



Plan for
Better

2024/25
Sustainability update

J Sainsbury plc

Overview

About this report

This report provides an update on our Plan for Better, covering our financial year from 3rd March 2024 to 1st March 2025. Published in June 2025, it includes information on our progress towards our targets, as well as leadership perspectives, key case studies and learnings. It also provides information about our governance and other business practices, as well as our performance scorecard (pages 33-38).

A number of metrics have been selected for external assurance. This is highlighted with (*) in our scorecard pages. Our 2024/25 assurance report from ERM CVS can be found [here](#).

The information contained in this document refers to our Group activities across Sainsbury's, Argos, Habitat, Tu, Nectar, Nectar360 and Smart Charge. This report does not include information on Sainsbury's Bank.



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Our reporting suite



Annual Report (incl. Task Force on Climate-Related Financial Disclosures (TCFD) statement)

[Read more](#)



Sustainability Accounting Standards Board (SASB) disclosure

[Read more](#)



Modern Slavery Statement

[Read more](#)



Plan for Better Databook

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Gender and ethnicity pay gap report

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Antibiotics stewardship report

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Animal health and welfare report

[Read more](#)



Sainsbury's corporate website

[Read more](#)

Good food for all of us

How Plan for Better aligns with our purpose

Simon Roberts, Chief Executive of Sainsbury's, shares how we've delivered our Plan for Better in times of change and how we've worked with stakeholders to support a more sustainable and resilient food system.



Delivering on our Plan for Better in times of change

In a world shaped by climate change, economic uncertainty and global disruption there has never been a more important moment for businesses to strive for better. Our purpose to make good food joyful, accessible and affordable for everyone, every day is the guiding force for all we do and it is underpinned by our Plan for Better, which sits at the heart of our Next Level Sainsbury's strategy. It sets out our sustainability goals across our whole business with consciously ambitious targets across our priority areas of focus.

In the past year, I'm proud that we've taken

important steps forward alongside the people and partners who work with passion and dedication to bring our plans to life and make progress possible. Our colleagues and suppliers have come together to integrate Plan for Better into how we do business everyday. I want to start by expressing my huge thanks and gratitude to every person and organisation involved in this huge commitment.

Nowhere is change more urgently needed than in the way we protect and support our food system. Food sits at the heart of Sainsbury's, it has done for over 150 years and our Plan for Better is how we are contributing to sustaining the food we all love, now and into the future. Building resilience is how we will continue

to provide great quality, affordable food for our customers in communities across the UK. It's also a societal and environmental imperative. And while there continue to be many challenges outside of our control, we can and must collaborate with suppliers, industry, government and beyond to address the risks we face and unlock the opportunities we know are there to create a resilient UK food system for now and for the future.

I'm confident we can make progress. Now we need truly shared goals, plans and accountability and we need to trust and enable those with expertise to deliver and drive impact. UK-wide system change will be needed. Whether that's to make sure we can mitigate the impact of packaging and emissions on the climate, ensure the highest animal welfare standards across our supply chain, support our consumers in shifting to the healthier, sustainable choices they want to feed their families with, or drive the innovation required to improve recycling infrastructure.

The task ahead for our industry is no small one but its reward will be transformative. A sustainable, resilient food system that provides nutritious meals for generations to come.

The power of long-term partnerships

The complexity of our food system, and the wide-ranging challenges it faces, mean that long-term partnership is the key to ensuring resilience and stability for the future, for both our business and our suppliers. Moving away from shorter-term contracts, which have historically been utilised by the food industry, and building these more sustainable partnerships will support us in delivering great quality, affordable food for the future. This is a critical priority for us at Sainsbury's and already, the approach we are taking is helping to create a food system that's better for the planet, better for our suppliers and better for our business.

Long-term partnership is the key to ensuring

resilience and stability for the future, for both our business and our suppliers'. Building these sustainable partnerships will support us in delivering good quality, affordable food for the future, so it is a critical priority for us at Sainsbury's. Already, it's helping to create a food system that's better for the planet, better for our suppliers and better for our business.

Over the last year, we've expanded our work with Fairtrade, building on a partnership of over 20 years, to help us build a more resilient and sustainable food system. We have continued to work collaboratively on our approach to improve wages for banana workers, with a mechanism that enables an additional contribution to go towards reducing living wage gaps for workers on plantations within our banana supply chain. In May 2025, we announced that we have further expanded our partnership by converting all of our *by Sainsbury's* black tea to Fairtrade, which will result in an increase to the Fairtrade Premium that farmers and workers receive to over £1,000,000 annually. We are also working collaboratively to create more robust and sustainable supply chains by developing an innovative initiative with Fairtrade, involving over 50 producers across tea, coffee and bananas, that will ensure the benefits of Fairtrade drive long lasting positive impacts to communities.

We are also incredibly proud of our launch of the UK's first conventional mushrooms to be grown without peat, reducing the carbon intensity of the mushroom production process. This incredible initiative is a result of close collaboration with our supplier Monaghan, which spent ten years researching peat alternatives, and has led to a cost-based supplier model that makes it environmentally and financially sustainable for both businesses.

Supporting healthy and sustainable diets

Driving demand for healthier, more sustainable choices is needed if we're to achieve a sustainable future for the food we eat. We

continue to invest in making good food accessible and affordable for our customers. This year, more than 75 per cent of the food products in Aldi Price Match were classified as Healthy or Better for you. Over 100 of these choices were plant-based and 30 of them were fish and seafood, helping our customers to diversify the protein in their baskets affordably.

I am also acutely aware that many of our customers and their families across the UK are struggling to access and afford nutritious meals. At Sainsbury's we are working hard to change that. Our Nourish the Nation community programme, delivered with Comic Relief, funds initiatives designed to tackle food insecurity and improve access to balanced, nutritional and sustainable food. This year I am delighted to share that we, along with our customers and colleagues, have raised over £8.9 million to support this cause.

Delivering good food for everyone, everyday

I'm passionate about making sure that together with our colleagues and partners, Sainsbury's is a critical force in building food resilience for our nation. Success will require real partnership, collaboration and long-term commitment from everyone involved. I look forward to continuing to support the Government's new Food Strategy Advisory Board, playing my part on behalf of the retail industry to working cross sector and cross government to build a compelling national food strategy which results in meaningful progress and positive change. Through bringing together policymakers, the food industry and experts we can start building towards a UK food system that delivers economic growth, improves health outcomes, protects our natural environment, and delivers lasting social good.

Simon Roberts
Chief Executive Officer

At a glance

We make good food joyful, accessible and affordable for everyone, every day.

Offering delicious, great quality food at competitive prices has been at the heart of what we do since Sainsbury's was founded in 1869. Today, inspiring and delighting our customers with tasty food remains our priority and our purpose is clear – to make good food joyful, accessible and affordable for everyone, every day.

Our business strategy

In February 2024, we set out our Next Level strategy, driven by our new purpose. Focusing on four key outcomes, our strategy continues to put food at the heart of our business and gives customers more of what they come to Sainsbury's for: outstanding quality, great value and leading service.

First choice for food - Attract many more people to choose Sainsbury's as the place they come to for good food and play a leading role in creating a sustainable food system in the UK.

Loyalty everyone loves - Build a world-leading loyalty platform that is more personalised, joyful, rewarding and transparent for everyone.

More Argos, more often - Unleash and transform Argos around the three things that have always made it brilliant like its curated range, famously convenient experience and great value – so more customers buy more complete baskets more often.

Save and invest to win - Save £1 billion and invest in transforming our capabilities to take another big leap forward in efficiency, productivity and customer focus, continuing to build a platform for growth.

Our Plan for Better is integrated into everything we do and critical to building long-term resilience in our business and across our supply chains. It is how we operate to deliver on our commercial and sustainability outcomes.

Our Plan for Better sets out our sustainability goals across our whole business, outlining our priority areas of focus, our key targets and our progress.

We have aligned our focus to the UN Sustainable Development Goals and identified the issues which matter most to our stakeholders, and where we believe we can have the biggest impact through a materiality assessment. You can read more at Materiality and governance. You can read more about our latest materiality assessment at [Materiality and governance](#)

With our scale and market position we have an important role to play in mobilising action and collaboration across the value chain. Only by working together with others can we help to tackle the complex global challenges we face from biodiversity to loss to rising inequity and build a more resilient food system. Read more about our challenges and partnerships on page 30 and 31.

1,454
Sainsbury's stores

Over 141,000
colleagues integral to our success

24 million
Nectar digital users

1,100+ suppliers
of own-brand products for food and general merchandise supply chains operating over 1,900 sites



Performance Highlights

>75%

of our Aldi Price Match campaign featured Healthy or Better for you products

52.8%

reduction of absolute greenhouse gas (GHG) emissions from our own operations, from our 2018/19 baseline

£33.8m

raised for good causes this year

373%

more surplus food redistributed to communities versus our 2019/20 baseline

39.8%

of our Scope 3 emissions are covered by suppliers that have had any 1.5°C targets approved by the SBTi

58%

increase in colleague pay since 2018

CDP

achieved an 'A' rating in our 2024 CDP climate change disclosure for the 11th year running

CCLA

awarded 'Leading on human rights innovation' status achieving a top tier rating in CCLA's Modern Slavery Benchmark

ASC & MSC

supermarket of the year awards for responsible fish sourcing for the second consecutive year



Plan for

Better

We have aligned our focus to the UN Sustainable Development Goals and identified the issues which matter most to our stakeholders, and where we believe we can have the biggest impact through a materiality assessment. Our plan has three interlocking pillars: Better for you, Better for the planet and Better for everyone.

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Plan for Better, at the core of Sainsbury's strategy

Corporate Responsibility and Sustainability Committee

Why Plan for Better is a business imperative

Keith Weed, Chair of our Corporate Responsibility and Sustainability Committee, shares his thoughts on the progress of Plan for Better so far, and why it's so vital for our business and the food sector as a whole.



What is Sainsbury's role in making the food system more resilient?

Without a sustainable and resilient food system, Sainsbury's is not a viable business. It's as simple as that. Climate change is already affecting nature, farming and food production across the globe. Food retail businesses like Sainsbury's are in a unique position to influence consumer behaviour and create demand for more sustainable options.

So, we not only can – but must – seek to help make the food system more resilient to shocks, more secure and more sustainable. This means building long-term, viable supplier and farmer partnerships, not just commercial

relationships. Sharing best practice and thinking collaboratively with those partners, developing contracts that give them confidence to invest in innovation, and working alongside Government and policymakers to develop plans for the benefit of all.

