2018 Shareholder Resolution PepsiCo. Inc.

Request: Report on Glyphosate Desiccation

WHEREAS: Testing indicates that PepsiCo's iconic Quaker Oats oatmeal contains residues of the synthetic herbicide glyphosate. Lawsuits filed in May 2016 allege that Quaker Oats' claim of "all-natural" is false due to glyphosate being found in the product.

Testing published in 2016 found glyphosate residue in other Pepsi products: Stacy's Simply Naked Pita Chips, Lay's Kettle Cooked Original, and Doritos Cool Ranch.

Glyphosate is a controversial weed-killer. In 2015 it was classified as a probable human carcinogen by the World Health Organization's International Agency for Research on Cancer. Research has also linked glyphosate-based herbicides to chronic toxic effects – such as kidney damage and endocrine disruption – even at low levels. Herbicide formulations with multiple ingredients, such as Roundup, can be even more toxic than glyphosate alone.

Herbicide manufacturers have encouraged farmers to apply glyphosate to crops just before harvest to kill foliage and promote drying. Glyphosate is often applied pre-harvest to oats, other grains, and beans. This practice substantially increases glyphosate residues in these crops.

Ben and Jerry's, one of the most popular ice cream brands in the world, recently announced it will prohibit pre-harvest glyphosate use in its entire supply chain by 2020. Austria and Germany have banned pre-harvest glyphosate use; other European countries such as France and Italy have not approved the practice, despite manufacturers' requests.

Monsanto, manufacturer of Roundup – the most widely used glyphosate-based herbicide – has long taken the public position that Roundup is safe. However, the company's internal correspondence puts this claim into question. In emails recently made public as part of personal injury and wrongful death lawsuits against the company, a Monsanto scientist wrote: "[Y]ou cannot say that Roundup is not a carcinogen . . . we have not done the necessary testing on the formulation to make that statement." (emphasis added). Legal experts report that these lawsuits, 37 of which have been centralized into a single district court case, could be the beginning of mass tort actions on glyphosate's health effects.

In October 2017, the European Parliament voted in support of a non-binding glyphosate ban which, if adopted, would be take effect by 2022.

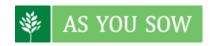
PepsiCo has committed to ensuring that its suppliers "do business ethically... and [address] known business, environmental and social risks..." Quaker Oats brands itself as "green" and "eco-friendly." However, Quaker Oats' potential use of pre-harvest glyphosate endangers the brand's reputation.

BE IT RESOLVED: Shareholders request the Board publish a report, at reasonable expense and omitting proprietary information, discussing the Company's options for adoption of policies above and beyond legal compliance to prevent or minimize environmental and public health harms from glyphosate in the company's supply chain.

SUPPORTING STATEMENT: We recommend the report include:

¹ https://corpgov.law.harvard.edu/2015/08/05/corporate-investment-in-esg-practices/

² https://feedingourselvesthirsty.ceres.org



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- An assessment of the supply chain, operational, and reputational risks posed to the company by the large-scale use of pre-harvest glyphosate; and
- Quantitative metrics tracking the portion of supply chain crops treated with glyphosate.