

Healthy sustainable diets.

Why It Matters.

Eating a well-balanced, healthy, sustainable diet is one of the best ways we can look after our health and the health of the planet. Being a healthy weight reduces the risk of high blood pressure, heart and circulatory diseases, type two diabetes, and some cancers. Worldwide obesity has nearly tripled since 1975¹ and the UK ranks amongst the worst in Europe². Studies have found that obesity is disproportionately affected by household income, especially with children³. Helping our customers eat more healthily is a key focus for our business and we believe that affordable, healthy, sustainably produced food should be accessible to everyone – whoever they are, wherever they live, whatever their budget.

Relevant Sustainable Development Goals (SDGs).



SDG 2 Zero Hunger is focused on ending hunger, achieving food security, improving nutrition and promoting sustainable agriculture. This goal, especially Target 2.4 in relation to ensuring a sustainable food production system, is closely linked with our healthy sustainable diets strategy which supports our ambition to halve the environmental impact of the average UK shopping basket.



SDG 3 Good Health and Wellbeing aims to ensure healthy lives and promote wellbeing for all at all ages. Our healthy sustainable diets strategy is focused on increasing the proportion of sales from healthy products as we strive to make Tesco the easiest place to shop for affordable, healthy, sustainable food.



SDG 17 Partnership for the Goals recognises the importance of collaboration. Our healthy sustainable diets strategy has been developed with the input, knowledge and expertise of our colleagues, suppliers and NGO partners and ongoing collaboration is critical to its success. Examples of this include our work with the British Nutrition Foundation, launching a report to identify ways to enjoy a healthier, more sustainable diet.

Highlights.

Removed over 59 billion calories since 2018 through our reformulation programme

52% of ready meals now contain one of the recommended five a day

130% growth in sales of plant-based meat alternatives with over 450 plant-based products on our shelves

Number 1 retailer in the Access to Nutrition Initiative 2022 UK Retailer Index

¹ WHO

² NHS

³ NCBI

Our Approach.

We are committed to helping our customers enjoy a better-balanced diet and our industry-leading commitments will improve the health profile of products along with making Tesco the easiest place to shop for affordable, healthy, sustainable food.

Our customers tell us they face challenges when it comes to selecting healthier options. Whether it is a lack of the right information, time, or the perceived extra-cost of making healthier choices, we want to make it easier for our customers to make the healthier option the easier option. We have worked with the British Nutrition Foundation to launch *A balanced diet for a better future*, a report which outlines how we can all enjoy a healthier, more sustainable diet. We know that rising inflation is at the front of customers' minds. Our commitment to value is unwavering, and now more than ever, it is essential that customers can rely on Tesco to ensure price is not a barrier to eating healthily.

Our healthy, sustainable diets strategy aims to make eating a better-balanced diet easy and enjoyable, through actions including reformulation of product recipes to improve the health profile of products; changes to promotions and pricing to remove barriers to buying healthy food; and a further expansion of our market-leading plant-based and healthier ranges. Our commitments for UK/ROI are:

- **Increasing sales of healthy products, as a proportion of total sales, to 65% by 2025;**
- **Increasing sales of plant-based meat alternatives by 300% by 2025; and**
- **Making products healthier through reformulation**, including increasing the percentage of ready meals that contain at least one of the recommended five a day to 66% by 2025.

We are currently working towards the implementation of new laws in England to restrict the promotion and prominent location of certain high fat, salt, sugar (HFSS) foods and drinks. We welcome the UK Government's ongoing focus on obesity and are working to ensure we implement the changes effectively and communicate the changes to customers. This forms part of our wider strategic approach to healthy and sustainable diets, and the work we are doing to deliver against our health commitments.

In May 2021, we extended our ambitious health strategy to help customers in Central Europe eat more healthily, and to further improve access to healthy alternatives for Booker's business customers. Our commitments are:

Central Europe

- **Increase sales of healthier products** on a similar trajectory to our UK ambitions, by developing the appropriate methodology to establish our baseline and targets by the end of 2022.
- **Increase sales of plant-based meat alternatives by 300% by 2025.**
- **Develop a plan to make own brand products healthier through reformulation in all three countries.**

Booker

- **Set up an online portal** that provides a recipe management, allergy & nutritional tool for our business caterers.
- **Offer business customers a range of plant-based products.**
- **Accelerate the roll-out of front-of-pack nutritional information** on Booker's retail products, consistent with the policy applied to Tesco products.
- **Make products healthier** by seeking to improve the health profile every time we review a product, and to offer a healthier alternative in all key categories.

Progress against these targets is outlined below.

