

W0. Introduction

W0.1

(W0.1) Give a general description of and introduction to your organization.

Keurig Dr Pepper (KDP) is a leading beverage company in North America, with annual revenue in excess of \$11 billion and nearly 26,000 employees. KDP holds leadership positions in soft drinks, specialty coffee and tea, water, juice and juice drinks and mixers, and markets the #1 single serve coffee brewing system in the U.S. and Canada. The Company's portfolio of more than 125 owned, licensed and partner brands is designed to satisfy virtually any consumer need, any time, and includes Keurig®, Dr Pepper®, Green Mountain Coffee Roasters®, Canada Dry®, Snapple®, Bai®, Mott's®, CORE® and The Original Donut Shop®. Through its powerful sales and distribution network, KDP can deliver its portfolio of hot and cold beverages to nearly every point of purchase for consumers. The Company is committed to sourcing, producing and distributing its beverages responsibly through its *Drink Well. Do Good.* corporate responsibility platform, including efforts around circular packaging, efficient natural resource use and supply chain sustainability. For more information, visit, www.keurigdrpepper.com.

We compile this report amidst an extraordinary global health crisis and as our nation tackles issues of equality and justice. During these tumultuous times we reaffirm our commitment to listening, learning, revising and responding to the changing needs of the many stakeholders across our value chain. Against this backdrop, we are proud of how quickly and effectively our 26,000 employees have united to keep each other safe and healthy, deliver for our customers and consumers and provide for our communities. Our response reflects our commitment to harness the collective power of our business to make a positive impact in the lives we touch.

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

The impacts and volatility of COVID-19 are expected to be significant in 2020, and the timing and pacing of re-opening all or parts of the economy are highly uncertain. Our priorities during the COVID-19 pandemic are protecting the health and safety of our employees, maximizing the availability of our products for our consumers and Fueling the Frontline to provide our products to first responders who are fighting the COVID-19 pandemic.

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

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

W-FB0.1a

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

- Processing/Manufacturing
- Distribution

W0.2

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

	Start date	End date
Reporting year	January 1 2019	December 31 2019

W0.3

(W0.3) Select the countries/areas for which you will be supplying data.

Canada
Mexico
United States of America

W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response.

USD

W0.5

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

Companies, entities or groups over which operational control is exercised

W0.6

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

No

W1. Current state

W1.1

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

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

W-FB1.1a

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

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

W1.2

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

	% of sites/facilities/operations	Please explain
Water withdrawals – total volumes	100%	KDP facilities pull water from a combination of well and municipal sources, depending on the site. This data is tracked monthly using a resource management reporting tool.
Water withdrawals – volumes by source	100%	KDP facilities pull water from a combination of well and municipal sources, depending on the site. This data is tracked monthly using a resource management reporting tool.
Entrained water associated with your metals & mining sector activities - total volumes [only metals and mining sector]	<Not Applicable>	<Not Applicable>
Produced water associated with your oil & gas sector activities - total volumes [only oil and gas sector]	<Not Applicable>	<Not Applicable>
Water withdrawals quality	100%	KDP facilities pull water from a combination of well and municipal sources, depending on the site. This data is tracked monthly using a resource management reporting tool.
Water discharges – total volumes	100%	KDP facilities track wastewater discharges monthly by site using a resource management reporting tool.
Water discharges – volumes by destination	100%	KDP facilities track wastewater discharges monthly by site using a resource management reporting tool.
Water discharges – volumes by treatment method	100%	KDP facilities track wastewater discharges monthly by site using a resource management reporting tool. Additionally, treatment methods and destination are maintained in an inventory of practices currently employed at each site.
Water discharge quality – by standard effluent parameters	100%	Each site measures and monitors its own discharge and treatment method, as legally required, for example via permits. Sites report as frequently as daily and no less frequently than bi-annually, while most sites report on a monthly basis.
Water discharge quality – temperature	Not monitored	We design our systems to comply with prohibited discharge standards as defined in the Clean Water Act for national pre-treatment standards (at 40 CFR Part 403.5(b), in the Code of Federal Regulations), or local limits, whichever is more stringent.
Water consumption – total volume	100%	KDP calculates water consumption by subtracting discharge from withdrawal which are tracked monthly using a resource management reporting tool.
Water recycled/reused	Not monitored	Less than 1 percent of KDP's total water use is recycled and in a closed loop system that is not tracked. At one facility in Mexico, we reuse treated water from production to irrigate landscaping on-site and to flush toilets in the facility. Our use of recycled water will not change in the near future.
The provision of fully-functioning, safely managed WASH services to all workers	100%	KDP ensures WASH services for all our workers as a standard practice. Potable water is available and monitored in-line with all our other operational needs for high quality water.

W1.2b

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

	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Total withdrawals	12653.15	About the same	Total withdrawals are about the same as last year at 3.6% lower compared to 2018. In 2019, our water use ratio improved to 1.96 liters of water to make 1 liter of product, a 1.6% improvement over 2018. This metric accounts for the cold side of our business which makes up 98% of our water use. Withdrawals are directly related to our production so will rise, fall or remain flat in line with production volume as mitigated by future efficiency improvements. KDP has committed to improving our water use efficiency 20% by 2025 so we expect our withdrawals to potentially decrease accordingly. Thresholds used include: Less than (51) much lower, (6)-(50) lower, (5)-5 about the same, 6-50 higher, greater than 51 much higher.
Total discharges	5363.47	About the same	Total discharges are about the same as last year, down 3.8%. In 2019, our water efficiency improved to 1.96 Liters of water to make 1 liter of product a 1.6% improvement over 2018. This metric accounts for the cold business which makes up 98% of our water use. Discharges are directly related to our production so will rise, fall or remain flat in line with production volume mitigated by future efficiency improvements. KDP has committed to improving our water use efficiency 20% by 2025 so we expect our discharges to decrease accordingly. Thresholds used include: Less than (51) much lower, (6)-(50) lower, (5)-5 about the same, 6-50 higher, greater than 51 much higher.
Total consumption	7289.68	About the same	Total consumption is about same as last year, down 3.6%. We calculate consumption using the following formula (Consumption = Withdrawal – Discharges) 7,289.68 = 12,653.15 - 5,363.47. Because withdrawals and discharges are fairly flat, consumption is also flat. Our consumption volumes are directly tied to our sales volumes which will rise, fall or remain flat in line with demand. Thresholds used include: Less than (51) much lower, (6)-(50) lower, (5)-5 about the same, 6-50 Higher, greater than 51 much higher.

W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress and provide the proportion.

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Identification tool	Please explain
Row 1	Yes	26-50	About the same	WRI Aqueeduct	Total water withdrawal from water stressed areas is the sum of KDP's municipal water and groundwater sourced from geographic areas defined by WRI's Water Risk Atlas tool where Baseline Water Stress is high or extremely high stress (the ratio of total withdrawals to total renewable supply in a given area, 40-100%). In 2019, ~38% of the water withdrawn by KDP was from an area defined as water stressed which is about the same as 2018 (38%). KDP utilizes WRI's Aqueeduct tool to assist us in assessing our risk relative to our water use and needs. Through our enterprise risk management (ERM) process, company level risks are identified and prioritized.

W-FB1.2e

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

Agricultural commodities	The proportion of this commodity produced in areas with water stress is known	The proportion of this commodity sourced from areas with water stress is known	Please explain
Other commodities from W-FB1.1a, please specify (Apples)	Not applicable	Yes	KDP defines supplier water withdrawals from stressed basins as the water sourced from geographic areas defined by WRI's Water Risk Atlas tool where Baseline Water Stress is high or extremely high stress (the ratio of total withdrawals to total renewable supply in a given area, 40-100%). As part of our water risk assessment, we utilized WRI's Aqueduct tool to assess our apple producers' water needs at risk by growing location and aggregated the total commodity at risk as the proportion of supplier sites within a basin at risk.
Other commodities from W-FB1.1a, please specify (Coffee)	Not applicable	Yes	KDP defines coffee supplier water withdrawals from stressed basins as the water sourced from geographic areas where Baseline Water Stress is equal to/greater than high: 40-100%. As part of our water risk assessment, we utilized WRI's Aqueduct tool to assess the proportion of procured coffee at risk by the source country's water risk profile aggregated for total coffee at risk.
Maize	Not applicable	Yes	KDP defines maize supplier water withdrawals from stressed basins as the water sourced from geographic areas where Baseline Water Stress is equal to/greater than high: 40-100%. As part of our water risk assessment, the maize at risk was based on Ceres' study that utilized WRI's Aqueduct tool and determined 35% of all maize production in the USA is in regions facing "high" or "extremely high" water stress.
Sugar	Not applicable	No, not currently but we intend to collect this data within the next two years	We are exploring how the model of responsible engagement and impact we have long applied to coffee can apply to our expanded supply chain – including commodities like aluminum, apples, sugar, maize and other sweeteners. We expect to set broader responsible sourcing goals beyond our existing coffee commitments in the future. Our approach will include understanding our commodity supply chains, related water risk and impact, and addressing those as quickly as feasible.

