

The SPAR Group Ltd.'s Retailer Profile

Headquarters
South Africa

Operating Brands
SPAR

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
Franchise or equivalent / Decentralized

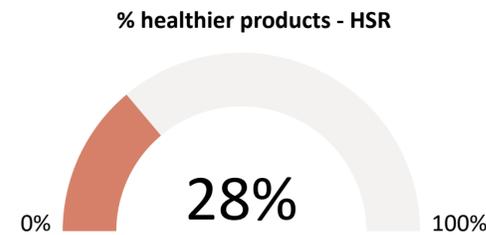
Important - The findings of this Assessment regarding retailers' performance rely to a large extent on information shared by retailers, in addition to information that is available in the public domain. Several factors beyond the retailers' control may impact the availability of information. Therefore, 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

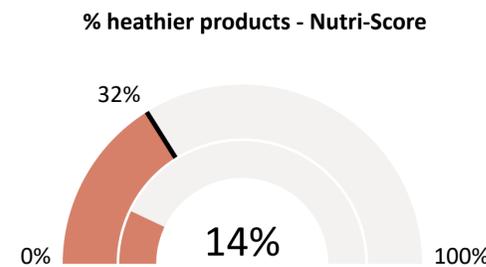
Overall Product Profile Results

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.



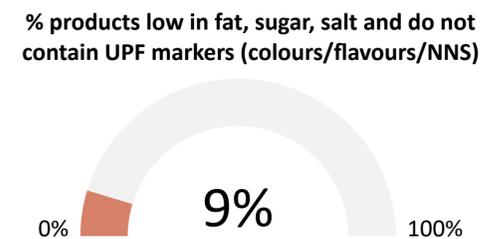
Of 760 private label products assessed across all applicable categories, 28% are considered healthier based on the **HSR model** and healthier threshold of 3.5 stars or above.

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.



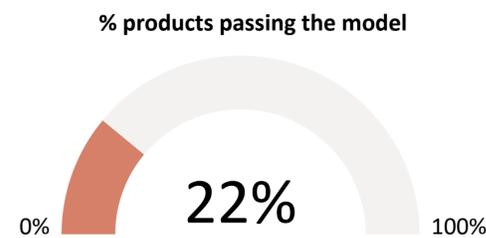
Of 759 private label products assessed across all applicable categories, 14% are considered healthier based on the **Nutri-Score** grades of A + B (represented by the inner arch of the graph). When extending the definition to include grade C (A + B + C), 32% of private label products are considered healthier (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.



Of 758 private label products assessed across all applicable categories, 9% 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.



Of 759 private label products assessed across all applicable categories, 22% 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.

Findings

☐ Recognition of nutrition

Spar Group conducted an “informal materiality assessment” in 2023, which recognized consumer awareness about nutrition as a material risk to the company. However, in its 2024 ‘Double Materiality’ assessment, only “Food Security” specifically for “Affected Communities” was identified as a material issue, rather than nutrition for the general consumer. No nutrition-related risks were identified in the company’s enterprise risk register.

[Link](#)

☐ Addressing & prioritizing nutrition

'Nutritious and affordable food' is one of the three 'Strategic Outcomes' for Spar Group's ESG Strategy, through which it aims to "Provide access to nutritious food at affordable and competitive prices; [and] Make a positive on the health of consumers". A nutrition-specific KPI regarding private label reformulation is also included in the company’s 2024 Sustainability Policy. However, it does not specify how it aims to do this in practice, nor does it provide information about how this is applied in South Africa.

[Link](#)

☐ Nutrition governance & accountability

Spar Group's 2024 ‘Sustainability Policy’ states that the policy itself and progress its KPIs, which includes one related to nutrition, are reviewed annually by the company’s Sustainability Department and its Board of Directors’ Social and Ethics Committee. The Group ESG Executive, a Group Executive Committee member, is responsible for the ESG strategy, which includes attention to nutrition. They report directly to the Group CEO on sustainability-related matters. The Group CEO is responsible for leading the implementation and execution of approved strategy.

