



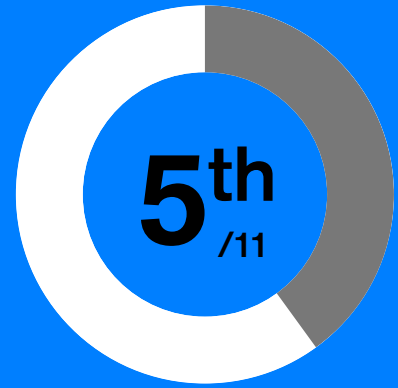
Co-op

Estimated UK grocery retail value (£ billion, 2021) 9.7

Number of employees 70,000

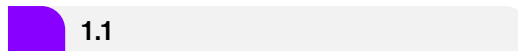
Headquarters UK

Type of ownership Co-operative



Score 4.0/10

Governance (12.5%)



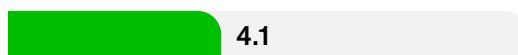
Nutrient profiling - defining 'healthy' products (10%)



Product formulation (20%)



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



Media and on-pack advertising (7.5%)



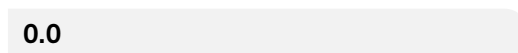
Accessibility of nutritional information and labelling (10%)



Engagement with stakeholders and policymakers (5%)

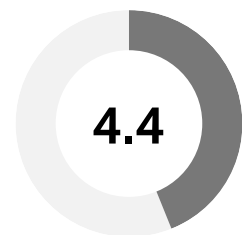


Infant and young child nutrition (7.5%)

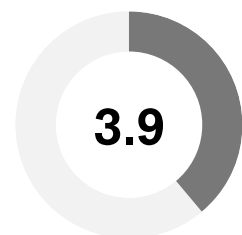


(%) Weight of a topic

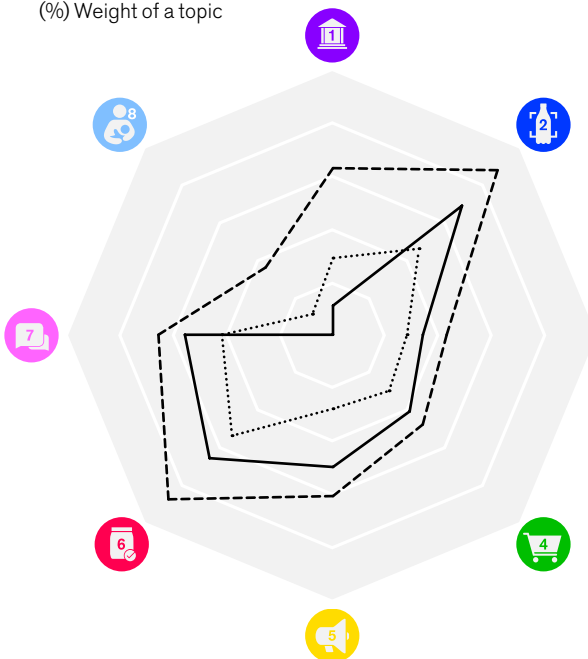
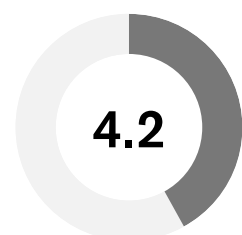
Commitment



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.

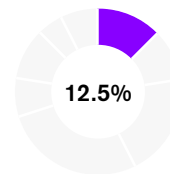


Scores and ranks

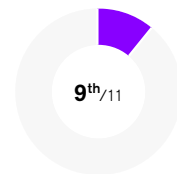
- Overall, Co-op ranks fifth with a score of 4.0 out of 10 (the average across all retailers is 3.3).
- Although Co-op's low score across Topics shows that there is much room for improvement, the company ranks within the top four retailers in Nutrient profiling, In-store promotion, pricing and placement, Media and on-pack advertising and Engagement with stakeholders and policymakers, with relatively strong commitments and disclosure of its actions and progress in these areas.
- Co-op can especially improve in the Topic Governance, where it has a ninth rank. Compared to its peers, Co-op has less extensive reporting on strategy, targets and progress.



Governance



Topic weight



Score 1.1/10
Topic average 2.9

- Co-op has a strategy to grow through a focus on nutrition and health in the UK, integrated into its 'Future of Food' document and Healthy Living approach: 'Co-op wants to play its part in tackling the obesity crisis and preventable diseases by helping our customers, colleagues and members make healthier and more informed lifestyle choices for themselves and their families.'
- Co-op has some evidence of a plan to deliver its nutrition strategy in its 'Future of Food' and 'Health and Wellbeing at the Co-op 2021' documents (both publicly available), including information on commitments to increase the amount of fruit and vegetables as ingredients in Co-op own-brand products, to increase the choice and accessibility of healthy products in Co-op stores, and to take a responsible approach to reducing the amount of salt, sugar and saturated fat in Co-op own-brand products.