W-FB1.2g

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

Agricultural commodities	% of total agricultural commodity sourced from areas with water stress	Please explain
Other sourced commodities from W-FB1.2e, please specify (Apples)	0%	KDP defines apple supplier water withdrawals sourced from a water stressed area as the sum of municipal, groundwater and surface water sourced from geographic areas defined by WRI's Water Risk Atlas tool where Baseline Water Stress is high or extremely high stress (the proportion of total withdrawals to total renewable supply in a given area, 40-100%). As part of our water risk assessment, we utilized WRI's Aqueduct tool to assess our apple producers' water needs at risk by growing location and aggregated the total commodity at risk as the proportion of supplier sites within a basin at risk. In FY 2019, 0% of the locations KDP sourced apples from were defined as water stressed. The percentage sourced from water stressed areas represents an approximation of supplier locations in major production regions for this commodity. This proportion has not changed over the last year, and we do not anticipate medium term (1-3 years) changes to the water stress profile for our apple sourcing geographies. KDP will consider this metric to inform its responsible sourcing strategy for apples among other relevant water and sustainability factors.
Other sourced commodities from W-FB1.2e, please specify (Coffee)	Less than 1%	KDP defines coffee supplier water withdrawals from stressed basins as the water sourced from geographic areas where Baseline Water Stress is equal to/greater than high: 40-100%. As part of our water risk assessment, we utilized WRI's Aqueduct tool to assess the proportion of procured coffee at risk by source country water risk profiles, aggregated for total coffee at risk. In FY 2019, less than 1% of the locations KDP sourced coffee from were defined as water stressed. We anticipate that this proportion could increase over the long (3-10 years) term as suitable land for coffee growing is limited by impacts of climate change, potentially driving production to areas more prone to water stress.
Maize	26-50	KDP defines maize suppliers' water withdrawals from stressed basins as the water sourced from geographic areas where Baseline Water Stress is equal to/greater than high: 40-100%. As part of our water risk assessment, the maize at risk was based on Ceres' 2014 study that utilized WRI's Aqueduct tool and determined 35% of all maize production in the USA is in regions facing "high" or "extremely high" baseline water stress. The same analysis notes possible future trends, saying that while water efficiency for maize growing has improved over time, the baseline risk in its growing regions and potential for climate change to increase maize's water demand, may increase water stress as little additional water would be available to irrigate. KDP will use this metric to inform its responsible sourcing strategy for maize.

W1.2h

(W1.2h) Provide total water withdrawal data by source.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Not relevant	<Not Applicable>	<Not Applicable>	This source is not relevant because we do not use/withdraw water from this source. We do not anticipate any changes in our sites' withdrawal of fresh surface water in the foreseeable future. KDP is reliant on high quality water as a primary ingredient in our beverages, and therefore sources and treats water from municipal and groundwater sources.
Brackish surface water/Seawater	Not relevant	<Not Applicable>	<Not Applicable>	This source is not relevant because we do not use/withdraw water from this source. We do not anticipate any changes in our sites' withdrawal of brackish surface water in the foreseeable future.
Groundwater – renewable	Relevant	3312.6	About the same	Groundwater - renewable as a water source is considered relevant to our portfolio because there are six active KDP locations that rely on renewable groundwater for operations. KDP's water withdrawals from renewable groundwater sources are about the same as in 2018, down 1.9% from 2018. Withdrawals from this source remained flat because of our production needs. Additionally, our Mexico manufacturing relies on renewable-ground water and decreased use of this source by 3.7%. Our US sites rely heavily on municipal water. As we work towards our commitment to improve our water use efficiency by 20% by 2025 we expect our use of this source to potentially decrease. Thresholds used include: Less than (51) much lower, (6)-(50) lower, (5)-5 about the same, 6-50 Higher, greater than 51 much higher.
Groundwater – non-renewable	Not relevant	<Not Applicable>	<Not Applicable>	A majority of water is purchased from local municipalities. We expect this withdrawal amount to remain the same into the foreseeable future.
Produced/Entrained water	Not relevant	<Not Applicable>	<Not Applicable>	A majority of water is purchased from local municipalities. We expect this withdrawal amount to remain the same into the foreseeable future.
Third party sources	Relevant	9340.55	About the same	Third party sources are considered relevant water sources because a majority of our water is purchased from local municipalities. KDP does not plan to change this because of our reliance on high quality water for use in our beverages. KDP's water withdrawals from third-party sources were fairly flat (decreased by 4.2%) compared to 2018. Withdrawals from this source remained flat in line with production needs. As we work towards our commitment to improve our water use ratio by 20% by 2025, we expect our reliance on water sourced from third parties to potentially decrease. Thresholds used include: Less than (51) much lower, (6)-(50) lower, (5)-5 about the same, 6-50 Higher, greater than 51 much higher.

W1.2i

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

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water	Relevant	1826.82	About the same	Fresh surface water/seawater is considered a relevant destination for our discharges where proper permitting exists. Five of our locations discharge pretreated wastewater, meeting local standards, to this destination. KDP's 2019 discharges to this destination are about the same as 2018 at ~34% of total discharges. Discharges are directly related to our production so will rise, fall or remain flat in line with production volume. As we work towards our commitment to improve our water use ratio by 20% by 2025, we expect our discharges to fresh surface water to decrease accordingly. Thresholds used include: Less than (51) much lower, (6)-(50) lower, (5)-5 about the same, 6-50 Higher, greater than 51 much higher.
Brackish surface water/seawater	Not relevant	<Not Applicable>	<Not Applicable>	Brackish surface water/seawater is not a relevant destination as all water discharges are either to Publicly Owned Treatment Works (POTW) or fresh surface water. KDP has not in the past, and does not anticipate in the future, discharging to brackish water sources.
Groundwater	Not relevant	<Not Applicable>	<Not Applicable>	Groundwater is not a relevant destination as all water discharges are either to POTW or fresh surface water. KDP has not in the past and does not anticipate discharging any water to groundwater in the future.
Third-party destinations	Relevant	3536.65	About the same	Third-party destinations are considered relevant as all water discharges are made to POTW or freshwater. Our discharge to this destination is 4% lower than in 2018 because our water use ratio improved 1.6% and both withdrawals and consumption decreased slightly in 2019. As we work towards our commitment to improve our water use ratio by 20% by 2025, we expect our discharges to third-party destinations to decrease accordingly. Thresholds used include: Less than (51) much lower, (6)-(50) lower, (5)-5 about the same, 6-50 Higher, greater than 51 much higher.

W-FB1.3

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

Agricultural commodities	Water intensity information for this produced commodity is collected/calculated	Water intensity information for this sourced commodity is collected/calculated	Please explain
Other commodities from W-FB1.1a, please specify (Apples)	Not applicable	Yes	Yes, the water intensity values for commodities were obtained from literature published by the Water Footprint Network, and calibrated for KDP's major sourcing regions. The water intensity of an agricultural commodity is expressed in terms of the volume (m3) of freshwater (i.e., rainwater plus surface and/or groundwater) consumed per unit mass (metric tons) of production. The water intensity of Apples was based on the United States Country average
Other commodities from W-FB1.1a, please specify (Coffee)	Not applicable	Yes	Yes, the water intensity values for commodities were obtained from literature published by the Water Footprint Network and calibrated for KDP's major sourcing regions. The water intensity of an agricultural commodity is expressed in terms of the volume (m3) of freshwater (i.e., rainwater plus surface and/or groundwater) consumed per unit mass (metric tons) of production. The water intensity of a commodity varies based on country of origin. Coffee is sourced from multiple countries, so a weighted average intensity is estimated based on the mass (metric tons) procured.
Maize	Not applicable	Yes	Yes, the water intensity values for commodities were obtained from literature published by the Water Footprint Network and calibrated for KDP's major sourcing regions. The water intensity of an agricultural commodity is expressed in terms of the volume (m3) of freshwater (i.e., rainwater plus surface and/or groundwater) consumed per unit mass (metric tons) of production. The water intensity of High Fructose Corn Syrup was based on the United States country average.
Sugar	Not applicable	Yes	Yes, the water intensity values for commodities were obtained from literature published by the Water Footprint Network and calibrated for KDP's major sourcing regions. The water intensity of an agricultural commodity is expressed in terms of the volume (m3) of freshwater (i.e., rainwater plus surface and/or groundwater) consumed per unit mass (metric tons) of production. The water intensity of cane sugar was based on WFN's global average.

W-FB1.3b

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

Agricultural commodities

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

Water intensity value (m3)

303

Numerator: Water aspect

Freshwater consumption

Denominator

Other, please specify (Metric tons)

Comparison with previous reporting year

About the same

Please explain

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

Agricultural commodities

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

Water intensity value (m3)

12113

Numerator: Water aspect

Freshwater consumption

Denominator

Other, please specify (Metric Tons)

Comparison with previous reporting year

Lower

Please explain

KDP ran its first enterprise water footprint analysis in 2018. The analysis leveraged the Water Footprint Network (WFN) research as a proxy for agricultural commodity suppliers' water use intensity. The water intensity of coffee varies based on country of origin. KDP sources coffee from regions around the world and uses a weighted average intensity based on mass procured from each country, calculated annually. This figure could vary from year to year depending on changes to coffee procurement. In 2019 the intensity was lower due to the changes in volumes from countries of origin with different water intensities. Also, as we work with suppliers that meet standards outlined in our Code of Conduct and corresponding product-specific standards, intensity figures could change in response. We consider these metrics internally for evaluation of our water footprint and development of responsible sourcing programming.

Agricultural commodities

Maize

Water intensity value (m3)

592

Numerator: Water aspect

Freshwater consumption

Denominator

Other, please specify (Metric Tons)

Comparison with previous reporting year

About the same

Please explain

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

Agricultural commodities

Sugar

Water intensity value (m3)

1207

Numerator: Water aspect

Freshwater consumption

Denominator

Other, please specify (Metric Tons)

Comparison with previous reporting year

About the same

Please explain

KDP ran its first enterprise water footprint analysis in 2018, covering the full value chain to inform our risk assessment and responsible sourcing program. The footprint analysis leveraged the Water Footprint Network (WFN) research as a proxy for agricultural commodity suppliers' water use intensity. The WFN data used includes both "blue" and "green" water intensity expressed in terms of the volume (m3) of freshwater (i.e., rainwater plus surface and/or groundwater) consumed per unit mass (metric tons) of production. Currently KDP sources sugar from regions around the world and we used a global average for water intensity. As we work with suppliers that meet standards outlined in our Code of Conduct and corresponding product-specific standards, intensity figures have not varied year to year, although may in the future. We consider these metrics internally for evaluation of our water footprint and development of responsible sourcing programming.

W1.4

(W1.4) Do you engage with your value chain on water-related issues?

