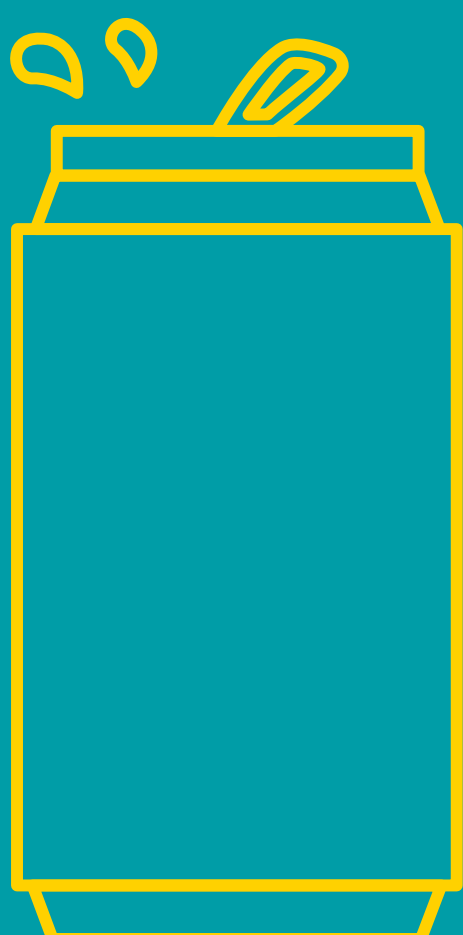
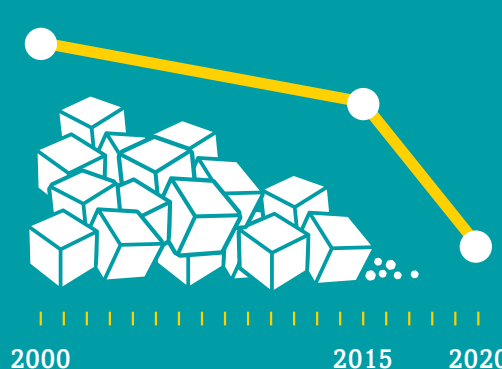


EUROPEAN SOFT DRINKS INDUSTRY ACCELERATES SUGAR REDUCTION TO DELIVER A FURTHER 10% FROM 2015-2020



BUILDING ON THE 12% REDUCTION ALREADY ACHIEVED SINCE 2000 AND TRIPLING THE REDUCTION PACE



Addressing changing consumer preferences



Responding to the EU call for reformulation and sugar reduction across the food industry



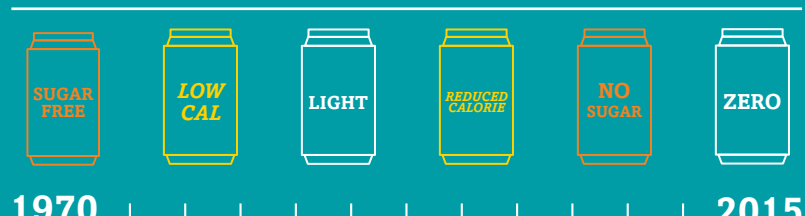
The first sector to answer the EU added sugars annex and its 10% sugar reduction target



1. OUR SUGAR REDUCTION JOURNEY SO FAR >>>

IN SOFT DRINKS SUGAR = THE SOURCE OF CALORIES

An early mover in added sugars reduction, our journey began in the 1970's when the first no sugar and calorie drinks were introduced



Since 2000 we have been measuring our sugar and calorie reductions. In 2006 we made wide commitments to reduce calories and sugar to the EU Platform for Action on Diet, Physical Activity and Health



Our industry is already actively working on sugar reduction with governments and stakeholders in multiple member states, and has signed local reduction pledges

2. ACHIEVEMENTS >>>

-12% average calorie reduction from 2000-2015

+150% increase in availability of pack sizes smaller than 330ml (standard can) since 2006

30+ different packs to choose from

66% of new product introductions are no and reduced sugar

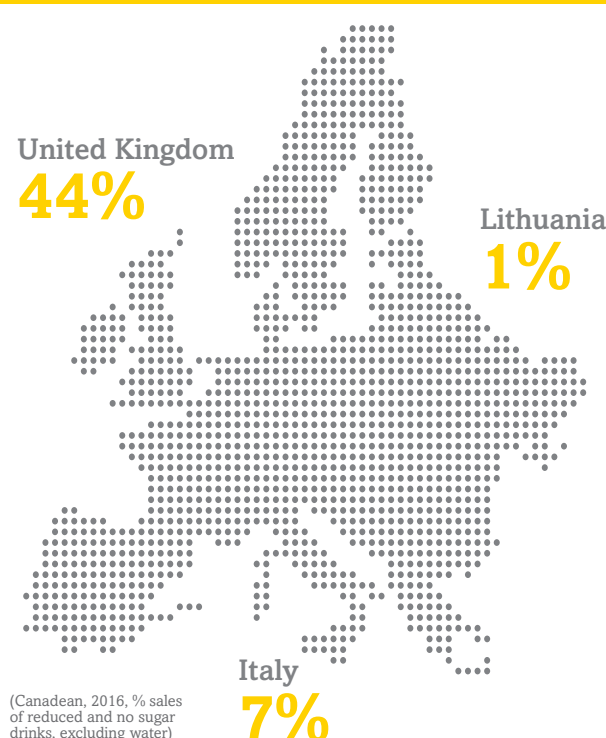
30% of sales in some EU markets are no and low sugar/calorie drinks

