Pick n Pay

Overall analysis/ Product Profile Results

Pick n Pay Group's Retailer Profile

Headquarters
South Africa

Operating Brands
Pick n Pay, Boxer

Market Share (Formal Retail Market)[1]
15-17%

Geographic Coverage
Nationwide

Type of Ownership
Public

Primary Retail Format
Supermarkets

Primary Consumer Segment
Mass market

Operation Model
Corporate-owned / Centralized

Important - The findings of this Assessment regarding retailers' performance rely to a large extent on information shared by retailers, in addition to information that is available in the public domain. Several factors beyond the retailers' control may impact the availability of information. Therefore, in the case of limited or no engagement by such retailers, this Assessment may not represent the full extent of their efforts.

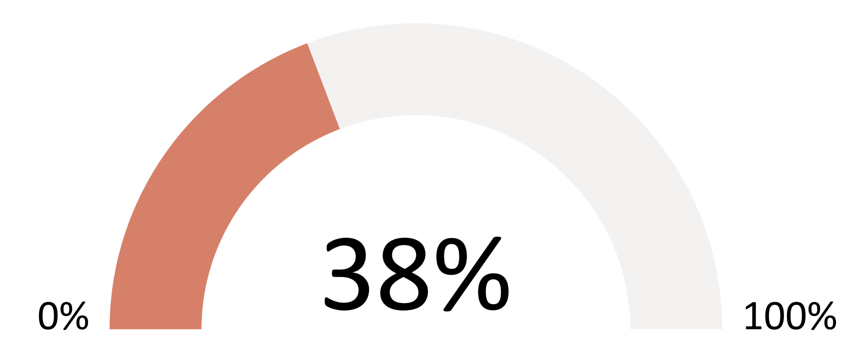
Footnote:

1. Euromonitor International, Staple Foods Industry edition, 2024

Overall Product Profile Results

The results below show the percentage of "healthier" products, or products passing the model's criteria, for the retailer's overall portfolio, as assessed by different nutrient profiling models.

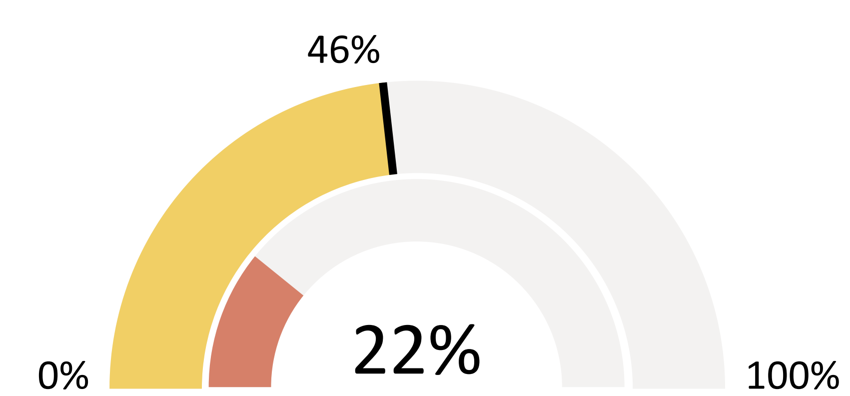
% healthier products - HSR



Of 1412 private label products assessed across all applicable categories, 38% are considered healthier based on the **HSR model** and healthier threshold of 3.5 stars or above.

The **Health Star Rating (HSR)** is a front-of-pack interpretive nutrition labelling system designed to help consumers make healthier choices. It scores products from 0.5 (least healthy) to 5 stars (most healthy), based on nutrients to limit (energy, sodium, total sugar, saturated fat) and positive food components (fruit/vegetable content, protein, fiber) on the basis of nutritional composition per 100g or 100mL across one of six categories. Products scoring 3.5 stars or higher are considered 'healthier'. ATNi uses the HSR in its Global Index and Country Spotlight Indexes to enable cross-company comparisons.

