



Asda

Estimated UK grocery retail value
(£ billion, 2021) 19.1

Number of employees
145,000

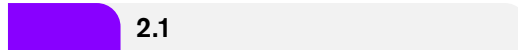
Headquarters
UK

Type of ownership
Private



Score 2.5/10

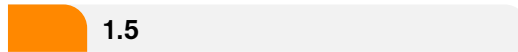
Governance (12.5%)



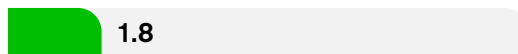
Nutrient profiling - defining 'healthy' products (10%)



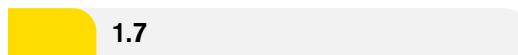
Product formulation (20%)



In-store promotion, pricing and placement (27.5%)



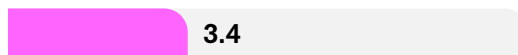
Media and on-pack advertising (7.5%)



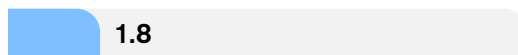
Accessibility of nutritional information and labelling (10%)



Engagement with stakeholders and policymakers (5%)

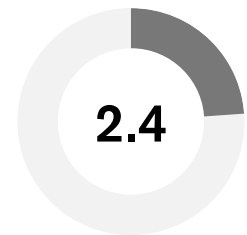


Infant and young child nutrition (7.5%)



(%) Weight of a topic

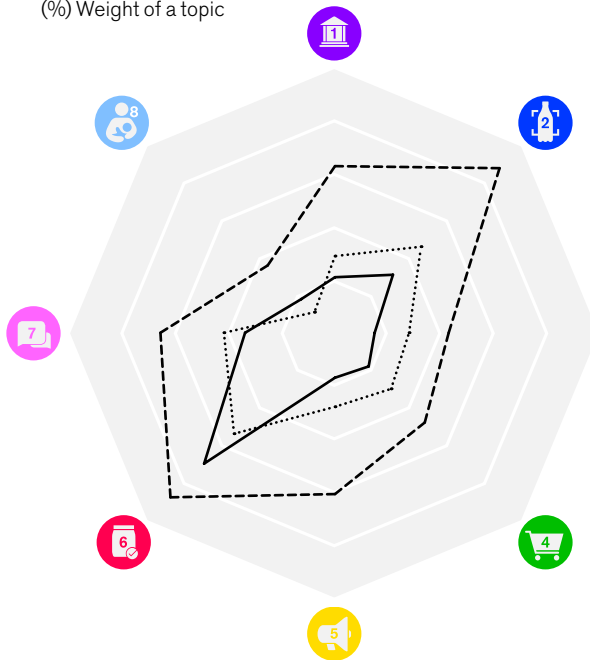
Commitment



Performance



Disclosure



The bar graph to the left shows company scores across the eight Index Topics and scores are shown for each Topic. The circles provide an alternate view on the company's overall results, showing the score per indicator type.

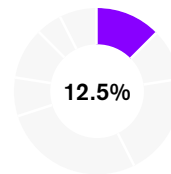


Scores and ranks

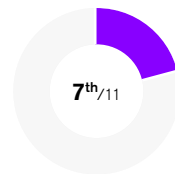
- Overall, Asda scores 2.5 out of 10 (the average across all 11 retailers is 3.3) and ranks ninth.
- Asda's reporting on its contribution to improving the diets and health of its customers in the UK is among the most limited of the 11 retailers assessed. Some reporting was found in all topics assessed within this Index: Asda achieves its highest score within Accessibility of nutritional information and labelling, ranking fourth, where the company commits to using and provides evidence of using colour coded front-of-pack labelling.
- Asda's reporting is not extensive, the company is urged to improve its disclosure, which will assist stakeholders (including investors, policymakers and customers) to gain a better understanding of the extent to which the company is addressing the business risks and opportunities associated with the high and rising levels of obesity and diet-related diseases across the UK.



