



AS YOU SOW

30 YEARS 1992 – 2022

2023 Shareholder Resolution
PepsiCo Inc | Impact of Reproductive Health Policies

WHEREAS: Access to reproductive rights is being challenged at the state and federal levels across the U.S. Currently, a patchwork of laws regulates access to abortion and broader reproductive rights. State legislatures have passed more than 600 restrictive laws since 2011. Twelve states now ban abortion. Other states have enacted legislation that protects these rights.

This patchwork of laws adds complexity for PepsiCo, which employed about 26,000 women throughout the U.S. at year-end 2021. Many PepsiCo employees will now face additional challenges accessing reproductive healthcare for themselves or their family members.

Employers, as well as employees, bear the cost of restricted access to reproductive health care. Women who cannot access abortion are three times more likely to leave the workforce than women who were able to access abortion when needed, and four times as likely to slip into poverty. (<https://bit.ly/37qrmMw>). The Institute for Women's Policy Research estimates that state-level abortion restrictions may annually keep more than 500,000 women aged 15 to 44 out of the workforce.

According to a 2022 survey, strong majorities of women under 40, regardless of political affiliation, would prefer to work for a company that supports abortion access. (Forbes, 8.2.22). In a 2021 survey of U.S. consumers, 64 percent said employers should ensure that employees have access to reproductive health care and 42 percent would be more likely to buy from a brand that publicly supports reproductive health care. (<https://bit.ly/3nmzd2U>). Surveys have consistently shown that most Americans want to keep the *Roe v. Wade* framework intact.

PepsiCo's mission statement includes a commitment to "creating meaningful opportunities to work, gain new skills and build successful careers, and maintaining a diverse and inclusive workplace." PepsiCo may find it more difficult to recruit employees in states outlawing abortion. (<https://bit.ly/3Ctj3Zl>). This may harm PepsiCo's ability to meet diversity and inclusion goals, with negative consequences to company performance, brand, and reputation.

BE IT RESOLVED: Shareholders request that the PepsiCo Board of Directors issue a public report prior to December 31, 2023, omitting confidential and privileged information and at a reasonable expense, describing any known and potential risks and costs to the company caused by enacted or proposed state policies severely restricting



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reproductive rights, and detailing any strategies beyond litigation and legal compliance that the company may deploy to minimize or mitigate these risks.

SUPPORTING STATEMENT: In its discretion, the board’s analysis would usefully include:

- a discussion of any effects of these proposed or existing state policies on employee hiring, retention, and productivity;
- company decisions regarding closure or expansion of operations in states proposing or enacting restrictive laws and strategies;
- any public policy advocacy by the company or related political contributions policies which take into consideration these policies,
- and any planned or existing human resources strategies or employee educational strategies in response to these proposed or existing state policies.