But it also means adapting products and ranges to be more sustainable and creating demand for those products by nudging consumer behaviour. A few great examples from Sainsbury's this year included the Great Fruit and Veg challenge, now in its fifth year and the introduction of a Healthy Choice logo on own brand products, supporting customers to identify healthier choices.

How is the sustainability landscape changing for the food retail sector and how is Plan for Better evolving in line?

I am a great believer that businesses that embed sustainability into their business model now will be better positioned to face future regulation and supply chain challenges resulting from climate change and nature loss. It is in a business' interest to future-proof their operations.

The retail sector is no different, facing a challenging environment both now and in the years ahead. In addition to cost and supply chain pressures, stakeholder expectations and regulatory demands of what we're doing and how we are disclosing our sustainability efforts are growing. While timing remains uncertain, this includes the expected adoption of the IFRS general and climate-related standards by the UK government, and an increased focus on traceability led by the EU Deforestation Regulation (EUDR).

Whilst the macro environment is challenging, Sainsbury's have worked hard to ensure it has a business strategy that enables it to be well-equipped to succeed and to invest where it matters the most. We're doing important work right now to further understand and prioritise the most material risks and opportunities, which will help embed sustainability and data deeper into our operations and decision-making.

These risks and opportunities guide collaboration with suppliers, industry and government. Ultimately, this will help us create more resilient supply chains that can better withstand the shocks of climate change and the nature crisis. It will be key to our success in making good food accessible and affordable for all.

How important are Sainsbury's supply chain partnerships in addressing food industry challenges?

They are essential. We know we can't deliver on our goals alone. Long-term assurance, sustainable incentives and a strategic use of technology all are fundamental to set the foundations for a more resilient and sustainable food system. And none of them can be delivered without partnerships across stakeholders.

Collective action is also a necessity if we are to deliver system-wide change on some of our trickiest challenges. This year, Sainsbury's supported the Institute of Grocery Distribution (IGD) together with WRAP, a climate action NGO, to develop a UK Food System Transition Plan. The goal of this is to ensure food businesses across the supply chain are working together at pace towards net zero by 2050. This has helped articulate the challenges all retailers face and provide a clear transition blueprint for the sector.

We continue to work in collaboration with Fairtrade and our suppliers to conduct risk assessments to identify and address human rights risks in key commodities and sourcing locations.

What role has the Corporate Responsibility and Sustainability Committee played in steering Plan for Better this year, and what will be its top priorities for 2025?

Working with the Committee and Operating Board, this year we reviewed our approach to decarbonising Scope 1 and 2 emissions and our approach to measuring Scope 3 emissions, with select Board members receiving Scope 3 training. From my previous experience as both an Executive and Non-Executive Director I have been able to witness first hand just how much

measuring environmental and social impact – both positive and negative – can sharpen strategy and business performance.

Another focus area has been our future packaging strategy. With the evolving legislative landscape with the introduction of Extended Producer Responsibility it was an opportune moment to understand and reflect on its implications for the future direction of the strategy following the end of the 2025 targets.

The Committee's priorities for the year ahead include progressing climate transition planning, reviewing the future health strategy and ensuring alignment to new disclosure frameworks such as the Taskforce for Nature Related Financial Disclosures (TNFD). As the President of the Royal Horticultural Society, I am passionate about the importance of nature and its positive impact on the environment and people's well-being.

With strong relationships with farmers across the UK and the world, I'm excited for the increasingly important role Sainsbury's can play in creating a more sustainable UK food system.

Keith Weed
Chair, Corporate Responsibility
and Sustainability Committee

Our roadmap towards a more resilient and sustainable UK food system

We have set ambitious targets to support our transition to net zero across our own operations and supply chain and to build the resilience of our business. We will continue to report transparently on our progress.



Our next 5 years

100%
Deforestation and conversion free in own brand by 2025

100%
Recycled or certified paper and pulp packaging by 2025

85%
Healthy and Better for you sales tonnage by 2025

Diverse
Representation in leadership by 2028

50%
Reduction in own brand plastic packaging by 2025

50%
Of our Scope 3 emissions are covered by suppliers with SBTi 1.5°C aligned targets by FY25/26

Improve
Animal health and welfare and practice responsible antibiotic stewardship by 2030

Our next 10 years

50%
Reduction in food waste by 2030

50%
Of fresh food sourced from areas of sustainable water management by 2030

68%
Reduction in Scope 1 & 2 emissions by 2030

36.4%
Reduction in FLAG Scope 3 emissions by 2030

30%
Reduction in the water footprint of our textile products by 2030

50.4%
Reduction in non-FLAG Scope 3 emissions by 2030

Beyond

Water neutral
in our own operations by 2040

Our future packaging ambitions include additional targets: 100% recyclable or reusable packaging

At least 30 per cent average recycled content across all own-brand primary plastic packaging

Net Zero by 2035
in our operations

Net Zero by 2050
in our value chain

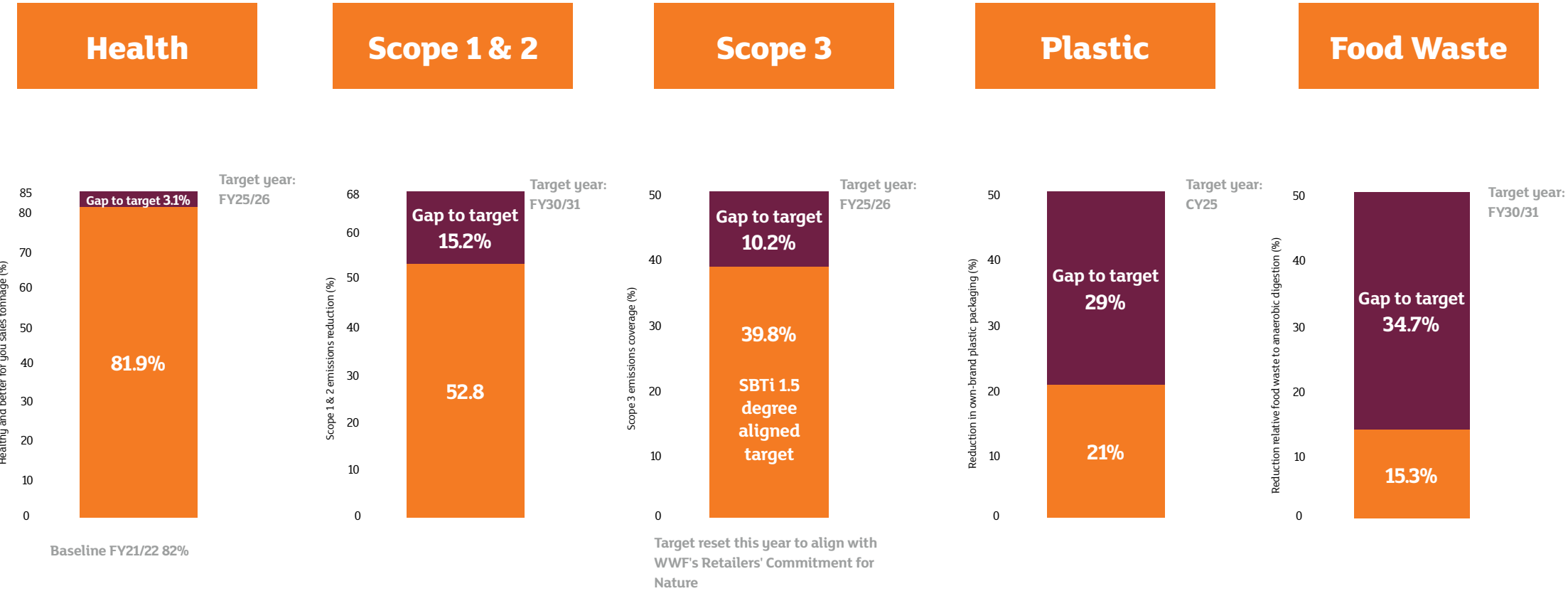
2025

2030

2050

Our progress on material topics

We transparently report progress annually across our Plan for Better. We have set ambitious targets and made progress towards most of our long term ambitions. We know the reality of delivering our targets can be challenging and we continue to work in collaboration across industry, NGOs, Government and beyond to maintain focus, facilitate conversations and drive change on pivotal issues. Read more about our challenges and partnerships on page 30 and 31.



See data tables on pages 34 to 38 for full details.

Highlights

- 5th **Great Fruit and Veg Challenge** with over **133 million portions** of fruit and veg sold

8th **wind farm** helping to power our business with wind energy now making up **over 30%** of our electricity sourcing

Launched conventional **mushrooms grown without peat**, removing 20,465 tonnes of peat from mushroom production each year

First major retailer to vacuum pack lamb mince, using a minimum of **65% less plastic**

18.3 million meals donated through our food redistribution partners



Better for you



Better for you

We aim to provide access to affordable, nutritious, diverse food to help make future generations and our planet healthier for longer. We believe everyone should enjoy good food and that means healthier, more sustainable diets for all.

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Healthy and sustainable diets

Offering delicious, great quality food at competitive prices has been at the heart of what we do since our first store opened in 1869. Today, inspiring and delighting our customers with tasty, healthy and more sustainable food remains our priority. In a world where three quarters of the food we eat comes from just 12 plants and five animals,¹ we want to inspire customers to adopt a balanced diet, in line with the Eatwell Guide by making healthier choices easier to identify, accessible, affordable and, most of all, enjoyable and delicious.

Our target

At least **85%** of our sales tonnage to comprise Healthy and Better for you products by 2025/26

Our performance

81.9% sales tonnage from Healthy and Better for you products

>75% of our Aldi Price Match campaign featured Healthy or Better for you products

This year, 81.9 per cent of our total sales tonnage came from Healthy and Better for you products, a one per cent increase year on year, with own brand sales at 88.3 per cent.

The year-on-year increase is primarily driven by corrections of health ratings for soft drinks within our impulse category, and an increase in water and produce sales tonnage.

We outperformed the market in volume growth in multiple categories including produce, frozen fruit and veg and frozen meat-free products and saw significant growth in low and no alcohol sales. See chart to the right for year-on-year category growth rates.

We know that it can be difficult for customers to have the time, money, or inspiration to access the joy that good food can bring. To bring back the spark to mealtimes, we prioritise action in five key areas: awareness, affordability, incentivisation, inspiration and advocacy.