Yes, our suppliers

Yes, our customers or other value chain partners

W1.4a

(W1.4a) What proportion of suppliers do you request to report on their water use, risks and/or management information and what proportion of your procurement spend does this represent?

Row 1

% of suppliers by number

76-100

% of total procurement spend

51-75

Rationale for this coverage

For this section, we have focused the scope on green coffee. The rationale is that coffee is a significant agricultural raw material for our Coffee Systems segment (which contributed 38% of 2019 net sales and 51% of 2019 income from operations for KDP) and is also one where climate change is having obvious impacts on the success of coffee cultivation and thus on the livelihoods of coffee farmers. As part of our commitment to 100% responsibly sourced coffee, we are increasing our purchases of certified/verified sustainably sourced coffee. The rationale for coverage (i.e. percentage of suppliers and percentage total procurement spend) is that it is based on the number of suppliers that participate in our responsible sourcing commitment and the % of spend represented by the volume that we purchased as Responsibly Sourced in 2019.

Impact of the engagement and measures of success

We currently work with Fair Trade USA, Fairtrade International, Rainforest Alliance and Utz. Each of these programs includes specific water-smart agricultural practices as part of achieving the certification. To sell coffee to KDP, suppliers must achieve and maintain the certification, including the criteria focused on water (e.g. water use, water treatment, water protection). The information requested of suppliers is certification compliance of each farm/group, which is what KDP relies on in order to purchase 'responsibly sourced' coffee from that farm/group. Success for KDP is measured by the % of responsibly sourced coffee that is delivered each fiscal year (65% in 2019). KDP is also supporting coffee farms (via investments) to increase their climate- and water-smart practices and this work in turn supports farmers to achieve and maintain their certification status in addition to realizing environmental outcomes for their communities.

Comment

This response pertains to our green coffee business only.

W1.4b

(W1.4b) Provide details of any other water-related supplier engagement activity.

Type of engagement

Innovation & collaboration

Details of engagement

Encourage/incentivize innovation to reduce water impacts in products and services
Encourage/incentivize suppliers to work collaboratively with other users in their river basins
Provide training and support on sustainable agriculture practices to improve water stewardship
Other, please specify (Provide financial support for upgrading of drinking water infrastructure)

% of suppliers by number

1-25

% of total procurement spend

Less than 1%

Rationale for the coverage of your engagement

Water is a crucial component in growing and brewing coffee. That's why we are committed to being a water steward in our operations, in coffee communities, and in our local communities. Within the supply chain, we support projects that teach coffee farmers to be good water stewards, which can improve water quality and quantity, and reduce the impact of climate change on their farms and in their communities. KDP has invested more than \$5.6 million in Blue Harvest over the last six years to promote sustainable farming practices and increase access to clean water for coffee farmers and communities in Central America.

Impact of the engagement and measures of success

We measure success of this program through a set of impact indicators including: # of farmers adopting water-smart practices, # of liters of water saved, # of mills upgraded, # of hectares restored or protected, and # of people benefiting from improved drinking water sources (among others). The Blue Harvest program has trained more than 3,000 farmers to apply water-smart practices on their coffee farms, protected more than 40,000 hectares of critical watersheds, and improved drinking water for more than 150,000 people.

Comment

This response pertains to our green coffee business only.

Type of engagement

Innovation & collaboration

Details of engagement

Provide training and support on sustainable agriculture practices to improve water stewardship
Other, please specify (Provide financial support for upgrading of drinking water infrastructure)

% of suppliers by number

1-25

% of total procurement spend

Less than 1%

Rationale for the coverage of your engagement

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

Impact of the engagement and measures of success

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

Comment

This response pertains to our green coffee business only.

Type of engagement

Innovation & collaboration

Details of engagement

Provide training and support on sustainable agriculture practices to improve water stewardship
Other, please specify (Provide financial support for upgrading of drinking water infrastructure)

% of suppliers by number

1-25

% of total procurement spend

Less than 1%

Rationale for the coverage of your engagement

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

Impact of the engagement and measures of success

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

Comment

This response pertains to our green coffee business only.

W1.4c

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

KDP's rationale for engagement with the value chain is a direct result of our interdependence on these partners for success. Our strategy for prioritizing engagements with customers or other partners in the value chain is guided by our core beliefs in the human right to water, safe working conditions, and fair compensation. The method of engagement is tailored for partners and may include direct outreach, response to requests or inquiries, and project development in consideration of the mutual goals and benefits we may share. Equally important, we care about how our value chain impacts the environment. In 2018 we completed a water footprint assessment of our value chain and found our own operations contribute less than 0.5% of our total water footprint making it vital to engage partners who impact our water footprint. Stakeholders we engage across our value chain include farmers, suppliers, partners, customers, regulatory agencies, nongovernmental organizations (NGOs), industry peers, consumers, employees, investors and others.

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

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

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

W2. Business impacts

W2.1

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

Yes

W2.1a

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

Country/Area & River basin

Mexico	Other, please specify (Multiple)
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Type of impact driver & Primary impact driver

Physical	Declining water quality
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Primary impact

Reduction or disruption in production capacity

Description of impact

We produce unflavored mineral water products under the brand Peñafiel. Trace elements of heavy metals, such as arsenic, naturally occur in our environment and can be found in aquifers where mineral water is sourced. Arsenic levels in aquifer sources can vary over time. In 2019, our testing indicated elevated levels of arsenic in some product, and we immediately took action. We suspended production at all facilities that produce Peñafiel and installed enhanced filtration systems. The product now being produced is within regulatory guidelines. The financial impact was not material.

Primary response

Improve monitoring

Total financial impact

Description of response

We suspended production at all facilities that produce Peñafiel and installed enhanced filtration systems. The product now being produced is within regulatory guidelines. The financial impact was not material.

W2.2

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

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

W2.2a

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

Row 1

Total number of fines

Total value of fines

% of total facilities/operations associated

Number of fines compared to previous reporting year

Please select

Comment

W3. Procedures

W-FB3.1

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

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

Under our Environmental Policy, KDP prioritizes compliance with applicable federal, state, and local levels at its manufacturing locations – including wastewater and stormwater compliance. We identify and manage potential water pollutants that could have detrimental impact on water ecosystems in planning and operating of our facilities. During design and permitting of new facilities and facility improvements, we work with regulators to identify aspects of our manufacturing operation that have potential for adverse environmental impact and compliance implications. Our EHS staff and engineers design and implement infrastructure, management processes, and monitoring systems aimed at meeting compliance obligations. Once our facilities are operational, we implement programs to monitor wastewater quantity and composition (e.g., BOD, TSS, COD, etc) in light of applicable limits set by jurisdictions to protect water resources from deterioration of water quality. Lastly, we work to continuously improve our management of water related requirements through internal compliance assessments. We use audit tools and 3rd party compliance assessments to assess compliance of our operations through routine compliance assessments that include wastewater and stormwater compliance programs. In this manner, we've established a consistent approach to how we allocate resources, assign responsibilities and evaluate our practices, procedures and processes to maintain compliance and reduce our environmental footprint.

W-FB3.1a

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

Potential water pollutant

Fertilizers

Activity/value chain stage

Agriculture – supply chain

Description of water pollutant and potential impacts

KDP products require agricultural inputs. Growing these commodities can require applying nutrients to promote plant growth. Adding nutrients can cause eutrophication due to over application.

Management procedures

Crop management practices
Sustainable irrigation and drainage management
Fertilizer management
Pesticide management
Waste water management

Please explain

KDP requires its agricultural suppliers to incorporate the universal standards outlined in our supplier code of conduct when conducting business with KDP. For our most important supply chains, we also specify product-specific sustainable sourcing programs that provide auditable standards and required mechanisms to ensure compliance such as: Fair Trade USA, Fairtrade International, Rainforest Alliance or UTZ. Each standard ensures that we, through our supply chain partners, are using water wisely through sustainable irrigation practices, protecting soil health through crop management, and minimizing adverse impacts of pesticides and other agrochemical products on water ecosystems and human health. Audits are completed by a third party according to their standards and aggregated anonymized results are shared to understand the general program success. For example, Fairtrade standards include requirements for environmentally sound agricultural practices including focus on minimized and safe use of agrochemicals, proper and safe management of waste, and maintenance of soil fertility and water resources. UTZ Sustainable Farming program's Code of Conduct for Farming Practices includes soil fertility management, diversification of production to support ecological diversity, integrated pest management, responsible use of agrochemicals and fertilizers, and irrigation. Certified partners receive training in treatment of waste water from processing. Similarly, The Rainforest Alliance certified farmers must meet the Sustainable Agriculture Standard to conserve ecosystems, protect biodiversity and waterways, conserve forests, reduce agrochemical use, and safeguard the well-being of workers and local communities. Success of our program is regularly evaluated and is measured by progress toward our goal to responsibly source 100% of our coffee by 2020. We expect to set broader responsible sourcing goals beyond our existing coffee commitments in the future.

W3.3

(W3.3) Does your organization undertake a water-related risk assessment?

Yes, water-related risks are assessed

W3.3a

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

Direct operations

Coverage

Full

Risk assessment procedure

Water risks are assessed as part of an enterprise risk management framework

Frequency of assessment

Annually

How far into the future are risks considered?

More than 6 years

Type of tools and methods used

Tools on the market
Enterprise Risk Management
Databases

Tools and methods used

Ecolab Water Risk Monetizer
WRI Aqueduct
Other, please specify (External consultants)

Comment

At KDP, a variety of approaches and processes lend themselves to identifying, assessing and responding to water-related risks and opportunities, applied at relevant frequencies for the related topics. At KDP, Enterprise Risk Management (ERM) is a periodic process designed to identify potential risk events that may significantly impact the achievement of the company's objectives and to manage those risks to be within the company's risk tolerance (i.e. willingness and/or ability to take risks). Through this process climate change, particularly its potential for operational disruption, and the issue of water security, are key risk areas. Water security is assessed annually at the local level and takes into account water availability and community water needs. We use the Ecolab Water Risk Monetizer and the World Resources Institute's Aqueduct Water Risk Atlas to evaluate water risk in our operating footprint periodically.

