

Renewable Electricity for Value Chain Partners

Why is Renewable Electricity Important?

As part of our Positive Value Chain pillar, PepsiCo has a goal of reducing greenhouse gas emissions in line with the Paris Climate Accord and is asking value chain partners to do the same. Utilizing renewable electricity is one of the most effective levers available to decarbonize.

What is Pep+ REnew?

Pep+ REnew creates greater access to large-scale renewable electricity to accelerate emissions reductions goals, helping build a stronger, more sustainable future for all.

As the first program in the food and beverage industry, pep+ REnew aims to foster collaboration and partnership with value chain partners providing them with support and resources to help them embark on their decarbonization journey. The program is designed with two goals:

1. Educate PepsiCo's value chain partners about their renewable electricity choices, and
2. Help quicken the transition to renewable electricity through aggregate power purchase agreements and other procurement mechanisms.

How do value chain partners participate?

- 1 **Register and Onboard** | Register at <https://hub.zeigo.com/peprenew>. Value chain partners will be offered a 1:1 onboarding call to tailor their potential renewable electricity opportunities.
- 2 **Access Education** | Access live and on-demand education and webinars hosted by Schneider Electric designed to walk suppliers in any stage of their decarbonization journey through renewable electricity options.
- 3 **Explore Renewable Electricity** | Experts help value chain partners explore the renewable electricity market, covering key considerations and factors relevant to renewable electricity adoption.
- 4 **Explore Purchase Options** | Value chain partners have access to cost-effective ways to purchase renewable electricity to reduce their scope 2 emissions.

Pep+ REnew Program Benefits:

- FREE ACCESS to renewable electricity educational resources
- Flexible program open to any value chain partner across the globe whether they are just getting started or have near-term emissions reductions goals
- Brand and reputation value as a potential leading sustainable organization making material progress towards emissions reduction
- Opportunity to participate in buyer aggregation

Buyer Aggregation: A new pathway to purchasing Renewable Energy through pep+ REnew

pep+ REnew creates the unique opportunity for value chain partners to aggregate their electricity demand and gain access to renewable electricity purchasing options that they wouldn't otherwise have, providing:

- An opportunity to increase scalability, flexibility, and enhance environmental impact
- Potentially more favorable pricing and contract terms than "going it alone"
- A community for sharing best practices and peer learning.

Below is a summary of the different types of procurement options available to Value Chain Partners as part of the pep+ REnew program.

	Unbundled EACs	Utility Provided (Bundled EACs, Green Tariffs, etc.)	On-site Generation	Direct/Physical PPA	Virtual/Financial PPA	Aggregated Virtual PPA	Tax Credit Investment (US only)
Additionality	No	No with some exceptions	Yes	Yes	Yes	Yes	Yes
Time To Execution	Immediate	Immediate	12 months	8-12 months	8-12 months	12-20 months	12 months
Length of Coverage	1 year	1-3 years – depends on utility provider	ongoing	5-15 years	5-15 years	10-20 years	10-12 years
Availability	Most Markets	Depends on Market	Yes	Depends on Market	Depends on Market	Depends on Market	US Only
Minimum Requirements	<ul style="list-style-type: none"> • Purchase must be RE100 compliant 	<ul style="list-style-type: none"> • Purchase must be RE100 compliant • Utility provider willing to offer 	<ul style="list-style-type: none"> • Space for infrastructure • Upfront investment 	<ul style="list-style-type: none"> • ~100+ GWh usage (dependent on market) • In an eligible market • Meets credit threshold 	<ul style="list-style-type: none"> • ~100+ GWh usage (dependent on market) • In an eligible market • Meets credit threshold 	<ul style="list-style-type: none"> • ~20+ GWh usage • In an eligible market • Willing to collaborate with others 	<ul style="list-style-type: none"> • Large tax appetite • Located in United States • Meets credit threshold

* Energy Attribute Certificates (EACs) are a market-based instrument that tracks the amount of renewable electricity produced and sold.

** Power Purchase Agreements (PPAs) are long-term contracts for EACs between a renewable electricity project developer and a customer.

Value chain partners are under no obligation to participate in any portion of the program or to work with Schneider Electric to explore the renewables market or purchase renewable electricity.