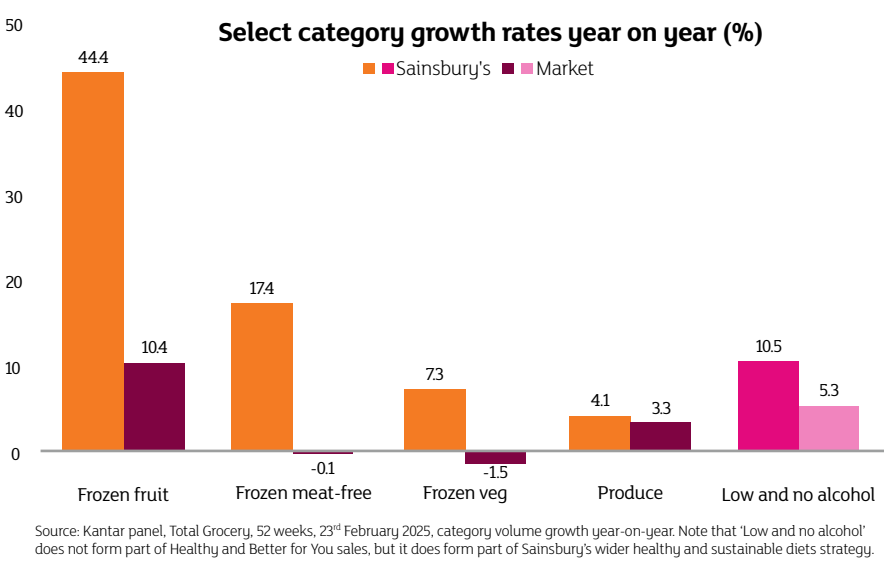
Awareness

On average, people across the UK fall short of meeting the Eatwell Guide recommendations. That's why, in January 2025, we launched the easy-to-spot Healthy Choice icon on own brand products, to help customers identify products with nutrition benefits such as fibre, protein, Omega 3, calcium, or those that count towards one of your '5 A Day' for fruit and vegetables.

Affordability

Making healthy choices affordable is important to our customers. This year, at least 75 per cent of our products in Aldi Price Match were Healthy or Better for you, and we rolled out our Aldi Price Match promise to all of our 855 convenience stores to support customers' access to affordable food wherever they shop with us.

Over 100 of these choices were plant-based, including our Unsweetened Soya Drink, and 30 of them were across fish and seafood, helping our customers to diversify the protein in their baskets. We tested multibuys on prepared fruit, frozen fruit and veg, and meat free options, which helps further support the affordability of healthier choices.



We also supported low income families² with an additional £3 to spend on fruit and vegetables in their next shop. The campaign has encouraged more customers to buy pulses, which contributes to one of your 5 a day, demonstrated by an increase of 6% in the proportion of the protein uplift being associated with pulses. However, we also saw statistically significantly greater purchases of discretionary food items during the campaign too.

Incentivising healthier choices

For the fifth year, our Great Fruit and Veg Challenge allowed customers to collect bonus Nectar points over August and September when they chose fresh, tinned, dried or frozen fruit and vegetables. Over 133 million portions of fruit and veg were sold as part of the promotion – an increase of 20 million from last year.

To encourage customers to sustain their fruit and vegetable purchasing, we also ran a follow-up campaign offering bonus points on personalised offers and to encourage a greater diversity of fruit and veg purchases. This extended period also increased portions of fruit and vegetables purchased, especially among lower fruit and vegetable consumers, showing that we can have a positive impact through personalised offers. As a result of these initiatives our most loyal



customers ranked us first for “making it easy to make healthy choices”.

Inspiration - Making health inspiring through reformulation

Product reformulation is an important route to improving the nutrient profile of our products, helping customers reduce their intake of fat, sugar and salt while making sure we never compromise on quality or taste. We continue to work to reformulate our ranges, and this year became the first UK supermarket to offer Vitamin D-enhanced white mushrooms.

Frequently Bought Together

Sainsbury's Kids Plain Yogurt Pack 6x45g
★★★★★ (13)
£1.00 37p / 100g

Add

Sainsbury's Wholewheat Biscuits Cereal x24 430g
★★★★★ (107)
ALDI PRICE MATCH
£1.37 6p / bisc

Add

Total price
£2.37 For 2 items

Add all

Sainsbury's Tuna Chunks in Brine 4x145g
★★★★★ (54)
ALDI PRICE MATCH
£2.49 61p / 100g

Add

Sainsbury's Naturally Sweetened Sweetcorn in Water 198g (157g*)
★★★★★ (44)
ALDI PRICE MATCH
47p £2.99 / kg

Add

Total price
£2.96 For 2 items

Add all

Case study: Nudges on groceries online

With the launch of our 'Frequently Bought Together' recommendations on Product Display Pages (PDPs), we removed recommendations on products that were less healthy, resulting in a three per cent increase in the average health rating of products added to basket from the placement.

We have also trialled up-weighting healthier products on our 'Similar products' section, meaning if a recommended product was given a higher health rating than the selected product, it was moved to second position in the carousel. This had a slight positive impact on the healthiness of products added to basket.

1 What is Happening to Agrobiodiversity?, United Nations Food and Agriculture Organisations, 1999 – [read more](#)
2 Identified using geodemographic segmentation population data together with our Nectar customer data.

Healthy and sustainable diets (continued)



Case study: New product ranges major on low-sugar, high-protein, gut-friendly health choice

Sainsbury's launched a new functional health range this year with four nutritious raw pressed juices and two juice shots. In a first for UK supermarket own brand products, the juices and shots feature watermelon juice in place of traditional apple juice. As watermelon juice is naturally lower in sugar, the drinks are up to 45 per cent lower in sugar than many other standard juices on the market. The juices are cold pressed and high-pressure processed, retaining more nutrients and a fresher taste than juices which are pasteurised and heated in the usual way.

With more customers actively managing their gut health, we have launched a *by Sainsbury's* yogurt plain kefir drink and strawberry kefir drink, with further flavours to follow in 2025. With over five billion live cultures from 14 different culture strains, the kefir drink is high in calcium, contributing to the normal function of digestive enzymes, and protein, which supports the growth and maintenance of muscle mass.

In addition, we introduced three new *by Sainsbury's* protein fat free yogurts made without the use of artificial ingredients. They are naturally sweetened with real fruit, offering customers a satisfying snack with 15g of natural protein per pot.

Inspiration - Making diets more sustainable

We know making dietary shifts can have significant impacts on climate change. That is why we are encouraging more diverse and 'better' meat, fish, poultry and dairy and more plant-rich choices.

Our Aldi Price Match range includes plenty of diverse animal protein and plant-rich choices, and this Easter, we offered half-price salmon as a centre of plate option. To encourage plant-rich choices, we continue offers like our fresh and frozen fruit and veg multibuy and the yearly Great Fruit and Veg challenge.

Through sustainable sourcing we are making our meat less carbon-intensive, providing our customers with more sustainable choices and supporting our farming supply chain. Our Taste the Difference Aberdeen Angus beef, for example, delivers a 25 per cent reduction in carbon footprint versus industry standard, ensuring a fair return for farmers while delivering great flavour. Additionally, all our seafood is 100 per cent responsibly sourced, with many products carrying independent assurance labels from the Aquaculture Stewardship Council or Marine Stewardship Council.

Advocacy

Sainsbury's was named as the retailer on the Government's new Food Strategy Advisory Board, underscoring the trust placed in our CEO, Simon Roberts, and Sainsbury's. It's a tough but vital challenge and we look forward to playing our part in shaping the development of a forward-thinking National Food Strategy.

We are also advocating for sector-wide change for greater impact. This includes working with the Food Data Transparency Partnership for health last year to champion a consistent definition for healthy sales, encouraging sector action as part of the IGD net zero sustainable diets workstream, and engaging with academia to independently evaluate our initiatives. Further details can be found [here](#).



Case study: Innovation in low and no alcohol

Over the past few years, we have seen significant growth in the number of customers looking to moderate their alcohol consumption, largely driven by increasing health awareness.

To best serve these customers, we have launched new innovations across our existing No and Low Alcohol category, including a new Mid Strength Wine zone, now with 12 products. The range includes three Taste the Difference options – Mid Strength Coolwater Bay Sauvignon Blanc, Mid Strength Val De Loire Blanc and Mid Strength Loire Rosé.

Our mid strength sales have doubled in the last year, with Sainsbury's outperforming market trade in the no and low alcohol category.

Our future priorities

We are determined to continue to provide good food for all customers, while innovating and trialling new ways to support them. The year ahead marks the end of our 2025 ambition so we will evolve our approach to 'Healthy & Sustainable Diets' by focusing on sourcing more sustainably, diversifying protein sales and driving greater purchase of healthier, plant-rich choices that our customers love. We will continue to advocate for sector change and alignment on definitions of healthier and sustainable choices. To do that we'll work in partnership, through the IGD's plans for Net Zero, our engagement with the Government's Food Strategy and with our academic partners and others promoting healthier sales, building better data and independently evaluating progress.



Better for the planet

In the face of the climate and nature crises, we need more leadership and collaboration than ever before. We intend to play our role in mobilising action across our value chain to protect and restore our planet.

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Net zero carbon

The global food sector is a significant contributor to climate change and responsible for around one-third of all greenhouse gas (GHG) emissions. As a major food retailer, we have a responsibility to reduce the emissions generated directly by our operations (Scope 1 and 2) and indirectly through our supply chain (Scope 3).

Our targets

- Achieve net zero in our own operations by 2035 and in our value chain by 2050
- Reduce absolute Scope 1 and 2 GHG emissions by 68% by 2030
- Decrease Scope 3 forest, land and agriculture (FLAG) emissions by 36.4% by 2030
- Reduce Scope 3 non-FLAG target (transport, energy and industry) to 50.4% by 2030

Our performance

- A rating
- Achieved an 'A' rating in our 2024 CDP climate change disclosure for the 11th year running
- 39.8% of our Scope 3 emissions are covered by suppliers that have had any 15°C targets approved by the SBTi

Scope 1 and 2 emissions

- Our actions focus on key areas of emissions: heating, refrigerant gas, delivery vehicles and logistics fuel. This year we have reduced our absolute GHG emissions to 448,734 tCO₂e – a reduction of 52.8 per cent from our 2018/19 baseline.
- Through Graphite (our energy efficiency investment programme), we spent £19 million increasing the amount of renewable electricity and investing in energy efficiency. Over the year, we have installed new PV systems, trialled next generation innovative LED lighting, invested in engineering innovation, and worked to reduce air infiltration through the installation of Air Doors.
- In addition to this capital investment, we continued to invest in replacing in-store refrigeration systems according to their lifecycles as part of our refrigeration replacement programme. This programme ensures that fridges using hydrofluorocarbon (HFC) refrigerant gas are replaced with more energy efficient fridges which use natural CO₂ refrigerant gas. At the same time, we look to remove natural gas heating, capitalising on and using waste heat from the refrigeration systems, to heat and cool the store.
- We continue to focus on engineering innovation, which supports in identifying the latest technology to support our decarbonisation roadmap.

