



Sugar Reduction Pledge

Sugar Reduction Pledge
by the Australian non-alcoholic
beverage industry

Closing Report: Pledges'
Performance Against the
2025 Pledge

April 2026

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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 eighth and final public report that presents the results for the period between 1 January 2015 and 31 December 2025. This report builds on previous reports, the most recent being the 2024 Aggregation Report, to provide a full-year view of the 2025 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 2015–2025 period, including an initial target of a 10% decrease by 2020. This ambition was later strengthened with a stretch target of a 25% reduction by 2025. Progress is measured through reductions in the average grams of sugar per 100mL. The Pledge forms part of the industry's broader commitment to supporting healthier choices for Australians.

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, between 2015 and 2025, sugar content has further decreased, reaching a total reduction of 20.9%.** It is noted significant sugar reduction occurred in 2021 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 81% of the Australian soft drink manufacturing industry, committed to the Australian Beverages Council Limited Pledge.

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

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

According to IBISWorld, towards the end 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 shares of 47.9% and 33.5% respectively, in the soft drink manufacturing industry in Australia (total 81.4%).¹

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

The Aggregation Report for the year ended 31 December 2025 is the eighth and final 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 2025 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 2025 to calculate the annual reductions.
- The total sugar savings (absolute) was estimated by extrapolating the sugar consumed in 2015 for 11 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 from 2015 until 2025 by applying a weighting to the corresponding volume for the product in each respective year. A comparison of the results from 2015 with 2025 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 2025.

4. Results & findings

The 2015 baseline sugar content of drinks sold by the Pledge signatories was 6.02 grams per 100mL. The annual average sugar content of drinks sold for the period 1 January 2025 to 31 December 2025 was 4.76 grams per 100mL. This represents a **20.9%** reduction in sugar per 100mL over the period from 1 January 2015 to 31 December 2025.

When comparing total sugar contribution from non-alcoholic beverages sold in 2015 and those sold in 2025, this equates to approximately 255,552 tonnes of sugar consumption avoided.²

The industry achieved the 20% reduction target but fell short on its ambitious goal of reaching the 25% stretch target.

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. The baseline average sugar content in 2015 for products sold by Pledge signatories excluding those beverages was 7.14 grams per 100mL and for the period from 1 January to 31 December 2025, was 5.49 grams per 100mL. This reflects a total **23.1%** reduction in average sugar content per 100mL from the 2015 baseline when non-caloric beverages are excluded.

Exclusion of non-caloric beverages increases the reduction percent of average sugar content per 100mL by 2.2% over the period 1 January 2015 to 31 December 2025.

The Pledge signatories reported that the following initiatives were undertaken during the period from 1 January 2015 to 31 December 2025 in order to reduce sugar levels:

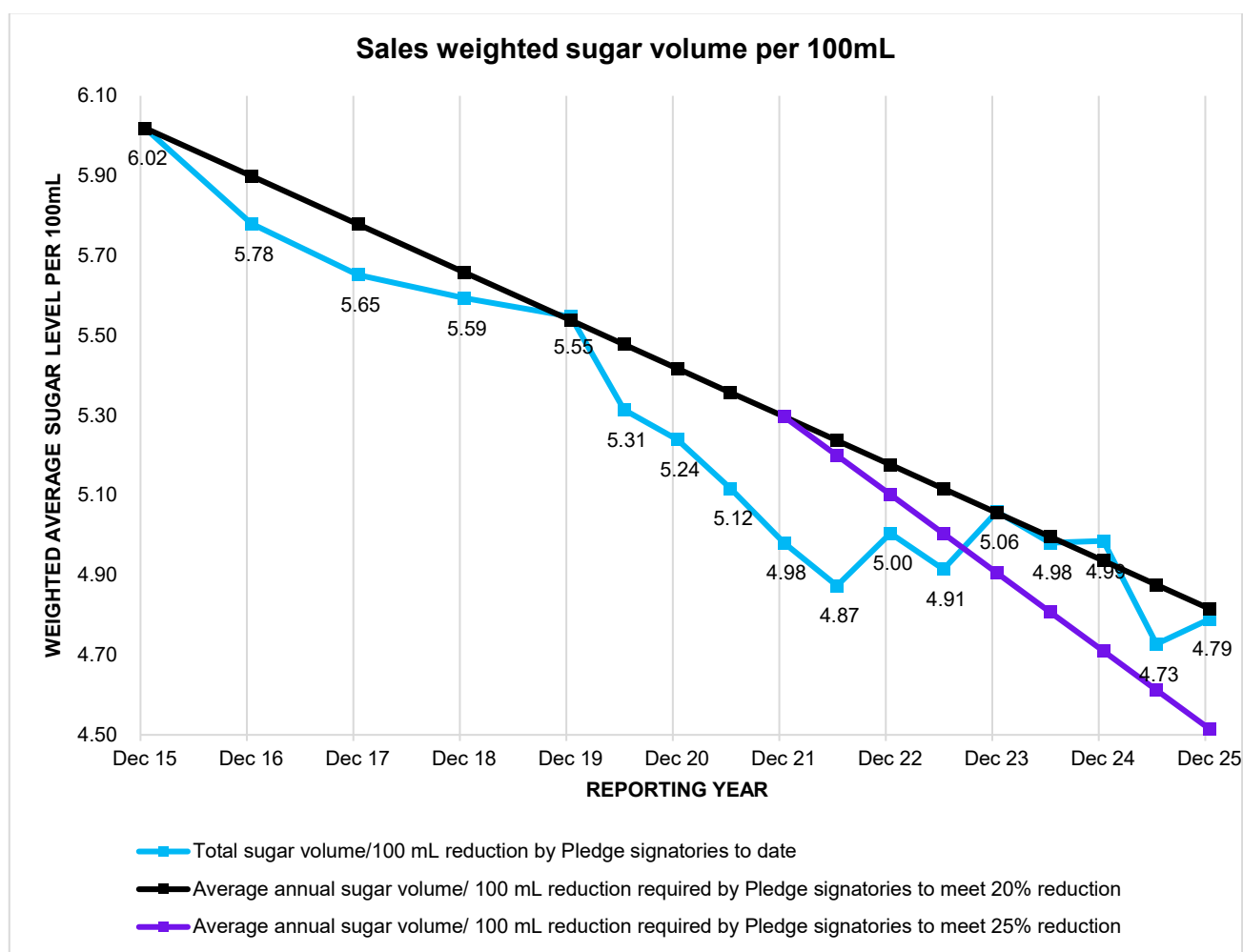
- Reformulating existing products;
- Increasing the sales volume of low and no sugar varieties;
- Introducing additional low and no sugar varieties into the market;
- Encouraging sales through the promotion and marketing of low or no sugar varieties;
- Introducing smaller pack sizes or reducing average 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 11 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 Pledgees' progress from 1 January 2015 to 31 December 2025 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

During the aggregation period from 1 January to 31 December 2025, the average sugar content decreased from 4.99g/100mL at the end of 2024 to 4.76g/100mL at the end of 2025.

In the last 12 months, Pledges indicated that they have continued to implement changes to their product portfolios across several categories, such as the introduction of new no sugar CSD and sports drink products, more proactive marketing and promotion of low sugar beverages, and reformulating of existing regular sugar products.

These actions have shifted the sales mix of participating companies. Among pledges that report granular data at product category level, sales of low- and no-sugar CSDs (<2.5g of sugar per 100mL) increased by 7.98% compared to the previous year, while sales of sugar-sweetened CSDs (>2.5g per 100mL) decreased by 5.59%. Overall, total sales volumes across all Pledge signatories increased by 2.45% in 2025.

At the industry level, total sugar (grams) has decreased by 2.11% between 2024 and 2025. The overall decrease between years can be partially attributed to an overall increase in sales of low sugar products. Additional drivers of this change include changes in volume mix for some CSD and juice products, discontinuation of some full sugar products, and introduction of smaller container size for full sugar products. CSD remains the primary product category for Pledges, with 69% of all 2025 sales (L) in this category.

In the last 12 months, for the Pledges who submit additional product category data, low sugar CSD varieties represented more than half of all CSD product sales (L). More broadly across all drinks categories, low sugar varieties represented 57.6% of the total sales volumes (L), an increase from 55.5% in 2024.





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