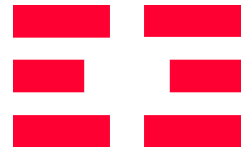




PepsiCo

Subsidiaries: Frito-Lay (Lay's), Tostitos, Quaker, Gatorade, 7UP, Doritos, Cheetos, Ruffles, Tropicana, Sierra Mist, Mtn Dew, Aquafina, PopCorners, LIFEWTR, Bubly, Aquafina, Brisk, Lipton
Locations: New York (HQ)
Industries: Food Beverage and Tobacco

RISK LEVEL:



High Risk

DESCRIPTION:

PepsiCo scored a 100 on the 2023 Corporate Equality Index (CEI) from the Human Rights Campaign (HRC), a political stakeholder group. By complying with the HRC's controversial demands, PepsiCo increases the risk of dividing employees, alienating customers and harming shareholders. The company covers transgender-related medical costs for its employees and their children and provides specific sexual orientation and gender identity-based benefits. It also uses sex and gender ideology criteria in employee recruitment, vendor selection, marketing, and philanthropic support. PepsiCo forces employees to undergo multiple ideological trainings and uses its reputation, corporate funds, and political influence to support controversial sex and gender ideologies, organizations, and legislation. PepsiCo is a member of GARM. The company pledged \$400 million toward BLM and related causes and matches employee donations to Planned Parenthood. PepsiCo is a corporate partner of the HRC, a founding member of PGLE, and requires unconscious bias training for all its employees. The company is a member of the Business Coalition for the Equality Act, supports transgender participation in girls' sports, and federalized voting systems. PepsiCo is a signatory of the Business Roundtable's 2019 Statement on the Purpose of Corporation, which promotes stakeholder capitalism. The company is committed to carbon neutrality by 2040 and lobbies in an ideological manner. PepsiCo opposed various state and local legislation intended to protect parental rights, girls' sports, bathroom facilities, and gendered spaces. PepsiCo is a member of the MCCA, indicating its focus on recruiting, retaining, and promoting employees based on race. For these reasons, PepsiCo receives a High Risk rating.

Corporate Weaponization

Has denied service to customers, suppliers, or vendors due to their political views or religious beliefs OR corporately boycotts, divests, or sanctions regions, people groups, or industries. **Medium Risk**

PepsiCo received a score of 100 recruits employees based on sexual identity issues. The company discriminates against vendors that do not promote divisive sex and gender policies, indicating it prioritizes sexual issues over merit (1)(2). (3)(4)(5). However, PepsiCo has not publicly fired customers, suppliers, or vendors based on political views or religious beliefs.

Charitable giving (including employee matching programs) policies or practices discriminate against charitable organizations based on views or religious beliefs. **High Risk**

PepsiCo (1)(2).

Employment policies fail to protect against discrimination based on political affiliation/views and/or religion.

High Risk

PepsiCo indicates the company forces employees to attend multiple, controversial trainings on gender identity, sexual orientation, transgender issues, and divisive racial ideology. The company provides gender transition guidelines for its employees and specific benefits guide with a comprehensive explanation of transgender services funded by the company (1)(2). PepsiCo issued mandatory unconscious bias training regarding race (3). PepsiCo does not provide viewpoint protections for its employees (4).

Corporate Governance and Public Policy

Uses corporate reputation to support ideological causes and/or organizations hostile to freedom of expression. High Risk

(1)(2)(3). PepsiCo and supports transgender participation in women's and girls' sports (4)(5). PepsiCo signed a public letter supporting the federal John Lewis Voting Rights Advancement Act (6) The company opposed the Florida Parental Rights in Education Act, which would prohibit teaching gender identity and sexual orientation to kids in K-3rd grade (7). CEO Ramon Laguarta is a member of the Business Roundtable and signed its 2019 Statement on the Purpose of Corporation, which promotes stakeholder capitalism over traditional obligations to shareholders and customers (8)(9). PepsiCo is a Ceres Network Member, committed to net zero carbon emissions by 2040 (10)(11)(12). PepsiCo indicates the company agrees to allow a controversial stakeholder group focused on sexual identity issues to dictate marketing or advertising strategy (13)(14). By doing so, the company risks dividing employees, alienating customers and harming shareholders. Doritos Spain hired transgender influencer Samantha Hudson as a brand ambassador despite her controversial past statements making inappropriate comments about minors and mocking sexual assault victims (15).

Uses corporate funds to advance ideological causes, organizations, or policies hostile to freedom of expression. High Risk

PepsiCo is a bronze corporate partner of the HRC and is a Gold corporate partner of GLAAD (1)(2). PepsiCo offers an employee matching gift program for Planned Parenthood to its employees (3). In 2020, PepsiCo pledged \$400 million to Black Lives Matter and related causes (4)(5)(6). PepsiCo is a silver sponsor of Out & Equal and a corporate partner of the NGLCC (7)(8). PepsiCo indicates the company covers transgender related costs for its employees and their children, including paid short-term leave, puberty blockers, cross-sex hormones, chest surgeries, genital surgeries, medical visits and lab monitoring, travel and lodging. Additionally, the company has pledged philanthropic support of at least one organization or event that promotes sex and gender ideology (9)(10). By allowing a political stakeholder group to dictate operations, the company increases health care costs and risks dividing employees, alienating customers PepsiCo is a PGLE member (11). PGLE is a member of the Global Alliance for Responsible Media (12)(13)(14). PepsiCo is a member of the MCCA, indicating its focus on recruiting, retaining, and promoting employees based on race (15)(16).

Uses corporate political contributions for ideological, non-business purposes.

High Risk

PepsiCo indicates the company publicly advocated for controversial sex and gender ideology through local, state or federal legislation or initiatives (1)(2). By allowing a political stakeholder group to dictate operations, the company risks dividing employees, alienating customers and harming shareholders. PepsiCo has not used its PAC donations for ideological purposes but has lobbied in an ideological manner (3)(4)(5).

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