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# A Letter from our Chief Executive Officer and Chief Corporate Affairs & Sustainability Officer



**TIM COFER**  
Chief Executive  
Officer



**MONIQUE  
OXENDER**  
Chief Corporate  
Affairs &  
Sustainability Officer

Everything we do at Keurig Dr Pepper (KDP) starts with our purpose. In 2024, we elevated our long-standing platform for corporate responsibility, **Drink Well. Do Good.**, as the ideal characterization of our company's purpose and a reflection of how and why our 29,000 employees contribute beyond the bottom line. With a vision to offer a beverage for every need, anytime and anywhere, KDP lives that purpose by delivering great brands, great experiences and great impact.

**KDP Impact** is our multi-year social and environmental agenda that supports both our company strategy and our purpose. You will find in the details of this 2024 Impact Report that our efforts are rooted in action, realized through partnerships and measured in results. We have further refined our focus and efforts to those areas of impact where we can create meaningful change as a leading beverage company. In these pages, you'll also find a clear account of robust governance structures, well-defined expected outcomes, intentionally designed roadmaps and continued progress toward our goals. We'll call out a few of the highlights:

- We continued to deliver on our commitments to responsibly source our coffee and cocoa — in fact, we were again the largest buyer of Fair Trade USA certified coffee for our owned and partner brands.
- We achieved our goal to provide more product choices - 60% of our portfolio now meets our definition of "positive hydration," — and continued our efforts to reduce added sugar across U.S. Refreshment Beverages — a 7% reduction since 2020.
- We designed 96% of our packaging to be recyclable or compostable and reduced our virgin plastic use by 17% compared to the 2019 baseline. We also unveiled our vision for the future with the Keurig K-Rounds plastic- and aluminum-free coffee pods and Keurig Alta brewer.
- We collaborated on projects in our highest water-risk operating communities to replenish 66% of the water used in our beverages.

## DRINK WELL. DO GOOD.

- **Great brands:** From familiar favorites to tomorrow's emerging essentials, we offer more than 125 iconic brands consumers love and trust.
- **Great experiences:** Our beverages enhance life's drinkable moments — turning a foggy morning into a brighter day, providing a treat at just the right moment and bringing us together with friends and family.
- **Great impact:** We make a positive difference on the lives we touch — our consumers, employees, business partners and communities — all supported by a rich, multi-year social and environmental agenda.

- We made steady progress for climate and nature action, achieving our Scope 3 supplier engagement goal, increasing the electricity obtained from renewable sources and attaining the halfway point of our regenerative agriculture and conservation goal.

Going forward, we remain dedicated to continuous improvement — adapting our approach as the landscape evolves and our work progresses. Several of our goals are coming due in 2025, and we are taking a thoughtful approach to our commitments and disclosures. This approach aims to balance changing compliance requirements, market realities and stakeholder expectations. We detail these choices and share our commitments for the future throughout the report. While the landscape and operating context may change, we continue to focus on action and impact where we can uniquely make a difference, whether through our business or through our strong partnerships.

As the disruptor in the beverage category, our world class team brings a challenger mindset to our Impact work, as they do across the business. We are always learning and improving — working to make a positive difference on the lives we touch.

# Our Company

KDP is a leading beverage company in North America, with a portfolio of more than 125 owned, licensed and partner brands and powerful distribution capabilities to provide a beverage for every need, anytime, anywhere. Our approximately 29,000 employees aim to enhance the experience of every beverage occasion and to make a positive impact for people, communities and the planet.

## NORTH AMERICAN CATEGORY LEADERSHIP IN 2024<sup>1</sup>



#1 single-serve coffee brewing systems in the U.S. and Canada



#1 flavored carbonated soft drinks (CSD) in the U.S. and Canada; #2 in Mexico



#2 premium waters in the U.S.;  
#1 mineral water in Mexico



#3 shelf-stable premium ready-to-drink teas in the U.S.

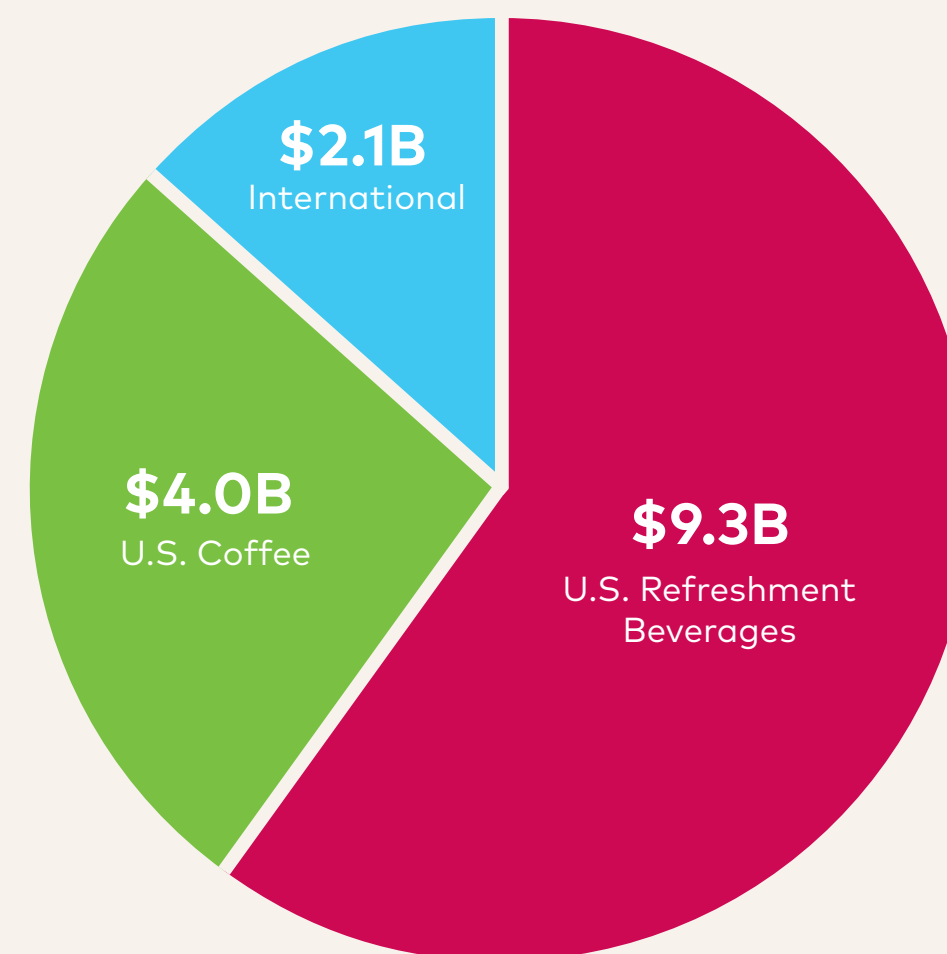


#1 apple juice in the U.S.; #1 tomato seafood cocktail in Canada and Mexico



#1 mixers in the U.S.; #1 low alcohol cocktail in Canada

## \$15.4B TOTAL NET SALES



## STRATEGIC FRAMEWORK

### Our Purpose

Drink Well. Do Good.

### Our Vision

A beverage for every need, anytime, anywhere

### Our Strategies

Champion  
consumer-obsessed  
brand building

Shape our  
now and next  
portfolio

Amplify our  
route to market  
advantage

Generate  
fuel for  
growth

Dynamically  
allocate  
capital

### Our Culture

Top beverage talent with a challenger mindset

Team First • Deliver Big • Think Bold • Be Fearless and Fair



## 2024 AWARDS & RECOGNITION

American Opportunity Index  
**Top 100 Employers** of Choice

CNBC JUST Capital  
**Most Just** Companies

Dow Jones **Best**  
in Class Index

Forbes America's  
**Best Large Employers**

Fortune's **Most**  
**Admired** Companies

Mexico Center of Philanthropy (ESR)'s **Best**  
**Socially Responsible Companies**

Canada's **Top**  
**100 Employers**

USA TODAY America's  
**Climate Leaders**

TIME **World's Best**  
Companies

Newsweek America's **Most**  
**Responsible** Companies





KDP Impact is our multi-year social and environmental agenda comprised of strategic initiatives that aim to make a positive impact with every drink. Rooted in action, realized through partnerships and measured in results, we focus our efforts in the areas where we can contribute to meaningful change.

#### KDP's seven Key Impact Areas are as follows:

- **Climate & Nature Action**
- **Water Use & Stewardship**
- **Packaging & Circular Economy**
- **Human Rights, Responsible Sourcing & Supply Chain Livelihoods**
- **Consumer Health & Well-Being**
- **Employee Health, Safety & Well-Being**
- **Corporate Governance & Ethics**

We are committed to transparency and disclosure of our strategies, programs, progress and governance.

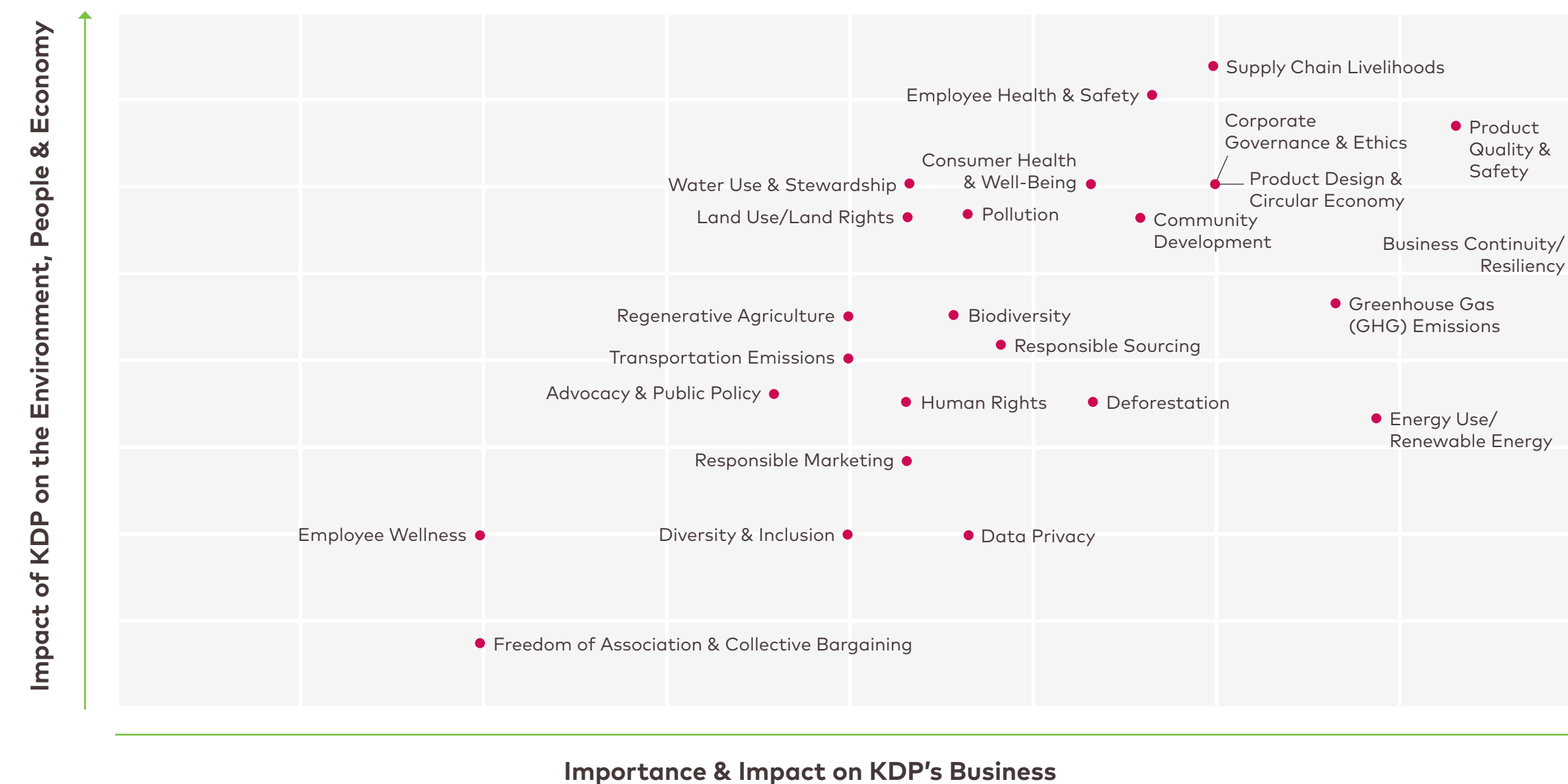
#### KDP IMPACT COMMITMENTS

We are proud of the significant progress we have made towards a range of goals set six years ago. In calendar year 2025, we have reached a natural and anticipated point of reflection and are evolving our commitments to be even more focused and specific in the areas where we are uniquely positioned to maximize action and impact. Our targets and disclosures are aligned to the recently updated ESG double materiality assessment and acknowledge operational and systemic realities. See our [KDP Impact Commitments Summary](#) for more information.

#### ESG MATERIALITY

In 2024, we performed an Environmental, Social and Governance (ESG) double materiality<sup>2</sup> analysis using guidance from the European Sustainability Reporting Standards (ESRS) to identify and understand the social and environmental issues that are most important to our organization and stakeholders. The outcome of this process was our ESG materiality matrix, which outlines a total of 25 topic areas that were mapped to over 100 impact, risk and opportunity statements scored by both internal and external stakeholders in relation to importance to the environment and society and impact to the business. We supplement this with our up-to-date understanding of our material ESG issues through ongoing dialogue and engagement with key stakeholders as well as continuous monitoring of evolving sustainability issues and macroeconomic events globally.

The high impact topics identified in our matrix remain aligned with our KDP Impact Areas and will continue to play a prominent role in our strategies and related programs and policies. We also use these responses to validate priorities and identify gaps while meeting disclosure standards.



#### THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

The UN SDGs were developed to address the global challenges facing our world and represent the transformative power of collective action. KDP Impact Areas are aligned with the UN SDGs most relevant to our business.



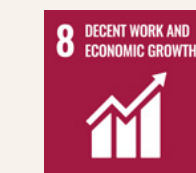
##### Zero Hunger



##### Good Health and Well-Being



##### Clean Water and Sanitation



##### Decent Work and Economic Growth



##### Responsible Consumption and Production



##### Climate Action



##### Partnerships for the Goals



# CLIMATE & NATURE ACTION

Climate and nature action is essential for addressing climate change and building resilience for communities and the future of our business.

## KEY HIGHLIGHTS

- **Achieved Goal:** Engaged bottlers and select suppliers representing 50% of Scope 3 emissions to set a science-based target
- 21% reduction in combined Scope 1 and 2 emissions, compared to the 2018 baseline
- 85% electricity obtained from renewable sources in 2024
- Increased KDP Canada's electric fleet inventory to 45 vehicles, representing nearly 20% of our total Canadian fleet
- Updated our 2030 GHG emissions-reduction targets validated by the Science-Based Target initiative (SBTi) to align to the Paris Agreement climate change goal of limiting global warming to well below 1.5°C above pre-industrial levels
- Supported regenerative agriculture and conservation on 129,013 acres of land since 2022, attaining the halfway point of our goal

**Read more:**

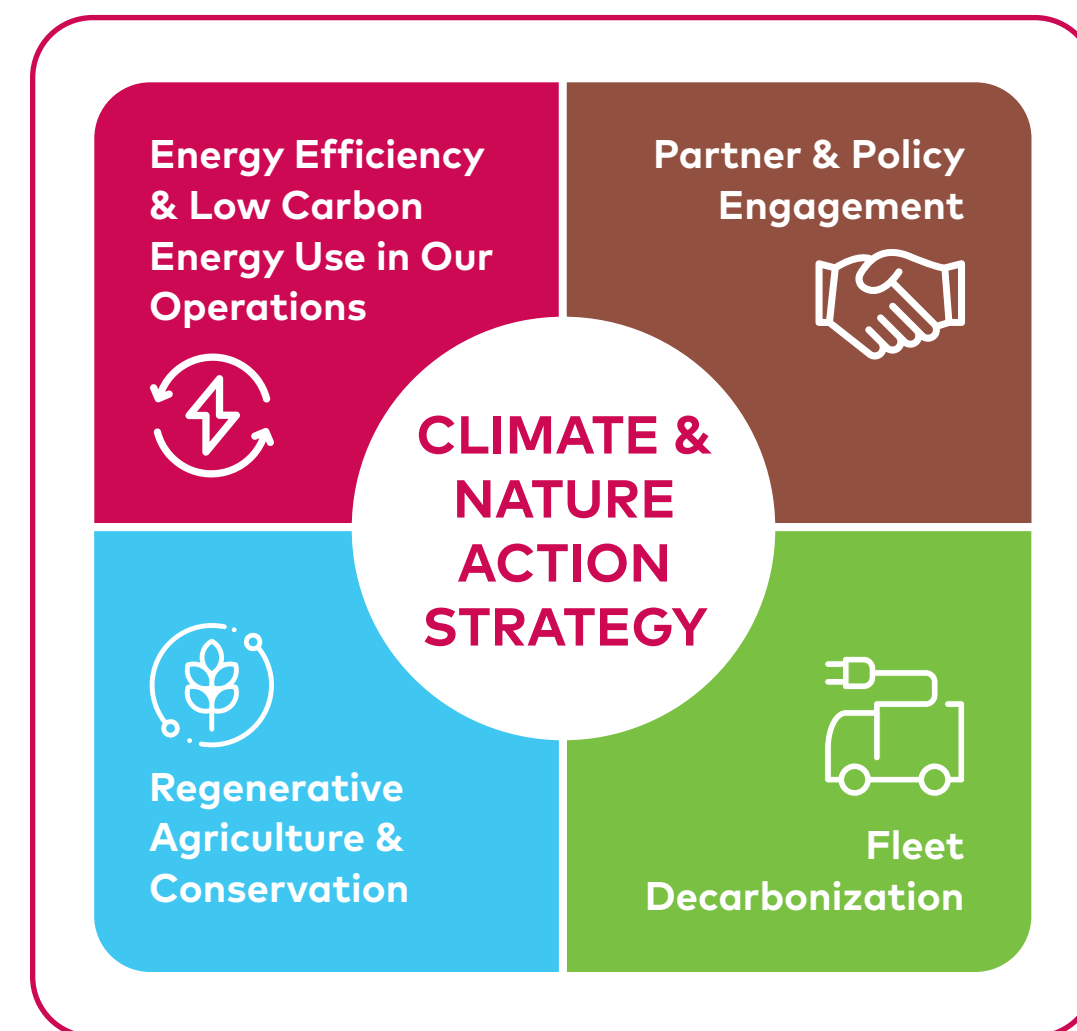
Goal Methodology & Progress Summary





# Strategy

As a leading beverage company, KDP recognizes the risks that climate change presents to people and the planet. Addressing climate change and its impacts on nature is complex and requires scalable systems changes. Core to our approach is the use of credible standards, robust disclosures, intentionally designed roadmaps to goals, public policy support and collective action.



We assess climate change risks most important to our business via a climate scenario analysis and a fleet operations assessment. This helps us identify opportunities and implement climate mitigation

measures for the communities and regions in which we operate. More details can be found in our [CDP Climate Disclosure](#) and our [Task Force on Climate-related Financial Disclosures](#) (TCFD).

