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UNITED STATES SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

(Mark One)

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 27, 2025

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 1-1183

PepsiCo, Inc.

(Exact Name of Registrant as Specified in its Charter)

North Carolina	**13-1584302**
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)

700 Anderson Hill Road, Purchase, New York 10577
(Address of principal executive offices and Zip Code)

(914) 253-2000
Registrant's telephone number, including area code

Securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934:

Title of each class	Trading Symbols	Name of each exchange on which registered
Common Stock, par value 1-2/3 cents per share	PEP	The Nasdaq Stock Market LLC
2.625% Senior Notes Due 2026	PEP26	The Nasdaq Stock Market LLC
0.750% Senior Notes Due 2027	PEP27	The Nasdaq Stock Market LLC
0.875% Senior Notes Due 2028	PEP28	The Nasdaq Stock Market LLC
0.500% Senior Notes Due 2028	PEP28A	The Nasdaq Stock Market LLC
3.200% Senior Notes Due 2029	PEP29	The Nasdaq Stock Market LLC
1.125% Senior Notes Due 2031	PEP31	The Nasdaq Stock Market LLC
0.400% Senior Notes Due 2032	PEP32	The Nasdaq Stock Market LLC
0.750% Senior Notes Due 2033	PEP33	The Nasdaq Stock Market LLC
3.550% Senior Notes Due 2034	PEP34	The Nasdaq Stock Market LLC
3.450% Senior Notes Due 2037	PEP37	The Nasdaq Stock Market LLC
0.875% Senior Notes Due 2039	PEP39	The Nasdaq Stock Market LLC
1.050% Senior Notes Due 2050	PEP50	The Nasdaq Stock Market LLC
4.050% Senior Notes Due 2055	PEP55	The Nasdaq Stock Market LLC

Securities registered pursuant to Section 12(g) of the Securities Exchange Act of 1934: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The aggregate market value of PepsiCo, Inc. Common Stock held by nonaffiliates of PepsiCo, Inc. (assuming for these purposes, but without conceding, that all executive officers and directors of PepsiCo, Inc. are affiliates of PepsiCo, Inc.) as of June 13, 2025, the last day of business of our most recently completed second fiscal quarter, was $179.0 billion (based on the closing sale price of PepsiCo, Inc.'s Common Stock on that date as reported on the Nasdaq Global Select Market).

The number of shares of PepsiCo, Inc. Common Stock outstanding as of January 23, 2026 was 1,366,649,053.

Documents Incorporated by Reference

Portions of the Proxy Statement relating to PepsiCo, Inc.'s 2026 Annual Meeting of Shareholders are incorporated by reference into Part III of this Form 10-K.

PepsiCo, Inc.

Form 10-K Annual Report
For the Fiscal Year Ended December 27, 2025

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Forward-Looking Statements

This Annual Report on Form 10-K contains statements reflecting our views about our future performance that constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 (Reform Act). Statements that constitute forward-looking statements within the meaning of the Reform Act are generally identified through the inclusion of words such as "aim," "anticipate," "believe," "drive," "estimate," "expect," "expressed confidence," "forecast," "future," "goal," "guidance," "intend," "may," "objective," "outlook," "plan," "position," "potential," "project," "seek," "should," "strategy," "target," "will" or similar statements or variations of such words and other similar expressions. All statements addressing our future operating performance, and statements addressing events and developments that we expect or anticipate will occur in the future, are forward-looking statements within the meaning of the Reform Act. These forward-looking statements are based on currently available information, operating plans and projections about future events and trends. They inherently involve risks and uncertainties that could cause actual results to differ materially from those predicted in any such forward-looking statement. These risks and uncertainties include, but are not limited to, those described in "Item 1A. Risk Factors" and "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations – Our Business – Our Business Risks." Investors are cautioned not to place undue reliance on any such forward-looking statements, which speak only as of the date they are made. We undertake no obligation to update any forward-looking statement, whether as a result of new information, future events or otherwise. The discussion of risks in this report is by no means all-inclusive but is designed to highlight what we believe are important factors to consider when evaluating our future performance.

PART I

Item 1. Business.

When used in this report, the terms "we," "us," "our," "PepsiCo" and the "Company" mean PepsiCo, Inc. and its consolidated subsidiaries, collectively. Certain terms used in this Annual Report on Form 10-K are defined in the Glossary included in Item 7. of this report.

Company Overview

We were incorporated in Delaware in 1919 and reincorporated in North Carolina in 1986. We are a leading global beverage and convenient food company with a complementary portfolio of brands, including Lay's, Doritos, Cheetos, Gatorade, Pepsi-Cola, Mountain Dew, Quaker and SodaStream. Through our operations, authorized bottlers, contract manufacturers and other third parties, we make, market, distribute and sell a wide variety of beverages and convenient foods, serving customers and consumers in more than 200 countries and territories.

Our Operations

We are organized into six reportable segments, as follows:

1) PepsiCo Foods North America (PFNA), which includes all of our convenient food businesses in the United States and Canada;
2) PepsiCo Beverages North America (PBNA), which includes all of our beverage businesses in the United States and Canada;
3) International Beverages Franchise (IB Franchise), which includes our international franchise beverage businesses, as well as our SodaStream business;
4) Europe, Middle East and Africa (EMEA), which includes our convenient food businesses and our beverage businesses with company-owned bottlers in Europe, the Middle East and Africa;

5) Latin America Foods (LatAm Foods), which includes all of our convenient food businesses in Latin America; and
6) Asia Pacific Foods, which consists of our convenient food businesses in Asia Pacific, including China, Australia and New Zealand, as well as India.

PepsiCo Foods North America

Either independently or in conjunction with third parties, PFNA makes, markets, distributes and sells convenient foods, which include cereals, chips, dips, granola bars, oatmeal, pasta, rice and syrups and mixes under various brands including Cheetos, Doritos, Fritos, Lay's, Pearl Milling Company, Quaker, Ruffles and Tostitos. PFNA's products are sold to independent distributors and retailers. In December 2024, we acquired the Strauss Group's 50% ownership in Sabra Dipping Company, LLC (Sabra) and Sabra became a wholly-owned subsidiary. Sabra makes, markets, distributes and sells Sabra refrigerated dips and spreads.

PepsiCo Beverages North America

Either independently or in conjunction with third parties, PBNA makes, markets and sells beverage concentrates, fountain syrups and finished goods under various beverage brands including Aquafina, Bubly, Diet Mountain Dew, Diet Pepsi, Gatorade, Gatorade Zero, Mountain Dew, Mountain Dew Baja Blast, Pepsi, Pepsi Wild Cherry, Pepsi Zero Sugar and Propel. PBNA operates its own bottling plants and distribution facilities and sells branded finished goods directly to independent distributors and retailers. PBNA also sells concentrate and finished goods for our brands to authorized and independent bottlers, who in turn sell our branded finished goods to independent distributors and retailers in certain markets. PBNA also, either independently or in conjunction with third parties, makes, markets, distributes and sells ready-to-drink tea and coffee products through joint ventures with Unilever (under the Lipton brand name) and Starbucks, respectively. Further, PBNA manufactures and distributes certain brands licensed from Keurig Dr Pepper Inc., including Crush, Dr Pepper and Schweppes, and certain juice brands licensed from Dole Food Company, Inc. and Ocean Spray Cranberries, Inc. PBNA also distributes, in certain channels, brands owned by Celsius Holdings, Inc. (Celsius), including Celsius, Alani Nu and Rockstar. In the United States, PBNA acts as the exclusive distributor for small-format and foodservice customers with chilled direct-store-delivery (DSD) for the portfolio of brands owned by Tropicana Beverages Group (TBG).

International Beverages Franchise

IB Franchise makes, markets and sells beverage concentrates to authorized and independent bottlers under various beverage brands including 7UP, Aquafina, Gatorade, Mirinda, Mountain Dew, Pepsi, Pepsi Black, Pepsi Zero Sugar, and Sting Energy. IB Franchise also manufactures and distributes SodaStream sparkling water makers and related products. Further, IB Franchise, either independently or in conjunction with third parties, makes, markets, distributes and sells ready-to-drink tea products through an international joint venture with Unilever (under the Lipton brand name).

Europe, Middle East and Africa

Either independently or in conjunction with third parties, EMEA makes, markets, distributes and sells a number of convenient food brands including Cheetos, Chipsy, Doritos, Lay's, Quaker, Sasko, Spekko, Walkers and White Star through consolidated businesses, as well as through noncontrolled affiliates. EMEA also, either independently or in conjunction with third parties, makes, markets, distributes and sells a number of beverage brands including 7UP, Adrenaline Rush, Aquafina, Lubimy, Mirinda, Pepsi and Pepsi Zero Sugar. EMEA operates its own bottling plants and distribution facilities and sells finished goods directly to independent distributors and retailers. Further, EMEA makes, markets, distributes and sells a number of dairy products including Agusha, Chudo and Domik v Derevne. EMEA also, either

independently or in conjunction with third parties, makes, markets, distributes and sells ready-to-drink tea products through an international joint venture with Unilever (under the Lipton brand name).

Latin America Foods

Either independently or in conjunction with third parties, LatAm Foods makes, markets, distributes and sells a number of convenient food brands including Cheetos, Doritos, Emperador, Lay's, Marias Gamesa, Quaker, Ruffles, Sabritas, Saladitas Gamesa and Tostitos.

Asia Pacific Foods

Either independently or in conjunction with third parties, Asia Pacific Foods makes, markets, distributes and sells a number of convenient food brands including BaiCaoWei, Cheetos, Doritos, Kurkure, Lay's, Quaker and Smith's, through consolidated businesses, as well as through noncontrolled affiliates.

Our Distribution Network

Our products are primarily brought to market through DSD, customer warehouse and distributor networks and are also sold directly to consumers through e-commerce platforms and retailers. The distribution system used depends on customer needs, product characteristics and local trade practices.

Direct-Store-Delivery

We, our independent bottlers and our distributors operate DSD systems that deliver beverages and convenient foods directly to retail stores where the products are merchandised by our employees or our independent bottlers. DSD enables us to merchandise with maximum visibility and appeal. DSD is especially well-suited to products that are restocked often and respond to in-store promotion and merchandising.

Customer Warehouse

Some of our products are delivered from our manufacturing plants and distribution centers, both company and third-party operated, to customer warehouses, which is a less costly method of distribution than DSD.

Distributor Networks

We distribute many of our products through third-party distributors. Third-party distributors are particularly effective when greater distribution reach can be achieved by including a wide range of products on the delivery vehicles. For example, our foodservice and vending business distributes beverages and convenient foods to restaurants, businesses, schools and stadiums through third-party foodservice and vending distributors and operators.

E-commerce

Our products are also available and sold directly to consumers on a growing number of company-owned and third-party e-commerce websites and mobile commerce applications.

Ingredients and Other Supplies

The principal ingredients we use in our beverage and convenient food products are acesulfame potassium, aspartame, cocoa products, corn, corn sweeteners, flavorings, flour, juice concentrates, nuts, oats, potatoes, raw milk, rice, seasonings, sucralose, sugar, vegetable and essential oils, and wheat. We also use water in the manufacturing of our products. Our key packaging materials include plastic resin, including polyethylene terephthalate (PET), polyethylene and polypropylene used for plastic beverage bottles and film packaging for convenient foods, aluminum, glass, closures, cardboard and paperboard cartons. In addition, we continue to integrate recyclability into our product development process and support the increased use of recycled content, including recycled PET, in our packaging. Fuel, electricity and natural gas are also important commodities for our businesses due to their use in our and our business partners'

facilities and the vehicles delivering our products. We employ specialists to secure adequate supplies of many of these items and have not experienced any significant continuous shortages that would prevent us from meeting our requirements. Many of these ingredients, raw materials and commodities are purchased in the open market. The prices we pay for such items are subject to fluctuation, and we manage this risk through the use of fixed-price contracts and purchase orders, pricing agreements and derivative instruments, including swaps and futures. In addition, risk to our supply of certain raw materials is mitigated through purchases from multiple geographies and suppliers. When prices increase, we may or may not pass on such increases to our customers. In addition, we continue to make investments to improve the sustainability and resources of our agricultural supply chain, including the development of our initiative to advance sustainable farming practices by our suppliers and expanding it further globally. During 2025, we continued to experience volatility in our commodity, packaging and other input costs that may continue into fiscal 2026. See Note 9 to our consolidated financial statements for further information on how we manage our exposure to commodity prices.

We also maintain voluntary supply chain finance agreements with several participating global financial institutions, pursuant to which our suppliers, at their sole discretion, may elect to sell their accounts receivable with PepsiCo to such global financial institutions. These agreements did not have a material impact on our business or financial results. See "Our Financial Results – Our Liquidity and Capital Resources" in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" and Note 14 to our consolidated financial statements for further information.

Our Brands and Intellectual Property Rights

We own numerous valuable trademarks which are essential to our worldwide businesses, including Adrenaline Rush, Agusha, Amp Energy, Aquafina, Aquafina Flavorsplash, Aqua Minerale, Arto Lifewtr, Baja Blast, BaiCaoWei, Bare, Bokomo, Bubly, Cap'n Crunch, Ceres, Cheetos, Chester's, Chipsy, Chokis, Chudo, Cracker Jack, Crunchy, Diet Mountain Dew, Diet Mug, Diet Pepsi, Diet 7UP (outside the United States), Domik v Derevne, Doritos, Duyvis, Elma Chips, Emperador, Evolve, Fast Twitch, Frito-Lay, Fritos, Fruktovy Sad, Futurelife, G2, Gamesa, Gatorade, Gatorade Fit, Gatorade Zero, Gatorlyte, Grandma's, H2oh!, Hard MTN Dew, Health Warrior, Imunele, J7, Kas, Kurkure, Lay's, Life, Lifewtr, Liquifruit, Lubimy, Manzanita Sol, Marias Gamesa, Matutano, Mirinda, Miss Vickie's, Moirs, Mother's, Mountain Dew, Mountain Dew Code Red, Mountain Dew Game Fuel, Mountain Dew Kickstart, Mountain Dew Zero Sugar, Mug, Munchies, Muscle Milk, Near East, Obela, Off the Eaten Path, Paso de los Toros, Pasta Roni, Pearl Milling Company, Pepsi, Pepsi Black, Pepsi Max, Pepsi Wild Cherry, Pepsi Zero Sugar, PopCorners, Poppi, Pronutro, Propel, Quaker, Quaker Chewy, Quaker Simply Granola, Rice-A-Roni, Rockstar (outside the United States and Canada), Rold Gold, Ruffles, Sabra, Sabritas, Safari, Sakata, Saladitas Gamesa, San Carlos, Sandora, Santitas, Sasko, 7UP (outside the United States), 7UP Free (outside the United States), Siete, Simba, Smartfood, Smith's, Snack a Jacks, SoBe, SodaStream, Sonric's, Spekko, Stacy's, Starry, Starry Zero Sugar, Sting Energy, Stubborn Soda, SunChips, Toddy, Toddynho, Tostitos, Vesely Molochnik, Walkers, Weetbix, White Star, Ya and Yachak. We also hold long-term licenses to use valuable trademarks in connection with our products in certain markets, including Ocean Spray. We also distribute Celsius, Alani Nu and Rockstar energy drinks in certain channels across the United States and Canada. In addition, we distribute various Keurig Dr Pepper Inc. brands in certain markets in the United States and Canada, including Dr Pepper, Crush and Schweppes. Joint ventures in which we have an ownership interest either own or have the right to use certain trademarks, such as Lipton and Starbucks. In the United States, PepsiCo acts as the exclusive distributor for TBG's portfolio of brands for small-format and foodservice customers with chilled DSD. In 2024, we shifted our alcoholic beverage business away from distribution to a trademark licensing model and flavor sales model and have licensed certain of our brands in certain markets in the United States and internationally. Trademarks remain valid so long as they are used properly for identification purposes, and we emphasize correct use of our trademarks. We have authorized, through licensing arrangements, the use

of many of our trademarks in such contexts as convenient food joint ventures and beverage bottling appointments. In addition, we license the use of our trademarks on merchandise that is sold at retail, which enhances brand awareness.

We either own or have licenses to use a number of patents which relate to certain of our products, their packaging, the processes for their production and the design and operation of various equipment used in our businesses. Some of these patents are licensed to others.

Seasonality

Our businesses are affected by seasonal variations. Our beverage and convenient food sales are generally highest in the third quarter due to seasonal and holiday-related patterns and generally lowest in the first quarter. However, taken as a whole, seasonality has not had a material impact on our consolidated financial results.

Our Customers

Our customers include wholesale and other distributors, foodservice customers, grocery stores, drug stores, convenience stores, discount/dollar stores, mass merchandisers, membership stores, hard discounters, e-commerce retailers and authorized independent bottlers, among others. We normally grant our independent bottlers exclusive contracts to sell and manufacture certain beverage products bearing our trademarks within a specific geographic area. These arrangements provide us with the right to charge our independent bottlers for concentrate, finished goods and Aquafina royalties and specify the manufacturing process required for product quality. We also grant distribution rights to our independent bottlers for certain beverage products bearing our trademarks for specified geographic areas.

We rely on and provide financial incentives to our customers to assist in the distribution and promotion of our products to the consumer. For our independent distributors and retailers, these incentives include volume-based rebates, product placement fees, promotions and displays. For our independent bottlers, these incentives are referred to as bottler funding and are negotiated annually with each bottler to support a variety of trade and consumer programs, such as consumer incentives, advertising support, new product support, and vending and cooler equipment placement. Consumer incentives include pricing discounts and promotions, and other promotional offers. Advertising support is directed at advertising programs and supporting independent bottler media. New product support includes targeted consumer and retailer incentives and direct marketplace support, such as point-of-purchase materials, product placement fees, media and advertising. Vending and cooler equipment placement programs support the acquisition and placement of vending machines and cooler equipment. The nature and type of programs vary annually.

Changes to the retail landscape, including increased consolidation of retail ownership, the continued growth of sales through e-commerce websites and mobile commerce applications, including through subscription services and other direct-to-consumer businesses, the integration of physical and digital operations among retailers, as well as the international expansion of hard discounters, and the current economic environment continue to increase the importance of major customers. In 2025, sales to Walmart Inc. (Walmart) and its affiliates, including Sam's Club (Sam's), represented approximately 14% of our consolidated net revenue, with sales reported across all of our segments, including concentrate sales to our independent bottlers, which were used in finished goods sold by them to Walmart. The loss of this customer would have a material adverse effect on our PFNA and PBNA segments.

Our Competition

Our beverage and convenient food products are in highly competitive categories and markets and compete against products of international beverage and convenient food companies that, like us, operate in multiple geographies, as well as regional, local and private label manufacturers and economy brands and other competitors, including smaller companies developing and selling micro brands directly to consumers

through e-commerce platforms or through retailers focused on locally-sourced products. In many countries in which our products are sold, including the United States, The Coca-Cola Company is our primary beverage competitor. Other beverage and convenient food competitors include, but are not limited to, The Campbell's Company, Conagra Brands, Inc., Hormel Foods Corporation, Keurig Dr Pepper Inc., The Kraft Heinz Company, Link Snacks, Inc., Mars, Incorporated, Mondelēz International, Inc., Monster Beverage Corporation, Nestlé S.A., Primo Brands Corporation, Red Bull GmbH and Utz Brands, Inc.

Many of our convenient food products hold significant leadership positions in the convenient food industry in the United States and worldwide. In 2025, we and The Coca-Cola Company represented approximately 16% and 20%, respectively, of the U.S. liquid refreshment beverage category by estimated retail sales in measured channels, according to Information Resources, Inc. However, The Coca-Cola Company has significant carbonated soft drink (CSD) share advantage in many markets outside the United States.

Our beverage and convenient food products compete primarily on the basis of brand recognition and loyalty, taste, price, value, quality, product variety, innovation, distribution, shelf space, advertising, marketing and promotional activity (including digital), packaging, convenience, service and the ability to anticipate and effectively respond to consumer preferences and trends, including increased consumer focus on health and wellness and sustainability and the continued acceleration of e-commerce and other methods of distributing and purchasing products. Success in this competitive environment is dependent on effective promotion of existing products, effective introduction of new products and reformulations of existing products, increased efficiency in production techniques, effective incorporation of technology and digital tools across all areas of our business, the effectiveness of our advertising campaigns, marketing programs, product packaging and pricing, new vending and dispensing equipment and brand and trademark development and protection. We believe that the strength of our brands, innovation and marketing, coupled with the quality of our products and flexibility of our distribution network, allows us to compete effectively.

Research and Development

We engage in a variety of research and development activities and invest in innovation globally with the goal of meeting the needs of our customers and consumers and accelerating growth. These activities principally involve: innovations focused on creating consumer preferred products to grow and transform our portfolio through development of new technologies, ingredients, flavors and substrates; development and improvement of our manufacturing processes, including reductions in cost and environmental footprint; implementing product improvements to our global portfolio including to reduce added sugars, sodium or saturated fat; offering more products with functional benefits and positive nutrition including fiber, whole grains, protein and hydration; development of packaging technology and new package designs, including reducing the amount of plastic in our packaging and developing recyclable, compostable, biodegradable, reusable or otherwise sustainable packaging; development of marketing, merchandising and dispensing equipment; further expanding our beyond the bottle portfolio including innovation for our SodaStream business; investments in technology and digitalization, including artificial intelligence and data analytics to enhance our consumer insights and research; continuing to strengthen our omnichannel capabilities, particularly in e-commerce; and efforts focused on reducing our impact on the environment, including reducing water use in our operations and our agricultural practices and reducing our environmental impact in our operations throughout our value chain.

Our research centers are located around the world, including in Brazil, China, India, Ireland, Mexico, Russia, South Africa, the United Kingdom and the United States, and leverage consumer insights, food science and engineering to meet our strategy to continually innovate our portfolio of beverages and convenient foods.

Regulatory Matters

The conduct of our businesses, including the production, storage, distribution, sale, display, advertising, marketing, labeling, content, quality, safety, transportation, packaging, disposal, recycling and use of our products and their ingredients, as well as our employment and occupational health and safety practices and protection of personal information, are subject to various laws and regulations administered by federal, state and local governmental agencies in the United States, as well as to laws and regulations administered by government entities and agencies in the more than 200 other countries and territories in which our products are made, manufactured, distributed or sold. It is our policy to abide by the laws and regulations around the world that apply to our businesses.

The U.S. laws and regulations that we are subject to include, but are not limited to: the Federal Food, Drug and Cosmetic Act and various state laws governing food safety and food labeling; the Food Safety Modernization Act; the Occupational Safety and Health Act and various state laws and regulations governing workplace health and safety; various federal, state and local environmental protection laws, as discussed below; the Federal Motor Carrier Safety Act; the Federal Trade Commission Act; the Lanham Act and various state law statutory and common law duties regarding false advertising; various federal and state laws and regulations governing competition and trade practices, including the Robinson-Patman Act and the Clayton Act; various federal and state laws and regulations governing our employment practices, including those related to equal employment opportunity, such as the Equal Employment Opportunity Act and the National Labor Relations Act and those related to overtime compensation, such as the Fair Labor Standards Act; data privacy and personal data protection laws and regulations, including the California Consumer Privacy Act of 2018 (as modified by the California Privacy Rights Act); customs and foreign trade laws and regulations, including laws regarding the import or export of our products or ingredients used in our products and tariffs; laws regulating the sale of certain of our products in schools; laws regulating the ingredients or substances contained in, or attributes of, our products; laws regulating our supply chain, including the 2010 California Transparency in Supply Chains Act and laws relating to the payment of taxes. We are also required to comply with the Foreign Corrupt Practices Act and the Trade Sanctions Reform and Export Enhancement Act. We are also subject to various state and local statutes and regulations, including state consumer protection laws such as Proposition 65 in California, which requires that a specific warning appear on any product that contains a substance listed by the State of California as having been found to cause cancer or birth defects, unless the amount of such substance in the product is below a safe harbor level.

We are subject to numerous similar and other laws and regulations outside the United States, including but not limited to laws and regulations governing food safety; the ingredients or substances contained in, or attributes of, our products, including the Food (Promotion and Placement) (England) Regulations; international trade, sanctions, import/export restrictions and tariffs; supply chains, including the U.K. Modern Slavery Act; occupational health and safety; the payment of taxes and the global tax environment; competition; and anti-corruption and data privacy, including the European Union General Data Protection Regulation. In many jurisdictions, compliance with competition laws is of special importance to us due to our competitive position in those jurisdictions, as is compliance with anti-corruption laws, including the U.K. Bribery Act. We rely on legal and operational compliance programs, as well as in-house and outside counsel and other experts, to guide our businesses in complying with the laws and regulations around the world that apply to our businesses.

Certain jurisdictions have either imposed, or are considering imposing, new or increased taxes on the manufacture, distribution or sale of our products, ingredients or substances contained in, or attributes of, our products or commodities used in the production of our products. These taxes vary in scope and form: some apply to all beverages, including non-caloric beverages, while others apply only to beverages with a caloric sweetener (e.g., sugar). Similarly, some measures apply a single tax rate per ounce/liter on

beverages containing over a certain level of added sugar (or other sweetener) while others apply a graduated tax rate depending upon the amount of added sugar (or other sweetener) in the beverage and some apply a flat tax rate on beverages containing a particular substance or ingredient, regardless of the level of such substance or ingredient. In addition, certain jurisdictions in which our snack products are sold have either imposed or are considering imposing, new or increased taxes on the manufacture, distribution or sale of certain of our snack products as a result of ingredients (such as sugar, sodium or saturated fat) contained in our products.

Certain jurisdictions have either imposed, or are considering imposing, product labeling or warning requirements or other limitations on the marketing or sale of certain of our products as a result of ingredients or substances contained in such products or packaging materials, processes used to make the ingredients or products, the audience to whom products are marketed or the location in which the products are sold. These types of provisions have, among other things, required that we highlight perceived concerns about a product, warn consumers to avoid consumption of certain ingredients or substances present in our products, restrict the age of consumers to whom products are marketed or sold, limit the location in which our products may be available or discontinue the use of certain ingredients. We expect continued scrutiny of certain ingredients or substances present in certain of our products and/or their packaging, as well as processes used to make them, and it is possible that similar or more restrictive requirements may be proposed or enacted in the future.

Certain jurisdictions have either imposed or are considering imposing regulations designed to increase recycling rates, encourage waste reduction, restrict the sale of products utilizing certain packaging or to carry warnings about the environmental impact of plastic packaging. These regulations vary in scope and form from deposit return systems designed to incentivize the return of beverage containers, to extended producer responsibility policies and even restrictions or bans on the use of certain types of packaging, including single-use plastics and packaging containing per- and polyfluoroalkyl substances (PFAS). It is possible that similar or more restrictive requirements may be proposed or enacted in the future.

We are also subject to national and local environmental laws in the United States and in foreign countries in which we do business, including laws related to water consumption and treatment, wastewater discharge and air emissions. In the United States, we are subject to the Clean Air Act, the Clean Water Act, the Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act and other federal, state and local laws and regulations regarding handling, storage, release and disposal of wastes generated onsite and sent to third-party owned and operated offsite licensed facilities. Our operations outside the United States are subject to similar laws and regulations. In addition, continuing concern over environmental, social and governance matters, including climate change, is expected to continue to result in new or increased legal and regulatory requirements (in or outside of the United States) to reduce emissions to mitigate the potential effects of greenhouse gases, to limit or impose additional costs on commercial water use due to local water scarcity concerns or to expand mandatory reporting of certain environmental, social and governance metrics. Our policy is to abide by all applicable environmental laws and regulations, and we have internal programs in place with respect to our global environmental compliance. We have made, and plan to continue making, necessary expenditures for compliance with applicable environmental laws and regulations and that aim to make progress toward achieving our sustainability goals. While these expenditures have not had a material impact on our business, financial condition or results of operations to date, changes in environmental compliance requirements, and expenditures necessary to comply with such requirements or that aim to make progress toward achieving our sustainability goals, could adversely affect our financial performance. In addition, we and our subsidiaries are subject to environmental remediation obligations arising in the normal course of business, as well as remediation and related indemnification obligations in connection with certain historical activities and contractual obligations, including those of businesses or properties acquired by us or our subsidiaries. While these environmental remediation and indemnification obligations cannot be

predicted with certainty, such obligations have not had, and are not expected to have, a material impact on our capital expenditures, earnings or competitive position.

In addition to the discussion in this section, see also "Item 1A. Risk Factors."

Human Capital

PepsiCo believes that human capital management, including attracting, developing and retaining a high quality workforce, is critical to our long-term success. Our Board of Directors (Board) and its Committees provide oversight on a broad range of human capital management topics, including corporate culture, pay equity, health and safety, training and development and compensation and benefits.

We employed approximately 306,000 people worldwide as of December 27, 2025, including approximately 125,000 people within the United States. We are party to numerous collective bargaining agreements and believe that relations with our employees are generally good.

Protecting the safety, health, and well-being of our associates around the world is PepsiCo's top priority. We strive to achieve an injury-free work environment. We also continue to invest in emerging technologies to protect our employees from injuries, including leveraging fleet telematics and distracted driving technology, resulting in reductions in road traffic incidents, and deploying ergonomic and machine safety risk reduction solutions.

We believe that our culture is a competitive advantage that fuels innovation, enhances our ability to attract and retain talent and strengthens our reputation. We continually strive to improve the attraction, retention, and advancement of associates to ensure we sustain a high-caliber pipeline of talent that also represents the communities we serve.

We are also committed to the continued growth and development of our associates. PepsiCo supports and develops its associates through a variety of global training and development programs that build and strengthen employees' leadership and professional skills, including career development plans, mentoring programs and in-house learning opportunities, such as MyLearning and Schoox, our internal global online learning resource. In 2025, PepsiCo employees, including front-line employees, completed over 2.8 million hours of training.

Available Information

We are required to file annual, quarterly and current reports, proxy statements and other information with the U.S. Securities and Exchange Commission (SEC). The SEC maintains an Internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC at https://www.sec.gov.

Our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, proxy statements and amendments to those documents filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (Exchange Act), are also available free of charge on our Internet site at https://www.pepsico.com as soon as reasonably practicable after such reports are electronically filed with or furnished to the SEC.

Investors should note that we currently announce material information to our investors and others using filings with the SEC, press releases, public conference calls, webcasts or our corporate website (https://www.pepsico.com), including news and announcements regarding our financial performance, key personnel, our brands and our business strategy. Information that we post on our corporate website could be deemed material to investors. We encourage investors, the media, our customers, consumers, business partners and others interested in us to review the information we post on these channels. We may from time to time update the list of channels we will use to communicate information that could be deemed material and will post information about any such change on https://www.pepsico.com. The information

on our website is not, and shall not be deemed to be, a part hereof or incorporated into this or any of our other filings with the SEC.

Item 1A. Risk Factors.

The following risks, some of which have occurred and any of which may occur in the future, can have a material adverse effect on our business or financial performance, which in turn can affect the price of our publicly traded securities. These are not the only risks we face. There may be other risks we are not currently aware of or that we currently deem not to be material but that may become material in the future.

Business Risks

Reduction in future demand for our products would adversely affect our business.

Demand for our products depends in part on our ability to innovate and anticipate and effectively respond to shifts in consumer trends and preferences, including the types of products our consumers want and how they browse for, purchase and consume them. Consumer preferences continuously evolve due to a variety of factors, including: changes in consumer demographics, consumption patterns (including increased food purchased away-from-home), diet (whether due to changes in consumer behavior and eating habits, increasing use of weight-loss drugs, such as GLP-1 medications, or other factors) and channel preferences (including continued increases in the e-commerce and online-to-offline channels and use of artificial intelligence shopping agents that autonomously select products that may not be ours); pricing (including the effective impact of tariffs and taxes imposed on the manufacture, distribution or sale of certain of our products as a result of ingredients contained in such products); affordability pressures and changes in consumer spending patterns (including if consumers switch to private label or lower-priced product offerings); changes in funding for or restrictions on the inclusion of our products in benefit programs, such as the Supplemental Nutrition Assistance Program (SNAP) in the United States; product quality; product functionality (including products high in protein or fiber-enriched); concerns or perceptions regarding packaging and its environmental impact (such as single-use and other plastic packaging); concerns or perceptions regarding the processing, nutrition profile and health effects of, or location of origin of, ingredients or substances in our products or packaging, including due to public statements by government officials, increased litigation, changes in regulations, regulatory scrutiny or the results of third-party studies (whether or not scientifically valid); and concerns or perceptions regarding our workforce policies and initiatives. Concerns with any of the foregoing have affected and may continue to affect consumer behaviors and can lead consumers to reduce or publicly boycott the purchase or consumption of our products.

Pandemics, epidemics or other disease outbreaks and geopolitical events and tensions, wars and other military conflicts have also impacted and could continue to impact consumer preferences and demand for our products, including negative consumer sentiment toward non-local products. Consumer preferences are also influenced by perception of our brand image or the brand images of our products, the success of our advertising and marketing campaigns, our ability to engage with our consumers in the manner they prefer, including through the use of digital media or assets, and the perception of our use of social media and our response to political and social issues, geopolitical events and tensions, wars and other military conflicts or catastrophic events. These and other factors have reduced and could continue to reduce consumers' willingness to purchase certain of our products, including as a result of public boycotts. Any inability on our part to anticipate or react to changes in consumer preferences and trends, or make the right strategic investments to do so, including investments in artificial intelligence and data analytics to understand consumer trends, can lead to reduced demand for our products, lead to inventory write-offs or erode our competitive and financial position, thereby adversely affecting our business. In addition, our business operations, including our supply chain, are subject to disruption by geopolitical events and tensions, wars and other military conflicts, natural disasters, pandemics, epidemics or other events beyond

our control that could negatively impact product availability and decrease demand for our products if our crisis management plans do not effectively mitigate these issues.

Damage to our reputation or brand image can adversely affect our business.

Maintaining a positive reputation globally is important to our business. Our reputation or brand image has in the past been, and could in the future be, adversely impacted by a variety of factors, including: any failure by us, our business partners, or other actors in our supply chain to maintain high ethical, business and environmental, social and governance practices, including with respect to human rights, child labor, workforce policies and initiatives, workplace conditions and employee health and safety; any failure, or perceived failure, to achieve or make sufficient progress toward our environmental, social and governance goals, or any revisions of or negative perception toward such goals, including with respect to the nutrition profile of our products, packaging, water use, our impact on the environment and our workforce policies and initiatives; any difficulties executing our strategic initiatives; any failure to address health or other concerns about our products, products we distribute, certain brands licensed to and distributed to third parties (including alcoholic beverages), or particular ingredients or substances in our products, including concerns or perceptions regarding whether certain of our products are "ultra-processed," contain certain ingredients or substances or otherwise contribute to obesity and other health conditions or an increase in public health costs; our research and development efforts; any product quality or safety issues, including the recall of any of our products; any failure to comply with laws and regulations; consumer perception of our advertising campaigns, sponsorship arrangements, marketing programs, use of social media and our response to political and social issues, geopolitical events and tensions, wars and other military conflicts, or catastrophic events; or any failure to effectively respond to negative or inaccurate comments about us on social media or otherwise regarding any of the foregoing. Damage to our reputation or brand image has in the past and could in the future decrease demand for our products, thereby adversely affecting our business.

Product recalls or other issues or concerns with respect to product quality and safety can adversely affect our business.

We have recalled, and could in the future recall, products due to product quality or safety issues, including actual or alleged mislabeling, misbranding, spoilage, undeclared allergens, adulteration or contamination. Joint ventures in which we have an interest have also recalled, and could in the future recall, products for the same or other reasons. These risks could be heightened in light of new or evolving regulations, changes to our portfolio (including increased use of functional or other ingredients), aging infrastructure, and increased pressure on our suppliers from supply chain disruptions. Product recalls have in the past and could in the future adversely affect our business by resulting in losses due to their cost, the destruction of product inventory, customer fines and returns or lost sales due to any unavailability of the product for a period of time. In addition, our manufacturing facilities and products have been and could continue to be subject to increased inspection by federal, state and local authorities. Product quality or safety issues identified by us or governmental authorities have in the past and could in the future also reduce consumer confidence and demand for our products, cause production and delivery disruptions, including as a result of temporary or permanent closure of manufacturing plants or facilities, result in increased costs (including payment of fines and/or judgments, cleaning and remediation costs and legal fees, and costs associated with alternative sources of production) and damage our reputation (or the reputation of joint ventures in which we have an interest), particularly as we or our joint ventures continue to expand into new categories, all of which can adversely affect our business. Any perception or allegation (whether or not valid) of failure to maintain adequate oversight over product quality or safety can result in product recalls, litigation, government investigations, inspections or inquiries or civil or criminal proceedings, all of which may result in fines, penalties, damages, criminal liability, damage to our reputation or changes in consumer demand. Our business can also be adversely affected if consumers lose confidence in product

quality, safety and integrity generally, even if such loss of confidence is unrelated to products in our portfolio. In addition, while we currently maintain insurance coverage that, subject to its terms and conditions, is intended to address costs associated with certain aspects of product recalls, this insurance coverage may not, depending on the specific facts and circumstances surrounding an incident, cover all losses or all types of claims that arise from an incident, or the damage to our reputation or brands that may result from an incident.

Any inability to compete effectively can adversely affect our business.

Our products compete against products of international beverage and convenient food companies that, like us, operate in multiple geographies, as well as regional, local and private label and economy brand manufacturers and other competitors, including smaller companies developing and selling micro brands directly to consumers through e-commerce platforms or through retailers focused on locally sourced products. In many countries in which our products are sold, including the United States, The Coca-Cola Company is our primary beverage competitor. Our products compete primarily on the basis of brand recognition and loyalty, taste, price, value, quality, product variety, innovation, distribution, shelf space and preferable shelf placement, advertising, marketing and promotional activity, packaging, convenience, service and the ability to anticipate and effectively respond to consumer preferences and trends. Our business can be adversely affected if our strategy is not effective, if we fail to achieve the commercial and financial priorities announced during 2025 to improve our marketplace competitiveness and financial performance, including in our North American businesses, if we are unable to effectively promote or develop our existing products or introduce and effectively market new products (including in response to increased consumer demand for products with certain attributes, functional benefits, ingredients or nutrition profiles), if we are unable to effectively digitalize our operations and adopt new technologies, including artificial intelligence and data analytics to develop new commercial insights and improve operating efficiencies, if we are unable to continuously strengthen and evolve our capabilities in digital marketing, if our competitors spend more aggressively or effectively than we do, if our competitors are more successful than us in shifting to products that are less affected by the impact of taxes imposed as a result of ingredients contained in such products, or if we are otherwise unable to effectively respond to supply disruptions, pricing pressure (including as a result of commodity inflation) or otherwise compete effectively, and we may be unable to grow or maintain sales or category share or we may need to increase capital, marketing or other expenditures.

Failure to attract, develop and maintain a highly skilled workforce or effectively manage changes in our workforce can have an adverse effect on our business.

Our business requires that we attract, develop and maintain a highly skilled workforce. Our employees are highly sought after by our competitors and other companies and our continued ability to compete effectively depends on our ability to attract, retain, develop and motivate highly skilled personnel for all areas of our organization. Our ability to do so has been and may continue to be impacted by challenges in the labor market, which has experienced and may continue to experience wage inflation, labor shortages, increased employee turnover, changes in availability of our workforce and changing worker expectations regarding flexible work models. Any unplanned turnover, sustained labor shortage or unsuccessful implementation of our succession plans to backfill current leadership positions, including the Chief Executive Officer, or failure to attract, develop and maintain a highly skilled workforce, including with key capabilities such as e-commerce and digital marketing, artificial intelligence and data analytic skills, can deplete our institutional knowledge base, erode our competitive advantage or result in increased costs due to increased competition for employees, higher employee turnover or increased employee benefit costs. In addition, failure to attract, retain and develop associates in a manner that supports our culture can damage our business results and our reputation. Any of the foregoing can adversely affect our business.

Water scarcity can adversely affect our business.

We and our business partners use water in the manufacturing of our products. Water is also essential to the production of the raw materials needed in our manufacturing process. Lack of available water of acceptable quality, actions by governmental and non-governmental organizations, investors, customers and consumers on water scarcity and increasing pressure to conserve and replenish water in areas of scarcity and stress, including due to the effects of climate change, can lead to: supply chain disruption; adverse effects on our operations or the operations of our business partners; higher compliance costs; increased capital expenditures (including investments in the development of technologies to enhance water efficiency and reduce consumption); higher production costs, including less favorable pricing for water; the interruption or cessation of operations at, or relocation of, our facilities or the facilities of our business partners; failure to achieve our goals relating to water use; perception of our failure to act responsibly with respect to water use or to effectively respond to legal or regulatory requirements concerning water scarcity; or damage to our reputation, any of which can adversely affect our business.

Changes in the retail landscape or in sales to any key customer can adversely affect our business.

The retail landscape continues to evolve, including continued growth in e-commerce channels and hard discounters. Our business will be adversely affected if we are unable to maintain and develop successful relationships with e-commerce retailers and hard discounters, while also maintaining relationships with our key customers operating in traditional retail channels (many of whom are also focused on increasing their e-commerce sales). Our business can be adversely affected if e-commerce channels and hard discounters take significant additional market share away from traditional retailers or we fail to find ways to create increasingly better digital tools and capabilities for our retail customers to enable them to grow their businesses. In addition, our business can be adversely affected if we are unable to profitably expand direct-to-consumer e-commerce capabilities.

Changing dynamics at the retail level have also impacted and may continue to impact our ability to grow in certain jurisdictions. In this changing retail landscape, retailers and buying groups are shifting traditional value propositions, removing our products or otherwise reducing shelf space allocated to our products and focusing on introducing and developing private-label brands. These changing conditions may also adversely impact how our customers compete in the markets in which they operate, which may in turn affect purchasing patterns of our products. Further, we must maintain mutually beneficial relationships with our key customers to compete effectively. A change in the business conditions (financial or otherwise) of any of our key customers, even if unrelated to us, a significant reduction in sales to any key customer, or the loss of any of our key customers has adversely affected and can continue to adversely affect our business.

Disruption of our manufacturing operations or supply chain, including increased commodity, packaging, transportation, labor and other input costs, can adversely affect our business.

We have experienced and could continue to experience disruption in our manufacturing operations and supply chain. Many of the raw materials and supplies used in the production of our products are sourced from countries experiencing war or other military conflict, acts of terrorism, civil unrest, political instability or unfavorable economic conditions. Natural disasters and extreme weather conditions also pose physical risks to our facilities and those of our suppliers, which could impair our production capabilities and disrupt our supply chain. Some raw materials and supplies, including packaging materials, are available only from a limited number of suppliers or from a sole supplier or are in short supply when seasonal demand is at its peak. There can be no assurance that we will be able to maintain favorable arrangements and relationships with suppliers or that our contingency plans will be effective to mitigate disruptions that may arise from shortages or discontinuation of any raw materials and other supplies that we use in the manufacture, production and distribution of our products or from operational or financial

instability of our key suppliers. Any sustained or significant disruption in the future to the manufacturing or sourcing of products or materials could increase our costs and interrupt product supply, which can adversely impact our business.

The raw materials and other supplies, including agricultural commodities, fuel and packaging materials, such as recycled PET, transportation, labor and other supply chain inputs that we use for the manufacturing, production and distribution of our products are subject to price volatility and fluctuations in availability caused by many factors, including changes in supply and demand, supplier capacity constraints, inflation, weather conditions (including potential effects of climate change), fire, natural disasters, disease or pests (including the impact of greening disease on the citrus industry), agricultural uncertainty, health epidemics or pandemics or other contagious outbreaks, labor shortages or changes in availability of our or our business partners' workforce, strikes or work stoppages (including by railway workers or other third parties involved in the manufacture, production and distribution of our products), governmental incentives and controls and import/export restrictions, such as new, expanded or retaliatory tariffs, sanctions, quotas or trade barriers, port congestions or delays, transport capacity constraints, cybersecurity incidents or other disruptions, loss or impairment of key manufacturing sites, political uncertainties, geopolitical events and tensions, wars and other military conflicts, acts of terrorism, governmental instability or currency exchange rates. In addition, the imposition of tariffs (including U.S. tariffs imposed or threatened to be imposed on China, the European Union, Canada and Mexico and other countries and any tariffs imposed by such countries) have impacted and could continue to impact our supply chain resulting in increased input costs, including the cost of certain raw materials and packaging. The impact of tariffs will continue to vary, including based on where inputs are sourced from and shipped to. Many of our raw materials and supplies are purchased in the open market and the prices we pay for such items are subject to fluctuation. We continued to experience volatility in our commodity, packaging and transportation costs during 2025, which may continue. When input prices increase unexpectedly or significantly, we may be unwilling or unable to increase our product prices or unable to effectively hedge against price increases to offset these increased costs without suffering reduced volume, revenue, margins and operating results.

Political, social and geopolitical conditions can adversely affect our business.

The impact from political, social and geopolitical conditions in the markets in which our products are sold has been and could continue to be difficult to predict, resulting in adverse effects on our business. The results of elections, referendums or other political conditions (including government shutdowns), geopolitical events and tensions, wars and other military conflicts (such as the ongoing conflict in Ukraine and recent intervention in Venezuela) in these markets have in the past impacted and could continue to impact how existing laws, regulations and government programs or policies are implemented or result in uncertainty as to how such laws, regulations, programs or policies may change, including with respect to the negotiation of new trade agreements, new, expanded or retaliatory tariffs against certain countries or covering certain products or ingredients (including U.S. tariffs imposed or threatened to be imposed on China, the European Union, Canada and Mexico and other countries and any retaliatory actions taken by such countries), sanctions, environmental and climate change regulations, taxes, benefit programs (including any changes to governmental subsidies provided to our consumers such as SNAP in the United States), the movement of goods, services and people between countries, relationships between countries, customer or consumer perception of a particular country or its government and other matters. Such conditions have resulted in and could continue to result in exchange rate fluctuation, limitations on access to credit markets and other corporate banking services, including working capital facilities, volatility in global stock markets and global economic uncertainty and heightened risk to employee safety, any of which can adversely affect our business. In addition, geopolitical conflicts (such as the ongoing conflict in Ukraine) could result in temporary or permanent loss of assets, including the nationalization or expropriation of assets.

In addition, political and social conditions in certain jurisdictions have resulted in demonstrations and protests, including in connection with geopolitical events and tensions, political elections, civil rights and liberties. Our operations or the operations of our business partners, including the distribution of our products and the ingredients or other raw materials used in the production of our products, may be disrupted if such events persist for a prolonged period of time, including due to actions taken by governmental authorities in affected cities and regions, which can adversely affect our business.

Our business can be adversely affected if we are unable to grow in developing and emerging markets.

Our success depends in part on our ability to grow our business in developing and emerging markets. There can be no assurance that our products will be accepted or be successful in any particular developing or emerging market, due to competition, price, cultural differences, consumer preferences, regulation, method of distribution or otherwise. Our business in these markets has been and could continue in the future to be impacted by economic, political and social conditions; geopolitical conflicts or tensions, acts of war, terrorist acts, and civil unrest, including demonstrations and protests; competition; tariffs, sanctions or other regulations restricting contact with certain countries in these markets; foreign ownership restrictions; nationalization of our assets or the assets of our business partners; government-mandated closure, or threatened closure, of our operations or the operations of our business partners; restrictions on the import or export of our products or ingredients or substances used in our products; highly inflationary economies; devaluation or fluctuation or demonetization of currency; regulations on the transfer of funds to and from foreign countries, currency controls or other currency exchange restrictions, which result in significant cash balances in foreign countries, from time to time, or can significantly affect our ability to effectively manage our operations in certain of these markets and can result in the deconsolidation of such businesses; the lack of well-established or reliable legal systems; increased costs of doing business due to compliance with complex foreign and U.S. laws and regulations that apply to our international operations, including the Foreign Corrupt Practices Act, the U.K. Bribery Act and the Trade Sanctions Reform and Export Enhancement Act; and adverse consequences, such as the assessment of fines or penalties, for any failure to comply with laws and regulations. Our business can be adversely affected if we are unable to expand our business in developing and emerging markets, effectively operate, or manage the risks associated with operating, in these markets, or achieve the return on capital we expect from our investments in these markets.

Changes in economic conditions can adversely impact our business.

Many of the jurisdictions in which our products are sold have experienced and could continue to experience uncertain or unfavorable economic conditions, such as high inflation and adverse changes in interest rates, tax laws or tax rates and new, expanded or retaliatory tariffs, including as a result of geopolitical events and tensions. These uncertain or unfavorable economic conditions have resulted in and could continue to result in recessions or economic slowdowns; volatile commodity markets; labor shortages; highly inflationary economies, devaluation, fluctuation or demonetization of currency; contraction in the availability of credit; austerity or stimulus measures; the effects of any default by or deterioration in the creditworthiness of the countries in which our products are sold; or a decrease in the fair value of pension or post-retirement assets that could increase future employee benefit costs and/or funding requirements of our pension or post-retirement plans. Under difficult economic conditions, consumers may seek to reduce discretionary spending by forgoing purchases of our products or shifting toward lower-priced products offered by other companies, including private-label brands, which has impacted and could continue to impact consumer demand for our products. In addition, we cannot predict how current or future economic conditions will affect our business partners, including financial institutions with whom we do business, and any negative impact on any of the foregoing may also have an adverse impact on our business.

Future cyber incidents and other disruptions to our information systems can adversely affect our business.

We depend on information systems and technology, including public websites and cloud-based services, for many activities important to our business, including communications within our company, interfacing with customers and consumers; ordering and managing inventory; managing and operating our facilities; protecting confidential information, including personal data we collect; maintaining accurate financial records and complying with regulatory, financial reporting, legal and tax requirements. Our business has in the past and could in the future be negatively affected by security incidents, systems disruptions or shutdowns or degraded systems performance. These incidents or disruptions may be caused by cyberattacks and other cyber incidents, network or power outages, software, equipment or telecommunications failures, the unintentional or malicious actions of employees or contractors, natural disasters, fires or other catastrophic events.

Cyberattacks and other cyber incidents are occurring more frequently, and the techniques used to gain access to information technology systems and data, disable or degrade service or sabotage systems are constantly evolving and becoming more sophisticated in nature and are being carried out by groups and individuals with a wide range of expertise and motives. In addition, the rapid evolution and increased adoption of artificial intelligence technologies may increase our cybersecurity risks, including generative artificial intelligence augmenting threat actors' technological sophistication to enhance existing or create new malware. Cyberattacks and cyber incidents take many forms including cyber extortion, denial of service, social engineering, deepfake attacks and disinformation campaigns, introduction of viruses or malware (such as ransomware), exploiting vulnerabilities in hardware, software or other infrastructure (including zero-day vulnerabilities), hacking, website defacement or theft of passwords and other credentials, unauthorized use of computing resources for digital currency mining and business email compromise. As with other global companies, we are regularly subject to cyberattacks and other cyber incidents, including the types of attacks and incidents described above. Continued geopolitical instability has heightened the risk of cyberattacks. In addition, such cyberattacks may be difficult to detect for periods of time and, even if detected, the nature and extent of that cybersecurity incident may not be immediately clear and an investigation into a cybersecurity incident could take a significant amount of time to complete. These factors may inhibit our ability to provide rapid, complete and reliable information about the cybersecurity incident to customers, counterparties and regulators, as well as the public. If we do not allocate and effectively manage the resources necessary to continue building and maintaining our information technology infrastructure, or if we fail to timely identify or appropriately respond to cyberattacks or other cyber incidents, our business has been and can continue to be adversely affected, which has resulted in and can continue to result in some or all of the following: transaction errors, processing inefficiencies, inability to access our data or systems, lost revenues or other costs resulting from disruptions or shutdowns of offices, plants, warehouses, distribution centers or other facilities, compromises of personal data, confidential information, intellectual property or other sensitive data, litigation, claims, legal or regulatory proceedings, inquiries or investigations, fines or penalties, remediation costs, damage to our reputation or a negative impact on employee morale and the loss of current or potential customers. In addition, these risks also exist in acquired businesses, joint ventures or companies we invest in or partner with that use separate information systems or that have not yet been fully integrated into our information systems.

Similar risks exist with respect to our business partners and third-party providers, including suppliers, software and cloud-based service providers, that we rely upon for aspects of various business processes and activities, including procurement, supply chain, manufacturing, distribution, information technology support services and administrative functions (including payroll processing, health and benefit plan administration and certain finance and accounting functions) and the systems managed, hosted, provided and/or used by such third parties and their vendors. For example, malicious actors have employed and

could continue to employ the information technology supply chain to introduce malware through software updates or compromised supplier accounts or hardware and exploit known or unknown hardware or software vulnerabilities in our systems or the systems of our vendors and third-party service providers. The need to coordinate with various third-party service providers, including with respect to timely notification and access to personnel and information concerning an incident, may complicate our efforts to address issues that arise. As a result, we are subject to the risk that the activities associated with our third-party service providers can adversely affect our business even if the attack or breach does not directly impact our systems or information.

Although the cyber incidents and other systems disruptions that we have experienced to date have not had a material effect on our business, such incidents or disruptions could have a material adverse effect on us in the future. While we believe we devote significant resources to network security, disaster recovery, employee training and other measures to secure our information technology systems and prevent unauthorized access to or loss of data, there are no guarantees that they will be adequate to safeguard against all cyber incidents, systems disruptions, system compromises or misuses of data. In addition, while we currently maintain insurance coverage that, subject to its terms and conditions, is intended to address costs associated with certain aspects of cyber incidents and information systems failures, this insurance coverage may not, depending on the specific facts and circumstances surrounding an incident, cover all losses or all types of claims that arise from an incident, or the damage to our reputation or brands that may result from an incident.

Failure to successfully complete or manage strategic transactions can adversely affect our business.

We regularly review our portfolio of businesses and evaluate potential acquisitions, joint ventures, distribution agreements, divestitures, refranchisings and other strategic transactions. The success of these transactions is dependent upon, among other things, our ability to realize the full extent of the expected returns, benefits, cost savings or synergies as a result of a transaction, within the anticipated time frame, or at all; and receipt of necessary consents, clearances and approvals. Risks associated with strategic transactions include integrating manufacturing, distribution, sales, accounting, financial reporting and administrative support activities and information technology systems with our company or difficulties separating such personnel, activities and systems in connection with divestitures; operating through new business models or in new categories or territories; motivating, recruiting and retaining executives and key employees; conforming controls (including internal control over financial reporting, disclosure controls and procedures and data protection and cybersecurity) and policies (including with respect to environmental compliance, food safety, health and safety compliance and compliance with anti-bribery laws); retaining existing customers and consumers and attracting new customers and consumers; managing tax costs or inefficiencies; maintaining good relations with divested or refranchised businesses in our supply or sales chain; inability to offset loss of revenue associated with divested brands or businesses; recognition of impairment charges in connection with potential divestitures; managing the impact of business decisions or other actions or omissions of our joint venture partners that may have different interests than we do; and other unanticipated problems or liabilities, such as contingent liabilities and litigation. Strategic transactions that are not successfully completed or managed effectively, or our failure to effectively manage the risks associated with such transactions, have in the past and could continue to result in adverse effects on our business. In addition, failure to successfully complete or manage strategic transactions may impede our efforts to shift our portfolio to include new products that are less affected by the impact of ingredient-based taxes or other regulatory actions or scrutiny.

Our reliance on third-party service providers and enterprise-wide systems can have an adverse effect on our business.

We rely on third-party service providers, including software and cloud data service providers, for certain areas of our business, including procurement, supply chain, manufacturing, distribution, information technology support services and administrative functions (such as payroll processing, health and benefit plan administration and certain finance and accounting functions). Failure by these third parties to meet their contractual, regulatory and other obligations to us, or our failure to adequately monitor their performance, has in the past and could continue to result in our inability to achieve the expected cost savings or efficiencies and result in additional costs to correct errors made by such service providers. Depending on the function involved, such errors can also lead to business disruption, systems performance degradation, processing inefficiencies or other systems disruptions, the loss of or damage to intellectual property or sensitive data through security breaches or otherwise, incorrect or adverse effects on financial reporting, litigation, claims, legal or regulatory proceedings, inquiries or investigations, fines or penalties, remediation costs, damage to our reputation or have a negative impact on employee morale, all of which can adversely affect our business.

In addition, we continue on our multi-year phased business transformation initiative to migrate certain aspects of our systems, including our financial processing systems, to enterprise-wide systems solutions and have deployed these systems in certain countries and segments. We have experienced and could continue to experience systems outages and operating inefficiencies following these planned implementations. In addition, if we do not allocate and effectively manage the resources necessary to build and sustain the proper information technology infrastructure, or if we fail to achieve the expected benefits from this initiative, our business could be adversely affected.

Climate change or measures to address climate change and other sustainability matters can negatively affect our business or damage our reputation.

Climate change may increase the frequency or severity of natural disasters and other extreme weather conditions, including rising temperatures and drought. Natural disasters and extreme weather conditions could pose physical risks to our facilities, impair our production capabilities, disrupt our supply chain or impact demand for our products. In addition, climate change or other weather-related disruptions to our supply chain may also have a negative effect on agricultural production resulting in decreased availability or less favorable pricing for certain commodities that are necessary for our products, such as potatoes, sugar cane, corn, wheat, rice, oats, oranges and other commodities. Also, there is continued focus in many jurisdictions in which our products are made, manufactured, distributed or sold regarding environmental policies relating to climate change, biodiversity loss, deforestation, regulating greenhouse gas emissions, energy policies and sustainability, including single-use plastics. This increased focus may result in new or increased legal and regulatory requirements, such as potential carbon pricing programs or revised product labeling requirements or other regulatory measures, which could, along with initiatives to meet our sustainability goals, continue to result in significant increased costs and require additional investments in facilities and equipment. As a result, the effects of climate change can negatively affect our business and operations.

In addition, there can be no assurance that we will achieve our sustainability goals, which will require significant effort and resources from us and other stakeholders, such as our suppliers and other third parties, governmental entities, and the development of technology that may not currently exist or exist at scale. Further, developing and collecting, measuring and reporting sustainability information and metrics can be costly, difficult and time consuming and is subject to changing interpretive guidance and evolving reporting standards, including the European Sustainability Reporting Standards and Corporate Sustainability Reporting Directive in the European Union, especially to the extent these standards are not harmonized or consistent. Further, methodologies for reporting our data may be updated and previously

reported data may be adjusted to reflect improvement in availability and quality of third-party data, changing assumptions, changes in the nature and scope of our operations (including from acquisitions and divestitures) and other changes in circumstances. Lack of progress or failure to properly report on our goals with respect to reducing our impact on the environment or perception of a failure to act responsibly with respect to the environment or to effectively respond to regulatory requirements concerning climate change and other sustainability matters, including the use of single-use plastics, has led and could continue to lead to adverse publicity, reduced demand for our products, damage to our reputation, an increased risk of litigation, regulatory proceedings, inquiries or investigations, which have adversely affected our business. We could also be subjected to negative responses by governmental actors (such as anti-ESG legislation or retaliatory legislative treatment) or certain stakeholders (such as boycotts, litigation or negative publicity campaigns) that could adversely affect our business.

Strikes or work stoppages can cause our business to suffer.

Many of our employees and employees of third parties that are involved in the manufacturing, production or distribution of our products are covered by collective bargaining agreements, and other employees may seek to be covered by collective bargaining agreements. Strikes or work stoppages or other business interruptions have occurred and may occur in the future if we or the third parties that are involved in the manufacturing, production and distribution of our products are unable to renew, or enter into new, collective bargaining agreements on satisfactory terms and can impair manufacturing and distribution of our products or the ingredients, raw materials or commodities used in our products, interrupt product supply, lead to a loss of sales, increase our costs or otherwise affect our ability to fully implement future operational changes to enhance our efficiency or to adapt to changing business needs or strategy, all of which can adversely affect our business.

Financial Risks

Failure to realize benefits from our productivity initiatives or organizational restructurings can adversely affect our financial performance.

Our future growth depends, in part, on our ability to continue to reduce costs and improve efficiencies, including digitalization of our operations, our multi-year phased implementation of shared business service organizational models and organizational restructuring. We continue to identify and implement productivity and restructuring initiatives that we believe will position our business for long-term sustainable growth, including certain commercial and financial priorities to improve our marketplace competitiveness and financial performance announced during 2025, by allowing us to achieve a lower cost structure, improve decision-making and operate more efficiently. Some of these measures could result in unintended consequences, such as business disruptions, distraction of management and employees, reduced morale and productivity, unexpected employee attrition, an inability to attract or retain key personnel and negative publicity. If we are unable to successfully implement our productivity initiatives, digitalization of our operations or organizational restructurings as planned or do not achieve expected savings or efficiencies as a result of these initiatives, we may not realize all or any of the anticipated benefits, resulting in adverse effects on our financial performance.

A deterioration in our estimates and underlying assumptions regarding the future performance of our business or investments can result in impairment charges that adversely affect our results of operations.

We conduct impairment tests on our goodwill and other indefinite-lived intangible assets annually or more frequently if circumstances indicate that impairment may have occurred. In addition, amortizable intangible assets, equity method investments, equity investments without readily determinable fair values, investments in available-for-sale debt securities, property, plant and equipment and other long-lived assets are evaluated for impairment upon a significant change in the operating or macroeconomic environment. Our equity method investees also perform similar impairment tests and we record our proportionate share

of impairment charges recorded by them, adjusted for the impact of items such as basis differences and deferred taxes, as appropriate. A deterioration in our underlying assumptions, or those of our equity method investees, regarding the impact of competitive operating conditions, geopolitical conditions, macroeconomic conditions, including the interest rate environment, or other factors used to estimate the future performance of any of our reporting units or assets, including any deterioration in the weighted-average cost of capital based on market data available at the time, as well as our ability to hold the investment until recovery of fair value to amortized cost for available-for-sale debt securities, have resulted and could in the future result in an impairment charge, thereby adversely affecting our results of operations.

Fluctuations in exchange rates impact our financial performance.

Because our consolidated financial statements are presented in U.S. dollars, the financial statements of our subsidiaries outside the United States, where the functional currency is other than the U.S. dollar, are translated into U.S. dollars. Given our global operations, we also pay for the ingredients, raw materials and commodities used in our business in numerous currencies. Fluctuations in exchange rates, including as a result of inflation, central bank monetary policies, currency controls or other currency exchange restrictions or geopolitical instability have had, and could continue to have, an adverse impact on our financial performance.

Our borrowing costs and access to capital and credit markets can be adversely affected by a downgrade or potential downgrade of our credit ratings.

Rating agencies routinely evaluate us, and their ratings are based on a number of factors, including our cash generating capability, levels of indebtedness, policies with respect to shareholder distributions and our financial strength generally, as well as factors beyond our control, such as the state of the economy and our industry. We expect to maintain Tier 1 commercial paper access, which we believe will facilitate appropriate financial flexibility and ready access to global credit markets at favorable interest rates. Any downgrade or announcement that we are under review for a potential downgrade of our credit ratings, especially any downgrade to below investment grade, can increase our future borrowing costs, impair our ability to access capital and credit markets on terms commercially acceptable to us or at all, result in a reduction in our liquidity, or impair our ability to access the commercial paper market with the same flexibility that we have experienced historically (and therefore require us to rely more heavily on more expensive types of debt financing), all of which can adversely affect our financial performance.

Legal, Tax and Regulatory Risks

Taxes aimed at our products can adversely affect our business or financial performance.

Certain jurisdictions in which our products are sold have either imposed, or are considering imposing, new or increased taxes on the manufacture, distribution or sale of certain of our beverage products as a result of ingredients contained in such products. These taxes vary in scope and form: some apply to all beverages, including non-caloric beverages, while others apply only to beverages with a caloric sweetener (e.g., sugar). Similarly, some measures apply a single tax rate per ounce/liter on beverages containing over a certain amount of added sugar (or other sweetener), some apply a graduated tax rate depending upon the amount of added sugar (or other sweetener) in the beverage and others apply a flat tax rate on beverages containing any amount of added sugar (or other sweetener). For example, Mexico recently enacted an increase to its existing flat tax on all sweetened beverages, effective January 1, 2026, from a rate of approximately $0.09 (1.64 Mexican pesos) to a rate of approximately $0.17 (3.08 Mexican pesos) per liter. In addition, certain jurisdictions in which our snack products are sold, have either imposed, or are considering imposing, new or increased taxes on the manufacture, distribution or sale of certain of our snack products as a result of ingredients (such as sugar, sodium or saturated fat) contained in such products. These tax measures, whatever their scope or form, have in the past increased and could continue

to increase the cost of certain of our products, reduce overall consumption of our products or lead to negative publicity, resulting in an adverse effect on our business and financial performance.

Limitations on the marketing or sale of our products can adversely affect our business and financial performance.

Certain jurisdictions in which our products are sold have either imposed, or are considering imposing, limitations on the marketing or sale of our products as a result of ingredients or substances in our products or certain product attributes or packaging. These limitations require that we highlight perceived concerns about a product or product packaging, warn consumers to avoid consumption of certain ingredients or substances present in our products, restrict the age of consumers to whom products are marketed or sold (including bans on advertising during children's TV programs), limit the location in which our products may be available (including limits on the sale of our products in public schools) or discontinue the use of certain ingredients or packaging. For example, in 2025, the state of Texas passed a law, effective January 1, 2027, requiring warning labels on products containing certain ingredients, including artificial colors. Certain jurisdictions have imposed or are considering imposing color-coded labeling requirements where colors such as red, yellow and green are used to indicate various levels of a particular ingredient, such as sugar, sodium or saturated fat, in products, and other jurisdictions, including the United States, have imposed or are considering imposing restrictions on so-called "ultra-processed" foods. The imposition or proposed imposition of additional limitations on the marketing or sale of our products has in the past reduced and could continue to reduce overall consumption of our products, lead to negative publicity or leave consumers with the perception that our products do not meet their health and wellness needs, resulting in an adverse effect on our business and financial performance.

Laws and regulations related to the use or disposal of plastics or other packaging materials can adversely affect our business and financial performance.

We rely on diverse packaging solutions to safely deliver products to our customers and consumers. Certain of our products are sold in packaging designed to be recyclable, commercially compostable, biodegradable or reusable. However, not all packaging is recovered or handled as designed, whether due to lack of infrastructure, improper disposal or otherwise, and certain of our packaging is not currently recyclable, commercially compostable, biodegradable or reusable. Packaging waste not properly disposed of that displays one or more of our brands has in the past resulted in and could continue to result in negative publicity, litigation, government investigations or other action or reduced consumer demand for our products, adversely affecting our financial performance. Many jurisdictions in which our products are sold have imposed or are considering imposing laws, regulations or policies intended to encourage the use of sustainable packaging, waste reduction, increased recycling rates or decreased use of single-use plastics or to restrict the sale of products utilizing certain packaging. These laws, regulations and policies vary in form and scope and include extended producer responsibility policies, plastic or packaging taxes, minimum recycled content requirements, restrictions on certain products and materials, requirements for bottle caps to be tethered to bottles, restrictions or bans on the use of certain types of packaging, including single-use plastics and packaging containing PFAS, restrictions on labeling related to recyclability, requirements to charge deposit fees and requirements to scale reusable or refillable packaging. For example, multiple states in the United States have implemented, or are considering implementing, extended producer responsibility laws that will increase expenses, including through fees paid to state governments in connection with such laws. These laws and regulations have in the past increased and could continue to increase the cost of our products, impact demand for our products, result in negative publicity and require us and our business partners, including our independent bottlers, to increase capital expenditures to invest in reducing the amount of virgin plastic or other materials used in our packaging, to develop alternative packaging or to revise product labeling, all of which can adversely affect our business and financial performance.

Failure to comply with personal data protection and privacy laws can adversely affect our business.

We are subject to a variety of continuously evolving and developing laws and regulations in numerous jurisdictions regarding personal data protection and privacy laws. These laws and regulations may be interpreted and applied differently from country to country or, within the United States, from state to state, and can create inconsistent or conflicting requirements. Our efforts to comply with these laws and regulations, including the California Consumer Privacy Act, as amended by the California Privacy Rights Act, as well as similar legislation enacted in other states, as well as the European Union's General Data Protection Regulation (GDPR), the U.K. General Data Protection Regulation (which implements the GDPR into U.K. law), China's Personal Information Protection Act and similar regulations implemented in other non-U.S. jurisdictions, impose significant costs and challenges that are likely to continue to increase over time, particularly as additional jurisdictions continue to adopt similar regulations and we continue to expand our direct-to-consumer operations. The increasing adoption of artificial intelligence technologies has led data protection authorities in many jurisdictions in which we operate to consider and adopt new and evolving interpretations of privacy and data protection laws, with specific obligations regarding processing of personal data, including required notices, consents, and opt-outs. Failure to comply with these laws and regulations or to otherwise protect personal data from unauthorized access, use or other processing, have in the past resulted in and could in the future result in litigation, claims, legal or regulatory proceedings, inquiries or investigations, damage to our reputation, fines or penalties, all of which can adversely affect our business.

Increases in income tax rates, changes in income tax laws or disagreements with tax authorities can adversely affect our financial performance.

Increases in income tax rates or other changes in tax laws, including changes in how existing tax laws are interpreted or enforced, can adversely affect our financial performance. For example, economic and political conditions in countries where we are subject to taxes, including the United States, have in the past resulted in and could continue to result in significant changes in tax legislation or regulation. Numerous countries, including European Union member states, have enacted or are expected to enact legislation incorporating the Organization for Economic Co-operation and Development (OECD) model rules for a global minimum tax rate of 15% with widespread implementation expected by the end of 2026. As the legislation becomes effective in countries in which we do business, our taxes will increase and negatively impact our provision for income taxes. This increasingly complex global tax environment has in the past increased and could continue to increase tax uncertainty, resulting in higher compliance costs and adverse effects on our financial performance. We are also subject to regular reviews, examinations and audits by numerous taxing authorities with respect to income and non-income based taxes. Economic and political pressures to increase tax revenues in jurisdictions in which we operate, or the adoption of new or reformed tax legislation or regulation, has made and could continue to make resolving tax disputes more difficult and the final resolution of tax audits and any related litigation can materially differ from our historical provisions and accruals, which can adversely affect our financial performance.

If we are unable to adequately protect our intellectual property rights, or if we are found to infringe on the intellectual property rights of others, our business can be adversely affected.

We possess intellectual property rights that are important to our business, including ingredient formulas, trademarks, copyrights, patents, business processes and other trade secrets. The laws of various jurisdictions in which we operate have differing levels of protection of intellectual property. Our competitive position and the value of our products and brands can be reduced and our business adversely affected if we fail to obtain or adequately protect our intellectual property, including our ingredient formulas, or if there is a change in law that limits or removes the current legal protections afforded our intellectual property. Also, in the course of developing new products or improving the quality of existing products, we have in the past been alleged to have infringed, and could in the future infringe or be alleged

to infringe, on the intellectual property rights of others. In addition, our use of artificial intelligence may result in increased claims of infringement or other claims, including those based on unauthorized use of third-party technology or content. Such infringement or allegations of infringement could result in expensive litigation and damages, damage to our reputation, disruption to our operations, injunctions against development, manufacturing, use and/or sale of certain products, inventory write-offs or other limitations on our ability to introduce new products or improve the quality of existing products, resulting in an adverse effect on our business. In addition, we cannot ensure that licensees and other third parties who hold licenses to our intellectual property will not take actions that adversely affect the value of our intellectual property.

Failure to comply with laws and regulations applicable to our business can adversely affect our business.

The conduct of our business is subject to numerous laws and regulations relating to the production, processing, storage, distribution, sale, display, advertising, marketing, labeling, content (including whether a product contains artificial colors or flavors or genetically engineered ingredients), quality, safety, transportation, supply chain (including human rights), traceability, sourcing (including pesticide use), packaging, disposal, recycling and use of our products or raw materials, employment and occupational health and safety, environmental, social and governance matters and reporting (including climate change), machine learning and artificial intelligence (including generative artificial intelligence), international trade (including sanctions and export controls), and data privacy and protection. In addition, in many jurisdictions, compliance with competition and antitrust laws is of special importance to us due to our competitive position, as is compliance with anti-corruption laws. The imposition of new laws or regulatory requirements (including sanctions), changes in laws or regulatory requirements or changing interpretations or uncertainty regarding the interpretation thereof (including as a result of executive orders), changes in the enforcement priorities of regulators, and differing or competing regulations and standards across the markets where our products or raw materials are made, manufactured, distributed or sold, have in the past resulted in and could continue to result in higher compliance costs, capital expenditures and higher production costs, or make it necessary for us to reformulate certain of our products or otherwise make changes to our operations, resulting in adverse effects on our business. For example, increasing governmental and societal attention to environmental, social and governance matters has resulted in and could continue to result in new laws or regulatory requirements, including expanded disclosure requirements that are expected to continue to expand the nature, scope and complexity of matters on which we are required to report. Further, the legal and regulatory landscape for certain new technologies, such as artificial intelligence, is uncertain and evolving and our compliance obligations could continue to increase our costs or limit how we may use these technologies in one or more of our businesses. In addition, the entry into new markets or categories has resulted in and could continue to result in our business being subject to additional regulations resulting in higher compliance costs. If one jurisdiction imposes or proposes to impose new laws or regulations that impact the manufacture, distribution or sale of our products, other jurisdictions may follow. Failure to comply with such laws or regulations (or allegations thereof) can subject us to criminal or civil investigations or enforcement actions, including voluntary and involuntary document requests, fines, injunctions, product recalls, penalties, disgorgement of profits or activity restrictions, all of which can adversely affect our business. In addition, increasing governmental attention to processing and certain ingredients or substances present in certain of our products or packaging materials as well as the results of third-party studies (whether or not scientifically valid) purporting to assess the health implications of consumption of such ingredients or substances have resulted in and could continue to result in increased regulatory scrutiny and our being subject to new taxes and regulations or lawsuits that can adversely affect our business.

Potential liabilities and costs from litigation, claims, legal or regulatory proceedings, inquiries or investigations can have an adverse impact on our business.

We and our subsidiaries have been, and in the future may be, party to a variety of litigation, claims, legal or regulatory proceedings, inquiries and investigations, including but not limited to matters related to our advertising, marketing or commercial practices, product labels, claims and ingredients, processing, food safety, personal injury, property damage, intellectual property rights, privacy, employment, tax and insurance matters, environmental, social and governance matters, including concerns or perceptions regarding our packaging and its environmental impact, the efficacy of recycling, our sustainability goals and our workforce policies and initiatives, shareholder-initiated actions, and matters relating to our compliance with applicable laws and regulations. For example, as a global food and beverage company, we are subject to increased regulatory scrutiny and face legal challenges in a variety of jurisdictions concerning alleged health implications associated with consumption of certain of our food products, our development or marketing of those products and/or the alleged environmental impact of the packaging used for certain of our products. These matters are inherently uncertain and there is no guarantee that we will be successful in defending ourselves or that our assessment of the materiality of these matters and the likely outcome or potential losses and established reserves will be consistent with the ultimate outcome of such matters. Responding to these matters, even those that are ultimately non-meritorious, requires us to incur significant expense and devote significant resources, and may generate adverse publicity that damages our reputation or brand image. Any of the foregoing can adversely affect our business.

Item 1B. Unresolved Staff Comments.

We have received no written comments regarding our periodic or current reports from the staff of the SEC that were issued 180 days or more preceding the end of our 2025 fiscal year and that remain unresolved.

Item 1C. Cybersecurity.

Cybersecurity Risk Management and Strategy

We are regularly subject to cyberattacks and other cyber incidents. In response, we have implemented cybersecurity processes, technologies, and controls to aid in our efforts to assess, identify, and manage cybersecurity risks. Our enterprise risk management framework considers cybersecurity risk alongside other company risks as part of our overall risk assessment process. Our enterprise risk management team collaborates with our Cybersecurity function, led by the Company's Chief Strategy and Transformation Officer and the Company's Chief Information Security Officer, to gather insights for identifying, assessing and managing cybersecurity threat risks, their severity, and potential mitigations.

We assess PepsiCo's Cybersecurity program using an industry-leading cybersecurity framework from the National Institute of Standards and Technology. To help assess and identify our cybersecurity risks, we maintain internal resources to perform penetration testing designed to simulate evolving tactics and techniques of real-world threat actors, engage with industry partners and law enforcement and intelligence communities and conduct tabletop exercises and periodic risk interviews across our business. We also engage an independent third party to perform internal and external penetration testing of PepsiCo's environment periodically and engage other third parties to periodically conduct assessments of our cybersecurity capabilities. In addition, we continue to expand training and awareness practices to mitigate human risk, including mandatory computer-based training, internal communications, and regular phishing awareness campaigns that are designed to emulate real-world contemporary threats and provide immediate feedback (and, if necessary, additional training or remedial action) to employees.

Our processes also address cybersecurity risks associated with our use of third-party service providers including suppliers, software and cloud-based service providers. We proactively evaluate the cybersecurity risk of a third party by utilizing a repository of risk assessments, external monitoring

sources, threat intelligence and predictive analytics to better inform PepsiCo during contracting and vendor selection processes. Additionally, we require those third parties to agree by contract to implement appropriate security controls. Security issues are documented and tracked and periodic monitoring is conducted for third parties in order to mitigate risk.

In addition to the processes, technologies, and controls that we have in place to reduce the likelihood of a successful material cyberattack, the Company has established well-defined response procedures to address cyber events that do occur. The program provides for the coordination of various corporate functions and governance groups and serves as a framework for the execution of responsibilities across businesses and operational roles. Our incident response plan coordinates the activities we take to prepare for, detect, respond to and recover from cybersecurity incidents, which include processes to triage, assess severity for, escalate, contain, investigate, and remediate the incident, as well as to assess for potential disclosure, comply with potentially applicable legal obligations and mitigate brand and reputational damage. We also maintain insurance coverage that, subject to its terms and conditions, is intended to address costs associated with certain aspects of cyber incidents and information systems failures.

Based on the information we have as of the date of this Form 10-K, we do not believe any risks from cybersecurity threats, including as a result of any previous cybersecurity incidents, have materially affected or are reasonably likely to materially affect us, including our business strategy, results of operations or financial condition. See “Item 1A. Risk Factors” for further information about these risks.

Cybersecurity Governance

Cybersecurity is an important part of our risk management processes and an area of focus for our Board and management. Given that cybersecurity risks can impact various areas of responsibility of the Committees of the Board, the Board believes it is useful and effective for the full Board to maintain direct oversight over cybersecurity matters. In 2021, the Board amended our Corporate Governance Guidelines to specifically mention cybersecurity as an area of Board oversight to reflect this existing practice. The Board receives and provides feedback on regular updates from management, including from the Company’s Chief Strategy and Transformation Officer and the Company’s Chief Information Security Officer, regarding cybersecurity governance processes, the status of projects to strengthen internal cybersecurity, results from third-party assessments, and also discusses any significant cyber incidents, including recent incidents at other companies and the emerging threat landscape.

Our cybersecurity risk management and strategy processes, which are discussed in greater detail above, are led by the Company’s Chief Strategy and Transformation Officer and the Company’s Chief Information Security Officer. Such individuals have significant prior work experience in various roles across multiple industries involving managing information security, developing cybersecurity strategy, implementing effective information and cybersecurity programs and managing compliance environments.

These members of management are informed about and monitor the prevention, mitigation, detection, and remediation of cybersecurity incidents through their management of, and participation in, the cybersecurity risk management and strategy processes described above, including the operation of our incident response plan.

Item 2. Properties.

Our principal executive office located in Purchase, New York and our facilities located in Plano, Texas, all of which we own, are our most significant corporate properties.

In connection with making, marketing, distributing and selling our products, each segment utilizes manufacturing, processing, bottling and production plants, warehouses, distribution centers, storage facilities, offices, including segment headquarters, research and development facilities and other facilities, all of which are either owned or leased.

Significant properties by segment are as follows:

	Property Type	Location	Owned/ Leased
PFNA	Research and development facility	Plano, Texas	Owned
PFNA	Convenient food plant	Cedar Rapids, Iowa	Owned
PBNA	Research and development facility	Valhalla, New York	Owned
PBNA	Concentrate plant	Arlington, Texas	Owned
IB Franchise	Manufacturing plant	Lehavim, Israel	Owned
EMEA	Convenient food plant	Leicester, United Kingdom	Owned [(a)]
EMEA	Convenient food plant	Kashira, Russia	Owned
EMEA	Dairy plant	Moscow, Russia	Owned
LatAm Foods	Convenient food plant	Celaya, Mexico	Owned
LatAm Foods	Two convenient food plants	Vallejo, Mexico	Owned
PBNA, IB Franchise	Concentrate plant	Colonia, Uruguay	Owned [(a)]
PBNA, IB Franchise, EMEA	Two concentrate plants	Cork, Ireland	Owned
PBNA, IB Franchise, EMEA	Concentrate plant	Singapore	Owned [(a)]
All segments	Shared service center	Mexico City, Mexico	Leased
All segments	Shared service center	Hyderabad, India	Leased

(a) The land on which these properties are located is leased.

Most of our plants are owned or leased on a long-term basis. In addition to company-owned or leased properties described above, we also utilize a highly distributed network of plants, warehouses and distribution centers that are owned or leased by our contract manufacturers, co-packers, strategic alliances or joint ventures in which we have an equity interest. We believe that our properties generally are in good operating condition and, taken as a whole, are suitable, adequate and of sufficient capacity for our current operations.

Item 3. Legal Proceedings.

We are party to the following litigation asserting claims for public nuisance, and deceptive acts or practices in the conduct of business among other related claims allegedly resulting in plastic pollution in certain areas.

