



totalrewards


PepsiCo Canada's Flexible DC Pension Plan

the building blocks for your future

Jaye Calder

Manager, Canadian Pension, Benefits & Wellness

I have over 15 years of experience working for global organizations.

I've spent my career in the Total Rewards space, finding new and innovative ways to work more efficiently while increasing value.



Agenda

- 1 **Total Rewards:** PepsiCo Canada
- 2 **Looking to the Future:** Why did we make changes?
- 3 **Pension Enhancements:** What changed?
- 4 **The Rollout:** Resources & Support, Roles, Timeline
- 5 So now what?

Total Rewards at PepsiCo

The Building Blocks for Your Future

"With a wide range of programs to support you and your family, PepsiCo Total Rewards offer peace of mind by providing the building blocks you need to be ready for your future."






It's another way we're attracting and retaining the best talent in the industry, so you can achieve big goals for PepsiCo, and for your career.

competitive | flexible | inclusive



Your Total Rewards

Be prepared for whatever life brings ...
by having the right building blocks in place!

-  **Total well-being support:** physical, mental, financial
-  **Health benefits** for you and your family
-  **Insurance and financial protections** to help you prepare for the unexpected
-  **Pension and savings** to prepare for your future
-  **Flexibility** to adapt as your life changes!

You can rest easy...
knowing that your
PepsiCo Total Rewards
have you covered!



Looking to the future...why did we make changes?

Things evolve and needs change...

It's important for Total Rewards to stay current, competitive and focused on the benefits that are most important to PepsiCo families.

PepsiCo is updating their total rewards to...

✓ Deliver the **most value to the most people**

✓ Add **even more flexibility for Employees**

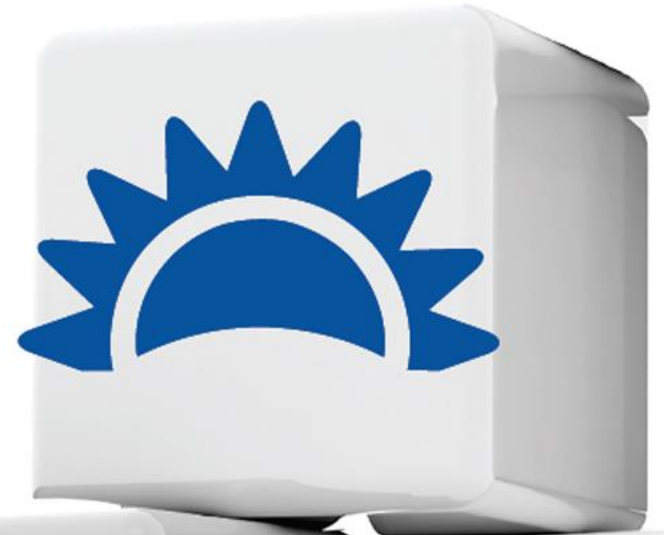
✓ Whenever possible, **simplify** plans

Comprehensive Review:

- Canadian market
- Competitive landscape
- Best practices for Canadian companies
- Evolving employee needs and preferences