Areas of improvement

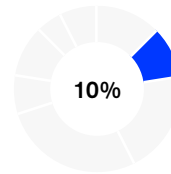
- Co-op is encouraged to further integrate nutrition considerations into its commercial business functions by developing and publishing a comprehensive and multi-year plan to deliver its nutrition strategy, including specific objectives and activities to improve nutrition and address malnutrition in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



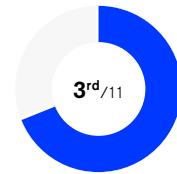
- Co-op is encouraged to ensure accountability for nutrition and health lies at the top of the organisation, by assigning accountability to its CEO/executive level.
- Co-op should set clear and timebound targets to increase sales of healthy products and/or decrease sales from less healthy products, and 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).
- Co-op is advised to publish the percentage of products in its portfolio that are healthy. There is also scope to improve transparency by providing reporting for the last financial year on:
 - the ratio of sales growth of healthy products versus overall sales growth; and
 - the ratio of sales growth on fruit and vegetables versus overall sales growth.
- Co-op currently has just one own-brand soft drink that is subject to the Soft Drinks Industry Levy (SDIL). 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. Co-op is encouraged to publicly report on percentage of sales volume and value of soft drinks that are subject to the SDIL.
- Although Co-op has conducted some research into consumers' dietary patterns in the last three years, the company is advised to use independent research to deliver on its nutrition strategy, specifically addressing nutrition needs of priority population groups at higher risk of diet-related disease or food insecurity.



Nutrient profiling - defining 'healthy' products



Topic weight



Score 6.9/10
Topic average 4.6

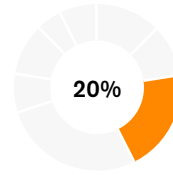
- Co-op indicates that it uses the Food Standards Agency (FSA) 2004/5 nutrient profiling model (NPM), without any adaptations, to determine which products are not high in fat, salt and sugar (HFSS), across all own-brand and branded food and drinks when: 1) it uses the term 'healthy' on recipes, POS, digital, own-brand adverts and advertorials, TV and 2) it advertises products during children's television programmes. The company indicated that it intends to use the FSA 2004/5 NPM more consistently once forthcoming restrictions on promotions and advertising come into force.

Areas of improvement

- Co-op is encouraged to publish its NPM in full on its website, including scoring, criteria and where and how it is applied.
- Co-op currently does not consistently use the FSA 2004/5 NPM. It uses the FSA 2004/5 NPM to guide its marketing activities, but uses the UK traffic light model and UK government salt and calorie targets to assess the nutritional quality of products for its reformulation activities. The company is advised to extend its use of 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 and labelling of products.



Product formulation



Topic weight



Score 3.4/10
Topic average 2.8

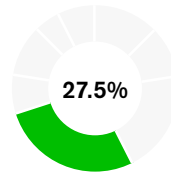
- Co-op commits to adhere to the government's latest reformulation programmes for sugar, calories and salt, and publicly reports on progress towards these targets:
 - Co-op reports on progress made in sugar reduction in five of the 10 food categories specified by the government.
 - Co-op indicates 98% of its own-brand products met the government's 2017 salt reduction targets (the highest percentage reported by any retailer).
 - Co-op removed 519 million calories from customers' baskets in 2020 through reformulation efforts in its ready meals range; however, it is unclear how this relates to the government's current calorie reduction ambition.
- Co-op has made a commitment to increase levels of fruit and vegetables in its packaged products as part of its Peas Please commitment. The company also indicated a target that '47% of ready meals contain a portion of vegetables by Autumn 2021'.
- Co-op has (re)formulated nine products in its ready meals range to reduce saturated fat by an average of 10%.