Providing healthier, more sustainable products without compromising on taste

Our reformulation programme means that customers can enjoy their favourite products knowing they are better for them. Through reformulation, we have made hundreds of the products our customers enjoy healthier by reducing calories, fat, sugar and salt and increasing fruit, vegetable and fibre content without compromising on taste. Initiatives include:

- **Reducing calories** in popular product categories which contribute the most calories to families' shopping baskets, such as ready meals, biscuits, pies and cakes. Since 2018, we have removed over 59 billion calories from our products in the UK.
- **Reducing sugar** across a range of products including Own Brand yoghurts, cereals, cakes and cooking sauces.
- **Increasing fibre content** in products where it naturally occurs. For example, we have added wheat fibre into our garlic bread and added wholemeal wheat flour to the pastry in our pies and slices.
- **Rebalancing protein** across our products to include more from plant-based sources.
- **Increasing vegetable content** of our Own Brand chilled and frozen ready meals ranges, including Beautifully Balanced, in support of one of our Peas Please Pledges.

- In the UK, 52% of ready meals now contain at least one of the recommended five a day.

Removing barriers to help our customers make healthier, more sustainable choices

Our customers say they struggle with having the inspiration and confidence to create tasty healthy meals. They are concerned their diets won't be nutritionally adequate if they switch towards a more plant-based diet. They're also worried about cost, especially with increasing pressure on family budgets. We are committed to removing barriers and making the healthy, sustainable option affordable, easy and enjoyable through helpful actions and advice, including:

- **Running healthy promotions**, including our 'Fresh 5' offer on five different fruit and vegetable products every two weeks. We also help customers to save money with 'Aldi Price Match' across fruit and veg.
- **Providing clear nutrition information**, through adoption of front of pack multiple traffic lights and Healthy Choice Logo where possible on our labels to help customers make informed choices for their dietary health.
- **Improving in-store signage**, helping customers to find snacking products under 100 calories in over 2,500 stores in the UK.
- **Enhancing our 'Free from' range** to ensure there are no barriers to food choices and that customers can make choices that better suit their dietary requirements.
- **Teaming up with Natasha Allergy Research Foundation** to raise awareness and funds during World Allergy Week. Since 2020 we have raised over £154,000.

Encouraging customers to make changes to their lifestyle and try healthier alternatives

We want to inspire our customers to live a healthier, more sustainable lifestyle and give them the confidence to create healthy, nutritionally balanced meals that are both tasty and affordable. Initiatives include:

- **Launching new ranges**, as well as reviewing the prominence and the amount of space dedicated to healthier products in stores. In September 2021 we launched our 'Meat & Veg' range to help customers eat more veg and moderate their meat intake. Products in the range contain at least 30% veg and have no red traffic lights.
- **Holding health events** across the UK aimed at helping customers find affordable and easy ways to make their shopping basket healthier.
- **Including healthier lifestyle tips** and advice in our customer magazine.
- **Supporting** the Food Foundation [Peas Please Pledge](#), to encourage customers to eat more vegetables.

- **Working with our health ambassador**, Jamie Oliver, to create exciting recipes that help customers cook great value, healthier meals from scratch.
- In August 2021, we launched Jamie Oliver Traybakes in over 400 stores. These **traybakes deliver at least 2 of the recommended 5 a day** and all have a 'healthy' health score.
- **Encouraging customers to try plant-based meat alternatives** with new product launches in our Wicked Kitchen and Plant Chef ranges, including Wicked Kitchen Italian style meatballs and our Wicked Kitchen meal deal. Our plant-based ranges provide easy-to-prepare and affordable plant-based alternatives to family favourite dishes.



[Read more about our plant-based products here.](#)

Central Europe

- In May 2022 we established our baseline of 49% of volume sales in 2021/22 coming from 'healthy' products as defined by the Tesco Health Score (see methodology below). We have set ourselves the target of **increasing sales of healthy products, as a proportion of total sales, to 53% by 2027.**
- In 2021 we **launched our own brand plant-based range** Plant Chef in Central Europe and we now have over 100 Plant Chef lines across the three countries.
- To date, we have focused our reformulation activity on products including jam, crisps and protein bars – **reducing sugar, salt and removing hydrogenated fats.** We will continue to develop our reformulation plan further as we align on delivering the newly set healthy products sales target.