- On November 15, 2023, the Attorney General of New York, on behalf of the people of the State of New York, filed a lawsuit against PepsiCo, Inc., Frito-Lay, Inc. and Frito-Lay North America, Inc. (the NYS Matter). This matter was assigned to the Commercial Division of the New York State Supreme Court – Erie County. On November 8, 2024, the court granted our motion to dismiss the complaint in its entirety. On December 9, 2024, the plaintiff provided notice that it would appeal to the New York State Supreme Court Appellate Division – Fourth Department and filed its brief before the appellate court on January 6, 2026.
- On June 20, 2024, the Mayor and City Council of Baltimore, Maryland filed a lawsuit against PepsiCo, Inc., Frito-Lay, Inc., Frito-Lay North America, Inc., and several other unrelated parties

(the Baltimore Matter). On July 21, 2025, the Circuit Court for Baltimore City, Maryland dismissed with prejudice all claims except for public nuisance. The court did not opine on the public nuisance claim and stayed the case pending a decision in three cases unrelated to PepsiCo that are before the Maryland Supreme Court.

- On October 29, 2024, County Counsel for the County of Los Angeles, on behalf of the people of the State of California, filed a lawsuit against PepsiCo, Inc., Pepsi Bottling Ventures LLC, and two other unrelated parties (the Los Angeles Matter). This lawsuit was filed in the Superior Court of the State of California for Los Angeles County. On May 21, 2025, Pepsi Bottling Ventures LLC was dismissed from the suit.
- On April 11, 2025, the Commissioner of the Department of Licensing and Consumer Affairs and Government of the United States Virgin Islands filed a lawsuit against PepsiCo, Inc., PepsiCo Caribbean, Inc., and two other unrelated parties (the USVI Matter). The lawsuit was initially filed in the Superior Court of the United States Virgin Islands, Division of St. Croix. On May 19, 2025, the defendants removed the case to federal court in the United States District Court of the Virgin Islands, Division of St. Croix. On June 18, 2025, the Government of the United States Virgin Islands filed a motion to remand the case back to the Superior Court. That motion is pending.

The lawsuits mentioned above do not specify the amount of damages sought and we believe we have strong defenses to each of the respective claims.

In addition, we and our subsidiaries are party to a variety of litigation, claims, legal or regulatory proceedings, inquiries and investigations. While the results of the NYS Matter, Baltimore Matter, Los Angeles Matter, USVI Matter and each such other litigation, claim, legal or regulatory proceeding, inquiry and investigation cannot be predicted with certainty, management believes that the final outcome of the foregoing will not have a material adverse effect on our financial condition, results of operations or cash flows. See also “Item 1. Business – Regulatory Matters” and “Item 1A. Risk Factors.”

Item 4. Mine Safety Disclosures.

Not applicable.

Information About Our Executive Officers

The following is a list of names, ages and backgrounds of our current executive officers as of the date of filing of this Form 10-K with the SEC:

Name	Age	Title
David J. Flavell	54	Executive Vice President, General Counsel and Corporate Secretary, PepsiCo
Athina Kanioura	49	Chief Executive Officer, PepsiCo Latin America Foods and Executive Vice President, Strategy & Transformation Officer
Ram Krishnan	55	Chief Executive Officer, PepsiCo North America
Ramon L. Laguarta	62	Chairman of the Board of Directors and Chief Executive Officer, PepsiCo
Silviu Popovici	58	Chief Executive Officer, Europe, Middle East and Africa
Becky Schmitt	52	Executive Vice President and Chief People Officer, PepsiCo
Stephen T. Schmitt	52	Executive Vice President and Chief Financial Officer, PepsiCo
Christine E. Tammara	48	Senior Vice President and Controller, PepsiCo
Eugene Willemsen	58	Chief Executive Officer, International Beverages

David J. Flavell has served as Executive Vice President, General Counsel and Corporate Secretary, PepsiCo since 2021. Mr. Flavell previously held a number of leadership roles at PepsiCo, including as Senior Vice President, Deputy General Counsel and Chief Compliance & Ethics Officer for PepsiCo from 2019 to 2021, as Senior Vice President, Deputy General Counsel & Managing Attorney from 2018 to 2019, as Senior Vice President, Deputy General Counsel & General Counsel, International and Global Groups from 2017 to 2018, as Senior Vice President, Deputy General Counsel & General Counsel, Latin America and Frito-Lay North America from 2016 to 2017, as Senior Vice President, General Counsel, Latin America and Frito-Lay North America from 2015 to 2016, and as Senior Vice President, General Counsel, Asia, Middle East and Africa from 2011 to 2015. Before joining PepsiCo in 2011, Mr. Flavell was general counsel for Danone S.A.'s Asia Pacific and Middle East business. Prior to that, Mr. Flavell served as senior legal counsel at Fonterra Co-operative Group Limited and was a partner at Corrs Chambers Westgarth.

Athina Kanioura was appointed Chief Executive Officer, PepsiCo Latin America Foods and Executive Vice President, Strategy & Transformation Officer in December 2025. Ms. Kanioura previously served as Executive Vice President and Chief Strategy and Transformation Officer, PepsiCo from 2020 to December 2025. Prior to joining PepsiCo, Ms. Kanioura served as Chief Analytics Officer and Global Head of Applied Intelligence at Accenture plc from 2019 to 2020 and as its Global Data Science Lead from 2017 to 2019. Since she joined Accenture in 2005, she held positions of increasing responsibility, including as Global Marketing and Commercial Analytics Lead.

Ram Krishnan was appointed Chief Executive Officer, PepsiCo North America, effective December 2025. Prior to that, Mr. Krishnan served as Chief Executive Officer, U.S. Beverages from January 2025 to December 2025, as Chief Executive Officer, PepsiCo Beverages North America from February 2024 to January 2025, as Chief Executive Officer, International Beverages and Chief Commercial Officer of PepsiCo from 2022 to February 2024, as Executive Vice President and Chief Commercial Officer, PepsiCo, from 2019 to 2021, as President and Chief Executive Officer of PepsiCo's Asia Pacific, Australia and New Zealand and China Region from 2018 to 2020, and as PepsiCo's Senior Vice President and Chief Customer Officer for Walmart, leading PepsiCo's global Walmart customer team, from 2016 to 2017. Mr. Krishnan joined PepsiCo in 2006 and held marketing roles of increasing responsibility from 2006 to 2016, including as Senior Vice President and Chief Marketing Officer, Frito-Lay North America from 2014 to 2016, as Senior Vice President, Marketing, Frito-Lay North America from 2012 to 2013 and

as Vice President of Global Brands, Frito-Lay North America from 2011 to 2012. Prior to PepsiCo, Mr. Krishnan spent six years at General Motors Company as a marketing manager for Cadillac.

Ramon L. Laguarta has served as PepsiCo's Chief Executive Officer and a director on the Board since 2018, and assumed the role of Chairman of the Board in 2019. Mr. Laguarta previously served as President of PepsiCo from 2017 to 2018. Prior to serving as President, Mr. Laguarta held a variety of positions of increasing responsibility in Europe, including as Commercial Vice President of PepsiCo Europe from 2006 to 2008, PepsiCo Eastern Europe Region from 2008 to 2012, President, Developing & Emerging Markets, PepsiCo Europe from 2012 to 2015, Chief Executive Officer, PepsiCo Europe in 2015, and Chief Executive Officer, Europe Sub-Saharan Africa from 2015 until 2017. From 2002 to 2006, he was General Manager for Iberia Snacks and Juices, and from 1999 to 2001, a General Manager for Greece Snacks. Prior to joining PepsiCo in 1996 as a marketing vice president for Spain Snacks, Mr. Laguarta worked for Chupa Chups, S.A., where he worked in several international assignments in Asia, Europe, the Middle East and the United States. Mr. Laguarta was elected to the board of directors of International Business Machines Corporation effective March 1, 2026.

Silviu Popovici was appointed Chief Executive Officer, Europe, Middle East and Africa, effective January 2025. Prior to this role, he served as Chief Executive Officer, Europe from 2019 to 2024 and as Chief Executive Officer, Europe Sub-Saharan Africa in 2019 and as President, Europe Sub-Saharan Africa from 2017 to early 2019. Mr. Popovici previously served as President, Russia, Ukraine and CIS (The Commonwealth of Independent States) from 2015 to 2017, and as President, PepsiCo Russia from 2013 to 2015. Mr. Popovici joined PepsiCo in 2011 following PepsiCo's acquisition of Wimm-Bill-Dann Foods OJSC (WBD) and served as General Manager, WBD Foods Division from 2011 until 2012. Prior to the acquisition, Mr. Popovici held senior leadership roles at WBD, running its dairy business from 2008 to 2011 and its beverages business from 2006 to 2008.

Becky Schmitt has served as Executive Vice President and Chief People Officer, PepsiCo, since June 2023. Prior to that, Ms. Schmitt served as Executive Vice President, Chief People Officer of Cognizant Technology Solutions Corp. from 2020 to 2023. Prior to joining Cognizant, Ms. Schmitt served in various executive human resources roles at Walmart, Inc., including as Senior Vice President, Chief People Officer of Sam's Club, a division of Walmart, from 2018 to 2020, Senior Vice President, Chief People Officer of U.S. eCommerce and corporate functions from late 2016 to 2018, and Vice President, Human Resources – Technology from early 2016 to late 2016. Prior to joining Walmart, Ms. Schmitt spent over 20 years with Accenture plc in multiple senior human resources roles globally.

Stephen T. Schmitt was appointed Executive Vice President and Chief Financial Officer, effective November 2025. Prior to that, Mr. Schmitt served as Executive Vice President and Chief Financial Officer for Walmart U.S. from 2021 to November 2025, as Executive Vice President and Chief Financial Officer for Walmart U.S. Omni-Channel during 2021, as Senior Vice President and Chief Financial Officer for Walmart U.S. eCommerce from 2019 to 2020 and as Senior Vice President and Chief Financial Officer for Sam's Club from 2018 to 2019. Before these roles, Mr. Schmitt served in investor relations after joining Walmart in 2016. Prior to joining Walmart, Mr. Schmitt held a variety of roles at Yum! Brands from 2006 to 2016.

Christine E. Tammara was appointed Senior Vice President and Controller, PepsiCo effective May 2025. Prior to that, Ms. Tammara served as Senior Vice President, Controller, PepsiCo Beverages North America from 2023 to May 2025, as Senior Vice President and General Auditor from 2021 to 2023 and as Vice President and Assistant Controller, Technical Accounting and Policy from 2016 to 2021 and held a succession of roles in PepsiCo's Control function. Prior to joining PepsiCo in 2007, Ms. Tammara worked in external reporting at Reader's Digest Association, Inc. and as an audit manager for PricewaterhouseCoopers LLP.

Eugene Willemsen was appointed Chief Executive Officer, International Beverages, effective January 2025. Previously, he served as Chief Executive Officer, Africa, Middle East, South Asia and International Beverages in 2024, as Chief Executive Officer, Africa, Middle East, South Asia from 2019 to February 2024, as Chief Executive Officer, Sub-Saharan Africa in 2019 and as Executive Vice President, Global Categories and Franchise Management from 2015 to 2019. Before that, he led the global Pepsi-Lipton Joint Venture as President from 2014 to 2015. Prior to such role, Mr. Willemsen served as PepsiCo's Senior Vice President and General Manager, South East Europe from 2011 to 2013, as Senior Vice President and General Manager, Commercial, Europe from 2008 to 2011, as Senior Vice President and General Manager, Northern Europe from 2006 to 2008, as Vice President, General Manager, Benelux from 2000 to 2005 and as Commercial Director, Benelux for the snacks business from 1998 to 2000. Mr. Willemsen joined PepsiCo in 1995 as a business development manager.

Executive officers are elected by our Board, and their terms of office continue until the next annual meeting of the Board or until their successors are elected and have qualified. There are no family relationships among our executive officers.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Stock Trading Symbol – PEP.

Stock Exchange Listings – The Nasdaq Global Select Market is the principal market for our common stock, which is also listed on the SIX Swiss Exchange.

Shareholders – As of January 23, 2026, there were approximately 87,254 shareholders of record of our common stock.

Dividends – We have paid consecutive quarterly cash dividends since 1965. The declaration and payment of future dividends are at the discretion of the Board. Dividends are usually declared in February, May, July and November and paid at the end of March, June and September and the beginning of January. For 2026, the record dates for these dividend payments are expected to be March 6, June 5, September 4 and December 4, 2026, subject to the approval of the Board. On February 3, 2026, we announced a 4% increase in our annualized dividend to $5.92 per share from $5.69 per share, effective with the dividend expected to be paid in June 2026. We expect to return a total of approximately $8.9 billion to shareholders in 2026, comprising dividends of approximately $7.9 billion and share repurchases of approximately $1.0 billion.

For information on securities authorized for issuance under our equity compensation plans, see "Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters."

A summary of our common stock repurchases (in millions, except average price per share) during the fourth quarter of 2025 is set forth in the table below.

Issuer Purchases of Common Stock

Period	Total Number of Shares Repurchased[(a)]	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs
9/6/2025				$ 5,740
9/7/2025-10/4/2025	0.7	$ 141.35	0.7	(97)
				5,643
10/5/2025-11/1/2025	0.4	$ 149.10	0.4	(61)
				5,582
11/2/2025-11/29/2025	0.3	$ 145.16	0.3	(50)
				5,532
11/30/2025-12/27/2025	0.2	$ 147.53	0.2	(32)
Total	**1.6**	**$ 144.88**	**1.6**	**$ 5,500**

(a) All shares were repurchased in open market transactions pursuant to the $10 billion repurchase program authorized by our Board and publicly announced on February 10, 2022, which commenced on February 11, 2022 and was originally set to expire on February 28, 2026. On February 3, 2026, we announced a new share repurchase program providing for the repurchase of up to $10 billion of PepsiCo common stock which commenced on February 1, 2026 and will expire on February 28, 2030 (2026 Share Repurchase Program), and such shares are excluded from the above table. The 2026 Share Repurchase Program replaced and superseded the existing share repurchase program. Shares repurchased under the 2026 Share Repurchase Program may be repurchased in open market transactions, in privately negotiated transactions, in accelerated stock repurchase transactions or otherwise.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

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Our discussion and analysis is intended to help the reader understand our results of operations and financial condition and is provided as an addition to, and should be read in connection with, our consolidated financial statements and the accompanying notes. Definitions of key terms can be found in the glossary. Unless otherwise noted, tabular dollars are presented in millions, except per share amounts. All per share amounts reflect common stock per share amounts, assume dilution unless otherwise noted, and are based on unrounded amounts. Percentage changes are based on unrounded amounts.

Discussion in this Form 10-K includes results of operations and financial condition for 2025 and 2024 and year-over-year comparisons between 2025 and 2024. For discussion on results of operations and financial condition pertaining to 2023 and year-over-year comparisons between 2024 and 2023, please refer to "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Part II, Item 7 of Exhibit 99.2 to our Current Report on Form 8-K dated July 17, 2025.

OUR BUSINESS

Executive Overview

PepsiCo is a leading global beverage and convenient food company with a complementary portfolio of brands, including Lay's, Doritos, Cheetos, Gatorade, Pepsi-Cola, Mountain Dew, Quaker and SodaStream. Through our operations, authorized bottlers, contract manufacturers, and other third parties, we make, market, distribute, and sell a wide array of beverages and convenient foods, serving customers and consumers in more than 200 countries and territories.

As a global company with strong local connections, we faced many of the same challenges in 2025 as our consumers, customers, and competitors worldwide. These included ongoing supply chain disruptions; tariffs; persistent inflationary pressures; evolving consumer consumption patterns and preferences; an intensely competitive business environment, including the increased adoption of artificial intelligence technologies; the continued expansion of e-commerce in a rapidly changing retail landscape, including customers moving away from DSD systems; the need for further innovation and collaboration as we progress toward our ambitious packaging and other goals; ongoing macroeconomic and political volatility; and an increasingly complex regulatory environment.

In response to these challenges, we have continued to adapt and innovate, reinforcing our resilience and continued focus on growth. We are focused on improving our productivity, optimizing our operations and harnessing our scale and capabilities across our markets and further elevating the interests, occasions, and channels of consumers in our strategies to lead and shape the future of our categories. This is underpinned by our pep+ (PepsiCo Positive) transformation, now in its fifth year.

A Bold Ambition: Against this backdrop, we have a clear set of priorities: reigniting our North America business by combining operations where it makes the most sense and using the savings to support meaningful investments in our brands; increasing the size, presence and scale of our International business, with a focus on capturing growth in large and developing markets; and working to grow our away-from-home business by expanding our availability and extending into new occasions.

Laying the Groundwork: Since 2018, we have made significant investments in the business to adapt to the changing landscape. This includes increasing investments to strengthen our brands, from transforming our portfolio through innovation and acquisitions, to foundational investments in technology and artificial intelligence to position ourselves to be fit for the future, building a set of high impact commercial, operational, and digital capabilities; expanding and updating our manufacturing footprint to enable geographic growth and capture future demand; right-sizing and modernizing our warehousing and distribution capacity; and transforming our operating model to become more agile, efficient and responsive to the consumer.

Big Changes to Big Things: Guided by pep+, we continue to work to reshape our portfolio to fit today's world. That includes: reducing added sugar, sodium and saturated fat in core brands like Lay's and Gatorade; advancing efforts to remove artificial colors and flavors in brands like Lay's, Cheetos, and Doritos; adding new products with functional benefits, such as Pepsi Prebiotic Cola; and welcoming popular brands like Siete, Sabra and poppi.

We continued to expand our away-from-home business into new occasions. The successful Walking Taco platform is thriving in stadiums, arenas, and parks across the United States, while our "Food Deserves Pepsi" campaign and the "Pepsi Zero Sugar Taste Challenge" have driven higher brand awareness and contributed positively to our performance.

We are becoming a more deeply integrated, more productive organization. This has been one of our biggest priorities over the past year. Since we shifted our operating model at the start of 2025, we have worked hard to be more agile, simpler and more unified. From sharing global services, to streamlining processes, to launching our first new corporate brand identity in nearly 25 years, we are making One PepsiCo real. In North America, we are carefully evaluating an integrated model for our food and beverage supply chains, go-to-market, and commercial capabilities and intend to take a nuanced approach factoring in key components such as return on investment, scale and market share. Our Global Capability Centers now support multiple functions, enabling us to centralize information, reduce duplicative work, and share best practices across the organization.

We are building smarter systems with technologies like artificial intelligence to better serve our customers and consumers, so we can have the right products, at the right place, at the right price. Through our collaborations with cutting-edge technology providers, we are using artificial intelligence to reimagine our go-to-market model, enhance customer support, and empower sales teams to focus on strategic growth. This allows us to unify data, gain real-time inventory visibility, and provide faster, more responsive customer service.

We are becoming more resilient through pep+. pep+ remains central to our strategy, ensuring that we continue to create value for shareholders, customers and consumers, while doing what is right for communities and the planet. In 2025, we stepped up our efforts around key pillars like regenerative agriculture and water use efficiency, with the aim to make a positive impact in markets around the world.

Our Operations

See "Item 1. Business" for information on our segments and a description of our distribution network, ingredients and other supplies, brands and intellectual property rights, seasonality, customers, competition, research and development, regulatory matters and human capital. In addition, see Note 1 to our consolidated financial statements for financial information about our segments and geographic areas.

Other Relationships

Certain members of our Board also serve on the boards of certain vendors and customers. These Board members do not participate in our vendor selection and negotiations nor in our customer negotiations. Our transactions with these vendors and customers are in the normal course of business and are consistent with terms negotiated with other vendors and customers. In addition, certain of our employees serve on the boards of Pepsi Bottling Ventures LLC and other affiliated companies of PepsiCo and do not receive incremental compensation for such services.

Our Business Risks

Risks Associated with Commodities and Our Supply Chain

Many of the commodities used in the production and transportation of our products are purchased in the open market. The prices we pay for such items are subject to fluctuation, and we manage this risk through

the use of fixed-price contracts and purchase orders, pricing agreements and derivative instruments, including swaps and futures. A number of external factors, including volatile geopolitical conditions, the inflationary cost environment, import/export restrictions and tariffs, adverse weather conditions and supply chain disruptions, have impacted and may continue to impact commodity, transportation and labor costs. When prices increase, we may or may not pass on such increases to our customers, which may result in reduced volume, revenue, margins and operating results.

See Note 9 to our consolidated financial statements for further information on how we manage our exposure to commodity prices.

Risks Associated with Climate Change

Certain jurisdictions in which our products are made, manufactured, distributed or sold have either imposed, or are considering imposing, new or increased legal and regulatory requirements to reduce or mitigate the potential effects of climate change, including regulation of greenhouse gas emissions and potential carbon pricing programs. These new or increased legal or regulatory requirements, along with initiatives to meet our sustainability goals, could result in significant increased costs and additional investments in facilities and equipment. However, we are unable to predict the scope, nature and timing of any new or increased environmental laws and regulations and therefore cannot predict the ultimate impact of such laws and regulations on our business or financial results. We continue to monitor existing and proposed laws and regulations in the jurisdictions in which our products are made, manufactured, distributed and sold and to consider actions we may take to potentially mitigate the unfavorable impact, if any, of such laws or regulations.

Risks Associated with International Operations

We are subject to risks in the normal course of business that are inherent to international operations. During the periods presented in this report, volatile economic, political, social and geopolitical conditions, civil unrest and wars and other military conflicts, acts of terrorism and natural disasters and other catastrophic events in certain markets in which our products are made, manufactured, distributed or sold, including in Argentina, Brazil, China, Mexico, the Middle East (including Egypt), Russia, Turkey and Ukraine, continue to result in challenging operating environments and have resulted in and could continue to result in changes in how we operate in certain of these markets. Debt and credit issues, currency controls or fluctuations, sanctions and export controls in certain of these international markets (including restrictions on the transfer of funds to and from certain markets) have also continued to impact our operations in certain of these international markets. We continue to closely monitor the economic, operating and political environment in the markets in which we operate, including risks of additional impairments or write-offs and currency fluctuation, and to identify actions to potentially mitigate any unfavorable impacts on our future results.

Our operations in Russia accounted for 5% and 4% of our consolidated net revenue for the years ended December 27, 2025 and December 28, 2024, respectively. Russia accounted for 5% and 3% of our consolidated assets, 20% and 10% of our consolidated cash and cash equivalents, and 39% and 41% of our accumulated currency translation adjustment loss as of December 27, 2025 and December 28, 2024, respectively.

See Notes 1 and 4 to our consolidated financial statements for a discussion of impairment and other charges recognized in the years ended December 27, 2025, December 28, 2024, and December 30, 2023.

Risks Associated with Tariffs

The imposition of tariffs (including U.S. tariffs imposed or threatened to be imposed on China, the European Union, Canada and Mexico and other countries and any tariffs imposed by such countries) have impacted and could continue to impact our supply chain resulting in increased input costs, including the

cost of certain raw materials and packaging. The impact of tariffs will continue to vary, including based on where inputs are sourced from and shipped to. In addition, any supply chain constraints, inflationary impacts or reduced consumer demand for our products as a result of such tariffs or ongoing macroeconomic uncertainty have impacted and could continue to impact our results. We will continue to evaluate the nature and extent of the impact of these tariffs on our business and to identify actions to potentially mitigate, where possible, any unfavorable impacts on our future results.

Imposition of Taxes and Regulations on our Products

Certain jurisdictions in which our products are made, manufactured, distributed or sold have either imposed, or are considering imposing, new or increased taxes or regulations on the manufacture, distribution or sale of our products or their packaging, ingredients or substances contained in, or attributes of, our products or their packaging, commodities used in the production of our products or their packaging or the recyclability or recoverability of our packaging. These taxes and regulations vary in scope and form. For example, some taxes apply to all beverages, including non-caloric beverages, while others apply only to beverages with a caloric sweetener (e.g., sugar). Further, some regulations apply to all products using certain types of packaging (e.g., plastic), while others are designed to increase the sustainability of packaging, encourage waste reduction and increased recycling rates or facilitate the waste management process or restrict the sale of products in certain packaging. In addition, certain jurisdictions in which our snack products are sold have either imposed or are considering imposing, new or increased taxes on the manufacture, distribution or sale of certain of our snack products as a result of ingredients (such as sugar, sodium or saturated fat) contained in our products.

We sell a wide variety of beverages and convenient foods in more than 200 countries and territories and the profile of the products we sell, the amount of revenue attributable to such products and the type of packaging used vary by jurisdiction. Because of this, we cannot predict the scope or form potential taxes, regulations or other limitations on our products or their packaging may take, and therefore cannot predict the impact of such taxes, regulations or limitations on our financial results. In addition, taxes, regulations and limitations may impact us and our competitors differently. We expect continued scrutiny of certain ingredients and substances present in certain of our products and packaging. We continue to monitor existing and proposed taxes and regulations in the jurisdictions in which our products are made, manufactured, distributed and sold and to consider actions we may take to potentially mitigate the unfavorable impact, if any, of such taxes, regulations or limitations, including advocating alternative measures with respect to the imposition, form and scope of any such taxes, regulations or limitations.

OECD Model Global Minimum Tax

Numerous countries, including European Union member states, have enacted or are expected to enact legislation incorporating the OECD model rules for a global minimum tax rate of 15% with widespread implementation expected by the end of 2026. As the legislation becomes effective in countries in which we do business, our taxes will increase and negatively impact our provision for income taxes.

Retail Landscape

Our industry continues to be affected by disruption of the retail landscape, including the continued growth in sales through e-commerce websites and mobile commerce applications, including through subscription services, the integration of physical and digital operations among retailers and the international expansion of hard discounters. We have seen and expect to continue to see a further shift to e-commerce, online-to-offline and other online purchasing by consumers. We continue to monitor changes in the retail landscape and seek to identify actions we may take to build our global e-commerce and digital capabilities, such as expanding our direct-to-consumer business, and distribute our products effectively through all existing and emerging channels of trade and potentially mitigate any unfavorable impacts on our future results.

Changing dynamics at the retail level have also impacted and may continue to impact our ability to grow in certain jurisdictions. In this changing retail landscape, retailers and buying groups are shifting traditional value propositions, removing our products or otherwise reducing shelf space allocated to our products and focusing on introducing and developing private-label brands. We have seen and expect to continue to see retailers and buying groups impact our ability to compete in these jurisdictions. We continue to monitor our relationships with retailers and buying groups and seek to identify actions we may take to maintain mutually beneficial relationships and resolve any significant disputes and potentially mitigate any unfavorable impacts on our future results.

See also "Item 1A. Risk Factors," "Executive Overview" above and "Market Risks" below for more information about these risks and the actions we have taken to address key challenges.

Risk Management Framework

The achievement of our strategic and operating objectives involves risks, many of which evolve over time. To identify, assess, prioritize, address, manage, monitor and communicate these risks across the Company's operations and foster a corporate culture of integrity and risk awareness, we leverage an integrated risk management framework. This framework includes the following:

- PepsiCo's Board has oversight responsibility for PepsiCo's integrated risk management framework. One of the Board's primary responsibilities is overseeing and interacting with senior management with respect to key aspects of the Company's business, including risk assessment and risk mitigation of the Company's top risks. Throughout the year, the Board and relevant Committees of the Board receive updates from management with respect to various enterprise risk management issues and dedicate a portion of their meetings to reviewing and discussing specific risk topics in greater detail, including risks related to cybersecurity, food safety, sustainability, human capital management and supply chain and commodity inflation. The Board receives and provides feedback on regular updates from management regarding the Company's top risks, including updates from members of management responsible for overseeing impacted areas (for example, the Chief Strategy and Transformation Officer and Chief Information Security Officer), governance processes associated with managing these risks, the status of projects to strengthen the Company's risk mitigation efforts and recent incidents impacting the industry and threat landscape. Given that cybersecurity risks can impact various areas of responsibility of the Committees of the Board, the Board believes it is useful and effective for the full Board to maintain direct oversight over cybersecurity matters. In evaluating top risks, the Board and management consider short-, medium- and long-term potential impacts on the Company's business, financial condition and results of operations, including looking at the internal and external environment when evaluating risks, risk amplifiers and emerging trends, and considers the risk horizon as part of prioritizing the Company's risk mitigation efforts. The Board receives updates through presentations, memos and other written materials, teleconferences and other appropriate means of communication, with numerous opportunities for discussion and feedback, and continuously evaluates its approach in addressing top risks as circumstances evolve. For example, as part of risk updates to the Board and relevant Committees during 2025, the Board or its relevant Committee were provided updates on the impact of disruptive events, including geopolitical events and tensions in certain international markets. The Board also receives periodic updates from external experts and advisers on global macroeconomic trends and conditions that may impact the Company's strategy and financial performance, including geopolitical conflicts, economic instability, labor market trends, changing consumer behavior, retail disruption and digitalization.

The Board has tasked designated Committees of the Board with oversight of certain categories of risk management, and the Committees report to the Board regularly on these matters.

- The Audit Committee of the Board reviews and assesses the guidelines and policies governing PepsiCo's risk management and oversight processes, and assists the Board's oversight of financial, compliance and employee safety risks facing PepsiCo. The Audit Committee also assists the Board's oversight of the Company's compliance with legal and regulatory requirements and the Chief Compliance & Ethics Officer, who reports to the General Counsel, meets regularly with the Audit Committee, including in executive session without management present;
- The Compensation Committee of the Board reviews PepsiCo's employee compensation policies and practices to assess whether such policies and practices could lead to unnecessary risk-taking behavior;
- The Nominating and Corporate Governance Committee assists the Board in its oversight of the Company's governance structure and other corporate governance matters, including succession planning; and
- The Sustainability and Public Policy Committee of the Board assists the Board in its oversight of PepsiCo's policies, programs and related risks that concern key sustainability (including climate change), inclusion and public policy matters.

- The PepsiCo Risk Committee (PRC) meets regularly to identify, assess, prioritize and address top strategic, financial, operating, compliance, safety, reputational and other risks. The PRC is also responsible for reporting progress on our risk mitigation efforts to the Board and designated Committees. The PRC is comprised of a cross-functional, geographically diverse, senior management group, including PepsiCo's Chairman of the Board of Directors and Chief Executive Officer, Chief Financial Officer, General Counsel, Region Chief Executive Officers, and the heads of Enterprise Risk, Corporate Affairs, Human Resources, Research & Development, Information Technology, Sustainability, Strategy, Transformation, International Beverages, Commercial, Global Operations and Marketing;
- Segment and key market risk committees, comprised of cross-functional senior management teams, meet regularly to identify, assess, prioritize and address segment and market-specific business risks;
- PepsiCo's Risk Management Office, which manages the overall risk management process, provides ongoing guidance, tools and analytical support to the PRC and the segment and key market and function risk committees, identifies and assesses potential risks and facilitates ongoing communication between the parties, as well as with PepsiCo's Board, the Audit Committee of the Board and other Committees of the Board;
- PepsiCo's Internal Audit Department evaluates the ongoing effectiveness of our key internal controls through periodic audit and review procedures; and
- PepsiCo's Compliance & Ethics and Law Departments lead and coordinate our compliance policies and practices.
- PepsiCo's Disclosure Committee, comprised of the General Counsel, Controller and heads of Internal Audit, Financial Planning & Analysis and Investor Relations, evaluates information from PepsiCo's integrated risk management framework as part of the Disclosure Committee's monitoring of the integrity and effectiveness of the Company's disclosure controls and procedures. PepsiCo's risk oversight processes and disclosure controls and procedures are

designed to appropriately escalate key risks to the Board as well as to analyze potential risks for disclosure.

Market Risks

We are exposed to market risks arising from adverse changes in:

- commodity prices, affecting the cost of our raw materials and energy;
- foreign exchange rates and currency restrictions; and
- interest rates.

In the normal course of business, we manage commodity price, foreign exchange and interest rate risks through a variety of strategies, including productivity initiatives, global purchasing programs and hedging. Ongoing productivity initiatives involve the identification and effective implementation of meaningful cost-saving opportunities or efficiencies, including the use of derivatives. Our global purchasing programs include fixed-price contracts and purchase orders and pricing agreements. See "Item 1A. Risk Factors" for further discussion of our market risks.

The fair value of our derivatives fluctuates based on market rates and prices. The sensitivity of our derivatives to these market fluctuations is discussed below. See Note 9 to our consolidated financial statements for further discussion of these derivatives and our hedging policies. The fair value of our indefinite-lived intangible assets is impacted by changes in market conditions, including interest rates and inflationary, deflationary and recessionary conditions. See "Our Critical Accounting Policies and Estimates" for a discussion of the exposure of our goodwill and other intangible assets and pension and retiree medical plan assets and liabilities to risks related to market fluctuations.

Inflationary, deflationary and recessionary conditions impacting these market risks also impact the demand for and pricing of our products. See "Item 1A. Risk Factors" for further discussion.

Commodity Prices

Our commodity derivative contracts had a total notional value of $1.5 billion as of December 27, 2025 and $1.4 billion as of December 28, 2024. At the end of 2025, the potential change in fair value of commodity derivative contracts, assuming a 10% decrease in the underlying commodity price, would have decreased our net unrealized gains in 2025 by $155 million, which would generally be offset by a reduction in the cost of the underlying commodity purchases.

Foreign Exchange

Our operations outside of the United States generated 44% of our consolidated net revenue in 2025, with Mexico, Russia, Canada, China, the United Kingdom, Brazil and South Africa, collectively, comprising 25% of our consolidated net revenue in 2025. As a result, we are exposed to foreign exchange risks in the international markets in which our products are made, manufactured, distributed or sold. Additionally, we are exposed to foreign exchange risk from net investments in foreign subsidiaries, foreign currency purchases, foreign currency assets and liabilities created in the normal course of business. During 2025, unfavorable foreign exchange had a net nominal impact on net revenue performance primarily due to declines in the Mexican peso and Turkish lira, offset by an appreciation of the Russian ruble. Currency declines against the U.S. dollar which are not offset could adversely impact our future financial results.

Our foreign exchange derivative contracts had a total notional value of $3.1 billion as of both December 27, 2025 and December 28, 2024. At the end of 2025, we estimate that an unfavorable 10% change in the underlying exchange rates would have increased our net unrealized losses in 2025 by $308 million, which would be significantly offset by an inverse change in the fair value of the underlying exposure. Subsequent to December 27, 2025, we executed $1.6 billion of foreign exchange contracts

maturing in February 2026 and designated them as net investment hedges to partially offset the effects of foreign currency on our investments in certain of our foreign subsidiaries.

Our cross-currency swap contracts had a total notional value of $1.7 billion as of December 27, 2025 and $1.2 billion as of December 28, 2024. At the end of 2025, we estimate that an unfavorable 10% change in the underlying exchange rates would have increased our net unrealized losses in 2025 by $173 million, which would be significantly offset by an inverse change in the fair value of the underlying exposure.

The total notional amount of our debt instruments designated as net investment hedges was $4.4 billion as of December 27, 2025 and $2.9 billion as of December 28, 2024. Subsequent to December 27, 2025, we designated $4.5 billion of existing euro denominated debt as net investment hedges to partially offset the effects of foreign currency on our investments in certain of our foreign subsidiaries.

Interest Rates

Our interest rate swap contracts had a total notional value of $2.0 billion as of both December 27, 2025 and December 28, 2024. Assuming year-end 2025 investment levels and variable rate debt, a 1-percentage-point increase in interest rates would have decreased our net interest expense in 2025 by $36 million due to higher cash and cash equivalents and short-term investments levels, as compared with our variable rate debt.

OUR FINANCIAL RESULTS

Results of Operations — Consolidated Review

Volume

Physical or unit volume is one of the key metrics management uses internally to make operating and strategic decisions, including the preparation of our annual operating plan and the evaluation of our business performance. We believe volume provides additional information to facilitate the comparison of our historical operating performance and underlying trends, and provides additional transparency on how we evaluate our business because it measures demand for our products at the consumer level. Unit volume performance adjusts for the impacts of acquisitions and divestitures. Acquisitions and divestitures, when used in this report, reflect mergers and acquisitions activity, as well as divestitures and other structural changes. Further, unit volume performance excludes the impact of a 53rd reporting week, where applicable. Our fiscal year ends on the last Saturday of each December, resulting in an additional reporting week every five or six years (53rd reporting week).

Beverage volume includes volume of concentrate sold to independent bottlers and volume of finished products bearing company-owned or licensed trademarks and allied brand products and joint venture trademarks sold by company-owned bottling operations. Beverage volume also includes volume of finished products bearing company-owned or licensed trademarks sold by our noncontrolled affiliates. Concentrate volume sold to independent bottlers is reported in concentrate shipments and equivalents (CSE), whereas finished beverage product volume is reported in bottler case sales (BCS). Both CSE and BCS convert all beverage volume to an 8-ounce-case metric. Typically, CSE and BCS are not equal in any given period due to seasonality, timing of product launches, product mix, bottler inventory practices and other factors. While our net revenue is not entirely based on BCS volume due to the independent bottlers in our supply chain, we believe that BCS is a better measure of the consumption of our beverage products. PBNA, IB Franchise and EMEA, either independently or in conjunction with third parties, make, market, distribute and sell ready-to-drink tea products through a joint venture with Unilever (under the Lipton brand name), and PBNA, either independently or in conjunction with third parties, makes, markets, distributes and sells ready-to-drink coffee products through a joint venture with Starbucks.

Convenient food volume includes volume sold by us and our noncontrolled affiliates of convenient food products bearing company-owned or licensed trademarks. Internationally, we measure convenient food

product volume in kilograms, while in North America we measure convenient food product volume in pounds.

Consolidated Net Revenue and Operating Profit

	2025	2024	**Change**
Net revenue	**$ 93,925**	$ 91,854	**2 %**
Operating profit	**$ 11,498**	$ 12,887	**(11)%**
Operating margin	**12.2 %**	14.0 %	**(1.8)**

See "Results of Operations – Segment Review" for a tabular presentation and discussion of key drivers of net revenue.

Operating profit decreased 11%, primarily driven by certain operating cost increases, impairment charges related to the Rockstar brand, a decline in organic volume, a 5-percentage-point impact of higher commodity costs and higher acquisition and divestiture-related charges. These impacts were partially offset by productivity savings and effective net pricing. Additionally, a favorable impact of prior-year impairment and other charges associated with our TBG investment and receivables related to the sale of Tropicana, Naked and other select juice brands (Juice Transaction) and lower advertising and marketing expenses contributed to the decline.

Other Consolidated Results

	2025	2024	**Change**
Other pension and retiree medical benefits expense	**$ 133**	$ 22	**$ 111**
Net interest expense and other	**$ 1,121**	$ 919	**$ 202**
Annual tax rate	**19.0 %**	19.4 %	
Net income attributable to PepsiCo	**$ 8,240**	$ 9,578	**(14)%**
Net income attributable to PepsiCo per common share – diluted	**$ 6.00**	$ 6.95	**(14)%**

Other pension and retiree medical benefits expense increased $111 million, primarily reflecting recognition of fixed income losses on plan assets and the impact of the freeze of benefit accruals to U.S. salaried participants effective December 31, 2025. See Note 7 to our consolidated financial statements for further information.

Net interest expense and other increased $202 million, due to higher average debt balances, higher interest rates on average debt balances and lower interest rates on average cash balances, partially offset by higher average cash balances.

The reported tax rate decreased 0.4 percentage points, primarily reflecting the release of federal interest accruals.

Results of Operations — Segment Review

See "Our Business Risks," "Non-GAAP Measures" and "Items Affecting Comparability" for a discussion of items to consider when evaluating our results and related information regarding measures not in accordance with U.S. Generally Accepted Accounting Principles (GAAP).

In the discussions of net revenue and operating profit below, "effective net pricing" reflects the year-over-year impact of discrete pricing actions, sales incentive activities and mix resulting from selling varying products in different package sizes and in different countries.

Net Revenue and Organic Revenue Performance

Organic revenue performance is a non-GAAP financial measure. For a description of and further information regarding this measure, see "Non-GAAP Measures."

	2025					
		Impact of			Impact of	
	Reported % Change, GAAP measure	Foreign exchange translation	Acquisitions and divestitures	Organic % Change, non-GAAP measure[a]	Organic volume[b]	Effective net pricing
PFNA	**— %**	—	(2)	**(2)%**	(2)	1
PBNA	**1.5 %**	—	—	**1 %**	(3.5)	5
IB Franchise	**2 %**	—	—	**3 %**	—	2
EMEA	**8 %**	(2.5)	—	**6 %**	(3)	9
LatAm Foods	**— %**	5	—	**4.5 %**	—	4
Asia Pacific Foods	**2 %**	1	(1)	**1.5 %**	5	(3)
Total	**2 %**	—	(1)	**2 %**	(2)	4

(a) Amounts may not sum due to rounding.

(b) In certain instances, the impact of organic volume change on net revenue performance differs from the unit volume change disclosed in the following segment discussions due to the impacts of product mix, nonconsolidated joint venture volume, and, for our franchise beverage businesses, temporary timing differences between BCS and CSE. We report net revenue from our franchise beverage businesses based on CSE. The volume sold by our nonconsolidated joint ventures has no direct impact on our net revenue.

Operating Profit, Operating Profit Adjusted for Items Affecting Comparability and Operating Profit Performance Adjusted for Items Affecting Comparability on a Constant Currency Basis

Operating profit adjusted for items affecting comparability and operating profit performance adjusted for items affecting comparability on a constant currency basis are both non-GAAP financial measures. For a description of and further information regarding these measures, see "Non-GAAP Measures" and "Items Affecting Comparability."

	2025							
	PFNA	PBNA	IB Franchise	EMEA	LatAm Foods	Asia Pacific Foods	Corporate unallocated expenses	Total
Reported, GAAP measure	$ 6,173	$ 1,089	$ 1,769	$ 2,106	$ 2,010	$ 369	$ (2,018)	$ 11,498
Items Affecting Comparability [a]								
Mark-to-market net impact	—	—	—	—	—	—	(1)	(1)
Restructuring and impairment charges	344	281	14	195	52	12	66	964
Acquisition and divestiture-related charges	28	422	—	—	—	3	—	453
Impairment and other charges	—	1,523	73	270	—	80	—	1,946
Indirect tax impact	—	—	—	—	82	—	—	82
Pension and retiree medical-related impact	—	(30)	—	—	—	—	—	(30)
Core, non-GAAP measure	6,545	3,285	1,856	2,571	2,144	464	(1,953)	14,912
Impact of foreign exchange translation	7	4	9	(104)	117	3	—	36
Core Constant Currency, non-GAAP measure	$ 6,552	$ 3,289	$ 1,865	$ 2,467	$ 2,261	$ 467	$ (1,953)	$ 14,948
Reported Operating Profit % Change, GAAP measure	(7)%	(53)%	21 %	7 %	(2)%	(2)%	6 %	(11)%
Core Operating Profit % Change, non-GAAP measure	(6)%	6 %	9 %	15 %	2 %	19 %	7 %	1.5 %
Core Constant Currency Operating Profit % Change, non-GAAP measure	(6)%	6 %	9 %	10 %	8 %	20 %	7 %	2 %

	2024							
	PFNA	PBNA	IB Franchise	EMEA	LatAm Foods	Asia Pacific Foods	Corporate unallocated expenses	Total
Reported, GAAP measure	$ 6,619	$ 2,302	$ 1,462	$ 1,971	$ 2,052	$ 377	$ (1,896)	$ 12,887
Items Affecting Comparability [(a)]								
Mark-to-market net impact	—	—	—	—	—	—	(25)	(25)
Restructuring and impairment charges	161	238	24	116	49	9	101	698
Acquisition and divestiture-related charges	9	8	—	—	—	5	—	22
Impairment and other charges	9	556	4	145	—	—	—	714
Indirect tax impact	—	—	218	—	—	—	—	218
Product recall-related impact	184	—	—	—	—	—	—	184
Core, non-GAAP measure	$ 6,982	$ 3,104	$ 1,708	$ 2,232	$ 2,101	$ 391	$ (1,820)	$ 14,698

(a) See "Items Affecting Comparability" for further information.

PFNA

Net revenue increased slightly, primarily driven by the favorable impact of acquisitions and effective net pricing, partially offset by a decrease in organic volume.

Unit volume declined 2%, driven by a 3% decrease in savory snacks volume.

Operating profit decreased 7%, primarily reflecting certain operating cost increases, including strategic initiatives, higher restructuring charges and the decrease in organic volume. These impacts were partially offset by productivity savings and a favorable impact of the prior-year charges associated with a previously announced voluntary recall of certain bars and cereals in our PFNA segment (Quaker Recall).

PBNA

Net revenue increased 1.5%, primarily driven by effective net pricing, partially offset by an organic volume decline.

Unit volume declined 3%, driven by a 6% decline in non-carbonated beverage volume and a slight decline in CSD volume.

Operating profit decreased 53%, primarily reflecting impairment charges related to the Rockstar brand. Operating profit also decreased due to certain operating cost increases, acquisition and divestiture-related charges related to our VNGR Beverage, LLC (poppi) acquisition, the decline in organic volume and a 5-percentage-point impact of higher commodity costs, driven by a 6-percentage-point impact of tariffs. These impacts were partially offset by a favorable impact of prior-year impairment and other charges associated with our TBG investment and Juice Transaction-related receivables, the effective net pricing, productivity savings, and lower advertising and marketing expenses.

IB Franchise

Net revenue increased 2%, primarily reflecting effective net pricing.

Unit volume grew 1.5%, primarily reflecting growth in the Middle East, China and Pakistan.

Operating profit increased 21%, primarily reflecting a favorable impact of a prior-year indirect tax reserve, the net revenue growth and lower advertising and marketing costs, partially offset by an impairment charge related to the Rockstar brand.

EMEA

Net revenue increased 8%, primarily reflecting effective net pricing and a 2.5-percentage-point impact of favorable foreign exchange translation, partially offset by an organic volume decline.

Convenient food unit volume declined 5%, primarily reflecting a decline in South Africa.

Beverage unit volume grew slightly, primarily reflecting growth in the Middle East, Germany, Poland and Turkey, partially offset by declines in South Africa and Russia.

Operating profit increased 7%, primarily reflecting the effective net pricing, productivity savings, a favorable impact of prior-year impairment and other charges associated with our TBG investment and Juice Transaction-related receivables and a 5-percentage-point impact of favorable foreign exchange translation. These impacts were partially offset by certain operating cost increases, a 22-percentage-point impact of higher commodity costs, primarily dairy, potatoes and cooking oil, an impairment charge related to the Rockstar brand and higher restructuring charges.

LatAm Foods

Net revenue decreased slightly, primarily reflecting a 5-percentage-point impact of unfavorable foreign exchange translation, partially offset by effective net pricing.

Unit volume grew 1%, primarily reflecting growth in Brazil, Peru, Colombia and Argentina, partially offset by a decline in Mexico.

Operating profit decreased 2%, primarily reflecting certain operating cost increases, a 6-percentage-point impact each of higher commodity costs and unfavorable foreign exchange translation and an unfavorable impact of an indirect tax audit settlement, partially offset by productivity savings and the effective net pricing.

Asia Pacific Foods

Net revenue increased 2%, primarily reflecting organic volume growth, partially offset by unfavorable net pricing.

Unit volume grew 4%, primarily reflecting growth in India, Thailand and Australia, partially offset by a decline in China.

Operating profit decreased 2%, primarily reflecting certain operating cost increases, an impairment charge related to the Be & Cheery brand and the unfavorable net pricing. These impacts were partially offset by productivity savings, the organic volume growth, lower advertising and marketing costs and a 5-percentage-point impact of lower commodity costs.

Non-GAAP Measures

Certain financial measures contained in this Form 10-K adjust for the impact of specified items and are not in accordance with GAAP. We use non-GAAP financial measures internally to make operating and strategic decisions, including the preparation of our annual operating plan, evaluation of our overall business performance and as a factor in determining compensation for certain employees. We believe presenting non-GAAP financial measures in this Form 10-K provides additional information to facilitate comparison of our historical operating results and trends in our underlying operating results and provides additional transparency on how we evaluate our business. We also believe presenting these measures in this Form 10-K allows investors to view our performance using the same measures that we use in evaluating our financial and business performance and trends.

We consider quantitative and qualitative factors in assessing whether to adjust for the impact of items that may be significant or that could affect an understanding of our ongoing financial and business

performance or trends. Examples of items for which we may make adjustments include: amounts related to mark-to-market gains or losses (non-cash); charges related to restructuring plans; charges associated with acquisitions and divestitures; gains associated with divestitures; asset impairment charges (non-cash); product recall-related impact; pension and retiree medical-related amounts, including all settlement and curtailment gains and losses; charges or adjustments related to the enactment of new laws, rules or regulations, such as tax law changes; amounts related to the resolution of tax positions; tax benefits related to reorganizations of our operations; and debt redemptions, cash tender or exchange offers. See below and "Items Affecting Comparability" for a description of adjustments to our GAAP financial measures in this Form 10-K.

Non-GAAP information should be considered as supplemental in nature and is not meant to be considered in isolation or as a substitute for the related financial information prepared in accordance with GAAP. In addition, our non-GAAP financial measures may not be the same as or comparable to similar non-GAAP measures presented by other companies.

The following non-GAAP financial measures contained in this Form 10-K are discussed below:

Organic revenue performance

We define organic revenue performance as a measure that adjusts for the impacts of foreign exchange translation (on a constant currency basis, as defined below), acquisitions and divestitures, and every five or six years, the impact of the 53rd reporting week. Beginning in 2025, on a prospective basis, we are also applying the constant currency calculation for our subsidiaries operating in highly inflationary economies. Adjusting for acquisitions and divestitures reflects mergers and acquisitions activity, as well as divestitures and other structural changes, including changes in ownership or control in consolidated subsidiaries and nonconsolidated equity investees. We believe organic revenue performance provides useful information in evaluating the results of our business because it adjusts for items that we believe are not indicative of ongoing performance or that we believe impact comparability with the prior year.

See "Net Revenue and Organic Revenue Performance" in "Results of Operations – Segment Review" for further information.

Cost of sales, gross profit, selling, general and administrative expenses, impairment of intangible assets, other pension and retiree medical benefits expense/income, provision for income taxes and net income attributable to PepsiCo, each adjusted for items affecting comparability, operating profit and net income attributable to PepsiCo per common share – diluted, each adjusted for items affecting comparability, and the corresponding constant currency growth rates

These measures exclude the net impact of mark-to-market gains and losses on centrally managed commodity derivatives that do not qualify for hedge accounting, restructuring and impairment charges related to our 2019 Multi-Year Productivity Plan (2019 Productivity Plan), charges associated with our acquisitions and divestitures, impairment and other charges/credits, indirect and income tax impacts, product recall-related impact and the impact of settlement, curtailment and certain other gains and losses related to pension and retiree medical plans (see "Items Affecting Comparability" for a detailed description of each of these items). We also evaluate performance on operating profit and net income attributable to PepsiCo per common share – diluted, each adjusted for items affecting comparability, on a constant currency basis, which measure our financial results assuming constant foreign currency exchange rates used for translation based on the rates in effect for the comparable prior-year period. In order to compute our constant currency results, we multiply or divide, as appropriate, our current-year U.S. dollar results by the current-year average foreign exchange rates and then multiply or divide, as appropriate, those amounts by the prior-year average foreign exchange rates. In addition, beginning in 2025, on a prospective basis, we are also applying the constant currency calculation for our subsidiaries operating in highly inflationary economies. We believe these measures provide useful information in evaluating the

results of our business because they exclude items that we believe are not indicative of our ongoing performance or that we believe impact comparability with the prior year.

Free cash flow

We define free cash flow as net cash from operating activities less capital spending, plus sales of property, plant and equipment. Since net capital spending is essential to our product innovation initiatives and maintaining our operational capabilities, we believe that it is a recurring and necessary use of cash. As such, we believe investors should also consider net capital spending when evaluating our cash from operating activities. Free cash flow is used by us primarily for acquisitions and financing activities, including debt repayments, dividends and share repurchases. Free cash flow is not a measure of cash available for discretionary expenditures since we have certain non-discretionary obligations such as debt service that are not deducted from the measure.

See "Free Cash Flow" in "Our Liquidity and Capital Resources" for further information.

Return on invested capital (ROIC) and net ROIC, excluding items affecting comparability

We define ROIC as net income attributable to PepsiCo plus interest expense after-tax divided by the sum of quarterly average debt obligations and quarterly average common shareholders' equity. Although ROIC is a common financial metric, numerous methods exist for calculating ROIC. Accordingly, the method used by management to calculate ROIC may differ from the methods other companies use to calculate their ROIC.

We believe this metric serves as a measure of how well we use our capital to generate returns. In addition, we use net ROIC, excluding items affecting comparability, to compare our performance over various reporting periods on a consistent basis because it removes from our operating results the impact of items that we believe are not indicative of our ongoing performance and reflects how management evaluates our operating results and trends. We define net ROIC, excluding items affecting comparability, as ROIC, adjusted for quarterly average cash, cash equivalents and short-term investments, after-tax interest income and items affecting comparability. We believe the calculation of ROIC and net ROIC, excluding items affecting comparability, provides useful information to investors and is an additional relevant comparison of our performance to consider when evaluating our capital allocation efficiency.

See "Return on Invested Capital" in "Our Liquidity and Capital Resources" for further information.

Items Affecting Comparability

Our reported financial results in this Form 10-K are impacted by the following items in each of the following years:

	2025							
	Cost of sales	Gross profit	Selling, general and administrative expenses	Impairment of intangible assets	Operating profit	Other pension and retiree medical benefits (expense)/ income	Provision for income taxes[a]	Net income attributable to PepsiCo
Reported, GAAP measure	$ 43,066	$ 50,859	$ 37,368	$ 1,993	$ 11,498	$ (133)	$ 1,949	$ 8,240
Items Affecting Comparability								
Mark-to-market net impact	(3)	3	4	—	(1)	—	—	(1)
Restructuring and impairment charges	(236)	236	(728)	—	964	19	191	792
Acquisition and divestiture-related charges	(57)	57	(346)	(50)	453	—	106	347
Impairment and other charges	—	—	(3)	(1,943)	1,946	—	455	1,491
Indirect and income tax impact [b]	—	—	(82)	—	82	—	(29)	111
Pension and retiree medical-related impact	—	—	30	—	(30)	279	53	196
Core, non-GAAP measure	$ 42,770	$ 51,155	$ 36,243	$ —	$ 14,912	$ 165	$ 2,725	$ 11,176

	2024							
	Cost of sales	Gross profit	Selling, general and administrative expenses	Impairment of intangible assets	Operating profit	Other pension and retiree medical benefits (expense)/ income	Provision for income taxes[a]	Net income attributable to PepsiCo
Reported, GAAP measure	$ 41,744	$ 50,110	$ 37,190	$ 33	$ 12,887	$ (22)	$ 2,320	$ 9,578
Items Affecting Comparability								
Mark-to-market net impact	26	(26)	(1)	—	(25)	—	(6)	(19)
Restructuring and impairment charges	(133)	133	(551)	(14)	698	29	164	563
Acquisition and divestiture-related charges	—	—	(22)	—	22	—	4	18
Impairment and other charges	—	—	(695)	(19)	714	—	184	530
Indirect and income tax impact	(218)	218	—	—	218	—	—	218
Product recall-related impact	(176)	176	(8)	—	184	3	44	143
Pension and retiree medical-related impact	—	—	—	—	—	276	61	215
Core, non-GAAP measure	$ 41,243	$ 50,611	$ 35,913	$ —	$ 14,698	$ 286	$ 2,771	$ 11,246

(a) Provision for income taxes is the expected tax charge/benefit on the underlying item based on the tax laws and income tax rates applicable to the underlying item in its corresponding tax jurisdiction.
(b) Provision for income taxes includes the impact of an income tax audit settlement in our LatAm Foods segment.

	2025	2024	**Change**
Net income attributable to PepsiCo per common share – diluted, GAAP measure	**$ 6.00**	$ 6.95	**(14)%**
Mark-to-market net impact	**—**	(0.01)	
Restructuring and impairment charges	**0.58**	0.41	
Acquisition and divestiture-related charges	**0.25**	0.01	
Impairment and other charges	**1.09**	0.38	
Indirect and income tax impact	**0.08**	0.16	
Product recall-related impact	**—**	0.10	
Pension and retiree medical-related impact	**0.14**	0.16	
Core net income attributable to PepsiCo per common share – diluted, non-GAAP measure	**$ 8.14**	$ 8.16	**— %**
Impact of foreign exchange translation			**—**
Growth in core net income attributable to PepsiCo per common share – diluted, on a constant currency basis, non-GAAP measure			**— %**

Mark-to-Market Net Impact

We centrally manage commodity derivatives on behalf of our segments. These commodity derivatives include agricultural products, energy and metals. Commodity derivatives that do not qualify for hedge accounting treatment are marked to market each period with the resulting gains and losses recorded in corporate unallocated expenses as either cost of sales or selling, general and administrative expenses, depending on the underlying commodity. These gains and losses are subsequently reflected in segment results when the segments recognize the cost of the underlying commodity in operating profit. Therefore, the segments realize the economic effects of the derivative without experiencing any resulting mark-to-market volatility, which remains in corporate unallocated expenses.

Restructuring and Impairment Charges

2019 Multi-Year Productivity Plan

The 2019 Productivity Plan leverages new technology and business models to further simplify, harmonize and automate processes; re-engineers our go-to-market and information systems, including deploying the right automation for each market; and simplifies our organization and optimizes our manufacturing and supply chain footprint. To build on the successful implementation of the 2019 Productivity Plan, in 2024, we further expanded and extended the plan through the end of 2030 to take advantage of additional opportunities within the initiatives described above. As a result, we expect to incur pre-tax charges of approximately $6.15 billion, including cash expenditures of approximately $5.1 billion. Plan to date through December 27, 2025, we have incurred pre-tax charges of $3.6 billion, including cash expenditures of $2.7 billion. In our 2026 financial results, we expect to incur pre-tax charges of approximately $900

million, including cash expenditures of approximately $750 million. These charges will be funded primarily through cash from operations. We expect to incur the majority of the remaining pre-tax charges and cash expenditures through 2027, with the balance to be incurred through 2030. Charges include severance and other employee costs, asset impairments and other costs.

See Note 3 to our consolidated financial statements for further information related to our 2019 Productivity Plan. We regularly evaluate productivity initiatives beyond the productivity plan and other initiatives discussed above and in Note 3 to our consolidated financial statements.

Acquisition and Divestiture-Related Charges

Acquisition and divestiture-related charges include merger and integration charges, transaction expenses, such as consulting, advisory and other professional fees, as well as fair value adjustments to contingent consideration and acquired inventory included in the acquisition-date balance sheets. Merger and integration charges include distribution agreement termination fees, impairment of certain acquisition-related intangible assets, employee-related costs, closing costs and other integration costs.

See Note 13 to our consolidated financial statements for further information.

Impairment and Other Charges/Credits

We recognized impairment charges taken primarily as a result of our quantitative assessments of certain of our indefinite-lived intangible assets and related to our investment in TBG. In addition, we recorded allowance for expected credit losses related to outstanding receivables from TBG associated with the Juice Transaction.

See Notes 1, 4 and 9 to our consolidated financial statements for further information.

Indirect and Income Tax Impact

We recognized additional expenses related to an indirect and income tax audit settlement in our LatAm Foods segment and an indirect tax reserve in our IB Franchise segment.

See Note 1 to our consolidated financial statements for further information.

Product Recall-Related Impact

We recognized property, plant and equipment write-offs, employee severance costs and other costs in our PFNA segment associated with a previously announced voluntary recall of certain bars and cereals.

See Note 1 to our consolidated financial statements for further information.

Pension and Retiree Medical-Related Impact

Pension and retiree medical-related impact includes settlement charges due to lump sum distributions to retired or terminated employees and the purchases of group annuity contracts whereby a third-party insurance company assumed the obligation to pay and administer future benefit payments for certain retirees. The settlement charges were triggered when the aggregate of the cumulative lump sum distributions and the annuity contract premium exceeded the total annual service and interest costs. Pension and retiree medical-related impact also includes curtailment losses due to restructuring actions as part of our 2019 Productivity Plan. We also recorded pre-tax income in our PBNA segment associated with pension-related liabilities from previous acquisitions.

See Notes 1 and 7 to our consolidated financial statements for further information.

Our Liquidity and Capital Resources

We believe that our cash generating capability and financial condition, together with our revolving credit facilities, working capital lines and other available methods of debt financing, such as commercial paper borrowings and long-term debt financing, will be adequate to meet our operating, investing and financing needs, including with respect to our net capital spending plans. Our primary sources of liquidity include cash from operations, proceeds obtained from issuances of commercial paper and long-term debt, and cash and cash equivalents. These sources of cash are available to fund cash outflows that have both a short- and long-term component, including debt repayments and related interest payments; payments for acquisitions; operating leases; purchase, marketing, and other contractual commitments, including capital expenditures and the transition tax liability under the Tax Cuts and Jobs Act (TCJ Act). In addition, these sources of cash fund other cash outflows including anticipated dividend payments and share repurchases. We do not have guarantees or off-balance sheet financing arrangements, including variable interest entities, that we believe could have a material impact on our liquidity. See “Item 1A. Risk Factors,” “Our Business Risks” and Note 8 to our consolidated financial statements for further information.

As of December 27, 2025, cash, cash equivalents and short-term investments in our consolidated subsidiaries outside of Russia that are subject to currency controls or currency exchange restrictions were not material. As of December 27, 2025, Russia accounted for 20% of our consolidated cash and cash equivalents. Our sources and uses of cash were not materially adversely impacted by the cash and cash equivalents held in Russia and, to date, we have not identified any material impact on our liquidity or capital resources as a result of these amounts. See “Our Business Risks” for further information on our operations in Russia.

The TCJ Act imposed a one-time mandatory transition tax on undistributed international earnings. As of December 27, 2025, our mandatory transition tax liability was $965 million, which must be paid in 2026 and will represent our final payment under the provisions of the TCJ Act. See Note 5 to our consolidated financial statements for further discussion of the TCJ Act.

Supply chain financing arrangements did not have a material impact on our liquidity or capital resources in the periods presented and we do not expect such arrangements to have a material impact on our liquidity or capital resources for the foreseeable future. See Note 14 to our consolidated financial statements for further discussion of supply chain financing arrangements.

Furthermore, our cash provided from operating activities is somewhat impacted by seasonality. Working capital needs are impacted by weekly sales, which are generally highest in the third quarter due to seasonal and holiday-related patterns and generally lowest in the first quarter. On a continuing basis, we consider various transactions to increase shareholder value and enhance our business results, including acquisitions, divestitures, joint ventures, dividends, share repurchases, productivity and other efficiency initiatives and other structural changes. These transactions may result in future cash proceeds or payments.

The table below summarizes our cash activity:

	2025	2024
Net cash provided by operating activities	**$ 12,087**	$ 12,507
Net cash used for investing activities	**$ (6,879)**	$ (5,472)
Net cash used for financing activities	**$ (4,979)**	$ (7,556)

Operating Activities

In 2025, net cash provided by operating activities was $12.1 billion, compared to $12.5 billion in the prior year. The decrease in operating cash flow primarily reflects increased cash payments for restructuring charges and cash payments for acquisition and divestiture-related charges.

Investing Activities

In 2025, net cash used for investing activities was $6.9 billion, primarily reflecting net cash paid in connection with our acquisitions of poppi of $1.95 billion and Garza Food Ventures LLC (Siete) of $1.2 billion, as well as net capital spending of $3.9 billion.

In 2024, net cash used for investing activities was $5.5 billion, primarily reflecting net capital spending of $5.0 billion.

See Note 1 to our consolidated financial statements for further discussion of capital spending by segment and see Note 13 to our consolidated financial statements for further discussion of our acquisitions.

We regularly review our plans with respect to net capital spending and believe that we have sufficient liquidity to meet our net capital spending needs.

Financing Activities

In 2025, net cash used for financing activities was $5.0 billion, primarily reflecting the return of operating cash flow to our shareholders through dividend payments and share repurchases of $8.6 billion, as well as payments of long-term debt borrowings of $4.1 billion, partially offset by proceeds from the issuances of long-term debt of $8.2 billion.

In 2024, net cash used for financing activities was $7.6 billion, primarily reflecting the return of operating cash flow to our shareholders through dividend payments and share repurchases of $8.2 billion, as well as payments of long-term debt borrowings of $3.9 billion, partially offset by proceeds from the issuances of long-term debt of $4.0 billion.

See Note 8 to our consolidated financial statements for further discussion of debt obligations.

We annually review our capital structure with our Board, including our dividend policy and share repurchase activity. On February 3, 2026, we announced the 2026 Share Repurchase Program. See “Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities” for further information. In addition, on February 3, 2026, we announced a 4% increase in our annualized dividend to $5.92 per share from $5.69 per share, effective with the dividend expected to be paid in June 2026. We expect to return a total of approximately $8.9 billion to shareholders in 2026, comprising dividends of approximately $7.9 billion and share repurchases of approximately $1.0 billion.

Free Cash Flow

The table below reconciles net cash provided by operating activities, as reflected on our cash flow statement, to our free cash flow. Free cash flow is a non-GAAP financial measure. For further information on free cash flow, see “Non-GAAP Measures.”

	2025	2024	**Change**
Net cash provided by operating activities, GAAP measure	**$ 12,087**	$ 12,507	**(3)%**
Capital spending	**(4,415)**	(5,318)	
Sales of property, plant and equipment	**528**	342	
Free cash flow, non-GAAP measure	**$ 8,200**	$ 7,531	**9 %**

We use free cash flow primarily for acquisitions and financing activities, including debt repayments, dividends and share repurchases. We expect to continue to return free cash flow to our shareholders primarily through dividends and share repurchases while maintaining Tier 1 commercial paper access, which we believe will facilitate appropriate financial flexibility and ready access to global capital and credit markets at favorable interest rates. However, see “Item 1A. Risk Factors” and “Our Business Risks” for certain factors that may impact our credit ratings or our operating cash flows.

Any downgrade of our credit ratings by a credit rating agency, especially any downgrade to below investment grade, whether or not as a result of our actions or factors which are beyond our control, could increase our future borrowing costs and impair our ability to access capital and credit markets on terms commercially acceptable to us, or at all. In addition, any downgrade of our current short-term credit ratings could impair our ability to access the commercial paper market with the same flexibility that we have experienced historically, and therefore require us to rely more heavily on more expensive types of debt financing. See "Item 1A. Risk Factors," "Our Business Risks" and Note 8 to our consolidated financial statements for further information.

Return on Invested Capital

ROIC is a non-GAAP financial measure. For further information on ROIC, see "Non-GAAP Measures."

	2025
Net income attributable to PepsiCo	$ 8,240
Interest expense	1,840
Tax on interest expense	(410)
	$ 9,670
Average debt obligations [(a)]	$ 48,848
Average common shareholders' equity [(b)]	18,929
Average invested capital	$ 67,777
ROIC, non-GAAP measure	14.3 %

(a) Includes a quarterly average of short-term and long-term debt obligations.
(b) Includes a quarterly average of common stock, capital in excess of par value, retained earnings, accumulated other comprehensive loss and repurchased common stock.

The table below reconciles ROIC as calculated above to net ROIC, excluding items affecting comparability.

	2025
ROIC, non-GAAP measure	14.3 %
Impact of:	
Average cash, cash equivalents and short-term investments	2.3
Interest income	(1.0)
Tax on interest income	0.2
Mark-to-market net impact [(a)]	—
Restructuring and impairment charges [(a)]	0.9
Acquisition and divestiture-related charges [(a)]	0.4
Impairment and other charges [(a)]	1.7
Indirect and income tax impact [(a)]	0.1
Product recall-related impact [(a)]	—
Pension and retiree medical-related impact [(a)]	0.2
Core Net ROIC, non-GAAP measure	19.1 %

(a) See "Items Affecting Comparability" for a detailed description.

OUR CRITICAL ACCOUNTING POLICIES AND ESTIMATES

An appreciation of our critical accounting policies and estimates is necessary to understand our financial results. These policies may require management to make difficult and subjective judgments regarding uncertainties, including the business and economic uncertainty resulting from volatile geopolitical conditions and the high interest rate and inflationary cost environment, and as a result, such estimates may significantly impact our financial results. The precision of these estimates and the likelihood of future changes depend on a number of underlying variables and a range of possible outcomes. We applied our critical accounting policies and estimation methods consistently in all material respects and for all periods presented. We have discussed our critical accounting policies and estimates with our Audit Committee.

Our critical accounting policies and estimates are:

- revenue recognition;
- goodwill and other intangible assets;
- income tax expense and accruals; and
- pension and retiree medical plans.

Revenue Recognition

We recognize revenue when our performance obligation is satisfied. Our primary performance obligation (the distribution and sales of beverage and convenient food products) is satisfied upon the shipment or delivery of products to our customers, which is also when control is transferred. The transfer of control of products to our customers is typically based on written sales terms that generally do not allow for a right of return, except in the instance of a product recall or other limited circumstances that may allow for product returns. Our policy for DSD is to remove and replace damaged and out-of-date products from store shelves to ensure that consumers receive the product quality and freshness they expect. Similarly, our policy for certain warehouse-distributed products is to replace damaged and out-of-date products. As a result, we record reserves, based on estimates, for product recall, anticipated damaged and out-of-date products.

Our products are sold for cash or on credit terms. Our credit terms, which are established in accordance with local and industry practices, typically require payment within 30 days of delivery in the United States, and generally within 30 to 90 days internationally, and may allow discounts for early payment.

We estimate and reserve for our expected credit loss exposure based on our experience with past due accounts and collectibility, write-off history, the aging of accounts receivable, our analysis of customer data, and forward-looking information (including the expected impact of a high interest rate and inflationary cost environment), leveraging estimates of creditworthiness and projections of default and recovery rates for certain of our customers.

Our policy is to provide customers with product when needed. In fact, our commitment to freshness and product dating serves to regulate the quantity of product shipped or delivered. In addition, DSD products are placed on the shelf by our employees with customer shelf space and storerooms limiting the quantity of product. For product delivered through other distribution networks, we monitor customer inventory levels.

As discussed in “Our Customers” in “Item 1. Business,” we offer sales incentives and discounts through various programs to customers and consumers. Total marketplace spending includes sales incentives, discounts, advertising and other marketing activities. Sales incentives and discounts are primarily accounted for as a reduction of revenue and include payments to customers for performing activities on our behalf, such as payments for in-store displays, payments to gain distribution of new products, payments for shelf space and discounts to promote lower retail prices. Sales incentives and discounts also

include support provided to our independent bottlers through funding of advertising and other marketing activities.

A number of our sales incentives, such as bottler funding to independent bottlers and customer volume rebates, are based on annual targets, and accruals are established during the year, as products are delivered, for the expected payout, which may occur after year-end once reconciled and settled. These accruals are based on contract terms and our historical experience with similar programs and require management judgment with respect to estimating customer and consumer participation and performance levels. Differences between estimated expense and actual incentive costs are normally insignificant and are recognized in earnings in the period such differences are determined. In addition, certain advertising and marketing costs are also based on annual targets and recognized during the year as incurred.

See Note 2 to our consolidated financial statements for further information on our revenue recognition and related policies, including total marketplace spending.

Goodwill and Other Intangible Assets

We sell products under a number of brand names, many of which were developed by us. Brand development costs are expensed as incurred. We also purchase brands and other intangible assets in acquisitions. In a business combination, the consideration is first assigned to identifiable assets and liabilities, including brands and other intangible assets, based on estimated fair values, with any excess recorded as goodwill. Determining fair value requires significant estimates and assumptions, including those related to volatile geopolitical conditions and a high interest rate and inflationary cost environment, based on an evaluation of a number of factors, such as marketplace participants, product life cycles, market share, consumer awareness, brand history and future expansion expectations, amount and timing of future cash flows and the discount rate applied to the cash flows.

We believe that a brand has an indefinite life if it has a history of strong revenue and cash flow performance and we have the intent and ability to support the brand with marketplace spending for the foreseeable future. If these indefinite-lived brand criteria are not met, brands are amortized over their expected useful lives, which generally range from 20 to 40 years. Determining the expected life of a brand requires management judgment and is based on an evaluation of a number of factors, including market share, consumer awareness, brand history, future expansion expectations and regulatory restrictions, as well as the macroeconomic environment of the countries in which the brand is sold.

In connection with previous acquisitions, we reacquired certain franchise rights which provided the exclusive and perpetual rights to manufacture and/or distribute beverages for sale in specified territories. In determining the useful life of these franchise rights, many factors were considered, including the pre-existing perpetual bottling arrangements, the indefinite period expected for these franchise rights to contribute to our future cash flows, as well as the lack of any factors that would limit the useful life of these franchise rights to us, including legal, regulatory, contractual, competitive, economic or other factors. Therefore, certain of these franchise rights are considered as indefinite-lived. Franchise rights that are not considered indefinite-lived are amortized over the remaining contractual period of the contract in which the right was granted.

Indefinite-lived intangible assets and goodwill are not amortized and, as a result, are assessed for impairment at least annually, using either a qualitative or quantitative approach. We perform this annual assessment during our third quarter, or more frequently if circumstances indicate that the carrying value may not be recoverable. Where we use the qualitative assessment, first we determine if, based on qualitative factors, it is more likely than not that an impairment exists. Factors considered include macroeconomic conditions (including those related to volatile geopolitical conditions and a high interest rate and inflationary cost environment), industry and competitive conditions, legal and regulatory environment, historical financial performance and significant changes in the brand or reporting unit. If the

qualitative assessment indicates that it is more likely than not that an impairment exists, then a quantitative assessment is performed.

In the quantitative assessment for indefinite-lived intangible assets and goodwill, an assessment is performed to determine the fair value of the indefinite-lived intangible asset and the reporting unit, respectively. Estimated fair value is determined using discounted cash flows and requires an analysis of several estimates including future cash flows or income consistent with management's strategic business plans, annual sales growth rates, perpetuity growth assumptions and the selection of assumptions underlying a discount rate (weighted-average cost of capital) based on market data available at the time. Significant management judgment is necessary to estimate the impact of competitive operating, macroeconomic and other factors (including those related to volatile geopolitical conditions and a high interest rate and inflationary cost environment) to estimate future levels of sales, operating profit or cash flows. All assumptions used in our impairment evaluations for indefinite-lived intangible assets and goodwill, such as forecasted growth rates (including perpetuity growth assumptions) and weighted-average cost of capital, are based on the best available market information and are consistent with our internal forecasts and operating plans. A deterioration in these assumptions could adversely impact our results. Additionally, indefinite-lived intangible assets acquired in recent acquisitions are more susceptible to impairment because they are recorded at fair value at the time of acquisition. These assumptions could be adversely impacted by certain of the risks described in "Item 1A. Risk Factors" and "Our Business Risks."

As of December 27, 2025, the estimated fair value of the SodaStream reporting unit narrowly exceeded its carrying value. Given the low coverage, there could be further impairment to the carrying value of the SodaStream reporting unit goodwill if future sales and operating profit results are not in line with the forecasted future cash flows of the business and/or if macroeconomic conditions worsen and drive an increase in the weighted-average cost of capital used to estimate its fair value. We continue to monitor the performance of the SodaStream reporting unit, as well as all of our indefinite-lived intangible assets.

Amortizable intangible assets are only evaluated for impairment upon a significant change in the operating or macroeconomic environment. If an evaluation of the undiscounted future cash flows indicates impairment, the asset is written down to its estimated fair value, which is based on its discounted future cash flows.

See Notes 2, 4 and 13 to our consolidated financial statements for further information.

Income Tax Expense and Accruals

Our annual tax rate is based on our income, statutory tax rates and tax structure and transactions, including transfer pricing arrangements, available to us in the various jurisdictions in which we operate. Significant judgment is required in determining our annual tax rate and in evaluating our tax positions. We establish reserves when, despite our belief that our tax return positions are fully supportable, we believe that certain positions are subject to challenge and that we likely will not succeed. We adjust these reserves, as well as the related interest, in light of changing facts and circumstances, such as the progress of a tax audit, new tax laws, relevant court cases or tax authority settlements. See "Item 1A. Risk Factors" for further discussion.

An estimated annual effective tax rate is applied to our quarterly operating results. In the event there is a significant or unusual item recognized in our quarterly operating results, the tax attributable to that item is separately calculated and recorded at the same time as that item. We consider the tax adjustments from the resolution of prior-year tax matters to be among such items.

Tax law requires items to be included in our tax returns at different times than the items are reflected in our consolidated financial statements. As a result, our annual tax rate reflected in our consolidated

financial statements is different than that reported in our tax returns (our cash tax rate). Some of these differences are permanent, such as expenses that are not deductible in our tax return, and some differences reverse over time, such as depreciation expense. These temporary differences create deferred tax assets and liabilities. Deferred tax assets generally represent items that can be used as a tax deduction or credit in our tax returns in future years for which we have already recorded the tax benefit on our consolidated financial statements. We establish valuation allowances for our deferred tax assets if, based on the available evidence, it is not more likely than not that some portion or all of the deferred tax assets will be realized. Deferred tax liabilities generally represent tax expense recognized in our consolidated financial statements for which payment has been deferred, or expense for which we have already taken a deduction in our tax return but have not yet recognized as expense in our consolidated financial statements.

In 2025, our annual tax rate was 19.0% compared to 19.4% in 2024. See “Other Consolidated Results” for further information.

See Note 5 to our consolidated financial statements for further information.

Pension and Retiree Medical Plans

Our pension plans cover certain employees in the United States and certain international employees. Benefits are determined based on either years of service or a combination of years of service and earnings. Certain U.S. and Canada retirees are also eligible for medical and life insurance benefits (retiree medical) if they meet age and service requirements. Generally, our share of retiree medical costs is capped at specified dollar amounts, which vary based upon years of service, with retirees contributing the remainder of the cost. In addition, we have been phasing out certain subsidies of retiree medical benefits.

See “Items Affecting Comparability” and Note 7 to our consolidated financial statements for information about changes and settlements within our pension plans.

Our Assumptions

The determination of pension and retiree medical expenses and obligations requires the use of assumptions to estimate the amount of benefits that employees earn while working, as well as the present value of those benefits. Annual pension and retiree medical expense amounts are principally based on four components: (1) the value of benefits earned by employees for working during the year (service cost), (2) the increase in the projected benefit obligation due to the passage of time (interest cost), and (3) other gains and losses as discussed in Note 7 to our consolidated financial statements, reduced by (4) the expected return on assets for our funded plans.

Significant assumptions used to measure our annual pension and retiree medical expenses include:

- certain employee-related demographic factors, such as turnover, retirement age and mortality;
- the expected rate of return on assets in our funded plans; and
- the spot rates along the yield curve used to determine service and interest costs and the present value of liabilities.

Certain assumptions reflect our historical experience and management’s best judgment regarding future expectations. All actuarial assumptions are reviewed annually, except in the case of an interim remeasurement due to a significant event such as a curtailment or settlement. Due to the significant management judgment involved, these assumptions could have a material impact on the measurement of our pension and retiree medical expenses and obligations.

At each measurement date, the discount rates are based on interest rates for high-quality, long-term corporate debt securities with maturities comparable to those of our liabilities. Our U.S. obligation and pension and retiree medical expense is based on the discount rates determined using the Mercer Above

Mean Curve. This curve includes bonds that closely match the timing and amount of our expected benefit payments and reflects the portfolio of investments we would consider to settle our liabilities.

See Note 7 to our consolidated financial statements for information about the expected rate of return on plan assets and our plans' investment strategy. Although we review our expected long-term rates of return on an annual basis, our asset returns in a given year do not significantly influence our evaluation of long-term rates of return.

Weighted-average assumptions for pension and retiree medical expense are as follows:

	2026	2025	2024
Pension			
Service cost discount rate	**6.1 %**	6.0 %	5.4 %
Interest cost discount rate	**5.0 %**	5.4 %	5.1 %
Expected rate of return on plan assets	**7.3 %**	7.1 %	7.0 %
Retiree medical			
Service cost discount rate	**5.2 %**	5.6 %	5.1 %
Interest cost discount rate	**4.6 %**	5.2 %	5.0 %
Expected rate of return on plan assets	**7.5 %**	7.1 %	7.1 %

In 2025, the aggregate of lump sum distributions and the purchase of a group annuity contract exceeded the total of annual service and interest cost and triggered pre-tax settlement charges for certain U.S. defined pension plans. In addition, we expect the impact of the freeze of benefit accruals to U.S. salaried participants effective December 31, 2025, changes in discount rates and higher expected rate of return on plan assets to decrease our pension and retiree medical expense in 2026.

Sensitivity of Assumptions

A decrease in each of the collective discount rates or in the expected rate of return assumptions would increase expense for our benefit plans. A 100-basis-point decrease in each of the above discount rates and expected rate of return assumptions would individually increase 2026 pre-tax pension and retiree medical expense as follows:

Assumption	**Amount**
Discount rates used in the calculation of expense	$ 64
Expected rate of return	$ 142

Funding

We make contributions to pension trusts that provide plan benefits for certain pension plans. These contributions are made in accordance with applicable tax regulations that provide for current tax deductions for our contributions and taxation to the employee only upon receipt of plan benefits. Generally, we do not fund our pension plans when our contributions would not be currently tax deductible. As our retiree medical plans are not subject to regulatory funding requirements, we generally fund these plans on a pay-as-you-go basis, although we periodically review available options to make additional contributions toward these benefits.

We made discretionary contributions of $200 million to a U.S. qualified defined benefit plan and $52 million to our international pension benefit plans in January 2026.

Our pension and retiree medical plan contributions are subject to change as a result of many factors, such as changes in interest rates, deviations between actual and expected asset returns and changes in tax or other benefit laws. We regularly evaluate different opportunities to reduce risk and volatility associated with our pension and retiree medical plans. See Note 7 to our consolidated financial statements for our past and expected contributions and estimated future benefit payments.

