool. A spatial analysis was conducted to map country level crop growing areas and Baseline Water Stress indicator. High water stress areas for apples are defined as regions where 40% or more of the growing areas falls under “high” and/or extremely high” baseline water stress as defined in Aqueduct (the ratio of total withdrawals to total renewable supply in a given area, 40-100%). Apples sourced from water stressed areas are identified using the 2021 sourcing data.</td>
</tr>
<tr>
<td>Other commodities from WGI: FB1.1a, please specify (coffee)</td>
<td>Not applicable</td>
<td>Yes</td>
<td>We utilize the Aqueduct Water Risk Atlas 3.0 tool to conduct risk assessment of priority raw materials from our supply chain. Raw materials sourced from areas with water stress are identified based on KDP’s sourcing regions at the country level and the Baseline Water Stress indicator from the WRI’s Aqueduct Water Risk Atlas tool. A spatial analysis was conducted to map country level crop growing areas and Baseline Water Stress indicator. High water stress areas for coffee are defined as regions where 40% or more of the growing areas falls under “high” and/or extremely high” baseline water stress as defined in Aqueduct (the ratio of total withdrawals to total renewable supply in a given area, 40-100%). Coffee sourced from water stressed areas are identified using the 2021 sourcing data.</td>
</tr>
</tbody>
</table>

### (W-FB1.2g) What proportion of the sourced agricultural commodities reported in W-FB1.1a originate from areas with water stress?

<table>
<thead>
<tr>
<th>Agricultural commodities</th>
<th>% of total agricultural commodity sourced from areas with water stress</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other commodities from WGI: FB1.2a, please specify (apples)</td>
<td>0%</td>
<td>KDP defines apple supplier water withdrawals sourced from a water stressed area as the sum of municipal, groundwater and surface water sourced from geographic areas defined by WRI’s Water Risk Atlas tool where Baseline Water Stress is high or extremely high” stress (the proportion of total withdrawals to total renewable supply in a given area, 40-100%). In 2021, 29% of the water withdrawn by KDP was from an area defined as water stressed which is slightly higher than in 2020 (31%). KDP utilizes WRI’s Aqueduct tool to assist us in assessing our risk relative to our water use. Through our enterprise risk management (ERM) process, company level risks are identified and prioritized. WRI’s Aqueduct tool is used to assess risk assessment of priority raw materials from our supply chain. Raw materials sourced from areas with water stress are identified based on KDP’s sourcing regions at the country level and the Baseline Water Stress indicator from the WRI’s Aqueduct Water Risk Atlas tool. A spatial analysis was conducted to map country level crop growing areas and Baseline Water Stress indicator. High water stress areas for apples are defined as regions where 40% or more of the growing areas falls under “high” and/or extremely high” baseline water stress as defined in Aqueduct (the ratio of total withdrawals to total renewable supply in a given area, 40-100%). Apples sourced from water stressed areas are identified using the 2021 sourcing data.</td>
</tr>
<tr>
<td>Other commodities from WGI: FB1.2a, please specify (coffee)</td>
<td>0%</td>
<td>KDP utilizes WRI’s Aqueduct tool to assist us in assessing our risk relative to our water use. Through our enterprise risk management (ERM) process, company level risks are identified and prioritized. WRI’s Aqueduct tool is used to assess risk assessment of priority raw materials from our supply chain. Raw materials sourced from areas with water stress are identified based on KDP’s sourcing regions at the country level and the Baseline Water Stress indicator from the WRI’s Aqueduct Water Risk Atlas tool. A spatial analysis was conducted to map country level crop growing areas and Baseline Water Stress indicator. High water stress areas for coffee are defined as regions where 40% or more of the growing areas falls under “high” and/or extremely high” baseline water stress as defined in Aqueduct (the ratio of total withdrawals to total renewable supply in a given area, 40-100%). Coffee sourced from water stressed areas are identified using the 2021 sourcing data.</td>
</tr>
<tr>
<td>Maize</td>
<td>1-10</td>
<td>Based on our updated risk assessment, 9% of maize is sourced from areas of high water-stress. We anticipate that this proportion could increase over the long (3-10 years) term due to the potential for climate change to increase maize’s water demand and limit the water available for irrigation. KDP uses this metric within the organization to inform its responsible sourcing strategy for maize among other relevant water and sustainability factors.</td>
</tr>
<tr>
<td>Sugar</td>
<td>26-50</td>
<td>Based on our updated risk assessment, 47% of cane sugar is sourced from areas of high water-stress. We anticipate that this proportion could increase over the long (3-10 years) term as the temperature increases under changing climatic conditions can cause water stress and more frequent irrigation cycle for sugarcane cultivation. KDP uses this metric within the organization to inform its responsible sourcing strategy for sugarcane among other relevant water and sustainability factors.</td>
</tr>
</tbody>
</table>
### (W1.2h) Provide total water withdrawal data by source.

<table>
<thead>
<tr>
<th>Source</th>
<th>Relevance</th>
<th>Volume (megaliters/year)</th>
<th>Comparison with previous reporting year</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fresh surface water, including rainwater,</td>
<td>Not relevant</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>This source is not relevant because we do not use/withdraw water from this source. We do not anticipate any changes in our sites’ withdrawal of fresh surface water in the foreseeable future. KDP is reliant on high quality water as a primary ingredient in our beverages, and therefore sources and treats water from municipal and groundwater sources.</td>
</tr>
<tr>
<td>water from wetlands, rivers, and lakes</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brackish surface water/seawater</td>
<td>Not relevant</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>This source is not relevant because we do not use/withdraw water from this source. We do not anticipate any changes in our sites’ withdrawal of brackish surface water in the foreseeable future.</td>
</tr>
<tr>
<td>Groundwater – renewable</td>
<td>Relevant</td>
<td>2901</td>
<td>Lower</td>
<td>Groundwater - renewable as a water source is considered relevant to our portfolio because there are six active KDP locations that rely on renewable groundwater for operations. KDP’s water withdrawals from renewable groundwater sources are lower in 2021 (down 10% from 2020). Withdrawals from this source are lower because of our production needs and switching from groundwater to municipal water supply at one site. Newly, our Mexico manufacturing relies on renewable-ground water and decreased use of this source by 6%. Our US sites rely heavily on municipal water. As we work towards our commitment to improve our water use efficiency by 20% by 2025 we expect our use of this source to potentially decrease. Thresholds used include: Less than (51) much lower, (6)-(50) lower, (5)-5 about the same, 6-50 higher, greater than 51 much higher.</td>
</tr>
<tr>
<td>Groundwater – non-renewable</td>
<td>Not relevant</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>This source is not relevant because we do not use/withdraw water from this source. We do not anticipate any changes in our sites’ withdrawal of fresh surface water in the foreseeable future. KDP is reliant on high quality water as a primary ingredient in our beverages, and therefore sources and treats water from municipal and groundwater sources.</td>
</tr>
<tr>
<td>Produced/Entrained water</td>
<td>Not relevant</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>This source is not relevant because we do not use/withdraw water from this source. We do not anticipate any changes in our sites’ withdrawal of fresh surface water in the foreseeable future. KDP is reliant on high quality water as a primary ingredient in our beverages, and therefore sources and treats water from municipal and groundwater sources.</td>
</tr>
<tr>
<td>Third party sources</td>
<td>Relevant</td>
<td>10485</td>
<td>Higher</td>
<td>Third party sources are considered relevant water sources because a majority of our water is purchased from local municipalities. KDP does not plan to change this because of our reliance on high quality water for use in our beverages. KDP’s water withdrawals from third-party sources increased slightly (6%) compared to 2020 due to increases in production. As we work towards our commitment to improve our water use ratio by 20% by 2025, we expect our reliance on water sourced from third parties to potentially decrease. Thresholds used include: Less than (51) much lower, (6)-(50) lower, (5)-5 about the same, 6-50 higher, greater than 51 much higher.</td>
</tr>
</tbody>
</table>

### (W1.2i) Provide total water discharge data by destination.

<table>
<thead>
<tr>
<th>Destination</th>
<th>Relevance</th>
<th>Volume (megaliters/year)</th>
<th>Comparison with previous reporting year</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fresh surface water</td>
<td>Relevant</td>
<td>1282</td>
<td>Lower</td>
<td>Fresh surface water/seawater is considered a relevant destination for our discharges where proper permitting exists. Five of our locations discharge pretreated wastewater, meeting local standards, to this destination. Two sites are authorized to discharge RO reject. KDP’s 2021 discharges to this destination are 34% lower than 2020 at 22% of total discharges. Discharges are directly related to our production so will rise, fall or remain flat in line with production volume. As we work towards our commitment to improve our water use ratio by 20% by 2025, we expect our discharges to fresh surface water could decrease accordingly. Thresholds used include: Less than (51) much lower, (6)-(50) lower, (5)-5 about the same, 6-50 higher, greater than 51 much higher.</td>
</tr>
<tr>
<td>Brackish surface water/seawater</td>
<td>Not relevant</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>Brackish surface water/seawater is not a relevant destination as all water discharges are either to Publicly Owned Treatment Works (POTW) or fresh surface water. KDP has not in the past, and does not anticipate in the future, discharging to brackish water sources.</td>
</tr>
<tr>
<td>Groundwater</td>
<td>Not relevant</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>Groundwater is not a relevant destination as all water discharges are either to POTW or fresh surface water. KDP has not in the past and does not anticipate discharging any water to groundwater in the future.</td>
</tr>
<tr>
<td>Third-party destinations</td>
<td>Relevant</td>
<td>4611</td>
<td>Higher</td>
<td>Third-party destinations are considered relevant as all water discharges are made to POTW or freshwater. Our discharge to this destination is 18% higher than 2020 because withdrawals increased and consumption stayed fairly flat and KDP’s water use ratio remained flat. Third-party destination discharges were 78% of total discharges in 2021. As we work towards our commitment to improve our water use ratio by 20% by 2025, we expect our discharges to third-party destinations could decrease accordingly. Thresholds used include: Less than (51) much lower, (6)-(50) lower, (5)-5 about the same, 6-50 higher, greater than 51 much higher.</td>
</tr>
</tbody>
</table>
(W1.2) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

<table>
<thead>
<tr>
<th>Relevance of treatment level to discharge</th>
<th>Volume (megalliters/year)</th>
<th>Comparison of treated volume with previous reporting year</th>
<th>% of your sites/facilities/operations this volume applies to</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tertiary treatment</td>
<td>Not relevant</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>We do not use tertiary treatment.</td>
</tr>
<tr>
<td>Secondary treatment</td>
<td>Relevant</td>
<td>About the same</td>
<td>21-30</td>
<td>We use secondary treatment as necessary, as constructed site wastewater, and capacity of the facilities receiving the wastewater.</td>
</tr>
<tr>
<td>Primary treatment only</td>
<td>Relevant</td>
<td>About the same</td>
<td>1-10</td>
<td>We use primary treatment as necessary, as constructed site wastewater, and capacity of the facilities receiving the wastewater.</td>
</tr>
<tr>
<td>Discharge to the natural environment without treatment</td>
<td>Not relevant</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>Discharge to the natural environment without treatment is not relevant as we do not discharge in this manner.</td>
</tr>
<tr>
<td>Discharge to a third party without treatment</td>
<td>Relevant</td>
<td>About the same</td>
<td>71-80</td>
<td>At the majority of our sites, we complete wastewater pretreatment and then discharge to a third party for treatment. The rationale is that this is an appropriate level of treatment to meet permit requirements.</td>
</tr>
<tr>
<td>Other</td>
<td>Not relevant</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>Other discharge types are not relevant.</td>
</tr>
</tbody>
</table>

W1.3

(W1.3) Provide a figure for your organization’s total water withdrawal efficiency.

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Total water withdrawal volume (megalliters)</th>
<th>Total water withdrawal efficiency</th>
<th>Anticipated forward trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1</td>
<td>1268300</td>
<td>13355</td>
<td>We anticipate that KDP’s water withdrawal efficiency will improve over time as we continue to deploy water efficiency measures. During 2021, we maintained the efficiency of our water use and reduced 1,824 liters of water per liter of final product, a 7% improvement in water use ratio from our baseline of 1.95 L/L. Our goal is to improve our water use efficiency by 20% by 2025.</td>
</tr>
<tr>
<td></td>
<td>0000</td>
<td>28416</td>
<td></td>
</tr>
</tbody>
</table>

W-FB1.3

(W-FB1.3) Do you collect/calculate water intensity for each commodity reported in question W-FB1.1a?

