



Sugar Reduction Pledge

Sugar Reduction Pledge
by the Australian non-alcoholic
beverage industry

Update & Aggregation Report for
the year ended 31 December 2024

August 2025

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[KPMG.com.au](https://www.kpmg.com.au)





Foreword

This report presents the aggregation of the non-alcoholic beverage industry's progress towards the Sugar Reduction Pledge ('Pledge').

The aggregation was conducted to report the progress relevant members of the industry have made toward achieving their sugar reduction target.

This is the seventh public report that presents the results for the period between 1 January 2015 and 31 December 2024. This report builds on previous reports, the most recent being the 2023 Aggregation Report, to provide a full-year view of the 2024 progress towards the Pledge.

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Inherent Limitations

This report has been prepared as outlined with Australian Beverages Council Limited (ABCL) in the “KPMG Services” section of the engagement contract dated 14 August 2019, and in the “Scope & approach” section of this report. The services provided in connection with this engagement comprise an advisory engagement, which is not subject to assurance or other standards issued by the Australian Auditing and Assurance Standards Board and, consequently no opinions or conclusions intended to convey assurance have been expressed.

No warranty of completeness, accuracy or reliability is given in relation to the statements and representations made by, and the information and documentation provided by, ABCL management and personnel / stakeholders consulted as part of the process.

KPMG have indicated within this report the sources of the information provided. We have not sought to independently verify those sources unless otherwise noted within the report.

KPMG is under no obligation in any circumstance to update this report, in either oral or written form, for events occurring after the report has been issued in final form.

The findings in this report have been formed on the above basis.

Third Party Reliance

This report is solely for the purpose set out in the “Scope & approach” section and for ABCL’s information and is not to be used for any other purpose not contemplated in the engagement contract or to be distributed to any other party without KPMG’s prior written consent.

This report has been prepared at the request of ABCL in accordance with the terms of KPMG’s engagement contract dated 14 August 2019. Other than our responsibility to ABCL, neither KPMG nor any member or employee of KPMG undertakes responsibility arising in any way from reliance placed by a third party on this report. Any reliance placed is that party’s sole responsibility.

1. Scope & approach

KPMG was engaged by the peak body representing the non-alcoholic beverages industry in Australia, the Australian Beverages Council Limited (ABCL), to establish a baseline, aggregate and report on progress towards the non-alcoholic beverage industry's sugar reduction target of 20% by 2025 ('Pledge') agreed by members of the Pledge ('Pledge signatories') in 2018.

In 2022, based on the strong sugar reduction results being achieved by industry, Pledge signatories added a stretch target of reducing sugar across their non-alcoholic beverage portfolio by 25% from 2015 – 2025 ('stretch target') to further challenge the industry.

The data in this report has been provided by the Pledge signatories directly to KPMG for independent aggregation and reporting purposes. KPMG is reliant on the quality, accuracy and reliability of the data provided by the Pledge signatories and has not sought to independently verify those sources.

Pledge signatories have provided a statutory declaration to the ABCL signed by the Pledgee's nominated executives responsible for the Pledge, confirming the information provided to KPMG is true and correct to the best of their knowledge.

Once the information from each Pledge signatory had been approved and submitted, it was aggregated at an industry level by KPMG. For the purposes of this report, the industry is defined as the four companies that have signed the Pledge to reduce the sugar content of their non-alcoholic beverages.

KPMG has maintained strict confidentiality provisions during data collection, aggregation and reporting phases to ensure the integrity and security of information at all times.

2. Introduction & background

2.1 The Pledge

Consumers, regulators, and governments have increasingly recognised the adverse health implications of high sugar content in non-alcoholic beverages. The Australian non-alcoholic beverage industry has taken action to demonstrate the role the industry has in encouraging a healthier diet and lifestyle, including ways to reduce levels of obesity and overweight, whilst continuing to offer customers a choice of beverages.

The ABCL has listened to, and consulted with, consumers, government stakeholders, public health professionals and others, and responded by developing the Pledge.

In June 2018, the ABCL announced the nation's first Sugar Reduction Pledge, committing the non-alcoholic beverages industry to reduce sugar by 20% over the Pledge period (2015-2025). This will be achieved by reductions in average grams of sugar per 100mL. The Pledge represents part of an ongoing commitment by the non-alcoholic beverages industry to encourage more Australians to make healthier choices.