Areas of improvement

- Co-op is advised to set clear and timebound targets to decrease levels of saturated fats and to increase levels of fruit, vegetables and wholegrains (going beyond its Peas Please commitment) in all own-brand products.
- Although Co-op indicated it restricts the use of industrial trans fatty acids (iTfAs) in relevant products, it does not have a clear target to uphold and monitor that commitment. Co-op 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.
- Co-op 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.
- Co-op 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.
- Co-op 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



Topic average 3.0

- Co-op has a specific commitment to address the affordability of its products for low-income groups, stating that it will 'explore and support new ways for securing access to vegetables for young families on low incomes', including by supporting government schemes, implementing promotions on fruit and vegetables, and committing to a price promise.
- Co-op has a price promise that 100% of its own-brand 'reduced' or 'light' alternatives will be no more expensive than their standard equivalent, based on price per kilogram. The company reports on the implementation of this price promise across all stores in its annual Sustainability Report.
- Co-op is committed to using price-based promotions to drive sales of fruit and vegetables through its Fresh 3 promotion, which puts three varieties of fresh produce on sale for three weeks at a time. Co-op also commits to ensure that healthy products are clearly visible in its stores.
- Co-op uses marketing and other promotional techniques to drive the sale of healthy products, such as oral and written encouragements to make healthy choices through in-store radio and recipe cards, and clear signage towards healthy products during (for example) the Healthier Choices and Good Choice in-store campaigns and shelf labels.
- Co-op has committed to, and provided evidence of, removing all sweets and chocolate confectionery from checkouts in all stores from 2016.
- Co-op commits not to give free samples or promote by demonstration in store any HFSS products specifically to children – one of only two companies to make a similar commitment.

Areas of improvement

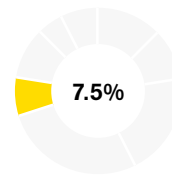
- Co-op is advised to report on how its commitment to address the affordability of healthy products for low-income consumers is being implemented in its stores and online and the impact that this has.
- Co-op is encouraged to commit to stocking healthier variants for all products, with as many facings 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.
- Co-op has used in-store promotional campaigns/activities to promote healthy products in an ad hoc manner, and could ensure that healthy products are prominently displayed in-store as well as in online retail environments with increased use of product cues.
- The company is encouraged to use the FSA 2004/05 NPM to guide product positioning in its stores, and to engage with brand manufacturers on product positioning.
- Co-op is advised to commit not to run any in-store promotional campaigns/activities directed at children that involve any HFSS products.



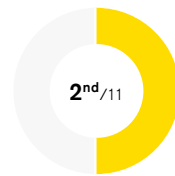
- Co-op could be more transparent on the impact of promotions and in-store campaigns, including regularly reporting on any targets for the promotion of healthier products and providing data on the impact this has on prices and sales.
- Co-op is encouraged to commit to use its reward mechanism, the Co-op's Membership Accounts, to incentivise the sale of healthy products, and report on the impact of these efforts.
- Co-op is encouraged to improve its commitment to ban sales of energy drinks to children by extending the restriction from age 16 to age 18, and to provide evidence of having implemented this, for instance by indicating that Co-op staff receive training on the issue.



Media and on-pack advertising



Topic weight



Score 5.0/10

Topic average 2.8

- Co-op is one of only three companies to have a clearly articulated responsible marketing policy for all consumers, and specifically for children, covering all print media, non-broadcast media, sponsorship and all additional forms of media. It is published in full in the 'Health and Wellbeing at the Co-op 2021' document and includes:
 - Co-op does not give free samples or promote HFSS products specifically aimed at children;
 - Co-op does not advertise HFSS products on TV during children's television hours nor in specific children's titles or adjacent to children's pages in newspapers; and
 - Co-op does not advertise HFSS food and drink products across all non-broadcast media (including print, cinema and online/social media) targeted at under-16s.
- Co-op has also committed to go beyond the Code of Non-Broadcast Advertising & Direct & Promotional Marketing (CAP Code) by committing not to use child-oriented characters in its marketing to children in relation to HFSS products. However, seasonal products (such as those developed for Easter, Halloween and Christmas) are currently exempt from this commitment.
- Co-op commits to align the portrayal of food in advertising with on-pack portion/serving size, stating that it does not encourage excess consumption or inappropriate portion sizes through on-pack photography.
- Co-op commits to advertise more fruit and vegetables through 5-a-day claims on its online, social media and magazine recipe platforms.

Areas of improvement

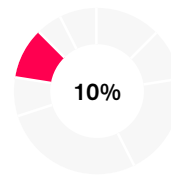
- Co-op is encouraged to extend its responsible marketing approach from children under 16 to children under 18.
- Co-op is encouraged to commit not to sponsor materials, people or activities popular with children and/or adults except in conjunction with healthy products or products low in sugar/calories/salt/fat.
- Co-op is encouraged to report on the impact of the initiatives it sponsors.



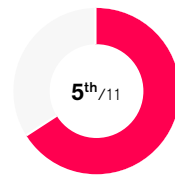
- Co-op is encouraged to commit to increasing the proportion of its advertising spending on healthy products relative to its overall advertising spending and to publish a commentary outlining the changes to its advertising spending in support of healthier eating.
- Co-op is encouraged to commission a third-party organisation to audit its compliance with its responsible marketing policy, to ensure that all marketing conducted by the company aligns with the policy, and to define corrective measures for instances of non-compliance.



