

News monitored for: Pepsi - Corporate

As PepsiCo plays health card, India unit pads up

Part of the global major's new road map, Indian unit expected to focus on low-calorie products in both food and beverages

VIVEAT SUSAN PINTO
Mumbai, 17 October

Global major PepsiCo will bring down sugar content in at least two-thirds of its beverages by 2025 and focus on healthier food options, Chairperson and Chief Executive Officer (CEO) Indra Nooyi said on Monday as she unveiled version two of the "Performance with Purpose" road maps she had laid out a decade ago.

Analysts are viewing the current sugar targets as tougher than before, when PepsiCo had said it would reduce added sugars by 25 per cent on a per-serving basis for key brands.

India is part of this new road map. PepsiCo plans to bring down sugar to 100 calories or below from added sugar per 12-ounce servings by 2025, apart from reducing its



SUGARCOATED PILL

- TO REDUCE OBESITY AND DIABETES, PepsiCo Inc has ramped up its pledge to cut down the number of its sugary beverages over the next decade
- TWO-THIRDS OF THE COMPANY'S BEVERAGE volume will have no more than 100 calories from added sugars per 12-ounce (350-ml) serving by 2025
- THIS COMES A WEEK AFTER THE WHO RECOMMENDED governments adopt taxes on sugary drinks
- THE UK ANNOUNCED A SUGAR TAX this year, while Mexico, Hungary and Philadelphia in the US have implemented similar measures
- PEPSICO PLEDGED IN 2014 TO CUT THE CALORIES in its beverages by 20%

environmental impact and empowering people, especially women and girls, as part of its social mission in

some countries.

Sodium was also a part of this list.

Turn to Page 16 ▶

News monitored for: Pepsi - Corporate

PepsiCo...

While sodium targets have not been indicated this time, countries are expected to work on reducing this as part of the new mandate to launch low-calorie products.

PepsiCo India's chairman and CEO D Shivakumar said, "We launched a lower sugar 7UP in Gujarat recently, which replaces the existing formulation. The new product has stevia and a 30 per cent reduced sugar level. We had also launched 7UP Revive, which has 30 per cent lower sugar than the core 7UP. We will continue to expand the low-sugar range as part of the new road map."

Stevia is a sugar substitute.

Additionally, PepsiCo has increased the use of grains, real fruits and vegetables in Quaker Oats in India and is expected to step up this focus as part of the new mandate.

"Nutrition will be a big thrust area for us as part of the new roadmap and Quaker will play a big role here. We plan to build on the range of

Indian nutritious products under Quaker that we've launched," Shivakumar said.

The Indian unit may also look at low-calorie products across some of its other brands as part of the new agenda. The global mandate also sets out on improving water efficiency and reducing greenhouse gas emissions by 20 per cent, both coming at a time when governments, activists and communities across the world are increasingly focusing their attention on industrial use of water and other resources.

Shivakumar said the Indian unit was water positive for the sixth consecutive year and gave back more than 12.75 billion litres in 2015.

"We have delivered a reduction of 34 per cent in beverages and 39 per cent in foods over the 2006 baseline on water use ratio," he said.

The company's dependence on non-renewable energy had also reduced by 74 per cent and 62 per cent, respectively, in foods and beverages in 2015 over 2006, Shivakumar added.