Booker

- In September 2021, we **launched the Erudus portal**, a free online platform that helps our catering customers create their own recipes together with providing an ingredients list and nutritional table. All of our own brand data is now available on the platform alongside branded product data which is managed by our suppliers. This portal both supports Natasha's Law and calorie labelling requirements which became mandatory for some caterers from April 2022.
- We have **grown our range of plant-based options for customers**, including introducing some of the Wicked Kitchen range in retail, and in catering we have broadened our offer of plant-based options, merchandising them together in branch for an easier shopping trip.
- During 2021/22 we transitioned over 550 lines of Farm Fresh, Discover the Choice, Discover the Taste and Happy Shopper own brands across to Jacks. These **products all carry front of pack GDA/RIs** helping customer make informed choices.

Awards and Benchmarks.

Peas Please Good Society Prize

Our efforts to decrease inequities in accessing veg was recognised by The Food Foundation Peas Please 2021 Awards. We were the first Peas Please pledger to add £1 onto the government's Healthy Start voucher scheme, which provides money for fruit and veg and other essentials for eligible low-income families with young children across all of the four nations.



FAIRR

The FAIRR Initiative is a collaborative investor network which works with institutional investors to define and address the material ESG issues linked to protein supply chains. In October 2021, FAIRR published the 'Appetite for Disruption: The Last Serving' report. For the second year, Tesco achieved 'Pioneer' status with a score of 86/100, and the best performing retailer.



Access to Nutrition Initiative UK Retailer Index

Our approach to supporting customers to lead healthier lives with our healthy sustainable diets strategy was recognised in the 2022 ATNI UK Retailer Index where we ranked 1st retailer. Tesco was commended for our clear focus on nutrition and our strong reporting framework.



Performance.

Commitment	KPIs	2018/19	2019/20	2020/21	2021/22
To help UK/ROI customers eat more healthily by increasing the proportion of sales of healthy food to 65% by 2025	Percentage of volume sales from products with a healthy health score in UK/ROI	N/A	58% [◇]	N/A*	58% ^{◇ (a)}
To help CE customers eat more healthily by increasing the proportion of sales of healthy food to 53% by 2027	Percentage of volume sales from products with a healthy health score in CE	N/A – New KPI and baseline introduced in 2021/22			Baseline = 49%
To make products healthier through reformulation	Percentage point change in volume of key nutrients for Tesco UK Own Brand products below/above Own Brand volume growth (vs 2015 baseline)	Sugar: 3.6pps below Salt: 2.2pps below Fibre: 10.8pps above	Sugar: 7.1pps below Salt: 4.3pps below Fibre: 8.7pps above	Sugar: 7.8pps below Salt: 0.1pps below Fibre: 14.8pps above	Sugar: 9.3pps below Salt: 6.1pps below ^(b) Fibre: 11.4pps above ^(b)
Encouraging customers to eat more sustainably by increasing sales of plant-based meat alternatives by 300% by 2025	Percentage growth in plant-based meat alternatives in the UK (vs 2018 baseline)	N/A	N/A	96%	130%

◇ Deloitte LLP was engaged to provide independent limited assurance over the selected health data highlighted in this report with a ◇ using the assurance standard ISAE 3000. Deloitte has issued an unqualified opinion over the selected data. Deloitte's full assurance statement is available at: www.tescopl.com/sustainability/reporting-hub

* We did not report the proportion of sales in UK/ROI from products with a healthy health score in 2020/21 due to COVID-19 impacts disrupting normal shopping behaviour.

(a) The proportion of volume sales from products with a 'healthy' health score did not improve vs 2019/20 performance due to challenges on mix with the temporary consolidation of ranges to support availability throughout the industry supply chain issues and with more customers eating at home, we have seen some of the less healthy choices transfer from restaurants into retailers. Despite this, in the year to December 2021, Tesco outperformed the wider grocery sector on improving the percentage sales change year on year (Kantar World Panel) for foods high in saturated fat, sugar and salt (HFSS).

(b) We continued to perform strongly on our KPI for volume change of key nutrients (sugar, salt, fibre) compared to Own Brand volume growth. Sugar and salt volume tracked 9.3pps below and 6.1pps below Own Brand volume growth respectively, driven by customer shopping behaviour alongside our reformulation activity. Fibre was 11.4pps above Own Brand volume growth, albeit this is a slight decline on 2020/21 performance which was heavily impacted by COVID-19 and pandemic related purchasing behaviour which saw customers purchasing more fresh and tinned fruit/veg and pulses.

Protein Disclosure.

In line with the UK Eatwell guide, which recommends a balance of protein sources that includes more plants, we have committed to reporting the sales of plant-based proteins as a percentage of overall protein sales every year to track progress. In 2021, we were the first retailer to share this information publicly. Our methodology has been recommended as gold standard for the retail sector by WWF in their [protein disclosure industry guidance](#).

