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Good progress towards 20x20 sustainability goals, long-standing commitment to 'zero waste to landfill' achieved

- Achieved zero waste to landfill target across all operations and 50% water reduction target
- £90 million bonus pot shared with over 134,000 colleagues
- 2,000th new colleague welcomed through our Remploy partnership
- Topped the annual Business in the Community CR Index, gaining Platinum Big Tick status and shortlisted for Company of the Year
- Announced sponsorship of the Sainsbury's Summer Series as part of our Paralympics legacy programme
- Winner of the Grand Prix at the Marketing Society Awards for our engagement with the Paralympic Games

Justin King, Chief Executive, said:

" We are very proud that once again we've matched a solid business performance with good progress towards our sustainability goals.

" Times are tough for many customers but they still rightly expect Sainsbury's to lead the way on the things that will always matter to all of us - providing healthy, affordable food with secure provenance, caring for our shared environment, being a force for good in the community and looking after our colleagues.

" We've achieved some real milestones in the quarter - hitting our targets set three years ago for zero waste to landfill and reducing water consumption by half, welcoming our 2,000th new colleague through our Remploy partnership that helps disabled people into work. It's our colleagues who have helped us make this happen, delivering across all of our five core values and continuing to earn our customers' trust, so I'm delighted that over 134,000 colleagues shared in a record bonus pot of £90 million."

In April Sainsbury's was confirmed as the title sponsor of the Sainsbury's Summer Series - three world class athletics events in the UK this summer, culminating in the Sainsbury's Anniversary Games on 26-28th July.



Other highlights from the quarter include:



Comprising six varieties, *by* Sainsbury's Indulgent Pots are designed for snacking-on-the-go and contain 75% dried fruit, nuts and seeds, with 25% added treats.



All new season British lamb on the fresh meat counter will be sourced from sheep farmers who are part of the Sainsbury's Lamb Development Group (SLDG).

1. Best for food and health

- **Healthier snacking:** Customers are always looking for healthier snack options, so we expanded our range of fruit, nut and seeds product range. The 82 products include a range of portion controlled individual bags of dried fruit with fewer than 118 calories per bag, and a range of portable snack pots that combine fruit, nuts and seeds with 'added treats' that provide a maximum of 210 calories per pot. All of these products feature a calorie flash on pack, as well as the Multiple Traffic Light label, to help inform customers about the number of calories they are consuming.
- **Healthier options:** To help our *Taste the Difference* ready meal customers consume fewer calories, in April we added 10 new delicious ready meals to our *Taste the Difference* range. The new products are all under 500 calories and provide at least one of your 5-a-Day.
- **Pharmacists and Drinkaware wheels:** We have trained all our pharmacists to use the Drinkaware alcohol unit wheels, helping them explain to customers about alcohol units and to give advice when needed.

2. Sourcing with integrity

- **Responsibly sourced fish:** We became the first UK major retailer to launch Aquaculture Stewardship Council (ASC) certified River Cobbler. This sustainable alternative to cod and haddock is farmed in South East Asia and this white fish is a step towards more responsibly farmed alternative fish being available.
- **New season British lamb:** We continued to support our Sainsbury's Lamb Development Group (SLDG) farmers. Adverse weather conditions led Sainsbury's to fund a premium on the lamb produced by the 800 farmers that make up the SLDG to support them during the winter. Our lamb supplier, Dunbia, also invested in new facilities in Wales, which will help us meet our target of doubling our sales of British food by 2020.
- **Regionally sourced free range Woodland Trust eggs:** We have been working with our regional egg suppliers in Wales, Northern Ireland and Yorkshire to update our *by* Sainsbury's free range Woodland Trust egg packaging to include regional logos. Now our customers in these regions (along with Scotland which was previously updated) know that our free range Woodland Trust eggs are not just British but regionally sourced too.
- **Locally sourced Northern Irish cheddar:** A Northern Irish dairy will supply Sainsbury's own label cheddar cheese across our 13 stores in Northern Ireland. We currently work with more than 100 local food suppliers across Northern Ireland supplying branded and own brand products.
- **Boosting biodiversity:** Our Isle of Wight based supplier Wights has been maintaining and enhancing biodiversity by adopting an indigenous species of bumble bee to pollinate our tomatoes. Once their work is done, these bees can be released into the environment. We have also committed to maintaining at least 10% of land area for the wild flower meadows which are support the pollinating insects which in turn are a vital food source for birds.