Governance



Topic weight



Score 2.1/10
Topic average 2.9

- Asda has a strategy to grow through a focus on nutrition and health in the UK, as part of its sustainable business strategy in its 2020/2021 Asda Creating Change for Better report, outlining how healthy and sustainable choices will be made more accessible for customers.
- Asda commits to increasing the proportion of healthier own-brand products to 60% by 2024, although no baseline has been provided for this.
- Asda's own-brand soft drinks were reformulated in 2018 to contain less than 5g of total sugar per 100ml and so are not subject to the Soft Drinks Industry Levy (SDIL).

Areas of improvement

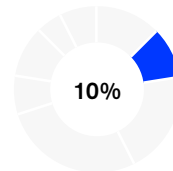
- Asda is encouraged to further integrate nutrition considerations into its commercial business functions by developing and publishing a comprehensive and multi-year plan to deliver its nutrition strategy, including specific objectives and activities to improve nutrition and address malnutrition in all its forms, and with a specific focus on helping customers to reach the UK dietary guidelines.
- Asda is encouraged to reference business risks explicitly linked to rising rates of obesity and diet-related diseases in its publicly available risk register.



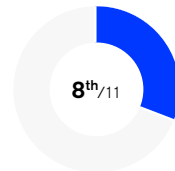
- Asda should set clear and timebound targets, including a baseline year and a target year, to increase sales of healthy products and/or decrease sales from less healthy products, and to increase sales of fruit and vegetables – and publish these targets and report on the achievements of those targets (including achievements relative to other products).
- Asda is encouraged to ensure established board leadership and accountability for nutrition and health at the top of the organisation by appointing a senior executive or CEO as accountable for implementation of the company's nutrition strategy. Currently the company has an ESG Steering Committee that reports to the Executive Board.
- There is significant scope for Asda to improve transparency by providing reporting for the last financial year on:
 - the percentage of products in its portfolio that are healthy;
 - the percentage of sales generated by healthy products with respect to its overall sales;
 - the percentage of sales generated by fruit and vegetables;
 - the ratio of sales growth of healthy products versus overall sales growth;
 - the ratio of sales growth on fruit and vegetables versus overall sales growth.
- It is not clear whether the percentage of sales volumes (both own-brand and manufacturer-brand) subject to the SDIL decreased or not in the last financial year. Asda is encouraged to publicly report on percentage of sales volume and value of soft drinks that are subject to the SDIL.
- Asda should aim to use independent research to deliver on its nutrition strategy, specifically addressing the nutrition needs of priority population groups at higher risk of diet-related disease or food insecurity.



Nutrient profiling - defining 'healthy' products



Topic weight



Score 3.1/10
Topic average 4.6

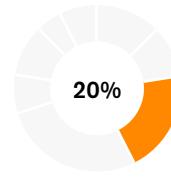
- Asda has indicated that its 'Live Better' icon is based on the principles of the Eatwell Guide and uses the UK front-of-pack (FOP) traffic light system, with additional category-specific criteria.

Areas of improvement

- Asda indicates that the Live Better icon 'aligns with' the Food Standards Agency (FSA) 2004/5 nutrient profiling model (NPM), though it is not clear how and if this is applied. It is recommended that Asda adopt the FSA 2004/5 NPM, without adaptations, which assesses levels of positive and negative nutrients and generates an overall nutritional quality score for products.
- Asda is advised to disclose its NPM in full on its website, including scoring, criteria and where and how it is applied.
- Asda is encouraged to use the FSA 2004/5 NPM to inform new product development as well as product reformulation, and to guide decisions on the stocking, pricing, positioning, promotion, marketing and labelling of healthy products.