Our efforts include pursuing energy efficiency in our operations and products and working to decarbonize portions of our fleet and manufacturing operations through renewable and low carbon energy sources and technologies. In addition, we focus on climate adaptation specifically in farming communities. Our approach is to work with partners to support regenerative agriculture and conservation initiatives within our coffee, corn and apple supply chains. A regenerative approach to agriculture production can create many benefits, such as enhancing soil health, improving water quality, mitigating deforestation and increasing biodiversity and ecosystem resilience. To measure progress toward our regenerative agriculture and conservation goal, we have developed an outcomes-based methodology outlined in KDP's [Regenerative Agriculture & Conservation Monitoring & Evaluation Guide](#).

Collective action is critical in addressing climate change impacts. Because Scope 3 emissions account for more than 97% of KDP's GHG emissions, we continue to engage with our value chain partners on a shared climate journey. We also know that governments play an essential role in addressing climate change. We join other corporate

leaders in acknowledging the important role we have in establishing and maintaining open dialogue with governments in support of healthy economies, substantial reductions in GHG emissions and robust adaptation measures. We support the creation of incentives in clean energy and transportation projects, along with initiatives to streamline permitting processes for the faster deployment of clean energy and enhanced grid resiliency.

## Management Approach

We leverage third-party standards and guidelines and collaborate with many industry organizations to inform our strategy, as well as comply with regulatory agency requirements to report our progress. KDP's cross-functional teams, including Procurement, Operations, Engineering, Marketing, Research & Development (R&D), Legal and Sustainability, collaborate to advance our climate and nature goals.

We have established several policies that outline our approach and reinforce our commitment to climate and nature action. They include KDP's [Environmental Policy](#), [Climate Policy](#), [Water Policy](#) and [Supplier Code of Conduct](#).

## Ongoing Challenges

- Mitigating and adapting to climate challenges, such as operational and supply chain disruptions, shortages of materials and risks to agriculture, food systems and communities
- Navigating the evolving policy and regulatory landscape for compliance and reporting
- Mapping a feasible glidepath to fleet decarbonization at scale in the U.S., given the lack of required technology, policy and infrastructure
- Meeting the growing reporting needs of our customers and partners as they manage their own climate and nature goals and regulatory requirements

## Future Opportunities

- Continuing to reduce resource use while increasing climate resiliency measures such as supporting regenerative agriculture and conservation
- Exploring new technology and electric heavy-duty trucks in support of fleet decarbonization
- Scaling decarbonization projects at manufacturing facilities through public-private partnerships and engaging suppliers to implement their own decarbonization activities
- Evaluating the interconnectivity of positive climate, nature and water benefits and looking to better integrate our measurement and reporting

## Read more:

[Water Use & Stewardship](#)
[Packaging & Circular Economy](#)
[Corporate Governance & Ethics](#)
[Glossary](#)
[Our Impact](#)



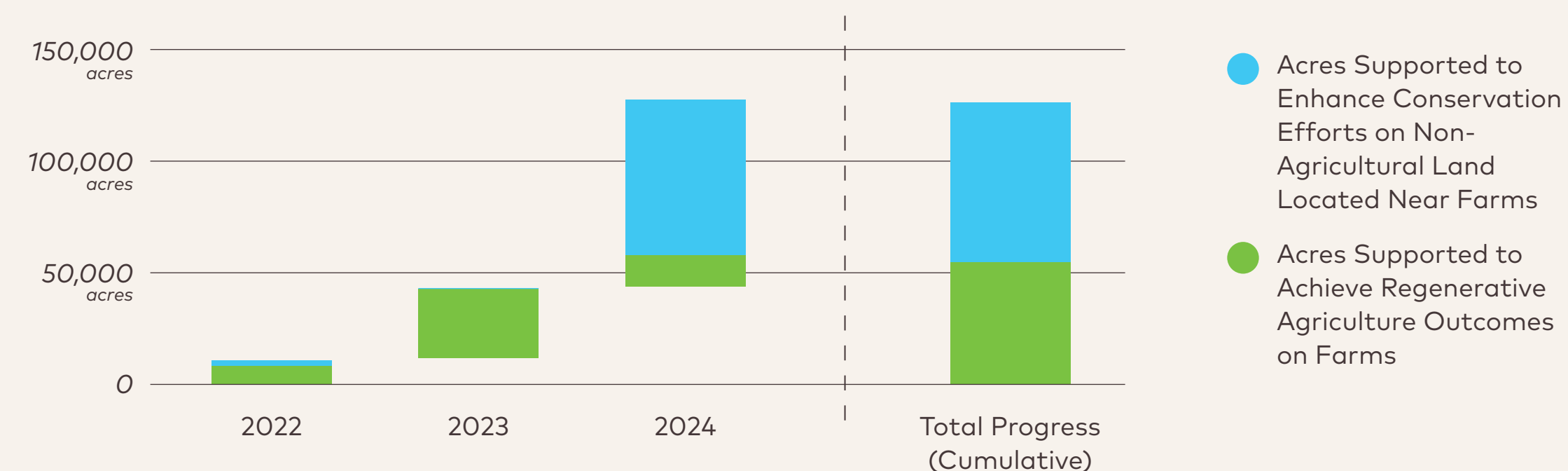
# 2024 Progress

In 2024, we continued our efforts toward our GHG emissions-reduction targets validated by the SBTi that are aligned to the Paris Agreement climate change goal of limiting global warming to well below 2°C above pre-industrial levels. We increased our electricity obtained from renewable sources to 85% in 2024, up from 83% in 2023. Our continued transition to renewables contributes in part to the reduction of our Scope 1 and 2 emissions compared to the 2018 baseline, which in 2024 totaled 21%. Our performance showed no change from 2023 due to an increase of total miles driven by our owned and operated fleet in the U.S. and Mexico, which was only partially offset by improvements in fuel efficiency. We also reduced emissions from our selected Scope 3 categories by 13% from the 2018 baseline. This was driven in part by improvements in our methodology, such as using supplier-specific activity data as well as using more current emissions factors. Importantly, we achieved our 2024 goal to engage bottlers and select suppliers representing 50% of Scope 3 emissions to set a science-based target. In 2025, and continuing in the future, we will continue to implement emissions-reducing initiatives, such as investing in energy efficiency infrastructure improvements, optimizing our fleet and accelerating the purchase of electricity obtained from renewable sources.

We have also committed to support regenerative agriculture and conservation on 250,000 acres of land by 2030 via targeted projects within our apple, coffee and corn supply chains<sup>3</sup>. At year-end 2024, we have supported a total of 129,013 acres contributing progress toward our goal.

## REGENERATIVE AGRICULTURE & CONSERVATION ACRES

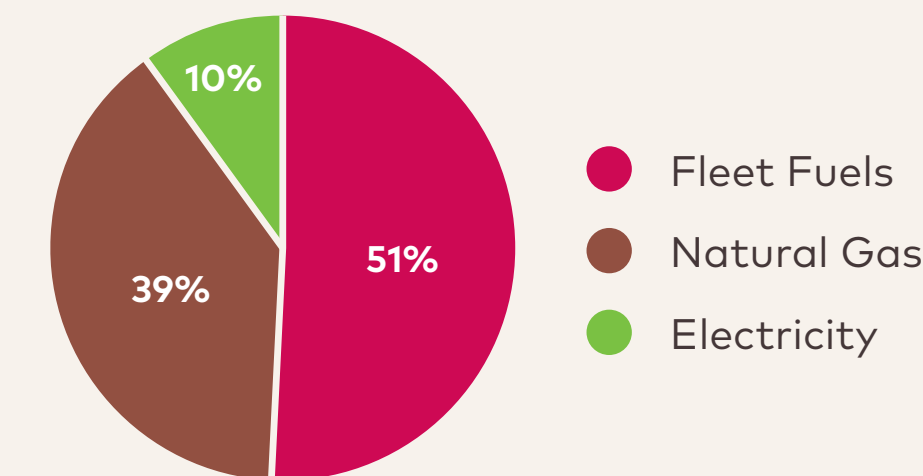
We continue to evaluate the interconnectivity of climate, nature and water benefits and are working to better integrate our measurement and reporting to ensure that progress from our broader environmental efforts is captured within our relevant climate, nature and water goals going forward.



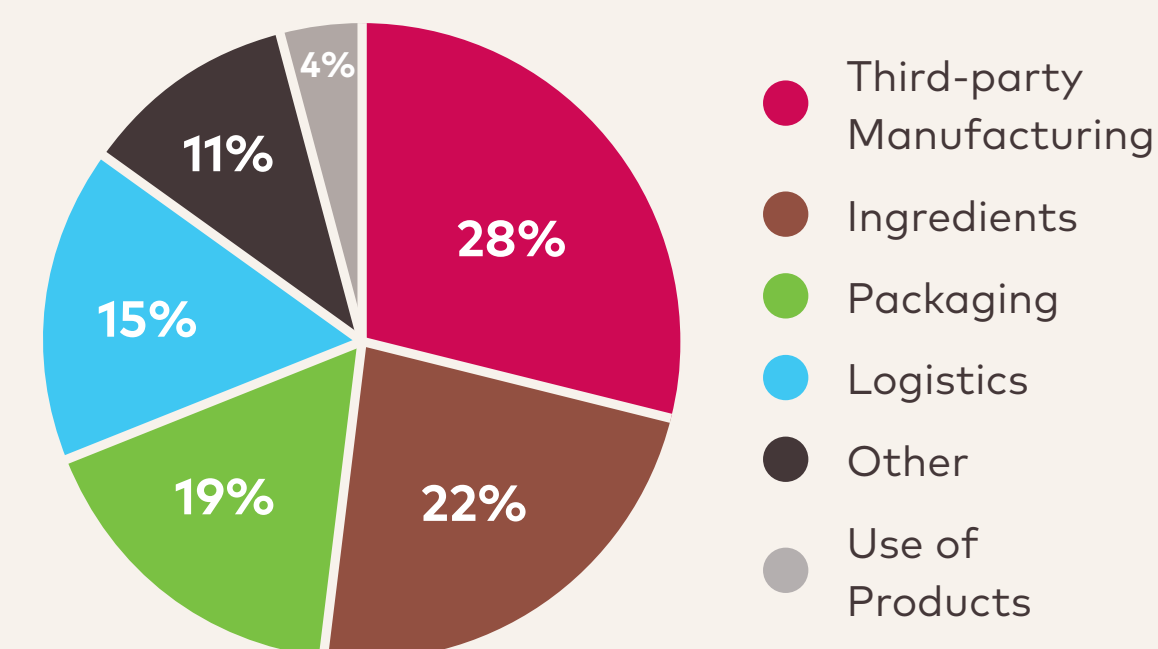
\*Regenerative Agriculture & Conservation Acres may not sum due to rounding of hectares to acres conversion.

## 2024 GHG EMISSIONS BY CATEGORY\*

### Scope 1 and 2 Emissions



### Scope 3 Emissions\*\*



**Scope 3 emissions accounted for more than 97% of KDP's 2024 GHG emissions.**

\*% of GHG Emissions by Category may not sum to 100% due to rounding.

\*\*Ingredients and Packaging are included in purchased goods and services; Logistics includes Upstream and Downstream Transportation and Distribution; Other includes Employee Commuting, Business Travel, Upstream Energy-related Activities, Capital Goods, Professional Services and Investments. A more detailed breakdown of Scope 3 emissions can be found in the [Data Table](#).

In calendar year 2025, KDP is updating our 2030 GHG emissions-reductions targets to align to SBTi's most current guidance, the Paris Agreement climate change goal of limiting global warming to well below 1.5°C above pre-industrial levels. SBTi validated our targets in early 2025, which include:

- Reduce absolute Scope 1 and 2 GHG emissions 50% by 2030 from a 2018 base year
- Reduce absolute Scope 3 GHG emissions from purchased goods and services, fuel and energy related activities, upstream transportation and distribution, and use of sold products 25% by 2030 from a 2022 base year
- Reduce absolute Scope 3 Forest, Land and Agriculture (FLAG)<sup>4</sup> GHG emissions by 30% by 2030 from a 2022 base year
- Commit to no deforestation across our primary deforestation-linked commodities, with a target date of December 31, 2025

We will report progress on these targets in the 2024 Impact Report. In addition, we will continue to disclose the electricity obtained from renewable sources and progress on our 2030 target to support regenerative agriculture and conservation on 250,000 acres of land.

### Read more:

[Goal Methodology & Progress Summary](#)

[Glossary](#)

[Data Table](#)

[KDP Impact Commitments Summary](#)

[KDP's Regenerative Agriculture & Conservation Monitoring & Evaluation Guide](#)



# Our Work in Action

## UTILIZING RENEWABLE ELECTRICITY IN IRELAND

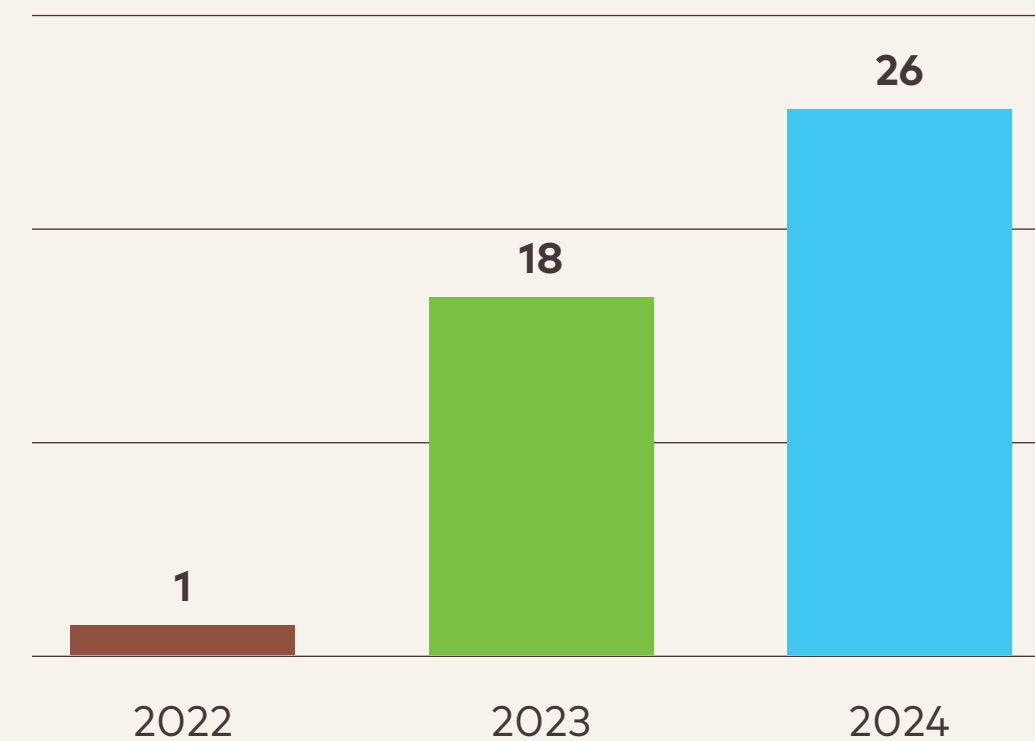
KDP Ireland announced plans in 2024 to electrify our heat through the installation of the latest technology in heat pumps and implement several other energy savings initiatives. Once construction is complete, the state-of-the-art beverage concentrate production facility will be powered with renewable electricity and will minimize overall energy consumption. This will enable the facility to reduce approximately 1,400 metric tons of carbon emissions annually, contributing a small amount to KDP's 2030 climate commitments to obtain 100% of electricity from renewable sources and reduce Scope 1 and 2 emissions. In addition to the investment made by KDP, the project is supported by the Irish Government through IDA Ireland. Read more [here](#).



## REDUCING EMISSIONS THROUGH ELECTRIC VEHICLES

We advanced the electrification of our vehicle fleet in Canada in 2024, a strategic step toward reducing our GHG emissions. In addition to joining the Advanced Clean Transportation (ACT) Fleet Forum and Corporate Electric Vehicle Alliance, we increased our electric fleet inventory to 45 vehicles, which represents nearly 20% of our Canadian fleet. Operating primarily in Quebec, Canada, we estimate this has resulted in an 8% reduction in KDP Canada's fleet emissions compared to standard fuel vehicles.

KDP Canada Fleet Electrification



45 Total Electric Vehicles

## SUPPORTING REGENERATIVE AGRICULTURE & CONSERVATION

### Apple Pollinator Program

In 2022, we partnered with the IPM Institute and Cornell University's Danforth Lab on a three-year program to promote safe pest management practices and native pollinator habitat conservation techniques with participating apple farmers in upstate New York. Through year-end 2024, we have seen measurable results in spray optimization and plans for the addition of new habitats. Moreover, in 2024, the state of New York awarded funding to a group of 10 apple farmers to enable the implementation of conservation practices, including habitat enhancements identified in our Apple Pollinator Program. Importantly, these grants will provide additional resources, beyond those provided by KDP, to scale impact. Read more [here](#).

### Blue Harvest Regenerative Program

Since 2014, we have partnered with the international non-governmental organization (NGO), CRS, to protect and restore vital natural resources in coffee farming communities in Honduras and Nicaragua. Our support helps farmers participating in the program implement practices that build soil health, protect critical waterways and improve ecosystem resilience. Efforts like these help coffee communities enjoy cleaner drinking water, improve yields and produce delicious coffee. Between 2022 and 2024, more than 3,000 coffee farmers have adopted practices that support regenerative outcomes, leading to healthier soil and an average yield improvement of 8.6% from a 2022 baseline. Read more [here](#).

## KDP AT CLIMATE WEEK NYC

KDP hosted and convened key stakeholders for The Future of Coffee event during Climate Week in New York in 2024 to discuss the critical challenges and opportunities facing the coffee industry from climate change. KDP, along with an expert panel of our long-term partners, discussed how climate change and economic uncertainty for smallholder farmers are impacting coffee, from farm to cup, and how long-term investments, programs and partnerships can help to preserve the future of coffee and drive meaningful impact at scale. The event brought participants in the coffee industry together to deepen relationships and ideate on innovative partnerships with the goal of collective action to protect coffee and coffee farming for generations to come. Read more [here](#).

**Read more:**  
[Our Impact](#)



# WATER USE & STEWARDSHIP

Water is a shared resource that is critical to the health of communities and ecosystems where we live and work.

## KEY HIGHLIGHTS

- Aspiration to achieve Net Positive Water Impact<sup>5</sup> by 2050
- Invested in higher efficiency water treatment infrastructure at two manufacturing facilities which is estimated to save over 50 million gallons of water annually
- 66% replenishment for high water-risk operating communities through the end of 2024, an increase from 55% in 2023
- 17 targeted water replenishment projects supported in California, Texas, Florida and Mexico since 2016
- Supported projects that delivered 3,008 megaliters of water volumetric benefit to areas of high-water stress in 2024
- Hosted a workshop at World Water Week in Stockholm, Sweden, to raise awareness and discuss safe water access in underserved communities

**Read more:**

Goal Methodology & Progress Summary





# Strategy

Water is the primary ingredient in our products and used across our operations. As a leading beverage company, we have a responsibility to help address local and global water challenges, particularly in those areas that are more prone to water challenges like scarcity, water stress and drought.

As part of our aspiration to achieve Net Positive Water Impact by 2050, we focus our water stewardship efforts on water availability, quality and access. Core to our approach is the use of periodic water assessments of our operations and supply chain. To refine our understanding of challenges for our high water-risk sites and to identify opportunities to implement water-related measures, we assess each site in the context of the surrounding watershed, the local water issues and

other local entities' interest and perspectives on those issues. More detail can be found in our [CDP Climate Disclosure](#).

