



Changing Markets Foundation
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Mr James P. Andrew
700 Anderson Hill Road
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USA

London, 29 October 2020

RE: Talking Trash: the corporate playbook of false solutions to the plastic crisis

Dear Mr Andrew,

We are writing to you in regard to our recent investigation and report entitled [Talking Trash: the corporate playbook of false solutions to the plastic crisis](#), released on 17th September 2020.

The report investigates industry tactics in the face of an unprecedented plastic pollution crisis and growing pressure to address it. We critically analysed the voluntary commitments to tackle plastic pollution of the ten most plastic polluting companies (Coca-Cola, Colgate-Palmolive, Danone, Mars Incorporated, Mondelēz International, Nestlé, PepsiCo, Procter & Gamble, Perfetti van Melle and Unilever), as well as several other major group initiatives around the world. This, in combination with research and investigations into industry lobbying in 15 countries across 5 continents, where plastic legislation was proposed, revealed a global trend of corporations trying to undermine proven legislative solutions to the plastic crisis.

PepsiCo has consistently come up as one of the worst plastic polluters and was the third worst plastic polluter according to the 2019 Break Free From Plastic brand audit. We note that, despite the fact PepsiCo believes it to be 'business imperative' to build a world where plastic never becomes waste, it has never publicly advocated for proven, mandatory legislative solutions to the crisis, such as 90% separate collection of plastic bottles, deposit return systems or mandatory Extended Producer Responsibility. This, matched with a track record of actively opposing such solutions and a history of missed commitments on plastic is a concerning trend.

On recycled content, your company claims as progress towards its 2025 goal of 25% recycled content rates of 9% rPET in the US and 21% in Western Europe. However, these figures mask the fact that, in 2019, your total recycled content rate was just 4%, an increase of only 1% on the previous. With little over four years until the deadline, it is clear that without significant steps to address this shortfall, this will be another broken promise.

We are also concerned that you plan to achieve your recycled content targets through chemical recycling, known to be an immature and climate-unfriendly technology which experts agree should not be considered as part of the circular economy. We would

encourage you instead to invest in proven solutions to the plastic crisis such as high levels of separate collection, deposit return systems and effective, mechanical recycling and reuse.

We noted PepsiCo's investment into bioplastic without any clear sustainability criteria for sourcing of bio-based materials. We would encourage PepsiCo to analyse what is, and what isn't, a good use of bio-based, biodegradable or compostable plastic, and to ensure any of this material that is used does not cause competition for land or exacerbate deforestation. We would encourage you to instead opt for reuse systems, as just switching one single-use material for another might inadvertently scale other environmental problems without solving the plastic crisis.

We have noted with interest your lack of response to our report to the journalists that approached you, which is very surprising given that you are a member of so many voluntary initiatives claiming to deal with the plastic pollution. We are writing to encourage you to level up your ambition to tackling the crisis by considering a series of recommendations for companies in our report:

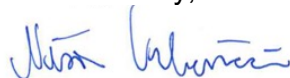
- Ensure commitments are more ambitious than existing, or proposed, legislation to address plastic pollution. Openly express support of – and call for – progressive legislation to address the plastic crisis, encourage peers to do the same and leave any industry initiatives that oppose, delay or undermine progressive legislation – including its implementation. In this instance, we are asking PepsiCo to publicly support deposit return systems globally, as these are precursors to reduction of litter and key instruments to increase the levels reuse and effective recycling.
- Be transparent about the company's full plastic footprint (including products and packaging) and progress against targets on plastic, setting out a holistic approach to discourage 'virtue signalling' with tokenistic gestures (e.g. products from ocean plastic). Ensure such reporting includes achievements across all markets and brands, and is based on independently verified data
- Commit to meaningful measures that would lead to a significant reduction in single-use plastics and other single-use materials. These measures need to be specific, measurable, time-bound and independently verified, and should include ambitious targets for reuse and refill, redesign of products and effective recycling.¹
- Outline clear positions on the use of alternative materials, such as bio-based, biodegradable and compostable plastic, with justifications for what is – and isn't – a good use of these materials, including clear sustainability criteria that prevent deforestation or competition with food. Such positions should not mislead or confuse consumers or undermine current recycling systems.
- Ensure commitments are enacted consistently across all markets in which the company (and its subsidiaries) operates; that is, ensure there is no contradiction between how a company acts on the issue of plastic pollution in one market compared to how it acts in another.

¹ This is sometimes also called closed-loop recycling, where for example a plastic bottle can be recycled multiple times into a plastic bottle and not down-cycled into, for example fibres for the carpet and fashion industry. Some plastic polymers, such as PET and HDPE, can be mechanically recycled into new plastic products multiple times, if collected through clean waste streams.

If PepsiCo truly believes it is 'business imperative' to tackle plastic pollution, it must publicly advocate for legislative solutions to the crisis and also leave trade groups and other organisations that were set up and continue to oppose legislative solutions.

We would appreciate it if you could respond to this letter by 19th November 2020, and we remain at your disposal for any additional information.

Yours sincerely,



Nuša Urbančič, Campaigns Director, Changing Markets Foundation

CC: Silviu Popovici, CEO Europe
Jim Andrew, Chief Sustainability Officer

This letter is also endorsed by:



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