



2015 Green Tier Annual Report

EMS Audit Report:

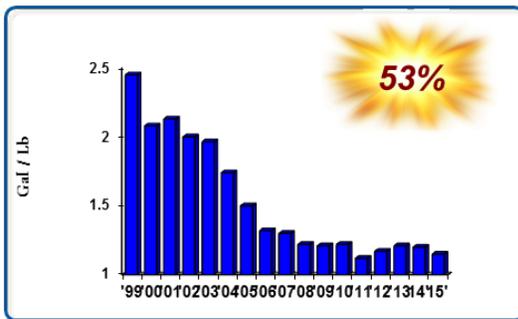
Frito-Lay Headquarters schedules either internal or external 3rd party audits for every site to ensure that the Environmental Management System program is working and that our site is striving to action plan our performance and we have the necessary tools to stay in compliance. Beloit Frito-Lay has continuously achieved a Well-Control site and is viewed as a top environmental leader amongst Frito-Lay sites. In 2015, we had an internal audit conducted for all compliance and we scored a well-control with no compliance findings. In 2016, we will have a 3rd party audit conducted for all compliance and environmental programs.

Compliance Report:

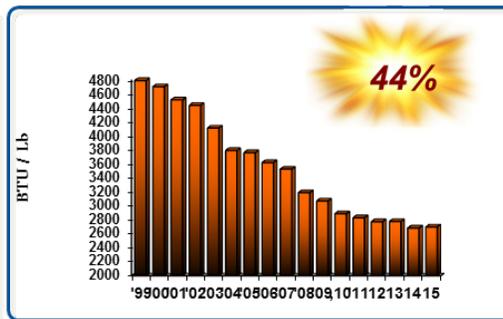
In 2015, Frito-Lay has been in compliance with all their environmental programs such as Air, Waste, Wastewater, Storm and Spill and Form R/Tier II reporting. The site reviews its action plans quarterly to ensure we are moving in the right direction towards our environmental goals. The site has a Green Team that includes team members and management that conduct the weekly/monthly/annual tasks to ensure that we are in compliance and that our environmental program is communicated to the employees. The Green team meets on a quarterly basis.

Description of progress:

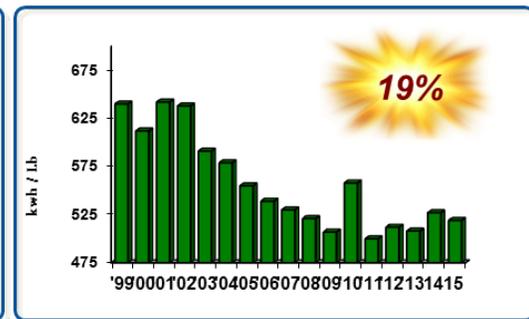
In 2015, the team's targets/objectives were to reduce water, gas, electric as well as improving the recycling program to reduce waste to landfill. Below are the results:



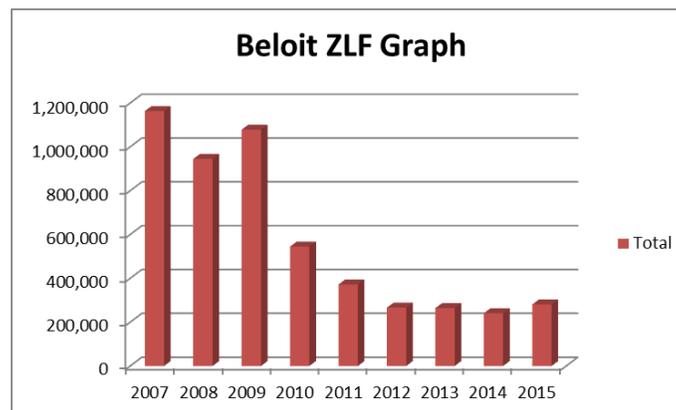
Water



Natural Gas



Electricity



1.0 % waste to landfill in 2015

Sustainability Metrics:

Please see attachment.

Executive Summary:

Frito-Lay will be completing its seventh year as a Green Tier participant on September 9th, 2016. Frito-Lay is committed to being a pre-eminent green company in Wisconsin and pursues many challenges and projects to achieve this vision. Frito-Lay continues to develop a 5 year sustainability plan to ensure we can continue to meet our aggressive targets as established as part of our Environmental Management System. The Green Team along with the Project Managers develop new environmental goals each year and review them with the site Leadership Team to ensure we stay on track with our 5 year sustainability plan. Below are the highlights of our 2015 improvements, as we continue to reduce overall GHG emissions, waste and conserve valuable resources.

