Keurig Dr Pepper - Climate Change 2023

C0. Introduction

C0.1

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

Keurig Dr Pepper (NASDAQ: KDP) is a leading beverage company in North America offering hot and cold beverages together at scale. Driven by a broad beverage portfolio of iconic brands including Dr Pepper®, Canada Dry®, Snapple®, Mott's®, CORE®, as well as the Keurig® brewing system and leading owned brands Green Mountain Coffee Roasters® and The Original Donut Shop®.

Our 125+ owned, licensed and partners brands are designed to satisfy virtually any consumer need, any time, while our powerful sales and distribution network enables us to deliver our portfolio to nearly every point of purchase for consumers. Through our direct-store delivery and warehouse-direct coverage networks, we serve a complete range of retail formats—from large to small to the hard to reach up-and-down the street accounts where consumers tend to try new brands. Our away-from-home distribution system reaches large workplaces, food service and hospitality industries. Our strength online is reflected by a substantial e-commerce business through Keurig.com, retailer websites and online grocery services. And, finally, our fountain business calls directly on the top 200 food service chains, as well as thousands of regional restaurants and convenience stores.

We have committed to sourcing, producing and distributing beverages responsibly through our Drink Well. Do Good. corporate responsibility platform. We focus on our greatest opportunities for impact in the environment, our supply chain, the health and well-being of our consumers and with our people and communities. We strive to be an employer of choice, providing a culture and opportunities that empower our team of ~28,000 employees to grow and develop.

As of December 31, 2022, our operating structure consists of four reportable segments: Coffee Systems, Packaged Beverages, Beverage Concentrates, and Latin America Beverages. Throughout this response, we refer to our "hot business" and our "cold business". The "hot business" reflects our Coffee Systems 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. Effective January 1, 2023, the Company's reportable segments consist of the following: U.S. Refreshment Beverages, U.S. Coffee, and International.

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

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date
January 1 2022

End date
December 31 2022

Indicate if you are providing emissions data for past reporting years
No

Select the number of past reporting years you will be providing Scope 1 emissions data for
<Not Applicable>

Select the number of past reporting years you will be providing Scope 2 emissions data for
<Not Applicable>

Select the number of past reporting years you will be providing Scope 3 emissions data for
<Not Applicable>

C0.3

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

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

C0.4

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

USD

C0.5

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

Operational control

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

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

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

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

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

Row 1

Primary reason

Do not own/manage land

Please explain

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

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

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

Agricultural commodity
Other, please specify (Coffee)

% of revenue dependent on this agricultural commodity
20-40%

Produced or sourced
Sourced

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

Agricultural commodity
Other, please specify (Apples)

% of revenue dependent on this agricultural commodity
Less than 10%

Produced or sourced
Sourced

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

Agricultural commodity
Sugar

% of revenue dependent on this agricultural commodity
Less than 10%

Produced or sourced
Sourced

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

Agricultural commodity
Other, please specify (Corn)

% of revenue dependent on this agricultural commodity
20-40%

Produced or sourced
Sourced

Please explain
In the form of high fructose corn syrup is used in many of our beverage products.

C0.8

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

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

C1. Governance

C1.1

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

C1.1a

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

Position of individual or committee	Responsibilities for climate-related issues
Board Chair	The KDP Board of Directors directly oversees KDP's ESG strategy and goals, as outlined in our Corporate Governance Principles. In this role, the Board approves long-term commitments and monitors progress in topics including climate, water, circular economy, health and well-being, sustainable practices within our supply chain, human rights and diversity and inclusion. KDP's Board Chair has ultimate oversight for the performance of the business including its sustainability strategy and goals. This position's responsibility for climate-related issues covers potential risk impacts to the organization as part of overall enterprise risk management and oversight; approval of climate targets; and performance against these public goals.

C1.1b

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

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

C1.1d

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

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

C1.2

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

Position or committee
Chief Sustainability Officer (CSO)

Climate-related responsibilities of this position
Managing annual budgets for climate mitigation activities
Developing a climate transition plan
Implementing a climate transition plan
Integrating climate-related issues into the strategy
Conducting climate-related scenario analysis
Setting climate-related corporate targets
Monitoring progress against climate-related corporate targets

Managing public policy engagement that may impact the climate
Managing value chain engagement on climate-related issues
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities
<Not Applicable>

Reporting line
Corporate Sustainability/CSR reporting line

Frequency of reporting to the board on climate-related issues via this reporting line
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. Our rationale for assigning responsibility for climate-related issues in these positions is grounded in the enterprise-wide scope of their positions, which allows them to assess risk and opportunity across the organization and its value chain. This scope is appropriate given the potential for climate issues to affect the company as a whole.

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

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

Position or committee
Sustainability committee

Climate-related responsibilities of this position
Managing annual budgets for climate mitigation activities
Developing a climate transition plan
Implementing a climate transition plan
Integrating climate-related issues into the strategy
Conducting climate-related scenario analysis
Setting climate-related corporate targets
Monitoring progress against climate-related corporate targets
Managing public policy engagement that may impact the climate
Managing value chain engagement on climate-related issues
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities
<Not Applicable>

Reporting line
Corporate Sustainability/CSR reporting line

Frequency of reporting to the board on climate-related issues via this reporting line
Quarterly

Please explain
The Sustainability Governance Committee (SGC) is composed of key functional Executive Leadership Team (ELT) members, including the Chief Corporate Affairs Officer (CCAO), which monitors progress monthly and approves key, cross-functional Corporate Responsibility initiatives. The Committee's responsibilities for climate-related issues include review of greenhouse gas emissions of the company, climate scenario assessment informing the company's science-based target, and related topics. The full KDP Executive Leadership Team ensures the CR program aligns with the long-term objectives of the business and maintains broad oversight of programs and progress.

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

C1.3

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

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

C1.3a

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

Entitled to incentive
Chief Sustainability Officer (CSO)

Type of incentive
Monetary reward

Incentive(s)
Salary increase

Performance indicator(s)
Board approval of climate transition plan
Progress towards a climate-related target
Achievement of a climate-related target
Reduction in absolute emissions
Increased share of renewable energy in total energy consumption
Increased engagement with suppliers on climate-related issues
Company performance against a climate-related sustainability index (e.g., DJSI, CDP Climate Change score etc.)

Incentive plan(s) this incentive is linked to
Short-Term Incentive Plan

Further details of incentive(s)
Performance indicators tied to this incentive include targeted improvement in percent Scope 1 and 2 reduction, percent Scope 3 reduction, and percent of suppliers having set their own science-based targets. These indicators are based on calendar year 2022 vs baseline year performance for the entire enterprise.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan
Achievement of progress against our corporate responsibility goals is recognized internally for all employees involved through acknowledgement in company-wide meetings, internal news items, or team events. Our CSO oversees energy and emissions targets and practices that are integrated to relevant functions and included in their annual performance goals.

Entitled to incentive
Buyers/purchasers

Type of incentive
Non-monetary reward

Incentive(s)
Internal team/employee of the month/quarter/year recognition
Public recognition

Performance indicator(s)
Increased engagement with suppliers on climate-related issues

Incentive plan(s) this incentive is linked to
This position does not have an incentive plan

Further details of incentive(s)
N/A

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan
KDP purchases coffee that is managed under certification and verification schemes such as Fair Trade, Rainforest Alliance, 4C and ofi AtSource which encourage practices with climate change mitigation or adaptation benefits. In 2022, 100% of our green coffee purchases met one of those programs. In addition, KDP funds projects with specific suppliers to support the implementation of these practices. For the Procurement function, we capture the percentage of coffee that is responsibly sourced. Progress towards our responsible sourcing goals is publicized and KDP buyers/purchasers are responsible via their annual goals to deliver to annual targets for responsibly sourced coffee. Accordingly, they receive recognition for their contributions.

C2. Risks and opportunities

C2.1

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

C2.1a

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

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

C2.1b

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

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

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

C2.2

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

Value chain stage(s) covered
Direct operations
Upstream
Downstream

Risk management process
Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment
More than once a year

Time horizon(s) covered
Short-term
Medium-term
Long-term

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

As stated in the risk factors section of our annual Form 10-K which was filed with the Securities and Exchange Commission on February 23, 2023, unseasonable or unusual weather, natural disasters or long-term climate changes could add volatility to commodity prices and have the potential to disrupt the availability of raw materials, energy and fuel, our ability to produce our products and may result in reduced demand for our products, which may have a negative effect on our business and financial performance.

KDP further defines 'substantive impact' at the corporate level as a risk that could cause material financial change to our business. This definition is inclusive of direct and indirect impacts to operations, services and our supply chain. This distinction is in line with other KDP ERM risk assessment and audit processes. An impact that constitutes a climate related substantive change could be based on any or a combination of the following:
Frequency of impact - a single (or multiple) occurrence over a 10-year time horizon.
Disruption to production - at our manufacturing or distribution facilities as well as facilities of our suppliers, bottlers, contract manufacturers or distributors.
U.S. and international laws and regulations could adversely affect our business.
Weather, natural disasters, climate change legislation and the availability of water could adversely affect our business.
Costs and supply for commodities, such as raw materials and energy, may change substantially and shortages may occur.

Risks and opportunities related to climate change are identified via three different mechanisms: our EHS process, carbon inventorying, and our Environmental KPI Scorecard:
EHS process: KDP utilizes audit tools and 3rd party compliance assessments to help ensure all sites comply with applicable local and state laws, including environmental laws relating to air pollution and clean water.
Carbon inventorying and Energy Star Benchmarking: Through our partners, KDP tracks and calculates the carbon output from our U.S.-based buildings and manufacturing on a monthly basis, and that information is added to annual carbon emissions data from our fleet, Mexico operations, third-party logistics, and currently captured value-chain carbon. Understanding our asset level carbon data, and associated trending, gives KDP decision makers relevant information from which to make possible mitigation decisions.

Environmental KPI Scorecard: We collect data on water, waste, and energy to integrate into our Environmental Scorecard, which is produced on a monthly basis. This process assists KDP in quickly and proactively identifying outliers to resolve possible environmental issues.

Our sustainability strategy is based on the most important sustainability issues for our Company and for our stakeholders. We utilize sustainability materiality analysis to prioritize the risks and opportunities, and we take into account the above data, tools, and context in developing our responses and actions to manage each issue identified, including climate. The definition of materiality with respect to ESG issues in this report is different than the definition of materiality in the context of our filings with the U.S. Securities and Exchange Commission (SEC). The identification of material issues that guide our corporate responsibility strategy should not be construed as a characterization regarding the materiality or financial impact of such issues or related information to investors in KDP. For a discussion of the risks that are material to investors in KDP, please see our Annual Report on Form 10-K for the year ended December 31, 2022, filed with the SEC, our subsequent Quarterly Reports on Form 10-Q and our Current Reports on Form 8-K.