Product formulation



Topic weight



Score 1.5/10
Topic average 2.8

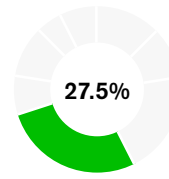
- Asda commits to reducing levels of sugar, calories and salt and some progress has been made, stating that 'in 2020 alone, our efforts to reformulate own-brand products reduced calories in customers' baskets by 11 billion and removed 996 tonnes of fat, 334 tonnes of saturated fat, 518 tonnes of sugar and 20 tonnes of salt'.

Areas of improvement

- Asda is encouraged to develop nutrient-specific, clear and timebound targets with a baseline (as a minimum, aligning with the government's voluntary targets) for sugar, salt and calorie reduction in its own-brand products. Further, the company should develop targets to guide (re)formulation efforts to reduce saturated fats, and increase fruit, vegetables and wholegrains.
- Although Asda indicated it has eliminated industrial trans fats (ITFAs) from its own-brand products in 2009, it does not have a clear target to uphold and monitor that commitment. Asda is encouraged to set a specific target in line with the World Health Organization (WHO) recommendation that ITFAs should be less than 2g per 100g of fats/oils.
- Asda should develop standardised reporting frameworks for tracking progress on product (re)formulation efforts, including the percentage change in positive food components as well as negative nutrients, and report regularly and comprehensively both online and in annual reporting.
- Asda is encouraged to make a commitment to offer smaller-sized portions on products that the company considers to be less healthy (according to its own definition of healthy) and to report on these efforts.
- Asda is encouraged to engage in dialogue with brand manufacturers to increase the healthiness of products sold through retailers' platforms, and publicly disclose commentary on these efforts.



In-store promotion, pricing and placement



Topic weight



Score 1.8/10

Topic average 3.0

- Asda has a commitment to address the affordability of healthy products for the general consumer, stating as part of its 'Value' focus pillar that 'We will make the healthier choice accessible to all'.
- Asda commits to use marketing and other promotional techniques to drive the sale of healthy products including through customer engagement, community and in-store posters and signage, such as Asda's Live Better Bit by Bit visual campaign. Another example is a regular feature in Asda's Magazine called 'One Basket 5 Meals', where customers can find five healthy family recipes for under £30.
- Asda has added fun characters to the design of its 'Garden Gang' packed fresh fruit to encourage children to eat more of them.

Areas of improvement

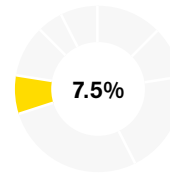
- Asda is encouraged to make a commitment to address the affordability of healthy products (with specific reference to low-income groups) and to provide evidence of this being carried out in its stores and online.
 - In February 2022, after the cut off date of data collection for this Index, Asda responded to criticism at changing prices of Smart Price and Farm Store ranges products and agreed to stock all 200 products in these value (budget) ranges in all 581 supermarkets in the UK as of March 1 2022. This is in addition to the company increasing the number of products available online. Asda is encouraged to ensure the products within the range are healthy.
- Asda is encouraged to introduce a 'price promise' to ensure that healthy options will always be the same price or cheaper than less healthy variants.
- Asda mentioned during engagement that activities are under way for product positioning in preparation for complying with the forthcoming HFSS legislation. The company is encouraged to commit to stocking healthier variants for all products, with as many facings as the original products, as well as increasing the number/percentage of healthy products in more prominent locations (e.g., store entrances, aisle ends, checkouts etc. and their online equivalents) compared to less healthy products. Asda could also ensure that healthy products are prominently displayed in-store as well as in online retail environments with increased use of product cues.
- Asda is encouraged to use the FSA 2004/5 NPM to drive product positioning and promotions in store, not only in its healthy checkouts policy but also in wider product positioning and promotion policies.
- Asda is advised to improve transparency in reporting on progress against targets and the impact of promotions, trials and in-store campaigns, including regular updates on targets for the proportion of promotions for healthier products and providing data on the impact this has on prices and sales.
- Asda should commit not to run any in-store promotional campaigns/activities directed at children that involve any HFSS products.



