



PEPSICO

SUSTAINABLE FARMING PROGRAM

FUNDAMENTAL
PRINCIPLES



FOUNDATIONAL

TOPIC	GOAL STATEMENT	PRINCIPLES
THE SFP INCLUDES FOUNDATIONAL PRINCIPLES WHICH CUT ACROSS SEVERAL PILLARS & INDICATORS.		The farm operation is committed to using sustainable practices that protect the environment, enhance social well-being and drive economic prosperity.
		Comply with PepsiCo's Supplier Code of Conduct.
		Ensure compliance with relevant legal and regulatory requirements.
		The farm operation conducts business with integrity, avoiding all forms of bribery, corruption and fraud.
		Commitment to zero deforestation.
		The farm operation has an emergency action plan that provides essential information to staff and has access to relevant emergency response equipment in the event of a fire, emergency, natural disaster or accident.
		Products that originate from genetically modified seeds, plants, rootstock or grafting material meet all legal requirements regarding their selection, planting, harvest and storage.
		Keep records in accordance with legal requirements.
		Keep crop production records.
		Provide training to all people purchasing, handling, storing, transporting and applying agrochemicals.
		Storage, security and handling of ancillary supplies and chemicals occur in a way that minimizes any negative effects on the environment.

SOCIAL

TOPIC	GOAL STATEMENT	PRINCIPLES
HEALTH AND SAFETY	Provide working conditions which protect and support worker health and safety and promote personal wellness.	Protect the health and safety of people who work on the farm using an effective and comprehensive safety management system.
		Protect the safety of people who work on the farm with appropriate protective equipment and access to first aid.
		Protect the safety of people who work on the farm with appropriate equipment, signage and maintenance procedures.
		Protect the health of people who work on the farm from potential negative impacts of work schedule, intensity and exposure.
		Support the health of people who work on the farm through information and access to medical care.
		Support the health of the families of people who work on the farm through information and access to medical care.
		Protect the health of people who work on the farm by ensuring adequate hygiene and sanitation.
		Protect pregnant women working on the farm from discrimination and health risks.
		Protect children on the farm from health risks.
EMPLOYMENT CONDITIONS	Provide working and living conditions that protect worker rights and ensure fair and reasonable treatment.	The rights of people working on the farm are protected through legal employment contracts.
		Working hours are managed to ensure that the number of hours worked within a given time period adhere to all relevant regulatory requirements.
		People who work on the farm shall be compensated for hours over normal working hours and allowed the right to adequate rest.
		Wages are paid in accordance with all relevant regulatory requirements, including those regarding minimum wage levels and overtime compensation.
		Ensure that people who work on the farm are receiving their compensation.
		Ensure that benefits provided to people who work on the farm are sufficient and reasonable and comply with all relevant regulatory requirements.
		Ensure the housing provided by the farm operation or by labor brokers used by the farm operation are clean, safe and comfortable.
		Provide migrant workers with the resources and support necessary to fulfill basic needs related to health, personal and family life, and financial security while working on the farm.
		Provide an inclusive working environment that supports all employees' cultures and religions.
COMMUNITY	Protect and improve the local community through positive social impacts and mitigation of adverse environmental effects.	Build positive relationships with the local community, addressing any potential risks or sources of conflict that could arise from land or natural resource usage, such as usage agreements, transfers of land rights and displacement of persons.
		Mitigate negative environmental impacts on the local community.
		Create positive social impacts on the local community.
EMPLOYMENT PRACTICES	Protect worker rights and uphold international standards for employment practices.	Ensure all people who work on the farm have the freedom to associate.
		Ensure that all people who work on the farm are of legal working age and that appropriate protections are provided to youth workers.
		Ensure that all people working on the farm are able to freely choose employment.
		Ensure that labor brokers or agencies used are protecting the rights of people working on the farm.
		Ensure that labor brokers or agencies provide transportation and relocation support for temporary workers.
		Protect people who work on the farm from discrimination and harassment.
		Ensure that there is a means for two-way communication between management and people who work on the farm.
		The use of prison labor is prohibited.