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

One example of how the climate-related opportunity assessment process is applied to transitional opportunities is our ongoing goal of 100% responsibly sourced coffee where our green coffee purchases in 2022 meet one of the following accepted sustainability programs: Fair Trade USA, Fairtrade International, Rainforest Alliance, 4C, afi AtSource or Great Lakes Coffee MaxTRACE. During 2021 and 2022, a small amount of coffee was received as conventional (0.38% and 0.36%, respectively) due to COVID-19 impacts, supplier error or shipping delays KDP is committed to high standards of social and environmental responsibility and ethical conduct. We believe this presents an opportunity for KDP to strengthen the resilience of our suppliers, as well as establishing ourselves and our products as an ethical choice to increasingly informed and discerning consumers and investors alike.

Value chain stage(s) covered
Direct operations
Upstream
Downstream

Risk management process
A specific climate-related risk management process

Frequency of assessment
Every three years or more

Time horizon(s) covered
Long-term

Description of process
In 2022, KDP completed a quantitative climate scenario risk analysis, which include low and high emissions scenarios projecting potential impacts in 2030 and 2050. This analysis included an assessment of climate related physical risks, chronic and acute, to KDP's operations, supply chain, and associated agricultural growing regions. The analysis also included an assessment of transition risks, specific to plastic packaging.

C2.2a

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

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

C2.3

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

Yes

C2.3a

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

Identifier
Risk 1

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver

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

Primary potential financial impact
Decreased revenues due to reduced production capacity

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
Severe weather including flood, drought, severe heat, and hurricanes could affect our operations and therefore sales. According to a quantitative climate scenario risk assessment KDP conducted in 2022, there is the potential for an increase in acute physical risk (heat stress and drought) to some of our manufacturing facilities under certain climate scenarios. A disruption to our operations could occur for many reasons, including but not limited to fire, natural disasters, weather including extreme precipitation, water scarcity, epidemics, transportation or supply interruption. These physical risks could negatively impact our direct operations, potentially decreasing production for a period of time. Severe weather could also result in increased demand as people stock up before a storm, and reduced demand due to grocery/retail closures following a storm. As the severity of extreme weather events increases, we acknowledge the inherent risks to production capacity and incorporate those assessments into our Enterprise Risk Management processes accordingly. While our inventory planning and geographically diverse production and distribution sites can provide a buffer against the risk of temporary plant operational shutdowns, sales are nevertheless affected when retail stores are forced to temporarily close, or we cannot meet immediate demand. We undertake numerous actions before, during, and after storm events to minimize disruption to our customers.

Time horizon
Short-term

Likelihood
More likely than not

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
90000

Potential financial impact figure – maximum (currency)
105000

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

Cost of response to risk
0

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

Comment

Identifier
Risk 2

Where in the value chain does the risk driver occur?
Upstream

Risk type & Primary climate-related risk driver

Chronic physical	Precipitation and/or hydrological variability

Primary potential financial impact
Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
The principal raw materials used in our business are packaging materials and agricultural commodities including green coffee, paper products, juices, teas, fruit, sweeteners, as well as water, and other ingredients. These ingredients and packaging costs can fluctuate substantially and comprise almost 60% of our cost of sales. According to the IPCC and the U.S. National Climate Assessment, climate change is already affecting the agricultural sector, and disruptions to crop growing conditions are expected to increase with extreme weather events, increasing temperatures, and changing water availability. This may cause changes in geographical ranges of crops, as well as weeds, diseases and pests that affect those crops. Agricultural commodity prices could increase as a result of these or other climate impacts. While changing prices or climate-related disruptions to supply for any of KDP's inputs could materially and adversely affect our business, we provide a green coffee example here. The rationale for this focus is that coffee is a significant agricultural raw material for our Coffee Systems segment (which contributed 35% of 2022 net sales and 51% of 2022 income from operations) and climate change is having obvious impacts on the success of coffee cultivation and thus on the livelihoods of coffee farmers. KDP recognizes the threat of climate change as a long-term risk to its coffee supply chain and to the farming communities the company depends upon. Specifically, the risk comes from decreased or shifting agricultural productivity in coffee-growing regions as a result of increasing temperatures, changes in precipitation patterns, and extreme variability in weather patterns. Coffee crops are highly sensitive to changes in weather, which can decrease both quantity and quality of harvests. These changes could potentially pose a substantive risk in the form of increased prices and availability of the type, quality and quantity of coffee beans we require. As these climate-related changes constrain coffee, diseases could be harder to manage. For example, a 2012 outbreak of Coffee Leaf Rust infected more than half of Central America's coffee farms and caused losses reaching $1 billion in the 2012 – 2013 harvest, according to the International Coffee Organization. Note, the risk presented here is of a long-term nature due to chronic changes in weather patterns and does not reflect short-term inflation pressure or other agricultural commodity market dynamics.

Time horizon
Long-term

Likelihood
More likely than not

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
75000000

Potential financial impact figure – maximum (currency)
105000000

Explanation of financial impact figure
This financial estimate assumes the risk of the change in agricultural commodity prices is entirely unhedged. KDP utilizes commodities derivative instruments and supplier pricing agreements to hedge the risk of movements in commodity prices for limited time periods and certain commodities. For the purpose of this response, we note that as of December 2022, the impact of a 10% change (increase or decrease) in agricultural commodities market prices is estimated to be approximately $105M, again, assuming no hedging or other adjustments are implemented.

Cost of response to risk
1030000

Description of response and explanation of cost calculation
In an effort to help mitigate the risk of climate change and the implications on the cost of raw agricultural materials, KDP has launched a regenerative agriculture program within its coffee, apple and corn supply chains. Our response here highlights a key coffee initiative. For coffee, we work with farmers and industry coalitions to ensure positive impact in our supply chain via: (1) Responsible Sourcing: At KDP, responsibly sourced means that we work with our supply chain to help ensure that fundamental human rights and environmental protections are in place.; (2) Supply Chain Investments: Investing in coffee communities and in coffee R&D helps us address larger challenges like climate change, farmer profitability, regenerative agriculture and inclusive growth.

For example, World Coffee Research (WCR) is an industry-backed R&D organization focused on growing, protecting and enhancing coffee as a global crop. A core element of its research is identifying and/or creating coffee varieties that will be climate resilient and disease resistant, while maintaining high productivity and quality. WCR has continued advancing its work evaluating new variety candidates, expanding access to healthy and genetically pure trees, and testing variety performance through their global network of on-farm research trials. Keurig Green Mountain was a founding member and now, as part of KDP, we are one of the organization's largest donors, having invested more than $3.3 million since 2012. Thus, we have invested on average approximately $380,000 a year in WCR ($3.8M/10 yrs = ~$380k/yr). KDP not only invests in WCR's work, but also contributes to its strategic direction by serving on the Board of Directors.

Another example of our investment in climate resiliency in the coffee industry is through our 20-year partnership with Root Capital, a nonprofit that provides credit and capacity building to small and growing agricultural businesses across the globe. KDP has directed its funding of Root Capital to support coffee cooperatives to build climate adaptation plans and roll out services and advisory support that equip their member bases to strengthen their resilience to climate change. In 2022, 27 cooperatives representing nearly 18,000 smallholder growers received climate adaptation support through KDP's investment. Over the last two years, we have invested $1.3 million, an average of $650,000 per year.

Comment

Identifier
Risk 3

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver

Current regulation	Mandates on and regulation of existing products and services

Primary potential financial impact
Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description

Emerging or recently passed legislation requiring post-consumer recycled (PCR) plastic content in packaging poses potential risks if we are unable to secure sufficient supply at required quality levels within regulatory timelines. To illustrate an example of the risk for PCR, we describe polyethylene terephthalate (PET) plastic usage and availability. In 2022, PET bottles made up 26% of our overall packaging footprint. Studies have shown that bottles made with recycled PET plastic (rPET) have lower greenhouse gas (GHG) emissions than those made with virgin PET (for example, Benavides et. al. 2018 found 20% lower GHG for 35% rPET bottles). In an analysis of the U.S. markets for rPET, The Recycling Partnership (TRP) found that there is a significant gap between the available supply of rPET and the demand created by the goals that brands have set to use rPET. Specifically, using 2017 data, TRP notes a 1.6-billion-pound shortfall of rPET bottle supply in the U.S. if all brands using PET in bottles, on average, target 25% recycled PET by 2025. We expect there to be competition for the available supply of food-contact suitable rPET as well as continued rPET demand for other applications such as textiles. The same risks could also affect others in our value chain such as suppliers and bottlers. These challenges introduce risk to our ability to deliver on our PCR goal and its associated carbon emissions reduction and could impact our ability to comply with emerging regulation. For example, California's AB793 sets minimum PCR plastic content levels for plastic bottles, such as beverage containers. The policy imposes graduated fines for violations if companies do not meet the minimum PCR threshold set for a given year. Higher fines would be imposed on a company that uses 25% of the PCR required by the legislation than on a company that achieves 75% of the required usage.

Time horizon

Medium-term

Likelihood

Unlikely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

360000

Potential financial impact figure – maximum (currency)

1500000

Explanation of financial impact figure

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

Cost of response to risk

100000000

Description of response and explanation of cost calculation

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

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

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

Comment

C2.4

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

Yes

C2.4a

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

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Use of more efficient production and distribution processes

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

We are focused on reducing our energy use and greenhouse gas (GHG) emissions to help lessen our environmental impact. In our manufacturing facilities, we pursue efficiency by implementing lighting upgrades, using low-energy idling mode on equipment, scheduling production efficiently, conducting leak audits and other techniques. KDP uses a significant amount of energy in our business operations. For example, in 2022 KDP consumed 1,924,265 MWH of various types of energy. KDP uses electricity and natural gas in order to convert raw materials such as coffee, tea, and apples into beverages. Increased resource efficiency could result in substantial cost savings through reduced operating costs.

Time horizon

Long-term

Likelihood

Very likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

28000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

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

Cost to realize opportunity

12500000

Strategy to realize opportunity and explanation of cost calculation

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

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Use of recycling

Primary potential financial impact

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

Company-specific description

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

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)
360000

Potential financial impact figure – maximum (currency)
15000000

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

Cost to realize opportunity
42000000

Strategy to realize opportunity and explanation of cost calculation
Since 2014, we've committed over $42 million to encourage the circular economy through collaborative projects and partnerships across North America. This commitment is calculated as the total of KDP's investments and contributions to initiatives and organizations: In addition to our founding investments in The Polypropylene Coalition and the EBB initiative, we continue to invest in The Recycling Partnership and the Closed Loop Infrastructure Fund to help modernize recycling infrastructure across the country. We are members of the World Wildlife Fund's ReSource: Plastic activation hub – the first-of-its-kind effort to quantify corporate impact and track company actions to reduce plastic waste. We also co-founded the Circular Plastics Taskforce (CPT) to improve plastics recycling in Canada. We take a portfolio approach to circular solutions and invest in both product innovation and infrastructure for material recovery. End-of-life product recovery and recycling is as important as innovative product design in supporting the circular economy. KDP has taken action by making investments with partners that focus on recovery and recycling. Using our strength in forming partnerships, we collaborate closely with a number of industry groups, NGOs, investment firms and communities. For example, KDP was an initial investor in the $100 million Closed Loop Fund to enhance recycling infrastructure and sustainable manufacturing technologies, and this investment to date has supported keeping 2.3 million tons of waste in circulation to date and avoiding 5.3 million tons of greenhouse gas emissions.