<table>
<thead>
<tr>
<th>Agricultural commodities</th>
<th>Water intensity information for this produced commodity is collected/calculated</th>
<th>Water intensity information for this sourced commodity is collected/calculated</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other commodities from W-FB1.1a, please specify (Apples)</td>
<td>Not applicable</td>
<td>Yes</td>
<td>Yes, the water intensity values for commodities were obtained from literature published by the Water Footprint Network. The water intensity of an agricultural commodity is expressed in terms of the volume (m²) of freshwater (i.e., rainwater plus surface and/or groundwater) consumed per unit mass (metric tons) of production. KDP’s apples were sourced from China and Vietnam, so a weighted average intensity was estimated based on KDP’s 2021 sourcing regions within the US and the corresponding proportion of sourcing.</td>
</tr>
<tr>
<td>Other commodities from W-FB1.1a, please specify (Coffee)</td>
<td>Not applicable</td>
<td>Yes</td>
<td>Yes, the water intensity values for commodities were obtained from literature published by the Water Footprint Network. The water intensity of an agricultural commodity is expressed in terms of the volume (m²) of freshwater (i.e., rainwater plus surface and/or groundwater) consumed per unit mass (metric tons) of production. Coffee is sourced from multiple countries, so a weighted average intensity was estimated based on KDP’s 2021 sourcing regions within the US and the corresponding proportion of sourcing.</td>
</tr>
<tr>
<td>Maize</td>
<td>Not applicable</td>
<td>Yes</td>
<td>Yes, the water intensity values for commodities were obtained from literature published by the Water Footprint Network. The water intensity of an agricultural commodity is expressed in terms of the volume (m²) of freshwater (i.e., rainwater plus surface and/or groundwater) consumed per unit mass (metric tons) of production. Maize is sourced from China and Vietnam. so a weighted average intensity was estimated based on KDP’s 2021 sourcing regions and the corresponding proportion of procurement.</td>
</tr>
<tr>
<td>Sugar</td>
<td>Not applicable</td>
<td>Yes</td>
<td>Yes, the water intensity values for commodities were obtained from literature published by the Water Footprint Network. The water intensity of an agricultural commodity is expressed in terms of the volume (m²) of freshwater (i.e., rainwater plus surface and/or groundwater) consumed per unit mass (metric tons) of production. Sugar produced from sugarcane is sourced from multiple countries, so a weighted average intensity was estimated based on KDP’s 2021 sourcing regions and the corresponding proportion of sourcing.</td>
</tr>
</tbody>
</table>

W-FB1.3b

(W-FB1.3b) Provide water intensity information for each of the agricultural commodities identified in W-FB1.3 that you source.

Agricultural commodities

Other sourced commodities from W-FB1.3, please specify (Apples)

Water intensity value (m³)

305

Numerator: Water aspect

Freshwater consumption

Denominator

Other, please specify (metric tons)

Comparison with previous reporting year

About the same
Please explain
KDP conducted its first enterprise water footprint analysis in 2018, covering the full value chain to inform our risk assessment and responsible sourcing program. The footprint analysis leveraged the Water Footprint Network (WFN) research as a proxy for agricultural commodity suppliers' water use intensity. The WFN data used includes both "blue" and "green" water intensity expressed in terms of the volume (m³) of freshwater (i.e., rainwater plus surface and/or groundwater) consumed per unit mass (metric tons) of production. The water intensity of apples varies based on country of origin. Currently, KDP's apples are primarily sourced from the USA. As we work with suppliers that meet standards outlined in our Code of Conduct and corresponding product-specific standards, intensity figures have not varied substantially year to year, although they may vary in the future. We consider these metrics internally for evaluation of our water footprint and development of responsible sourcing programming.

Agricultural commodities
Other sourced commodities from W-FB1.3, please specify (Coffee)

Water intensity value (m³)
11893

Numerator: Water aspect
Freshwater consumption

Denominator
Other, please specify (metric tons)

Comparison with previous reporting year
Lower

Please explain
KDP conducted its first enterprise water footprint analysis in 2018. The analysis leveraged the Water Footprint Network (WFN) research as a proxy for agricultural commodity suppliers' water use intensity. The water intensity of coffee varies based on country of origin. KDP sources coffee from regions around the world. A weighted average intensity was estimated based on mass procured from each country. The water intensity was updated based on 2021 coffee procurement data and country of origin. This figure could vary from year to year depending on changes to coffee procurement. In 2021, the intensity was slightly lower than 2020 due to the changes in volumes from countries of origin with different water intensities. As we work with suppliers that meet standards outlined in our Code of Conduct and corresponding product-specific standards, intensity figures could change in response. We consider these metrics internally for evaluation of our water footprint and development of responsible sourcing programming.

Agricultural commodities
Maize

Water intensity value (m³)
712

Numerator: Water aspect
Freshwater consumption

Denominator
Other, please specify (metric tons)

Comparison with previous reporting year
Higher

Please explain
KDP conducted its first enterprise water footprint analysis in 2018, covering the full value chain to inform our risk assessment and responsible sourcing program. The footprint analysis leveraged the Water Footprint Network (WFN) research as a proxy for agricultural commodity suppliers' water use intensity. The WFN data used includes both "blue" and "green" water intensity expressed in terms of the volume (m³) of freshwater (i.e., rainwater plus surface and/or groundwater) consumed per unit mass (metric tons) of production. The water intensity of maize varies based on country of origin. In 2021, maize was sourced from the USA primarily and some from Mexico. In 2021, the intensity metric was higher than 2020 due to the changes in volumes from countries of origin with different water intensities. As we work with suppliers that meet standards outlined in our Code of Conduct and corresponding product-specific standards, intensity figures could vary year to year in the future. We consider these metrics internally for evaluation of our water footprint and development of responsible sourcing programming.

Agricultural commodities
Sugar

Water intensity value (m³)
1124

Numerator: Water aspect
Freshwater consumption

Denominator
Other, please specify (metric tons)

Comparison with previous reporting year
About the same

Please explain
KDP ran its first enterprise water footprint analysis in 2018, covering the full value chain to inform our risk assessment and responsible sourcing program. The footprint analysis leveraged the Water Footprint Network (WFN) research as a proxy for agricultural commodity suppliers’ water use intensity. The WFN data used includes both “blue” and “green” water intensity expressed in terms of the volume (m³) of freshwater (i.e., rainwater plus surface and/or groundwater) consumed per unit mass (metric tons) of production. The water intensity of sugarcane varies based on country of origin. KDP sources sugar (from sugarcane) from regions around the world. In 2021, the intensity was slightly lower than 2020 due to the changes in volumes from countries of origin with different water intensities. This figure could either increase or decrease in future years depending on changes to sugar procurement. As we work with suppliers that meet standards outlined in our Code of Conduct and corresponding product-specific standards, intensity figures could change in response. We consider these metrics internally for evaluation of our water footprint and development of responsible sourcing programming.
W1.4

Do you engage with your value chain on water-related issues?

Yes, our suppliers
Yes, our customers or other value chain partners

W1.4a

What proportion of suppliers do you request to report on their water use, risks and/or management information and what proportion of your procurement spend does this represent?

<table>
<thead>
<tr>
<th>Row</th>
<th>% of suppliers by number</th>
<th>% of total procurement spend</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>76-100</td>
<td>76-100</td>
</tr>
</tbody>
</table>

Rationale for this coverage

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 segment (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. This past year, we achieved our goal to responsibly source 100% of our coffee through purchases of certified/verified sustainably sourced coffee. The rationale for coverage (i.e., percentage of suppliers and percentage total procurement spend) is that it 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. To sell coffee to KDP, suppliers must achieve and maintain the certification, including the criteria focused on water (e.g. water use, water treatment, water protection), and are therefore incentivized to report this information to the relevant certification body.

Impact of the engagement and measures of success

We currently work with Fair Trade USA, Fairtrade International, Rainforest Alliance and Utz. Each of these programs includes specific water-smart agricultural practices as part of achieving the certification. To sell coffee to KDP, suppliers must achieve and maintain the certification, including the criteria focused on water (e.g. water use, water treatment, water protection). The information requested of suppliers is certification compliance 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 each fiscal year (99.62% in 2021 due to COVID-19 impacts and shipping delays, resulting in a very small amount of conventional coffee deliveries). 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 in addition to realizing environmental outcomes for their communities.

Comment

This response pertains to our green coffee business only.

W1.4b

Provide details of any other water-related supplier engagement activity.

<table>
<thead>
<tr>
<th>Type of engagement</th>
<th>Innovation &amp; collaboration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Details of engagement</td>
<td>Encourage/incentivize innovation to reduce water impacts in products and services</td>
</tr>
<tr>
<td></td>
<td>Encourage/incentivize suppliers to work collaboratively with other users in their river basins</td>
</tr>
<tr>
<td></td>
<td>Provide training and support on sustainable agriculture practices to improve water stewardship</td>
</tr>
<tr>
<td></td>
<td>Other, please specify (Provide financial support for upgrading of drinking water infrastructure)</td>
</tr>
<tr>
<td>% of suppliers by number</td>
<td>1-25</td>
</tr>
<tr>
<td>% of total procurement spend</td>
<td>Less than 1%</td>
</tr>
</tbody>
</table>

Rationale for the coverage of your engagement

Water is a crucial component in growing and brewing coffee. That’s why we are committed to being a water steward in our operations, in coffee communities, and in our local communities. Within the supply chain, we support projects that teach coffee farmers to be good water stewards, which can improve water quality and quantity, and reduce the impact of climate change on their farms and in their communities. 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.

Impact of the engagement and measures of success

We measure success of this program through a set of impact indicators including: # of farmers adopting water-smart practices, # of liters of water saved, # of mills upgraded, # of hectares restored or protected, and # of people benefiting from improved drinking water sources (among others).

The Blue Harvest program has trained more than 4500 farmers to apply water-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.

Comment

This response pertains to our green coffee business only.

<table>
<thead>
<tr>
<th>Type of engagement</th>
<th>Innovation &amp; collaboration</th>
</tr>
</thead>
<tbody>
<tr>
<td>Details of engagement</td>
<td>Provide training and support on sustainable agriculture practices to improve water stewardship</td>
</tr>
<tr>
<td></td>
<td>Other, please specify (Provide financial support for upgrading of drinking water infrastructure)</td>
</tr>
</tbody>
</table>
% of suppliers by number
1-25

% of total procurement spend
Less than 1%

**Rationale for the coverage of your engagement**

Two important focus areas in our Colombia coffee supply chain sustainability work, driven by our risk analysis, are: (1) addressing environmental risks in coffee wastewater treatment and (2) supporting smallholder farmers to adapt to climate change. Through our program with Ron Gabbay Coffee (RGC, a green coffee supplier), we support an important Fair Trade Colombian cooperative supplier to implement climate-smart agricultural practices especially reforestation, soil management practices, waste-water management, and community education.

**Impact of the engagement and measures of success**

We measure success by a set of impact indicators including number of farmers adopting water and climate-smart agricultural practices, number of mills upgraded, and number of hectares reforested. This program aims to reach 387 smallholder coffee farmers with training on improved water and climate-smart coffee farm management, improve water consumption and waste management in over 150 wet mills, and reforest 13 hectares of protected areas (while ensuring good soil management on another 1000 hectares).

**Comment**

This response pertains to our green coffee business only.

---

**Type of engagement**

Innovation & collaboration

**Details of engagement**

Provide training and support on sustainable agriculture practices to improve water stewardship

Other, please specify (Provide financial support for upgrading of drinking water infrastructure)

% of suppliers by number
1-25

% of total procurement spend
Less than 1%

**Rationale for the coverage of your engagement**

Two important focus areas in our Colombia coffee supply chain sustainability work, driven by our risk analysis, are: (1) addressing environmental risks in coffee wastewater treatment and (2) supporting smallholder farmers to adapt to climate change. Through our program with the National Federation of Colombian Coffee Growers (FNC), we have invested $600,000 to support community-driven water access and management initiatives to promote environmental sustainability, climate-smart coffee crop management, profitable farms and female leadership.

**Impact of the engagement and measures of success**

We measure success by a set of impact indicators including number of farmers adopting water and climate-smart agricultural practices, number of mills upgraded, and number of people with improved access to drinking water. This program aims to: (1) reach 1,695 smallholder coffee farmers with training on new local water regulations and water-friendly farm management, (2) upgrade 390 coffee wet mills owned by women to reduce water and improve treatment, and (3) upgrade local drinking water systems improving access and quality for over 5,000 people.

**Comment**

This response pertains to our green coffee business only.

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**W1.4c**

(W1.4c) What is your organization’s rationale and strategy for prioritizing engagements with customers or other partners in its value chain?