Consolidated Statement of Income
PepsiCo, Inc. and Subsidiaries
Fiscal years ended December 27, 2025, December 28, 2024 and December 30, 2023
(in millions except per share amounts)

	2025	2024	2023
Net Revenue	**$ 93,925**	$ 91,854	$ 91,471
Cost of sales	**43,066**	41,744	41,881
Gross profit	**50,859**	50,110	49,590
Selling, general and administrative expenses	**37,368**	37,190	36,677
Impairment of intangible assets (see Notes 1 and 4)	**1,993**	33	927
Operating Profit	**11,498**	12,887	11,986
Other pension and retiree medical benefits (expense)/income	**(133)**	(22)	250
Net interest expense and other	**(1,121)**	(919)	(819)
Income before income taxes	**10,244**	11,946	11,417
Provision for income taxes	**1,949**	2,320	2,262
Net income	**8,295**	9,626	9,155
Less: Net income attributable to noncontrolling interests	**55**	48	81
Net Income Attributable to PepsiCo	**$ 8,240**	$ 9,578	$ 9,074
Net Income Attributable to PepsiCo per Common Share			
Basic	**$ 6.02**	$ 6.97	$ 6.59
Diluted	**$ 6.00**	$ 6.95	$ 6.56
Weighted-average common shares outstanding			
Basic	**1,369**	1,373	1,376
Diluted	**1,373**	1,378	1,383

See accompanying notes to the consolidated financial statements.

Consolidated Statement of Comprehensive Income
PepsiCo, Inc. and Subsidiaries
Fiscal years ended December 27, 2025, December 28, 2024 and December 30, 2023
(in millions)

	2025	2024	2023
Net income	**$ 8,295**	$ 9,626	$ 9,155
Other comprehensive income/(loss), net of taxes:			
Net currency translation adjustment	**1,723**	(1,962)	(307)
Net change on cash flow hedges	**44**	113	(32)
Net pension and retiree medical adjustments	**452**	5	(358)
Net change on available-for-sale debt securities and other	**369**	(234)	465
Total other comprehensive income/(loss), net of taxes	**2,588**	(2,078)	(232)
Comprehensive income	**10,883**	7,548	8,923
Less: Comprehensive income attributable to noncontrolling interests	**55**	48	81
Comprehensive Income Attributable to PepsiCo	**$ 10,828**	$ 7,500	$ 8,842

See accompanying notes to the consolidated financial statements.

Consolidated Statement of Cash Flows
PepsiCo, Inc. and Subsidiaries
Fiscal years ended December 27, 2025, December 28, 2024 and December 30, 2023
(in millions)

	2025	2024	2023
Operating Activities			
Net income	**$ 8,295**	$ 9,626	$ 9,155
Depreciation and amortization	**3,451**	3,160	2,948
Impairment and other charges	**1,946**	714	1,230
Product recall-related impact	**—**	187	136
Cash payments for product recall-related impact	**(6)**	(148)	—
Operating lease right-of-use asset amortization	**727**	655	570
Share-based compensation expense	**288**	362	380
Restructuring and impairment charges	**983**	727	445
Cash payments for restructuring charges	**(796)**	(436)	(434)
Acquisition and divestiture-related charges	**453**	22	41
Cash payments for acquisition and divestiture-related charges	**(228)**	(18)	(41)
Pension and retiree medical plan expenses	**504**	414	150
Pension and retiree medical plan contributions	**(472)**	(348)	(410)
Deferred income taxes and other tax charges and credits	**71**	(42)	(271)
Tax payments related to the TCJ Act	**(772)**	(579)	(309)
Change in assets and liabilities:			
Accounts and notes receivable	**(580)**	(138)	(793)
Inventories	**(150)**	(314)	(261)
Prepaid expenses and other current assets	**195**	40	(13)
Accounts payable and other current liabilities	**(677)**	(943)	420
Income taxes payable	**(433)**	(123)	310
Other, net	**(712)**	(311)	189
Net Cash Provided by Operating Activities	**12,087**	12,507	13,442
Investing Activities			
Capital spending	**(4,415)**	(5,318)	(5,518)
Sales of property, plant and equipment	**528**	342	198
Acquisitions, net of cash acquired, investments in noncontrolled affiliates and purchases of intangible and other assets	**(3,391)**	(256)	(314)
Divestitures, sales of investments in noncontrolled affiliates and other assets	**39**	166	75
Short-term investments, by original maturity:			
More than three months - purchases	**(190)**	(425)	(555)
More than three months - maturities	**605**	—	556
More than three months - sales	**—**	—	12
Three months or less, net	**45**	5	3
Other investing, net	**(100)**	14	48
Net Cash Used for Investing Activities	**(6,879)**	(5,472)	(5,495)

(Continued on following page)

Consolidated Statement of Cash Flows (continued)
PepsiCo, Inc. and Subsidiaries
Fiscal years ended December 27, 2025, December 28, 2024 and December 30, 2023
(in millions)

	2025	2024	2023
Financing Activities			
Proceeds from issuances of long-term debt	**$ 8,189**	$ 4,042	$ 5,482
Payments of long-term debt	**(4,082)**	(3,886)	(3,005)
Short-term borrowings, by original maturity:			
More than three months - proceeds	**6,391**	5,786	5,428
More than three months - payments	**(7,920)**	(5,639)	(3,106)
Three months or less, net	**1,170**	392	(29)
Cash dividends paid	**(7,638)**	(7,229)	(6,682)
Share repurchases	**(1,000)**	(1,000)	(1,000)
Proceeds from exercises of stock options	**97**	166	116
Withholding tax payments on restricted stock units (RSUs) and performance stock units (PSUs) converted	**(113)**	(135)	(140)
Other financing	**(73)**	(53)	(73)
Net Cash Used for Financing Activities	**(4,979)**	(7,556)	(3,009)
Effect of exchange rate changes on cash and cash equivalents and restricted cash	**422**	(687)	(277)
Net Increase/(Decrease) in Cash and Cash Equivalents and Restricted Cash	**651**	(1,208)	4,661
Cash and Cash Equivalents and Restricted Cash, Beginning of Year	**8,553**	9,761	5,100
Cash and Cash Equivalents and Restricted Cash, End of Year	**$ 9,204**	$ 8,553	$ 9,761

See accompanying notes to the consolidated financial statements.

Consolidated Balance Sheet
PepsiCo, Inc. and Subsidiaries
December 27, 2025 and December 28, 2024
(in millions except per share amounts)

	2025	2024
ASSETS		
Current Assets		
Cash and cash equivalents	**$ 9,159**	$ 8,505
Short-term investments	**371**	761
Accounts and notes receivable, net	**11,506**	10,333
Inventories		
Raw materials and packaging	**2,581**	2,440
Work-in-process	**143**	104
Finished goods	**3,121**	2,762
	5,845	5,306
Prepaid expenses and other current assets	**1,068**	921
Total Current Assets	**27,949**	25,826
Property, Plant and Equipment, net	**29,905**	28,008
Amortizable Intangible Assets, net	**1,219**	1,102
Goodwill	**18,916**	17,534
Other Indefinite-Lived Intangible Assets	**13,847**	13,699
Investments in Noncontrolled Affiliates	**2,038**	1,985
Deferred Income Taxes	**4,541**	4,362
Other Assets	**8,984**	6,951
Total Assets	**$ 107,399**	$ 99,467
LIABILITIES AND EQUITY		
Current Liabilities		
Short-term debt obligations	**$ 6,861**	$ 7,082
Accounts payable and other current liabilities	**25,903**	24,454
Total Current Liabilities	**32,764**	31,536
Long-Term Debt Obligations	**42,321**	37,224
Deferred Income Taxes	**3,802**	3,484
Other Liabilities	**7,965**	9,052
Total Liabilities	**86,852**	81,296
Commitments and contingencies		
PepsiCo Common Shareholders' Equity		
Common stock, par value $1^2/_3$¢ per share (authorized 3,600 shares; issued, net of repurchased common stock at par value: 1,367 and 1,372 shares, respectively)	**23**	23
Capital in excess of par value	**4,451**	4,385
Retained earnings	**72,788**	72,266
Accumulated other comprehensive loss	**(15,024)**	(17,612)
Repurchased common stock, in excess of par value 500 and 495 shares, respectively)	**(41,832)**	(41,021)
Total PepsiCo Common Shareholders' Equity	**20,406**	18,041
Noncontrolling interests	**141**	130
Total Equity	**20,547**	18,171
Total Liabilities and Equity	**$ 107,399**	$ 99,467

See accompanying notes to the consolidated financial statements.

Consolidated Statement of Equity

PepsiCo, Inc. and Subsidiaries
Fiscal years ended December 27, 2025, December 28, 2024 and December 30, 2023
(in millions except per share amounts)

	2025		2024		2023	
	Shares	**Amount**	Shares	Amount	Shares	Amount
Common Stock						
Balance, beginning of year	**1,372**	**$ 23**	1,374	$ 23	1,377	$ 23
Change in repurchased common stock	**(5)**	**—**	(2)	—	(3)	—
Balance, end of year	**1,367**	**23**	1,372	23	1,374	23
Capital in Excess of Par Value						
Balance, beginning of year		**4,385**		4,261		4,134
Share-based compensation expense		**280**		357		379
Stock option exercises, RSUs and PSUs converted		**(92)**		(90)		(107)
Withholding tax on RSUs and PSUs converted		**(113)**		(135)		(140)
Other		**(9)**		(8)		(5)
Balance, end of year		**4,451**		4,385		4,261
Retained Earnings						
Balance, beginning of year		**72,266**		70,035		67,800
Net income attributable to PepsiCo		**8,240**		9,578		9,074
Cash dividends declared [(a)]		**(7,718)**		(7,347)		(6,839)
Balance, end of year		**72,788**		72,266		70,035
Accumulated Other Comprehensive Loss						
Balance, beginning of year		**(17,612)**		(15,534)		(15,302)
Other comprehensive income/(loss) attributable to PepsiCo		**2,588**		(2,078)		(232)
Balance, end of year		**(15,024)**		(17,612)		(15,534)
Repurchased Common Stock						
Balance, beginning of year	**(495)**	**(41,021)**	(493)	(40,282)	(490)	(39,506)
Share repurchases	**(7)**	**(1,000)**	(6)	(1,000)	(6)	(1,000)
Stock option exercises, RSUs and PSUs converted	**2**	**189**	4	256	3	223
Other	**—**	**—**	—	5	—	1
Balance, end of year	**(500)**	**(41,832)**	(495)	(41,021)	(493)	(40,282)
Total PepsiCo Common Shareholders' Equity		**20,406**		18,041		18,503
Noncontrolling Interests						
Balance, beginning of year		**130**		134		124
Net income attributable to noncontrolling interests		**55**		48		81
Distributions to noncontrolling interests		**(44)**		(49)		(68)
Other, net		**—**		(3)		(3)
Balance, end of year		**141**		130		134
Total Equity		**$ 20,547**		$ 18,171		$ 18,637

(a) Cash dividends declared per common share were $5.6225, $5.3300 and $4.9450 for 2025, 2024 and 2023, respectively.

See accompanying notes to the consolidated financial statements.

Notes to the Consolidated Financial Statements

Note 1 — Basis of Presentation and Our Segments

Basis of Presentation

The accompanying consolidated financial statements have been prepared in accordance with GAAP and include the consolidated accounts of PepsiCo, Inc. and the affiliates that we control. In addition, we include our share of the results of certain other affiliates using the equity method based on our economic ownership interest, our ability to exercise significant influence over the operating or financial decisions of these affiliates or our ability to direct their economic resources. We do not control these other affiliates, as our ownership in these other affiliates is generally 50% or less. Intercompany balances and transactions are eliminated. As a result of exchange restrictions and other operating restrictions, during the periods presented, we did not have control over our Venezuelan subsidiaries. As such, our Venezuelan subsidiaries are not included within our consolidated financial results for any period presented.

Raw materials, direct labor and plant overhead, as well as purchasing and receiving costs, costs directly related to production planning, inspection costs and raw materials handling facilities, are included in cost of sales. The costs of moving, storing and delivering finished product, including merchandising activities, are included in selling, general and administrative expenses.

The preparation of our consolidated financial statements requires us to make estimates and assumptions that affect reported amounts of assets, liabilities, revenues, expenses and disclosure of contingent assets and liabilities. Estimates are used in determining, among other items, sales incentives accruals, tax reserves, share-based compensation, pension and retiree medical accruals, amounts and useful lives for intangible assets and future cash flows associated with impairment testing for indefinite-lived intangible assets, goodwill and other long-lived assets. We evaluate our estimates on an ongoing basis using our historical experience, as well as other factors we believe appropriate under the circumstances, such as current economic conditions, and adjust or revise our estimates as circumstances change. Additionally, the business and economic uncertainty resulting from volatile geopolitical conditions and changes in the interest rate and inflationary cost environment have made such estimates and assumptions more difficult to calculate. As future events and their effect cannot be determined with precision, actual results could differ significantly from those estimates.

Our fiscal year ends on the last Saturday of each December, resulting in a 53rd reporting week every five or six years. While our North America financial results are reported on a weekly calendar basis, our international operations are reported on a monthly calendar basis. The following chart details our quarterly reporting schedule:

Quarter	United States and Canada	International
First Quarter	12 weeks	January and February
Second Quarter	12 weeks	March, April and May
Third Quarter	12 weeks	June, July and August
Fourth Quarter	16 weeks	September, October, November and December

Unless otherwise noted, tabular dollars are in millions, except per share amounts. All per share amounts reflect common per share amounts, assume dilution unless otherwise noted, and are based on unrounded amounts. Certain reclassifications were made to the prior year's consolidated financial statements to conform to the current year presentation.

Our Segments

We are organized into six reportable segments, as follows:

1) PepsiCo Foods North America (PFNA), which includes all of our convenient food businesses in the United States and Canada;
2) PepsiCo Beverages North America (PBNA), which includes all of our beverage businesses in the United States and Canada;
3) International Beverages Franchise (IB Franchise), which includes our international franchise beverage businesses, as well as our SodaStream business;
4) Europe, Middle East and Africa (EMEA), which includes our convenient food businesses and our beverage businesses with company-owned bottlers in Europe, the Middle East and Africa;
5) Latin America Foods (LatAm Foods), which includes all of our convenient food businesses in Latin America; and
6) Asia Pacific Foods, which consists of our convenient food businesses in Asia Pacific, including China, Australia and New Zealand, as well as India.

Through our operations, authorized bottlers, contract manufacturers and other third parties, we make, market, distribute and sell a wide variety of beverages and convenient foods, serving customers and consumers in more than 200 countries and territories with our largest operations in the United States, Mexico, Russia, Canada, China, the United Kingdom, Brazil and South Africa.

The accounting policies for the segments are the same as those described in Note 2, except for the following allocation methodologies:

- share-based compensation expense;
- pension and retiree medical expense; and
- derivatives.

Share-Based Compensation Expense

Our segments are held accountable for share-based compensation expense and, therefore, this expense is allocated to our segments as an incremental employee compensation cost. The expense allocated to our segments excludes any impact of changes in our assumptions during the year which reflect market conditions over which segment management has no control. Therefore, any variances between allocated expense and our actual expense are recognized in corporate unallocated expenses.

Pension and Retiree Medical Expense

Pension and retiree medical service costs measured at fixed discount rates are reflected in segment results. The variance between the fixed discount rate used to determine the service cost reflected in segment results and the discount rate as disclosed in Note 7 is reflected in corporate unallocated expenses.

Derivatives

We centrally manage commodity derivatives on behalf of our segments. These commodity derivatives include agricultural products, energy and metals. Commodity derivatives that do not qualify for hedge accounting treatment are marked to market each period with the resulting gains and losses recorded in corporate unallocated expenses as either cost of sales or selling, general and administrative expenses, depending on the underlying commodity. These gains and losses are subsequently reflected in segment results when the segments recognize the cost of the underlying commodity in operating profit. Therefore, the segments realize the economic effects of the derivative without experiencing any resulting mark-to-market volatility, which remains in corporate unallocated expenses. These derivatives hedge underlying commodity price risk and were not entered into for trading or speculative purposes.

Net Revenue, Significant Expenses and Operating Profit by Segment

Our chief operating decision maker (CODM) is our Chairman and Chief Executive Officer. Our CODM uses segment operating profit as the profit measure to evaluate segment performance and allocate resources across segments. Corporate unallocated expenses, other pension and retiree medical benefits (expense)/income and net interest expense and other are centrally managed costs and are therefore excluded from this profit measure to provide better transparency of our segment operating results. Our CODM considers variances of actual performance to our annual operating plan and periodic forecasts when making decisions.

Significant expenses are expenses which are regularly provided to the CODM and are included in segment operating profit. These consist of segment cost of sales, segment selling, general and administrative expenses, and various items affecting comparability. Segment cost of sales includes raw materials, direct labor and plant overhead, as well as purchasing and receiving costs, costs directly related to production planning, inspection costs and raw materials handling facilities, excluding the impact of items affecting comparability. Segment selling, general and administrative expenses include the costs to execute sales to customers, distribution costs, including the costs of shipping and handling activities, which include certain merchandising activities, costs related to brand and product marketing to consumers, other ongoing operating costs that are not directly related to manufacturing, distribution, selling, advertising or marketing activities as well as other income or expense items, excluding the impact of items affecting comparability. Items affecting comparability include restructuring and impairment charges, acquisition and divestiture-related charges, impairment and other charges/credits, indirect tax impact, product recall-related impact and pension and retiree medical-related impact.

Asset and other balance sheet information for segments is not provided to the CODM.

Net revenue, significant expenses and operating profit of each segment are as follows:

	2025						
	PFNA	PBNA	IB Franchise	EMEA	LatAm Foods	Asia Pacific Foods	Total
Net revenue	$27,528	$28,197	$ 4,997	$18,025	$10,549	$ 4,629	$ 93,925
Segment cost of sales [a]	10,564	12,910	1,529	10,437	4,480	2,850	
Segment selling, general and administrative expenses [a]	10,419	12,002	1,612	5,017	3,925	1,315	
Restructuring and impairment charges [b]	344	281	14	195	52	12	
Acquisition and divestiture-related charges [c]	28	422	—	—	—	3	
Impairment and other charges [d]	—	1,523	73	270	—	80	
Indirect tax impact [e]	—	—	—	—	82	—	
Pension and retiree medical-related impact [f]	—	(30)	—	—	—	—	
Segment operating profit	$ 6,173	$ 1,089	$ 1,769	$ 2,106	$ 2,010	$ 369	$ 13,516
Corporate unallocated expenses							(2,018)
Operating profit							11,498
Other pension and retiree medical benefits expense							(133)
Net interest expense and other							(1,121)
Income before income taxes							$ 10,244

	2024						
	PFNA	PBNA	IB Franchise	EMEA	LatAm Foods	Asia Pacific Foods	Total
Net revenue	$27,431	$27,769	$ 4,879	$16,658	$10,568	$ 4,549	$ 91,854
Segment cost of sales [a]	10,245	12,701	1,482	9,639	4,420	2,756	
Segment selling, general and administrative expenses [a][g]	10,204	11,964	1,689	4,787	4,047	1,402	
Restructuring and impairment charges [b]	161	238	24	116	49	9	
Acquisition and divestiture-related charges [c]	9	8	—	—	—	5	
Impairment and other charges [d]	9	556	4	145	—	—	
Indirect tax impact [e]	—	—	218	—	—	—	
Product recall-related impact [h]	184	—	—	—	—	—	
Segment operating profit	$ 6,619	$ 2,302	$ 1,462	$ 1,971	$ 2,052	$ 377	$ 14,783
Corporate unallocated expenses							(1,896)
Operating profit							12,887
Other pension and retiree medical benefits expense							(22)
Net interest expense and other							(919)
Income before income taxes							$ 11,946

	2023						
	PFNA	PBNA	IB Franchise	EMEA	LatAm Foods	Asia Pacific Foods	Total
Net revenue	$28,015	$27,626	$ 4,559	$16,210	$10,576	$ 4,485	$ 91,471
Segment cost of sales [a]	10,432	12,856	1,478	9,666	4,591	2,711	
Segment selling, general and administrative expenses [a]	10,158	11,808	1,641	4,569	4,056	1,404	
Restructuring and impairment charges [b]	42	41	11	227	29	8	
Acquisition and divestiture-related charges [c]	—	16	—	(2)	—	2	
Impairment and other charges/credits [d]	—	321	862	(14)	2	59	
Product recall-related impact [h]	136	—	—	—	—	—	
Segment operating profit	$ 7,247	$ 2,584	$ 567	$ 1,764	$ 1,898	$ 301	$ 14,361
Corporate unallocated expenses							(2,375)
Operating profit							11,986
Other pension and retiree medical benefits income							250
Net interest expense and other							(819)
Income before income taxes							$ 11,417

(a) Does not include items recorded in the cost of sales or selling, general and administrative expenses lines on our income statement that are presented in the restructuring and impairment charges, acquisition and divestiture-related charges, impairment and other charges/credits, indirect tax impact, product recall-related impact and pension and retiree medical-related impact lines of these tables.

(b) See Note 3 for further information related to restructuring and impairment charges.

(c) See Note 13 for further information related to acquisitions and divestiture-related charges.

(d) See below and Note 4 for impairment and other charges taken. In 2023, EMEA included adjustments for changes in estimates of previously recorded amounts.

(e) In 2025, we recorded a pre-tax charge of $82 million in selling, general and administrative expenses and income tax expense of $29 million in provision for income taxes (collectively, $0.08 per share) related to an indirect and income tax audit settlement in our LatAm Foods segment. In 2024, we recorded a pre-tax charge of $218 million ($218 million after-tax or $0.16 per share) in cost of sales related to an indirect tax reserve in our IB Franchise segment.

(f) We recognized pre-tax income of $30 million ($22 million after-tax or $0.02 per share) in our PBNA segment, recorded in selling, general and administrative expenses, associated with pension-related liabilities from previous acquisitions.

(g) We recognized a pre-tax gain of $122 million ($92 million after-tax or $0.07 per share) in our PFNA segment, recorded in selling, general and administrative expenses, related to the remeasurement of our previously held 50% equity ownership in Sabra at fair value. See Note 13 for further information.

(h) In 2024, we recorded a pre-tax charge of $187 million ($143 million after-tax or $0.10 per share) associated with the Quaker Recall with $176 million recorded in cost of sales related to property, plant and equipment write-offs, employee severance costs and other costs,

$8 million recorded in selling, general and administrative expenses and $3 million recorded in other pension and retiree medical benefits (expense)/income, which is not included in operating profit. In 2023, we recorded a pre-tax charge of $136 million ($104 million after-tax or $0.07 per share) in cost of sales for product returns, inventory write-offs and customer and consumer-related costs associated with the Quaker Recall.

Disaggregation of Net Revenue

Our primary performance obligation is the distribution and sales of beverage and convenient food products to our customers. The following table reflects the percentage of net revenue generated between our beverage business and our convenient food business:

	2025		2024		2023	
	Beverages[a]	**Convenient Foods**	Beverages[a]	Convenient Foods	Beverages[a]	Convenient Foods
North America	**51 %**	**49 %**	50 %	50 %	50 %	50 %
International [b]	**31 %**	**69 %**	29 %	71 %	29 %	71 %
PepsiCo	**42 %**	**58 %**	42 %	58 %	41 %	59 %

(a) Beverage revenue from company-owned bottlers, which primarily includes our consolidated bottling operations in our PBNA and EMEA segments, is 36% of our consolidated net revenue in 2025 and 35% of our consolidated net revenue in both 2024 and 2023. Generally, our finished goods beverage operations produce higher net revenue, but lower operating margins as compared to concentrate sold to authorized bottling partners for the manufacture of finished goods beverages.

(b) Beverage and convenient food revenue generated from our EMEA segment is 37% and 63% of EMEA net revenue, respectively, in 2025, and 35% and 65% of EMEA net revenue, respectively, in both 2024 and 2023.

Impairment and Other Charges

A summary of impairment and other charges taken, which are primarily as a result of our quantitative assessments, is as follows:

	2025	2024	2023	**Affected Line Item in the Income Statement**
PFNA				
Other	**$ —**	$ 9	$ —	Impairment of intangible assets
PBNA				
Rockstar [a]	**1,539**	—	—	Impairment of intangible assets
TBG [b]	**(16)**	556	321	Selling, general and administrative expenses
IB Franchise				
Rockstar [a]	**73**	—	—	Impairment of intangible assets
SodaStream [a]	**—**	—	862	Impairment of intangible assets
Other	**—**	4	—	Selling, general and administrative expenses
EMEA				
Rockstar [a]	**251**	—	—	Impairment of intangible assets
TBG [b]	**19**	135	—	Selling, general and administrative expenses
Other [c]	**—**	10	(14)	Impairment of intangible assets, selling, general and administrative expenses and cost of sales
LatAm Foods				
Other	**—**	—	2	Selling, general and administrative expenses
Asia Pacific Foods				
Be & Cheery	**80**	—	59	Impairment of intangible assets
Total	**$ 1,946**	$ 714	$ 1,230	
After-tax amount [d]	**$ 1,491**	$ 584	$ 1,014	
Impact on net income attributable to PepsiCo per common share [d]	**$ (1.09)**	$ (0.42)	$ (0.73)	

(a) See Note 4 for further information regarding impairment of intangible assets. For information on our policies for indefinite-lived intangible assets, see Note 2.

(b) See Note 9 for further information regarding our proportionate share of TBG's indefinite-lived intangible assets impairment and other-than-temporary impairment of our investment in TBG. In 2024, we recorded an allowance for expected credit losses of $193 million, primarily related to outstanding receivables associated with the Juice Transaction. In 2025, we recorded adjustments for changes in estimates of previously recorded amounts.
(c) 2023 amount includes adjustments for changes in estimates of previously recorded amounts.
(d) 2025 includes a tax benefit of $39 million ($0.03 per share) related to the prior-year impairment of our investment in TBG.

Other Segment Information

Capital spending and depreciation and amortization of each segment are as follows:

	Capital Spending			Depreciation and Amortization		
	2025	2024	2023	**2025**	2024	2023
PFNA	**$ 1,051**	$ 1,306	$ 1,444	**$ 969**	$ 862	$ 798
PBNA	**1,344**	1,541	1,723	**1,093**	1,069	1,025
IB Franchise	**124**	148	110	**109**	109	99
EMEA	**744**	880	831	**549**	477	448
LatAm Foods	**672**	809	814	**417**	382	362
Asia Pacific Foods	**257**	312	312	**153**	133	118
Total segment	**4,192**	4,996	5,234	**3,290**	3,032	2,850
Corporate	**223**	322	284	**161**	128	98
Total	**$ 4,415**	$ 5,318	$ 5,518	**$ 3,451**	$ 3,160	$ 2,948

Net revenue by country is as follows:

	2025	2024	2023
United States	**$ 52,228**	$ 51,668	$ 52,165
Mexico	**6,947**	7,123	7,011
Russia	**4,768**	3,880	3,566
Canada	**3,729**	3,764	3,722
China	**2,621**	2,709	2,703
United Kingdom	**2,142**	2,063	1,946
Brazil	**1,782**	1,765	1,779
South Africa	**1,767**	1,859	1,707
All other countries	**17,941**	17,023	16,872
Total	**$ 93,925**	$ 91,854	$ 91,471

Property, plant and equipment, net by geography is as follows:

	2025	2024
United States	**$ 16,671**	$ 16,550
International [(a)]	**13,234**	11,458
Total	**$ 29,905**	$ 28,008

(a) Mexico accounted for 9% and 8% of our consolidated property, plant and equipment, net as of December 27, 2025 and December 28, 2024, respectively. No other individual country exceeded 5% of our consolidated property, plant and equipment, net.

Corporate Unallocated Expenses

Corporate unallocated expenses include costs of our corporate headquarters, centrally managed initiatives such as our ongoing business transformation initiatives, unallocated research and development costs, foreign exchange transaction gains and losses, unallocated insurance and benefit programs, commodity derivative gains and losses, as well as certain other items.

Note 2 — Our Significant Accounting Policies

Revenue Recognition

We recognize revenue when our performance obligation is satisfied. Our primary performance obligation (the distribution and sales of beverage and convenient food products) is satisfied upon the shipment or delivery of products to our customers, which is also when control is transferred. Merchandising activities are performed after a customer obtains control of the product, are accounted for as fulfillment of our performance obligation to ship or deliver product to our customers and are recorded in selling, general and administrative expenses. Merchandising activities are immaterial in the context of our contracts. In addition, we exclude from net revenue all sales, use, value-added and certain excise taxes assessed by government authorities on revenue producing transactions.

The transfer of control of products to our customers is typically based on written sales terms that generally do not allow for a right of return, except in the instance of a product recall or other limited circumstances that may allow for product returns. Our policy for DSD is to remove and replace damaged and out-of-date products from store shelves to ensure that consumers receive the product quality and freshness they expect. Similarly, our policy for certain warehouse-distributed products is to replace damaged and out-of-date products. As a result, we record reserves, based on estimates, for product recall, anticipated damaged and out-of-date products.

Our products are sold for cash or on credit terms. Our credit terms, which are established in accordance with local and industry practices, typically require payment within 30 days of delivery in the United States, and generally within 30 to 90 days internationally, and may allow discounts for early payment.

We estimate and reserve for our expected credit loss exposure based on our experience with past due accounts and collectibility, write-off history, the aging of accounts receivable, our analysis of customer data, and forward-looking information (including the expected impact of a high interest rate and inflationary cost environment), leveraging estimates of creditworthiness and projections of default and recovery rates for certain of our customers.

We are exposed to concentration of credit risk from our major customers, including Walmart. We have not experienced credit issues with these customers. In 2025, sales to Walmart and its affiliates (including Sam's) represented approximately 14% of our consolidated net revenue, including concentrate sales to our independent bottlers, which were used in finished goods sold by them to Walmart.

Total Marketplace Spending

We offer sales incentives and discounts through various programs to customers and consumers. Total marketplace spending includes sales incentives, discounts, advertising and other marketing activities. Sales incentives and discounts are primarily accounted for as a reduction of revenue and include payments to customers for performing activities on our behalf, such as payments for in-store displays, payments to gain distribution of new products, payments for shelf space and discounts to promote lower retail prices. Sales incentives and discounts also include support provided to our independent bottlers through funding of advertising and other marketing activities.

A number of our sales incentives, such as bottler funding to independent bottlers and customer volume rebates, are based on annual targets, and accruals are established during the year, as products are delivered, for the expected payout, which may occur after year-end once reconciled and settled. These accruals are based on contract terms and our historical experience with similar programs and require management judgment with respect to estimating customer and consumer participation and performance levels. Differences between estimated expense and actual incentive costs are normally insignificant and are recognized in earnings in the period such differences are determined. In addition, certain advertising and marketing costs are also based on annual targets and recognized during the year as incurred.

The terms of most of our incentive arrangements do not exceed one year and, therefore, do not require highly uncertain long-term estimates. Certain arrangements, such as fountain pouring rights, may extend beyond one year. Upfront payments to customers under these arrangements are recognized over the shorter of the economic or contractual life, primarily as a reduction of revenue, and the remaining balances of $329 million as of December 27, 2025 and $237 million as of December 28, 2024 are included in prepaid expenses and other current assets and other assets on our balance sheet.

For interim reporting, our policy is to allocate our forecasted full-year sales incentives for most of our programs to each of our interim reporting periods in the same year that benefits from the programs. The allocation methodology is based on our forecasted sales incentives for the full year and the proportion of each interim period's actual gross revenue or volume, as applicable, to our forecasted annual gross revenue or volume, as applicable. Based on our review of the forecasts at each interim period, any changes in estimates and the related allocation of sales incentives are recognized beginning in the interim period that they are identified. In addition, we apply a similar allocation methodology for interim reporting purposes for certain advertising and other marketing activities. Our annual consolidated financial statements are not impacted by this interim allocation methodology.

Advertising and other marketing activities, reported as selling, general and administrative expenses, totaled $5.4 billion in 2025, $5.9 billion in 2024 and $5.7 billion in 2023, including advertising expenses of $3.4 billion in 2025, $3.9 billion in 2024 and $3.8 billion in 2023. Deferred advertising costs are not expensed until the year first used and consist of:

- media and personal service prepayments;
- promotional materials in inventory; and
- production costs of future media advertising.

Deferred advertising costs of $48 million and $58 million as of December 27, 2025 and December 28, 2024, respectively, are classified as prepaid expenses and other current assets on our balance sheet.

Distribution Costs

Distribution costs, including the costs of shipping and handling activities, which include certain merchandising activities, are reported as selling, general and administrative expenses. Shipping and handling expenses were $16.7 billion in 2025, $16.0 billion in 2024 and $15.4 billion in 2023.

Software Costs

We capitalize certain computer software and software development costs incurred in connection with developing or obtaining computer software for internal use when both the preliminary project stage is completed and it is probable that the software will be used as intended. Capitalized software costs include (1) external direct costs of materials and services utilized in developing or obtaining computer software, (2) compensation and related benefits for employees who are directly associated with the software projects and (3) interest costs incurred while developing internal-use computer software. Capitalized software costs are included in property, plant and equipment on our balance sheet and amortized on a straight-line basis when placed into service over the estimated useful lives of the software, which approximate five to 10 years. Software amortization totaled $260 million in 2025, $199 million in 2024 and $159 million in 2023. Net capitalized software and development costs were $1.8 billion and $1.5 billion as of December 27, 2025 and December 28, 2024, respectively.

Commitments and Contingencies

We are subject to various claims and contingencies related to lawsuits, certain taxes and environmental matters, as well as commitments under contractual and other commercial obligations. We recognize liabilities for contingencies and commitments when a loss is probable and estimable.

Research and Development

We engage in a variety of research and development activities and continue to invest to accelerate growth and to drive innovation globally. Consumer research is excluded from research and development costs and included in other marketing costs. Research and development costs were $839 million, $813 million and $804 million in 2025, 2024 and 2023, respectively, and are reported within selling, general and administrative expenses.

Goodwill and Other Intangible Assets

Indefinite-lived intangible assets and goodwill are not amortized and, as a result, are assessed for impairment at least annually, using either a qualitative or quantitative approach. We perform this annual assessment during our third quarter, or more frequently if circumstances indicate that the carrying value may not be recoverable. Where we use the qualitative assessment, first we determine if, based on qualitative factors, it is more likely than not that an impairment exists. Factors considered include macroeconomic conditions (including those related to volatile geopolitical conditions and a high interest rate and inflationary cost environment), industry and competitive conditions, legal and regulatory environment, historical financial performance and significant changes in the brand or reporting unit. If the qualitative assessment indicates that it is more likely than not that an impairment exists, then a quantitative assessment is performed.

In the quantitative assessment for indefinite-lived intangible assets and goodwill, an assessment is performed to determine the fair value of the indefinite-lived intangible asset and the reporting unit, respectively. Estimated fair value is determined using discounted cash flows and requires an analysis of several estimates including future cash flows or income consistent with management's strategic business plans, annual sales growth rates, perpetuity growth assumptions and the selection of assumptions underlying a discount rate (weighted-average cost of capital) based on market data available at the time. Significant management judgment is necessary to estimate the impact of competitive operating, macroeconomic and other factors (including those related to volatile geopolitical conditions and a high interest rate and inflationary cost environment) to estimate future levels of sales, operating profit or cash flows. All assumptions used in our impairment evaluations for indefinite-lived intangible assets and goodwill, such as forecasted growth rates (including perpetuity growth assumptions) and weighted-average cost of capital, are based on the best available market information and are consistent with our internal forecasts and operating plans. A deterioration in these assumptions could adversely impact our results.

Amortizable intangible assets are only evaluated for impairment upon a significant change in the operating or macroeconomic environment. If an evaluation of the undiscounted future cash flows indicates impairment, the asset is written down to its estimated fair value, which is based on its discounted future cash flows.

See Note 4 for further information.

Other Significant Accounting Policies

Our other significant accounting policies are disclosed as follows:

- *Basis of Presentation* – Note 1 includes a description of our policies regarding use of estimates, basis of presentation and consolidation.
- *Income Taxes* – Note 5.
- *Share-Based Compensation* – Note 6.
- *Pension, Retiree Medical and Savings Plans* – Note 7.
- *Financial Instruments* – Note 9.
- *Leases* – Note 12.

- *Acquisitions and Divestitures* – Note 13.
- *Supply Chain Financing Arrangements* – Note 14.
- *Cash Equivalents* – Cash equivalents are highly liquid investments with original maturities of three months or less.
- *Inventories* – Inventories are valued at the lower of cost or net realizable value. Cost is determined using the average; first-in, first-out (FIFO); or, in limited instances, last-in, first-out (LIFO) methods. For inventories valued under the LIFO method, the differences between the LIFO and FIFO methods of valuing inventories are not material.
- *Property, Plant and Equipment* – Note 15. Property, plant and equipment is recorded at historical cost. Depreciation is recognized on a straight-line basis over an asset's estimated useful life. Construction in progress is not depreciated until ready for service.
- *Translation of Financial Statements of Foreign Subsidiaries* – Generally, financial statements of foreign subsidiaries are translated into U.S. dollars using period-end exchange rates for assets and liabilities and average exchange rates for revenues and expenses. Adjustments resulting from translating net assets are reported as a separate component of accumulated other comprehensive loss within common shareholders' equity as currency translation adjustment. For foreign subsidiaries operating in highly inflationary economies, the reporting currency of the immediate parent becomes the functional currency. Non-functional currency monetary assets and liabilities are remeasured at period-end exchange rates, with the impact of any changes in exchange rates included in net income. Non-monetary assets and liabilities are carried forward at historical exchange rates starting from when hyperinflationary accounting is implemented.

Recently Issued Accounting Pronouncements

Adopted

In December 2023, the Financial Accounting Standards Board (FASB) issued guidance to enhance transparency of income tax disclosures. On an annual basis, the new guidance requires a public entity to disclose: (1) specific categories in the rate reconciliation, (2) additional information for reconciling items that are equal to or greater than 5% of the amount computed by multiplying income (or loss) from continuing operations before income tax expense (or benefit) by the applicable statutory income tax rate, (3) income taxes paid (net of refunds received) disaggregated by federal (national), state, and foreign taxes, with foreign taxes disaggregated by individual jurisdictions in which income taxes paid is equal to or greater than 5% of total income taxes paid, (4) income (or loss) from continuing operations before income tax expense (or benefit) disaggregated between domestic and foreign, and (5) income tax expense (or benefit) from continuing operations disaggregated between federal (national), state and foreign. We adopted the guidance in our 2025 annual reporting, on a prospective basis. See Note 5 for further information.

Not Yet Adopted

In September 2025, the FASB issued guidance to improve the accounting for costs related to internal-use software. The new guidance eliminates project stages and requires capitalizing software costs to begin when (1) management has authorized and committed to funding the software project and (2) it is probable that the project will be completed and the software will be used to perform the function intended. When evaluating if a project is probable to be completed, significant development uncertainty must be assessed. Additionally, disclosures for property, plant and equipment will be required for all capitalized software costs. The guidance is effective in the first quarter of 2028 with early adoption permitted as of the beginning of an annual reporting period. Upon adoption, the guidance may be applied prospectively, retrospectively or using a modified transition approach. We are evaluating the impact of this guidance on our consolidated financial statements.

In July 2025, the FASB issued guidance to provide for a practical expedient that an entity may assume that conditions as of the balance sheet date remain unchanged over the remaining life of the asset when estimating expected credit losses for current accounts receivable and current contract assets arising from revenue transactions from contracts with customers. The guidance is effective in the first quarter of 2026 with early adoption permitted, to be applied on a prospective basis. We will adopt the guidance when it becomes effective. The guidance is not expected to have a material impact on our consolidated financial statements.

In November 2024, the FASB issued guidance to improve the disclosure of expenses in commonly presented expense captions. The new guidance requires a public entity to provide tabular disclosure, on an annual and interim basis, of amounts for the following expense categories: (1) purchases of inventory, (2) employee compensation, (3) depreciation and (4) intangible asset amortization, as included in each relevant expense caption. A relevant expense caption is an expense caption presented on the face of the income statement that contains any of the expense categories noted. Additionally, on an annual and interim basis, a qualitative description is required for amounts remaining in relevant expense captions that are not separately disaggregated quantitatively. The guidance also requires certain amounts that are currently required to be disclosed to be included in the same tabular disclosure as these disaggregation requirements. Furthermore, on an annual and interim basis, a public entity is required to separately disclose selling expenses and annually, disclose a description of the selling expenses. The guidance is effective for 2027 annual reporting, and in the first quarter of 2028 for interim reporting, with early adoption permitted, to be applied on a prospective basis, with retrospective application permitted. We will adopt the guidance when it becomes effective, in our 2027 annual reporting and each quarter thereafter, on a prospective basis.

Note 3 — Restructuring and Impairment Charges

2019 Multi-Year Productivity Plan

The 2019 Productivity Plan leverages new technology and business models to further simplify, harmonize and automate processes; re-engineers our go-to-market and information systems, including deploying the right automation for each market; and simplifies our organization and optimizes our manufacturing and supply chain footprint. To build on the successful implementation of the 2019 Productivity Plan, in 2024, we further expanded and extended the plan through the end of 2030 to take advantage of additional opportunities within the initiatives described above. As a result, we expect to incur pre-tax charges of approximately $6.15 billion, including cash expenditures of approximately $5.1 billion. These pre-tax charges are expected to consist of approximately 50% of severance and other employee-related costs, 15% for asset impairments (all non-cash) resulting from plant closures and related actions and 35% for other costs associated with the implementation of our initiatives.

The total plan pre-tax charges are expected to be incurred by segment approximately as follows:

	PFNA	PBNA	IB Franchise	EMEA	LatAm Foods	Asia Pacific Foods	Corporate
Expected pre-tax charges	20 %	25 %	2 %	25 %	10 %	3 %	15 %

A summary of our 2019 Productivity Plan charges is as follows:

	2025	2024	2023
Cost of sales	**$ 236**	$ 133	$ 13
Selling, general and administrative expenses	**728**	551	433
Impairment of intangible assets	**—**	14	—
Other pension and retiree medical benefits expense/ (income) [(a)]	**19**	29	(1)
Total restructuring and impairment charges	**$ 983**	$ 727	$ 445
After-tax amount	**$ 792**	$ 563	$ 349
Impact on net income attributable to PepsiCo per common share	**$ (0.58)**	$ (0.41)	$ (0.25)

	2025	2024	2023	Plan to Date through 12/27/2025
PFNA	**$ 344**	$ 161	$ 42	$ 776
PBNA	**281**	238	41	786
IB Franchise	**14**	24	11	65
EMEA	**195**	116	227	956
LatAm Foods	**52**	49	29	299
Asia Pacific Foods	**12**	9	8	99
Corporate	**66**	101	88	484
	964	698	446	3,465
Other pension and retiree medical benefits expense/(income) [(a)]	**19**	29	(1)	145
Total	**$ 983**	$ 727	$ 445	$ 3,610

(a) Income amount represents adjustments for changes in estimates of previously recorded amounts.

	Plan to Date through 12/27/2025
Severance and other employee costs	$ 1,789
Asset impairments	546
Other costs	1,275
Total	$ 3,610

Severance and other employee costs primarily include severance and other termination benefits, as well as voluntary separation arrangements. Other costs primarily include costs associated with the implementation of our initiatives, including consulting and other professional fees, as well as contract termination costs.

A summary of our 2019 Productivity Plan is as follows:

	Severance and Other Employee Costs	Asset Impairments	Other Costs	Total
Liability as of December 31, 2022	$ 188	$ —	$ 8	$ 196
2023 restructuring charges	243	2	200	445
Cash payments [(a)]	(242)	—	(192)	(434)
Non-cash charges and translation	(1)	(2)	(7)	(10)
Liability as of December 30, 2023	188	—	9	197
2024 restructuring charges	384	114	229	727
Cash payments [(a)]	(204)	—	(232)	(436)
Non-cash charges and translation	(30)	(114)	20	(124)
Liability as of December 28, 2024	338	—	26	364
2025 restructuring charges	355	240	388	983
Cash payments [(a)]	(384)	—	(412)	(796)
Non-cash charges and translation	(1)	(240)	16	(225)
Liability as of December 27, 2025	**$ 308**	**$ —**	**$ 18**	**$ 326**

(a) Excludes cash expenditures of $12 million in 2025, $7 million in 2024 and $1 million in 2023, reported in the cash flow statement in pension and retiree medical plan contributions.

Substantially all of the restructuring accrual at December 27, 2025 is expected to be paid by the end of 2026.

Other Productivity Initiatives

There were no material charges related to other productivity and efficiency initiatives outside the scope of the 2019 Productivity Plan.

We regularly evaluate different productivity initiatives beyond the productivity plan and other initiatives described above.

For information on additional impairment charges, see Notes 1, 4 and 9.

Note 4 — Intangible Assets

A summary of our amortizable intangible assets is as follows:

		2025			2024			2023
	Average Useful Life (Years)	**Gross**	**Accumulated Amortization**	**Net**	Gross	Accumulated Amortization	Net	
Acquired franchise rights	56 – 60	**$ 835**	**$ (244)**	**$ 591**	$ 821	$ (223)	$ 598	
Customer relationships [(a)]	15 – 24	**773**	**(347)**	**426**	565	(279)	286	
Brands	20 – 40	**1,084**	**(1,021)**	**63**	1,051	(977)	74	
Other identifiable intangibles	10 – 24	**433**	**(294)**	**139**	420	(276)	144	
Total		**$ 3,125**	**$ (1,906)**	**$ 1,219**	$ 2,857	$ (1,755)	$ 1,102	
Amortization expense				**$ 83**			$ 74	$ 75

(a) Increase is primarily related to acquisitions of poppi and Siete. See Note 13 for further information on acquisitions.

Amortization is recognized on a straight-line basis over an intangible asset's estimated useful life. Amortization of intangible assets for each of the next five years, based on existing intangible assets as of December 27, 2025 and using average 2025 foreign exchange rates, is expected to be as follows:

	2026	2027	2028	2029	2030
Five-year projected amortization	$ 78	$ 74	$ 73	$ 72	$ 63

Depreciable and amortizable assets are evaluated for impairment upon a significant change in the operating or macroeconomic environment. In these circumstances, if an evaluation of the undiscounted cash flows indicates impairment, the asset is written down to its estimated fair value, which is based on discounted future cash flows. Useful lives are periodically evaluated to determine whether events or circumstances have occurred which indicate the need for revision.

Indefinite-Lived Intangible Assets

In 2025, business performance in conjunction with lower expectations of future business performance compared to projections, as well as the transaction discussed below, indicated a deterioration of the significant inputs used to determine the fair value of our indefinite-lived intangible assets in certain markets and required us to perform quantitative assessments on certain assets. The fair value of our indefinite-lived intangible assets was estimated using discounted cash flows under the income approach, which we consider to be a Level 3 (significant unobservable inputs) measurement. We determined that the carrying value exceeded the fair value, which reflected our most current estimates of future sales and their contributions to operating profit and expected future cash flows (including perpetuity growth assumptions), as well as an increase in the weighted-average cost of capital. As a result of the quantitative assessments, we recorded pre-tax impairment charges of $1.9 billion ($1.5 billion after-tax or $1.11 per share) in impairment of intangible assets primarily comprised of the Rockstar brand in our PBNA, EMEA, and IB Franchise segments.

On August 28, 2025, we consummated a transaction with Celsius, pursuant to which we acquired convertible preferred shares and transferred cash and certain non-cash assets, primarily the Rockstar brand of $0.5 billion in the United States and Canada (Celsius Transaction). For further information on the convertible preferred shares, see Note 9. On the same date, we entered into an agreement with Celsius to be the exclusive distributor for the Alani Nu brand in certain channels in the United States and Canada that commenced in the fourth quarter of 2025.

As discussed in Note 2, we perform our annual impairment assessment on indefinite-lived intangible assets during our third quarter. The annual impairment assessment on indefinite-lived intangible assets performed in the third quarter of 2025, based on best available market information and our internal forecasts and operating plans at the time, did not result in any further material impairment charges.

As of December 27, 2025, the estimated fair value of the SodaStream reporting unit narrowly exceeded its carrying value. Given the low coverage, there could be further impairment to the carrying value of the SodaStream reporting unit goodwill if future sales and operating profit results are not in line with the forecasted future cash flows of the business and/or if macroeconomic conditions worsen and drive an increase in the weighted-average cost of capital used to estimate its fair value. We continue to monitor the performance of the SodaStream reporting unit, as well as all of our indefinite-lived intangible assets.

We did not recognize any impairment charges for goodwill in the years ended December 27, 2025 and December 28, 2024.

In 2023, macroeconomic conditions, including higher interest rates, inflationary costs, and the ongoing conflict in the Middle East, and recent business performance indicated a deterioration of the significant inputs used to determine the fair value of our indefinite-lived intangible assets in various markets,

primarily assumptions underlying the weighted-average cost of capital and the impact of economic uncertainty on current and future financial performance, and required us to perform a quantitative assessment on certain assets. The fair value of our indefinite-lived intangible assets was estimated using discounted cash flows under the income approach, which we consider to be a Level 3 measurement. We determined that the carrying value exceeded the fair value for certain of our intangible assets, which reflects the increase in the weighted-average cost of capital as well as our most current estimates of future sales and their contributions to operating profit and expected future cash flows (including perpetuity growth assumptions). As a result of the quantitative assessment, we recorded pre-tax impairment charges of $0.6 billion ($0.5 billion after-tax or $0.35 per share) for brands and $0.3 billion ($0.3 billion after-tax or $0.22 per share) for goodwill, both in impairment of intangible assets, primarily related to the SodaStream brand and reporting unit in our IB Franchise segment, in the year ended December 30, 2023. See Note 1 for further information.

For further information on our policies for indefinite-lived intangible assets, see Note 2.

The components of indefinite-lived intangible assets are as follows:

	2025	2024
Goodwill	**$ 18,916**	$ 17,534
Other indefinite-lived intangible assets		
Reacquired franchise rights	**7,542**	7,437
Acquired franchise rights [(a)]	**2,099**	1,858
Brands [(b)]	**4,206**	4,404
Total indefinite-lived intangible assets	**$ 32,763**	$ 31,233

(a) Increase is primarily related to acquired distribution rights for the Alani Nu brand.
(b) Decrease is primarily related to impairments of the Rockstar and Be & Cheery brands as well as the sale of the Rockstar brand in connection with the transaction described above, partially offset by acquisitions of poppi and Siete. See Note 13 for further information on acquisitions.

The change in the book value of goodwill is as follows:

	PFNA	**PBNA**	**IB Franchise**	**EMEA[(a)]**	**LatAm Foods**	**Asia Pacific Foods**	**Total**
Balance as of December 30, 2023	$ 642	$ 11,961	$ 1,986	$ 2,382	$ 393	$ 364	$ 17,728
Acquisitions [(b)]	159	—	—	—	—	3	162
Translation and other	(10)	(36)	(68)	(188)	(39)	(15)	(356)
Balance as of December 28, 2024	791	11,925	1,918	2,194	354	352	17,534
Acquisitions [(b)]	625	179	—	—	—	—	804
Translation and other	6	21	3	494	31	23	578
Balance as of December 27, 2025	**$ 1,422**	**$ 12,125**	**$ 1,921**	**$ 2,688**	**$ 385**	**$ 375**	**$ 18,916**

(a) Translation and other in 2024 primarily reflects the depreciation of the Russian ruble and euro. Translation and other in 2025 primarily reflects appreciation of the Russian ruble, euro and South African rand.
(b) Primarily related to the acquisitions of Sabra in 2024 and Siete in 2025 in our PFNA segment and poppi in our PBNA segment. See Note 13 for further information on acquisitions.

Note 5 — Income Taxes

The components of income before income taxes are as follows:

	2025	2024	2023
United States	**$ 806**	$ 2,590	$ 4,120
Foreign	**9,438**	9,356	7,297
	$ 10,244	$ 11,946	$ 11,417

The provision for income taxes consisted of the following:

	2025	2024	2023
Current:			
U.S. Federal	**$ 299**	$ 1,033	$ 1,133
Foreign	**1,583**	1,406	1,201
State	**42**	255	309
	1,924	2,694	2,643
Deferred:			
U.S. Federal	**116**	(306)	(109)
Foreign	**(116)**	(10)	(212)
State	**25**	(58)	(60)
	25	(374)	(381)
	$ 1,949	$ 2,320	$ 2,262

A reconciliation of the U.S. Federal statutory tax rate to our 2025 annual tax rate is as follows:

	Amount	Tax Rate
U.S. Federal statutory tax	$ 2,151	21.0 %
State income tax, net of U.S. Federal tax benefit [(a)]	25	0.2
Changes in valuation allowances	12	0.1
Foreign tax effects		
Ireland		
Statutory income tax rate differential	(119)	(1.2)
Other	24	0.2
Singapore		
Tax incentive	(113)	(1.1)
Other	(26)	(0.3)
Switzerland		
Changes in valuation allowances	(149)	(1.5)
Other	32	0.3
Bermuda		
Statutory income tax rate differential	(310)	(3.0)
Other foreign jurisdictions	21	0.2
Effect of cross-border tax laws [(b)]		
Transfer pricing adjustments	128	1.3
Global intangible low-tax income (GILTI)	115	1.1
Other	(110)	(1.0)
Tax credits	(29)	(0.3)
Changes in unrecognized tax benefits	181	1.8
Nondeductible and nontaxable items, net	(31)	(0.3)
Other	147	1.5
Reported tax	$ 1,949	19.0 %

(a) State taxes in California, Illinois, New Jersey, Texas, Minnesota, Oregon, Wisconsin, Louisiana, Michigan, and Arizona make up the majority (greater than 50%) of the tax effect in this category.

(b) Includes the impact of any tax credits.

A reconciliation of the U.S. Federal statutory tax rate to our 2024 and 2023 annual tax rate is as follows:

	2024	2023
U.S. Federal statutory tax rate	21.0 %	21.0 %
State income tax, net of U.S. Federal tax benefit	1.3	1.8
Lower taxes on foreign results	(2.5)	(2.5)
Juice Transaction	—	(0.1)
Other, net	(0.4)	(0.4)
Annual tax rate	19.4 %	19.8 %

A summary of income taxes paid in 2025 is as follows:

	Amount
U.S. Federal	$ 1,107
U.S. State and Local [(a)]	243
Foreign	
Ireland	424
Mexico	313
Russia	237
Other	759
	1,733
Total	$ 3,083

(a) No single state or local jurisdiction accounts for more than 5% of the total income taxes paid.

Tax Cuts and Jobs Act

As of December 27, 2025, our mandatory transition tax liability was $965 million, which must be paid in 2026 and will represent our final payment under the provisions of the TCJ Act. We reduced our liability through cash payments by $772 million in 2025, $579 million in 2024 and $309 million in 2023.

The TCJ Act also created a requirement that certain income earned by foreign subsidiaries, known as GILTI, must be included in the gross income of their U.S. shareholder. The FASB allows an accounting policy election of either recognizing deferred taxes for temporary differences expected to reverse as GILTI in future years or recognizing such taxes as a current-period expense when incurred. We elected to treat the tax effect of GILTI as a current-period expense when incurred.

Other Tax Matters

On July 4, 2025, the One Big Beautiful Bill (OBBB) Act, which includes a broad range of tax reform provisions, was signed into law in the United States. The OBBB Act did not have a material impact on our annual effective tax rate in 2025 and we do not expect it to have a material impact in 2026.

Numerous countries, including European Union member states, have enacted or are expected to enact legislation incorporating the OECD model rules for a global minimum tax rate of 15% with widespread implementation expected by the end of 2026. Legislation enacted as of December 27, 2025 did not have a material impact on our financial statements for 2025. As the legislation becomes effective in countries in which we do business, our taxes will increase and negatively impact our provision for income taxes.

In 2024 and 2023, tax benefits of $54 million ($0.04 per share) and $68 million ($0.05 per share), respectively, were recorded related to the impairment of certain consolidated investments.

Deferred tax liabilities and assets are comprised of the following:

	2025	2024
Deferred tax liabilities		
Property, plant and equipment	**$ 2,047**	$ 1,868
Right-of-use assets	**819**	772
Debt guarantee of wholly-owned subsidiary	**578**	578
Recapture of net operating losses	**488**	488
Pension liabilities	**238**	112
Other	**486**	301
Gross deferred tax liabilities	**4,656**	4,119
Deferred tax assets		
Net carryforwards	**6,849**	6,737
Intangible assets other than nondeductible goodwill	**1,996**	1,599
Lease liabilities	**819**	773
Share-based compensation	**141**	148
Retiree medical benefits	**96**	104
Other employee-related benefits	**372**	415
Deductible state tax and interest benefits	**181**	202
Capitalized research and development	**134**	256
Other	**927**	948
Gross deferred tax assets	**11,515**	11,182
Valuation allowances	**(6,120)**	(6,185)
Deferred tax assets, net	**5,395**	4,997
Net deferred tax (assets)/liabilities	**$ (739)**	$ (878)

A summary of our valuation allowance activity is as follows:

	2025	2024	2023
Balance, beginning of year	**$ 6,185**	$ 6,478	$ 5,013
(Benefit)/provision	**(284)**	(198)	1,419
Other additions/(deductions)	**219**	(95)	46
Balance, end of year	**$ 6,120**	$ 6,185	$ 6,478

Reserves

A number of years may elapse before a particular matter, for which we have established a reserve, is audited and finally resolved. The number of years with open tax audits varies depending on the tax jurisdiction. Our major taxing jurisdictions and the related open tax audits are as follows:

Jurisdiction	**Years Open to Audit**	**Years Currently Under Audit**
United States	2014-2024	2014-2019
Mexico	2014-2024	2014-2020
Canada (Domestic)	2021-2024	2021
Canada (International)	2012-2024	2012-2021
Russia	2022-2024	None

Our annual tax rate is based on our income, statutory tax rates and tax planning strategies and transactions, including transfer pricing arrangements, available to us in the various jurisdictions in which we operate. Significant judgment is required in determining our annual tax rate and in evaluating our tax positions. We establish reserves when, despite our belief that our tax return positions are fully supportable, we believe that certain positions are subject to challenge and that we likely will not succeed. We adjust these reserves, as well as the related interest, in light of changing facts and circumstances, such as the progress of a tax audit, new tax laws, relevant court cases or tax authority settlements. Settlement of any particular issue would usually require the use of cash. Favorable resolution would be recognized as a reduction to our annual tax rate in the year of resolution.

As of December 27, 2025, the total gross amount of reserves for income taxes, reported in other liabilities, was $2.4 billion. We accrue interest related to reserves for income taxes in our provision for income taxes and any associated penalties are recorded in selling, general and administrative expenses. The gross amount of interest accrued, reported in other liabilities, was $450 million as of December 27, 2025, of which $2 million of tax benefit was recognized in 2025, reflecting the release of federal interest accruals. The gross amount of interest accrued, reported in other liabilities, was $469 million as of December 28, 2024, of which $103 million of tax expense was recognized in 2024.

A reconciliation of unrecognized tax benefits is as follows:

	2025	2024
Balance, beginning of year	**$ 2,284**	$ 2,093
Additions for tax positions related to the current year	**153**	210
Additions for tax positions from prior years	**124**	108
Reductions for tax positions from prior years	**(76)**	(46)
Settlement payments	**(114)**	(24)
Statutes of limitations expiration	**(18)**	(31)
Translation and other	**23**	(26)
Balance, end of year	**$ 2,376**	$ 2,284

Carryforwards and Allowances

Operating loss carryforwards and income tax credits totaling $35.5 billion as of December 27, 2025 are being carried forward in a number of foreign and state jurisdictions where we are permitted to use tax operating losses and income tax credits from prior periods to reduce future taxable income or income tax liabilities. These operating losses and income tax credits will expire as follows: $0.8 billion in 2026, $29.9 billion between 2027 and 2044 and $4.8 billion may be carried forward indefinitely. We establish valuation allowances for our deferred tax assets if, based on the available evidence, it is not more likely than not that some portion or all of the deferred tax assets will be realized.

Undistributed International Earnings

As of December 27, 2025, we had approximately $12 billion of undistributed international earnings. We intend to continue to reinvest $12 billion of earnings outside the United States for the foreseeable future and while future distribution of these earnings would not be subject to U.S. federal tax expense, no deferred tax liabilities with respect to items such as certain foreign exchange gains or losses, foreign withholding taxes or state taxes have been recognized. It is not practicable for us to determine the amount of unrecognized tax expense on these reinvested international earnings.

Note 6 — Share-Based Compensation

Our share-based compensation program is designed to attract and retain employees while also aligning employees' interests with the interests of our shareholders. PepsiCo has granted stock options, RSUs,

PSUs and long-term cash awards to employees under the shareholder-approved PepsiCo, Inc. Long-Term Incentive Plan (LTIP). Executives who are awarded long-term incentives based on their performance may generally elect to receive their grant in the form of stock options or RSUs, or a combination thereof. Executives who elect stock options receive four stock options for every one RSU that would have otherwise been granted. Certain executive officers and other senior executives do not have a choice and are granted 66% PSUs and 34% long-term cash, each of which are subject to pre-established performance targets.

The Company may use authorized and unissued shares to meet share requirements resulting from the exercise of stock options and the vesting of RSUs and PSUs.

As of December 27, 2025, 89 million shares were available for future share-based compensation grants under the LTIP.

The following table summarizes our total share-based compensation expense, which is primarily recorded in selling, general and administrative expenses, and excess tax benefits recognized:

	2025	2024	2023
Share-based compensation expense - equity awards	**$ 288**	$ 362	$ 380
Share-based compensation expense - liability awards	**13**	7	19
Restructuring charges	**(8)**	(5)	(1)
Total	**$ 293**	$ 364	$ 398
Income tax benefits recognized in earnings related to share-based compensation	**$ 53**	$ 68	$ 73
Excess tax benefits related to share-based compensation	**$ 3**	$ 33	$ 36

As of December 27, 2025, there was $329 million of total unrecognized compensation cost related to nonvested share-based compensation grants. This unrecognized compensation cost is expected to be recognized over a weighted-average period of two years.

Method of Accounting and Our Assumptions

The fair value of share-based award grants is amortized to expense over the vesting period, primarily three years. Awards to employees eligible for retirement prior to the award becoming fully vested are amortized to expense over the period through the date that the employee first becomes eligible to retire and is no longer required to provide service to earn the award. In addition, we use historical data to estimate forfeiture rates and record share-based compensation expense only for those awards that are expected to vest.

We do not backdate, reprice or grant share-based compensation awards retroactively. Repricing of awards would require shareholder approval under the LTIP.

Stock Options

A stock option permits the holder to purchase shares of PepsiCo common stock at a specified price. We account for our employee stock options under the fair value method of accounting using a Black-Scholes valuation model to measure stock option expense at the date of grant. All stock option grants have an exercise price equal to the fair market value of our common stock on the date of grant and generally have a 10-year term.

Our weighted-average Black-Scholes fair value assumptions are as follows:

	2025	2024	2023
Expected life	**7 years**	7 years	7 years
Risk-free interest rate	**4.1 %**	4.2 %	4.2 %
Expected volatility	**16 %**	16 %	16 %
Expected dividend yield	**3.5 %**	2.9 %	2.7 %

The expected life is the period over which our employee groups are expected to hold their options. It is based on our historical experience with similar grants. The risk-free interest rate is based on the expected U.S. Treasury rate over the expected life. Volatility reflects movements in our stock price over the most recent historical period equivalent to the expected life. Dividend yield is estimated over the expected life based on our stated dividend policy and forecasts of net income, share repurchases and stock price.

A summary of our stock option activity for the year ended December 27, 2025 is as follows:

	Options[(a)]	**Weighted-Average Exercise Price Per Unit**	**Weighted-Average Contractual Life Remaining (years)**	**Aggregate Intrinsic Value[(a)]**
Outstanding at December 28, 2024	11,055	$ 143.88		
Granted	1,804	$ 150.28		
Exercised	(896)	$ 108.72		
Forfeited/expired	(642)	$ 163.52		
Outstanding at December 27, 2025	**11,321**	**$ 146.60**	**6.0**	**$ 100,992**
Exercisable at December 27, 2025	**6,279**	**$ 134.10**	**4.2**	**$ 98,385**
Expected to vest as of December 27, 2025	**4,793**	**$ 162.45**	**8.2**	**$ 2,468**

(a) In thousands.

Restricted Stock Units and Performance Stock Units

Each RSU represents our obligation to deliver to the holder one share of PepsiCo common stock when the award vests at the end of the service period. PSUs are awards pursuant to which a number of shares are delivered to the holder upon vesting at the end of the service period based on PepsiCo's performance against specified financial performance metrics. The number of shares may be increased to the maximum or reduced to the minimum threshold based on the results of these performance metrics in accordance with the terms established at the time of the award. During the vesting period, RSUs and PSUs accrue dividend equivalents that pay out in cash (without interest) if and when the applicable RSU or PSU vests and becomes payable.

The fair value of RSUs and PSUs is measured at the market price of the Company's stock on the date of grant.

A summary of our RSU and PSU activity for the year ended December 27, 2025 is as follows:

	RSUs/PSUs[a]	Weighted-Average Grant-Date Fair Value Per Unit	Weighted-Average Contractual Life Remaining (years)	Aggregate Intrinsic Value[a]
Outstanding at December 28, 2024	5,366	$ 166.09		
Granted	2,199	$ 153.22		
Converted	(1,849)	$ 163.78		
Forfeited	(607)	$ 163.47		
Outstanding at December 27, 2025 [b]	**5,109**	**$ 161.72**	**1.3**	**$ 734,635**
Expected to vest as of December 27, 2025 [c]	**4,411**	**$ 162.11**	**1.2**	**$ 634,185**

(a) In thousands. Outstanding awards are disclosed at target.
(b) The outstanding PSUs for which the vesting period has not ended as of December 27, 2025, at the threshold, target and maximum award levels were zero, 0.7 million and 1.4 million, respectively.
(c) Represents the number of outstanding awards expected to vest, including estimated performance adjustments on all outstanding PSUs as of December 27, 2025.

Long-Term Cash

Certain executive officers and other senior executives were granted long-term cash awards for which final payout is based on PepsiCo's total shareholder return relative to a specific set of peer companies and achievement of a specified performance target over a three-year performance period.

Long-term cash awards that qualify as liability awards under share-based compensation guidance are valued through the end of the performance period on a mark-to-market basis using the Monte Carlo simulation model.

A summary of our long-term cash activity for the year ended December 27, 2025 is as follows:

	Long-Term Cash Award[a]	Balance Sheet Date Fair Value[b]	Contractual Life Remaining (years)
Outstanding at December 28, 2024	$ 53,970		
Granted	21,636		
Vested	(11,274)		
Forfeited	(7,297)		
Outstanding at December 27, 2025 [c]	**$ 57,035**	**$ 36,064**	**1.2**
Expected to vest as of December 27, 2025	**$ 54,169**	**$ 33,597**	**1.2**

(a) In thousands, disclosed at target.
(b) In thousands, based on the most recent valuation as of December 27, 2025.
(c) The outstanding awards for which the vesting period has not ended as of December 27, 2025, at the threshold, target and maximum award levels based on the achievement of its market conditions were zero, $57 million and $114 million, respectively.

Other Share-Based Compensation Data

The following is a summary of other share-based compensation data:

	2025	2024	2023
Stock Options			
Total number of options granted [(a)]	**1,804**	2,034	2,162
Weighted-average grant-date fair value per unit of options granted	**$ 21.13**	$ 27.29	$ 29.81
Total intrinsic value of options exercised [(a)]	**$ 35,558**	$ 99,388	$100,209
Total grant-date fair value of options vested [(a)]	**$ 32,506**	$ 14,759	$ 11,830
RSUs/PSUs			
Total number of RSUs/PSUs granted [(a)]	**2,199**	2,348	2,151
Weighted-average grant-date fair value per unit of RSUs/PSUs granted	**$ 153.22**	$ 164.25	$ 171.11
Total intrinsic value of RSUs/PSUs converted [(a)]	**$299,958**	$372,612	$396,123
Total grant-date fair value of RSUs/PSUs vested [(a)]	**$300,591**	$280,673	$286,605

(a) In thousands.

As of December 27, 2025 and December 28, 2024, there were approximately 341,000 and 311,000 outstanding awards, respectively, consisting primarily of phantom stock units that were granted under the PepsiCo Director Deferral Program and will be settled in shares of PepsiCo common stock pursuant to the LTIP at the end of the applicable deferral period, not included in the tables above.

Note 7 — Pension, Retiree Medical and Savings Plans

In 2025 and 2024, we recognized pre-tax settlement charges of $237 million ($183 million after-tax or $0.13 per share) and $213 million ($165 million after-tax or $0.12 per share), respectively, in a U.S. qualified defined benefit pension plan due to lump sum distributions to retired or terminated employees and the purchases of group annuity contracts whereby a third-party insurance company assumed the obligation to pay and administer future benefit payments for certain retirees. The settlement charges were triggered when the aggregate of the cumulative lump sum distributions and the annuity contract premiums exceeded the total annual service and interest cost.

As of December 31, 2025, benefit accruals for salaried participants in the U.S. qualified defined benefit plans were frozen.

Gains and losses resulting from actual experience differing from our assumptions, including the difference between the actual and expected return on plan assets, as well as changes in our assumptions, are determined at each measurement date. These differences are recognized as a component of net gain or loss in accumulated other comprehensive loss within common shareholders' equity. If this net accumulated gain or loss exceeds 10% of the greater of the market-related value of plan assets or plan obligations, a portion of the net gain or loss is included in other pension and retiree medical benefits (expense)/income for the following year based upon the average remaining service life for participants in PepsiCo Employees Retirement Hourly Plan (Plan H) (approximately 10 years) and retiree medical (approximately 12 years), and the remaining life expectancy for participants in PepsiCo Employees Retirement Plan I (Plan I) (approximately 26 years).

The cost or benefit of plan changes that increase or decrease benefits for prior employee service (prior service cost/(credit)) is included in other pension and retiree medical benefits (expense)/income on a straight-line basis over the average remaining service life for participants in Plan H, and the remaining life expectancy for participants in Plan I, except that prior service cost/(credit) for salaried participants subject to the benefit accruals freeze effective December 31, 2025 was amortized on a straight-line basis over the period up to the effective date of the freeze.

Selected financial information for our pension and retiree medical plans is as follows:

	Pension				Retiree Medical	
	U.S.		International			
	2025	2024	**2025**	2024	**2025**	2024
Change in projected benefit obligation						
Obligation at beginning of year	**$ 11,324**	$ 12,035	**$ 2,786**	$ 2,986	**$ 616**	$ 677
Service cost	**312**	347	**47**	46	**31**	31
Interest cost	**586**	585	**152**	144	**30**	32
Plan amendments	**10**	12	**1**	1	**—**	—
Participant contributions	**—**	—	**2**	2	**—**	—
Experience loss/(gain)	**247**	(563)	**(74)**	(55)	**18**	(44)
Benefit payments	**(640)**	(617)	**(112)**	(108)	**(74)**	(78)
Settlement/curtailment	**(678)**	(506)	**(109)**	(62)	**—**	—
Special termination benefits	**21**	31	**—**	—	**—**	1
Other, including foreign currency adjustment	**—**	—	**234**	(168)	**2**	(3)
Obligation at end of year	**11,182**	11,324	**2,927**	2,786	**623**	616
Change in fair value of plan assets						
Fair value at beginning of year	**10,609**	11,541	**3,397**	3,528	**163**	183
Actual return on plan assets	**1,296**	(10)	**149**	142	**15**	5
Employer contributions/funding	**354**	236	**67**	59	**51**	53
Participant contributions	**—**	—	**2**	2	**—**	—
Benefit payments	**(640)**	(617)	**(112)**	(108)	**(74)**	(78)
Settlement	**(670)**	(539)	**(109)**	(62)	**—**	—
Other, including foreign currency adjustment	**—**	(2)	**258**	(164)	**—**	—
Fair value at end of year	**10,949**	10,609	**3,652**	3,397	**155**	163
Funded status	**$ (233)**	$ (715)	**$ 725**	$ 611	**$ (468)**	$ (453)
Amounts recognized						
Other assets	**$ 413**	$ 388	**$ 983**	$ 792	**$ —**	$ —
Other current liabilities	**(61)**	(85)	**(14)**	(10)	**(55)**	(52)
Other liabilities	**(585)**	(1,018)	**(244)**	(171)	**(413)**	(401)
Net amount recognized	**$ (233)**	$ (715)	**$ 725**	$ 611	**$ (468)**	$ (453)
Amounts included in accumulated other comprehensive loss (pre-tax)						
Net loss/(gain)	**$ 3,035**	$ 3,618	**$ 612**	$ 633	**$ (295)**	$ (333)
Prior service cost/(credit)	**61**	54	**(3)**	(5)	**(9)**	(14)
Total	**$ 3,096**	$ 3,672	**$ 609**	$ 628	**$ (304)**	$ (347)
Changes recognized in net loss/(gain) included in other comprehensive loss						
Net (gain)/loss arising in current year	**$ (252)**	$ 320	**$ (21)**	$ 8	**$ 14**	$ (36)
Amortization and settlement recognition	**(331)**	(298)	**(59)**	(43)	**25**	25
Foreign currency translation loss/(gain)	**—**	—	**59**	(39)	**(1)**	1
Total	**$ (583)**	$ 22	**$ (21)**	$ (74)	**$ 38**	$ (10)
Accumulated benefit obligation at end of year	**$ 11,093**	$ 11,069	**$ 2,740**	$ 2,638		

The net gain arising in the current year is primarily attributable to higher actual asset return as compared to expected return on plan assets, partially offset by losses due to changes in discount rates and demographic experience.

The amount we report in operating profit as pension and retiree medical cost is service cost, which is the value of benefits earned by employees for working during the year.

The amounts we report below operating profit as pension and retiree medical cost consist of the following components:

- Interest cost is the accrued interest on the projected benefit obligation due to the passage of time.
- Expected return on plan assets is the long-term return we expect to earn on plan investments for our funded plans that will be used to settle future benefit obligations.
- Amortization of prior service cost/(credit) represents the recognition in the income statement of benefit changes resulting from plan amendments.
- Amortization of net loss/(gain) represents the recognition in the income statement of changes in the amount of plan assets and the projected benefit obligation based on changes in assumptions and actual experience.
- Settlement/curtailment loss/(gain) represents the result of actions that effectively eliminate all or a portion of related projected benefit obligations. Settlements are triggered when payouts to settle the projected benefit obligation of a plan due to lump sums or other events exceed the total of annual service and interest cost. Settlements are recognized when actions are irrevocable and we are relieved of the primary responsibility and risk for projected benefit obligations. Lump sum payouts are generally higher when interest rates are lower. Curtailments are recognized when events such as plant closures, the sale of a business, or plan changes result in a significant reduction of future service or benefits. Curtailment losses are recognized when an event is probable and estimable, while curtailment gains are recognized when an event has occurred (when the related employees terminate or an amendment is adopted).
- Special termination benefits are the additional benefits offered to employees upon departure due to actions such as restructuring.

The components of total pension and retiree medical benefit costs are as follows:

	Pension						Retiree Medical		
	U.S.			International					
	2025	2024	2023	**2025**	2024	2023	**2025**	2024	2023
Service cost	**$ 312**	$ 347	$ 327	**$ 47**	$ 46	$ 43	**$ 31**	$ 31	$ 29
Other pension and retiree medical benefits expense/(income):									
Interest cost	**586**	585	593	**152**	144	141	**30**	32	36
Expected return on plan assets	**(805)**	(871)	(851)	**(202)**	(205)	(192)	**(11)**	(13)	(13)
Amortization of prior service costs/(credits)	**3**	(24)	(26)	**(1)**	(2)	(1)	**(5)**	(5)	(6)
Amortization of net losses/(gains)	**84**	77	70	**27**	21	13	**(25)**	(25)	(27)
Net settlement/curtailment losses [(a)]	**247**	254	4	**32**	22	10	**—**	—	—
Special termination benefits	**21**	31	(1)	**—**	—	—	**—**	1	—
Total other pension and retiree medical benefits expense/(income)	**136**	52	(211)	**8**	(20)	(29)	**(11)**	(10)	(10)
Total	**$ 448**	$ 399	$ 116	**$ 55**	$ 26	$ 14	**$ 20**	$ 21	$ 19

(a) In 2025 and 2024, U.S. includes settlement charges of $237 million ($183 million after-tax or $0.13 per share) and $213 million ($165 million after-tax or $0.12 per share), respectively, related to the aggregate of lump sum distributions and the purchases of group annuity contracts exceeding the total of annual service and interest cost.

The following table provides the weighted-average assumptions used to determine net periodic benefit cost and projected benefit obligation for our pension and retiree medical plans:

	Pension						Retiree Medical		
	U.S.			International					
	2025	2024	2023	**2025**	2024	2023	**2025**	2024	2023
Net Periodic Benefit Cost									
Service cost discount rate	**5.8 %**	5.1 %	5.4 %	**7.8 %**	6.9 %	7.0 %	**5.6 %**	5.1 %	5.4 %
Interest cost discount rate	**5.4 %**	5.1 %	5.4 %	**5.3 %**	5.0 %	5.4 %	**5.2 %**	5.0 %	5.3 %
Expected return on plan assets	**7.5 %**	7.4 %	7.4 %	**5.8 %**	5.8 %	5.7 %	**7.1 %**	7.1 %	7.1 %
Rate of salary increases	**3.9 %**	3.9 %	3.2 %	**4.0 %**	4.3 %	4.2 %			
Projected Benefit Obligation									
Discount rate	**5.5 %**	5.7 %	5.1 %	**5.8 %**	5.5 %	5.1 %	**5.2 %**	5.5 %	5.1 %
Rate of salary increases	**3.1 %**	3.9 %	3.9 %	**4.5 %**	4.0 %	4.3 %			

The following table provides selected information about plans with accumulated benefit obligation and total projected benefit obligation in excess of plan assets:

	Pension				Retiree Medical	
	U.S.		International			
	2025	2024	**2025**	2024	**2025**	2024
Selected information for plans with accumulated benefit obligation in excess of plan assets						
Obligation for service to date	**$ (7,123)**	$ (7,315)	**$ (279)**	$ (194)		
Fair value of plan assets	**$ 6,480**	$ 6,399	**$ 177**	$ 135		
Selected information for plans with projected benefit obligation in excess of plan assets						
Benefit obligation	**$ (7,126)**	$ (7,502)	**$ (435)**	$ (346)	**$ (623)**	$ (616)
Fair value of plan assets	**$ 6,480**	$ 6,399	**$ 177**	$ 165	**$ 155**	$ 163

Of the total projected pension benefit obligation as of December 27, 2025, approximately $632 million relates to plans that we do not fund because the funding of such plans does not receive favorable tax treatment.

Future Benefit Payments

Our estimated future benefit payments are as follows:

	2026	2027	2028	2029	2030	2031 - 2035
Pension	$ 1,259	$ 963	$ 951	$ 977	$ 999	$ 5,242
Retiree medical [(a)]	$ 76	$ 74	$ 72	$ 70	$ 68	$ 305

(a) Expected future benefit payments for our retiree medical plans do not reflect any estimated subsidies expected to be received under the 2003 Medicare Act. Subsidies are expected to be less than $1 million for each of the years from 2026 through 2030 and approximately $2 million in total for 2031 through 2035.

These future benefit payments to beneficiaries include payments from both funded and unfunded plans.

Funding

Contributions to our pension and retiree medical plans were as follows:

	Pension			Retiree Medical		
	2025	2024	2023	**2025**	2024	2023
Discretionary [(a)]	**$ 261**	$ 161	$ 267	**$ —**	$ —	$ —
Non-discretionary	**160**	134	97	**51**	53	46
Total	**$ 421**	$ 295	$ 364	**$ 51**	$ 53	$ 46

(a) Includes $250 million contribution in 2025, $150 million contribution in 2024 and $250 million contribution in 2023 to fund our U.S. qualified defined benefit plans.

We made discretionary contributions of $200 million to a U.S. qualified defined benefit plan and $52 million to our international pension benefit plans in January 2026. In addition, in 2026, we expect to make non-discretionary contributions of approximately $80 million to our U.S. and international pension benefit plans and contributions of approximately $55 million for retiree medical benefits.

We also regularly evaluate opportunities to reduce risk and volatility associated with our pension and retiree medical plans.

Plan Assets

Our pension plan investment strategy includes the use of actively managed accounts and is reviewed periodically in conjunction with plan obligations, an evaluation of market conditions, tolerance for risk and cash requirements for benefit payments. This strategy is also applicable to funds held for the retiree medical plans. Our investment objective includes ensuring that funds are available to meet the plans' benefit obligations when they become due. Assets contributed to our pension plans are no longer controlled by us, but become the property of our individual pension plans. However, we are indirectly impacted by changes in these plan assets as compared to changes in our projected obligations. Our overall investment policy is to prudently invest plan assets in a well-diversified portfolio of equity and high-quality debt securities and real estate to achieve our long-term return expectations. Our investment policy also permits the use of derivative instruments, such as futures and forward contracts, to reduce interest rate and foreign currency risks. Futures contracts represent commitments to purchase or sell securities at a future date and at a specified price. Forward contracts consist of currency forwards. We also participate in securities lending programs to generate additional income by loaning plan assets to borrowers on a fully collateralized basis, including both cash and non-cash collaterals.

For 2026 and 2025, our expected long-term rate of return on U.S. plan assets is 7.8% and 7.5%, respectively. Our target investment allocations for U.S. plan assets are as follows:

	2026	2025
Fixed income	**58 %**	56 %
U.S. equity	**22 %**	22 %
International equity	**16 %**	18 %
Real estate	**4 %**	4 %

Actual investment allocations may vary from our target investment allocations due to prevailing market conditions. We regularly review our actual investment allocations and periodically rebalance our investments.

The expected return on plan assets is based on our investment strategy and our expectations for long-term rates of return by asset class, taking into account volatility and correlation among asset classes and our historical experience. We also review current levels of interest rates and inflation to assess the reasonableness of the long-term rates. We evaluate our expected return assumptions annually to ensure

that they are reasonable. To calculate the expected return on plan assets, our market-related value of assets for fixed income is the actual fair value. For all other asset categories, such as equity securities, we use a method that recognizes investment gains or losses (the difference between the expected and actual return based on the market-related value of assets) over a five-year period. This has the effect of reducing year-to-year volatility.

