

Modern Slavery Statement (updated March 2023)

Our Business

Keurig Dr Pepper, Inc. (KDP) is a leading beverage company in North America, with annual revenue of more than \$14 billion and approximately 28,000 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 includes Keurig®, Dr Pepper®, Canada Dry®, Clamato®, CORE®, Green Mountain Coffee Roasters®, Mott's®, Snapple® 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's *Drink Well. Do Good.* corporate responsibility platform is focused on the greatest opportunities for impact on the environment, its supply chain, the health and well-being of consumers and with its people and communities.

KDP recognizes its responsibility to protect human rights and is committed to promoting good human rights and labor practices through our business activities. This statement sets out the steps taken by KDP to prevent, identify and address human rights and modern slavery risks in our operations and supply chains. It is designed to meet the requirements of the California Transparency in Supply Chains Act of 2010 (SB 657).

KDP Policies and Governance

KDP's enterprise-wide [Corporate Code of Conduct](#) outlines the Company's commitments to stakeholders and the expectations of our personnel to act in a professional, ethical and legal manner in all their dealings. This includes internal accountability standards and procedures for employees to meet Company expectations, including on the topics of sourcing responsibly and respecting human rights. The KDP Corporate Code of Conduct references the KDP Supplier Code of Conduct and other relevant policies.

KDP's supply chains span the world, from farms producing coffee, corn and apples to the facilities that process those raw materials and the factories that build our appliances. We are committed to identifying and working to address all forms of forced or compulsory labor or human trafficking within KDP's supply chains. We are also committed to working in collaboration with the various stakeholders involved in these complex issues. Our priorities are risk-based and, while our most extensive work to date has occurred in our coffee and appliance supply chains, we continue to define and execute on responsible sourcing approaches to other key supply chains including cocoa, apple juice concentrate, apple and corn.

The [KDP Supplier Code of Conduct](#) sets out universal requirements applicable to suppliers from any part of the world and for any product supplied to KDP. For our most important supply chains, we go further by specifying product-specific standards such as independent raw material certifications and manufacturing standards. For example, in our appliance supply chains, we specify that all Tier 1 and select Tier 2 suppliers are expected to follow the [Responsible Business Alliance](#) (RBA) Code of Conduct. The RBA is the world's largest industry coalition focused on corporate social responsibility in global supply chains. For our coffee and cocoa supply chains, we require adherence to certifications or verifications such as Fair Trade and ofi AtSource Entry Verified. See our [Corporate Responsibility report](#) for a full list of accepted programs.

The intent behind this approach is not only to ensure a set of clear expectations applying to KDP's suppliers, but also to recognize that the diversity of our supply chains demands more detailed and product-specific standards, especially as issues such as modern slavery vary greatly by context. All approved product-specific standards are independent programs with their own stakeholder engagement approaches and regular review processes. KDP has developed a rigorous set of requirements for acceptance of product-specific standards in certain of KDP's supply chains, which include clear expectations around program governance.

Our Corporate Code of Conduct and Supplier Code of Conduct are reviewed annually by KDP's Executive Policy Review Group (EPRG). This group ensures consistency across and integration of KDP's Policies and is made up of KDP's Chief Legal Officer, Chief Human Resources Officer, Chief Supply Chain Officer and/or Chief Procurement Officer, SVP Corporate Controller and Legal VP, Privacy and Compliance.

The KDP Director of Sustainable Supply Chains is responsible for supplier policy content and implementation strategy, with oversight by the Chief Sustainability Officer. If any concerns are raised regarding supplier compliance, they are escalated to appropriate members of the relevant leadership team, depending on the severity of the issue, as well as to the Sustainability Governance Committee which is comprised of the Chief Sustainability Officer, Chief Corporate Affairs Officer, Chief Legal Officer, Chief Supply Chain Officer, Chief Marketing Officer, Chief Human Resources Officer, President of the Coffee Business Unit, VP of Government Affairs, and SVP of Finance. Regular updates of the action and decisions of this Committee are reported to the Chairman and CEO and full executive leadership team on a regular basis and, ESG updates are provided to the Board of Directors regularly.

