

Saturated Fat

Overview, Rationale and Goal

Saturated fatty acids, which are fat molecules that have straight chains of fatty acids and no double bonds, occur naturally in many foods, the major dietary source being animal foods, including meat and dairy products. However, all fats in a diet including oils will contain some saturated fatty acids. The current World Health Organization (WHO) dietary guidelines recommend that no more than 10 percent of total dietary energy intake be derived from saturated fat; for an average adult consuming 2000kcal per day, this equates to a maximum of approximately 20g of saturated fat per day, or approximately 1.1 grams of saturated fat per 100 calories

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 sustainability agenda, is that **by 2025, at least three fourths of our global foods portfolio volume will not exceed 1.1 grams of saturated fat per 100 Calories.**

Our 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 in production of our foods. We are moving to oils that are lower in saturated fat such as sunflower and canola oils. For example, in recent years, our Cheetos Brand in Mexico introduced canola into the oil blend, reducing saturated fat by 65%. In Poland, we converted our production for our Eastern Europe region from palm oil to a high oleic sunflower/canola blend in January 2019. In April 2019, Ukraine's new potato chip line also launched the low saturated fat oil blend. We have also expanded our reduced saturated fat options, including Lay's Oven Baked, which is now available in more than 20 markets around the world.

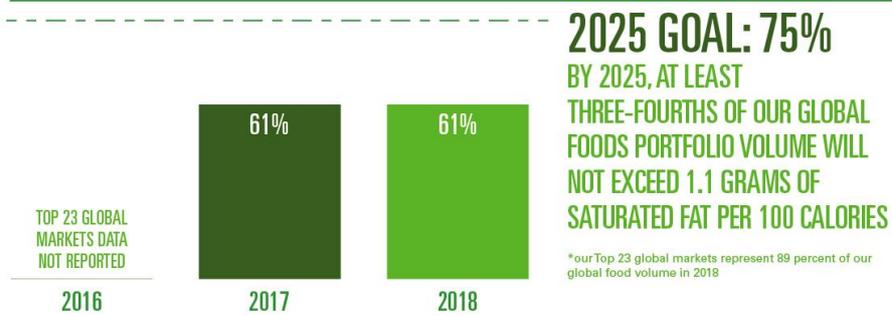
Performance & External Validation

By the end of 2018, 61 percent of our foods volume in our Top 23 markets (representing 89 percent of our global foods volume) was in line with our goal of saturated fat levels that do not exceed 1.1g/100 Calories. Within our Top 10 global markets, (representing 76 percent of our global foods volume), 66 percent of our foods volume was in line with our 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 was conducted in relation to 2016 data. Most recently, this review looked at 2017 SKU level data of products in both our Top 23 and Top 10 global markets, and 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.

Our Progress

OUR PROGRESS: SATURATED FAT TOP 23* GLOBAL MARKETS



OUR PROGRESS: SATURATED FAT TOP 10* GLOBAL MARKETS