Comment

Identifier
Opp3

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Resource efficiency

Primary climate-related opportunity driver
Use of more efficient modes of transport

Primary potential financial impact
Reduced indirect (operating) costs

Company-specific description
As part of the analysis supporting our science-based target (approved SBT published in 2020), we have modeled fleet efficiency as a long-term strategy to 2030. Emissions from our combined fleet were approximately 162K MTCO2e, which was about 46% of our Scope 1 and 2 emissions in 2022. Converting to more fuel-efficient technologies may provide an opportunity to reduce emissions. We actively manage transportation of our products using our fleet of approximately >7,800 vehicles in the U.S. and Mexico, as well as third party logistics providers.

Time horizon
Short-term

Likelihood
Very likely

Magnitude of impact
Low

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

Potential financial impact figure (currency)
1200000

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

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

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

Cost to realize opportunity
400000

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

Comment
Cost to realize opportunity is an annual figure

C3. Business Strategy

C3.1

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

Row 1

Climate transition plan

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

Publicly available climate transition plan

<Not Applicable>

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

<Not Applicable>

Description of feedback mechanism

<Not Applicable>

Frequency of feedback collection

<Not Applicable>

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

<Not Applicable>

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

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

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

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

<Not Applicable>

C3.2

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

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

C3.2a

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

Climate-related scenario		Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Transition scenarios	IEA NZE 2050	Company-wide	<Not Applicable>	KDP's has selected two scenarios against which to assess and analyze climate transition risks 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 2.5 °C scenario in order to understand how transition risks attributed to existing policies and stated policy ambitions will impact the business.
Physical climate scenarios	RCP 8.5	Company-wide	<Not Applicable>	KDP's has selected two scenarios against which to assess and analyze climate change impacts to the business over the medium-term (2030) and long-term (2050). The business has selected to analyze a 2.0 °C scenario in order to better understand physical risks attributed to the climate change in line with minimal global warming will impact the business. KDP has also analyzed a 4.5 °C scenario in order to understand how physical risks attributed to climate change in line with severe global warming will impact our supply chain and own operations.
Transition scenarios	IEA STEPS (previously IEA NPS)	Company-wide	<Not Applicable>	KDP's has selected two scenarios against which to assess and analyze climate transition risks 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 2.5 °C scenario in order to understand how transition risks attributed to existing policies and stated policy ambitions will impact the business.
Physical climate scenarios	RCP 2.6	Company-wide	<Not Applicable>	KDP's has selected two scenarios against which to assess and analyze climate change impacts to the business over the medium-term (2030) and long-term (2050). The business has selected to analyze a 2.0 °C scenario in order to better understand physical risks attributed to the climate change in line with minimal global warming will impact the business. KDP has also analyzed a 4.5 °C scenario in order to understand how physical risks attributed to climate change in line with severe global warming will impact our supply chain and own operations.

C3.2b

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

Row 1

Focal questions

KDP has selected four scenarios (two physical and two transition) 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 both 1.5 °C and 2.5 °C scenarios in order to better understand how transition risks attributed to varying levels of climate policy and government regulation will impact the business. KDP has analyzed both 2 °C and 4.5 °C scenarios in order to understand how physical risks attributed to climate change will impact our supply chain and own operations.

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

KDP's analysis of both 1.5 °C and 2.5 °C scenarios identify potential risks associated with accelerated decarbonization of energy resources which could impact sourcing costs for energy intensive agricultural commodities and low carbon forms of energy, including transportation fuels, on a 2030-time horizon. Over the long-term (2050), further decarbonization requirements may impact carbon pricing as well as investments in low carbon transportation. As a result, KDP took action to perform a fleet electrification analysis in 2022, which considered the technical and economic feasibility of both zero emissions electric delivery trucks, as well as associated electric vehicle charging infrastructure. This analysis will help KDP to identify near-term and long-term opportunities for fleet decarbonization, as well as geographic prioritization of infrastructure investments. Additionally, KDP's transition risk analysis identified the potential risk of new or increasing carbon prices which could increase the price of key packaging materials such as plastics. Likewise, new or increasing plastics regulations (bans on plastic or recycled content requirements) could potentially impact the availability of post-consumer plastic resins, thus further increasing the price of packaging materials.

KDP's analysis of both 2.0 °C and 4.5 °C scenarios identify potential risks associated with agricultural commodity sourcing, manufacturing, and distribution attributed to changing weather patterns and extreme weather events on a 2030-time horizon. Over the long-term (2050) these risks are likely to increase as extreme weather events become more common, exacerbating impacts to manufacturing, upstream and downstream value chains. For example, future droughts under higher temperature scenarios may harm coffee and corn production and thereby drive up prices for these key ingredients.

C3.3

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

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	KDP acknowledges that demonstrating continued improvement and delivering on opportunities to reduce emissions associated with our products and services is important to our stakeholders, including consumers. Climate-related risks and opportunities have influenced several key environmental sustainability strategies and goals set by the company over multi-year time horizons, including those related to product and packaging design. Our sustainable packaging strategy responds to the identified opportunity to reduce emissions from packaging representing 21% of KDP's Scope 3 emissions. Three examples of strategic decisions KDP has made with regard to our products and packaging include: (1) reduced packaging material impact by changing the material in our K-Cup ® pods from a multi-layer plastic to polypropylene which we accomplished over the time horizon 2014 to 2020 when 100% of our pods were converted; (2) Sourced rPET to complete the transition of Core Hydration, 16 oz. Snapple and Aguafiel varieties to bottles made of 100% recycled plastic. Bottles made with rPET produce about 30% less GHG emissions compared to bottles made of virgin plastic, in addition to reducing our use of virgin plastic.; and (3) helping our customers to reduce their energy usage and greenhouse gas emissions through our coffee brewer default settings that save energy.
Supply chain and/or value chain	Yes	Climate-related risks and opportunities have influenced KDP's strategy as it relates to our supply chain. Coffee is a significant agricultural raw material for our coffee systems business (which contributed 35% of 2022 net sales and 51% of 2022 income from operations for KDP) and climate change is having obvious impacts on the success of coffee cultivation and thus on the livelihoods of coffee farmers. For example, KDP purchases supply chain risk data that includes climate impact and resilience data for the countries of origin of our key raw materials. This data helps us to understand where we have supply chains that operate in high-risk environments. For coffee, the data show that the risk of quality and supply disruptions is high within most countries of origin over the next 20-50 years. An example of a substantial strategic decision in this area is our commitment to 100% responsibly sourced coffee, a goal we met over the time horizon of 2014 to 2020, and an achievement that we have maintained ongoing. During 2021 and 2022, a small amount of coffee was received as conventional (0.38% and 0.36%, respectively) due to COVID-19 impacts, supplier error or shipping delays. We use third-party certification or verification programs to safeguard fundamental social, environmental, and economic protections. At the end of 2022, our accepted third-party partner programs were Fairtrade International, Fair Trade USA, Rainforest Alliance, 4C, ofi AtSource and Great Lakes Coffee MaxTRACE. KDP recognizes that regenerative agriculture and conservation actions are key drivers for protecting, restoring, and managing natural resources to support the resilience of supply chains. Smart agricultural practices contribute to soil health, water quality and quantity improvements, biodiversity, and farmer resilience, while also reducing carbon impacts. In 2021, we committed to a new goal of supporting conservation and regenerative agriculture on 250,000 acres of land by 2030, which represents approximately 50% of the land used to grow KDP's coffee, corn (for high-fructose corn syrup) and apple. Our supplier engagement strategy reflects the need for value chain alignment to science-based emissions reduction targets. We are working to engage suppliers and bottlers representing 50% of our Scope 3 emissions to set their own SBTs and, in 2022, our engagement was at 44%.
Investment in R&D	Yes	KDP acknowledges that demonstrating continued improvement and delivering on opportunities to increase climate resiliency is important to our stakeholders and can potentially contribute business benefit. One example of a strategic decision influenced by climate scenario analysis is our investment in agricultural R&D for coffee. To help farmers better adapt to the growing stressors of climate change and declining productivity, World Coffee Research (WCR) is conducting research and accelerating new approaches to grow, protect and enhance supplies of quality coffee. KDP is a co-founder and long-term supporter of WCR and in 2021 committed $1 million over the next four years in funding to make coffee farming more profitable and resilient to climate change. The grant supports developing and testing future coffee tree varieties on a global scale for field performance and quality. It will also support improving the seed and nursery infrastructure to get healthy, new trees into the hands of farmers that need them.
Operations	Yes	Climate-related risks and opportunities have influenced KDP's strategy as it relates to our operations. For example, as we invest in infrastructure, we have focused on sustainably built facilities. Our K-cup pod manufacturing site in Spartanburg, South Carolina, is the largest industrial manufacturing facility certified under the LEEDv4 BD+C rating system in North America, and it includes a separation room that moves all waste from production to be recycled, reused, repurposed or converted to energy. Additionally, our high-speed cold beverage production facility in Allentown, Pennsylvania, incorporates sustainability focused design, including a central room with magnetic bearing chillers that provide cooling for air conditioning as well as chilled water for production processes, a highly energy-efficient approach. Our Frisco, Texas headquarters location is LEED v4 ID+C Gold certified, and our Newbridge, Ireland manufacturing facility is focused on renewable energy sources, with 100% of its energy provided by wind in 2022. Additionally, in 2022 we expanded renewable electricity procurement activities to source 74% of our electricity needs from renewable resources, a 12-point improvement versus 2021. As part of the analysis supporting our science-based target, we have modeled fleet efficiency as a long-term strategy to 2030. Emissions from our combined fleet were about 45% of our Scope 1 and 2 emissions in 2022. Converting to more fuel-efficient technologies may provide an opportunity to reduce emissions. An example of a substantial strategic decision in this area is that as we closed a two-year pilot of electric forklifts in our Jacksonville, Florida, and Dallas, Texas, distribution centers, which reduced each facility's forklift fleet emissions by 67%. We committed to phase in electric forklifts across all distribution centers and warehouses by 2026, while exploring new and emerging technologies for broader fleet decarbonization at scale, including the heavy-duty trucks that distribute our beverages. In 2022, KDP also took delivery of its first electric delivery truck in Canada, with plans to take delivery of additional electric vehicles in 2023. KDP intends to learn from these early deployments to help accelerate broader electric vehicle implementation in pursuit of lowering transportation emissions.