Supply chain

Coverage

Partial

Risk assessment procedure

Water risks are assessed as part of an enterprise risk management framework

Frequency of assessment

Annually

How far into the future are risks considered?

More than 6 years

Type of tools and methods used

Tools on the market
Enterprise Risk Management
Databases

Tools and methods used

Ecolab Water Risk Monetizer
WRI Aqueduct
Other, please specify (External consultants)

Comment

At KDP, a variety of approaches and processes lend themselves to identifying, assessing and responding to climate-related risks and opportunities, applied at relevant frequencies for the related topics. At KDP, Enterprise Risk Management (ERM) is a periodic process designed to identify potential risk events that may significantly impact the achievement of the company's objectives and to manage those risks to be within the company's risk tolerance (i.e. willingness and/or ability to take risks). Through this process climate change, particularly its potential for operational disruption, and the issue of water security, are key risk areas. Water security is assessed annually at the local level and takes into account water availability and community water needs. We use the Ecolab Water Risk Monetizer and the World Resources Institute's Aqueduct Water Risk Atlas to evaluate water risk in our operating footprint. Additionally, through our water footprint analysis, we have evaluated the risk of certain commodities upon which we depend – namely, coffee and maize to date, by using the WRI Risk Atlas, and other studies to understand potential risks.

Other stages of the value chain

Coverage

None

Risk assessment procedure

<Not Applicable>

Frequency of assessment

<Not Applicable>

How far into the future are risks considered?

<Not Applicable>

Type of tools and methods used

<Not Applicable>

Tools and methods used

<Not Applicable>

Comment

Water risks are not assessed in this stage of our value chain.

W3.3b

(W3.3b) Which of the following contextual issues are considered in your organization's water-related risk assessments?

	Relevance & inclusion	Please explain
Water availability at a basin/catchment level	Relevant, always included	Water availability at a basin/catchment level is considered a highly relevant contextual issue, fundamental to the continuity of our business operation. Water availability is critical to the production of our products both in KDP's operations and throughout our value chain. Water is a primary ingredient in substantially all of our beverages. All our cold beverage manufacturing processes require water to ensure cleanliness and quality. Additionally, our agricultural suppliers require water to produce raw materials that are used in our beverages. Water availability is always included in our water-related risk assessments. To evaluate water availability risks in our operating footprint, we use the World Resources Institute's (WRI) Aqueduct Water Risk Atlas tool. Each site is assigned an aggregated quantity risk score made up of 7 indicators that are weighted according to WRI Aqueduct tool's Food and Beverage weighting scheme. The tool provides a current and future risk score at the basin/catchment level to plan for water-related risks. Sites with medium to high WRI aqueduct scores are then assessed for percent of total production and site-specific conditions using the Ecolab Water Risk Monetizer to determine if KDP's substantive threshold is met. Using the WRI Aqueduct tool we assess our suppliers' water availability risk by growing location and aggregate the commodity risk as the proportion of business within a basin at risk. These tools allow us to manage our value chain better. We can, as a result, potentially identify water-stressed basins, assess current and future procurement challenges, plan for potential alternative withdrawal basins, and help alleviate stress on water supplies.
Water quality at a basin/catchment level	Relevant, always included	Water quality at a basin/catchment level is considered a highly relevant contextual issue as it has the potential to impact the quality and safety of our product. Water quality is always included in our water-related risk assessments. To evaluate water availability risks in our operating footprint, we use the World Resources Institute's (WRI) Aqueduct Water Risk Atlas tool. Each site is assigned an aggregated quantity risk score made up of 7 indicators that are weighted according to WRI Aqueduct tool's Food and Beverage weighting scheme. The tool provides a current and future risk score at the basin/catchment level to plan for water-related risks. Sites with medium to high WRI aqueduct scores are then assessed for percent of total production and site-specific conditions using the Ecolab Water Risk Monetizer to determine if KDP's substantive threshold is met. Using the WRI Aqueduct tool we assess our suppliers' water availability risk by growing location and aggregate the commodity risk as the proportion of business within a basin at risk. These tools allow us to manage our value chain better. We can, as a result, potentially identify water-stressed basins, assess current and future procurement challenges, plan for potential alternative withdrawal basins, and help alleviate stress on water supplies.
Stakeholder conflicts concerning water resources at a basin/catchment level	Relevant, always included	Stakeholder conflicts concerning water resources at a basin/catchment level are considered relevant contextual issues and are always considered in our risk assessment. We ensure we are in compliance with local regulation as this is a crucial foundation for avoiding current and future conflict among stakeholder groups. We share water resources and therefore also the related risks at the basin/catchment level with other stakeholders. Conflicts at times of water-stress events could occur. To address this, we have started partnering with local stakeholders and engaging in dialogue on water issues. This has helped build relationships, the ability to plan collaboratively for short and long-term concerns and proactively address them when they arise. In Victorville, we operate in a water scarce area and have worked with the City to treat wastewater from our local KDP bottling plant along with domestic wastewater from the Southern California Logistics Airport (SCLA) and the northwestern area of the City of Victorville. High-quality recycled water is produced from the plant and these other sources that is used for irrigation at the SCLA and for cooling water for a power generation plant.
Implications of water on your key commodities/raw materials	Relevant, always included	As stated in our Form 10K, price increases for our raw materials could exert pressure on our costs and we may not be able to effectively hedge or pass along any such increases to our customers or consumers. Furthermore, any price increases passed along to our customers or consumers could reduce demand for our products. Such increases could negatively affect our business and financial performance. Using the WRI Aqueduct tool we assess some of our top raw materials to understand water availability, quality, and reputational risks by general processing location. We use this information in our risk assessment to monitor, anticipate and plan for implications of water risk on our products. The raw materials we assess include coffee beans and maize. Within the supply chain, we support projects that teach coffee farmers to be good water stewards, which can reduce the impact of climate change on their farms and in their communities. KDP has invested more than \$5.6 million in Blue Harvest over the last six years to promote sustainable farming practices and increase access to clean water for coffee farmers and communities in Central America.
Water-related regulatory frameworks	Relevant, always included	Both impending legislation and existing regulatory frameworks are considered highly relevant contextual issues as compliance is essential for the responsible management of our water-related activities. Water-related regulatory frameworks are always included in our water-related risk assessments. As part of our continuous compliance-focused management we engage with regulatory bodies on water issues whether we are locating a new manufacturing facility, or a site has been in operation for decades. Part of the risk assessment includes understanding the likelihood of non-compliance and impact to brand, cost, and environmental impact. We use a scale for likelihood from remote to probable, and an impact scale from negligible to extreme against which we assess and work to mitigate individual risks.
Status of ecosystems and habitats	Relevant, always included	We care about ecosystems and natural habitats as they help provide the natural infrastructure to protect water quality and they are relevant and always included in our organization's water-related risk assessments. To evaluate water risk to ecosystems and habitats in our operating footprint we use the reputational category of WRI's Aqueduct tool which includes ecosystems health as an indicator. Additionally, we partner to positively impact water quality and availability in several ways. We work with The Nature Conservancy and other partners to identify and understand the watersheds in the areas where we operate, collaborating to invest in targeted solutions. Since 2011, we have committed \$4.7 million to The Nature Conservancy's local chapters in Vermont, Washington, Texas and California, where we have production facilities. As a result of this collaboration and other active projects, we have restored 5,328 ML of water, balancing 73% (5,328 / 7,327) of the volume used in our coffee beverages and for cold beverage production in our highest water-risk manufacturing locations. In Houston, Texas, our investments contributed to a native prairie restoration project to protect freshwater coastal habitat. Restoring native grasses decreased runoff and enabled the land to absorb and disperse water from storm surges and floods, providing a cost-effective way to protect coastal communities from the impacts of storms and hurricanes.
Access to fully-functioning, safely managed WASH services for all employees	Relevant, always included	KDP ensures WASH services for all our workers as a standard practice. Potable water is available and monitored continually in-line with all our other operational needs for high quality water. Using the WRI Aqueduct tool we assess our facilities' access to high quality potable water.
Other contextual issues, please specify	Please select	

W3.3c

(W3.3c) Which of the following stakeholders are considered in your organization's water-related risk assessments?