In addition, we invest in targeted water security and access projects within our value chain and in underserved communities. Specific to indirect water use from our suppliers who grow agricultural raw materials, we are working to protect water quality in select watersheds through projects related to regenerative agriculture. For the underserved First Nations, Métis and Inuit communities in Canada, we are supporting and collaborating to increase access to safe water. Our interconnected efforts and collaborations in climate and nature action are fundamental to our water stewardship work.

## WATER USE & STEWARDSHIP STRATEGY



### Management Approach

We collaborate with many nonprofit organizations and industry organizations to inform our strategy and report our progress. For example, we use resources such as a benchmarking analysis from the Beverage Industry Environmental Roundtable (BIER) to set targets and evaluate our performance. KDP's cross-functional teams, including Procurement, Operations and Sustainability, collaborate to advance our water goals.

We have established several policies that outline our approach and reinforce our commitment to water use and stewardship. They include KDP's [Environmental Policy](#), [Water Policy](#), [Climate Policy](#) and [Supplier Code of Conduct](#).

### Ongoing Challenges

- Mitigating and adapting to climate change impacts in water-stressed areas such as operational disruptions
- Engaging in long-term planning that accounts for aging infrastructure, population growth and fair access to safe water and sanitation
- Balancing progress toward our goal for water use efficiency while supporting need for quality ingredient water and evolving regulatory requirements

### Future Opportunities

- Upgrading efficient water treatment infrastructure to work toward maximizing water efficiency
- Investing in watershed health with the aim to improve water availability, quality and access
- Exploring the co-benefits of water replenishment by measuring how our efforts might positively impact water quality, access, biodiversity and nature

### Read more:

[Climate & Nature Action](#)
[Packaging & Circular Economy](#)
[Corporate Governance & Ethics](#)
[Glossary](#)
[Our Impact](#)



# 2024 Progress

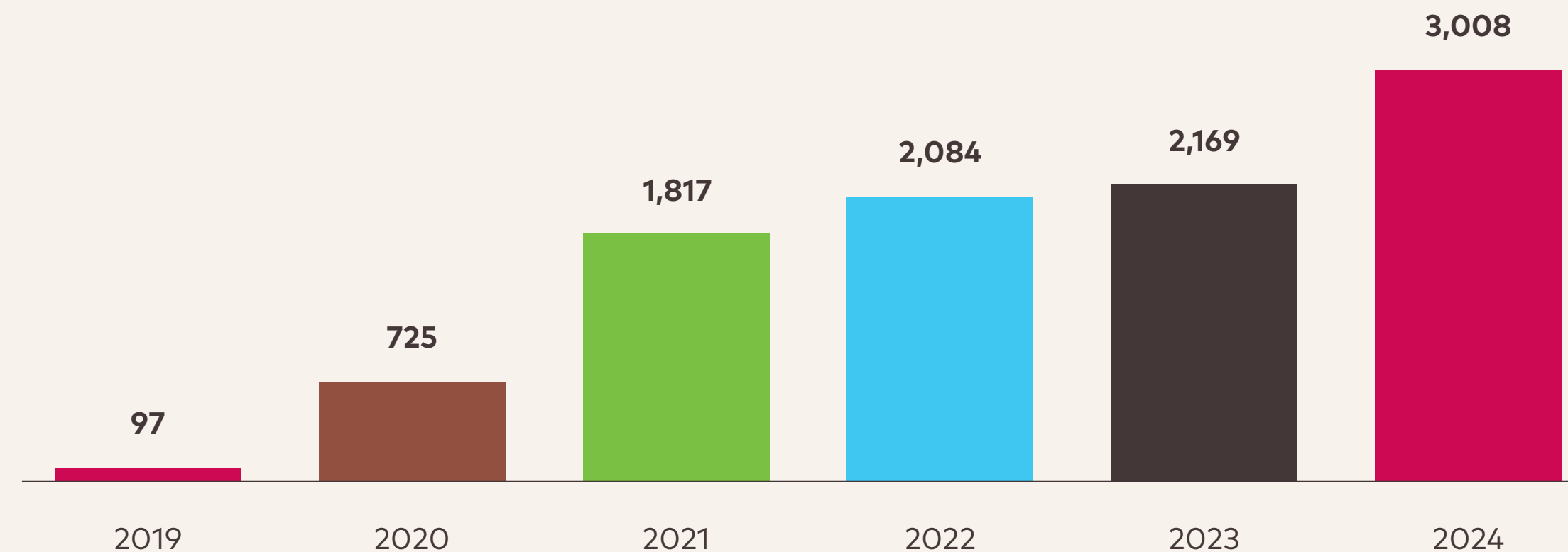
KDP is committed to improve our water use efficiency in our beverage bottling and concentrate facilities. In 2024, the water use ratio was 1.82 in our total manufacturing plant network that produces liquid refreshment beverages. This reflects a 7% improvement from our 2017 baseline. Although we made significant improvements at key sites, our network performance has been challenged by changing operational demands and need for quality ingredient water. In 2024, we continued to invest in capital programs intended to increase the efficiency of our water treatment processes. These projects are aimed to reduce the amount of water required in our production processes by the end of 2025. Continuing into the future, we have identified additional investments in water treatment technology with the potential to improve water use efficiency further in coming years.

In addition, KDP is committed to partnering with our highest water-risk operating communities, so that by 2030 we will be replenishing 100% of water used in our beverages in those communities on an annual basis. Through various collaborations with nonprofit and industry partners, we achieved 66% replenishment for high water-risk operating communities in 2024, an increase from 55% in 2023. Key to driving progress were additional investments, partnerships and implementation of community projects in these high water-risk operating areas. At year-end 2024, KDP's portfolio of active water replenishment projects contributed an annual total volumetric water benefit of over 3,000 megaliters, or approximately 790 million gallons. In addition, we met or exceeded the target water volumes equivalent to that used in four of our 10 sites in the regions where they operate, while exceeding 50% of our target water volume at another three of 10 sites.

Moving forward, KDP will adjust our water efficiency target to reflect changing operational demands and prioritize initiatives with manufacturing sites in water stressed areas. We will aim to achieve an average water use ratio of 1.8 across all beverage facilities, and an average water use ratio of 1.6 for beverage facilities in high water-risk locations by 2030. Progress toward this target will be reported in our 2025 Impact Report.

For work in water replenishment, we will continue to report progress on our 2030 target to partner with our highest water-risk operating communities to replenish 100% of water used in our beverages in those communities by 2030.

## ANNUAL WATER VOLUMETRIC BENEFIT (MEGALITERS)



### Read more:

[Goal Methodology & Progress Summary](#)[Glossary](#)[Data Table](#)[KDP Impact Commitments Summary](#)



# Our Work in Action

## INVESTING IN WATER EFFICIENCY

We invested in higher efficiency water treatment infrastructure at our Houston, Texas and Aspers, Pennsylvania manufacturing facilities in 2024. The enhanced water treatment is estimated to save over 50 million gallons of water annually. In addition, we completed water efficiency continuous improvement events at our Tehuacán, Mexico and Ottumwa, Iowa sites. During these three-day events, our manufacturing team systematically evaluated the facilities and identified opportunities for potential water savings, such as repairing leaks, optimizing sanitation practices and improving water treatment infrastructure. These efforts are expected to result in an additional 55 million gallons per year of water savings by 2030.



## PARTNERING FOR WATER REPLENISHMENT

In 2024, we collaborated with nonprofit and other industry partners on projects in key regions that focused on water availability and quality.



**Agriculture Water Conservation in California:** KDP is working with precision irrigation solutions company Oriba Netafim to incentivize farmers to implement drip irrigation on farms in the Sacramento and San Joaquin Valley watersheds, which can lead to state-of-the-art crop management practices and robust reporting and data collection. In 2024, installation of drip irrigation was completed on 469 acres of farmland across three different farms, resulting in an estimated 700 megaliters of water benefit to the San Joaquin and Sacramento basins for the partial year of operation.

**Wetland Rehabilitation in Florida:** KDP partners with the National Audubon Society in South Florida to restore Corkscrew Swamp Sanctuary's marshes and wet prairies via a multi-year restoration process to improve water resources and encourage biologically diverse, high functioning wetlands. Overgrowth of native-nuisance shrubs has resulted in habitat loss, intensified impacts from drought, decreased water quality and increased risk of wildfire. Our partnership contributes to the remediation of these issues through the removal of invasive and native-nuisance plant species, which in turn improves the ability of the marsh to recharge, provide habitat for wildlife and support native vegetation. Since 2022, the project has reached the important milestone of over 1,000 acres under restoration.



**Wetland Creation in Texas:** Water scarcity in the Trinity River Basin leaves little to no water in-stream dedicated to wildlife habitat. In partnership with Ducks Unlimited, Texas Parks and Wildlife Department and the Texas Water Action Collaborative (managed by Texan by Nature), KDP and its partners supported the construction of 111 acres of wetlands by installing water control infrastructure to enhance the water holding capacity of the Wildcat Marsh on Richland Creek Wildlife Management Area. Completed in 2024, the project has enhanced wildlife habitat and is cleaning and replenishing nearly 54 million gallons of water each year before it flows back into the Trinity River.

**Agricultural Interventions in Mexico:** KDP is supporting Cauce Bajio, the Guanajuato Water Fund, in its work with local farmers to promote improved irrigation management practices. This includes land leveling, which is a process to efficiently distribute irrigation water, and targeted irrigation systems performance recommendations for farmers. This initiative positively impacts water quality and availability for the Lerma River which flows into Lake Chapala, near Guadalajara. In the Spring-Summer cycle of 2024, technical assistance and land leveling activities took place on over 150 hectares of land across 15 different farms, adding to the more than 40 hectares of land where activities took place in the Autumn-Winter growing season. The estimated benefit to local water basins in 2024 was over 200 megaliters.







## ENHANCING WATER SECURITY & ACCESS

We collaborated with nonprofit organizations on projects that focused on water security and access in 2024.



**Safe Water Access in Canada:** KDP Canada has teamed up with One Drop Foundation as a founding Water Impact Partner of the Indigenous Water Allyship initiative, a multi-year program that aims to improve living conditions and health via increased access to safe water in First Nations, Métis and Inuit communities. In 2024, the program supported nine youth in their water-related artistic projects, fostering youth leadership, participation and dialogue on water rights and stewardship, engaging more than 120,000 people. In addition, KDP Canada co-hosted a workshop at World Water Week in Stockholm, Sweden, along with One Drop and the Canada Water Agency, to introduce the Indigenous Water Allyship Program and five Young Indigenous Ambassadors from the program who shared their perspectives on water-related social and environmental issues in their respective communities.

**Improved Water Security in Central America:** Between 2022-2024, KDP supported the Blue Harvest Regenerative program which has helped community organizations across 18 micro-watersheds in Honduras and Nicaragua protect the water resources and improve water security for more than 38,000 people. The program has enhanced watershed protection through the installation of more water-efficient coffee processing equipment, the application of practices that improve the soil's capacity to filter and store rainwater and the optimization of fertilizer application to minimize contamination of local waterways.



 **Read more:**  
[Our Impact](#)



# PACKAGING & CIRCULAR ECONOMY

Supporting the circular economy is critical to reduce resource use and environmental impacts.

## KEY HIGHLIGHTS

- Unveiled our vision for new K-Rounds plastic- and aluminum-free pods as well as a new brewing system, the Keurig Alta brewer
- 96% of packaging converted to be recyclable or compostable
- 17% virgin plastic reduction across our packaging portfolio since 2019
- More than \$50 million committed in support of a more circular economy since 2014
- Secured acceptance of K-Cup pods into Canadian province-run curbside collection programs in Ontario and Quebec
- Launched K-Cycle At Home, a new mail-back program aimed at expanding K-Cup pod recycling access for consumers



**Read more:**

[Goal Methodology & Progress Summary](#)





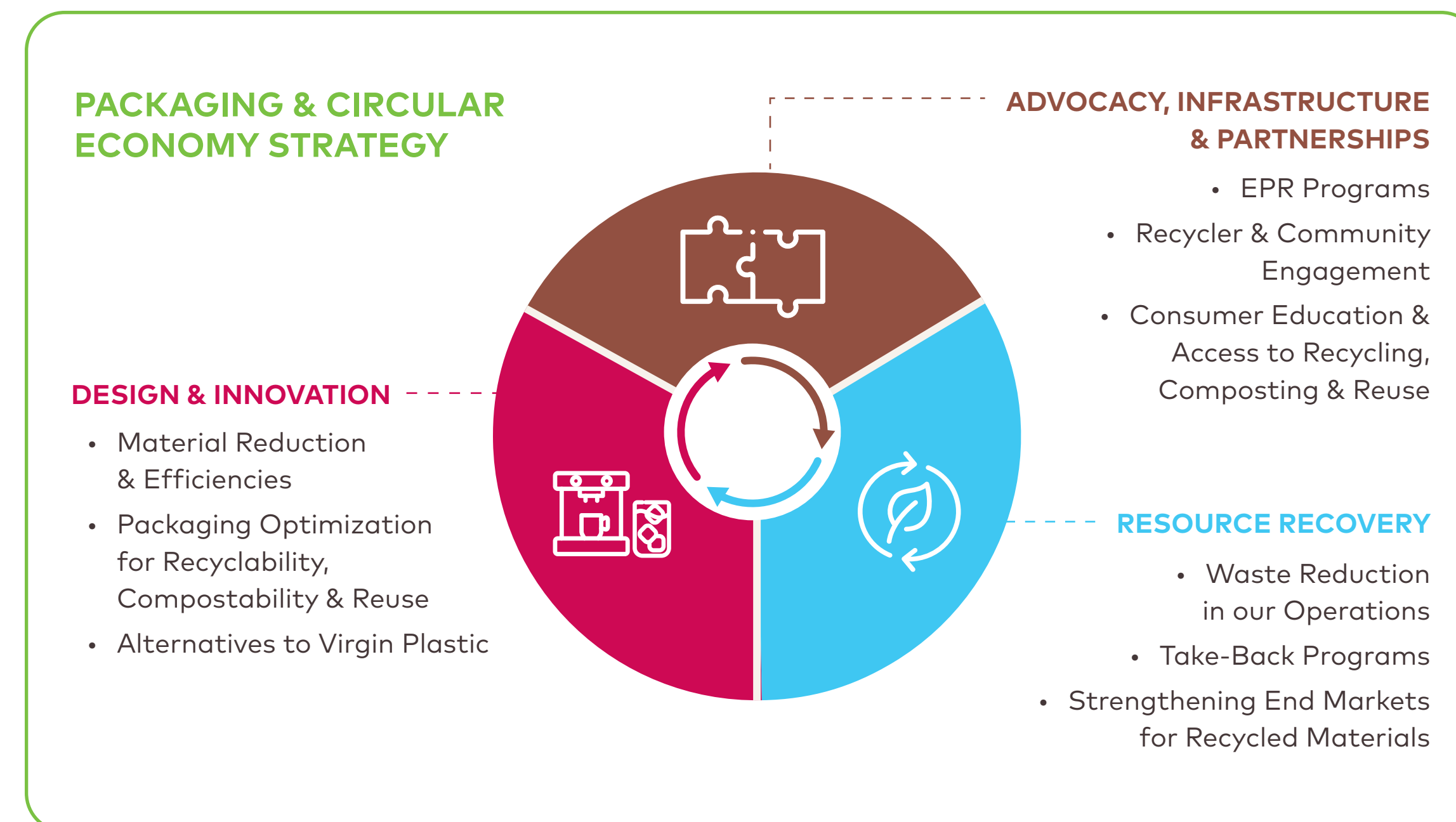
# Strategy

KDP supports the reuse, recycling, repurposing and composting of our products and packaging in support of a more circular economy. Driving the transition to a circular economy is complex and requires scalable systems change. Therefore, individual and company responsibility as well as collective action are critical to advancing effective and efficient policy solutions, investing in infrastructure and modernization and engaging consumers to act in more sustainable ways.

Our strategy to support a more circular economy aims to use more sustainable packaging materials and designs that use less virgin plastic. This means incorporating more PCR content where possible, working to reduce or eliminate unnecessary materials, redesigning packaging to be compatible with recycling and composting systems and exploring reuse and refillable packaging models.

Beyond KDP's design innovations, collective action is critical to advance effective and efficient policy solutions, such as well-designed Extended Producer Responsibility (EPR) programs, invest in infrastructure modernization and engage consumers to act in more sustainable ways. To help make this happen, we partner with a wide variety of external organizations, including state/provincial and municipal government leaders, recyclers, NGOs, industry peers and suppliers.

We also strive to improve resource recovery so that valuable materials are reused, recycled and composted, rather than ending up in landfills. Each of our manufacturing sites supports this commitment through production optimization and investing in reducing, reusing and recycling materials and resources. To further support consumers, we now offer a take-back recycling program intended for consumers who live in communities where Keurig K-Cup pods are not currently accepted for recycling. To help close the loop of the circular economy, we help strengthen end markets for recycled materials by purchasing and incorporating PCR content where we can across our packaging portfolio and in our coffee makers.



## Management Approach

KDP's cross-functional teams across all geographies, including Procurement, R&D, Packaging Innovation, Operations, Government Affairs and Sustainability, collaborate to advance our packaging and circular economy goals.

We leverage third-party design standards and guidelines, such as the Association of Plastic Recyclers (APR) Design Guide® for Plastics Recyclability, to inform our packaging's compatibility with recycling infrastructure against industry accepted criteria. We track and measure the impact of our efforts by reporting them through organizations including the Global Commitment, led by the Ellen MacArthur Foundation (EMF) in collaboration with the UN Environment Programme, the Canada Plastics Pact and World Wildlife Fund (WWF)'s ReSource: Plastic.

We also work with regulatory agencies to meet and report on various packaging compliance regulations across North America, such as EPR programs, Deposit Return Systems (DRS) and minimum recycled content requirements in place in certain jurisdictions. We continue to update and modernize our technology and data reporting systems so we can optimize our measurement and reporting for compliance and regulatory requirements.



Ongoing Challenges

- Balancing the availability, quality and cost of more sustainable materials, including PCR plastics, with the current state of recycling and refillable packaging infrastructure
- Navigating a varied and fragmented policy and regulatory landscape for compliance and reporting that is evolving at a state and provincial level in the geographies where KDP operates
- Improving consumer access and affordability to products that use more sustainable materials, with particular attention to the recyclability or reuse of product packaging and reconciling impact trade offs that occur at different stages of a product and package's lifecycle
- Collaborating to scale infrastructure and recycling solutions for flexible packaging

Future Opportunities

- Accelerating the rollout of innovative products, and packaging and reuse solutions that reduce or eliminate plastic, reduce virgin plastic use or increase the value and availability of recycled materials
- Partnering to encourage reusable packaging options where they make the most sense
- Working with organizations like Circular Materials in Canada and Circular Action Alliance in the U.S. to harmonize EPR programs which will ultimately drive efficiencies, increase access to and enhance the performance of recycling programs
- Engaging consumers to encourage increased participation in recycling, composting and reuse behaviors

Read more:

Climate & Nature Action

Water Use & Stewardship

Corporate Governance & Ethics

Glossary

Our Impact



A NOTE ON THE EVOLUTION OF "RECYCLABLE" IN THE U.S.

With the implementation of packaging regulations like EPR in the U.S., the term "recyclable" is increasingly being defined by law as opposed to industry or NGO standards. However, there is currently no harmonized, national definition of the term "recyclable."