Our future priorities

We will continue to advance emission reduction initiatives, focusing on eliminating HFC refrigerant gases, removing natural gas, electrifying heating solutions and expanding renewable technologies. We are also working on transitioning our vehicle fleet to alternative fuel by 2035. Our investments in innovation and collaboration with Imperial College aim to mitigate climate change impacts and explore effective decarbonisation strategies.

Our Fleet

- We operate a fleet of vehicles to support us in serving our customers around the UK. We continue to trial using Electric Vehicles in our Grocery Online (GOL) operations testing different brands of EVs to determine which work best operationally. We now have 3 stores with fully electric GOL fleets and dedicated charging points in their loading areas and this year, in our Christchurch store, started a trial leveraging our Smart Charge chargers in customer car parks eliminating the need for dedicated charges to optimise equipment.
- We invested across 10 of our depots this year installing electric plug points for our rigid fleet enabling our full fleet of 450 rigid trucks to run their refrigeration units via 100 per cent renewable electricity, as opposed to diesel, whilst stationary at our depots.
- Commercial viability and technology are the greatest challenges we face in transitioning our fleets to EV vehicles. We are starting to see cheaper electric vans and lower maintenance costs for GOL and Argos and we welcomed secondary legislation from Department for Transport (DfT) that supports this. We also have greater confidence in adopting more EVs in our GOL fleet on the back of recent technological improvements increasing vehicle range.
- Electric HGV trucks still remain a challenge in terms of cost and range, but the Government have invested £200 million into a UK wide trial where Operators and hauliers will test and trial electric HGV's and Chargers. We are actively engaged in this process through eFreight 2030 consortium to understand the opportunity for our business.



Case study: Eighth wind farm now helping to power Sainsbury's

We added our eighth wind farm Power Purchase Agreement to our portfolio this year, significantly increasing our use of renewable electricity and aligning with our goal to reduce Scope 2 emissions. Pines Burn Wind Farm in Scotland provides 100 per cent of electricity generated to Sainsbury's. The new wind farm, featuring seven turbines, adds 33.6 MW of renewable capacity to the grid and is expected to generate 92,000 MWh of electricity annually, covering approximately 3 per cent of Sainsbury's annual electricity needs. Wind energy makes up over 30 per cent of our electricity sourcing, with the remainder from other 100 per cent renewable sources.

[Read more](#)

Case study: AirDoors, helping to reduce store energy use

Sainsbury's is working to control air infiltration within our stores through the installation of AirDoors and the modelling of lobby design. The Formula One-inspired AirDoor technology uses a series of high-powered fans to create an air barrier at the entrance to the stores. This prevents the loss of conditioned air and reduces the requirement for space heating. Therefore improving energy efficiency and mitigating heat loss to create a more stable internal temperature, leading to lower energy consumption.

Net zero carbon (continued)

Collaboration to reduce Scope 3 emissions

Scope 3 emissions form 96 per cent of our emissions. Our Scope 3 targets align with the latest and most ambitious SBTi target requirement. These ambitious targets can only be achieved through close collaboration and partnership with our suppliers, which, by definition creates uncertainty in meeting our Scope 3 targets.

Over the year, we have made good progress across our priorities: SBTi supplier targets and engagement; building roadmaps for hotspots fuel, agriculture and electricals; improving measurement and reporting approaches and industry collaboration.

SBTi supplier targets and engagement

We prioritised supplier engagement to understand their carbon footprints, supporting them to set targets and to drive their emissions reduction. We engaged our 'key carbon suppliers' who account for 80 per cent of our Scope 3 emissions and encouraged them to get approved SBTi targets. 39.8 per cent of our emissions are now covered by suppliers with any 1.5 degree target approved by the SBTi, representing an increase of 100 per cent year on year in the number of suppliers with such targets.

We maintain active engagement with our suppliers through our own brand supplier Making it Happen Action Groups, fostering collaborative innovation to reduce the carbon footprint of our products. Building on the success of Taste the Difference Aberdeen Angus beef, which delivers a 25 per cent reduction in carbon footprint vs. industry average, this year's innovations included conventional mushrooms grown without peat.

Developing roadmaps in hotspot areas

In agriculture we identified 27 priority suppliers, which we've named the High Environmental Impact Suppliers (HEIS). We've selected this group by considering the volume and value of

product supplied, as well as the environmental risks associated with carbon, water, biodiversity, soil and deforestation and conversion.

In autumn 2024, we engaged these suppliers to learn about their data and progress in these areas. Whilst data and measurement is a challenge and approaches vary, we have worked alongside these HEIS to identify our priority levers and actions to reduce GHG emissions across Meat, Fish and Poultry (MFP), Produce and Dairy.

Improving measurement and reporting approaches

Recognising the industry-wide challenge of measuring Scope 3 emissions, we are playing an active role in the British Retail Consortium (BRC) Mondra Coalition. This consortium, comprising the UK's leading food companies, aims to accelerate the transition to net zero by improving the measurement and management of the food sector's Scope 3 emissions. See page 31 for more information about this initiative.

Industry collaboration

We collaborated with sector leaders on the Institute for Grocery Distribution (IGD) Industry Transition Plan, see page 31. The Plan's goal was to create a more joined up net zero path supported by robust data and action across the food system. This project was designed to create a blueprint which could be built on, and through the IGD's Food System Change Leaders Forum (FSCLF) new workstreams have been set up to enable collective action on many of the recommended areas in the report including farm data, methane, fertiliser, labelling, food waste and diet change. Sainsbury's is actively collaborating in four of these workstreams (methane, fertiliser, labelling and diet change).

This year, IGD's Board of Trustees appointed Sainsbury's CEO Simon Roberts as its new President, further underlining our commitment to create a more resilient and sustainable food system for everybody.

Our future priorities

We will continue to identify carbon reduction levers and develop decarbonisation roadmaps in key hotspots including fuel and agriculture. Within our agricultural supply chains we will assess key topics such as soya, low carbon fertilisers and soil supporting engagement and collaboration through our Making it Happen action groups. We will also roll out our training offer to colleagues to better enable conversations with suppliers.



Case study: Conventional mushrooms grown without peat

In October 2024, we became the first UK supermarket to launch conventional mushrooms grown without peat, in close collaboration with our supplier Monaghan, which spent ten years researching peat alternatives.

Monaghan developed a growing substrate made from recycled natural materials to replace the typical peat layer. This change reduces the carbon intensity of mushroom production and produces mushrooms which are firmer in texture, whiter in colour and have with a longer shelf life. The new range will remove 20,465 tonnes of peat from mushroom production each year.

Extracting peat contributes to climate change and the destruction of wetland ecosystems, as carbon emissions are released during harvest and the peatlands can take decades, if not centuries, to recover. Peatlands also provide critical habitats for many rare, threatened or declining animal and plant species, while having a significant ability to retain water, and to improve both soil and water quality. This innovation has benefits across multiple pillars of our Plan for Better, from carbon to water and nature, contributing to our ambition to build a more resilient food system.

[Read more](#)

Protecting and regenerating nature

Nature provides the resources and services needed to produce our products and has the power to help mitigate some of the worst impacts of climate change. We source raw materials and produce that rely on functioning ecosystems for their production, so we need to play our role in both protecting and regenerating nature in all its forms.

Our targets

Own brand products are **deforestation and conversion free** by December 2025

Contribute towards a **nature positive future**

Our performance

Winner of both **ASC & MSC awards** for responsible fish sourcing for the second consecutive year

20 years of partnership with the Woodland Trust

With the threats to nature from land and sea use change, climate change, pollution, the exploitation of natural resources, and invasive species, we aim more than ever to contribute towards nature-positive outcomes and building resilience across our supply chains.

This year our work has focused on progressing towards our own brand products being deforestation and conversion free (DCF) by December 2025 and continuing to support landscape initiatives in high-risk sourcing countries. We also became an adopter of the Taskforce on Nature-related Financial Disclosures (TNFD) recommendations at COP16, recognising the role it can play in prioritising the most material nature focus areas for our business, building our organisational understanding of nature-related issues and further integrating these into our strategy and decision making.

Policy and action focused on high risk commodities

We now have risk-based policies in place focusing on the key commodities in our supply chains. Beyond helping us to make progress towards our DCF target and supporting our nature positive aligned ambition, these policies ensure we have clear sourcing standards across the business that allow us to build resilience into our supply chains.

This year we have focused predominantly on coffee, cocoa and soy. We worked closely with our suppliers last year to switch our coffee sourcing to 100 per cent certified from March 2025. Whilst there are challenges in sourcing fully traceable cocoa and extreme weather conditions affecting yields and traceability, we have also increased the proportion of certified cocoa we source across all products where it is an ingredient. Finally on soy, we have worked to source greater volumes of soy from low risk origins while we wait for traceability in supply chains to improve and worked in industry groups to unlock progress towards achieving conversion free soy. See page 31 for more information.

We are proud of the work we do in other high-risk commodities. For the second consecutive year, Sainsbury's has won both the ASC UK Retailer of the Year Award and the MSC UK Supermarket of the Year Award for our responsible fish sourcing. We are the only supermarket to have received both awards in the same year, two years in a row. We have the highest percentage of any UK supermarket of MSC-certified products in our wild seafood range.

We also achieved our goals in beef¹ and palm oil, reaching 100 per cent sustainably sourced materials. We also source 98 per cent of cotton and timber to an independent standard.

Protecting landscapes

It is crucial to work collaboratively to address the environmental challenges in high-risk locations. We co-fund initiatives with other food businesses who also source from these regions, including on-the-ground work to protect and restore forests and natural habitats and support sustainable farming in landscapes where key raw materials are grown. This helps to build long-term resilience in the areas we source from and improve the livelihoods of people who work in the landscape.

Together with our supply chain partners, we plan to co-fund a landscape level programme in Ghana, Asunafo-Asutifi Hotspot intervention Area (HIA) which focuses on community-led forest protection. The project will provide technical assistance, equipments and training for forest fringe communities to rehabilitate degraded on-reserve areas and actively protect forest reserves in a key cocoa production region. Through working with smallholder farmers to adopt agroforestry practices, the project aims to reduce deforestation in the landscape and, over multiple years, improve smallholder incomes, improve biodiversity and reduce GHG emissions.