KDP’s rationale for engagement with the value chain is a direct result of our interdependence on these partners for success. Our strategy for prioritizing engagements with customers or other partners in the value chain is guided by our core beliefs in the human right to water, safe working conditions, and fair compensation. The method of engagement is tailored for partners and may include direct outreach, response to requests or inquiries, and project development in consideration of the mutual goals and benefits we may share. Equally important, we care about how our value chain impacts the environment. In 2019 we completed a water footprint assessment of our value chain and found our own operations contribute less than 0.5% of our total water footprint making it vital to engage partners who impact our water footprint. Stakeholders we engage across our value chain include farmers, suppliers, partners, customers, regulatory agencies, nongovernmental organizations (NGOs), industry peers, consumers, employees, investors and others.

We engage with value chain partners of our prioritized inputs (e.g., apples, coffee, maize, sugar) to ensure sustainable practices, optimal working conditions and safe products. To support these values in our coffee systems supply chain, we work with Fair Trade USA and Fairtrade International, The Rainforest Alliance, UTZ and the Responsible Business Alliance. These organizations ensure compliance to their standards through regular third-party audits at farm level and along the supply chain. Audit results are aggregated and anonymized for tracking purposes.

We will partner with our highest water-risk operating communities to replenish 100% of water used for our beverages in those communities by 2025.

Success of these engagements is measured both by progress toward our water stewardship and supply chain sustainability goals, and the strength of our relationships.

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**W2. Business impacts**

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**W2.1**

(W2.1) Has your organization experienced any detrimental water-related impacts?

Yes
W2.1a

(W2.1a) Describe the water-related detrimental impacts experienced by your organization, your response, and the total financial impact.

Country/Area & River basin

| United States of America | Susquehanna River |

Type of impact driver & Primary impact driver

| Chronic physical | Seasonal supply variability/inter annual variability |

Primary Impact

Reduction or disruption in production capacity

Description of impact

In 2021 we settled compliance challenges related to dry weather and our ability to meet our permit requirements for use of our groundwater wells. The financial impact of the non-compliance fee was not material at less than $50,000.

Primary response

Adopt water efficiency, water reuse, recycling and conservation practices

Total financial impact

50000

Description of response

We continued greater monitoring, water use efficiency, well-field management measures, and proactively engaged with the water authority. The cost estimate of the financial impact is based on the non-compliance fee and was less than $50,000.

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

Yes, fines, enforcement orders or other penalties but none that are considered as significant

W2.2a

(W2.2a) Provide the total number and financial value of all water-related fines.

Row 1

<table>
<thead>
<tr>
<th>Total number of fines</th>
<th>Total value of fines</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

% of total facilities/operations associated

Number of fines compared to previous reporting year

Comment

We not sharing this information though CDP currently.

W3. Procedures

W-FB3.1
(W-FB3.1) How does your organization identify and classify potential water pollutants associated with its food, beverage, and tobacco sector activities that could have a detrimental impact on water ecosystems or human health?

KDP identifies and classifies potential water pollutants that could have a detrimental impact on ecosystems or human health through our environmental management programs that incorporate consideration of established laws at the federal, state, and local levels. Because most of our water footprint is due to upstream consumption, KDP is developing product-specific sustainable sourcing programs that via standards or certifications address water quality and may include the identification and tracking of potential water pollutants by our agricultural suppliers under auditable standards with required mechanisms to ensure compliance.

Under our Environmental Policy, KDP prioritizes compliance with applicable federal, state, and local laws at its manufacturing locations – including wastewater and stormwater compliance. We identify and manage potential water pollutants that could have detrimental impact on water ecosystems in planning and operating of our facilities. During design and permitting of new facilities and facility improvements, we work with regulators to identify aspects of our manufacturing operations that have potential for adverse environmental impact and compliance implications. Our EHS staff and engineers design and implement infrastructure, management processes, and monitoring systems aimed at meeting compliance obligations. Once our facilities are operational, we implement programs to monitor wastewater quantity and composition (e.g., BOD, TSS, COD, etc.) in light of applicable limits set by jurisdictions to protect water resources from deterioration of water quality, typically through a permit process.

In addition, KDP’s Chemicals Management Policy (“Policy”), available on our website, applies to water, ingredients and food contact packaging materials related to our food and beverage products. KDP utilized a cross-functional approach to form a team made up of representatives from Corporate Affairs, Food Safety, and Regulatory & Scientific Affairs to develop our Policy. This Policy is reviewed on an annual basis to help identify opportunities for continuous improvement.

We strive to ensure our products and packaging comply with all applicable regulatory standards and laws and use a risk based approach to help ensure key suppliers meet or exceed these standards through this Policy and our Supplier Code of Conduct. KDP monitors and assesses supplier compliance to our Policy periodically. Those suppliers are also required to provide declarations that all materials used in manufacturing of the packaging/ingredient meet all applicable regulatory and policy requirements.

Under this Policy, KDP reviews its products against a comprehensive catalog of authoritative and regulatory bodies that identify chemicals of concern, including FDA Bottled Water Regulations, EPA Prop 65, and World Health Organization (IARC) regulatory lists, among others, for screening chemicals. We categorize the presence of chemicals under this Policy in three different areas: water, ingredients, and food contact packaging. The risk of exposure (e.g., level of chemical present) are evaluated to determine overall use recommendations. KDP assesses chemicals in the following categories: trace contaminants, agrochemicals, phthalates, and Bisphenol A (BPA). We complete comprehensive water quality testing to ensure any contaminants in the water we use are within safe levels set by regulators.

Lastly, we work to continuously improve our management of water-related requirements through internal compliance assessments. We use audit tools and third party compliance assessments to assess compliance of our operations through routine compliance assessments that include wastewater and stormwater compliance programs. In this manner, we have established a consistent approach to how we allocate resources, assign responsibilities and evaluate our practices, procedures and processes to maintain compliance and reduce our environmental footprint.

(W-FB3.1a) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your food, beverage, and tobacco sector activities.

**Potential water pollutant**
- Fertilizers

**Activity/value chain stage**
- Agriculture – supply chain

**Description of water pollutant and potential impacts**
KDP products require agricultural inputs. Growing these commodities can require applying nutrients to promote plant growth. Adding nutrients can cause eutrophication due to over application.

**Management procedures**
- Crop management practices
- Sustainable irrigation and drainage management
- Fertilizer management
- Pesticide management
- Waste water management

**Please explain**
The KDP Supplier Code of Conduct is the foundation of our commitment to responsibly source our products, and we ask our most important and/or high-risk suppliers to review and sign the Code each year. For our most important supply chains, we also specify product-specific sustainable sourcing programs that provide auditable standards and required mechanisms that seek to ensure compliance such as: Fair Trade USA, Fairtrade International, Rainforest Alliance or UTZ. Each standard ensures that we, through our supply chain partners, are using water wisely through sustainable irrigation practices, protecting soil health through crop management, and minimizing adverse impacts of pesticides and other agrochemical products on water ecosystems and human health. Audits are completed by a third party according to their standards and aggregated anonymized results are shared to understand the general program success. For example, Fairtrade standards include requirements for environmentally sound agricultural practices including focus on minimized and safe use of agrochemicals, proper and safe management of waste, and maintenance of soil fertility and water resources. UTZ Sustainable Farming program’s Code of Conduct for Farming Practices includes soil fertility management, diversification of production to support ecological diversity, integrated pest management, responsible use of agro-chemicals and fertilizers, and irrigation. Certified partners receive training in treatment of waste water from processing. Similarly, The Rainforest Alliance certified farmers must meet the Sustainable Agriculture Standard to conserve ecosystems, protect biodiversity and waterways, conserve forests, reduce agrochemical use, and safeguard the well-being of workers and local communities. Success of our program is regularly evaluated and is measured by progress toward our goal to responsibly source 100% of our coffee by 2020. In 2021 we responsibly sourced 99.62% of our coffee due to COVID-19 impacts and shipping delays which resulted in a very small amount of conventional coffee deliveries.
(W3.3) Does your organization undertake a water-related risk assessment?
Yes, water-related risks are assessed

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Value chain stage
Direct operations

Coverage
Full

Risk assessment procedure
Water risks are assessed as part of an established enterprise risk management framework

Frequency of assessment
Annually

How far into the future are risks considered?
More than 6 years

Type of tools and methods used
Tools on the market
Enterprise risk management
Databases

Tools and methods used
WRI Aqueduct
WWF Water Risk Filter
FAO/AQUASTAT
Other, please specify (External Consultants)

Contextual issues considered
Water availability at a basin/catchment level
Water quality at a basin/catchment level
Stakeholder conflicts concerning water resources at a basin/catchment level
Implications of water on your key commodities/raw materials
Water regulatory frameworks
Status of ecosystems and habitats
Access to fully-functioning, safely managed WASH services for all employees

Stakeholders considered
Customers
Employees
Investors
Local communities
NGOs
Regulators
Suppliers
Water utilities at a local level
Other water users at the basin/catchment level

Comment
At KDP, a variety of approaches and processes lend themselves to identifying, assessing and responding to water-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 this process climate change, particularly its potential for operational disruption, and water security, are key risk areas. Water security is assessed annually at the local level and takes into account water availability and community water needs. We use the WWF Water Risk Filter and the World Resources Institute’s Aqueduct Water Risk Atlas, and KDP manufacturing site surveys to evaluate water risk in our operating footprint.

Value chain stage
Supply chain

Coverage
Partial

Risk assessment procedure
Water risks are assessed as part of an established enterprise risk management framework

Frequency of assessment
Annually

How far into the future are risks considered?
More than 6 years

Type of tools and methods used
Tools on the market
Enterprise risk management
Databases

**Tools and methods used**
- WRI Aqueduct
- Other, please specify (External Consultants)

**Contextual issues considered**
- Water availability at a basin/catchment level
- Water quality at a basin/catchment level
- Stakeholder conflicts concerning water resources at a basin/catchment level
- Implications of water on your key commodities/raw materials
- Water regulatory frameworks
- Status of ecosystems and habitats
- Access to fully-functioning, safely managed WASH services for all employees

**Stakeholders considered**
- Customers
- Employees
- Investors
- Local communities
- NGOs
- Regulators
- Suppliers
- Water utilities at a local level
- Other water users at the basin/catchment level

**Comment**

At KDP, a variety of approaches and processes lend themselves to identifying, assessing and responding to water-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 this process climate change, particularly its potential for operational disruption, and water security, are key risk areas. Water security is assessed annually at the local level and takes into account water availability and community water needs. We use the WWF Water Risk Filter and the World Resources Institute’s Aqueduct Water Risk Atlas, and KDP manufacturing site surveys to evaluate water risk in our operating footprint. We conducted water risk assessment of priority raw materials from our supply chain in 2020. The supply chain risk assessment was conducted using information on sourcing regions for priority raw materials and risk tools including the World Resources Institute’s Aqueduct Water Risk Atlas and WWF Water Risk Filter. For the priority raw materials, the baseline water stress metric is updated annually based on the changes in the sourcing regions.
(W3.3b) Describe your organization’s process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

KDP’s robust approach covers our own operations (full coverage) and key inputs from our supply chain (partial coverage). We are currently reviewing the outcomes to incorporate them into our annual strategy and planning process. Our approach utilizes WRI’s Aqueduct Water Risk Atlas (v3.0, 2019), WWF’s Water Risk Filter, key crop databases MapSpam and EarthStat, a KDP manufacturing site survey, and the external expertise of consultants and partners to assist us in assessing our risk relative to our water use and needs. We use WRI’s Aqueduct to look at both our operational sites’ water risks (full coverage), and supply chain risks for key commodities (partial coverage). We additionally used WWF’s Water Risk Filter to assess water risk related to our manufacturing plants (full coverage). Findings from the assessments confirmed our highest water stress operating locations continue to be in California, Texas and Mexico, while additional sites in Florida, California, and Texas have been flagged for water risk. As noted above, these outcomes will be used in our water stewardship and risk response planning. We will continue to conduct water risk assessment updates and use resulting data to inform and adapt our water strategy and stewardship over time.

Water availability at a basin/catchment level is critical to the production of our products both in KDP’s operations and throughout our value chain. Water is a primary ingredient in a substantial number of our beverages and is required by our agricultural suppliers to produce raw materials that are used in our beverages. For the same reason, water quality at a basin/catchment level is also considered a highly relevant issue as it has the potential to impact our operations. Since we share water resources and the related risks at the basin/catchment level with others, stakeholder conflicts concerning water resources at a basin/catchment level are incorporated into our strategy. The implications of water on our key commodities/raw materials are a serious consideration, especially given that price increases for our raw materials could exert pressure on our prices, which could reduce demand for our products and negatively affect our business and financial performance. Water-related regulatory frameworks are considered highly relevant as regulatory compliance is essential for the responsible management of our water-related activities, whether we are focusing on a new facility or a well-established operation. The status of ecosystems and habitats are always included in our organization’s water-related risk assessments as they help provide the natural infrastructure to protect the water quality on which KDP’s business relies. Lastly, maintaining access to fully-functioning, safely managed WASH services for all employees is also considered. KDP supports the Human Right to water, which The United Nations’ Universal Declaration of Human Rights defines as all people’s right to safe, sufficient, acceptable, physically accessible and affordable water for personal and domestic use.