	Relevance & inclusion	Please explain
Customers	Relevant, always included	Customers are relevant and always included in our risk assessment process as customer and consumer perceptions could impact the success and viability of our product. The method of engagement we use is to ask consumers about product attributes and brand perception via marketing studies and consumer insight research conducted or purchased by KDP, and we engage with our customers via the CDP and direct dialogue on water and other sustainability issues.
Employees	Relevant, always included	Employees are relevant to our business and are always included in our risk assessment process. Employees are closest to our business operations and thus help in the identification of water-related risk. To mitigate current and future water risks, KDP has a goal to improve our water use efficiency by 20% by 2025. To integrate water efficiency into KDP operations, the method of engagement for employees is awareness training on the importance of reducing water use as well as monitoring and reporting of progress.
Investors	Relevant, always included	Investors are relevant to our business and are always included in our risk assessment process, as we see growing concern about water-related risk and corporate sustainability efforts from this stakeholder group. KDP reports risks in our annual Form 10K under item 1A. Risk Factors. The method of engagement KDP employs with investors is by making our 10K available publicly and sending it to shareholders. Our 2019 10K included this statement on weather, climate change and the availability of water: Climate change may cause water scarcity and a deterioration of water quality in areas where we maintain operations. The competition for water among domestic, agricultural and manufacturing users is increasing in the countries where we operate, and as water becomes more scarce or the quality of the water deteriorates, we may incur increased production costs or face manufacturing constraints which could negatively affect our business and financial performance. Even where water is widely available, water purification and waste treatment infrastructure limitations could increase costs or constrain our operations.
Local communities	Relevant, always included	Local communities are included in our risk assessment because water impacts tend to be localized. Because strong communities are integral to KDP's success, we encourage all employees to give back. In 2019, our employees contributed over 38,000 hours through company sponsored volunteerism programs, supporting activities ranging from helping at a blood drive, to stocking a local food pantry, to enhancing community gardens. In addition, we amplified the generosity of our employees by rewarding their volunteer service with supplemental grants. We've partnered with Keep America Beautiful and The Nature Conservancy to help with efforts protecting our environment and conserving natural resources including placement of over 2,500 recycling bins in public spaces since 2011, and water conservation, respectively.
NGOs	Relevant, always included	NGOs are relevant to our business because they provide expertise on environmental issues and community engagement and facilitate greater positive impact through partnership. Our work with The Nature Conservancy (TNC) includes updates on watersheds which feeds into our water risk assessment. Through our multi-dimensional partnership with Keep America Beautiful (KAB), and other recycling-oriented NGOs, KDP has invested in improved recycling infrastructure as well as educating and encouraging people to recycle which, in turn, keeps waste out of waterways and oceans.
Other water users at a basin/catchment level	Relevant, always included	Engaging with other water users at the local level helps identify best practices and new opportunities. We are locally part of various associations including state beverage associations. Our 2025 water efficiency and stewardship targets use WRI Aqueduct baseline risk information which considers total usage within a basin and our stewardship plans for our 6 high water risk locations will include engagement with other water users as locally relevant.
Regulators	Relevant, always included	As regulations and legislation have a direct impact on our activities, regulators are considered relevant and are always included in our assessment of water-related risk. Our government affairs team and local operational leaders connect with local jurisdictions on a variety of issues including water to inform our understanding of relevant regulations.
River basin management authorities	Relevant, always included	Our government affairs team and local operational leaders connect with local jurisdictions on a variety of issues including water. River basin management authorities would be included stakeholders in risk assessment on a site-specific basis whenever relevant because of their direct oversight of water allocation, infrastructure and the health of the water we rely on for our business.
Statutory special interest groups at a local level	Relevant, always included	Our stewardship plans for our 6 high water risk locations will include engagement with other water users as locally relevant. KDP's partnership with The Nature Conservancy helps support ongoing restoration and conservation activities in watersheds in Texas, California, and Vermont, where we have operations, and have identified water risks.
Suppliers	Relevant, always included	Suppliers are relevant and always included in our risk assessment. Unseasonable or unusual weather, water availability and quality, or long-term climate changes may negatively impact the price or availability of raw materials, energy and fuel, and demand for our products. One way that we consider water risk to our supply chain is through our annual risk assessment process as part of our supplier performance management program in which natural hazard risks (including water-related hazards such as flooding, cyclones, etc.) are included.
Water utilities at a local level	Relevant, always included	Water utilities at a local level are considered relevant stakeholders and are included in our water risk assessment, as they manage municipal water sources we depend on. KDP relies on water for its product so it is essential we engage and create dialogue with our water purveyors.
Other stakeholder, please specify	Please select	

W3.3d

(W3.3d) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

Water is the main ingredient in substantially all of our products. KDP tracks our watersheds to ensure high quality water is in good supply for our operations and supply chain. Specific risks that could impact our operations and financial performance include impacts of climate change, and increased water scarcity, decreased water quality, and changes in consumer behavior.

Specific to water, we utilize WRI's Aqueduct Water Risk Atlas, Ecolab's Water Risk Monetizer and the external expertise of consultants and partners to assist us in assessing our risk relative to our water use and needs. We use WRI's Aqueduct to look at both our operational sites' water risks, and supply chain risks for key commodities. We use the Ecolab Water Risk Monetizer to assess water risk related to our manufacturing plants. We have used the outcomes of these assessments to inform our response to water risks via water stewardship targets and focus locations (6 manufacturing sites in the US and Mexico), and as inputs to inform development of our responsible sourcing strategy.

Through our ERM process, company level risks are identified and prioritized based on consideration of the following criteria:

- Impact – The severity of loss of business, loss of assets, reputational damage, lack of return on investment, and/or operating inefficiency, due to occurrence.
- Likelihood – The probability and/or frequency of risk occurrence.
- Velocity – The speed at which one goes from the onset of risk occurrence to the resulting impact of the risk, which reduces advance warning/lead time available for reaction and adjustment of strategy/operations to minimize impact.

The outcomes of the ERM risk assessment are used to inform the internal decision-making process via a risk prioritization exercise and action planning led by our Legal & Internal Audit functions that is completed to address the most important risks.

W4. Risks and opportunities

W4.1

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

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

W4.1a

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

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

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

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

An example of substantive change could be a one-time flooding event that requires the closure of our plant that manufactures almost all our beverage concentrates. This impact could surpass a substantive magnitude and/or create strategic change to our business. The Beverage Concentrates segment made up 13% of our 2019 net sales and our concentrate plant supplies critical ingredients to some of our packaged beverages facilities that made up another 20% of 2019 net sales.

W4.1b

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

	Total number of facilities exposed to water risk	% company-wide facilities this represents	Comment
Row 1	6	1-25	Manufacturing facilities are considered because of the nature of our business and relatively non-material water impact of distribution centers, and offices by comparison. Six out of 27 manufacturing locations, representing 22% of our manufacturing locations, have been identified as being exposed to substantive water risk. These facilities are within regions of varying types of water risk that can create substantive change. Our definition of facility includes all site types that withdraw water. Water is the main ingredient in substantially all of our products. As such, even where water is widely available, water purification and waste treatment infrastructure limitations could increase costs or constrain our operations. As of Dec. 31, 2019, we operated 27 manufacturing locations across the U.S., Canada, and Mexico. We utilize the WRI Water Risk Atlas Aqueduct tool and the Ecolab Water Monetizer to provide an analysis covering physical, reputational and regulatory variables on a current and forward-looking basis, in addition to risk information for key commodities.

W4.1c

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

Country/Area & River basin

United States of America	Other, please specify (San Jacinto)
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Number of facilities exposed to water risk

1

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

Please select

Comment

Water is the main ingredient in substantially all of our products. As such, even where water is widely available, water purification and waste treatment infrastructure limitations could increase costs or constrain our operations. We have expanded our risk understanding further with the WRI Aqueduct tool and the Ecolab Water Monetizer which provides an analysis covering physical, reputational and regulatory variables on a current and forward-looking basis, in addition to risk information for key commodities.

Country/Area & River basin

United States of America	Colorado River (Pacific Ocean)
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Number of facilities exposed to water risk

1

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

Please select

Comment

Water is the main ingredient in substantially all of our products. As such, even where water is widely available, water purification and waste treatment infrastructure limitations could increase costs or constrain our operations. We have expanded our risk understanding further with the WRI Aqueduct tool and the Ecolab Water Monetizer which provides an analysis covering physical, reputational and regulatory variables on a current and forward-looking basis, in addition to risk information for key commodities.

Country/Area & River basin

United States of America	Other, please specify (Mojave)
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Number of facilities exposed to water risk

1

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

Please select

Comment

Water is the main ingredient in substantially all of our products. As such, even where water is widely available, water purification and waste treatment infrastructure limitations could increase costs or constrain our operations. We have expanded our risk understanding further with the WRI Aqueduct tool and the Ecolab Water Monetizer which provides an analysis covering physical, reputational and regulatory variables on a current and forward-looking basis, in addition to risk information for key commodities.

Country/Area & River basin

Mexico	Papaloapan
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Number of facilities exposed to water risk

1

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

Please select

Comment

Water is the main ingredient in substantially all of our products. As such, even where water is widely available, water purification and waste treatment infrastructure limitations could increase costs or constrain our operations. We have expanded our risk understanding further with the WRI Aqueduct tool and the Ecolab Water Monetizer which provides an analysis covering physical, reputational and regulatory variables on a current and forward-looking basis, in addition to risk information for key commodities.

Country/Area & River basin

Mexico	Santiago
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Number of facilities exposed to water risk

1

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

Please select

Comment

Water is the main ingredient in substantially all of our products. As such, even where water is widely available, water purification and waste treatment infrastructure limitations could increase costs or constrain our operations. We have expanded our risk understanding further with the WRI Aqueduct tool and the Ecolab Water Monetizer which provides an analysis covering physical, reputational and regulatory variables on a current and forward-looking basis, in addition to risk information for key commodities.

Country/Area & River basin

Mexico	Panuco
--------	--------

Number of facilities exposed to water risk

1

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

Please select

Comment

Water is the main ingredient in substantially all of our products. As such, even where water is widely available, water purification and waste treatment infrastructure limitations could increase costs or constrain our operations. We have expanded our risk understanding further with the WRI Aqueduct tool and the Ecolab Water Monetizer which provides an analysis covering physical, reputational and regulatory variables on a current and forward-looking basis, in addition to risk information for key commodities.

W4.2

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

Country/Area & River basin

United States of America	Other, please specify (Multiple in US and Mexico)
--------------------------	---

Type of risk & Primary risk driver

Physical	Declining water quality
----------	-------------------------

Primary potential impact

Increased operating costs

Company-specific description

Sufficient water quality is required to ensure our beverages meet or exceed all drinking water and product quality standards. Declining quality of water withdrawals for our manufacturing facilities could result in input water requiring additional water treatment and investment in supplementary water treatment technology, and therefore higher operating costs. We produce unflavored mineral water products under the brand Peñafiel. Trace elements of heavy metals, such as arsenic, naturally occur in our environment and can be found in aquifers where mineral water is sourced. Arsenic levels in aquifer sources can vary over time. In 2019, our testing indicated elevated levels of arsenic in some product, and we immediately took action. We suspended production at all facilities that produce Peñafiel and installed enhanced filtration systems. The product now being produced is within regulatory guidelines.