Specific to coffee, KDP has also created a [Brazilian Coffee Purchasing Policy](#) that requires suppliers of Brazilian coffee to regularly cross check their upstream supply chains against the Brazilian Ministry of Labor and Employment's Dirty List (the "Dirty List"). This list publishes the names of Brazilian estates found to be profiting from conditions of forced labor, and KDP requires suppliers to certify their compliance to the Policy when updates to the Dirty List are published. This policy is sponsored by Keurig Trading S.à r.l., a KDP subsidiary, which manages KDP's procurement of green coffee. Implementation of this policy is owned by the KDP Director of Sustainable Supply Chains and any violations or findings are escalated to the Managing Director of Keurig Trading and to the KDP Chief Procurement and Sustainability Officers. Further escalation will follow the previously stated process and includes established Committees and KDP leadership.

Training

KDP employees must review and acknowledge our Company Code of Conduct annually. Noncompliance with this Code may result in disciplinary action, up to and including termination. Our employees are also instructed to report any violations of the Code or other policies.

KDP also regularly trains its Procurement staff on the Supplier Code of Conduct, key risks in our supply chains, and Procurement's unique role in engaging suppliers on key issues. In 2022, 100% of KDP's appliance Procurement staff were trained on the RBA Code and KDP's audit program. In 2023, we will train our entire Procurement team. This content is tailored to appropriate teams and is informed by the results of our labor risk work with Verité and the tools available to our upstream suppliers to identify and manage labor risk (see Due Diligence section for more detail).

KDP also trains targeted suppliers on our expectations regarding social and environmental responsibility and supports the creation of tools to assess and address issues in the supply chain. Between 2021-2023:

- 100% of KDP's Tier 1 appliance contract manufacturers had at least one employee complete the RBA's Factory Lead Certification. Factory Leads are individuals that work on the factory floor, are trained on RBA's standards and help ensure social and environmental standards are being followed and implemented on a day-to-day basis.
- We expanded RBA training to three selected Tier 2 appliance suppliers.
- We facilitated a connection between our partner Verité and our key Brazilian coffee suppliers to enable pilot training on workers' rights to both farm owners and farm workers as part of the U.S. Department of Labor-funded Cooperation On Fair, Free, Equitable Employment (COFFEE) Project. Pending success of this pilot, we aim to scale the use of these tools further within our coffee supply chain.

Traceability, Risk Assessment and Prioritization

KDP utilizes insights from third-party country and commodity risk data to determine KDP's highest-risk supply chains and suppliers. Based on this initial screening, we create tailored strategies to address identified risks within each unique supply chain. We take the following factors into consideration: the supply chain tier(s) and/or geographies in which the highest risk is present; the degree of influence and/or control KDP has with the relevant suppliers; and, existing industry coalitions and/or third-party responsible sourcing programs and standards that support action.

When risks are identified in Tier 1 and Tier 2 suppliers, where KDP generally has a contractual relationship and visibility to manufacturing or processing facilities, KDP utilizes self-assessments and third-party audits to engage these suppliers to continuously improve conditions where needed. We are working to expand coverage to new supply chains and to integrate these actions into the everyday processes of our Procurement and Quality teams to make them a condition of doing business with KDP. See the Due Diligence section for more detail.

When risks are present in tiers further upstream, for example at the farm and primary processing levels for agricultural supply chains, KDP utilizes third-party certification and verification programs, where available, to determine traceability and to conduct due diligence. Data from these programs also then provides more granular risk assessment information to help us refine our due diligence and supply chain investments.

Based on a combination of third-party and internal data, we have prioritized our appliance supply chain and four key raw materials – coffee, cocoa, apple juice concentrate and corn - as having a high risk of forced labor.

