

Basis of Reporting PUK Environmental Sustainability Data 2015

- **Reporting period and entities covered**

The PUK Environmental Sustainability update 2015 provides data and information for the period 1st January to 31st December 2015, except where specifically noted. Data therein, unless otherwise stated, covers all of our UK manufacturing and distribution sites. Unless otherwise stated, any text or graphics throughout the update relate to the activities of PUK - not our parent company PepsiCo Inc, or other PepsiCo businesses. PUK includes Quaker, Tropicana, Copella, Walkers and their sub-brands. This year Deloitte LLP are providing limited assurance over KPIs on direct and indirect energy use, total water use and total volume production.

Beverages: Pepsi, 7-UP, Mountain Dew, Lipton Iced Tea, Gatorade & SoBe varieties are produced, sold and distributed by Britvic plc. Data relating to Britvic operations in support of the PepsiCo brands have not been included in this year's update.

- **Scope of data**

Key data table

In 2015, all our 7 current UK manufacturing sites and our 3 main distribution centres(see www.pepsico.co.uk/about) reported environmental performance data which is represented in the update – showing the PUK energy use, water use and total production. We have not included the share of the footprint or impact of PepsiCo manufacturing in Rotterdam, Zaandam, Zeebrugge and Hermes produced for the UK market. For 2015 we have not included air travel from PUK operations, or Company Car fuel consumption, as they fall out of scope from our energy commitments.

The Central Sustainability Team collect data from UK sites twelve times a year, directly from the team of seven manufacturing Site Sustainability Managers and Logistics Sustainability Managers, via data entry into the web-based myEHS global Environment, Health & Safety System. The Central Team collate and review the data via myEHS reports into spreadsheets and presentations, which are then published for the Vice President of Operations and his team to review and drive performance against.

We have not included any data from our Corporate Offices this year.

We have not included PUK network deliveries completed by third parties at the Regional Distribution Centres. We have not included data from Culina who transport Tropicana on behalf of PepsiCo within the UK.

- **Quality of data**

We have Site Sustainability Managers in place covering all our manufacturing and distribution sites and a Central Sustainability Team. We have developed and fully integrated our data collection system. We have an ISO14001 Environmental Management System covering our manufacturing and distribution sites. Comparability of data from year to year may be affected by changes in the number and attributes of PUK facilities, changes in the methodology for determining certain data and continual improvements in our performance measurement systems. Although we are confident in the overall reliability, we recognise that some site level variations in data collection methodologies may exist. This is minimised through providing ongoing training to sites and through communications with the sites and business units.

- **Criteria and definitions**

For a detailed explanation of our data definition, collection methods, and basis of calculation please see the key data table in the accompanying document. Please note all data presented therein from 2011 to 2015 are reported in accordance with the 2015 scope. In 2014, we updated the scope of our reporting boundaries, and as such historical data were restated in line with this in order for fair comparison.

PUK 2015 Criteria and Definitions

KPI	Indicator title (measure)	Definition	UOM	2011 Value	2012 Value	2013 Value	2014 Value	2015 Value	Geographical Scope	Basis of calculation	GRI Indicator
1	Total direct energy use by PepsiCo	Our direct energy use arises as a consequence of the activities of PepsiCo production in the UK market, from sources that are owned or directly controlled by PepsiCo. In this report these are our on-site gas and oil burners.	kWh	435,887,517	425,889,707	415,131,791	394,313,367	396,637,788*	PUK manufacturing and logistics sites	Gas oil (l) and LPG (l) converted to kWh using DEFRA conversion factor. All sites' gas (kWh); gas oil (kWh) and LPG (kWh) aggregated in myEHS	EN3
2	Total indirect energy use by PepsiCo	Our indirect energy use arises as a consequence of the activities of PepsiCo production in the UK but occurs from sources controlled by other companies. In this report indirect energy use covers the electricity procured through the UK national electricity grid	kWh	121,399,694	Error! Not a valid link.	115,046,012	110,969,338	106,963,370*	PUK manufacturing and logistics sites	All sites' electricity (kWh) aggregated in myEHS.	EN4

	Energy use per kg of total production (PUK)	Total (indirect and direct) energy use used to make 1 kg of PUK product – UK only manufacturing sites	kWh per kg	1.840	1.765	1.714	1.622	1.635	PUK Manufacturing Sites	Production volumes converted automatically from cases to kg in financial system, and data submitted to myEHS by site teams. Volumes and energy calculated automatically to achieve stated values.	EN5, EN6
3	Total water use	Total amount of water used	Litres	1,310,407,000	1,173,705,800	1,246,707,900	1,175,379,510	1,192,394,137*	PUK manufacturing and logistics sites	Litres of Water reported according to source	EN8
	Water use per kg of production (PUK)	Water used to create 1 kg of PUK product	Litres per kg	4.40	3.87	4.13	3.83	3.93	PUK Manufacturing Sites,	Production volumes converted automatically from cases to kg in financial system, and data submitted to myEHS by site teams. Volumes and energy calculated automatically to achieve stated values	
4	Total volume of production (kg)	Total UK production volume as used to calculate the usage indicators above	kg	297,041,652	302,171,547	301,248,187	306,621,128	302,930,737*	PUK Manufacturing Sites,	Production volumes converted automatically from cases to kg in financial system, and data submitted to myEHS by site teams..	

* Indicates 2015 performance data reviewed by Deloitte LLP as part of their environmental sustainability assurance work. Their full assurance statement is available at <http://www.pepsico.co.uk/what-we-believe/Performance-with-Purpose>.