Technology, collaboration and knowledge sharing

For the past two years we have partnered with Land App, a mapping tool that helps our UK farmers gain insights on biodiversity, habitat health, and nature-related risks across the land they manage and lets us identify areas to work collaboratively to promote nature. Land App helps us identify areas of supply chain risk and support farmers to adopt methods and practices that can improve climate resilience. To date, 264 farmers in our supply chain have used Land App to survey their farms, supporting the establishment of biodiversity baselines and which can be used to suggest possible land management plans, such as tree planting, river protection and the establishment of pollinator-friendly areas.

Our future priorities

We will remain focused on driving towards DCF in our own brand products but we know we face challenges to achieving this ambition notably in soy, paper, pulp packaging, palm oil oleochemicals and leather. We will work to address these challenges through supply chain traceability and industry collaboration (see challenges and partnerships on pages 30 and 31).

We will continue our work in other key commodities, developing and publishing policies for additional high-risk commodities such as sugar and nuts. In cotton, we are moving to cotton that is traceable back to its country of origin through our sourcing of Physical Better Cotton, instead of using a Mass Balance Chain of Custody, giving us more transparency into our supply chain.

We will continue to support landscape initiatives in Brazil, Indonesia, Ghana, and the UK, supporting sustainable farming and habitat protection.

1 100 per cent of our beef is sourced from low risk regions, with 99 per cent from UK/Ireland.

Protecting and regenerating nature (continued)



Case study: Restoring habitat and community agrobiodiversity

Since 2014 we have supported a habitat restoration and community agrobiodiversity project in Ica Valley in Peru, in collaboration with our supplier Barfoots, Kew Royal Botanic Gardens, and a local NGO, Huarango Nature. The establishment of the first regional Native Plant Conservation Centre has protected thousands of useful native threatened plants whilst teaching generations of children on their use and value for well-being, resilience, agriculture, and medicine.

A forest planted by Huarango Nature at the start of our collaboration, initially with 18 dry forest plant species, now boasts over 80 native species and provides habitat for a diverse array of animal and bird life. The growing forest also increases shade, water percolation into the ground which recharges groundwater aquifers, and soil fertility. Growers involved are experiencing benefits such as flood and drought resilience, carbon capture, enhanced pollination, natural pest management, increased biodiversity, and reduced soil erosion, wind damage, and pollution as the forest areas act as a buffer.

This project demonstrates how food supply chains and conservation science can contribute to restoring native biodiversity and supporting local communities, while improving climate resilience.

[Read more](#)



Case study: Investing in DCF soy production in Brazil

Sainsbury's is a leading investor in the Responsible Commodities Facility (RCF), an initiative to promote the production and trading of responsible soy in the Cerrado region of Brazil, the world's most biodiverse tropical savannah. Half the Cerrado has already been converted and rates continue to increase.

RCF offers low interest loans to farmers on the condition they do not deforest or convert any forests or natural vegetation on their farms and preserve natural ecosystems – an undertaking beyond what is legally required.

We have committed to extending our investment in RCF from 2026/27 to 2030/31, unlocking up to \$10 million of additional funding from the UK Government's Mobilising Finance for Forests (MFF) programme from 2025-2030 and equivalent funding from the Dutch government.

Our involvement in RCF supports a resilient, DCF soy supply chain from this region that is crucial for our poultry due to its high protein content. It is also more carbon-efficient: RCF farms have an estimated footprint of 0.5 tCO₂/tonne compared with other farms in Northern Brazil which average 2.3 tCO₂/tonne.

[Read more](#)



Case study: Nectar and Sainsbury's strengthen partnerships with the Woodland Trust

Since 2004, Sainsbury's has supported the Woodland Trust, raising over £14 million, planting over 5.1 million native trees and protecting more than 2,000 acres of woodland, which has the potential to mitigate over 1.3 million tonnes of carbon dioxide.

To celebrate our 20-year collaboration, we announced a new agroforestry initiative alongside Woodland Trust. Currently, only 3.3 per cent of UK farmland practices agroforestry, which is below the European average. The Trust will help farmers create planting plans to integrate trees into their land, promoting resilient practices and protecting the environment.

Nectar360, which manages Sainsbury's Nectar loyalty scheme, also began working with the trust in 2021 and has extended its partnership to 2027, allowing customers to support conservation while earning rewards. Customers can earn 20 points per £1 spent on Woodland Trust memberships and triple points on certain Sainsbury's items for Woodland Trust members.

[Read more](#)

Water use and stewardship

Our supply chains rely on water to produce the great quality food our customers expect, particularly agriculture which consumes approximately 70 per cent of global available freshwater.

As a regional challenge, we recognise the importance of working collaboratively with our suppliers and other organisations to collectively address water-related risks across our supply chain and the wider food system.

Our targets

Minimise the use of water in our own operations, driving towards **water neutral by 2040**

Reduce the overall water footprint of new textile products by **30% by 2030**

Source 50% of the UK fresh food from areas of sustainable water management **by 2030**

Our performance

20.5% reduction
in water usage from our 2018/19 baseline

A- rating

Achieved an 'A-' rating in our 2024 CDP water disclosure

Managing water in our own operations

Despite the growth of Sainsbury's estate, we are using nearly a billion fewer litres of water than 20 years ago. Thanks to a combination of rainwater harvesting, leak prevention and an innovative self-supply licence, our water usage has fallen by 2.2 per cent year-on-year to 2,562,660m³ in 2025 - a reduction of 20.5 per cent on our 2018/19 baseline. Our CDP water security rating remains at A-.

In addition, improved visibility of consumption through more frequent meter readings supplemented with smart meter and AMR data, helps identify the stores that are using too much and where to focus efforts to reduce consumption in our operations.

Managing water in our supply chains

Our supplier engagement focuses on identifying high risk suppliers, understanding their water risks and implementing mitigation or adaptation strategies to address them. This year we updated the environmental risk assessment requirements in our sourcing policies to support better understanding of exposure to water and nature-related risks and where there are opportunities to work collaboratively to build resilience. We encourage transparency and reporting of water use through the M2030 and Worldly platforms (previously Higg).

We have engaged high environmental impact suppliers directly by collaboratively running whole day events, early in the year we brought together 19 key suppliers to discuss soil challenges, and later 17 key suppliers to discuss biodiversity and water challenges and how best to tackle them. This year we also delivered in-person water risk training for colleagues across the business.

Collective action projects

We have worked with the Rivers Trust since 2021 to help address water challenges across the UK. The projects have included implementing nature-based solutions on farmland, such as creating wetlands, planting buffer strips of trees, and creating leaky dams, to help slow the river's flow upstream, improving resilience to floods and droughts. Edie named our initial pilot project in the River Wyre catchment Nature and Biodiversity project of the year in 2023 because the interventions to reduce flood and pollution risk also provided key habitats for local species. We are currently continuing our investment into these valuable projects across UK landscapes with the aim to improve resilience for stores and local communities, including the farms based within the targeted catchments.

Through the UK Food and Drink Pact Water Roadmap by WRAP (previously the Courtauld 2030 Water Roadmap), a plan for water security for the UK food and drink sector, Sainsbury's continues to support seven collective action projects in important sourcing areas around the world. In addition, we took part in the strategic review of the Water Roadmap conducted by WRAP. We proposed ways to encourage more suppliers to sign up and add their expertise to the ambitious programme of work on water risk globally as well as feeding into a review of current metrics and targets.



Case study: Nectar nudges water-saving behaviour with Severn Trent

In an industry-first partnership, Nectar360, which runs the Nectar loyalty programme, launched a new incentive scheme with Severn Trent, giving extra points to Nectar card holders who have a smart water meter and can demonstrate that they are reducing their water usage. As well as more loyalty points, customers who take part are likely to benefit from lower energy and water bills, if they're on a measured bill.

Launched in November 2024 and scheduled to run for 18 months, Severn Trent will select smart meter customers to take part in the scheme, with a sign-up target of around 25,000. As of March 2025, just under 4,000 people are on the scheme, and we are on track to meet our sign-up targets by the end of 2025.

Our future priorities

We will continue to map water risks within our direct operations and across our supply chains, including threats of water stress, flooding and water pollution, and use this knowledge to work collaboratively with suppliers and key stakeholders in high risk catchments to reduce risk and improve environmental and social outcomes. We also recognise the importance of reducing these risks and their impact on human rights, particularly in high-risk sourcing countries, and plan to do more about water, heat stress and access to water.

We will roll out our training offer to colleagues to enable better conversations on water, and continue to work as active members of the UK Food and Drink Pact Water Roadmap, specifically looking at minimum standards for water stewardship in the supply base, and strengthening collective action project outcomes.

Reducing plastic packaging

Packaging plays an important role in keeping our products fresh and ensuring it reaches our customers in perfect condition. At the same time, we know recycling matters deeply to people and we understand concerns about its impact on the planet.

With new UK legislation on the horizon, we believe it's the right time to take a fresh look at our approach.

We have made progress towards our ambitious targets for plastic reduction. Across food, we have delivered a further 2,812 tonne reduction in plastic this year, an absolute reduction of 18.7 per cent since our baseline in 2018. We've also saved 412 tonnes in general merchandise and clothing (GM&C) this year, a reduction of 42.6 per cent since our baseline in 2020.

Rethinking plastic by transforming packaging

We know how important it is to reduce plastic waste and make packaging more sustainable. It's a challenge facing our sector and beyond and one we take very seriously at Sainsbury's. As our many firsts for this year show, we've already made big strides through investment and innovation but we also know there's more to do.

The reality is that finding the right alternatives isn't always simple. Some materials, like films and polystyrene (see case study on page 18), don't yet have viable replacements that keep food fresh and safe. The UK's recycling system also isn't fully equipped to handle certain materials, meaning that even well-designed packaging can end up in landfill. And while new solutions are emerging, transitioning to them takes time and significant investment.

We know that the UK's recycling infrastructure still has room for improvement, and this can sometimes lead to plastic waste ending up in landfills or our oceans. The expanded scope of Extended Producer Responsibility (EPR) legislation is starting to drive real action, encouraging us all to focus more on recyclability.

That's why we're evolving our approach, because this isn't just about plastic. It's about rethinking packaging altogether to make it as sustainable as possible while still protecting the products our customers rely on.

Our next steps

As our headline plastic reduction target ends in December 2025, we are evolving our packaging strategy – one that encompasses all packaging materials with the bigger picture of recyclability, sustainability and new EPR legislation.