Our Tier 1 appliance supply chain is based in Malaysia, China, Indonesia and Thailand, with our components sourced from a similar geographical footprint. We are working to extend traceability further upstream for key materials and minerals. The highest risks in our Tier 1 contract manufacturer and Tier 2 component supply chains are:

- Recruitment fees and passport withholding, particularly in countries suffering from labor shortages, e.g. Malaysia; and
- Extended overtime hours to meet fluctuating product demand

In 2022, we sourced coffee from over 20 countries¹, cocoa primarily from West Africa², apple juice concentrate from 9 countries³ and corn syrup from the USA and Mexico.

For coffee, we have invested in deeper research on forced labor risk in KDP supply chains within five prioritized coffee producing countries: Guatemala, Brazil, Colombia, Mexico and Uganda. These countries were prioritized based on risk, KDP purchase volumes and opportunities for industry collaboration. The highest identified risks are at the farm level and include child labor, lack of labor inspectors and legal enforcement, vulnerable migrant workers and poor working conditions. In addition to addressing these risks via our product-specific standards, this research supported in-depth root cause analysis to uncover key systemic issues that drive risk, including the use of labor brokers and piece-rate payments resulting in low wages.

For cocoa, the highest risks reside at the farm level and include child labor and a lack of labor inspectors and legal enforcement, especially in West Africa. Though cocoa is a minor raw material input for KDP, we believe the social and environmental risks it carries makes it a high priority for our company.

¹ In 2022, we sourced all our green coffee from the following countries: Brazil, Colombia, Costa Rica, the Democratic Republic of the Congo, East Timor, El Salvador, Ethiopia, Guatemala, the United States (Hawaii), Honduras, India, Kenya, Laos, Mexico, Nicaragua, Papua New Guinea, Peru, Rwanda, Indonesia, Uganda, Vietnam and Zambia.

² In 2022, our suppliers sourced all of our cocoa primarily from Ivory Coast, Ghana and Cameroon, with smaller volumes coming from Nigeria, the Democratic Republic of the Congo, Ecuador, Dominican Republic and Brazil.

³ In 2022, we sourced all of our apple juice concentrate from the following countries: USA, China, Poland, Ukraine, Argentina, Chile, New Zealand, Turkey and Moldova.

For apple juice concentrate, high risks at the farm level include the presence of vulnerable migrant workers and exploitive recruitment agents. At the processing level, working hours and overtime are key issues for factories in specific high-risk countries like China.

For corn, the highest forced labor risk resides at the farm level and is focused on vulnerable migrant workers.

Our due diligence efforts to address these risks are outlined below. We continue to refine our approach and to expand our efforts to our broader supply chain.

Supply Chain Due Diligence

KDP utilizes a series of due diligence tools to assess, identify and remediate issues across high-risk segments of our supply chain.

As a starting point, KDP recognizes that its purchasing practices, such as supplier contracts and product specifications, play an important role in setting and enforcing expectations for the upstream supply chain. Since the creation of our KDP Supplier Code of Conduct in 2019, we have been rolling out new standard supplier contracts that include Supplier Code compliance as a business requirement. The Supplier Code of Conduct is also referenced in our commercial Terms and Conditions. This process seeks to provide further coverage in cases where no formal contract is in place (e.g. with minor, transactional suppliers or spot purchases). While these efforts do not necessarily cover all of KDP's supply base, they do cover our most important direct materials suppliers. We also pay all suppliers in accordance with the terms agreed at the outset of the contract and do not change payment terms retroactively. Any changes to contracts are re-negotiated transparently and mutually agreed.

Beyond purchasing practices, our Responsible Sourcing program utilizes scored self-assessments and/or third-party audits⁴ to evaluate risk for our most business-critical direct suppliers and contract manufacturing locations. These are generally Tier 1 and selected Tier 2 manufacturing sites providing key agricultural ingredients or appliances/components to KDP. We undertake audits through an overall approach of partnership, meaning we support suppliers to continuously improve with the goal of meeting our expectations. That said, if a supplier refuses to comply or does not reciprocate with meaningful engagement, KDP will cease business with the supplier. We publish additional data on the results of the audit program in our Corporate Responsibility report.