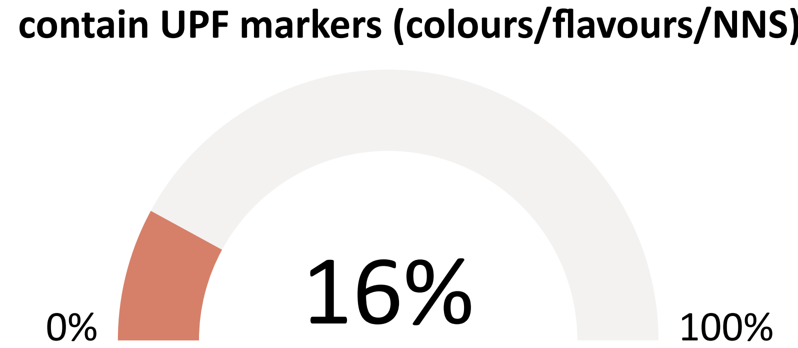
% heathier products - Nutri-Score



Of 1404 private label products assessed across all applicable categories, 22% are considered healthier based on the **Nutri-Score** grades of A + B (represented by the inner arch of the graph). When extending the definition to include grade C (A + B + C), 46% of private label products are considered healthier (outer arch), allowing flexibility depending on the context and purpose of comparison.

The **Nutri-Score model** was also used to assess the proportion of products in each retailer's portfolio that receive each of the five categories: from category A (dark green), indicating higher nutritional quality, to category E (dark orange), indicating lower nutritional quality.

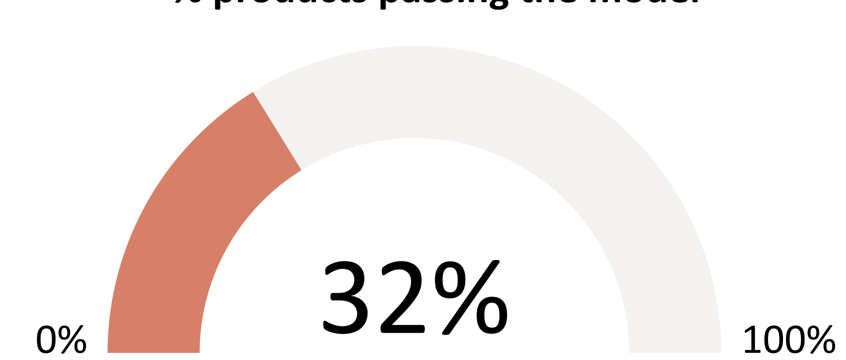
% products low in fat, sugar, salt and do not contain UPF markers (colours/flavours/NNS)



Of 1423 private label products assessed across all applicable categories, 16% are **non-HFSS** (so not High in Fat, Salt and Sugar) and **non-UPF** (no colours/flavours/NNS as markers of Ultra-Processed Food) products.

The **HFSS + colours/flavours/NNS approach** (Popkin et al. 2024) combines HFSS (high in fat, sugar, and salt) thresholds with common UPF markers (in this case: colours, flavours, and non-nutritive sweeteners) to flag less healthy food and beverage items.

% products passing the model



Of 1424 private label products assessed across all applicable categories, 32% pass the **South African Draft Nutrient Profiling Model**.

South Africa currently has a proposed NPM in draft format that aims to validate for healthy claim regulations and child-directed food marketing regulations. The model is heavily based on the Chilean warning label criteria.

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Topic A: Nutrition Prioritization

Findings

Recognition of nutrition

While the company has undertaken a materiality assessment, this did not identify nutrition (or similar) as a material risk for the company. Similarly, no nutrition-related risks were identified in the company's enterprise risk register.

Addressing & prioritizing nutrition

'Promoting healthy eating/choices' is one of the four elements of the 'Partnering to transform the food system' pillar of the company's ESG strategy. Within this focus area, the group focuses on private label reformulation, transparent nutrition labelling, and incentivizing healthier product purchases through promotions, as well as child nutrition education initiatives. In addition, while one of the 'Priorities' of the company's commercial growth strategy is to "focus more on fresh food", including healthier products like fruits and vegetables, this also includes bakery and deli products.

Nutrition governance & accountability

The company's ESG strategy, which includes a nutrition element, is overseen by the Executive Committee and Executive Sustainability Steering Committee, both of which include the CEO and CFO, and reviewed by the Social, Ethics and Transformation (SET) Committee of the Board of Directors. The company confirmed to ATNi that formal accountability for the nutrition strategy is assigned at a managerial level below executive, and that executive remuneration is not linked to a nutrition-related KPI. It also stated that while the SET Committee does not pay specific attention to nutrition, it is updated regularly by the manager responsible for nutrition.

Recommendations

Recognition of nutrition

Pick n Pay is encouraged to explicitly recognize consumer health and nutrition as an important material issue within its materiality assessment. The company is also encouraged to identify and disclose nutrition-related risks in the enterprise risk register reported in its annual reporting, including potential business impacts of changing consumer preferences and health consciousness, reputational risks, and possible future regulatory requirements.