Here's what we're striving for:

- 1. 100 per cent recyclable or reusable packaging** across all types of packaging (primary, secondary and tertiary), including tackling tricky materials like polystyrene and film. The assessment of recyclability will be aligned to the EPR requirements.
- 2. 100 per cent recycled or certified paper and pulp packaging by December 2025**, ensuring our materials are deforestation and conversation free (see page 31).
- 3. Continuing to cut down on our own-brand food packaging** across all materials in line with new industry standards (EPR legislation) while maintaining our reduction in general merchandise & clothing GM&C.
- 4. At least 30 per cent of recycled content** in all primary based packaging for our own-brand food and GM&C.

How we'll make this happen

We know we can't do this alone. Creating real change means working in partnership across industries, with suppliers and with our customers. As we move ahead, we will continue to:

- **Phase out hard-to-recycle materials** wherever possible.
- **Increase the recycled content in our packaging** while maintaining quality and safety.
- **Invest in new ideas and innovations** to find better solutions.

We will also explore how we can help customers make sustainable packaging choices, including refill-at-home and reuse options.

This is a journey and while there are challenges, we're excited about what's ahead. By rethinking how we design, use and recycle packaging, we can make a real difference in partnership.



Our plastic reduction achievements this year

Market firsts

- First major retailer to vacuum pack lamb mince, replacing traditional plastic tray packaging. The packaging uses a minimum of 65 per cent less plastic and saves 26 tonnes of plastic every year, as well as providing better freezer life thanks to the removal of all oxygen.
- First retailer to introduce pulp trays for fresh salmon and trout, along with cardboard packaging for our fresh breaded chicken and fish products, saving 649 tonnes of plastic a year.

Further reductions

- Paper packaging across our own brand Ripe & Ready avocados twin-pack in trial in 77 stores, which could save 20.2 million pieces of plastic every year if rolled out to all stores.
- Expected to save 560 tonnes through new packaging across our bakery moving into cardboard and paper packaging – a 90 per cent reduction in plastic and removing full plastic bags across in-store bakery loaves, baguettes and batons, which we have replaced with recycled paper bags with a plastic window.
- 103 tonnes by removing plastic lids from houmous pots, a 33 per cent reduction.
- 39 tonnes by moving our own brand laundry capsules from a plastic bag to a cardboard box, a reduction of 90 per cent.
- 30 tonnes by replacing shrink wrap with cardboard for our four- and six-packs of canned baked beans.

Our targets

Reduce our own-brand plastic packaging by **50% by 2025**, increase recycled content and recyclability

Our performance

21%

Reduction in own brand plastic packaging, from our baselines in 2018 CY for food and 2020 CY for general merchandise

Reducing plastic packaging (continued)



Case study: Flexible films

Across our industry, flexible films that you use for flow wrap for hot products, joint bags and cheese pose a significant challenge. They play a vital role in keeping our products fresh and at their best, while using minimal packaging, but they can't currently be typically recycled in the UK. This presents a real opportunity for change. If we can tackle this issue, it could have a huge sustainability benefit for the UK.

To make this happen, collaboration is key. We have begun a new project that will see us work in partnership across the entire supply chain, with raw material producers to recyclers. By letting the research guide us, we'll discover whether the solution lies in developing new, innovative films or improving the recycling process. Ultimately, our goal is to make complex barrier films more sustainable, helping us to protect the planet and deliver quality to our customers.



Case study: Expanded polystyrene (EPS)

The biggest contributor of plastic packaging in Argos is 1,176 tonnes of EPS, which is used in own branded major domestic appliances (refrigerators, washing machines and ovens), large screen TV's and flatpack furniture packaging. EPS is a light-weight plastic high compressive and impact strength, which allows significant insulation and safety of these heavy, approximately 10-25kg products during the transportation from the Far East and Europe into the United Kingdom.

A widely available and economical packaging material, EPS is efficient in eliminating product damages occurring on the road or rail transit and in the containers during shipping.

Unfortunately, EPS is not widely recycled and there isn't an efficient and globally available alternative material to replace at present, however we will continue to work with our factories to investigate more sustainable substrates.



Case study: Milk

Milk is one of our largest plastic footprint products, but moving to carton alternatives would not be adequately supported by the current recycling infrastructure in the UK. Similarly with nut butters: a move from glass into rPET (plastic) is more beneficial due to the recyclability of rPET and reduced carbon footprint associated with transport. In many cases, government intervention is required to ensure that the right facilities are in place to effectively recycle and avoid any unintended consequences.

Where solutions do exist, in many cases it would require substantial investment to transition out of plastic packaging, which is not commercially viable. We also know that we lack effective recycling infrastructure in the UK which can mean plastic waste ends up in landfills or our oceans. The broadening scope of EPR legislation has started to incentivise broader action focused on recyclability.

Reducing waste

Food waste represents a loss of resources and contributes to a quarter of global food-generated emissions.¹ This year we have continued to maximise the amount of surplus food redistributed to people and communities supporting our ambition to address food poverty.

We aim to prevent waste wherever possible. We haven't sent any food to landfill since 2013 – our main priority is to ensure that any unsold food is redistributed to humans and when this isn't possible, we repurpose it for animal feed. As a last resort, it is converted into energy via anaerobic digestion. This year, 0.617 per cent of food handled was sent to anaerobic digestion, down 3.9 per cent year on year and 15.3 per cent relative to our 2019/20 baseline.

We have driven progress through another year of growth in the food redistributed to people and communities, with 373 per cent more surplus food redistributed to communities versus our 2019/20 baseline.

Due to our increased focus on donating more surplus food to humans, in alignment with WRAP's food waste hierarchy, there has been less food available for animal feed this year which is reflected in our results.

Reducing food waste in stores

Preventing food waste from occurring is our priority, and we are exploring ways to address this across our organisation.

We are making good progress with the early rollout of intelligent automation in stores, such as trialling automated identification of on-shelf stock gaps. A new machine learning model will optimise markdowns on near-dated products, aiming to reduce waste costs and improve colleague efficiencies.

Growing redistribution to people and communities

In addition to our ongoing partnership with Neighbourly, this year we stepped up our efforts to maximise the amount we give to people and communities via the roll out of our partnership with food waste app Olio, helping us to redistribute products with a 'use-by' date. In 2024/25, 7,386 tonnes of surplus food was saved from going to waste and 176 million meals were delivered to people and communities in need.

Supporting colleagues with the tools needed to drive progress

In Autumn, we launched a regional trial to improve compliance and increase performance around redistribution in our stores by giving

stores access to a new food surplus reporting dashboard. This provided a benchmark to aim for and showed relevant data on how individual stores were performing, how they compared with other stores in the region and highlighted opportunities where more could have been donated across eligible food categories.

We updated store procedures and guidance to support colleagues with clear actions on how to donate more surplus food. We highlighted the stores with best-in-class performance to help incentivise improved progress.

At the end of the trial, we saw a significant increase in compliance and have since launched a new company-wide food surplus target to drive an increase in the donation of eligible products by the end of 2025.

Collaboration with suppliers

As well as redistributing food within our stores, we are supporting FareShare's pioneering Surplus with Purpose scheme that works with producers across the food industry to help cover the extra costs of preparing and redistributing unsold food. We have provided funding at farm level to help FareShare and our suppliers 'rescue' 271 tonnes of surplus fruit and veg in 2024, which has been provided to communities who need it most. Since our partnership began in 1994, along with our customers, we've enabled FareShare to distribute the equivalent of over 20 million meals.

Circular initiatives to reduce waste

We strive towards creating a more circular economy for our products, including electricals, clothing and furniture. We offer repair and refurbishment services for used electrical items purchased at Argos, helping our customers to save money and reduce waste. As a result of this initiative, we repaired over 35,000 products and refurbished over 196,000 items this year, giving them a new lease of life.

In partnership with Newlife, we donated over 120 tonnes of unsellable clothing returns and faulty garments equating to over 450,000 items.² We also supported our Argos customers dispose of 150 items of unwanted furniture responsibly through Clearabee.



Case study: Innovating to reduce food waste and carbon

We announced that from March 2025, we would be using food waste to power 30 delivery trucks at our Emerald Park distribution centre in Bristol, in a UK-first, fully circular trial alongside our food processing partner RenEco. RenEco works with us to convert surplus food that's unfit for human consumption into biogas via anaerobic digestion. For the trial, the biogas will be used to create a 100 per cent liquid biomethane fuel that comes directly from our supply chain and can power our HGVs. As an alternative to diesel, using biomethane will save over 3,000 tonnes of carbon dioxide per year, with a tonne of food waste producing enough fuel for around 250 miles of HGV transport – the equivalent of over 150 litres of diesel. The circular system will also allow for more precise tracking of our GHG emissions and help support our Scope 1 and 2 targets.

[Read more](#)

Our future priorities

We remain as committed as ever to accelerating our action on food waste and building on the progress to date. We will continue to focus on preventing food waste from occurring in the first place through ongoing improvements to our supply and demand planning. For the surplus food that does occur in our own operations, we will continue to maximise redistribution to charities and the local community.

In support of this, we will work closely with stores across our estate to drive progress on our new company wide food surplus target and roll out training to empower our colleagues to drive compliance and progress. When charitable donation isn't possible, we will continue to explore more opportunities to recover food waste into animal feed. Ongoing engagement with our suppliers remains key in supporting them to measure and report on their food waste and redistribute surplus where possible.

1 Food waste is responsible for 6% of global greenhouse gas emissions - Our World in Data (<https://ourworldindata.org/food-waste-emissions>)

2 Based on an average of 8kg a carton and average of 30 items per carton.



Better for everyone

We rely on people, locally and globally, to help us provide good food for the communities we serve. In a world of rising inequality, we champion human rights, and strive to ensure fair treatment for both people and animals, creating a place where everyone can feel safe and supported.

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Championing human rights

At Sainsbury’s, we take our responsibility seriously to respect and protect people’s human rights, wherever they are in our business and value chains. We have a long history of setting high standards and working collaboratively with our suppliers to ensure that they are met and we work hard to embed respect for human rights and ethical practices throughout our business.

Our ambition

We are committed to **respecting human rights** across our value chain and ensuring our transition to net zero is just and equitable for the communities we source from

Our performance

Awarded **‘Leading on human rights innovation’** status, achieving a top tier rating in CCLA’s Modern Slavery Benchmark

Our commitment to human rights is informed by the UN Guiding Principles on Business and Human Rights (UNGPs). It centres on the risks that are most material to our business and workers and communities in our supply chain, focusing on where we can have the most positive impact. Our core human rights pillars encompass discrimination, forced labour, grievance mechanisms, safe and healthy working environments, and sustainable livelihoods.