Environmental Performance:

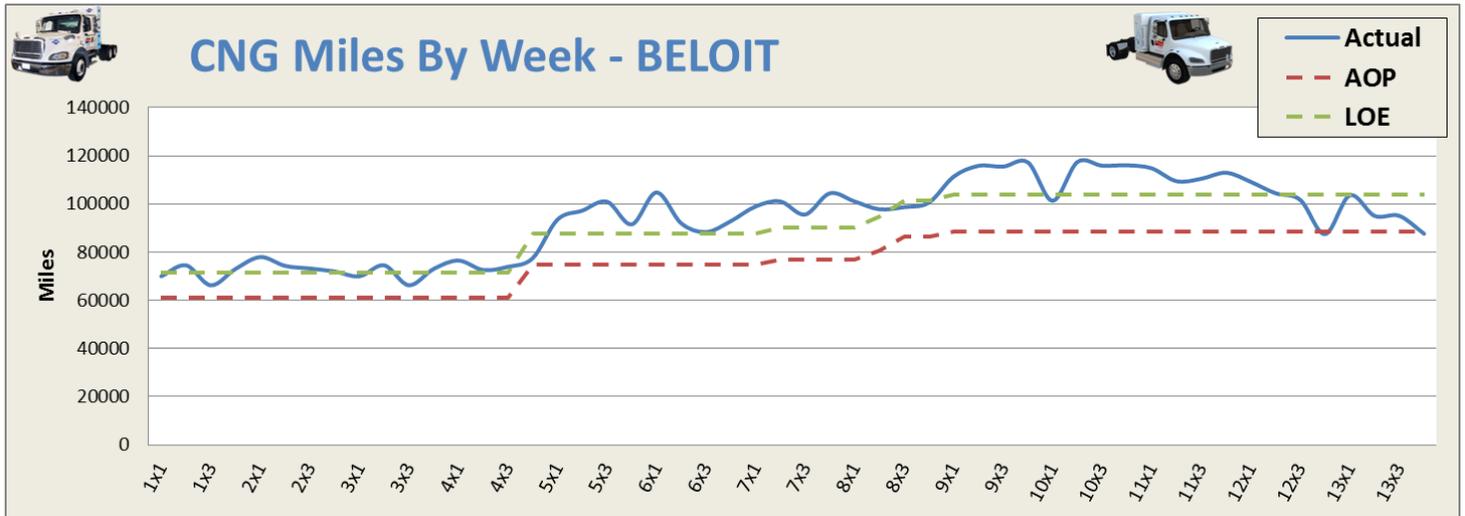
Beloit Frito-Lay has an established vision of being the "Pre-eminent Green" company in Wisconsin. Since 1999, the site has reduced its dependence on natural gas by 44%, water by 53% and electricity by 19% per pound of finished product produced. The preservation of natural resources has become a major contributor to the plant's year to year financial success. Frito-Lay continues to develop and execute against its 5 year near net zero strategy that addresses environmental compliance, the conservation of energy resources, greenhouse gas emission reductions and a comprehensive recycling program with only 1% of the site's waste reaching landfill. The strategy encompasses a blend of technology, processes and behavior changes for both the manufacturing business as well as the distribution network. In 2013, the Z-team was created by team members to expand on the history of zero waste-to-landfill. The team identified new recycling opportunities and educated the site on recycling. A recycling fair was held on-site to share with the employees their accomplishments as well to foster new ideas to continually improve. In 2014, the team has continued to focus on reducing landfill waste and encouraging their peers to recycle everything they can. Through the team's efforts, we were able to achieve a 9% improvement in 2014 over the prior year in waste to landfill reduction. In 2015, we still maintained the 1% waste to landfill but the pounds to landfill did increase. The Z-team is now action planning different venues to communicate to all employees, especially all the new hires, the importance of recycling and where the recycling locations are located.

In 2016, the site's goals/objectives/targets will be to maintain focus on reducing water, gas and electric plus finding new ways to communicate and keep the focus on recycling and reducing landfill waste which is cost effective.

Transportation:

Frito Lay has seized the opportunity of the expanding CNG fuel market and continued to increase the number of CNG assets on the road. Last year, the Beloit site increased its CNG assets by 45% starting from 31 to 45 CNG tractors, making the total fleet 75% clean burning CNG. In 2015, Beloit accrued

4,828,330 CNG miles. Hedging at \$2.00 and \$3.67 for CNG and diesel fuel respectively Beloit saved \$1,443,000 in diesel fuel. In store for the Beloit site in 2016 is 3 new CNG tractors and the reduction of 3 diesel tractors. With the new additions to the fleet, Beloit anticipates to run 322,000 more CNG miles in 2016 translating to \$97,700 savings in diesel fuel consumption.