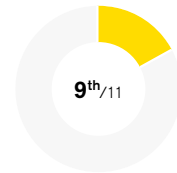
- Asda is advised to extend its commitment to end sales of energy drinks to all children under the age of 18, and to provide evidence of having implemented this, for instance by indicating that Asda staff receive training on the issue.



Media and on-pack advertising



Topic weight



Score 1.7/10
Topic average 2.8

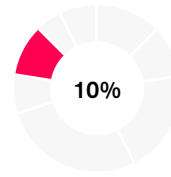
- Asda has not published a responsible marketing/advertising policy for all consumers including children.
- Asda states that cartoon characters will have been removed from high fat, sugar and salt (HFSS) own-brand products (excluding seasonal food and drinks) by 2022 and that they have already been removed from breakfast cereals.
- Asda, along with the other retailers, provides evidence of sponsoring initiatives promoting children and/or adults' healthy eating. For example, it is one of the retailers on the Child Food Poverty Task Force of the #EndChildFoodPoverty campaign started by British football player Marcus Rashford during the COVID-19 pandemic.

Areas of improvement

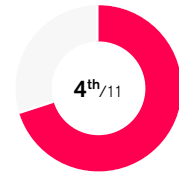
- Asda is strongly encouraged to develop and publish a clearly articulated responsible marketing/advertising policy, covering all consumers including children (defined as being those aged under 18), including all marketing communication channels, and is applied to all products and all stores.
- Asda is advised to go beyond the UK Code of Broadcast Advertising (BCAP Code) by committing not to advertise HFSS products at all, on any forms of media on which it markets to children.
- Asda is encouraged to commit not to sponsor materials, people or activities popular with children and/or adults unless in conjunction with healthy products or products low in sugar/calories/salt/fat.
- Asda is encouraged to report on the impact of the initiatives it sponsors.
- Asda is encouraged to commit to market its products using appropriate portions, as specified in products' on-pack nutritional information.
- Asda is encouraged to commit to increasing the proportion of advertising spend on healthy products relative to overall advertising spend and to publish a commentary outlining the changes to the company's advertising spending in support of healthier eating.



Accessibility of nutrition information and labelling



Topic weight



Score 7.0/10
Topic average 5.4

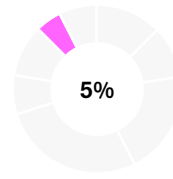
- Asda commits to and provides evidence of using colour-coded labels front-of-pack (FOP) on own-brand products.
- Asda's Live Better icon is a logo used by the company to denote healthier products. Asda states that Live Better products do not have red traffic lights, that they qualify for an EU health claim and that they meet category-specific criteria (which are not disclosed). The company indicates that the nutrition criteria for its Live Better icon are based on the Eatwell Guide principles.
- Asda displays clear FOP labels together with product pictures online to make the labelling as accessible as it is in-store, as can be seen on the company's website.
- Asda's website includes the option to sort products (listing them low-to-high or high-to-low) for their sugar, salt, fat, saturated fat, carbohydrate, protein, fibre or energy content.

Areas of improvement

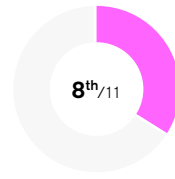
- Asda is advised to publish its approach to FOP labelling and accessibility of nutritional information online. This should include clarification on the criteria for exemption from FOP labelling and the percentage of its portfolio that is compliant.
- It would be helpful for consumers if multiple filter functions could be selected simultaneously, as currently it is only possible to select one at a time.
- Asda is encouraged to commit to not placing a health claim on a product unless it is healthy, as defined by the FSA 2004/5 NPM.



Engagement with stakeholders and policymakers



Topic weight



Score 3.4/10
Topic average 4.2

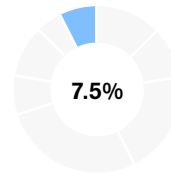
- Asda has a statement on preventing corruption and bribery as part of its Ethics and Compliance programme, and the company states that it monitors and audits this regularly.
- Asda is engaged with several initiatives that aim to address the nutrition challenges in the UK, including the Peas Please initiative and the Veg Power 'Eat them to defeat them' campaign.