KDP discloses our percentage of "recyclable" products according to the following definition: "Packaging for which design is not a barrier to the packaging being successfully collected, sorted and reprocessed into another material, a product component or a recycled raw material. Packaging we consider to be 'recyclable' includes materials and formats for which recovery, sortation and end markets exist or can practically

be scaled across North America, noting that many communities may not accept or sort certain materials or formats today. We likewise consider plastic packaging to be 'recyclable' if it is deemed 'recyclable with detrimental features' by the APR."

The EMF Global Commitment definition of "recyclable" plastic packaging differs slightly from the KDP definition and states that: "A packaging material or component is 'recyclable' if its post-consumer collection, sorting, and recycling is proven to work in practice and at scale."

KDP discloses the percentage of products that we produce that meet both the KDP definition as well as the EMF definition.

As states begin implementation of EPR programs, each state may vary in terms of the products they accept in their recycling programs and thus deem "recyclable" with some programs applying recycling rate requirements to determine recyclability. Overall, we find a common theme across most definitions of "recyclable": that the package should be designed in a way that is compatible with recycling systems, that there are collection systems in place, that the material can be effectively sorted and there are end markets in place to accept the recycled material. Given these varying but similar definitions of "recyclable," it is important to be clear on how we define our recyclability performance metric and measure our progress.



# 2024 Progress

In 2024, we continued work toward our 2025 goals to advance sustainable packaging solutions. Through packaging design and material procurement efforts, we completed the transition to recyclable labels on all of our Bai beverage bottles. This contributed to 96% of our packaging portfolio being designed for recyclability or compostability in 2024 versus 95% in 2023.

Compared to the 2019 baseline, we have reduced our 2024 virgin plastic use by 17% due to lightweighting of certain packaging and a shift in our packaging mix. The shift in our packaging mix also contributed to a 1% decline from 2023 in PCR content across our total packaging portfolio (26%) and our plastic packaging portfolio (16%).



We also aim to send zero waste to landfill from our facilities. Each of our sites supports this commitment through production optimization as well as investing in the reduction, reuse, energy recovery and recycling of materials and resources. In 2024, we kept 93% of our manufacturing waste from entering landfills and maintained zero waste to landfill at multiple manufacturing sites. Our manufacturing network that produces coffee maintained a diversion rate of 98%.

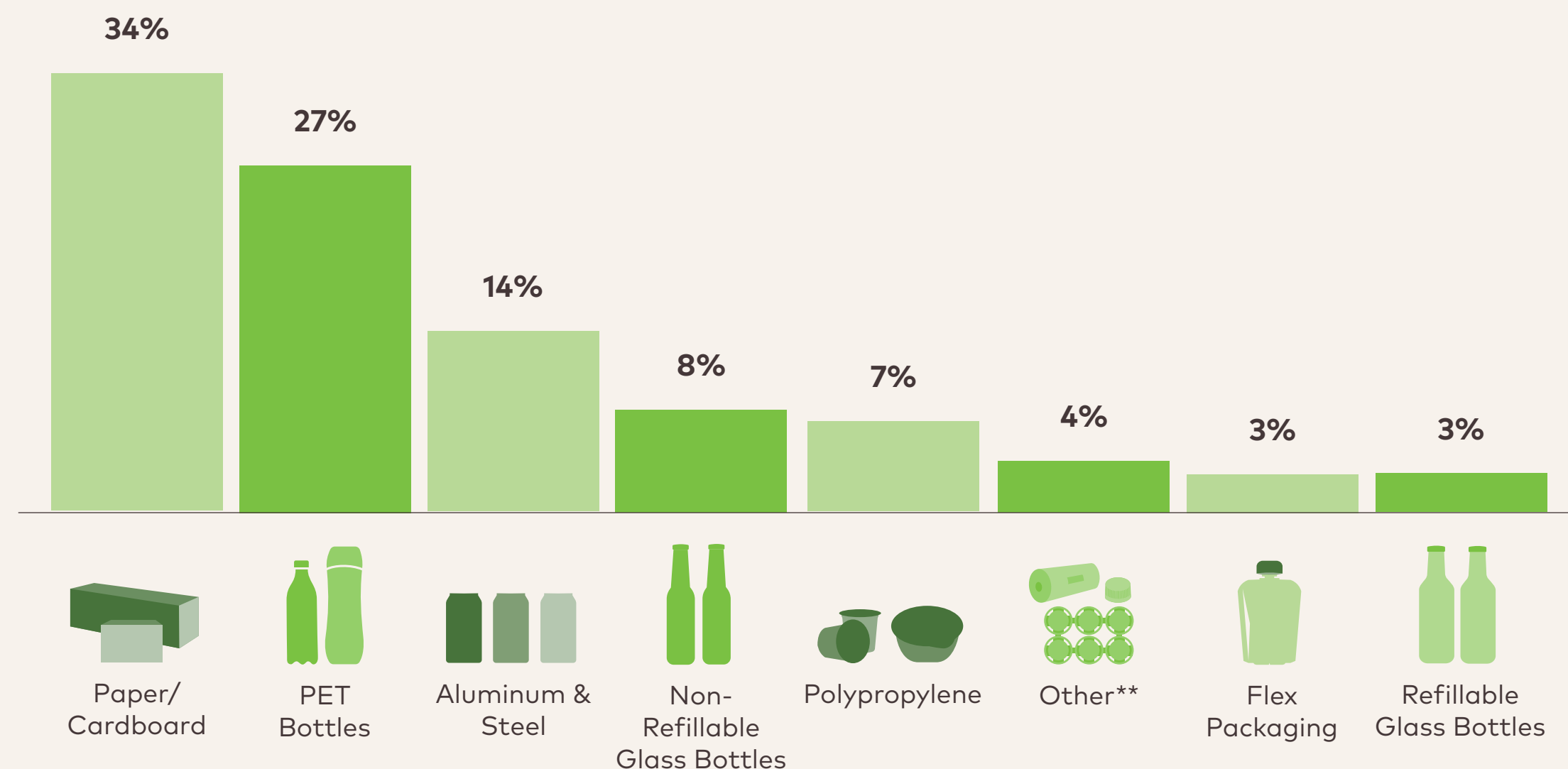
We are proud of the progress we have made in packaging design as well as infrastructure advancement and resource recovery via collective action. Despite strong effort, we will likely not meet our 2025 packaging goals due to the challenges to material availability and infrastructure. We recognize there is still much work to do in building a circular economy and we are committed to continuing to engage, invest and improve. Moving forward, we aim to incorporate 25-35% PCR plastic to our primary plastic packaging by 2035, an adjustment that focuses our effort to primary plastic packaging and reflects changing regulatory requirements, market realities and the availability and quality of sustainable packaging materials. This in turn will continue to decrease our use of virgin plastic, a continued focus of the company.

To summarize, we will report progress on the following key metrics in our 2025 Impact Report:

- Percentage of packaging that is designed for recyclability, compostability or reuse
- Percentage of virgin plastic usage across our packaging portfolio
- Percentage of PCR across our primary plastic packaging
- Percentage of manufacturing waste diverted from landfill

In addition, we will continue to work with regulatory agencies to meet and report on various packaging compliance regulations across North America, such as EPR programs, DRS and minimum recycled content requirements in place in certain jurisdictions.

## 2024 PACKAGING MIX\*



\*% of total weight procured; % of 2024 Packaging Mix may not sum to 100% due to rounding.

\*\*Category includes filters, high-density polyethylene (HDPE), foam and aseptic carton.



**Read more:**

[Goal Methodology & Progress Summary](#)

[Glossary](#)

[Data Table](#)

[KDP Impact Commitments Summary](#)



# Our Work in Action



## DESIGNING & INNOVATING PRODUCTS & PACKAGING

### Next-Generation Innovation

In 2024, we announced that we would be launching K-Rounds plastic- and aluminum-free pods as well as a new brewing system, the Keurig Alta brewer. K-Rounds pods are created from roasted coffee beans that are ground, pressed and wrapped in a proprietary, protective plant-based coating preserving the coffee's flavor and aroma. We are currently in the beta testing phase, using a prototype brewer to gather insights from real-world homes and consumers that will help us fine-tune the performance, quality and design of the system. As part of this initiative, we are investing in a new manufacturing facility that will exclusively produce KDP's next-generation K-Rounds plastic- and aluminum-free pods. Located in Spartanburg, South Carolina, this facility is one of the largest Green Globes certified manufacturing facilities in the world. Read more [here](#).

### Refill-Reuse Pilot

KDP and the Chicago Bears collaborated with the Soldier Field site operator ASM Global, the Soldier Field hospitality partner Levy and the reusable drink and foodware logistics company Bold Reuse in Fall 2024, to launch a unique reusable cup program in the United Club at Soldier Field, one of the first in the National Football League (NFL). We will continue to use the learnings gained to inform future cross-industry collaborations that can potentially scale reuse opportunities. Read more [here](#).

Over the course of the five game pilot, results for the 16 oz. and 20 oz. cups indicated that the longer consumers had exposure to the reusable program the more comfortable they were in using it. Key impact highlights included:

- 7,096** single use cups and 337 pounds of waste eliminated
- ZERO** net new labor hours generated
- 47%** return rates increased overall from the first game, peaking at 63% after three games and ending with an overall average return rate of 47%





## ENGAGING THROUGH ADVOCACY, INFRASTRUCTURE & PARTNERSHIPS

### Well-Designed EPR Programs

We advocate for policies at all levels of government to accelerate the development of a circular economy for packaging materials, particularly for the modernization and standardization of recycling and industrial composting infrastructure. Across North America, a patchwork of regulations, inadequate investment and lack of minimum performance standards are preventing economies of scale in our recycling system<sup>6</sup> and confusing consumers<sup>7</sup>. That is why we support smart policy solutions, such as well-designed EPR programs, that are focused on efficient and equitable ways to increase material recovery, while reducing the economic and environmental costs of disposal. Read more [here](#).

- **Canada:** We have been engaged with leading Producer Responsibility Organizations and regulators that are responsible for the implementation of expanded municipal recycling programs across the country. This work has led to the acceptance of K-Cup pods into Canadian province-run recycling programs in Ontario and Quebec.
- **U.S.:** KDP played a key role in launching the country's first Producer Responsibility Organization, Circular Action Alliance, and is the only organization approved to implement U.S. EPR laws for paper and packaging and is operating as the sole Producer Responsibility Organization in California, Colorado, Maryland, Minnesota and Oregon. In 2024, we also joined forces with other consumer packaged goods producers and retailers through the EPR Leadership Forum to advocate for well-designed EPR for packaging in the U.S.

### Municipal Recycling Facilities Engagement

We work directly with recycling facility operators in specific communities to encourage acceptance of our packaging materials and to understand opportunities for technology improvements. In 2024, we continued our efforts by working collaboratively through programs like The Recycling Partnership's Polypropylene Coalition and American Beverage Association's Every Bottle Back initiative to award grant funding to specific facilities and communities with the aim to improve infrastructure, capacity and education to ultimately improve access to recycling.

### Consumer Education & Access

Each individual community recycling program in the U.S. has a unique list of materials and formats that they accept for recycling. This lack of recycling acceptance harmonization has resulted in inconsistencies across municipalities in both what consumers can recycle and how that information is communicated to consumers. In early 2025, we sponsored the I Recycle Phoenix event, hosted by Keep Phoenix Beautiful. More than 1,000 cars participated in this drive-through recycling initiative, where Phoenix residents dropped off items ranging from old electronics and building materials to bicycles and soft plastic bags. Informative flyers highlighting the recycling of K-Cup pods were included with broader community recycling information distributed at the event with the aim to keep many items out of landfill, including plastic packaging.

## SUPPORTING RESOURCE RECOVERY

In 2024, we implemented programs to assist consumers in their efforts to give a second life to products, an important step toward transitioning to a circular economy.

### K-Cycle At Home & Commercial

We launched a new mail-back program to expand recycling access for consumers who live in communities that are not currently accepting K-Cup pods in their local recycling programs in late 2024. This new offering builds on our existing program that offers recycling and composting services for high-volume commercial operations, such as offices, universities and healthcare facilities. These take-back programs help participants return their used K-Cup pods to be processed for recycling. Read more [here](#) and [here](#).



### Brewer End-of-Life Partnership

KDP Canada works with Quantum Lifecycle Partners to help recycle end-of-life assets like electronics, commercial Keurig brewers and in-store consumer brewer returns, resulting in 602,920 pounds of recovered resources diverted from landfill in 2024. Van Houtte Coffee Services, a Canadian subsidiary of KDP, also refurbished more than 37% of the total units sold the same year.

Read more:

[Glossary](#)
[Our Impact](#)

## PARTNERING TO IMPACT SYSTEMS CHANGE

Since 2014, KDP has committed more than \$50 million in support of a more circular economy through collaborative projects, partnerships and investments in communities across North America. In fact, we have co-founded three organizations that amplify both dollars and action to enhance recycling infrastructure and educate consumers on proper recycling behaviors.

### The Recycling Partnership's Polypropylene Recycling Coalition:



Since its start in 2020, \$22 million has been awarded in grant funding across 66 facilities to improve infrastructure, capacity and education, enabling over 50 million people in the U.S. to have new or improved access to polypropylene recycling.

### American Beverage Association's Every Bottle Back Initiative:



At year-end 2024, commitments made in 50 communities across the U.S. to modernize recycling facilities are estimated to yield 707 million additional pounds of PET plastic to be recycled over the next 10 years, which equates to approximately a 3% increase of additional recycled PET plastic over that time period.

**Circular Plastics Taskforce:** In 2024, 30 circularity leaders from across the country mobilized to advance the circular economy in Canada. Projects underway in 2024, which are valued at an estimated \$700,000 CAD, aim to optimize plastics recycling along the value chain with a focus on challenging resins and formats.





# HUMAN RIGHTS, RESPONSIBLE SOURCING & SUPPLY CHAIN LIVELIHOODS

Working to safeguard social and environmental protections and support economic resilience in order to build a reliable and secure supply chain for the long term.

## KEY HIGHLIGHTS

- 100% of coffee was responsibly sourced in 2024<sup>8</sup>
- 100% of cocoa was responsibly sourced in 2024
- Largest buyer of Fair Trade USA certified coffee for our owned and partner brands in 2024
- 93% of our in-scope Tier 1 suppliers and select Tier 2 suppliers for brewers met or exceeded expectations per KDP's Supplier Rating System for Factories
- Expanded our responsibly sourced audit program to include high-intensity sweeteners in 2024
- Supported 8,570 farmers and workers in our coffee supply chain<sup>2</sup> with the aim to improve their economic resilience per KDP's Livelihoods Ambition Monitoring and Evaluation Guide

Read more:

[Goal Methodology & Progress Summary](#)





# Strategy

We aim to use our buying power for good through responsible sourcing actions in specific supply chains and strategic work with key suppliers. Central to our work is the recognition that we have a responsibility to uphold and promote human rights for all people and communities impacted by our operations and business activities and, through our procurement practices, we aim to create a dynamic supply chain and support growth in communities by working with a variety of suppliers. In addition, the work we do is intended to position workers and farmers within our value chain to contribute to positive outcomes, such as boosting personal and community well-being and mitigating and adapting to climate change, when they have economic stability and access to financial opportunities.

We recognize that interconnected social and environmental issues require holistic solutions, including shared investment and collaboration with a variety of stakeholders. Partnerships with key producer organizations, suppliers and contract manufacturers, nonprofit organizations and governments are a critical component to our approach.

## HUMAN RIGHTS, RESPONSIBLE SOURCING & SUPPLY CHAIN LIVELIHOODS STRATEGY

Respect for the Human Rights of People & Communities Where We Operate



Responsible Sourcing of our Priority Inputs

Economic Resilience of Farmers & Workers in Key Parts of our Value Chain



### Management Approach

KDP's cross-functional teams, including Procurement, Operations, Sustainability, R&D, Human Resources and Legal, collaborate on our approach to source materials and agricultural inputs that meet our established quality requirements, advance sustainability goals and uphold our commitment to human rights throughout our value chain.

KDP has established several policies and statements that reinforce our commitments. These include KDP's [Corporate Code of Conduct](#), [Supplier Code of Conduct](#), [Brazilian Coffee Purchasing Policy](#), [Conflict Minerals Policy](#) and [Forced Labor and Child Labor Statement](#). Our [Human Rights Position Statement](#) covers topics including discrimination and humane treatment, freedom of association and collective bargaining, child labor, working hours, wages and benefits, among others.

In addition, KDP is dedicated to transparency, accountability and continuous improvement with respect to human rights. We provide a grievance mechanism open to employees and communities in our supply chain. We encourage stakeholders to report any violations or ethical concerns without delay and without fear of reprisal or concern for retaliation. More information can be found in our [Corporate Code of Conduct](#) and [Supplier Code of Conduct](#).



### Ongoing Challenges

- Mitigating the risks to agriculture, food systems and communities resulting from climate change, adverse weather conditions and local economic and political conditions
- Navigating increased demands from stakeholders on the traceability of certain raw materials
- Managing the economic pressures that are driving up the cost of production for all players in value chains, but especially for raw materials and supplies such as quality coffee and cocoa

### Future Opportunities

- Expanding our responsible sourcing strategies to additional inputs that meet our priority input criteria
- Applying learnings gathered from our social impact investments to strengthen and refine our approach to supporting the economic resilience of farmers and workers in key parts of our value chain
- Exploring public-private partnerships that support grievance mechanisms and interventions related to labor protections in key supply chains

### Read more:

[Climate & Nature Action](#)
[Glossary](#)
[Corporate Governance & Ethics](#)
[Our Impact](#)







# 2024 Progress

We are committed to responsibly sourcing our brewers and priority inputs. Priority status is determined by the input's importance to KDP, measured by the magnitude of spending, the social and environmental risk profile of the input and our unique opportunity for impact within the supply chain.

That specific context determines which of our complementary tools and approaches we prioritize to help safeguard fundamental human rights, incorporate environmental protections and/or invest to support the economic resilience of farmers and workers in our priority supply chains. These tools may include risk assessments, verification or third-party certification programs, traceability systems, audits, impact investments and ongoing engagement and collaboration with strategic partners.

### 2024 Priority Inputs

-  Apples
-  Coffee
-  Apple Juice Concentrate
-  Corn
-  Brewers
-  High-Intensity Sweeteners<sup>10</sup>
-  Cocoa
-  Tomato Paste

### Agricultural Inputs

We regard the coffee and cocoa we purchase for our owned and partner brands as Responsibly Sourced if it is grown and sold in adherence to a credible sourcing program that aligns with KDP's [Supplier Code of Conduct](#) and industry-aligned ESG criteria<sup>11</sup>. Read more [here](#).

In 2024, 0.32% of coffee was received as conventional due to irregular rain patterns delaying the crop in Uganda and logistical challenges resulting from the unavailability of the Suez Canal as a transport route. Both of these challenges required us to purchase green coffee from the spot market to meet our demand, and there were not suitable responsibly sourced options available. We received 100% responsibly sourced cocoa in 2024.

We recognize that there is no single tool, or combination of tools, that can completely eliminate the human rights risks associated with complex and systemic issues. That is why KDP views verification and certification systems as a valuable starting point but works to invest in impact projects in targeted areas within our supply chains. These projects aim to address the root causes of these issues, such as farmer profitability and climate change.

### Manufactured Inputs

We also aim to responsibly source manufactured products and ingredients, such as apple juice concentrate (AJC), brewers, high-intensity



sweeteners and tomato paste, by prioritizing and engaging key suppliers to implement and maintain effective social and environmental management systems in their factories.

