Sodium

Overview, Rationale and Goal

Sodium, which is an essential mineral that occurs naturally in foods, can also be added to food during processing and at the table as a component of table salt. While obtaining enough sodium is critical to human health, excess consumption of sodium is associated with elevated risk for high blood pressure and cardiovascular disease. The current World Health Organization (WHO) guideline recommends that people limit their daily intake of sodium to a maximum of 2000mg.

Informed by the guidelines on sodium intake provided by the WHO and other authorities, we have set a goal to help consumers reduce the amount of sodium 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 1.3 milligrams of sodium per Calorie.

While global dietary intake data shows snacks are a relatively small proportion of total sodium intake, we developed our goal so that it shifts a significant portion of our foods portfolio towards lower sodium levels that make it easier for our consumers to follow the WHO’s recommendations.

Approach

To better meet consumer needs and potential emerging regulations, we are applying reduction and reformulation strategies to our foods portfolio.

Using reformulation techniques to reduce sodium, we are improving our foods portfolio to better meet the desires and nutritional goals of consumers worldwide. We are creating new recipes and ways to flavor foods using different ingredients from around the world. In 2018, 11 Lay’s products across 5 countries around the world, including India, Russia, and Canada were reformulated to achieve compliance with our sodium target. In Mexico, most of our Cheetos portfolio has already been reformulated to comply with our sodium targets, and in 2018, a number of products across our Doritos, Ruffles, Tostitos, and Fritos portfolios in Mexico were also reformulated in line with our sodium target. In addition to reformulation of existing products, we are also introducing new products with less sodium, such as reduced sodium multigrain Kurkure in India.

We are also exploring salt-reduction techniques that will allow us to maintain our products’ great taste while accommodating consumers’ changing palates. This includes using smaller salt particles to enhance taste while reducing a product’s overall sodium level.

Performance & External Validation

By the end of 2018, 58 percent of our foods volume in our Top 23 global markets, (representing 89 percent of our global foods volume), was in line with our goal of sodium levels that do not exceed 1.3 mg/Calorie. This was an improvement from 56 percent in our Top 23 global markets at the end of 2017. Within our Top 10 global markets (representing 76 percent of our global foods volume), 56 percent of our foods volume was in line with our goal, an improvement from 55 percent at the end of 2017.

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 sodium 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 our 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: SODIUM TOP 23* GLOBAL MARKETS**

- **2025 GOAL: 75%**
  - By 2025, at least three-fourths of our global foods portfolio volume will not exceed 1.3 milligrams of sodium per calorie.

<table>
<thead>
<tr>
<th>Year</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top 23 Global Markets (data not reported)</td>
<td></td>
<td>56%</td>
<td>58%</td>
</tr>
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</table>

*Top 23 global markets represent 99 percent of our global food volume in 2016.

**OUR PROGRESS: SODIUM TOP 10* GLOBAL MARKETS**

- **2025 GOAL: 75%**
  - By 2025, at least three-fourths of our global foods portfolio volume will not exceed 1.3 milligrams of sodium per calorie.

<table>
<thead>
<tr>
<th>Year</th>
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<th>2017</th>
<th>2018</th>
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<tbody>
<tr>
<td>Top 10 Global Markets</td>
<td>54%</td>
<td>55%</td>
<td>56%</td>
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</tbody>
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*Top 10 global markets represent 76 percent of our global food volume in 2016.