[Link](#)

Recommendations

☐ Recognition of nutrition

Spar Group 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, Spar Group 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

Spar Group is recommended to link executive remuneration to at least one nutrition-related KPI. 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.

Findings

☐ Nutrition targets and reporting

In its 2024 Sustainability Policy, Spar Group published an ambition "To make own label food and drink recipes healthier, provided there is no impact on taste or quality and to ensure that products used are sourced sustainably". The associated KPI is: "% Difference of SPAR Brand products vs market leader with regards to healthier recipes and made from sustainable sources". To achieve this, it states that it will "Track changes made to SPAR Brand recipes esp. recipes that have been healthier without prompt from legislation. Record list of products sourced sustainably and monitor changes". However, it is not clear how this KPI works in practice, for example, how the "% Difference" is calculated, or how "healthier" is defined, as there is no methodology provided. There is also no clear target percentage, baseline level, or end-date. The company has not yet reported against this KPI.

[Link](#)

☐ Defining 'healthier' products

No public evidence was found that the company has a system in place to classify 'healthier' products using an NPM.

☐ 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

Spar Group is encouraged to publish full details of the methodology for its "% Difference of SPAR Brand products vs market leader with regards to healthier recipes and made from sustainable sources" KPI, including how the "% Difference" is calculated, or how "healthier" is defined. In addition, the company is 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. Spar Group is also strongly encouraged to set an ambitious, timebound target to increase the proportion of total food sales derived from products meeting this definition.

[Link](#)

☐ Defining 'healthier' products

Spar Group is strongly recommended to adopt a government-endorsed NPM to define 'healthier' products within its portfolio. It can use this 'healthier' definition to guide decisions on stocking, pricing, positioning, promotion, marketing and labelling of products, as well as to develop new healthy products and reformulate existing products to improve their healthiness.

☐ Reducing processing levels

Spar Group 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.

Findings

☐ Affordability of healthier products

Spar Group states that it places a strategic emphasis on “providing access to nutritious food at affordable and competitive prices”. It also aims “to be the first-choice brand in the communities we serve, particularly in the rural areas where many of our stores are located”, for example through its convenience stores in rural areas and SaveMor discounter stores, which together aim to penetrate lower-income market segments. However, no information regarding healthy product offerings in these formats was found. Similarly, no reporting was found regarding deliberate efforts to increase the affordability of ‘healthier’ products across its stores, or include more healthier products among its ‘affordable’ private label brands (such as SaveMor).

[Link](#)

☐ Price promotions & loyalty rewards

No evidence of a policy or initiative to offer proportionately more price promotions on healthier products was found, nor any loyalty mechanisms to incentivize the purchasing of healthier products specifically.

Recommendations

☐ Affordability of healthier products

Building on its overall commitment to affordable nutrition, Spar Group is encouraged to develop a dedicated strategy to increase the affordability of ‘healthier’ products specifically, ensuring that these are priced more competitively relative to less healthy options. For example, the company could 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.

☐ Price promotions & loyalty rewards

Spar Group is encouraged to leverage its loyalty rewards program to actively incentivize the purchase of ‘healthier’ products, ideally through ongoing or permanent mechanisms. The company is also encouraged to develop a program or policy to ensure that a greater share of price promotions are applied to ‘healthier’ products throughout the year, or to reduce promotions on less healthy products. The company could also consider tracking and publicly reporting quantitative data on these initiatives to demonstrate their reach and impact.

Findings

☐ In-store marketing techniques

No evidence was found in the public domain of policies or initiatives addressing the in-store positioning of healthier versus unhealthy products, such as in prominent in-store locations, improving shelf-space ratios, or using promotional techniques (beyond pricing) to encourage sales of healthier products and/or fruits and vegetables.

☐ Responsible marketing to children

No evidence of a policy in place to restrict the marketing of unhealthy products to children was found on the public domain.