Consumers are included in our risk assessment process as consumer perceptions could impact the success and viability of our product. Employees are included in our risk assessment process as they are closest to our business operations, which situates them in a position to identify specific water-related risks. Investors are included in our risk assessment process due to the financial implications associated with the deterioration to water quality and quantity. KDP may incur increased production costs or face manufacturing constraints in the future, which could negatively affect our business and financial performance. Local communities are included in our risk assessment because water impacts tend to be localized and strong communities are integral to KDP’s success. NGOs are relevant to our business because they provide expertise on environmental issues that informs risk assessment and community engagement and facilitate greater positive impact through partnership. Regulators are included in our assessment of water-related risk because they can have a direct impact on operations through relevant legislation. River basin management authorities would be included in risk assessments on a site-specific basis due to their direct oversight of water allocation, infrastructure, and the health of the water we rely on for our business. Suppliers are included in our risk assessment because unusual weather, water availability and quality, or long-term climate changes may negatively impact the price or availability of raw materials, energy, and demand for our products. Water utilities at a local level are considered relevant stakeholders in our water risk assessment, as they manage the municipal water sources on which we depend. Lastly, engaging with other water users at the basin/catchment level in various industry associations helps identify best practices and new opportunities from peers.

W4. Risks and opportunities

W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes, both in direct operations and the rest of our value chain

W4.1a
(W4.1a) How does your organization define substantive financial or strategic impact on your business?

KDP defines a water related ‘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 water related substantive change could occur through 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.
- Damage to our reputation - Product safety and quality concerns could negatively affect our business.

Good decisions about water resources happen at a local level and take into account water availability and community water needs. We use the World Resources Institute’s Aqueduct Water Risk Atlas and WWF’s Water Risk Filter to evaluate water risk in our operating footprint and supply chain.

An example of substantive change could be a one-time flooding event that requires the closure of our plant that manufactures almost all our beverage concentrates. This impact could surpass a substantive magnitude and/or create strategic change to our business. The Beverage Concentrates segment made up 12% of our 2021 net sales and our concentrate plant supplies critical ingredients to some of our Packaged Beverages’ facilities.

W4.1b

(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?

<table>
<thead>
<tr>
<th>Total number of facilities exposed to water risk</th>
<th>% company-wide facilities this represents</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Row 1</td>
<td>10</td>
<td>26-50</td>
</tr>
</tbody>
</table>

Manufacturing facilities are considered because of the nature of our business and relatively non-material water impact of distribution centers, and offices by comparison. 10 out of 31 manufacturing locations, representing 32% of our manufacturing locations, have been identified as being exposed to substantive water risk. These facilities are within regions of varying types of water risk that can create substantive change. Water is the main ingredient in substantially all of our products. As such, even where water is widely available, water purification and waste treatment infrastructure limitations could increase costs or constrain our operations. As of Dec. 31, 2021, we operated manufacturing locations across the U.S., Canada, and Mexico. Our manufacturing facility in Newbridge, Ireland, was under construction and not fully operational. We expect this facility to be fully operational during 2022. We utilize the WRI Aqueduct tool and the WWF Water Risk Atlas to provide an analysis covering physical, reputational and regulatory variables on a current and forward-looking basis, in addition to risk information for key commodities.

W4.1c

(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?

<table>
<thead>
<tr>
<th>Country/Area &amp; River basin</th>
<th>Number of facilities exposed to water risk</th>
<th>% company-wide facilities this represents</th>
<th>Production value for the metals &amp; mining activities associated with these facilities</th>
<th>% company’s annual electricity generation that could be affected by these facilities</th>
<th>% company’s global oil &amp; gas production volume that could be affected by these facilities</th>
<th>% company’s total global revenue that could be affected</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States of America</td>
<td>1</td>
<td>1-25</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
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</tr>
</tbody>
</table>

Country/Area & River basin
United States of America  |  Trinity River (Texas)
---|---

Number of facilities exposed to water risk
1

% company-wide facilities this represents
1-25

Production value for the metals & mining activities associated with these facilities
<Not Applicable>

% company’s annual electricity generation that could be affected by these facilities
<Not Applicable>

% company’s global oil & gas production volume that could be affected by these facilities
<Not Applicable>

% company’s total global revenue that could be affected
1-10

Comment
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Country/Area & River basin

United States of America  |  St. Johns River
---|---

Number of facilities exposed to water risk
1

% company-wide facilities this represents
1-25

Production value for the metals & mining activities associated with these facilities
<Not Applicable>

% company’s annual electricity generation that could be affected by these facilities
<Not Applicable>

% company’s global oil & gas production volume that could be affected by these facilities
<Not Applicable>

% company’s total global revenue that could be affected
1-10

Comment
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Country/Area & River basin

United States of America  |  Other, please specify (Everglades)
---|---

Number of facilities exposed to water risk
1

% company-wide facilities this represents
1-25

Production value for the metals & mining activities associated with these facilities
<Not Applicable>

% company’s annual electricity generation that could be affected by these facilities
<Not Applicable>

% company’s global oil & gas production volume that could be affected by these facilities
<Not Applicable>

% company’s total global revenue that could be affected
1-10

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Country/Area & River basin

United States of America  |  Other, please specify (Everglades)
<table>
<thead>
<tr>
<th>Country/Area &amp; River basin</th>
<th>United States of America</th>
<th>Other, please specify (Lower American)</th>
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</thead>
<tbody>
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<tr>
<th>Country/Area &amp; River basin</th>
<th>United States of America</th>
<th>Colorado River (Pacific Ocean)</th>
</tr>
</thead>
<tbody>
<tr>
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<th>Other, please specify (Mojave)</th>
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<td>Mexico</td>
<td>Papaloapan</td>
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<th>Mexico</th>
<th>Panuco</th>
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Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

**Country/Area & River basin**

United States of America

**Type of risk & Primary risk driver**

Chronic physical

Declining water quality

**Primary potential impact**

Increased operating costs

**Company-specific description**

Sufficient water quality along with onsite water treatment technology ensures our beverages meet or exceed all drinking water and product quality standards. Declining quality of water withdrawals for our manufacturing facilities could result in input water requiring additional water treatment and investment in supplementary water treatment technology, and therefore higher operating costs. We produce unflavored mineral water products under the brand Peñafiel. Trace elements of heavy metals, such as arsenic, naturally occur in our environment and can be found in aquifers where mineral water is sourced. Arsenic levels in aquifer sources can vary over time. In 2019, our testing indicated elevated levels of arsenic in some product, and we immediately took action. Enhanced filtration systems were installed where needed for Peñafiel production.

**Timeframe**

More than 6 years

**Magnitude of potential impact**

Low

**Likelihood**

Very unlikely

**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)**

100000

**Potential financial impact figure - maximum (currency)**

1000000

**Explanation of financial impact**

The financial impact estimate is based on the average costs for increasing the capability of our treatment process by adding the appropriate treatment option given the quality characteristics of the water.

**Primary response to risk**

Increase investment in new technology

**Description of response**

We mitigate water risks through ongoing maintenance and facilities improvements, system upgrades on our production lines and the implementation of best practices in our manufacturing processes and technology. Most of our incoming water is derived from municipal sources. If water quality declined significantly, we would evaluate options for increasing pre-treatment.

Wastewater in our KDP cold manufacturing facilities is likewise pre-treated to meet local specifications prior to discharge to municipal wastewater treatment plants or surface water where permitted. Should water quality of receiving bodies decline, it could introduce the need for additional wastewater treatment. Introducing that additional treatment would likely also have effects on wastewater management costs, but these would be highly site-specific.

**Cost of response**

500000

**Explanation of cost of response**

Financial impact could range depending on the appropriate water and / or wastewater treatment process required, with an up-front cost estimate for a facility in the range of $100,000 up to $1,000,000. The cost of management figure is therefore likely between the two figures, estimated at $500,000.
specified by the WRI Aqueduct Water Risk Atlas tool to have a range of current baseline water stress, but face continued and increasing stressors such as declining supply, groundwater contamination, and low precipitation. As water becomes scarce, we may face negative perception that could affect business continuity and financial performance.

**Timeframe**
More than 6 years

**Magnitude of potential impact**
Medium

**Likelihood**
Unlikely

**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)**
4000000

**Potential financial impact figure - maximum (currency)**
6000000

**Explanation of financial impact**
The potential financial impact is estimated based on a hypothetical situation where water becomes so scarce that we could not maintain operations and a plant in a high water-risk region such as California where we have multiple facilities in areas with elevated water risk, would be subject to water use curtailment. For purposes of this example, we assume a plant would experience a 25% curtailment over the course of a year due to drought conditions severely limiting water supply. While other implications of decreased production to distribution or labor could come into play, we are describing the impact of fixed costs only.

**Primary response to risk**
Support river basin restoration

**Description of response**
By partnering with our highest water-risk operating communities with a goal to replenish 100% of water used for our beverages in those communities by 2025, we aim to improve the environment and our local communities. Our strategy to partner with our highest water-risk operating communities was informed by evaluating water risk in our operating footprint using the WRI Aqueduct tool and identified six operating communities with high water risk in Texas, California and Mexico. These investments will continue as KDP moves towards its 2025 goals. Note, as described elsewhere, in 2020 we updated our water risk assessment using WRI's Aqueduct 3.0 and WWF's Water Risk Filter and findings confirmed our highest water stress operating locations continue to be in California, Texas and Mexico, and additionally, based on the spatial resolution updates in the 3.0 version of the WRI tool and use of the WWF tool, geographies have been flagged for water risk that overlap with our site locations in Florida, and additional sites in California and Texas. As a result of our updated water risk analysis, we have amended our water goal since 2022 to include 10 operating sites, with a goal to replenish 100% of water used for our beverages in those communities by 2030.

**Cost of response**
550000

**Explanation of cost of response**
This figure is based on our water stewardship work since 2011 with multiple partners (including but not limited to The Nature Conservancy, Bonneville Environmental Foundation, National Audubon Society). Since 2011, we have committed approximately $6M (approximately $550 thousand per year) to various projects across Texas, California, Florida, and Mexico, where we have production facilities. As a result of this collaboration and other active projects, we have restored 6,200 ML of water, balancing 85% (6,200 / 7,327) of the volume used for beverages in our highest water-risk communities and across the communities where our hot beverages are consumed.

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**W4.2a**

(W4.2a) Provide details of risks identified within your value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

**Country/Area & River basin**

| United States of America | Other, please specify (Multiple) |

**Stage of value chain**
Supply chain

**Type of risk & Primary risk driver**

| Chronic physical | Water stress |

**Primary potential impact**
Increased production costs due to changing input prices from supplier

**Company-specific description**
The principal raw materials used in our business, are aluminum cans and ends, PET bottles and caps, K-Cup® pod packaging materials, glass bottles and enclosures, and agricultural commodities including green coffee, paper products, juices, teas, fruit, sweeteners, as well as water, and other ingredients. We also use post-consumer recycled materials for certain beverage bottles, and the manufacturing of our single-serve brewing systems. These ingredients and packaging costs can fluctuate substantially and comprise almost 60% of our cost of sales. As outlined in KDP’s climate policy, 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. While changing prices, or climate-related short-term or chronic disruptions to supply, for any of KDP’s inputs could materially and adversely affect our business, we provide examples here related to corn. Corn, in the form of high fructose corn syrup (HFCS), is a key ingredient in many of our beverages with limited substitutability. We procure...
Corn sweetener from domestic suppliers. If water becomes scarce (drought), or too abundant (flooding, storms), or the quality deteriorates, increased corn sweetener prices could exert pressure on our costs and we may not be able to effectively hedge or pass along any such increases to our customers or consumers. Furthermore, any price increases passed along to our customers or consumers could reduce demand for our products. Such increases could negatively affect our business. When appropriate, we mitigate the exposure to volatility in the prices of certain commodities used in our production process through the use of forward contracts and supplier pricing agreements. The intent of the contracts and agreements is to provide a certain level of short-term predictability. Although we have contracts with a relatively small number of suppliers, we have generally not experienced any difficulties in obtaining the required amount of raw materials. 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.