Accessibility of nutrition information and labelling



Topic weight



Score 6.6/10
Topic average 5.4

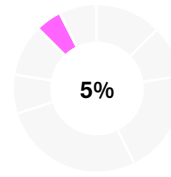
- Co-op commits to use colour-coded front-of-pack (FOP) labelling on all own-brand products and states that exemptions are in line with Annex V of Regulation (EU) 1169/2011 and that gifting lines are also exempt.
- Co-op is the only retailer in the Index found to publish its position on both FOP labelling and accessibility of nutrition information online. Co-op is also the only retailer that publicly commits to provide online nutrition information for all products, including energy + 4 and reference intake information, and specifically including Deliveroo: 'We provide nutritional information per 100g and per serving (where applicable) for all our own label products, sold through both Co-op online delivery and the Deliveroo channels. We also include an image of the front of pack so that the traffic lights are visible.'
- Co-op's website includes a filter function that signposts consumers towards products with no added sugars.

Areas of improvement

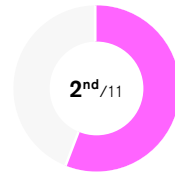
- Co-op is advised to publish the percentage of its portfolio that is compliant with its approach to FOP labelling and accessibility of nutritional information online.
- Co-op can further improve the accessibility of nutrition information and labelling of products by displaying FOP labels online not only in pictures of products but as standalone images.
- Co-op is encouraged to extend the nutrient-based filters on its website (including the option of selecting multiple filters) to make it easier for consumers to identify healthier options.
- Currently Co-op uses the UK traffic light model to assess which products are appropriate to carry either a nutrition claim or 5-a-day claim and products that carry these claims will not display a red traffic light. Co-op is encouraged to commit publicly to not placing health claims (including logos) on a product unless it is healthy as defined by the FSA 2004/05 NPM.



Engagement with stakeholders and policymakers



Topic weight



Score 5.6/10
Topic average 4.2

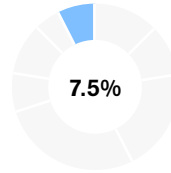
- Co-op's Gifts and Hospitality Policy and Code of Conduct outline a zero-tolerance approach to bribery and corruption.
- Co-op is engaged with several initiatives that aim to address the nutrition challenges in the UK including: the government's Change4Life campaign, a pledge to the Food Foundation's Peas Please initiative, the Consumer Goods Forum's Collaboration for Healthier Lives initiative and support for the Veg Power 'Eat them to defeat them' campaign. The company also topped up Healthy Start vouchers by £1 in 2021 'to boost the amount of nutritious food parents who are tied to the most limited budgets can feed their families'.
- Co-op reports on its membership, subscription fees and donations to 22 trade and business associations with a value of over £5,000. Co-op is the only company in the Index that specifies the financial threshold used for reporting on business association membership.

Areas of improvement

- Co-op 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 in lobbying activities that support an evidence-based approach to policymaking, with the emphasis on independent, peer-reviewed science; and
 - ensure that its lobbying activities respect UK public policy frameworks and standards.
- Currently Co-op states it will engage with the government to help to develop measures that impact directly on the company's business. However, the company is encouraged to commit to engage with the government, political parties, policymakers and policymaking bodies only in support of measures to improve health and nutrition (aligned with public-health interest as identified by government), in line with the Responsible Lobbying Framework.
- Co-op is encouraged to fully disclose its policy position on government consultations on issues relating to nutrition or of relevance to supermarkets by ensuring that submission to these consultations appear on or are linked to its website and through noting explicitly whether it would welcome (or not oppose) regulatory measures to address diet-related health issues in the UK.
- Co-op is encouraged to provide more clarity as to whether its publicly available list of trade associations is comprehensive.
- Co-op is 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 0.0/10

Topic average 1.1

- Co-op confirmed to ATNI that it does not manufacture own-brand breast-milk substitutes (BMS: infant and follow-on formula and growing-up milk, also known as toddler milk) or complementary foods for infants and young children under three years, meaning that many of the indicators referring to improving the nutritional quality of complementary food products are not applicable. However, branded BMS and complementary foods are sold by the company, but Co-op has not published any policies in this area.

Areas of improvement

- Co-op should put policies and procedures in place that comply with 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 branded 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 formula¹).
- Co-op 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.

¹ Co-op does not manufacture BMS products but should ensure that product it sells adhere to the requirements set by the Code and local regulations, either by selecting those brands that comply and/ or by engaging with manufacturers of branded products to align on labelling.

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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