For these factory-based inputs, we work with our processing facilities, contract manufacturers (Tier 1) and several of our Tier 2 suppliers within the brewer supply chain, to apply KDP's Supplier Rating System<sup>12</sup>. This evaluation structure uses a uniform methodology that enables us to align and rate our suppliers with one audit program.

### 2024 Consolidated Summary of Factory Performance\*

	# of Suppliers	% Performance
Meets or Exceeds Expectations	104	91%
Below Expectations	2	3%
Not Yet Rated	6	5%
Not Acceptable	1	1%

*\*Evaluated per KDP's Supplier Rating System*

### Economic Resilience for Farmers & Workers

We remain steadfast in our commitment to help support farmer and worker livelihoods. Informed by the lessons we have learned from decades-long work in this space, we are supporting economic resilience for farmers and workers via investments that aim to improve the security and stability of income or result in increased income. In 2024, we

partnered with Sustainable Food Lab to develop a new methodology, KDP's [Livelihoods Ambition Monitoring and Evaluation Guide](#), to measure progress. We are proud to publish both the methodology and our first results in this report. KDP supported improved economic resilience for 8,570 farmers and workers in our coffee supply chain by year-end 2024 across three impact programs, as described on page 24.

We are committed to responsibly sourcing our brewers and priority inputs. As such, we will continue to report the percentage of responsibly sourced coffee and cocoa annually, as well as our consolidated factory-based audit results, which cover brewers and other manufactured inputs. In addition, we will disclose the progress we make on supporting the economic resilience of farmers and workers within our coffee supply chain.

### Read more:

[Goal Methodology & Progress Summary](#)

[Glossary](#)

[Data Table](#)

[KDP Impact Commitments Summary](#)

[KDP's Livelihoods Ambition Monitoring and Evaluation Guide](#)



# Our Work in Action

## SUPPORTING RESPONSIBLE SOURCING

KDP celebrated the 2024 opening of KDP Brasil Global Sourcing, a new office location in the Varginha region of Brazil. This facility serves as a center of excellence for purchasing, logistics, risk management and quality within KDP's coffee supply chain. Specifically, the office provides local assistance to coffee suppliers, conducts testing, quality control and hosts educational events and trainings. In addition, the office supports our responsible sourcing, market intelligence, governance and reporting efforts. Ultimately, opening this office brings us closer to our Brazilian sourcing communities, a key sourcing origin for our business, enabling more transparency in the supply chain, stronger relationships and even better service delivery. Read more [here](#).



## INVESTING TO PRESERVE AGRICULTURAL RESEARCH

We advocated for continued support of public programs that further international agricultural research and global food security, including the Agriculture and Food Research Initiative, International Research Collaboration Programs and Feed the Future Innovation Labs, in 2024. These programs supplement private sector investments to support smallholder farmers to responsibly increase farm productivity within critical food supply chains, including coffee.

## IMPROVING SUPPLY CHAIN LIVELIHOODS

In 2024, three of KDP's investments in coffee origins helped support measurable progress toward improved economic resilience for farmers and workers in the projects described below.

### La Vereda Impact Sourcing Pilot

Through a unique combination of innovative purchasing practices and strategic investment in yield-boosting and diversification activities, KDP and its supplier, RGC Coffee, have supported 330 coffee farmers in Colombia to achieve an average increase in net household income of 130% in 2024 among the farmers who received direct technical assistance, compared to a 2021 baseline. This places these households well above the living income benchmark defined by the nonprofit, Verité, in 2022, and demonstrates the efficacy of combining purchases with targeted investment to drive impact.

### Rwenzori Mountains Supply Development Program

The Rwenzori Mountains are renowned for their high altitude, fertile soils and plentiful rainfall, which provide optimal growing conditions for arabica coffee. However, lack of premium market access in Uganda has led to low investment in quality improvements, resulting in low and unstable income for farmers. Since 2019, KDP has partnered with its supplier, Kyagalanyi Coffee Ltd, to support more than 8,000 farmers to achieve Rainforest Alliance certification and invest in farm-level improvements that enable sustained access

to higher-paying markets, in an effort to improve economic resilience among these farmers.

### Las Manos del Cafe Farmworker Prosperity Program

Farmworkers are often excluded from protections offered to workers in more formal segments of the economy, leaving them vulnerable in the face of unexpected events such as medical challenges or natural disasters. In partnership with our supplier, RGC Coffee, KDP has supported nearly 700 farmworkers in Antioquia, Colombia to access services and financial benefits that would otherwise have been out of reach. This program supports farmworkers' overall capacity to navigate any unplanned emergencies and identifies ways to improve their working conditions and broader well-being, making them a reliable and engaged workforce for farmers.



**Read more:**

[Our Impact](#)

[The Future of Coffee](#)



# CONSUMER HEALTH & WELL-BEING

Supporting consumers on their health and well-being journeys and providing transparency about our marketing practices, ingredients and product safety are fundamental to our business.

## KEY HIGHLIGHTS

- **Achieved Goal:** Provided positive hydration<sup>13</sup> in 60% of KDP products in the U.S., one year ahead of schedule
- 40% of our U.S. corporate marketing budget promoted products that met the definition of positive hydration in 2024
- 7% reduction in added sugar from U.S. Refreshment Beverages since 2020
- Collaborated with retailers and dietitians to expand access to low calorie products in 160 stores across the U.S. mid-Atlantic and east coast
- Continued to deliver on our commitment to not market or advertise any of our products to children
- Dr Pepper Zero had the most volume sales growth out of all Dr Pepper trademarked products, including regular Dr Pepper and Diet Dr Pepper, in 2024

**Read more:**

[Goal Methodology & Progress Summary](#)





# Strategy

As a leading beverage company, KDP recognizes there are systemic issues relating to health, hunger and nutrition that are complex and require individual and collective action to address. Core to our approach is working alongside community and public health organizations as well as credentialed health and well-being experts to understand needs and how KDP can support solutions. With a company vision to provide a beverage for every need, anytime, anywhere, we are committed to offering product options within a balanced portfolio. This means less sugar, more functionality and nutrients and smaller portion offerings.

## CONSUMER HEALTH & WELL-BEING STRATEGY



Renovation, Innovation & Transparency to Empower Consumer Choice



Responsible Marketing & Merchandising to Expand Access to Product Options with Low Calories, Zero Sugar or Functional Benefits



Product/Ingredient Quality & Safety

We actively participate in discussions with stakeholders aimed at replicating and accelerating initiatives designed to increase access to our full portfolio of products, including our low calorie, low sugar and nutritional offerings. This extends to collaborating with groups who are working to address health disparities in communities. We continue to advocate for informed consumer decision-making by providing transparent, straightforward and easily comprehensible information on our packaging and online. In addition, we regularly engage with stakeholders such as investors, NGOs, public health groups and government agencies to identify and respond to any emerging issues, safety concerns or misleading information to protect the interests and well-being of our consumers.

### Management Approach

KDP's cross-functional teams, including Product Development, Scientific & Regulatory Affairs, Operations, Marketing, Commercial Sales, Engineering and Corporate Affairs collaborate to advance our consumer health and well-being efforts.

Specific to our positive hydration goal, as defined on page 27, we work with Partnership for Healthier America (PHA), a nonprofit committed to advancing access to nutritious food for all in America. Through our multi-year partnership, PHA is providing KDP health and well-being advice and annual validation of our positive hydration goal progress and marketing disclosure.

We also have compliance programs and review systems to implement KDP's product safety and quality standards which are aligned to legal and regulatory requirements. All of KDP's products comply with applicable regulations set by the U.S. Food and Drug Administration (FDA), the Canadian Food Inspection Agency (CFIA), Health Canada (HC) and Mexico's Federal Commission for Protection against Health Risks (COFREPRIS) and Office of the Federal Prosecutor for the Consumer (PROFECO). In addition, we comply with the U.S. Department of Agriculture's (USDA) Smart Snacks in School standards. We go one step further in the U.S. by displaying voluntary front-of-pack calorie labels on many beverage containers. For our Keurig coffee makers, rigorous development and safety processes and procedures are overseen by teams within our Global Product Organization, including the Appliance Safety Management Committee and the Appliance Product Safety Council.

We have established several policies that outline our approach and reinforce our commitment to consumer health and well-being. They include KDP's [Chemicals Management Policy](#), [Responsible Marketing Policy](#), [Responsible Public Policy Advocacy in the United States Policy](#) and [Supplier Code of Conduct](#). Specific to animal testing, we state in our Supplier Code of Conduct that our suppliers shall strive to avoid animal testing altogether. Where it cannot be avoided, suppliers shall have a responsible animal testing policy and procedures in place. KDP does not test our products on animals.

### Ongoing Challenges

- Expanding equitable access to low calorie/low sugar beverage options for consumers across diverse and varied markets
- Combating public confusion and misinformation about ingredients and product safety
- Balancing consumer taste and visual preferences with stakeholder expectations

### Future Opportunities

- Renovating and innovating products that reduce sugar and calories and/or deliver functional benefits
- Exploring in-store merchandising and marketing strategies to expand distribution of beverages that meet retailer nutrition criteria
- Continuing to engage key stakeholders, including NGOs, government and public health officials and advocacy groups

### Read more:

[Corporate Governance & Ethics](#)

[Glossary](#)

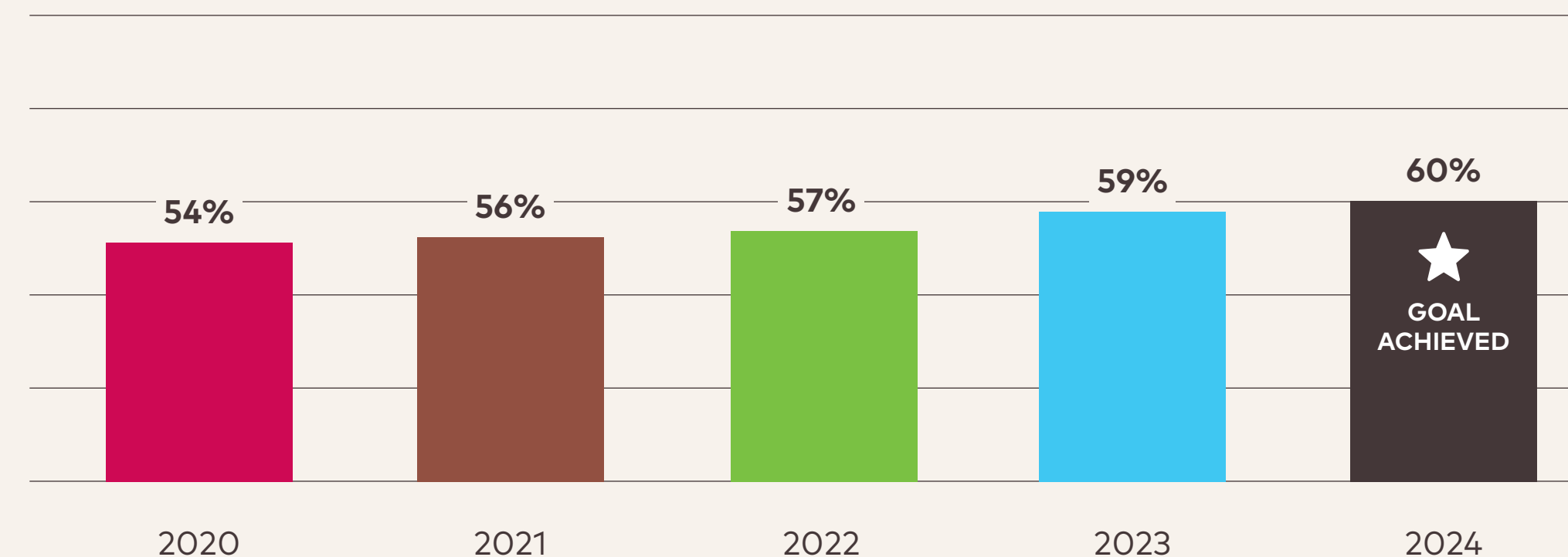
[Our Impact](#)



# 2024 Progress

We have committed that, by 2025, 60% of our product portfolio in the U.S. will provide positive hydration. At year-end 2024, we achieved our goal one year ahead of schedule with 60% of our products meeting our definition of positive hydration. We achieved this progress by continuing to expand our range of choices across our brands through innovation within KDP's portfolio as well as investments and acquisitions with our partner brands. We also discontinued certain products in favor of those that better meet the needs of the consumer and optimize our supply chain. In addition to offering more products that meet our positive hydration definition, based on sales-weighted average we have reduced added sugar in U.S. Refreshment Beverages by 1.7% from 2023 and 7% since 2020.

## POSITIVE HYDRATION PROGRESS



**A product meets the positive hydration criteria if it:** provides a serving of fruits or vegetables (with no added sugar) OR is 40 calories or less per serving<sup>14</sup> with a functional attribute<sup>15</sup> or at least 10% Daily Value of a nutrient to encourage<sup>16</sup>. Positive hydration goal is for U.S. sales only; examples of products that meet these criteria include non-caloric coffees and teas, 100% fruit juice with no added sugar, low calorie energy and soft drinks and sparkling, still and functional waters.

With the achievement of our positive hydration goal in the U.S., we have been evaluating opportunities for positive impact in both the U.S. and Canada that are tailored to each distinct market reality, dynamic regulatory landscape and consumer needs. We will continue to disclose the following metrics for the U.S. in the 2025 Impact Report:

- Percentage of our product portfolio that meets our definition of positive hydration
- Percentage of our marketing budget that promotes positive hydration products
- Percentage of added sugar reduced from our portfolio of products (based on sales-weighted average)
- Compliance with our responsible marketing policy

In Canada, we have spent the past few years collaborating with industry experts and stakeholders to inform our Canadian Health & Well-Being journey. This work has led to the identification of key metrics that we will use to report progress tailored to the Canadian portfolio, market dynamics and regulatory environment. Read more [here](#).

### Read more:

[Goal Methodology & Progress Summary](#)[Glossary](#)[Data Table](#)[KDP Impact Commitments Summary](#)



# Our Work in Action

## EMPOWERING CONSUMER CHOICE

### Renovation

We renovated the formula of Bai in 2024 to improve the sweetener profile based on taste. While the beverage remained a low calorie option with one gram of sugar per 18 fl oz., the new formula reduced the previous formula's lingering aftertaste. We also added additional functional ingredients, such as zinc which, in combination with Vitamin C or E, can help support a healthy immune system. That, along with the addition of electrolytes, was in direct response to our consumers' evolving needs for flavorful and functional hydration.

### Innovation

2024 was a successful year of KDP flavor innovation. Most notable was the popularity of Dr Pepper Creamy Coconut, our most successful limited-time-offering CSD to date, and the



introduction of Canada Dry Fruit Splash Cherry, which achieved the top spot among all new CSD flavor innovations for the year<sup>17</sup>. Both innovations included companion zero-sugar options, further expanding KDP's extensive portfolio of sugar-free beverages.

### 2024 Positive Hydration Expansion

We expanded KDP's portfolio of owned and partner brands with additional offerings that deliver zero calorie, zero sugar or nutritional and functional benefits through our Keurig coffee system, as well as acquisitions and investments across U.S. Refreshment Beverages. In 2024, these included:

- Brooklyn Roasting Company
- Kahawa 1893
- Black Rifle Coffee Company
- Bloom Energy Drinks
- C4 Smart Energy
- Canada Dry Fruit Splash Zero

### Transparency

We continued to host websites for the [U.S.](#) and [Canada](#) to provide detailed information about our products. These websites offer comprehensive nutrition, allergen and certification information, allowing visitors to easily compare products, check compliance with USDA Smart Snacks in schools or verify Fair Trade certification and review packaging attributes such as recycled content and nutritional information for fountain beverages based on product, cup size and ice level.

## EXPANDING ACCESS TO A BALANCED PRODUCT PORTFOLIO

### Giant Community Impact Hutch Program

KDP and grocer Giant Food partnered to take over the "Healthy Hutch" incremental shelf at all 165 Giant Food stores in the U.S. in late 2024. Over a three-month period, the Giant Foods Healthy Living team featured one of KDP's products in the Community Impact Hutch as "Handpicked by Our Nutritionists." Rotated monthly, the KDP product (either Core Hydration, Bai or Snapple Zero Sugar) was offered at a sale price and highlighted in the Giant Food circular as "Products that are a Better Option for Healthier Choices." The program resulted in a sales increase of more than 80% and indicated more shoppers purchasing these options on display<sup>18</sup>.

### Responsible Marketing

In the U.S., we are a member of the Better Business Bureau's Children's Food and Beverage Advertising Initiative (CFBAI). As participants, we comply with the advertising standards set in CFBAI's Core Principles and report annually on our pledge not to engage in advertising directed to children 13 and under unless the product being advertised meets CFBAI's strict nutrition criteria<sup>19</sup>. KDP complied with this commitment in 2024 and did not advertise to children under age 13, regardless of the product's nutrition profile.

## PURSuing PRODUCT QUALITY & SAFETY

We continued our work to pursue safety and quality standards throughout product development, sourcing, manufacturing and commercialization for all beverages and Keurig coffee makers that we manufacture and market. In 2024, we updated our [Chemicals Management Policy](#) to reaffirm our responsible management of Chemicals of Concern. The Policy applies to all raw materials including water, ingredients and packaging materials related to KDP-branded food and beverage products and appliances.



Read more:

Our Impact



# EMPLOYEE HEALTH, SAFETY & WELL-BEING

Supporting our employees is the foundation for generating sustainable business performance and for building strong, vibrant communities where we live and work.

## KEY HIGHLIGHTS

- 81% of KDP employees in 2024 report feeling engaged
- 83% of employees report feeling proud to work for KDP in 2024
- Recognized on Forbes America's Best Large Employers and Fortune's Most Admired Companies lists in 2024
- 40% reduction in recordable safety incidents in U.S. manufacturing locations that produce liquid refreshment beverages, compared to the prior year
- 220+ grants funded by and issued to employees in need from KDP's Employee Relief Fund
- Increased employee volunteerism and community engagement to more than 7,600 hours in 2024

### Read more:

[Goal Methodology & Progress Summary](#)





# Strategy

We recognize that our employees make our success possible, so we strive to provide rich and meaningful career experiences to help attract, develop and retain a team of top beverage talent that embraces a challenger mindset. We encourage our team members to “Drink in the Possibilities” of a career at KDP. That is why we aim to create an environment where all of our employees can do their best work. Our culture is based around four core values that guide how we engage with each other in an open and inclusive environment, while pushing each other with high standards and accountability.

## Management Approach

KDP’s cross-functional teams, including business leaders, Human Resources, Legal & Security, Operations and Corporate Affairs, collaborate to advance our Employee Health, Safety & Well-Being initiatives.

Our [Corporate Code of Conduct](#) defines the expectations we have of our employees to conduct business legally and ethically. In

addition, our [Human Rights Position Statement](#) outlines core standards and expectations we have established for our employees in areas including human rights and building inclusive workplaces. Specific to community engagement, we follow our Charitable Giving Guidelines and use the Benevity system to screen all community partners and ensure they are reputable, registered nonprofit organizations.