We were proud to be recognised for our efforts and awarded ‘Leading on human rights innovation’ status achieving a top tier rating in CCLA’s Modern Slavery Benchmark.

Increasing transparency in due diligence

To ensure transparency and effectiveness in our commitment to human rights in our value chain, we commissioned an in-depth review of our human rights due diligence management systems. The review included a comprehensive evaluation of policies, alongside detailed interviews with colleagues, engagement with key suppliers and workshops with the human rights team. It assessed our approach against the six due diligence phases outlined by OECD Due Diligence Guidance for Responsible Business Conduct, the most widely recognised industry standard, as well as related human rights due diligence (HRDD) legislation.

This assessment identified areas of strong HRDD practice across our business and supply chains, and pinpointed areas for improvement in our approach. The Sainsbury’s Human Rights team and Technical and Commercial teams co-created an action plan to learn from and scale our good practices, as well as close any gaps against international good practices and standards.

In line with our commitment to greater transparency in the management of human rights allegations, our Modern Slavery Statement includes more detail on the types and locations of forced labour allegations we received, and the actions taken to address them.

New approach to sourcing from high-risk countries

HRDD should be driven by level of risk, so we have reviewed our approach to sourcing from high-risk countries. Working alongside the University of Nottingham’s Rights Lab, we drew on relevant data sources about country risk to create a trusted evaluation of all countries and identify high-risk countries from a human rights perspective.

The review helped us categorise countries into different levels of risk, leading to new guidelines for our food suppliers via our Responsible Sourcing Manual. This includes more stringent requirements to conduct enhanced due diligence in high-risk sourcing countries. We are piloting innovative tools to inform our due diligence, both at onboarding stage and during ongoing supplier management, including an increase in monitoring and scanning, as well as close inspection of publicly available company and supply chain data.

Strengthening our partnership with Fairtrade

Collaboration with suppliers and trusted third party organisations is central to delivering our human rights strategy. We have been working closely with the Fairtrade Foundation, Fairtrade producer organisations and our suppliers to consult and conduct risk assessments with banana, coffee and tea producers in key sourcing countries in East Africa, Latin America, South Asia and West Africa.



Case study: Working with Rights Lab on advocacy and a Just Transition

In 2023 we established a three-year strategic research partnership with the University of Nottingham’s Rights Lab, the world’s largest group of modern slavery researchers, to work collaboratively to understand and address the human rights risks in our supply chains.

Our 2024 strategic plan focused on eight areas, including our human rights advocacy approach. Led by the former UK Independent Anti-Slavery Commissioner Dame Sara Thornton, we developed our advocacy strategy, identifying a number of priority advocacy topics such as the development of the Fair Work Agency (FWA) and the effective evolution of the UK Seasonal Worker Scheme (SWS). Since crystallising our strategy, we have attended a number of parliamentary events and engaged with key stakeholders to support the call for changes in legislation.

Additionally, we are working with the Rights Lab to analyse the impact of climate change and nature loss on UK food retail supply chains. The research will also look at how retailers’ climate transition plans could affect supply chain workers’ human rights and will produce recommendations on how to address these risks, using the Just Transition principles. The report will be available to the public to support knowledge-sharing and collaboration.

Case study: Investing in wages for banana plantation workers

This year, we continued to collaborate with our partner Fairtrade, our banana supplier Fyffes and the Sustainable Trade Initiative (IDH) to improve workers’ wages in our banana supply chains. Our action to commit to contributing to higher wages for banana plantation workers was made three years ahead of the industry’s commitment deadline of 2027.

Sainsbury’s pays a premium above the cost of every box of bananas. It contributes to fairer wages that empower those who grow Fairtrade bananas to improve their livelihoods and financial security. The premium is also invested in sustainable farm practices. In addition, our evolving commitment over the year included giving suppliers added stability and financial security by moving to longer term contracts.

 [Read more](#)

Our future priorities

We will continue to strengthen our human rights due diligence through the implementation of our HRDD Action Plan and by proactively monitoring and responding to the evolving external landscape. We also aim to build action plans for key products, ingredients and sourcing countries that reflect our approach of minimum sourcing requirements, purchasing practices, on the ground investment, and advocacy. We will also work with partners to accelerate industry-wide initiatives linked to our human rights priorities.

Community and partnerships

As a UK retailer, we want to help ensure everyone has access to a balanced, nutritious and sustainable diet, regardless of their circumstances. Our community work embodies this vision as we support organisations carrying out vital work tackling food poverty in communities throughout the UK.

Our ambition

To leave a **measurable positive impact** on the communities we serve and source from and **address food poverty** by providing good food for all of us

Our performance

£21 million

donated to Comic Relief since our Nourish the Nation programme began

605

local initiatives supported through our Good food for all of us community grants in the last year

Partnership with Comic Relief
It's now 25 years since we first partnered with Comic Relief and over two years since we launched our Nourish the Nation community programme together. At a time when the cost of living is preventing many from enjoying good food, Nourish the Nation is funding initiatives designed to resolve immediate hunger, provide good food for all children and create more food secure communities.

This year we donated over £8.9 million to Comic Relief to help those experiencing food poverty, with the support of key customer campaigns, including:

- Committing to funding over one million meals for children and families during the school holidays through customer fundraising, including purchases of selected fruit, veg and Dolmio products.
- Donating every penny from the sales of our *by* Sainsbury's and Free from classic mince pies to Comic Relief during December, to donate over five million meals to families. Additionally, we ran our first Comic Relief Christmas advertisement on TV.
- Donating 25p from the sales of every *by* Sainsbury's Italian Style Ready Meal range throughout January to April to help fund the provision of one million fresh meals with our supplier Greencore.

All year round, customers can donate to Comic Relief at our tills, online, or donate their Nectar points, and we continue to engage customers and provide a variety of ways they can support us on our mission to tackle food poverty.

Since its launch in 2022, Nourish the Nation has raised over £21 million for Comic Relief, providing around 31 million meals for communities experiencing food poverty. The partners supported by Nourish the Nation are making a real difference and have launched over 55 new food clubs across the UK since receiving funding from Sainsbury's and Comic Relief, with 72 per cent of people using them reporting that they are skipping fewer meals than before.

Helping tackle child food poverty
The UK Government's Holiday Activities and Food (HAF) programme provides healthy meals and enriching activities to children from low-income families during the school holidays. Generally, children eligible for free school meals are only supported by the HAF programme for four days a week, and for four weeks of the six-week summer break, so there is a pressing need for extra support.

We have donated over £3.5m to Comic Relief to support with HAF programmes, helping children experiencing food poverty during the school holidays. In 2024, this funding helped to create over 35,000 holiday club places.

We also advocated with our partners Comic Relief and Feeding Britain for the extension of the Government's HAF programme, which was due to end in March 2025. Our Chief Marketing, Data and Sustainability Officer, Mark Given, attended a House of Lords roundtable in October 2024 to discuss the programme and we were delighted that in January the Department for Education confirmed the renewal of the HAF programme for the 2025/26 financial year.

Local community impact
We continue to work with Neighbourly on our 'Good food for all of us' community grant programme, with colleagues from our stores and store support centres nominating a not-for-profit partner to receive a grant of at least £500. In 2024/25, we supported 605 local initiatives, donating over £1 million to help support our local communities. Since 2021, we have donated over £4.1 million through the scheme.

Our colleagues are key to making a difference to the communities we serve. We launched a volunteering platform with Neighbourly to make it easier for store support centre colleagues to volunteer for opportunities in the local community, including anything from helping at a food bank to enhancing biodiversity at a community food garden.

We're also proud to have been partners with the Royal British Legion for over 30 years, and in 2024 we raised over £34 million during Poppy Appeal to support our Armed Forces community.



Case study: Spicing up mealtimes with the Seasonings Shuttle

Research commissioned by Sainsbury's revealed that over half of those who struggle to pay their bills are no longer excited by food or mealtimes, so we launched the Seasonings Shuttle with Comic Relief, offering free herbs and spices to visitors of the mobile food clubs run by our partner The Bread and Butter Thing. The initiative aimed to tackle meal monotony and ensure that food club users had access to good food, without having to compromise on taste.

In May and August, the Seasonings Shuttle visited locations in Manchester and the North East of England, and visitors could choose from a range of dried or fresh ingredients to take home. After the launch in Manchester, 91 per cent of visitors reported the ingredients made their meals more enjoyable.

[Read more](#)

Case study: Mia's story

Mia, a 15-year-old from Hackney, attended a Sainsbury's and Comic Relief funded London Community Foundation HAF programme. Coming from a single-parent household experiencing financial challenges, Mia had been facing issues related to food insecurity and confidence.

The programme offered a welcoming and supportive space, along with daily nutritious meals and engaging activities. Mia particularly connected with the cooking workshops, where she learned how to prepare healthy meals. These new skills gave her the confidence to support her mum with meal planning and cooking at home. By the end of the summer, Mia felt inspired to give back and has since returned to the project as a volunteer. She now plays an active role in supporting other young people in her community.

Our future priorities

We will continue to work with our key partners to build more food secure communities and are rallying our colleagues, customers and suppliers behind our efforts to drive long-lasting change in helping to tackle food poverty. As we look forward, we will focus on evaluating the impact that our Nourish the Nation community programme is delivering on the issue of food poverty in order to inform our future strategy.

Animal health and welfare

Higher animal health and welfare is a top priority for our customers. We have been a leading UK retailer (by volume) for RSPCA Assured products since 2011, and this year we have been embracing ‘vet tech’ to improve welfare and efficiency on dairy farms.

Treating animals well and keeping them healthy is not just the right thing to do, it also makes good business sense. Healthy, well-managed animals are more likely to deliver higher-quality food that our customers enjoy buying and consuming and also contributes to other areas of Plan for Better from reducing food waste and carbon to improving productivity.

Our approach to animal health and welfare frequently exceeds established best practice in our sector, and we are continually working to improve welfare in our supply chains. To ensure accountability and transparency across all applicable animal species, we publish our health and welfare outcomes in our annual Animal Health and Welfare and Antibiotic Stewardship reports.

Better welfare standards for better outcomes

This year we have seen an improvement in our sales volumes from better welfare standards above the UK industry baseline, up 0.6 per cent on the year to reach 62.7 per cent.

In addition, 80 per cent of our targeted animal health and welfare outcome KPIs achieved a rating of ‘good’ or ‘excellent’. Up from 78.5 per cent in 2023, this demonstrates tangible improvements in animal health and welfare in our supply chains.