**Timeframe**
More than 6 years

**Magnitude of potential impact**
Medium

**Likelihood**
About as likely as not

**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)**
55000000

**Potential financial impact figure - maximum (currency)**
75000000

**Explanation of financial impact**
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 (not reflecting short-term inflation pressure) is estimated to be approximately $75M, again, assuming no hedging or other adjustments are implemented.

**Primary response to risk**

<table>
<thead>
<tr>
<th>Description of response</th>
<th>Upstream</th>
<th>Use risk transfer instruments</th>
</tr>
</thead>
</table>

**Description of response**
To mitigate the risk of water scarcity (drought) and abundance (flooding, storms) from climate change and the implications on the cost of raw agricultural materials, KDP is expanding its responsible sourcing program and in 2021 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. 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. During 2020, we expanded our sustainable supply chain efforts beyond coffee, by improving traceability and assessing the material environmental issues and climate impacts of these raw materials to align our adaptation and mitigation investments accordingly. For corn and other agricultural commodities besides coffee (where we have extensive programming to promote climate resiliency), costs of management for this risk are associated with the full-time employees who manage contracts for agricultural commodities, including use of risk transfer instruments, as part of regular business. When appropriate, we mitigate the exposure to volatility in the prices of certain commodities used in our production process through the use of forward contracts and supplier pricing agreements. The intent of the contracts and agreements is to provide a certain level of short-term predictability. We may incur additional costs of management for climate risk and water stress in 2022 as we advance programs in response to our regenerative agriculture goal.

**Cost of response**
0

**Explanation of cost of response**
For corn and other agricultural commodities besides coffee (where we have extensive programming to promote climate resiliency), costs of management for this risk are associated with the full-time employees who manage contracts for agricultural commodities, as part of regular business. Even as water stress may change, the cost of this management is not incremental and therefore we indicate the cost of response as $0. We may incur additional costs of management for climate risk and water stress in 2022 as we advance new programs in response to our Regenerative Agriculture goal.

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**W4.3**

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?
Yes, we have identified opportunities, and some/all are being realized

---

**W4.3a**

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

<table>
<thead>
<tr>
<th>Type of opportunity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resilience</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Primary water-related opportunity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased supply chain resilience</td>
</tr>
</tbody>
</table>

**Company-specific description & strategy to realize opportunity**
In 2021, we set an ambition to advance inclusion by addressing barriers to entry in our supply chain because we believe all workers need to make a decent wage, farmers...
KDP’s commitment to inclusion extends from our direct suppliers to the farms, related operations and local businesses further upstream that make our supply chain possible. Decades of working with global coffee suppliers have shown us that market access and overall economic viability are essential for truly sustainable sourcing. Having achieved our 2020 goal of engaging more than one million people in our coffee supply chain in an effort to improve their lives, we are now focused on supporting these issues with the farmers and workers in our broader supply chains.

For example, in 2021, KDP completed a three-year initiative to support smallholder coffee farmers to implement water and climate-smart practices on their farms. In partnership with RGC Coffee and Solidaridad in Colombia, the initiative focused on reforestation, water management, soil management and community building. A key enabler of the effort’s success was its emphasis on community engagement and ownership. Farmers were integrally involved in the project from the beginning.

By the end of 2021, this initiative resulted in:
- 2,464 farmers reported adopting good agricultural practices taught through the project.
- 28.3 hectares of land were reforested through the planting of 30,735 trees.
- 625 hectares of land were brought under good soil management approaches.
- 131 farms were equipped to properly treat wastewater generated through milling.
- 1,600+ people received access to safe drinking water through installation of home filters

Estimated timeframe for realization
1 to 3 years

Magnitude of potential financial impact
Low-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)
10000

Potential financial impact figure – maximum (currency)
100000

Explanation of financial impact
The financial figure is determined by the shared value created upstream in our supply chain. It does not represent a direct financial return to the company but improves the sustainability and viability of coffee farming. The estimated financial figure range is based on engaging 1 million people in our supply chain with a view to significantly improve their lives by 2020, a goal KDP achieved in 2020 and seeks to expand in broader supply chains in 2021 and beyond. The figure is based on the intrinsic value (e.g., from a protected watershed providing cleaner drinking water) or the financial value (e.g., from improved coffee crop yields increasing incomes) for those impacted by our work. The assumptions used for the Min and Max figures are $10 per person and $100 per person respectively.

Type of opportunity
Markets

Primary water-related opportunity
Improved community relations

Company-specific description & strategy to realize opportunity
Our goal is to partner with our highest water-risk operating communities to replenish 100% of water used for our beverages in those communities by 2025. This strategy was informed by evaluating water risk in our operating footprint using the WRI Aqueduct Risk Atlas tool in 2018/2019. This analysis identified six operating communities with high underlying water risk in Texas, California and Mexico. Over the course of 2020 and 2021, we have committed funds to various projects across Texas, California, Florida, and Mexico, where we have production facilities. As a result of this collaboration and other active projects, we have restored 6,200 ML of water, balancing 85% (6,200 / 7,327) of the volume used for beverages in our highest water-risk communities and across the communities and elsewhere to match water used during consumption of hot beverages.

Estimated timeframe for realization
4 to 6 years

Magnitude of potential financial 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)
35000000

Potential financial impact figure – maximum (currency)
70000000

Explanation of financial impact
The financial figure is determined by the shared value created upstream in our supply chain. It does not represent a direct financial return to the company, but rather the benefit to the underlying water resources that we and others depend on in these areas. The financial figure range is based on replenishing 100% of the water used at our facilities within the 6 basins identified at risk. The total water withdrawn from those basins in 2021 was 3,909 ML. The min value is based on the average cost of industrial water in the United States according to a Department of Energy publication at $3.38/kgal or $893/ML. Due to newer information in the DOE report which shows higher (approximately double the previous values published) cost of water increases, we have updated the potential financial impacts cited here. The max value is assuming an increased cost of water of $6.76/kgal or $1,786/ML, and then multiplying by a factor of 10 as the work is intended to remain in place for at least 10 years.
**Type of opportunity**
Efficiency

**Primary water-related opportunity**
Improved water efficiency in operations

**Company-specific description & strategy to realize opportunity**
We have a 20% by 2025 water efficiency improvement target. While coffee processing is relatively dry, all of our cold beverage manufacturing processes require water for beverage production, as well as to ensure cleanliness and quality. We strive for operational efficiency in these areas:
- Equipment cleaning: we use water to clean manufacturing equipment, both for sanitation and to maintain flavor integrity when changing from one drink flavor to another. We optimize our manufacturing schedules to reduce flavor changeovers, which saves water while meeting food safety requirements.
- Ingredient water preparation: Where we use reverse osmosis to pretreat water that goes into our beverages, we are optimizing these operations to reduce waste water from this process.
- Product quality: We continually work to reduce product rejected for quality reasons, which will avoid wasting water.

**Estimated timeframe for realization**
4 to 6 years

**Magnitude of potential financial impact**
Medium

Are you able to provide a potential financial impact figure?  
Yes, a single figure estimate

**Potential financial impact figure (currency)**
20000000

**Potential financial impact figure – minimum (currency)**
<Not Applicable>

**Potential financial impact figure – maximum (currency)**
<Not Applicable>

**Explanation of financial impact**
By improving our water use efficiency by 20% by 2025, we estimated a potential cost savings figure based on our current average cost of 1 kgal of water. The figure was developed assuming our production stays flat and the efficiency projects continue to produce savings over 5 years.

---

**W5. Facility-level water accounting**

**W5.1**

(W5.1) For each facility referenced in W4.1c, provide coordinates, water accounting data, and a comparison with the previous reporting year.

**Facility reference number**
Facility 1

**Facility name (optional)**
Houston

**Country/Area & River basin**

<table>
<thead>
<tr>
<th>United States of America</th>
<th>Other, please specify (San Jacinto)</th>
</tr>
</thead>
</table>

**Latitude**
29.685

**Longitude**
-95.394

**Located in area with water stress**
Yes

**Primary power generation source for your electricity generation at this facility**
<Not Applicable>

**Oil & gas sector business division**
<Not Applicable>

**Total water withdrawals at this facility (megaliters/year)**
578

**Comparison of total withdrawals with previous reporting year**
About the same

- Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
  0
- Withdrawals from brackish surface water/seawater
  0
- Withdrawals from groundwater - renewable
  0
Withdrawals from groundwater - non-renewable
0
Withdrawals from produced/entrained water
0
Withdrawals from third party sources
578
Total water discharges at this facility (megaliters/year)
184
Comparison of total discharges with previous reporting year
About the same
Discharges to fresh surface water
0
Discharges to brackish surface water/seawater
0
Discharges to groundwater
0
Discharges to third party destinations
184
Total water consumption at this facility (megaliters/year)
394
Comparison of total consumption with previous reporting year
About the same
Please explain
Water use is directly related to our production so will rise, fall or remain flat in line with production volume as mitigated by future efficiency improvements. Thresholds used include: Less than (51) much lower, (6)>(50) lower, (5)-5 about the same, 6-50 Higher, greater than 51 much higher.

Facility reference number
Facility 2
Facility name (optional)
Irving
Country/Area & River basin
United States of America
Trinity River (Texas)

Latitude
32.84149
Longitude
-96.8928
Located in area with water stress
Yes
Primary power generation source for your electricity generation at this facility
<Not Applicable>
Oil & gas sector business division
<Not Applicable>
Total water withdrawals at this facility (megaliters/year)
1335
Comparison of total withdrawals with previous reporting year
About the same
Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0
Withdrawals from brackish surface water/seawater
0
Withdrawals from groundwater - renewable
0
Withdrawals from groundwater - non-renewable
0
Withdrawals from produced/entrained water
0
Withdrawals from third party sources
1335
Total water discharges at this facility (megaliters/year)
627
Comparison of total discharges with previous reporting year

<table>
<thead>
<tr>
<th>Discharges to fresh surface water</th>
<th>0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discharges to brackish surface water/seawater</td>
<td>0</td>
</tr>
<tr>
<td>Discharges to groundwater</td>
<td>0</td>
</tr>
<tr>
<td>Discharges to third party destinations</td>
<td>627</td>
</tr>
</tbody>
</table>

Total water consumption at this facility (megaliters/year) 708

Comparison of total consumption with previous reporting year

Higher

Please explain

Water use is directly related to our production so will rise, fall or remain flat in line with production volume as mitigated by future efficiency improvements. Thresholds used include: Less than (51) much lower, (51)-(50) lower, (50)-5 about the same, 6-50 Higher, greater than 51 much higher

<table>
<thead>
<tr>
<th>Facility reference number</th>
<th>Facility 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facility name (optional)</td>
<td>Jacksonville</td>
</tr>
<tr>
<td>Country/Area &amp; River basin</td>
<td>United States of America</td>
</tr>
</tbody>
</table>

Latitude

30.26012

Longitude

-81.60708

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year) 684

Comparison of total withdrawals with previous reporting year

Lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes 0

Withdrawals from brackish surface water/seawater 0

Withdrawals from groundwater - renewable 0

Withdrawals from groundwater - non-renewable 0

Withdrawals from produced/entrained water 0

Withdrawals from third party sources 684

Total water discharges at this facility (megaliters/year) 424

Comparison of total discharges with previous reporting year

Lower

Discharges to fresh surface water 0

Discharges to brackish surface water/seawater 0

Discharges to groundwater 0
Discharges to third party destinations
424

Total water consumption at this facility (megaliters/year)
260

Comparison of total consumption with previous reporting year
Lower

Please explain
Water use is directly related to our production so will rise, fall or remain flat in line with production volume as mitigated by future efficiency improvements. Thresholds used include: Less than (51) much lower, (6)-(50) lower, (5)-5 about the same, 6-50 Higher, greater than 51 much higher

Facility reference number
Facility 4

Facility name (optional)
Miami

Country/Area & River basin
United States of America

Latitude
25.8275

Longitude
-80.31553

Located in area with water stress
No

Primary power generation source for your electricity generation at this facility
<Not Applicable>

Oil & gas sector business division
<Not Applicable>

Total water withdrawals at this facility (megaliters/year)
300

Comparison of total withdrawals with previous reporting year
Lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0

Withdrawals from brackish surface water/seawater
0

Withdrawals from groundwater - renewable
37

Withdrawals from groundwater - non-renewable
0

Withdrawals from produced/entrained water
0

Withdrawals from third party sources
263

Total water discharges at this facility (megaliters/year)
4

Comparison of total discharges with previous reporting year
Lower

Discharges to fresh surface water
0

Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
4

Total water consumption at this facility (megaliters/year)
296

Comparison of total consumption with previous reporting year
Lower

Please explain
Water use is directly related to our production so will rise, fall or remain flat in line with production volume as mitigated by future efficiency improvements. Thresholds used include: Less than (51) much lower, (6)-(50) lower, (5)-5 about the same, 6-50 Higher, greater than 51 much higher
<table>
<thead>
<tr>
<th>Facility reference number</th>
<th>Facility 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facility name (optional)</td>
<td>Sacramento</td>
</tr>
<tr>
<td>Country/Area &amp; River basin</td>
<td>United States of America Other, please specify (Lower American)</td>
</tr>
</tbody>
</table>