Source: Canadean, 2016

3. CHALLENGES >>>



DIFFERENT TASTES AND CONSUMER PREFERENCES ACROSS EUROPE



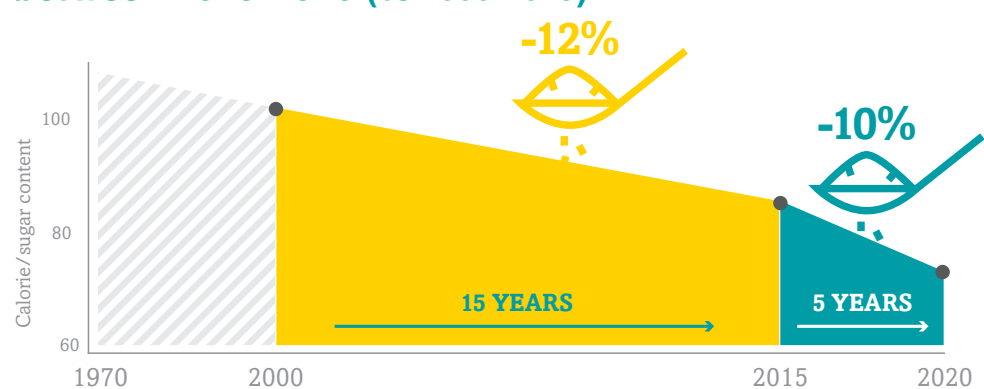
4. COORDINATED EU POLICY ON REFORMULATION & SUGAR REDUCTION >>>

We welcome the EU policy approach:

- Partnership based, involving all stakeholders
- Flexibility to optimise tools available to reflect local situations
- Allows us to deliver efficiency, speed and scale
- We hope other food categories will follow suit to generate critical mass

5. ACCELERATION OF THE SPEED AND SCALE OF ACTIONS >>>

Tripling the pace of added sugars reduction between 2015-2020 (vs 2000-2015)



10% aggregate sugars reduction across Europe, impacting over 500 million consumers



Progress will be monitored using independent third party auditors and shared with stakeholders

6. EMPLOYING A WIDE ARRAY OF TOOLS TO ACHIEVE OUR AMBITIOUS TARGET AND REDUCE THE SUGAR MIX ACROSS THE SOFT DRINKS PORTFOLIO >>>

Reformulating existing products including the use of low calorie sweeteners

Innovating to introduce new products with no or reduced sugar, including the use of low calorie sweeteners



Increasing availability of smaller pack sizes to increase portion control and moderation



Investing in the promotion of drinks with reduced or no sugar to encourage consumer choice



7. INNOVATION AND SUGAR REDUCTION IN ACTION >>>

INTRODUCING SMALLER PACKSIZES

Average 330ml can of regular carbonated soft drink = 36g sugar

250ml = 27.5g sugar
-24%

200ml = 22g sugar
-39%

150ml = 16.5g sugar
-54%

REFORMULATING EXISTING DRINKS

NESTEA At least 30% less sugar in a.o FR, CZ, PL, NL, CY, EL, IT, DK, NO

Lipton 35% less sugar PT, IT, UK

Schweppes 45% less added sugar

Fanta At least 30% less sugar in a.o UK, ES, FR

7UP 10% less added sugar

Sprite At least 30% less sugar in a.o PL, AT, FI, UK, FR, BE, IE, NL, CY, EL, ES, CZ, SK, H, BG

Oasis 15% less added sugar

INTRODUCING PRODUCTS REDUCED IN SUGAR OR WITH NO SUGAR AT ALL

Oasis Zero No added sugar FR, BE

Pepsi Next 30% less sugar

ORANGINA zero No added sugar FR, BE, CH, NL

Pepsi Max no sugar, no calories

MAY TEA 40% less sugar FR

Coca-Cola Life at least 45% less sugar

Schweppes Zero No sugar FR, BE, CH

Coca-Cola Zero Sugar no sugar, no calories

Pulco 30% less sugar FR, BE

PROMOTING DRINKS REDUCED IN SUGAR OR WITH NO SUGAR

The **UK's** leading companies increased their collective advertising spend on low and no calorie drinks by 49% in 2014

In **Germany**, between 2010 and 2014, Coca-Cola increased by 40% the marketing & advertising spends for low/no calorie drinks

In **Italy**, between 2014 and 2016, **SBFE** advertising spends on low/no calorie drinks increased by 70%

42% of soft drinks sold in **Norway** are no or low sugar, containing less than 20kcal per 100ml