ECONOMIC

TOPIC	GOAL STATEMENT	PRINCIPLES
FARM MANAGEMENT	Implement management systems which provide stability, risk-resistance and resilience, and enable effective short- and long-term planning.	The farming operation has a long term farm business strategy.
		The farming operation has effective long and short term planning processes.
		Resilient business strategies have been adopted.
		Ensure basic productivity, efficiency and stability of the current operation.
		Audits are performed on annual financial statements.
EFFICIENCY	Maximize production efficiency and minimize losses.	Maximize efficiency at harvest.
		Monitor and minimize crop losses during harvest, storage and transport.
COMMERCIAL RELATIONSHIPS	Establish stable and mutually beneficial relationships along the value chain.	Stable and mutually beneficial relationships with other parts of the value chain are maintained.
		Clear agreements with customers, suppliers and sub-contracted producers are maintained on commercial and production terms.

ENVIRONMENTAL

TOPIC	GOAL STATEMENT	PRINCIPLES
AGROCHEMICALS	Optimize agrochemical use through integrated pest management, substituting natural controls where possible.	All agrochemicals applied are registered in the geography of use, in the country of production and as required by any national and international treaties.
		The management, selection, purchase, storage, security, handling, application and transport of agrochemicals meets all relevant legal requirements including national and international treaties, and occurs in a way that minimizes any negative effects on the environment.
		Develop and maintain an Integrated Pest Management Plan.
		Maintain agrochemical inventory and application records.
		Keep crop scouting records.
		Maintain, clean and calibrate agrochemical application machinery to ensure accurate application.
		Keep agrochemical application equipment calibration records.
AIR	Manage air emissions to minimize adverse effects on the environment and local community.	Conduct an air quality assessment of the farm operation.
		Develop and maintain a burn management plan that meets all relevant legal requirements.
		Implement farm practices to reduce the generation of particulate matter.
		Use technology, management practices and communication to ensure minimization of nutrient and agrochemical application drift which could have adverse effects on non-targeted plants, soils, water, animals and/or humans.
		The farm operation engages with the community to reduce the likelihood of complaints against odor and particulate matter producing activities
		Manage airborne particulate matter to minimize the negative effect on natural vistas and prevent the creation of unsafe conditions due to low visibility.
BIODIVERSITY	Maintain a healthy and balanced ecosystem through practices that protect and promote native biodiversity.	Conduct a biodiversity assessment of the farm operation.
		Develop and maintain a biodiversity management plan.
		Farming in protected areas shall strictly comply with the regulations applicable to these areas.
		Biodiversity is maintained or enhanced on the farm.
		Threatened and endangered plant and animal species and/or habitats are managed according to relevant legal requirements, including national and international treaties.
		Manage the farm operation so a variety of native species and functioning ecosystems, including wild communities, result in a diverse landscape.
		Wetlands, aquifers, lakes, rivers, streams, estuaries and other coastal areas and their associated life forms are protected.
		Native plant communities or remnant ecosystems are managed to help minimize effects from non-native or invasive species.
ENERGY	Reduce overall farm energy consumption and reliance on fossil fuels.	Conduct an Energy Assessment of the farm operation
		Reduce energy use where possible.
		Strive to increase the use of renewable sources of energy while decreasing the use of non-renewable energy sources.
		Keep records of fuel and energy use
GREENHOUSE GASES	Reduce greenhouse gas and ozone depleting substance emissions associated with the farming operation.	Conduct a greenhouse gas assessment of the farm operation
		Manage ozone depleting substances to minimize their effect on the atmosphere while adhering to all relevant legal requirements, including national and international treaties.
		Manage greenhouse gas emissions so that they do not adversely affect ecosystem processes.
		Manage refrigerants so that they do not adversely affect ecosystem processes.
NUTRIENTS	Optimize the use of organic and inorganic nutrients through a nutrient management plan that optimizes ecosystem, soil and plant health.	Nutrients applied are registered or permitted by the appropriate governmental organization in the country of production and country of destination, or as required by national and international treaties.
		Develop and maintain a nutrient management plan
		The management, selection, purchase, storage, security, handling, application and transport of nutrients meets all relevant legal requirements, including national and international treaties, and occurs in a way that minimizes any negative effects on the environment.