☐ 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

Spar Group is encouraged to develop initiatives to increase the proportion of healthier products that are prominently displayed in high-traffic areas of stores, such as end-of-aisle displays, checkout zones, and store entrances, relative to less healthy products. Ideally, these efforts would be complemented by similar practices in online retail environments, ensuring that healthier options are prominently featured in digital promotions, search results, and recommendations.

☐ Responsible marketing to children

Spar Group is strongly encouraged establish a formal policy to not market products that do not meet a formal definition of 'healthy', ideally based on a government-endorsed NPM, such as the WHO Regional Model for the African Region, to children under the age 18, in line with WHO and UNICEF recommendations. This commitment should apply to all products, including treats and seasonal products, and across all marketing channels and techniques, including in-store promotion, digital media, and sponsorships, while being transparent about 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)

Spar is encouraged to explicitly include BMS and CF within its Responsible Marketing Policy.

Findings

☐ Identifying healthier products

Spar Group states that it displays 'Guideline Daily Amounts' (GDA) icons on food packaging for key nutrients of concern, which is beyond regulatory requirements. This system does not include an interpretative element. [Link](#)

Recommendations

☐ Identifying healthier products

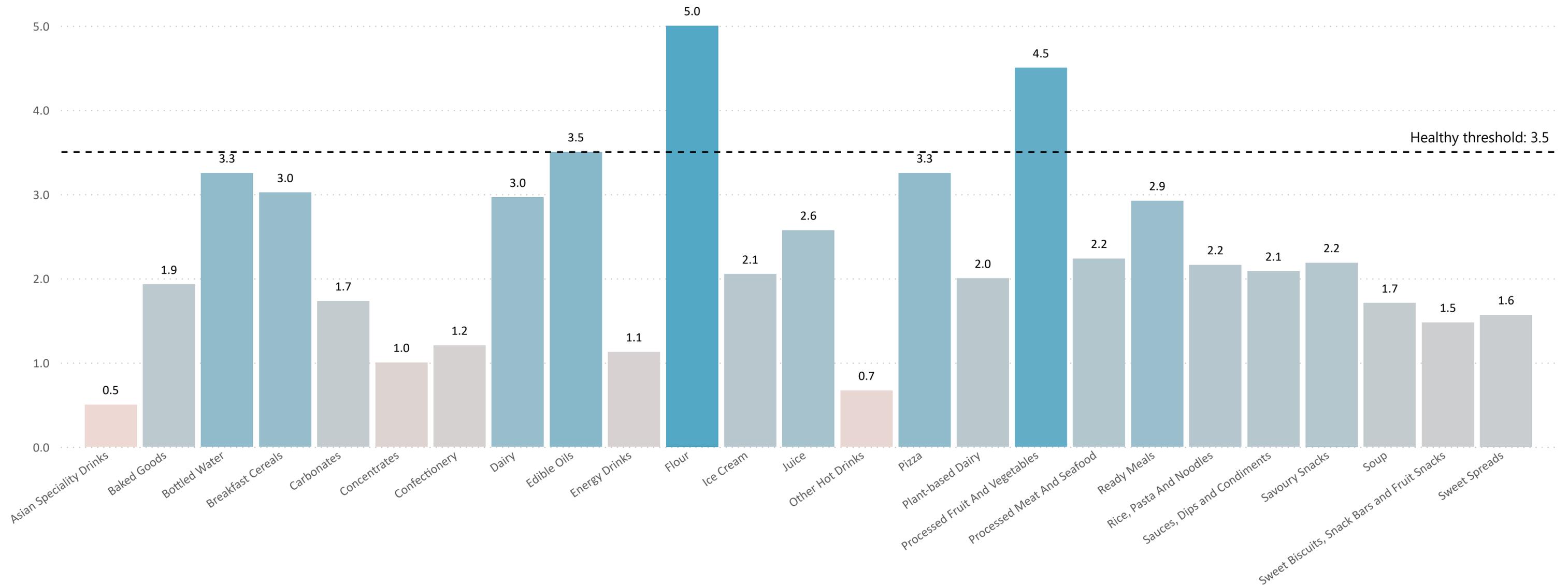
ATNi encourages retailers to closely monitor developments related to South Africa's draft food labelling regulation R3337 (released in 2023) and to proactively prepare for its potential implementation. If adopted, the regulation would introduce significant changes to back-of-pack labelling requirements (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.

