

Palm Oil Supply and Traceability

March 2018

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PepsiCo is committed to a supply chain that is free from deforestation and addresses human rights challenges, and we have committed to sourcing 100% RSPO certified sustainable palm oil by 2020. Traceability plays a critical role in achieving our goals. Our commitment to transparency includes the following:

- We have published a complete list of our 2018 direct palm oil suppliers, shown below. This disclosure builds on our practice since 2015 to disclose our top palm oil suppliers, currently Cargill, Oleofinos and Wilmar. Seventy percent of our palm oil globally is currently supplied by the following nine companies: AFIA, Al-Safwa, ARMA, Cargill, Delmon, Oleofinos, United Oils, Willowton Group and Wilmar.
- Our suppliers are required to provide us with palm oil traceability data using our [Palm Oil Traceability Protocol](#), which we published in 2017. As of March 2018, over 90% of the palm oil we source is traceable to the mill level, based on self-reported data from suppliers, up from 65% in 2015, and we have published our [2017 mill list](#).
- In 2018, we will roll out our independent third-party verification program on traceability to mill, building on pilots we completed in 2017 and covering supplier procedures, methods of data collection and data management. We see our verification effort as leading practice among industry. It will enhance the integrity and reliability of the data we receive from suppliers.
- In our [2016 Palm Oil Progress Report](#), we published the total number of direct suppliers and mills in our supply base. We also announced that we developed a new supplier scorecard with emphasis on policy, engagement, certification and grievances. This tool enables us to engage directly with suppliers, gauge their status on key performance measures, and guide a process of continuous improvement to enable them to meet all of PepsiCo's policy commitments. Responsible palm oil production and sourcing requires collaboration and alignment across the supply chain. Our scorecards allow PepsiCo to work in a consistent way with our suppliers to help achieve this.
- To fully understand and manage our palm oil production base, we have an additional commitment of traceability to the plantation level by 2020, with work ramping up in 2018.
- In 2017, we formalized our [grievance mechanism](#) for environmental and human rights complaints related to our agricultural supply chain. This enables any organization or individual to engage with PepsiCo about concerns regarding a particular supplier. If that supplier is present in our supply base, the complaint will be investigated and actions to resolve the complaint identified.
- In 2018, we published a significant statement specifically focused on our [Indonesian palm oil supply chain](#).

Enhancing traceability plays a critical role in addressing deforestation and human rights challenges in the palm oil sector and we have welcomed the trend for greater transparency. In collaboration with our partners, we will continue to work to improve our palm oil supply chain. Our forthcoming 2017 Palm Oil Progress Report will provide additional detail on the measures we have taken.

PepsiCo Global Palm Oil Supplier List, 2018

1	AAK AB
2	Adani Wilmar Limited
3	Agropalma Group
4	Alicorp S.A.A.
5	Archer Daniels Midland (ADM)
6	Arma Food Industries
7	Bay Valley Foods, LLC
8	Bunge Limited
9	Cargill Incorporated
10	COFCO Corporation
11	Delmon Products Limited
12	Elsafwa for Industrial Development
13	Emami Agrotech Limited
14	Fábrica de Grasas y Productos Químicos Limitada, Grasco Limitada
15	Felda-IFFCO Sdn Bhd
16	Graincorp Limited
17	Hondupalma
18	IFFCO Pakistan Pvt. Ltd.
19	Industrial Alpamayo S.A.
20	Industrial Danec S.A.
21	Industrializadora Oleofinos SA De CV
22	JSC Aston
23	La Fabril S.A
24	Lam Soon (Thailand) Plc.
25	Louis Dreyfus Company B.V.
26	Marsa Yag San.ve Tic. A.S.
27	Mercasid S.A.
28	Morakot Industries Public Company Limited
29	NaturAceites S.A.
30	Olenex C.V.
31	Palmas del Espino S.A.
32	President Nisshin Corp
33	Savola Foods Company
34	Soya Hellas SA
35	Stratas Foods LLC
36	Team Foods
37	United Oil Processing and Packaging, S.A.E
38	Willowton Group
39	Wilmar International Limited