Timeframe

More than 6 years

Magnitude of potential impact

Low

Likelihood

Very unlikely

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

100000

Potential financial impact figure - maximum (currency)

1000000

Explanation of financial impact

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

Primary response to risk

Increase investment in new technology

Description of response

We mitigate water risks through ongoing maintenance and facilities improvements, system upgrades on our production lines and the implementation of best practices in our manufacturing processes and technology. Most of our water is derived from municipal sources, and wastewater in our KDP cold manufacturing facilities is pretreated to meet local specifications prior to discharge to municipal wastewater treatment plants. If water quality declined significantly, we would evaluate options for increasing pre-treatment. Introducing additional treatment would likely also have effects on wastewater management costs, but these would be highly site-specific.

Cost of response

500000

Explanation of cost of response

Financial impact could range depending on the appropriate treatment process required, with an up-front cost estimate for a facility in the range of \$100,000 up to \$1,000,000. The cost of management figure is therefore likely between the two figures, estimated at \$500,000.

Country/Area & River basin

United States of America	Other, please specify (Multiple including Colorado and Mojave)
--------------------------	--

Type of risk & Primary risk driver

Physical	Increased water scarcity
----------	--------------------------

Primary potential impact

Reduction or disruption in production capacity

Company-specific description

Sufficient water quantity is required to produce our beverages. Some of our California facilities are in river basins with increased water scarcity. These river basins are specified by the WRI Aqueduct Water Risk Atlas tool to have a range of current baseline water stress, but face continued and increasing stressors such as declining supply, groundwater contamination, and low precipitation. As water becomes scarce, we may face negative perception that could affect business continuity and financial performance.

Timeframe

More than 6 years

Magnitude of potential impact

Medium

Likelihood

Unlikely

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

15000000

Potential financial impact figure - maximum (currency)

23000000

Explanation of financial impact

The potential financial impact is estimated based on a hypothetical situation where water becomes so scarce that we could not maintain operations and a plant in a high water risk region such as California where we have two facilities in areas with elevated water risk, would temporarily be idled. For purposes of this example, we assume the shutdown of a plant would last for one year due to drought conditions severely limiting water supply. While other implications of a plant being idled such as changes to distribution or labor could come into play, we are describing the impact of fixed costs only.

Primary response to risk

Support river basin restoration

Description of response

By partnering with our highest water-risk operating communities with a goal to replenish 100% of water used for our beverages in those communities by 2025, we aim to improve the environment and our local communities. Our strategy to partner with our highest water-risk operating communities was informed by evaluating water risk in our operating footprint using the WRI Aqueduct tool and identified six operating communities with high water risk in Texas, California and Mexico. These investments will continue as KDP moves towards its 2025 goals.

Cost of response

590000

Explanation of cost of response

This figure is based on our water stewardship work since 2011 with The Nature Conservancy. To date, we have committed \$4.7 million (approximately \$590 thousand per year) to The Nature Conservancy's local chapters in Vermont, Washington, Texas and California, where we have production facilities. As a result of this collaboration and other active projects, we have restored 5,328 ML of water, balancing 73% (5,328 / 7,327) of the water used for our coffee beverages and for cold beverage production in our highest water-risk manufacturing locations.

W4.2a

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

Country/Area & River basin

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

Stage of value chain

Supply chain

Type of risk & Primary risk driver

Physical	Increased water stress
----------	------------------------

Primary potential impact

Increased production costs due to changing input prices from supplier

Company-specific description

The principal raw materials used in our business, are aluminum cans and ends, PET bottles and caps, K-Cup® pod packaging materials, glass bottles and enclosures, and agricultural commodities including green coffee, paper products, juices, teas, fruit, sweeteners, as well as water, and other ingredients. We also use post-consumer recycled materials in the manufacturing of our single-serve brewing systems. These ingredients and packaging costs can fluctuate substantially and comprise almost 60% of our cost of sales. As outlined in KDP's climate policy, according to the IPCC and the U.S. National Climate Assessment, climate change is already affecting the agricultural sector, and disruptions to crop growing conditions are expected to increase with extreme weather events, increasing temperatures, and changing water availability. This may cause changes in geographical ranges of crops, as well as weeds, diseases and pests that affect those crops. While changing prices, or climate-related short-term or chronic disruptions to supply, for any of KDP's inputs could materially and adversely affect our business, we provide examples here related to corn. Corn, in the form of high fructose corn syrup (HFCS), is a key ingredient in many of our beverages with limited substitutability. We procure corn sweetener from domestic suppliers. A Ceres study determined that 35% of all corn production in the USA is in regions facing "high" or "extremely high" water stress. If water becomes scarce (drought), or too abundant (flooding, storms), or the quality deteriorates, increased corn sweetener prices could exert pressure on our costs and we may not be able to effectively hedge or pass along any such increases to our customers or consumers. Furthermore, any price increases passed along to our customers or consumers could reduce demand for our products. Such increases could negatively affect our business. When appropriate, we mitigate the exposure to volatility in the prices of certain commodities used in our production process through the use of forward contracts and supplier pricing agreements. The intent of the contracts and agreements is to provide a certain level of short-term predictability. Although we have contracts with a relatively small number of suppliers, we have generally not experienced any difficulties in obtaining the required amount of raw materials.

Timeframe

More than 6 years

Magnitude of potential impact

Medium

Likelihood

About as likely as not

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

50000000

Potential financial impact figure - maximum (currency)

70000000

Explanation of financial impact

This financial estimate assumes the risk of the change in agricultural commodity prices is entirely unhedged. KDP utilizes commodities derivative instruments and supplier pricing agreements to hedge the risk of movements in commodity prices for limited time periods and certain commodities. For the purpose of this response, we note that as of December 2019, the impact of a 10% change (increase or decrease) in agricultural commodities market prices is estimated to be approximately \$70M, again, assuming no hedging or other adjustments are implemented.

Primary response to risk

Upstream	Use risk transfer instruments
----------	-------------------------------

Description of response

To mitigate the risk of climate change and the implications on the cost of raw agricultural materials, KDP is expanding its responsible sourcing program and expects to set broader responsible sourcing goals beyond our existing coffee commitments in the future. As we expand our responsible sourcing programming, we anticipate that supporting additional climate-focused initiatives for other agricultural commodities will be appropriate. For corn and other agricultural commodities besides coffee (where we have extensive programming to promote climate resiliency), costs of management for this risk are associated with the full-time employees who manage contracts for agricultural commodities, as part of regular business.

Cost of response

0

Explanation of cost of response

For corn and other agricultural commodities besides coffee (where we have extensive programming to promote climate resiliency), costs of management for this risk are associated with the full-time employees who manage contracts for agricultural commodities, as part of regular business. Even as water stress may change, the cost of management is not incremental and therefore we indicate the cost of response as \$0.

W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes, we have identified opportunities, and some/all are being realized

W4.3a

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

Type of opportunity

Resilience

Primary water-related opportunity

Increased supply chain resilience

Company-specific description & strategy to realize opportunity

Part of our sustainability strategy is to support programs that seek to improve the lives of 1 million people in our supply chain by 2020. That's why we believe sourcing coffee ethically and responsibly goes beyond traceability or an audit checklist. Through engagement, action, and partnerships, we collaborate with farmers to address challenges, helping them thrive in a changing world. KDP has invested more than \$5 million in Blue Harvest over the last five years to promote sustainable farming practices and increase access to clean water for coffee farmers and communities in Central America. This program has trained more than 3,000 farmers to apply water-smart practices on their coffee farms, protected more than 40,000 hectares of critical watersheds and improved drinking water for more than 150,000 people.

Estimated timeframe for realization

1 to 3 years

Magnitude of potential financial impact

Low-medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

10000000

Potential financial impact figure – maximum (currency)

100000000

Explanation of financial impact

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

Type of opportunity

Markets

Primary water-related opportunity

Improved community relations

Company-specific description & strategy to realize opportunity

Our goal is to partner with our highest water-risk operating communities to replenish 100% of water used for our beverages in those communities by 2025. This strategy was informed by evaluating water risk in our operating footprint using the WRI Aqueduct Risk Atlas tool. This analysis identified six operating communities with high underlying water risk in Texas, California and Mexico. Since 2011, we have committed \$4.7 million to The Nature Conservancy's local chapters in Vermont, Washington, Texas and California, where we have production facilities. As a result of this collaboration and other active projects, we have restored 5,328 ML of water, balancing 73% (5,328 / 7,327) of the of the water used for our coffee beverages and for cold beverage production in our highest water-risk manufacturing locations. These investments will continue as KDP moves towards its 2025 goals.

Estimated timeframe for realization

4 to 6 years

Magnitude of potential financial impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

15000000

Potential financial impact figure – maximum (currency)

30000000

Explanation of financial impact

The financial figure is determined by the shared value created upstream in our supply chain. It does not represent a financial return to the company, but rather the benefit to the underlying water resources that we and others depend on in these areas. The financial figure range is based on replenishing 100% of the water used at our facilities within the 6 basins identified at risk. The total water withdrawn from those basins in 2019 was 3,811 ML. The min value is based on the average cost of water in the United States \$1.50/kgal or \$394/ML. The max value is assuming an increased cost of water of \$3.00/kgal or \$790/ML, and then multiplying by a factor of 10 as the work is

intended to remain in place for at least 10 years.