Addressing & prioritizing nutrition

To play an active role in addressing and preventing rising rates of overweight and obesity in South Africa, Pick n Pay is encouraged to further integrate nutrition considerations across its grocery retail business and develop a comprehensive strategy to improve its impact on consumer health, in line with ATNi's recommendations from this Retail Assessment, including clear objectives and defined actions. This would help the company meet growing expectations from consumers, regulators, and investors, while differentiating itself from competitors and supporting long-term, sustainable growth.

Nutrition governance & accountability

Pick n Pay is recommended to assign direct responsibility for its nutrition strategy to a named executive and publish details of its governance arrangements for nutrition. In addition, it is recommended to develop KPIs for its nutrition strategy, such as sales targets for healthier products, and link these to executive remuneration. This would embed nutrition goals more deeply within corporate governance, reinforce accountability, and signal to investors and stakeholders the company's commitment to advancing its nutrition goals.

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Topic B: Portfolio Improvement

Findings

Nutrition targets and reporting

The company reported in 2023 that it had removed 1,000 tonnes of salt and 2,500 tonnes of sugar from its private label portfolio since 2017. However, it did not disclose the total amount of salt and sugar in its portfolio across this period, and there have been no recent updates to this reporting. The company shared internal evidence of general commitments to further reduce sugar and sodium content in its private label products, as well internal policies that require new private label products to not exceed sugar and sodium levels for an ‘equivalent benchmark product’.

The company shared evidence of internal commitments including commitments to increase availability of ‘better-for-you’ snacking alternatives, breakfast cereals with less added sugar, products containing whole grains and fiber, and dairy with low/no added sugar. However, these are not associated with specific, timebound targets, clear nutrition criteria, nor does the company publish or report against these commitments.

No evidence was found on the public domain of targets in place to increase sales of either ‘healthier’ products, such as those that qualify for the ‘LiveWell Club’ logo, or fruits and vegetables, or reporting on the proportion of total sales derived from such products.

Defining ‘healthier’ products

Pick n Pay’s private label products that qualify for the ‘LiveWell Club’ are considered to be ‘healthier’. The company informed ATNi that products qualify for the logo must first meet the healthy threshold of the proposed South African Nutrient Profiling Model (SA NPM), a version of the WHO Regional Office for Europe NPM adapted by South Africa’s National Department of Health (NDoH), as well as additional category-specific criteria regarding salt, sugar, and saturated fat contents. These criteria are not publicly available.

Reducing processing levels

No information was found on whether or how the company defines, monitors, or aims to lower levels of food processing across its product portfolio.

Recommendations

Nutrition targets and reporting

Pick n Pay is strongly recommended to track the sales of products — starting with its private label portfolio — that meet a formal definition of ‘healthier’. The results should be published annually, ideally according to ATNi’s proposed NPM reporting guidelines. The company is also strongly encouraged to set an ambitious, timebound target to increase the proportion of total food sales derived from products meeting this definition. Setting targets and transparently reporting in this way not only helps to focus internal efforts, but also builds stakeholder trust by demonstrating accountability and a commitment to promoting healthier consumer choices. Link

Defining ‘healthier’ products

Pick n Pay is strongly encouraged to publish full details of how products qualify for the ‘LiveWell Club’, including the category-specific criteria regarding salt, sugar, and saturated fat contents.

Reducing processing levels

Pick n Pay is encouraged to review the levels of processing in its food offering, expand the availability and promotion of minimally processed and fresh foods and reduce the share of ultra-processed foods.

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Topic C: Pricing & Promotions

Findings

Affordability of healthier products

Pick n Pay's affordability strategy principally revolves around price promotions and its loyalty rewards program for 'LiveWell Club' products. In addition, it states that its private label brand 'No-Name' products must meet the 'LiveWell Club' nutrition criteria, and that these are "price competitive" products. While the company also aims to reach lower-income consumers via its 'Boxer' discount retail stores and a partnership program with spaza shops in Gauteng to bring "quality offering" to informal communities, no information was found about whether this includes 'healthier' products such as those meeting the 'LiveWell Club' criteria.

Price promotions & loyalty rewards

To incentivize healthier purchases, Pick n Pay offers a 15% discount on all 'LiveWell Club'-approved products — which include items meeting specific nutrient criteria as well as fresh and frozen fruits and vegetables — and provides customers with triple 'Smart Shopper' points as part of its rewards program. In addition, fresh produce and poultry are actively promoted every week and form part of all core and range marketing deals. This includes 'Market Day' promotions on Wednesdays, with promotions and bulk deals on fresh produce.