Plan assets measured at fair value as of year-end 2025 and 2024 are categorized consistently by Level 1 (quoted prices in active markets for identical assets), Level 2 (significant other observable inputs) and Level 3 in both years and are as follows:

	Fair Value Hierarchy Level	2025	2024
U.S. plan assets [(a)(b)]			
Equity securities, including preferred stock [(c)]	**1**	**$ 4,248**	$ 4,270
Government securities [(d)]	**2**	**1,573**	1,538
Corporate bonds [(d)]	**2**	**3,963**	3,903
Mortgage-backed securities [(d)]	**2**	**134**	125
Contracts with insurance companies [(e)]	**3**	**1**	1
Cash and cash equivalents [(f)] [(g)]	**1, 2**	**700**	732
Sub-total U.S. plan assets		**10,619**	10,569
Investments measured at net asset value [(h)]		**817**	561
Securities lending payables, net of dividends and interest receivable [(g)]		**(332)**	(358)
Total U.S. plan assets		**$ 11,104**	$ 10,772
International plan assets			
Equity securities [(c)]	**1**	**$ 1,215**	$ 1,172
Government securities [(d)]	**2**	**987**	932
Corporate bonds [(d)]	**2**	**610**	469
Fixed income commingled funds [(i)]	**1**	**616**	557
Contracts with insurance companies [(e)]	**3**	**—**	29
Cash and cash equivalents	**1**	**85**	128
Sub-total international plan assets		**3,513**	3,287
Investments measured at net asset value [(h)]		**122**	79
Dividends and interest receivable		**17**	31
Total international plan assets		**$ 3,652**	$ 3,397

(a) Includes $155 million and $163 million in 2025 and 2024, respectively, of retiree medical plan assets that are restricted for purposes of providing health benefits for U.S. retirees and their beneficiaries.

(b) Includes securities loaned to borrowers under the securities lending program with fair value of $649 million and $630 million in 2025 and 2024, respectively.

(c) Invested in U.S. and international common stock and commingled funds, and the preferred stock portfolio was invested in domestic and international corporate preferred stock investments. The common and preferred stock investments are based on quoted prices in active markets. The commingled funds are based on the published price of the fund and include one large-cap fund that represents 12% of total U.S. plan assets for both 2025 and 2024.

(d) These investments are based on quoted bid prices for comparable securities in the marketplace and broker/dealer quotes in active markets. Corporate bonds of U.S.-based companies represents 31% of total U.S. plan assets for both 2025 and 2024.

(e) Based on the fair value of the contracts as determined by the insurance companies using inputs that are not observable. During 2025, our international plans liquidated Level 3 investments, resulting in no Level 3 assets as of year-end. The changes in U.S. Level 3 amounts were not significant in the years ended December 27, 2025 and December 28, 2024.

(f) Includes Level 1 assets of $446 million and $456 million, and Level 2 assets of $254 million and $276 million for 2025 and 2024, respectively.

(g) Includes $430 million and $447 million of cash collateral for 2025 and 2024, respectively, under the securities lending program offset by corresponding securities lending payable of the same amount. The net impact on the fair value of U.S. plan assets is zero.

(h) Includes investments in private credit funds, limited partnerships and mortgage funds. These funds are based on the net asset value of the investments owned by these funds as determined by independent third parties using inputs that are not observable. The majority of the funds are redeemable quarterly subject to availability of cash and have notice periods ranging from 30 to 90 days.

(i) Based on the published price of the fund.

Retiree Medical Cost Trend Rates

The assumed health care cost trend rates are as follows:

	2026	2025
Average increase assumed	**8 %**	5 %
Ultimate projected increase	**4 %**	4 %
Year of ultimate projected increase	**2046**	2046

Annually, we review external data and our historical experience to estimate assumed health care cost trend rates that impact our retiree medical plan obligation and expense, however the cap on our share of retiree medical costs limits the impact.

Savings Plan

Certain U.S. employees are eligible to participate in a 401(k) savings plan, which is a voluntary defined contribution plan. The plan is designed to help employees accumulate savings for retirement and we make Company matching contributions for certain employees on a portion of employee contributions based on years of service.

Certain U.S. employees, who are either not eligible to participate in a defined benefit pension plan or whose benefit is capped, are also eligible to receive an employer contribution based on either years of service or age and years of service regardless of employee contribution.

In 2025, 2024 and 2023, our total Company contributions were $434 million, $411 million and $356 million, respectively.

Note 8 — Debt Obligations

The following table summarizes our debt obligations:

	2025[a]	2024[a]
Short-term debt obligations [b]		
Current maturities of long-term debt	**$ 4,030**	$ 4,004
Commercial paper (3.8% and 4.5%)	**2,641**	2,818
Other borrowings	**190**	260
	$ 6,861	$ 7,082
Long-term debt obligations [b]		
Notes due 2025 (3.2%)	**$ —**	$ 3,999
Notes due 2026 (3.6% and 3.7%)	**4,003**	3,941
Notes due 2027 (3.2% and 3.1%)	**3,933**	3,370
Notes due 2028 (2.4% and 2.1%)	**4,203**	3,240
Notes due 2029 (4.3% and 4.6%)	**4,043**	3,239
Notes due 2030 (3.2% and 2.6%)	**4,171**	2,472
Notes due 2031-2060 (3.4% and 3.2%)	**25,956**	20,928
Other, due 2025-2042	**42**	39
	46,351	41,228
Less: current maturities of long-term debt obligations	**4,030**	4,004
Total	**$ 42,321**	$ 37,224

(a) Amounts are shown net of unamortized net discounts of $224 million and $267 million for 2025 and 2024, respectively.

(b) The interest rates presented reflect weighted-average effective interest rates at year-end. Certain of our fixed rate indebtedness have been swapped to floating rates through the use of interest rate derivative instruments. See Note 9 for further information regarding our interest rate swap contracts.

As of December 27, 2025 and December 28, 2024, our international debt of $272 million and $325 million, respectively, was related to borrowings from external parties, including various lines of credit. These lines of credit are subject to normal banking terms and conditions and are fully committed at least to the extent of our borrowings.

In 2025, we issued the following senior notes:

Interest Rate	Maturity Date	Principal Amount[a]		
4.400 %	February 2027	$	500	
4.450 %	February 2028	$	750	
4.600 %	February 2030	$	1,000	
5.000 %	February 2035	$	1,250	
4.100 %	January 2029	$	750	
4.300 %	July 2030	$	650	
4.650 %	July 2032	$	850	
5.000 %	July 2035	$	1,250	
3.450 %	July 2037	€	500	(b)
4.050 %	July 2055	€	500	(b)

(a) Excludes debt issuance costs, discounts and premiums.
(b) These notes, issued in euros, were designated as net investment hedges to partially offset the effects of foreign currency on our investments in certain of our foreign subsidiaries.

The net proceeds from the issuances of the above notes were used for general corporate purposes, including the repayment of commercial paper.

In 2025, we entered into a new five-year unsecured revolving credit agreement (2025 Five-Year Credit Agreement), which expires on May 23, 2030. The 2025 Five-Year Credit Agreement enables us and our borrowing subsidiaries to borrow up to $5.0 billion in U.S. dollars and/or euros, including a $0.75 billion swing line subfacility for euro-denominated borrowings permitted to be borrowed on a same-day basis, subject to customary terms and conditions. We may request that commitments under this agreement be increased up to $5.75 billion (or the equivalent amount in euros). Additionally, we may, up to two times during the term of the 2025 Five-Year Credit Agreement, request renewal of the agreement for an additional one-year period. The 2025 Five-Year Credit Agreement replaced our $5.0 billion five-year credit agreement, dated as of May 24, 2024.

Also in 2025, we entered into a new 364-day unsecured revolving credit agreement (2025 364-Day Credit Agreement), which expires on May 22, 2026. The 2025 364-Day Credit Agreement enables us and our borrowing subsidiaries to borrow up to $5.0 billion in U.S. dollars and/or euros, subject to customary terms and conditions. We may request that commitments under this agreement be increased up to $5.75 billion (or the equivalent amount in euros). We may request renewal of this facility for an additional 364-day period or convert any amounts outstanding into a term loan for a period of up to one year, which term loan would mature no later than the anniversary of the then effective termination date. The 2025 364-Day Credit Agreement replaced our $5.0 billion 364-day credit agreement, dated as of May 24, 2024.

Funds borrowed under the 2025 Five-Year Credit Agreement and the 2025 364-Day Credit Agreement may be used for general corporate purposes. Subject to certain conditions, we may borrow, prepay and reborrow amounts under these agreements. As of December 27, 2025, there were no outstanding borrowings under the 2025 Five-Year Credit Agreement or the 2025 364-Day Credit Agreement.

In 2023, we discharged via legal defeasance $94 million outstanding principal amount of certain notes originally issued by our subsidiary, The Quaker Oats Company, following the deposit of $102 million of U.S. government securities with the Bank of New York Mellon, as trustee, in the fourth quarter of 2022.

Note 9 — Financial Instruments

Derivatives and Hedging

We are exposed to market risks arising from adverse changes in:

- commodity prices, affecting the cost of our raw materials and energy;
- foreign exchange rates and currency restrictions; and
- interest rates.

In the normal course of business, we manage commodity price, foreign exchange and interest rate risks through a variety of strategies, including productivity initiatives, global purchasing programs and hedging. Ongoing productivity initiatives involve the identification and effective implementation of meaningful cost-saving opportunities or efficiencies, including the use of derivatives. We do not use derivative instruments for trading or speculative purposes. Our global purchasing programs include fixed-price contracts and purchase orders and pricing agreements.

Our hedging strategies include the use of derivatives and non-derivative debt instruments. Certain derivatives are designated as either cash flow, fair value or net investment hedges and qualify for hedge accounting treatment, while others do not qualify and are marked to market through earnings. The accounting for qualifying hedges allows changes in a hedging instrument's fair value to offset corresponding changes in the hedged item in the same reporting period that the hedged item impacts earnings. Gains or losses on derivatives designated as cash flow and net investment hedges are recorded in accumulated other comprehensive loss within common shareholders' equity and reclassified to our income statement when the hedged transaction affects earnings for cash flow hedges and when the hedged foreign operation is either sold or substantially liquidated for net investment hedges. If it becomes probable that the hedged transaction will not occur, we immediately recognize the related hedging gains or losses in earnings; such gains or losses reclassified during the year ended December 27, 2025 were not material.

Cash flows from derivatives used to manage commodity price, foreign exchange or interest rate risks are classified as operating activities in the cash flow statement. We classify both the earnings and cash flow impact from these derivatives consistent with the underlying hedged item. Cash flows associated with the settlement of derivative instruments designated as net investment hedges of foreign operations are classified within investing activities.

Credit Risk

We perform assessments of our counterparty credit risk regularly, including reviewing netting agreements, if any, and a review of credit ratings, credit default swap rates and potential nonperformance of the counterparty. Based on our most recent assessment of our counterparty credit risk, we consider this risk to be low. In addition, we enter into derivative contracts with a variety of financial institutions that we believe are creditworthy in order to reduce our concentration of credit risk.

Certain of our agreements with our counterparties require us to post full collateral on derivative instruments in a net liability position if our credit rating is at A2 (Moody's Investors Service, Inc.) or A (S&P Global Ratings) and we have been placed on credit watch for possible downgrade or if our credit rating falls below either of these levels. The fair value of all derivative instruments with credit-risk-related contingent features that were in a net liability position as of December 27, 2025 was $96 million. We have posted no collateral under these contracts and no credit-risk-related contingent features were triggered as of December 27, 2025.

Commodity Prices

We are subject to commodity price risk because our ability to recover increased costs through higher pricing may be limited in the competitive environment in which we operate. This risk is managed through

the use of fixed-price contracts and purchase orders, pricing agreements and derivative instruments, which primarily include swaps and futures. In addition, risk to our supply of certain raw materials is mitigated through purchases from multiple geographies and suppliers. We use derivatives, with terms of no more than two years, to hedge price fluctuations related to a portion of our anticipated commodity purchases, primarily for agricultural products, energy and metals. Derivatives used to hedge commodity price risk that do not qualify for hedge accounting treatment are marked to market each period with the resulting gains and losses recorded in corporate unallocated expenses as either cost of sales or selling, general and administrative expenses, depending on the underlying commodity. These gains and losses are subsequently reflected in segment results when the segments recognize the cost of the underlying commodity in operating profit.

Interest Rates

We centrally manage our debt and investment portfolios considering investment opportunities and risks, tax consequences and overall financing strategies. We use various interest rate derivative instruments including, but not limited to, interest rate swaps, cross-currency interest rate swaps, Treasury locks and swap locks to manage our overall interest expense. These instruments effectively change the interest rate of specific debt issuances. Certain of our fixed rate indebtedness have been swapped to floating rates. The notional amount, interest payment and maturity date of our interest rate swap contracts match the principal, interest payment and maturity date of the related debt, and they have terms of no more than six years. Our Treasury locks and swap locks are entered into to protect against unfavorable interest rate changes relating to forecasted debt transactions.

As of December 27, 2025, approximately 11% of total debt was subject to variable rates, after the impact of the related interest rate swap contracts, compared to approximately 13% as of December 28, 2024.

Foreign Exchange

We are exposed to foreign exchange risks in the international markets in which our products are made, manufactured, distributed or sold. Additionally, we are exposed to foreign exchange risk from foreign currency purchases and foreign currency assets and liabilities created in the normal course of business. We manage this risk through sourcing purchases from local suppliers, negotiating contracts in local currencies with foreign suppliers and through the use of derivatives including, but not limited to, forward contracts and cross-currency interest rate swap contracts. Exchange rate gains or losses related to foreign currency transactions are recognized as transaction gains or losses on our income statement as incurred. The forward contracts and cross-currency interest rate swap contracts have terms of no more than two years and twelve years, respectively. The notional amount, interest payment and maturity date of our cross-currency interest rate swap contracts match the principal, interest payment and maturity date of the related foreign currency debt. For foreign currency derivatives that do not qualify for hedge accounting treatment, gains and losses were offset by changes in the underlying hedged items, resulting in no material net impact on earnings.

Net Investment Hedges

We are exposed to foreign exchange risk from net investments in our foreign operations. We manage this risk for certain of our foreign operations by utilizing derivative and non-derivative instruments, including cross-currency interest rate swaps, forward contracts and foreign currency denominated debt designated as net investment hedges. The cross-currency interest rate swaps and forward contracts have terms of no more than ten years and one year, respectively.

We use the spot method to assess hedge effectiveness for our net investment hedges. Excluded components in the form of interest accruals on cross-currency interest rate swaps are recorded in net

interest expense and other. Excluded components in the form of forward points on forward contracts are recorded in selling, general and administrative expenses.

The notional amounts of our financial instruments used to hedge the above risks as of December 27, 2025 and December 28, 2024 are as follows:

	Notional Amounts[a]	
	2025	2024
Commodity contracts	**$ 1.5**	$ 1.4
Interest rate swap contracts	**$ 2.0**	$ 2.0
Foreign exchange contracts [b]	**$ 3.1**	$ 3.1
Cross-currency contracts	**$ 1.7**	$ 1.2
Non-derivative debt instruments [b]	**$ 4.4**	$ 2.9

(a) In billions.
(b) Subsequent to December 27, 2025, we designated $1.6 billion of foreign exchange contracts maturing in February 2026 and $4.5 billion of existing euro denominated debt as net investment hedges to partially offset the effects of foreign currency on our investments in certain of our foreign subsidiaries.

Debt Securities

Available-for-Sale

Investments in available-for-sale debt securities are reported at fair value. Changes in the fair value of available-for-sale debt securities are generally recognized in accumulated other comprehensive loss within common shareholders' equity. Changes in the fair value of available-for-sale debt securities impact earnings only when such securities are sold, or an allowance for expected credit losses or impairment is recognized. We regularly evaluate our investment portfolio for expected credit losses and impairment. In making this judgment, we evaluate, among other things, the extent to which the fair value of a debt security is less than its amortized cost; the financial condition of the issuer, including the credit quality, and any changes thereto; and our intent to sell, or whether we will more likely than not be required to sell, the debt security before recovery of its amortized cost basis. Our assessment of whether a debt security has a credit loss or is impaired could change in the future due to new developments or changes in assumptions related to any particular debt security.

In 2022, we entered into an agreement with Celsius to distribute Celsius energy drinks in the United States and invested $550 million in Series A convertible preferred shares (Series A shares) issued by Celsius, which included certain conversion and redemption features. Shares underlying the transaction were priced at $75 per share ($25 per share after a three-for-one stock split in 2023), and are entitled to a 5% annual dividend, payable either in cash or in-kind. On August 28, 2025, as part of the Celsius Transaction described in Note 4, we acquired Series B convertible preferred shares (Series B shares) issued by Celsius, valued at $585 million upon acquisition, excluding acquisition-related charges. Shares underlying the transaction were priced at $51.75 per share and are entitled to a 5% annual dividend, payable either in cash or in-kind. In addition, as part of this transaction, the conversion and redemption periods of the Series A shares were extended to match the terms of the newly issued Series B shares, which was accounted for as a modification. Both series of shares include certain conversion and redemption features and convert into Celsius common shares after six years from issuance of the Series B shares if certain market-based conditions are met, or can be redeemed for cash after seven years from issuance of the Series B shares. Given our redemption rights associated with both series of shares, we classified our investments as Level 3 investments in available-for-sale debt securities.

The activity related to our Level 3 investments in certain available-for-sale debt securities is as follows:

	2025	2024
Celsius:		
Balance, beginning of year	**$ 785**	$ 1,156
Acquired	**590**	—
Net unrealized gain/(loss)	**507**	(350)
Cash dividends received	**(30)**	(21)
Balance, end of year	**1,852**	785
Other:		
Balance, beginning of year	**256**	—
Transfer from Level 2 [(a)]	**—**	184
Net unrealized gain	**19**	72
Balance, end of year	**275**	256
Total Level 3 available-for-sale balance, end of year	**$ 2,127**	$ 1,041

(a) Unobservable inputs to the fair value became more significant.

There were no impairment charges related to our investments in available-for-sale debt securities in the years ended December 27, 2025, December 28, 2024 and December 30, 2023. There were net unrealized pre-tax gains of $860 million and $334 million as of December 27, 2025 and December 28, 2024, respectively, associated with our available-for-sale debt securities.

TBG Investment

We hold a 39% noncontrolling interest in TBG, operating across North America and Europe, and we account for our investment under the equity method.

In 2023, we recorded our proportionate share of TBG's earnings, which included an impairment of TBG's indefinite-lived intangible assets, and recorded an other-than-temporary impairment of our investment, both of which resulted in pre-tax impairment charges of $321 million ($243 million after-tax or $0.18 per share), recorded in selling, general and administrative expenses in our PBNA segment. We estimated the fair value of our ownership in TBG using discounted cash flows and an option pricing model related to our liquidation preference in TBG, which we categorized as Level 3 in the fair value hierarchy.

In 2024, after identifying several indicators of impairment such as worsening operating losses and liquidity position, we quantitatively assessed our investment in TBG for impairment and, consequently, recorded an other-than-temporary impairment of our remaining investment, resulting in pre-tax impairment charges of $498 million ($416 million after-tax or $0.30 per share), with $409 million in our PBNA segment and $89 million in our EMEA segment, recorded in selling, general and administrative expenses. We estimated the fair value of our ownership in TBG using discounted cash flows. We also recorded an allowance for expected credit losses in selling, general and administrative expenses in 2024, primarily related to outstanding receivables associated with the Juice Transaction; see Note 1 for further information.

Recurring Fair Value Measurements

The fair values of our financial assets and liabilities as of December 27, 2025 and December 28, 2024 are categorized as follows:

	Fair Value Hierarchy Levels[a]	2025		2024	
		Assets[a]	**Liabilities[a]**	Assets[a]	Liabilities[a]
Available-for-sale debt securities [b]	3	**$ 2,127**	**$ —**	$ 1,041	$ —
Index funds [c]	1	**341**	**—**	336	—
Deferred compensation [d]	2	**—**	**495**	—	503
Contingent consideration [e]	3	**—**	**278**	—	—
Derivatives designated as fair value hedging instruments:					
Interest rate swap contracts [f]	2	**19**	**3**	—	46
Derivatives designated as cash flow hedging instruments:					
Foreign exchange contracts [g]	2	**6**	**28**	55	3
Cross-currency contracts [g]	2	**—**	**102**	—	165
Commodity contracts [h]	2	**116**	**5**	27	6
		122	**135**	82	174
Derivatives designated as net investment hedging instruments:					
Foreign exchange contracts [g]	2	**—**	**1**	—	—
Cross-currency contracts [g]	2	**—**	**34**	1	4
		—	**35**	1	4
Derivatives not designated as hedging instruments:					
Foreign exchange contracts [g]	2	**6**	**32**	28	12
Commodity contracts [h]	2	**4**	**9**	3	10
		10	**41**	31	22
Total derivatives at fair value [i]		**151**	**214**	114	246
Total		**$ 2,619**	**$ 987**	$ 1,491	$ 749

(a) Fair value hierarchy levels are defined in Note 7. Unless otherwise noted, financial assets are classified on our balance sheet within prepaid expenses and other current assets and other assets. Financial liabilities are classified on our balance sheet within accounts payable and other current liabilities and other liabilities.

(b) Classified as other assets. The fair value of our investment in Celsius is estimated using probability-weighted discounted future cash flows based on a Monte Carlo simulation using significant unobservable inputs such as an 80% probability that a certain market-based condition will be met and an average estimated discount rate of 8.5% and 7.3% as of December 27, 2025 and December 28, 2024, respectively. The fair value of the other investment is estimated using a lattice model primarily based on the underlying stock price, volatility and certain significant unobservable inputs, such as a discount rate of 8.3% based on an estimated synthetic credit rating. An increase in the probability that certain market-based conditions will be met or a decrease in the discount rate would result in a higher fair value measurement, while a decrease in the probability that certain market-based conditions will be met or an increase in the discount rate would result in a lower fair value measurement.

(c) Based on the price of index funds. These investments are classified as short-term investments and are used to manage a portion of market risk arising from our deferred compensation liability.

(d) Based on the fair value of investments corresponding to employees' investment elections.

(e) In connection with our acquisition of poppi, we recorded a liability at fair value for the contingent consideration payable upon achievement of certain performance milestones by the third quarter of 2027, with a maximum payment of $300 million. If these performance milestones are not met, no payment will be made. The fair value of the liability is estimated using discounted future cash flows based on a Monte Carlo simulation using significant unobservable inputs such as forecasts of net revenue and margin. An increase in the net revenue and margin forecasts would result in a higher fair value measurement, while a decrease in the net revenue and margin forecasts would result in a lower fair value measurement. As of December 27, 2025, the fair value of the contingent consideration was $278 million, comprised of the acquisition date fair value of $180 million and a fair value increase of $98 million recorded in selling, general and administrative expenses.

(f) Based on Secured Overnight Financing Rate forward rates. As of December 27, 2025, the carrying amount of hedged fixed-rate debt was $2.0 billion, which was classified on the balance sheet within long-term debt obligations.

(g) Based on recently reported market transactions of spot and/or forward rates.

(h) Primarily based on recently reported market transactions of swap arrangements.
(i) Derivative assets and liabilities are presented on a gross basis on our balance sheet. Amounts subject to enforceable master netting arrangements or similar agreements which are not offset on our balance sheet as of December 27, 2025 and December 28, 2024 were not material. Collateral received or posted against our asset or liability positions was not material. Exchange-traded commodity futures are cash-settled on a daily basis and, therefore, not included in the table.

The carrying amounts of our cash and cash equivalents and short-term investments recorded at amortized cost approximate fair value (classified as Level 2 in the fair value hierarchy) due to their short-term maturity. The fair value of our debt obligations as of December 27, 2025 and December 28, 2024 was $46 billion and $40 billion, respectively, based upon prices of identical or similar instruments in the marketplace, which are considered Level 2 inputs.

Losses/(gains) on our fair value hedges recognized in the income statement are as follows:

	2025	2024
Interest rate swap contracts [(a)]	**$ (62)**	$ 46

(a) Interest rate derivative losses/(gains) are included in net interest expense and other. These losses/(gains) are substantially offset by decreases/increases in the value of the underlying debt, which are also included in net interest expense and other.

Losses/(gains) on our cash flow hedges are categorized as follows:

	Losses/(Gains) Recognized in Accumulated Other Comprehensive Loss		**Losses/(Gains) Reclassified from Accumulated Other Comprehensive Loss into Income Statement[(a)]**	
	2025	2024	**2025**	2024
Foreign exchange contracts	**$ 95**	$ (101)	**$ 12**	$ (6)
Cross-currency contracts	**(63)**	46	**(67)**	48
Commodity contracts	**(218)**	57	**(77)**	123
Total	**$ (186)**	$ 2	**$ (132)**	$ 165

(a) Foreign exchange derivative losses/(gains) are included in net revenue and cost of sales. Cross-currency interest rate swap derivative losses/(gains) are included in selling, general and administrative expenses. Commodity derivative losses/(gains) are included in either cost of sales or selling, general and administrative expenses, depending on the underlying commodity. See Note 11 for further information.

Losses/(gains) on our net investment hedges are categorized as follows:

	Losses/(Gains) Recognized in Accumulated Other Comprehensive Loss		**Losses/(Gains) Recognized in Income Statement[(a)]**	
	2025	2024	**2025**	2024
Non-derivative debt instruments	**$ 337**	$ (133)	**$ —**	$ —
Cross-currency contracts	**33**	3	**(13)**	(5)
Foreign exchange contracts	**(13)**	—	**—**	—
Total	**$ 357**	$ (130)	**$ (13)**	$ (5)

(a) Amount excluded from the assessment of effectiveness recognized in earnings associated with cross-currency interest rate swaps and forward contracts.

Based on current market conditions, we expect to reclassify net gains of $100 million related to our cash flow hedges from accumulated other comprehensive loss within common shareholders' equity into net income during the next 12 months.

Losses/(gains) recognized in the income statement related to our non-designated hedges are categorized as follows:

	2025			2024		
	Cost of sales	**Selling, general and administrative expenses**	**Total**	Cost of sales	Selling, general and administrative expenses	Total
Foreign exchange contracts	**$ 1**	**$ 66**	**$ 67**	$ 1	$ 2	$ 3
Commodity contracts	**16**	**6**	**22**	2	8	10
Total	**$ 17**	**$ 72**	**$ 89**	$ 3	$ 10	$ 13

Note 10 — Net Income Attributable to PepsiCo per Common Share

The computations of basic and diluted net income attributable to PepsiCo per common share are as follows:

	2025		2024		2023	
	Income	**Shares[a]**	Income	Shares[a]	Income	Shares[a]
Basic net income attributable to PepsiCo per common share	**$ 6.02**		$ 6.97		$ 6.59	
Net income available for PepsiCo common shareholders	**$ 8,240**	**1,369**	$ 9,578	1,373	$ 9,074	1,376
Dilutive securities:						
Stock options, RSUs, PSUs and other [b]	**—**	**4**	—	5	—	7
Diluted	**$ 8,240**	**1,373**	$ 9,578	1,378	$ 9,074	1,383
Diluted net income attributable to PepsiCo per common share	**$ 6.00**		$ 6.95		$ 6.56	

(a) Weighted-average common shares outstanding (in millions).
(b) The dilutive effect of these securities is calculated using the treasury stock method.

The weighted-average amount of antidilutive securities excluded from the calculation of diluted earnings per common share was 8 million, 4 million and 3 million for the years ended December 27, 2025, December 28, 2024 and December 30, 2023, respectively.

Note 11 — Accumulated Other Comprehensive Loss Attributable to PepsiCo

The changes in the balances of each component of accumulated other comprehensive loss attributable to PepsiCo are as follows:

	Currency Translation Adjustment	Cash Flow Hedges	Pension and Retiree Medical	Available-for-Sale Debt Securities and Other[a]	Accumulated Other Comprehensive Loss Attributable to PepsiCo
Balance as of December 31, 2022 [b]	$ (12,948)	$ 1	$ (2,361)	$ 6	$ (15,302)
Other comprehensive (loss)/income before reclassifications [c]	(442)	(188)	(493)	608	(515)
Amounts reclassified from accumulated other comprehensive loss	108	146	37	—	291
Net other comprehensive (loss)/income	(334)	(42)	(456)	608	(224)
Tax amounts	27	10	98	(143)	(8)
Balance as of December 30, 2023 [b]	(13,255)	(31)	(2,719)	471	(15,534)
Other comprehensive loss before reclassifications [d]	(1,965)	(6)	(280)	(306)	(2,557)
Amounts reclassified from accumulated other comprehensive loss	—	158	285	—	443
Net other comprehensive (loss)/income	(1,965)	152	5	(306)	(2,114)
Tax amounts	3	(39)	—	72	36
Balance as of December 28, 2024 [b]	(15,217)	82	(2,714)	237	(17,612)
Other comprehensive income before reclassifications [e]	1,633	186	234	482	2,535
Amounts reclassified from accumulated other comprehensive loss	—	(132)	362	—	230
Net other comprehensive income	1,633	54	596	482	2,765
Tax amounts	90	(10)	(144)	(113)	(177)
Balance as of December 27, 2025 [b]	**$ (13,494)**	**$ 126**	**$ (2,262)**	**$ 606**	**$ (15,024)**

(a) The movements primarily represent fair value changes in available-for-sale debt securities, including our investment in Celsius convertible preferred stock. See Note 9 for further information.

(b) Pension and retiree medical amounts are net of taxes of $1,184 million as of December 31, 2022, $1,282 million as of both December 30, 2023 and December 28, 2024 and $1,138 million as of December 27, 2025.

(c) Currency translation adjustment primarily reflects depreciation of the Russian ruble and South African rand, partially offset by appreciation of the Mexican peso.

(d) Currency translation adjustment primarily reflects depreciation of the Mexican peso and Russian ruble.

(e) Currency translation adjustment primarily reflects appreciation of the Russian ruble and Mexican peso.

The reclassifications from accumulated other comprehensive loss to the income statement are summarized as follows:

	Amount Reclassified from Accumulated Other Comprehensive Loss			Affected Line Item in the Income Statement
	2025	2024	2023	
Currency translation:				
Divestitures	**$ —**	$ —	$ 108	Selling, general and administrative expenses
Cash flow hedges:				
Foreign exchange contracts	**(1)**	(1)	(3)	Net revenue
Foreign exchange contracts	**13**	(5)	64	Cost of sales
Cross-currency contracts	**(67)**	48	(31)	Selling, general and administrative expenses
Interest rate swap contracts	**—**	(7)	(9)	Selling, general and administrative expenses
Commodity contracts	**(79)**	122	126	Cost of sales
Commodity contracts	**2**	1	(1)	Selling, general and administrative expenses
Net (gains)/losses before tax	**(132)**	158	146	
Tax amounts	**32**	(37)	(39)	
Net (gains)/losses after tax	**(100)**	121	107	
Pension and retiree medical items:				
Amortization of net prior service credit	**(3)**	(31)	(33)	Other pension and retiree medical benefits (expense)/income
Amortization of net losses	**86**	73	56	Other pension and retiree medical benefits (expense)/income
Settlement/curtailment losses	**279**	243	14	Other pension and retiree medical benefits (expense)/income
Net losses before tax	**362**	285	37	
Tax amounts	**(79)**	(62)	(7)	
Net losses after tax	**283**	223	30	
Total net losses reclassified for the year, net of tax	**$ 183**	$ 344	$ 245	

Note 12 — Leases

Lessee

We determine whether an arrangement is a lease at inception. We have operating leases for plants, warehouses, distribution centers, storage facilities, offices and other facilities, as well as machinery and equipment, including fleet. Our leases generally have remaining lease terms of up to 20 years, some of which include options to extend the lease term for up to five years and some of which include options to terminate the lease within one year. We consider these options in determining the lease term used to establish our right-of-use assets and lease liabilities. Our lease agreements do not contain any material residual value guarantees or material restrictive covenants.

As most of our leases do not provide an implicit rate, we use our incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments.

We have lease agreements that contain both lease and non-lease components. For real estate leases, we account for lease components together with non-lease components (e.g., common-area maintenance).

Components of lease cost are as follows:

	2025	2024	2023
Operating lease cost [(a)]	**$ 880**	$ 788	$ 666
Variable lease cost [(b)]	**$ 185**	$ 165	$ 146
Short-term lease cost [(c)]	**$ 570**	$ 566	$ 582

(a) Includes right-of-use asset amortization of $727 million, $655 million, and $570 million in 2025, 2024, and 2023, respectively.
(b) Primarily related to adjustments for inflation, common-area maintenance and property tax.
(c) Not recorded on our balance sheet.

In 2025, 2024 and 2023, we recognized gains of $291 million, $118 million and $52 million, respectively, on sale-leaseback transactions with lease terms of ten years or less.

Supplemental cash flow information and non-cash activity related to our operating leases are as follows:

	2025	2024	2023
Operating cash flow information:			
Cash paid for amounts included in the measurement of lease liabilities	**$ 866**	$ 775	$ 655
Non-cash activity:			
Right-of-use assets obtained in exchange for lease obligations	**$ 1,046**	$ 1,218	$ 1,088

Supplemental balance sheet information related to our operating leases is as follows:

	Balance Sheet Classification	2025	2024
Right-of-use assets	Other assets	**$ 3,745**	$ 3,383
Current lease liabilities	Accounts payable and other current liabilities	**$ 719**	$ 642
Noncurrent lease liabilities	Other liabilities	**$ 3,127**	$ 2,803

Weighted-average remaining lease term and discount rate for our operating leases are as follows:

	2025	2024	2023
Weighted-average remaining lease term	**7 years**	7 years	7 years
Weighted-average discount rate	**5 %**	4 %	4 %

Maturities of lease liabilities by year for our operating leases are as follows:

2026	$ 858
2027	750
2028	631
2029	512
2030	434
2031 and beyond	1,342
Total lease payments	4,527
Less: Imputed interest	681
Present value of lease liabilities	$ 3,846

Operating lease payments presented in the table above exclude approximately $900 million of minimum lease payments related to leases entered into but not yet commenced as of December 27, 2025, with weighted-average lease terms of thirteen years.

Finance leases were not material as of December 27, 2025, December 28, 2024 and December 30, 2023.

Lessor

We have various arrangements for certain foodservice and vending equipment under which we are the lessor. These leases meet the criteria for operating lease classification. Lease income associated with these leases is not material.

Note 13 — Acquisitions and Divestitures

Acquisition of poppi

On May 19, 2025, we acquired all of the outstanding equity interest in poppi, a prebiotic soda business, for cash consideration of $1.95 billion and contingent consideration with an acquisition date fair value of $0.2 billion. See Note 9 for further information on the contingent consideration. In connection with this acquisition, other payments may be incurred, subject to the achievement of certain conditions.

We accounted for the transaction as a business combination in the second quarter of 2025. We recognized and measured the identifiable assets acquired and liabilities assumed at their estimated fair values on the date of acquisition, in our PBNA segment. The preliminary estimates of the fair value of the identifiable assets acquired and liabilities assumed in this transaction as of the acquisition date primarily include goodwill and other intangible assets of approximately $2.0 billion. These preliminary estimates include management's assumptions and are subject to revision as additional information is obtained about the facts and circumstances that existed as of the acquisition date, primarily related to intangible assets, which may result in adjustments to the preliminary values discussed above as valuations are finalized. We expect to finalize these amounts as soon as possible, but no later than the second quarter of 2026.

Acquisition of Siete

On January 17, 2025, we acquired all of the outstanding equity interest in Siete, a Mexican-American foods business, for total consideration of $1.2 billion in cash.

We accounted for the transaction as a business combination in the first quarter of 2025. We recognized and measured the identifiable assets acquired and liabilities assumed at their estimated fair values on the date of acquisition, in our PFNA segment. The preliminary estimates of the fair value of the identifiable assets acquired and liabilities assumed in this transaction as of the acquisition date primarily include goodwill and other intangible assets of approximately $1.2 billion. These preliminary estimates include management's assumptions and are subject to revision as additional information is obtained about the facts and circumstances that existed as of the acquisition date, primarily related to intangible assets, which may result in adjustments to the preliminary values discussed above as valuations are finalized. We will finalize these amounts in the first quarter of 2026.

Acquisition of remaining ownership in Sabra

On December 3, 2024, we acquired the Strauss Group's 50% ownership in Sabra for total consideration of $241 million in cash, resulting in Sabra becoming a wholly-owned subsidiary. Upon consolidation, we recognized a pre-tax gain of $122 million ($92 million after-tax or $0.07 per share) in our PFNA segment, recorded in selling, general and administrative expenses, related to the remeasurement of our previously held 50% equity ownership in Sabra at fair value using a combination of the transaction price, net of a control premium, and discounted cash flows.

We accounted for the acquisition as a business combination. We recognized and measured the identifiable assets acquired and liabilities assumed at their estimated fair values on the date of acquisition in our PFNA segment, which primarily included goodwill and other intangible assets of $0.3 billion and property, plant and equipment of $0.1 billion. The purchase price allocation was finalized in the fourth quarter of 2025.

Acquisition and Divestiture-Related Charges

Acquisition and divestiture-related charges include merger and integration charges, transaction expenses, such as consulting, advisory and other professional fees, as well as fair value adjustments to contingent consideration and acquired inventory included in the acquisition-date balance sheets. Merger and integration charges include distribution agreement termination fees, impairment of certain acquisition-related intangible assets, employee-related costs, closing costs and other integration costs.

A summary of charges is as follows:

	2025	2024	2023
Cost of sales	**$ 57**	$ —	$ —
Selling, general and administrative expenses	**346**	22	41
Impairment of intangible assets	**50**	—	—
Total	**$ 453**	$ 22	$ 41
After-tax amount	**$ 347**	$ 18	$ 23
Impact on net income attributable to PepsiCo per common share	**$ (0.25)**	$ (0.01)	$ (0.02)

	2025	2024	2023
PFNA	**$ 28**	$ 9	$ —
PBNA	**422**	8	16
EMEA [(a)]	**—**	—	(2)
Asia Pacific Foods	**3**	5	2
Corporate	**—**	—	25
Total	**$ 453**	$ 22	$ 41

(a) Income amount represents adjustments for changes in estimates of previously recorded amounts.

Note 14 — Supply Chain Financing Arrangements

As part of our evolving market practices, we work with our suppliers to optimize our terms and conditions, which include the extension of payment terms. Our current payment terms with a majority of our suppliers generally range from 60 to 90 days, which we deem to be commercially reasonable. We will continue to monitor economic conditions and market practice working with our suppliers to adjust as necessary. We also maintain voluntary supply chain finance agreements with several participating global financial institutions. Under these agreements, our suppliers, at their sole discretion, may elect to sell their accounts receivable with PepsiCo to these participating global financial institutions. Supplier participation in these financing arrangements is voluntary. Our suppliers negotiate their financing agreements directly with the respective global financial institutions and we are not a party to these agreements. These financing arrangements allow participating suppliers to leverage PepsiCo's creditworthiness in establishing credit spreads and associated costs, which generally provides our suppliers with more favorable terms than they would be able to secure on their own. Neither PepsiCo nor any of its subsidiaries provide any guarantees to any third party in connection with these financing arrangements. We have no economic interest in our suppliers' decision to participate in these agreements. Our obligations to our suppliers, including amounts due and scheduled payment terms, are not impacted. All outstanding amounts related to suppliers participating in such financing arrangements are recorded within accounts payable and other current liabilities in our consolidated balance sheet.

A summary of our outstanding obligations confirmed as valid under the supplier finance program is as follows:

	2025	2024
Confirmed obligations outstanding at beginning of year	**$ 1,478**	$ 1,655
Invoices confirmed	**6,668**	6,552
Confirmed invoices paid	**(6,547)**	(6,636)
Translation and other	**82**	(93)
Confirmed obligations outstanding at end of year	**$ 1,681**	$ 1,478

Note 15 — Supplemental Financial Information

Balance Sheet

		2025	2024	2023
Accounts and notes receivable				
Trade receivables		**$ 9,265**	$ 8,487	
Other receivables		**2,471**	2,202	
Total		**11,736**	10,689	
Allowance, beginning of year		**356**	175	$ 150
Net amounts charged to expense [a]		**61**	228	55
Deductions		**(55)**	(36)	(26)
Translation and other [a]		**(132)**	(11)	(4)
Allowance, end of year		**230**	356	$ 175
Accounts and notes receivable, net		**$ 11,506**	$ 10,333	
Property, plant and equipment, net	Average Useful Life (Years)			
Land		**$ 1,110**	$ 1,136	
Buildings and improvements	15 - 44	**13,875**	11,938	
Machinery and equipment, including fleet and software	5 - 15	**41,113**	36,990	
Construction in progress		**4,811**	5,941	
		60,909	56,005	
Accumulated depreciation		**(31,004)**	(27,997)	
Property, plant and equipment, net		**$ 29,905**	$ 28,008	
Depreciation expense		**$ 3,213**	$ 2,945	$ 2,714
Other assets				
Noncurrent notes and accounts receivable		**$ 136**	$ 111	
Deferred marketplace spending		**205**	100	
Pension plans		**1,449**	1,190	
Right-of-use assets		**3,745**	3,383	
Other investments [b]		**2,526**	1,346	
Other		**923**	821	
Total		**$ 8,984**	$ 6,951	
Accounts payable and other current liabilities				
Accounts payable [c]		**$ 11,704**	$ 10,997	
Accrued marketplace spending		**3,512**	3,458	
Accrued compensation and benefits		**2,230**	2,256	
Dividends payable		**1,967**	1,885	
Current lease liabilities		**719**	642	
Other current liabilities [d]		**5,771**	5,216	
Total		**$ 25,903**	$ 24,454	

(a) In 2024, we recognized an allowance for expected credit losses related to outstanding receivables from TBG associated with the Juice Transaction. In 2025, the outstanding receivables and related allowance were reclassified to noncurrent notes and accounts receivable. See Note 1 for further information.

(b) Includes our investment in Celsius convertible preferred stock. See Note 9 for further information.

(c) Increase primarily reflects timing of payments and currency translation adjustments, partially offset by a decrease in capital expenditure payables.

(d) Increase primarily reflects acquisition of poppi. See Note 13 for further information on acquisitions.

Statement of Cash Flows

	2025	2024	2023
Interest paid	**$ 1,748**	$ 1,585	$ 1,401
Income taxes paid, net of refunds [(a)]	**$ 3,083**	$ 3,064	$ 2,532

(a) Includes tax payments of $772 million in 2025, $579 million in 2024 and $309 million in 2023 related to the TCJ Act.

Supplemental Non-Cash Activity

	2025	2024	2023
Debt discharged via legal defeasance	**$ —**	$ —	$ 94
Investment obtained for certain assets (see Notes 4 and 9)	**$ 554**	$ —	$ —

The following table provides a reconciliation of cash and cash equivalents and restricted cash as reported within the balance sheet to the same items as reported in the cash flow statement:

	2025	2024
Cash and cash equivalents	**$ 9,159**	$ 8,505
Restricted cash included in other assets [(a)]	**45**	48
Total cash and cash equivalents and restricted cash	**$ 9,204**	$ 8,553

(a) Primarily relates to collateral posted against certain of our derivative positions.

Note 16 — Legal Contingencies

The Company is party to a variety of litigation, claims, legal or regulatory proceedings, inquiries and investigations. While the results of such litigation, claims, legal or regulatory proceedings, inquiries and investigations cannot be predicted with certainty, management believes that the final outcome of the foregoing is not expected to have a material adverse effect on our financial condition, results of operations or cash flows.

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors
PepsiCo, Inc.:

Opinions on the Consolidated Financial Statements and Internal Control Over Financial Reporting

We have audited the accompanying Consolidated Balance Sheet of PepsiCo, Inc. and Subsidiaries (the Company) as of December 27, 2025 and December 28, 2024, the related Consolidated Statements of Income, Comprehensive Income, Cash Flows, and Equity for each of the fiscal years in the three-year period ended December 27, 2025, and the related notes (collectively, the consolidated financial statements). We also have audited the Company's internal control over financial reporting as of December 27, 2025, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 27, 2025 and December 28, 2024, and the results of its operations and its cash flows for each of the fiscal years in the three-year period ended December 27, 2025, in conformity with U.S. generally accepted accounting principles. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 27, 2025 based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Basis for Opinions

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's consolidated financial statements and an opinion on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Unrecognized tax benefits

As discussed in Note 5 to the consolidated financial statements, the Company's global operating model gives rise to income tax obligations in the United States and in certain foreign jurisdictions in which it operates. As of December 27, 2025, the Company recorded reserves for unrecognized tax benefits of $2.4 billion. The Company establishes reserves if it believes that certain positions taken in its tax returns are subject to challenge and the Company likely will not succeed, even though the Company believes the tax return position is supportable under the tax law. The Company adjusts these reserves, as well as the related interest, in light of new information, such as the progress of a tax examination, new tax law, relevant court rulings or tax authority settlements.

We identified the evaluation of certain of the Company's unrecognized tax benefits as a critical audit matter because the application of tax law and interpretation of a tax authority's settlement history is complex and involves subjective judgment. Such judgments impact both the timing and amount of the reserves that are recognized, including judgments about re-measuring liabilities for positions taken in prior years' tax returns in light of new information.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to the unrecognized tax benefits process, including controls to (1) identify uncertain income tax positions, (2) evaluate the tax law and tax authority's settlement history used to estimate the unrecognized tax benefits, and (3) monitor for new information that may give rise to changes to the existing unrecognized tax benefits, such as progress of a tax examination, new tax law or tax authority

settlements. We involved tax and valuation professionals with specialized skills and knowledge, who assisted in assessing the unrecognized tax benefits by (1) evaluating the Company's tax structure and transactions, including transfer pricing arrangements, and (2) assessing the Company's interpretation of existing tax law as well as new and amended tax laws, tax positions taken, associated external counsel opinions, information from tax examinations, relevant court rulings and tax authority settlements.

/s/ KPMG LLP

We have served as the Company's auditor since 1990.

New York, New York
February 2, 2026

GLOSSARY

Acquisitions and divestitures: mergers and acquisitions activity, as well as divestitures and other structural changes, including changes in ownership or control in consolidated subsidiaries and nonconsolidated equity investees.

Bottler Case Sales (BCS): measure of physical beverage volume shipped to retailers and independent distributors from both PepsiCo and our independent bottlers.

Bottler funding: financial incentives we give to our independent bottlers to assist in the distribution and promotion of our beverage products.

Chief Operating Decision Maker (CODM): our Chairman and Chief Executive Officer.

Concentrate Shipments and Equivalents (CSE): measure of our physical beverage volume shipments to independent bottlers.

Constant currency: financial results assuming constant foreign currency exchange rates used for translation based on the rates in effect for the comparable prior-year period. In order to compute our constant currency results, we multiply or divide, as appropriate, our current-year U.S. dollar results by the current-year average foreign exchange rates and then multiply or divide, as appropriate, those amounts by the prior-year average foreign exchange rates. Beginning in 2025, on a prospective basis, we are also applying the constant currency calculation for our subsidiaries operating in highly inflationary economies.

Consumers: people who eat and drink our products.

CSD: carbonated soft drinks.

Customers: authorized independent bottlers, distributors and retailers.

Direct-Store-Delivery (DSD): delivery system used by us, our independent bottlers and our distributors to deliver beverages and convenient foods directly to retail stores where our products are merchandised.

Effective net pricing: reflects the year-over-year impact of discrete pricing actions, sales incentive activities and mix resulting from selling varying products in different package sizes and in different countries.

Free cash flow: net cash from operating activities less capital spending, plus sales of property, plant and equipment.

Independent bottlers: customers to whom we have granted exclusive contracts to sell and manufacture certain beverage products bearing our trademarks within a specific geographical area.

Mark-to-market net impact: change in market value for commodity derivative contracts that we purchase to mitigate the volatility in costs of energy and raw materials that we consume. The market value is determined based on prices on national exchanges and recently reported transactions in the marketplace.

NCB: non-carbonated beverage.

Organic: a measure that adjusts for the impacts of foreign exchange translation, acquisitions and divestitures, and where applicable, the impact of the 53rd reporting week. In excluding the impact of foreign exchange translation, we assume constant foreign exchange rates used for translation based on the rates in effect for the comparable prior-year period. See the definition of “Constant currency” for further information.

Total marketplace spending: includes sales incentives and discounts offered through various programs to our customers, consumers or independent bottlers, as well as advertising and other marketing activities.

Transaction gains and losses: the impact on our consolidated financial statements of exchange rate changes arising from specific transactions.

Translation adjustment: the impact of converting our foreign affiliates' financial statements into U.S. dollars for the purpose of consolidating our financial statements.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

Included in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations – Our Business Risks."

Item 8. Financial Statements and Supplementary Data.

See "Item 15. Exhibits and Financial Statement Schedules."

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

Not applicable.

Item 9A. Controls and Procedures.

(a) Disclosure Controls and Procedures. As of the end of the period covered by this report, we carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures, as such term is defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended (the Exchange Act). Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that as of the end of the period covered by this report our disclosure controls and procedures were effective to ensure that information required to be disclosed by us in reports we file or submit under the Exchange Act is (1) recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms, and (2) accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

(b) Management's Annual Report on Internal Control over Financial Reporting. Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rule 13a-15(f) of the Exchange Act. Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based upon criteria established in *Internal Control – Integrated Framework* (2013) by the Committee of Sponsoring Organizations of the Treadway Commission. Based on that evaluation, our management concluded that our internal control over financial reporting was effective as of December 27, 2025.

Attestation Report of the Registered Public Accounting Firm. KPMG LLP, an independent registered public accounting firm, has audited the consolidated financial statements included in this Annual Report on Form 10-K and, as part of their audit, has issued their report, included herein, on the effectiveness of our internal control over financial reporting.

(c) Changes in Internal Control over Financial Reporting. During our fourth quarter of 2025, we continued migrating certain of our financial processing systems to an Enterprise Resource Planning (ERP) solution. These systems implementations are part of our ongoing global business transformation initiative, and we plan to continue implementing such systems throughout other parts of our businesses in phases over the next several years. In connection with these ERP implementations, we are updating and will continue to update our internal control over financial reporting, as necessary, to accommodate modifications to our business processes and accounting procedures. During 2025, we continued implementing these systems, resulting in changes that materially affected our internal control over financial reporting. These system implementations did not have an adverse effect, nor do we expect will have an adverse effect, on our internal control over financial reporting. In addition, in connection with our 2019 multi-year productivity plan, we continue to migrate to shared business models across our operations to further simplify, harmonize and automate processes. In connection with our 2019 multi-year

productivity plan and resulting organization and business process changes, we continue to enhance the design and documentation of our internal control over financial reporting processes, to maintain effective controls over our financial reporting. These changes have not materially affected, and we do not expect them to materially affect, our internal control over financial reporting.

Except with respect to the continued implementation of ERP systems, there have been no changes in our internal control over financial reporting during our fourth quarter of 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. We will continue to assess the impact on our internal control over financial reporting as we continue to implement our ERP solution and our 2019 multi-year productivity plan.

Item 9B. Other Information.

During the 16 weeks ended December 27, 2025, none of our directors or executive officers adopted, modified or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement" as such terms are defined under Item 408 of Regulation S-K.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

Information about our directors and persons nominated to become directors is contained under the caption "Election of Directors" in our Proxy Statement for our 2026 Annual Meeting of Shareholders to be filed with the SEC within 120 days of the year ended December 27, 2025 (the 2026 Proxy Statement) and is incorporated herein by reference. Information about our executive officers is reported under the caption "Information About Our Executive Officers" in Part I of this report.

Information on beneficial ownership reporting compliance will be contained under the caption "Ownership of PepsiCo Common Stock - Delinquent Section 16(a) Reports," if applicable, in our 2026 Proxy Statement and is incorporated herein by reference.

We have a written code of conduct that applies to all of our employees, including our Chairman of the Board of Directors and Chief Executive Officer, Chief Financial Officer and Controller, and to our Board of Directors. Our Global Code of Conduct is distributed to all employees and is available on our website at https://www.pepsico.com. A copy of our Global Code of Conduct may be obtained free of charge by writing to Investor Relations, PepsiCo, Inc., 700 Anderson Hill Road, Purchase, New York 10577. Any amendment to our Global Code of Conduct and any waiver applicable to our executive officers or senior financial officers will be posted on our website within the time period required by the SEC and applicable rules of The Nasdaq Stock Market LLC.

Information about the procedures by which security holders may recommend nominees to our Board of Directors can be found in our 2026 Proxy Statement under the caption "Board Composition and Refreshment – Shareholder Recommendations and Nominations of Director Candidates" and is incorporated herein by reference.

Information concerning the composition of the Audit Committee and our Audit Committee financial experts is contained in our 2026 Proxy Statement under the caption "Corporate Governance at PepsiCo – Committees of the Board of Directors – Audit Committee" and is incorporated herein by reference.

Information about the Company's insider trading policy is contained in our 2026 Proxy Statement under the caption "Corporate Governance at PepsiCo - Our Standards of Conduct - Insider Trading Policy" and is incorporated herein by reference.

Item 11. Executive Compensation.

Information about director and executive officer compensation, Compensation Committee interlocks and the Compensation Committee Report is contained in our 2026 Proxy Statement under the captions "2025 Director Compensation," "Executive Compensation," "Corporate Governance at PepsiCo – Committees of the Board of Directors – Compensation Committee – Compensation Committee Interlocks and Insider Participation" and "Executive Compensation – Compensation Committee Report" and is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

Information with respect to securities authorized for issuance under equity compensation plans can be found under the caption "Executive Compensation – Securities Authorized for Issuance Under Equity Compensation Plans" in our 2026 Proxy Statement and is incorporated herein by reference.

Information on the number of shares of PepsiCo Common Stock beneficially owned by each director and named executive officer, by all directors and executive officers as a group and on each beneficial owner of more than 5% of PepsiCo Common Stock is contained under the caption "Ownership of PepsiCo Common Stock" in our 2026 Proxy Statement and is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

Information with respect to certain relationships and related transactions and director independence is contained under the captions "Corporate Governance at PepsiCo – Related Person Transactions" and "Corporate Governance at PepsiCo – Director Independence" in our 2026 Proxy Statement and is incorporated herein by reference.

Item 14. Principal Accounting Fees and Services.

Information on our Audit Committee's pre-approval policy and procedures for audit and other services and information on our principal accountant fees and services is contained in our 2026 Proxy Statement under the caption "Ratification of Appointment of Independent Registered Public Accounting Firm – Audit and Other Fees" and is incorporated herein by reference.

PART IV

Item 15. Exhibits and Financial Statement Schedules.

(a)1. Financial Statements

The following consolidated financial statements of PepsiCo, Inc. and its affiliates are included herein by reference to the pages indicated on the index appearing in "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations":

Consolidated Statement of Income – Fiscal years ended December 27, 2025, December 28, 2024 and December 30, 2023

Consolidated Statement of Comprehensive Income – Fiscal years ended December 27, 2025, December 28, 2024 and December 30, 2023

Consolidated Statement of Cash Flows – Fiscal years ended December 27, 2025, December 28, 2024 and December 30, 2023

Consolidated Balance Sheet – December 27, 2025 and December 28, 2024

Consolidated Statement of Equity – Fiscal years ended December 27, 2025, December 28, 2024 and December 30, 2023

Notes to the Consolidated Financial Statements, and

Report of Independent Registered Public Accounting Firm (PCAOB ID: 185).

(a)2. Financial Statement Schedules

These schedules are omitted because they are not required or because the information is set forth in the financial statements or the notes thereto.

(a)3. Exhibits

See Index to Exhibits.

Item 16. Form 10-K Summary.

None.

INDEX TO EXHIBITS
ITEM 15(a)(3)

The following is a list of the exhibits filed as part of this Form 10-K. The documents incorporated by reference can be viewed on the SEC's website at https://www.sec.gov.

EXHIBIT

3.1 Amended and Restated Articles of Incorporation of PepsiCo, Inc., effective as of May 1, 2019, which are incorporated herein by reference to Exhibit 3.1 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on May 3, 2019.

3.2 By-laws of PepsiCo, Inc., as amended and restated, effective as of September 20, 2024, which are incorporated herein by reference to Exhibit 3.2 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on September 20, 2024.

4.1 PepsiCo, Inc. agrees to furnish to the Securities and Exchange Commission, upon request, a copy of any instrument, not otherwise filed herewith, defining the rights of holders of long-term debt of PepsiCo, Inc. and its consolidated subsidiaries and for any of its unconsolidated subsidiaries for which financial statements are required to be filed with the Securities and Exchange Commission.

4.2 Indenture dated May 21, 2007 between PepsiCo, Inc. and The Bank of New York Mellon (formerly known as The Bank of New York), as trustee, which is incorporated herein by reference to Exhibit 4.3 to PepsiCo, Inc.'s Registration Statement on Form S-3ASR (Registration No. 333-154314) filed with the Securities and Exchange Commission on October 15, 2008.

4.3 Form of 5.50% Senior Note due 2040, which is incorporated herein by reference to Exhibit 4.4 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on January 13, 2010.

4.4 Form of 4.875% Senior Note due 2040, which is incorporated herein by reference to Exhibit 4.3 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on October 25, 2010.

4.5 Form of 2.625% Senior Note due 2026, which is incorporated herein by reference to Exhibit 4.2 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on April 28, 2014.

4.6 Form of 4.250% Senior Note due 2044, which is incorporated herein by reference to Exhibit 4.1 of PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on October 22, 2014.

4.7 Form of 4.600% Senior Note due 2045, which is incorporated herein by reference to Exhibit 4.5 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on July 17, 2015.

4.8 Form of 4.450% Senior Note due 2046, which is incorporated herein by reference to Exhibit 4.4 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on October 14, 2015.

4.9 Form of 2.850% Senior Note due 2026, which is incorporated herein by reference to Exhibit 4.3 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on February 24, 2016.

4.10 Form of 4.450% Senior Note due 2046, which is incorporated herein by reference to Exhibit 4.4 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on February 24, 2016.

4.11 Form of 0.875% Senior Note due 2028, which is incorporated herein by reference to Exhibit 4.1 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on July 18, 2016.

4.12 Form of 2.375% Senior Note due 2026, which is incorporated herein by reference to Exhibit 4.5 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on October 6, 2016.

4.13 Form of 3.450% Senior Note due 2046, which is incorporated herein by reference to Exhibit 4.6 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on October 6, 2016.

4.14 Form of 4.000% Senior Note due 2047, which is incorporated herein by reference to Exhibit 4.5 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on May 2, 2017.

4.15 Form of 3.000% Senior Note due 2027, which is incorporated herein by reference to Exhibit 4.3 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on October 10, 2017.

4.16 Board of Directors Resolutions Authorizing PepsiCo, Inc.'s Officers to Establish the Terms of the 5.50% Senior Notes due 2040 and 4.875% Senior Notes due 2040, which are incorporated herein by reference to Exhibit 4.1 to PepsiCo, Inc.'s Quarterly Report on Form 10-Q for the 24 weeks ended June 12, 2010.

4.17 Board of Directors Resolutions Authorizing PepsiCo, Inc.'s Officers to Establish the Terms of the 4.000% Senior Notes due 2042 and the 3.600% Senior Notes due 2042, which are incorporated herein by reference to Exhibit 4.3 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on May 6, 2011.

4.18 Form of 4.000% Senior Note due 2042, which is incorporated herein by reference to Exhibit 4.3 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on March 2, 2012.

4.19 Form of 3.600% Senior Note due 2042, which is incorporated herein by reference to Exhibit 4.3 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on August 13, 2012.

4.20 Form of 7.00% Senior Note due 2029, Series A, which is incorporated herein by reference to Exhibit 4.3 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on November 8, 2018.

4.21 Form of 5.50% Senior Note due 2035, Series A, which is incorporated herein by reference to Exhibit 4.4 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on November 8, 2018.

4.22 Form of 7.29% Senior Note due 2026, which is incorporated herein by reference to Exhibit 4.3 to PepsiCo, Inc.'s Registration Statement on Form S-4 (Registration No. 333-228466) filed with the Securities and Exchange Commission on November 19, 2018.

4.23 Form of 7.44% Senior Note due 2026, which is incorporated herein by reference to Exhibit 4.4 to PepsiCo, Inc.'s Registration Statement on Form S-4 (Registration No. 333-228466) filed with the Securities and Exchange Commission on November 19, 2018.

4.24 Form of 7.00% Senior Note due 2029, which is incorporated herein by reference to Exhibit 4.5 to PepsiCo, Inc.'s Registration Statement on Form S-4 (Registration No. 333-228466) filed with the Securities and Exchange Commission on November 19, 2018.

4.25 Form of 5.50% Senior Note due 2035, which is incorporated herein by reference to Exhibit 4.6 to PepsiCo, Inc.'s Registration Statement on Form S-4 (Registration No. 333-228466) filed with the Securities and Exchange Commission on November 19, 2018.

4.26 Form of 0.750% Senior Note due 2027, which is incorporated herein by reference to Exhibit 4.1 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on March 18, 2019.

4.27 Form of 1.125% Senior Note due 2031, which is incorporated herein by reference to Exhibit 4.2 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on March 18, 2019.

4.28 Form of 2.625% Senior Note due 2029, which is incorporated herein by reference to Exhibit 4.1 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on July 29, 2019.

4.29 Form of 3.375% Senior Note due 2049, which is incorporated herein by reference to Exhibit 4.2 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on July 29, 2019.

4.30 Form of 2.875% Senior Note due 2049, which is incorporated herein by reference to Exhibit 4.1 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on October 9, 2019.

4.31 Form of 0.875% Senior Note due 2039, which is incorporated herein by reference to Exhibit 4.1 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on October 16, 2019.

4.32 Form of 2.625% Senior Note due 2027, which is incorporated herein by reference to Exhibit 4.2 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on March 19, 2020.

4.33 Form of 2.750% Senior Note due 2030, which is incorporated herein by reference to Exhibit 4.3 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on March 19, 2020.

4.34 Form of 3.500% Senior Note due 2040, which is incorporated herein by reference to Exhibit 4.4 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on March 19, 2020.

4.35 Form of 3.625% Senior Note due 2050, which is incorporated herein by reference to Exhibit 4.5 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on March 19, 2020.

4.36 Form of 3.875% Senior Note due 2060, which is incorporated herein by reference to Exhibit 4.6 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on March 19, 2020.

4.37 Form of 1.625% Senior Note due 2030, which is incorporated herein by reference to Exhibit 4.2 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on May 1, 2020.

4.38 Form of 0.500% Senior Note due 2028, which is incorporated herein by reference to Exhibit 4.2 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on May 6, 2020.

4.39 Form of 1.400% Senior Note due 2031, which is incorporated herein by reference to Exhibit 4.2 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on October 7, 2020.

4.40 Form of 0.400% Senior Note due 2032, which is incorporated herein by reference to Exhibit 4.1 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on October 9, 2020.

4.41 Form of 1.050% Senior Note due 2050, which is incorporated herein by reference to Exhibit 4.2 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on October 9, 2020.

4.42 Form of 0.750% Senior Note due 2033, which is incorporated herein by reference to Exhibit 4.1 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on October 14, 2021.

4.43 Form of 1.950% Senior Note due 2031, which is incorporated herein by reference to Exhibit 4.1 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on October 21, 2021.

4.44 Form of 2.625% Senior Note due 2041, which is incorporated herein by reference to Exhibit 4.2 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on October 21, 2021.

4.45 Form of 2.750% Senior Note due 2051, which is incorporated herein by reference to Exhibit 4.3 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on October 21, 2021.

4.46 Form of 3.600% Senior Note due 2028, which is incorporated herein by reference to Exhibit 4.1 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on July 18, 2022.

4.47 Form of 4.200% Senior Note due 2052, which is incorporated herein by reference to Exhibit 4.2 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on July 18, 2022.

4.48 Form of 3.900% Senior Note due 2032, which is incorporated herein by reference to Exhibit 4.1 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on July 18, 2022.

4.49 Form of 3.200% Senior Note due 2029, which is incorporated herein by reference to Exhibit 4.1 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on July 22, 2022.

4.50 Form of 3.550% Senior Note due 2034, which is incorporated herein by reference to Exhibit 4.2 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on July 22, 2022.

4.51 Form of Floating Rate Note due 2026, which is incorporated herein by reference to Exhibit 4.1 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on February 15, 2023.

4.52 Form of 4.550% Senior Note due 2026, which is incorporated herein by reference to Exhibit 4.2 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on February 15, 2023.

4.53 Form of 4.450% Senior Note due 2028, which is incorporated herein by reference to Exhibit 4.3 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on February 15, 2023.

4.54 Form of 4.450% Senior Note due 2033, which is incorporated herein by reference to Exhibit 4.4 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on February 15, 2023.

4.55 Form of 4.650% Senior Note due 2053, which is incorporated herein by reference to Exhibit 4.5 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on February 15, 2023.

4.56 Form of 5.125% Senior Note due 2026, which is incorporated herein by reference to Exhibit 4.3 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on November 13, 2023.

4.57 Form of 4.500% Senior Note due 2029, which is incorporated herein by reference to Exhibit 4.1 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on July 17, 2024.

4.58 Form of 4.800% Senior Note due 2034, which is incorporated herein by reference to Exhibit 4.2 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on July 17, 2024.

4.59 Form of 5.250% Senior Note due 2054, which is incorporated herein by reference to Exhibit 4.3 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on July 17, 2024.

4.60 Form of 4.400% Senior Note due 2027, which is incorporated herein by reference to Exhibit 4.1 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on February 7, 2025.

4.61 Form of 4.450% Senior Note due 2028, which is incorporated herein by reference to Exhibit 4.2 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on February 7, 2025.

4.62 Form of 4.600% Senior Note due 2030, which is incorporated herein by reference to Exhibit 4.3 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on February 7, 2025.

4.63 Form of 5.000% Senior Note due 2035, which is incorporated herein by reference to Exhibit 4.4 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on February 7, 2025.

4.64 Form of 4.100% Senior Note due 2029, which is incorporated herein by reference to Exhibit 4.1 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on July 23, 2025.

4.65 Form of 4.300% Senior Note due 2030, which is incorporated herein by reference to Exhibit 4.2 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on July 23, 2025.

4.66 Form of 4.650% Senior Note due 2032, which is incorporated herein by reference to Exhibit 4.3 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on July 23, 2025.

4.67 Form of 5.000% Senior Note due 2035, which is incorporated herein by reference to Exhibit 4.4 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on July 23, 2025.

4.68 Form of 3.450% Senior Note due 2037, which is incorporated herein by reference to Exhibit 4.1 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on July 28, 2025.

4.69 Form of 4.050% Senior Note due 2055, which is incorporated herein by reference to Exhibit 4.2 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on July 28, 2025.

4.70 Board of Directors Resolutions Authorizing PepsiCo, Inc.'s Officers to Establish the Terms of the 2.625% Senior Notes due 2026, the 4.250% Senior Notes due 2044, the 4.600% Senior Notes due 2045, the 4.450% Senior Notes due 2046, the 2.850% Senior Notes due 2026, the 0.875% Senior Notes due 2028, the 2.375% Senior Notes due 2026, the 3.450% Senior Notes due 2046, the 4.000% Senior Notes due 2047, the 3.000% Senior Notes due 2027, the 7.00% Senior Notes due 2029, Series A, the 5.50% Senior Notes due 2035, Series A, the 7.29% Senior Notes due 2026, the 7.44% Senior Notes due 2026, the 7.00% Senior Notes due 2029, the 5.50% Senior Notes due 2035, the 0.750% Senior Notes due 2027, the 1.125% Senior Notes due 2031, the 2.625% Senior Notes due 2029, the 3.375% Senior Notes due 2049, the 2.875% Senior Notes due 2049, the 0.875% Senior Notes due 2039, the 2.625% Senior Notes due 2027, the 2.750% Senior Notes due 2030, the 3.500% Senior Notes due 2040, the 3.625% Senior Notes due 2050, the 3.875% Senior Notes due 2060, the 1.625% Senior Notes due 2030, the 0.500% Senior Notes due 2028, the 1.400% Senior Notes due 2031, the 0.400% Senior Notes due 2032, the 1.050% Senior Notes due 2050, the 0.750% Senior Notes due 2033, the 1.950% Senior Notes due 2031, the 2.625% Senior Notes due 2041, the 2.750% Senior Notes due 2051, the 3.600% Senior Notes due 2028, the 4.200% Senior Notes due 2052, the 3.900% Senior Notes due 2032, the 3.200% Senior Notes due 2029, the 3.550% Senior Notes due 2034, the Floating Rate Notes due 2026, the 4.550% Senior Notes due 2026, the 4.450% Senior Notes due 2028, the 4.450% Senior Notes due 2033, the 4.650% Senior Notes due 2053, the 5.125% Senior Notes due 2026, the 4.500% Senior Notes due 2029, the 4.800% Senior Notes due 2034, the 5.250% Senior Notes due 2054, 4.400% Senior Notes due 2027, the 4.450% Senior Notes due 2028, the 4.600% Senior Notes due 2030, the 5.000% Senior Notes due 2035, the 4.100% Senior Notes due 2029, the 4.300% Senior Notes due 2030, the 4.650% Senior Notes due 2032, the 5.000% Senior Notes due 2035, the 3.450% Senior Notes due 2037, and the 4.050% Senior Notes due 2055, which are incorporated herein by reference to Exhibit 4.4 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on February 28, 2013.

4.71 Third Supplemental Indenture, dated as of October 24, 2018, between Pepsi-Cola Metropolitan Bottling Company, Inc. and The Bank New York Mellon Trust Company, N.A., as trustee, to the Indenture dated as of January 15, 1993 between Whitman Corporation and The First National Bank of Chicago, as trustee, which is incorporated herein by reference to Exhibit 4.2 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on October 25, 2018.

4.72 Second Supplemental Indenture, dated as of February 26, 2010, among Pepsi-Cola Metropolitan Bottling Company, Inc., PepsiAmericas, Inc. and The Bank New York Mellon Trust Company, N.A., as trustee, to the Indenture dated as of January 15, 1993 between Whitman Corporation and The First National Bank of Chicago, as trustee, which is incorporated herein by reference to Exhibit 4.2 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on March 1, 2010.

4.73 First Supplemental Indenture, dated as of May 20, 1999, between Whitman Corporation and The First National Bank of Chicago, as trustee, to the Indenture dated as of January 15, 1993, between Whitman Corporation and The First National Bank of Chicago, as trustee, each of which is incorporated herein by reference to Exhibit 4.3 to Post-Effective Amendment No. 1 to PepsiAmericas, Inc.'s Registration Statement on Form S-8 (Registration No. 333-64292) filed with the Securities and Exchange Commission on December 29, 2005.

4.74 Form of PepsiAmericas, Inc. 7.29% Note due 2026, which is incorporated herein by reference to Exhibit 4.7 to PepsiCo, Inc.'s Quarterly Report on Form 10-Q for the quarterly period ended March 20, 2010.

4.75 Indenture dated as of February 12, 2024, between PepsiCo, Inc. and U.S. Bank Trust Company, National Association, as trustee, which is incorporated herein by reference to Exhibit 4.3 to PepsiCo, Inc.'s and PepsiCo Singapore Financing I Pte. Ltd.'s Registration Statement on Form S-3ASR filed with the Securities and Exchange Commission on February 12, 2024 (File No. 333-277003).

4.76 Indenture dated as of February 12, 2024, among PepsiCo Singapore Financing I Pte. Ltd., as issuer, PepsiCo, Inc., as guarantor, and U.S. Bank Trust Company, National Association, as trustee, which is incorporated herein by reference to Exhibit 4.5 to PepsiCo, Inc.'s and PepsiCo Singapore Financing I Pte. Ltd.'s Registration Statement on Form S-3ASR filed with the Securities and Exchange Commission on February 12, 2024 (File No. 333-277003).

4.77 PepsiCo Singapore Financing I Pte. Ltd. Board of Directors Resolutions Authorizing Officers of PepsiCo, Inc. and PepsiCo Singapore Financing I Pte. Ltd. to Establish the Terms of the Floating Rate Notes due 2027, the 4.650% Senior Notes due 2027, the 4.550% Senior Notes due 2029 and the 4.700% Senior Notes due 2034, which are incorporated herein by reference to Exhibit 4.10 to PepsiCo, Inc.'s and PepsiCo Singapore Financing I Pte. Ltd.'s Registration Statement on Form S-3ASR filed with the Securities and Exchange Commission on February 12, 2024 (File No. 333-277003).

4.78 Form of Global Note representing PepsiCo Singapore Financing I Pte. Ltd.'s Floating Rate Note due 2027, which is incorporated herein incorporated by reference to Exhibit 4.1 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on February 16, 2024.

4.79 Form of Global Note representing PepsiCo Singapore Financing I Pte. Ltd.'s 4.650% Senior Note due 2027, which is incorporated herein incorporated by reference to Exhibit 4.2 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on February 16, 2024.

4.80 Form of Global Note representing PepsiCo Singapore Financing I Pte. Ltd.'s 4.550% Senior Note due 2029, which is incorporated herein incorporated by reference to Exhibit 4.3 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on February 16, 2024.

4.81 Form of Global Note representing PepsiCo Singapore Financing I Pte. Ltd.'s 4.700% Senior Note due 2034, which is incorporated herein incorporated by reference to Exhibit 4.4 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on February 16, 2024.

4.82 Description of Securities.

10.1 Form of PepsiCo, Inc. Director Indemnification Agreement, which is incorporated herein by reference to Exhibit 10.20 to PepsiCo, Inc.'s Annual Report on Form 10-K for the fiscal year ended December 25, 2004.*

10.2 Severance Plan for Executive Employees of PepsiCo, Inc. and Affiliates, which is incorporated herein by reference to Exhibit 10.5 to PepsiCo, Inc.'s Quarterly Report on Form 10-Q for the fiscal quarter ended September 6, 2008.*

10.3 Form of Aircraft Time Sharing Agreement, which is incorporated herein by reference to Exhibit 10 to PepsiCo, Inc.'s Quarterly Report on Form 10-Q for the fiscal quarter ended March 21, 2009.*

10.4 Specified Employee Amendments to Arrangements Subject to Section 409A of the Internal Revenue Code, adopted February 18, 2010 and March 29, 2010, which is incorporated herein by reference to Exhibit 10.13 to PepsiCo, Inc.'s Quarterly Report on Form 10-Q for the quarterly period ended March 20, 2010.*

10.5 PepsiCo, Inc. 2007 Long-Term Incentive Plan, as amended and restated March 13, 2014, which is incorporated herein by reference to Exhibit 10.1 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on March 14, 2014.*

10.6 The PepsiCo International Retirement Plan Defined Benefit Program, as amended and restated effective as of January 1, 2024, which is incorporated herein by reference to Exhibit 10.6 to PepsiCo, Inc.'s Annual Report on Form 10-K for the fiscal year ended December 28, 2024.*

10.7 The PepsiCo International Retirement Plan Defined Contribution Program, as amended and restated effective as of January 1, 2026.*

10.8 PepsiCo, Inc. Long-Term Incentive Plan (as amended and restated May 4, 2016), which is incorporated herein by reference to Exhibit B to PepsiCo, Inc.'s Proxy Statement for its 2016 Annual Meeting of Shareholders, filed with the Securities and Exchange Commission on March 18, 2016.*

10.9 PepsiCo Pension Equalization Plan (Plan Document for the Pre-409A Program), as amended and restated effective as of January 1, 2022, which is incorporated herein by reference to Exhibit 10.9 to PepsiCo, Inc.'s Annual Report on Form 10-K for the fiscal year ended December 25, 2021.*

10.10 PepsiCo Pension Equalization Plan (Plan Document for the 409A Program), as amended and restated effective as of January 1, 2024, which is incorporated herein by reference to Exhibit 10.10 to PepsiCo, Inc.'s Annual Report on Form 10-K for the fiscal year ended December 28, 2024.*

10.11 PepsiCo Automatic Retirement Contribution Equalization Plan, as amended and restated effective as of January 1, 2025.*

10.12 PepsiCo Director Deferral Program (Plan Document for the 409A Program), amended and restated effective as of January 1, 2020, which is incorporated by reference to Exhibit 10.25 to PepsiCo, Inc.'s Annual Report on Form 10-K for the fiscal year ended December 28, 2019.*

10.13 PepsiCo Executive Income Deferral Program (Plan Document for the 409A Program), amended and restated effective as of January 1, 2023, which is incorporated herein by reference to Exhibit 10.13 to PepsiCo, Inc.'s Annual Report on Form 10-K for the fiscal year ended December 30, 2023.*

10.14 Amendment to Certain PepsiCo Award Agreements, which is incorporated herein by reference to Exhibit 10.45 to PepsiCo, Inc.'s Annual Report on Form 10-K for the fiscal year ended December 30, 2017. *

10.15 PepsiCo, Inc. Long Term Incentive Plan (as amended and restated December 20, 2017), which is incorporated herein by reference to Exhibit 10.47 to PepsiCo, Inc.'s Annual Report on Form 10-K for the fiscal year ended December 30, 2017.*

10.16 PepsiCo, Inc. Executive Incentive Compensation Plan (as amended and restated effective February 4, 2021), which is incorporated by reference to Exhibit 10.20 to PepsiCo, Inc.'s Annual Report on Form 10-K for the fiscal year ended December 26, 2020.*

10.17	PepsiCo Executive Income Deferral Program (Plan Document for the Pre-409A Program), amended and restated effective as of January 1, 2019, which is incorporated by reference to Exhibit 10.35 to PepsiCo, Inc.'s Annual Report on Form 10-K for the fiscal year ended December 28, 2019.*
10.18	2022 Form of Annual Long-Term Incentive Award Agreement (Performance Stock Units / Long-Term Cash Award), which is incorporated herein by reference to Exhibit 10.1 to PepsiCo, Inc.'s Quarterly Report on Form 10-Q for the quarterly period ended March 19, 2022.*
10.19	2023 Form of Annual Long-Term Incentive Award Agreement (Performance Stock Units / Long-Term Cash Award), which is incorporated herein by reference to Exhibit 10.1 to PepsiCo, Inc.'s Quarterly Report on Form 10-Q for the quarterly period ended March 25, 2023.*
10.20	2020 Form of Annual Long-Term Incentive Award Agreement (Stock Options / Restricted Stock Units / Performance Stock Units), which is incorporated herein by reference to Exhibit 10.22 to PepsiCo, Inc.'s Annual Report on Form 10-K for the fiscal year ended December 30, 2023.*
10.21	2021 Form of Annual Long-Term Incentive Award Agreement (Stock Options / Restricted Stock Units), which is incorporated herein by reference to Exhibit 10.23 to PepsiCo, Inc.'s Annual Report on Form 10-K for the fiscal year ended December 30, 2023.*
10.22	2024 Form of Annual Long-Term Incentive Award Agreement (Performance Stock Units / Long-Term Cash Award), which is incorporated herein by reference to Exhibit 10.1 to PepsiCo, Inc.'s Quarterly Report on Form 10-Q for the quarterly period ended March 23, 2024.*
10.23	2025 Form of Annual Long-Term Incentive Award Agreement (Performance Stock Units / Long-Term Cash Award), which is incorporated herein by reference to Exhibit 10 to PepsiCo, Inc.'s Quarterly Report on Form 10-Q for the quarterly period ended March 22, 2025.*
10.24	Letter Agreement, dated October 7, 2025, between PepsiCo, Inc. and Stephen Schmitt.*
10.25	Letter Agreement, dated October 8, 2025, between PepsiCo, Inc. and James Caulfield.*
10.26	November 10, 2025 Sign-On Restricted Stock Unit Award for Stephen Schmitt.*
19	PepsiCo, Inc. Insider Trading Policy, which is incorporated herein by reference to Exhibit 19 to PepsiCo, Inc.'s Annual Report on Form 10-K for the fiscal year ended December 28, 2024.
21	Subsidiaries of PepsiCo, Inc.
22	Subsidiary Issuer of Guaranteed Securities.
23	Consent of KPMG LLP.
24	Power of Attorney.
31	Certification of our Chief Executive Officer and our Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32	Certification of our Chief Executive Officer and our Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
97	PepsiCo, Inc. Compensation Recovery Policy for Covered Executives, which is incorporated herein by reference to Exhibit 97 to PepsiCo, Inc.'s Annual Report on Form 10-K for the fiscal year ended December 30, 2023.
99.1	364-Day Credit Agreement, dated as of May 23, 2025, among PepsiCo, as borrower, the lenders named therein, and Citibank, N.A., as administrative agent, which is incorporated by reference to Exhibit 99.1 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on May 23, 2025.

99.2 Five-Year Credit Agreement, dated as of May 23, 2025, among PepsiCo, as borrower, the lenders named therein, and Citibank, N.A., as administrative agent, which is incorporated by reference to Exhibit 99.2 to PepsiCo, Inc.'s Current Report on Form 8-K filed with the Securities and Exchange Commission on May 23, 2025.

101 The following materials from PepsiCo, Inc.'s Annual Report on Form 10-K for the fiscal year ended December 27, 2025 formatted in iXBRL (Inline eXtensible Business Reporting Language): (i) the Consolidated Statements of Income, (ii) the Consolidated Statements of Comprehensive Income, (iii) the Consolidated Statements of Cash Flows, (iv) the Consolidated Balance Sheets, (v) the Consolidated Statements of Equity and (vi) Notes to the Consolidated Financial Statements.

104 The cover page from the Company's Annual Report on Form 10-K for the fiscal year ended December 27, 2025, formatted in Inline XBRL and contained in Exhibit 101.

* Management contracts and compensatory plans or arrangements required to be filed as exhibits pursuant to Item 15(a)(3) of this report.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, PepsiCo has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: February 2, 2026

PepsiCo, Inc.

By: /s/ Ramon L. Laguarta

Ramon L. Laguarta

Chairman of the Board of Directors and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of PepsiCo and in the capacities and on the date indicated.