Type of opportunity

Efficiency

Primary water-related opportunity

Improved water efficiency in operations

Company-specific description & strategy to realize opportunity

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

Estimated timeframe for realization

4 to 6 years

Magnitude of potential financial impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

20000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact

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

W5. Facility-level water accounting

W5.1

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

Facility reference number

Facility 1

Facility name (optional)

Country/Area & River basin

United States of America	Other, please specify (San Jacinto)
--------------------------	-------------------------------------

Latitude

29.685

Longitude

-95.394

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

501

Comparison of total withdrawals with previous reporting year

About the same

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

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

501

Total water discharges at this facility (megaliters/year)

186

Comparison of total discharges with previous reporting year

Higher

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

186

Total water consumption at this facility (megaliters/year)

315

Comparison of total consumption with previous reporting year

Lower

Please explain

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

Facility reference number

Facility 2

Facility name (optional)

Country/Area & River basin

United States of America	Colorado River (Pacific Ocean)
--------------------------	--------------------------------

Latitude

34.024

Longitude

-118.204

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

452

Comparison of total withdrawals with previous reporting year

About the same

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

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

452

Total water discharges at this facility (megaliters/year)

133

Comparison of total discharges with previous reporting year

Lower

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

133

Total water consumption at this facility (megaliters/year)

318

Comparison of total consumption with previous reporting year

Higher

Please explain

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

Facility reference number

Facility 3

Facility name (optional)

Country/Area & River basin

United States of America	Other, please specify (Mojave)
--------------------------	--------------------------------

Latitude

34.584

Longitude

-117.376

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

920

Comparison of total withdrawals with previous reporting year

Higher

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

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

920

Total water discharges at this facility (megaliters/year)

244

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

244

Total water consumption at this facility (megaliters/year)

Comparison of total consumption with previous reporting year

Higher

Please explain

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

Facility reference number

Facility 4

Facility name (optional)**Country/Area & River basin**

Mexico	Papaloapan
--------	------------

Latitude

18.483

Longitude

-97.403

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

975

Comparison of total withdrawals with previous reporting year

Higher

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

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

975

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0

Total water discharges at this facility (megaliters/year)

306

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

306

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

669

Comparison of total consumption with previous reporting year

Higher

Please explain

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

Facility reference number

Facility 5

Facility name (optional)

Country/Area & River basin

Mexico	Other, please specify (Santiago)
--------	----------------------------------

Latitude

20.452

Longitude

-103.433

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

557

Comparison of total withdrawals with previous reporting year

About the same

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

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

557

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0

Total water discharges at this facility (megaliters/year)

199

Comparison of total discharges with previous reporting year

Much higher

Discharges to fresh surface water

199

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

358

Comparison of total consumption with previous reporting year

Lower

Please explain

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

Facility reference number

Facility 6

Facility name (optional)

Country/Area & River basin

Mexico	Panuco
--------	--------

Latitude

19.704

Longitude

-98.948

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

407

Comparison of total withdrawals with previous reporting year

Higher

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

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

407

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0

Total water discharges at this facility (megaliters/year)

78

Comparison of total discharges with previous reporting year

Higher

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

78

Total water consumption at this facility (megaliters/year)

329

Comparison of total consumption with previous reporting year

Higher

Please explain

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

W5.1a

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

Water withdrawals – total volumes

% verified

76-100

What standard and methodology was used?

To validate our external reporting, we obtained third-party assurance from ERM CVS. They verified our water withdrawal total volume data claims covering the period 1 January 2019 – 31 December 2019. ERM CVS verified select water data in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised) at limited assurance level. The assurance statement is attached to question W9.1.

Water withdrawals – volume by source

% verified

76-100

What standard and methodology was used?

To validate our external reporting, we obtained third-party assurance from ERM CVS. They verified our water withdrawal total volume data claims covering the period 1 January 2019 – 31 December 2019. ERM CVS verified select water data in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised) at limited assurance level. The assurance statement is attached to question W9.1.

Water withdrawals – quality

% verified

Not verified

What standard and methodology was used?

<Not Applicable>

Water discharges – total volumes

% verified

76-100

What standard and methodology was used?

To validate our external reporting, we obtained third-party assurance from ERM CVS. They verified our water discharge total volume data claims covering the period 1 January 2019 – 31 December 2019. ERM CVS verified select water data in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised) at limited assurance level. The assurance statement is attached to question W9.1.

Water discharges – volume by destination

% verified

76-100

What standard and methodology was used?

To validate our external reporting, we obtained third-party assurance from ERM CVS. They verified our water discharge % destination data claims covering the period 1 January 2019 – 31 December 2019. ERM CVS verified select water data in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised) at limited assurance level. The assurance statement is attached to question W9.1.

Water discharges – volume by treatment method

% verified

Not verified

What standard and methodology was used?

<Not Applicable>

Water discharge quality – quality by standard effluent parameters

% verified

Not verified

What standard and methodology was used?

<Not Applicable>

Water discharge quality – temperature

% verified

Not verified

What standard and methodology was used?

<Not Applicable>

Water consumption – total volume

% verified

76-100

What standard and methodology was used?

To validate our external reporting, we obtained third-party assurance from ERM CVS. They verified our water consumption total volume data claims covering the period 1 January 2019 – 31 December 2019. ERM CVS verified select water data in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised) at limited assurance level. The assurance statement is attached to question W9.1.

Water recycled/reused

% verified

Not verified

What standard and methodology was used?

<Not Applicable>

W6. Governance

W6.1

(W6.1) Does your organization have a water policy?

Yes, we have a documented water policy that is publicly available

W6.1a

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

	Scope	Content	Please explain
Row 1	Company-wide	Description of business dependency on water Description of business impact on water Description of water-related performance standards for direct operations Description of water-related standards for procurement Reference to international standards and widely-recognized water initiatives Company water targets and goals Commitment to align with public policy initiatives, such as the SDGs Commitments beyond regulatory compliance Commitment to water-related innovation Commitment to stakeholder awareness and education Commitment to water stewardship and/or collective action Acknowledgement of the human right to water and sanitation Recognition of environmental linkages, for example, due to climate change	As a beverage company, KDP recognizes that we have a responsibility to be good stewards of water use in our operations, communities, and supply chain. Improving freshwater resources and ecosystems benefits our communities and our business. For these reasons, our water policy is company-wide. The policy includes: The business dependency on water as a primary ingredient in our products and critical to our agricultural supply chain, as well as the business impact on water through use in production processes and generation of manufacturing and domestic wastewater; commitment to meeting and exceeding drinking water standards, including local regulations and water quality regulations. Beyond regulatory compliance, it establishes commitments to protection of water resources, expansion of equitable access to water and sanitation, innovation, building awareness and collaboration; alignment with public policy and water initiatives, acknowledging the Human Right to Water, and supporting SDG 6; commitment to setting water efficiency, conservation and restoration targets as well as assessing water use across our operations to understand our water footprint. Our policy highlights environmental linkages such as climate change by emphasizing impacts on water quality and availability (e.g., rainfall changes may affect agriculture and inputs to production). We promote collective action via sharing of water stewardship practices with suppliers, encouraging them to optimize consumption and measure and minimize water impacts via our Code of Conduct, and via product-specific standards and business practices. Our policy includes statements of commitment to: water innovation and procurement –specifically to investing in and encouraging use of new technologies, (e.g., irrigation methods, plant varieties) throughout the value chain; and stakeholder awareness and education by raising awareness of our impact on water resources and educating our consumers, employees, suppliers and other stakeholders on actions they can take to address the water crisis locally and globally. The water policy informs internal and external actions. With the formation of our internal water optimization team in 2019, we refer to the policy as a foundational part of our charter. Externally, we strive to meet and exceed the expectations of stakeholders through our water stewardship work, which is founded on several of the principles and frameworks outlined and referenced in our policy.

W6.2

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

Yes

W6.2a

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

Position of individual	Please explain
Board Chair	KDP's Board of Directors reviews matters of the Company's corporate sustainability efforts bi-annually, including water-related issues (but also: environment including water, waste, and packaging, health and wellness, and responsible sourcing). This process informs the Board's oversight of progress against goals and targets as well as the implementation of risk management policies. KDP's Board Chair and CEO (same individual) has ultimate oversight for the performance of the business including its sustainability strategy and goals. This position's responsibility for water-related issues covers potential risk impacts to the organization as part of overall enterprise risk management and oversight; approval of water targets; and performance against these public goals.

W6.2b

(W6.2b) Provide further details on the board’s oversight of water-related issues.

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	Monitoring implementation and performance Overseeing acquisitions and divestiture Overseeing major capital expenditures Reviewing and guiding annual budgets Reviewing and guiding risk management policies Reviewing and guiding strategy Reviewing and guiding corporate responsibility strategy Setting performance objectives	Our values, ethics and integrity are deeply embedded into how we conduct ourselves and operate our business. Our governance and management systems maintain effective oversight of, and accountability for, the way we operate. Bi-annually, the Board of Directors reviews matters of the Company's corporate sustainability efforts, including: climate-related issues, water, waste, and packaging, health and wellness, and responsible sourcing. By reviewing policy, strategy, and risk, the Board stays apprised of water management issues, to guide water-related actions appropriately.

W6.3

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

Name of the position(s) and/or committee(s)

Chief Sustainability Officer (CSO)

Responsibility

Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Half-yearly

Please explain

The Chief Sustainability Officer (CSO) reports to the Chief Corporate Affairs Officer, and is responsible for leading all of sustainability for KDP including strategy, goal-setting, program and project oversight for environmental impact including climate and packaging, sustainable supply chains, water and health and wellness. Our rationale for having responsibility for water related issues lie with this position is that it has enterprise-wide scope, allowing assessment of risk and opportunity across the organization and its value chain, which is appropriate given the potential for water issues to affect the company as a whole. Bi-annually, the Board of Directors reviews matters of the Company's corporate sustainability efforts, including water, via presentations from our CSO.

W6.4

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

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

W6.4a

(W6.4a) What incentives are provided to C-suite employees or board members for the management of water-related issues (do not include the names of individuals)?

	Role(s) entitled to incentive	Performance indicator	Please explain
Monetary reward	No one is entitled to these incentives	<Not Applicable>	
Non-monetary reward	Board chair Corporate executive team Chief Executive Officer (CEO) Chief Financial Officer (CFO) Chief Operating Officer (COO) Chief Sustainability Officer (CSO) Other C-suite Officer (Chief Corporate Affairs Officer) Other, please specify (All Employees)	Reduction of water withdrawals Reduction in consumption volumes Improvements in efficiency - direct operations	The entire KDP leadership team is ultimately responsible for the performance of the company against its public commitments, including its CR and water corporate targets. Our Executive Chairman and CEO leads this group. Our CSO and Chief Corporate Affairs Officers lead/drive the strategy development and goal-setting process for water within the company. Achievement of progress against our CR goals is recognized internally for all employees involved through acknowledgement in company-wide meetings, internal news items, or team events. Water targets and practices are integrated to relevant functions and included in their annual performance goals. For example, the quality managers in our cold plants oversee annual water efficiency use targets.

