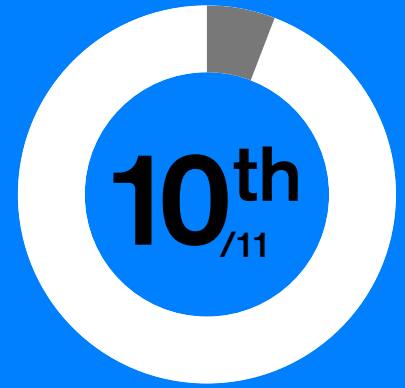




# Iceland



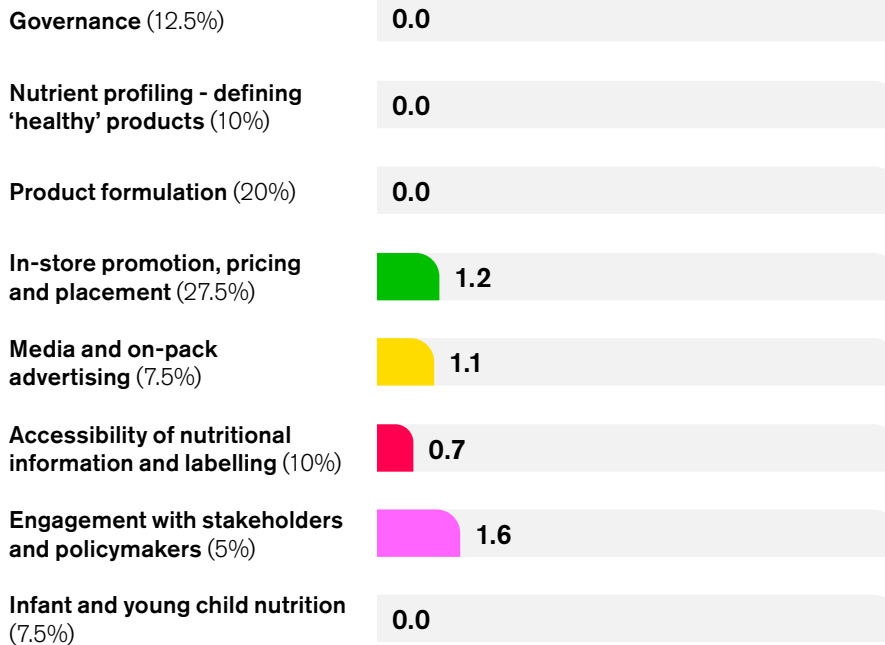
**Estimated UK grocery retail value**  
(£ billion, 2021) 3.3

**Number of employees**  
23,000

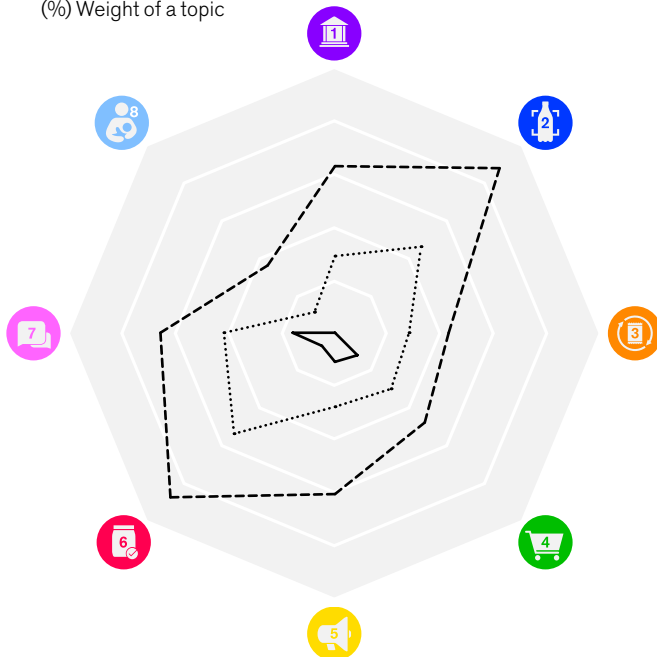
**Headquarters**  
UK

**Type of ownership**  
Private

**Score 0.6/10**



(%) Weight of a topic

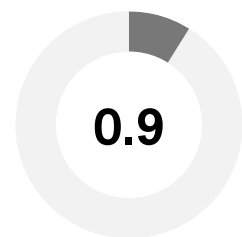


The bar graph to the left shows company scores across the eight Index Topics and scores are shown for each Topic. The circles provide an alternate view on the company's overall results, showing the score per indicator type.