SIGNATURE	TITLE	DATE
/s/ Ramon L. Laguarta Ramon L. Laguarta	Chairman of the Board of Directors and Chief Executive Officer	February 2, 2026
/s/ Stephen T. Schmitt Stephen T. Schmitt	Executive Vice President and Chief Financial Officer	February 2, 2026
/s/ Christine E. Tammara Christine E. Tammara	Senior Vice President and Controller (Principal Accounting Officer)	February 2, 2026
/s/ Segun Agbaje Segun Agbaje	Director	February 2, 2026
/s/ Jennifer Bailey Jennifer Bailey	Director	February 2, 2026
/s/ Cesar Conde Cesar Conde	Director	February 2, 2026
/s/ Ian M. Cook Ian M. Cook	Director	February 2, 2026
/s/ Edith W. Cooper Edith W. Cooper	Director	February 2, 2026
/s/ Susan M. Diamond Susan M. Diamond	Director	February 2, 2026
/s/ Dina Dublon Dina Dublon	Director	February 2, 2026
/s/ Michelle Gass Michelle Gass	Director	February 2, 2026
/s/ Dave J. Lewis Dave J. Lewis	Director	February 2, 2026
/s/ David C. Page David C. Page	Director	February 2, 2026
/s/ Robert C. Pohlad Robert C. Pohlad	Director	February 2, 2026
/s/ Daniel Vasella Daniel Vasella	Director	February 2, 2026
/s/ Alberto Weisser Alberto Weisser	Director	February 2, 2026

Exhibit 4.82

Description of Securities

Registered Pursuant to Section 12 of the Securities Exchange Act of 1934

As used below, the terms "PepsiCo," the "Company," "we," "us," and "our" refer to PepsiCo, Inc., as issuer of the following securities registered pursuant to Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"): (i) common stock, par value one and two-thirds cents (1-2/3 cents) per share (the "common stock"), (ii) 2.625% Senior Notes due 2026 (the "2026 notes"), (iii) 0.750% Senior Notes due 2027 (the "2027 notes"), (iv) 0.500% Senior Notes due 2028 (the "May 2028 notes"), (v) 0.875% Senior Notes due 2028 (the "July 2028 notes"), (vi) 3.200% Senior Notes due 2029 (the "2029 notes"), (vii) 1.125% Senior Notes due 2031 (the "2031 notes"), (viii) 0.400% Senior Notes due 2032 (the "2032 notes"), (ix) 0.750% Senior Notes due 2033 (the "2033 notes"), (x) 3.550% Senior Notes due 2034 (the "2034 notes," and together with the 2029 notes, the "sterling notes"), (xi) 3.450% Senior Notes due 2037 (the "2037 notes"), (xii) 0.875% Senior Notes due 2039 (the "2039 notes"), (xiii) 1.050% Senior Notes due 2050 (the "2050 notes) and (xiv) 4.050% Senior Notes due 2055 (the "2055 notes," and together with the 2026 notes, 2027 notes, May 2028 notes, July 2028 notes, 2031 notes, 2032 notes, 2033 notes, 2037 notes, 2039 notes and 2050 notes, the "euro notes," and the euro notes together with the sterling notes, the "notes"). The notes, other than the 2037 notes and 2055 notes, are collectively referred to herein as the "2007 indenture notes" and the 2037 notes and 2055 notes, are collectively referred to herein as the "2024 indenture notes."

DESCRIPTION OF COMMON STOCK

The following description of our common stock is based upon our Amended and Restated Articles of Incorporation, effective as of May 1, 2019 ("Articles of Incorporation"), our By-Laws, as amended and restated, effective as of September 20, 2024 ("By-Laws") and applicable provisions of law. We have summarized certain portions of the Articles of Incorporation and By-Laws below. The summary is not complete. The Articles of Incorporation and By-Laws are incorporated by reference as exhibits to the Annual Report on Form 10-K to which this exhibit is a part. You should read the Articles of Incorporation and By-Laws for the provisions that are important to you.

General

Our Articles of Incorporation authorize us to issue 3,600,000,000 shares of common stock, par value one and two-thirds cents (1-2/3 cents) per share. As of January 23, 2026, there were 1,366,649,053 shares of common stock outstanding which were held of record by 87,254 shareholders.

Voting Rights. Each holder of a share of our common stock is entitled to one vote for each share held of record on the applicable record date on each matter submitted to a vote of shareholders. Action on a matter generally requires that the votes cast in favor of the action exceed the votes cast in opposition. A plurality vote is required in an election of the Board of Directors where the number of director nominees exceeds the number of directors to be elected.

Dividend Rights. Holders of our common stock are entitled to receive dividends as may be declared from time to time by PepsiCo's Board of Directors out of funds legally available therefor.

Rights Upon Liquidation. Holders of our common stock are entitled to share pro rata, upon any liquidation, dissolution or winding up of PepsiCo, in all remaining assets available for distribution to shareholders after payment or providing for PepsiCo's liabilities.

Preemptive Rights. Holders of our common stock do not have the right to subscribe for, purchase or receive new or additional common stock or other securities.

Transfer Agent and Registrar

Computershare Trust Company, N.A. is the transfer agent and registrar for our common stock.

Stock Exchange Listing

The Nasdaq Global Select Market is the principal market for our common stock, where it is listed under the symbol "PEP," and our common stock is also listed on the SIX Swiss Exchange.

Certain Provisions of PepsiCo's Articles of Incorporation and By-Laws; Director Indemnification Agreements

Advance Notice of Proposals and Nominations. Our By-Laws provide that shareholders must provide timely written notice to bring business before an annual meeting of shareholders or to nominate candidates for election as directors at an annual meeting of shareholders. Notice for an annual meeting is generally timely if it is received at our principal office not less than 90 days nor more than 120 days prior to the first anniversary of the preceding year's annual meeting. However, if the date of the annual meeting is advanced by more than 30 days or delayed more than 60 days from this anniversary date, or if no annual meeting was held in the preceding year, such notice by the shareholder must be delivered not earlier than the 120th day prior to the annual meeting and not later than the close of business on the later of the 90th day prior to such annual meeting or the tenth day following the day on which public announcement of the date of such annual meeting was first made. Shareholders utilizing "proxy access" must meet separate deadlines. The By-Laws also specify the form and content of a shareholder's notice, including with respect to a shareholder's notice under Rule 14a-19 of the Exchange Act.

Proxy Access. Our By-Laws contain "proxy access" provisions which give an eligible shareholder (or a group of up to 20 shareholders aggregating their shares) that has owned 3% or more of the outstanding common stock continuously for at least three years the right to nominate the greater of two nominees and 20% of the number of directors to be elected at the applicable annual general meeting, and to have those nominees included in our proxy materials, subject to the other terms and conditions of our By-Laws.

Special Meetings. A special meeting of the shareholders may be called by the Chairman of the Board, by resolution of the Board or by our corporate secretary upon written request of one or more shareholders holding shares of record representing at least 20% in the aggregate of our outstanding common stock entitled to vote at such meeting. Any such special meeting called at the request of our shareholders will be held at such date, time and place (if any) as may be fixed by our Board, provided that the date of such special meeting may not be more than 90 days from the receipt of such request by the corporate secretary. The By-Laws specify the form and content of a shareholder's request for a special meeting.

Indemnification of Directors, Officers and Employees. Our By-Laws provide that unless the Board determines otherwise, we shall indemnify, to the full extent permitted by law, any person who was or is, or who is threatened to be made, a party to an action, suit or proceeding (including appeals), whether civil, criminal, administrative, investigative or arbitrative, by reason of the fact that such person, such person's testator or intestate, is or was one of our directors, officers or employees, or is or was serving at our request as a director, officer or employee of another enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding. Pursuant to our By-Laws this indemnification may, at the Board's discretion, also include advancement of expenses prior to the final disposition of such action, suit or proceeding.

In addition, we have entered into indemnification agreements with each of our independent directors, pursuant to which we have agreed to indemnify and hold harmless, to the

full extent permitted by law, each director against any and all liabilities and assessments (including attorneys' fees and other costs, expenses and obligations) arising out of or related to any threatened, pending or completed action, suit, proceeding, inquiry or investigation, whether civil, criminal, administrative, or other, including, but not limited to, judgments, fines, penalties and amounts paid in settlement (whether with or without court approval), and any interest, assessments, excise taxes or other charges paid or payable in connection with or in respect of any of the foregoing, incurred by the independent director and arising out of his status as a director or member of a committee of our Board, or by reason of anything done or not done by the director in such capacities. After receipt of an appropriate request by an independent director, we will also advance all expenses, costs and other obligations (including attorneys' fees) arising out of or related to such matters. We will not be liable for payment of any liability or expense incurred by an independent director on account of acts which, at the time taken, were known or believed by such director to be clearly in conflict with our best interests.

Certain Anti-Takeover Effects of North Carolina Law

The North Carolina Shareholder Protection Act generally requires the affirmative vote of 95% of a public corporation's voting shares to approve a "business combination" with any entity that a majority of continuing directors determines beneficially owns, directly or indirectly, more than 20% of the voting shares of the corporation (or ever owned, directly or indirectly, more than 20% and is still an "affiliate" of the corporation) unless the fair price provisions and the procedural provisions of the North Carolina Shareholder Protection Act are satisfied.

"Business combination" is defined by the North Carolina Shareholder Protection Act as (i) any merger, consolidation or conversion of a corporation with or into any other entity, or (ii) any sale or lease of all or any substantial part of the corporation's assets to any other entity, or (iii) any payment, sale or lease to the corporation or any subsidiary thereof in exchange for securities of the corporation of any assets having an aggregate fair market value equal to or greater than $5,000,000 of any other entity.

The North Carolina Shareholder Protection Act contains provisions that allowed a corporation to "opt out" of the applicability of the North Carolina Shareholder Protection Act's voting provisions within specified time periods that generally have expired. The Act applies to PepsiCo since we did not opt out within these time periods.

This statute could discourage a third party from making a partial tender offer or otherwise attempting to obtain a substantial position in our equity securities or seeking to obtain control of us. It also might limit the price that certain investors might be willing to pay in the future for our shares of common stock and may have the effect of delaying or preventing a change of control of us.

DESCRIPTION OF NOTES

We have previously filed a registration statement on Form S-3 (File No. 333-177307), which was filed with the Securities and Exchange Commission (the "SEC") on October 13, 2011 and covers the issuance of the 2026 notes, a registration statement on Form S-3 (File No. 333-197640), which was filed with the SEC on July 25, 2014 and covers the issuance of the July

2028 notes, a registration statement on Form S-3 (File No. 333-216082), which was filed with the SEC on February 15, 2017 and covers the issuance of the 2027 notes, 2031 notes and 2039 notes, a registration statement on Form S-3 (File No. 333-234767), which was filed with the SEC on November 18, 2019 and covers the issuance of the sterling notes, May 2028 notes, 2032 notes, 2033 notes and 2050 notes, and a registration statement on Form S-3 (File No. 333-277003), which was filed with the SEC on February 12, 2024 and covers the issuance of the 2024 indenture notes.

The 2007 indenture notes were issued under an indenture dated as of May 21, 2007 between us and The Bank of New York Mellon, as trustee (the "2007 indenture"). The 2024 indenture notes were issued under an indenture dated as of February 12, 2024 between us and U.S. Bank Trust Company, National Association, as trustee (the "2024 indenture" and, together with the 2007 indenture, the "indentures"). Below we have summarized certain terms and provisions of the indentures. The summary is not complete. Each indenture has been incorporated by reference as an exhibit to the Annual Report on Form 10-K to which this exhibit is a part. You should read each indenture for the provisions which may be important to you. Each indenture is subject to and governed by the Trust Indenture Act of 1939, as amended.

General

Principal Amounts; Interest Payments and Record Dates; Listing. The 2026 notes were initially limited to an aggregate principal amount of €500,000,000. The 2026 notes bear interest, payable annually on each April 28, to the persons in whose names such notes are registered at the

close of business on April 13 (whether or not a business day), immediately preceding such April 28. The 2026 notes will mature on April 28, 2026. The 2026 notes are listed on the Nasdaq Stock Market under the symbol "PEP26."

The 2027 notes were initially limited to an aggregate principal amount of €500,000,000. The 2027 notes bear interest, payable annually on each March 18, to the persons in whose names such notes are registered at the close of business on March 3 (whether or not a business day), immediately preceding such March 18. The 2027 notes will mature on March 18, 2027. The 2027 notes are listed on the Nasdaq Stock Market under the symbol "PEP27."

The May 2028 notes were initially limited to an aggregate principal amount of €1,000,000,000. The May 2028 notes bear interest, payable annually on each May 6, to the persons in whose names such notes are registered at the close of business on April 22 (whether or not a business day), immediately preceding such May 6. The May 2028 notes will mature on May 6, 2028. The May 2028 notes are listed on the Nasdaq Stock Market under the symbol "PEP28a."

The July 2028 notes were initially limited to an aggregate principal amount of €750,000,000. The July 2028 notes bear interest, payable annually on each July 18, to the persons in whose names such notes are registered at the close of business on July 3 (whether or not a business day), immediately preceding such July 18. The July 2028 notes will mature on July 18, 2028. The July 2028 notes are listed on the Nasdaq Stock Market under the symbol "PEP28."

The 2029 notes were initially limited to an aggregate principal amount of £300,000,000. The 2029 notes bear interest, payable semi-annually on each January 22 and July 22, to the persons in whose names such notes are registered at the close of business on each January 8 and July 8, as the case may be (whether or not a business day), immediately preceding such January 22 and July 22. The 2029 notes will mature on July 22, 2029. The 2029 notes are listed on the Nasdaq Stock Market under the symbol "PEP29."

The 2031 notes were initially limited to an aggregate principal amount of €500,000,000. The 2031 notes bear interest, payable annually on each March 18, to the persons in whose names such notes are registered at the close of business on March 3 (whether or not a business day), immediately preceding such March 18. The 2031 notes will mature on March 18, 2031. The 2031 notes are listed on the Nasdaq Stock Market under the symbol "PEP31."

The 2032 notes were initially limited to an aggregate principal amount of €750,000,000. The 2032 notes bear interest, payable annually on each October 9 to the persons in whose names such notes are registered at the close of business on September 25 (whether or not a business day), immediately preceding such October 9. The 2032 notes will mature on October 9, 2032. The 2032 notes are listed on the Nasdaq Stock Market under the symbol "PEP32."

The 2033 notes were initially limited to an aggregate principal amount of €1,000,000,000. The 2033 notes bear interest, payable annually on each October 14 to the persons in whose names such notes are registered at the close of business on September 30 (whether or not a business day), immediately preceding such October 14. The 2033 notes will

mature on October 14, 2033. The 2033 notes are listed on the Nasdaq Stock Market under the symbol "PEP33."

The 2034 notes were initially limited to an aggregate principal amount of £450,000,000. The 2034 notes bear interest, payable semi-annually on each January 22 and July 22, to the persons in whose names such notes are registered at the close of business on each January 8 and July 8, as the case may be (whether or not a business day), immediately preceding such January 22 and July 22. The 2034 notes will mature on July 22, 2034. The 2034 notes are listed on the Nasdaq Stock Market under the symbol "PEP34."

The 2037 notes were initially limited to an aggregate principal amount of €500,000,000. The 2037 notes bear interest, payable annually on each July 28, to the persons in whose names such notes are registered at the close of business on July 14 (whether or not a business day), immediately preceding such July 28. The 2037 notes will mature on July 28, 2037. The 2037 notes are listed on the Nasdaq Stock Market under the symbol "PEP37."

The 2039 notes were initially limited to an aggregate principal amount of €500,000,000. The 2039 notes bear interest, payable annually on each October 16, to the persons in whose names such notes are registered at the close of business on October 1 (whether or not a business day), immediately preceding such October 16. The 2039 notes will mature on October 16, 2039. The 2039 notes are listed on the Nasdaq Stock Market under the symbol "PEP39."

The 2050 notes were initially limited to an aggregate principal amount of €750,000,000. The 2050 notes bear interest, payable annually on each October 9 to the persons in whose names

such notes are registered at the close of business on September 25 (whether or not a business day), immediately preceding such October 9. The 2050 notes will mature on October 9, 2050. The 2050 notes are listed on the Nasdaq Stock Market under the symbol "PEP50."

The 2055 notes were initially limited to an aggregate principal amount of €500,000,000. The 2055 notes bear interest, payable annually on each July 28, to the persons in whose names such notes are registered at the close of business on July 14 (whether or not a business day), immediately preceding such July 28. The 2037 notes will mature on July 28, 2055. The 2055 notes are listed on the Nasdaq Stock Market under the symbol "PEP55."

Ranking. The notes rank equally and pari passu with all other unsecured and unsubordinated debt of PepsiCo.

No Sinking Fund. No series of notes is subject to any sinking fund.

Additional Notes. We may, without the consent of the existing holders of the notes of a series, issue additional notes of such series having the same terms (except issue date, date from which interest accrues and, in some cases, the first interest payment date) so that the existing notes of such series and the new notes of such series form a single series under the applicable indenture. As of January 23, 2026, no such additional notes have been issued.

Minimum Denominations. The sterling notes were issued in minimum denominations of £100,000 and integral multiples of £1,000 in excess thereof. The euro notes were issued in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof.

Global Notes. The notes of each series are in the form of one or more global notes that we deposited with or on behalf of a common depositary for the accounts of Euroclear Bank S.A./ N.V., or its successor, as operator of the Euroclear System ("Euroclear") and Clearstream Banking, société anonyme ("Clearstream") and are registered in the name of the nominee of the common depositary.

Paying Agent. We have initially appointed The Bank of New York Mellon, London Branch to act as the paying agent and transfer agent in connection with the 2007 indenture notes as well as to serve as the common depositary for such notes. The Bank of New York Mellon, London Branch is an affiliate of the trustee under the 2007 indenture. The term "paying agent" shall include The Bank of New York Mellon, London Branch and any successors appointed from time to time in accordance with the provisions of the 2007 indenture.

We have initially appointed U.S. Bank Europe DAC, UK Branch to act as the paying agent, U.S. Bank Europe DAC to serve as the common depositary and U.S. Bank Trust Company, National Association to act as the registrar and the transfer agent in connection with the 2024 indenture notes. U.S. Bank Europe DAC, UK Branch is an affiliate of the trustee under the 2024 indenture. The term "paying agent" shall include U.S. Bank Europe DAC, UK Branch and any successors appointed from time to time in accordance with the provisions of the 2024 indenture.

Currency of Payment of Sterling Notes. The principal and interest payments in respect of the sterling notes, including payments made upon any redemption of any series of the sterling notes, are payable in sterling. If sterling is unavailable to us due to the imposition of exchange controls or other circumstances beyond our control or if sterling is no longer being used for

settlement of transactions by public institutions of or within the international banking community, then all payments in respect of the sterling notes will be made in U.S. dollars until sterling is again available to us and so used. In such circumstances, the amount payable on any date in sterling will be converted into U.S. dollars on the basis of the then most recently available market exchange rate for sterling, as determined by us in our sole discretion. Any payment in respect of the sterling notes so made in U.S. dollars will not constitute an event of default under the sterling notes or the indenture governing the sterling notes. Neither the trustee nor the paying agent shall be responsible for any calculation or conversion in connection with the foregoing.

Currency of Payment of Euro Notes. The principal and interest payments in respect of the euro notes, including payments made upon any redemption of any series of the euro notes, are payable in euro. If the euro is unavailable to us due to the imposition of exchange controls or other circumstances beyond our control or if the euro is no longer being used by the then member states of the European Monetary Union that have adopted the euro as their currency or for the settlement of transactions by public institutions of or within the international banking community, then all payments in respect of the euro notes will be made in U.S. dollars until the euro is again available to us and so used. In such circumstances, the amount payable on any date in euro will be converted into U.S. dollars on the basis of the then most recently available market exchange rate for euro, as determined by us in our sole discretion. Any payment in respect of the euro notes so made in U.S. dollars will not constitute an event of default under the euro notes or the indenture governing the euro notes. Neither the trustee nor the paying agent shall have any responsibility for any calculation or conversion in connection with the foregoing.

Definition of Business Day. The term "business day" with respect to the sterling notes means any day, other than a Saturday or Sunday, (1) which is not a day on which banking institutions in the City of New York or the City of London are authorized or required by law or executive order to close and (2) on which the Trans-European Automated Real-time Gross Settlement Express Transfer system (the TARGET2 system), or any successor thereto, operates. If any interest payment date, maturity date or redemption date is not a business day, then the related payment for such interest payment date, maturity date or redemption date shall be paid on the next succeeding business day with the same force and effect as if made on such interest payment date, maturity date or redemption date, as the case may be, and no further interest shall accrue as a result of such delay.

The term "business day" with respect to the euro notes (other than the 2037 and 2055 notes) means any day, other than a Saturday or Sunday, (1) which is not a day on which banking institutions in the City of New York or the City of London are authorized or required by law or executive order to close and (2) on which the Trans-European Automated Real-time Gross Settlement Express Transfer system (the TARGET2 system), or any successor thereto, operates. If any interest payment date, maturity date or redemption date is not a business day, then the related payment for such interest payment date, maturity date or redemption date shall be paid on the next succeeding business day with the same force and effect as if made on such interest payment date, maturity date or redemption date, as the case may be, and no further interest shall accrue as a result of such delay.

The term "business day" with respect to the 2037 and 2055 notes means any day, other than a Saturday or Sunday, (1) which is not a day on which banking institutions in the City of New York or the City of London are authorized or required by law or executive order to close and (2) on which the Eurosystem's real-time gross settlement system (T2), or any successor thereto, operates. If any interest payment date, maturity date or redemption date is not a business day, then the related payment for such interest payment date, maturity date or redemption date shall be paid on the next succeeding business day with the same force and effect as if made on such interest payment date, maturity date or redemption date, as the case may be, and no further interest shall accrue as a result of such delay.

Interest Payments. Each series of notes will bear interest at the per annum rate stated in its title. Interest on the notes will be computed on the basis of the actual number of days in the period for which interest is being calculated and the actual number of days from and including the date from which interest begins to accrue for the period to, but excluding, the next scheduled interest payment date. This payment convention is referred to as ACTUAL/ACTUAL (ICMA) as defined in the rulebook of the International Capital Markets Association.

Optional Redemption

Sterling Notes

2029 Notes. The 2029 notes are redeemable as a whole or in part, at our option, at any time and from time to time prior to April 22, 2029 (three months prior to the maturity date of the

2029 notes), at a redemption price equal to the greater of (i) 100% of the principal amount of such notes and (ii) the sum of the present values of the Remaining Scheduled Payments of principal and interest thereon (exclusive of interest accrued to the date of redemption), assuming for such purpose that the 2029 notes matured on April 22, 2029 (three months prior to the maturity date of the 2029 notes), discounted to the redemption date on a semi-annual basis (ACTUAL/ACTUAL (ICMA)) at the applicable Comparable Government Bond Rate plus 20 basis points, plus, in each case, accrued and unpaid interest to the date of redemption. The 2029 notes are redeemable, as a whole or in part, at our option at any time and from time to time on or after April 22, 2029 (three months prior to the maturity date of the 2029 notes), at a redemption price equal to 100% of the principal amount of the 2029 notes being redeemed, plus accrued and unpaid interest to the date of redemption.

2034 Notes. The 2034 notes are redeemable as a whole or in part, at our option, at any time and from time to time prior to April 22, 2034 (three months prior to the maturity date of the 2034 notes), at a redemption price equal to the greater of (i) 100% of the principal amount of such notes and (ii) the sum of the present values of the Remaining Scheduled Payments of principal and interest thereon (exclusive of interest accrued to the date of redemption), assuming for such purpose that the 2034 notes matured on April 22, 2034 (three months prior to the maturity date of the 2034 notes), discounted to the redemption date on a semi-annual basis (ACTUAL/ACTUAL (ICMA)) at the applicable Comparable Government Bond Rate plus 20 basis points, plus, in each case, accrued and unpaid interest to the date of redemption. The 2034 notes are redeemable, as a whole or in part, at our option at any time and from time to time on or

after April 22, 2034 (three months prior to the maturity date of the 2034 notes), at a redemption price equal to 100% of the principal amount of the 2034 notes being redeemed, plus accrued and unpaid interest to the date of redemption.

Definitions

"Comparable Government Bond Rate" means, with respect to any redemption date for each series of sterling notes, the price, expressed as a percentage (rounded to three decimal places, with 0.0005 being rounded upwards), at which the gross redemption yield on the sterling notes to be redeemed, if they were to be purchased at such price on the third business day prior to the date fixed for redemption, would be equal to the gross redemption yield on such business day of the Comparable Government Bond (as defined below) on the basis of the middle market price of the Comparable Government Bond prevailing at 11:00 a.m. (London time) on such business day as determined by an independent investment bank selected by us.

"Comparable Government Bond" means, with respect to each series of sterling notes, in relation to any Comparable Government Bond Rate calculation, at the discretion of an independent investment bank selected by us, a United Kingdom government bond whose maturity is closest to the maturity of the sterling notes to be redeemed, assuming for such purpose that the 2029 notes mature on April 22, 2029 (three months prior to the maturity date of the 2029 notes) and the 2034 notes mature on April 22, 2034 (three months prior to the maturity date of the 2034 notes), or if such independent investment bank in its discretion considers that such similar bond is not in issue, such other United Kingdom government bond as such

independent investment bank may, with the advice of three brokers of, and/or market makers in, United Kingdom government bonds selected by us, determine to be appropriate for determining the Comparable Government Bond Rate.

"Remaining Scheduled Payments" means, with respect to each sterling note to be redeemed, the remaining scheduled payments of the principal thereof and interest thereon that would be due after the related redemption date but for such redemption, assuming for such purpose that the 2029 notes mature on April 22, 2029 (three months prior to the maturity date of the 2029 notes) and the 2034 notes mature on April 22, 2034 (three months prior to the maturity date of the 2034 notes); provided, however, that, if such redemption date is not an interest payment date with respect to such sterling note, the amount of the next succeeding scheduled interest payment thereon will be deemed to be reduced by the amount of interest accrued thereon to such redemption date.

Euro Notes

2026 Notes. The 2026 notes are redeemable as a whole or in part, at our option at any time and from time to time prior to January 28, 2026 (three months prior to the maturity date of the 2026 notes), on at least 30 days, but not more than 60 days, prior notice mailed (or otherwise transmitted in accordance with the procedures of the depositary) to the registered address of each holder of the 2026 notes, at a redemption price equal to the greater of (i) 100% of the principal amount of such notes and (ii) the sum of the present values of the Remaining Scheduled Payments of principal and interest thereon (exclusive of interest accrued to the date of redemption), discounted to the redemption date on an annual basis (ACTUAL/ACTUAL (ICMA)) at the applicable Comparable Government Bond Rate plus 17 basis points, plus, in each case, accrued and unpaid interest to the date of redemption. The 2026 notes are redeemable as a whole or in part, at our option at any time and from time to time on or after January 28, 2026

(three months prior to the maturity date of the 2026 notes), at a redemption price equal to 100% of the principal amount of the 2026 notes being redeemed, plus accrued and unpaid interest to the date of redemption.

2027 Notes. The 2027 notes are redeemable as a whole or in part, at our option at any time and from time to time prior to December 18, 2026 (three months prior to the maturity date of the 2027 notes), at a redemption price equal to the greater of (i) 100% of the principal amount of such notes and (ii) the sum of the present values of the Remaining Scheduled Payments of principal and interest thereon (exclusive of interest accrued to the date of redemption), discounted to the redemption date on an annual basis (ACTUAL/ACTUAL (ICMA)) at the applicable Comparable Government Bond Rate plus 15 basis points, plus, in each case, accrued and unpaid interest to the date of redemption. The 2027 notes are redeemable as a whole or in part, at our option at any time and from time to time on or after December 18, 2026 (three months prior to the maturity date of the 2027 notes), at a redemption price equal to 100% of the principal amount of the 2027 notes being redeemed, plus accrued and unpaid interest to the date of redemption.

May 2028 Notes. The May 2028 notes are redeemable as a whole or in part, at our option at any time and from time to time prior to February 6, 2028 (three months prior to the maturity date of the May 2028 notes), at a redemption price equal to the greater of (i) 100% of the principal amount of such notes and (ii) the sum of the present values of the Remaining Scheduled Payments of principal and interest thereon (exclusive of interest accrued to the date of redemption), discounted to the redemption date on an annual basis (ACTUAL/ACTUAL

(ICMA)) at the applicable Comparable Government Bond Rate plus 20 basis points, plus, in each case, accrued and unpaid interest to the date of redemption. The May 2028 notes are redeemable as a whole or in part, at our option at any time and from time to time on or after February 6, 2028 (three months prior to the maturity date of the May 2028 notes), at a redemption price equal to 100% of the principal amount of the May 2028 notes being redeemed, plus accrued and unpaid interest to the date of redemption.

July 2028 Notes. The July 2028 notes are redeemable as a whole or in part, at our option at any time and from time to time prior to April 18, 2028 (three months prior to the maturity date of the July 2028 notes), on at least 30 days, but not more than 60 days, prior notice mailed (or otherwise transmitted in accordance with the procedures of the depositary) to the registered address of each holder of notes, at a redemption price equal to the greater of (i) 100% of the principal amount of such notes and (ii) the sum of the present values of the Remaining Scheduled Payments of principal and interest thereon (exclusive of interest accrued to the date of redemption), discounted to the redemption date on an annual basis (ACTUAL/ACTUAL (ICMA)) at the applicable Comparable Government Bond Rate plus 20 basis points, plus, in each case, accrued and unpaid interest to the date of redemption. The July 2028 notes are redeemable as a whole or in part, at our option at any time and from time to time on or after April 18, 2028 (three months prior to the maturity date of the July 2028 notes), at a redemption price equal to 100% of the principal amount of the July 2028 notes being redeemed, plus accrued and unpaid interest to the date of redemption.

2031 Notes. The 2031 notes are redeemable as a whole or in part, at our option at any time and from time to time prior to December 18, 2030 (three months prior to the maturity date of the 2031 notes), at a redemption price equal to the greater of (i) 100% of the principal amount of such notes and (ii) the sum of the present values of the Remaining Scheduled Payments of principal and interest thereon (exclusive of interest accrued to the date of redemption), discounted to the redemption date on an annual basis (ACTUAL/ACTUAL (ICMA)) at the applicable Comparable Government Bond Rate plus 20 basis points, plus, in each case, accrued and unpaid interest to the date of redemption. The 2031 notes are redeemable as a whole or in part, at our option at any time and from time to time on or after December 18, 2030 (three months prior to the maturity date of the 2031 notes), at a redemption price equal to 100% of the principal amount of the 2031 notes being redeemed, plus accrued and unpaid interest to the date of redemption.

2032 Notes. The 2032 notes are redeemable as a whole or in part, at our option at any time and from time to time prior to July 9, 2032 (three months prior to the maturity date of the 2032 notes), at a redemption price equal to the greater of (i) 100% of the principal amount of such notes and (ii) the sum of the present values of the Remaining Scheduled Payments of principal and interest thereon (exclusive of interest accrued to the date of redemption), discounted to the redemption date on an annual basis (ACTUAL/ACTUAL (ICMA)) at the applicable Comparable Government Bond Rate plus 15 basis points, plus, in each case, accrued and unpaid interest to the date of redemption. The 2032 notes are redeemable as a whole or in part, at our option at any time and from time to time on or after July 9, 2032 (three months prior

to the maturity date of the 2032 notes), at a redemption price equal to 100% of the principal amount of the 2032 notes being redeemed, plus accrued and unpaid interest to the date of redemption.

2033 Notes. The 2033 notes are redeemable as a whole or in part, at our option at any time and from time to time prior to July 14, 2033 (three months prior to the maturity date of the 2033 notes), at a redemption price equal to the greater of (i) 100% of the principal amount of such notes and (ii) the sum of the present values of the Remaining Scheduled Payments of principal and interest thereon (exclusive of interest accrued to the date of redemption), discounted to the redemption date on an annual basis (ACTUAL/ACTUAL (ICMA)) at the applicable Comparable Government Bond Rate plus 15 basis points, plus, in each case, accrued and unpaid interest to the date of redemption. The 2033 notes are redeemable as a whole or in part, at our option at any time and from time to time on or after July 14, 2033 (three months prior to the maturity date of the 2033 notes), at a redemption price equal to 100% of the principal amount of the 2033 notes being redeemed, plus accrued and unpaid interest to the date of redemption.

2037 Notes. The 2037 notes are redeemable as a whole or in part, at our option at any time and from time to time prior to April 28, 2037 (three months prior to the maturity date of the 2037 notes) (the "2037 notes par call date"), at a redemption price equal to the greater of (i) 100% of the principal amount of such notes and (ii) (a) the sum of the present values of the Remaining Scheduled Payments of principal and interest thereon, discounted to the redemption date on an annual basis (ACTUAL/ACTUAL (ICMA)) at the applicable Comparable

Government Bond Rate plus 15 basis points, less (b) interest accrued to the date of redemption; plus, in each case, accrued and unpaid interest to the date of redemption. The 2037 notes are redeemable as a whole or in part, at our option at any time and from time to time on or after the 2037 notes par call date, at a redemption price equal to 100% of the principal amount of the 2037 notes being redeemed, plus accrued and unpaid interest to the date of redemption.

2039 Notes. The 2039 notes are redeemable as a whole or in part, at our option at any time and from time to time prior to April 16, 2039 (six months prior to the maturity date of the 2039 notes), at a redemption price equal to the greater of (i) 100% of the principal amount of such notes and (ii) the sum of the present values of the Remaining Scheduled Payments of principal and interest thereon (exclusive of interest accrued to the date of redemption), discounted to the redemption date on an annual basis (ACTUAL/ACTUAL (ICMA)) at the applicable Comparable Government Bond Rate plus 20 basis points, plus, in each case, accrued and unpaid interest to the date of redemption. The 2039 notes are redeemable as a whole or in part, at our option at any time and from time to time on or after April 16, 2039 (six months prior to the maturity date of the 2039 notes), at a redemption price equal to 100% of the principal amount of the 2039 notes being redeemed, plus accrued and unpaid interest to the date of redemption.

2050 Notes. The 2050 notes are redeemable as a whole or in part, at our option at any time and from time to time prior to April 9, 2050 (six months prior to the maturity date of the 2050 notes), at a redemption price equal to the greater of (i) 100% of the principal amount of such notes and (ii) the sum of the present values of the Remaining Scheduled Payments of

principal and interest thereon (exclusive of interest accrued to the date of redemption), discounted to the redemption date on an annual basis (ACTUAL/ACTUAL (ICMA)) at the applicable Comparable Government Bond Rate plus 20 basis points, plus, in each case, accrued and unpaid interest to the date of redemption. The 2050 notes are redeemable as a whole or in part, at our option at any time and from time to time on or after April 9, 2050 (six months prior to the maturity date of the 2050 notes), at a redemption price equal to 100% of the principal amount of the 2050 notes being redeemed, plus accrued and unpaid interest to the date of redemption.

2055 Notes. The 2055 notes are redeemable as a whole or in part, at our option at any time and from time to time prior to January 28, 2055 (six months prior to the maturity date of the 2055 notes) (the "2055 notes par call date"), at a redemption price equal to the greater of (i) 100% of the principal amount of such notes and (ii) (a) the sum of the present values of the Remaining Scheduled Payments of principal and interest thereon, discounted to the redemption date on an annual basis (ACTUAL/ACTUAL (ICMA)) at the applicable Comparable Government Bond Rate plus 15 basis points, less (b) interest accrued to the date of redemption; plus, in each case, accrued and unpaid interest to the date of redemption. The 2055 notes are redeemable as a whole or in part, at our option at any time and from time to time on or after the 2055 notes par call date, at a redemption price equal to 100% of the principal amount of the 2055 notes being redeemed, plus accrued and unpaid interest to the date of redemption.

Definitions

"Comparable Government Bond Rate" means, with respect to any redemption date for each series of euro notes, the price, expressed as a percentage (rounded to three decimal places, with 0.0005 being rounded upwards), at which the gross redemption yield on such euro notes to be redeemed, if they were to be purchased at such price on the third business day prior to the date fixed for redemption, would be equal to the gross redemption yield on such business day of the Comparable Government Bond (as defined below) on the basis of the middle market price of the Comparable Government Bond prevailing at 11:00 a.m. (London time) on such business day as determined by an independent investment bank selected by us.

"Comparable Government Bond" means, with respect to each series of euro notes, in relation to any Comparable Government Bond Rate calculation, at the discretion of an independent investment bank selected by us, a German government bond whose maturity is closest to the maturity of the euro notes to be redeemed, or if such independent investment bank in its discretion considers that such similar bond is not in issue, such other German government bond as such independent investment bank may, with the advice of three brokers of, and/or market makers in, German government bonds selected by us, determine to be appropriate for determining the Comparable Government Bond Rate.

"Remaining Scheduled Payments" means, with respect to each euro note of each series to be redeemed, the remaining scheduled payments of the principal thereof and interest thereon that would be due after the related redemption date but for such redemption; provided, however, that, if such redemption date is not an interest payment date with respect to such euro note, the amount of the next succeeding scheduled interest payment thereon will be deemed to be reduced by the amount of interest accrued thereon to such redemption date.

General

On and after the applicable redemption date with respect to a series of notes, interest will cease to accrue on such notes or any portion of such notes called for redemption (unless we default in the payment of the redemption price and accrued interest). On or before the redemption date, we will deposit with the trustee or its agent money sufficient to pay the redemption price of and (unless the redemption date shall be an interest payment date) accrued and unpaid interest to the redemption date on the notes to be redeemed on such date. If less than all of the notes of a series are to be redeemed, the notes of such series to be redeemed shall be selected in accordance with applicable depositary procedures. Additionally, we may at any time repurchase notes in the open market and may hold or surrender such notes to the trustee for cancellation.

Notice of redemption will be transmitted at least 30 days (or 15 days with respect to the 2039 notes, or 10 days with respect to the May 2028 notes, 2029 notes, 2032 notes, 2033 notes, 2034 notes, 2037 notes, 2050 notes and 2055 notes) but not more than 60 days before the applicable redemption date to each holder of notes to be redeemed. We will be responsible for calculating the redemption price of the notes or portions thereof called for redemption.

Payment of Additional Amounts

We will, subject to the exceptions and limitations set forth below, pay as additional interest on the notes such additional amounts as are necessary in order that the net payment by us of the principal of and interest on the notes to a holder who is not a United States person (as

defined below), after withholding or deduction for any present or future tax, assessment or other governmental charge imposed by the United States or a taxing authority in the United States, will not be less than the amount provided in the notes to be then due and payable; provided, however, that the foregoing obligation to pay additional amounts shall not apply:

Sterling Notes

(1) to any tax, assessment or other governmental charge that is imposed by reason of the holder (or the beneficial owner for whose benefit such holder holds such sterling note), or a fiduciary, settlor, beneficiary, member or shareholder of the holder if the holder is an estate, trust, partnership or corporation, or a person holding a power over an estate or trust administered by a fiduciary holder, being considered as:

(a) being or having been engaged in a trade or business in the United States or having or having had a permanent establishment in the United States;

(b) having a current or former connection with the United States (other than a connection arising solely as a result of the ownership of the notes, the receipt of any payment or the enforcement of any rights hereunder), including being or having been a citizen or resident of the United States;

(c) being or having been a personal holding company, a passive foreign investment company or a controlled foreign corporation for United States federal income tax purposes or a corporation that has accumulated earnings to avoid United States federal income tax;

(d) being or having been a "10-percent shareholder" of the Company as defined in Section 871(h)(3) of the United States Internal Revenue Code of 1986, as amended (the "Code") or any successor provision; or

(e) being a bank receiving payments on an extension of credit made pursuant to a loan agreement entered into in the ordinary course of its trade or business;

(2) to any holder that is not the sole beneficial owner of the notes, or a portion of the notes, or that is a fiduciary, partnership or limited liability company, but only to the extent that a beneficial owner with respect to the holder, a beneficiary or settlor with respect to the fiduciary, or a beneficial owner or member of the partnership or limited liability company would not have been entitled to the payment of an additional amount had the beneficiary, settlor, beneficial owner or member received directly its beneficial or distributive share of the payment;

(3) to any tax, assessment or other governmental charge that would not have been imposed but for the failure of the holder or any other person to comply with certification, identification or information reporting requirements concerning the nationality, residence, identity or connection with the United States of the holder or beneficial owner of the notes, if compliance is required by statute, by regulation of the United States or any taxing authority therein or by an applicable income tax treaty to which the United States is a party as a precondition to exemption from such tax, assessment or other governmental charge;

(4) to any tax, assessment or other governmental charge that is imposed otherwise than by withholding by us or a paying agent from the payment;

(5) to any tax, assessment or other governmental charge that would not have been imposed but for a change in law, regulation, or administrative or judicial interpretation that becomes effective more than 15 days after the payment becomes due or is duly provided for, whichever occurs later;

(6) to any estate, inheritance, gift, sales, excise, transfer, wealth, capital gains or personal property tax or similar tax, assessment or other governmental charge;

(7) to any tax, assessment or other governmental charge required to be withheld by any paying agent from any payment of principal of or interest on any note, if such payment can be made without such withholding by at least one other paying agent;

(8) to any tax, assessment or other governmental charge that would not have been imposed but for the presentation by the holder of any note, where presentation is required, for payment on a date more than 30 days after the date on which payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later;

(9) to any tax, assessment or other governmental charge that is imposed or withheld solely by reason of the beneficial owner being a bank (i) purchasing the notes in the ordinary course of its lending business or (ii) that is neither (A) buying the notes for investment purposes only nor (B) buying the notes for resale to a third-party that either is not a bank or holding the notes for investment purposes only;

(10) to any tax, assessment or other governmental charge imposed under Sections 1471 through 1474 of the Code (or any amended or successor provisions), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such sections of the Code; or

(11) in the case of any combination of items (1), (2), (3), (4), (5), (6), (7), (8), (9) and (10).

2026 Notes and July 2028 Notes

(1) to any tax, assessment or other governmental charge that is imposed by reason of the holder (or the beneficial owner for whose benefit such holder holds such note), or a fiduciary, settlor, beneficiary, member or shareholder of the holder if the holder is an estate, trust, partnership or corporation, or a person holding a power over an estate or trust administered by a fiduciary holder, being considered as:

(a) being or having been engaged in a trade or business in the United States or having or having had a permanent establishment in the United States;

(b) having a current or former connection with the United States (other than a connection arising solely as a result of the ownership of the notes, the receipt of any payment or the enforcement of any rights hereunder), including being or having been a citizen or resident of the United States;

(c) being or having been a personal holding company, a passive foreign investment company or a controlled foreign corporation for United States federal income tax purposes or a corporation that has accumulated earnings to avoid United States federal income tax;

(d) being or having been a "10-percent shareholder" of the Company as defined in Section 871(h)(3) of the Code or any successor provision; or

(e) being a bank receiving payments on an extension of credit made pursuant to a loan agreement entered into in the ordinary course of its trade or business;

(2) to any holder that is not the sole beneficial owner of the notes, or a portion of the notes, or that is a fiduciary, partnership or limited liability company, but only to the extent that a beneficial owner with respect to the holder, a beneficiary or settlor with respect to the fiduciary, or a beneficial owner or member of the partnership or limited liability company would not have been entitled to the payment of an additional amount had the beneficiary, settlor, beneficial owner or member received directly its beneficial or distributive share of the payment;

(3) to any tax, assessment or other governmental charge that would not have been imposed but for the failure of the holder or any other person to comply with certification, identification or information reporting requirements concerning the nationality, residence, identity or connection with the United States of the holder or beneficial owner of the notes, if compliance is required by statute, by regulation of the United States or any taxing authority therein or by an applicable income tax treaty to which the United States is a party as a precondition to exemption from such tax, assessment or other governmental charge;

(4) to any tax, assessment or other governmental charge that is imposed otherwise than by withholding by us or a paying agent from the payment;

(5) to any tax, assessment or other governmental charge that would not have been imposed but for a change in law, regulation, or administrative or judicial interpretation that becomes effective more than 15 days after the payment becomes due or is duly provided for, whichever occurs later;

(6) to any estate, inheritance, gift, sales, excise, transfer, wealth, capital gains or personal property tax or similar tax, assessment or other governmental charge;

(7) to any withholding or deduction that is imposed on a payment to an individual and that is required to be made pursuant to any law implementing or complying with, or introduced in order to conform to, any European Union Directive on the taxation of savings;

(8) to any tax, assessment or other governmental charge required to be withheld by any paying agent from any payment of principal of or interest on any note, if such payment can be made without such withholding by at least one other paying agent;

(9) to any tax, assessment or other governmental charge that would not have been imposed but for the presentation by the holder of any note, where presentation is required, for payment on a date more than 30 days after the date on which payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later;

(10) to any tax, assessment or other governmental charge that is imposed or withheld solely by reason of the beneficial owner being a bank (i) purchasing the notes in the ordinary course of its lending business or (ii) that is neither (A) buying the notes for investment purposes only nor (B) buying the notes for resale to a third-party that either is not a bank or holding the notes for investment purposes only;

(11) to any tax, assessment or other governmental charge imposed under Sections 1471 through 1474 of the Code (or any amended or successor provisions), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such sections of the Code; or

(12) in the case of any combination of items (1), (2), (3), (4), (5), (6), (7), (8), (9), (10) and (11).

2027 Notes, May 2028 Notes, 2031 Notes, 2032 Notes, 2033 Notes, 2037 Notes, 2039 Notes, 2050 Notes and 2055 Notes

(1) to any tax, assessment or other governmental charge that is imposed by reason of the holder (or the beneficial owner for whose benefit such holder holds such note), or a fiduciary, settlor, beneficiary, member or shareholder of the holder if the holder is an estate, trust, partnership or corporation, or a person holding a power over an estate or trust administered by a fiduciary holder, being considered as:

(a) being or having been engaged in a trade or business in the United States or having or having had a permanent establishment in the United States;

(b) having a current or former connection with the United States (other than a connection arising solely as a result of the ownership of the notes, the receipt of any payment or the enforcement of any rights hereunder), including being or having been a citizen or resident of the United States;

(c) being or having been a personal holding company, a passive foreign investment company or a controlled foreign corporation for United States federal income tax purposes or a corporation that has accumulated earnings to avoid United States federal income tax;

(d) being or having been a "10-percent shareholder" of the Company as defined in Section 871(h)(3) of the Code or any successor provision; or

(e) being a bank receiving payments on an extension of credit made pursuant to a loan agreement entered into in the ordinary course of its trade or business;

(2) to any holder that is not the sole beneficial owner of the notes, or a portion of the notes, or that is a fiduciary, partnership or limited liability company, but only to the extent that a beneficial owner with respect to the holder, a beneficiary or settlor with respect to the fiduciary, or a beneficial owner or member of the partnership or limited liability company would not have been entitled to the payment of an additional amount had the beneficiary, settlor, beneficial owner or member received directly its beneficial or distributive share of the payment;

(3) to any tax, assessment or other governmental charge that would not have been imposed but for the failure of the holder or any other person to comply with certification, identification or information reporting requirements concerning the nationality, residence, identity or connection with the United States of the holder or beneficial owner of the notes, if compliance is required by statute, by regulation of the United States or any taxing authority therein or by an applicable income tax treaty to which the United States is a party as a precondition to exemption from such tax, assessment or other governmental charge;

(4) to any tax, assessment or other governmental charge that is imposed otherwise than by withholding by us or a paying agent from the payment;

(5) to any tax, assessment or other governmental charge that would not have been imposed but for a change in law, regulation, or administrative or judicial interpretation that becomes effective more than 15 days after the payment becomes due or is duly provided for, whichever occurs later;

(6) to any estate, inheritance, gift, sales, excise, transfer, wealth, capital gains or personal property tax or similar tax, assessment or other governmental charge;

(7) to any tax, assessment or other governmental charge required to be withheld by any paying agent from any payment of principal of or interest on any note, if such payment can be made without such withholding by at least one other paying agent;

(8) to any tax, assessment or other governmental charge that would not have been imposed but for the presentation by the holder of any note, where presentation is required, for payment on a date more than 30 days after the date on which payment

became due and payable or the date on which payment thereof is duly provided for, whichever occurs later;

(9) to any tax, assessment or other governmental charge that is imposed or withheld solely by reason of the beneficial owner being a bank (i) purchasing the notes in the ordinary course of its lending business or (ii) that is neither (A) buying the notes for investment purposes only nor (B) buying the notes for resale to a third-party that either is not a bank or holding the notes for investment purposes only;

(10) to any tax, assessment or other governmental charge imposed under Sections 1471 through 1474 of the Code (or any amended or successor provisions), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such sections of the Code; or

(11) in the case of any combination of items (1), (2), (3), (4), (5), (6), (7), (8), (9) and (10).

The notes are subject in all cases to any tax, fiscal or other law or regulation or administrative or judicial interpretation applicable to the notes. Except as specifically provided under this heading "—Payment of Additional Amounts," we will not be required to make any payment for any tax, assessment or other governmental charge imposed by any government or a political subdivision or taxing authority of or in any government or political subdivision.

As used under this heading "—Payment of Additional Amounts" and under the heading "—Redemption for Tax Reasons," the term "United States" means the United States of America (including the states of the United States and the District of Columbia and any political subdivision thereof) and the term "United States person" means any individual who is a citizen

or resident of the United States for U.S. federal income tax purposes, a corporation, partnership or other entity created or organized in or under the laws of the United States, any state of the United States or the District of Columbia (other than a partnership that is not treated as a United States person under any applicable Treasury regulations), or any estate or trust the income of which is subject to United States federal income taxation regardless of its source.

Redemption for Tax Reasons

If, as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated under the laws) of the United States (or any taxing authority in the United States), or any change in, or amendments to, an official position regarding the application or interpretation of such laws, regulations or rulings, which change or amendment is announced or becomes effective on or after the date of the prospectus supplement filed with the SEC for the applicable series of notes, we become or, based upon a written opinion of independent counsel selected by us, will become obligated to pay additional amounts as described herein under the heading "—Payment of Additional Amounts" with respect to the notes of any series, then we may at any time at our option redeem, in whole, but not in part, the outstanding notes of such series on not less than 30 nor more than 60 days' prior notice, at a redemption price equal to 100% of their principal amount, together with accrued and unpaid interest on those notes to, but not including, the date fixed for redemption.

Certain Covenants

Limitation of Liens

We will not, and will not permit any of our restricted subsidiaries to, incur, suffer to exist or guarantee any debt secured by a lien on any principal property or on any shares of stock of (or other interests in) any of our restricted subsidiaries unless we or that first-mentioned restricted subsidiary secures or causes such restricted subsidiary to secure the notes (and any of its or such restricted subsidiary's other debt, at its option or such restricted subsidiary's option, as the case may be, not subordinate to the notes), equally and ratably with (or prior to) such secured debt, for as long as such secured debt will be so secured.

These restrictions will not, however, apply to debt secured by:

(1) any liens existing prior to the issuance of such notes;

(2) any lien on property of or shares of stock of (or other interests in) or debt of any entity existing at the time such entity becomes a restricted subsidiary;

(3) any liens on property, shares of stock of (or other interests in) or debt of any entity (a) existing at the time of acquisition of such property or shares (or other interests) (including acquisition through merger or consolidation), (b) to secure the payment of all or any part of the purchase price of such property or shares (or other interests) or construction or improvement of such property or (c) to secure any debt incurred prior to, at the time of, or within 365 days after the later of the

acquisition, the completion of construction or the commencement of full operation of such property or within 365 days after the acquisition of such shares (or other interests) for the purpose of financing all or any part of the purchase price of such shares (or other interests) or construction thereon;

(4) any liens in favor of us or any of our restricted subsidiaries;

(5) any liens in favor of, or required by contracts with, governmental entities; or

(6) any extension, renewal, or refunding of liens referred to in any of the preceding clauses (1) through (5).

Notwithstanding the foregoing, we or any of our restricted subsidiaries may incur, suffer to exist or guarantee any debt secured by a lien on any principal property or on any shares of stock of (or other interests in) any of our restricted subsidiaries if, after giving effect thereto, the aggregate amount of such debt does not exceed 15% of our consolidated net tangible assets.

The indenture does not restrict the transfer by us of a principal property to any of our unrestricted subsidiaries or our ability to change the designation of a subsidiary owning principal property from a restricted subsidiary to an unrestricted subsidiary and, if we were to do so, any such unrestricted subsidiary would not be restricted from incurring secured debt nor would we be required, upon such incurrence, to secure the notes equally and ratably with such secured debt.

Consolidation, Merger or Sale of Assets

We may consolidate or merge with or into, or convey or transfer all or substantially all of our assets to, any entity (including, without limitation, a limited partnership or a limited liability company); *provided* that:

- we will be the surviving corporation or, if not, that the successor will be a corporation that is organized and validly existing under the laws of any state of the United States of America or the District of Columbia and will expressly assume by a supplemental indenture our obligations under the indenture and the notes;
- immediately after giving effect to such transaction, no event of default, and no default or other event which, after notice or lapse of time, or both, would become an event of default, will have happened and be continuing; and
- we will have delivered to the trustee an opinion of counsel, stating that such consolidation, merger, conveyance or transfer complies with the indenture.

In the event of any such consolidation, merger, conveyance, transfer or lease, any such successor will succeed to and be substituted for us as obligor on the notes with the same effect as if it had been named in the indenture as obligor, and we will be released from all obligations under the indenture and under the notes.

Definitions

"Consolidated net tangible assets" means the total amount of our assets and our restricted subsidiaries' assets minus:

- all applicable depreciation, amortization and other valuation reserves;
- all current liabilities of ours and our restricted subsidiaries (excluding any intercompany liabilities); and
- all goodwill, trade names, trademarks, patents, unamortized debt discount and expenses and other like intangibles, all as set forth on our and our restricted subsidiaries' latest consolidated balance sheets prepared in accordance with U.S. generally accepted accounting principles.

"Debt" means any indebtedness for borrowed money.

"Principal property" means any single manufacturing or processing plant, office building or warehouse owned or leased by us or any of our restricted subsidiaries other than a plant, warehouse, office building or portion thereof which, in the opinion of our Board of Directors, is not of material importance to the business conducted by us and our restricted subsidiaries taken as an entirety.

"Restricted subsidiary" means, at any time, any subsidiary which at the time is not an unrestricted subsidiary of ours.

"Subsidiary" means any entity, at least a majority of the outstanding voting stock of which shall at the time be owned, directly or indirectly, by us or by one or more of our subsidiaries, or both.

"Unrestricted subsidiary" means any subsidiary of ours (not at the time designated as our restricted subsidiary) (1) the major part of whose business consists of finance, banking, credit, leasing, insurance, financial services or other similar operations, or any combination thereof, (2) substantially all the assets of which consist of the capital stock of one or more subsidiaries engaged in the operations referred to in the preceding clause (1), or (3) designated as an unrestricted subsidiary by our Board of Directors.

Events of Default

2007 Indenture Notes

An "Event of Default" under the 2007 indenture notes of a given series means:

(1) default in paying interest on the notes when it becomes due and the default continues for a period of 30 days or more;

(2) default in paying principal, or premium, if any, on the notes when due;

(3) default is made in the payment of any sinking or purchase fund or analogous obligation when the same becomes due, and such default continues for 30 days or more;

(4) default in the performance, or breach, of any covenant or warranty of PepsiCo in the indenture (other than defaults specified in clause (1), (2) or (3) above) and the default or breach continues for a period of 90 days or more after we receive written notice from the trustee or we and the trustee receive notice from the holders of at least 51% in aggregate principal amount of the outstanding notes of the series;

(5) certain events of bankruptcy, insolvency, reorganization, administration or similar proceedings with respect to PepsiCo have occurred; or

(6) any other Events of Default set forth in the applicable prospectus supplement.

If an Event of Default (other than an Event of Default specified in clause (5) with respect to PepsiCo) under the indenture occurs with respect to the notes of any series and is continuing, then the trustee or the holders of at least 51% in principal amount of the outstanding notes of that series may by written notice require us to repay immediately the entire principal amount of the outstanding notes of that series (or such lesser amount as may be provided in the terms of the notes), together with all accrued and unpaid interest and premium, if any.

If an Event of Default under the indenture specified in clause (5) with respect to PepsiCo occurs and is continuing, then the entire principal amount of the outstanding notes (or such lesser amount as may be provided in the terms of the notes) will automatically become due and payable immediately without any declaration or other act on the part of the trustee or any holder.

After a declaration of acceleration, the holders of not less than 51% in aggregate principal amount of outstanding notes of any series may rescind this accelerated payment requirement if all existing Events of Default, except for nonpayment of the principal and interest on the notes of that series that has become due solely as a result of the accelerated payment requirement, have been cured or waived and if the rescission of acceleration would not conflict with any judgment or decree. The holders of a majority in principal amount of the outstanding notes of any series also have the right to waive past defaults, except a default in paying principal, premium or interest on any outstanding note, or in respect of a covenant or a provision that cannot be modified or amended without the consent of all holders of the notes of that series.

Holders of at least 51% in principal amount of the outstanding notes of a series may seek to institute a proceeding only after they have notified the trustee of a continuing Event of Default in writing and made a written request, and offered reasonable indemnity, to the trustee to institute a proceeding and the trustee has failed to do so within 60 days after it received this notice. In addition, within this 60-day period the trustee must not have received directions inconsistent with this written request by holders of a majority in principal amount of the outstanding notes of that series. These limitations do not apply, however, to a suit instituted by a holder of a note for the enforcement of the payment of principal, interest or any premium on or after the due dates for such payment.

During the existence of an Event of Default, the trustee is required to exercise the rights and powers vested in it under the 2007 indenture and use the same degree of care and skill in its exercise as a prudent man would under the circumstances in the conduct of that person's own

affairs. If an Event of Default has occurred and is continuing, the trustee is not under any obligation to exercise any of its rights or powers at the request or direction of any of the holders unless the holders have offered to the trustee reasonable security or indemnity. Subject to certain provisions, the holders of a majority in principal amount of the outstanding notes of any series have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee, or exercising any trust, or power conferred on the trustee.

The trustee will, within 90 days after any default occurs, give notice of the default to the holders of the notes of that series, unless the default was already cured or waived. Unless there is a default in paying principal, interest or any premium when due, the trustee can withhold giving notice to the holders if it determines in good faith that the withholding of notice is in the interest of the holders.

2024 Indenture Notes

An "Event of Default" under the 2024 indenture notes of a given series means:

(1) default in paying interest on the notes when it becomes due and the default continues for a period of 30 days or more;

(2) default in paying principal, or premium, if any, on the notes when due;

(3) default is made in the payment of any sinking or purchase fund or analogous obligation when the same becomes due, and such default continues for 30 days or more;

(4) default in the performance, or breach, of any covenant or warranty of PepsiCo in the indenture (other than defaults specified in clause (1), (2) or (3) above) and the default or breach continues for a period of 90 days or more after we receive written notice from the trustee or we and the trustee receive notice from the holders of at least 25% in aggregate principal amount of the outstanding notes of all affected series (voting together as a single class);

(5) certain events of bankruptcy, insolvency, reorganization, administration or similar proceedings with respect to PepsiCo have occurred; or

(6) any other Events of Default set forth in the applicable prospectus supplement.

If an Event of Default (other than an Event of Default specified in clause (5) with respect to PepsiCo) under the indenture occurs with respect to the notes of any series and is continuing, then the trustee or the holders of at least 25% in aggregate principal amount of the outstanding notes of all affected series (voting together as a single class) may by written notice require us to repay immediately the entire principal amount of the outstanding notes of each affected series (or such lesser amount as may be provided in the terms of the notes), together with all accrued and unpaid interest and premium, if any.

If an Event of Default under the indenture specified in clause (5) with respect to PepsiCo occurs and is continuing, then the entire principal amount of the outstanding notes (or such lesser amount as may be provided in the terms of the notes) will automatically become due and payable immediately without any declaration or other act on the part of the trustee or any holder.

After a declaration of acceleration, the holders of not less than 51% in aggregate principal amount of outstanding notes of any series (each such series voting as a separate class) may rescind this accelerated payment requirement with respect to the notes of such series if all existing Events of Default with respect to the notes of such series, except for nonpayment of the principal and interest on the notes of that series that has become due solely as a result of the accelerated payment requirement, have been cured or waived and if the rescission of acceleration would not conflict with any judgment or decree. The holders of a majority in principal amount of the outstanding notes of all affected series under the 2024 indenture (voting together as a single class) have the right to waive past defaults, except a default in paying principal, premium or interest on any outstanding note, or in respect of a covenant or a provision that cannot be modified or amended without the consent of all holders of the notes of each affected series.

Holders of at least 25% in aggregate principal amount of the outstanding notes of all affected series under the 2024 indenture (voting together as a single class) may seek to institute a proceeding only after they have notified the trustee of a continuing Event of Default in writing and made a written request, and offered reasonable indemnity, to the trustee to institute a proceeding and the trustee has failed to do so within 60 days after it received this notice. In addition, within this 60-day period the trustee must not have received directions inconsistent with this written request by holders of a majority in aggregate principal amount of the outstanding notes of all affected series under the 2024 indenture (voting together as a single class). These limitations do not apply, however, to a suit instituted by a holder of a note for the enforcement of the payment of principal, interest or any premium on or after the due dates for such payment.

During the existence of an Event of Default, the trustee is required to exercise the rights and powers vested in it under the 2024 indenture and use the same degree of care and skill in its exercise as a prudent man would under the circumstances in the conduct of that person's own affairs. If an Event of Default has occurred and is continuing, the trustee is not under any obligation to exercise any of its rights or powers at the request or direction of any of the holders unless the holders have offered to the trustee reasonable security or indemnity. Subject to certain provisions, the holders of a majority in aggregate principal amount of the outstanding notes of all affected series under the 2024 indenture (voting together as a single class) have the right to direct the time, method and place of conducting any proceeding for any remedy available to the trustee, or exercising any trust, or power conferred on the trustee.

The trustee will, within 90 days after any default occurs with respect to the notes of any series, give notice of the default to the holders of the notes of that series, unless the default was already cured or waived. Unless there is a default in paying principal, interest or any premium when due, the trustee can withhold giving notice to the holders if it determines in good faith that the withholding of notice is in the interest of the holders.

Modification and Waiver

Each indenture may be amended or modified without the consent of any holder of notes in order to:

- evidence a succession to the trustee;
- cure ambiguities, defects or inconsistencies;

- provide for the assumption of our obligations in the case of a merger or consolidation or transfer of all or substantially all of our assets;
- make any change that would provide any additional rights or benefits to the holders of the notes of a series;
- add guarantors with respect to the notes of any series;
- secure the notes of a series;
- establish the form or forms of notes of any series;
- maintain the qualification of the indenture under the Trust Indenture Act; or
- make any change that does not adversely affect in any material respect the interests of any holder.

Other amendments and modifications of the 2007 indenture or the notes issued under such indenture may be made with the consent of the holders of not less than a majority of the aggregate principal amount of the outstanding notes of each series affected by the amendment or modification. However, no modification or amendment may, without the consent of the holder of each outstanding note affected:

- reduce the principal amount, interest or premium payable, or extend the fixed maturity, of the notes;
- alter or waive the redemption provisions of the notes;

- change the currency in which principal, any premium or interest is paid;
- reduce the percentage in principal amount outstanding of notes of any series which must consent to an amendment, supplement or waiver or consent to take any action;
- impair the right to institute suit for the enforcement of any payment on the notes;
- waive a payment default with respect to the notes or any guarantor;
- reduce the interest rate or extend the time for payment of interest on the notes;
- adversely affect the ranking of the notes of any series; or
- release any guarantor from any of its obligations under its guarantee or the indenture, except in compliance with the terms of the indenture.

Other amendments and modifications of the 2024 indenture or the notes of any series issued under such indenture may be made with the consent of the holders of not less than a majority in aggregate principal amount of the outstanding notes of each series affected by the amendment or modification (voting together as a single class), and our compliance with any provision of the 2024 indenture with respect to the notes of any series issued under such indenture may be waived by written notice to us and the trustee by the holders of a majority in aggregate principal amount of the outstanding notes of each series affected by the waiver (voting together as a single class). However, no modification or amendment may, without the consent of the holder of each outstanding note affected:

- reduce the principal amount, interest or premium payable, or extend the fixed maturity, of the notes;
- alter or waive the redemption provisions of the notes;
- change the currency in which principal, any premium or interest is paid;
- reduce the percentage in principal amount outstanding of notes of any series which must consent to an amendment, supplement or waiver or consent to take any action;
- impair the right to institute suit for the enforcement of any payment on the notes;
- waive a payment default with respect to the notes or any guarantor;
- reduce the interest rate or extend the time for payment of interest on the notes;
- adversely affect the ranking of the notes of any series; or
- release any guarantor from any of its obligations under its guarantee or the 2024 indenture, except in compliance with the terms of the 2024 indenture.

An amendment, supplemental indenture or waiver which changes, eliminates or waives any covenant or other provision of the 2024 indenture which has expressly been included solely for the benefit of one or more particular series of notes, or which modifies the rights of the holders of notes of such series with respect to such covenant or other provision, shall be deemed not to affect the rights under the 2024 indenture of the holders of notes of any other series.

Satisfaction, Discharge and Covenant Defeasance

We may terminate our obligations under each indenture, when:

- either:
    - all the notes of any series issued that have been authenticated and delivered have been delivered to the trustee for cancellation; or
    - all the notes of any series issued that have not been delivered to the trustee for cancellation have become due and payable, will become due and payable within one year, or are to be called for redemption within one year and we have made arrangements satisfactory to the trustee for the giving of notice of redemption by such trustee in our name and at our expense, and in each case, we have irrevocably deposited or caused to be deposited with the trustee sufficient funds to pay and discharge the entire indebtedness on the series of notes to pay principal, interest and any premium; and
- we have paid or caused to be paid all other sums then due and payable under the indenture; and
- we have delivered to the trustee an officers' certificate and an opinion of counsel, each stating that all conditions precedent under the indenture relating to the satisfaction and discharge of the indenture have been complied with.

We may elect to have our obligations under each indenture discharged with respect to the outstanding notes of any series ("legal defeasance"). Legal defeasance means that we will be

deemed to have paid and discharged the entire indebtedness represented by the outstanding notes of such series under each indenture, except for:

- the rights of holders of the notes to receive principal, interest and any premium when due;
- our obligations with respect to the notes concerning issuing temporary notes, registration of transfer of the notes, mutilated, destroyed, lost or stolen notes and the maintenance of an office or agency for payment for security payments held in trust;
- the rights, powers, trusts, duties and immunities of the trustee; and
- the defeasance provisions of the applicable indenture.

In addition, we may elect to have our obligations released with respect to certain covenants in each indenture ("covenant defeasance"). Any omission to comply with these obligations will not constitute a default or an event of default with respect to the notes of any series. In the event covenant defeasance occurs, certain events, not including non-payment, bankruptcy and insolvency events, described under "Events of Default" above will no longer constitute an event of default for that series.

In order to exercise either legal defeasance or covenant defeasance with respect to outstanding notes of any series:

- we must irrevocably have deposited or caused to be deposited with the trustee as trust funds for the purpose of making the following payments, specifically pledged as security for, and dedicated solely to the benefit of the holders of the notes of a series:

    - money in an amount;

    - U.S. government obligations (or equivalent government obligations in the case of notes denominated in other than U.S. dollars or a specified currency) that will provide, not later than one day before the due date of any payment, money in an amount; or

    - a combination of money and U.S. government obligations (or equivalent government obligations, as applicable),

  in each case sufficient, in the written opinion (with respect to U.S. or equivalent government obligations or a combination of money and U.S. or equivalent government obligations, as applicable) of a nationally recognized firm of independent registered public accountants, to pay and discharge, and which shall be applied by the trustee to pay and discharge, all of the principal (including mandatory sinking fund payments), interest and any premium at the due date or maturity;

- in the case of legal defeasance, we must have delivered to the trustee an opinion of counsel stating that, under then applicable federal income tax law, the holders of the notes of that series will not recognize income, gain or loss for federal income tax purposes as a result of the deposit, defeasance and discharge to be effected and will

be subject to the same federal income tax as would be the case if the deposit, defeasance and discharge did not occur;

- in the case of covenant defeasance, we must have delivered to the trustee an opinion of counsel to the effect that the holders of the notes of that series will not recognize income, gain or loss for U.S. federal income tax purposes as a result of the deposit and covenant defeasance to be effected and will be subject to the same federal income tax as would be the case if the deposit and covenant defeasance did not occur;

- no event of default or default with respect to the outstanding notes of that series has occurred and is continuing at the time of such deposit after giving effect to the deposit or, in the case of legal defeasance, no default relating to bankruptcy or insolvency has occurred and is continuing at any time on or before the 91st day after the date of such deposit, it being understood that this condition is not deemed satisfied until after the 91st day;

- the legal defeasance or covenant defeasance will not cause the trustee to have a conflicting interest within the meaning of the Trust Indenture Act, assuming all notes of a series were in default within the meaning of such Act;

- the legal defeasance or covenant defeasance will not result in a breach or violation of, or constitute a default under, any other agreement or instrument to which we are a party;

- the legal defeasance or covenant defeasance will not result in the trust arising from such deposit constituting an investment company within the meaning of the Investment Company Act of 1940, as amended, unless the trust is registered under such Act or exempt from registration; and

- we must have delivered to the trustee an officers' certificate and an opinion of counsel stating that all conditions precedent with respect to the legal defeasance or covenant defeasance have been complied with.

Book-Entry, Delivery and Settlement

We have obtained the information in this section concerning Clearstream and Euroclear and their book-entry systems and procedures from sources that we believe to be reliable. We take no responsibility for an accurate portrayal of this information. In addition, the description of the clearing systems in this section reflects our understanding of the rules and procedures of Clearstream and Euroclear as they are currently in effect. Those clearing systems could change their rules and procedures at any time.

The notes of each series were initially represented by one or more fully registered global notes. Each such global note was deposited with, or on behalf of, a common depositary and registered in the name of the nominee of the common depositary for the accounts of Clearstream and Euroclear. Except as set forth below, the global notes may be transferred, in whole and not in part, only to Euroclear or Clearstream or their respective nominees. You may hold your interests in the global notes in Europe through Clearstream or Euroclear, either as a participant in such

systems or indirectly through organizations which are participants in such systems. Clearstream and Euroclear will hold interests in the global notes on behalf of their respective participating organizations or customers through customers' securities accounts in Clearstream's or Euroclear's names on the books of their respective depositaries. Book-entry interests in the notes and all transfers relating to the notes will be reflected in the book-entry records of Clearstream and Euroclear. The address of Clearstream is 42 Avenue JF Kennedy, L-1855 Luxembourg, Luxembourg and the address of Euroclear is 1 Boulevard Roi Albert II, B-1210 Brussels, Belgium.

The distribution of the notes was cleared through Clearstream and Euroclear. Any secondary market trading of book-entry interests in the notes will take place through Clearstream and Euroclear participants and will settle in same-day funds. Owners of book-entry interests in the notes will receive payments relating to their notes in sterling with respect to the sterling notes and euro with respect to the euro notes, except as described in the applicable prospectus supplement.

Clearstream and Euroclear have established electronic securities and payment transfer, processing, depositary and custodial links among themselves and others, either directly or through custodians and depositaries. These links allow the notes to be issued, held and transferred among the clearing systems without the physical transfer of certificates. Special procedures to facilitate clearance and settlement have been established among these clearing systems to trade securities across borders in the secondary market.

The policies of Clearstream and Euroclear govern payments, transfers, exchanges and other matters relating to the investor's interest in the notes held by them. We have no responsibility for any aspect of the records kept by Clearstream or Euroclear or any of their direct or indirect participants. We also do not supervise these systems in any way.

Clearstream and Euroclear and their participants perform these clearance and settlement functions under agreements they have made with one another or with their customers. You should be aware that they are not obligated to perform or continue to perform these procedures and may modify them or discontinue them at any time.

Except as provided otherwise, owners of beneficial interests in the notes will not be entitled to have the notes registered in their names, will not receive or be entitled to receive physical delivery of the notes in definitive form and will not be considered the owners or holders of the notes under the indenture, including for purposes of receiving any reports delivered by us or the trustee pursuant to the indenture. Accordingly, each person owning a beneficial interest in a note must rely on the procedures of the depositary and, if such person is not a participant, on the procedures of the participant through which such person owns its interest, in order to exercise any rights of a holder of notes.

Certificated Notes. Subject to certain conditions, the notes represented by the global notes are exchangeable for certificated notes in definitive form of like tenor in minimum denominations of £100,000 principal amount and integral multiples of £1,000 in excess thereof

with respect to the sterling notes and €100,000 principal amount and integral multiples of €1,000 in excess thereof with respect to the euro notes if:

(1) the common depositary provides notification that it is unwilling, unable or no longer qualified to continue as depositary for the global notes and a successor is not appointed within 90 days;

(2) we in our discretion at any time determine not to have all the notes of any series represented by the global note; or

(3) default entitling the holders of the applicable notes of any series to accelerate the maturity thereof has occurred and is continuing.

Any note of any series that is exchangeable as above is exchangeable for certificated notes of such series issuable in authorized denominations and registered in such names as the common depositary shall direct. Subject to the foregoing, a global note is not exchangeable, except for a global note of the same aggregate denomination to be registered in the name of the common depositary (or its nominee).

Same-day Payment. Payments (including principal, interest and any additional amounts) and transfers with respect to notes of any series in certificated form may be executed at the office or agency maintained for such purpose within the City of London (initially the office of the paying agent maintained for such purpose) or, at our option, by check mailed to the holders thereof at the respective addresses set forth in the register of holders of the applicable notes of such series, provided that all payments (including principal, interest and any additional amounts)

on notes in certificated form, for which the holders thereof have given wire transfer instructions, will be required to be made by wire transfer of immediately available funds to the accounts specified by the holders thereof. No service charge will be made for any registration of transfer, but payment of a sum sufficient to cover any tax or governmental charge payable in connection with that registration may be required.

Exhibit 10.7

THE PEPSICO INTERNATIONAL RETIREMENT PLAN

DEFINED CONTRIBUTION PROGRAM

(PIRP-DC)

As Amended and Restated
Effective as of January 1, 2026

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ARTICLE I – HISTORY AND GENERAL INFORMATION

PepsiCo, Inc. (the "Corporation") first established the PepsiCo International Retirement Plan effective as of September 1, 1980. The Plan at that time was comprised of the "PepsiCo International Retirement Plan Trust Indenture" and the "Plan Rules." The Plan was amended and restated in its entirety, effective September 2, 1982.

The Plan was again amended and restated effective October 1, 2003, whereupon the Plan Rules became the "Plan A Rules" (applicable to benefits funded by the Corporation's contributions to the trust established by the PepsiCo International Retirement Plan Trust Indenture) and the "Plan B Rules" (applicable to benefits funded by the Corporation as payable) took effect.

The Plan was further amended effective January 1, 2005, to provide that no person subject to taxation in the United States of America may in any way have their right to a benefit from the Plan come into existence, increase or in any way be enhanced, but instead will be determined as if the person had left the Corporation and any Associated Company permanently before becoming subject to U.S. taxation.

Effective January 1, 2010, the Plan A Rules and Plan B Rules were amended and restated in their entirety to form one Plan document. The amendment and restatement referred to in the prior sentence remains in effect, and it sets forth the terms of the "DB Program."

Effective January 1, 2011, the Corporation established a new defined contribution structure (the "DC Program") to benefit selected international employees for whom it has been determined to be appropriate (*i.e.*, selected employees on assignments outside of their home countries for whom it is judged to be impractical to have them participate in their home country retirement plans, and employees who are among a selected group of senior globalists on United States tax equalized packages). The terms of the DC Program are set forth in this document, which is the governing legal document for the DC Program. Together, the DC Program and the DB Program set forth the terms of a single Plan. The DC Program is also sometimes referred to in employee communications as the PepsiCo International Pension Plan or "PIPP."

The DC Program was previously amended and restated, effective as of January 1, 2016. As part of that amendment and restatement, the Corporation modified the DC Program to also benefit selected employees: (i) who are localized to a country outside of their home country, (ii) were participating in a defined benefit or defined contribution retirement program sponsored immediately prior to their localization, and (iii) for whom no company-provided retirement program is available.

The DC Program was again amended and restated effective as of January 1, 2019. As part of that amendment and restatement, the Corporation modified the DC Program to recognize same-sex and opposite-sex domestic partners for certain purposes for Members actively

employed or on authorized leave of absence on and after January 1, 2019. The DC Program was again amended and restated effective as of January 1, 2021 and January 1, 2023.

The DC Program was again amended and restated effective as of January 1, 2024 for certain plan rule clarifications.

The DC Program is now hereby amended and restated effective as of January 1, 2026.

At all times, the Plan is unfunded and unsecured for purposes of the United States Internal Revenue Code and Employee Retirement Income Security Act of 1974, as amended ("ERISA"). The benefits of an executive are an obligation of that executive's individual employer. With respect to his employer, the executive has the rights of an unsecured general creditor. The Plan is also intended to be exempt from ERISA as a plan maintained outside of the United States primarily for the benefit of persons substantially all of whom are nonresident aliens of the United States.

ARTICLE II – DEFINITIONS AND CONSTRUCTION

2.01 Definitions.

Where the following words and phrases appear in this governing document for the DC Program, they shall have the meaning set forth below, unless a different meaning is plainly required by the context:

(a) "Approved Transfer" means any of the following that are initiated or approved by the Corporation or (with the approval of the Corporation) by a Member's Employer –

(1) The Member's transfer to employment based in the United States or its territories;

(2) The Member's secondment to a work location in the United States or its territories;

(3) Any other change in the Member's employment circumstances that will cause the Member to become a U.S. Person.

(b) "Associated Company" means any company or undertaking which (i) is directly or indirectly controlled by or associated in business with the Corporation, and (ii) which has agreed, subject to the ongoing consent of the Vice President, to perform and observe the conditions, stipulations and provisions of the DC Program and to be included among the Employers under the DC Program. "Associated Companies" means all such companies or undertakings.

(c) "Corporation" means PepsiCo, Inc., a corporation organized and existing under the laws of the State of North Carolina, or its successor or successors.

(d) "Dependant" means the person who shall receive the balance of a Member's PIRP-DC Account upon the Member's death.

(e) "DB Program" means the portion of the Plan that provides a program of defined benefits and that is described in the governing legal document entitled "The PepsiCo International Retirement Plan Defined Benefit Program (PIRP DB), as it may be amended from time to time. The DB Program is also sometimes referred to as "PIRP-DB".

(f) "DC Program" means the portion of the Plan that provides a program of defined contributions and that is described in the governing legal document entitled "The

PepsiCo International Retirement Plan Defined Contribution Program (PIRP-DC), as it may be amended from time to time. The DC Program is also sometimes referred to as "PIRP-DC."

(g) "Distribution Valuation Date" means the date as specified by the Vice President from time to time as of which PIRP-DC Accounts are valued for purposes of distributions under Article VI. Currently, the Distribution Valuation Date for a Member is the month end that occurs just after the event specified in Article VI that triggers the Member's distribution. Accordingly, if the trigger event occurs on December 30 of a year, the current Distribution Valuation Date is December 31 of that year, and if the trigger event occurs on December 31 of a year, the current Distribution Valuation Date is January 31 of the following year. The Vice President may change any current Distribution Valuation Date. Values are determined as of the close of a Distribution Valuation Date or, if such date is not a business day, as of the close of the preceding business day.

(h) "Effective Date" means the date as of which the DC Program is effective, January 1, 2011.

(i) "Eligible Domestic Partner" means, solely with respect to a Member who is actively employed by, or on an Authorized Leave of Absence from, a member of the PepsiCo Organization on or after January 1, 2019, an individual who is of the same sex or opposite sex as the Member and who satisfies paragraph (1), (2) or (3), subject to the additional rules set forth in paragraph (4), as determined by the Vice President.

(1) Civil Union. If the Member has entered into a civil union or similar government-recognized status that is valid at the Member's death under the law of the location that is determined by the Vice President to be the Member's principal residence, the Member's Domestic Partner (if any) is the individual with whom the Member has entered into such status, provided that such individual submits a claim for benefits within 60 days of Member's date of death (and if no such claim is submitted, the individual shall not be a Domestic Partner under this Section 2.01(i)(1)).

(2) Benefits Enrollment. If the Member does not have a Domestic Partner pursuant to subsection (1) above, the Member's Eligible Domestic Partner (if any) is the individual who, on the applicable date, was validly enrolled, as the Member's domestic partner, in the Cigna International Health Program (or its successor) sponsored by the Corporation.

(3) Other Acceptable Evidence of Partnership. If the Member does not have a Domestic Partner under paragraph (1) or (2) above, such Member's Domestic Partner, if any, is the individual who satisfies such criteria of domestic partnership as the Vice President has specified in writing, provided that such

individual submits a claim for benefits within 60 days of the Member's date of death (and if no such claim is submitted, the individual shall not be a Domestic Partner under this Section 2.01(i)(3)).

(4) Additional Rules. Notwithstanding the foregoing requirements in this subsection to submit a claim for benefits within 60 days of the Member's death, the Vice President may exercise discretion to authorize (even retroactively) an extended period for submitting such a claim when doing so will not create a substantial risk of competing claims for benefits (and where there is good reason to consider an extension, such as circumstances beyond the control of the domestic partner that made filing a claim impracticable for all or a substantial portion of the 60-day period). The term "Eligible Domestic Partner" does not apply to a Member's Eligible Spouse. A Member is not permitted to have more than one Eligible Domestic Partner at any point in time, and a Member who has an Eligible Spouse is not permitted to have an Eligible Domestic Partner.