In 2022, we expanded coverage in our appliance supply chain to a larger number of our sub-tier component suppliers and continued our use of the RBA's Validated Assessment Program (VAP), supplemented with deeper engagements on migrant labor and conflict minerals due diligence where needed. Between 2020-2022, the top three categories of non-compliances identified were Freely Chosen Employment, Working Hours and Emergency Preparedness. All instances of non-compliances require a corrective action plan to be submitted within specific timelines determined by the severity of the finding.

From 2021, we also began audits in our Tier 2 apple juice concentrate manufacturing sites and will continue to expand coverage to additional supply chains over time. Our top findings in this supply chain were related to Health and Safety and Emergency Preparedness.

As a beverage company that is heavily reliant on agricultural inputs where the highest labor risks often reside at farm level, KDP partners with sustainable sourcing programs that assess compliance to product-specific or agriculture-focused codes. To date, we have utilized this approach in coffee and cocoa with public commitments to 100% responsibly sourced purchases.

In our green coffee supply chains, assessments at farm level are conducted via third party programs such as Fair Trade, Rainforest Alliance and 4C. In 2021, 99.62% of green coffee and

⁴ We currently accept the following third-party audit standards: Responsible Business Alliance (RBA), Sedex Members Ethical Trade Audit (SMETA), SA8000 and Business Social Compliance Initiative (BSCI).

81% of cocoa delivered to us was responsibly sourced under these programs⁵. We also continue to require suppliers to adhere to our Brazilian Coffee Purchasing policy that utilizes Brazil's nation-wide monitoring of farms for conditions of forced labor on farms in Brazil.

In coffee, we also make farm-level social impact investments on key topics such as climate adaptation, access to finance, farmer income diversification and labor recruitment, many of which contribute to the root causes of forced and child labor. Our social impact investment program has existed since 2003 and has invested more than \$71 million toward improving the livelihoods of coffee farmers. We are also supporting the development of targeted living income benchmarks for the coffee industry, while working on a pilot to understand how our purchasing practices and investments can boost farmer and worker income in Honduras and Colombia. See our Corporate Responsibility report for more detail on these efforts.

Our work on forced labor in coffee has been implemented over the last ten years with our partner Verité and is focused on understanding labor conditions and root causes of labor violations across our five prioritized coffee producing countries. In 2021, KDP gave permission for Verité to utilize these research findings to develop open-source tools to be available to the coffee sector more broadly to support due diligence efforts, resulting in the backbone of their COFFEE Project with the U.S. Department of Labor. KDP plans to utilize these new tools in our upstream supply base where applicable.

Labor Recruitment

Given the high risk associated with labor recruitment and vulnerable workers, KDP takes a strong stance on the issue as evidenced by our Supplier Code of Conduct language ensuring that it applies to “all workers providing work at a supplier location, such as under an employment agency or service provider. It also applies to any subcontractors and third-party labor agencies.” This includes workers who are directly hired by our suppliers, and those that work at our supplier facilities, but are officially employed by a third party. Our Supplier Code of Conduct also specifies that workers shall not pay recruitment fees, or other related expenses, for their employment. Beyond these requirements, KDP has made investments aimed at boosting supplier accountability and capability building in our appliance supply chain, as well as deeper worker protections on our coffee supply chain.

For appliances, KDP is part of the Responsible Labor Initiative (RLI), which is focused on ensuring that the rights of workers vulnerable to forced labor in global supply chains are consistently respected and promoted. Out of our Tier 1 contract manufacturers, only one facility uses migrant labor to supplement workforce numbers. In this instance, we've asked all labor agents associated with this supplier to complete the Responsible Recruitment Program, an RLI initiative that trains labor agents on RBA expectations. This supplier has also embedded no-recruitment fee policies in their contracts with labor agents and conducts training in both sending and receiving countries to ensure workers are aware of their rights. However, recruitment fees, particularly in countries suffering labor shortages and depending heavily on labor agents, continue to be an issue.