**Latitude**
38.61496

**Longitude**
-121.43375

**Located in area with water stress**
Yes

**Primary power generation source for your electricity generation at this facility**
<Not Applicable>

**Oil & gas sector business division**
<Not Applicable>

**Total water withdrawals at this facility (megaliters/year)**
435

**Comparison of total withdrawals with previous reporting year**
About the same

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes**
0

**Withdrawals from brackish surface water/seawater**
0

**Withdrawals from groundwater - renewable**
0

**Withdrawals from groundwater - non-renewable**
0

**Withdrawals from produced/entrained water**
0

**Withdrawals from third party sources**
435

**Total water discharges at this facility (megaliters/year)**
214

**Comparison of total discharges with previous reporting year**
Lower

**Discharges to fresh surface water**
0

**Discharges to brackish surface water/seawater**
0

**Discharges to groundwater**
0

**Discharges to third party destinations**
214

**Total water consumption at this facility (megaliters/year)**
221

**Comparison of total consumption with previous reporting year**
Higher

**Please explain**
Water use is directly related to our production so will rise, fall or remain flat in line with production volume as mitigated by future efficiency improvements. Thresholds used include: Less than (51) much lower, (51)-50 lower, (5)-5 about the same, 6-50 Higher, greater than 51 much higher

<table>
<thead>
<tr>
<th>Facility reference number</th>
<th>Facility 6</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facility name (optional)</td>
<td>Vernon</td>
</tr>
<tr>
<td>Country/Area &amp; River basin</td>
<td>United States of America Colorado River (Pacific Ocean)</td>
</tr>
</tbody>
</table>

CDP
Latitude 34.024
Longitude -118.204
Located in area with water stress
Yes
Primary power generation source for your electricity generation at this facility
<Not Applicable>
Oil & gas sector business division
<Not Applicable>
Total water withdrawals at this facility (megaliters/year)
507
Comparison of total withdrawals with previous reporting year
Higher
Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0
Withdrawals from brackish surface water/seawater
0
Withdrawals from groundwater - renewable
0
Withdrawals from groundwater - non-renewable
0
Withdrawals from produced/entrained water
0
Withdrawals from third party sources
507
Total water discharges at this facility (megaliters/year)
137
Comparison of total discharges with previous reporting year
Higher
Discharges to fresh surface water
0
Discharges to brackish surface water/seawater
0
Discharges to groundwater
0
Discharges to third party destinations
137
Total water consumption at this facility (megaliters/year)
370
Comparison of total consumption with previous reporting year
Higher
Please explain
Water use is directly related to our production so will rise, fall or remain flat in line with production volume as mitigated by future efficiency improvements. Thresholds used include: Less than (51) much lower, (6)-(50) lower, (5)-5 about the same, 6-50 Higher, greater than 51 much higher.

Facility reference number
Facility 7
Facility name (optional)
Victorville
Country/Area & River basin

<table>
<thead>
<tr>
<th>United States of America</th>
<th>Other, please specify (Mojave)</th>
</tr>
</thead>
</table>

Latitude 34.584
Longitude -117.376
Located in area with water stress
Yes
Primary power generation source for your electricity generation at this facility
<Not Applicable>
### Total Water Withdrawals at This Facility (Megaliters/Year)

- **Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes**: 0
- **Withdrawals from brackish surface water/seawater**: 0
- **Withdrawals from groundwater - renewable**: 0
- **Withdrawals from groundwater - non-renewable**: 0
- **Withdrawals from produced/entrained water**: 0
- **Withdrawals from third party sources**: 1050

### Total Water Discharges at This Facility (Megaliters/Year)

- **Discharges to fresh surface water**: 0
- **Discharges to brackish surface water/seawater**: 0
- **Discharges to groundwater**: 0
- **Discharges to third party destinations**: 329

### Total Water Consumption at This Facility (Megaliters/Year)

- **Consumption from fresh surface water, including rainwater, water from wetlands, rivers and lakes**: 0
- **Consumption from brackish surface water/seawater**: 0
- **Consumption from groundwater - renewable**: 0
- **Consumption from groundwater - non-renewable**: 0
- **Consumption from produced/entrained water**: 0
- **Consumption from third party sources**: 1050

### Comparison of Total Water Use with Previous Reporting Year

- **Withdrawals**: About the same
- **Discharges**: About the same
- **Consumption**: Higher

Please explain:

Water use is directly related to our production so will rise, fall or remain flat in line with production volume as mitigated by future efficiency improvements. Thresholds used include: Less than (51) much lower, (6)-(50) lower, (5)-5 about the same, 6-50 Higher, greater than 51 much higher

---

**Facility Reference Number**

Facility 8

**Facility Name (Optional)**

Tehuacan

**Country/Area & River Basin**

<table>
<thead>
<tr>
<th>Mexico</th>
<th>Papaloapan</th>
</tr>
</thead>
</table>

**Latitude**

18.483

**Longitude**

-97.403

**Located in area with water stress**

Yes

**Primary Power Generation Source for Your Electricity Generation at This Facility**

<Not Applicable>

**Oil & Gas Sector Business Division**

<Not Applicable>

**Total Water Withdrawals at This Facility (Megaliters/Year)**

829

**Comparison of Total Water Withdrawals with Previous Reporting Year**

About the same

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes**

0
Withdrawals from brackish surface water/seawater
0
Withdrawals from groundwater - renewable
829
Withdrawals from groundwater - non-renewable
0
Withdrawals from produced/entrained water
0
Withdrawals from third party sources
0
Total water discharges at this facility (megaliters/year)
267
Comparison of total discharges with previous reporting year
About the same
Discharges to fresh surface water
267
Discharges to brackish surface water/seawater
0
Discharges to groundwater
0
Discharges to third party destinations
0
Total water consumption at this facility (megaliters/year)
562
Comparison of total consumption with previous reporting year
About the same

Please explain
Water use is directly related to our production so will rise, fall or remain flat in line with production volume as mitigated by future efficiency improvements. Thresholds used include: Less than (51) much lower, (6)-(50) lower, (5)-5 about the same, 6-50 Higher, greater than 51 much higher

Facility reference number
Facility 9
Facility name (optional)
Tlajomulco
Country/Area & River basin

<table>
<thead>
<tr>
<th>Mexico</th>
<th>Santiago</th>
</tr>
</thead>
<tbody>
<tr>
<td>Latitude</td>
<td>20.452</td>
</tr>
<tr>
<td>Longitude</td>
<td>-103.433</td>
</tr>
<tr>
<td>Located in area with water stress</td>
<td>Yes</td>
</tr>
<tr>
<td>Primary power generation source for your electricity generation at this facility</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Oil &amp; gas sector business division</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Total water withdrawals at this facility (megaliters/year)</td>
<td>502</td>
</tr>
<tr>
<td>Comparison of total withdrawals with previous reporting year</td>
<td>Lower</td>
</tr>
<tr>
<td>Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes</td>
<td>0</td>
</tr>
<tr>
<td>Withdrawals from brackish surface water/seawater</td>
<td>0</td>
</tr>
<tr>
<td>Withdrawals from groundwater - renewable</td>
<td>502</td>
</tr>
<tr>
<td>Withdrawals from groundwater - non-renewable</td>
<td>0</td>
</tr>
<tr>
<td>Withdrawals from produced/entrained water</td>
<td>0</td>
</tr>
</tbody>
</table>
Withdrawals from third party sources
0
Total water discharges at this facility (megaliters/year)
105
Comparison of total discharges with previous reporting year
Higher
Discharges to fresh surface water
105
Discharges to brackish surface water/seawater
0
Discharges to groundwater
0
Discharges to third party destinations
0
Total water consumption at this facility (megaliters/year)
397
Comparison of total consumption with previous reporting year
Lower

Please explain
Water use is directly related to our production so will rise, fall or remain flat in line with production volume as mitigated by future efficiency improvements. Thresholds used include: Less than (51) much lower, (6)-(50) lower, (5)-5 about the same, 6-50 Higher, greater than 51 much higher

<table>
<thead>
<tr>
<th>Facility reference number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facility 10</td>
</tr>
<tr>
<td>Facility name (optional)</td>
</tr>
<tr>
<td>Tecamac</td>
</tr>
</tbody>
</table>

Country/Area & River basin

<table>
<thead>
<tr>
<th>Mexico</th>
<th>Panuco</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Latitude
19.704
Longitude
-98.948
Located in area with water stress
Yes
Primary power generation source for your electricity generation at this facility
<Not Applicable>
Oil & gas sector business division
<Not Applicable>
Total water withdrawals at this facility (megaliters/year)
443
Comparison of total withdrawals with previous reporting year
About the same
Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes
0
Withdrawals from brackish surface water/seawater
0
Withdrawals from groundwater - renewable
443
Withdrawals from groundwater - non-renewable
0
Withdrawals from produced/entrained water
0
Withdrawals from third party sources
0
Total water discharges at this facility (megaliters/year)
70
Comparison of total discharges with previous reporting year
Higher
Discharges to fresh surface water
0
Discharges to brackish surface water/seawater
0

Discharges to groundwater
0

Discharges to third party destinations
70

Total water consumption at this facility (megaliters/year)
372

Comparison of total consumption with previous reporting year
About the same

Please explain
Water use is directly related to our production so will rise, fall or remain flat in line with production volume as mitigated by future efficiency improvements. Thresholds used include: Less than (51) much lower, (6)-(50) lower, (5)-5 about the same, 6-50 Higher, greater than 51 much higher

W5.1a

(W5.1a) For the facilities referenced in W5.1, what proportion of water accounting data has been third party verified?

Water withdrawals – total volumes
% verified
76-100

Verification standard used
To validate our external reporting, we obtained third-party assurance from ERM CVS. They verified our water withdrawal total volume data claims covering the period 1 January 2021 – 31 December 2021. ERM CVS verified select water data in accordance with their methodology, based on the International Standard on Assurance Engagements ISAE 3000 (Revised) at limited assurance level. The assurance statement is attached to questions in section W9.

Please explain
<Not Applicable>

Water withdrawals – volume by source
% verified
76-100

Verification standard used
To validate our external reporting, we obtained third-party assurance from ERM CVS. They verified our water withdrawal total volume data claims covering the period 1 January 2021 – 31 December 2021. ERM CVS verified select water data in accordance with their methodology, based on the International Standard on Assurance Engagements ISAE 3000 (Revised) at limited assurance level. The assurance statement is attached to questions in section W9.

Please explain
<Not Applicable>

Water withdrawals – quality by standard water quality parameters
% verified
Not verified

Verification standard used
<Not Applicable>

Please explain
Third party verified data is limited to total water withdrawals, total water consumption, total water discharge, water use ratio, municipal withdrawal percentage, groundwater withdrawal percentage, discharge to municipal percentage and discharge to water body percentage. Our disclosures and associated data verification related to water is guided by KDP’s internal reporting criteria and definitions, the Sustainability Accounting Standards Board, and the Global Reporting Initiative.

Water discharges – total volumes
% verified
76-100

Verification standard used
To validate our external reporting, we obtained third-party assurance from ERM CVS. They verified our water withdrawal total volume data claims covering the period 1 January 2021 – 31 December 2021. ERM CVS verified select water data in accordance with their methodology, based on the International Standard on Assurance Engagements ISAE 3000 (Revised) at limited assurance level. The assurance statement is attached to questions in section W9.

Please explain
<Not Applicable>

Water discharges – volume by destination
% verified
76-100

Verification standard used
To validate our external reporting, we obtained third-party assurance from ERM CVS. They verified our water withdrawal total volume data claims covering the period 1 January 2021 – 31 December 2021. ERM CVS verified select water data in accordance with their methodology, based on the International Standard on Assurance Engagements ISAE 3000 (Revised) at limited assurance level. The assurance statement is attached to questions in section W9.

Please explain
<Not Applicable>
W6. Governance

W6.1

(W6.1) Does your organization have a water policy?
Yes, we have a documented water policy that is publicly available

W6.1a
(W6.1a) Select the options that best describe the scope and content of your water policy.