(j) "Eligible Employee" means an individual who the Vice President has determined (i) is employed exclusively outside of the United States on the regular staff of an Approved Employer on a full-time salaried basis, (ii) is neither actively accruing benefits that are derived from service under the DB Program nor is designated as being eligible to accrue such benefits, (iii) is not a U.S. Person, and (iv) is described in at least one of the following paragraphs

(1) The individual is on an assignment outside of his home country and it is judged to be impractical to have him participate in the retirement plan(s) sponsored by the Corporation (or an Affiliated Company) in his home country;

(2) The individual is on his second (or more) consecutive assignment outside of his home country (effective as of January 1, 2021, the first assignment outside of his home country also qualifies), and the retirement plan(s) available to the individual in his home country do not include a retirement plan that is sponsored by the Corporation or an Affiliated Company (*e.g.*, a case where only a statutory plan is available to the individual);

(3) The individual is among a selected group of senior globalists on United States tax equalized packages whose positions and employment terms are among those that the Vice President has determined make them eligible to be considered for membership in the DC Program; or

(4) The individual is localized to a country outside of his home country, was actively participating in a retirement program sponsored by a member of the PepsiCo Organization immediately prior to his localization that will not provide for his continued active participation after his localization, and the local country employer does not sponsor a retirement plan.

The Vice President shall have the discretion to designate as an Eligible Employee any individual employed by an Approved Employer on a part-time basis who, but for his part-time status, otherwise satisfies the requirements of this subsection.

(k) "Eligible Spouse" means the individual to whom the Member is married, or to whom the Member was married on the date of his death. The determination of whether a Member is married shall be made by the Vice President based on the law of the location that is determined by the Vice President to be the Member's principal residence; provided, however, that for purposes of the DC Program, a Member shall have only one Eligible Spouse.

(l) "Employers" means the Corporation and any and every Associated Company or such one or more of any of them as the context shall determine or the circumstances require. "Employer" in relation to any person means whichever it is of the Employers in whose employment that person is or was at the relevant time or those Employers (if more than one) in whose employment he had been during the relevant period. An "Approved Employer" means an Employer that, as of the time in question, has been approved by the Vice President (and remains approved) to have its Eligible Employees become and continue as Active Members hereunder.

(m) "Entry Date" means the date as of which an Eligible Employee becomes a Member, which shall be the date that the Vice President specifies for the Eligible Employee's admission to Membership.

(n) "Interest Credit" means the credit made annually to a Member's PIRP-DC Account pursuant to Section 4.01(b).

(o) "Interest Rate" means the annualized rate of interest used to determine a Member's Interest Credit. As of the Effective Date, the Interest Rate is the rate of interest on 30-year Treasury securities as prescribed by the Commissioner of the United States Internal Revenue Service for the month of September immediately preceding the first day of the Plan Year to which an Interest Credit relates. The Vice President shall have the discretion to change from time to time the basis for determining the Interest Rate as necessary to ensure that the Interest Rate is readily determinable and administrable, and that it can be reasonably expected to provide substantially a market rate of interest over time. At all times the Interest Rate shall not exceed a level that may be considered "earnings" under Treasury Regulation § 1.409A-1(o).

(p) "Member" means an Eligible Employee who has been admitted to Membership in the DC Program pursuant to Article III and who remains entitled to a benefit under the DC Program. In relation to each of the Employers, any reference to a Member means a Member in or formerly in its employment. References to "Membership" are references to the status of being a Member. The terms "Active

Member" and "Inactive Member" shall have the respective meanings stated for these terms in Section 3.03.

(q) "Pay Credit" means the credit made to an Active Member's PIRP-DC Account pursuant to Section 4.01(a).

(r) "Plan" means the PepsiCo International Retirement Plan, which consists of the DC Program and DB Program.

(s) "Plan Year" means the 12-consecutive month period beginning on January 1 and ending on the following December 31 of the same calendar year.

(t) "PepsiCo Organization" means the controlled group of organizations of which the Corporation is a part, as defined by United States Internal Revenue Code section 414 and regulations issued thereunder. An entity shall only be considered a member of the PepsiCo Organization during the period it is one of the group of organizations described in the preceding sentence.

(u) "PIRP-DC Account" means the unfunded, notional account maintained for a Member on the books of the Member's Employer that indicates the dollar amount that, as of any time, is credited under the DC Program for the benefit of the Member. The balance in such account shall be determined in accordance with interpretive principles and decisions applied by the Vice President.

(v) "Salary" means (i) in the case of an Eligible Employee who is not paid on a United States payroll and became an Active Member before January 1, 2021, home notional base salary (but the Vice President may authorize also including an amount of notional annual bonus paid to the Eligible Employee), (ii) in the case of an Eligible Employee who is not paid on a United States payroll and becomes an Active Member on or after January 1, 2021 and, subsequently, for all Active Members effective January 1, 2026, home notional base salary and notional annual bonus, and (iii) in the case of an Eligible Employee who is paid on a United States payroll, base salary plus annual bonus, but the following shall be excluded in all cases:

(1) Any pay that would ordinarily qualify as Salary as described above to the extent it is earned by the Member – (i) while working for the PepsiCo Organization or any Employer in the United States, (ii) while participating in the PepsiCo Salaried Plan, and/or (iii) while a U.S. Person, and

(2) All other amounts taxable as remuneration for personal services, including amounts received or deemed received under any other pension or welfare plan maintained by a member of the PepsiCo Organization or any Employer, premium bonuses, sign-on bonus or other one-time payments, income

from stock option exercises and any special allowances (whether given in respect of residence, cost of living, education, transfer or otherwise).

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The determination of an Eligible Employee's Salary in accordance with the preceding three sentences shall be made by the Vice President and shall be conclusive and binding on all Eligible Employees.

(w) "Service" means the period during which an Eligible Employee is in employment with an Approved Employer, including employment with an Approved Employer before a break in service. Employment during a break in Service will only be counted as Service if the break lasts no more than 12 months. In the case of an individual who transfers from employment with an Employer that is not an Approved Employer to a position as an Eligible Employee of an Approved Employer, his pre-transfer period of employment with an Employer may be counted as Service only with the approval of the Vice President. Similarly, in the case of an individual who transfers from employment with an Eligible Employee of an Approved Employer to other employment with an Employer, his post-transfer period of employment with an Employer may be counted as Service only with the approval of the Vice President. Except as otherwise expressly provided in this subsection or as approved by the Vice President, Service shall not include an individual's periods of employment with any company or undertaking prior to it becoming an Employer or a member of the PepsiCo Organization. No determination of an individual's Service shall result in any duplication, and an individual's Service shall at all times be subject to the overriding restrictions of Section 9.14.

(x) "Status Change" means any change in a Member's circumstances (other than a change in circumstances that constitutes an Approved Transfer) that will cause the Member to become a U.S. Person.

(y) "U.S. Person" means: (1) a citizen of the United States of America; (2) a person lawfully admitted for permanent residence in the United States of America at any time during the calendar year, or who has (subject to the next sentence) applied for such permanent residence (within the meaning of United States Internal Revenue Code section 7701(b)(1)(A)); or (3) any other person who is a resident alien of the United States of America under United States Internal Revenue Code section 7701(b)(1)(A) because, for example, the person satisfies the substantial presence test under United States Internal Revenue Code section 7701(b)(3) or makes an election to be treated as a United States resident under United States Internal Revenue Code section 7701(b)(4). (Notwithstanding the prior sentence, a person who has applied for permanent residence shall not be considered a U.S. Person, as a result of a specific application for permanent residence, as of the date that the specific application is deemed to have been abandoned or to have otherwise become inapplicable, as determined in the discretion of the Vice President.) In addition, a person shall be considered a U.S. Person for purposes of Section 9.14 in any year for which the person is required by the United States Internal

Revenue Code to file an individual income tax return, unless the Vice President determines that it is clear that the person has no U.S. source earned income from a member of the PepsiCo Organization for such year.

(z) "Valuation date" means each business day, as determined by the Vice President, as of which Members' PIRP-DC Accounts are valued (for purposes other than distributions under Article VI) in accordance with DC Program procedures that are then currently in effect. As of the Effective Date, the DC Program shall have a Valuation Date for all Members as of the last day of each Plan Year. In addition, to the extent provided in Section 4.02, the DC Program shall have a special Valuation Date prior to the end of a Plan Year for Active Members who have an Approved Transfer (and for certain Active Members who have a Status Change) as described in Section 4.02. In accordance with procedures that may be adopted by the Vice President, any current Valuation Date may be changed (but in such case adjustments shall apply in the operation of the DC Program as necessary to prevent duplicate or disproportionate benefits, as determined by the Vice President). Values are determined as of the close of a Valuation Date or, if such date is not a business day, as of the close of the preceding business day.

(aa) "Vice President" means the Vice President, Global Benefits & Wellness of PepsiCo, Inc., but if such position is vacant or eliminated it shall be the person who is acting to fulfill the majority of the duties of the position (or plurality of the duties, if no one is fulfilling a majority), as such duties existed immediately prior to the vacancy or the position elimination.

2.02 Construction.

(a) Gender and Number: Unless the context clearly indicates to the contrary, (i) a reference to one or more genders shall include a reference to all the other genders, and (ii) the singular may include the plural, and the plural may include the singular.

(b) Determining Periods of Years: For the purposes of the DC Program, any period of 365 consecutive days (or of 366 consecutive days, if the period includes 29th February) shall be deemed to constitute a year, but not so that in the calculation of a number of years any day is counted more than once. Where the amount of a benefit depends upon the calculation of a number of years or months without expressly requiring that these should be complete years or months, a proportionate amount (*i.e.*, a number of days) may be given for any part of a year or month which would not otherwise be included in the calculation. Where this document makes reference to months or parts of a year, or to any other period of time except a day, week or year the Vice President may authorize the period to be counted in days or complete calendar months with each calendar month counted as 1/12th of a year.

(c) Compounds of the Word "Here": The words "hereof" and "hereunder" and other similar compounds of the word "here" shall mean and refer to the entire DC Program, not to any particular provision or section.

(d) Examples: Whenever an example is provided or the text uses the term "including" followed by a specific item or items, or there is a passage having a similar effect, such passages of the document shall be construed as if the phrase "without limitation" followed such example or term (or otherwise applied to such passage in a manner that avoids limitation on its breadth of application).

(e) Subdivisions of This Document: This document is divided and subdivided using the following progression: articles, sections, subsections, paragraphs, subparagraphs and clauses. Articles are designated by capital roman numerals. Sections are designated by Arabic numerals containing a decimal point. Subsections are designated by lower-case letters in parentheses. Paragraphs are designated by Arabic numerals in parentheses. Subparagraphs are designated by lower-case roman numerals in parentheses. Clauses are designated by upper-case letters in parentheses. Any reference in a section to a subsection (with no accompanying section reference) shall be read as a reference to the subsection with the specified designation contained in that same section. A similar rule shall apply with respect to paragraph references within a subsection and subparagraph references within a paragraph.

ARTICLE III – MEMBERSHIP

3.01 Eligibility for Membership.

Every person who the Vice President determines is an Eligible Employee shall be eligible for Membership.

3.02 Admission to Membership.

Every person who the Vice President determines is an Eligible Employee, and who is not during the relevant time a U.S. Person, shall, following the approval of his Membership by the Vice President, be admitted to Membership effective as of his Entry Date. For this purpose, the relevant time includes a sufficient period before the Eligible Employee's Proposed Entry Date as is necessary to avoid PIRP-DC Accounts being considered deferred compensation that is subject to Section 409A of the United States Internal Revenue Code. In all cases, no Eligible Employee or any other person shall be admitted to or continue in Membership without the approval of the Vice President.

3.03 Active and Inactive Membership.

A Member shall be an Active Member during the period that he is – (a) employed as an Eligible Employee, (b) not a U.S. Person, and (c) currently approved for status as an Active Member by the Vice President. A Member shall be an Inactive Member during any period that he does not currently meet all of the requirements to be an Active Member.

ARTICLE IV – CONTRIBUTIONS

4.01 Contributions.

To the extent provided in subsections (a) and (b) below and only as permitted under the last sentence of this Section 4.01, the Employer shall allocate Pay Credits and Interest Credits to a Member's PIRP-DC Account, each determined by the Vice President as follows –

(a) Pay Credit. To receive a Pay Credit for a Plan Year, an Eligible Employee must be an Active Member during such year.

(1) Effective for any Eligible Employee participating in the Plan on and after January 1, 2026 and who does not have any Service completed while a U.S. Person, the amount of the Active Member's Pay Credits shall be determined by the number of "points" attributed to the Active Member in accordance with the following:

Points	Amount of Pay Credit
Less than 35	5% of Salary
35-39	6% of Salary
40-44	7% of Salary
45-49	8% of Salary
50-54	9% of Salary
55-59	10% of Salary
60-64	11% of Salary
65 or more	12% of Salary

Such an Active Member's points shall be determined by the sum of the Active Member's age and years of Service, with each expressed in whole years and days.

(3) Otherwise, the Vice President shall specify the Active Member's applicable percentage as of the Active Member's Entry Date (or, if the Member ceases to be an Active Member, and then becomes an Active Member again, as of the date the Member again becomes an Active Member). For each subsequent Plan Year that the individual is an Active Member, the Vice President may specify a new applicable percentage that shall apply to the Active Member for such Plan Year.

Notwithstanding the foregoing paragraphs, specifications of an applicable percentage by the Vice President and calculations of Pay Credits are made in the Vice President's sole

discretion, and at no time does an Eligible Employee have a legally binding right to be assigned any initial or increased applicable percentage. An Active Member's Pay Credits with respect to Plan Years beginning on or after January 1, 2023 shall not be limited by the Code section 401(a)(17) limit. For Plan Years beginning prior to January 1, 2023, an Active Member's Pay Credits were limited to ensure that the Active Member's Pay Credits do not exceed the Internal Revenue Code Section 401(a)(17) limit in effect for such Plan Year.

(b) Interest Credit. To receive an Interest Credit for a Plan Year, an individual must be either an Active Member or Inactive Member during such year, and the individual must have had a balance in his PIRP-DC Account as of the prior Plan Year's Valuation Date. The amount of a Member's Interest Credit shall be determined by the Vice President by multiplying the Interest Rate for the period since the last Valuation Date by the balance of the Member's PIRP-DC Account as of such last Valuation Date.

A Member's Pay Credit and Interest Credit shall be determined by the Vice President as soon as administratively practicable after each Valuation Date. If a Member has less than one full year of Active Membership since such last Valuation Date (*e.g.,* as may apply in the Member's first and last year of Membership), the Member's Pay Credit as otherwise determined under subsection (a) above shall be prorated for such period based upon the Member's fractional year of Active Membership. If a Member has less than one full year of Membership since such last Valuation Date, any Interest Credit as otherwise available and determined under subsection (b) above shall be prorated for such period based upon the Member's fractional year of Membership (*e.g.*, as may apply in the Member's last year of Membership). A fractional year shall be computed by dividing the Member's days of Membership or Active Membership (as applicable) during the Plan Year by the total number of days in such Plan Year. A period of paid leave of absence during a Plan Year shall be considered a period of Active Membership for purposes of determining a Member's Pay Credit for the Plan Year in accordance with the prior sentence. However, a period of unpaid leave of absence during a Plan Year shall not be considered a period of Active Membership for purposes of determining a Member's Pay Credit for the Plan Year in accordance with the prior sentence (and as a result, the Pay Credit for the Plan Year containing the unpaid leave shall be prorated, or there shall be no Pay Credit, all as necessary to limit Pay Credits to the Member's period of Active Membership during the Plan Year). In the event a prorated Pay Credit and Interest Credit relate to the Member's final year of Membership, the Pay Credit and Interest Credit shall be determined as of the Member's Distribution Valuation Date (with proration based upon the Member's fractional final year of Membership). The calculation of the Pay Credit and Interest Credit by the Vice President shall be conclusive and binding on all Members (and their Dependants). In all cases, Pay Credits or Interest Credits shall not be allocated to a Member to the extent necessary (or deemed appropriate by the Vice President in his discretion) to fully ensure compliance with limitations in Section 9.14.

4.02 Offsets.

Notwithstanding Section 4.01, the Corporation may reduce the amount of any payment or benefit that is or would become payable to or on behalf of a Member by the amount of any obligation of the Member to a member of the PepsiCo Organization or by the amount of –

(a) Any material benefits accrued by the Member under a retirement plan sponsored by a member of the PepsiCo Organization or by any country, state, province or other political subdivision or locality, to the extent the Vice President determines that the benefit amount under such retirement plan is for Service or Salary that is taken into account in providing Pay Credits under the DC Program, and

(b) Any termination indemnity or other payment to the Member by the Employer or PepsiCo Organization related to the Member's termination of employment, to the extent the Vice President determines that the payment is reasonably related to Service that is taken into account in providing Pay Credits under the DC Program.

Consistent with the foregoing, appropriate reductions shall be made in the Pay Credits and Interest Credits that otherwise would be provided to the Member under Section 4.01, from the balance in the Member's PIRP-DC Account under Article V, and from the Member's distributions under Article VI. Effective for Members who terminate service with the PepsiCo Organization after December 31, 2024, such appropriate reductions with respect to a Member under this Section 4.02 shall be applied separately to each of the Member's separate assignments with the PepsiCo Organization that is identified for this purpose by the Vice President. For these Members, only Pay Credits and Interest Credits deemed applicable by the Vice President to be derived from a particular assignment shall be reduced by the value of items described in subsections (a) and (b) above, and only to the extent these items are determined by the Vice President to be related to the particular assignment. Accordingly, for these Members, the application of this Section 4.02 with respect to a particular assignment shall not reduce a Member's right to payment from the Plan below the level that would have applied if the assignment had never occurred. However, for the avoidance of doubt, even though reductions are applied to each assignment separately, all assignments with Pay Credits or Interest Credits are subject to reduction, and so the net benefit from the Plan may be zero. The determination of whether a benefit is material and all other aspects of the application of this Section 4.02 (including valuation of items described in subsections (a) and (b) above, any actuarial adjustments that the Vice President deems appropriate, and the Pay Credits and Interest Credits derived from an assignment—which may include Pay Credits and Interest Credits that are allocated under the Plan after the end date of the assignment) is solely in the independent discretion of the Vice President.

ARTICLE V – MEMBER ACCOUNTS

5.01 Accounting for Members' Interests.

Pay Credits and Interest Credits shall be credited to a Member's PIRP-DC Account as of the Valuation Date to which such credits relate (or, in the case of Pay Credits and Interest Credits that relate to the Member's final year of Membership, as of the Member's Distribution Valuation Date) or as soon as administratively practicable thereafter. A Member's PIRP-DC Account is a bookkeeping device to track the notional value of the Member's Pay Credits and Interest Credits (and his Employer's liability for such credits). No assets shall be reserved or segregated in connection with any PIRP-DC Account, and no PIRP-DC Account shall be funded, insured or otherwise secured.

5.02 Vesting.

Subject to Sections 4.02, 9.08, and 9.14, a Member shall be fully vested in, and have a nonforfeit able right to, his PIRP-DC Account upon completing 3 years of Service, or if earlier, upon the death or disability of the Member while employed by the Employer or PepsiCo Organization. The determination of whether a Member has become disabled for this purpose shall be made by the Vice President in accordance with such standards as the Vice President deems to be appropriate as of the time in question.

The crediting and vesting of Pay Credits pursuant to this Plan (including the crediting of related Interest Credits) shall not in any way exempt the Pay Credits and Interest Credits from the full application of the Company's clawback and other forfeiture and recovery policies ("Clawback Policies"), as they are in effect from time to time. Accordingly, a Member's Account shall be subject to forfeiture (and if paid out, to recovery) to the extent determined to be appropriate by the Vice President to give full effect to these Clawback Policies. Section 9.08 shall not be construed to reduce or impair the forfeiture and recovery rights provided by this Section 5.02.

5.03 Special Vesting for Approved Transfers and Status Changes.

(a) Automatic Special Vesting for Approved Transfers. Notwithstanding Section 5.02 above, in the case of an Active Member who will have an Approved Transfer during a Plan Year, the Active Member shall automatically have special vesting apply as of the last business day before the earlier of – (a) the Active Member's Approved Transfer, or (b) the day the Active Member would become a U.S. Person in connection with the Approved Transfer.

(b) Special Vesting for Status Changes. Also notwithstanding Section 5.02 above, in the case of an Active Member who will have a Status Change, the Active Member may request that the Vice President apply special vesting to him as of the last

business day before the Active Member's Status Change. In order for special vesting related to a Status Change to be valid and effective under the DC Program, the Active Member's request and the Vice President's approval of the request must both be completely final and in place prior to the date that the special vesting applies.

Subject to the next sentence, the effect of special vesting applying to a Member in accordance with either subsection (a) or (b) above is that the Member will become vested, to the same extent as could apply under Section 5.02 if the Member vested under that Section, as of the date that the special vesting applies. Therefore, special vesting remains fully subject to the Company's Clawback Policies in accordance with the second paragraph of Section 5.02. Notwithstanding the preceding provisions of this Section 5.03, rights under this Section 5.03 are subject to the overriding requirement that allocations, benefits and other rights under the Plan must remain entirely exempt from Section 409A of the United States Internal Revenue Code, and this Section 5.03 shall not apply to the extent inconsistent with this requirement.

ARTICLE VI – DISTRIBUTION OF BENEFITS

6.01 Distribution Rules Generally.

A Member's PIRP-DC Account shall be distributed based upon first to occur of the Member's termination of employment with the PepsiCo Organization or death, as provided in Sections 6.02 and 6.03 respectively, subject to Section 4.06 (vesting). All distributions shall be made in cash.

6.02 Distributions Upon Termination of Employment.

If a Member's PIRP-DC Account becomes distributable based upon his termination of employment with the PepsiCo Organization, such distribution shall be made in a single lump sum payment as of the first of the month that immediately follows the Member's Distribution Valuation Date. In the case of a Member whose termination of employment with the PepsiCo Organization occurs as a result of the Member becoming disabled, for purposes of this Section, the determination of whether such Member is disabled and the date on which such Member's termination of employment is considered to occur shall be made by the Vice President. Normally distributions are made promptly following termination of employment based on the payment information provided in the terminating Member's completed distribution form. However, the continued allocation of Interest Credits to a Member's PIRP-DC Account shall only continue for six months after the Member's termination of employment with the PepsiCo Organization. Therefore, if a Member's distribution is not made within six months of such termination, e.g., because the Member has not completed and returned the distribution form, the Member's distribution at a later date shall be based on the value of the Member's PIRP-DC Account on the day that is six months after the Member's termination of employment date (the "six-months day"). In the event there is a material delay in payment beyond the six-months day as a result of exceptional circumstances that are beyond the control of the Member, the Vice President has discretion to provide Interest Credits beyond the six-months day to the extent the Vice President deems such Interest Credits to be consistent with efficient administration of the Plan.

6.03 Distributions Upon Death.

If a Member's PIRP-DC Account becomes distributable based upon his death, such distribution shall be made in a single lump sum payment as of the first day of the month that immediately follows the Member's Distribution Valuation Date. Amounts paid following a Member's death shall be paid to the Member's Dependant; provided, however, that if no Dependant designation is in effect at the time of the Member's death (as determined by the Vice President), or if all persons designated as Dependants have predeceased the Member, then the payments to be made pursuant to this Section shall be distributed to the Member's Eligible Spouse or Eligible Domestic Partner, as applicable, or, if the Member does not have an Eligible Spouse or an Eligible Domestic Partner at the time of his death, to his estate. Normally

distributions are made promptly following death based on the payment information provided in the completed distribution form of the Dependant or other applicable payee ("Payee"). However, the continued allocation of Interest Credit's to a Member's PIRP-DC Account shall only continue for six months after the Member's termination of employment with the PepsiCo Organization. Therefore, if a Dependant's or Payee's distribution is not made within six months of such termination, e.g., because the Dependant or Payee has not completed and returned the distribution form, the Dependant's or Payee's distribution at a later date shall be based on the value of the Member's PIRP-DC Account on the day that is six months after the Member's termination of employment date (the "six-months day"). In the event there is a material delay in payment beyond the six-months day as a result of exceptional circumstances that are beyond the control of the Dependant or Payee, the Vice President has discretion to provide Interest Credits beyond the six-months day to the extent the Vice President deems such Interest Credits to be consistent with efficient administration of the Plan.

6.04 Valuation.

In determining the amount of any individual distribution pursuant to this Article, the Member's PIRP-DC Account shall continue to be credited with Interest Credits (and debited for expenses) as specified in Article V until the Member's Distribution Valuation Date.

6.05 Designation of Dependant.

A Member shall designate one or more Dependants who will be entitled to any amounts payable on his death. A Member shall have the right to change or revoke his Dependant designation at any time prior to the effective date of such election. If the Member is married at the time he or she designates a Dependant(s), any designation under this section of a Dependant(s) who is not the Member's Eligible Spouse shall require the written consent of the Member's Eligible Spouse. A revocation of a Dependant(s) does not require consent by the Member's Eligible Spouse. The designation of any Dependant(s), and any change or revocation thereof, and any written consent of a Member's Eligible Spouse required by this Section shall be made in accordance with rules adopted by the Vice President, shall be made in writing on forms provided by the Vice President, and shall not be effective unless and until filed with the Vice President.

ARTICLE VII – ADMINISTRATION

7.01 Authority to Administer Plan.

(a) Administration by the Vice President: The Plan shall be administered by the Vice President, who shall have the authority to interpret the Plan and issue such regulations as he deems appropriate. All actions by the Vice President hereunder may be taken in his sole discretion, and all interpretations, determinations and regulations made or issued by the Vice President shall be final and binding on all persons and parties concerned.

(b) Authority to Delegate: The Vice President may delegate any of his responsibilities under the Plan to other persons or entities, or designate or employ other persons to carry out any of his duties, responsibilities or other functions under the Plan. Any reference in the Plan to an action by the Vice President shall, to the extent applicable, refer to such action by the Vice President's delegate or other designated person.

7.02 Facility of Payment.

Whenever, in the opinion of the Vice President, a person entitled to receive any payment of a benefit hereunder is under a legal disability or is incapacitated in any way so as to be unable to manage his financial affairs, the Vice President may direct that payments from the Plan be made to such person's legal representative for his benefit, or that the payment be applied for the benefit of such person in such manner as the Vice President considers advisable. Any payment of a benefit in accordance with the provisions of this section shall be a complete discharge of any liability for the making of such payment under the provisions of the Plan.

7.03 Claims Procedure.

The Vice President shall have the exclusive discretionary authority to construe and to interpret the Plan, to decide all questions of eligibility for benefits and to determine the amount of such benefits, and his decisions on such matters are final and conclusive. As a result, benefits under this Plan will be paid only if the Vice President decides in his discretion that the person claiming such benefits is entitled to them. Any decisions or determinations hereunder shall be made in the absolute and unrestricted discretion of the Vice President, even if (i) such discretion is not expressly granted by the Plan provisions in question, or (ii) a decision or determination is not expressly called for by the Plan provisions in question, and even though other Plan provisions expressly grant discretion or expressly call for a decision or determination. This discretionary authority is intended to be absolute, and in any case where the extent of this discretion is in question, the Vice President is to be accorded the maximum discretion possible. Any exercise of this discretionary authority shall be reviewed by a court, arbitrator or other tribunal under the arbitrary and capricious standard (*i.e.*, the abuse of discretion standard). All

decisions and determinations made by the Vice President shall be final, conclusive, and binding on all parties. The Vice President may consider the intent of the Corporation with respect to a Plan provision in making any determination with respect to the provision, notwithstanding the provisions set forth in any document that arguably do not contemplate considering such intent.

If, pursuant to this discretionary authority, an assertion of any right to a benefit or any other right related to the Plan (a "claim"), by or on behalf of a Member, putative Member, Dependant or putative Dependant (a "claimant"), is wholly or partially denied, the Vice President, or a party designated by the Vice President, will pro vide such claimant the claims procedure described in this section. The Vice President has the discretionary authority to modify the claims procedure described in this Section in any manner so long as the claims review process, as modified, includes the basic steps described in this Section. In the event of a claim by a claimant, the Vice President or the designated party shall provide the claimant within the 90-day period following the receipt of the claim by the Vice President, a comprehensible written notice setting forth:

(1) The specific reason or reasons for such denial;

(2) Specific reference to pertinent Plan provisions on which the denial is based;

(3) A description of any additional material or information necessary for the claimant to submit to perfect the claim and an explanation of why such material or information is necessary; and

(4) A description of the Plan's claim review procedure (including the time limits applicable to such process).

If the Vice President determines that special circumstances require an extension of time for processing the claim he may extend the response period from 90 to 180 days. If this occurs, the Vice President will notify the claimant before the end of the initial 90-day period, indicating the special circumstances requiring the extension and the date by which the Vice President expects to make the final decision. Upon review, the Vice President shall provide the claimant a full and fair review of the claim, including the opportunity to submit to the Vice President comments, document, records and other information relevant to the claim and the Vice President's review shall take into account such comments, documents, records and information regardless of whether it was submitted or considered at the initial determination. The decision on review will be made within 60 days after receipt of the request for review, unless circumstances warrant an extension of time not to exceed an additional 60 days. If this occurs, notice of the extension will be furnished to the claimant before the end of the initial 60-day period, indicating the special circumstances requiring the extension and the date by which the Vice President expects to make the final decision. The final decision shall be in writing and drafted in a manner calculated to be understood by the claimant; include specific reasons for the decision with references to the specific Plan provisions on which the decision is based; and

provide that the claimant is entitled to receive, upon request and free of charge, copies of, all documents, records, and other information relevant to his or her claim for benefits.

Any claim under the Plan that is reviewed by a court, arbitrator or any other tribunal shall be reviewed solely on the basis of the record before the Vice President at the time it made its determination. In addition, any such review shall be conditioned on the claimant's having fully exhausted all rights under this section and in accordance with Section 7.07.

7.04 Limitations on Actions.

Any claim filed under Article VII and any action filed in any court or other tribunal by or on behalf of a former or current Employee, Member, Dependant or any other individual, person or entity (collectively, a "Petitioner") for the alleged wrongful denial of Plan benefits must be brought within two years of the date the Petitioner's cause of action first accrues. For purposes of this subsection, a cause of action with respect to a Petitioner's benefits under the Plan shall be deemed to accrue not later than earliest of (i) when the Petitioner has received the calculation of the benefits that are the subject of the claim or legal action; (ii) the date identified to the Petitioner by the Vice President on which payments shall commence; or (iii) when he has actual or constructive knowledge of the facts that are the basis of his claim. Failure to bring any such claim or cause of action within this two-year time frame shall preclude a Petitioner, or any representative of the Petitioner, from filing the claim or cause of action. Correspondence or other communications following the mandatory appeals process described above shall have no effect on this two-year time frame.

7.05 Restriction of Venue.

Any claim or action filed in court or any other tribunal in connection with the Plan by or on behalf of a Petitioner shall only be brought or filed in the state or federal courts of New York, specifically the state or federal court, whichever applies, located nearest the Corporation's headquarters.

7.06 Effect of Specific References.

Specific references in the Plan to the Vice President's discretion shall create no inference that the Vice President's discretion in any other respect, or in connection with any other provision, is less complete or broad.

7.07 Claimant Must Exhaust the Plan's Claims Procedures Before Filing in Court.

Before filing any Claim (as defined below in this Section), including a suit or other action, in a court or in another tribunal, a Claimant (as defined below in this Section) must first fully exhaust all of the Claimant's rights under the claims procedure in Section 7.03.

(a) Upon review by any court or other tribunal, the exhaustion requirement of this Section 7.07 is intended to be interpreted to require exhaustion in as many circumstances as possible (and any steps necessary to clarify or effect this intent may be taken). For example, exhaustion may not be excused (i) for failure to respond to a Claim unless the purported Claimant took sufficient steps to make it reasonably clear to the Vice President that the purported Claimant was submitting a Claim with respect to the Plan, or (ii) for failure to fulfill a request for documents unless (A) this Plan or applicable law requires the documents to be provided in response to the request, (B) the Claimant requests such documents in a writing that is addressed to and actually received by the Vice President, (C) the Vice President fails to provide the requested documents within 6 months after the date the request is received, or within such longer period as may be reasonable under the facts and circumstances, and (D) the requestor took sufficient steps to make it reasonably clear to the Vice President that the requestor was asserting a legal right to the documents. Accordingly, without limitation, a purported Claimant or requestor who was not treated as a Member shall not be deemed to have taken sufficient steps for purposes of the prior sentence unless he makes it reasonably clear to the Vice President that he is claiming to have been entitled to be a Member.

(b) The exhaustion requirement of this Section 7.06 shall apply: (i) regardless of whether other Disputes (as defined below in this Section) that are not Claims (including those that a court or other tribunal might consider at the same time) are of greater significance or relevance, (ii) to any rights the Vice President may choose to provide in connection with novel Disputes or in particular situations, (iii) regardless of whether the rights are actual or potential, and (iv) even if the Vice President has not previously defined or established specific claims procedures that directly apply to the submission and consideration of such Claim (in which case the Vice President, upon notice of the Claim) shall either promptly establish such claims procedures or shall apply (or act by analogy to) the claims procedures of Section 7.03 that apply to claims for benefits).

(c) The Vice President may make special arrangements to consider a Claim on a class basis or to address unusual conflicts concerns, and such minimum arrangements in these respects shall be made as are necessary to maximize the extent to which exhaustion is required.

(d) For purposes of this Section 7.07, the following definitions apply.

(1) A "Dispute" is any claim, dispute, issue, assertion, action or other matter.

(2) A "Claim" is any Dispute that implicates in whole or in part any one or more of the following –

(A) The interpretation of the Plan;

(B) The interpretation of any term or condition of the Plan;

(C) The interpretation of the Plan (or any of its terms or conditions) in light of applicable law;

(D) Whether the Plan or any term or condition under the Plan has been validly adopted or put into effect;

(E) The administration of the Plan;

(F) Whether the Plan, in whole or in part, has violated any terms, conditions or requirements of applicable law or regulation, regardless of whether such terms, conditions or requirements are, in whole or in part, incorporated into the terms, conditions or requirements of the Plan;

(G) A request for Plan benefits or an attempt to recover Plan benefits;

(H) An assertion that any entity or individual has breached any legal duty; or

(I) Any Claim that: (i) is deemed similar to any of the foregoing by the Vice President, or (ii) relates to the Plan in any way.

It is the Vice President's intent to interpret and operate the Plan in good faith and at all times consistently with any requirements of applicable law. Therefore, as a condition for any right or recovery related to the Plan, the Plan imposes a contractual obligation for complete exhaustion under this Section with respect to any Claim (as defined above) in order to allow for the efficient and uniform resolution of such Claims and to protect the Plan from potentially substantial and unnecessary litigation expenses that exhaustion could obviate.

(3) A "Claimant" is any actual or putative Eligible Employee, former Eligible Employee, Member, former Member, Dependant (or the spouse, former spouse, estate, heir or representative of any of the foregoing individuals), or any other individual, person, entity with a relationship to any of the foregoing individuals or the Plan, as well as any group of one or more of the foregoing, who has a Claim.

ARTICLE VIII – AMENDMENT AND TERMINATION

8.01 Continuation of the Plan.

While the Corporation intends to continue the Plan indefinitely, it assumes no contractual obligation as to its continuance. The Corporation hereby reserves the right, in its sole discretion, to amend, terminate, or partially terminate the Plan at any time provided, however, that no such amendment or termination shall reduce the balance (determined as of the date of such amendment or termination) in the Plan account maintained for the benefit of a Member or his Dependant, except to the extent the Member becomes entitled to an amount under another plan or practice maintained by an Employer. Specific forms (including times) of payment are not protected under the preceding sentence. The Corporation's rights under this Article VIII shall be as broad as permissible under applicable law.

8.02 Amendment.

The Corporation may, in its sole discretion, make any amendment or amendments to this Plan from time to time, with or without retroactive effect, subject to Section 8.01. An Employer (other than the Corporation) shall not have the right to amend the Plan.

8.03 Termination.

The Corporation may terminate the Plan, either as to its participation or as to the participation of one or more Employers. If the Plan is terminated with respect to fewer than all of the Employers, the Plan shall continue in effect for the benefit of the employees of the remaining Employers.

ARTICLE IX – MISCELLANEOUS

9.01 Unfunded Plan.

The Employers' obligations under the Plan shall not be funded, but shall constitute liabilities by the Employer payable when due out of the Employer's general funds. To the extent a Member or any other person acquires a right to receive benefits under this Plan, such right shall be no greater than the rights of any unsecured general creditor of the Employer.

9.02 Costs of the Plan.

Unless otherwise agreed by the Corporation, all costs, charges and expenses of or incidental to the administration and management of the Plan shall be the costs, charges and expenses of the Employers and shall be paid by each Employer based on the proportion of Members who are employed by such Employer as compared to the total number of Members at the time the cost or expense is incurred.

9.03 Temporary Absence of Member.

If a Member is absent from duty by reason other than death, discharge, retirement or quitting (*e.g.*, sickness, accident, layoff, vacation), he shall be deemed to have terminated employment on the date that is 12 months after the date on which he is absent, unless the Vice President determines otherwise. If the Member's absence from duty is by reason of his service as a full-time member of the armed forces of any country or of any organization engaged in national service of any such country, he shall not be deemed to have terminated employment so long as he is regarded by the Employer as remaining in employment or until he shall resign permanently from employment, whichever shall first occur.

9.04 Taxes, Etc.

In the event any tax or assessment or other duty is determined by the Vice President to be owing in respect of any benefit payable from the Plan, the Plan shall be entitled to withhold an amount not exceeding the amount of any such tax or assessment or other duty from the benefit payable and shall apply the same in satisfaction of said tax or assessment or other duty.

9.05 Nonguarantee of Employment.

Nothing in the Plan shall be construed as a contract of employment between an Employer and any of its employees, or as a right of any such employee to continue in the employment of the Employer, or as a limitation of the right of an Employer to discharge any of its employees, with or without cause.

9.06 No Right to Benefits.

No person, whether or not being a Member, shall have any claim, right or interest under the Plan except as provided by the terms of the Plan. In the event of a Member's termination of employment by an Employer, the resulting cessation of his Membership shall not be grounds for any damages or any increase in damages in any action brought against the Employer or any member of the PepsiCo Organization with respect to such termination.

9.07 Charges on Benefits and Recovery of Excess Payments.

All benefits in respect of a Member under the Plan shall stand charged with and be subject to deductions therefrom of all sums in respect of losses to a member of the PepsiCo Organization or Employer or otherwise caused by misdemeanor of the Member and on production by the member of the PepsiCo Organization or Employer of proof satisfactory to the Vice President that any such loss ought to be made good by a Member. The relevant amount shall be deductible from the Member's benefits and be payable to the Employer or member of the PepsiCo Organization whose receipt shall be a valid discharge for the same.

Payments to, for or in connection with a Member that are made (as of a point in time and to any person or entity) may not exceed the exact amount of payments that are due as of such time and to such person, as provided by the terms of the Plan that specify the amounts that are payable, the time as of which they are payable, and the person to whom they are payable. Accordingly, any such excess payment or any other overpayment, premature payment or misdirected payment (one or more of which are hereafter referred to as an "Excess Payment") may not be retained by the party receiving it, but must be restored promptly to the Plan (and with appropriate interest to extent deemed by the Vice President to be advisable under all of the circumstances). In exchange for Member or beneficiary status hereunder (or for having any other direct or indirect right or claim of right from the Plan, or solely as a result of having received an Excess Payment), any party receiving an Excess Payment grants to the Plan the following nonexclusive rights –

(1) A constructive trust and first priority equitable lien on any payment that is received directly or indirectly from the Plan and that is, in whole or part, an Excess Payment (such trust and lien shall be equal to the amount of the Excess Payment increased by appropriate interest) or upon the proceeds or substitutes for such payment, and any transfer shall be subject to such constructive trust and equitable lien (including a transfer to a person, trust fund or entity).

(2) The right to offset (as necessary to recover the Excess Payment with appropriate interest) other payments that are properly payable by the Plan to the recipient of the Excess Payment; however, reliance on this right is in the discretion of the Vice President, and the existence of an opportunity to apply it shall not diminish the Plan's rights under paragraph (1) above.

(3) The right to bring any equitable or legal action or proceeding with respect to the enforcement of any rights in this Section in any court of competent jurisdiction as the Plan may elect, and following receipt of an Excess Payment the Member hereby submits to each such jurisdiction, waiving any and all rights that may correspond to such party's present or future residence.

Any party receiving an Excess Payment shall promptly take all actions requested by the Vice President that are in furtherance of the Plan's recovery of the Excess Payment with appropriate interest. In all cases, this subsection shall maximize the rights of the Plan to recover improper payments and shall not restrict the rights of the Plan in any way, including with respect to any improper payment that is not addressed above. In addition, equitable or legal principles that might impair the Plan's right of recovery of an Excess Payment with appropriate interest shall not apply (including the common fund doctrine and any requirement that funds not be commingled or dissipated in order to be recovered). For purposes of this subsection and the recovery of Excess Payments, "appropriate interest" shall mean a rate of interest (and a period for compounding) that is determined by the Vice President, in his sole discretion, to be reasonable at the time and sufficient to avoid enrichment of the recipient at the expense of the Plan.

9.08 Prohibited Misconduct.

(a) Notwithstanding any other provision of this Plan to the contrary, if the Vice President determines that a Member has engaged in Prohibited Misconduct at any time prior to the second anniversary of his termination of employment with the PepsiCo Organization, the Member shall forfeit all Pay Credits and Interest Credits (whether paid previously, being paid currently or payable in the future), and his PIRP-DC Account shall be adjusted to reflect such forfeiture and previously paid Pay Credits and Interest Credits shall be recovered. Section 5.02 shall not be construed to reduce or impair the forfeiture rights provided by this Section 9.08, but the Vice President shall have the authority to reduce the forfeitures that would apply under this Section to the extent necessary to avoid an inappropriate duplication (determined in the Vice President's sole discretion) of the forfeitures applicable under Section 5.02. As a condition to Membership in this Plan, each Member agrees to this and each Member agrees to repay PepsiCo the amounts it seeks to recover under this Section 9.08.

(b) Any of the following activities engaged in, directly or indirectly, by a Member shall constitute Prohibited Misconduct:

(1) The Member accepting any employment, assignment, position or responsibility, or acquiring any ownership interest, which involves the Member's "Participation" (as defined below) in a business entity that markets, sells, distributes or produces "Covered Products" (as defined below), unless such business entity makes retail sales or consumes Covered Products without in any way competing with the PepsiCo Organization.

(2) The Member, directly or indirectly (including through someone else acting on the Member's recommendation, suggestion, identification or advice), soliciting any PepsiCo Organization employee to leave the PepsiCo Organization's employment or to accept any position with any other entity.

(3) The Member using or disclosing to anyone any confidential information regarding the PepsiCo Organization other than as necessary in his position with the PepsiCo Organization. Such confidential information shall include all non-public information the Member acquired as a result of his positions with the PepsiCo Organization, which might be of any value to a competitor of the PepsiCo Organization, or which might cause any economic loss or substantial embarrassment to the PepsiCo Organization or its customers, bottlers, distributors or suppliers if used or disclosed. Examples of such confidential information include non-public information about the PepsiCo Organization's customers, suppliers, distributors and potential acquisition targets; its business operations and structure; its product lines, formulas and pricing; its processes, machines and inventions; its research and know-how; its financial data; and its plans and strategies.

(4) The Member engaging in any acts that are considered to be contrary to the PepsiCo Organization's best interests, including violating the Corporation's Code of Conduct, engaging in unlawful trading in the securities of the Corporation or of any other company based on information gained as a result of his employment with the PepsiCo Organization, or engaging in any other activity which constitutes gross misconduct.

(5) The Member engaging in any activity that constitutes fraud.

Notwithstanding anything contained in the Plan or in any other confidentiality provision to which the Participant may be subject as a result of the Member's employment with the Company, nothing shall prohibit the Member from, without notice to the Company, communicating with government agencies, providing information to government agencies, participating in government agency investigations, filing a complaint with government agencies, or testifying in government agency proceedings concerning any possible legal violations or from receiving any monetary award for information provided to a government agency. The Corporation nonetheless asserts and does not waive its attorney-client privilege over any information appropriately protected by the privilege. Further, notwithstanding any confidentiality provision to which the Participant may be subject, pursuant to the Defend Trade Secrets Act, an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (A) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. An individual who files a lawsuit for retaliation by an employer for reporting a suspected

violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual (A) files any document containing the trade secret under seal; and (B) does not disclose the trade secret, except pursuant to court order.

For purposes of this subsection, "Participation" shall be construed broadly to include: (i) serving as a director, officer, employee, consultant or contractor with respect to such a business entity; (ii) providing input, advice, guidance or suggestions to such a business entity; or (iii) providing a recommendation or testimonial on behalf of such a business entity or one or more products it produces. For purposes of this subsection, "Covered Products" shall mean any product that falls into one or more of the following categories, so long as the PepsiCo Organization is producing, marketing, selling or licensing such product anywhere in the world – in-home and commercial beverage systems, carbon dioxide gas cylinders, carbon dioxide gas refills, consumables, and ready-to-drink beverages, including without limitation, carbonated soft drinks, tea, water, juices, juice drinks, juice products sports drinks, coffee drinks, alcoholic beverages, and energy drinks; dairy products; snacks, including salty snacks, fruit and vegetable snacks, dips and spreads, sweet snacks, meat snacks, granola, nutrition and cereal bars, and cookies; hot cereals and ready-to-eat cereals; pancake mixes and pancake syrup; grain-based food products; pasta products; sports performance nutrition products, including without limitation, energy, protein, carbohydrate, nutrition and meal replacement chews, bars, powders, gels, drinks or drink mixes; or any product or service that the Member had reason to know was under development by the PepsiCo Organization during the Member's employment with the PepsiCo Organization.

9.09 Notices.

Any notice which under the Plan is required to be given to or served upon the Plan shall be deemed to be sufficiently given to or served upon the Plan if it is in writing and delivered to the Vice President. In any case where under the Plan any notice shall be required to be given to Members, it shall be sufficient if such notice is delivered to the Member's last known address on file in the records of the Employer or delivered to the Member pursuant to any other method (*e.g.*, electronically) that the Vice President determines is reasonably available to the Member.

9.10 Plan Documentation.

Every Member shall on demand be entitled to a copy of the Plan.

9.11 Currency of Payment.

Payment of benefits under the Plan shall be made in United States dollars, or other "eligible currency," as approved by the Vice President. The amount otherwise payable in United States dollars would be converted to the selected currency using the exchange rate, based on the methodology approved by the Vice President from time to time.

9.12 Governing Law.

The Plan shall in all respects be governed by and interpreted according to the laws of the State of New York and any applicable federal law as would be applied in cases that arise in the United States District Courts that sit in the State of New York.

9.13 Exemption from ERISA.

The Plan is intended to be exempt from the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), as a plan maintained outside of the United States primarily for the benefit of persons substantially all of whom are nonresident aliens of the United States. In order to preserve this exemption from ERISA, Active Membership in the Plan shall be limited to individuals who are nonresident aliens of the United States and whose assigned work locations are outside the United States, and it is intended that all permanent records and documentation relating to the administration of the Plan shall be kept at a location that is outside of the United States.

9.14 Exemption from Section 409A.

In order to permit this Plan to be completely exempt from United States Internal Revenue Code section 409A ("Section 409A"), this Plan shall be subject to the special operating rules and limitations in this Section 9.14, effective for any period to which Section 409A applies. It is the intent of the Plan that no Member who is a U.S. Person may in any way have their benefit from the Plan vest, increase or in any way be enhanced (collectively, a "Benefit Enhancement") as a result of their compensation or service while a U.S. Person. However, Interest Credits may be provided on the PIRP-DC Account of a Member who is a U.S. Person, but only to the extent the balance in the PIRP-DC Account is derived from Pay Credits that relate to Service completed while the Member was not a U.S. Person (and Interest Credits on such Pay Credits). Accordingly, no Member shall become entitled to a Benefit Enhancement with respect to a calendar year until it is determined, following the close of such year, that the Member was not a U.S. Person with respect to such year. Notwithstanding the preceding sentence, in the calendar year a Member's benefit under this Plan is scheduled to commence, the Vice President may authorize a Benefit Enhancement for the calendar year of benefit commencement to the extent the Vice President determines satisfactorily in his discretion that the Member will not be a U.S. Person for such year. In other cases, the Member's benefit will commence under this Plan without any Benefit Enhancement related to the calendar year of commencement, and the Vice President may exercise his discretion to authorize making appropriate adjustments to the Member's benefit in the following year, but only if it is determined that the Member was not a U.S. Person in such calendar year of commencement. This Section 9.14 shall at all times be interpreted and applied in accordance with the overriding requirement that allocations, benefits and rights under the Plan must remain entirely exempt from Section 409A, and the Vice President shall have such unrestricted authority as is necessary to ensure that it is applied in accordance with this requirement. As a result, there is never a legally binding right (within the meaning of Section 409A) to a Plan benefit, Plan right or Benefit Enhancement that would be subject to 409A as nonqualified deferred compensation for a U.S. Person. Further, to ensure the

continuation of such exemption from Section 409A, the two preceding sentences shall be applied and given overriding effect notwithstanding any other provision or language in this Plan.

9.15 Electronic Signatures.

The words "signed," "signature," and words of like import in or related to this Plan or any other document or record to be signed in connection with or related to this Plan by the Corporation Vice President, Eligible Employee, Dependant, or any other individual shall be deemed to include electronic signatures and the keeping of records in electronic form, each of which shall be of the same legal effect, validity and enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the fullest extent permissible under applicable law.

ARTICLE X – SIGNATURE

The PepsiCo International Retirement Plan, DC Program document, as amended and restated, is hereby adopted as of this 11th day of December, 2025, to be effective as of January 1, 2026 or as otherwise stated herein.

PEPSICO, INC.

By: /s/ Becky Schmitt
Becky Schmitt
Executive Vice President and
Chief People Officer

Date: December 11, 2025

Law Department Approval

By: /s/ Jeffrey Arnold
Jeffrey Arnold
Legal Director, Employee Benefits Counsel

Date: December 11, 2025

APPENDIX

Effective January 1, 2013, the Vice President, in his or her sole discretion, may establish Pay Credit Schedules other than those provided for in Section 4.01 of the DC Program to apply in the case of a Member (or Members) specifically designated by the Vice President for this purposes, provided that each such arrangement otherwise meets all applicable requirements of the Plan.

Exhibit 10.11

PEPSICO

AUTOMATIC RETIREMENT

CONTRIBUTION EQUALIZATION PLAN

Amended and Restated as of
January 1, 2025

PepsiCo Automatic Retirement Contribution Equalization Plan

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ARTICLE I – FOREWORD

PepsiCo, Inc. (the "Company") established the PepsiCo Automatic Retirement Contribution Equalization Plan (the "Plan") for the benefit of employees of the PepsiCo Organization who receive Automatic Retirement Contributions under the PepsiCo Savings Plan (the "Savings Plan"), and whose Automatic Retirement Contributions are affected by certain Code limitations. In particular, the Plan is designed to benefit eligible employees whose Automatic Retirement Contributions under the Savings Plan are curtailed by the limitation on compensation under Code section 401(a)(17) or the limitation on annual additions under Code section 415, or who have any other reductions in Automatic Retirement Contributions as a result of the employee's deferrals under the PepsiCo Executive Income Deferral Program (the "EID Program).

The Plan was originally effective as of January 1, 2011. Also as of the beginning of the day on this date, the PBG Supplemental Savings Plan (the "PBG Plan") merged with and into this Plan. Appendix A of this Plan sets forth special provision applicable to amounts that were earned under the PBG Plan.

The Plan is amended and restated effective as of January 1, 2025.

At all times, the Plan is unfunded and unsecured for purposes of the Code and ERISA. The benefits of an executive are an obligation of that executive's individual employer. With respect to his or her employer, the executive has the rights of an unsecured general creditor.

ARTICLE II – DEFINITIONS

When used in this Plan, the following boldface terms shall have the meanings set forth below unless a different meaning is plainly required by the context:

ARC Equalization Account; Account.

The unfunded, notional account maintained for a Participant on the books of the Participant's Employer that indicates the dollar amount that, as of any time, is credited under the Plan for the benefit of the Participant. The balance in such account shall be determined by the Plan Administrator. The Plan Administrator may establish one or more subaccounts as it deems necessary for the proper administration of the Plan, and may also combine one or more subaccounts to the extent it deems separate subaccounts are not then needed for sound recordkeeping. Where appropriate, a reference to a Participant's Account shall include a reference to each applicable subaccount that has been established thereunder.

Beneficiary.

The person or persons (including a trust or trusts) properly designated by a Participant, as determined by the Recordkeeper, to receive the amounts credited to the Participant's ARC Equalization Account in the event of the Participant's death in accordance with Section 6.3(c).

Code.

The Internal Revenue Code of 1986, as amended from time to time.

Company.

PepsiCo, Inc., a corporation organized and existing under the laws of the State of North Carolina, or its successor or successors.

Distribution Valuation Date.

The date as specified by the Plan Administrator from time to time as of which Participant ARC Equalization Accounts are valued for purposes of a distribution from a Participant's Account. Currently, the Distribution Valuation Date for a Participant is the month end

that occurs just after the event specified in Article VI that triggers the Participant's distribution. Accordingly, if the trigger event occurs on December 30 of a year, the current Distribution Valuation Date is December 31 of that year, and if the trigger event occurs on December 31 of a year, the current Distribution Valuation Date is January 31 of the following year. Any current Distribution Valuation Date may be changed by the Plan Administrator, provided that such change does not result in a change in when deferrals are paid out that is impermissible under Section 409A. Values are determined as of the close of a Distribution Valuation Date or, if such date is not a business day, as of the close of the preceding business day.

EID Program.

The PepsiCo Executive Income Deferral Program.

Eligible Employee.

An Employee who is eligible to participate actively in the Plan in accordance with Section 3.1. An Employee's status as an Eligible Employee shall be determined separately with respect to each payroll date.

Employee.

An individual who qualifies as an "Employee" as that term is defined in the Savings Plan.

Employer.

An entity that qualifies as an "Employer" as that term is defined in the Savings Plan.

ERISA.

Public Law No. 93-406, the Employee Retirement Income Security Act of 1974, as amended from time to time.

Equalized Automatic Retirement Contribution.

The contributions made to the Plan pursuant to Section 4.1.

Guiding Principles Regarding Benefit Plan Committee Appointments.

The guiding principles as set forth in Appendix B to be applied by the Chairs of the PAC and PIC when selecting the members of the PAC and PIC.

Key Employee.

The individuals identified in accordance with the following paragraphs.

(a) In General. Any Participant who at any time during the applicable year is:

(1) An officer of any member of the PepsiCo Organization having annual compensation greater than $215,000 (as adjusted for the applicable year under Code Section 416(i)(1));

(2) A five-percent owner of any member of the PepsiCo Organization; or

(3) A one-percent owner of any member of the PepsiCo Organization having annual compensation of more than $150,000.

For purposes of subsection (a) above, no more than 50 employees identified in the order of their annual compensation shall be treated as officers. For purposes of this Section, annual compensation means compensation as defined in Treasury Regulation section 1.415(c)-2(a), without regard to Treasury Regulation sections 1.415(c)-2(d), 1.415(c)-2(e), and 1.415(c)-2(g). The Plan Administrator shall determine who is a Key Employee in accordance with Code section 416(i) (provided, that Code section 416(i)(5) shall not apply in making such determination), and provided further than the applicable year shall be determined in accordance with Section 409A and that any modification or clarification of the foregoing definition that applies under Section 409A shall be taken into account (determined in accordance with Treasury Regulation section 1.419A-1(i), and giving effect to the default rules that apply under such regulation for determining the minimum number of a service recipient's specified employees).

(b) Applicable Year. The Plan Administrator shall determine Key Employees effective as of the last day of each calendar year, based on compensation for such year, and such designation shall be effective for purposes of this Plan for the twelve-month period commencing on April 1st of the next following calendar year (*e.g.*, the Key Employee determination by the Plan Administrator as of December 31, 2010 shall apply to the period from April 1, 2011 to March 31, 2012).

(c) Rule of Administrative Convenience. Notwithstanding the foregoing, the Plan Administrator shall apply the following rule of administrative convenience for determining Key Employees for purposes of complying with the six-month payment delay that is required under Section 409A of the Code with respect to such employees:

(1) From January 1, 2011 until March 31, 2011, an employee shall be a Key Employee (subject to paragraph (3) below) if he was classified as at least a Band 4 or its equivalent on December 31, 2009. For this purpose, an employee shall be considered to be at least a Band 4 or its equivalent as of a date if the employee is classified as one of the following types of employees in the PepsiCo Organization on that date: (i) a Band 4 employee or above in a PepsiCo Business, (ii) a Level E7 employee or above in a PBG Business, or (iii) a Salary Grade 19 employee or above at a PAS Business. For purposes of this paragraph, "PAS Business" means each employer, division of an employer or other organizational subdivision of an employer that the Company classifies as part of the PAS business; "PBG Business" means each employer, division of an employer or other organizational subdivision of an employer that the Company classifies as part of the PBG business; and "PepsiCo Business" means each employer, division of an employer or other organizational subdivision of an employer that the Company classifies as part of the PepsiCo business.

(2) For the twelve-month period that begins on April 1, 2011, and for each twelve-month period that begins on April 1 in subsequent years, an employee shall be a Key Employee (subject to paragraph (3) below) if the employee was an employee of the PepsiCo Organization who was classified as Band 4 (or Leadership Group 6) or above on the December 31 that immediately precedes such April 1.

(3) Notwithstanding paragraphs (1) and (2) above, an employee shall be a Key Employee for the 12-month period that begins on any April 1, if as of the preceding December 31 the employee would be a Key Employee under the provisions of subsection (a) above. If the preceding sentence and the methods for identifying Key Employees set forth in paragraph (1) or (2) above, taken together, would result in more than 200 individuals being counted as Key Employees as of any December 31 determination date, then the number of individuals treated as Key Employees pursuant to paragraph (1) or (2), who are not described in the first sentence of this paragraph (3), shall be reduced to 200 by eliminating from consideration those employees otherwise added by such subparagraph in order of their base compensation, from the lowest base compensation to the highest.

The method for identifying Key Employees set forth in this subsection (c) is intended to be an alternative method of identifying Key Employees under Treas. Reg. § 1.409A-1(i)(5), and it shall be interpreted and applied consistently with the rules applicable to such alternative arrangements under this regulatory provision.

Participant.

An Employee (or former Employee) participating in the Plan in accordance with the provisions of Article III.

PepsiCo Administration Committee or PAC.

The committee that has the responsibility for the administration and operation of the Plan, as set forth in the Plan, as well as any other duties set forth therein (except that the PAC is not responsible for selecting or changing the phantom investment options available under the Plan which are the responsibility of the PIC). As of any time, the Chair of the

PAC shall be the person who is then the Company's Senior Vice President, Total Rewards, but if such position is vacant or eliminated, the Chair shall be the person who is acting to fulfill the majority of the duties of the position (or plurality of the duties, if no one is fulfilling a majority), as such duties existed immediately prior to the vacancy or the position elimination. The Chair shall appoint the other members of the PAC, applying the principles set forth in Appendix B and acting promptly from time to time to ensure that there are four other members of the PAC, each of whom shall have experience and expertise relevant to the responsibilities of the PAC. At least two times each year, the PAC shall prepare a written report of its significant activities that shall be available to any U.S.-based executive of the Company who is at least a senior vice president.

PepsiCo Investment Committee or PIC.

The committee that has the responsibility to select or change phantom investment options available under the Plan. As of any time, the Chair of the PIC shall be the person who is then the Company's Senior Vice President, Finance and Treasurer, but if such position is vacant or eliminated, the Chair shall be the person who is acting to fulfill the majority of the duties of the position (or plurality of the duties, if no one is fulfilling a majority), as such duties existed immediately prior to the vacancy or the position elimination. The Chair shall appoint the other members of the PIC, applying the principles set forth in Appendix B and acting promptly from time to time to ensure that there are four other members of the PIC, each of whom shall have experience relevant to the responsibilities of the PIC. At least two times each year, the PIC shall prepare a written report of its significant activities that shall be available to any U.S.-based executive of the Company who is at least a senior vice president.

PepsiCo Organization.

The controlled group of organizations of which the Company is a part, as defined by Code section 414(b) and (c) and the regulations issued thereunder. An entity shall be considered a member of the PepsiCo Organization only during the period it is one of the group of organizations described in the preceding sentence.

Plan.

The PepsiCo Automatic Retirement Contribution Equalization Plan, the plan set forth herein, as it may be amended and restated from time to time.

Plan Administrator.

The PAC, or its delegate or delegates. The Plan Administrator shall have authority to administer the Plan as provided in Article VII, except that the PIC shall have the authority under Section 7.3(h) to select or change phantom investment options available under the Plan.

Plan Year.

The 12-consecutive month period beginning on January 1 and ending on the following December 31 of the same calendar year.

Recordkeeper.

For any designated period of time, the party that is delegated the responsibility, pursuant to the authority granted in the definition of Plan Administrator, to maintain the records of Participant Accounts, process Participant transactions and perform other duties in accordance with any procedures and rules established by the Plan Administrator.

Savings Plan.

The PepsiCo Savings Plan, as it may be amended from time to time.

Section 409A.

Section 409A of the Code.

Separation from Service.

A Participant's separation from service with the PepsiCo Organization, within the meaning of Section 409A(a)(2)(A)(i). The term may also be used as a verb (i.e., "Separates from Service") with no change in meaning. Notwithstanding the preceding sentence, a Participant's transfer to an entity owned 20% or more by the Company will not constitute a Separation of Service to the extent permitted by Section 409A. The

following principles shall generally apply in determining when a Separation from Service occurs:

(a) A Participant separates from service with the Company if the Employee has a termination of employment with the Company other than for death. Whether a termination of employment has occurred is determined based on whether the facts and circumstances indicate that the Company and the Employee reasonably anticipated that no further services would be performed after a certain date or that the level of bona fide services the Employee would perform after such date (as an employee or independent contractor) would permanently decrease to no more than 20 percent of the average level of bona fide services performed over the immediately preceding 36-month period (or the full period in which the Employee provided services to the Company if the Employee has been providing services for less than 36 months).

(b) An Employee will not be deemed to have experienced a Separation from Service if such Employee is on military leave, sick leave, or other bona fide leave of absence, to the extent such leave does not exceed a period of six months or, if longer, such longer period of time during which a right to re-employment is protected by either statute or contract. If the period of leave exceeds six months and the individual does not retain a right to re-employment under an applicable statute or by contract, the employment relationship is deemed to terminate on the first date immediately following such six-month period. Notwithstanding the foregoing, where a leave of absence is due to any medically determinable physical or mental impairment that can be expected to result in death or can be expected to last for a continuous period of not less than six months, where such impairment causes the Employee to be unable to perform the duties of his or her position of employment or any substantially similar position of employment, a 29-month period of absence shall be substituted for such six-month period. In the case of such a disability leave of absence, a Separation from Service shall occur on the earlier of the date that the Participant has reached 29 continuous months of

disability leave of absence or the date that the Participant formally resigns his employment with the Employer and the PepsiCo Organization.

(c) If an Employee provides services both an as employee and as a member of the Board of Directors of the Company, the services provided as a Director are generally not taken into account in determining whether the Employee has Separated from Service as an Employee for purposes of the Plan, in accordance with final regulations under Section 409A.

United States.

Any of the 50 states, the District of Columbia, and the U.S. Virgin Islands.

Valuation Date.

Each business day, as determined by the Recordkeeper, as of which Participant Accounts are valued in accordance with Plan procedures that are currently in effect. In accordance with procedures that may be adopted by the Plan Administrator, any current Valuation Date may be changed.

ARTICLE III – ELIGIBILITY AND PARTICIPATION

3.1 Eligibility to Participate.

Subject to Section 3.4, an Employee shall be eligible to participate actively in the Plan as of any payroll date if he or she is an ARC Eligible Employee under the Savings Plan and his or her Automatic Retirement Contributions for such payroll date under the Savings Plan are: (i) reduced by application of a limitation set forth in either Code section 401(a)(17) or 415; (ii) otherwise reduced as a result of the Employee's deferrals under the EID Program; or (iii) affected as described in both (i) and (ii). In the case of an Employee who becomes eligible to participate in the Plan as a result of Code section 415, such eligibility will begin as soon as administratively practicable after the determination of the application of the limit with retroactive participation to the payroll date in which the Code Section 415 limit was reached.

3.2 Commencement of Participation.

An Eligible Employee shall become a Participant in this Plan as of the first payroll date an Equalized Automatic Retirement Contribution is allocated to his or her Account as provided in Section 5.1.

3.3 Termination of Participation.

An Employee who becomes a Participant under the Plan shall cease to be a Participant on the date his or her Account is fully distributed as provided in Article VI.

3.4 Agreements Not to Participate.

The eligibility provisions of this Article III will be subject to any other documents that constitute part of an agreement between the Company and an Employee that limits or bars the Employee's participation in this Plan. An agreement that is otherwise described in the preceding sentence shall not limit or bar an Employee's participation in this Plan for the period before the earliest date such agreement may apply without violating the restrictions on elections under Section 409A.

ARTICLE IV – CONTRIBUTIONS

4.1 Equalized Automatic Retirement Contributions.

As of each payroll date for which an Employee is an Eligible Employee, the Employer shall make an Equalized Automatic Retirement Contribution to the ARC Equalization Account of such Eligible Employee. Subject to Section 4.2 below, the amount of each Equalized Automatic Retirement Contribution shall equal –

(a) The Eligible Employee's Total Automatic Retirement Contribution for such payroll date, reduced by

(b) The amount of the Automatic Retirement Contribution to which the Eligible Employee is entitled under the Savings Plan for the same payroll date.

An Eligible Employee's "Total Automatic Retirement Contribution" is determined in the same way the Eligible Employee's Automatic Retirement Contribution is required to be determined as of such payroll date under the Savings Plan, but with the following modifications: (i) the limitation on compensation imposed by Code section 401(a)(17), as otherwise applied by the terms of the Savings Plan, shall be disregarded, (ii) subject to the last sentence of this Section 4.1, the limitation on annual additions imposed by Code section 415, as otherwise applied by the terms of the Savings Plan, shall be disregarded, and (iii) any exclusion, which is then in effect of amounts deferred by the Eligible Employee under the EID Program from his or her Eligible Pay under the Savings Plan shall be disregarded. The three modifications in the preceding sentence shall be applied so that they do not result in any duplication (*e.g.*, the provisions of clause (iii) above shall not result in an amount of Total Automatic Retirement Contribution to the extent such amount is provided by clause (ii) above). Notwithstanding clause (ii) above, the limitation imposed by Code section 415 shall not be disregarded to the extent necessary to ensure that no amount of Equalized Automatic Retirement Contribution is credited to the ARC Equalization Account of an Eligible Employee as a result of the Eligible Employee having Code section 415 excess annual additions to the Savings Plan that are attributable to After Tax Contributions described in Article EE of the Savings Plan.

4.2 Maximum Equalized Automatic Retirement Contributions.

(a) An Eligible Employee's Equalized Automatic Retirement Contributions with respect to Plan Years beginning on or after January 1, 2023 shall not be limited by the Code section 401(a)(17) limit.

(b) For Plan Years beginning prior to January 1, 2023, an Eligible Employee ceased having Equalized Automatic Retirement Contributions made to his or her ARC Equalization Account during any Plan Year as necessary to ensure that the sum of his or her Equalized Automatic Retirement Contributions under this Plan and Automatic Retirement Contributions under the Savings Plan (collectively, the "Aggregate Employer Contributions") equal or do not exceed the Code section 401(a)(17) limit in effect for such Plan Year. An Eligible Employee's Equalized Automatic Retirement Contribution for a payroll date were reduced to comply with this Section by taking into account all Aggregate Employer Contributions, payable for all prior payroll dates in the Plan Year, and Automatic Retirement Contributions under the Savings Plan payable for the current payroll date.

4.3 Offsets.

Notwithstanding an Eligible Employee's rights under Section 4.1 (or a Participant's rights under Articles V and VI), the Company may reduce the amount of any payment or benefit that is or would become payable to or on behalf of an Eligible Employee or Participant by the amount of any obligation of the Eligible Employee or Participant to the Company that is or becomes due and payable, provided that (a) the obligation of the Eligible Employee or Participant to the Company was incurred during the employment relationship, (b) the reduction may not exceed the amount allowed under Section 409A and Treasury Regulation section 1.409A-3(j)(4)(xiii), and (c) the reduction is made at the same time and in the same amount as the obligation otherwise would have been due and collectable from the Employee or Participant. Consistent with this, appropriate reductions may be made in (i) the Equalized Automatic Retirement Contributions that otherwise would be provided to the Eligible Employee under Section 4.1, (ii) the balance in the Participant's Account under Article V, or (iii) the Participant's distributions under Article

VI. The application of this Section 4.2 is solely in the independent discretion of the Company.

ARTICLE V – PARTICIPANT ACCOUNTS

5.1 Accounting for Participants' Interests.

Equalized Automatic Retirement Contributions shall be credited to a Participant's ARC Equalization Account at the same time that the Participant's Automatic Retirement Contributions under the Savings Plan are required to be allocated to the Participant's Profit-Sharing Account under the Savings Plan (or as soon as administratively practicable thereafter). A Participant's ARC Equalization Account is a bookkeeping device to track the notional value of the Participant's Equalized Automatic Retirement Contributions (and his or her Employer's liability therefor). No assets shall be reserved or segregated in connection with any ARC Equalization Account, and no ARC Equalization Account shall be funded, insured or otherwise secured.

5.2 Investment Earnings and Losses.

As of each Valuation Date, a Participant's ARC Equalization Account shall be credited with earnings and gains (and shall be debited for expenses and losses) determined as if the amounts credited to his or her ARC Equalization Account had actually been invested as directed by the Participant in accordance with this Article. The Plan provides only for "phantom investments," and therefore such earnings, gains, expenses and losses are hypothetical and not actual. However, they shall be applied to measure the value of a Participant's ARC Equalization Account and the amount of his or her Employer's liability to make deferred payments to or on behalf of the Participant.

5.3 Investment of Accounts.

(a) In General. A Participant's Equalized Automatic Retirement Contributions shall be invested on a phantom basis among the investment options that are available for Automatic Retirement Contributions under the Savings Plan from time to time, unless otherwise determined by the PIC. The PIC may discontinue any phantom investment option with respect to some or all Accounts, and it may provide rules for transferring a Participant's phantom investment from the discontinued option to a specified replacement option (unless the Participant

selects another replacement option in accordance with procedures established by the Plan Administrator for this purpose).

(b) Investment and Reinvestment Elections. The Participant's Equalized Automatic Retirement Contribution for a payroll date shall be invested on a phantom basis in the investment options and in the proportions specified by the Participant in accordance with rules applied by the Plan Administrator. Such rules shall be based on those that apply for purposes of Automatic Retirement Contributions under the Savings Plan as of such payroll date, except as otherwise provided for by the Plan Administrator. To the extent a Participant does not specify an investment option for an Equalized Automatic Retirement Contribution, the rules for default investments that are in effect under the Savings Plan as of such payment date shall apply. In addition, a Participant shall have the same right to change the investment of the Participant's future Equalized Automatic Retirement Contributions and to reinvest the balance of his or her ARC Equalization Account as the Participant has for his or her Automatic Retirement Contributions and the account or subaccount that holds such contributions under the Savings Plan, except as otherwise provided for by the Plan Administrator.

(c) Phantom Investment Options. The Plan's phantom investment options shall be described in materials provided to Participants from time to time. Any of these phantom investment options shall be administered under procedures implemented from time to time by the Plan Administrator. Unless otherwise specified in these materials or procedures, in the case of any such phantom investment option that is based on a unitized fund, an amount deferred or transferred into such option is converted to phantom units in the applicable fund of equivalent value by dividing such amount by the NAV of a unit in such fund on the Valuation Date as of which the amount is treated as invested in this option by the Plan Administrator. Thereafter, a Participant's interest in each such phantom option is valued as of a Valuation Date (or a Distribution Valuation Date) by multiplying the

number of phantom units credited to his or her ARC Equalization Account on such date by the NAV of a unit in such fund on such date.

5.4 Vesting.

A Participant shall be fully vested in, and have a nonforfeitable right to, the Participant's ARC Equalization Account at the time the Participant becomes fully vested in his or her ARC Account under the Savings Plan. Notwithstanding the prior sentence, the following special rules shall apply:

(a) The crediting of Equalized Automatic Retirement Contributions pursuant to this Plan (including the crediting of related earnings on such credits) shall not in any way exempt the Equalized Automatic Retirement Contributions and related earnings from the full application of the Company's clawback and other forfeiture and recovery policies ("Clawback Policies"), as they are in effect from time to time. Accordingly, a Participant's Account shall be subject to forfeiture (and if paid out, to recovery) to the extent determined to be appropriate by the Plan Administrator to give full effect to these Clawback Policies. Section 5.5 shall not be construed to reduce or impair the forfeiture and recovery rights provided by this Section 5.4.

(b) If a Participant's period of Service (as determined under the Savings Plan for purposes of vesting) would extend beyond the Participant's Separation from Service date because of a leave of absence, the Plan Administrator may provide for determining the Participant's nonforfeitable right to his or her ARC Equalization Account by projecting the Participant's total period of Plan Service to include some or all of the Participant's leave of absence period.

5.5 Prohibited Misconduct.

(a) Notwithstanding any other provision of this Plan to the contrary, if the Plan Administrator determines that a Participant has engaged in Prohibited Misconduct at any time prior to the second anniversary of his or her Separation from Service, the Participant shall forfeit all Equalized Automatic Retirement Contributions and any net earnings or gains (whether paid

previously, being paid currently or payable in the future), and his or her ARC Equalization Account shall be adjusted to reflect such forfeiture and previously paid Equalized Automatic Retirement Contributions and net earnings or gains shall be recovered. Section 5.4 shall not be construed to reduce or impair the forfeiture rights provided by this Section 5.5, but the Plan Administrator shall have the authority to reduce the forfeitures that would apply under this Section to the extent necessary to avoid an inappropriate duplication (determined in the Plan Administrator's sole discretion) of the forfeitures applicable under Section 5.4(a).

(b) Any of the following activities engaged in, directly or indirectly, by a Participant shall constitute Prohibited Misconduct:

(1) The Participant accepting any employment, assignment, position or responsibility, or acquiring any ownership interest, which involves the Participant's "Participation" (as defined below) in a business entity that markets, sells, distributes or produces "Covered Products" (as defined below), unless such business entity makes retail sales or consumes Covered Products without in any way competing with the PepsiCo Organization.

(2) The Participant, directly or indirectly (including through someone else acting on the Participant's recommendation, suggestion, identification or advice), soliciting any PepsiCo Organization employee to leave the PepsiCo Organization's employment or to accept any position with any other entity.

(3) The Participant using or disclosing to anyone any confidential information regarding the PepsiCo Organization other than as necessary in his or her position with the PepsiCo Organization. Such confidential information shall include all non-public information the Participant acquired as a result of his or her positions with the PepsiCo Organization, which might be of any value to a competitor of the PepsiCo Organization, or which might cause any economic loss or substantial embarrassment to the

PepsiCo Organization or its customers, bottlers, distributors or suppliers if used or disclosed. Examples of such confidential information include non-public information about the PepsiCo Organization's customers, suppliers, distributors and potential acquisition targets; its business operations and structure; its product lines, formulas and pricing; its processes, machines and inventions; its research and know-how; its financial data; and its plans and strategies.

(4) The Participant engaging in any acts that are considered to be contrary to the PepsiCo Organization's best interests, including violating the Company's Code of Conduct, engaging in unlawful trading in the securities of the Company or of any other company based on information gained as a result of his or her employment with the PepsiCo Organization, or engaging in any other activity which constitutes gross misconduct.

(5) The Participant engaging in any activity that constitutes fraud.

Notwithstanding anything contained in the Plan or in any other confidentiality provision to which the Participant may be subject as a result of the Participant's employment with the Company, nothing shall prohibit the Participant from, without notice to the Company, communicating with government agencies, providing information to government agencies, participating in government agency investigations, filing a complaint with government agencies, or testifying in government agency proceedings concerning any possible legal violations or from receiving any monetary award for information provided to a government agency. The Company nonetheless asserts and does not waive its attorney-client privilege over any information appropriately protected by the privilege. Further, notwithstanding any confidentiality provision to which the Participant may be subject, pursuant to the Defend Trade Secrets Act, an individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (A) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii)

solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual (A) files any document containing the trade secret under seal; and (B) does not disclose the trade secret, except pursuant to court order.

For purposes of this subsection, "Participation" shall be construed broadly to include: (i) serving as a director, officer, employee, consultant or contractor with respect to such a business entity; (ii) providing input, advice, guidance or suggestions to such a business entity; or (iii) providing a recommendation or testimonial on behalf of such a business entity or one or more products it produces. For purposes of this subsection, "Covered Products" shall mean any product that falls into one or more of the following categories, so long as the PepsiCo Organization is producing, marketing, selling or licensing such product anywhere in the world: in-home and commercial beverage systems, carbon dioxide gas cylinders, carbon dioxide gas refills, consumables, and ready-to-drink beverages, including without limitation, carbonated soft drinks, tea, water, juices, juice drinks, juice products sports drinks, coffee drinks, alcoholic beverages, and energy drinks; dairy products; snacks, including salty snacks, fruit and vegetable snacks, dips and spreads, sweet snacks, meat snacks, granola, nutrition and cereal bars, and cookies; hot cereals and ready-to-eat cereals; pancake mixes and pancake syrup; grain-based food products; pasta products; sports performance nutrition products, including without limitation, energy, protein, carbohydrate, nutrition and meal replacement chews, bars, powders, gels, drinks or drink mixes; or any product or service that the Participant had reason to know was under development by the PepsiCo Organization during the Participant's employment with the PepsiCo Organization.

ARTICLE VI – PAYMENT OF BENEFITS

6.1 Distribution Rules Generally.

A Participant's ARC Equalization Account shall be distributed based upon first to occur of a Participant's Separation from Service or death, as provided in Sections 6.2 and 6.3, respectively. If a Participant becomes re-employed and entitled to another distribution after the occurrence of one of the foregoing distribution events, the rules of this Article shall apply separately to the balance in the Participant's ARC Equalization Account that relates to the later period of employment. In no event shall any portion of a Participant's ARC Equalization Account be distributed earlier or later than is allowed under Section 409A. All distributions shall be made in a single lump sum cash payment.

6.2 Distributions Upon Separation from Service.

If a Participant's ARC Equalization Account becomes distributable based upon his or her Separation from Service, such distribution shall be made in a single lump sum payment on the first day of the month that immediately follows the Participant's Distribution Valuation Date, subject to Section 6.4 below (Delay for Key Employees).

6.3 Distributions Upon Death.

(a) If a Participant's ARC Equalization Account becomes distributable based upon the Participant's death, such distribution shall be distributed in a single lump sum payment on the first day of the month that immediately follows the Participant's Distribution Valuation Date.

(b) Amounts paid following a Participant's death shall be paid to the Participant's Beneficiary; provided, however, that if no designation is in effect at the time of a Participant's death (as determined by the Plan Administrator), or if all persons designated as Beneficiaries have predeceased the Participant, then the payments to be made pursuant to this Section shall be distributed to the Participant's Eligible Spouse or Eligible Domestic Partner (each as defined below), if living; otherwise in equal shares to any surviving children of the Participant; otherwise to the Participant's estate. The Plan Administrator shall determine a Participant's

"Eligible Spouse" based on the state or local law where the Participant has his or her primary residence at the time of death, and shall determine a Participant's "Eligible Domestic Partner" under the definition and rules that apply to death benefits under the PepsiCo Savings Plan. The Plan Administrator is authorized to make any applicable inquires and to request any documents, certificates or other information that it deems necessary or appropriate in order to make the above determinations.

(c) A Participant may designate (in a manner authorized by the Plan Administrator) one or more Beneficiaries to receive payment, in the event of his or her death, of the amounts credited to his or her ARC Equalization Account; provided that, to be effective, any Beneficiary designation must be in writing, signed by the Participant, and must meet such other standards (including any requirement for spousal consent) that the Plan Administrator or Recordkeeper shall require from time to time. The Beneficiary designation must also be filed with the Recordkeeper prior to the Participant's death, as determined by the Plan Administrator. An incomplete Beneficiary designation, as determined by the Recordkeeper or Plan Administrator, shall be void and of no effect. A Beneficiary designation of an individual by name remains in effect regardless of any change in the designated individual's relationship to the Participant. Any Beneficiary designation submitted to the Recordkeeper that only specifies a Beneficiary by relationship shall not be considered an effective Beneficiary designation and shall be void and of no effect. If more than one Beneficiary is specified and the Participant fails to indicate the respective percentage applicable to two or more Beneficiaries, then each Beneficiary for whom a percentage is not designated will be entitled to an equal share of the portion of the ARC Equalization Account (if any) for which percentages have not been designated. At any time, a Participant may change a Beneficiary designation for his or her ARC Equalization Account in a writing that is signed by the Participant and filed with the Recordkeeper prior to the Participant's death, and that meets such other standards as the Plan Administrator shall require from time to time. An individual who is otherwise a Beneficiary with respect to a Participant's ARC Equalization Account ceases to

be a Beneficiary when all payments have been made from the ARC Equalization Account.

(d) Any claim to be paid any amounts standing to the credit of a Participant in connection with the Participant's death must be received by the Plan Administrator at least 14 days before any such amount is actually distributed by the Plan. Any claim received thereafter is untimely, and it shall be unenforceable against the Plan, the Company, the Plan Administrator or any other party acting for one or more of them.

6.4 Delay for Key Employees.

(a) If the Participant is classified as a Key Employee at the time of the Participant's Separation from Service (or at such other time for determining Key Employee status as may apply under Section 409A), then the time of payment based on Separation from Service shall be determined under the provisions of Section 6.2 as if the Distribution Valuation Date were the Valuation Date that is six months after the Distribution Valuation Date that would otherwise apply.