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Our Hasluck's Green convenience store in Solihull is Britain's most environmentally friendly convenience store.



Our Local Charity Scheme gives customers and colleagues the chance to support a local cause at the heart of their community.

3. Respect for our environment

- **Zero waste to landfill:** We achieved our target of putting all of Sainsbury's operational waste to a positive use and avoiding landfill. Our general waste is recycled, our bread waste is processed into animal feed to support British farmers and any surplus or waste food that can't be used by our charities is used to generate power via anaerobic digestion.
- **Dual fuel fleet:** We have invested in 51 alternative fuel technology units for our logistics fleet, using Bio liquefied natural gas. This will save 25% of the site CO₂ output over the next four years and represents one of the largest alternative fuel fleets currently operating in the UK.
- **Water reduction:** Using a variety of water reduction measures we have achieved our challenging water reduction target of 50% relative to sales floor area versus 2005. These measures include low flow taps, waterless urinals and rainwater harvesting. Our car wash water reclaim units save the equivalent of nine Olympic-sized swimming pools' worth of water each year.
- **Waste and carbon:** As signatories to the Courtauld Commitment and members of the Product Sustainability Forum we have formally signed up to support WRAP in its delivery of the Courtauld Commitment 3, which aims to reduce the weight and carbon impact of household food waste. In addition we are now working with WRAP on a number of key supply chain projects to reduce waste and carbon emissions through the end-to-end supply and retail chain.
- **Greenest convenience store:** We opened Britain's greenest convenience store in Hasluck's Green in Birmingham. The store has been built using wooden panels, needs 30% less energy to heat the store, uses natural refrigerant CO₂, and has photovoltaic panels installed to generate power and LED lighting throughout the store.

4. Making a positive difference to our community

- **Local Charity:** This year marks the 5th year of our Local Charity scheme, with customers and colleagues nominating a charity to become their store's Local Charity partner. Since the beginning of the scheme our customers and colleagues have raised over £5 million for local charities, and this year we have received over 110,000 nominations.
- **Supporting British athletics:** Following our successful sponsorship of the Paralympic Games last year, we have strengthened our commitment to Paralympic sport by sponsoring the Sainsbury's Summer Series. This includes three world class athletics events in the UK this summer and culminates in the Sainsbury's Anniversary Games at The Queen Elizabeth Olympic Park in late July. Sainsbury's legacy programme has already seen £2 million of funding for schools, clubs and organisations to ensure that the next generation of Paralympic athletes get the support and coaching they need. Our support for the Paralympics was recognised at the Marketing Society Awards for Excellence 2013, winning both the Cause Related Marketing award and the overall Grand Prix award.
- **Active Kids:** Our 2013 Active Kids campaign saw a record number of vouchers being issued to customers, up 11 per cent like-for-like. 49,000 schools, clubs and organisations are now able to place their orders for equipment and active experiences.

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In May we celebrated our 2,000th new colleague secured through our successful partnership with Remploy.

5. A great place to work

- **Sharing in success:** In May more than 134,000 of our colleagues received a share of our largest ever bonus pot of over £90 million. The performance-related payout brings the total paid in bonuses up to £350 million over the last five years.
- **Successful partnerships:** We reached the milestone of welcoming our 2,000th new colleague through our Remploy partnership that helps disabled people into work.
- **Jobs:** In March we opened applications for our biggest intake of retail Trainee Managers, advertising over 240 vacancies. We received our largest ever number of applications, with over 4,600 applications.

For more information on Sainsbury's 20x20 Sustainability Plan please go to www.j-sainsbury.co.uk/responsibility

Enquiries:

Corporate Responsibility & Sustainability
Stuart Wright
+44 (0) 20 7695 7091

Media
Sarah Dunne
+44 (0) 20 7695 7051