



PEPSICO



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February 22, 2012

VIA EMAIL

(SHAREHOLDER NAME
& ADDRESS REMOVED)

Dear X X X X:

As required by Securities and Exchange Commission ("SEC") Rule 14a-8, please find below the proposal submitted by you, as well as PepsiCo's statement in response to the proposal that will appear in our 2012 Proxy Statement.

We are providing you this statement solely as a precautionary measure. By providing you this statement, the Company does not waive its right to request that the SEC staff concur that the proposal may be excluded and does not waive its right to revise the attached statement if the SEC staff requires you to revise your proposal or supporting statement.

If you have any questions, please do not hesitate to contact me at 914-253-2507 or amy.carriello@pepsico.com.

Sincerely,

PEPSICO'S RESEARCH AND DEVELOPMENT ACTIVITIES
(PROXY ITEM NO. [])

A shareholder has submitted the following resolution for the reasons stated. We will provide the name, address and share ownership of the shareholder promptly upon receiving an oral or written request to the Company's Corporate Secretary at the address and phone number listed on page [] of the Proxy Statement.

Whereas: According to "Principles for Global Corporate Responsibility: Bench Marks for Measuring Business Performance," which was developed by an international group of investors, "companies must formulate policies to reduce risk to reputation in the global marketplace" and,

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Whereas: Public reaction to the PepsiCo/Senomyx agreement has resulted in a massive world-wide boycott of PepsiCo products, which threatens shareholder value, retirement pensions and investments, and,

Whereas: PepsiCo has the ability to determine which cell lines should be used in the development of the flavor enhancement research our company is funding,

Resolved: Shareholders request that the Board of Directors adopt a corporate policy that recognizes human rights and employs ethical standards which do not involve using the remains of aborted human beings in both private and collaborative research and development agreements.

Background: In August 2010, PepsiCo entered into a 4 year agreement with Senomyx for the development of artificial high-potency sweeteners for PepsiCo beverages. Under the agreement, PepsiCo is paying \$30 million to Senomyx for the research and will subsequently pay royalties on PepsiCo products sold using the Senomyx technology.

In order to produce these flavor enhancers, Senomyx is using HEK-293 (human embryonic kidney cells) obtained from an electively aborted child, despite the fact that over 70 of their patents indicate non-objectionable cell lines such as e-coli, yeast, insect, amphibian or other cells could be used instead. (i.e., see patent numbers 7,052,857; 7,939,671; 7,927,823; 7,915,003; etc).

While PepsiCo claims that "Senomyx utilizes well-established and long-approved research processes that are widely used today by many companies within the food and beverage industry", in fact, competing flavor producing companies such as Chromocell focus on non-controversial insect and CHO cell lines. Chromocell is currently under contract with Coca-Cola.

In today's business world, management must address issues that include human rights. Global companies such as PepsiCo must implement comprehensive codes of conduct, such as those found in the 1947 Nuremburg Code, the World Medical Association Declaration of Helsinki and the United Nations Declaration of Human Rights. Accordingly, members of the human species who cannot give informed consent for research should not be the subjects of an experiment unless they may benefit from it or the experiment carries no significant risk of harming them.

Indeed, so significant is this measure that in September 2011 Congress passed HR 1249, banning the patenting of human organisms, including fetuses or embryos, which reads, "Notwithstanding any other provision of this title, not patent may issue on a claim directed to or encompassing a human organism." The bill was signed into law on September 16, 2011.

While the bill does not affect existing patents on cell lines such as HEK-293, the intention is clear that research must respect and protect human beings from exploitation for profit.

* * *

Recommendation of the Board of Directors:

The Board of Directors has considered this proposal and recommends that shareholders vote against this resolution for the following reasons:

The Board believes that the requested policy is unnecessary given PepsiCo's strong commitment to human rights and our existing policies and practices. PepsiCo has a publicly available Human Rights policy, which is broadly communicated throughout the Company and incorporated into the Company's Code of Conduct. Additionally, PepsiCo has published a Responsible Research Statement that states that PepsiCo does not

conduct or fund research that utilizes human tissue or cell lines derived from embryos. Both the Human Rights Policy and Responsible Research Statement are available on our website at www.pepsico.com under "Company" — "Corporate Governance" — "Policies".

Our Board of Directors recommends that shareholders vote AGAINST this resolution.