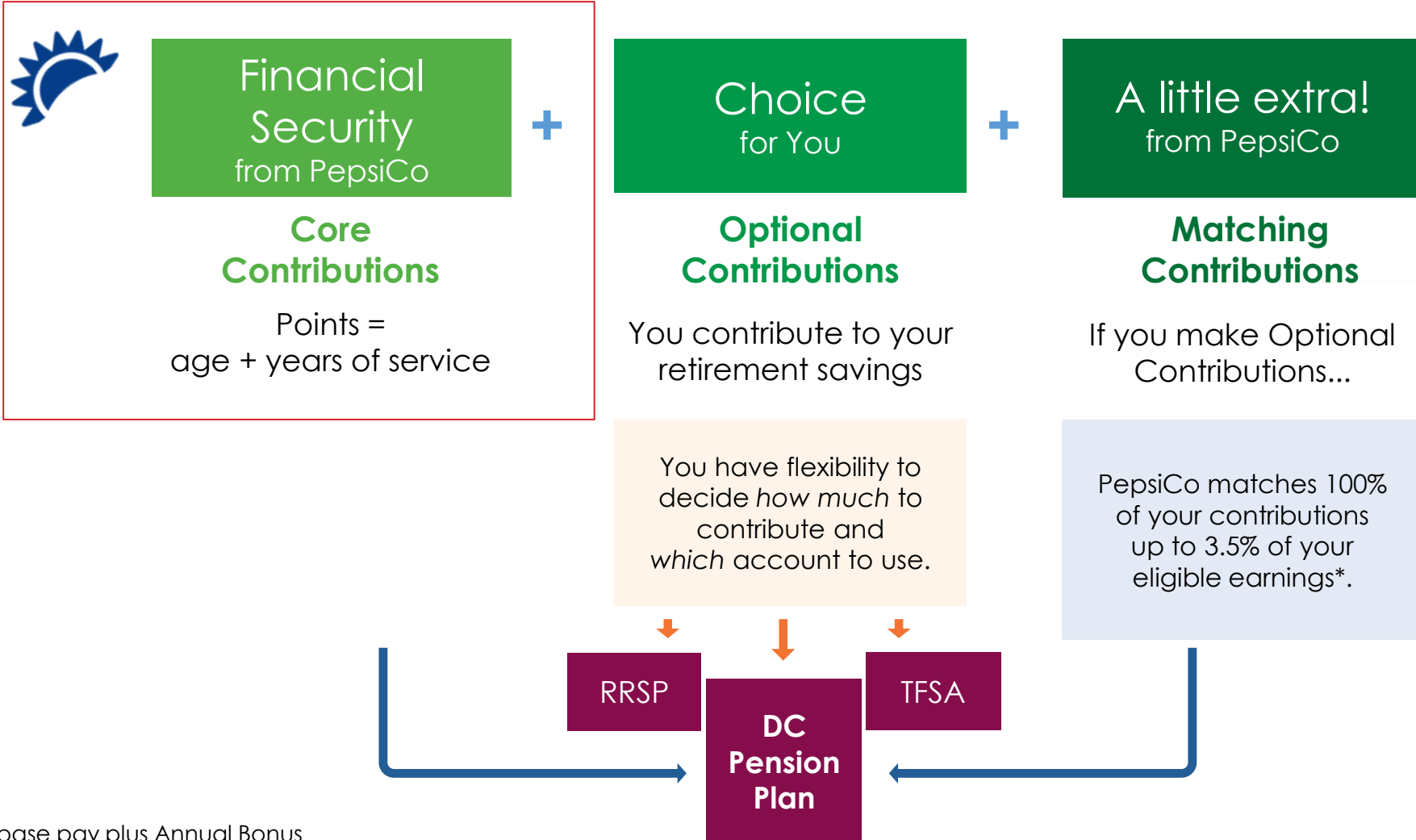


Pension Enhancements



secure your future

PepsiCo's DC Pension Plan *for your future!*



*Includes base pay plus Annual Bonus

PepsiCo's DC Pension Plan *for your future!*



Financial Security
from PepsiCo

Core Contributions

Points =
age + years of service

+

Choice
for You

Optional Contributions

You contribute to your
retirement savings

You have flexibility to
decide *how much* to
contribute and
which account to use.

RRSP

DC
Pension
Plan

TFSA

+

A little extra!
from PepsiCo

Matching Contributions

If you make Optional
Contributions...

PepsiCo matches 100%
of your contributions
up to 3.5% of your
eligible earnings*.



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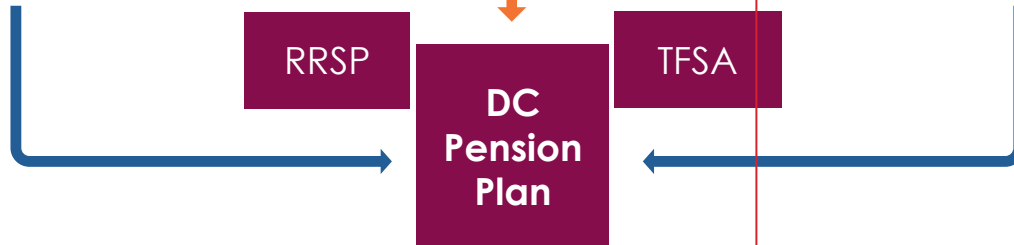


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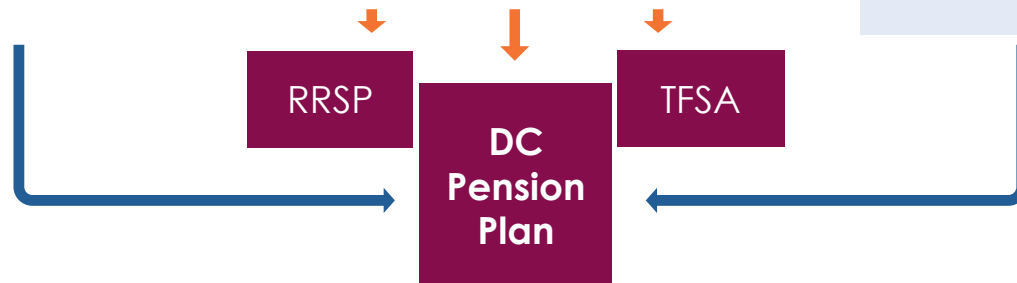
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Flexibility



Employees choose where to direct their contributions...