ENVIRONMENTAL

TOPIC	GOAL STATEMENT	PRINCIPLES
NUTRIENTS	Optimize the use of organic and inorganic nutrients through a nutrient management plan that optimizes ecosystem, soil and plant health.	Untreated biosolids or resulting sludge from untreated biosolids are not applied to farmland.
		The use of process wastewater and treated biosolids on land destined for agricultural use meets all relevant legal requirements.
		Maintain nutrient inventory and application records.
		Maintain, clean and calibrate nutrient application machinery to ensure accurate application
		Keep nutrient application equipment calibration records.
SOIL	Preserve and improve soil quality by sustaining or improving soil organic matter, minimizing compaction and erosion, balancing nutrients and avoiding damage due to disease and contamination.	Develop and maintain a soil erosion prevention and control plan
		The risk of soil erosion is minimized
		Shorelines, stream banks and natural or manmade channels are managed to stabilize and treat erosion, reduce sedimentation and prevent loss of adjacent land
		Soil slippage, landslides, or slope failures are managed so mass movement does not exceed naturally occurring rates
		Soil quality is preserved by managing organic matter, compaction, and inorganic compounds
WASTE	Improve farm economics and minimize adverse effects on the environment and local community through optimized waste management.	Develop and maintain a waste management plan.
		The burning of waste products, unless for the generation of energy, is only allowed in an incinerator designed for that purpose.
		Waste disposal of specially regulated and hazardous wastes occurs according to pertinent legal requirements.
		Dispose of waste products in a way that minimizes any negative effects on the environment. This includes following protection methods set forth by regulation.
		Keep records of waste that leaves the farm operation.
		Design and manage the temporary waste storage areas on the farm to reduce the risks of environmental contamination.
		Meet all relevant legal requirements for on-farm composting, open waste dumps or landfills while working towards the goal of zero landfill.
		Non-marketable crops and crop by-products are not disposed of in landfills.
		Empty agrochemical containers shall not be reused by the farm for anything other than containing and transporting of the identical product as stated on the original label.
		Establish and maintain a recycling program
		In selection of products, consideration is given to recycled or recyclable materials and/or products in reusable or recyclable containers.
WATER	Optimize the use of water through a management plan that balances ecosystem resources and community needs. Manage discharged and runoff water to avoid ground- and surface-water impairment.	Prior to utilizing a water source, a water source assessment is conducted and steps taken to avoid or mitigate potential issues identified during the assessment.
		Test water sources supplying the operation for pollutants (microbial, mineral and chemical) by an accredited lab at a frequency necessary to ensure legal requirements and quality consistent with intended water use. Steps are taken to address water source test results that fall outside acceptable limits.
		Keep source water quality testing records.
		All water use (quality and quantity) shall follow relevant legal requirements, and if required, be permitted by the proper governmental organization.
		Measure and keep records of total water use.
		Prior to discharging wastewater, a water discharge and disposal risk assessment is conducted and steps taken to avoid or mitigate potential issues identified during the assessment.
		All legal requirements for the testing and treatment of wastewater are met.
		Irrigation water use is optimized to maximize yield and minimize negative effects on water sources.
		Develop and maintain an irrigation water management plan.
		Maintain and calibrate irrigation equipment to ensure accurate application.
		Keep irrigation equipment calibration records.
		Maintain water conveyance structures and avoid the mixing of clean and dirty water.