

PepsiCo's response to reports on "Conflict Palm Oil" in Indonesia

11 November 2015

Business & Human Rights Resource Centre invited PepsiCo to respond to:

- "Indofood: A massive loophole for palm oil", Rainforest Action Network, Sept 2015
http://www.ran.org/indofood_report
- "From Minerals to Palm Oil: Another Supply-Chain 'Conflict'", Robert J. Bowman, SupplyChainBrain, 9 Nov 2015
<http://www.supplychainbrain.com/content/blogs/think-tank/blog/article/from-minerals-to-palm-oil-another-supply-chain-conflict/>

PepsiCo responded with the following statement:

PepsiCo recognizes the social impact, including human rights, inherent to sustainable sourcing, and is working to realize zero deforestation in our company owned and operated activities and supply chain. To support this, we are committed to a 100-percent sustainable palm oil policy for all PepsiCo brands and products, regardless of the source of production.

PepsiCo's commitment covers its direct suppliers and ensures that the company's palm oil sources will be in compliance with its Forestry Stewardship Policy and Land Use Policy, which include adherence to principles regarding High Carbon Stock (HCS) Forests, High Conservation Value (HCV) areas, no new development of peat lands, and to the principle of Free Prior and Informed Consent (FPIC). For joint ventures, the company is working diligently to develop sustainable palm oil sourcing agreements for PepsiCo products and will continue to report on its progress.

More information on the Palm Oil Action Plan and other policies can be found on PepsiCo's website at <http://www.pepsico.com/Purpose/Performance-with-Purpose/Policies>.