



drink well do good

2019
Stakeholder
Engagement



At Keurig Dr Pepper (KDP) we are mindful of how our actions affect farmers, suppliers, partners, customers, regulatory agencies, nongovernmental organizations (NGOs), industry peers, consumers, employees, investors and others. We engage stakeholders through ongoing dialogue and collaboration and leverage their expertise, insights, influence and energy to elevate our performance and find new solutions to common goals. KDP strives to inform our corporate responsibility strategies and programs with fresh, external perspective through formal and informal advisory engagements with industry and subject matter experts. These engagements occur at the staff and executive leadership level to ensure integration of new and innovative ideas at all levels of our organization.

Stakeholder	How We Engage	Sample Initiatives and Outcomes in 2019
<p>EMPLOYEES approximately 26,000</p>	<ul style="list-style-type: none"> Intranet Online collaboration tools: <i>Workplace</i> and <i>KDP Wellness</i> platforms Weekly newsletters, executive communications, and team information cascades Quarterly Town Hall meetings Employee engagement surveys Peer-to-Peer Observation program in manufacturing facilities Source trips to coffee-growing communities 	<ul style="list-style-type: none"> Invited all KDP employees to participate in creating our KDP core values. We used a collaborative process including engagement surveys that incorporated feedback from employees across the company. The outcome was our new KDP Core Values: Team First, Deliver Big, Think Bold, Be Fearless and Fair. Enhanced <i>Workplace</i> to connect with employees, giving them a daily opportunity to discuss and share best practices and social interaction. Launched <i>KDP Wellness</i>, a platform fueled by our third-party wellness vendor, Limeade. Employees can log on to the website or app any time of day and engage in activities and challenges focused on all aspects of living well—from physical and mental health to supporting the health of our planet. In 2019, KDP employees logged over 226 million steps as part of wellness challenges. 80 employees participated in source trips to our coffee sourcing regions, including Brazil and Colombia; 750+ employees have participated over the lifetime of the source trip program.
<p>COMMUNITIES</p>	<ul style="list-style-type: none"> Employee volunteering Partner with national and community-based organizations Philanthropy Community Relations 	<ul style="list-style-type: none"> Employees volunteered over 38,000 hours in their communities through company programs. Through KDP's Let's Play initiative, we work with national non-profits KABOOM! and Good Sports to provide play opportunities for children. In 2019 KDP built 12 playgrounds and offered 61 playground construction grants in partnership with KABOOM!! New for 2019, ten of those playgrounds incorporated recycling bins and recycling-themed imagery via a partnership with Keep America Beautiful. Additionally and in partnership with Good Sports, we awarded more than \$1.3 million worth of new sports equipment to 252 grant recipients in 2019. In total, 1.3 million children were served; \$940,000 in playground construction grants awarded; 906 KDP volunteers participated in Let's Play activities; 5,890 KDP volunteer hours were donated. Supported 736 non-profit organizations through Engage for Good, our company match program. Donated beverages to support disaster relief and recovery efforts in communities affected by Tropical Storm Imelda, Hurricane Dorian, Tropical Storm Nestor and the Newark Water Crisis. Recognized as a Civic 50 honoree by Points of Light for the second consecutive year.

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<p>MANAGED SUPPLIER BASE <i>approximately 1,000 suppliers</i></p>	<ul style="list-style-type: none"> • Supplier Summits • Individual and broad-based communications • Supplier trainings, assessments and remediation process • Social impact investment 	<ul style="list-style-type: none"> • Adopted and implemented a new Supplier Code of Conduct including annual self-certification by our most important coffee, appliance, packaging and ingredient suppliers. We also rolled out trainings for all our procurement employees on the new code. • Expanded our Supplier Performance Management (SPM) program to cover a broader scope of KDP's supply base. • Trained targeted appliance suppliers on our responsible sourcing standards and expectations. • Hosted our sixth-annual Supplier Collaboration Summit with over 70 of our most valued and strategic suppliers. • Invested in Blue Harvest to promote sustainable farming practices and increase access to clean water for coffee farmers and communities in Central America. • Invested in World Coffee Research to support the development of new coffee varieties, conducted on-farm trials and delivered new climate-smart technologies. • Invested in Root Capital efforts to strengthen coffee farmer cooperatives by providing financial management training, advisory services and financing to producer organizations serving coffee farmers.
<p>CONSUMERS AND CUSTOMERS</p>	<ul style="list-style-type: none"> • Education and awareness programs on Corporate Responsibility issues • Integrated marketing efforts to encourage purchase of sustainable products and sustainable product use 	<ul style="list-style-type: none"> • Promoted our recyclable* K-Cup® pods in Canada including consumer engagement, directly and through retail and community partners, to develop recycle right behaviors at home. • Use of the How2Recycle labels on recyclable* K-Cup pod packages in the US to encourage consistent recycling behaviors. • Promoted Fair Trade coffee purchases resulting in being named the largest buyer of Fair Trade coffee in the world, for the tenth consecutive year. <p><i>*Check locally, not recycled in all communities.</i></p>
<p>NON-PROFITS AND NGOs</p>	<ul style="list-style-type: none"> • Collaboration and dialogue with non-profits and NGO organizations, as appropriate, on our key material issues 	<ul style="list-style-type: none"> • Beyond supply chain and philanthropic relationships, we work with The Nature Conservancy to identify and understand the watersheds in the areas where we operate, collaborating on targeted solutions. Since 2011, we have committed \$4.7 million to local chapters in Vermont, Washington, Texas and California. • Launched an initiative with Keep America Beautiful to tackle public space recycling in designated waterways and watersheds. The program will benefit the local areas while providing research and learnings to be shared with the national KAB affiliate network.

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<p>INDUSTRY</p> <p><i>Associations & membership organizations</i></p> <p><i>Collaborative platforms</i></p> <p><i>Business partners</i></p>	<ul style="list-style-type: none"> • Establish common industry standards and processes • Collaborate with a variety of industry groups to tackle complex challenges across the entire value chain • Work with partners, in other industries, in ways that are mutually beneficial • Partner for positive impact in co-manufacturing, licensing and distribution agreements 	<ul style="list-style-type: none"> • Continued work as a Founder of the Balanced Calorie Initiative (BCI) to reduce beverage calories by 20% per person across the United States by 2025 alongside the American Beverage Association and the Alliance for a Healthier Generation. • Collaborated with the Association of Plastic Recyclers to ensure our coffee pods are recyclable* <u>and</u> recycled by consumers via standard development and rigorous testing. • Worked with the Sustainable Packaging Coalition to provide accurate recycling instructions for pod product labels, as well as our other beverage labels. • Investment in and advisory of Closed Loop Infrastructure Fund and The Recycling Partnership to remove obstacles to recycling access and improve profitability of the recycling industry, resulting in 1M+ tons of recycling material collected. • Joined the Children’s Food and Beverage Advertising Initiative (CFBAI) pledging not to advertise products to children that do not meet CFBAI’s nutrition standards. • Collaborated with the American Beverage Association along with our beverage industry peers, to launch the Every Bottle Back initiative to increase recycling of PET plastic. • Worked with The Recycling Partnership to found an industry collaboration to improve polypropylene (PP) recovery and recycling in the United States and further develop the end market of high-quality recycled PP. <p><i>*Check locally, not recycled in all communities.</i></p>