

The logo consists of three overlapping white circles of varying sizes, creating a dynamic, interconnected shape.

STRATEGY +
TRANSFORMATION



**PEPSICO
LABS**



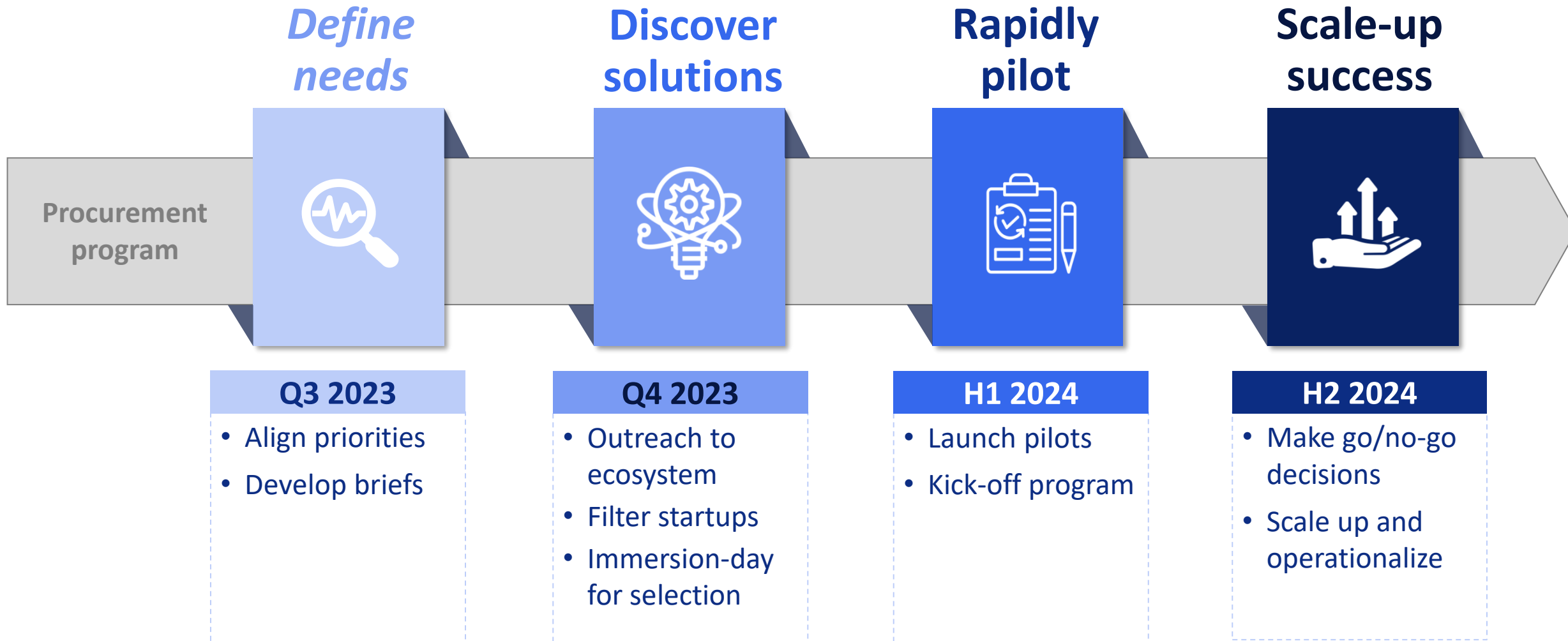
Global
Capabilities
Digitalization

Procurement Future-Tech startup program

OCTOBER 2023

PepsiCo Labs is launching a new program to systematically engaged procurement solutions

Program Key Phases



PepsiCo Procurement is looking for breakthrough technology that address key business needs

Spend Analytics & Market Intelligence



Category Management & Strategic Sourcing



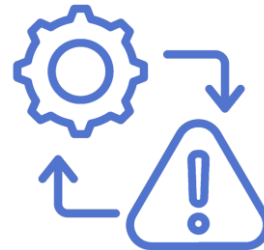
Legal & E2E Contract Management



Supplier Relationship Management



Supplier Risk Management



Sustainability & Economic Inclusion for Procurement



The Procurement program is focused on 6 key business areas to implement emerging tech solutions for PepsiCo



1. Spend Analytics & Market Intelligence

Accelerate decision making and communication based on insights & analytics

- Platform that **automatically collects, cleanses and enhances data** needed to execute daily tasks
- **Automated reports on spend** (e.g., how much do I spend, where do I spend it and whom am I spending it with)
- **Tools to accelerate breakthrough productivity** & decision making, removing manual work
- **Solutions to track execution** against plans
- **Internal communication platform** that allows efficient, timely and traceable collaboration



2. Category Management & Strategic Sourcing

Optimize category strategies & market intelligence

- **End-to-end category management platform** that includes a repository (e.g., real time 360 view of a spend category)
- Real-time access to market intelligence to support **sourcing strategy and smart analytics**
- **More efficient sourcing processes** via automation tools
- Evaluate & Test **Business Continuity Plans**
- **Should-cost modelling tools**
- **Optimize freight** across the raw material supply chain



3. Legal & E2E Contract Management

Reduce contract cycle time and value leakage by driving contract compliance

- Create capability of a **touchless contract lifecycle management** process with enhanced user experience
- AI / ML tools to **support contract negotiations and execution** (e.g., AI chatbot)

The Procurement program is focused on 6 key business areas to implement emerging tech solutions for PepsiCo



4. Supplier Relationship Management*

Optimize and efficiently manage a flexible supply chain

- Easy access and **visibility to supplier's information** and data (e.g., ESG metrics, QA docs etc.)
- Seamless platform for suppliers to plug data to PEP
- Automated tools to **streamline communication with suppliers** and FCSTs (business demands shared with suppliers) across raw materials
- New tools for **more efficient RFPs** (request for proposal)
- **Payments & Invoicing** optimization tools



5. Supplier Risk Management*

Enhance cost avoidance capabilities by reducing risk & increasing brand reputation

- **Map PEP's entire supply chain eco-system** to identify exposures (e.g., centralized supply chain)
- Monitor and **receive real-time alerts of third-party imposed risks** to the business's activities across global markets (e.g., specific factory parts, oil etc.)
- Receive **real-time mitigation scenarios** as needed
- Streamline raw material inventory depletion and minimize waste



6. Sustainability & Econ. Inclusion for Procurement

Reduce carbon footprint & source consumption

- Tools enabling **sustainability sourcing**
- Solutions to provide **insights on supplier carbon footprint**
- Track PCR (post consumer recycled) **material incorporation across value chain** (raw material to trade)
- Track **supplier diversity and ESG metrics**