C3.4

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

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Capital expenditures Capital allocation	Unseasonable or unusual weather, natural disasters or long-term climate changes could add volatility to commodity prices and have the potential to disrupt the availability of raw materials, energy and fuel, our ability to produce our products and may result in reduced demand for our products, which may have a negative effect on our business and financial performance. Global climate change poses a threat to communities, businesses, farmers and ecosystems across the world. Climate change is already affecting the agricultural sector, and disruptions to crop growing conditions are expected to increase with extreme weather events, increasing temperatures, and changing water availability. Water is the main ingredient in substantially all of our products. Climate change may cause water scarcity and a deterioration of water quality in areas where we maintain operations. The competition for water among domestic, agricultural and manufacturing users is increasing in the countries where we operate, and as water becomes scarcer or the quality of the water deteriorates, we may incur increased production costs or face manufacturing constraints which could negatively affect our business and financial performance. Even where water is widely available, water purification and waste treatment infrastructure limitations could increase costs or constrain our operations. We are also faced with the impact of disruptions to crop growing conditions as a result of changing weather patterns, which can cause changes in geographical ranges of crops, as well as weeds, diseases and pests that affect those crops. These impacts may limit availability or increase the price volatility of key agricultural commodities, such as coffee, corn and tea, which are important sources of ingredients for our products. Concern over climate change, including global warming, has led to legislative and regulatory initiatives directed at limiting greenhouse gas emissions. For example, proposals that would impose mandatory requirements on greenhouse gas emissions continue to be considered by policy makers in the countries in which we will operate. Laws enacted that directly or indirectly affect our production, distribution, packaging, cost of raw materials, fuel, ingredients and water could all negatively impact our business and financial results.

C3.5

(C3.5) In your organization’s financial accounting, do you identify spending/revenue that is aligned with your organization’s climate transition?

	Identification of spending/revenue that is aligned with your organization’s climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
Row 1	No, and we do not plan to in the next two years	<Not Applicable>

C4. Targets and performance

C4.1

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

C4.1a

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

Target reference number
Abs 1

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

Target ambition
Well-below 2°C aligned

Year target was set
2020

Target coverage
Company-wide

Scope(s)
Scope 1
Scope 2

Scope 2 accounting method
Market-based

Scope 3 category(ies)
<Not Applicable>

Base year
2018

Base year Scope 1 emissions covered by target (metric tons CO2e)
273576

Base year Scope 2 emissions covered by target (metric tons CO2e)
137560

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)
<Not Applicable>

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

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)
411136

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1
100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2
100

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)
<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)
<Not Applicable>

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

Target year
2030

Targeted reduction from base year (%)
30

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

Scope 1 emissions in reporting year covered by target (metric tons CO2e)
298188

Scope 2 emissions in reporting year covered by target (metric tons CO2e)
57680

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

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

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

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

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)
355868

Does this target cover any land-related emissions?
No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

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

Target status in reporting year
Underway

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

Plan for achieving target, and progress made to the end of the reporting year
As outlined in KDPs 2022 annual Corporate Responsibility Report: Pursuing energy efficiency and energy reduction for our operations and products; Decarbonizing our fleet; Continuing our transition to low carbon energy

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

Target reference number
Abs 2

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

Target ambition
2°C aligned

Year target was set
2020

Target coverage
Company-wide

Scope(s)
Scope 3

Scope 2 accounting method
<Not Applicable>

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

Base year
2018

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

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

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)
1020442

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)
97291

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)
481603

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)
390703

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)
<Not Applicable>

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

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

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1
<Not Applicable>

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2
<Not Applicable>

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)
25.747

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)
100

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)
100

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)
100

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)
<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)
22.59

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes
40.336

Target year
2030

Targeted reduction from base year (%)
15

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

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

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

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)
786057

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)
83121

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)
488178

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)
529557

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

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

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

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)
1866913

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)
1866913

Does this target cover any land-related emissions?
No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

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

Target status in reporting year
Underway

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

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

resilient farming to support farmer profitability.)

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

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?
Target(s) to increase low-carbon energy consumption or production
Other climate-related target(s)

C4.2a

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

Target reference number
Low 1

Year target was set
2019

Target coverage
Company-wide

Target type: energy carrier
Electricity

Target type: activity
Consumption

Target type: energy source
Renewable energy source(s) only

Base year
2018

Consumption or production of selected energy carrier in base year (MWh)
426297

% share of low-carbon or renewable energy in base year
28

Target year
2025

% share of low-carbon or renewable energy in target year
100

% share of low-carbon or renewable energy in reporting year
74

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

Target status in reporting year
Underway

Is this target part of an emissions target?
Yes

Is this target part of an overarching initiative?
RE100

Please explain target coverage and identify any exclusions
Coverage includes: all KDP owned and operated facilities' electricity consumption is included. Consumption is estimated for some small sites. No exclusions.

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

List the actions which contributed most to achieving this target
<Not Applicable>

C4.2b

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

Target reference number
Oth 1

Year target was set
2020

Target coverage
Company-wide

Target type: absolute or intensity
Absolute

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

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

Target denominator (intensity targets only)
<Not Applicable>

Base year
2018

Figure or percentage in base year
17.6

Target year
2024

Figure or percentage in target year
50

Figure or percentage in reporting year
44

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

Target status in reporting year
Underway

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

Is this target part of an overarching initiative?
Science Based Targets initiative – approved supplier engagement target

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

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

List the actions which contributed most to achieving this target
<Not Applicable>

C4.3

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

C4.3a

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

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	2	
To be implemented*	5	123
Implementation commenced*	6	230
Implemented*	13	573
Not to be implemented	1	

C4.3b

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

Initiative category & Initiative type

Energy efficiency in production processes	Compressed air

Estimated annual CO2e savings (metric tonnes CO2e)
223

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
45000

Investment required (unit currency – as specified in C0.4)
16100

Payback period
<1 year

Estimated lifetime of the initiative
11-15 years

Comment
Optimization of compressed air systems

Initiative category & Initiative type

Energy efficiency in production processes	Process optimization

Estimated annual CO2e savings (metric tonnes CO2e)
350

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 1
Scope 2 (location-based)
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
70778

Investment required (unit currency – as specified in C0.4)
14765

Payback period
<1 year

Estimated lifetime of the initiative
11-15 years

Comment
Optimization in coffee processing and packaging

C4.3c

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

Method	Comment
Dedicated budget for other emissions reduction activities	We annually budget for the purchase of RECs.
Financial optimization calculations	Internal teams conduct annual energy treasure hunts to identify and prioritize initiatives with the highest return on investment.

C4.5

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

C4.5a

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

Level of aggregation
Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon
Other, please specify (GaBi software used to inform and estimate)

Type of product(s) or service(s)
Please select

Description of product(s) or service(s)
Polypropylene recyclable K-Cup ® pods
(Check locally - not recycled in many communities)

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

Methodology used to calculate avoided emissions
Other, please specify

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

Functional unit used
Providing 64 ounces of consumed regular black bean coffee to a consumer in the United States in 2018

Reference product/service or baseline scenario used
Batch brew of 112 grams of ground coffee to produce 64 ounces of consumable coffee

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

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario
0.000016

Explain your calculation of avoided emissions, including any assumptions
Cradle-to-grave life cycle stages include coffee cultivation, processing, packaging, and distribution, in addition to energy use and end-of-life. Assumptions for baseline scenarios include brewing behavior, quantity of coffee grounds for brew, brewing energy, brewed coffee wasted, coffee grounds disposal, and packaging disposal.

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year
34

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?
No

C5.1a

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

Row 1

Has there been a structural change?
No

Name of organization(s) acquired, divested from, or merged with
<Not Applicable>

Details of structural change(s), including completion dates
<Not Applicable>

C5.1b

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

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	Yes, a change in methodology	Due to the publication of the SBTi's FLAG guidance, 2022 was the first year where FLAG emissions were accounted for. This involved using emission factors from sources different to previous years and accounting from the FLAG impacts of fiber-based packaging and ingredients.

C5.1c

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

	Base year recalculation	Scope(s) recalculated	Base year emissions recalculation policy, including significance threshold	Past years' recalculation
Row 1	No, because the impact does not meet our significance threshold	<Not Applicable>	KDP follows the guidelines in the World Resources Institute/World Business Council for Sustainable Development's Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) for adjusting the GHG inventory base year. The base year inventory (2018) will be adjusted in response to any structural or methodology changes if the resulting adjustment is more than 5% of base year emissions. Adjustments below this threshold are considered insignificant and will be decided case by case. The base year inventory will also be adjusted in response to any errors discovered or changes in quantification methodologies or emission factors. For a change in calculation methodology, the GHG inventory from the base year forward will be updated. For a data source methodology change, the GHG inventory from the base year forward will be updated. In the case of a merger or acquisition, the emissions from the facilities of the acquired entity will be added to the base year inventory. Base year emissions for acquired vessels and facilities will ideally be calculated using actual consumption data for the base year. If this is unavailable, the earliest year of data will be used and held constant back to the base year. When developing each annual inventory, KDP will evaluate whether any structural changes have occurred. KDP will identify the new facilities added during the previous year and will determine whether any of the new facilities are the result of acquisitions.	No

C5.2

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

Scope 1

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

273576

Comment

Scope 2 (location-based)

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

166484

Comment

Scope 2 (market-based)

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

137560

Comment

Scope 3 category 1: Purchased goods and services

Base year start

January 1 2018

Base year end

December 31 2018

Base year emissions (metric tons CO2e)

3963399

Comment

Scope 3 category 2: Capital goods

Base year start
January 1 2018

Base year end
December 31 2018

Base year emissions (metric tons CO2e)
35627

Comment

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

Base year start
January 1 2018

Base year end
December 31 2018

Base year emissions (metric tons CO2e)
97291

Comment

Scope 3 category 4: Upstream transportation and distribution

Base year start
January 1 2018

Base year end
December 31 2018

Base year emissions (metric tons CO2e)
481603

Comment

Scope 3 category 5: Waste generated in operations

Base year start
January 1 2018

Base year end
December 31 2018

Base year emissions (metric tons CO2e)
797

Comment

Scope 3 category 6: Business travel

Base year start
January 1 2018

Base year end
December 31 2018

Base year emissions (metric tons CO2e)
8324

Comment

Scope 3 category 7: Employee commuting

Base year start
January 1 2018

Base year end
December 31 2018

Base year emissions (metric tons CO2e)
52644

Comment

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start
January 1 2018

Base year end
December 31 2018

Base year emissions (metric tons CO2e)
1007135

Comment

Scope 3 category 10: Processing of sold products

Base year start
January 1 2018

Base year end
December 31 2018

Base year emissions (metric tons CO2e)
2632469

Comment

Scope 3 category 11: Use of sold products

Base year start
January 1 2018

Base year end
December 31 2018

Base year emissions (metric tons CO2e)
390703

Comment

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

Base year start
January 1 2018

Base year end
December 31 2018

Base year emissions (metric tons CO2e)
138531

Comment

Scope 3 category 13: Downstream leased assets

Base year start
January 1 2018

Base year end
December 31 2018

Base year emissions (metric tons CO2e)
700

Comment

Scope 3 category 14: Franchises

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 15: Investments

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.3

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

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
The Greenhouse Gas Protocol: Scope 2 Guidance
The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Standard