## Ongoing Challenges

- Competing for a highly skilled workforce while navigating labor shortages, inflation in labor costs and employee turnover, particularly in frontline roles
- Evolving our reporting to reflect a dynamic landscape, including changing regulatory requirements
- Supporting operational and community resilience given the increasing frequency and severity of natural disasters

## Future Opportunities

- Investing in and implementing enhanced tools, resources and data to help us attract, develop and retain top talent, improving the overall employee experience
- Continue to evaluate our total reward package to ensure our benefits and wellness offerings remain competitive and inspire our employees to prioritize their total well-being
- Increasing awareness, access and opportunities for participation of employees in volunteer activities and community engagement initiatives

## Read more:

[Corporate Governance & Ethics](#)[Glossary](#)[Our Impact](#)

## EMPLOYEE HEALTH, SAFETY & WELL-BEING STRATEGY

### BRING YOUR FLAVOR: CONNECTION & ENGAGEMENT

We encourage our employees to collaborate and learn from each other every day. We emphasize that KDP is a place where we all belong, everyone has a voice and different perspectives are valued. This is essential to both creating a great experience for our team members and for the success of our company. Efforts in this area include our engagement survey, our recognition and listening programs and our Employee Resource Groups (ERGs).

### UNCAP YOUR POTENTIAL: CAREER DEVELOPMENT

We strive to offer our employees opportunities for growth, learning and becoming a key ingredient in the company’s growth. We encourage team members to own their career paths and help set their professional trajectory. Efforts in this area include our learning and development programs, the talent management and performance management processes and our trainings for managers.

### FUEL YOUR WELL-BEING: TOTAL REWARDS & WORKPLACE HEALTH & SAFETY

KDP is committed to offering our employees resources to personalize their physical, mental and emotional health, and ensuring team members feel safe, valued and cared for at work and at home. Efforts in this area include our KDP benefits and wellness programs, the hybrid work environment we offer along with our health and safety programs.

### PROUDLY DELIVERED: POSITIVE IMPACT

We celebrate the shared satisfaction in building a strong company with a bright future, and we strive to give our team members an understanding of how their roles fuel the success of the company and the communities we serve together. Efforts in this area include our community engagement programs and our employee communications efforts to ensure team members are up to date on our brand news and KDP Impact work.



# 2024 Progress

We continued our commitment to foster a strong, inclusive culture that values the voices and perspectives of all our team members. With the aspiration to have top beverage talent with a challenger mindset, we supported our teams through competitive benefits, career development opportunities and a workplace culture built on safety, respect, inclusivity and trust.

We supported our team members with total rewards packages that provided eligible employees access to medical, dental, vision, life insurance, retirement benefits and disability benefits, as well as assistance with major life activities such as adoption, childbirth and back-up childcare, among other benefits. We also confirmed our commitment to fair and equitable pay practices by conducting annual pay equity assessments. These reviews help ensure parity across comparable roles and are aimed at identifying and eliminating any

statistically significant gaps based on gender or race.

In addition, KDP invested in continuous workplace safety programs and enabled conversations at the team level to help create a dynamic and rewarding workplace. Our annual employee engagement survey solicited feedback from all team members on topics that included culture, engagement, well-being, development, leadership and work environment. With 91% of employees participating in the 2024 survey, findings showed that 81% of KDP employees are engaged, committed to staying with KDP and have a strong sense of accomplishment from their work, up from 80% in 2023. We also reduced recordable safety incidents by 40% in our U.S. manufacturing locations that produce refreshment beverages in 2024, compared to the year prior.



## 2024 GLOBAL COMMUNITY ENGAGEMENT HIGHLIGHTS

KDP, and our family of brands, are dedicated to supporting positive local impact and building community resilience through corporate partnerships, employee giving and volunteerism and brand and retail activations.

**327,000+**

products  
provided in  
disaster relief

**330,000+**

bottles of  
Mott's apple  
juice provided  
to American  
Red Cross  
blood donation  
centers

**7,600+**

hours  
volunteered by  
KDP employees

**30 YEARS**

of supporting  
students through  
the Dr Pepper  
Tuition Giveaway  
Program, including  
awarding over \$20  
million in tuition  
support

**220+**

grants issued  
to employees  
in need from  
the Employee  
Relief Fund

Moving forward, in a reflection of the dynamic landscape and changing requirements our reporting is evolving, and we will continue to report on our employee engagement, our workplace safety performance and highlights from our community engagement initiatives.

### Read more:

[Goal Methodology & Progress Summary](#)

[Glossary](#)

[Data Table](#)

[KDP Impact Commitments Summary](#)

[Employer Information Report \(EEO-1 Component 1\)](#)



# Our Work in Action



## BRINGING YOUR FLAVOR

More than 3,200 KDP employees are members or allies of one or more of our eight ERGs that help build connection and community. In 2024, these groups hosted over 150 events and activities focused on KDP culture, career, community and company. For example, our ERGs hosted the fourth annual KDP Innovation Challenge, in which employees from across the company submitted more than 120 innovative ideas aimed at supporting KDP's Strategic Framework. The winning entrants included ideas related to championing brand building, shaping our now and next beverage portfolio and generating fuel for growth. Also in 2024, we added Frontline Engagement Pillar Leads for each of our ERGs to amplify their activities to our frontline employees.

In addition, KDP reached a milestone in our annual engagement survey with 91% of employees sharing their voice. This response rate reflects a two percentage point (pp) increase from 2023, and it is the highest response rate to date for KDP. We saw a positive increase in the overall engagement scores of frontline team members and a nearly two pp increase in our Supply Chain score, reflecting more than 7,000 employees. Employees also reported improvements in favorability across key measures:

- 3.5 pp increase of managers providing useful performance feedback
- 2.8 pp increase of team members agreeing that their opinions matter
- 2.0 pp increase of team members agreeing that KDP cares about employee health and well-being

## UNCAPPING YOUR POTENTIAL

In 2024, KDP identified manager effectiveness as a key driver of employee experience and sought to create a measurement system that would enable leaders to understand and enhance their impact through targeted actions. To explore this, we developed a pilot program with a select group of frontline and non-frontline managers. Each manager received personal benchmarks from KDP's engagement survey, developed plans targeting their lowest-scoring leadership behaviors and completed KDP's Fearless and Fair Communication training. Results from a follow-up survey later in 2024 showed improvements across both workforce segments. Frontline leaders saw increases in nine of 10 leadership metrics. The average improvement led to a 10% favorability compared to other manufacturing sites and a 3% increase compared to other corporate functions.



## FUELING YOUR WELL-BEING

Each year KDP evaluates the total rewards packages to ensure benefits and wellness offerings remain competitive and inspire employees to prioritize their well-being. We added two new medical plan options in 2024 to give employees more choice in costs, deductibles and premiums, allowing them to choose a healthcare plan based on their personal wellness journey. We also expanded mental health offerings, providing team members and their household a free paid subscription to a best-in-class resiliency app.

### Focusing on Workplace Health & Safety

KDP implemented several safety and security initiatives focused on training and development, investments in infrastructure and technology upgrades in 2024. We held eight Employee Health & Safety boot camps, which included executing a multi-day training curriculum for our frontline leadership such as plant management, supervisors and shift leads. We also introduced 50 new tractor units with advanced driver assistance systems including lane departure, adaptive cruise control and collision mitigation technology. In addition, we upgraded and deployed an enterprise mass communications technology to rapidly notify employees on adverse risk alerts near their work location and check on their welfare.





## PROUDLY DELIVERING POSITIVE IMPACT

KDP, and our family of brands, are dedicated to supporting positive local impact and building community resilience through corporate partnerships, employee giving and volunteerism and brand and retail activations.

### Red Cross Partnership

KDP has a multi-year partnership with the American Red Cross and the Canadian Red Cross to provide support to families and communities in need across the U.S. and Canada through both financial support and in-kind donations. In 2024, we supported American Red Cross employees and volunteers at disaster centers with Keurig brewers and coffee. In addition, we supplied Mott's apple juice to blood drives across the U.S. The Canadian Red Cross, Walmart and KDP Canada teamed up to run their first cause marketing campaign with the Keurig brand. The initiative raised \$100,000 CAD in donations to the Canadian Red Cross and increased sales for Keurig by over 54% during the campaign.



### Engage for Good

KDP's Engage for Good program provides employees with matching donations and volunteer grants as a reward for those who volunteer in their communities. In 2024, we increased employee volunteerism hours to more than 7,600, and our employees made a positive impact in some of the following ways:



- In partnership with Good360, our team in Sacramento, California assembled 2,500 daily sanitation kits and wrote letters of encouragement to benefit local organizations. These kits include vital hygiene products such as soap, shampoo, conditioner, ear plugs, sleep masks and disposable washcloths, offering essential support to individuals in underserved communities.
- KDP employees came together in McKinney, Texas to lend a hand at Grace Bridge, a local nonprofit dedicated to providing necessities to those in need. Local employees sorted and packed canned goods for individuals and families facing food insecurity.

- In partnership with the American Red Cross, a group of senior leaders came together to support community disaster preparedness. The team filled packs with water, emergency medical supplies and survival equipment to be distributed readily to people in need following a disaster. These daily necessities are some of the first things communities need when rebuilding from storms and are a staple of the support the American Red Cross provides across the nation.

### Disaster Relief

KDP provides critical products and resources to individuals and families in the wake of crises and natural disasters. In 2024, we partnered with Good360 and Operation Blessing to supply beverages to those impacted by natural disasters, like Hurricane Helene that impacted the Southeastern U.S. In addition, we continued to facilitate grants funded by and awarded to U.S. employees through our Employee Relief Fund, a 501(c)(3) NGO that supports KDP employees and their immediate family members who experience a disaster or emergency hardship.



**Read more:**

[Our Impact](#)

[KDP Careers](#)



# CORPORATE GOVERNANCE & ETHICS

Strong governance structures and ethical business practices help to build trust with our stakeholders and generate sustainable business performance.





# Strategy

We believe strong corporate governance and ethics provides the foundation for a culture of integrity, transparency and responsibility.

## CORPORATE GOVERNANCE & ETHICS STRATEGY



KDP Impact Oversight



Corporate Policies & Compliance



Advocacy & Public Policy



Data Privacy & Cybersecurity

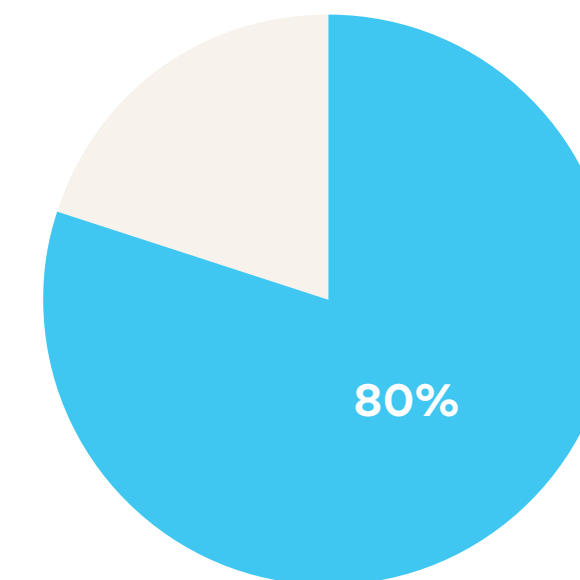


### Management Approach

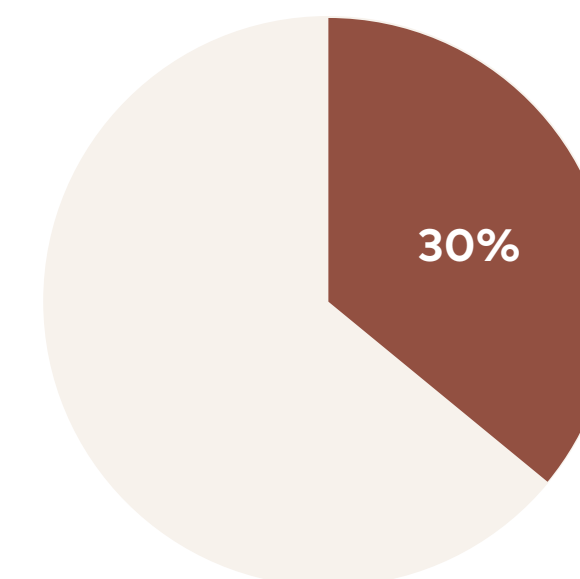
The KDP Board of Directors oversees environmental sustainability, social responsibility and corporate governance strategies and commitments, as outlined in our [Corporate Governance Principles](#). In this role, the Board approves our commitments and monitors progress in our seven Key Impact Areas: Climate & Nature Action, Water Use & Stewardship, Packaging & Circular Economy, Human Rights, Responsible Sourcing & Supply Chain Livelihoods, Consumer Health & Well-Being and Employee Health, Safety & Well-Being.

The personal and professional backgrounds and experiences of our Board enhance its effectiveness and ability to provide broad perspectives and constructive feedback to management. More information on our Board is available on our [website](#) and in our [2025 Proxy Statement](#).

## BOARD COMPOSITION\*

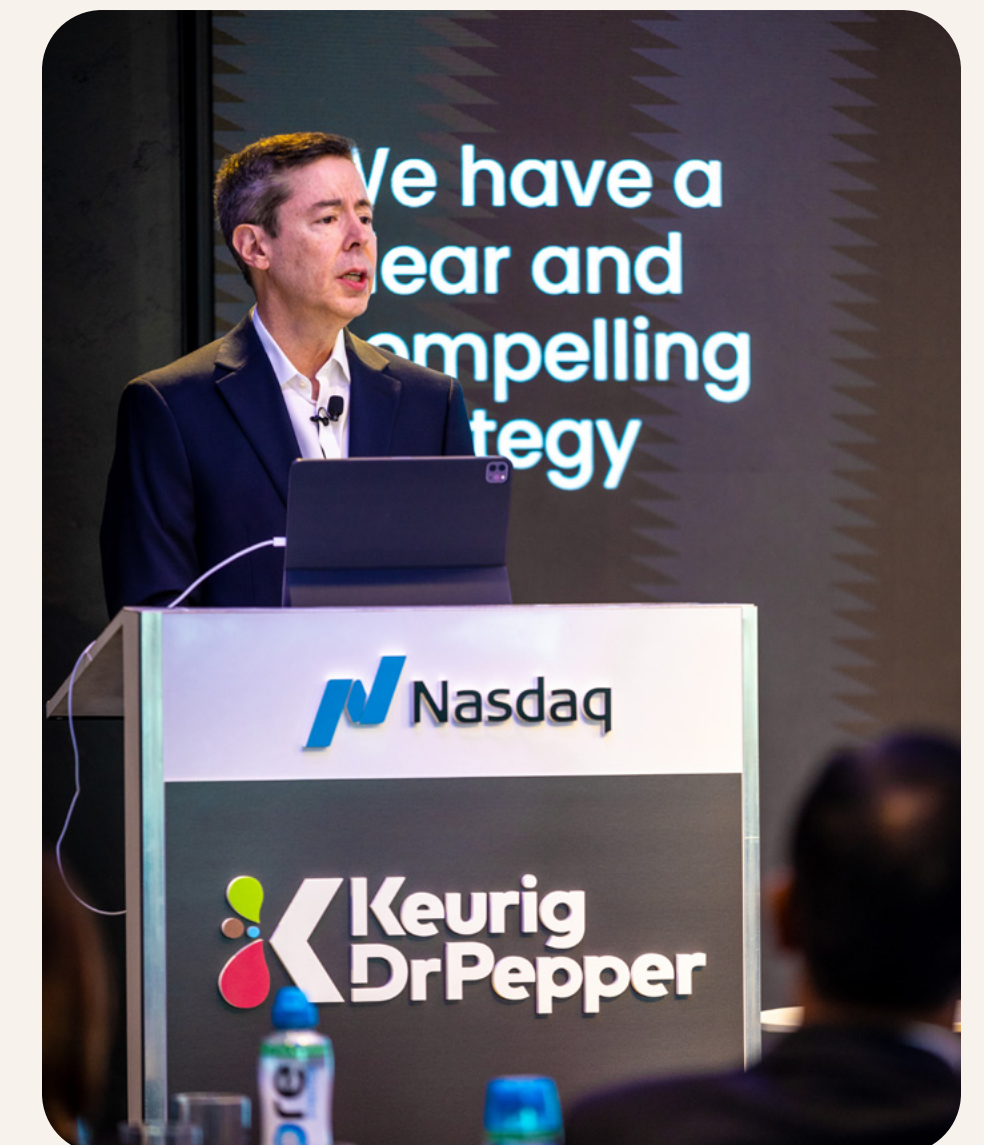


80% are "independent" under Nasdaq listing rules



30% are women

*\*As of June 1, 2025*



### Read more:

[Climate & Nature Action](#)
[Water Use & Stewardship](#)
[Packaging & Circular Economy](#)
[Human Rights, Responsible Sourcing & Supply Chain Livelihoods](#)
[Consumer Health & Well-Being](#)
[Employee Health, Safety & Well-Being](#)
[Glossary](#)
[Our Impact](#)



# Our Work in Action

## KDP IMPACT OVERSIGHT

While the full Board is responsible for oversight of KDP's overall environmental sustainability, social responsibility and corporate governance strategy, the Remuneration and Nomination Committee of the Board, along with KDP's Executive Leadership Team, Sustainability Governance Committee, Chief Corporate Affairs & Sustainability Officer and cross-functional KDP teams that include leaders from all areas of the business, provide specific management, advisory, accountability and collaboration capabilities in support of these efforts.

### BOARD OF DIRECTORS

Provides primary board-level oversight of strategy and commitments.

### REMUNERATION AND NOMINATION COMMITTEE OF THE BOARD

Assists the Board with oversight of human capital management strategy and corporate governance.

### EXECUTIVE LEADERSHIP TEAM

Works to promote alignment of our KDP Impact agenda and strategies with our long-term business objectives, provides advisory support on programs and monitors progress.

### SUSTAINABILITY GOVERNANCE COMMITTEE

Provides cross-functional decision-making and alignment with business strategy, oversees progress toward commitments and reviews and monitors the preparation of our Impact Report and other related disclosures, comprised of select Executive Leadership Team members and other key leaders.

### CHIEF CORPORATE AFFAIRS & SUSTAINABILITY OFFICER

In collaboration with cross-functional teams, establishes robust social and environmental agenda and strategic priorities throughout the organization, identifies and addresses challenges, enhances disclosure and monitors emerging trends.

## CORPORATE POLICIES & COMPLIANCE

Our suite of policies and programs outline the expectations we have of our company and employees to act in a professional, ethical and legal manner. KDP's [Corporate Code of Conduct](#) is an expression of our values and provides guideposts for employees and directors to make the right decisions and act responsibly. Our policies cover topics including anti-bribery, anti-competitive behavior, insider trading and disclosure in addition to the statements and policies covered in other sections in this report. KDP employees are required to hold themselves and each other accountable to all policies and the law. We offer a 24/7 "Speaking Up" hotline, managed by an independent third party, for employees to anonymously report any potential violations of our Code of Conduct or related concerns.







## ADVOCACY & PUBLIC POLICY

We believe we have a duty and responsibility to participate in the collaborative public policy-making process and strive to maintain a strong voice in shaping policy agendas that are critical to our continued growth and KDP Impact agenda. These include, but are not limited to, doing our part to work to restore resources for a more circular economy, supporting sustainable global agricultural supply chains, reinforcing responsible marketing and labeling and ensuring product quality and food safety. KDP's advocacy efforts include direct engagement with public officials, participation in trade associations, coalitions and stakeholder meetings. All advocacy activities and contributions comply with applicable U.S. laws and regulations.

