



WOOLWORTHS REFORMULATION CASE STUDY



WHO:

Woolworths supermarket chain with 995 stores across Australia, employing over 115,000 team members.

Product range: Woolworths brands including Woolworths Essentials, Macro Wholefoods Market.

COMMITMENT TO FOOD & NUTRITION:

Woolworths is committed to making 'healthier easier' for our customers who increasingly tell us that health is important to them. Woolworths Corporate Responsibility Strategy (2020) aims to inspire customers to consume our products in a healthy, sustainable way. As part of this commitment, we continue to invest in our Woolworths brands, providing clear and transparent labelling, using fewer artificial ingredients and

continuously working to improve the nutrient content of our foods. Woolworths now displays the Government's Health Star Rating on all eligible Woolworths products and has removed all artificial colours, flavours and MSG from our own brand range. Woolworths is also focussed on affordability, promoting fresh and providing healthy inspiration to nudge customers to make healthier choices.

COMMITMENT TO SALT REDUCTION:

Woolworths supports voluntary reformulation initiatives to improve the food supply and was an active participant in the Government's Food & Health Dialogue in 2009 which targeted sodium (and saturated fat) reduction in commonly consumed foods.

In 2015, Woolworths completed an extensive benchmarking exercise with The George Institute for Global Health to develop internal nutrient targets for sodium, sugar and saturated fat (now "Woolworths Nutrition Standards") for more than 150 food categories. This process helped to identify salt reduction opportunities and formed the basis of a 3-year reformulation program. To date, the nutritional profile of over 300 Woolworths products has been improved.

In 2016, Woolworths opened a new Food Innovators centre where Woolworths products are rigorously tested by customers before hitting supermarket shelves. Customer feedback plays a crucial part of our product development process and is key to delivering both taste and health.

Today, Woolworths is part of the Executive Committee of the Healthy Food Partnership, a collaboration between Government, public health and food industry to reduce obesity, encourage healthy eating, and empower food manufacturers to make positive changes. One of the partnerships key objectives is to set voluntary reformulation targets which will provide us with ambitious goals for the future.

PROGRESS SO FAR WITH SALT REDUCTION:

As Australia's largest food retailer, we feel it is our responsibility to lead the way in terms of salt reduction, starting with our brands.

Our participation in the Food & Health Dialogue resulted in 200 tonnes of salt removed from nine food categories including breakfast cereals, cheese, processed meats and bread. In the last 3 years (2016 - 2019), we have removed a further 220 tonnes of salt from our Own Brand products by setting our own internal nutrition standards.

Some key achievements include:

- 20% less salt in our condiments and dressings (11 SKUS)*
- 25% less salt in our crumbed fish and poultry (7 SKUS)*
- 30% less salt in our ready meals (23 SKUS)*
- 10% less salt in our breakfast cereals (6 SKUS)*

^{*}Average percent reductions since 2016 when compared to equivalent products under Woolworths brand.

BEST APPROACH TO SALT REDUCTION:

A gradual approach to salt reduction is our preferred approach, not only because it often goes unnoticed, but because it allows consumer preferences to adapt slowly over time (meaning they won't add salt back in!). This is particularly important in categories where a salty flavour is desired, for example savoury snacks.

If salt does not have a critical functional role such as shelf life or texture, larger salt reductions can be achieved but often require a recipe (e.g. sauce or seasoning) to be completely redeveloped. It's important to rebalance the overall flavour profile of a product rather than simply stripping out the amount of added salt.

KEY LEARNINGS:

Customer feedback is an essential part of Woolworths product development journey and it's important to research, test and engage consumers to understand their needs. Woolworths has a team of nutritionists to help guide healthier reformulation however if you don't, there are nutrition

consultants available to industry who can help. A good place to start is always measuring your products against the rest of the market to identify any outliers. We also encourage businesses to look to voluntary reformulation targets both in Australia and globally for guidance on best practice.

QUOTE FROM WOOLWORTHS:

"Reformulation allows us to help our customers eat healthier without them having to do anything differently. The best part of my job is hearing positive feedback about a product and knowing we have made it just that little bit healthier."

Natalie Chong, Woolworths Senior Nutritionist.

"Our customers tell us health is important to them - now more so than ever, and as a food retailer, we are in a position to help people take steps towards healthier eating. We have made significant progress and are proud of our achievements, but there is much more to do to make healthier choices easier, affordable and inspiring."

Alex Holt, General Manager of Quality, Sustainability and Health.

CONTACT

For more information, please visit <u>woolworths.com.au</u> Woolworths Group Corporate Responsibility Strategy 2020 <u>Making healthier eating easier</u>