In November 2019, the [2018 Aggregation Report](#) was released as the first public progress report on the Sugar Reduction Pledge, detailing a 7% reduction in sugar between the years 2015-2018. **Since then, the reduction in sugar between the years 2015-2024 has increased to 17%.** It is noted significant sugar reduction occurred in 2021 during the post-COVID-19 context, which saw a sugar reduction of 16.1% compared to 2015.

All non-alcoholic beverage products sold by the Pledge signatories are included in the commitment, with the reduction in total sugar content measured across all those Pledge signatories. The commitment applies to all categories of non-alcoholic beverages measured across those Pledge signatories, including carbonated soft drinks (CSDs), energy drinks, sports and electrolyte drinks, frozen drinks, bottled and packaged waters, juice and fruit drinks, cordials, iced teas, ready-to-drink coffees, flavoured milk products and flavoured plant milks.

Total sugar is quantified by aggregating the sugar content of the total volume of sales of non-alcoholic beverages by the Pledge signatories in a reporting period. The Pledge is assessed from 1 January 2015.

Four Pledge signatories, representing approximately 77% of the Australian soft drink manufacturing industry, committed to the Australian Beverages Council Limited Pledge.

The following ABCL members are signatories to the Pledge as of March 2025, and are included in this report from the baseline period of 2015 through to 31 December 2024:

- Asahi Lifestyle Beverages
- Coca-Cola Europacific Partners (formerly Coca-Cola Amatil)
- Coca-Cola Australia
- PepsiCo

According to IBISWorld, at the start of 2025, Australia's two largest non-alcoholic beverage bottlers, Coca-Cola Europacific Partners Australia Pty Ltd and Asahi Holdings (Australia) Pty Limited, comprise market share of 44.7% and 32.2% respectively, in the soft drink manufacturing industry in Australia (total 76.9%)¹.

¹ IBISWorld Industry Report C1211a Soft Drink Manufacturing in Australia, May 2025



3. KPMG aggregation & reporting

3.1 Data Collection

Baseline

Historical data on sales volumes and sugar content were collected from the Pledge signatories for their complete range of 2015 domestic non-alcoholic beverage sales. In deriving the 2015 baseline, KPMG aggregated data by recipe from the Pledge signatories. Each recipe was classified into defined categories and sub-categories to enable consistent aggregation and reporting in subsequent years.

Progress to December 2024

The Aggregation Report for the year ended 31 December 2024 is the seventh progress report of the Pledge to be released publicly. The approach to measure progress since the 2015 baseline and towards the 2025 sugar reduction target was carried out as follows:

- Actual sugar and sales volume data were received from the four Pledge signatories for each year to 31 December 2024 and aggregated. This aggregated data was used to calculate the weighted average sugar levels (g/100mL) for each year;
- The baseline average grams of sugar per 100mL in 2015 for the four Pledgees was compared to 31 December 2024 to calculate the annual reductions.
- The total sugar savings (absolute) was estimated by extrapolating the sugar consumed in 2015 for 10 years of the pledge. This was compared to actual sugar consumed over the pledge period, to estimate sugar saved to date.

3.2 Data Treatment

Aggregated weighted average grams of sugar per 100mL of non-alcoholic beverages has been calculated for the calendar years ended 31 December 2015, 2016, 2017, 2018, 2019, 2020, 2021, 2022, 2023, and 2024 by applying a weighting to the corresponding volume for the product in each respective year. A comparison of the results from 2015 with 2024 provides the aggregate reductions period-on-period and in aggregate.

Since the beginning of the Pledge, data has been consistently collected and collated across the reportable years for all products/recipes including new and delisted products/recipes from 1 January 2015 – 31 December 2024.

4. Results & findings

The 2015 baseline sugar content of drinks sold by the Pledge signatories was 6.02 grams per 100mL.

The sugar content of drinks sold for the period 1 January 2024 to 31 December 2024 was 4.98 grams per 100mL.

This represents a **17.2%** reduction in sugar per 100mL over the period from 1 January 2015 to 31 December 2024.

When comparing total sugar contribution from non-alcoholic beverages sold in 2015 and those sold in 2024, this equates to approximately 222,530 tonnes of sugar consumption avoided.²

In addition to the existing methodology, an additional analysis was undertaken that excludes non-caloric beverages – specifically, plain water and unsweetened flavoured water – to assess their impact on overall sugar reduction outcomes.