(b) Notwithstanding subsection (a) above, distribution in accordance with Section 6.3 or Section 6.4 shall be given priority over distribution in accordance with this Section if it would result in an earlier commencement date of the Participant's distribution.

6.5 Valuation.

In determining the amount of any individual distribution pursuant to this Article, the Participant's ARC Equalization Account shall continue to be credited with earnings and gains (and debited for expenses and losses) as specified in Article V until the Valuation Date that is used in determining the amount of the distribution under this Article.

6.6 Actual Payment Date.

An amount payable on a date specified in this Article VI shall be paid no later than the later of (a) the end of the calendar year in which the specified date occurs, or (b) the 15th day of the third calendar month following such specified date. In no event shall the

Participant (or Beneficiary) be permitted to designate the taxable year of the payment. The payment date may be delayed further in accordance with one or more applicable special rules under Section 409A that permit such later payment (for example, in the event of a bona fide dispute that meets the requirements of Treasury Regulation section 1.409A-3(g)).

ARTICLE VII – PLAN ADMINISTRATION

7.1 Plan Administrator.

The Plan Administrator is responsible for the administration of the Plan. The Plan Administrator has the authority to name one or more delegates to carry out certain responsibilities hereunder, as specified in the definition of Plan Administrator. Any such delegation shall state the scope of responsibilities being delegated and is subject to Section 7.06 below.

7.2 Action.

Action by the Plan Administrator may be taken in accordance with procedures that the Plan Administrator adopts from time to time or that the Company's Law Department determines are legally permissible.

7.3 Powers of the Plan Administrator.

The Plan Administrator shall administer and manage the Plan and shall have (and shall be permitted to delegate) all powers necessary to accomplish that purpose, including the following:

(a) To exercise its discretionary authority to construe, interpret, and administer this Plan;

(b) To exercise its discretionary authority to make all decisions regarding eligibility, participation and deferrals, to make allocations and determinations required by this Plan, and to maintain records regarding Participants' Accounts;

(c) To compute and certify to the Employers the amount and kinds of payments to Participants or their Beneficiaries, and to determine the time and manner in which such payments are to be paid;

(d) To authorize all disbursements by the Employer pursuant to this Plan;

(e) To maintain (or cause to be maintained) all the necessary records for administration of this Plan;

(f) To make and publish such rules for the regulation of this Plan as are not inconsistent with the terms hereof;

(g) To delegate to other individuals or entities from time to time the performance of any of its duties or responsibilities hereunder;

(h) To establish or to change the phantom investment options or arrangements under Article V;

(i) To hire agents, accountants, actuaries, consultants and legal counsel to assist in operating and administering the Plan; and

(j) Notwithstanding any other provision of this Plan except Section 7.6 (relating to compliance with Section 409A), the Plan Administrator or the Recordkeeper may take any action the Plan Administrator deems is necessary to assure compliance with any policy of the Company respecting insider trading as may be in effect from time to time. Such actions may include altering the effective date of intra-fund transfers or the distribution date of Participant's Accounts. Any such actions shall alter the normal operation of the Plan to the minimum extent necessary.

The Plan Administrator has the exclusive and discretionary authority to construe and to interpret the Plan, to decide all questions of eligibility for benefits, to determine the amount and manner of payment of such benefits and to make any determinations that are contemplated by (or permissible under) the terms of this Plan, and its decisions on such matters will be final and conclusive on all parties. Any such decision or determination shall be made in the absolute and unrestricted discretion of the Plan Administrator, even if (1) such discretion is not expressly granted by the Plan provisions in question, or (2) a determination is not expressly called for by the Plan provisions in question, and even though other Plan provisions expressly grant discretion or call for a determination. As a result, benefits under this Plan will be paid only if the Plan Administrator decides in its discretion that the applicant is entitled to them. In the event of a review by a court, arbitrator or any other tribunal, any exercise of the Plan Administrator's discretionary authority shall not be disturbed unless it is clearly shown to be arbitrary and capricious.

7.4 Compensation, Indemnity and Liability.

The Plan Administrator will serve without bond and without compensation for services hereunder. All expenses of the Plan and the Plan Administrator will be paid by the Employers. To the extent deemed appropriate by the Plan Administrator, any such expense may be charged against specific Participant Accounts, thereby reducing the obligation of the Employers. No member of the PAC (which serves as the Plan Administrator) or PIC, and no individual acting as the delegate of the PAC or PIC, shall be liable for any act or omission of any other member or individual, nor for any act or omission on his or her own part, excepting his or her own willful misconduct. The Employers (other than the Company) will indemnify and hold harmless each member of the PAC and PIC and any employee of the Company (or a Company affiliate, if recognized as an affiliate for this purpose by the Plan Administrator) acting as the delegate of the PAC or PIC against any and all expenses and liabilities, including reasonable legal fees and expenses, arising in connection with this Plan out of his or her membership on the PAC or PIC (or his or her serving as the delegate of the PAC or PIC), excepting only expenses and liabilities arising out of his or her own willful misconduct or bad faith.

7.5 Withholding.

The Employer shall withhold from amounts due under this Plan, any amount necessary to enable the Employer to remit to the appropriate government entity or entities on behalf of the Participant as may be required by the federal income tax provisions of the Code, by an applicable state's income tax provisions, and by an applicable city, county or municipality's earnings or income tax provisions. Further, the Employer shall withhold from the payroll of, or collect from, a Participant the amount necessary to remit on behalf of the Participant any Social Security or Medicare taxes which may be required with respect to amounts deferred or accrued by a Participant hereunder, as determined by the Employer. In addition, to the extent required by Section 409A, amounts deferred under this Plan shall be reported on each Participant's Form W-2 for the applicable tax year, and any amounts that become taxable hereunder shall be reported as taxable wages on the

Participant's Form W-2 for the applicable tax year. All such reporting and withholding shall be performed based on the rules and procedures of Section 409A.

7.6 Conformance with Section 409A.

At all times during each Plan Year, this Plan shall be operated in accordance with the requirements of Section 409A. In all cases, the provisions of this Section shall apply notwithstanding any contrary provision of the Plan that is not contained in this Section.

ARTICLE VIII – CLAIMS PROCEDURE

8.1 Claims for Benefits.

If a Participant, Beneficiary or other person (hereafter, "Claimant") does not receive timely payment of any benefits which he or she believes are due and payable under the Plan, he or she may make a claim for benefits to the Plan Administrator. The claim for benefits must be in writing and addressed to the Plan Administrator. If the claim for benefits is denied, the Plan Administrator will notify the Claimant within 90 days after the Plan Administrator initially received the benefit claim. However, if special circumstances require an extension of time for processing the claim, the Plan Administrator will furnish notice of the extension to the Claimant prior to the termination of the initial 90-day period and such extension may not exceed one additional, consecutive 90-day period. Any notice of a denial of benefits shall advise the Claimant of the basis for the denial, any additional material or information necessary for the Claimant to perfect his or her claim, and the steps which the Claimant must take to appeal his or her claim for benefits.

8.2 Appeals of Denied Claims.

Each Claimant whose claim for benefits has been denied may file a written appeal for a review of his or her claim by the Plan Administrator. The request for review must be filed by the Claimant within 60 days after he or she received the notice denying his or her claim. The decision of the Plan Administrator will be communicated to the Claimant within 60 days after receipt of a request for appeal. The notice shall set forth the basis for the Plan Administrator's decision. However, if special circumstances require an extension of time for processing the appeal, the Plan Administrator will furnish notice of the extension to the Claimant prior to the termination of the initial 60-day period and such extension may not exceed one additional, consecutive 60-day period. In no event shall the Plan Administrator's decision be rendered later than 120 days after receipt of a request for appeal.

8.3 Limitations on Actions.

Any claim filed under this Article VIII and any action filed in state or federal court by or on behalf of a former or current Employee, Participant, Beneficiary or any other individual, person or entity (collectively, a "Petitioner") for the alleged wrongful denial of Plan benefits or for the alleged interference with or violation of ERISA-protected rights must be brought within two years of the date the Petitioner's cause of action first accrues. For purposes of this subsection, a cause of action with respect to a Petitioner's benefits under the Plan shall be deemed to accrue not later than the earliest of (i) when the Petitioner has received the calculation of the benefits that are the subject of the claim or legal action (ii) the date identified to the Petitioner by the Plan Administrator on which payments shall commence, or (iii) when the Petitioner has actual or constructive knowledge of the facts that are the basis of his claim. For purposes of this subsection, a cause of action with respect to the alleged interference with ERISA-protected rights shall be deemed to accrue when the claimant has actual or constructive knowledge of the acts that are alleged to interfere with ERISA-protected rights. Failure to bring any such claim or cause of action within this two-year time frame shall preclude a Petitioner, or any representative of the Petitioner, from filing the claim or cause of action. Correspondence or other communications following the mandatory appeals process described in Section 8.2 shall have no effect on this two-year time frame.

8.4 Restriction on Venue.

Any claim or action filed in court or any other tribunal in connection with the Plan by or on behalf of a Petitioner (as defined in Section 8.3 above) shall only be brought or filed in the United States District Court for the Southern District of New York.

ARTICLE IX – AMENDMENT AND TERMINATION

9.1 Amendment to the Plan.

(a) The Company, or its delegate, has the right in its sole discretion to amend this Plan in whole or in part at any time and in any manner, including the terms and conditions of Equalized Automatic Retirement Contributions, the terms on which distributions are made, and the form and timing of distributions. However, except for mere clarifying amendments necessary to avoid an inappropriate windfall, no Plan amendment shall reduce the balance of a Participant's ARC Equalization Account as of the date such amendment is adopted. In addition, the Company shall have the limited right to amend the Plan at any time, retroactively or otherwise, in such respects and to such extent as may be necessary to fully qualify it under existing and applicable laws and regulations, and if and to the extent necessary to accomplish such purpose, may by such amendment decrease or otherwise affect benefits to which Participants may have already become entitled, notwithstanding any provision herein to the contrary.

(b) The Company's right to amend the Plan shall not be affected or limited in any way by a Participant's Separation from Service, death or disability. Prior practices by the Company or an Employer shall not diminish in any way the rights granted the Company under this Section. Also, it is expressly permissible for an amendment to affect less than all of the Participants covered by the Plan.

(c) Any amendment shall be in writing and adopted by the Company or by any officer of the Company who has authority or who has been granted or delegated the authority to amend this Plan. An amendment or restatement of this Plan shall not affect the validity or scope of any grant or delegation of such authority, which shall instead be solely determined based upon the terms of the grant or delegation (as determined under applicable law). All Participants and Beneficiaries shall be bound by such amendment.

(d) Any amendments made to the Plan shall be subject to any restrictions on amendment that are applicable to ensure continued compliance under Section 409A.

9.2 Termination of Plan.

(a) The Company expects to continue this Plan, but does not obligate itself to do so. The Company reserves the right to discontinue and terminate the Plan at any time, in whole or in part, for any reason (including a change, or an impending change, in the tax laws of the United States or any State within the United States). Termination of the Plan will be binding on all Participants (and a partial termination shall be binding upon all affected Participants) and their Beneficiaries, but in no event may such termination reduce the amounts credited at that time to any Participant's ARC Equalization Account. If this Plan is terminated (in whole or in part), the termination resolution shall provide for how amounts theretofore credited to affected Participants' ARC Equalization Accounts will be distributed.

(b) This Section is subject to the same restrictions related to compliance with Section 409A that apply to Section 9.1. In accordance with these restrictions, the Company intends to have the maximum discretionary authority to terminate the Plan and make distributions in connection with a Change in Control (as defined in Section 409A), and the maximum flexibility with respect to how and to what extent to carry this out following a Change in Control (as defined in Section 409A) as is permissible under Section 409A. The previous sentence contains the exclusive terms under which a distribution may be made in connection with any Change in Control with respect to deferrals made under this 409A Program.

ARTICLE X – MISCELLANEOUS

10.1 Limitation on Participant Rights.

(a) In General. Participation in this Plan does not give any Participant any right or interest in this Plan or any assets of the Company or Employer, other than the unfunded and unsecured right to receive a Plan distribution determined and paid exactly in accordance with the Plan's terms as interpreted in the discretion of the Plan Administrator.

(b) No Employment Right. Participation in this Plan does not give any Participant the right to be retained in the Employer's or Company's employ. Accordingly, the Company and Employer reserve the right to terminate the employment of any Participant without any liability for any claim against the Company or Employer under this Plan, except for a claim for the timely payment of any unpaid Plan distribution to the extent permitted by subsection (a) above.

(c) Recovery of Excess Payments: For the avoidance of doubt, it is noted that this Plan provides that payments to, for or in connection with a Participant that are made (as of a point in time and to any person or entity) may not exceed the exact amount of payments, if any, that are due as of the time and to the person, determined based on the terms of the Plan that specify the amounts that are payable, the time as of which they are payable, and the person to whom they are payable. Accordingly, any excess payment or any other kind of overpayment, premature payment or misdirected payment (each one or more than one of which are hereafter referred to as an "Excess Payment") may not be retained by the party receiving it, but must be restored promptly to the Plan (and with appropriate interest to extent deemed by the Plan Administrator to be necessary for a valid correction under Code section 409A or to be appropriate under all of the circumstances. In addition, it is clarified that, in exchange for Participant or Beneficiary status hereunder (or for having any other direct or indirect right or claim of right from the Plan, or solely as a result of having received an Excess Payment), any party receiving an Excess Payment automatically grants to the Plan the following nonexclusive rights –

(1) A constructive trust and first priority equitable lien on any payment that is received directly or indirectly from the Plan and that is, in whole or

part, an Excess Payment (such trust and lien shall be equal to the amount of the Excess Payment increased by appropriate interest) or upon the proceeds or substitutes for such payment, and any transfer shall be subject to such constructive trust and equitable lien (including one or more transfers to one or more persons, trusts or entities).

(2) The right to offset (as necessary to recover the Excess Payment with appropriate interest) other payments that are properly payable by the Plan to the recipient of the Excess Payment; however, reliance on this right is in the discretion of the Plan Administrator, with due consideration to any limitations on offset that the Plan Administrator determines would apply under Code section 409A, and therefore the existence of an opportunity to apply the right of offset shall not diminish the Plan's rights under paragraph (1) above or (3) below.

(3) The right to bring any equitable or legal action or proceeding with respect to the enforcement of any rights in this Section in any court of competent jurisdiction as the Plan Administrator may elect, and following receipt of an Excess Payment the Participant or other person or entity hereby submits to such jurisdiction, waiving any and all rights that may correspond to such party's present or future residence or location.

Any party receiving an Excess Payment shall promptly take all actions requested by the Plan Administrator that are in furtherance of the Plan's recovery of the Excess Payment with appropriate interest. In all cases, this subsection shall maximize the rights of the Plan to recover improper payments and shall not restrict the rights of the Plan in any way, including with respect to any improper payment that is not addressed above. In addition, equitable or legal principles that might impair the Plan's right of recovery of an Excess Payment with appropriate interest shall not apply (including the common fund doctrine and any requirement that funds not be commingled or dissipated in order to be recovered). For purposes of this subsection and the recovery of Excess Payments, "appropriate interest" shall mean a rate of interest (and a period for compounding) that is determined by the

Plan Administrator, in its sole discretion, to be – (i) reasonable at the time, and (ii) sufficient to accomplish a valid correction under Code section 409A or to avoid enrichment of the recipient at the expense of the Plan (or both).

10.2 Unfunded Obligation of Individual Employer.

The benefits provided by this Plan are unfunded. All amounts payable under this Plan to Participants are paid from the general assets of the Participant's individual Employer. Nothing contained in this Plan requires the Company or Employer to set aside or hold in trust any amounts or assets for the purpose of paying benefits to Participants. Neither a Participant, Beneficiary, nor any other person shall have any property interest, legal or equitable, in any specific Employer asset. This Plan creates only a contractual obligation on the part of a Participant's individual Employer, and the Participant has the status of a general unsecured creditor of his or her Employer with respect to benefits granted hereunder. Such a Participant shall not have any preference or priority over, the rights of any other unsecured general creditor of the Employer. No other Employer guarantees or shares such obligation, and no other Employer shall have any liability to the Participant or his or her Beneficiary. In the event a Participant transfers from the employment of one Employer to another, the former Employer shall transfer the liability for benefits made while the Participant was employed by that Employer to the new Employer (and the books of both Employers shall be adjusted appropriately).

10.3 Other Benefit Plans.

This Plan shall not affect the right of any Eligible Employee or Participant to participate in and receive benefits under and in accordance with the provisions of any other employee benefit plans which are now or hereafter maintained by any Employer, unless the terms of such other employee benefit plan or plans specifically provide otherwise or it would cause such other plan to violate a requirement for tax-favored treatment.

10.4 Receipt or Release.

Any payment to a Participant or Beneficiary in accordance with the provisions of this Plan shall, to the extent thereof, be in full satisfaction of all claims against the Plan Administrator, the Employer and the Company, and the Plan Administrator may require such Participant or Beneficiary, as a condition precedent to such payment, to execute a receipt and release to such effect.

10.5 Governing Law.

This Plan shall be construed, administered, and governed in all respects in accordance with ERISA and, to the extent not preempted by ERISA, in accordance with the laws of the State of New York. If any provisions of this instrument shall be held by a court of competent jurisdiction to be invalid or unenforceable, the remaining provisions hereof shall continue to be fully effective.

10.6 Adoption of Plan by Related Employers.

The Plan Administrator may select as an Employer any division of the Company, as well as any member of the PepsiCo Organization, and permit or cause such division or organization to adopt the Plan. The selection by the Plan Administrator shall govern the effective date of the adoption of the Plan by such related Employer. The requirements for Plan adoption are entirely within the discretion of the Plan Administrator and, in any case where the status of an entity as an Employer is at issue, the determination of the Plan Administrator shall be absolutely conclusive.

10.7 Rules of Construction.

The provisions of this Plan shall be construed according to the following rules:

(a) Gender and Number. Whenever the context so indicates, the singular or plural number and the masculine, feminine, or neuter gender shall be deemed to include the other (or others).

(b) Examples. Whenever an example is provided or the text uses the term "including" followed by a specific item or items, or there is a passage having a similar effect, such passage of the Plan shall be construed as if the phrase "without limitation" followed such example or term (or otherwise applied to such passage in a manner that avoids limitation on its breadth of application).

(c) Compounds of the Word "Here". The words "hereof", "herein", "hereunder" and other similar compounds of the word "here" shall mean and refer to the entire Plan, not to any particular provision or section.

(d) Effect of Specific References. Specific references in the Plan to the Plan Administrator's discretion shall create no inference that the Plan Administrator's discretion in any other respect, or in connection with any other provisions, is less complete or broad.

(e) Subdivisions of the Plan Document. This Plan document is divided and subdivided using the following progression: articles, sections, subsections, paragraphs, subparagraphs and clauses. Articles are designated by capital roman numerals. Sections are designated by Arabic numerals containing a decimal point. Subsections are designated by lower-case letters in parentheses. Paragraphs are designated by Arabic numbers in parentheses. Subparagraphs are designated by lower-case roman numerals in parenthesis. Clauses are designated by upper-case letters in parentheses. Any reference in a section to a subsection (with no accompanying section reference) shall be read as a reference to the subsection with the specified designation contained in that same section. A similar reading shall apply with respect to paragraph references within a subsection and subparagraph references within a paragraph.

(f) Invalid Provisions. If any provision of this Plan is, or is hereafter declared to be void, voidable, invalid or otherwise unlawful, the remainder of the Plan shall not be affected thereby.

10.8 Successors and Assigns; Nonalienation of Benefits.

This Plan inures to the benefit of and is binding upon the parties hereto and their successors, heirs and assigns; provided, however, that the amounts credited to the ARC Equalization Account of a Participant are not (except as provided in Sections 5.5) subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, charge, garnishment, execution or levy of any kind, either voluntary or involuntary, and any attempt to anticipate, alienate, sell, transfer, assign, pledge, encumber, charge or otherwise dispose of any right to any benefits payable hereunder, including, without limitation, any assignment or alienation in connection with a separation, divorce, child support or similar arrangement, will be null and void and not binding on the Plan or the Company or any Employer. Notwithstanding the foregoing, the Plan Administrator reserves the right to make payments in accordance with a divorce decree, judgment or other court order as and when cash payments are made in accordance with the terms of this Plan from the ARC Equalization Account of a Participant. Any such payment shall be charged against and reduce the Participant's ARC Equalization Account.

10.9 Facility of Payment.

Whenever, in the Plan Administrator's opinion, a Participant or Beneficiary entitled to receive any payment hereunder is under a legal disability or is incapacitated in any way so as to be unable to manage his or her financial affairs, the Plan Administrator may direct the Employer to make payments to such person or to the legal representative of such person for his or her benefit, or to apply the payment for the benefit of such person in such manner as the Plan Administrator considers advisable. Any payment in accordance with the provisions of this Section shall be a complete discharge of any liability for the making of such payment to the Participant or Beneficiary under the Plan.

ARTICLE XI – ERISA PLAN STRUCTURE

This Plan document encompasses two separate plans within the meaning of ERISA, as set forth in Sections 11.1 and 11.2 below. These two plans are severable for any and all purposes as directed by the Company.

11.1 Excess Benefit Plan.

An excess benefit plan within the meaning of ERISA section 3(36), maintained solely for the purpose of providing benefits for Savings Plan participants in excess of the limitations on benefits imposed by Code section 415.

11.2 Excess Compensation Top Hat Plan.

A plan maintained by the Company primarily for the purpose of providing deferred compensation for a select group of management or highly compensated employees within the meaning of ERISA sections 201(2) and 401(a)(1). The plan provides benefits for Savings Plan participants in excess of the limitations imposed by Code section 401(a)(17) on benefits under the Savings Plan (after taking into account any benefits under the Excess Benefit Plan).

11.3 Allocation of Benefits Among Plans.

Benefits under this Plan shall be allocated first to the Excess Benefit Plan, to the extent of benefits paid for the purpose indicated in Section 11.1 above, and then any remaining benefits shall be allocated to the Excess Compensation Top Hat Plan.

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ARTICLE XII – SIGNATURE

The PepsiCo Automatic Retirement Contribution Equalization Plan, as hereby amended and restated, is adopted as of this 11th day of December, 2025, to be effective as of January 1, 2025 or as otherwise stated herein.

PEPSICO, INC.

By: /s/ Becky Schmitt
Becky Schmitt
Executive Vice President and
Chief People Officer

Date: December 11, 2025

Law Department Approval

By: /s/ Jeffrey A. Arnold
Jeffrey A. Arnold
Legal Director, Employee Benefits Counsel
Date: December 11, 2025

APPENDIX A – MERGER OF PBG SUPPLEMENTAL SAVINGS PLAN

A.1 Scope.

This Article sets forth special provisions applicable to amounts earned under the PBG Supplemental Savings Plan ("PBG Plan") prior to the merger of that plan with and into this Plan. Amounts earned under the PBG Plan prior to the merger shall be credited to a subaccount of the Participant's ARC Equalization Account ("PBG Plan Subaccount"). All other defined terms used herein shall have the meaning assigned to such term under Article II unless otherwise indicated.

A.2 Provisions Applicable to Amounts Earned Under PBG Plan.

Except as otherwise set forth in this Section A.2, the terms and conditions applicable to a Participant's PBG Plan Subaccount are governed by the prior document for the PBG Plan.

(a) Investment Mapping. A Participant's PBG Plan Subaccount shall be mapped to the phantom investment options that are available for Equalized Automatic Retirement Contributions under Article V of this Plan according to the same mapping method that will apply for purposes of transferring the Participants' account balance under the PBG Savings Plan to the investment options available under the Savings Plan, except as otherwise provided by the Plan Administrator. Once the Participant's PBG Plan Subaccount balance has been mapped as provided in the preceding sentence, the PBG Plan Subaccount shall be subject to the investment provisions set forth in Article V.

(b) Phantom PepsiCo Common Stock Fund. Notwithstanding subsection (a) above, the portion of a Participant's PBG Plan Subaccount that is invested in the phantom PepsiCo Common Stock Fund shall not be subject to mapping, but instead shall remain invested in the phantom PepsiCo Common Stock Fund until such time as the Participant makes a reinvestment election. Thereafter, such portion of the Participant's PBG Plan Subaccount shall remain eligible for investment and reinvestment in the phantom PepsiCo Common Stock Fund

(notwithstanding any restrictions on investment in the phantom PepsiCo Common Stock Fund that may apply generally under Article V) in accordance with procedures established by the Plan Administrator for this purpose.

(c) Time and Form of Payment. A Participant's PBG Plan Subaccount shall be paid on the first day of the calendar month following the Distribution Valuation Date that next follows the earliest of the following:

(1) The Participant's Separation from Service;

(2) The Participant's death; or

(3) A change in control of the Participant's Employer (other than the successor to the Pepsi Bottling Group, Inc.), as defined in Section 409A.

Distributions upon Separation from Service under this subsection shall be subject to Section 6.5 (Delay for Key Employees), except that no priority shall be given to Section 6.4.

(d) Phantom PepsiCo Common Stock Fund Restrictions. To the extent necessary to ensure compliance with Rule 16b-3(f) of the Securities Exchange Act of 1934 (the "Act"), the Company may arrange for tracking of any such transaction defined in Rule 16b-3(b)(1) of the Act involving the phantom PepsiCo Common Stock Fund and the Company may bar any such transaction to the extent it would not be exempt under Rule 16b-3(f). The Company will impose blackout periods pursuant to the requirements of the Sarbanes-Oxley Act of 2002 whenever the Company determines that circumstances warrant. Further, the Company may impose quarterly blackout periods on insider trading in the Phantom PepsiCo Common Stock Fund as need (as determined by the Company), timed to coincide with the release of the Company's quarterly earnings reports. The commencement and termination of these blackout periods in each quarter, the parties to which they apply and the activities they restrict shall be as set forth in the official insider trading policy promulgated by the Company from time to time.

(e) Impact of Securities Law on Distributions. The provisions of (d) above and this subparagraph (e), shall apply in determining whether a Participant's distribution shall be delayed beyond the date applicable under Article VI of the Plan.

(i) In General. This Plan is intended to be a formula plan for purposes of Section 16 of the Act. Accordingly, in the case of a deferral or other action under the Plan that constitutes a transaction that could be covered by Rule 16b- 3(d) or (e) of the Act, if it were approved by the Company's Board of Directors or the Compensation Committee ("Board Approval"), it is intended that the Plan shall be administered by delegates of the Compensation Committee, in the case of a Participant who is subject to Section 16 of the Act, in a manner that will permit the Board Approval of the Plan to avoid any additional Board Approval of specific transactions to the maximum possible extent.

(ii) Approval of Distributions. This subsection shall govern the distribution of a deferral that (i) is wholly or partly invested in the Phantom PepsiCo Common Stock Fund at the time the deferral would be valued to determine the amount of cash to be distributed to a Participant, (ii) was not covered by an agreement, made at the time of the Participant's original phantom investment election, that any investments in the phantom PepsiCo Common Stock Fund would, once made, remain in that fund until distribution, (iii) is made to a Participant who is subject to Section 16 of the Act at the time the interest in the phantom PepsiCo Common Stock Fund would be liquidated in connection with the distribution, and (iv) if paid at the time the distribution would be made without regard to this subsection, could result in a violation of Section 16 of the Act because there is an opposite way transaction that would be matched with the liquidation of the Participant's interest in the phantom PepsiCo Common Stock Fund (either as a "discretionary transaction," within the meaning of Rule 16b-3(b)(1), or as a regular transaction, as applicable) (a "Covered Distribution"). In the case of a Covered Distribution, if the liquidation of the Participant's interest in

the phantom PepsiCo Common Stock Fund in connection with the distribution has not received Board Approval by the time the distribution would be made if it were not a Covered Distribution, or if it is a discretionary transaction, then the actual distribution to the Participant shall be delayed only until the earlier of:

(1)In the case of a transaction that is not a discretionary transaction, Board Approval of the liquidation of the Participant's interest in the phantom PepsiCo Common Stock Fund in connection with the distribution, and

(2)The date the distribution would no longer violate Section 16 of the Act, *e.g.*, when the Participant is no longer subject to Section 16 of the Act, when the balance related to the distribution is no longer invested in the phantom PepsiCo Common Stock Fund, or when the time between the liquidation and an opposite way transaction is sufficient.

APPENDIX B – GUIDING PRINCIPLES REGARDING BENEFIT PLAN COMMITTEE APPOINTMENTS

B.1 Scope.

This Article B supplements the Plan document with respect to the appointment of the members of the PAC and PIC.

B.2 General Guidelines.

To be a member of the PAC or the PIC, an individual must:

(a) Be an employee of the PepsiCo Organization at a Leadership Group 1 or above level,

(b) Be able to give adequate time to committee duties, and

(c) Have the character and temperament to act prudently and diligently in the exclusive interest of the Plan's participants and beneficiaries.

B.3 PAC Guidelines.

In addition to satisfying the requirements set forth in Section B.2, the following guidelines will also apply to the PAC membership:

(a) Each member of the PAC should have experience with benefit plan administration or other experience that can readily translate to a role concerning ERISA plan administration,

(b) The membership of the PAC as a whole should have experience and expertise with respect to the administration of ERISA health and welfare and retirement plans, and

(c) Each member of the PAC should be capable of prudently evaluating the reasonableness of expenses that are charged to the Plan.

B.4 PIC Guidelines.

In addition to satisfying the requirements set forth in Section B.2, the following guidelines will also apply to the PIC membership:

(a) Each member of the PIC should have experience in the areas of investment or finance, and

(b) The membership of the PIC as a whole should have experience and expertise with respect to evaluating investment options for unfunded ERISA benefit plans.

B.5 Additional Information.

The Chairs of the PAC and PIC may seek information from Company personnel, including the Controller, CFO and CHRO, in connection with their identification of well qualified candidates for committee membership.

B.6 Role of the Guidelines.

The foregoing guidelines in this Article B are intended to guide the Chairs of the PIC and the PAC in the selection of committee members; however, they neither diminish nor enlarge the legal standard applicable under ERISA, as applicable.

APPENDIX ARTICLE C - PIRP TRANSFER PARTICIPANTS

C.1 Scope:

This Article provides special rules for calculating the benefit of an individual who is a "PIRP Transfer Participant" under Section C.2 below. The benefit of a PIRP Transfer Participant shall be determined under Section C.3 below. Once a benefit is determined for a PIRP Transfer Participant under this Article, such benefit shall be subject to the Plan's normal conditions and shall be paid in accordance with the Plan's normal terms. The provisions of this Article are effective January 1, 2016 (but they may take into account years that precede January 1, 2016).

C.2 Definitions Related to PIRP Transfer Participants:

The following definitions apply for purposes of this Article.

(a) "PIRP-DC" is the portion of the PepsiCo International Retirement Program that provides a program of defined contributions.

(b) "PIRP-DC Employer" is the Company or an affiliate of the Company that is an "Employer" under the terms of PIRP-DC.

(c) "PIRP-DC Salary" is compensation that qualifies as "Salary" under the terms of PIRP-DC.

(d) "PIRP-DC Service" is service that qualifies as "Service" under the terms of PIRP-DC.

(e) A "PIRP Transfer Participant" is an individual who is described in paragraph (1) or (2) below.

(1) <u>Incoming PIRP Transfer Participant</u>: An individual – (i) who is employed during a year (including a year preceding 2016) by a PIRP-DC Employer in a position that is eligible to accrue

benefits under PIRP-DC (or would be eligible if Section 9.14 of PIRP-DC did not apply), (ii) who is then transferred by the Company during the year from such position to a position that qualifies the individual to be an ARC Eligible Employee under the Savings Plan, (iii) whose PIRP-DC accrual for the Year of Transfer is blocked by Section 9.14 of PIRP-DC, (iv) who would otherwise be entitled to a PIRP-DC benefit enhancement for the Year of Transfer that relates to PIRP-DC Salary or PIRP-DC Service for the year of the transfer, and (v) whose PIRP-DC benefit was not already paid out by December 1, 2016 (but disregarding any such paid-out PIRP-DC benefit for this purpose that the PIRP-DC Vice President determines should be treated under this clause as if it had not been paid out).

(2) Outgoing PIRP Transfer Participant: An individual – (i) who is employed during a year (including a year preceding 2016) by an Employer in a position that qualifies to be an ARC Eligible Employee under the Savings Plan, (ii) who is then transferred by the Company during the year from such position to a position that is eligible to accrue benefits under PIRP-DC (or would be eligible if Section 9.14 of PIRP-DC did not apply), (iii) whose PIRP-DC accrual for the Year of Transfer is blocked by Section 9.14 of PIRP-DC, (iv) who would otherwise be entitled to a PIRP-DC benefit enhancement for the Year of Transfer that relates to PIRP-DC Salary or PIRP-DC Service for the year of the transfer, and (v) whose PIRP-DC benefit was not already paid out by December 1, 2016 (but disregarding any such paid-out PIRP-DC benefit for this purpose that the PIRP-DC Vice President determines should be treated under this clause as if it had not been paid out).

(f) The "PIRP-DC Vice President" is the Company executive who has the role of the "Vice President" under the terms of PIRP-DC.

(g) A "U.S. Person" is an individual who is classified as a "U.S. Person" under the terms of PIRP-DC.

(h) "Year of Transfer" is the year in which a transfer described in subsection (e) above occurs.

C.3 Benefit Formula for PIRP Transfer Participants:

Except as provided in this Section C.3, a PIRP Transfer Participant's benefit under the Plan shall be determined using a calculation methodology that is substantially similar to that which applies under Section 4.1 of the Plan.

(a) Total Automatic Retirement Contribution for PIRP Transfer Participant: Notwithstanding the preceding sentence, a PIRP Transfer Participant's "Total Automatic Retirement Contribution" (as defined in Section 4.1(a) of the Plan) shall be calculated as if he were an eligible employee under the Savings Plan for the entire Year of Transfer, and as if he received Years of Entitlement Service and Eligible Pay under the Savings Plan for the Year of Transfer equal to – (i) his actual Years of Entitlement Service and Eligible Pay under the Savings Plan for the Year of Transfer, increased by (ii) any other compensation and service for the Year of Transfer that would have been recognized as PIRP-DC Salary and PIRP DC Service, if Section 9.14 of PIRP-DC did not apply for the Year of Transfer. In determining Years of Entitlement Service and Eligible Pay under the prior sentence, no compensation or service shall be taken into account more than once.

(b) Calculation of PIRP Transfer Participant's Benefit : The PIRP Transfer Participant's benefit under the Plan shall be calculated as of each relevant payroll date under the Savings Plan by reducing his Total

Automatic Retirement Contribution as determined under subsection (a) above by the reductions that are normally applicable under Article IV for such payroll date.

Exhibit 10.24

[PepsiCo Letterhead]

Private and Confidential

October 6, 2025

Stephen Schmitt

Dear Steve:

We are pleased to confirm our offer and your acceptance to join PepsiCo, Inc. ("PepsiCo" or the "Company") as Executive Vice President and Chief Financial Officer, PepsiCo based in Purchase, NY, reporting directly to PepsiCo's Chairman and Chief Executive Officer (the "CEO").

The primary details of our offer to you are as follows:

- **Start Date** – Your Start Date is anticipated to be on or around November 10, 2025.

- **Salary** – Your starting annual base salary will be **$900,000** (payable bi-weekly), subject to applicable taxes. Your position is not eligible for an automatic annual merit increase; instead, future adjustments to your base salary will be at the discretion of the Compensation Committee of the Board of Directors (the "Compensation Committee") based on a review of market and other data for comparable positions and your performance.

- **Executive Car Program** – You will be eligible to participate in PepsiCo's Executive Car Program. Under the terms of this program, you will receive a cash allowance to help cover the cost of your personal automobile. The current annual cash allowance for your level is **$25,350** (payable bi-weekly), subject to applicable taxes.

- **Annual Bonus Target** – Commencing with the 2025 performance year, you will be eligible for an Annual Bonus under PepsiCo's executive incentive program with a target Annual Bonus opportunity equal to **150%** of your base salary. Annual Bonuses are paid as a percentage of target depending on team and individual performance, and are contingent on your continued employment through the end of the relevant performance year. Your Annual Bonus for the 2025 performance year will be for the full year (not pro-rated based on your Start Date) and will be paid to you in the first quarter of 2026 (but not later than March 15).

- **Long-Term Incentive Program** – You will be eligible to participate in PepsiCo's Long-Term Incentive Program ("LTIP") in accordance with the terms of the LTIP.

  Your 2026 target LTIP Award will have a face value of **$5,000,000** and is expected to be awarded 66% in Performance Stock Units ("PSUs") and 34% in Long-Term Cash ("LTC"). The grant date of your 2026 award will be aligned with PepsiCo's granting policies (such date, the "2026 LTIP Grant Date"). This award can be earned between 0% and 200% and will fully vest in March 2029, contingent on your continued employment through the vesting date and subject to the same terms and conditions as the 2026 LTIP awards granted to other similarly situated executives of the Company in March 2026. This award will be based on and subject to the level of achievement of the applicable performance targets established by the Compensation Committee. The number of PSUs you will be granted under this award will be determined by dividing the face value by the fair market value of PepsiCo Common Stock on the 2026 LTIP Grant Date. PSUs will accrue dividend equivalents.

  Beginning March 2026, you will participate in the ordinary course annual LTIP grant process. Your annual LTIP will be granted in the same form, using the same valuation methodology and subject to the same terms and conditions as the annual LTIP awards granted to other similarly situated executives of the Company, subject to the terms of the applicable plan.

  The full terms and conditions of the 2026 LTIP Award and any future LTIP Awards will be set out in the award agreement that you will receive shortly after the grant date and that you will be required to sign and accept in order to receive the award. All LTIP Awards are made at the sole discretion of the Compensation Committee.

- **Sign-on Incentive** – As an inducement for you to join PepsiCo, including to offset amounts that you will forfeit by resigning from your current employer, you will be eligible to receive the following Sign-on Awards:

  - **Sign-on Cash Award** – You will receive a special Sign-on Cash Award in the aggregate amount of **$3,500,000**, which will be payable based on the following payment schedule.

Installment	Payment Date
$2,000,000	Start Date
$1,500,000	First anniversary of your Start Date

  The above award will be payable promptly following the relevant payment date, less applicable tax withholding, and the payment will be contingent upon your continued active employment through the relevant payment date. For the avoidance of doubt, and except as set forth below, if you are not employed on the relevant payment date for any reason, the Sign-on Cash Award will not be owed to you and will not be paid.

In the event that you resign your employment for any reason other than arising from, associated with or attributable to, a change in your position and title as Executive Vice President and Chief Financial Officer of the Company, or your employment is terminated by PepsiCo for Cause (as defined below) within 24 months after the Start Date, (i) you will be entitled to retain only that portion of such installment determined by multiplying the installment by a fraction, the numerator of which will be the number of months (including partial months where applicable) that have elapsed from the Start Date to your termination date and the denominator of which will be 24 (such amount, the "Earned Installment"), (ii) you will promptly repay PepsiCo any portion of the installment already paid to the extent it exceeds the Earned Installment, and (iii) you will forfeit any unpaid installments in excess of the Earned Installment. An installment will not be subject to repayment if the resignation or termination by PepsiCo for Cause occurs after the 24-month anniversary of the Start Date. If the termination date occurs during a month, the Earned Installment shall be calculated on a pro rata basis for the month determined as of the date of termination.

In the event that your employment is terminated by PepsiCo without Cause (as defined below) prior to a payment date of the Sign-on Cash Award per the table above, you shall be entitled to all of the Sign-on Cash Award without repayment, reduction or setoff and the Company will pay all remaining unpaid installments, which have a future payment date, promptly following your termination of employment. If, however, the installment is subject to Section 409A of the Internal Revenue Code, the installment will be paid promptly only after you have a "separation from service" (as defined in Section 409A) without Cause, provided that if you are classified as a "specified employee" of PepsiCo by Section 409A, payment of the installment for separation from service will be delayed six months as required by Section 409A.

For this purpose, "Cause" means the occurrence of any of the following acts provided they are determined in good faith and with commercial reasonableness to be materially adverse to the Company's best interests after consideration of all the relevant facts and the totality of the circumstances: (a) knowingly breaching any contract; provided however that if such breach is reasonably capable of being cured, the Company shall first provide written notification of the occurrence of the breach to you sufficiently detailing such breach and you shall have a reasonable period of time not to exceed fifteen (15) days after your actual receipt of such notice to cure such breach to the reasonable, good faith satisfaction of the Company; (b) violating any obligation to the Company, including the Company's Code of Conduct, Insider Trading Policy or any other written policies of the Company which have been provided to you prior to the commission of such violation; (c) unlawfully trading in the securities of PepsiCo or of any other company based on information gained as a result of your employment with the Company; (d) committing acts involving gross misconduct in the performance of employment duties, dishonesty, fraud, illegality, or moral turpitude, or that cause or

contribute to the need for an accounting adjustment to PepsiCo's financial results; or (e) knowingly engaging in gross misconduct that is detrimental to or reflects unfavorably upon the Company or its brands, services, or products; provided, however that nothing in this paragraph is intended to bar you from engaging in Protected Activity. For these purposes, "Protected Activity" means that nothing in this offer shall limit: (i) your right to make truthful statements or disclosures about any facts and circumstances related to any claim or allegation of unlawful discrimination by the Company; (ii) bar you from giving testimony pursuant to a compulsory legal process or as otherwise required by law; or (iii) prohibit you from, without notice to the Company, filing a complaint or charge with a government authority, recognized self-regulatory organization or law enforcement agency (including, but not limited to, the Equal Employment Opportunity Commission and the Securities and Exchange Commission), communicating with a government authority, recognized self-regulatory organization or law enforcement agency, providing information to a government authority, recognized self-regulatory organization or law enforcement agency, participating in government authority, recognized self-regulatory organization or law enforcement agency investigations, or testifying in government authority, recognized self-regulatory organization or law enforcement agency proceedings concerning any possible legal violations or from receiving a monetary award for information provided to a government agency. The Company nonetheless asserts and does not waive its attorney-client privilege over any information appropriately protected by the privilege.

To determine whether an individual installment of the Sign-On Cash Award is subject to Section 409A (or exempt from Section 409A as a Section 409A short-term deferral) and if applicable, for purposes of 409A compliance, each individual installment is a separate and distinct award for purposes of Section 409A, and prompt payment means payment as soon as practicable (and within not more than 30 days).

- **Sign-on RSU Award** – You will receive a special Sign-on Restricted Stock Unit ("RSU") award under the LTIP. The grant date for this award will be on the Start Date. This award will have a face value equal to **$7,000,000**, will accrue dividend equivalents, and will vest 50% on the first anniversary of the grant date and 50% on the second anniversary of the grant date, in each case contingent on your continued employment through the applicable vesting date (and with such continued employment your vested RSUs will be delivered promptly after the applicable vesting date, applying the definition of prompt payment above).. The number of RSUs you will be granted under this award will be determined by dividing the face value by the fair market value of PepsiCo Common Stock on the grant date. Shortly after the grant date, you will receive an award agreement setting out the full terms of this award that you will be required to execute in order to receive this award.

In the event that your employment is terminated by PepsiCo without Cause (as defined above) prior to an applicable vesting date of the RSU per the terms above, any unvested installment of the RSU will vest upon your termination of employment date and, subject to the next sentence, be delivered promptly after that date. If any such installment is subject to Section 409A, the installment will be delivered promptly after your date of termination only if it constitutes a "separation from service" (as defined in Section 409A), provided that if you are classified as a "specified employee" of PepsiCo by Section 409A, payment of the installment for a separation from service will be delayed six months as required by Section 409A.

- **Benefits** – You will be eligible to participate in PepsiCo's health and welfare benefit programs for salaried employees, which require employee contributions based on benefit choices. If elected, your health care coverage and life/accident insurance are effective upon your Start Date and disability protection will be effective after 90 days of employment.

  In addition, you will be eligible to receive from PepsiCo automatic retirement contributions to the PepsiCo Savings Plan based on your age and years of service. You will also be eligible to make contributions to the PepsiCo Savings Plan and receive PepsiCo matching contributions.

- **Insider Trading Policy** – You will be subject to the Company's Insider Trading Policy. As such, you may only perform transactions in PepsiCo, Inc. Common Stock during defined window periods and after obtaining approval from the Company's Law Department and the Chief Executive Officer of the Company. You will receive further information on the Company's Insider Trading Policy shortly after your Start Date.

- **Ownership Guidelines** – As a result of your new role, you will be subject to the Company's Stock Ownership Guidelines. As such, you will be required to own shares of PepsiCo, Inc. Common Stock equal to four times your annual base salary, as in effect from time to time, within five years of your Start Date (except as otherwise agreed to). Under the terms of the Stock Ownership Guidelines, you are required to hold shares needed to meet 100% of this stock ownership level until six months after your separation from service from the Company and to continue to hold shares equal to 50% of this stock ownership level from six months to 12 months after your separation from service. PepsiCo, Inc. shares or equivalents held by you or your immediate family members, in the PepsiCo Savings Plan, deferred compensation program or in trust for the benefit of immediate family members count towards satisfying the requirement. Unvested LTIP awards do not count towards satisfying the requirement.

- **Share Retention Policy** – As a result of your new role, you will be subject to the Company's Share Retention Policy as in effect from time to time. As such, the aggregate amount of cash that you may receive upon settlement of LTIP awards during each calendar year may be limited. You will be exempt from this requirement once you have met, and continue to meet, your ownership level under the Company's Ownership Guidelines.

- **Taxes** – You will be responsible for all actual taxes on your compensation. PepsiCo may deduct and withhold from any amounts payable to you such federal, state, local, foreign or other taxes as are required to be withheld pursuant to any applicable law or regulation. Any annual bonus payment payable in the first quarter of a calendar year after the performance period will be paid no later than March 15 in order to be exempt from Section 409A of the Internal Revenue Code as a short-term deferral.

- **Outstanding Obligations** – By signing below, you confirm that your acceptance of this offer and your employment with PepsiCo will not conflict with or result in a breach of any contractual, fiduciary or other obligation you owe to any other party, including a former employer. In the event that a former employer attempts to restrict or prevent your employment with PepsiCo through the enforcement of any obligation to which you may be bound, PepsiCo reserves the right not to contest the legality of such obligation. In such a circumstance, you may be forced to resign your employment with PepsiCo and you will not be eligible for severance benefits as a result of such resignation. Further, any legal expense incurred by you in defending such action will be solely your responsibility and not that of PepsiCo. We recommend that if you are bound by restrictive covenants or other obligations to a former employer or other party you obtain an opinion from your personal attorney regarding the enforceability of such obligations prior to accepting PepsiCo's offer of employment.

The above describes some of the terms of your offer and compensation and benefits programs. The terms and conditions of all benefits and compensation are governed by their respective summary plan descriptions, plan documents and other legal documents, and are subject to change at any time and without advance notice.

This offer of employment is contingent upon the Company's satisfactory verification of the information regarding your qualifications and background that you provided on your resume and application and satisfactory completion of the following:

(1) A drug screening exam per Company policy, and as permitted by applicable law, within ninety (90) days of your anticipated Start Date;

(2) Successful completion of an employment and criminal background check including a Motor Vehicle Report where applicable;

(3) Completion of the Employment Eligibility Verification form (I-9) with Human Resources. The I-9 must be completed within 3 days of your Start Date.

This offer is also contingent upon satisfactory confirmation of employment based upon information provided by individuals whom you have identified as former employer representatives.

This document does not constitute or represent a contract of employment, express or implied. Your employment is at will. This means that there is no guarantee of employment for any period of time, and both the employer and/or the employee have the right to terminate the employment relationship at any time, for any reason, with or without notice.

We are excited at the prospect of your joining PepsiCo and are confident you will make a significant impact. Please acknowledge your acceptance of the above offer by signing below and returning this letter to me.

Sincerely,

/s/ Becky Schmitt
Becky Schmitt
EVP, Chief People Officer
PepsiCo, Inc.

Date: October 7, 2025

Accepted /s/ Stephen Schmitt
Stephen Schmitt

Date: October 6, 2025

Exhibit 10.25

[PepsiCo Letterhead]

October 7, 2025

BY ELECTRONIC MAIL

James Caulfield

Dear James:

This letter agreement (this "Agreement") describes the terms and conditions of your active employment with PepsiCo, Inc. (with its subsidiaries, divisions, affiliates, predecessors and successors, the "Company" or "PepsiCo") and confirms the arrangements relating to your separation from the Company.

After the date of this Agreement, you will not be entitled to receive any further payments or benefits from the Company, except as specifically set forth in this Agreement or as provided for under the indemnity provisions of the Company's By-laws and director and officer liability insurance policies.

1. Status and Responsibilities.

Effective November 10, 2025, you will relinquish your position as Executive Vice President and Chief Financial Officer, PepsiCo, all other appointments and offices you hold with the Company, including your role as an executive officer of PepsiCo, Inc., and your position with any third-party organizations in which you represent the Company. You will continue your active employment with the Company through May 15, 2026 (your "Retirement Date") and your employment with the Company will terminate on your Retirement Date.

2. Payments and Benefits.

(a) Salary. You will continue to receive your base salary at your current rate, less applicable withholding, through your Retirement Date. Payments will be administered through normal payroll procedures and will be paid at normal payroll intervals.

(b) Annual Bonus. In accordance with the terms of the PepsiCo, Inc. Executive Incentive Compensation Plan, you will be eligible for a 2025 annual bonus and a 2026 annual bonus (your 2026 bonus will be pro-rated based on the number of months worked in 2026 prior to your Retirement Date), calculated and paid in the ordinary course

based on actual performance, determined under the same evaluation process that applies to other senior executives. The amount of your 2025 and 2026 annual bonus is subject to approval by the Compensation Committee of the Board of Directors of the Company (the ”Compensation Committee”).

(c) Long-Term Incentives. Under the PepsiCo long-term incentive plans (collectively, the “LTIP”), your outstanding 2023 and 2024 performance stock units (“PSUs”) and long-term cash (“LTC”) awards will vest and pay out in the ordinary course in accordance with the terms of each award, subject to the certification of applicable performance results by the Compensation Committee.

Subject to Compensation Committee approval in February 2026, you will be eligible to receive a 2026 long-term incentive award, expected to be granted on or around March 1, 2026. The target value of your 2026 long-term incentive award will be consistent with your 2025 long-term incentive award granted on March 1, 2025. Apart from the aforementioned long-term incentive award, you will not receive any further long-term incentive awards.

Except as expressly set forth in Section 4 of this Agreement, in all cases the terms and conditions of the PSUs and LTC awards as set forth in the official award agreements and applicable LTIP plan documents shall control and nothing in this Agreement shall be construed as a modification of the terms and conditions of your PSUs or LTC awards or an additional grant of PSUs or LTC awards.

You will continue to be subject to PepsiCo’s Insider Trading Policy and PepsiCo’s stock ownership guidelines, in each case, in accordance with the terms thereof.

(d) Personal Benefits (Health, etc.). You and your eligible dependents will continue to be covered under most of the Company's group benefit coverages applicable to active employees (medical, dental, vision, health care reimbursement account, health savings account, life insurance, accident insurance, and group legal services) through your Retirement Date and subject to your benefit elections. After your Retirement Date, you and your covered dependents will be eligible to elect continued health benefits in accordance with the Consolidated Omnibus Budget Reconciliation Act of 1985 (“COBRA”).

(e) Retirement Plans. You will be eligible to retire from the Company as of your Retirement Date under the normal terms and conditions of the PepsiCo Employees Retirement Plan I (the “Pension Plan”) and the PepsiCo Pension Equalization Plan (the “PEP” and together with the Pension Plan, the “Retirement Plans”). In addition, you will continue to be eligible to participate in the PepsiCo Savings Plan (the “Savings Plan”),

and, if applicable, the PepsiCo Automatic Retirement Contribution Equalization Plan (the "ARC Equalization Plan") through your Retirement Date.

(f) Company Car. You will continue to be eligible to participate in PepsiCo's Executive Car Program through your Retirement Date. Payments will be administered through normal payroll procedures and will be paid at normal payroll intervals.

3. Return of Company Property.

On or before your Retirement Date, you shall return to the Company any Company property in your possession, including Company information, however stored (i.e., hard-copy documentation or electronically stored information on whatever media or in whatever format) and tangible equipment. This includes but is not limited to Confidential Information (as defined in Section 4 below), other information regarding the Company's business plans, programs, processes, methods or decisions, as well as credit cards, keys, identification cards, cellular phones, pagers, iPhones, iPads, fax or computer equipment, etc. Any credit cards issued to you by the Company will be discontinued as of your Retirement Date. To the extent you have or discover any such Company property (including Confidential Information) stored on any personal digital assistant, personal cell phone, personal computer, personal iPad, personal email or cloud accounts, or any other storage device either before or following your Retirement Date, you agree to promptly provide a copy of all such property and information to the Company and to permanently delete all such property and information from such personal devices and accounts unless directed otherwise by the Company.

4. Confidentiality.

(a) You agree that you will not copy, remove, or in any way use, disclose or give to others any of the Company's Confidential Information. This obligation specifically prohibits, among other things, the copying, recreation, use or disclosure of Confidential Information for the benefit of a competitor or on behalf of any person or entity preparing to compete with the Company. These obligations do not prohibit your use of generally available knowledge, skill and education that is not specific to the Company or its business relationships but is instead knowledge generic to the industry or your profession. "**Confidential Information**" consists of information and compilations of information, in any form (tangible or intangible), related to the Company's business and of value to it that you first gain knowledge of or access to as a consequence of your employment with the Company if the Company has not made it public or authorized public disclosure of it and it is not readily available through lawful and proper means to the public or others in the industry who have no obligation to keep it confidential. Confidential Information includes, but is not limited to, technical or non-technical data, a formula (including cost and/or pricing formula), pattern (including pricing and discount history), compilation, program, device, method (including cost and/or pricing methods,

marketing programs and operating methods), technique, drawing, process, financial data, or list of actual or potential customers or suppliers. You agree that, pursuant to Paragraph 3 above, you will retain no copies or records of Confidential Information after your employment with the Company ends. You acknowledge that during the course of your relationship with the Company, you have learned important Confidential Information related to the Company's business. You also acknowledge that such Confidential Information is not generally available to the public and includes, but is not limited to, information about the Company's customers (e.g., names, contacts, requirements, nature of accounts, terms, rates and prices, and costs), operations (e.g., production, marketing and distribution processes, techniques, methods and plans), and finances and business (e.g., information regarding ownership; information regarding personnel entrusted to you in confidence as part of your job duties; sources, availability and cost of supplies and materials; financial data relating to projected and historical sales, income, expenses, profits and general financial standing). You understand and agree that: (1) "Confidential Information" protected in this or any other agreement or release that the Company has presented you is hereby amended to exclude information protected under subpart (b) of this Section 4 ("Excluded Information"); (2) the Company will not seek to enforce terms or pursue penalties or claims for damages based on conduct involving Excluded Information; and (3) notwithstanding this Section 4(a), nothing in this Agreement bars you from engaging in the activities as described in Section 4(b), below.

(b) You understand and acknowledge that nothing in this Agreement or in any other confidentiality provision to which you may be subject as a result of your employment with the Company:

i. Limits or affects your right to disclose or discuss sexual harassment or sexual assault disputes;
ii. Limits your rights to make truthful statements or disclosures about any facts and circumstances related to any claim or allegation of unlawful or unsafe conduct or practices by the Company;
iii. Limits or affects your right to challenge the validity of this Agreement under the ADEA;
iv. Bars your from giving testimony pursuant to a compulsory legal process or as otherwise required by law;
v. Prevents a non-management, non-supervisory employee from engaging in protected concerted activity under §7 of the NLRA or similar state law such as joining, assisting, or forming a union, bargaining, picketing, striking, or participating in other activity for mutual aid or protection, or refuse to do so; this includes using or disclosing information acquired through lawful means regarding wages, hours, benefits, or other terms and conditions of employment, unless the information was

entrusted to the employee in confidence by the Company as part of the employee's job duties;

vi. Limits your right to speak with law enforcement, the Equal Employment Opportunity Commission, the New York state division of human rights, a local commission of human rights, the New York Attorney General, or an attorney retained by you regarding any factual information related to any future claim of unlawful discrimination, including discriminatory harassment or retaliation, by the Company; or

vii. Prohibits you from, without notice to the Company, filing a complaint or charge with a government authority, recognized self-regulatory organization or law enforcement agency (including, but not limited to, the Equal Employment Opportunity Commission, the National Labor Relations Board, the Occupational Safety and Health Administration and the Securities and Exchange Commission), communicating with a government authority, recognized self-regulatory organization or law enforcement agency, providing information to a government authority, recognized self-regulatory agency or law enforcement agency, participating in government authority, recognized self-regulatory organization or law enforcement agency investigations, or testifying in government authority, recognized self-regulatory organization or law enforcement agency proceedings, concerning any possible legal violations or from receiving a monetary award for information provided to a government agency, recognized self-regulatory authority or law enforcement agency.

The Company nonetheless asserts and does not waive its attorney-client privilege over any information appropriately protected by the privilege.

Further, notwithstanding any confidentiality provision to which you may be subject, you are hereby advised as follows pursuant to the Defend Trade Secrets Act: "An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that (A) is made (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual (A) files any document containing the trade secret under seal; and (B) does not disclose the trade secret, except pursuant to court order."

5. Non-Competition.

(a) You agree that you will not, without the prior written consent of the Company, directly or indirectly, either as an employee, consultant, contractor, investor, agent or in any other capacity:

(i) Beginning on your Retirement Date and thereafter through twelve (12) months following your Retirement Date, render the same or similar services as the services you provided for the Company (collectively "Competitive Services") to or for any person or business entity that sells, distributes, manufactures or develops Covered Products (a "Competitor") anywhere in the United States or in any other country where a Competitor competes with a Company business for which you provided material services or assistance;

(ii) Beginning on your Retirement Date and thereafter through twelve (12) months following your Retirement Date, recruit, hire, solicit or induce, or attempt to recruit, hire, solicit or induce, any Covered Employee or contractor of the Company to terminate their employment with or otherwise cease or reduce their relationship with the Company; or

(iii) Beginning on your Retirement Date and thereafter through twelve (12) months following your Retirement Date, knowingly engage in any conduct on behalf of yourself or another business entity that is intended to cause or could foreseeably cause Covered Customers or Covered Suppliers to cease or reduce doing business with the Company.

(b) As used in this paragraph: three (3) years prior to the Retirement Date is the "Look Back Period." "Covered Employees" are those Company employees you supervised, worked with, gained knowledge of, or obtained or had access to Confidential Information about during the Look Back Period. "Covered Customers" and "Covered Suppliers" are those you engaged with, supervised dealings with, or obtained or had access to Confidential Information about during the Look Back Period. If New York law controls, a Covered Customer will not include a customer of the Company that was a pre-existing customer of yours that became a customer of the Company solely as a result of your contact and business development efforts with the customer prior to and independent from your employment with the Company. "Covered Products" are the types of products, with respect to which you provided services for the Company or about which you obtained or had access to Confidential Information during the Look Back Period, and that were produced, marketed, sold, licensed or, to your knowledge, under development by a business of the Company, including, without limitation, any product that falls into one or more of the following categories: (i) in-home and commercial beverage systems, consumables, carbon dioxide gas refills, and ready-to-drink beverages, including without limitation carbonated soft drinks, tea, water, juices, juice drinks, juice products, sports drinks, energy drinks, alcoholic beverages, and coffee drinks; (ii) dairy products;

(iii) snacks, including salty snacks; fruit and vegetable snacks; dips and spreads; nuts; sweet snacks; meat snacks; granola, nutrition and cereal bars; and cookies; (iv) hot cereals and ready-to-eat cereals; (v) pancake mixes and pancake syrup; (vi) grain-based and/or grain-alternative/grain-free food products; (vii) pasta products; (viii) rice products; or (ix) sports performance nutrition products, including without limitation energy, protein, carbohydrate, nutrition and meal replacement chews, bars, powders, gels, drinks, or drink mixes.

(c) The provisions of this Section 5 shall not apply to prevent you and your immediate family from collectively being holders of up to five percent (5%) in the aggregate of any class of securities of any corporation engaged in the prohibited activities described above, provided that such securities are listed on a national securities exchange or registered under securities laws of Canada or the United States.

(d) Notwithstanding this Section 5, nothing in this Agreement bars you from engaging in the activities described in Section 4(b) above.

6. Non-Disparagement.

Except as permitted by Section 4(b) of this Agreement, you agree not to make any derogatory, disparaging or negative remarks, written or oral, regarding the Company or any of its officers, directors, employees, representatives, suppliers, customers, clients, products, or services to any third person or otherwise make any comment or communication casting such parties referenced in this Section 6 in a negative light.

For the avoidance of doubt, the non-disparagement obligation in this Agreement does not prevent you from exercising the right to speak with law enforcement, the Equal Employment Opportunity Commission, the New York state division of human rights, a local commission of human rights, the New York Attorney General, or an attorney retained by you regarding any factual information related to any future claim of unlawful discrimination, including discriminatory harassment or retaliation, by the Company.

7. Irreparable Harm, Reasonableness, Other Agreements.

You acknowledge that your breach or threatened breach of the terms of Sections 3, 4, 5 or 6 of this Agreement would result in material and irreparable injury to the Company, and that it would be difficult or impossible to establish the full monetary value of such damage. Therefore, the Company shall be eligible for injunctive relief in the event you breach or threaten breach of any of the terms contained in Sections 3, 4, 5 or 6 of this Agreement. In addition, you shall be required to indemnify and hold the Releasees (as defined below) harmless from any litigation cost (including attorneys' fees) incurred by them arising out of your breach or threatened breach of any terms contained in Sections 3, 4, 5, or 6 of this Agreement. The undertakings and obligations contained in Sections 3, 4, 5, 6 and 7 shall survive the termination of this Agreement, provided that you in all events retain at least $500 of benefits under this Agreement. Further, nothing in this Section is intended to bar you from, without notice to the Company, engaging in any of the activities described in Section 4(b) of this Agreement.

You agree that the covenants you have made in Sections 3, 4, 5 and 6 are reasonable with respect to their duration and description.

You acknowledge that, except as expressly set forth in Section 4(b), Sections 3, 4, 5, and 6 are not intended to supersede or limit your obligations under other agreements, which may be different from those contained in such sections. Other such agreements may include confidentiality, non-disclosure, trade secret or assignment-of-invention agreements previously executed by you in favor of the Company. You affirm and agree to be bound by the terms and provisions of such documents if you previously executed such documents. Except as expressly set forth in Section 4(b), any such agreement(s) shall remain in full force and effect and are incorporated herein by reference and made a part of this Agreement.

8. Releases.

In consideration of your continued employment through the Retirement Date and the benefits and compensation to be paid or provided pursuant to this Agreement, which you acknowledge and agree you are not otherwise entitled to, you hereby both now and by ratifying this Agreement within twenty-one (21) days following your Retirement Date release and discharge the Company, any related or successor corporation or other entity, its employee benefits plans and programs, and all of their respective past, present and future officers, directors, employees, agents, representatives, stockholders, trusts, plan sponsors, fiduciaries, administrators, and trustees, as well as the past, present, and future officers, directors, employees, agents, representatives, and stockholders of each such plan sponsor, fiduciary, administrator or trustee (collectively, the "Releasees") from any and all claims, losses, expenses, liabilities, rights, and entitlements of every kind and description (collectively referred to as "Claims"), you may have or have had or may later

claim to have had against any Releasee arising out of anything that has occurred up through the later of (i) the date you sign this Agreement, or (ii) the date you subsequently ratify this Agreement. This release applies, whether such Claims are known or unknown, including without limitation, any Claims arising out of or related to your employment with the Company or your separation from employment with the Company. This release includes, but is not limited to, any Claims for back pay, attorneys' fees, reinstatement, personal injuries, wrongful termination, negligence, emotional distress, defamation, breach of contract (express or implied), breach of any covenant of good faith and fair dealing (express or implied), breach of fiduciary duty, or for recovery of any losses or other damages to you or your property or plan interests or for any equitable relief based on any alleged unlawful discrimination, harassment, retaliation, or failure to accommodate or engage in the interactive accommodation process; the terms and conditions of employment; compensation and benefits; denial of substantive rights, and/ or the termination of employment in violation of state or federal law, such as (but not limited to) Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1866, the Worker Adjustment and Retraining Notification Act, the Age Discrimination in Employment Act of 1967 ("ADEA"), the Americans with Disabilities Act of 1990, the Family and Medical Leave Act of 1993, the Equal Pay Act, the Employee Retirement Income Security Act of 1974 ("ERISA"), the Uniformed Services Employment and Reemployment Rights Act, the National Labor Relations Act ("NLRA"), the New York Human Rights Law, the New York Equal Rights Law, the Westchester County Human Rights Law, as these laws may be amended from time to time; and all other applicable federal, state and local laws, regulations, administrative guidance, and ordinances providing protections similar to those provided under the above-specified laws, or under any common law doctrine; and under any Company policy, practice, procedure, collective bargaining agreement, or grievance procedure.

This release of claims does not apply to (a) any claims or rights that may arise after you sign and/or ratify this Agreement; (b) the Company's expense reimbursement policies; and (c) any claims that the controlling law clearly states may not be released by private agreement. Further, this Agreement does not release any pension plan from any individual (*i.e.*, non-class action) Claims for accrued and vested tax-qualified pension benefits as determined under the express terms of the Company's applicable and governing plans (based on the formal written plan terms effective and adopted by the date of this Agreement, but giving effect to the plan fiduciary's right of discretionary interpretation of such terms and expressly barring all claims for breach of fiduciary duty and claims for welfare benefits). Notwithstanding this Section, nothing in this Agreement prevents you from, without notice to the Company, engaging in any of the activities described in Section 4(b) above (including receiving an award for information provided to a governmental agency).

You represent and warrant that to date you have (a) received any and all wages owed for work performed for the Company, (b) not been made aware of any facts or circumstances which might constitute a violation of PepsiCo's Code of Conduct or its

corporate policies that you have not reported, (c) reported to the Company any and all work-related injuries or occupational disease incurred by you during your employment by the Company, (d) been properly provided any leave requested because of your or a family member's health condition or military service and have not been subjected to any improper treatment, due to a request for or taking such leave, and (e) no pending claim against the Company or any other Releasee for sexual assault; sexual harassment; or unlawful workplace harassment or discrimination, failure to prevent an act of workplace harassment or discrimination, or act of retaliation against a person for reporting or opposing harassment or discrimination whether or not filed in a court or government agency proceeding, in an alternative dispute resolution forum, or through the Company's internal complaint process.

9. Covenant Not to Sue.

You promise not to file, pursue, participate in or be part of a lawsuit or arbitration proceeding asserting any claims that are covered by and not expressly excluded from the release of Claims above. You agree that if you breach this promise not to sue or fail to comply with your obligations under this Agreement, the Company (a) may terminate your employment and any continued eligibility for benefits and compensation provided under this Agreement that you would not otherwise be entitled to (including, for the avoidance of doubt, any pro-rata 2026 bonus and/or any 2026 long-term incentive award), and (b) shall be entitled to recover all such benefits previously paid to you except for $500, which you will retain as consideration for the Release in Section 8 above. Alternatively, at the Company's option, you shall be required to indemnify and hold the Releasees harmless from any loss, cost, damage or expense (including attorney's fees) incurred by them arising out of your breach of this covenant not to sue. Although you agree that you are releasing claims under the ADEA, this promise not to sue shall not apply to any Claim to enforce this Agreement or to challenge the validity of this Agreement under the ADEA. This provision is not intended to preclude otherwise available recovery of attorneys' fees or cost specifically authorized under applicable law. Notwithstanding this Section, nothing in this Agreement prevents you from, without notice to the Company, engaging in any of the activities described in Section 4(b) above (including receiving an award for information provided to a governmental agency).

10. Consideration and Revocation of the Agreement.

You understand and acknowledge that you have had the opportunity to seek, and you hereby are advised in writing to seek, legal counsel prior to signing this Agreement. You further understand and acknowledge that you have at least twenty-one (21) days from the date you received this Agreement and any attached information to consider the terms of this Agreement before signing it ("Consideration Period"). In the event you choose to sign this Agreement prior to the expiration of the Consideration Period, you represent that you are knowingly and voluntarily waiving the remainder of the Consideration Period. You acknowledge and represent that the Company has made no

threats or promises to induce you to sign earlier. You understand that having waived some portion of the Consideration Period, the Company may expedite the processing of benefits provided to you in exchange for signing this Release. You agree with the Company that changes, whether material or immaterial, do not restart the running of the Consideration Period. You also understand that, for a period of up to and including 7 calendar days after the date you sign this Agreement, you may revoke this Agreement ("Revocation Period"). You understand that this Agreement will not be effective until after this Revocation Period has expired, and you will not be entitled to receive any benefits provided under this Agreement until after the Agreement becomes effective. If the Revocation Period expires on a weekend or holiday, you understand that you have until the end of the next business day to revoke. You agree to return your signed Agreement and any written revocation to the undersigned Company representative.

11. Miscellaneous.

(a) Anything to the contrary herein notwithstanding, the Company shall, and is hereby authorized to, withhold or deduct from any amounts payable by the Company to you, your beneficiary or your legal representative under this Agreement, any federal, state or municipal taxes, social security contributions or other amounts required to be withheld by law, and to remit such amounts to the proper authorities. The Company is also hereby authorized to withhold or deduct appropriate amounts with respect to any benefit plans or programs or other elections made by you.

(b) Except as otherwise permitted by Section 4(b) of this Agreement, you agree to provide accurate information or testimony or both in connection with any legal matters if so requested by the Company. Additionally, if requested by the Company, you agree to make yourself available upon request to provide such information and/or testimony, in a formal and/or informal setting in accordance with the Company's request, subject to reasonable accommodation of your schedule and reimbursement of reasonable expenses, including reasonable and necessary attorney fees (if independent legal counsel is reasonably necessary).

(c) If this letter correctly sets forth the Agreement between you and PepsiCo, please sign and return your signed Agreement. You may sign the Agreement by handwriting or typing your signature in the space provided below. By typing your name below, you understand that you are (a) accepting the terms and conditions of the Agreement, and (b) agreeing that your typed name is your electronic signature and valid to demonstrate acceptance of this Agreement. You further understand and agree that your electronic signature is as legally binding as an ink signature. If you manually sign the Agreement, please scan your signed Agreement, and return it by email or mail it to the undersigned Company representative. You may also email or mail your signed Agreement with a typewritten signature.

(d) This Agreement, including all attachments, contains all of the undertakings and agreements between the Company and you pertaining to your separation from the Company and supersedes all previous undertakings and agreements, whether oral or in writing, between the Company and you pertaining to your separation from the Company. No provision of this Agreement may be changed or waived unless such change or waiver is agreed to in writing, signed by you and a duly authorized employee of the Company. Except as otherwise specifically provided in this Agreement, no waiver by either the Company or you of any breach by the other of any condition or provision shall be deemed a waiver of a similar or dissimilar provision or condition at the same time or any prior or subsequent time. This Agreement is not, and shall not be interpreted or construed as, an admission or indication that the Company has engaged in any wrongful or unlawful conduct of any kind.

(e) No rights or obligations under this Agreement can be assigned or transferred by you, except as they may be transferred by will or by operation of law. This Agreement shall be binding upon and shall be for the benefit of the Company, its successors and assigns and you and, in the event of your death, your estate or legal representative.

(f) The parties to this Agreement mutually agree that if any clause of this Agreement, except the release of claims in Section 8 above, should ever be determined to be unenforceable, this will not affect the enforceability of any other clause or the remainder of this Agreement. If an authorized court or authorized arbitrator ("adjudicator") determines that a restrictive covenant applicable to you cannot be enforced as written in some part (such as time, scope of activity, or geography), the parties agree to the adjudicator's enforcement of the restrictions in the covenant to such lesser extent as would make the obligation reasonable and enforceable, and/or to the reformation of the restriction to make it enforceable. Moreover, the adjudicator shall interpret and reform the otherwise unenforceable provision to make it enforceable so as to comply with legal requirements and the intent of the parties. You hereby agree that the Company will have the right, through a written notice to you, to rescind any restriction placed upon you or to reduce the boundaries of any restriction applicable to you under this Agreement (such as time, scope of activity, or geography) at any time as it deems necessary to make the restriction reasonable and enforceable, and if this occurs the Agreement will be interpreted and applied as if such reduction was in the Agreement as originally entered into by the parties.

(g) The parties intend that you will continue to provide substantial services to the Company through your Retirement Date, such that a "separation from service" will not occur under Section 409A of the Internal Revenue Code ("Section 409A") until your Retirement Date, and that this Agreement will be interpreted so that (i) each installment of salary shall be deemed a separate payment of current compensation for purposes of Section 409A payable at standard payroll intervals, (ii) salary, annual bonus amounts,

PSUs and stock option rights (if any), will be exempt from Section 409A to the maximum extent possible as current compensation, short term deferrals or under the exemptions for options or separation pay under Treas. Reg. § 1.409A-1(b)(9)(iii), or shall comply with the Section 409A payment rules to the extent that they are not otherwise exempt from Section 409A, (iii) reimbursements and in-kind benefits, to the extent not exempt from Section 409A, will comply with Section 409A by the Company's completing all payments not later than the calendar year after the related expense is incurred, and by the amount eligible in a year not affecting those eligible in any other year, and the payments not being eligible for liquidation or exchange, and (iv) any reduction under this Agreement of payments which you would otherwise receive, for amounts owed to the Company shall apply to payments that are subject to Section 409A only to the extent permissible under Section 409A. In addition, the parties intend that this Agreement will be interpreted so that ARC Equalization Plan and PEP benefits will comply with Section 409A. In the case of payments of Section 409A compensation related to separation from service, compliance with Section 409A will include a six-month delay in the commencement of such payments to the extent required for Key Employees (as defined in Section 409A and consistent with the Company's other Section 409A plans). In addition, the Agreement will also be interpreted to permit the Pension Plan and the Savings Plan to retain their status as tax-qualified plans. However, you acknowledge and agree that the Company does not guarantee any particular tax treatment and that you are solely responsible for any taxes that you owe as a result of this Agreement.

(h) Unless federal law governs, this Agreement shall be governed by and construed in accordance with the laws of the State of New York. The captions are utilized for convenience only, and do not operate to explain or limit the provisions of this Agreement.

(i) While every attempt has been made to ensure the accuracy of the information in this Agreement, in the event of a discrepancy between the information in (i) this Agreement and (ii) the terms of the applicable plan document, the terms of the official plan document shall control.

By signing below, you acknowledge and agree that you have read this Agreement; that you fully understand this Agreement and its legal and binding effect; that you were not coerced into signing it and are acting voluntarily, deliberately, and of your own free will in signing this Agreement; and that the Company has provided you with all information needed to make an informed decision to sign this Agreement, notice of and an opportunity to retain an attorney, and an opportunity to ask questions. We would appreciate you indicating your understanding and acceptance of this Agreement by signing below.

Very truly yours,

PepsiCo, Inc.

By: /s/ Becky Schmitt
Becky Schmitt
Executive Vice President and
Chief People Officer

The undersigned agrees to and accepts the terms and provisions of the foregoing Agreement.

/s/ James Caulfield
James Caulfield

October 8, 2025
Date

TO BE COMPLETED ON OR WITHIN TWENTY-ONE (21) DAYS FOLLOWING THE RETIREMENT DATE.

The undersigned hereby ratifies this Agreement as of the date written below.

_____
James Caulfield

_____
Date

Exhibit 10.26

2025 PEPSICO LONG-TERM INCENTIVE AWARD

SPECIAL RESTRICTED STOCK UNITS
TERMS AND CONDITIONS

These Terms and Conditions (including the country-specific terms set forth in the attached Addendum), along with the 2025 PepsiCo Long-Term Incentive Special Restricted Stock Units Award Summary provided to the Participant (the "**Award Summary**"), and signed by Stephen T. Schmitt, the individual named on the Award Summary, (the "**Participant**"), shall together constitute an agreement (this "**Agreement**") effective as of the "grant date" indicated on the Award Summary (the "**Grant Date**"), by and between PepsiCo, Inc., a North Carolina corporation having its principal office at 700 Anderson Hill Road, Purchase, New York 10577 ("**PepsiCo**," and with its divisions and direct and indirect subsidiaries, the "**Company**"), and the Participant.

W I T N E S S E T H:

WHEREAS, the Board of Directors and shareholders of PepsiCo have approved the PepsiCo, Inc. Long-Term Incentive Plan (the "**Plan**"), for the purposes and subject to the provisions set forth in the Plan; and

WHEREAS, pursuant to the authority granted to it in the Plan, the Compensation Committee of the Board of Directors of PepsiCo (the "**Committee**") or its delegate authorized, on or prior to the Grant Date, the grant to the Participant of the PepsiCo restricted stock units ("**RSUs**") on the Grant Date and in the amounts set forth on the Award Summary; and

WHEREAS, awards granted under the Plan are to be evidenced by an Agreement in such form and containing such terms and conditions as the Committee shall determine.

NOW, THEREFORE, it is mutually agreed as follows:

A. Terms and Conditions Applicable to RSUs. These terms and conditions shall apply with respect to the RSUs, if any, granted to the Participant as indicated on the Award Summary.

1. Grant. In consideration of the Participant remaining in the employ of the Company and agreeing to be bound by the covenants of Paragraph B, PepsiCo hereby grants to the Participant, on the terms and conditions set forth herein, the number of RSUs as indicated on the Award Summary (the "**RSUs**").

2. Vesting. Subject to the terms and conditions set forth herein, 50% of the number of RSUs specified on the Award Summary shall become vested on each of the first and second anniversaries of the Grant Date (each such date, an "**RSU Vesting Date**") and such vested RSUs shall be paid as soon as practicable after that date. Subject to Paragraphs A.4(b) and (c) below, RSUs may vest only while the Participant is actively employed by the Company.

3. Payment. RSUs that vest and become payable shall be settled in shares of PepsiCo Common Stock with the Participant receiving one share of PepsiCo Common Stock for each vested RSU. No fractional shares shall be delivered under this Agreement, and so any fractional share that may be payable shall be rounded to the nearest whole share. Any amount that the Company may be required to withhold upon the settlement of RSUs and/or the payment of dividend equivalents (see Paragraph A.5 below) in respect of applicable foreign, federal (including FICA), state and local taxes, must be paid in full at the time of the issuance of shares or payment of cash. Unless the Participant makes other arrangements to satisfy this withholding obligation in accordance with procedures approved by the Company in its discretion, the Company shall withhold shares to satisfy the required withholding obligation related to the settlement of RSUs. In the event the Participant is subject to Section 16 of the Securities Exchange Act of 1934 at the time of payment, payment tax withholding shall be accomplished by net share settlement with the Company in accordance with procedures approved by the Company in its discretion.

4. Effect of Termination of Employment, Death and Total Disability.

(a) Termination of Employment. RSUs may vest and become payable only while the Participant is actively employed by the Company. Thus, vesting ceases upon the termination of the Participant's active employment with the Company. Subject to subparagraphs 4(b) and (c), all unvested RSUs shall automatically be forfeited and cancelled upon the date that the Participant's active employment with the Company terminates. An authorized severance leave of absence will not be treated as active employment, and, as a result, the vesting of RSUs will not be extended by any such period.

(b) Termination without Cause or Death or Total Disability. If the Participant's employment with the Company terminates as a result of (i) an involuntary termination by the Company without Cause or (ii) by reason of the Participant's death or Total Disability, then any unvested RSUs shall become fully vested on the Participant's last day of active employment with the Company (which, for purposes of Total Disability, means the effective date of Total Disability) and will be paid as soon as practicable after that date, net of any RSUs previously paid out.

(c) Transfers to a Related Entity. In the event the Participant transfers to a Related Entity and such transfer is arranged and approved by PepsiCo, the RSUs shall continue to vest (and their time of payment shall be determined) after such transfer by treating the Participant's employment with the Related Entity as employment with the Company for purposes of this Agreement.

(d) Other Termination. For purposes of clarity of subparagraph 4(a) above, in the event that, prior to the vesting of the RSUs, the Participant ceases active employment with the Company for any reason not specified in subparagraphs 4(b) or 4(c) above (such as the Participant's resignation or retirement), then all unvested RSUs shall automatically be forfeited and cancelled upon the date that the Participant's active employment with the Company terminates.

5. Dividend Equivalents. During the period commencing on the Grant Date and ending on each RSU Vesting Date, the Participant shall accumulate dividend equivalents with respect to the RSUs, which dividend equivalents shall be paid in cash (without interest) to the Participant only if and when the applicable RSUs vest and become payable. Dividend equivalents shall equal the dividends actually paid with respect to PepsiCo Common Stock during the RSU vesting period while (and to the extent) the RSUs remain outstanding and unpaid. Upon the forfeiture of RSUs, any accumulated dividend equivalents attributable to such RSUs shall also be forfeited.

6. No Rights as Shareholder. The Participant shall have no rights as a holder of PepsiCo Common Stock with respect to the RSUs granted hereunder unless and until such RSUs have been settled in shares of PepsiCo Common Stock that have been registered in the Participant's name as owner.

B. Prohibited Conduct. In consideration of the Company disclosing and providing access to Confidential Information, as more fully described in Paragraph B.2 below, after the date hereof, the grant by the Company of the RSUs, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Participant and the Company, intending to be legally bound, hereby agree as follows.

