

Tesco shareholders will vote at this year's annual meeting on a resolution calling for the company to set targets to increase the proportion of healthy products it sells.

The supermarket group is the first FTSE 100 company to be hit with an investor resolution on health grounds, said ShareAction, a responsible investment group who is coordinating the move, according to [Reuters](#).

"With severely obese people three times more likely to be admitted to intensive care with Covid-19, the pandemic has highlighted the urgency of tackling mounting obesity levels," ShareAction was reported saying.

The resolution is being co-filed by institutional investors including Robeco, JO Hambro and Guys and St. Thomas' Charity, as well as 101 individual Tesco shareholders.

According to ShareAction, although Tesco is the UK's largest grocery retailer with 27 percent of the market, its efforts to encourage healthy eating lag behind peers, including Sainsbury's and Marks & Spencer.

It is also said that consumer trends and new regulations to combat obesity present a financial risk to Tesco if it fails to take action.

The special resolution requires 75 percent of shareholder votes cast at the meeting to pass.

If passed, Tesco would be obligated to disclose the share of total food and non-alcoholic drink annual sales by volume made up of healthier products and develop a strategy to significantly increase that share by 2030.

If the resolution receives 20 percent or more support, Tesco would have to issue a formal response detailing how it would address the concerns raised.

"We are working hard to make it easy for our customers to make healthy choices, and we have set very clear targets on health and sustainability, published in our Little Helps Plan," Tesco said in a statement.

The company said a reformulation program had removed more than 50 billion calories from its products since 2018, its "helpful little swaps" events offer healthier alternatives to family favorites at the same price, and it had given away over 100 million pieces of free fruit to children.

It said it has also announced a target to increase sales of plant-based meat alternatives by

300 percent by 2025.

Tesco's annual general meeting is usually held in late June or early July.