Stakeholder Involvement:

Becoming a Green Tier participant has enhanced the communication with internal and external stakeholders. We continue to educate our employees with environmental information and visit area schools to educate the students on the benefits of resource conservation and how they personally impact the plant. Environmental information is published in an internal monthly newsletter and communicated at our quarterly site meetings with the team members. In 2015, we held an environmental information fun fair to educate the employees on resource conservation and recycling efforts and in 2016 we are holding a fun fact recycling educational booth to maintain focus on recycling and the impacts on our site.

DNR Relationship:

As a Green Tier participant we are able to network with the DNR as a resource to guide us in project decisions and determine the impact they will have on the environment. In 2015, we continued open communication on the upcoming projects for 2016 to ensure that all permitting was in place and our site was in compliance with storm water and air.

Conclusion:

In 2015, Beloit Frito-Lay site is currently ranked as an outstanding performer in the Frito-Lay Resource Conservation. The site also received the 2014 EPA WasteWise Partner of the Year Award for our

recycling efforts. As a top performing site, Frito-Lay will continue to drive performance to the next level setting the bar even higher.

***Below is a web link on air quality where companies can take a look at the quality of the air on a specific day and take this into consideration during activities that may be planned on bad air quality days. Our actions as individuals and industries may be able to prevent designation of areas as “nonattainment” for the national ambient air quality standards. Together we can make a difference...

<http://dnr.wi.gov/air/aq/health/status.asp>

WISCONSIN DNR GREEN TIER SUSTAINABILITY METRICS		Period Covered: 2015		
Company Name:	Frito-Lay, Inc			
Facility Name:	Frito-Lay, Inc			
Address:	2810 Kennedy Dr.			
City, State, Zip:	Beloit, WI 53511			
Environmental Coordinator:	Lisa Carroll			
Coordinator Phone:	608.361.5859			
Coordinator E-Mail:	lisa.m.carroll@pepsico.com			
Metric	Not Collected/ Not Available	Quantity	Units	Period - if not Calendar Year
DEMOGRAPHICS				
Sales	X			
Money saved because of material or process improvements	X		\$	
Profit or Loss	X		%	
Employees		677	Each	
Multiple between highest paid and lowest paid employee	X		%	
Alternative Transportation Support	X		\$ or ?	
Total Purchases	X		\$	
In-State Purchases	X		\$	
% of Purchases Made from Companies that participate in Green Tier or Green Masters:	X		%	
LAND				
Total Land	X		Acres	
Paved/Covered Land	X		Acres or sq ft	
ENERGY				
Electricity		21,791,250	kWh	2015
			% reduction	
Natural Gas		386,660,000,000.00	btu	2015
			% reduction	
Renewable Energy (generated on-site)	X		% of total use	
Renewable Energy (as a % of utility electricity mix)	X		%	
WATER				
Total Water Used		164,840,500	gallons/year	2015

Total Water Used			% reduction	
Source - private well			% of total use	
Source - public system		100	% of total use	2015
Water Recycled/Reused	X		gallons/year	
	X		% reduction	
Regulated Pollutants Discharged (BOD, TSS, Metals)		1,436,602	lbs/ year	
	X		% reduction	
AIR				
Total Air Emissions		39.84 tons/yr 9.10 lbs/yr	lbs/ year	
	X		% reduction	
Ozone-Depleting Substances		0	lbs/ year	
	X		% reduction	
Greenhouse Gas Emissions	X		lbs/ year	
	X		% reduction	
WASTE				
Hazardous Waste Disposal	X	0	lbs/ year	
	X		% reduction	
Universal Waste Disposal		1410	lbs/ year	
	X	82	% reduction	
Non-Hazardous Waste Disposal		280,380	lbs/ year	
	X		% reduction	
Material Recycled/ Reused		25,720,401	lbs/ year	
	X		% increase	
Recycled/ Reused Content	X		% of product	
TRANSPORTATION				
Hybrid Vehicles	X		Each	
Gasoline Used	X		Gallons	
Diesel Used - vehicles		322,966.00	Gallons	
Diesel Used - Generators	X		Gallons	
Alternative Fueled vehicles (CNG, LNG, Fuel Cell, Electric)		113,453	mm/btu	
ADDITIONAL METRICS				
Please list all other designations/certifications (for example: LEED, Green Globes, Green Masters, Energy Star, ISO 14001):				
LEED EB Gold				

Green Masters

EPA

WasteWise

ISO 22000 FSSC 22000 certified