1. Non-Competition and Non-Solicitation. To the extent permissible by applicable laws and rules, the Participant hereby covenants and agrees that at all times during his or her employment with the Company and for a period of twelve months after the termination of the Participant's employment with the Company for any reason whatsoever (including a termination due to the Participant's retirement), he or she will not, without the prior written consent of PepsiCo's chief people officer or chief legal officer, directly or indirectly, either as an employee, consultant, contractor, investor, agent or in any other capacity, engage in any activities prohibited in the following Paragraphs B.1(a) through (c):

(a) Render the same or similar services as the services the Participant provided for the Company (collectively "Competitive Services") to or for any person or business entity that sells, distributes, manufactures or develops Covered Products (as defined below) (a "Competitor") anywhere in the United States or in any other country where a Competitor competes with a Company business for which the Participant provided material services or assistance;

(b) Recruit, hire, solicit or induce, or attempt to recruit, hire, solicit or induce, any Covered Employee (as defined below) or contractor of the Company to terminate their employment with or otherwise cease or reduce their relationship with the Company; or

(c) Knowingly engage in any conduct on behalf of another business that is intended to cause or could foreseeably cause Covered Customers or Covered Suppliers (as defined below) to cease or reduce doing business with the Company.

Notwithstanding anything in this Paragraph B.1, the Participant shall not be considered to be in violation of Paragraph B.1(a) solely by reason of owning, directly or indirectly, up to five

percent (5%) in the aggregate of any class of securities of any publicly traded corporation engaged in the prohibited activities described in Paragraph B.1(a).

Notwithstanding anything in this Paragraph B.1, nothing in this Agreement bars the Participant from engaging in Protected Activity (as defined below).

The Company advises the Participant to consult with an attorney regarding the provisions in this Paragraph B.1 before accepting this Agreement. Participant agrees and acknowledges that Participant has been given at least fourteen (14) days in which to consider these restrictions before entering into this Agreement. Part of the consideration described in the Award Summary and provided under this Agreement is in exchange for the Participant's promises in this Paragraph B.1, Non-Competition and Non-Solicitation.

2. Non-Disclosure. In order to assist the Participant with his or her duties, the Company shall continue to provide the Participant with access to Confidential Information and proprietary operational information that is either information not known by actual or potential competitors, customers and third parties of the Company or is proprietary information of the Company. "**Confidential Information**" consists of information and compilations of information, in any form (tangible or intangible), related to the Company's business and of value to it that the Participant first gained knowledge of or access to as a consequence of the Participant's employment with the Company if the Company has not made it public or authorized public disclosure of it and it is not readily available through lawful and proper means to the public or others in the industry who have no obligation to keep it confidential. Confidential Information includes, but is not limited to, technical or non-technical data, a formula (including cost and/or pricing formula), pattern (including pricing and discount history), compilation, program, device, method (including cost and/or pricing methods, marketing programs and operating methods), technique, drawing, process, financial data, or list of actual or potential customers or suppliers. The Participant agrees that, pursuant to Paragraph B.3 below, the Participant will retain no copies or records of Confidential Information after the Participant's employment with the Company ends. The Participant acknowledges that during the course of the Participant's relationship with the Company, the Participant has learned and will continue to learn important Confidential Information related to the Company's business. The Participant also acknowledges that such Confidential Information is not generally available to the public and includes, but is not limited to, information about the Company's customers (e.g., names, contacts, requirements, nature of accounts, terms, rates and prices, and costs), operations (e.g., production, marketing and distribution processes, techniques, methods and plans), and finances and business (e.g., information regarding ownership; information regarding personnel entrusted to the Participant in confidence as part of the Participant's job duties; sources, availability and cost of supplies and materials; financial data relating to projected and historical sales, income, expenses, profits and general financial standing). The Participant agrees that such Confidential Information remains confidential even if committed to the Participant's memory. The Participant agrees, during the term of his or her employment and at all times thereafter, not to use, divulge, or furnish or make accessible to any third party, company, corporation or other organization (including but not limited to, customers or competitors of the Company), without the Company's prior written consent, any Confidential Information of the Company, except as necessary in his or her position

with the Company or as permitted below with respect to Protected Activity (as defined below). The Participant understands and agrees that "Confidential Information" protected in this Agreement is hereby amended to exclude information protected as Protected Activity (as defined below).

Notwithstanding the foregoing, nothing in this Agreement, the Plan, any other Award made under the Plan or in any other confidentiality provision to which the Participant may be subject as a result of the Participant's employment with the Company shall: (1) limit the Participant's rights to make truthful statements or disclosures about any facts and circumstances related to any claim or allegation of unlawful discrimination by the Company and, for Participants located in California, shall not prevent such California Participant from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that the Participant has reason to believe is unlawful or violates public policy; (2) bar the Participant from giving testimony pursuant to a compulsory legal process or as otherwise required by law; or (3) prohibit the Participant from, without notice to the Company, filing a complaint or charge with a government authority, recognized self-regulatory organization or law enforcement agency (including, but not limited to, the Equal Employment Opportunity Commission and the Securities and Exchange Commission), communicating with a government authority, recognized self-regulatory organization or law enforcement agency, providing information to a government authority, recognized self-regulatory organization or law enforcement agency, participating in government authority, recognized self-regulatory organization or law enforcement agency investigations, or testifying in government authority, recognized self-regulatory organization or law enforcement agency proceedings concerning any possible legal violations or from receiving a monetary award for information provided to a government agency (collectively, "Protected Activity"). The Company nonetheless asserts and does not waive its attorney-client privilege over any information appropriately protected by the privilege. Further, notwithstanding any confidentiality provision to which the Participant may be subject, the Participant is hereby advised as follows pursuant to the Defend Trade Secrets Act: "An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that (A) is made (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual (A) files any document containing the trade secret under seal; and (B) does not disclose the trade secret, except pursuant to court order."

3. Return of Confidential Information and Company Property. The Participant further represents that whenever the Participant's employment with the Company ends for any reason, Participant will return to the Company any Company property in Participant's possession, including Company information, however stored (i.e., hard-copy documentation or electronically stored information on whatever media or in whatever format) and tangible equipment. This includes but is not limited to Confidential Information (as defined in Paragraph B.2 above),

other information regarding the Company's business plans, programs, processes, methods or decisions, as well as credit cards, keys, identification cards, cellular phones, pagers, iPhones, iPads, fax or computer equipment, etc. Any credit cards issued to Participant by the Company will be discontinued as of Participant's last day of active employment. To the extent Participant has any such Company property (including Confidential Information) stored on any personal digital assistant, personal computer, personal email or cloud accounts, or any other storage device, Participant agrees to promptly provide a copy of all such property and information to the Company upon the termination of Participant's active employment and to permanently delete all such property and information from such personal devices and accounts unless directed otherwise by the Company.

4. Misconduct. During the term of his employment with the Company, the Participant shall not engage in any of the acts as set forth in the definition of Cause in Paragraph C.3(a) below ; provided, however that nothing in this paragraph is intended to bar the Participant from engaging in Protected Activity.

5. Reasonableness of Provisions. The Participant agrees that: (a) the terms and provisions of this Agreement are reasonable and constitute an otherwise enforceable agreement to which the terms and provisions of this Paragraph B are ancillary or a part of; (b) the consideration provided by the Company under this Agreement is not illusory; (c) the restrictions contained in this Paragraph B are necessary and reasonable for the protection of the legitimate business interests and goodwill of the Company; and (d) the consideration given by the Company under this Agreement, including, without limitation, the provision by the Company of Confidential Information to the Participant, gives rise to the Company's interest in the covenants set forth in this Paragraph B.

6. Repayment and Forfeiture. The Participant specifically recognizes and affirms that each of the covenants contained in Paragraphs B.1 through B.4 of this Agreement is a material and important term of this Agreement that has induced the Company to provide for the award of the RSUs granted hereunder, the disclosure of Confidential Information referenced herein, and the other promises made by the Company herein. The Participant further agrees that in the event that (i) the Company determines that the Participant has breached any term of Paragraphs B.1 through B.4 or (ii) all or any part of Paragraph B is held or found invalid or unenforceable for any reason whatsoever by a court of competent jurisdiction in an action between the Participant and the Company, in addition to any other remedies at law or in equity the Company may have available to it, the Company may in its sole discretion:

(a) cancel any unpaid RSUs granted hereunder; and/or

(b) require the Participant to pay to the Company the value (determined as of the date paid) of any RSUs granted hereunder that have been paid out.

In addition to the provisions of this Paragraph B.6, the Participant agrees that he or she will be bound by the terms of the Company's Compensation Recovery Policy for Covered

Executives (or any successor policy), as applicable, and any Company compensation clawback policy applicable to the Participant that the Company may adopt from time to time.

7. Equitable Relief. In the event the Company determines that the Participant has breached or attempted or threatened to breach any term of Paragraph B, in addition to any other remedies at law or in equity the Company may have available to it, it is agreed that the Company shall be entitled, upon application to any court of proper jurisdiction, to a temporary restraining order or preliminary injunction (without the necessity of (a) proving irreparable harm, (b) establishing that monetary damages are inadequate or (c) posting any bond with respect thereto) against the Participant prohibiting such breach or attempted or threatened breach by proving only the existence of such breach or attempted or threatened breach.

8. Extension of Restrictive Period. The Participant agrees that the period during which the covenants contained in this Paragraph B shall be effective shall be computed by excluding from such computation any time during which the Participant is in violation of any provision of Paragraph B.

9. Acknowledgments. The Company and the Participant agree that it was their intent to enter into a valid and enforceable agreement. The Participant and the Company thereby acknowledge, to the extent permissible by applicable laws and rules, the reasonableness of the restrictions set forth in Paragraph B, including the reasonableness of the geographic area, duration as to time and scope of activity restrained. To the extent permissible by applicable laws and rules, the Participant further acknowledges that his or her skills are such that he or she can be gainfully employed in noncompetitive employment and that the agreement not to compete will not prevent him or her from earning a living. The Participant agrees that if any covenant contained in Paragraph B of this Agreement is found by a court of competent jurisdiction to contain limitations as to time, geographical area, or scope of activity that are not reasonable and impose a greater restraint than is necessary to protect the goodwill or other business interest of the Company, then the court shall reform the covenant to the extent necessary to cause the limitations contained in the covenant as to time, geographical area, and scope of activity to be restrained to be reasonable and to impose a restraint that is not greater than necessary to protect the goodwill and other business interests of the Company and to enforce the covenants as reformed.

10. Provisions Independent. The covenants on the part of the Participant in this Paragraph B shall be construed as an agreement independent of any other agreement, including any employee benefit agreement, and independent of any other provision of this Agreement, and the existence of any claim or cause of action of the Participant against the Company, whether predicated upon this Agreement or otherwise, shall not constitute a defense to the enforcement by the Company of such covenants.

11. Notification of Subsequent Employer. The Participant agrees that the Company may notify any person or entity employing the Participant or evidencing an intention of employing the Participant of the existence and provisions of this Agreement.

12. Transfers to a Related Entity. In the event the Participant transfers to a Related Entity as a result of actions by PepsiCo, any reference to "Company" in this Paragraph B shall be deemed to refer to such Related Entity in addition to the Company.

C. Additional Terms and Conditions.

1. Adjustment for Change in PepsiCo Common Stock. In the event of any change in the outstanding shares of PepsiCo Common Stock by reason of any stock split, stock dividend, recapitalization, reorganization, merger, consolidation, combination or exchange of shares, spin-off or other similar corporate change, the number and type of shares to which the RSUs held by the Participant relate shall be adjusted, as may be, and to such extent (if any), determined to be appropriate and equitable by the Committee.

2. Nontransferability. Unless the Committee specifically determines otherwise: (a) the RSUs are personal to the Participant, and (b) the RSUs shall not be transferable or assignable, other than in the case of the Participant's death by will or the laws of descent and distribution, and any such purported transfer or assignment shall be null and void.

3. Definitions. As used in this Agreement, the following terms shall have the meanings set forth below:

(a) "**Cause"** means the occurrence of any of the following acts provided they are determined in good faith and with commercial reasonableness to be materially adverse to the Company's best interests after consideration of all the relevant facts and the totality of the circumstances: (i) knowingly breaching any contract; provided, however that if such breach is reasonably capable of being cured, the Company shall first provide written notification of the occurrence of the breach to the Participant sufficiently detailing such breach and the Participant shall have a reasonable period of time not to exceed fifteen (15) days after the Participant's actual receipt of such notice to cure such breach to the reasonable, good faith satisfaction of the Company; (ii) violating any obligation to the Company, including the Company's Code of Conduct, Insider Trading Policy or any other written policies of the Company which have been provided to the Participant prior to the commission of such violation; (iii) unlawfully trading in the securities of PepsiCo or of any other company based on information gained as a result of the Participant's employment with the Company; (iv) committing acts involving gross misconduct in the performance of employment duties, dishonesty, fraud, illegality, or moral turpitude, or that cause or contribute to the need for an accounting adjustment to PepsiCo's financial results; or (v) knowingly engaging in gross misconduct that is detrimental to or reflects unfavorably upon the Company or its brands, services, or products; provided, however that nothing in this paragraph is intended to bar the Participant from engaging in Protected Activity (as defined in Paragraph B.2 above).

(b) "**Covered Customer"** are those the Participant engaged with, supervised dealings with, or obtained or had access to Confidential Information about during the Look Back Period. If New York law controls, a Covered Customer will not include a customer of Company that was a pre-existing customer of the Participant that became a customer of the Company solely as a

result of the Participant's contact and business development efforts with the customer prior to and independent from the Participant's employment with the Company.

(c) "**Covered Employees**" are those Company employees the Participant supervised, worked with, gained knowledge of, or obtained or had access to Confidential Information about during the Look Back Period.

(d) "**Covered Products**" are the types of products, with respect to which the Participant provided services for the Company or about which the Participant obtained or had access to Confidential Information during the Look Back Period, and that were produced, marketed, sold, licensed or, to the Participant's knowledge, under development by a business of the Company, including, without limitation, any product that falls into one or more of the following categories: (i) in-home and commercial beverage systems, consumables, carbon dioxide gas refills, and ready-to-drink beverages, including without limitation carbonated soft drinks, tea, water, juices, juice drinks, juice products, sports drinks, energy drinks, alcoholic beverages, and coffee drinks; (ii) dairy products; (iii) snacks, including salty snacks; fruit and vegetable snacks; dips and spreads; sweet snacks; meat snacks; granola, nutrition and cereal bars; and cookies; (iv) hot cereals and ready-to-eat cereals; (v) pancake mixes and pancake syrup; (vi) grain-based food products; (vii) pasta products; or (viii) sports performance nutrition products, including without limitation energy, protein, carbohydrate, nutrition and meal replacement chews, bars, powders, gels, drinks, or drink mixes.

(e) "**Covered Suppliers"** are those the Participant engaged with, supervised dealings with, or obtained or had access to Confidential Information about during the Look Back Period.

(f) "**Fair Market Value**" of a share of PepsiCo Common Stock on any date shall mean an amount equal to the average of the high and low market prices at which a share of PepsiCo Common Stock shall have been sold on such date, or the immediately preceding trading day if such date was not a trading day, as reported by Bloomberg, L.P., or any successor thereto or any other financial reporting service selected by PepsiCo in good faith.

(g) "**Look Back Period**" means the three (3) years prior to the Participant's termination of employment with the Company.

(h) "**Participation**" shall be construed broadly to include, without limitation: (i) serving as a director, officer, employee consultant or contractor with respect to such a business entity; (ii) providing input, advice, guidance or suggestions to such a business entity; or (iii) providing a recommendation or testimonial on behalf of such a business entity or one or more products it produces.

(i) "**Related Entity**" shall mean any entity (i) as to which PepsiCo directly or indirectly owns 20% or more, but less than a majority, of the entity's voting securities, general partnership interests, or other voting or management rights at the relevant time and (ii) which the Committee or its delegate deems in its sole discretion to be a related entity at the relevant time.

(j) "**Total Disability**" shall mean being considered totally disabled under the PepsiCo Long-Term Disability Program (as amended and restated from time to time), with such status having resulted in benefit payments from such plan or another Company-sponsored disability plan and 12 months having elapsed during which the Participant was so considered to be disabled from the cause of the current disability. The effective date of a Participant's Total Disability shall be the first day that all of the foregoing requirements are met.

4. Notices. Any notice to be given to PepsiCo in connection with the terms of this Agreement shall be addressed to PepsiCo at 700 Anderson Hill Road, Purchase, New York 10577, Attention: Senior Vice President, Global Total Rewards, or such other address as PepsiCo may hereafter designate to the Participant. Any such notice shall be deemed to have been duly given when personally delivered, addressed as aforesaid, or when enclosed in a properly sealed envelope or wrapper, addressed as aforesaid, and deposited, postage prepaid, with the federal postal service.

5. Binding Effect. This Agreement shall be binding upon and inure to the benefit of any assignee or successor in interest to PepsiCo, whether by merger, consolidation or the sale of all or substantially all of PepsiCo's assets. PepsiCo will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of PepsiCo expressly to assume and agree to perform this Agreement in the same manner and to the same extent that PepsiCo would be required to perform it if no such succession had taken place. This Agreement shall be binding upon and inure to the benefit of the Participant or his or her legal representative and any person to whom the RSUs may be transferred by will or the applicable laws of descent and distribution.

6. No Contract of Employment; Agreement's Survival. This Agreement is not a contract of employment. This Agreement does not impose on the Company any obligation to retain the Participant in its employ and shall not interfere with the ability of the Company to terminate the Participant's employment relationship at any time. This Agreement shall survive the termination of the Participant's employment for any reason. If an entity ceases to be a majority-owned subsidiary of PepsiCo for purposes of Rule 12b-2 of the Securities Exchange Act of 1934 or a Related Entity, such cessation shall, for purposes of this Agreement, be deemed to be a termination of employment with the Company with respect to any Participant employed by such entity, unless the Committee or its delegate determines otherwise in its sole discretion.

7. Registration, Listing and Qualification of Shares of PepsiCo Common Stock. The Committee may require that the Participant make such representations and agreements and furnish such information as the Committee deems appropriate to assure compliance with or exemption from the requirements of any securities exchange, any foreign, federal, state or local law, any governmental regulatory body, or any other applicable legal requirement, and PepsiCo Common Stock shall not be issued unless and until the Participant makes such representations and agreements and furnishes such information as the Committee deems appropriate.

8. Amendment; Waiver. The terms and conditions of this Agreement may be amended in writing by the chief people officer or chief legal officer of PepsiCo (or either of their delegates);

provided, however, that (i) no such amendment shall adversely affect the awards granted hereunder without the Participant's written consent (except to the extent the Committee reasonably determines that such amendment is necessary or appropriate to comply with applicable law, including the provisions of Section 409A of the Internal Revenue Code of 1986, as amended (the "**Code**") and the regulations thereunder pertaining to the deferral of compensation, or the rules and regulations of any stock exchange on which PepsiCo Common Stock is listed or quoted); and (ii) the amendment must be permitted under the Plan. The Company's failure to insist upon strict compliance with any provision of this Agreement or failure to exercise, or any delay in exercising, any right, power or remedy under this Agreement shall not be deemed to be a waiver of such provision or any such right, power or remedy which the Board (as defined in the Plan), the Committee or the Company has under this Agreement.

9. Severability or Reform by Court. In the event that any provision of this Agreement is deemed by a court to be broader than permitted by applicable law, then such provision shall be reformed (or otherwise revised or narrowed) so that it is enforceable to the fullest extent permitted by applicable law. If any provision of this Agreement shall be declared by a court to be invalid or unenforceable to any extent, the validity or enforceability of the remaining provisions of this Agreement shall not be affected.

10. Plan Terms. The RSUs and the terms and conditions set forth herein are subject in all respects to the terms and conditions of the Plan and any guidelines, policies or regulations which govern administration of the Plan. The Committee reserves its rights to amend or terminate the Plan at any time without the consent of the Participant; provided, however, that RSUs outstanding under the Plan at the time of such action shall not, without the Participant's written consent, be adversely affected thereby (except to the extent the Committee reasonably determines that such amendment or termination is necessary or appropriate to comply with applicable law, including the provisions of Code Section 409A and the regulations thereunder pertaining to the deferral of compensation, or the rules and regulations of any stock exchange on which PepsiCo Common Stock is listed or quoted). The Committee shall have full power and authority to administer and interpret the Plan and to adopt or establish such rules, regulations, agreements, guidelines, procedures and instruments that are not contrary to the terms of the Plan and that, in its opinion, may be necessary or advisable for the administration and operation of the Plan. All interpretations or determinations of the Committee or its delegate shall be final, binding and conclusive upon the Participant (and his or her legal representatives and any recipient of a transfer of the RSUs permitted by this Agreement) on any question arising hereunder or under the Plan or other guidelines, policies or regulations which govern administration of the Plan.

11. Participant Acknowledgements. By entering into this Agreement, the Participant acknowledges and agrees that:

(a) the RSU grant will be exclusively governed by the terms of the Plan, this Agreement, and any other guidelines, policies or regulations that govern administration of the Plan, including the right reserved by the Company to amend or cancel the Plan at any time without the Company incurring liability to the Participant (except for RSUs already granted under the Plan);

(b) the Participant has been provided a copy of PepsiCo's Prospectus relating to the Plan and the RSUs (and the shares covered thereby);

(c) the RSUs are not a constituent part of the Participant's salary and that the Participant is not entitled, under the terms and conditions of his or her employment, or by accepting or being awarded the RSUs pursuant to this Agreement, to require options, restricted stock units, performance stock units or other awards to be granted to him or her in the future under the Plan or any other plan;

(d) upon payment of RSUs the Participant will arrange for payment to the Company of an estimated amount to cover employee payroll taxes resulting from such payment, which payment shall be made in the manner set forth in this Agreement and/or, to the extent necessary, any balance may be withheld from the Participant's wages;

(e) notwithstanding any action taken by the Company, the Participant is ultimately liable for any or all income tax, social insurance, payroll tax, payment on account or other tax-related items ("Tax-Related Items") related to the Participant's participation in the Plan and legally applicable to the Participant. The Participant further acknowledges that the Company (i) makes no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect to the award, including, but not limited to, the grant, vesting or settlement and exercise of the award, the subsequent sale of PepsiCo Common Stock acquired pursuant to such award and the receipt of any dividends and/or dividend equivalents; and (ii) does not commit to and is under no obligation to structure the terms of any Award to reduce or eliminate Participant's liability for Tax-Related Items or achieve any particular tax result.

(f) benefits received under the Plan will be excluded from the calculation of termination indemnities or other severance payments;

(g) in the event of termination of the Participant's employment, a severance or notice period to which the Participant may be entitled under local law and which follows the date of termination specified in a notice of termination or other document evidencing the termination of the Participant's employment will not be treated as active employment for purposes of this Agreement and, as a result, vesting of unvested RSUs will not be extended by any such period;

(h) for purposes of this Agreement, a Participant will be considered actively employed during (i) the first six months of an authorized leave of absence (other than a severance leave) approved by the Company, in its sole discretion, or (ii) other statutory leaves that have requirements in excess of six months;

(i) the Participant will seek all necessary approvals under, make all required notifications under and comply with all laws, rules and regulations applicable to the ownership of stock, including, without limitation, currency and exchange laws, rules and regulations;

(j) this Agreement will be interpreted and applied so that the RSUs, to the extent possible, will not be subject to Code Section 409A based upon Code Section 409A's exemption for short-

term deferrals. For this purpose and, if necessary, for compliance with Code Section 409A, each tranche of RSUs, which is identified by a separate RSU Vesting Date, shall be considered a separate award, and payment "as soon as practicable" means payment in 30 days or less. To the extent RSUs are subject to Code Section 409A, then payment of the RSUs will be made only upon the occurrence of the first of the following events on which the award is vested: (i) each RSU Vesting Date; (ii) a Change in Control that qualifies under Code Section 409A(a)(2)(A)(v) (a "**409A CIC**"), and (iii) a termination of employment if it constitutes a Code Section 409A separation from service and if (A) it is an involuntary termination of employment by the Company without Cause, or (B) it occurs within two years after a 409A CIC (and in this case, the six-month delay of Code Section 409A(a)(2)(B)(i) shall apply to "specified employees," determined under the default rules of Code Section 409A or such other rules as apply generally under the Company's Section 409A plans). Notwithstanding any other provision of this Agreement, this Agreement will be modified to the extent the Committee reasonably determines is necessary or appropriate for such RSUs to be exempt from Code Section 409A or, if that is not possible, to comply with Code Section 409A;

(k) the non-disclosure provisions set forth in Paragraph B.2. supersede and replace in their entirety the non-disclosure provisions set forth in the Plan as in effect on the date hereof, in any agreement evidencing an Award made under the Plan and in any other Awards made under the Plan; and

(l) the Participant will not receive any benefits under this Agreement if the Participant does not timely accept the Agreement as presented.

12. Right of Set-Off. The Participant agrees, in the event that the Company in its reasonable judgment determines that the Participant owes the Company any amount due to any loan, note, obligation or indebtedness, including but not limited to amounts owed to the Company pursuant to the Company's tax equalization program or the Company's policies with respect to travel and business expenses, and if the Participant has not satisfied such obligation(s), then the Company may satisfy such obligation(s) by one or a combination of (i) instructing the plan administrator to withhold and/or sell all or a portion of the shares of PepsiCo Common Stock acquired by the Participant upon settlement of the RSUs (to the extent such RSUs are not subject to Code Section 409A), (ii) deducting all or a portion of other funds due to the Participant from the Company (to the extent such funds are not subject to Code Section 409A), or (iii) to the maximum extent permitted by Code Section 409A, withholding such RSUs, or other funds that are due to the Participant (to the extent Code Section 409A applies in each case).

13. Electronic Delivery and Acceptance. The Participant hereby consents and agrees to electronic delivery of any Plan documents, proxy materials, annual reports and other related documents. The Participant hereby consents to any and all procedures that the Company has established or may establish for an electronic signature system for delivery and acceptance of Plan documents (including documents relating to any programs adopted under the Plan), and agrees that his or her electronic signature is the same as, and shall have the same force and effect as, his or her manual signature. Participant consents and agrees that any such procedures and

delivery may be effected by a third party engaged by the Company to provide administrative services related to the Plan, including any program adopted under the Plan.

14. Data Privacy. Participant hereby acknowledges and consents to the collection, use, processing and/or transfer of Personal Data as defined and described in this Paragraph C.14. Participant is not obliged to consent, however a failure to provide consent, or the withdrawal of consent at any time, may impact Participant's ability to participate in the Plan. The Company and/or Participant's employer collects and maintains certain personal information about Participant that may include name, home address and telephone number, email address, date of birth, social security number or other government or employer-issued identification number, salary grade, hire data, salary, citizenship, job title, any shares of PepsiCo Common Stock, or details of all options, restricted stock units, performance stock units or any other entitlement to shares of PepsiCo Common Stock awarded, cancelled, purchased, vested, or unvested (collectively "Personal Data"). The Company and the Participant's employer will transfer Personal Data internally as necessary for the purpose of implementation, administration and management of the Participant's participation in the Plan and the Company and/or the Participant's employer may further transfer Personal Data to any third parties assisting the Company in the implementation, administration and management of the Plan. These recipients may be located in the European Economic Area or UK, or elsewhere throughout the world, such as the United States. The Participant hereby authorizes (where required under applicable law) the recipients to receive, possess, use, retain and transfer Personal Data, in electronic or other form, as may be required for the administration of the Plan and/or the subsequent holding of any shares of PepsiCo Common Stock on the Participant's behalf, to a broker or other third party with whom the Participant may elect to deposit any shares of PepsiCo Common Stock acquired pursuant to the Plan. Third parties retained by the Company may use the Personal Data as authorized by the Company to provide the requested services. Third parties may be located throughout the world, including but not limited to the United States. Third parties often maintain their own published policies that describe their privacy and security practices. The Company is not responsible for the privacy or security practices of any third parties. Participant may access, review or amend certain Personal Data by contacting the Company and/or the Plan's service provider. The Participant may, at any time, exercise the Participant's rights provided under applicable personal data protection laws, which may include the right to (i) obtain confirmation as to the existence of Personal Data, (ii) verify the content, origin and accuracy of Personal Data, (iii) request the integration, update, amendment, deletion or blockage (for breach of applicable laws) of Personal Data, (iv) oppose, for legal reasons, the collection, processing or transfer of the Personal Data which is not necessary or required for the implementation, administration and/or operation of the Plan and the Participant's participation in the Plan, and (v) withdraw the Participant's consent to the collection, processing or transfer of Personal Data as provided hereunder (in which case, the stock options, restricted stock units, performance stock units or any other entitlement to shares of PepsiCo Common Stock awarded will become null and void). The Participant may seek to exercise these rights by contacting the Participant's human resources business partner or the Company's People Department, who may direct the matter to the applicable Company privacy official. Finally, the Participant understands that the Company may rely on a different legal basis for the processing and/or transfer of Personal Data in the future and/or request the Participant to provide another data privacy consent. If applicable and upon

request of the Company, the Participant agrees to provide an executed acknowledgment or data privacy consent (or any other acknowledgments, agreements or consents) to the Company or the employer that the Company and/or the employer may deem necessary to obtain under the data privacy laws in the Participant's country, either now or in the future. The Participant understands that the Participant will not be able to participate in the Plan if the Participant fails to execute any such acknowledgment or consent requested by the Company and/or the employer.

15. Stock Ownership/Exercise & Hold Guidelines. The Participant agrees as a condition of this grant that, in the event that the Participant is or becomes subject to the Company's Stock Ownership, Exercise & Hold Guidelines or Share Retention Policy, the Participant shall not sell any shares of PepsiCo Common Stock obtained upon settlement of the RSUs unless such sale complies with the Stock Ownership, Exercise & Hold Guidelines and Share Retention Policy as in effect from time to time.

16. Governing Law. Notwithstanding the provisions of Paragraphs C.10 and C.11, this Agreement shall be governed, construed and enforced in accordance with the laws of the State of New York. Notwithstanding the foregoing, if Participant is a resident of, or primarily works for the Company, in the State of California at the time that Participant enters into this Agreement, then this Agreement shall be governed, construed, and enforced in accordance with the laws of the State of California. Moreover, if Participant is a resident of, or primarily works for the Company, in the State of California at the time that Participant enters into this Agreement, or if the restrictions set forth in Paragraph B.1. are otherwise prohibited by applicable laws or rules, then the restrictions set forth in paragraph B.1 shall not apply to Participant. The restrictions set forth in Paragraphs B.1. otherwise apply to all other Participants, to the extent permissible by applicable laws and rules.

17. Choice of Venue; Attorneys' Fees. Notwithstanding the provisions of Paragraphs C.10 and C.11, any action or proceeding seeking to enforce any provision of, or based on any right arising out of, this Agreement may be brought against the Participant or the Company only in the courts of the State of New York or, if it has or can acquire jurisdiction, in the United States District Court for the Southern District of New York, and the Participant and the Company consents to the jurisdiction of such courts (and of the appropriate appellate courts) in any such action or proceeding and waives any objection to venue laid therein. In the event that a Participant or the Company brings an action to enforce the terms of the Plan or this Agreement and the Company prevails, the Participant shall pay all costs and expenses incurred by the Company in connection with that action, including reasonable attorneys' fees, and all further costs and fees, including reasonable attorneys' fees incurred by the Company in connection with the collection. Notwithstanding the foregoing, if Participant is a resident of, or primarily works for the Company, in the State of California at the time that Participant enters into this Agreement, then any action or proceeding seeking to enforce any provision of, or based on any right arising out of, this Agreement may be brought against the Participant or the Company only in the courts of the State of California or, if they have or can acquire jurisdiction, in the United States District Courts located in the State of California, and the Participant and the Company consent to the jurisdiction of such courts (and of the appropriate appellate courts) in any such action or proceeding and waive any objection to venue laid therein.

18. Addendum to Agreement. Notwithstanding any provisions of this Agreement to the contrary, the RSUs shall be subject to such special terms and conditions for the Participant's country of residence (and country of employment, if different), as are set forth in the addendum to this Agreement (the "**Addendum**"). Further, if the Participant transfers residency and/or employment to another country, any special terms and conditions for such country will apply to the RSUs to the extent the Committee or its duly authorized delegate determines, in its sole discretion, that the application of such terms and conditions is necessary or advisable in order to comply with local laws, rules or regulations or to facilitate the operation and administration of the RSUs and the Plan (or the Committee or its duly authorized delegate may establish alternative terms and conditions as may be necessary or advisable to accommodate the Participant's transfer). In all circumstances, the Addendum shall constitute part of this Agreement.

19. Entire Agreement. This Agreement contains all the understanding and agreements between the Participant and the Company regarding the subject matter hereof.

PepsiCo, Inc.

/s/ Anna Xanthos
Anna Xanthos
Senior Vice President, Global Total Rewards

EXHIBIT 21

PEPSICO, INC. SUBSIDIARIES (as of December 27, 2025)

Entity Name	Jurisdiction
Alimentos del Istmo, S.A.	Panama
Alimentos Quaker Oats y Compania Limitada	Guatemala
Amavale Agricola Ltda.	Brazil
Anderson Hill Insurance Limited	Bermuda
Arlington Gibson, Inc.	United States, Delaware
Asia Bottlers Limited	Hong Kong
BAESA Capital Corporation Ltd.	Cayman Islands
Balmoral Industries LLC	United States, Delaware
Baltray Finance Unlimited Company	Ireland
Bare Foods Co.	United States, Delaware
Beaman Bottling Company	United States, Delaware
Bebidas Sudamerica S.A.	Argentina
Beech Limited	Cayman Islands
Bell Taco Funding Syndicate	Australia
Bendler Investments S.à r.l	Luxembourg
Beverages, Foods & Service Industries, Inc.	United States, Delaware
BFY Brands, LLC	United States, Delaware
Bishkeksut, OJSC	Kyrgyzstan
Blaue NC, S. de R.L. de C.V.	Mexico
Blue Cloud Distribution of Alabama, Inc.	United States, Alabama
Blue Cloud Distribution of Alaska, Inc.	United States, Alaska
Blue Cloud Distribution of Arizona, Inc.	United States, Arizona
Blue Cloud Distribution of Arkansas, Inc.	United States, Arkansas
Blue Cloud Distribution of California, Inc.	United States, California
Blue Cloud Distribution of Colorado, Inc.	United States, Colorado
Blue Cloud Distribution of Connecticut, Inc.	United States, Connecticut
Blue Cloud Distribution of D.C., Inc.	United States, District of Colombia
Blue Cloud Distribution of Delaware, Inc.	United States, Delaware
Blue Cloud Distribution of Florida, Inc.	United States, Florida
Blue Cloud Distribution of Georgia, Inc.	United States, Georgia
Blue Cloud Distribution of Hawaii, Inc.	United States, Hawaii
Blue Cloud Distribution of Idaho, Inc.	United States, Idaho
Blue Cloud Distribution of Illinois, Inc.	United States, Illinois
Blue Cloud Distribution of Indiana, Inc.	United States, Indiana
Blue Cloud Distribution of Iowa, Inc.	United States, Iowa
Blue Cloud Distribution of Kansas, Inc.	United States, Kansas
Blue Cloud Distribution of Kentucky, Inc.	United States, Kentucky

Blue Cloud Distribution of Louisiana, Inc.	United States, Louisiana
Blue Cloud Distribution of Maine, Inc.	United States, Maine
Blue Cloud Distribution of Maryland, Inc.	United States, Maryland
Blue Cloud Distribution of Massachusetts, Inc.	United States, Massachusetts
Blue Cloud Distribution of Michigan, Inc.	United States, Michigan
Blue Cloud Distribution of Minnesota, Inc.	United States, Minnesota
Blue Cloud Distribution of Mississippi, Inc.	United States, Mississippi
Blue Cloud Distribution of Missouri, Inc.	United States, Missouri
Blue Cloud Distribution of Montana, Inc.	United States, Montana
Blue Cloud Distribution of Nebraska, Inc.	United States, Nebraska
Blue Cloud Distribution of Nevada, Inc.	United States, Nevada
Blue Cloud Distribution of New Hampshire, Inc.	United States, New Hampshire
Blue Cloud Distribution of New Jersey, Inc.	United States, New Jersey
Blue Cloud Distribution of New Mexico, Inc.	United States, New Mexico
Blue Cloud Distribution of New York, Inc.	United States, New York
Blue Cloud Distribution of North Carolina, Inc.	United States, North Carolina
Blue Cloud Distribution of North Dakota, Inc.	United States, North Dakota
Blue Cloud Distribution of Ohio, Inc.	United States, Ohio
Blue Cloud Distribution of Oklahoma, Inc.	United States, Oklahoma
Blue Cloud Distribution of Oregon, Inc.	United States, Oregon
Blue Cloud Distribution of Pennsylvania, Inc.	United States, Pennsylvania
Blue Cloud Distribution of Rhode Island, Inc.	United States, Rhode Island
Blue Cloud Distribution of South Carolina, Inc.	United States, South Carolina
Blue Cloud Distribution of South Dakota, Inc.	United States, South Dakota
Blue Cloud Distribution of Tennessee, Inc.	United States, Tennessee
Blue Cloud Distribution of Texas, Inc.	United States, Texas
Blue Cloud Distribution of Utah, Inc.	United States, Utah
Blue Cloud Distribution of Vermont, Inc.	United States, Vermont
Blue Cloud Distribution of Virginia, Inc.	United States, Virginia
Blue Cloud Distribution of Washington, Inc.	United States, Washington
Blue Cloud Distribution of Wisconsin, Inc.	United States, Wisconsin
Blue Cloud Distribution, Inc.	United States, Delaware
Blue Cloud National, Inc.	United States, Delaware
Bluebird Foods Limited	New Zealand
Bluecan Holdings Unlimited Company	Ireland
Bokomo (Botswana) Proprietary Limited	Botswana
Boquitas Fiestas S.R.L.	Honduras
Boquitas Fiestas, LLC	United States, Delaware
Bottling Group Financing, LLC	United States, Delaware
Bottling Group Holdings, LLC	United States, Delaware
Bottling Group, LLC	United States, Delaware
Bronte Industries, Ltd	United Kingdom

BUG de Mexico, S.A. de C.V.	Mexico
C & I Leasing, Inc.	United States, Maryland
Caroni Investments, LLC	United States, Delaware
CB Manufacturing Company, Inc.	United States, Delaware
CEME Holdings, LLC	United States, Delaware
Centro-Mediterranea de Bebidas Carbonicas PepsiCo, S.L.	Spain
Ceres Fruit Juices (Pty) Ltd	South Africa
ChampBev, Inc.	United States, California
China Concentrate Holdings (Hong Kong) Limited	Hong Kong
Chipsy for Food Industries S.A.E.	Egypt
Chipsy International for Food Industries S.A.E.	Egypt
Chitos Internacional y Cia Ltda	Guatemala
Clara Finance Holdings Unlimited Company	Ireland
CLP Greenfield PET Fund, LP	United States, Delaware
CMC Investment Company	Bermuda
Cocina Autentica, Inc.	United States, Delaware
Comercializadora CMC Investment y Compania Limitada	Guatemala
Comercializadora Nacional SAS Ltda.	Colombia
Comercializadora PepsiCo Mexico, S de R.L. de C.V.	Mexico
Compania de Bebidas PepsiCo, S.L.	Spain
Concentrate Holding Uruguay Pte. Ltd.	Singapore
Concentrate Holdings Singapore LLC	United States, Delaware
Concentrate Manufacturing (Singapore) Pte. Ltd.	Singapore
Confiteria Alegro, S. de R.L. de C.V.	Mexico
Copper Beech International, LLC	United States, Delaware
Corina Snacks Limited	Cyprus
Corporativo Internacional Mexicano, S. de R.L. de C.V.	Mexico
CytoSport Holdings, Inc.	United States, Delaware
CytoSport, Inc.	United States, California
Davlyn Realty Corporation	United States, Delaware
Defosto Holdings Limited	Cyprus
Desarrollo Inmobiliario Gamesa, S. de R.L. de C.V.	Mexico
Drinkfinity USA, Inc.	United States, Delaware
Dunluce Finance Holdings Unlimited Company	Ireland
Dutch Snacks Holding, S.A. de C.V.	Mexico
Duyvis Production B.V.	Netherlands
Echo Bay Holdings, Inc.	United States, Delaware
Enter Logistica, LLC	Russia
Environ at Inverrary Partnership	United States, Florida
Environ of Inverrary, Inc.	United States, Florida
EPIC Enterprises, Inc.	United States, Massachusetts
Eridanus Investments S.à r.l	Luxembourg

Evercrisp Snack Productos de Chile S.A.	Chile
Fabrica de Productos Alimenticios Rene y Cia S.C.A.	Guatemala
Fabrica PepsiCo Mexicali, S. de R.L. de C.V.	Mexico
Fairlight International SRL	Barbados
Far East Bottlers (Hong Kong) Limited	Hong Kong
FL Transportation, Inc.	United States, Delaware
FLI Andean, LLC	United States, Delaware
FLI Colombia, LLC	United States, Delaware
FLI Snacks Andean GP, LLC	United States, Delaware
Food Concepts Pioneer Ltd.	Nigeria
Forest Akers Nederland B.V.	Netherlands
Forty-Six Peaks Holding, Inc.	United States, Delaware
Fovarosi Asvanyviz es Uditoipari Zartkoruen Mukodo Reszvenytarsasag	Hungary
Frito Lay de Guatemala y Compania Limitada	Guatemala
Frito Lay Gida Sanayi Ve Ticaret Anonim Sirketi	Turkey
Frito Lay Poland Sp. z o.o.	Poland
Frito Lay Sp. z o.o.	Poland
Frito-Lay Australia Holdings Pty Limited	Australia
Frito-Lay Dip Company, Inc.	United States, Delaware
Frito-Lay Dominicana, S.A.	Dominican Republic
Frito-Lay Global Investments B.V.	Netherlands
Frito-Lay Investments B.V.	Netherlands
Frito-Lay Manufacturing LLC	Russia
Frito-Lay Netherlands Holding B.V.	Netherlands
Frito-Lay North America, Inc.	United States, Delaware
Frito-Lay Sales, Inc.	United States, Delaware
Frito-Lay Trading Company (Europe) GmbH	Switzerland
Frito-Lay Trading Company (Poland) GmbH	Switzerland
Frito-Lay Trading Company GmbH	Switzerland
Frito-Lay Trinidad Unlimited	Trinidad And Tobago
Frito-Lay, Inc.	United States, Delaware
Fruko Mesrubat Sanayi Limited Sirketi	Turkey
Future Life Health Products (Pty) Ltd	South Africa
Gambrinus Investments Limited	Cayman Islands
Gamesa LLC	United States, Delaware
Gamesa, S. de R.L. de C.V.	Mexico
Garza Food Ventures, LLC	United States, Texas
Gas Natural de Merida, S. A. de C. V.	Mexico
Gatorade Puerto Rico Company	United States, Delaware
GB Czech, LLC	United States, Delaware
GB International, Inc.	United States, Delaware
GB Russia LLC	United States, Delaware

GB Slovak, LLC	United States, Delaware
General Bottlers of Hungary, Inc.	United States, Delaware
Glenmore Trading LLC	United States, Delaware
GMP Manufacturing, Inc.	United States, California
Golden Grain Company	United States, California
Goveh S.R.L.	Peru
Grayhawk Leasing, LLC	United States, Delaware
Green Hemlock International, LLC	United States, Delaware
Grupo Frito Lay y Compania Limitada	Guatemala
Grupo Gamesa, S. de R.L. de C.V.	Mexico
Grupo Sabritas, S. de R.L. de C.V.	Mexico
Gulkevichskiy Maslozavod, JSC	Russia
Hangzhou Baicaowei Corporate Management Consulting Co., Ltd.	China
Hangzhou Haomusi Food Co., Ltd.	China
Hangzhou Tao Dao Technology Co., Ltd.	China
Health Warrior, Inc.	United States, Delaware
Heathland, LP	United States, Delaware
Helioscope Limited	Cyprus
Hill Crest Holdings, Ltd.	Bermuda
Hillbrook, Inc.	United States, Vermont
Hillgrove Investments Holdings, Inc.	United States, Delaware
Hillgrove, Inc.	United States, Delaware
Hillwood Bottling, LLC	United States, Delaware
Holding Company "Opolie" JSC	Russia
Homefinding Company of Texas	United States, Texas
Hudson Valley Insurance Company	United States, New York
IC Equities, Inc.	United States, Delaware
Inmobiliaria Interamericana, S.A. De C.V.	Mexico
Integrated Beverage Services (Bangladesh) Limited	Bangladesh
International Bottlers Management Co. LLC	United States, Delaware
Inversiones Borneo S.R.L.	Peru
Inversiones PFI Chile Limitada	Chile
Inviting Foods Holdings, Inc.	United States, Delaware
Inviting Foods LLC	United States, Delaware
ISO-Foods (Pty) Ltd	South Africa
Keem Bay Limited Partnership	United States, Delaware
Kinvara, LLC	United States, Delaware
Kungursky Molkombinat, JSC	Russia
Lahinch Finance Unlimited Company	Ireland
Lake Shore Finance Holdings Unlimited Company	Ireland
Larragana S.L.	Spain
Latin American Holdings Ltd.	Cayman Islands

Latin Foods International, LLC	United States, Delaware
Lebedyansky Holdings, LLC	Russia
Lebedyansky, LLC	Russia
Limited Liability Company "Sandora"	Ukraine
Linkbay Limited	Cyprus
Lithuanian Snacks UAB	Lithuania
Marbo d.o.o. Laktasi	Bosnia and Herzegovina
Marbo Product d.o.o. Beograd	Serbia
Matudis - Comercio de Produtos Alimentares, Limitada	Portugal
Matutano - Sociedade de Produtos Alimentares, Lda.	Portugal
Mid-America Improvement Corporation	United States, Illinois
Mount Gambier Agri-Tech Pty Ltd	Australia
Mountainview Insurance Company, Inc.	United States, Vermont
Mourne Finance Limited	Bermuda
NCJV, LLC	United States, Delaware
New Bern Transport Corporation	United States, Delaware
New Century Beverage Company, LLC	United States, Delaware
New Quaker Oats Europe, Inc.	United States, Delaware
Noble Leasing LLC	United States, Delaware
Northeast Hot-Fill Co-op, Inc.	United States, Delaware
Obela Fresh Dips & Spreads Pty Ltd.	Australia
Obela Fresh Dips & Spreads Unlimited	New Zealand
Office at Solyanka LLC	Russia
Onbiso Inversiones, S.L.	Spain
One World Enterprises, LLC	United States, Delaware
One World Investors, Inc.	United States, Delaware
P-A Barbados Bottling Company, LLC	United States, Delaware
P-A Bottlers (Barbados) SRL	Barbados
P-Americas, LLC	United States, Delaware
Papas Chips S.A.	Uruguay
PAS Luxembourg, S.à r.l	Luxembourg
PBG Canada Holdings II, LLC	United States, Delaware
PBG Canada Holdings, Inc.	United States, Delaware
PBG Midwest Holdings S.à r.l	Luxembourg
PBG Soda Can Holdings, S.à r.l	Luxembourg
PCBL, LLC	United States, Delaware
PCE Empreendimentos Ltda.	Brazil
PCNA Manufacturing, Inc.	United States, Delaware
Pei N.V.	Curacao
Pep Trade LLC	Egypt
Pepsi B.V.	Netherlands
Pepsi Beverages Holdings LLC	United States, Delaware

Pepsi Bottling Group Hoosiers B.V.	Netherlands
Pepsi Bottling Holdings, Inc.	United States, Delaware
Pepsi Bugshan Investments S.A.E.	Egypt
Pepsi Cola Colombia Ltda	Colombia
Pepsi Cola Egypt S.A.E.	Egypt
Pepsi Cola Panamericana S.R.L.	Peru
Pepsi Cola Servis Ve Dagitim Limited Sirketi	Turkey
Pepsi Logistics Company, Inc.	United States, Delaware
Pepsi Northwest Beverages LLC	United States, Delaware
Pepsi Overseas (Investments) Partnership	Canada
Pepsi Promotions, Inc.	United States, Delaware
Pepsi Ventures Holdings, Inc.	United States, Delaware
PepsiCo (China) Limited	China
PepsiCo (Malaysia) Sdn. Bhd.	Malaysia
PepsiCo Alimentos Antioquia, Ltda.	Colombia
PepsiCo Alimentos Colombia Ltda.	Colombia
PepsiCo Alimentos de Bolivia S.R.L.	Bolivia
PepsiCo Alimentos Ecuador Cia. Ltda.	Ecuador
PepsiCo Alimentos Z.F., Ltda.	Colombia
PepsiCo Amacoco Bebidas Do Brasil Ltda.	Brazil
PepsiCo ANZ Holdings Pty Ltd	Australia
PepsiCo Asia Research & Development Center Company Limited	China
PepsiCo Australia Financing Cyprus Limited	Cyprus
PepsiCo Australia Financing Limited Partnership	Australia
PepsiCo Australia Financing Partner 1 LLC	United States, Delaware
PepsiCo Australia Financing Partner 2 LLC	United States, Delaware
PepsiCo Australia Financing Pty Ltd	Australia
PepsiCo Australia Holdings Pty Limited	Australia
PepsiCo Australia International	Australia
PepsiCo Azerbaijan Limited Liability Company	Azerbaijan
PepsiCo Bangladesh Private Limited	Bangladesh
PepsiCo BeLux BV	Belgium
PepsiCo Bermuda I Limited	Bermuda
PepsiCo Bermuda II Limited	Bermuda
PepsiCo Beverage Sales, LLC	United States, Delaware
PepsiCo Beverages (Hong Kong) Limited	Hong Kong
PepsiCo Beverages Australia Pty Ltd	Australia
PepsiCo Beverages Italia Societa' A Responsabilita' Limitata	Italy
PepsiCo Canada (Holdings) ULC	Canada
PepsiCo Canada Investment ULC	Canada
PepsiCo Canada ULC	Canada
PepsiCo Captive Holdings, Inc.	United States, Delaware

PepsiCo Caribbean, Inc.	Puerto Rico
PepsiCo Central Asia Limited Liability Partnership	Kazakhstan
PepsiCo Consulting Polska Sp. z o.o.	Poland
PepsiCo de Argentina S.R.L.	Argentina
PepsiCo De Bolivia S.R.L.	Bolivia
PepsiCo de Mexico S. de R.L. de C.V.	Mexico
PepsiCo Del Paraguay S.R.L.	Paraguay
PepsiCo Deutschland GmbH	Germany
PepsiCo do Brasil Indústria e Comércio de Alimentos Ltda.	Brazil
PepsiCo do Brasil Ltda.	Brazil
PepsiCo Eesti AS	Estonia
PepsiCo Europe Support Center, S.L.	Spain
PepsiCo Finance (Antilles B) N.V.	Curacao
PepsiCo Finance (South Africa) (Proprietary) Limited	South Africa
PepsiCo Finance Americas Company	United States, Delaware
PepsiCo Financial Shared Services, Inc.	United States, Delaware
PepsiCo Financing Holdings, Inc.	United States, Delaware
PepsiCo Food & Beverage Holdings Hong Kong Limited	Hong Kong
PepsiCo Foods (China) Company Limited	China
PepsiCo Foods (Guangdong) Co., Ltd.	China
PepsiCo Foods (Private) Limited	Pakistan
PepsiCo Foods (Shaanxi) Co., Ltd.	China
PepsiCo Foods (Shandong) Co., Ltd.	China
PepsiCo Foods (Sichuan) Co., Ltd.	China
PepsiCo Foods Group Pty Ltd	Australia
PepsiCo Foods Nigeria Limited	Nigeria
PepsiCo Foods Taiwan Co., Ltd.	Taiwan
PepsiCo Foods Vietnam Company	Vietnam
PepsiCo Foods, A.I.E.	Spain
PepsiCo France SAS	France
PepsiCo Georgia LLC	Georgia
PepsiCo Global Business Services India LLP	India
PepsiCo Global Business Services Poland Sp. z o.o.	Poland
PepsiCo Global Holdings II Limited	Bermuda
PepsiCo Global Holdings III Limited	Bermuda
PepsiCo Global Holdings Limited	Bermuda
PepsiCo Global Investments B.V.	Netherlands
PepsiCo Global Investments S.à r.l	Luxembourg
PepsiCo Global Mobility, LLC	United States, Delaware
PepsiCo Global Real Estate, Inc.	United States, Delaware
PepsiCo Global Trading Solutions Unlimited Company	Ireland
PepsiCo Golden Holdings, LLC	United States, Delaware

PepsiCo Group Finance International B.V.	Netherlands
PepsiCo Group Holdings International B.V.	Netherlands
PepsiCo Group Spotswood Holdings S.à r.l	Luxembourg
PepsiCo Gulf International FZE	United Arab Emirates
PepsiCo Hellas Single Member Industrial and Commercial Société Anonyme	Greece
PepsiCo Holding de Espana S.L.	Spain
PepsiCo Holdings	United Kingdom
PepsiCo Holdings Toshkent LLC	Uzbekistan
PepsiCo Holdings, LLC	Russia
PepsiCo Hong Kong, LLC	United States, Delaware
PepsiCo Iberia Servicios Centrales, S.L.	Spain
PepsiCo India Holdings Private Limited	India
PepsiCo India Sales Private Limited	India
PepsiCo Internacional México, S. de R. L. de C. V.	Mexico
PepsiCo International (OPC) Regional Headquarters	Saudi Arabia
PepsiCo International Beverages Services LLC	United States, Delaware
PepsiCo International Hong Kong Limited	Hong Kong
PepsiCo International Limited	United Kingdom
PepsiCo International Pte Ltd.	Singapore
PepsiCo Investments (Europe) I B.V.	Netherlands
PepsiCo Ireland Food & Beverages Unlimited Company	Ireland
PepsiCo Japan Co., Ltd.	Japan
PepsiCo Kyrgyzstan Limited Liability Company	Kyrgyzstan
PepsiCo Light B.V.	Netherlands
PepsiCo Malta Holdings Limited	Malta
PepsiCo Management Services SAS	France
PepsiCo Manufacturing, A.I.E.	Spain
PepsiCo Mexico Holdings, S. de R.L. de C.V.	Mexico
PepsiCo Nederland B.V.	Netherlands
PepsiCo Nordic Denmark ApS	Denmark
PepsiCo Nordic Finland Oy	Finland
PepsiCo Nordic Norway AS	Norway
PepsiCo Nutrition Trading DMCC	United Arab Emirates
PepsiCo One B.V.	Netherlands
PepsiCo Overseas Corporation	United States, Delaware
PepsiCo Products B.V.	Netherlands
PepsiCo Products FLLC	Belarus
PepsiCo Puerto Rico, Inc.	United States, Delaware
PepsiCo Sales, Inc.	United States, Delaware
PepsiCo Sales, LLC	United States, Delaware
PepsiCo Services Asia Ltd.	Thailand
PepsiCo Services CZ s.r.o.	Czech Republic

PepsiCo Services N.V.	Belgium
PepsiCo Services, LLC	United States, Delaware
PepsiCo Singapore Financing I Pte. Ltd.	Singapore
PepsiCo Singapore Financing II Pte. Ltd.	Singapore
PepsiCo Singapore Financing, LLC	United States, Delaware
PepsiCo Singapore Holdings, LLC	United States, Delaware
PepsiCo South Africa (Pty) Ltd	South Africa
PepsiCo Trading Azerbaijan Limited Liability Company	Azerbaijan
PepsiCo Trading Solutions Unlimited Company	Ireland
PepsiCo Twist B.V.	Netherlands
PepsiCo UK Pension Plan Trustee Limited	United Kingdom
PepsiCo Ventures B.V.	Netherlands
PepsiCo Wave Holdings LLC	United States, Delaware
PepsiCo World Trading Company, Inc.	United States, Delaware
PepsiCo Y LLC	Armenia
Pepsi-Cola (Thai) Trading Co., Ltd.	Thailand
Pepsi-Cola Advertising and Marketing, Inc.	United States, Delaware
Pepsi-Cola Bottlers Holding C.V.	Netherlands
Pepsi-Cola Bottling Company of Ft. Lauderdale-Palm Beach, LLC	United States, Florida
Pepsi-Cola Bottling Company Of St. Louis, Inc.	United States, Missouri
Pepsi-Cola Company	United States, Delaware
Pepsi-Cola de Honduras S.R.L.	Honduras
Pepsi-Cola Ecuador Cia. Ltda.	Ecuador
Pepsi-Cola Far East Trade Development Co., Inc.	Philippines
Pepsi-Cola Finance, LLC	United States, Delaware
Pepsi-Cola General Bottlers Poland Sp. z o.o.	Poland
Pepsi-Cola Industrial da Amazonia Ltda.	Brazil
PepsiCola Interamericana de Guatemala S.A.	Guatemala
Pepsi-Cola International (Private) Limited	Pakistan
Pepsi-Cola International Holdings Ltd.	Bermuda
Pepsi-Cola International Limited	Bermuda
Pepsi-Cola International Limited (U.S.A.)	United States, Delaware
Pepsi-Cola International LLC	United Arab Emirates
Pepsi-Cola Korea Co., Ltd.	Korea, Republic of
Pepsi-Cola Management and Administrative Services, Inc.	United States, Delaware
Pepsi-Cola Manufacturing (Mediterranean) Limited	Bermuda
Pepsi-Cola Manufacturing Company Of Uruguay S.R.L.	Uruguay
Pepsi-Cola Manufacturing International, Limited	Bermuda
Pepsi-Cola Marketing Corp. Of P.R., Inc.	Puerto Rico
Pepsi-Cola Mediterranean, Ltd.	United States, Wyoming
Pepsi-Cola Metropolitan Bottling Company, Inc.	United States, New Jersey
Pepsi-Cola Mexicana Holdings LLC	United States, Delaware

Pepsi-Cola Mexicana, S. de R.L. de C.V.	Mexico
Pepsi-Cola National Marketing, LLC	United States, Delaware
Pepsi-Cola of Corvallis, Inc.	United States, Oregon
Pepsi-Cola Operating Company Of Chesapeake And Indianapolis	United States, Delaware
Pepsi-Cola Sales and Distribution, Inc.	United States, Delaware
Pepsi-Cola Technical Operations, Inc.	United States, Delaware
PepsiCo-Strauss Fresh Dips & Spreads International GmbH	Switzerland
PepsiCo-Strauss Fresh Dips & Spreads Mexico, S. de R.L. de C.V.	Mexico
Pet Iberia S.L.	Spain
Pete & Johnny Limited	United Kingdom
Pine International Limited	Cayman Islands
Pine International, LLC	United States, Delaware
Pinstripe Leasing, LLC	United States, Delaware
Pioneer Food Group (Pty) Ltd	South Africa
Pioneer Foods (Pty) Ltd	South Africa
Pioneer Foods Groceries (Pty) Ltd	South Africa
Pioneer Foods Wellingtons (Pty) Ltd	South Africa
Pipers Crisps Limited	United Kingdom
PlayCo, Inc.	United States, Delaware
PopCorners Holdings, Inc.	United States, Delaware
Portfolio Concentrate Solutions Unlimited Company	Ireland
PRB Luxembourg S.à r.l	Luxembourg
Premier Nutrition Trading L.L.C.	United Arab Emirates
Prestwick LLC	United States, Delaware
Prev PepsiCo Sociedade Previdenciaria	Brazil
Productos Alimenticios René, LLC	United States, Delaware
Productos S.A.S. C.V.	Netherlands
Productos SAS Management B.V.	Netherlands
PRS, Inc.	United States, Delaware
PSAS Inversiones LLC	United States, Delaware
PSE Logistica S.R.L.	Argentina
PT. Agro International Indonesia	Indonesia
PT. PepsiCo Indonesia Foods and Beverages	Indonesia
PT. Quaker Indonesia	Indonesia
Punica Getranke GmbH	Germany
Q O Puerto Rico, Inc.	Puerto Rico
QFL OHQ Sdn. Bhd.	Malaysia
QTG Development, Inc.	United States, Delaware
QTG Services, Inc.	United States, Delaware
Quadrant - Amroq Beverages S.R.L.	Romania
Quaker Development B.V.	Netherlands
Quaker European Beverages, LLC	United States, Delaware

Quaker European Investments B.V.	Netherlands
Quaker Global Investments B.V.	Netherlands
Quaker Holdings (UK) Limited	United Kingdom
Quaker Manufacturing, LLC	United States, Delaware
Quaker Oats Asia, Inc.	United States, Delaware
Quaker Oats Australia Pty Ltd	Australia
Quaker Oats B.V.	Netherlands
Quaker Oats Capital Corporation	United States, Delaware
Quaker Oats Europe II, LLC	United States, Delaware
Quaker Oats Europe LLC	United States, Delaware
Quaker Oats Limited	United Kingdom
Quaker Products UK Limited	United Kingdom
Quaker Sales & Distribution, Inc.	United States, Delaware
Raptas Finance S.à r.l.	Luxembourg
Rare Fare Foods, LLC	United States, Delaware
Rare Fare Holdings, Inc.	United States, Delaware
Reading Industries, Ltd	United Kingdom
Real Estate Holdings, LLC	Puerto Rico
Rolling Frito-Lay Sales, LP	United States, Delaware
Rye Lake Capital Korlátolt Felelősségű Társaság	Hungary
Rye Lake Holdings Korlátolt Felelősségű Társaság	Hungary
S & T of Mississippi, Inc.	United States, Mississippi
Sabra Canada Inc.	Canada
Sabra Dipping Company, LLC	United States, Delaware
Sabritas de Costa Rica, S. de R.L.	Costa Rica
Sabritas Snacks America Latina de Nicaragua y Cia, Ltda	Nicaragua
Sabritas y Cia. S en C de C.V.	El Salvador
Sabritas, LLC	United States, Delaware
Sabritas, S. de R.L. de C.V.	Mexico
Sakata Rice Snacks Australia Pty Ltd	Australia
Sandora Holdings B.V.	Netherlands
Saudi Snack Foods Company Limited	Saudi Arabia
Sea Eagle International SRL	Barbados
Seepoint Holdings Ltd.	Cyprus
Senselet Food Processing PLC	Ethiopia
Senselet Holding B.V.	Netherlands
Servicios Gamesa Puerto Rico, L.L.C.	Puerto Rico
Servicios GBF, Sociedad de Responsabilidad Limitada	Honduras
Servicios GFLG y Compania Limitada	Guatemala
Servicios SYC, S. de R.L. de C.V.	El Salvador
Seven-Up Asia, Inc.	United States, Missouri
Seven-Up Light B.V.	Netherlands

Seven-Up Nederland B.V.	Netherlands
Shanghai LeZhiHuiChuang Digital Technology Co., Ltd.	China
Shanghai PepsiCo Snack Company Limited	China
Shanghai YuHo Agricultural Development Co., Ltd	China
Shoebill, LLC	United States, Delaware
SIH International, LLC	United States, Delaware
Silver Strand Limited Partnership	Cayman Islands
Smartfoods, Inc.	United States, Delaware
Smiths Crisps Limited	United Kingdom
Snack Food Investments GmbH	Switzerland
Snack Food Investments II LLC	United States, Delaware
Snack Food-Beverage Asia Products Limited	Hong Kong
Snacks America Latina S.R.L.	Peru
Snacks Guatemala, Ltd.	Bermuda
So Spark Ltd.	Israel
Soda-Club CO2 Ltd.	British Virgin Islands
Soda-Club Switzerland GmbH	Switzerland
Soda-Club Worldwide B.V.	Netherlands
SodaStream (New Zealand) Ltd.	New Zealand
SodaStream (SA) (Pty) Ltd.	South Africa
SodaStream (Switzerland) GmbH	Switzerland
SodaStream Australia Pty Ltd	Australia
SodaStream Canada Ltd.	Canada
SodaStream Enterprises N.V.	Curacao
SodaStream France SAS	France
SodaStream GmbH	Germany
SodaStream Iberia, S.L.	Spain
SodaStream Industries Ltd.	Israel
SodaStream International B.V.	Netherlands
SodaStream International Ltd.	Israel
SodaStream Israel Ltd.	Israel
SodaStream K.K.	Japan
SodaStream Korea Ltd.	Korea, Republic of
SodaStream Nordics AB	Sweden
SodaStream Österreich GmbH	Austria
SodaStream Poland Sp. z o.o.	Poland
SodaStream USA, Inc.	United States, Delaware
South Beach Beverage Company, Inc.	United States, Delaware
South Properties, Inc.	United States, Illinois
Sportmex Internacional, S.A. de C.V.	Mexico
Springboig Industries, Ltd	United Kingdom
Spruce Limited	Cayman Islands

Stacy's Pita Chip Company, Incorporated	United States, Massachusetts
Star Foods E.M. S.R.L.	Romania
Stokely-Van Camp, Inc.	United States, Indiana
Strand Head Limited	Bermuda
Strandhill Holdings Pte. Ltd.	Singapore
Stratosphere Communications Pty Ltd	Australia
Stratosphere Holdings (2018) Limited	New Zealand
Stripes IV Co-Invest I-B HV, LLC	United States, Delaware
Stripes IV Oasis LLC	United States, Delaware
SVC Logistics, Inc.	United States, Delaware
SVC Manufacturing, Inc.	United States, Delaware
SVE Russia Holdings GmbH	Liechtenstein
Tasman Finance S.à r.l	Luxembourg
TFL Holdings, LLC	United States, Delaware
The Gatorade Company	United States, Delaware
The Pepsi Bottling Group (Canada), ULC	Canada
The Quaker Oats Company	United States, New Jersey
The Smith's Snackfood Company Pty Limited	Australia
Thomond Group Holdings Limited	Hong Kong
Thunderhorse, Inc.	United States, Delaware
Tobago Snack Holdings, LLC	United States, Delaware
TOD Foods LLC	United States, Texas
Tropicana Alvalle S.L.	Spain
Troya-Ultra LLC	Russia
United Foods Companies Restaurantes S.A.	Brazil
VentureCo (Israel) Ltd	Israel
Veurne Snack Foods BV	Belgium
Vitamin Brands Ltd.	United Kingdom
VNGR Beverage, LLC	United States, Texas
Walkers Group Limited	United Kingdom
Walkers Snack Foods Limited	United Kingdom
Walkers Snacks (Distribution) Limited	United Kingdom
Walkers Snacks Limited	United Kingdom
West Bay Financing Limited	Cayman Islands
Whitman Corporation	United States, Delaware
Whitman Insurance Co. Ltd.	United States, Vermont
Wimm-Bill-Dann Beverages, JSC	Russia
Wimm-Bill-Dann Brands Co. Ltd.	Russia
Wimm-Bill-Dann Central Asia-Almaty, LLP	Kazakhstan
Wimm-Bill-Dann Foods LLC	Russia
Wimm-Bill-Dann Georgia Ltd.	Georgia
Wimm-Bill-Dann JSC	Russia

Wimm-Bill-Dann Ukraine, PJSC	Ukraine
Woodglen Holdings, Inc.	United States, Delaware

Exhibit 22

Subsidiary Issuer of Guaranteed Securities

As of December 27, 2025, PepsiCo, Inc. fully and unconditionally guaranteed on a senior unsecured basis the following unsecured registered notes issued by PepsiCo Singapore Financing I Pte. Ltd., PepsiCo, Inc.'s wholly-owned consolidated finance subsidiary incorporated as a private company limited by shares in the Republic of Singapore:

1. Floating Rate Notes due 2027
2. 4.650% Senior Notes due 2027
3. 4.550% Senior Notes due 2029
4. 4.700% Senior Notes due 2034

Exhibit 23

Consent of Independent Registered Public Accounting Firm

To the Board of Directors
PepsiCo, Inc.:

We consent to the incorporation by reference in the registration statements and Forms listed below of PepsiCo, Inc. and Subsidiaries (PepsiCo, Inc.) of our report dated February 2, 2026, with respect to the Consolidated Balance Sheet of PepsiCo, Inc. as of December 27, 2025 and December 28, 2024 , and the related Consolidated Statements of Income, Comprehensive Income, Cash Flows, and Equity for each of the fiscal years in the three-year period ended December 27, 2025, and the related notes (collectively, the consolidated financial statements), and the effectiveness of internal control over financial reporting as of December 27, 2025, which report appears in the December 27, 2025 annual report on Form 10-K of PepsiCo, Inc.

Description, Registration Statement Number

Form S-3

- PepsiCo Automatic Shelf Registration Statement, 333-277003
- PepsiCo Automatic Shelf Registration Statement, 333-266332
- PepsiAmericas, Inc. 2000 Stock Incentive Plan, 333-165176
- PBG 2004 Long Term Incentive Plan, PBG 2002 Long Term Incentive Plan, PBG Long Term Incentive Plan, The Pepsi Bottling Group, Inc. 1999 Long Term Incentive Plan and PBG Stock Incentive Plan, 333-165177

Form S-8

- The PepsiCo Savings Plan, 333-76204, 333-76196, 333-150867 and 333-150868
- PepsiCo, Inc. 2007 Long-Term Incentive Plan, 333-142811, 333-166740 and 333-279335
- PepsiCo, Inc. 2003 Long-Term Incentive Plan, 333-109509
- PepsiCo SharePower Stock Option Plan, 33-29037, 33-35602, 33-42058, 33-51496, 33-54731, 33-66150 and 333-109513
- Director Stock Plan, 33-22970 and 333-110030
- 1979 Incentive Plan and the 1987 Incentive Plan, 33-19539
- 1994 Long-Term Incentive Plan, 33-54733
- PepsiCo, Inc. 1995 Stock Option Incentive Plan, 33-61731, 333-09363 and 333-109514
- 1979 Incentive Plan, 2-65410
- PepsiCo, Inc. Long Term Savings Program, 2-82645, 33-51514 and 33-60965
- PepsiCo 401(k) Plan, 333-89265
- Retirement Savings and Investment Plan for Union Employees of Tropicana Products, Inc. and Affiliates (Teamster Local Union #173) and the Retirement Savings and Investment Plan for Union Employees of Tropicana Products, Inc. and Affiliates, 333-65992
- The Quaker Long Term Incentive Plan of 1990, The Quaker Long Term Incentive Plan of 1999 and The Quaker Oats Company Stock Option Plan for Outside Directors, 333-66632
- The Quaker 401(k) Plan for Salaried Employees and The Quaker 401(k) Plan for Hourly Employees, 333-66634
- The PepsiCo Share Award Plan, 333-87526

- PBG 401(k) Savings Program, PBG 401(k) Program, PepsiAmericas, Inc. Salaried 401(k) Plan and PepsiAmericas, Inc. Hourly 401(k) Plan, 333-165106
- PBG 2004 Long Term Incentive Plan, PBG 2002 Long Term Incentive Plan, PBG Long Term Incentive Plan, The Pepsi Bottling Group, Inc. 1999 Long Term Incentive Plan, PBG Directors' Stock Plan, PBG Stock Incentive Plan and PepsiAmericas, Inc. 2000 Stock Incentive Plan, 333-165107

/s/ KPMG LLP

New York, New York
February 2, 2026

EXHIBIT 24

POWER OF ATTORNEY

KNOW ALL BY THESE PRESENTS, that PepsiCo, Inc. ("PepsiCo") and each other undersigned, an officer or director, or both, of PepsiCo, do hereby appoint David Flavell, Cynthia A. Nastanski and Heather A. Hammond, and each of them severally, its, his or her true and lawful attorney-in-fact to execute on behalf of PepsiCo and the undersigned the following documents and any and all amendments thereto (including post-effective amendments) deemed necessary or appropriate by any such attorney-in-fact:

(i) Automatic Shelf Registration Statement No. 333-277003 relating to the offer and sale of PepsiCo Common Stock, Debt Securities, Warrants, Units and Guarantees and the Automatic Shelf Registration Statement No. 333-266332 relating to the offer and sale of PepsiCo Common Stock, Debt Securities, Warrants and Units;

(ii) Registration Statements No. 33-53232, 33-64243, 333-102035 and 333-228466 relating to the offer and sale of PepsiCo's Debt Securities, Warrants and/or Guarantees;

(iii) Registration Statements No. 33-4635, 33-21607, 33-30372, 33-31844, 33-37271, 33-37978, 33-47314, 33-47527, 333-53436 and 333-56302 all relating to the primary and/or secondary offer and sale of PepsiCo Common Stock issued or exchanged in connection with acquisition transactions;

(iv) Registration Statements No. 33-29037, 33-35602, 33-42058, 33-51496, 33-54731, 33-42121, 33-50685, 33-66150 and 333-109513 relating to the offer and sale of PepsiCo Common Stock under the PepsiCo SharePower Stock Option Plan;

(v) Registration Statements No. 2-82645, 33-51514, 33-60965 and 333-89265 relating to the offer and sale of PepsiCo Common Stock under the PepsiCo Long-Term Savings Program or the PepsiCo 401(k) Plan; Registration Statement No. 333-65992 relating to the offer and sale of PepsiCo Common Stock under the Retirement Savings and Investment Plan for Union Employees of Tropicana Products, Inc. and Affiliates (Teamster Local Union #173), the Retirement Savings and Investment Plan for Union Employees of Tropicana Products, Inc. and Affiliates; Registration Statement No. 333-66634 relating to the offer and sale of PepsiCo Common Stock under The Quaker 401(k) Plan for Salaried Employees and The Quaker 401(k) Plan for Hourly Employees; Registration Statements Numbers 333-76196, 333-76204, 333-150867 and 333-150868 each relating to the offer and sale of PepsiCo Common Stock under The PepsiCo Savings Plans;

(vi) Registration Statements No. 33-61731, 333-09363 and 333-109514 relating to the offer and sale of PepsiCo Common Stock under The PepsiCo, Inc. 1995 Stock Option Incentive Plan; Registration Statement No. 33-54733 relating to the offer and sale of PepsiCo Common Stock under The PepsiCo, Inc. 1994 Long-Term Incentive Plan and resales of such shares by executive officers of PepsiCo; Registration Statement No. 33-19539 relating to the offer and sale of PepsiCo Common Stock under PepsiCo's 1987 Incentive Plan and resales of such shares by executive officers of PepsiCo; Registration Statement No. 2-65410 relating to the offer and sale of PepsiCo Common Stock under PepsiCo's 1979 Incentive Plan and 1972 Performance Share Plan, as amended; Registration Statement No. 333-66632 relating to the offer and sale of PepsiCo Common Stock under The Quaker Long Term Incentive Plan of

1990, The Quaker Long Term Incentive Plan of 1999, and The Quaker Oats Company Stock Option Plan for Outside Directors; Registration Statement No. 333-109509 relating to the offer and sale of PepsiCo Common Stock under the PepsiCo, Inc. 2003 Long-Term Incentive Plan and resales of such shares by executive officers and directors of PepsiCo; and Registration Statements Nos. 333-142811, 333-166740 and 333-279335 relating to the offer and sale of PepsiCo Common Stock under the PepsiCo, Inc. 2007 Long-Term Incentive Plan;

(vii) Registration Statements No. 33-22970 and 333-110030 relating to the offer and sale of PepsiCo Common Stock under PepsiCo's Director Stock Plan and resales of such shares by Directors of PepsiCo;

(viii) Registration Statement No. 333-162261 relating to the issuance of shares of PepsiCo Common Stock to stockholders of The Pepsi Bottling Group, Inc. pursuant to the Agreement and Plan of Merger dated as of August 3, 2009, as may be amended from time to time, among PepsiCo, PBG and Pepsi-Cola Metropolitan Bottling Company, Inc. ("Metro");

(ix) Registration Statement No. 333-162260 relating to the issuance of shares of PepsiCo Common Stock to stockholders of PAS pursuant to the Agreement and Plan of Merger dated as of August 3, 2009, as may be amended from time to time, among PepsiCo, PAS and Metro;

(x) Schedule 13E-3 relating to the Agreement and Plan of Merger dated as of August 3, 2009, as may be amended from time to time, among PepsiCo, PBG and Metro;

(xi) Schedule 13E-3 relating to the Agreement and Plan of Merger dated as of August 3, 2009, as may be amended from time to time, among PepsiCo, PAS and Metro;

(xii) Registration Statement No. 333-87526 relating to the offer and sale of PepsiCo Common Stock under The PepsiCo Share Award Plan;

(xiii) Registration Statement No. 333-165106 relating to the offer and sale of PepsiCo Common Stock under the PBG 401(k) Savings Program, the PBG 401(k) Program, the PepsiAmericas, Inc. Salaried 401(k) Plan and the PepsiAmericas, Inc. Hourly 401(k) Plan;

(xiv) Registration Statement No. 333-165107 relating to the offer and sale of PepsiCo Common Stock under the PBG 2004 Long Term Incentive Plan, the PBG 2002 Long Term Incentive Plan, the PBG Long Term Incentive Plan, The Pepsi Bottling Group, Inc. 1999 Long Term Incentive Plan, the PBG Directors' Stock Plan, the PBG Stock Incentive Plan and the PepsiAmericas, Inc. 2000 Stock Incentive Plan;

(xv) Registration Statement No. 333-165176 relating to the offer and sale of PepsiCo Common Stock under the PepsiAmericas, Inc. 2000 Stock Incentive Plan;

(xvi) Registration Statement No. 333-165177 relating to the offer and sale of PepsiCo Common Stock under the PBG 2004 Long Term Incentive Plan, the PBG 2002 Long Term Incentive Plan, the PBG Long Term Incentive Plan, The Pepsi Bottling Group, Inc. 1999 Long Term Incentive Plan and the PBG Stock Incentive Plan; and

(xvii) the Annual Report on Form 10-K for the fiscal year ended December 27, 2025 and all other applications, reports, registrations, information, documents and instruments filed or required to be filed by PepsiCo with the Securities and Exchange Commission (the "SEC"), including, but not limited to the Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current

Reports on Form 8-K or any amendment or supplement thereto, any stock exchanges or any governmental official or agency in connection with the listing, registration or approval of PepsiCo Common Stock, PepsiCo debt securities or warrants, other securities or PepsiCo guarantees of its subsidiaries' or third party debt securities or warrants, or the offer and sale thereof, or in order to meet PepsiCo's reporting requirements to such entities or persons;

and to file the same with the SEC, any stock exchange or any governmental official or agency, with all exhibits thereto and other documents in connection therewith, and each of such attorneys-in-fact shall have the power to act hereunder with or without any other.

* * *

Each of the undersigned hereby grants to each such attorney-in-fact full power and authority to do and perform any and every act and thing whatsoever requisite, necessary, or proper to be done in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as the undersigned might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that such attorney-in-fact, or such attorney-in-fact's substitute or substitutes, shall lawfully do or cause to be done by virtue of this Power of Attorney and the rights and powers herein granted.

This Power of Attorney may be executed in counterparts and all such duly executed counterparts shall together constitute the same instrument. This Power of Attorney shall not revoke any powers of attorney previously executed by the undersigned. This Power of Attorney shall not be revoked by any subsequent power of attorney that the undersigned may execute, unless such subsequent power of attorney specifically provides that it revokes this Power of Attorney by referring to the date of the undersigned's execution of this Power of Attorney. This Power of Attorney, unless earlier revoked by the undersigned in the manner set forth above, will be valid as to each attorney-in-fact until such time as such attorney-in-fact ceases to be an employee of PepsiCo.

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IN WITNESS WHEREOF, each of the undersigned has executed this instrument on the date indicated opposite its, his or her name.

PepsiCo, Inc. February 2, 2026

By: /s/ Ramon L. Laguarta
Ramon L. Laguarta
Chairman of the Board of Directors and
Chief Executive Officer

/s/ Ramon L. Laguarta Ramon L. Laguarta	Chairman of the Board of Directors and Chief Executive Officer	February 2, 2026
/s/ Stephen T. Schmitt Stephen T. Schmitt	Executive Vice President and Chief Financial Officer	February 2, 2026
/s/ Christine E. Tammara Christine E. Tammara	Senior Vice President and Controller (Principal Accounting Officer)	February 2, 2026
/s/ Segun Agbaje Segun Agbaje	Director	February 2, 2026
/s/ Jennifer Bailey Jennifer Bailey	Director	February 2, 2026
/s/ Cesar Conde Cesar Conde	Director	February 2, 2026
/s/ Ian M. Cook Ian M. Cook	Director	February 2, 2026
/s/ Edith W. Cooper Edith W. Cooper	Director	February 2, 2026
/s/ Susan M. Diamond Susan M. Diamond	Director	February 2, 2026
/s/ Dina Dublon Dina Dublon	Director	February 2, 2026
/s/ Michelle Gass Michelle Gass	Director	February 2, 2026
/s/ Dave J. Lewis Dave J. Lewis	Director	February 2, 2026
/s/ David C. Page David C. Page	Director	February 2, 2026
/s/ Robert C. Pohlad Robert C. Pohlad	Director	February 2, 2026
/s/ Daniel Vasella Daniel Vasella	Director	February 2, 2026
/s/ Alberto Weisser Alberto Weisser	Director	February 2, 2026

EXHIBIT 31

CERTIFICATION

I, **Ramon L. Laguarta,** certify that:

1. I have reviewed this annual report on Form 10-K of PepsiCo, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 2, 2026

/s/ Ramon L. Laguarta

Ramon L. Laguarta
Chairman of the Board of Directors and
Chief Executive Officer

CERTIFICATION

I, **Stephen T. Schmitt,** certify that:

1. I have reviewed this annual report on Form 10-K of PepsiCo, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 2, 2026

/s/ Stephen T. Schmitt

Stephen T. Schmitt
Chief Financial Officer

EXHIBIT 32

CERTIFICATION PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of PepsiCo, Inc. (the "Corporation") on Form 10-K for the fiscal year ended December 27, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Ramon L. Laguarta, Chairman of the Board of Directors and Chief Executive Officer of the Corporation, certify to my knowledge, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350), that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Corporation.

Date: February 2, 2026

/s/ Ramon L. Laguarta
Ramon L. Laguarta
Chairman of the Board of Directors and
Chief Executive Officer

CERTIFICATION PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of PepsiCo, Inc. (the "Corporation") on Form 10-K for the fiscal year ended December 27, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Stephen T. Schmitt, Chief Financial Officer of the Corporation, certify to my knowledge, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350), that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Corporation.

Date: February 2, 2026

/s/ Stephen T. Schmitt
Stephen T. Schmitt
Chief Financial Officer