C6. Emissions data

C6.1

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

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)
298188

Start date
<Not Applicable>

End date
<Not Applicable>

Comment

C6.2

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

Row 1

Scope 2, location-based
We are reporting a Scope 2, location-based figure

Scope 2, market-based
We are reporting a Scope 2, market-based figure

Comment

C6.3

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

Reporting year

Scope 2, location-based
168450

Scope 2, market-based (if applicable)
57680

Start date
<Not Applicable>

End date
<Not Applicable>

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

5511255

Emissions calculation methodology

Average data method

Spend-based method

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

89

Please explain

Hot business: Coffee, packaging and brewer impact calculated from numbers purchased and LCA data for coffee production or for each type of packaging or brewer. Environmentally Extended Input-Output emission factors applied to expenditure (indirect spend) on other Purchased Goods and Services. Cold business: ingredients consist of physical footprints based upon LCA data by ingredient type and quantity purchased (Forest, Land and Agriculture impacts are accounted for where relevant). Packaging consists of physical footprints based upon LCA data by material type and quantity purchased (Forest, Land and Agriculture impacts are accounted for where relevant). Environmentally Extended Input-Output emission factors applied to expenditure (indirect spend) on other Purchased Goods and Services.

Capital goods

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

51757

Emissions calculation methodology

Spend-based method

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

0

Please explain

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

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

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

83121

Emissions calculation methodology

Average data method

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

100

Please explain

Upstream emissions from purchased fuels and electricity include generation and T&D emissions, and any other losses in this category. Emissions were calculated using activity data (electricity consumed and fuel consumption by fuel type) multiplied by country or region-specific emissions factors from UK Defra 2021 Guidelines for GHG Reporting and IEA 2022 factors, Green-e, and Government of Canada. FERA calculation is market-based.

Upstream transportation and distribution

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
488178

Emissions calculation methodology
Average data method
Distance-based method
Site-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
95

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

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

Waste generated in operations

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
9536

Emissions calculation methodology
Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
Supplier-reported operations waste total tonnages for various waste streams were multiplied by relevant emission factors per the GHG Protocol. Includes emissions associated with transportation to waste sites.

Business travel

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
1337

Emissions calculation methodology
Average data method
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
Air travel: Emissions from air travel are calculated using data on distance travelled categorized into long, medium and short haul. Miles by haul (short - <300 miles, medium - >=300 miles, <2300 miles and long - >=2300mies) were multiplied by the relevant EPA emissions factors.

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

Emission factors selected from US EPA, "Emission Factors for Greenhouse Gas Inventories," Table 10 Business Travel Emission Factors, March 26, 2020

Employee commuting

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
49103

Emissions calculation methodology
Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Employee Commute: Total number of days for employees working on-site in 2022 was multiplied by and an average distance of 11.8 miles per one-way trip (Source: 2017 National Household Travel Survey). It was assumed that 87% of the total trips made were by car (Source: 2020 National Household Travel Survey). Emission factors applied were adopted from US EPA 2022 (Emission factors for Greenhouse gas inventories, Version April 2022). Remote/Work-from-home emissions: Total number of days for employees working remotely in 2022 was multiplied by natural gas and electricity intensities to estimate energy consumption. Emission factors applied to natural gas were taken from US EPA 2022 (Emission factors for Greenhouse gas inventories, Version April 2022) while emissions associated with electricity use were calculated using IEA 2022, Green-e 2022, and eGRID2020 factors.

Upstream leased assets

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
KDP does not lease upstream assets

Downstream transportation and distribution

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
1115535

Emissions calculation methodology
Average product method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

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

Processing of sold products

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
2876039

Emissions calculation methodology
Average product method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

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

Use of sold products

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
529557

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

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

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

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

End of life treatment of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

157149

Emissions calculation methodology

Average product method

Waste-type-specific method

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

42

Please explain

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

Cold business: packaging EOL treatment has been estimated from the weight of purchases multiplied by the EOL EFs of the representative products of those materials and estimates of the EOL destination.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

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

Franchises

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

KDP does not have franchises

Investments

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

Investments are not a material contribution to our Scope 3 emissions. KDP holds non-controlling investments in certain privately held entities which are accounted for as equity method investments, equity securities with readily determinable fair value, or equity securities without readily determinable value. KDP ownership interests for investments in unconsolidated affiliates are less than 50 percent.

Other (upstream)

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Not applicable

Other (downstream)

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Not applicable

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

(C-AC6.8/C-FB6.8/C-PF6.8) Is biogenic carbon pertaining to your direct operations relevant to your current CDP climate change disclosure?
No

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

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

Agricultural commodities
Other, please specify (Coffee)

Do you collect or calculate GHG emissions for this commodity?
Yes

Reporting emissions by
Total

Emissions (metric tons CO2e)
788915

Denominator: unit of production
<Not Applicable>

Change from last reporting year
About the same

Please explain
Total weight of raw coffee purchased was multiplied by an emission factor extracted from the GaBi database for coffee cultivation to give total agriculture emissions for coffee used in the hot business.

Explain why you do not calculate GHG emission for this commodity and your plans to do so in the future
<Not Applicable>

Agricultural commodities
Other, please specify (Apples)

Do you collect or calculate GHG emissions for this commodity?
Yes

Reporting emissions by
Total

Emissions (metric tons CO2e)
16718

Denominator: unit of production
<Not Applicable>

Change from last reporting year
Higher

Please explain
For Apples, we calculate emissions based on LCA results multiplied by purchased quantities for relevant types of products.

Explain why you do not calculate GHG emission for this commodity and your plans to do so in the future
<Not Applicable>

Agricultural commodities
Sugar

Do you collect or calculate GHG emissions for this commodity?
Yes

Reporting emissions by
Total

Emissions (metric tons CO2e)
82937

Denominator: unit of production
<Not Applicable>

Change from last reporting year
Higher

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

Explain why you do not calculate GHG emission for this commodity and your plans to do so in the future
<Not Applicable>

Agricultural commodities
Other, please specify (Corn)

Do you collect or calculate GHG emissions for this commodity?
Yes

Reporting emissions by
Total

Emissions (metric tons CO2e)
1357599

Denominator: unit of production
<Not Applicable>

Change from last reporting year
Higher

Please explain
For corn (high fructose corn syrup), estimates of the impacts of sugar and natural sweeteners were made based on LCAs of typical soft drink products multiplied by purchased quantities for relevant types of products.

Explain why you do not calculate GHG emission for this commodity and your plans to do so in the future
<Not Applicable>

C6.10

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

Intensity figure
0.0000253

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
355868

Metric denominator
unit total revenue

Metric denominator: Unit total
14057000000

Scope 2 figure used
Market-based

% change from previous year
14.5

Direction of change
Decreased

Reason(s) for change
Change in renewable energy consumption
Other emissions reduction activities
Change in revenue

Please explain
From 2021 to 2022, total Scope 1 and 2 (market-based) emissions decreased from 375,546 MTCO2e to 355,868 MTCO2e. From 2021 to 2022, total revenue (net sales) increased from 12,683,000,000 to 14,057,000,000. From 2021 to 2022, total Scope 1 and 2 intensity per unit total revenue decreased from 0.0000296 to 0.000253, a decrease of 14.5 percent ((0.0000253-0.000296/0.0000296) x 100%=-14.5%)).

C7. Emissions breakdowns

C7.1

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

C7.1a

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

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	296382	IPCC Fourth Assessment Report (AR4 - 100 year)
CH4	224	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	1582	IPCC Fourth Assessment Report (AR4 - 100 year)

C7.2

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

Country/area/region	Scope 1 emissions (metric tons CO2e)
United States of America	271325
Canada	8744
Mexico	16144
Ireland	1974

C7.3

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

C7.3a

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

Business division	Scope 1 emissions (metric ton CO2e)
Coffee Systems	31819
Beverage Concentrates and Packaged Beverages	250224
Latin America Beverages	16144

C7.3c

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

Activity	Scope 1 emissions (metric tons CO2e)
Manufacturing and Distribution (Stationary)	134628
Transportation and Distribution (Mobile)	162435

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

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

Yes

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

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

Activity
Processing/Manufacturing

Emissions category
<Not Applicable>

Emissions (metric tons CO2e)
134628

Methodology
Default emissions factor

Please explain

Activity
Distribution

Emissions category
<Not Applicable>

Emissions (metric tons CO2e)
162435

Methodology
Default emissions factor

Please explain

C7.5

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

Country/area/region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
United States of America	133576	27764
Canada	3009	6
Mexico	29783	29783
Hong Kong SAR, China	1.8	1.8
China	123	123
Singapore	2.6	2.6
Ireland	1955	0
Switzerland	1.1	0.8

C7.6

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

By business division

By activity

C7.6a

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

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Coffee Systems	33010	128
Packaged Beverages and Beverage Concentrates	105659	27769
Latin America Beverages	29783	29783

C7.6c

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

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Manufacturing and Distribution (Stationary Sources)	168450	57680
Transportation and Distribution (Mobile Sources)	0	0

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

No

C7.9

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

Decreased

C7.9a

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

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	23411	Decreased	6.58	Application of renewable electricity to address scope 2 emissions have resulted in an incremental reduction of 23,411.000 metric ton of GHGs over the previous reporting year. The change in emissions of additional renewable electricity between the current reporting year and 2021 was calculated as (-23,411 tCO2e /355,868 tCO2e) * 100 = -6.58%.
Other emissions reduction activities	573	Decreased	0.16	Improvement in process efficiency as a result of projects implemented in 2022 have reduced scope 1 and 2 emissions by 573 metric tons (-573 tCO2e/355,868 tCO2e) * 100= 0.16%
Divestment		<Not Applicable>		
Acquisitions		<Not Applicable>		
Mergers		<Not Applicable>		
Change in output		<Not Applicable>		
Change in methodology		<Not Applicable>		
Change in boundary		<Not Applicable>		
Change in physical operating conditions		<Not Applicable>		
Unidentified		<Not Applicable>		
Other		<Not Applicable>		

C7.9b

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

Market-based

C8. Energy

C8.1

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

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

C8.2

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

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

C8.2a

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

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	47	1398053	1398100
Consumption of purchased or acquired electricity	<Not Applicable>	388704	137461	526165
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>		<Not Applicable>	
Total energy consumption	<Not Applicable>	388751	1535514	1924265