<table>
<thead>
<tr>
<th>Scope</th>
<th>Content</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company-wide</td>
<td>Description of business dependency on water</td>
<td>As a beverage company, KDP recognizes that we have a responsibility to be good stewards of water use in our operations, communities, and supply chain. Improving freshwater resources and ecosystems benefits our communities and our business. For these reasons, our water policy is company-wide. The policy includes: The business dependency on water as a primary ingredient in our products and critical to our agricultural supply chain, as well as the business impact on water through use in production processes and generation of manufacturing and domestic wastewater; commitment to meeting and exceeding drinking water standards, including local regulations and water quality regulations. Beyond regulatory compliance, it establishes commitments to protection of water resources, expansion of equitable access to water and sanitation, innovation, building awareness and collaboration; alignment with public policy and water initiatives, acknowledging the Human Right to Water, and supporting SDG 6; commitment to setting water efficiency, conservation and restoration targets as well as assessing water use across our operations to understand our water footprint. Our policy highlights environmental linkages such as climate change by emphasizing impacts on water quality and availability (e.g., rainfall changes may affect agriculture and inputs to production). We promote collective action via sharing of water stewardship practices with suppliers, encouraging them to optimize consumption and measure and minimize water impacts via our Code of Conduct, and via product-specific standards and business practices. Our policy includes statements of commitment to: water innovation and procurement – specifically to investing in and encouraging use of new technologies, (e.g., irrigation methods, plant varieties) throughout the value chain; and stakeholder awareness and education by raising awareness of our impact on water resources and educating our consumers, employees, suppliers and other stakeholders on actions they can take to address the water crisis locally and globally. The water policy informs internal and external actions. With the formation of our internal water optimization team in 2019, we refer to the policy as a foundational part of our charter. Externally, we strive to meet and exceed the expectations of stakeholders through our water stewardship work, which is founded on several of the principles and frameworks outlined and referenced in our policy.</td>
</tr>
<tr>
<td></td>
<td>Description of business impact on water</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Description of water-related performance standards for direct operations</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Description of water-related standards for procurement</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reference to international standards and widely-recognized water initiatives</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Company water targets and goals Commitment to align with public policy initiatives, such as the SDDS Commitments beyond regulatory compliance Commitment to water-related innovation Commitment to stakeholder awareness and education Commitment to water stewardship and/or collective action Acknowledgement of the human right to water and sanitation Recognition of environmental linkages, for example, due to climate change</td>
<td></td>
</tr>
</tbody>
</table>

W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?

Yes

W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

<table>
<thead>
<tr>
<th>Position of Individual</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board Chair</td>
<td>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 water-related issues covers potential risk impacts to the organization as part of overall enterprise risk management and oversight; approval of water targets; and performance against these public goals. For example, in 2021, the Board reviewed and advised on progress to our water stewardship goals and in early 2022, the Board of Directors approved expanding the scope of our 100% water replenishment goal to include 10 high-risk water sites and extending the time horizon of our goal to 2030. Now included are all of our manufacturing sites in California, Florida, Texas and Mexico, with threats that span from drought to floods.</td>
</tr>
</tbody>
</table>
(W6.2b) Provide further details on the board’s oversight of water-related issues.

<table>
<thead>
<tr>
<th>Frequency that water-related issues are a scheduled agenda item</th>
<th>Governance mechanisms into which water-related issues are integrated</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scheduled - some meetings</td>
<td>Monitoring implementation and performance</td>
<td>Our values, ethics and integrity are deeply embedded into how we conduct ourselves and operate our business. Our governance and management systems maintain effective oversight of, and accountability for, the way we operate. Quarterly, the Board of Directors reviews matters of the Company’s corporate sustainability efforts, including: climate-related issues, water, waste, and packaging, health and wellness, and responsible sourcing. By reviewing policy, strategy, and risk, the Board stays apprised of water management issues, to guide water-related actions appropriately.</td>
</tr>
<tr>
<td></td>
<td>Overseasig acquisitions and divestiture</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reviewing and guiding annual budgets</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reviewing and guiding risk management policies</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reviewing and guiding strategy</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Reviewing and guiding corporate responsibility strategy</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Setting performance objectives</td>
<td></td>
</tr>
</tbody>
</table>

W6.2d

(W6.2d) Does your organization have at least one board member with competence on water-related issues?

<table>
<thead>
<tr>
<th>Board member(s) have competence on water-related issues</th>
<th>Criteria used to assess competence of board member(s) on water-related issues</th>
<th>Primary reason for no board-level competence on water-related issues</th>
<th>Explain why your organization does not have at least one board member with competence on water-related issues and any plans to address board-level competence in the future</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes 1</td>
<td>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.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>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.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>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.</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>The full Board approves long-term goals and commitments under our focus areas of Environment, Supply Chain, Health &amp; Wellbeing and People &amp; Communities.</td>
<td>&lt;Not Applicable&gt;</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
</tbody>
</table>

W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)
Chief Sustainability Officer (CSO)

Responsibility
Assessing water-related risks and opportunities
Managing water-related risks and opportunities
Frequency of reporting to the board on water-related issues
Quarterly

Please explain
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. The CSO is responsible for establishing relevant and material water stewardship goals and aspirations, setting boundaries and targets, and reporting performance to executive leaders as well as the Board of Directors. Specifically, water use intensity within KDPs operations, as well as water volume replenishment performance are reported to the Board of Directors.
W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

<table>
<thead>
<tr>
<th>Role(s) entitled to incentive</th>
<th>Performance indicator</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monetary reward</td>
<td>No one is entitled to these incentives</td>
<td>&lt;Not Applicable&gt;</td>
</tr>
<tr>
<td>Non-monetary reward</td>
<td>Board chair, Corporate executive, Chief Executive Officer (CEO), Chief Financial Officer (CFO), Chief Operating Officer (COO), Chief Sustainability Officer (CSO), Other C-suite Officers, Other, please specify (All Employees)</td>
<td>Reduction of water withdrawals, Reduction in consumption volumes, Improvements in efficiency - direct operations</td>
</tr>
</tbody>
</table>

The entire KDP leadership team is ultimately responsible for the performance of the company against its public commitments, including its CR and water corporate targets. Our CEO leads this group. Our CSO and Chief Corporate Affairs Officer lead/drive the strategy development and goal-setting process for water within the company. Achievement of progress against our CR goals is recognized internally for all employees involved through acknowledgement in company-wide meetings, internal news items, or team events. Water targets and practices are integrated to relevant functions and included in their annual performance goals. For example, the quality managers in our cold plants oversee annual water efficiency use targets. The chosen performance indicators align with our Drink Well Do Good sustainability targets and reflect the areas of performance that are material to our business and our stakeholders.

W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

Yes, trade associations
Yes, funding research organizations

W6.5a

(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?

Our Political Engagement Approach notes that we are committed to sourcing, producing and distributing our beverages responsibly, while making a positive impact on our consumers, customers, communities, employees and various other stakeholders. We support this commitment through our efforts to engage in the political process and the development of public policy.

Our political activities and contributions comply with all applicable U.S. laws and regulations and related disclosure requirements. We participate in trade associations for a variety of reasons, including their ability to provide a unified voice in legislative and regulatory matters and monitor industry policies and trends. The majority of our public policy advocacy work is done through our membership in the American Beverage Association (ABA).

Our participation in trade associations does not mean that we agree with every position a trade association takes on an issue. When we take positions that differ from our trade associations, we engage with the associations to express our views.

Two regular internal forums, the executive-level Sustainability Governance Committee, and frequent coordination between sustainability and government affairs teams ensure awareness and alignment across all issues. These meetings surface any inconsistencies with policy and commitments and are the internal forums for developing actions to re-align activities for consistency.
W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

Yes (you may attach the report - this is optional)

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

<table>
<thead>
<tr>
<th>Long-term business objectives</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, water-related issues are integrated</td>
<td>Water issues incorporated into our long-term business objectives include physical risks due to availability and quality issues as well as reputational risks from direct operations in basins at risk. We recently announced our aspiration to achieve Net Positive Water Impact by 2050, which builds on KDP’s existing water stewardship commitments. In our direct operations, KDP is committed to improving our water use efficiency by 20% by 2025. We have evaluated water risk in our operating footprint and identified six operating communities with high water risk in Texas, California and Mexico that are part of our water stewardship goal. In these six communities, by 2025, we commit to partnering to restore the same volume of water we use to make our beverages through projects that enhance watersheds, protect habitats and conserve water. In 2022, we are expanding the scope of our 100% water replenishment goal to include 10 high-risk water sites and extending the time horizon of our goal to 2030. Because it’s the primary ingredient in most of our beverages, we have a particular responsibility to be good stewards of water use in our operations and in the communities in which we operate.</td>
</tr>
<tr>
<td>21-30</td>
<td>Current KDP uses forward-looking scenario analyses in our Enterprise Risk Management process. Our ERM informs our financial planning, and as water is the key ingredient in substantially all of our products, water is considered in the ERM process from both quantity and quality standpoints. KDP has assessed the “well below 2 degree” climate change scenario in its process for setting a science-based emissions reduction target (SBT) with implications on water-related issues including scarcity and abundance. The shortest time horizon was chosen because we are a relatively new entity in the process of developing a long-term environmental strategy that will take into account the impacts climate change may have on water scarcity and a deterioration of water quality in areas where we maintain operations.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Strategy for achieving long-term objectives</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, water-related issues are integrated</td>
<td>Various possible issues resulting from climate change continue to influence KDP’s strategy, including water security, raw material and commodity disruption, future regulatory conditions as well as consumer behavior and brand loyalty. Our strategy to improve operating efficiency is key to doing our part in a water-constrained world and improves our bottom line. Our strategy to build and enhance our leading brands also ties directly to incorporating environmental and social responsibility into our business which we see as macro trends driving consumer behavior and brand loyalty. Our strategy to holistically include our value chain in business decisions is key to building our leadership position on issues and opportunities tied to water to enhance our reputation with our consumers. The shortest time horizon was chosen because we are a relatively new entity in the process of developing a long-term environmental strategy that will take into account the impacts climate change may have on water scarcity and a deterioration of water quality in areas where we maintain operations.</td>
</tr>
<tr>
<td>5-10</td>
<td>Currently KDP uses forward-looking scenario analyses in our Enterprise Risk Management process. Our ERM informs our financial planning, and as water is the key ingredient in substantially all of our products, water is considered in the ERM process from both quantity and quality standpoints. KDP has assessed the “well below 2 degree” climate change scenario in its process for setting a science-based emissions reduction target (SBT) with implications on water-related issues including scarcity and abundance. The shortest time horizon was chosen because we are a relatively new entity in the process of developing a long-term environmental strategy that will take into account the impacts climate change may have on water scarcity and a deterioration of water quality in areas where we maintain operations.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Financial planning</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, water-related issues are integrated</td>
<td>Financial performance including prior year comparisons / changes, are reported to investors in annual reports and SEC filings. Please see financial filings at <a href="https://investors.keurigdrpepper.com/sec-filings">https://investors.keurigdrpepper.com/sec-filings</a>. Water opex and capex are driven by multiple factors including the age of infrastructure and systems, and product mix.</td>
</tr>
<tr>
<td>5-10</td>
<td>Various possible issues resulting from climate change continue to influence KDP’s strategy, including water security, raw material and commodity disruption, future regulatory conditions as well as consumer behavior and brand loyalty. Our strategy to improve operating efficiency is key to doing our part in a water-constrained world and improves our bottom line. Our strategy to build and enhance our leading brands also ties directly to incorporating environmental and social responsibility into our business which we see as macro trends driving consumer behavior and brand loyalty. Our strategy to holistically include our value chain in business decisions is key to building our leadership position on issues and opportunities tied to water to enhance our reputation with our consumers. The shortest time horizon was chosen because we are a relatively new entity in the process of developing a long-term environmental strategy that will take into account the impacts climate change may have on water scarcity and a deterioration of water quality in areas where we maintain operations.</td>
</tr>
</tbody>
</table>

W7.2

(W7.2) What is the trend in your organization’s water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

<table>
<thead>
<tr>
<th>Water-related CAPEX (+/- % change)</th>
<th>0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anticipated forward trend for CAPEX (+/- % change)</td>
<td>0</td>
</tr>
<tr>
<td>Water-related OPEX (+/- % change)</td>
<td>0</td>
</tr>
<tr>
<td>Anticipated forward trend for OPEX (+/- % change)</td>
<td>0</td>
</tr>
</tbody>
</table>

Please explain

Financial performance including prior year comparisons / changes, are reported to investors in annual reports and SEC filings. Please see financial filings at https://investors.keurigdrpepper.com/sec-filings. Water opex and capex are driven by multiple factors including the age of infrastructure and systems, and product mix.

W7.3

(W7.3) Does your organization use scenario analysis to inform its business strategy?