KDP discloses its U.S. federal, state and local lobbying activity and expenditures as required by law via the Lobbying Disclosure [website](#). We also voluntarily publish a report every year which details our trade association memberships, including those associations that received more than \$25,000 per year in non-deductible fees for federal lobbying expenditures. We voluntarily publish a report which details third parties who are registered to directly advocate on KDP's behalf. This information is outlined in our [Policy on Responsible Public Policy Advocacy in the United States](#).

We also administer the KDP Political Action Committee (PAC) which is registered with the Federal Election Commission and funded solely

through voluntary contributions from eligible employees. PAC contributions are bipartisan and given to federal and state candidates, without regard to political party affiliation. KDP has not solicited any KDP PAC contributions since 2018. The KDP PAC's Executive Committee has oversight of all political contributions and maintains a fund in a segregated account with Treasury oversight. All contributions are administered by an independent third party. The KDP PAC did not make contributions in 2024. KDP does not make direct corporate political contributions to candidates, parties, nor their committees even where permitted by applicable law. Read more in our [Policy on Responsible Public Policy Advocacy in the United States](#).



## DATA PRIVACY & CYBERSECURITY

We are committed to protecting the personal information entrusted to us by our consumers, customers, employees and business partners. KDP aims to comply with the privacy laws and regulations in all jurisdictions in which we operate. In accordance with applicable privacy and security laws and in alignment with the National Institute of Standards Framework, KDP's Privacy and Cybersecurity Programs implement and maintain a range of trainings, policies, processes and technical safeguards designed to protect our systems and preserve the confidentiality and integrity of personal information in our care. We take precaution to avoid using data and technology in ways that are unethical or could lead to discrimination and exploitation or cause harm. This information is outlined in our [Privacy Policy](#).

 **Read more:**

[Our Impact](#)



# About this Report

This progress report focuses on the goals, programs and initiatives that encompass our KDP Impact efforts for 2024. Unless otherwise noted, this report covers data and activities for the calendar year 2024 from KDP's wholly-owned operations. The content covers the parts of our business in which we have operational control and does not include joint ventures, entities in which we hold a minority interest or franchised or outsourced operations, except where noted. Selected data and information on our global supply chain activities are also included.

This report was created with reference to the [Global Reporting Initiative \(GRI\) Index](#) and is in alignment with the [Sustainability Accounting Standards Board \(SASB\) Standards](#) and the [TCFD](#). KDP is electing to use these frameworks to communicate our disclosures for this 2024 Impact Report. Given the rapidly-evolving reporting landscape, we are evaluating the reporting frameworks we will use for the 2025 Impact Report.

For 2024, we have obtained limited third-party assurance of certain sustainability performance metrics by ERM CVS. The assured data points are flagged in the [Data Table](#) and [SASB Standards](#). The [ERM CVS Independent Assurance Report](#) can also be viewed on our [website](#).

KDP welcomes questions about, and feedback on, our KDP Impact work and invites anyone to contact us at [sustainability@kdrp.com](mailto:sustainability@kdrp.com).

## FORWARD-LOOKING STATEMENTS

Certain statements contained herein are "forward-looking statements" within the meaning of applicable securities laws and regulations. These forward-looking statements can generally be identified by the use of words such as "outlook," "guidance," "anticipate," "expect," "believe," "could," "estimate," "feel," "forecast," "intend," "may," "plan," "potential," "project," "should," "target," "will," "would" and similar words. Forward-looking statements by their nature address matters that are, to different degrees, uncertain. These statements are based on the current expectations of our management, are not predictions of actual

performance, and actual results may differ materially. Forward-looking statements are subject to a number of risks and uncertainties, including the factors disclosed on our [Form 10-K](#) and subsequent filings with the SEC. We are under no obligation to update, modify or withdraw any forward-looking statements, except as required by applicable law.

## ESG MATERIALITY

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 KDP Impact approach should not be construed as a characterization regarding the materiality or financial impact of such issues or related information to investors in KDP. A discussion of the risks that are material to investors in KDP can be found on our Form 10-K for the year ended December 31, 2024, filed with the SEC, our subsequent Quarterly Reports on Form 10-Q and our Current Reports on Form 8-K. All can be found on our [website](#).



[Read more:](#) [Appendix](#)



# Glossary

TERM	DEFINITION
Circular Economy & Circularity	Terms used to describe the efforts made to design products, packaging and processes for durability, reuse, recycling and/or composting while helping to support the necessary infrastructure to enable circularity.
Compostable Packaging	Packaging that is able to be broken down into carbon dioxide, water and biomass within a specific time frame under specific conditions. This can mean either home compostable (at specific temperatures and with a natural microbial community) or industrially compostable (under increased temperatures, humidity and specifically formulated microbial conditions). Compostable material can be made from either bio-based or petrochemical inputs and is subject to third-party certification.
Consumers	People who buy and use our products for the purpose of personal use and consumption.
Customers	Retailers that buy products from KDP and sell to consumers.
Extended Producer Responsibility	A policy approach that assigns producers responsibility for the end-of-life of their products. This can include both financial responsibility and operational responsibility.
Fleet Decarbonization	Efforts to remove or reduce the levels of carbon emissions (such as carbon dioxide) caused by or involved in fleet operations.
GHG Emissions – Scope 1, 2 and 3	<b>Scope 1 emissions</b> Direct GHG emissions from sources that are controlled or owned by KDP (e.g., fuel used in fleet and manufacturing).
	<b>Scope 2 emissions</b> Indirect GHG emissions associated with the purchase or operations of sources that are not controlled or owned by KDP (e.g., electricity).
	<b>Scope 3 emissions</b> Indirect GHG emissions from sources not owned by the company throughout our value chain (e.g., upstream transportation, materials processing, use of sold products, etc.).

TERM	DEFINITION
High-Intensity Sweeteners	Sugar substitutes or sugar alternatives that are used in a variety of beverages across our portfolio. These include Acesulfame-K, Aspartame, Erythritol, monk fruit extract, stevia, sodium saccharine and sucralose.
Net Positive Water Impact	Efforts to reduce water stress by focusing on water availability, quality and access and that contributions exceed impacts on water stress in the same region, as quantified by established methodologies and measured via both short-term outputs and long-term outcomes.
Positive Hydration	<b>Positive hydration</b> A KDP product that provides a serving of fruits or vegetables (with no added sugar) OR is 40 calories or less per serving with a functional attribute or at least 10% Daily Value of a nutrient to encourage.
	<b>Functional attribute</b> A food product that together with its basic nutritional impact has a beneficial effect on one or more functions of the human organism either improving the general physical conditions or/and decreasing the risk of the evolution of disease.
	<b>Nutrient to encourage</b> Essential nutrients such as protein, fiber, vitamins and minerals.
Priority Inputs	Materials of importance to KDP's business, including apple, apple juice concentrate, cocoa, coffee, corn, high-intensity sweeteners and tomato paste, as well as our brewers and certain brewer components critical to brewer function and quality. Priority status is determined by the input's importance to KDP by magnitude of spending, its social and environmental risk profile and our unique opportunity for impact within the supply chain.
Producer Responsibility Organization	A company or entity, often a nonprofit like the Circular Action Alliance, established by manufacturers to fulfill their legal Extended Producer Responsibility obligations related to the collection, recycling and disposal of waste generated by their products, particularly in sectors like packaging.



TERM	DEFINITION
Recyclable Packaging	Packaging for which design is not a barrier to the packaging being successfully collected, sorted and reprocessed into another material, a product component or a recycled raw material. Packaging we consider to be recyclable includes materials and formats for which recovery, sortation and end markets exist or can practically be scaled across North America, noting that many communities may not accept or sort certain materials or formats today. We likewise consider plastic packaging to be recyclable if it is deemed "recyclable with detrimental features" by the APR.
Regenerative Agriculture & Conservation	Regenerative Agriculture is a holistic, localized approach to agricultural production and land management that seeks to mitigate climate change, increase soil health, support resilient landscapes and improve farmer livelihoods. Conservation is the act of bringing non-agricultural land into conservation protection or supporting an increase in protections and/or stewardship on already conserved lands.
Responsible Sourcing	Our approach to help safeguard fundamental human rights and environmental protections across our supply chain. For coffee and cocoa, we rely on verification or third-party certification programs. For factory-based inputs, we use KDP's Supplier Rating System.
KDP-managed Brewer Suppliers	<b>KDP-managed brewer component suppliers</b> Suppliers that are critical to brewer function and quality where KDP negotiates volume and price. These include all Tier 1 Brewer Suppliers and a portion of Tier 2 Brewer Suppliers.
	<b>Tier 1 brewer suppliers</b> Contract manufacturers that assemble our brewers.
	<b>Tier 2 brewer suppliers</b> Component suppliers that provide component parts to final assembly manufacturers.
Value Chain	A value chain is the complete journey of a product or process, covering all stages from material sourcing to end-of-life. It includes sourcing, production, distribution and disposal, highlighting the interconnectedness of each step.

TERM	DEFINITION
Virgin Plastic	Newly manufactured resin produced from petrochemical or biomass feedstock used as the raw material for the manufacture of plastic products and which has not been used or processed before.
Volumetric Water Benefit Accounting	A method to estimate the volumetric water benefits of water stewardship activities, and associated guidance related to planning, project selection and assessment.
Volumetric Water Benefits	Water stewardship activity outputs, estimated in volume per unit of time, that help reduce shared water challenges.



# Endnotes

<sup>1</sup> Circana MULO+ w/convenience 52W ended 12/29/24; NPD Crest full year 2024, Nielsen Discover 52W ended 12/28/24.

<sup>2</sup> 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 KDP Impact approach should not be construed as a characterization regarding the materiality or financial impact of such issues or related information to investors in KDP. A discussion of the risks that are material to investors in KDP can be found on our Form 10-K for the year ended December 31, 2024, filed with the SEC, our subsequent Quarterly Reports on Form 10-Q and our Current Reports on Form 8-K. All can be found on our [website](#).

<sup>3</sup> 250,000 acres represent approximately 50% of the land area used to grow the crops in scope for the goal, which include coffee, corn and apple, based on our 2023 purchasing footprint.

<sup>4</sup> FLAG stands for SBTi's methodology for the Forest, Land and Agriculture Sector. The [SBTi FLAG Guidance](#) is a standard for companies in land-intensive sectors to set SBTs that include land-based GHG emissions, reductions and removals.

<sup>5</sup> Net Positive Water Impact is defined as contributing more to basin health than what is taken from it, per the [Water Resilience Coalition \(Global Business Leaders Unite for Water Resilience\)](#).

<sup>6</sup> According to [The Recycling Partnership](#), the U.S. recycling system is not a unified or governmental entity, but rather a network of more than 9,000 separate local recycling programs. Each individual program has specific parameters for which materials can be recycled and municipalities collect recyclables in different ways.

<sup>7</sup> 60% of people are confused about how and what to recycle, according to [The Recycling Partnership](#).

<sup>8</sup> In 2024, 0.32% of coffee was received as conventional due to irregular rain patterns delaying the crop in Uganda and logistical challenges resulting from the unavailability of the Suez Canal as a transport route. Both of these challenges required us to purchase green coffee from the spot market to meet our demand, and there were not suitable responsibly sourced options available.

<sup>9</sup> We estimate that our global coffee supply chain includes over 100,000 farmers, plus many more workers employed on the farms. This means that our products are intricately linked to the work and livelihoods of those people.

<sup>10</sup> High-Intensity Sweeteners include Acesulfame-K, Aspartame, Erythritol, monk fruit extract, stevia, sodium saccharine and sucralose.

<sup>11</sup> KDP's coffee responsible sourcing program consists of: (1) working with second-party verification and third-party certification partners that have been vetted by the [Global Coffee Platform \(GCP\)](#) (as of June 2025, KDP's accepted partners include Fairtrade International, Fair Trade USA, the Rainforest Alliance, 4C, AtSource Entry Verified by ofi, ECOM SMS, Guaxupe Planet, NKG Verified, RGC Coffee 3E, RSP Advanced by Louis Dreyfus Company, Sucafina IMPACT, Volcafe Excellence, Volcafe Verified); (2) requiring the completion of independent, third-party audits on coffee farms to verify compliance with standards and remediation of key issues; (3) mandating our external partners share standardized data with us on traceability, risk and impact. Second-party verification and third-party certification partners audit a representative sample of farms. Under the commonly employed industry approach, the baseline number of farms to audit equals the square root of the total number of farms. That baseline can be adjusted up or down based on risk, and each verification or third-party certification partner will approach this differently. The GCP, through its [equivalence process](#), assesses programs to help ensure a robust management system is in place that is fit-for-purpose. For all programs, KDP likewise requires them to disclose their sampling methodology as part of KDP's approval process.

<sup>12</sup> KDP determines which suppliers are in scope for responsible sourcing audits based on third-party, country- and product-level risk data. All suppliers receive a risk score of Low, Medium or High. In some cases, supplier risk is further refined via a Self-Assessment Questionnaire (SAQ). Factories that have a high-risk score must undergo a third-party audit adhering to one of KDP's accepted audit standards. We consider a high-risk factory compliant if it earns an audit rating of Meets or Exceeds Expectations. For any that receive a Below Expectations rating, we work directly with those suppliers to remediate issues and verify corrective actions through additional onsite audits and specific trainings. KDP accepts audit reports from the Responsible Business Alliance (RBA), Sedex Member Ethical Audits (SMETA), Social Accountability International (SAI) SA8000 and the Business Social Compliance Initiative (BSCI), all of which have created a mechanism to assess responsible business practices in supply chains. In cases where factories have another comparable audit standard, we consider them for approval on a case-by-case basis.

<sup>13</sup> A product meets the positive hydration criteria if it: provides a serving of fruits or vegetables (with no added sugar) OR is 40 calories or less per serving with a functional attribute or at least 10% Daily Value of a nutrient to encourage. Positive hydration goal is for U.S. sales only; includes owned, licensed and partner brands and fountain beverages, excludes private label; examples of products that meet these criteria include non-caloric coffees and teas, 100% fruit juice with no added sugar, low calorie energy and soft drinks and sparkling, still and functional waters.

<sup>14</sup> U.S. FDA definition of "low calorie," Code of Federal Regulations, Title 21.

<sup>15</sup> European Commission: "A food product that together with its basic nutritional impact has a beneficial effect on one or more functions of the human organism either improving the general physical conditions or/and

decreasing the risk of the evolution of the disease." Orrú S, et al. Nutrients 2018.

<sup>16</sup> [Drewnowski A, et al. Nutr Rev. 2019; Dietary Guidelines for Americans, 2000-2025.](#)

<sup>17</sup> Circana Total U.S. – Multi Outlet + Conv Time: Calendar Year 2024 Ending 12-29-24.

<sup>18</sup> Compared to expected base sales for total KDP products.

<sup>19</sup> KDP considers child-directed advertising to be a program or website where the audience generally consists of 25% or more of children under the age of 13. This is a stricter standard than required by CFBAI, which considers media primarily directed at children under 13 when the audience is 35% or more of that age group.

*Photo Credits: Oscar Leiva/Silverlight (page 1: Report Cover – Right; page 14: Improved Water Security in Central America); Iain White Photography (page 9: Utilizing Renewable Electricity in Ireland); RJ Wiley/Audubon (page 10: Water Use & Stewardship; page 13: Wetland Rehabilitation in Florida); Chicago Bears 2024 (page 19: Refill-Reuse Pilot); Ryan Kurtz 2023 (page 23: Manufactured Inputs); Yober Rivera/World Coffee Research (page 24: Investing to Preserve Agricultural Research); Jaysson Gallant (page 29: Employee Health, Safety & Well-Being); AP Images for Dr Pepper (page 31: 2024 Progress); Gold Media Inc (page 33: Engage for Good); Operation Blessing (page 33: Disaster Relief); FireTheCanon.com (page 35: Corporate Governance & Ethics Strategy)*

*All amounts expressed in U.S. dollars unless otherwise noted.*

*All brands owned by their respective trademark owners.*

*All rights reserved.*



# APPENDIX





# Data Table

For details on the methodologies, boundaries and performance of the goals that these data support, see our [Goal Methodology & Progress Summary](#).

Year ended December 31	2020	2021	2022	2023	2024
GHG Emissions & Energy					
SCOPE 1: Direct Emissions (MTCO <sub>2</sub> e)*	289,755 <sup>+</sup>	294,455 <sup>+</sup>	298,188 <sup>+</sup>	286,787 <sup>+</sup>	295,720 <sup>+</sup>
Stationary	116,081 <sup>+</sup>	116,495 <sup>+</sup>	134,628 <sup>+</sup>	128,976 <sup>+</sup>	127,501 <sup>+</sup>
Mobile	160,797 <sup>+</sup>	162,642 <sup>+</sup>	162,435 <sup>+</sup>	156,686 <sup>+</sup>	167,189 <sup>+</sup>
SCOPE 2: Indirect Emissions, Purchased Energy (MTCO <sub>2</sub> e)*					
Market-based	93,280 <sup>+</sup>	81,091 <sup>+</sup>	57,680 <sup>+</sup>	36,721 <sup>+</sup>	31,776 <sup>+</sup>
Location-based	165,076 <sup>+</sup>	167,493 <sup>+</sup>	168,450 <sup>+</sup>	174,778 <sup>+</sup>	180,744 <sup>+</sup>
SCOPE 3: Indirect Emissions, Value Chain (MTCO <sub>2</sub> e)* Category Breakdown:	8,455,045	10,039,170	11,271,169§	10,600,175§	11,286,588
Purchased Goods and Services	3,245,733	4,762,340	5,663,774§	5,106,764§	5,172,729
Capital Goods	45,134	53,177	51,757	51,623	43,856
Fuel-and-energy-related Activities (not included in Scope 1 or 2)**	97,180	88,351	82,976§	78,273 <sup>+</sup>	80,016 <sup>+</sup>
Upstream Transportation and Distribution***	455,091	432,347	657,611§	656,403§	493,610 <sup>+</sup>
Waste Generated in Operations	7,365	7,323	11,184§	11,103§	10,229
Business Travel	4,243	2,616	17,187§	35,603§	28,156
Employee Commuting	50,833 <sup>+</sup>	52,268 <sup>+</sup>	49,103 <sup>+</sup>	45,820 <sup>+</sup>	46,981 <sup>+</sup>
Downstream Transportation and Distribution	1,073,631	1,106,642	1,115,535	1,081,598	1,235,700
Processing of Sold Products	2,726,216	2,856,423	2,876,039	2,772,831	3,146,180
Use of Sold Products****	664,521	559,947	529,557	479,915 <sup>+</sup>	490,724 <sup>+</sup>
End-of-life Treatment of Sold Products	85,058	117,735	158,387§	144,552§	164,037
Downstream Leased Assets	0	0	890§	1,320	836
Investments	N/R	N/R	57,169	134,370	373,534

N/R = disclosures are not reported; N/A = disclosures are not applicable



	2020	2021	2022	2023	2024
GHG Emissions & Energy					
Total Energy Use (MWh)	1,812,598 <sup>†</sup>	1,895,189 <sup>†</sup>	1,924,265 <sup>†</sup>	1,862,927 <sup>†</sup>	1,919,385 <sup>†</sup>
Total Direct Energy Usage (MWh)	1,352,299 <sup>†</sup>	1,398,647 <sup>†</sup>	1,398,100 <sup>†</sup>	1,337,084 <sup>†</sup>	1,372,211 <sup>†</sup>
Total Purchased Electricity Use (MWh)	460,299 <sup>†</sup>	496,542 <sup>†</sup>	526,165 <sup>†</sup>	525,843 <sup>†</sup>	547,174 <sup>†</sup>
% Grid Electricity	100%	100%	100%	100%	100%
% Renewable Electricity (Renewable Electricity as % of Total Purchased Electricity) <sup>*****</sup>	50% <sup>†</sup>	62% <sup>†</sup>	74% <sup>†</sup>	83% <sup>†</sup>	85% <sup>†</sup>
Fleet Fuel Management (Total Fuel Consumed) (Gigajoules)	2,325,866	2,312,032	2,316,494	2,264,898	2,418,434
Fleet Fuel Management (% Renewable)	0%	0%	0%	0%	0%

<sup>†</sup>Third-party data assurance completed by ERM CVS with limited assurance. The report is available on our [website](#).