C8.2b

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

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

C8.2c

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

Sustainable biomass

Heating value
HHV

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
0

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Other biomass

Heating value
HHV

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
0

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Other renewable fuels (e.g. renewable hydrogen)

Heating value
HHV

Total fuel MWh consumed by the organization
47

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
0

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Coal

Heating value
HHV

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
0

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Oil

Heating value
HHV

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
0

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

Gas

Heating value
HHV

Total fuel MWh consumed by the organization
733543

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
0

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

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

Heating value
HHV

Total fuel MWh consumed by the organization
664510

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
0

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

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

Total fuel

Heating value
HHV

Total fuel MWh consumed by the organization
1398100

MWh fuel consumed for self-generation of electricity
<Not Applicable>

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
0

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
<Not Applicable>

Comment

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	0	0	0	0
Heat	733543	733543	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

C8.2g

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

Country/area
United States of America

Consumption of purchased electricity (MWh)
420060

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
No

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

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

Country/area
Canada

Consumption of purchased electricity (MWh)
25719

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
No

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

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

Country/area
Mexico

Consumption of purchased electricity (MWh)
74512

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
No

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

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

Country/area
Ireland

Consumption of purchased electricity (MWh)
5622

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
No

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

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

Country/area
China

Consumption of purchased electricity (MWh)
199

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
No

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

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

Country/area
Hong Kong SAR, China

Consumption of purchased electricity (MWh)
3

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
No

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

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

Country/area
Switzerland

Consumption of purchased electricity (MWh)
44

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
No

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

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

Country/area
Singapore

Consumption of purchased electricity (MWh)
7

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
No

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

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

C8.2h

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

Country/area of consumption of purchased renewable electricity
United States of America

Sourcing method
Unbundled procurement of Energy Attribute Certificates (EACs)

Renewable electricity technology type
Renewable electricity mix, please specify

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)
277328

Tracking instrument used
US-REC

Country/area of origin (generation) of purchased renewable electricity
United States of America

Are you able to report the commissioning or re-powering year of the energy generation facility?
Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2008

Vintage of the renewable energy/attribute (i.e. year of generation)
2022

Supply arrangement start year
2022

Additional, voluntary label associated with purchased renewable electricity
Green-e

Comment
RECs purchased are Green-e Certified under the Renewable Energy Standard for Canada and the United States v3.5 as published by Center for Resource Solutions. RECs qualifying under the Renewable Energy Standard come from generation facilities that first began commercial operation within the past 15 years. Therefore, the commissioning year of assets generating qualified RECs has been conservatively estimated as 2008 or later, although actual dates may vary as RECs are purchased from a mix of assets. Eligible hydroelectric facilities are defined in the Green-e® Renewable Energy Standard For Canada and the United States (www.green-e.org/standard) and include facilities certified by the Low Impact Hydropower Institute (LIHI) (www.lowimpacthydro.org) or EcoLogo (www.ecologo.org); and facilities comprised of a turbine in a pipeline or a turbine in an irrigation canal.

Country/area of consumption of purchased renewable electricity
Canada

Sourcing method
Unbundled procurement of Energy Attribute Certificates (EACs)

Renewable electricity technology type
Wind

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)
25719

Tracking instrument used
US-REC

Country/area of origin (generation) of purchased renewable electricity
United States of America

Are you able to report the commissioning or re-powering year of the energy generation facility?
Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2008

Vintage of the renewable energy/attribute (i.e. year of generation)
2022

Supply arrangement start year
2022

Additional, voluntary label associated with purchased renewable electricity
Green-e

Comment
RECs purchased are Green-e Certified under the Renewable Energy Standard for Canada and the United States v3.5 as published by Center for Resource Solutions. RECs qualifying under the Renewable Energy Standard come from generation facilities that first began commercial operation within the past 15 years. Therefore, the commissioning year of assets generating qualified RECs has been conservatively estimated as 2008 or later, although actual dates may vary as RECs are purchased from a mix of assets. Eligible hydroelectric facilities are defined in the Green-e® Renewable Energy Standard For Canada and the United States (www.green-e.org/standard) and include facilities certified by the Low Impact Hydropower Institute (LIHI) (www.lowimpacthydro.org) or EcoLogo (www.ecologo.org); and facilities comprised of a turbine in a pipeline or a turbine in an irrigation canal.

Country/area of consumption of purchased renewable electricity
United States of America

Sourcing method
Retail supply contract with an electricity supplier (retail green electricity)

Renewable electricity technology type
Wind

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)
80082

Tracking instrument used

Contract

Country/area of origin (generation) of purchased renewable electricity
United States of America

Are you able to report the commissioning or re-powering year of the energy generation facility?
Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2008

Vintage of the renewable energy/attribute (i.e. year of generation)
2022

Supply arrangement start year
2022

Additional, voluntary label associated with purchased renewable electricity
Green-e

Comment
RECs purchased are Green-e Certified under the Renewable Energy Standard for Canada and the United States v3.5 as published by Center for Resource Solutions. RECs qualifying under the Renewable Energy Standard come from generation facilities that first began commercial operation within the past 15 years. Therefore, the commissioning year of assets generating qualified RECs has been conservatively estimated as 2008 or later, although actual dates may vary as RECs are purchased from a mix of assets. Eligible hydroelectric facilities are defined in the Green-e® Renewable Energy Standard For Canada and the United States (www.green-e.org/standard) and include facilities certified by the Low Impact Hydropower Institute (LIHI) (www.lowimpacthydro.org) or EcoLogo (www.ecologo.org); and facilities comprised of a turbine in a pipeline or a turbine in an irrigation canal.

Country/area of consumption of purchased renewable electricity
Ireland

Sourcing method
Retail supply contract with an electricity supplier (retail green electricity)

Renewable electricity technology type
Wind

Renewable electricity consumed via selected sourcing method in the reporting year (MWh)
5622

Tracking instrument used
Contract

Country/area of origin (generation) of purchased renewable electricity
Ireland

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Vintage of the renewable energy/attribute (i.e. year of generation)
2022

Supply arrangement start year
2021

Additional, voluntary label associated with purchased renewable electricity
No additional, voluntary label

Comment

C8.2j

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

Country/area of generation
United States of America

Renewable electricity technology type
Solar

Facility capacity (MW)
0.52

Total renewable electricity generated by this facility in the reporting year (MWh)
543

Renewable electricity consumed by your organization from this facility in the reporting year (MWh)
0

Energy attribute certificates issued for this generation
Yes

Type of energy attribute certificate
US-REC

Comment

C8.2k

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

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

C8.2l

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

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

C9. Additional metrics

C9.1

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

Description
Waste

Metric value
92

Metric numerator
tons of waste diverted from landfill

Metric denominator (intensity metric only)
tons of waste generated

% change from previous year
0

Direction of change
No change

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

C10. Verification

C10.1

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

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

C10.1a

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

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
ERM CVS - Assurance Report for KDP Climate CDP 2023_13Jul2023_final.pdf

Page/ section reference
Pages 1 and 2

Relevant standard
ISAE3000

Proportion of reported emissions verified (%)
100

C10.1b

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

Scope 2 approach
Scope 2 location-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
ERM CVS - Assurance Report for KDP Climate CDP 2023_13Jul2023_final.pdf

Page/ section reference
Pages 1 and 2

Relevant standard
ISAE3000

Proportion of reported emissions verified (%)
100

Scope 2 approach
Scope 2 market-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
ERM CVS - Assurance Report for KDP Climate CDP 2023_13Jul2023_final.pdf

Page/ section reference
Pages 1 and 2

Relevant standard
ISAE3000

Proportion of reported emissions verified (%)
100

C10.1c

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

Scope 3 category
Scope 3: Employee commuting

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
ERM CVS - Assurance Report for KDP Climate CDP 2023_13Jul2023_final.pdf

Page/section reference
Pages 1 and 2

Relevant standard
ISAE3000

Proportion of reported emissions verified (%)
100

C10.2

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

C10.2a

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

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C8. Energy	Energy consumption	ISAE 3000	Total energy (MWhs), Total direct energy (MWhs), Total indirect energy (MWhs) ERM CVS - Assurance Report for KDP Climate CDP 2023_13Jul2023_final.pdf
C8. Energy	Renewable energy products	ISAE 3000	Renewable energy consumed (% of total energy) ERM CVS - Assurance Report for KDP Climate CDP 2023_13Jul2023_final.pdf

C11. Carbon pricing

C11.1

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

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

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?

Yes

C11.2a

(C11.2a) Provide details of the project-based carbon credits canceled by your organization in the reporting year.

Project type

Reforestation

Type of mitigation activity

Emissions reduction

Project description

Projet Forestier Pivot aims to foster sustainable forestry practices and reduce emissions from deforestation due to commercial logging and forest degradation in the Hereford Forest region of eastern Quebec and promotes the conservation and even enhancement of forest carbon by financially compensating owners of protected sites. This Quebec Forest carbon project, developed under the VCS standard by Ecotierra, is unique in Canada and the first of its kind in Quebec. Its activities include log to protected forest (LtPF), Extended Rotation Age (ERA), and Afforestation, Reforestation & Revegetation (ARR), and cover over 300 hectares of forest.

Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

2554

Purpose of cancellation

Voluntary offsetting

Are you able to report the vintage of the credits at cancellation?

Yes

Vintage of credits at cancellation

2018

Were these credits issued to or purchased by your organization?

Purchased

Credits issued by which carbon-crediting program

VCS (Verified Carbon Standard)

Method(s) the program uses to assess additionality for this project

Consideration of legal requirements

Investment analysis

Barrier analysis

Approach(es) by which the selected program requires this project to address reversal risk

Monitoring and compensation

Potential sources of leakage the selected program requires this project to have assessed

Activity-shifting

Market leakage

Provide details of other issues the selected program requires projects to address

As part of the verification process, PIVOT need to address for each case included the issues related to land ownership and rights over carbon credits, participation under other GHG programs, sustainable development contribution and project safeguards (including no net harm analysis and local stakeholders' consultations).

Comment

Project type
Community projects

Type of mitigation activity
Emissions reduction

Project description
Carbone Scol'ERE creates and trades Educational Carbon Credits (ECCs), which come from the education sector and represent GHG emissions avoided through measured and verified behavior changes and aims to ensure long-term maintenance of new eco-responsible lifestyle habits. Educational carbon credits® have a lasting effect and a dual value: they offset GHG emissions through the purchase of CO2 equivalents avoided, while helping to finance an innovative project that promotes environmental education and action among young Quebecers in the fight against climate change. The funds collected through the sale of the credits finance environmental education classes provided to schools located throughout the province of Quebec. Carbone Scol'ERE's educational carbon offsetting is the result of a unique approach recognized by an advisory committee headed by the Centre de recherche industrielle du Québec (CRIQ).