<table>
<thead>
<tr>
<th>Use of scenario analysis</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>In our updated water risk assessment, we have used WRI’s Aqueduct, and WWF’s Water Risk Filter tools. Both tools combine different climate scenarios (IPCC Representative Concentration Pathways - RCP and IIASA Shared Socio-economic Pathways - SSP) to explore future water risks (water stress in terms of quantity with WRI, and other physical risks with WWF). KDP has set an SBTi-approved SBT which took effect in 2020 to reduce our emissions. As part of this process, we were able to identify specific risks and opportunities for us to address and pursue. As we embark on implementing our approved Science Based Target (SBT), we will further analyze the scenarios and possible water-related outcomes.</td>
</tr>
</tbody>
</table>

W7.3a
(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization’s business strategy.

<table>
<thead>
<tr>
<th>Type of scenario analysis used</th>
<th>Parameters, assumptions, analytical choices</th>
<th>Description of possible water-related outcomes</th>
<th>Influence on business strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Climate-related</td>
<td>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 physical risks attributed to climate change will impact our supply chain and own operations.</td>
<td>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, including drought, which could impact our operations in California, Texas, Florida, and Mexico, 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 up-stream and down-stream value chains.</td>
<td>Climate-related risks and opportunities have influenced KDP's business objectives and 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 (including hydrological and meteorological 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 strategic decision in this area is our commitment to 100% responsibly sourced coffee, a goal we met in 2020 and maintained over 2021. To us, responsibly sourced coffee is coffee grown and sold in adherence to credible, sustainable sourcing programs that align with our KDP Supplier Code of Conduct. 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.</td>
</tr>
</tbody>
</table>

W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

No, but we are currently exploring water valuation practices

Please explain

We continue to monitor trends in water valuation, consult with external stakeholders and review activity by our peers and competitors.

W7.5

(W7.5) Do you classify any of your current products and/or services as low water impact?

<table>
<thead>
<tr>
<th>Products and/or services classified as low water impact</th>
<th>Definition used to classify low water impact</th>
<th>Primary reason for not classifying any of your current products and/or services as low water impact</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>No, and we do not plan to address this within the next two years</td>
<td>&lt;Not Applicable&gt;</td>
<td>Important but not an immediate business priority</td>
<td>Water is a precious natural resource that is essential to our business. As water is the primary ingredient in most of our beverages, we have a particular responsibility to be good stewards of water use in our operations, our communities and throughout our supply chain. Our water stewardship goals are focused on safeguarding water resources and building healthy communities resilient to climate change. We conduct periodic water risk assessments of our operations and supply chain. To refine our understanding of challenges for our high water risk sites, we assess each site in the context of the surrounding watershed, the local water issues and other local entities’ interest and perspective on those issues. We have public goals and programs to both increase operational efficiency and to replenish water through conservation and restoration projects with conservation organizations in communities where we operate that have high water risk.</td>
</tr>
</tbody>
</table>

W8. Targets

W8.1
Approach to setting and monitoring targets and/or goals

<table>
<thead>
<tr>
<th>Levels for targets and/or goals</th>
<th>Monitoring at corporate level</th>
<th>Approach to setting and monitoring targets and/or goals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company-wide targets and goals</td>
<td>Targets are monitored at the corporate level</td>
<td>Our 2025 targets for our company are the culmination of looking holistically across our the KDP value chain for opportunities to make a positive impact with every drink. This includes reducing our environmental footprint across energy, water and waste. Our approach to setting water-related targets and/or goals began with a materiality assessment across this range of sustainability impact areas. Water is vital to our business and as a beverage company, we have a responsibility to be good stewards of water use in our operations and communities where we manufacture our products. We assess water use across our business to understand our water footprint and identify opportunities related to quality, conservation, replenishment and wastewater treatment in our manufacturing plants. As such, we combine internal efficiency targets, an external focus on water stewardship, and holistic approach to engage our value chain to drive our water strategy. We monitor our water efficiency target through monthly site-level internal tracking, which is reported to our senior leadership, and we monitor progress on our water stewardship work via periodic reviews with key project partners.</td>
</tr>
<tr>
<td>Site/facility specific targets and/or goals</td>
<td>Goals are monitored at the corporate level</td>
<td></td>
</tr>
<tr>
<td>Basin specific targets and/or goals</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

W8.1a

(W8.1a) Provide details of your water targets that are monitored at the corporate level, and the progress made.

<table>
<thead>
<tr>
<th>Target reference number</th>
<th>Target 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category of target</td>
<td>Water use efficiency</td>
</tr>
<tr>
<td>Level</td>
<td>Company-wide</td>
</tr>
<tr>
<td>Primary motivation</td>
<td>Reduced environmental impact</td>
</tr>
</tbody>
</table>

**Description of target**

We are committed to improving our water use ratio (WUR) by 20% by 2025, moving from a 2017 baseline of 1.95 liters required to make one liter of product (L/L) to 1.56 L/L. Our progress is underway with a WUR of 1.82 in 2021, down 7% versus 2017.

Starting in 2021 and moving forward, we are excluding our Williamson, N.Y. plant from our measurement of beverage water efficiency, and have restated our 2017 baseline and goal progress with that exclusion. We plan to establish a site-specific goal for this facility that reflects its unique portfolio of products within our supply chain.

**Quantitative metric**

Other, please specify (% reduction per unit of finished product)

<table>
<thead>
<tr>
<th>Baseline year</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Start year</td>
<td>2018</td>
</tr>
<tr>
<td>Target year</td>
<td>2025</td>
</tr>
<tr>
<td>% of target achieved</td>
<td>33</td>
</tr>
</tbody>
</table>

**Please explain**

We are committed to improving our water use ratio (WUR) by 20% by 2025, moving from a 2017 baseline of 1.95 liters required to make one liter of product (L/L) to 1.56 L/L. Our progress is underway with a WUR of 1.82 in 2021, down 7% versus 2017. Percentage of target achieved is therefore calculated as: (1.95-1.82)/(1.95-1.56).
(W8.1b) Provide details of your water goal(s) that are monitored at the corporate level and the progress made.

**Goal**
Watershed remediation and habitat restoration, ecosystem preservation

**Level**
Basin level

**Motivation**
Increase freshwater availability for users/natural environment within the basin

**Description of goal**
Partner with our highest water-risk operating communities to replenish 100% of water used for our beverages in those communities by 2025. In our six high water risk communities, we commit to restoring the same volume of water we use to make our beverages through projects that enhance watersheds, protect habitats and conserve water. By balancing what we consume and what we replenish, we will help provide access to more or higher quality water to benefit the environment and the people who live and work in these areas. For example, in Houston, Texas, our investments contributed to a native prairie restoration project to protect freshwater coastal habitats. Restoring native grasses decreased runoff and enabled the land to absorb and disperse water from storm surges and floods, providing a cost-effective way to protect coastal communities from the impacts of storms and hurricanes.

**Baseline year**
2012

**Start year**
2013

**End year**
2025

**Progress**
Through our engagements we track the restoration projects through a third party using a published methodology to determine the amount of water replenished. It is recognized that the estimated benefits have some uncertainty, as they are based on best available data and information using models and estimation techniques. To reduce this uncertainty, scientifically defensible methodologies and conservative assumptions are employed in the quantification process. We are progressing toward our goal of replenishing 100% of the water used in our 6 highest water risk communities, and will build on our work with The Nature Conservancy. Over the course of 2020 and 2021, we have committed funding to various projects across Texas, California, Florida, and Mexico, where we have production facilities. As a result of this collaboration and other active projects, we have restored 6,200 ML of water, balancing 85% (6,200 / 7,327) of the volume used for beverages in our highest water-risk communities and elsewhere to match the volume of water consumed in our hot beverages.

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?
Yes

W9.1a

(W9.1a) Which data points within your CDP disclosure have been verified, and which standards were used?

<table>
<thead>
<tr>
<th>Disclosure module</th>
<th>Data verified</th>
<th>Verification standard</th>
<th>Please explain</th>
</tr>
</thead>
<tbody>
<tr>
<td>W8 Targets</td>
<td>Water Use Ratio</td>
<td>ISAE 3000</td>
<td>Our water use ratio measures our water use efficiency in production and is the key metric for our efficiency target in W8.1a. To validate our external reporting, we obtained third-party assurance from ERM CVS. They verified our water use ratio metric covering the period 1 January 2021 – 31 December 2021, using their methodology based on the International Standard on Assurance Engagements ISAE 3000 (Revised) at limited assurance level. The assurance statement is attached to question W9.1.</td>
</tr>
</tbody>
</table>

W10. Sign off

W-FI

(W-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.

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 toward those opportunities that are meaningful to our planet, our business and our people. Through transparency, partnership, innovation and investment, we will continue to tackle important issues and contribute to a better world.

W10.1
(W10.1) Provide details for the person that has signed off (approved) your CDP water response.

<table>
<thead>
<tr>
<th>Job title</th>
<th>Corresponding job category</th>
</tr>
</thead>
<tbody>
<tr>
<td>SVP and Chief Sustainability Officer</td>
<td>Chief Sustainability Officer (CSO)</td>
</tr>
</tbody>
</table>

W10.2

(W10.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate’s Water Action Hub (applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)).

Yes

SW. Supply chain module

SW0.1

(SW0.1) What is your organization’s annual revenue for the reporting period?

<table>
<thead>
<tr>
<th>Annual revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>12683000000</td>
</tr>
</tbody>
</table>

SW1.1

(SW1.1) Could any of your facilities reported in W5.1 have an impact on a requesting CDP supply chain member?

Yes, CDP supply chain members buy goods or services from facilities listed in W5.1

SW1.1a

(SW1.1a) Indicate which of the facilities referenced in W5.1 could impact a requesting CDP supply chain member.

SW1.2

(SW1.2) Are you able to provide geolocation data for your facilities?

<table>
<thead>
<tr>
<th>Are you able to provide geolocation data for your facilities?</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, for some facilities</td>
<td></td>
</tr>
</tbody>
</table>

SW1.2a

(SW1.2a) Please provide all available geolocation data for your facilities.

<table>
<thead>
<tr>
<th>Identifier</th>
<th>Latitude</th>
<th>Longitude</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facility 1</td>
<td>29.685</td>
<td>-95.394</td>
<td>These are the same facilities as those noted in our main response.</td>
</tr>
<tr>
<td>Facility 2</td>
<td>32.84149</td>
<td>-96.8928</td>
<td>These are the same facilities as those noted in our main response.</td>
</tr>
<tr>
<td>Facility 3</td>
<td>30.26012</td>
<td>-81.60708</td>
<td>These are the same facilities as those noted in our main response.</td>
</tr>
<tr>
<td>Facility 4</td>
<td>25.8275</td>
<td>-80.31553</td>
<td>These are the same facilities as those noted in our main response.</td>
</tr>
<tr>
<td>Facility 5</td>
<td>38.61496</td>
<td>-121.43375</td>
<td>These are the same facilities as those noted in our main response.</td>
</tr>
<tr>
<td>Facility 6</td>
<td>34.824</td>
<td>-118.204</td>
<td>These are the same facilities as those noted in our main response.</td>
</tr>
<tr>
<td>Facility 7</td>
<td>34.584</td>
<td>-117.376</td>
<td>These are the same facilities as those noted in our main response.</td>
</tr>
<tr>
<td>Facility 8</td>
<td>18.483</td>
<td>-97.403</td>
<td>These are the same facilities as those noted in our main response.</td>
</tr>
<tr>
<td>Facility 9</td>
<td>20.452</td>
<td>-103.433</td>
<td>These are the same facilities as those noted in our main response.</td>
</tr>
<tr>
<td>Facility 10</td>
<td>19.704</td>
<td>-98.948</td>
<td>These are the same facilities as those noted in our main response.</td>
</tr>
</tbody>
</table>

SW2.1

(SW2.1) Please propose any mutually beneficial water-related projects you could collaborate on with specific CDP supply chain members.
SW2.2

Have any water projects been implemented due to CDP supply chain member engagement?
No

SW3.1

Provide any available water intensity values for your organization’s products or services.

<table>
<thead>
<tr>
<th>Product name</th>
<th>Water intensity value</th>
</tr>
</thead>
<tbody>
<tr>
<td>beverages</td>
<td>1.82</td>
</tr>
</tbody>
</table>

Numerator: Water aspect
Water withdrawn

Denominator: production (m3)

Submit your response

In which language are you submitting your response?
English

Please confirm how your response should be handled by CDP

<table>
<thead>
<tr>
<th>Please select your submission options</th>
<th>I understand that my response will be shared with all requesting stakeholders</th>
<th>Response permission</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public</td>
<td>Yes</td>
<td>Public</td>
</tr>
</tbody>
</table>

Please confirm below
I have read and accept the applicable Terms