

Health and Wellness Approach and Engagement

At PepsiCo, we believe that a more sustainable food system should meet human needs for both nutrition and enjoyment. We're working continually to introduce new products that have more of the nutritious ingredients our consumers need or desire. And we are continuing to reformulate existing recipes across our portfolio to reduce added sugars, sodium and saturated fat so that consumers can continue to enjoy our most loved brands as part of a balanced diet. This represents not only part of our strategy for a sustainable business, but we believe it will also help to address some of the world's public health challenges.

Context

According to the World Health Organization (WHO), worldwide obesity has tripled since 1975 and it is still rising. The WHO's latest figures show that in 2016, more than 1.9 billion adults – 39% of the global population – were overweight, and 650 million - 13% of the global population - were obese. **Over 340 million children and adolescents aged 5-19 were overweight or obese in 2016.** The prevalence of obesity is increasing in all age groups and in all regions. Yet the growth in this trend is largely preventable.

In 2004, the WHO adopted its Global Strategy on Diet, Physical Activity and Health for the Prevention and Control of Non-Communicable Diseases (NCDs), which calls on stakeholders at the global, regional, and local levels to take the actions needed to support healthy diets and physical activity at the population level.

Since that time, NCDs have been elevated onto national and global health and development agendas by means of a series of political commitments, such as the **2011 UN Political Declaration on NCD Prevention and Control**, the **WHO Global NCD Action Plan 2013-2020**, and the integration of both undernutrition and NCD prevention into the **Sustainable Development Goals (SDGs)**, particularly in SDG 2: Zero Hunger, and SDG 3: Good Health and Well-Being.

Our Approach

The United Nations and World Health Organization recognize that the active participation of the private sector can contribute to the achievement of sustainable development, including through the important tool of public-private partnerships. We support that approach. As one of the world's largest food and beverage companies, PepsiCo is committed to being a part of the solution. In fact, we are taking aggressive steps to implement many of the actions recommended by the WHO Global Strategy on Diet, Physical Activity and Health and the WHO Global Action Plan for the Prevention and Control on Non-Communicable Diseases. Our multi-faceted approach includes:

- Innovating and reformulating our products to reduce added sugars, sodium and saturated fat
- Increasing number of more nutritious options into our portfolio
- Providing clear labeling information about product ingredients
- Adhering to responsible marketing policies
- Meeting the highest standards for food quality and safety

To learn more on our work in these areas, please refer to these ESG topics on our website: [Saturated Fat](#), [Sodium](#), [Sugar](#), [Nutrition](#), [Product Labeling and Claims](#), [Advertising and Marketing to Children and School Sales](#), [Product Safety and Quality](#).

Political and stakeholder engagement

In addition to our product goals and adhering to responsible labeling and marketing policies, PepsiCo is committed to engaging in conversations with governments and other stakeholders around the world on public health topics including preventing and addressing all forms of malnutrition, such as improving nutrition, addressing under-nutrition, supporting responsible marketing, promoting healthy lifestyles and developing nutrition programs.

In all of our external engagements around the world, we abide by the relevant laws and regulations governing interaction with government officials and PepsiCo's strong Code of Conduct, which covers political activities and requires disclosure of conflicts of interest. Each year, all relevant associates are required to take an

electronic training on our Code of Conduct which helps ensure they understand and abide by these policies and report any new conflicts of interest. Please refer to our [Public Policy Engagement, Political Activities and Political Contributions Guidelines](#) ESG Topics A-Z page for additional information.

PepsiCo participates in public policy dialogue with government officials and other stakeholders where we or others can share our expertise and contribute ideas to solve policy issues. We support science-based policies. Oftentimes we engage as a stakeholder in sharing practical knowledge and expertise as policy is developed in support of the public's best interest. For example, PepsiCo engages with policymakers and other stakeholders around the world to address obesity and diet-related chronic diseases, including:

- **Health and wellness commitments:**
 - As part of our membership of the International Food & Beverage Alliance (IFBA), we published a letter to the then Director General of WHO, Margaret Chan, detailing the industry's enhanced health and wellness commitments in support of the WHO Global Action Plan for the Prevention and Control of Non-Communicable Diseases 2013-2020. Most recently, PepsiCo and other IFBA members committed to align with the WHO Standard on Industrially Produced Trans Fat
 - We are also a member of the Scaling Up Nutrition Business Network, co-convened by GAIN and the World Food program. Through this initiative, we have committed to support efforts to address malnutrition through advocacy, workforce nutrition programs, and technical assistance to small businesses.
 - We are a signatory to the Food Safety & Standards Authority of India's Eat Right Pledge, committing to increase positive nutrition like wholegrains, fruits and vegetables, dairy, protein and hydration by expanding our portfolio containing one or more of these ingredients.
- **2025 product goals:** PepsiCo's goals to reduce sodium, saturated fat and added sugars in our portfolio were informed by the world's leading health authorities— including the World Health Organization (WHO).
- **Labeling and marketing:** We support clear front-of- pack labeling to help consumers make informed choices about what they're eating. We have launched a number of products in France with Nutri-Score front-of-pack labeling and will continue to review other EU Member States' decisions on nutrition labelling and will roll out Nutri-Score labeling where it is legally feasible and appropriate to the local context. PepsiCo advocates responsible marketing and advertising. We only consider advertising products which meet strict nutritional requirements to children under 13 years of age.
- **Fiscal instruments related to nutrition:** In general, alongside healthy lifestyle education and more physical activity, we believe reformulating some of our products, widening and improving the nutritional composition of our portfolio, providing clear nutritional information on label to help consumers make informed choices and following self-imposed marketing and advertising restrictions to protect children are far more effective ways we can help people achieve their dietary goals. Public policy measures should be designed in such a way as to encourage companies to be active in these areas.
- **Regulatory development of health and nutrition claims:** In addition to complying with all applicable laws and regulations, our internal standards require nutrition and health claims to be based on scientific evidence, and to represent the product accurately and honestly. All related advocacy reflects this commitment.

For more information on PepsiCo's policy positions, please refer to the [ESG Topics A-Z](#) on our website.

Working with the food and beverage industry

We believe we can achieve a greater contribution towards helping to solve the challenges posed by over- and under-nutrition by working together with other food and beverage companies. As an active member of the International Council of Beverage Associations, International Food and Beverage Alliance and the Consumer Goods Forum, we help drive progress on product reformulation, clear labeling, responsible marketing to children and other nutrition projects.

To learn more about our stakeholder and public policy engagement, please refer to these ESG Topics A-Z pages on our website: [Public Policy Engagement, Political Activities & Contributions Guidelines](#) and [Stakeholder Engagement](#).