



Pucallpa (Peruvian Amazon), May 3rd . , 2024

Ms. Alexa Vélez

General Editor

Mongabay

alexa@mongabay.com

Dear Ms. Alexa Vélez:

Reference is made to the article published by Mongabay about us on or around last April 18th under headings such as “*Snack Giant Pepsico Sourced Palm Oil from Razed Indigenous Land - investigation*” - <https://news.mongabay.com/2024/04/snack-giant-pepsico-sourced-palm-oil-from-razed-indigenous-land-investigation/> - which reproduces a flawed report on deforestation attributed to our company.

The authors of such report -Andrew Wasley and Elisangela Mendoca, from *TBIJ*, and Aramis Castro, from *Ojo Público*- have publicly and privately retracted from its content, acknowledging that it contained false information, but Mongabay remains disseminating it (as evidenced in through the aforementioned link).

Particularly in your article it is stated:

“Ocho Sur is linked to 17,000 hectares (42,000 acres) of forest loss in the past decade – both within its own property and through its direct suppliers. While some of the forest loss took place under other companies, satellite analyses by the Center for Climate Crime Analysis (CCCA) and TBIJ show clear deforestation on Ocho Sur’s land in the past three years.”

We forcefully reject all and each of such assertions, which are evidently false and evidence your crime of defamation. Further proof of your recognition of such crime lies in the fact that you have withdrawn from your publication the satellite images which allegedly prove the deforestation you falsely attribute to us.

Thus, we hereby respectfully request you immediately withdraw such publication, and produce the appropriate rectifications and apologies, to reduce the immense damage being caused to our corporate reputation, and our financial and commercial interests, as well as to minimize the intentional infliction of emotional distress on our managers and staff.

The most salient factual errors and misleading portions of the investigative report you have published are:

- The satellite images that you used as the evidence that we are deforesting at Ocho Sur are not images related in any way to Ocho Sur, to its properties or to those of its suppliers. We do not, and never have deforested. The images of the land that you published, showcasing recent deforestation, are not of our land and we have no control or influence over them. The first of the parcels you

identify, which, again, is not our land, is in another Department (in the State of Loreto, not Ucayali where all of our land is located), and is the subject of an already open OEFA case (Peruvian environmental enforcement agency) between the owner of that land and OEFA and has nothing whatsoever to do with Ocho Sur. Nor have we ever purchased fruit from that farm. The other parcel is also not our land. To arrive at that parcel from our property would require driving over 14 kilometers of rough rural roads, some of which would be impassable in the rainy season. It appears to be a rice field and has nothing whatsoever to do with us. Surely you would agree that it is improper, damaging, and illegal to assign an allegation to us for acts committed by others without our knowledge or involvement on property that is not ours. The veracity of our response can be technically and objectively confirmed through satellite images of our land. This is not a matter of opinion but of bare facts, and we are baffled as to why you would have overlooked them. If you need more information about the boundaries of our land, please let us know. We would be happy to review them with you. Again, Ocho Sur has never deforested. We work tirelessly to prevent deforestation. Our business is the largest and most successful alternative to the tragic historic losses of forests in Ucayali. Thanks to our investments in this part of Peru, thousands of the regions inhabitants no longer engage in extractive wood harvesting, migratory agricultural practices, or coca leaf production, the three primary drivers of forest loss in the Ucayali region where we operate.

The two main sources of this false report, *The Bureau of Investigative Journalism* and *Ojo Público* have issued partial rectifications that don't fully amend their misinformation on this matter.

- We have a very clear Sustainable Supply Chain Policy that ensures that, in addition to not deforesting on our own land, the purchases that we make from small farmers around us do not encourage deforestation, including the indirect encouragements that your article implies. Our policy is modelled on the best such policies around the world, and it has been published on our website for years: <https://ochosur.com/pages/reportes/>. We consider all deforestation unnecessary and unacceptable and strictly guard against it both directly and indirectly.
- You state in your report that it is unclear whether the land on which Ocho Sur operates was deforested by Ocho Sur or by previous owners. Surely this is not unclear. Our company purchased the land in a public auction in July of 2016. There has been no deforestation since that time. Any of the international and Peruvian online forest watch systems will corroborate this. Regional government inspectors' reports confirm it. We are regularly and actively supervised by Peruvian authorities whose job is to find and punish acts of non-compliance. They have found no evidence of deforestation at Ocho Sur. Furthermore, at the time of our purchase of the land, there were many hectares where some of the natural vegetation still existed. We have actively protect the

tree coverage that existed on the land when we arrived, and we have encouraged and enriched the return of forest growth on those areas that were devoid of vegetation when we bought the land. All of this information is also available, including to Mr. Aramis Castro, from *Ojo Público*, one of the article co-authors.

- As to our neighbors, the Community of Santa Clara de Uchunya, we sincerely wish that you had engaged with and spoke to the legitimately elected leadership team, registered with the Peruvian government, who is authorized to speak for the Community. It appears that you have chosen to ignore or suppress the perspectives of the majority of Community members whose statements, deliberated in their General Assembly and published by their democratically elected leadership board are widely available. Please do not do this. These people have the right to their perspectives. Intentionally publishing statements of view violates this right.
- Last but not least, we suggest, in the interests of full disclosure, that if you choose to publish quotes from the UK not-for-profit Forest People's Programme (FPP), you also note in the same article that FPP has been publicly denounced in Peru by indigenous leaders for falsely making claims, very similar to those in your article, on their behalf.

We welcome the plurality of opinions that exist regarding the best ways to end deforestation, ensure social and economic justice and especially to protect the interests of the most vulnerable people in places like Ucayali.

We invite you to come visit us in Ucayali, visit our operations and discuss these matters with the local indigenous communities, our workers, local governmental authorities, and us. Although much has been written about the region, very little of it is based on first-hand knowledge of its people, its marvelous natural resources, or its indigenous and farming communities. We have extended similar invitations to many other. Some accept and others do not. Those who do come find the experience and the testimonies of those with whom they interact to be informative, motivational, and even transformative since the reality on the ground differs so dramatically from most of what has been written. We truly hope that you take the time to come.

We believe that a diligent and thorough, fact-based, first-hand investigation by you about these matters would be very helpful for the many stakeholders involved. We are prepared to assist you in this endeavor fully, including providing you assurances of protection of your sources and confidentiality. We welcome scrutiny that is based on a genuine search for the truth.

And we must respectfully insist that you immediately withdraw from the public sphere the aforementioned article due to the falsehood of its content, and



produce the publication of appropriate rectifications and apologies to reduce the immense damage being caused to our corporate reputation, and our financial and commercial interests, as well as to minimize the intentional infliction of emotional distress on our managers and staff. As it will be evident to you, the factual incorrectness in the story you published damages our corporate reputation, our workers, our neighbors including indigenous peoples, and all other stakeholders that are related to Ocho Sur. It also erodes the efforts we and many others are making to end deforestation and poverty in the Amazonian Ucayali region.

Please contact me to clarify any queries you may have regarding Ocho Sur and to arrange for a more in depth assessment of the issues in our region. You can write me to: Michael.Spoor@ochosur.com .

Michael Spoor
CEO