Between 2020 and 2022 we had 18 findings related to recruitment fees in our Tier 1 and Tier 2 appliance supply chain. These findings indicate that between 2020 and 2022 approximately 407 workers paid a cumulative total of approximately USD \$13,435.00 during the recruitment process. As of publication of this document, 62% of stated recruitment fees have been repaid and we continue to work with our Tier 1 and Tier 2 suppliers to ensure repayment of all outstanding fees.

Outside of our appliance supply chain, efforts to address recruitment-related risks are focused beyond our Tier 1 and 2 suppliers, generally at the farm/factory level. For coffee, this is where our product-specific standards come into play, as all have provisions around responsible recruitment.

⁵ During 2021, COVID-19 impacts and shipping delays resulted in a very small amount conventional coffee deliveries. During 2021, 81% of our cocoa purchases were responsibly sourced through third-party sourcing programs. By the end of 2021, all cocoa contracted to be received going forward was 100% responsibly sourced. We regard our cocoa as “responsibly sourced” when it is grown and sold, or manufactured, in adherence to a credible sourcing program that aligns with the KDP Supplier Code of Conduct.

KDP's research with Verité and the piloting of the COFFEE Project's new tools focused on recruitment will play a role in KDP's future actions in our upstream coffee supply chain. Beyond that, KDP has also engaged more deeply with coffee farm workers, a highly vulnerable segment of the coffee supply chain in Colombia, one of the Company's top sourcing origins. The Las Manos del Café program provides targeted support to farmworkers with the objective of making employment within the coffee industry more socially and economically viable. KDP provides funding for a portfolio of services and benefits that address key principles of decent work, as defined by the International Labor Organization (ILO), including social protection, health and safety measures, access to medical services, provision of pensions and savings programs, access to recreational activities, benefits like vacations, training on entrepreneurship skills and more. In making this investment, KDP helps mitigate the risk of labor violations in one of its most important origins while also improving worker wellbeing and strengthening the social safety net of the community, thereby improving the sustainability of the coffee sector in this region.

Industry Collaboration and Stakeholder Engagement

KDP has engaged most directly with local stakeholders on labor risks in our coffee supply chains. We have been working with Verité since 2015 to research labor dynamics and support our strategy to address risks in key green coffee origin countries. This work involves: a) improving awareness and understanding for KDP, our suppliers, and other coffee stakeholders of the nature, scale, and scope of farm labor issues, and b) developing and refining tools to identify and address risks and to engage in constructive, inclusive, practical dialogue at the sector level. As part of this effort, we are now collaborating with Verité on the COFFEE Project focused on addressing labor risks in Colombia, Mexico, and Brazil and will make these tools available to our upstream supply chain during 2023.

Inclusion of worker voices within our efforts is an area where KDP has to date relied on indirect sources of information. The third-party audits inherent in our responsible sourcing programs include worker interviews as a standard component of the audit protocol. Our coffee research with Verité has also utilized worker interviews from the coffee worker's home communities as opposed to interviews on site at the farms. Our deeper migrant worker focused audits in appliances also provide more detailed information than the standard audit interviews.

KDP also provides channels for employees or other stakeholders to report misconduct or violations of our Corporate Code of Conduct or other policies. If an incident from the supply chain is received via our Speaking Up hotline, the KDP Legal team would notify the appropriate KDP leaders, depending on the nature of the issue, and investigate the complaint.

At the industry level, we are engaging in several multi-stakeholder initiatives focused on forced labor. We are active members of the [Sustainable Coffee Challenge](#) (SCC) and hold a seat on their Advisory Council. We are also active members of the Responsible Business Alliance (RBA) and their Responsible Labor Initiative (RLI) and Responsible Minerals Initiative (RMI).

We continue as members of Business for Inclusive Growth (B4IG), a coalition of multinationals supported by the OECD and launched at the G7 Leaders' Summit in Biarritz in 2019. The coalition aims to accelerate concrete projects to fight inequalities in companies and global supply chains. KDP's CEO is on the Board of B4IG and we are also members of working groups focused on Inclusive Sourcing, Human Rights and Diversity, Equity and Inclusion.

Additional information on our sustainable supply chain programs can be found on the [KDP website](#).