Credits canceled by your organization from this project in the reporting year (metric tons CO2e)
381

Purpose of cancellation
Voluntary offsetting

Are you able to report the vintage of the credits at cancellation?
Yes

Vintage of credits at cancellation
2018

Were these credits issued to or purchased by your organization?
Purchased

Credits issued by which carbon-crediting program
Other private carbon crediting program, please specify (Evaluation of educational carbon credits®: Carbone Scol'ERE's educational carbon credits® are the result of a process recognized by an advisory committee headed by the Centre de recherche industrielle du Québec (CRIQ Final Report, no. 640-PE47791))

Method(s) the program uses to assess additionality for this project
Consideration of legal requirements
Investment analysis
Barrier analysis
Market penetration assessment
Positive lists

Approach(es) by which the selected program requires this project to address reversal risk
No risk of reversal

Potential sources of leakage the selected program requires this project to have assessed
Other, please specify (No leakage anticipated)

Provide details of other issues the selected program requires projects to address

Comment

C11.3

(C11.3) Does your organization use an internal price on carbon?
No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?
Yes, our suppliers
Yes, our customers/clients
Yes, other partners in the value chain

C12.1a

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

Type of engagement
Innovation & collaboration (changing markets)

Details of engagement
Run a campaign to encourage innovation to reduce climate impacts on products and services

% of suppliers by number

% total procurement spend (direct and indirect)

% of supplier-related Scope 3 emissions as reported in C6.5
7.26

Rationale for the coverage of your engagement
World Coffee Research (WCR) is an industry-backed agricultural Research & Development organization focused on growing, protecting and enhancing coffee as a global crop. KDP was a founding member of WCR and is one of the organization's largest donors, having invested more than $3.8 million since 2012. KDP not only invests in WCR's work, but also contributes to its strategic direction by serving on the Board of Directors. Due to WCR's extensive, global network of partners, the impact of WCR's coffee agricultural research covers the majority of our green coffee origins.

Impact of engagement, including measures of success
A core element of WCR's research strategy is identifying and/or creating coffee varieties that will be climate resilient and disease resistant, while maintaining high productivity and quality. WCR also conducts the field work to test these varieties (for example, farmer field trials), addresses systemic barriers to adoption (for example, nursery infrastructure), and brings scientific rigor to other critical research (for example, pest and disease). During 2022, WCR continued its work to help preserve origin diversity by accelerating innovation for coffee agriculture and launching a breeding network in multiple strategically targeted geographies. KDP's support enables the long-term WCR research strategy to continue so that new knowledge and technologies can be delivered to coffee producers around the world.

Comment
This response pertains to our green coffee business only.

Type of engagement
Other, please specify

Details of engagement
Other, please specify (Include climate change in supplier selection / management mechanism)

% of suppliers by number
100

% total procurement spend (direct and indirect)
99.68

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

Rationale for the coverage of your engagement
For this section, we have focused the scope on green coffee. The rationale is that coffee is a significant agricultural raw material for our coffee systems business (which contributed 35% of 2022 net sales and 51% of 2022 income from operations for KDP) and is also one where climate change is having obvious impacts on the success of coffee cultivation and thus on the livelihoods of coffee farmers. For example, KDP purchases supply chain risk data that includes climate impact and resilience data for the countries of origin of our key raw materials. This data helps us to understand where we have supply chains that operate in high-risk environments. For coffee, the data show that the risk of quality and supply disruptions is high within most countries of origin over the next 20-50 years. This past year, we responsibly sourced 99.64% of our coffee through purchases of certified/verified sustainably sourced coffee (During 2022, supplier error and shipping delays resulted in a very small amount of conventional coffee deliveries). The rationale for coverage (i.e., percentage of suppliers and percentage total procurement spend) is based on the number of suppliers that participate in our responsible sourcing commitment and the % of spend represented by the 100% of our total volume that we purchased as Responsibly Sourced in 2021.

Impact of engagement, including measures of success
The partners we currently work with on our Responsible Sourcing Program are Fair Trade USA, Fairtrade International, Rainforest Alliance, 4C, ofi AtSource Entry Verified and Great Lakes Coffee MaxTRACE. Each of these programs includes specific water- and climate-smart agricultural practices as part of meeting the required standards. In order to sell coffee to KDP (and other buyers seeking sustainably sourced coffee), suppliers must achieve and maintain compliance, including the criteria focused on climate. The information requested of suppliers relates specifically to the compliance criteria and codes of practice required by each program. They include data around climate change adaptation and mitigation (e.g., soil management, shade cover, farm management plans, etc.). This information feeds the compliance status of each farm/group, which is what KDP relies on in order to purchase 'responsibly sourced' coffee from that farm/group. Success for KDP is measured by the % of responsibly sourced coffee that is delivered to us each fiscal year (99.64% in 2022). Success at the farm level is measured by the actual performance metrics around climate-smart agriculture. KDP is also supporting coffee farms (via investments) to increase their climate- and water-smart practices and this work in turn supports farmers to achieve and maintain their compliance status with any relevant program.

Comment
This response pertains to our green coffee business only.

Type of engagement
Engagement & incentivization (changing supplier behavior)

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

% of suppliers by number
15.79

% total procurement spend (direct and indirect)

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

Rationale for the coverage of your engagement
KDP engages with coffee farmers throughout the regions from which it sources coffee. Climate change poses a significant risk to the coffee industry and will not only impact our ability to deliver the quality coffee that our consumers know and love but will have a significant impact on the communities where coffee is grown. As weather patterns change, the areas where it can be grown are being threatened, endangering future crops. KDP invests in agronomy programs that directly support farmer capacity-building to adapt to climate change. Since 2003, we've invested $72 million with partners towards efforts to improve livelihoods and one of our main focus areas for these investments is Climate Adaptation and Water Stewardship. For the coverage noted above, we used the % of our suppliers that source coffee for us from the farmer groups engaged in the referenced Climate Projects. The impact of these programs is to improve the resilience of coffee farmers and farms to risks associated with climate change.

Impact of engagement, including measures of success
The impact of these programs is to improve the resilience of coffee farmers and farms to risks associated with climate change. We measure success through common metrics such as the number of farmers who have adopted climate smart agricultural practices promoted by the project. Some examples of our Climate Projects are: (1) Blue Harvest Regenerative: KDP has invested more than $6.4 million in Blue Harvest over the last nine years to promote sustainable farming practices and increase access to clean water for coffee farmers and communities in Central America. This program has trained more than 4,500 farmers to apply water- and climate-smart practices on their coffee farms, protected more than 73,000 hectares of critical watersheds, and improved drinking water for more than 145,000 people. (2) KDP has supported Root Capital

to provide agronomic and climate resilience advisory services and climate action loans to coffee cooperatives in Colombia, Honduras, Indonesia, and Peru; in 2022 alone, nearly 18,000 farmers representing 27 cooperatives were supported. (3) Colombia Farmer Capacity Building (2 programs): Programs provide training to farmers on climate-smart agricultural practices and subsidize infrastructure to manage coffee wastewater, working with 4,700 farmers.

Comment
This response pertains to our green coffee business only.

Type of engagement
Engagement & incentivization (changing supplier behavior)

Details of engagement
Run an engagement campaign to educate suppliers about climate change
Provide training, support, and best practices on how to set science-based targets

% of suppliers by number
85

% total procurement spend (direct and indirect)

% of supplier-related Scope 3 emissions as reported in C6.5
50

Rationale for the coverage of your engagement
In 2020 KDP established an approved science-based target which includes a supplier engagement goal to engage bottlers and select suppliers representing 50% of Scope 3 emissions to set a science-based target by 2024

Impact of engagement, including measures of success
In 2022, suppliers contributing over 44% of KDP's Scope 3 inventory, within purchased goods and services, downstream transportation, processing of sold products and end-of-life treatment of sold products, had established science-based targets for climate.

Comment
The Scope 3 categories covered for bottler and supplier engagement are purchased goods and services, downstream transportation and distribution, processing of sold products and the end-of-life treatment of sold products will have science-based targets by 2024. KDP participates in the Supplier Leadership on Climate Transition program in which it provides suppliers with resources and training to support their own climate journeys, including inventory creation and management, as well as goal setting.

C12.1b

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

Type of engagement & Details of engagement

Education/information sharing	Share information about your products and relevant certification schemes (i.e. Energy STAR)

% of customers by number
100

% of customer - related Scope 3 emissions as reported in C6.5
9

Please explain the rationale for selecting this group of customers and scope of engagement
Walmart is an important customer and has led a charge to reduce supply chain emissions via its Project Gigaton. We joined the campaign as Keurig Green Mountain in FY17 and have retained “Giga-Guru” status as listed on their site: https://www.walmartsustainabilityhub.com/supplier-recognition. We regularly share sustainability information including our GHG footprint and efforts to reduce it during business meetings.

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

C12.1d

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

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

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

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

Going downstream from our operations in our value chain, we work with additional partners. KDP has taken action by making investments with partners that focus on challenges and appropriate solutions related to improving recycling access and infrastructure. Improving packaging solutions for product quality, consumer use, recoverability and reuse requires collaboration of all players along the value chain. Using our strength in forming partnerships, we collaborate closely with a number of industry groups, NGOs, investment firms and communities. For example, KDP was an initial investor in the $100 million Closed Loop Fund, which provides zero or low-interest loans to public and private entities to expand and enhance recycling infrastructure and sustainable manufacturing technologies. We have committed $10 million over 10 years to advance the circular economy, and our investment to date has supported such progress as keeping 2.3 million tons of material in circulation to date, and 5.3 million tons of greenhouse gas emissions avoided. The Coalitions' efforts are led by stakeholders across the polypropylene (PP) value chain who understand the importance of driving meaningful change and measurable impact for PP recovery and recycling. In the Coalition's short tenure, it has provided 36 grants totaling $8.8M that have supported sorting improvements and community education, ultimately impacting 28M people across the U.S. through improved recycling and enabling the recovery of 39M new pounds of PP recovered annually. In 2020, KDP was also the founding member and largest funder of The Recycling Partnership's Polypropylene Recycling Coalition with the mission of increasing and improving the recovery and recycling of polypropylene plastic in the U.S, through targeted infrastructure investment grants to municipal recycling facilities. This sponsorship supports KDP's broader efforts to reduce its plastic footprint through circular solutions and collaborations.

C12.2

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

Yes, climate-related requirements are included in our supplier contracts

C12.2a

(C12.2a) Provide details of the climate-related requirements that suppliers have to meet as part of your organization's purchasing process and the compliance mechanisms in place.

Climate-related requirement

Complying with regulatory requirements

Description of this climate related requirement

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, which includes compliance with applicable laws and regulations. Our Supplier Code of Conduct addresses compliance with law as well as environmental impact management (suppliers will measure and minimize the environmental impacts of their facilities and operations, including air and greenhouse gas emissions, water (whether in a production process, for irrigation, or for other uses), contamination of waste).