W6.5

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

- Yes, trade associations
- Yes, funding research organizations

W6.5a

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

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

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

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

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

W6.6

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

No, but we plan to do so in the next two years

W7. Business strategy

W7.1

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

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	5-10	The water issues incorporated into our long-term business objectives include physical risks due to availability and quality issues as well as reputational risks from direct operations in basins at risk. In our direct operations, KDP is committed to improving our water use efficiency by 20% by 2025. Good decisions about water resources happen at a local level and take into account water availability and community water needs. We have used the Ecolab Water Risk Monetizer and the World Resources Institute's Aqueduct Water Risk Atlas to evaluate water risk in our operating footprint and have identified six operating communities with high water risk in Texas, California and Mexico. In these six communities, by 2025, we commit to partnering to restore the same volume of water we use to make our beverages through projects that enhance watersheds, protect habitats and conserve water. These commitments reflect that water is a precious natural resource that is the essence of our business. Because it's the primary ingredient in most of our beverages, we have a particular responsibility to be good stewards of water use in our operations and in the communities in which we operate. The shortest time horizon was chosen because we are a new entity with a clear focus for the next several years to ensure performance as we embark on our combined environmental strategy.
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	5-10	Various possible issues resulting from climate change continue to influence KDP's strategy, including water security, raw material and commodity disruption, future regulatory conditions as well as consumer behavior and brand loyalty. Our strategy to improve operating efficiency is key to doing our part in a water constrained world and improves our bottom line. Our strategy to build and enhance our leading brands ties directly to incorporating environmental and social responsibility into our business which we see as macro trends driving consumer behavior and brand loyalty. Our strategy to holistically include our value chain in business decisions is key to building our leadership position on issues and opportunities tied to water to enhance our reputation with our consumers. The shortest time horizon was chosen because we are a new entity in the process of developing a long-term environmental strategy that will take into account the impacts climate change may have on water scarcity and a deterioration of water quality in areas where we maintain operations.
Financial planning	Yes, water-related issues are integrated	5-10	Currently KDP uses forward-looking scenario analyses in our Enterprise Risk Management process. Our ERM informs our financial planning, and as water is the key ingredient in substantially all of our products, water is considered in the ERM process from both quantity and quality standpoints. KDP has assessed the "well below 2 degree" climate change scenario in its process for setting a science-based emissions reduction target (SBT). The shortest time horizon was chosen because we are a new entity with a clear focus for the next several years to ensure performance as we embark on our combined environmental strategy.

W7.2

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

Row 1

Water-related CAPEX (+/- % change)

Anticipated forward trend for CAPEX (+/- % change)

0

Water-related OPEX (+/- % change)

Anticipated forward trend for OPEX (+/- % change)

0

Please explain

Financial performance including prior year comparisons / changes, are reported to investors in annual reports and SEC filings. Please see financial filings at <https://investors.keurigdrpepper.com/sec-filings>. The impacts and volatility of COVID-19 are expected to be significant in 2020 and continue to evolve. Our priorities during the COVID-19 pandemic are protecting the health and safety of our employees, maximizing the availability of our products for our consumers and Fueling the Frontline to provide our products to first responders who are fighting the COVID-19 pandemic. Water opex and capex are driven by multiple factors including the age of infrastructure and systems, and product mix.

W7.3

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

	Use of climate-related scenario analysis	Comment
Row 1	No, but we anticipate doing so within the next two years	KDP has set an SBTi-approved SBT which takes effect in 2020 to reduce our emissions. As part of this process, we were able to identify specific risks and opportunities for us to address and pursue. As we embark on implementing our approved Science Based Target (SBT), we will further analyze the scenarios and possible water-related outcomes.

W7.4

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

Row 1

Does your company use an internal price on water?

No, but we are currently exploring water valuation practices

Please explain

In our ongoing water risk assessment work, we make use of Ecolab's Water Monetizer and other tools that inform our understanding of the true cost of water. We continue to monitor trends in water valuation, consult with external stakeholders and review activity by our peers and competitors.

W8. Targets

W8.1

(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.

	Levels for targets and/or goals	Monitoring at corporate level	Approach to setting and monitoring targets and/or goals
Row 1	Company-wide targets and goals Site/facility specific targets and/or goals Basin specific targets and/or goals	Targets are monitored at the corporate level Goals are monitored at the corporate level	Our 2025 targets for our company are the culmination of looking holistically across our the KDP value chain for opportunities to make a positive impact with every drink. This includes reducing our environmental footprint across energy, water and waste. Our approach to setting water-related targets and/or goals began with a materiality assessment across this range of sustainability impact areas. Water is vital to our business and as a beverage company, we have a responsibility to be good stewards of water use in our operations and communities where we manufacture our products. We assess water use across our business to understand our water footprint and identify opportunities related to quality, conservation, replenishment and wastewater treatment in our manufacturing plants. As such, we combine internal efficiency targets, an external focus on water stewardship, and holistic approach to engage our value chain to drive our water strategy. We monitor our water efficiency target through monthly site-level internal tracking, which is reported to our senior leadership, and we monitor progress on our water stewardship work via periodic reviews with key project partners.

W8.1a

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

Target reference number

Target 1

Category of target

Water use efficiency

Level

Company-wide

Primary motivation

Reduced environmental impact

Description of target

We are committed to improving our water use ratio (WUR) by 20% by 2025, moving from a 2017 baseline of 2.05 liters required to make one liter of product (L/L) to 1.64 L/L. Our progress is underway with a WUR of 1.96 in 2019, down 4.4% versus 2017.

Quantitative metric

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

Baseline year

2017

Start year

2018

Target year

2025

% of target achieved

22

Please explain

We are committed to improving our water use ratio (WUR) by 20% by 2025, moving from a 2017 baseline of 2.05 liters required to make one liter of product (L/L) to 1.64 L/L. Our progress is underway with a WUR of 1.96 in 2019, down 4.4% versus 2017.

W8.1b

(W8.1b) Provide details of your water goal(s) that are monitored at the corporate level and the progress made.

Goal

Watershed remediation and habitat restoration, ecosystem preservation

Level

Basin level

Motivation

Increase freshwater availability for users/natural environment within the basin

Description of goal

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

Baseline year

2012

Start year

2013

End year

2025

Progress

Through our engagements we track the restoration projects through a third party using a published methodology to determine the amount of water replenished. It is recognized that the estimated benefits have some uncertainty, as they are based on best available data and information using models and estimation techniques. To reduce this uncertainty, scientifically defensible methodologies and conservative assumptions are employed in the quantification process. We are progressing toward our goal of replenishing 100% of the water used in our 6 highest water risk communities, and will build on prior work with The Nature Conservancy. Since 2011, we have committed over \$4.7 million to The Nature Conservancy's local chapters in Vermont, Washington, Texas and California, where we have production facilities. As a result of this collaboration and other active projects, we have restored 5,328 ML of water, balancing 73% (5,328 / 7,327) of the water used for our coffee beverages and for cold beverage production in our highest water-risk manufacturing locations. Thus, we have attained 73% progress against our threshold of success of 100%.

W9. Verification

W9.1

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

No, we do not currently verify any other water information reported in our CDP disclosure
ERM CVS 2019 CDP Water Assurance Statement KDP_04Aug2020.pdf

W10. Sign off

W-FI

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

At Keurig Dr Pepper, our corporate responsibility commitments aim to ensure our beverages make a positive impact with every drink. Our broad portfolio of products and nearly 26,000 employees give us many opportunities to drive change and be a catalyst for good. We take a strategic approach to channeling our energy and resources into those opportunities where we can have the greatest impact. Water is a precious natural resource that is the essence of our business. Because it's the primary ingredient in most of our beverages, we have a particular responsibility to be good stewards of water use in our operations and in the communities in which we operate. In 2019, we set a new stewardship direction for KDP. This started with a new corporate water policy, stronger governance processes and enhanced transparency, including reporting to CDP Water.

KDP-CR-Report-2019.pdf

W10.1

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

	Job title	Corresponding job category
Row 1	Chief Sustainability Officer	Chief Sustainability Officer (CSO)

W10.2

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

No

SW. Supply chain module

SW0.1

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

	Annual revenue
Row 1	1112000000

SW0.2

(SW0.2) Do you have an ISIN for your organization that you are willing to share with CDP?

Yes

SW0.2a

(SW0.2a) Please share your ISIN in the table below.

	ISIN country code	ISIN numeric identifier (including single check digit)
Row 1	US	49271V1008

SW1.1

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

We do not have this data and have no intentions to collect it

SW1.2

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

	Are you able to provide geolocation data for your facilities?	Comment
Row 1	Yes, for some facilities	

SW1.2a

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

Identifier	Latitude	Longitude	Comment
Facility 1	29.685	-95.394	These are the same facilities as those noted in our main response.
Facility 2	34.024	-118.204	These are the same facilities as those noted in our main response.
Facility 3	34.584	-117.376	These are the same facilities as those noted in our main response.
Facility 4	18.482	-97.402	These are the same facilities as those noted in our main response.
Facility 5	20.452	-103.433	These are the same facilities as those noted in our main response.
Facility 6	19.704	-98.95	These are the same facilities as those noted in our main response.

SW2.1

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

SW2.2

(SW2.2) Have any water projects been implemented due to CDP supply chain member engagement?

No

SW3.1

(SW3.1) Provide any available water intensity values for your organization's products or services.

Product name

beverages

Water intensity value

1.96

Numerator: Water aspect

Water withdrawn

Denominator

production (m3)

Comment

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission	Are you ready to submit the additional Supply Chain Questions?
I am submitting my response	Investors Customers	Public	Yes, submit Supply Chain Questions now

Please confirm below

I have read and accept the applicable Terms