



## How We're Taking Action

In 2014, The Dr Pepper Snapple Group joined forces with The Coca-Cola Company and PepsiCo in a landmark agreement to decrease beverage calories in the American diet. The beverage industry set a goal to reduce beverage calories consumed per person nationally 20% by 2025. Since 2014, we've taken steps to make this goal a reality.

### Offering more beverage choices with zero sugar or reduced sugar

From innovating new products to introducing smaller sizes, we're exploring all paths to bring consumers new choices.

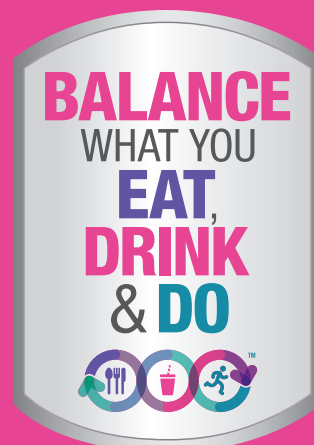


### Driving availability and demand for zero sugar and reduced sugar beverages

We're using our marketing expertise and distribution network to increase access to—and customer demand for—lower calorie choices.

### Encouraging consumers to make informed choices

We've added "balance" messaging to stores across the U.S., and put calorie information on the front of all packages.





## Offering more beverage choices with zero sugar or reduced sugar

### More Choices

**129** products in our portfolio now have fewer than 40 calories.

**10%** Our sparkling water grew more than 10% in 2016.

### Recent innovations include:

Schweppes & Canada Dry sparkling waters; Snapple Diet Half 'n Half; Diet Cherry Lemon Sun Drop; Venom Low Calorie Energy Drinks; Strawberry Apple, Citrus



### Smaller Portions

In 2017, we saw a double digit volume growth of carbonated soft drinks that come in smaller sizes.

We offer several smaller sizes, including 7.5 oz mini cans of Dr Pepper, Canada Dry, 7UP, Sunkist, A&W and other flavors.



### Less Sugar

**Bai** is the fastest growing brand in the enhanced flavored water category, offering 1 gram of sugar and 5 calories per serving.



**Diet Dr Pepper** has continued to grow in 2017 with increased marketing investment.\*





## Driving availability and demand for zero sugar and reduced sugar beverages

Our marketing programs are designed to boost consumer demand for reduced sugar and lower calorie choices, with a focus on flavor, hydration and taste.

In the five Balance Calories Initiative test-and-learn markets, we're using targeted digital and out-of-home advertising featuring zero sugar and reduced sugar choices with "Find your balance, find your flavor," and offering sampling events. In Los Angeles, we also promoted awareness through a sampling van.

We leveraged point-of-sale materials with "Find your balance, find your flavor" to reinforce the balance message.

Our 2017 marketing spend shows a **450%+** increase in zero sugar and reduced sugar beverages since 2015.



Working with retailers, we've boosted access to smaller sizes and options with zero sugar or reduced sugar, with an emphasis on increasing and consolidating shelf space for smaller sizes.



## Encouraging consumers to make informed choices

We've added signs on coolers and vending machines to remind consumers to consider calories and balance before choosing a beverage. We've also put clear calorie information on the front of every product.

