

# Serving Good Food For All Of Us since 1869

For 155 years, our purpose has been to make good food joyful, accessible and affordable for everyone, every day. We are proud of our UK-wide presence and the millions of interactions we have in our communities – with customers, suppliers and colleagues – every day. As one of the country's largest employers, we also know our responsibilities go beyond ensuring our shelves are stocked. They are about creating a place for our colleagues to thrive, serving the communities we live and work in and standing by our growers and farmers.

We have been focused on reducing our costs, to allow us to make big investments across these priorities. Our number one objective has been keeping prices down, so we're proud to be the best value we have ever been. We will continue to prioritise great value but – importantly – we will do this whilst continuing to support British farming and helping our customers make informed choices which are better for their health and for the planet.

But we can't do this alone.

**To keep prices affordable, to support our farmers and suppliers and to promote healthier diets and sustainability will require Government and industry working together.**

Here are some of our recent contributions across these priorities and ten recommendations for the Government.

## Keeping prices affordable



- Sainsbury's is the most competitive we have ever been, reducing the price of 4,000 products and passing on less inflation than our competitors
- Our biggest ever *Aldi Price Match* campaign now includes over 600 products, we have over 1,000 customer favourites and big brand products matched to market low prices in our *Low Everyday Prices* offering and we've rolled out *Nectar Prices* to over 7,000 products,

saving our customers an average £12 off a weekly £80 shop

- Through the launch of *Stamford Street*, we offer some of our best value across everyday staples and we have expanded our *Pocket Friendly Prices* campaign across most of our convenience stores
- More than 200 of our own brand items and 80% of our top 100 selling products are in every Sainsbury's Local

## Supporting our farmers and suppliers



- We work with over 15,000 British farmers and growers and source over £2 billion of produce every year
- We source 100% British fresh pork, salmon, chicken, eggs and milk and – for several of our products like Bramley Apples, *by Sainsbury's* cabbage, potatoes and mushrooms - we source exclusively British all year round
- To understand and respond to their challenges in real time, we have developed long-standing UK *Farmer and Grower*

*Development Groups*. These groups bring together Sainsbury's and our suppliers to discuss how we can best support them to be profitable, sustainable and to operate with the highest standards

- We clearly label British products for customers and we were the first large supermarket to launch a "Best of British" section on our website, better championing and profiling 100% British grown and produced products

## Promoting healthier diets and sustainability



- In 2005, we were the first retailer to introduce traffic light labelling and we haven't offered multi-buy deals on unhealthy choices since 2016
- Our research shows that the best way to influence healthier baskets is through incentives and rewards. Therefore, at least 75% of our *Aldi Price Match* promotions – and 81 per cent of our total sales – are "healthy" or "better for you" choices, which is the highest in the sector
- We continue to make progress against our plastic reduction targets and, in January 2024, we announced the biggest standalone plastics removal in our history, by becoming

the first UK retailer to move own-brand mushroom punnets from plastic to cardboard. This saves over 775 tonnes of plastic per year, equivalent to the weight of 43 double decker buses

- In February 2024, we became the highest rated UK supermarket – and one of only four global retailers – when we were awarded an "A" rating for climate change, by environmental non-profit CDP
- Through our partnership with Neighbourly, we used surplus food to donate over 13.5 million meals in 2023/24

# Sainsbury's

# TEN INGREDIENTS FOR A RESILIENT AND SUSTAINABLE FOOD SYSTEM



Sainsbury's

## Keeping prices affordable

Sainsbury's is prioritising keeping prices affordable but retail in the UK is a low-margin, highly-taxed sector. We make just 3p in every £1, so any extra cost means less investment into lowering prices for customers. To help us keep prices affordable, Government can:

- 1 Reform the outdated **Business Rates system** to free up investment, level the playing field with online giants and guarantee long-term tax revenue that funds our vital public services
- 2 Reform the **Apprenticeship Levy** into a flexible wider skills levy which increases investment into skills, training and development. Replace the fragmented approach across the country with a UK-wide Levy
- 3 Deliver an **industry-led Extended Producer Responsibility (EPR)** scheme, with a clear and workable timeline for delivery and ringfenced revenues to invest into the UK's recycling system. Only once EPR is established, work with industry to introduce a **UK-wide Deposit Return Scheme** to fill any gaps. This ensures the sector is not burdened with introducing two large interdependent changes at the same time

## Supporting our **farmers** and **suppliers**

Sainsbury's is proud of the meaningful and long-term relationships we have built throughout our supply chains. We will stand by – and advocate for – our farmers because they are at the heart of providing good food for all of us. To support those in our crucial supply chains and to guarantee the UK's wider food security, Government can:

- 4 Outline a strategy for the **UK's approach to food security**, including a strategic Land Use Framework for domestic food production and consumption to prevent a significant shift away from food production whilst ensuring climate, nature and food resilience goals are met. Consider a Ministry of Food to co-ordinate Government activity and to better enable planning and innovation with the sector
- 5 Expand the **Shortage Occupation List to include critical roles in the food supply chain**, such as machine and harvest operators, vets and horticulture supervisors. Do this whilst **expanding both the overall number and length of visas within the Seasonal**

**Agriculture Workers Scheme**, so our suppliers have better access to the skills they need to operate and grow. Work with industry and other stakeholders to ensure the necessary safeguards are put in place to address potential risks of modern slavery and labour abuse

- 6 Conduct a **review of planning permission on agricultural land** to facilitate investment from farmers and growers into the infrastructure required for sustainable water access and food production

## Promoting **healthier diets** and **sustainability**

Sainsbury's mission has always been to inspire everyone to eat well. We relish our responsibility in making nutritious, delicious and sustainable food accessible and affordable to all. We continue to test and learn what really works in driving customer change but to support this mission Government can:

- 7 **Implement the HFSS advertising and multibuy restrictions** to help tackle childhood obesity with no further delays. This should be underpinned by effective enforcement and clear accountability to ensure the regulations achieve their desired objectives
- 8 **Revise dietary guidelines to reflect both a healthy and sustainable diet** building on existing work to review the benefits of the *Eatwell Guide* and providing more specific recommendations for protein-rich foods. At the same time, **mandate all large food and drink businesses to disclose their performance against key health and sustainability indicators**. This will drive transparency, creating healthy competition and raising the bar for those failing to act, without the need for extensive legislation
- 9 **Extend the eligibility criteria for free school meals** to all families who receive Universal Credit alongside **extending the eligibility and duration of the Holiday Activities and Food Programme**, to ensure more children have access to good food
- 10 Set out a **robust approach to sustainability data collection** across the food sector with the development of methodologies, data infrastructure and governance to enable more accurate data sharing at scale. A more strategic approach would ensure continuous improvement of the accuracy, consistency and accessibility of sustainability impact data