DC Pension (pension rules)

For retirement,
more structured

RRSP (RRSP rules)

For retirement,
more flexible

TFSA (TFSA rules)

For savings,
most flexible

Contributions

- | | | | |
|---------------|---|---|--|
| Contributions | <ul style="list-style-type: none"> • Before tax | <ul style="list-style-type: none"> • Before tax | <ul style="list-style-type: none"> • After tax |
| Earnings | <ul style="list-style-type: none"> • Tax-sheltered | <ul style="list-style-type: none"> • Tax-sheltered | <ul style="list-style-type: none"> • Tax-sheltered |
| Limits | <ul style="list-style-type: none"> • 9.5% | <ul style="list-style-type: none"> • The lesser of 18% <u>OR</u> your personal RRSP contribution room* | <ul style="list-style-type: none"> • The lesser of 18% <u>OR</u> your personal TFSA contribution room** |
| Withdrawals | <ul style="list-style-type: none"> • None until retirement age | <ul style="list-style-type: none"> • Limited flexibility (e.g., first home) | <ul style="list-style-type: none"> • Flexible (e.g., emergency fund) |



Example



Lina

Contributions are based on Base + Bonus

Wants some flexibility in her savings

| Contribution type/description | | Account | Percent |
|---|---|-----------------|-----------------------|
| Core contributions (from PepsiCo) | Based on points Points = 5.0% | DC Pension Plan | 5.0% |
| Optional contributions (from Lina) | Lina chooses how much and where (up to contribution limits) | RRSP | 3.5% <i>matched</i> |
| | | TFSA | 2.0% <i>unmatched</i> |
| Matching contributions (from PepsiCo) | 100% match on Lina's contributions up to 3.5% eligible earnings | DC Pension Plan | 3.5% |

14.0%

Financial Security + Flexibility + A little bit extra!

Lina's total contributions

Support & Resources



Support & Resources



Mailer



Webinars

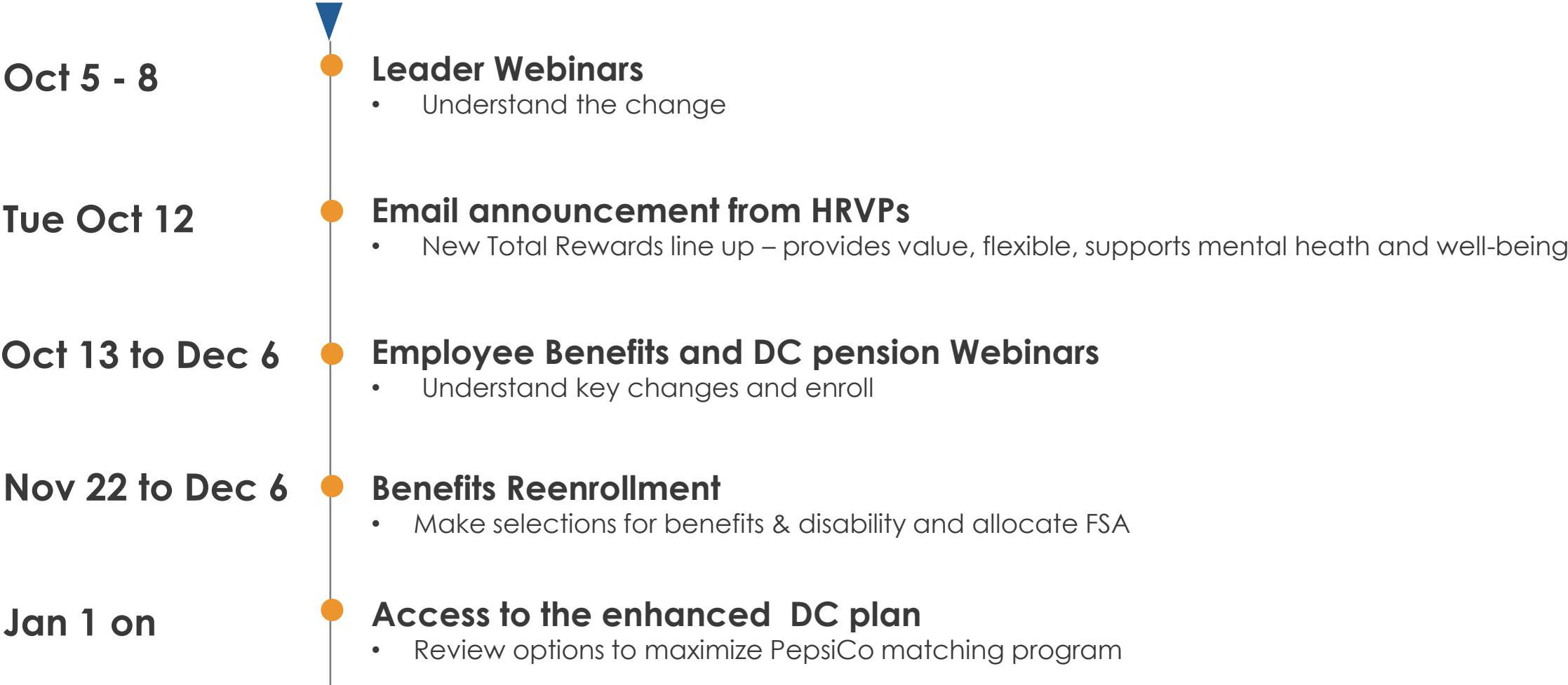


Videos



Statements

Communication Timeline





Communication Samples

Videos



Brochures

Enrollment Numbers

| What Percentage... | Q1 2021 | Q3 2022 |
|--|---------|--|
| ...are making Optional Contributions in addition to their Core Employer DCPP | 50% | 55%  |
| ...are maximizing their Employer Match contributions | 40% | 44%  |



So now what?

Tax Free First Home Savings Account & beyond...





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Thank You

Q&A

the building blocks for your future