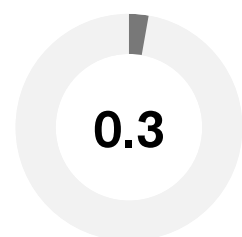
**Commitment**



**Performance**



**Disclosure**

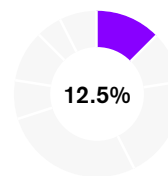


## Scores and ranks

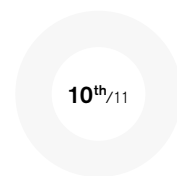
- Iceland has not submitted data to the Access to Nutrition Initiative for this Index and so only publicly available data was used to carry out the company assessment.
- Overall, Iceland scores 0.6 out of 10 (the average across all 11 retailers is 3.3) and ranks 10th.
- Iceland's reporting on its contribution to improving the diets and health of its customers in the UK is among the most limited of the 11 retailers assessed. The company is urged to substantially improve its disclosure, which will aid 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.
- Some reporting was found relating to In-store promotion, pricing, and placement and Engagement with stakeholders and policymakers. Limited information was found on Governance, Product formulation, Media and on-pack advertising and Accessibility of nutrition information and labelling. No reporting was found about Nutrient profiling or about Infant and young child nutrition.



### Governance



Topic weight



Score 0.0/10  
Topic average 2.9

- There is no specific mention of a nutrition strategy and/or targets in the public domain. Some limited evidence on promoting healthy eating was found on the company website: 'We encourage healthy eating and provide full nutrition information panels to help our customers plan their diet each day.'

### Areas of improvement

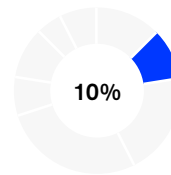
- Iceland is encouraged to integrate nutrition considerations into its commercial business functions by developing a specific strategy, objectives and activities to improve access to and affordability of healthy foods, and to address malnutrition in all its forms, with a specific focus on helping customers to reach the UK dietary guidelines.
- Iceland is advised to develop a comprehensive multi-year plan for delivery of this nutrition strategy, applicable across the whole company, including all store formats and online.
- Iceland is encouraged to establish leadership and accountability for nutrition and health at the top of the organisation (Board level), ensuring that nutrition and health are prioritised.



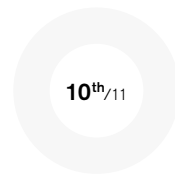
- Iceland is encouraged to reference business risks explicitly linked to rising rates of obesity and diet-related diseases in its risk register.
- Iceland should set clear and timebound targets to increase sales of healthy products and/or decrease sales from less healthy products, and to increase sales of fruit and vegetables – and publish these targets and report on the achievements of those targets (including achievements relative to other products).
- It is not clear whether the percentage of sales volumes of soft drinks (both own-brand and manufacturer-brand) subject to the Soft Drinks Industry Levy (SDIL) decreased or not in the last financial year. Iceland is encouraged to publicly report on percentage of sales volume and value of soft drinks that are subject to the SDIL.
- There is significant scope for Iceland 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, vegetables and wholegrains;
  - ratio of sales growth of healthy products versus overall sales growth; and
  - ratio of sales growth of fruit and vegetables versus overall sales growth.
- Iceland 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 0.0/10  
Topic average 4.6

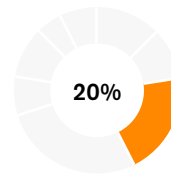
- Iceland does not publish any information about the use of a nutrient profiling model (NPM) or other criteria to measure the nutritional quality of products.

### Areas of improvement

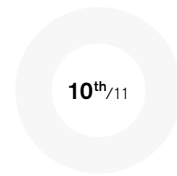
- Iceland should start using nutrition criteria and specifically adopt the Food Standards Agency (FSA) 2004/5 NPM to guide decisions on the healthiness of its portfolio, applying it to all products and product categories within both manufacturer-brand and own-brand products.
- Iceland is encouraged to disclose its NPM in full on its website, including scoring, criteria and where and how it is applied.
- Iceland is advised to use the FSA 2004/5 NPM to inform its efforts to develop new healthy products and reformulate existing products to make them healthier, as well as to guide decisions on the pricing, positioning, promotion, marketing and labelling of healthy products.



