

Why it matters

To PepsiCo:

PepsiCo products reach shelves around the world through a complex network of fleet operations. Our distribution approach differs from country-to-country, but in total our fleet and our third party carriers represent a significant contribution to our carbon footprint. We continually seek new, more efficient technologies to cut our distribution impact and reduce our fuel costs.



To the World:

The fuel use associated with transportation accounts for 14% of our global carbon footprint. Improving the fuel efficiency of transportation to reduce the environmental impact of transporting goods is expected by our stakeholders. Efficient fleets lead to reduced energy use, lower carbon footprint, less traffic, and lower prices for consumers.

Approach

PepsiCo products reach shelves around the world through its operating subsidiaries and a complex network of fleet operations. Our distribution approach varies country-to-country, with the predominance of company-owned vehicles operating in North America. We also partner with third parties to distribute products in most markets. To decarbonize our fleet operations, we are striving to improve the efficiency of our vehicles, routing, and driving; to use cleaner fuels; and — importantly — to transition to zero-emission vehicles, and to develop and share best practices with third party partners to encourage them to do the same.

Progress

In 2021, our company-owned fleet accounted for nearly 30% of our global Scope 1 and 2 emissions. In 2021, this global fleet traveled approximately 1.2 billion miles and consumed nearly 20 million Gigajoules of fuel, of which nearly 7% was from sustainable sources.

Efficiency

In 2021, we continued to optimize and right-size our PepsiCo Beverages North America (PBNA) delivery vehicles by reducing the weight of the tractor and trailer specification to help us transport more product without increasing miles. PBNA is also accelerating deployment of its Geo Box delivery system, which replaces bay delivery trucks with specially designed trailers that are pre-loaded at the warehouse. This ensures the right quantity and assortment of product reaches our retail customers in a more efficient and timely manner. Load optimization reduces the number of vehicles, miles driven and ultimately fuel used.

PepsiCo Foods North America (PFNA) introduced tractors with liftable tandem axles which deploy or lift the second axle as required by the weight of the load, resulting in reduced rolling resistance, reduced tire and brake wear and improved MPG by more than 4%. We also purchased about 650 30' box trucks which have 25% more cargo volume and improve MPG by more than 3% when compared to the 24' box trucks they are replacing. This, combined with 210 additional drop frame trailers that optimize available trailer volume, reduce the total number of miles required to deliver the same amount of product.

We also invest in energy saving technology and advanced aerodynamic devices, use low rolling resistance tires, reduce weight, and improve powertrain efficiency in our new equipment.

We continue to make improvements in fleet efficiency through Advanced Driver Assist Systems (ADAS), more efficient routing, and driver training that encourages fuel conservation. Our drivers are trained to practice gentler acceleration and the importance of avoiding unnecessary braking and idling. Safety features like collision mitigation, adaptive cruise control, blind spot monitoring, and lane keep assist are being deployed to keep our drivers and communities safer while improving efficiency.