SPAR Group South Africa

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 Spar.

Mean HSR by category



SPAR Group South Africa

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
Asian Speciality Drinks	0% (0/3)	0% (0/3)	0% (0/3)	100% (3/3)	100% (3/3)	0% (0/3)
Baked Goods	19% (16/84)	5% (4/84)	25% (21/84)	89% (75/84)	100% (84/84)	20% (17/84)
Bottled Water	50% (2/4)	50% (2/4)	50% (2/4)	67% (2/3)	67% (2/3)	33% (1/3)
Breakfast Cereals	31% (8/26)	8% (2/26)	46% (12/26)	100% (26/26)	100% (26/26)	19% (5/26)
Carbonates	4% (1/26)	0% (0/26)	27% (7/26)	42% (11/26)	100% (26/26)	8% (2/26)
Concentrates	0% (0/11)	0% (0/11)	0% (0/11)	73% (8/11)	100% (11/11)	0% (0/11)
Confectionery	0% (0/37)	0% (0/37)	0% (0/37)	100% (37/37)	100% (37/37)	0% (0/37)
Dairy	56% (44/79)	17% (13/78)	40% (31/78)	77% (60/78)	94% (73/78)	15% (12/78)
Edible Oils	100% (4/4)	50% (2/4)	100% (4/4)	100% (4/4)	100% (4/4)	0% (0/4)
Energy Drinks	0% (0/4)	0% (0/4)	25% (1/4)	75% (3/4)	100% (4/4)	0% (0/4)
Flour	100% (1/1)	100% (1/1)	100% (1/1)	100% (1/1)	100% (1/1)	100% (1/1)
Ice Cream	0% (0/10)	0% (0/10)	40% (4/10)	100% (10/10)	100% (10/10)	0% (0/10)
Juice	30% (13/43)	19% (8/43)	63% (27/43)	26% (11/43)	74% (32/43)	72% (31/43)
Other Hot Drinks	0% (0/3)	0% (0/3)	0% (0/3)	100% (3/3)	100% (3/3)	0% (0/3)
Pizza	50% (1/2)	50% (1/2)	50% (1/2)	100% (2/2)	100% (2/2)	0% (0/2)
Plant-based Dairy	0% (0/4)	50% (2/4)	100% (4/4)	0% (0/4)	100% (4/4)	100% (4/4)
Processed Fruit And Vegetables	96% (44/46)	83% (38/46)	96% (44/46)	20% (9/46)	26% (12/46)	83% (38/46)
Processed Meat And Seafood	22% (20/90)	16% (14/90)	24% (22/90)	84% (76/90)	90% (81/90)	15% (14/91)
Ready Meals	44% (11/25)	8% (2/25)	44% (11/25)	84% (21/25)	92% (23/25)	20% (5/25)
Rice, Pasta And Noodles	37% (7/19)	37% (7/19)	37% (7/19)	100% (18/18)	100% (18/18)	33% (6/18)
Sauces, Dips and Condiments	17% (12/72)	8% (6/72)	25% (18/72)	89% (65/73)	90% (66/73)	11% (8/73)
Savoury Snacks	26% (16/62)	8% (5/62)	18% (11/62)	100% (62/62)	100% (62/62)	13% (8/62)
Soup	17% (5/29)	0% (0/29)	45% (13/29)	69% (20/29)	93% (27/29)	31% (9/29)
Sweet Biscuits, Snack Bars and Fruit Snacks	8% (5/61)	0% (0/61)	2% (1/61)	100% (61/61)	100% (61/61)	10% (6/61)
Sweet Spreads	7% (1/15)	0% (0/15)	13% (2/15)	100% (15/15)	100% (15/15)	0% (0/15)
Total	28% (211/760)	14% (107/759)	32% (244/759)	80% (603/758)	91% (687/758)	22% (167/759)