## Product formulation



Topic weight



Score 0.0/10  
Topic average 2.8

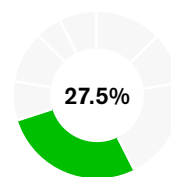
- Iceland does not indicate a formal commitment to the government's current ambitions for sugar, salt and calorie reduction, although it does state that the company is 'striving to comply with targets from the government on reducing fat, salt and sugar in our food'.

### Areas of improvement

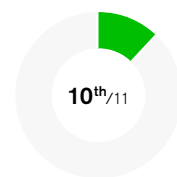
- Iceland should develop clear and timebound targets with a baseline (as a minimum, aligning with the government's latest voluntary targets on sugar, salt and calories) and track progress on commitments to decrease levels of negative nutrients (salt, sugar, calories, saturated fats and industrial trans fatty acids (ITFAs)) and increase levels of positive nutrients and food components in its own-brand products (fruits, vegetables and wholegrains).
- Iceland 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 added to or removed from products, and report regularly and comprehensively both online and in annual reporting.
- Iceland is advised to commit to offer smaller-sized portions on products not meeting the company's healthy standards, and report on action on this commitment.
- Iceland is encouraged to engage in dialogue with brand manufacturers to increase the healthiness of products sold through its platforms, and publicly disclose commentary on these efforts.



## In-store promotion, pricing and placement



Topic weight



Score 1.2/10  
Topic average 3.0

- Limited examples of driving the sale of healthy foods using price-based promotions have been found, such as 'Healthy £1 Value'.
- Evidence was found of Iceland increasing the prominence of healthy products in its supermarkets by supporting and engaging in an NHS funded trial in 2019, partnering with the University of Southampton, on the positioning of fresh produce in the supermarket. The results of this trial were published in 2021 but it is not clear whether this is continuing or what impact this has made on Iceland's business strategy.



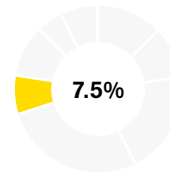
- In 2019, Iceland announced a nationwide initiative across all its stores to reduce food waste by applying a 50% discount on fresh, chilled and bakery goods on their 'last day of life', including products such as fruit and vegetables. This initiative has the potential to benefit health but is presented only in the context of food waste and does not mention improved nutrition, and no data on the increased purchase of fruit and vegetables has been made available.

### Areas of improvement

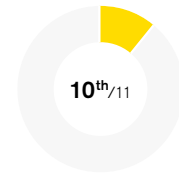
- Iceland is advised to establish a specific commitment to addressing the affordability of its healthy products for the general consumer and low-income groups in particular. Further, it is encouraged to provide evidence of the impact of this being carried out in its stores and online.
- Iceland is advised to introduce a price promise to ensure that the healthier option is never more expensive than the less healthy option and to commit to stocking healthier variants of all products.
- Iceland could commit to and show evidence of using pricing and price-based promotions to drive sales of healthy products including fruits and vegetables and wholegrain varieties of products.
- Iceland 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. Iceland could also ensure that healthy products are prominently displayed in-store as well as in online retail environments with increased use of product cues.
- Iceland is encouraged to use the FSA 2004/5 NPM, to drive product positioning and promotions in store and in its wider product positioning and promotions policies and publish information about how it guides product positioning of both own-brand and manufacturer-brand products.
- Iceland is encouraged to use marketing, promotional techniques and/or volume-based promotions to drive the sale of healthy products.
- Iceland should be transparent on progress against targets and the impact of promotions, trials and in-store campaigns, including regularly reporting on targets for the proportion of promotions for healthier products and providing data on the impact this has on prices and sales.
- Iceland is advised to use its bonus card to drive healthier purchases online and in-store throughout the year.
- Iceland is encouraged to commit not to run any in-store promotional campaigns/activities directed at children that involve any HFSS products.
- Iceland is advised to extend its commitment to end sales of energy drinks to under-16s to all children under the age of 18, and to provide evidence of having implemented this, for example by indicating that Iceland staff receive training on the issue.



## Media and on-pack advertising



Topic weight



Score 1.1/10  
Topic average 2.8

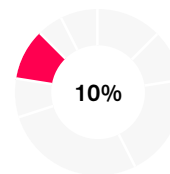
- Iceland has not published a responsible marketing policy for all consumers including children.
- Iceland, along with the other retailers, provides evidence of sponsoring initiatives promoting children and/or adults' healthy eating: it is one of the retailers on the Child Food Poverty Task Force of the #EndChildFoodPoverty campaign started by British football player Marcus Rashford during the COVID-19 pandemic.