<sup>§</sup>Updated from the year prior.

<sup>\*</sup>Scope 1, 2 and 3 emissions are accounted for in accordance with the GHG Protocol. We use the most current GHG emission factors in our inventory each year and site- and supplier-specific factors where available. Scope 1 emissions are calculated with U.S. Environmental Protection Agency (EPA) Emission Factors for Greenhouse Gas Inventories. Scope 2 emissions are calculated following both the location-based and the market-based methodologies as defined in the GHG Protocol. Location-based factors are taken from the eGRID and International Energy Agency (IEA) datasets for U.S. and international sites, respectively; where applicable, market-based factors are taken from supplier-specific utility factors (for larger sites), Green-e (U.S.), AIB (Europe) and IEA. Scope 3 emissions are calculated with a methodology that has been updated in 2024 and now reflects the inclusion of improved data sources and updated emissions factors. Historical figures have been updated to reflect these changes where appropriate. The latest datasets available at the time of publication are used, and where data is not available, estimated data were used. 2018 was our baseline year with Scope 1 and 2 emissions of 411,136 MTCO<sub>2</sub>e.

<sup>\*\*</sup>GHG emissions from Fuel-and-energy-related Activities are based on KDP direct fuel consumption and purchased electricity. Fuel consumption is multiplied by the relevant GHG emission factor for each fuel type. Electricity consumption is multiplied by a country-specific GHG emission factor. Calculation takes into account renewable electricity procured via market instruments and green tariff contracts.

<sup>\*\*\*</sup>Upstream Transportation and Distribution GHG emissions include outbound transportation of finished products, inbound packaging, ingredients and appliances via third-party logistics carriers. This category excludes transportation of inbound ingredients and packaging for our operations in Mexico. Upstream Transportation and Distribution GHG emissions are calculated using vendor-specific (EPA SmartWay) and industry average emissions factors applied to weight-distance and spend based activity data. GHG emissions associated with the inbound transportation of green coffee are calculated using purchased volumes by country and distances estimated using origin and destination locations. GHG emissions associated with the inbound transportation of appliances and beverage concentrate are provided by our logistics vendor. In 2024, the EPA EEIO database was updated from version 1.2 to 1.3, resulting in lower year over year emissions in this category.

<sup>\*\*\*\*</sup>Use of Sold Products GHG emissions are limited to brewer energy use and consumer refrigeration. Brewer energy use is estimated using brewer annual shipments and lifetime electricity consumption for each model. GHG emissions from consumer refrigeration are estimated by lifecycle analysis.

<sup>\*\*\*\*\*</sup>Renewable electricity in 2020, 2021, 2022, 2023 and 2024 was sourced through a mix of Green-e certified REC products. Our Newbridge, Ireland facility is supplied with 100% wind electricity by the local utility.

N/R = disclosures are not reported; N/A = disclosures are not applicable



	2020	2021	2022	2023	2024
Nature					
KDP Supported Regenerative Agriculture and Conservation (Acres) (Cumulative since 2022)*	N/A	N/A	11,296 <sup>†</sup>	43,435 <sup>†</sup>	129,013 <sup>†</sup>

<sup>†</sup>Third-party data assurance completed by ERM CVS with limited assurance. The report is available on our [website](#).

\*Regenerative Agriculture & Conservation Acres may not sum due to rounding of hectares to acres conversion.

Water					
Total Withdrawal (Million Liters)	13,166 <sup>†</sup>	13,355 <sup>†</sup>	13,716 <sup>†</sup>	13,175 <sup>†</sup>	12,595 <sup>†</sup>
% Withdrawal, Municipal	75% <sup>†</sup>	79% <sup>†</sup>	78% <sup>†</sup>	76% <sup>†</sup>	75% <sup>†</sup>
% Withdrawal, Groundwater	25% <sup>†</sup>	21% <sup>†</sup>	22% <sup>†</sup>	24% <sup>†</sup>	25% <sup>†</sup>
Total Consumption (Million Liters)	7,407 <sup>†</sup>	7,463 <sup>†</sup>	7,326 <sup>†</sup>	7,193 <sup>†</sup>	6,997 <sup>†</sup>
% Consumed in High Baseline Water Stress Areas	37%	38%	59%	59%	61%
Total Discharge (Million Liters)	5,759 <sup>†</sup>	5,893 <sup>†</sup>	6,390 <sup>†</sup>	5,982 <sup>†</sup>	5,962 <sup>†</sup>
% Discharge to Municipal	66% <sup>†</sup>	66% <sup>†</sup>	62% <sup>†</sup>	66% <sup>†</sup>	66% <sup>†</sup>
% Discharge to Waterbody	34% <sup>†</sup>	34% <sup>†</sup>	38% <sup>†</sup>	34% <sup>†</sup>	34% <sup>†</sup>
Water Use Ratio (L/L)* (Liters of Water Required to Make One Liter of Product)	1.82 <sup>†</sup>	1.82 <sup>†</sup>	1.82 <sup>†</sup>	1.85 <sup>†</sup>	1.82 <sup>†</sup>
Water Replenished in Highest Water-Risk Areas (Million Liters per Year)**	725	1,817	2,084	2,169	3,008
Water Replenished in Highest Water-Risk Areas (% Replenished)***	20%	49%	55%	55%	66%

<sup>†</sup>Third-party data assurance completed by ERM CVS with limited assurance. The report is available on our [website](#).

\*The Water Use Ratio is calculated based on water withdrawals and production volumes, for sites that produce liquid refreshment beverages only. 2017 was our baseline year with a Water Use Ratio (L/L) of 1.95.

\*\*Based on WRI's Aqeduct Water Risk Atlas v3.0 (2019) locations with High or Extremely High baseline water stress, aligned with SASB Standards metric. Prior years used v2.1 of Aqeduct and additional indicators. Total water capacity "replenished" or otherwise restored, protected, conserved in nature through our water stewardship partner projects.

\*\*\*Based on WRI's Aqeduct Water Risk Atlas v3.0 (2019) locations with High or Extremely High baseline water stress, aligned with SASB Standards metric. Prior years used v2.1 of Aqeduct and additional indicators. Progress is the volume of water capacity replenished versus the volume of water consumed by in-scope locations within the same year.

N/R = disclosures are not reported; N/A = disclosures are not applicable



	Overview	Climate & Nature Action	Water Use & Stewardship	Packaging & Circular Economy	Human Rights, Responsible Sourcing & Supply Chain Livelihoods	Consumer Health & Well-Being	Employee Health, Safety & Well-Being	Corporate Governance & Ethics	Appendix
		2020	2021	2022	2023	2024			
All Packaging*									
% Packaging Recyclable or Compostable**		94%	95%	94%	95% <sup>†</sup>	96% <sup>†</sup>			
% PCR across Total Packaging Portfolio		22%	24%	24%	27% <sup>†</sup>	26% <sup>†</sup>			
Plastic Packaging									
% Plastic Packaging Recyclable or Compostable**		88%	92%	89%	91% <sup>†</sup>	94% <sup>†</sup>			
% Plastic Packaging Reusable or Refillable		1%	1%	1%	2%	3%			
% PCR across Total Plastic Packaging Portfolio		2%	11%	18%	17% <sup>†</sup>	16% <sup>†</sup>			
Total Virgin Plastic Packaging (Metric Tons)***		226,000	215,000	202,740	195,015	190,567			
Total Plastic Packaging (Metric Tons)		230,000	243,000	246,588	234,334 <sup>†</sup>	227,846 <sup>†</sup>			
Packaging Mix <sup>†</sup> (% of Total Weight Procured)									
% Paper/Cardboard		26%	32%	34%	34%	34%			
% PET Bottles		24%	27%	26%	27%	27%			
% Aluminum and Steel		12%	14%	14%	13%	14%			
% Non-Refillable Glass Bottles		22%	10%	10%	8%	8%			
% Polypropylene		8%	8%	9%	7%	7%			
% Other****		4%	4%	5%	4%	4%			
% Flexible Packaging and Plastic Film		3%	3%	3%	4%	3%			
% Refillable Glass Bottles		1%	2%	0%	3%	3%			

<sup>†</sup>Third-party data assurance completed by ERM CVS with limited assurance. The report is available on our [website](#).

<sup>§</sup>Updated from the prior year.

<sup>\*</sup>This report encompasses the packaging data for KDP-owned and operated facilities, which include primary, secondary and tertiary packaging, as well as brewer packaging. Materials procured by external bottlers and brewer accessory contract manufacturers are not included. Recyclable packaging is packaging for which design is not a barrier to the packaging being successfully collected, sorted and reprocessed into another material, a product component or a recycled raw material. Packaging we consider to be recyclable includes materials and formats for which recovery, sortation and end markets exist or can be practically scaled across North America, noting that many communities may not accept or sort certain materials or formats today. We likewise consider plastic packaging to be recyclable if it is deemed "recyclable with detrimental features" by the APR. For all other material categories, our recyclability determinations are informed by applicable law and the guidance of several organizations, including the Sustainable Packaging Coalition, the Aluminum Association, the Can Manufacturers Institute, the Institute of Scrap Recycling Industries, the Glass Packaging Institute, the Carton Council and the American Forest & Paper Association. Packaging specifications - weight, composition and PCR content - are obtained from our suppliers. In the absence of specific data, KDP estimates are based on analogous products, ensuring our reporting reflects the most accurate information possible.

<sup>\*\*</sup>The EMF Global Commitment definition of "recyclable" differs from the KDP definition. EMF specifies that a package type must be recycled at a 30% recycling rate across geographies of 400 million or more inhabitants, which moves beyond the traditional definition of "recyclable." As a global NGO, EMF's threshold for recyclable product may be substantiated by data in geographies where KDP does not sell product. In 2020, 50% of KDP plastic packaging fit this definition. In 2021, 58% of KDP plastic packaging fit this definition. In 2022, 58% of KDP plastic packaging fit this definition. In 2023, EMF included the category "polypropylene other rigid" as recyclable and 89.9% of KDP plastic packaging fit this definition. We will report the percentage of KDP plastic packaging that fit this definition in 2024 to EMF in late 2025.

<sup>\*\*\*</sup>2019 was our baseline year with Total Virgin Plastic Packaging of 229,000 Metric Tons.

<sup>\*\*\*\*</sup>Category includes filters, high-density polyethylene (HDPE), foam and aseptic carton.



	2020	2021	2022	2023	2024
Waste					
Total Waste Generated (Short Tons)	114,241	124,859	142,824	140,620	137,655
% Waste Diverted from Landfill	92%	92%	92%	93%	93%
Responsible Sourcing - Farm					
% Coffee Responsibly Sourced*	81%	100%	100%	100%	100%
% Cocoa Responsibly Sourced**	N/A	81%	100%	100%	100%
Total Volume of Green Beans Received (Million Pounds)	N/R	278	294	256	288

\*2020 was our final transition year, with 19% of coffee purchased as conventional. At the end of 2020, all coffee contracted was 100% responsibly sourced through verification or third-party certification programs. 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. In 2023, 0.002% of coffee (a single shipment) was received as conventional per a customer requirement. In 2024, 0.32% of coffee was received as conventional due to irregular rain patterns delaying the crop in Uganda and logistical challenges resulting from the unavailability of the Suez Canal as a transport route. Both of these challenges required us to purchase green coffee from the spot market to meet our demand, and there were not suitable responsibly sourced options available.

\*\*2021 was our final transition year, with 19% of cocoa purchased as conventional. At the end of 2021, all cocoa contracted going forward was 100% responsibly sourced through verification or third-party certification programs.

Responsible Sourcing - KDP Supplier Rating System for Factories Summary *					
Tier 1 Brewer Suppliers					
Meets or Exceeds Expectations	N/A	N/A	90%	80%	80%
Below Expectations	N/A	N/A	10%	20%	20%
Not Yet Rated	N/A	N/A	0%	0%	0%
Not Acceptable	N/A	N/A	N/A	N/A	0%
Tier 2 High-Risk Brewer Suppliers					
Meets or Exceeds Expectations	N/A	N/A	38%	53%	95%
Below Expectations	N/A	N/A	13%	7%	0%
Not Yet Rated	N/A	N/A	49%	40%	5%
Not Acceptable	N/A	N/A	N/A	N/A	0%

N/R = disclosures are not reported; N/A = disclosures are not applicable



	Overview	Climate & Nature Action	Water Use & Stewardship	Packaging & Circular Economy	Human Rights, Responsible Sourcing & Supply Chain Livelihoods	Consumer Health & Well-Being	Employee Health, Safety & Well-Being	Corporate Governance & Ethics	Appendix
		2020	2021	2022	2023	2024			
Responsible Sourcing - KDP Supplier Rating System for Factories Summary*									
Apple Juice Concentrate Suppliers from High-Risk Countries									
Meets or Exceeds Expectations		N/A	N/A	59%	48%	82%			
Below Expectations		N/A	N/A	0%	0%	4%			
Not Yet Rated**		N/A	N/A	41%	52%	10%			
Not Acceptable***		N/A	N/A	N/A	N/A	4%			
Tomato Paste									
Meets or Exceeds Expectations		N/A	N/A	N/A	100%	100%			
Below Expectations		N/A	N/A	N/A	0%	0%			
Not Yet Rated		N/A	N/A	N/A	0%	0%			
Not Acceptable		N/A	N/A	N/A	N/A	0%			
High-intensity Sweeteners									
Meets or Exceeds Expectations		N/A	N/A	N/A	N/A	100%			
Below Expectations		N/A	N/A	N/A	N/A	0%			
Not Yet Rated		N/A	N/A	N/A	N/A	0%			
Not Acceptable		N/A	N/A	N/A	N/A	0%			

\*In 2022, we began to execute on an evolved responsible sourcing program with a uniform methodology and Supplier Rating System that enables us to align and expand our audit program across more of our supply base where the risk is focused in manufacturing factories.

\*\*The AJC suppliers rated as Not Yet Rated were located in Ukraine where on-site audits remain difficult due to the ongoing Russian-Ukrainian conflict. We took an additional step in 2024 to utilize an SAQ to evaluate these suppliers’ social and environmental management systems.

\*\*\*One AJC supplier submitted an audit report outside the KDP-accepted audit standards. Future sourcing from this supplier will be contingent on the supplier being audited to a KDP-accepted audit standard during the harvest when workforce is present on site.

N/R = disclosures are not reported; N/A = disclosures are not applicable



	2020	2021	2022	2023	2024
Responsible Sourcing - Brewer Audit Summary*					
Total Number of KDP Managed Tier 1/Tier 2 Suppliers	N/A	N/A	46§	65§	68
Tier 1 Suppliers Risk Assessed	N/A	N/A	100%	100%	100%
Tier 2 Suppliers Risk Assessed	N/A	N/A	51%	62%	95%
Total Audits Conducted for Tier 1/Tier 2 Suppliers	N/A	N/A	33	77	21
Total Priority Findings Violations	N/A	N/A	14	0	0
Tier 1 Priority Findings	N/A	N/A	3	0	0
Tier 2 Priority Findings	N/A	N/A	11	0	0
Priority Findings Violations Closed	N/A	N/A	62%	0%	N/A

§Updated from the prior year due to an internal review of our calculations.

\*We met our responsible sourcing goal for brewers in 2021. In 2022, we adjusted our methodology for our Responsible Sourcing Brewer Program and report these metrics. Read more in [Goal Methodology & Progress Summary](#).

Responsible Sourcing - KDP Owned Operations					
Number of Facilities Audited*	N/A	N/A	N/A	N/A	14
% of Facilities that Meet/Exceed Expectations	N/A	N/A	N/A	N/A	100%

\*We are auditing KDP's facilities through a phased approach. The number of facilities audited in 2024 represents approximately 45% of KDP's total owned manufacturing sites.

Livelihoods					
Investments Improving Livelihoods of Coffee Farmers (Millions USD) (Cumulative through 2024, since 2003)	\$64	\$71	\$72	\$73	\$74
Number of Farmers and Workers in our Coffee Supply Chain that KDP Supported with the Aim to Improve Economic Resilience*	N/A	N/A	N/A	N/A	8,570

\*We estimate that our global coffee supply chain includes over 100,000 farmers, plus many more workers employed on the farms. Read more in KDP's [Livelihoods Ambition Monitoring and Evaluation Guide](#).

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	2020	2021	2022	2023	2024
Health & Well-Being					
% Products that Provide Positive Hydration*	54%	56%	57% <sup>†</sup>	59% <sup>†</sup>	60% <sup>†</sup>

*\*Third-party data assurance completed by ERM CVS with limited assurance. The report is available on our [website](#).*

*\*U.S. sales only; includes partner brands and fountain, excludes private label. We define a positive hydration product as one that provides a serving of fruits or vegetables (with no added sugar) OR is 40 calories or less per serving with a functional attribute or at least 10% Daily Value of a nutrient to encourage.*

Employee Engagement					
% Annual Survey Participation Rate	81%	89%	87%	89%	91%
% Employee Engagement	62%	71%	81%	80%	81%
% Total Employee New Hire Rate	32%	16%	15%	38%	39%
% Total Employee Turnover Rate	32%	41%	43%	38%	34%

Workplace Safety - Manufacturing*					
Lost Time Injury Rate	0.28	0.18	0.19	0.28§	0.24
Total Fatalities (Work-Related)	0.00	0.00	0.00	0.00	0.00
Total Recordable Injury Rate	0.97	0.89	0.96	0.90§	0.85

*\*Owned and operated KDP manufacturing facilities; rates are calculated as frequency of injuries per 100 employees.*

*§Updated from the prior year due to incidents becoming recordable or resulting in lost time after end of calendar year.*

Workplace Safety - Direct Store Delivery*					
Lost Time Injury Rate	1.90	1.30	1.41	2.06§	2.03
Total Recordable Injury Rate	6.70	5.20	6.27	7.37§	6.79

*\*U.S. operations. Rates are calculated as frequency of injuries per 100 employees.*

*§Updated from the prior year due to incidents becoming recordable or resulting in lost time after end of calendar year.*

N/R = disclosures are not reported; N/A = disclosures are not applicable



	TOTAL	DIRECTOR+ PROFESSIONAL	OTHER PROFESSIONAL	HOURLY
2024 Global Employee Gender Demographics*				
Total Global KDP	29,419	671	9,569	19,179
Female	5,854	277	2,726	2,901
Male	23,424	436	6,778	16,210
Not Disclosed	141	8	65	68

*\*Read more in our [Employer Information Report \(EEO-1 Component 1\)](#). Definitions of our workforce are as follows: Director+ Professional" - CEO, CFO, ELT, SVP, VP, Sr. Director, Director; "Other Professional" - any employee with a pay rate type of salaried, below Director; "Hourly"- any employee with a pay rate types "Hourly-Bi-weekly," "Hourly-Weekly," "Daily," "Commission Only."*

N/R = disclosures are not reported; N/A = disclosures are not applicable





Drink in the Possibilities