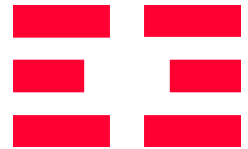




PepsiCo

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 out of 100 on the 2023-2024 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 provides a benefits package for employees which covers transgender medical procedures for covered employees and dependents, including children. 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. The company is also a member of the GARM, which aims to demonetize advertisements and suppress content that "vilifies" individuals based on sexual orientation and gender identity, discusses "debated social issues in a negative or partisan context" or spreads "hate speech". PepsiCo issued mandatory unconscious bias training regarding race. The company's PGLE membership reflects its commitment to "operationalize" company coverage of transgender surgery and treatment, the vetting of business partners based on LGBTQ+ policies, and the financial support of LGBTQ organizations on a global level. PepsiCo signed an open letter in support of the Equality Act, a controversial bill and supports transgender participation in women's and girls' sports. The company signed a public letter supporting the federal John Lewis Voting Rights Advancement Act. PepsiCo opposed the Florida Parental Rights in Education Act, which would prohibit teaching gender identity and sexual orientation to kids in K-3rd grade. 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. The company is a Ceres Network Member, committed to net zero carbon emissions by 2040. PepsiCo opposed various state and local legislation intended to protect parental rights, girls' sports, bathroom facilities, and gendered spaces. The company opposed legislation in Iowa intended to protect parental rights, girls' sports, bathroom facilities, and gendered spaces. 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. PepsiCo's CEO, Ramon Laguarta, signed the CEO Action for Diversity & Inclusion pledge, which includes a commitment to promote DEI through bias education training in the workplace. PepsiCo is a bronze sponsor of the HRC and is a Gold corporate partner of GLAAD. The company offers an employee matching gift program for Planned Parenthood to its employees. In 2020, PepsiCo pledged \$400 million to Black Lives Matter and related causes. PepsiCo is a silver sponsor of Out & Equal and a corporate partner of the NGLCC. The company is a PGLE member and a member of the Global Alliance for Responsible Media. PepsiCo is a member of the MCCA, indicating its focus on recruiting, retaining, and promoting employees based on race. The company lobbied for the "George Floyd Justice in Policing Act of 2020". For these reasons, PepsiCo receives a High Risk rating.

Corporate Weaponization

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

PepsiCo's HRC 2023-2024 CEI rating indicates the company recruits employees based on sexual identity. The company discriminates against vendors that do not promote divisive sex and gender policies, indicating it prioritizes sexual issues over merit (1)(2). The company is also a member of the GARM, which aims to demonetize advertisements and suppress content that "vilifies" individuals based on sexual orientation and gender identity, discusses "debated social issues in a negative or partisan context" or spreads "hate speech" (3)(4)(5). However, PepsiCo has not publicly canceled customers, suppliers, or vendors based on political views or religious beliefs.

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

PepsiCo's HRC 2023-2024 CEI rating indicates the company will not donate to non-religious charities unless they embrace controversial sexual identity policies (1)(2). The company will not match employee donations for "religious purposes" (3).

Employment policies fail to protect against viewpoint or other discrimination and/or are High Risk
ideological in nature.

PepsiCo's HRC 2023-2024 CEI rating 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). The company does not provide viewpoint protections for its employees (4).

Corporate Governance and Public Policy

Uses corporate reputation to support causes, organizations, or policies hostile to freedom of High Risk
expression.

PepsiCo's HRC 2023-2024 CEI rating indicates the company agrees to allow a controversial stakeholder group focused on sexual identity issues to dictate marketing or advertising strategy (1)(2). By doing so, the company risks dividing employees, alienating customers and harming shareholders. PepsiCo's PGLE membership reflects its commitment to "operationalize" company coverage of transgender surgery and treatment, the vetting of business partners based on LGBTQ+ policies, and the financial support of LGBTQ organizations on a global level (3)(4)(5). The company signed an open letter in support of the Equality Act, a controversial bill and supports transgender participation in women's and girls' sports (6)(7). PepsiCo signed a public letter supporting the federal John Lewis Voting Rights Advancement Act (8). 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 (9). 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 (10)(11). PepsiCo is a Ceres Network Member, committed to net zero carbon emissions by 2040 (12)(13). The company opposed various state and local legislation intended to protect parental rights, girls' sports, bathroom facilities, and gendered spaces (14). PepsiCo opposed legislation in Iowa intended to protect parental rights, girls' sports, bathroom facilities, and gendered spaces (15). 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 (16). PepsiCo's CEO, Ramon Laguarta, signed the CEO Action for Diversity & Inclusion pledge, which includes a commitment to promote DEI through bias education training in the workplace (17)(18).

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

PepsiCo's HRC 2023-2024 CEI rating 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 (1)(2). By allowing a political stakeholder group to dictate operations, the company increases health care costs and risks dividing employees, alienating customers and harming shareholders. PepsiCo is a bronze sponsor of the HRC and is a Gold corporate partner of GLAAD (3)(4). The company offers an employee matching gift program for Planned Parenthood to its employees (5). In 2020, PepsiCo pledged \$400 million to Black Lives Matter and related causes (6)(7)(8). PepsiCo is a silver sponsor of Out & Equal and a corporate partner of the NGLCC (9)(10). The company is a PGLE member and a member of the Global Alliance for Responsible Media (11)(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 actions and/or financial contributions for ideological, non-business purposes. High Risk

PepsiCo's HRC 2023-2024 CEI rating 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 for the "George Floyd Justice in Policing Act of 2020" (3)(4)(5).

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