



## **EU Pledge Initiative PepsiCo Commitment**

### **Introduction**

As part of our guiding 'Performance with Purpose' vision, at PepsiCo we have made a serious commitment to human sustainability. For us, this means nourishing our consumers with a range of fun and healthy products, and making the healthful choice an easier choice. It begins with product innovation and transformation, extends to marketing and labelling commitments that make the informed choice the easy choice for consumers, and continues with support for research and development programmes to advance public health around the world.

Diet and health related problems are a global challenge and we are addressing this both at the global and regional levels. We see ourselves as being on a journey of incremental steps in making our contribution towards solving those problems.

Through the company's major business units, which include Pepsi-Cola beverages, Frito-Lay and Walkers snack foods, Quaker food products, Tropicana juices and Gatorade sports beverages, we are continuously transforming our portfolio to meet consumer needs, including products chosen by young people. As part of that on-going transformation, we have improved the nutritional profile of our flagship brands by changing to healthier oils, reducing sugar and sodium content, and expanding the range of products delivering positive nutrition.

As a company leading the debate on responsible marketing to children, at PepsiCo we believe children are a special audience and we take particular care developing advertisements and evaluating programming that carries messages to children. Against that background, we believe it is right that only products which meet specific nutritional criteria should be advertised to children, and it is for that reason that we have been at the forefront of the development of the EU Pledge, in the same way that we have made self-regulatory commitments in the US, Canada and other markets around the world.

We believe that changes in consumption patterns by children and their parents can only be achieved by providing healthier product options and making those choices attractive. It is for this reason that we think it is important to be able to communicate about our reformulated and nutritionally balanced products. We remain committed to an on-going process of renovation and innovation to meet consumer needs for healthier lifestyles, and we see communication as key to maintaining that momentum. Changing lifestyle is not something that consumers adapt to overnight; rather, changing diets and lifestyles is a process in which children and parents must remain engaged over time.

The criteria outlined below are based on reducing over time the intake of key nutrients of public health concern (sugar, fat, saturated fat and salt).

### **PepsiCo commitment on advertising in children's media**

PepsiCo makes the following commitment that will be in effect across the EU-27 no later than January 1, 2009:

One hundred percent (100%) of advertising directed primarily to children under 12 will be for products that meet specific criteria laid down by the company on the basis of

advice taken from a wide group of internal and external nutritionists and other advisors. The development of these criteria is specifically geared towards encouraging PepsiCo businesses across the world to make our food and beverage products as healthy as they can possibly be. The criteria are subject to ongoing scrutiny and are therefore subject to change over time as we actively seek and take on board additional guidance. This guidance will help ensure that the criteria we use in Europe are consistent with others used in other parts of the world, taking into account different nutrition needs.

Compliance will be monitored by Accenture Media Services on behalf of the companies participating in the EU Pledge.

## **PepsiCo Nutritional Standards**

From 1 January 2009 – 31 December 2009:

PepsiCo may continue advertising products to children which meet any one or all of the following criteria. For the purposes of measurement, the benchmark date is set as 2004, the year of the launch of the WHO Global Strategy on Diet, Physical Activity and Health, which first called for industry action in relation to product improvements.

Nutrient improvement:

At least a 25% reduction per reference amount in any one of the following nutrients

- Calories
- Fats (total or saturated fat\*)
- Cholesterol
- Sodium
- Added sugars

\*also with  $\geq 10\%$  reduction in total fat or calcs

OR

Products meeting all the following criteria (based on a single serving)

	Breakfast cereals (30g/40g/45g) <sup>1</sup> and beverages (carbonated soft drinks: 250ml; fruit juices: 200ml)	Snacks (25g/single serve)
Total fat	$\leq 30\%$ kcal	$\leq 35\%$ kcal
Saturated fat	$\leq 1\text{g}$	$\leq 10\%$ kcal
Trans fat	$\leq 0.5\text{g}$	$\leq 0.5\text{g}$
Cholesterol	$\leq 60\text{mg}$	$\leq 30\text{mg}$
Sodium	$\leq 460\text{mg}$	$\leq 240\text{mg}$
Added sugar *up to 25% if fibre $\geq 2.5\text{g}$ per serving	$\leq 10\%$ kcal*	$\leq 10\%$ kcal*

<sup>1</sup> Portions as agreed by the European Breakfast Cereal Association in September 2008. These will be phased in by PepsiCo over the coming months. Portion categories: 30g to be used for light cereals such as flakes, extruded or puffed products with no inclusions; 40g to be used for relatively more dense cereals and those which have inclusions like dried fruit or clusters, or a fruit filling; 45g to be applied to mueslis.

Revised criteria will be published in autumn 2009. These will take effect starting 1 January 2010.

## **Commitment on communications in schools**

PepsiCo makes the following commitment that will be in effect across the EU-27 no later than January 1, 2009:

PepsiCo commits not to engage in any product-related communication in primary schools, except where specifically requested by, or agreed with, the school administration for educational purposes.

## **Contact**

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