In comparison, the baseline average sugar content in 2015 for products sold by Pledge signatories – excluding non-caloric beverages – was 7.14 grams per 100mL. This reflects a 19.6% reduction in average sugar content per 100mL over the period from 1 January 2015 to 31 December 2024.

This refined metric will continue to be tracked alongside the original measure to provide a more complete picture of consumption.

The Pledge signatories reported that the following initiatives were undertaken during the period from 1 January 2015 to 31 December 2024 in order to reduce sugar levels:

- Reformulating existing products;
- Increasing the sales volume of low and no sugar varieties;
- Introducing additional low and no sugar varieties into the market;
- Encouraging sales through the promotion and marketing of low or no sugar varieties;
- Introducing smaller pack sizes or reducing average container sizes;
- Investing in improved nutritional literacy;
- A cap in sugar content on all existing drinks brands;
- A cap in sugar on new recipes launched in Australia;
- Where practical, transition vending machines to include more, low or no sugar varieties; and
- Other initiatives including the promotion of smaller packs and working with community-based organisations to promote healthier choices.

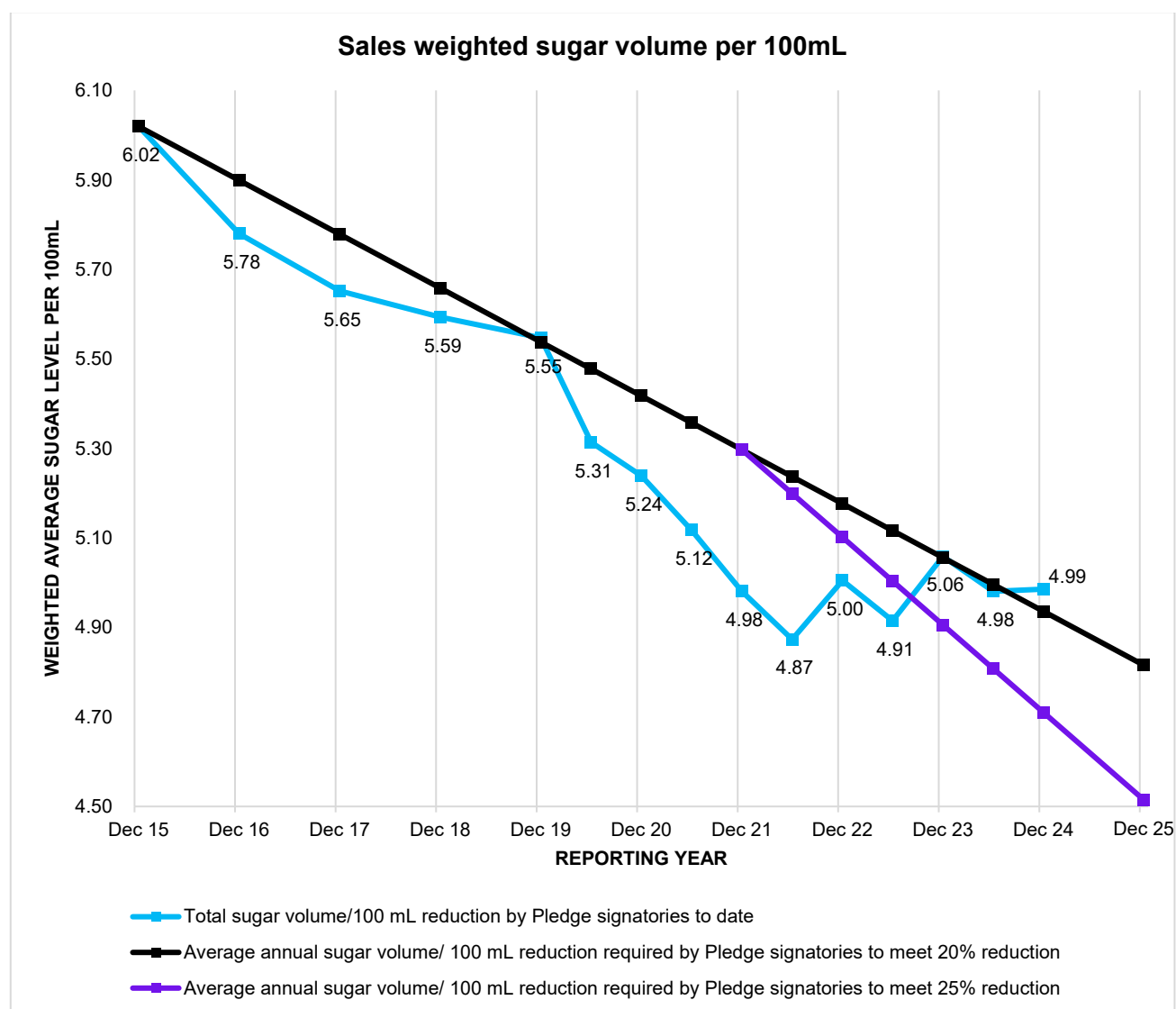
Since the inception of the Pledge, the most frequently used initiatives by Pledgees have been:

- ✓ Increasing the volume sales of low and no sugar varieties;
- ✓ Introducing additional low and no sugar varieties into the market;
- ✓ Encouraging sales through the promotion and marketing of low or no sugar varieties; and
- ✓ Reformulation of existing products.

² The total sugar savings (absolute) was estimated by extrapolating the sugar consumed in 2015 for 10 years of the pledge. This was compared to

actual sugar consumed over the pledge period, to estimate sugar saved to date.

The figure below illustrates the Pledgee's progress from 1 January 2015 to 31 December 2024 aggregated for the average sugar content (g/100mL) for all categories, as well as the remaining reduction required by the Pledge signatories to achieve a 20% reduction by 2025 on a straight-line basis. The 25% sugar reduction stretch target by 2025 was introduced in 2022. The stretch target is indicated as a straight-line reduction, commencing in the first reporting period of 2022.





4.1 Data analysis

At the end of 2024, the industry saw an overall decrease in weighted sugar compared to the end of 2023 where Pledgees achieved a weighted sugar of 5.06g/100mL.

The industry is close to the 4.94g/100mL required by the Pledge to stay on track for the 20% target but is behind on its ambitious goal of reaching the 25% stretch target.

During the aggregation period from 1 January to 31 December 2024, the average sugar content went from 5.06 g/100mL to 4.98 g/100mL, an improvement of 0.07 g/100mL.

- Across all Pledge signatories, total sales volumes (L) decreased by 2.27% in 2024 compared to 2023.
- In the last 12 months, Pledgees indicated that they have continued to implement changes to their product portfolios across several categories, such as the introduction of new no sugar CSD products, proactive marketing and promotion of low sugar beverages, and delisting of some products.
- These actions resulted in a shift in the sales portfolio of pledgees, with low and no sugar sales (those with less than 2.5g of sugar per 100mL) for CSD increasing by 7.55% from the prior year in comparison to high sugar (greater than 2.5g per 100mL) whose increase was proportionally less, at 1.92%.
- At the overall industry level total sugar has
 - increased by 8.7% between periods January to June 2024 and July to December 2024; and
 - decreased by 1.4% between 2023 and 2024.

This is partially driven by sales volumes, where an increase in sales volume of 8.6% is reported between periods in 2024 and a decrease of 2.3% between calendar years 2023 and 2024.

Additional drivers of this change have been changes in product and channel mix for juice products, removal of some zero sugar multi-packs at retail for some pledgees, and introduction of smaller container size multi-packs for other pledgees.
- CSD remains the primary product category for Pledgees, with 70% of all sales (L) in this category as at December 2024, an increase from 68% in 2023. CSD sales also continue to be observed as typically seasonal consistent with previous years, with sales and weighted sugar increasing in July to December of the year with summer and Christmas holiday.
- For the Pledgees who submit additional product category data, low sugar CSD varieties represent more than half of all CSD product sales (L). Low sugar CSD varieties continue to increase year on year, 7.55% increase from 2023 to 2024.
- More broadly, low sugar varieties across all drinks categories now represent 55.5% of the total sales volumes (L), an increase from 55.1% in 2023.
- Since 2020, some volatility in the industry's sugar reduction has been observed. Although not directly related to sugar concentrations, external factors such as COVID-19 and the increased cost of living have shifted consumer preferences, including at home versus Away-From-Home consumption and choices to purchase higher sugar content beverages compared to previous years.





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