



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 that helps 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, three-fourths of our snacks portfolio will have saturated fat levels that do not exceed 1.1g/100 Calories in our foods portfolio**. 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, it helps PepsiCo to address business and 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, PepsiCo's Cheetos Brand in Mexico, switched from cooking in 100% palm oil to a blend of canola and palm oil. As a result, the Cheetos products now contain 64% percent less saturated fat, a change that has not sacrificed taste, as shown by continued consumer acceptance of the product.

Performance & External Validation

We have signed an agreement with Partnership for a Healthier America (PHA), an organization that works with the private sector to ensure the health of youth in the United States by addressing childhood obesity, to independently report and verify our progress against this goal in the U.S. PHA's first assessment is expected in the second half of 2018.