### Areas of improvement

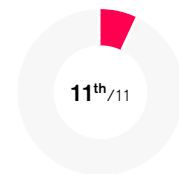
- Iceland is strongly encouraged to develop and publish a clearly articulated responsible marketing/advertising policy, covering all consumers including children (defined as being those aged under 18), including all marketing communication channels, and applied to all products and all stores.
- Iceland should commit not to use fantasy/cartoon/character/celebrity on any products on any forms of media (including on pack, in store and online), and publish this on its website.
- Iceland 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.
- Iceland is encouraged to report on the impact of the initiatives it sponsors.
- Iceland is encouraged to commit to market its products using appropriate portions, as specified in products' on-pack nutritional information.
- Iceland is encouraged to commit to increase the proportion of advertising spend on healthy products relative to overall advertising spend and 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 0.7/10  
Topic average 5.4

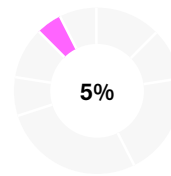
- Iceland's website indicates the use of back-of-pack (BOP) labelling on products.

## Areas of improvement

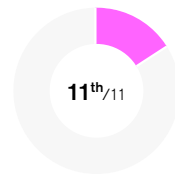
- There is very significant scope for Iceland to improve in disclosure and policies on nutritional labelling. Iceland is encouraged to use front-of-pack (FOP) colour-coded labelling on its own-brand products, fully applying guidance from the Institute of Grocery Distribution (IGD) on 'gold standard' labels. Iceland is the only retailer in this Index not to have adopted colour-coded labelling for its own-brand products.
- Iceland is encouraged to explicitly disclose its position on displaying nutritional information online and publish the percentage of its portfolio that is compliant with its approach to nutritional information online.
- Iceland is encouraged to provide full, clearly presented BOP and FOP nutrition information online for all its products – currently, only the BOP information is displayed online. This could be combined with the use of nutrient-based filters such as for low-salt or low-sugar products.
- Iceland should commit to not placing health claims (including logos) on a product unless it is healthy as defined in the FSA 2004/5 NPM.



## Engagement with stakeholders and policymakers



Topic weight



Score 1.6/10  
Topic average 4.2

- Iceland has engaged with one initiative that aims to address the nutrition challenges in the UK: the company increased the value of Healthy Start Vouchers by offering a free £1 pack of frozen vegetables to families using the voucher.

## Areas of improvement

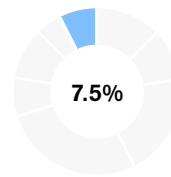
- Iceland should publish a clear and comprehensive lobbying policy or code of conduct that aligns with the [Responsible Lobbying Framework](#), in which it commits to:
  - only engage with government, political parties, policymakers and policymaking bodies in support of measures to improve health and 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; and
  - ensure that its lobbying activities respect UK public policy frameworks and standards.
- Iceland is encouraged to participate in more initiatives that are working towards addressing the UK's nutrition challenges.
- Iceland is encouraged to disclose its policy position on government consultations on issues relating to nutrition or of relevance to supermarkets, explicitly whether it would welcome (or not oppose) regulatory measures to address diet related health issues in the UK.



- It is recommended that Iceland strengthens its transparency on lobbying practices by disclosing a comprehensive list of its memberships of industry and trade associations and its lobbying positions on key nutrition topics.
- Iceland is also encouraged to engage with stakeholders (including nutrition experts) in developing its nutrition policies/programmes and to disclose the consequences of this engagement for company strategy.



## Infant and young child nutrition



Topic weight



Score 0.0/10  
Topic average 1.1

- It was not confirmed at engagement phase for this Index whether Iceland manufactures 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. However, the company does sell both BMS and complementary foods, and Iceland has not published any policies in this area.

### Areas of improvement

- Iceland should put policies and procedures in place that comply with the World Health Organization's (WHO) 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).
- Iceland 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.



## **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.*

*This report is intended to be for informational purposes only and is not intended as promotional material in any respect. This report is not intended to provide accounting, legal or tax advice or investment recommendations. Although it is based on information that ATNI believes to be reliable, no guarantee can be given that it is accurate or complete.*