Recommendations

Affordability of healthier products

Building on its overall commitment to affordability, Pick n Pay is encouraged to track the share of products (or sales value) that are both 'affordable' and classified as 'healthier', while being transparent about 'affordability' is defined and measured. Ideally, these efforts would be complemented by a strategy to improve the accessibility of affordable, healthy products for lower-income consumers. It is also recommended to publish full details of its accessible and affordable nutrition strategy on the public domain.

Price promotions & loyalty rewards

Pick n Pay is recommended track and publicly report quantitative data on these initiatives to demonstrate their reach and impact.

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Topic D: Responsible Marketing

Findings

In-store marketing techniques

The company informed ATNi that since 2020 it has implemented "healthier fair queue aisles" in some of its stores. The aim was to reduce the exposure of sweets, chocolates and sugar-sweetened beverages (SSBs) in these aisles to 25% and to increase the presence of 'healthier options and non-food options' to 50%. However, evidence shared, and publicly available information were insufficient to show whether store check-out areas met these targets.

Responsible marketing to children

The company has committed to both the 2009 Responsible Marketing to Children Pledge and the Advertising Regulatory Board (ARB)'s Code of Advertising practice, including the Food & Beverage appendix. Both restrict advertising of products that "do not represent healthy dietary choices" to children under 12. Neither uses a published NPM, instead relying on "established scientific standards" (with the pledge permitting verified company standards). The ARB's Code applies broadly across advertising, with school-premises bans and general conduct rules, while the 2009 Pledge focuses on TV advertising using a ≥50% child audience threshold. Both limit use of licensed characters and health claims in ads for unhealthy products, though packaging is exempt.

Responsible marketing of breastmilk substitutes (BMS) and complimentary foods (CF)

No information was found on the public domain regarding a responsible marketing policy of breastmilk substitutes (BMS) and complimentary foods (CF).

Recommendations

In-store marketing techniques

The company is encouraged to publish information about its current in-store product positioning initiatives to incentivize healthier choices.

Responsible marketing to children

Pick N Pay is recommended to update its 'Position on responsible marketing' to explicitly reference and commit to the ARB Food & Beverage appendix. It should also clearly specify which nutrition criteria it uses to restrict the marketing of unhealthy products, ideally by applying a government-endorsed nutrient profile model (NPM), such as the WHO Regional Model for the African Region. The company is further encouraged to exceed the ARB Code by raising the age threshold to 18 years, in line with WHO and UNICEF guidance, and by applying its policy to all products—including treats and seasonal products—and across all marketing channels and techniques, including in-store promotion, digital media, and sponsorships, while disclosing any exemptions. The company is also encouraged to commission independent third-party audits of this policy on an annual basis, and to publish the results to demonstrate transparency and accountability.

Responsible marketing of breastmilk substitutes (BMS) and complimentary foods (CF)

Pick n Pay is encouraged to explicitly include BMS and CF within its Responsible Marketing Policy.

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Topic E: Responsible Labelling

Findings

Identifying healthier products

The company states that it places the 'LiveWell Club' logo on healthier private label products (i.e. meeting nutrition criteria) to support consumers in identifying healthier products, both in-store and online. In addition, it states that it displays 'Guidelines on Daily Amounts' (GDA) icons on all food packaging for key nutrients of concern, which is beyond regulatory requirements. This system does not include an interpretative element.

Recommendations

Identifying healthier products

ATNi encourages retailers to closely monitor developments related to South Africa's draft food labelling regulation R3337 (released in 2023) and to proactively prepare for its potential implementation. If adopted, the regulation would introduce significant changes to back-of-pack labelling requirements (including ingredient lists and date marking) and mandate a front-of-pack (FOP) warning label, while prohibiting the use of any other FOP nutrition labelling schemes. Retailers are therefore encouraged to assess the implications for their private-label portfolios and review existing labelling practices to support timely compliance.

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Private Label Product Profile Results

The Product Profile for Retail Assessment provides a structured evaluation of the nutritional composition of private label packaged food and beverage products from selected retailers. It employs a range of internationally recognized nutrient profiling models to assess product characteristics, including the Australasian Health Star Rating (HSR), the Nutri-Score model, and the HFSS + colours/flavours/NNS approach (Popkin et al. 2024). These models support a consistent and comparative analysis of portfolio healthiness across the retailers. Graph below indicates mean HSR of each categories assessed for Pick n Pay.

