



## Saturated Fat

### Overview, Rationale, and Goal

Saturated fats, which are fat molecules that have straight chains of fatty acids and no double bonds, occur naturally in many foods; the majority of which are from animal sources, including meat and dairy products. The current World Health Organization (WHO) guideline recommends that no more than 10 percent of total dietary energy intake be derived from saturated fat, and that daily saturated fat intake not exceed 20g.

Informed by the guidelines on energy intake provided by the WHO and other health authorities, we have set a goal to help consumers reduce the amount of saturated fat in their diets. Our goal, as part of our Performance with Purpose (PwP) 2025 agenda, is that **by 2025, at least three fourths of our global foods portfolio volume will not exceed 1.1grams of saturated fat per 100 Calories**. An example of a PepsiCo product that meets these criteria is Classic Lay's Potato Chips in Canada, Turkey, and the U.S. with less than 0.7g of saturated fats per 100 Calories.

Our PwP goal is designed to shift a significant portion of our food portfolio towards lower saturated fat levels that make it easier for our consumers to follow WHO's recommendations. Reducing saturated fat in our products not only benefits consumers, and our business as a result, it helps PepsiCo to address regulatory needs.

### Approach

To reduce the amount of saturated fat in our products, we are changing the types of oil we use for cooking. We are moving to oils that are lower in saturated fat such as sunflower and canola oils. For example, in 2016 and early 2017, our Cheetos Brand in Mexico introduced canola into the oil blend, reducing saturated fat by 65%.

### Performance & External Validation

By the end of 2017, 66 percent of our foods volume in our Top 10 global markets, (representing 78 percent of our global foods volume), was in line with our PwP goal of saturated fat levels that do not exceed 1.1g/100 Calories. In addition, 2017 is the first year we are able to report our performance against this goal in our Top 23 global markets, (representing 90 percent of our global foods volume), with 61 percent of global foods volume in these markets in line with our PwP goal.

We have also formed an agreement with Partnership for a Healthier America (PHA), an organization that works with the private sector to help improve the health of youth in the United States by addressing childhood obesity, to conduct an independent review of our progress against our saturated fat goal. The first year of this review, which looked at 2016 SKU level data of products in our Top 10 global markets, confirmed the accuracy of our calculations and the reliability of the methodology we use to make those calculations. Further detail about the review is published within [PHA's annual report](#). We plan to continue conducting independent reviews of the data and methodology, in order to continue to drive transparency around this important goal.