% suppliers by procurement spend that have to comply with this climate-related requirement

100

% suppliers by procurement spend in compliance with this climate-related requirement

Mechanisms for monitoring compliance with this climate-related requirement

Supplier self-assessment

Grievance mechanism/Whistleblowing hotline

Response to supplier non-compliance with this climate-related requirement

Retain and engage

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

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

Yes

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

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

Management practice reference number
MP1

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

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

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

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

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

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

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

Conservation - activities that help bring non-agricultural land into greater conservation protection or supporting an increased level of protection and/or stewardship actions on already conserved lands.

Cover cropping – utilizing cover crops between the traditional cash crop cultivation to ensure the ground is covered throughout the year.

Pollinator habitat support – Bolstering the habitat for native pollinators on/around the farm.

Your role in the implementation
Financial
Procurement

Explanation of how you encourage implementation
Financial: Funder of climate-change programs.
Procurement: Buyer of certified or verified coffees.

Climate change related benefit
Emissions reductions (mitigation)
Increasing resilience to climate change (adaptation)
Increase carbon sink (mitigation)
Reduced demand for fossil fuel (adaptation)
Reduced demand for fertilizers (adaptation)
Reduced demand for pesticides (adaptation)

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

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

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

C12.3

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

Row 1

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

Yes, we engage directly with policy makers
Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate
Yes, we fund organizations or individuals whose activities could influence policy, law, or regulation that may impact the climate

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

Yes

Attach commitment or position statement(s)

Climate Policy
KDP Climate Policy 2019 (5).pdf

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan

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

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

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

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

Collaborating with NGOs, leveraging their expertise and providing them with the resources they need to do their work.

Communicating openly with stakeholders about progress and challenges.

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

<Not Applicable>

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

<Not Applicable>

C12.3a

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

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

Supporting a circular economy requires leadership from companies and all levels of government to modernize and standardize recycling infrastructure. In the U.S., inadequate investment, a patchwork of regulations and lack of minimum performance standards across more than 9,000 recycling programs is preventing economies of scale in our recycling systems and confusing consumers. That is why KDP supports smart policy solutions focused on efficient and equitable ways to increase material recovery, while reducing the economic and environmental costs of disposal. It has been shown through models like the EPA WARM model, that recycling provides significant greenhouse gas avoidance benefits.

In 2022, KDP actively engaged advocating for the creation and successful implementation of EPR programs at the state (e.g., California, Colorado, New Jersey, New York, Oregon, and Washington) and federal level within the U.S. and at the provincial level in Canada. In addition, KDP supported enhanced recycling-related federal funding for collection and education as part of the implementation of the U.S. bipartisan Infrastructure Investment and Jobs Act, signed into law by U.S. President Biden in November 2021. KDP also supports pending federal legislation to improve the nation's collection and recycling infrastructure, including The Recycling and Composting Accountability Act and The Recycling Infrastructure and Accessibility Act of 2023.

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

Low-carbon products and services

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

Circular economy
Extended Producer Responsibility (EPR)

Policy, law, or regulation geographic coverage

National

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

United States of America

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

Support with no exceptions

Description of engagement with policy makers

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

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

<Not Applicable>

Have you evaluated whether your organization’s engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

No, we have not evaluated

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?

<Not Applicable>

C12.3b

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

Trade association
Other, please specify (American Beverage Association)

Is your organization’s position on climate change policy consistent with theirs?
Consistent

Has your organization attempted to influence their position in the reporting year?
Yes, we publicly promoted their current position

Describe how your organization’s position is consistent with or differs from the trade association’s position, and any actions taken to influence their position
As published on the ABA’s website, the association pursues a range of environmental initiatives and commitments, including reducing greenhouse gas emissions. "We're working to improve energy efficiency and reduce greenhouse gas emissions. Climate change affects us all. That’s why America’s beverage companies have worked to improve energy efficiency and reduce greenhouse gas emissions. From our factories to our fleets to our vending machines, we’ve made significant changes. And we’re committed to doing even more."

This position is consistent with the KDP Climate Policy, including our approach to emissions mitigation which includes "Reducing energy consumption and greenhouse gas emissions throughout our value chain benefits our bottom line and contributes to the shared effort to reduce climate change risks."

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

Describe the aim of your organization’s funding
<Not Applicable>

Have you evaluated whether your organization’s engagement with this trade association is aligned with the goals of the Paris Agreement?
No, we have not evaluated

Trade association
Other, please specify (National Coffee Association)

Is your organization’s position on climate change policy consistent with theirs?
Consistent

Has your organization attempted to influence their position in the reporting year?
Yes, we publicly promoted their current position

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

This is consistent with KDP's climate policy, including our approach to adaptation: "The greatest climate change risk we face relates to the impact on agricultural inputs. We commit to:
Accounting for climate change in supply chain planning and work with sourcing partners and programs that incorporate climate adaptation into their standards.

Providing adaptation and resilience training for our farmers in key supply chains to improve yields, optimize water use, diversify crops and adjust to changing local weather conditions.

Integrating climate smart agricultural practices into our ongoing efforts to improve livelihoods among our supply chain farmers and farming communities.

Investing in innovation and research to develop different varieties of plants that are better suited for changing climate and weather conditions.

Procuring renewable energy for all of our operations, prioritizing encouragement of new renewable energy development and positive impact of purchase.

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

Describe the aim of your organization’s funding
<Not Applicable>

Have you evaluated whether your organization’s engagement with this trade association is aligned with the goals of the Paris Agreement?
No, we have not evaluated

C12.3c

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

Type of organization or individual
Non-Governmental Organization (NGO) or charitable organization

State the organization or individual to which you provided funding
The Recycling Partnership

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

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

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?
No, we have not evaluated

Type of organization or individual
Non-Governmental Organization (NGO) or charitable organization

State the organization or individual to which you provided funding
World Coffee Research

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

Describe the aim of this funding and how it could influence policy, law or regulation that may impact the climate
KDP supports continued investment in World Coffee Research, driving agricultural innovation to enhance productivity of climate resilient farming to support farmer profitability.

From the WCR website:
"Through its "global leadership" function, WCR works to generate consensus on the most important challenges facing coffee (for which agricultural R&D can provide solutions), and to mobilize research on these challenges.

Questions WCR is engaging on this topic include:

What tools, methods, and data are needed to support more accurate carbon accounting at the farm level? (see below)
What types of coffee production systems will be needed in the near and medium-term future to support the world's urgent climate goals?
What are the barriers to shifting existing systems to the coffee agricultural systems of the future? How can variety improvement and enhanced productivity address some of these barriers?
Can the coffee plant itself contribute to carbon sequestration, e.g., through increased biomass?"

Have you evaluated whether this funding is aligned with the goals of the Paris Agreement?
No, we have not evaluated

C12.4

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

Publication
In voluntary sustainability report

Status
Complete

Attach the document
KDP-CR-Report-2022 (9).pdf

Page/Section reference
2022 Corporate Responsibility Report, Environment Section, pages 8-20

Content elements
Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization's role within each framework, initiative and/or commitment
Row 1	RE100 Sustainable Agriculture Initiative (SAI) Task Force on Climate-related Financial Disclosures (TCFD) UN Global Compact Other, please specify (WWF Climate Business Network)	KDP has made a commitment to RE100 with a goal of reaching 100% renewable electricity for all operations globally by 2025. KDP is a member of the Sustainable Agriculture Initiative. The TCFD framework is included in our annual reporting to increase transparency on climate-related risks and opportunities. KDP is a signatory to the UN Global Compact and align our ESG strategy to the principles of the UNGC framework.

C13. Other land management impacts

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

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

Yes

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

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

Management practice reference number

MP1

Overall effect

Positive

Which of the following has been impacted?

Biodiversity
Soil
Water
Yield

Description of impacts

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

Have any response to these impacts been implemented?

Yes

Description of the response(s)

Our investments in key supplier regions are enabling research, infrastructure, support tools, training in good agronomic practices, and more. Many of the management practices we support inherently result in better water management, which improved not only the environment, but also the livelihoods of our coffee farmers and their neighbors downstream. Water is an essential input across our value chain, from coffee trees to bean processing to brewing beverages. It is also critical to the resilience of coffee farmers and their communities. In fact, upwards of 9 million people in Central America depend on coffee lands for their water supply. Because coffee grows optimally at high altitudes in agroforestry systems, farmers have the opportunity and ability to be stewards of vital water resources for the entire watershed. Well-managed coffee systems can protect and restore watersheds that provide potable water for rural and urban communities downstream. This is the aim of the Blue Harvest program, an ongoing partnership coordinated by Catholic Relief Services (CRS), to which Keurig Dr Pepper, a founding funder, has invested more than $6.4 million over the last nine years to promote sustainable farming practices and increase access to clean water for coffee farmers and communities in Central America. This program has trained more than 4,500 farmers to apply water- and climate-smart practices on their coffee farms, protected more than 73,000 hectares of critical watersheds, and improved drinking water for more than 145,000 people.

C15. Biodiversity

C15.1

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

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

C15.2

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

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

C15.3

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

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment
No and we don’t plan to within the next two years

Value chain stage(s) covered
<Not Applicable>

Portfolio activity
<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity
<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)
<Not Applicable>

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment
No and we don’t plan to within the next two years

Value chain stage(s) covered
<Not Applicable>

Portfolio activity
<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity
<Not Applicable>

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)
<Not Applicable>

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity- sensitive areas in the reporting year?
Not assessed

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

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

C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

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

C15.7

(C15.7) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In voluntary sustainability report or other voluntary communications	Please select	2022 Corporate Responsibility Report Environment, pages, 8-20 Supply Chain, pages 21-29 Data Summary, pages 54-61 KDP-CR-Report-2022 (9).pdf

C16. Signoff

C-FI

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

C16.1

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

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

SC. Supply chain module

SC0.0

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

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

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

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

SC0.1

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

	Annual Revenue
Row 1	14057000000

SC1.1

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

SC1.2

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

Keurig Dr Pepper's annual Corporate Responsibility Report can be found here at keurigdrpepper.com

SC1.3

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

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

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?
No

SC1.4b

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

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

SC2.1

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

Requesting member
Costco Wholesale Corporation

Group type of project
Change to supplier operations

Type of project
Increased levels of purchased renewable energy

Emissions targeted
Actions that would reduce both our own and our customers' emissions

Estimated timeframe for carbon reductions to be realized
1-3 years

Estimated lifetime CO2e savings

Estimated payback
Please select

Details of proposal
collaborative participation in power purchase agreements or other renewable electricity opportunities

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?
No

SC4.1

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

No, I am not providing data

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

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

Please confirm below

I have read and accept the applicable Terms