Mean HSR by category

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Private Label Product Profile Results

The table presents an overview of the nutritional quality of products across various food categories, based on HSR, Nutri-Score (A+B and A+B+C) and the HFSS + colours/flavours/NNS approach (Popkin et al. 2024). Each row corresponds to a specific food category, and the percentages reflect the share of products in that category meeting the respective model's criteria. The figures in parentheses indicate the number of products meeting the criteria over the total assessed. Blank cells indicate that data was not available or not applicable for that category and model.

Category	% healthier products: HSR	% healthier products: Nutri-Score (A+B)	% healthier products: Nutri-Score (A+B+C)	% products that are HFSS	% products that are HFSS AND/OR contain UPF markers (colours/flavours/NNS)	% products passing the model
Baked Goods	31% (41/134)	5% (7/134)	29% (39/134)	92% (123/134)	96% (128/134)	16% (22/134)
Bottled Water	38% (3/8)	38% (3/8)	88% (7/8)	0% (0/6)	83% (5/6)	67% (4/6)
Breakfast Cereals	68% (19/28)	29% (8/28)	71% (20/28)	100% (28/28)	100% (28/28)	25% (7/28)
Carbonates	0% (0/26)	0% (0/26)	15% (4/26)	8% (2/26)	100% (26/26)	0% (0/26)
Concentrates	10% (3/30)	0% (0/25)	20% (5/25)	44% (11/25)	100% (25/25)	0% (0/25)
Confectionery	0% (0/55)	0% (0/55)	0% (0/55)	100% (55/55)	100% (55/55)	2% (1/55)
Dairy	59% (90/153)	26% (40/153)	59% (91/153)	56% (85/153)	71% (109/153)	46% (70/153)
Edible Oils	69% (9/13)	62% (8/13)	92% (12/13)	100% (13/13)	100% (13/13)	15% (2/13)
Flour	92% (11/12)	83% (10/12)	92% (11/12)	100% (12/12)	100% (12/12)	92% (11/12)
Ice Cream	7% (1/14)	0% (0/14)	21% (3/14)	100% (14/14)	100% (14/14)	0% (0/14)
Juice	13% (8/63)	8% (5/63)	81% (51/63)	2% (1/63)	97% (61/63)	67% (42/63)
Other Hot Drinks	0% (0/9)	0% (0/9)	0% (0/9)	100% (9/9)	100% (9/9)	0% (0/9)
Pizza	47% (7/15)	0% (0/15)	40% (6/15)	80% (12/15)	87% (13/15)	20% (3/15)
Plant-based Dairy	20% (1/5)	0% (0/5)	40% (2/5)	40% (2/5)	80% (4/5)	60% (3/5)
Processed Fruit And Vegetables	89% (88/99)	74% (73/99)	93% (92/99)	32% (30/93)	39% (36/93)	83% (77/93)
Processed Meat And Seafood	39% (72/186)	27% (51/186)	41% (76/186)	70% (147/211)	71% (150/211)	30% (64/211)
Ready Meals	54% (62/114)	15% (17/114)	65% (74/114)	58% (65/112)	82% (92/112)	46% (51/112)
Rice, Pasta And Noodles	89% (24/27)	89% (24/27)	93% (25/27)	81% (22/27)	85% (23/27)	93% (25/27)
RTD Coffee	0% (0/1)	0% (0/1)	0% (0/1)	100% (1/1)	100% (1/1)	0% (0/1)
Sauces, Dips and Condiments	25% (37/148)	16% (23/146)	36% (52/146)	85% (125/147)	86% (126/147)	17% (25/147)
Savoury Snacks	36% (45/124)	23% (29/124)	37% (46/124)	100% (124/124)	100% (124/124)	19% (24/124)
Soup	35% (17/49)	10% (5/49)	63% (31/49)	55% (27/49)	86% (42/49)	43% (21/49)
Sweet Biscuits, Snack Bars and Fruit Snacks	5% (4/86)	0% (0/86)	3% (3/86)	100% (88/88)	100% (88/88)	10% (9/88)
Sweet Spreads	8% (1/13)	8% (1/12)	17% (2/12)	100% (13/13)	100% (13/13)	0% (0/14)
Total	**38% (543/1412)**	**22% (304/1404)**	**46% (652/1404)**	**71% (1009/1423)**	**84% (1197/1423)**	**32% (461/1424)**