	Protein type	2020/21	2021/22
Proportion of protein sales for food and soft drink product categories in the UK	Plant	12%	12%
	Fish	7%	7%
	Meat and egg	81%	81%

	Protein type	2020/21	2021/22
Tesco dairy category sales for food and soft drink products in the UK	Dairy	95%	95%
	Dairy alternatives	5%	5%

Our protein split has remained unchanged since 2020/21. This can be linked to the challenges on mix with the temporary consolidation of ranges to support availability throughout the industry supply chain issues, combined with customer purchasing behaviour.

Methodologies.

Percentage of volume sales from products with a 'healthy' health score

The Tesco health score is broadly based on the UK Government's 2004/5 Nutrient Profiling Model (NPM). The Tesco health score is calculated for all retail food and soft drink categories by totalling the nutritional points provided by energy, saturated fat, sugar and salt (known in the model as 'A points') and deducting the nutritional points provided by fruit and vegetable content, fibre and protein ('C points'). Sales are weighted to determine the percentage of total units sold which have a 'healthy' health score. A product is defined as healthy where a food scores 63 and above, or a drink scores 69 and above. These thresholds are a direct translation of the NPM thresholds for a non-HFSS (high fat salt sugar) product. This applies to branded and own brand products.

The data covers all retail food and soft drink categories in our UK and ROI business (excluding Booker and subsidiaries such as One Stop) and Central Europe. The following product categories are excluded: household, pet care, health and wellness, baby, beauty, beers, wines and spirits.

Percentage point change in volume of key nutrients for Tesco Own Brand products below/above Own Brand volume growth (vs 2015 baseline)

The sales weighted average growth in nutrient level for sugar, salt and fibre is compared to the sales volume growth for Tesco food and drinks to calculate the percentage point change. The data covers all retail food and soft drink categories in our UK and ROI business (excluding Booker and subsidiaries such as One Stop). The following product categories are excluded: household, pet care, health and wellness, baby, beauty, beers, wines and spirits.

Percentage growth in plant-based meat alternatives (vs 2018 baseline) in the UK/ROI

Percentage increase in sales value for plant-based meat alternatives. Plant-based meat alternatives are defined as meat alternatives in Frozen and Chilled Prepared food, including ready meals and lunch pots. This data covers products in our UK and ROI business (excluding Booker and One Stop).

Protein disclosure

Data on dairy and non-dairy proteins is currently collated differently and we apply different methodologies:

For non-dairy proteins, the figure is calculated at ingredient level, where the volume of protein in a product is multiplied by sales volume (tonnes) for Own Brand food and drink product categories, including whole protein products as well as the protein ingredient element of a composite product (see definitions).

For dairy, the data is calculated on sales volume (tonnes) of Tesco UK dairy category products only (branded and Own Brand). Product weights have been combined for a total sum; for example, 1kg of milk is equivalent to 1kg of cheese.

Definitions:

Plant: refers to protein ingredients from plant-based sources, including beans, lentils, mycoprotein, soya etc. Also includes the plant protein ingredients in a composite product, e.g. chickpeas in houmous.

Fish: refers to protein ingredients from fish and shellfish, including whole fish, fish portions, mussels, salmon, prawns etc. Also includes the fish protein ingredients in a composite product, e.g. cod in fish fingers

Meat and egg: refers to protein ingredients from meat and egg sources, including pork, beef, chicken etc. Also includes meat and egg protein ingredients in composite products, e.g. pork in a sausage, egg in a quiche.

Assurance.

Deloitte LLP was engaged to provide independent limited assurance over the selected health data highlighted in this report with a \diamond using the assurance standard ISAE 3000. Deloitte has issued an unqualified opinion over the selected data. Deloitte's full assurance statement is available at: www.tescopl.com/sustainability/reporting-hub

Looking ahead.

In 2021 we announced our new healthy sustainable diets strategy. The strategy includes several commitments and targets aimed at helping customers, across all our markets, to eat more healthily with the aim of making Tesco the easiest place for customers to shop for affordable, healthy, sustainable food.

Commitments and Targets

- Increasing sales of healthy products, as a proportion of total sales, to 65% by 2025 in UK/ROI and to 53% in CE by 2027.
- Increasing sales of plant-based meat alternatives by 300% by 2025 in UK/ROI and CE.
- Making products healthier through reformulation in UK/ROI, CE and Booker.
- Offering Booker business customers a range of plant-based products.
- Continuing the roll out of front of pack nutritional information on Booker's retail products.

Read more about our approach

[Healthier diets](#)

[Plant-based food innovations](#)

Reports

[A Balanced Diet for A Better Future Report](#)

Policies

[Age Restricted Products Policy](#)

Highlights of our journey to date.