Areas of improvement

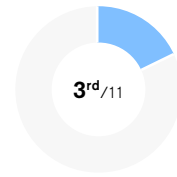
- Asda should publish a clear and comprehensive lobbying policy or code of conduct in line with the [Responsible Lobbying Framework](#), in which it commits to:
 - only engage with government, political parties, policymakers and policymaking bodies in support of measures to improve health and nutrition, aligned with public-health interest as identified by government;
 - only engage in lobbying activities that support an evidence-based approach to policymaking, with the emphasis on independent, peer-reviewed science;
 - ensure that its lobbying activities respect UK public policy frameworks and standards.
- Asda is encouraged to disclose its policy position on government consultations on issues relating to nutrition or of relevance to supermarkets, explicitly stating whether it would welcome (or not oppose) regulatory measures to address diet-related health issues in the UK.
- It is recommended that Asda strengthens its transparency on lobbying practices by disclosing a comprehensive list of its membership of industry and trade associations and its lobbying positions on key nutrition topics.
- Asda is also encouraged to engage with stakeholders (including nutrition experts) in developing its nutrition policies/programmes and disclose the consequences of this engagement for company strategy.



Infant and young child nutrition



Topic weight



Score 1.8/10
Topic average 1.1

- Asda manufactures and sells complementary foods for children under three years and sells (but does not manufacture) breast-milk substitutes (BMS: infant and follow-on formula and growing-up milk, also known as toddler milk). However, the company has not published any policies in this area.
- Asda's 2020/21 Creating Change for Better report discloses that its products in the Little Angels complementary food range do not contain added sugar and the company commits to continuous improvement of the nutritional content of these products in line with government guidance. However, no information was found or shared by the company around other nutritional standards for Asda's complementary foods, for example not even limiting their salt content.

Areas of improvement

- Asda should put policies and procedures in place that comply with the WHO's International Code on the Marketing of Breast-milk Substitutes and subsequent World Health Assembly resolutions, which also provide guidance on the marketing of complementary foods, going beyond national regulations covering the marketing of infant and follow-on formula (which include only the advertising, point-of-sale promotions and labelling of infant formula, and include some labelling requirements for follow-on formula).
- Asda is advised to follow WHO guidance in restricting the marketing of all snacks high in sugar, sweets/confectionery, fruit drinks and juices, and sweetened milk to infants and young children under three years of age. This should apply not only to own-brand products but also to those made by other companies and sold by Asda.
- As a manufacturer of complementary foods, Asda is encouraged to rigorously comply with government guidance (including forthcoming government guidance) but also strive to follow WHO/Europe recommendations relating to the nutritional composition and labelling requirements of foods aimed at older infants and young children. Asda is also encouraged to commit to continuously improving the nutritional quality of its complementary foods, given that standards are regularly revised and updated.

General disclaimer

This company scorecard has been based on research carried out by ATNI based on publicly available data and company engagement between March and August 2021. Any action taken by the retailer after 29 August 2021 has, therefore, not been included in the scoring. The findings of this Index regarding retailers' performance rely to a large extent on information shared by the companies themselves, additional to information available on the company's website. Several factors beyond the retailers' control (such as the COVID-19 pandemic) may have impacted their capacity to collate and share the information (publicly or directly with ATNI) that is needed for this Index. Particularly where retailers have been involved in only limited or no engagement, this Index may not represent the full extent of these companies' efforts.

As a multistakeholder, collaborative project, the findings, interpretations and conclusions expressed in the report may not necessarily reflect the views of the retailers, of members of the different stakeholder groups consulted for this research (including the Expert Group, industry associations and investors) or the organisations they represent, or of the funders of the project.

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