

RESOLVED: Shareholders request that PepsiCo, at reasonable cost and omitting proprietary information, report to shareholders on the processes and policies, above and beyond legal compliance, to assess and manage risks and/or hazards to human health, the company's reputation and its financial position associated with chemicals and additives in its food and beverage products.

SUPPORTING STATEMENT:

Weak federal regulations concerning Generally Recognized as Safe (GRAS) substances enable the food industry to self-regulate and determine whether an ingredient is GRAS without notifying the Food and Drug Administration (FDA) of the company's determination or the research underlying its determination that the substance is safe.¹ According to a 2022 analysis, nearly 99 percent of all food chemicals introduced since 2000 were approved by the food and chemical industry, not the FDA.²

Approximately 40 percent of PepsiCo's food and beverage portfolio contains synthetic dyes,³ which are petroleum-based compounds that offer no nutritional value, are primarily used in low-nutritional products, and are added purely for visual appeal.⁴ Evidence demonstrates the dyes are associated with neurobehavioral issues in children, including hyperactivity⁵ and adverse behavioral outcomes.⁶

PepsiCo has made limited commitments in phasing out these chemicals⁷ and no commitment to meeting the Administration's goal of phasing out all synthetic dyes by the end of 2027.⁸ PepsiCo has only committed to re-launching Tostitos and Lays products without color additives by the end of 2025, while many of the Company's

¹ <https://ajph.aphapublications.org/doi/full/10.2105/AJPH.2024.307755?role=tab>

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<https://www.ewg.org/news-insights/news/2022/04/ewg-analysis-almost-all-new-food-chemicals-greenlight-ed-industry-not-fda>

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<https://apnews.com/article/pepsi-removing-artificial-colors-gatorade-cheetos-5d9cfbee948be51f2339b8410ea55341>

⁴ <https://www.cspi.org/chemical-cuisine/artificial-colorings-synthetic-food-dyes>

⁵ <https://www.sciencedirect.com/science/article/pii/S2772529424001255>

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<https://oehha.ca.gov/risk-assessment/press-release/report-links-synthetic-food-dyes-hyperactivity-and-other-neurobehavioral-effects-children>

⁷ <https://infogram.com/synthetic-dyes-corporate-commitment-tracker-1h0n25owglewl4p>

⁸ https://www.axios.com/2025/04/23/food-dye-ban-rfk-pepsi?utm_source

competitors have made commitments to phase the chemicals out of their entire portfolios by the end of 2027.⁹

Historically, PepsiCo tends to be reactive versus proactive when safety issues arise, raising concerns about the Company's ability to effectively and proactively manage these risks.

For example, PepsiCo did not commit to remove brominated vegetable oil until 2014,¹⁰ despite the chemical's ban in several European countries since the 1970s due to its health harms.¹¹ In 2012, Pepsi pledged to remove a toxic chemical in its caramel coloring but testing post-commitment showed that drinking two Pepsis a day exceeded California's regulated safety limit for the toxin.¹²

Consumers are increasingly concerned, as demonstrated by litigation accusing the Company of false claims regarding the absence of artificial flavors and preservatives in its popular Smartfoods brand.¹³ In response to different litigation, PepsiCo reformulated some of their products in 2007 to remove benzene, a known carcinogen.¹⁴

States are seeking to address the GRAS regulatory loophole by banning food chemicals that pose potential harm to human health. As of 2025, 20 states have introduced and/or passed legislation targeting food chemicals.¹⁵ The federal government is also advocating for the food industry to reduce health-harming substances in their products.¹⁶

The lack of transparency regarding Coca-Cola's risk assessment and management approach, combined with growing regulatory pressures, litigation, and consumer demand for ingredient information, creates risks for shareholders and our Company.

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<https://www.fda.gov/food/color-additives-information-consumers/tracking-food-industry-pledges-remove-petroleum-based-food-dyes>

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