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'New Fashioned Values' consumer trend reinforces Sainsbury's 20x20 commitments to help people *Live Well For Less*

- Consumer insight demonstrates how 'new fashioned values' have strengthened the importance of values across all consumers, regardless of their budgets.
- Greater expectation for companies to tackle issues consumers care about across all price brackets.
- Innovative 'crowd-sourced' review of *20x20 Sustainability Plan* by 200+ corporate responsibility experts reinforces importance of customer engagement and sustainable supply chains as core to helping people *Live Well For Less*.

Justin King, Chief Executive, said:

" One year on from the publication of our 20x20 Plan, we shared our consumer insight demonstrating how 'new fashioned values' are shaping consumer expectations."

" The credit crunch has not led to a values crunch but to a strengthening of values, irrespective of income. The more economic pressure consumers have come under, the more important quality and ethics have become. From animal welfare, to British sourcing, to corporate tax, consumers are sending a clear message that they want values as well as value."

" Our five Values and our 20x20 Sustainability Plan are key to our promise to help our customers Live Well For Less."

Emergence of 'new fashioned values' as shoppers look to make savvy sustainability part of their everyday lives.



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Other highlights from the quarter include:



Sainsbury's has on-pack advice explaining how much each serving the particular pack or item contributes to Five A Day.



Over 600 British farmers across our 10 Development Groups attended our third annual Farming Conference.



If 400 motorists checked their tyre pressures regularly it could help them save fuel, reduce carbon emissions (43 tonnes of CO₂), and save one fuel tanker 19,000 litres of fuel a year.

1. Best for food & health

- **Front of Pack (FoP) nutrition labelling:** In October we announced we would adopt a linear form of combined multiple traffic light/Guideline Daily Amount (GDA) labelling, publishing a suggested format and calling on others to do the same.
- **Five A Day:** We published new research to help raise consumer awareness of their Five A Day – five portions of fruit/vegetables – as part of our support to the Government's new Responsibility Deal Five A Day pledge.
- **Encouraging more responsible drinking:** We introduced a new and more easily identifiable front of pack labelling for ABV on our own label wines. From January we are also using in-store promotion to highlight responsible drinking and lighter alcohol wines.

2. Sourcing with integrity

- **£1.2 million in agricultural grants:** Awarded to 14 projects to improve the future of British farming, ranging from extending the British strawberry season to sustainable poultry feed. The awards took place at our third annual Farming Conference where over 600 of our British farmers came together to discuss their part in the delivery of our 20x20 Sustainability Plan and share best practice across farming groups.
- **MSC tuna:** Announced that, from April, 100% of canned own label skipjack tuna sourced from the Maldives will now be Marine Stewardship Council (MSC) labelled and certified – the first supermarket to achieve this. This is a significant step forward in protecting the world's tuna stocks and is the result of four years work by our fish sourcing team.
- **RSPCA Retailer of the Year:** Named Retailer of the Year at the RSPCA Good Business Awards. Our Development Group farmers were also recognised at the Farmers Weekly Awards and we extended our British RSPCA Freedom Food veal range, now available in 150 stores across eight products.
- **Pork premium:** Our commitment to our British pork producers continued with a 5p per kilo premium paid to our Sainsbury's Pork Development Group farmers, in light of rising production costs.

3. Respect for our environment

- **Awards:** Sainsbury's named as sector leader in *The Grocer* review of the UK's greenest grocers and Justin King named Chief Executive of the year by the Global Action Plan for championing sustainability. Awarded for energy efficiency and waste management at the Sustainability Leaders' Awards 2012 and named Supermarket of the Year at the Cooling Awards. Ranked in the top ten of Carbon Clear's FTSE 100 companies with the best carbon management. Received a score of 82 and a 'B' rating in the Carbon Disclosure (CDP); moving up from a score of 42 last year.
- **Engaging consumers:** In December we communicated a range of simple ways for customers to recycle their household waste, helping them to live more sustainably and reduce their impact on landfill. This included a Christmas card recycling initiative with Sainsbury's making a donation to the Forest Stewardship Council (FSC). We also launched a pilot campaign at one of our petrol stations highlighting how the correct tyre pressure can reduce carbon emissions and save fuel. The campaign is the brainchild of four 13-year-old schoolboys from Twickenham, whose school science project found that if 400 motorists adjusted their tyres regularly it could help save 43 tonnes of CO₂ emissions. If successful it could be rolled out nationwide.

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3.2 million meals provided through FareShare, with Sainsbury's matching customer donations in 2011 and 2012.



Our Convenience expansion plans will create 10,000 new job opportunities over the next three years.

- **Refrigeration:** We retrained 200 service engineers in improved green skills to support our natural CO₂ refrigeration in stores. This forms part of our plans to reduce our carbon footprint (30 per cent reduction in absolute emissions by 2020).
- **Engaging colleagues:** We used Energy Saving Week to raise awareness about energy saving at home and at work, resulting in a 0.5% reduction in our energy usage in that week. We also launched new sustainability pages on our colleague intranet and introduced carbon and climate change awareness training.

4. Making a positive difference to our community

- **Million Meal Appeal:** In November we continued our long standing partnership with FareShare with 2 million meals provided for vulnerable people after Sainsbury's matched our customers' donations - the UK's largest charity food collection.
- **Christmas community endeavours:** Across the UK, Sainsbury's stores showed their commitment to their local communities. Seasonal highlights saw fundraising for local Scout and Brownie troops through sponsored bag packing across the UK, whilst our Liverpool and Manchester stores donated selection boxes to local hospitals and stores in Bristol held a toy appeal where thousands of toys were collected and donated to local hospitals.
- **Active Kids:** In late October we announced that over £123 million worth of equipment has now been donated across the UK since Active Kids' launch in 2005 and over 49,000 organisations are now registered to the scheme.

5. A great place to work

- **Training:** 1,900 colleagues received extra training over Christmas. This included fish and meat cutting courses and training about our Christmas wines and the products on our deli counters. Over 23,000 colleagues have now undertaken other specialist training at one of our Food Colleges.
- **Job creation:** We announced a record 20,000 seasonal jobs for the Christmas period, 2,300 of which have been made permanent, and also confirmed our Convenience expansion plans will create 10,000 new job opportunities over the next three years. We also formed a partnership with London-based social enterprise group, City Gateway, offering 50 jobs for their apprentices in London stores over the next year.
- **Youth:** Our Youth Can programme continues to encourage young people to consider careers in retail with over 500 secondary schools receiving 'back to school' sessions from Sainsbury's colleagues. Our Oldbury store has reached over 700 students through presentations and career fairs.

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

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