In many cases, better animal health and welfare can also lead to improved productivity, efficiency and sustainability on our supplying farms.

RSPCA Assured Partnership

We celebrated our 20-year partnership with the RSPCA in 2024, making them central to our marketing materials to promote our higher welfare offer to customers. Since we started selling RSPCA chicken products in 2004, we have added salmon (2008), pork (2008), eggs (2009), turkey (2010), and trout (2014) products to our roster and have been a leading UK retailer (by volume) for RSPCA Assured products since 2011. Improved animal health and welfare is a

key driver not only of efficiency but of lower GHG emissions, which is why the Sainsbury’s Dairy Development Group (SDDG) has had welfare as its focus since its inception over 15 years ago.

Antibiotic stewardship

We continue to promote responsible antibiotic stewardship in our supply chains and work closely with our suppliers to measure, monitor and reduce antibiotic use where possible. In 2024, 86.7 per cent of our key animal supply chains achieved Sainsbury’s responsible use targets for total antibiotic use, and improved from our baseline year of 2021. Our datasets now include our key farmed seafood species, alongside our meat and dairy supply chains. 60 per cent had zero use of antibiotics deemed critically important to human health.

Moy Park initiative sees positive results

In partnership with Moy Park, our trusted poultry supplier, we were the first retailer of our scale to make a move which gives our birds 20 per cent more space and enhances their welfare – helping our *by* Sainsbury’s chickens live happier and healthier lives.

In 2023 we began work to reduce maximum bird stocking density from 38kg/m² to 30kg/m², giving our birds 20 per cent more space than the industry standard.

The initiative has led to improved health and welfare quality for around 100 million chickens, with other retailers following our lead. Our foot pad scores, hock scores and cleanliness scores are all better than the previous year, and there has been an average 29 per cent reduction in the incidence of common ailments in the chickens.

Because the chickens moving through our entire supply chain are healthier, food waste has reduced by 35 per cent, and supply chain efficiencies have led to a saving of over 4,000 tonnes of carbon since 2023.



Case study: Vet tech a world first for Sainsbury’s dairy farms

We have become the first retailer in the world to invest in new AI veterinary technology, Vet Vision AI, that can measure and enhance animal welfare on dairy farms, with potentially significant impacts on quality and productivity.

The new technology developed by Vet Vision AI, a spin-out company from the University of Nottingham, is designed to both spot problems and identify when and why cows are happy and healthy.

Vets can use low cost, portable cameras to monitor cows on multiple farms, with the AI recognising patterns in behaviour. This can then be analysed and the video footage turned into real-time, accurate data. 24-hour monitoring means farmers can confidently share unique insights into cow welfare that can’t always be identified during normal vet visits.

As well as early identification of illness, the technology monitors positive improvements in cow behaviour and insights through AI analysis for the farmer to discuss and implement change, such as ways to increase comfort levels to mitigate disease. The technology allows a ‘test and learn’ approach to welfare interventions. Healthier cows are more productive, so farming efficiency improves. If, for example, the AI advises improving cow comfort through increased lying time, this could lead to the cow becoming stronger on its hooves and able to produce more milk for the same amount of feed.

AI use on farms is an expanding area, but what sets this technology apart is the ability to show when a cow is thriving, as opposed to just spotting illnesses and ailments.

Vet Vision AI is currently in use on 30 of Sainsbury’s Dairy Development Group (SDDG) farms, and we aim to roll out the technology further next year.

[Read more](#)

Our future priorities

We aim to further accelerate our animal health and welfare outcome KPIs in the coming year. We are committed to long-term supplier partnerships that allow us to improve performance and benefit from associated improvements, such as increased productivity and improved environmental sustainability.

Our ambition

We will improve **animal health and welfare** and practise **responsible antibiotic stewardship**

Our performance

20 years
partnership with the RSPCA

Driving an inclusive culture

We are committed to being a truly inclusive employer where every colleague is treated fairly and with respect. We want our colleagues to fulfil their potential and our customers to feel welcome when they shop with us, so it is important that diverse representation is visible at all levels of our business.

Our target

To achieving diverse representation in leadership positions by 2028

New targets

Senior leadership and senior management positions to be made up of **50% women** and **15% ethnically** diverse people by 2028

(excluding Bank and Asia colleagues)

Our performance

For the third consecutive year, included as

The Times Top 50 Employer for Gender Equality

(one of only two retailers recognised in the list)

We continue to focus on diversity, equity and inclusion (DEI) in our business. The feedback we get every year from colleagues about what matters to them and how they feel about their work helps us ensure that our policies are relevant and make Sainsbury's a great place to work.

In our latest annual colleague engagement survey, 'We're Listening', 78 percent of colleagues say they feel comfortable being themselves at work, 69 per cent say they are treated fairly and 70 percent feel supported by their line manager.

Gender and ethnicity pay gap

We continue to prioritise representation and transparency across the business and every year publish an integrated Gender and Ethnicity Pay report.

This year's report shows that our 2024/25 mean gender pay gap decreased further from 8.4 per cent to 7.5 per cent in favour of men, while our median gender pay gap has decreased from 6.7 per cent to 6.1 per cent. While the number of women in senior leadership positions has increased by 0.3 per cent, the pay gap exists because there are more men in higher paid management and leadership roles and more men carrying out hourly paid roles that attract a premium pay rate, including online delivery drivers and bakers.

Our mean ethnicity pay gap is -3.4 per cent in favour ethnically-diverse colleagues (-2.9 per cent in 2023) and the median gap is -5.8 per cent (-5.4 per cent in 2023). Although all hourly paid colleagues in retail receive the same basic rate of pay, stores in London attract a premium rate. Over 38 per cent of hourly-paid ethnically diverse retail colleagues work in a London store, compared to only 4 per cent of white hourly-paid colleagues.

Building a diverse talent pipeline

We have renewed our targets to increasing gender and ethnic diversity at the senior levels of the organisation with a set of new representation targets for 2024 -2028. To ensure that we have the support in place to build a diverse talent pipeline, we offer leadership

development acceleration programmes to encourage a diverse talent pipeline. Our Accelerate YOU programme aims to speed up the progression of high potential ethnically diverse colleagues through targeted and personalised development. We have introduced a more accessible Retail Management programme that allows colleagues from any part of the business to put themselves forward for the development opportunity. This year, 18 of our high potential ethnically diverse colleagues went through Accelerate YOU, providing them with the support and development to move into a senior leadership role.

Further, we regularly analyse different parts of our business to identify areas that require further investment into diversifying the talent pipeline. We know that the Tech and Digital Division is an area where we had a shortage of female candidates for roles, and therefore, we partnered with Code First Girls, helping us recruit 29 women to join our business in 2024.

External recognition

For the third consecutive year, we have been named one of the Top 50 Employers for Gender Equality by The Times, one of only two retailers recognised on the list.

We continue to be accredited as a Disability Confident Leader, the highest tier of accreditation in the Government's Disability Confident scheme. The Chair of our EnAble network was also recognised in the Shaw Trust Disability Power 100 list for her contribution to advocating for the disabled community.

We are very proud that both our Chief Executive and Chair were recognised at the Diversity in Retail Inclusion Awards as Most Inclusive Chief Executive Officer Retail and Most Inclusive Chair in Retail. In addition, this year our Proud@Sainsbury's network was nominated in the Outstanding LGBTQI+ Network of the Year category at the British LGBTQ+ awards.

We were the only retailer to be accredited as a Carer Confident: Accomplished employer. This was achieved due to our efforts and the level of support offered to our carer colleagues.








We continue to work with several partners to further our DEI agenda, including the Business Disability Forum, Carers UK, Stonewall, Business in the Community, Diversity and Inclusion in Grocery, and Diversity in Retail.

Our colleague networks

We have five colleague networks designed to represent and celebrate the diversity in our workforce, with over 13,000 members in total. All of our networks are led by, and are open to, colleagues who are part of each community and their allies. They celebrate a number of relevant events across the year such as Race Equality Week, Carer's Week, International Women's Day, Pride Month and Sainsbury's Disability Week. They also play an integral part in representing our colleagues and agitating the business to make positive change.

Networks include:

- **EnAble** – Our network for colleagues with disabilities, long-term health conditions and their allies.
- **I AM ME** – Our network for ethnically diverse colleagues and their allies.
- **inspire** – Our network for colleagues of all genders and their allies.
- **Proud@Sainsbury's** – Our network for members of the LGBTQ+ community and their allies.
- **We Care** – Our network for colleagues with caring responsibilities and their allies. the network has grown to more than 1,500 members.

Our future priorities

As we look to the future, our commitment to cultivating an inclusive and engaged workforce remains unwavering. We envision a workplace where every colleague can flourish, unlocking their full potential and propelling our business to new heights.

Over the next 12 months, we will embark on several key initiatives to bring this vision to life even more. We will launch an allyship program open to all colleagues, fostering a culture of mutual support and understanding. Additionally, we will cultivate a culture of senior leadership sponsorship, ensuring that our leaders actively champion diversity and inclusion.

Colleague health, wellbeing and development

We prioritise the health and wellbeing of our colleagues. Happy people who enjoy their jobs, and have opportunities to develop their careers, help us attract the top talent and make us a more successful business.

Our ambition

Every colleague will have access to mental, physical and financial health and wellbeing support that enables them to make positive and proactive choices, enabling them to thrive in all aspects of life

We provide opportunities for all our colleagues to develop and grow their skills and careers for both now and the future

Our performance

Tier 1

employer in the CCLA UK Corporate Mental Health Benchmark 2024

92%

apprenticeship pass rate following completion of their programme

Wellbeing

Our holistic approach to colleague wellbeing is centred around three pillars – mental, physical and financial. We run several wellbeing campaigns throughout the year to raise awareness, reduce stigma and create a culture of openness, providing tools and resources to support them.

Mental and physical wellbeing

Our colleagues are at the heart of what we do. They make a big difference every day, showing our customers they are ready to help and welcome them when they shop with us. We know that having happy, healthy and engaged colleagues is pivotal to the long-term success of our business.

Therefore, we place great emphasis on things that enhance colleague wellbeing such as; a safe and inclusive working environment, fair pay, a good work-life balance, access to wellbeing tools and resources and opportunities to learn and grow which in turn helps us build a better workforce. We strive to create an environment that is free of stigma, where colleagues can talk openly about their mental health, reach out for help if they need to and know they are listened to without judgment.

We are a Tier One employer in the CCLA UK Corporate Mental Health Benchmark assessment, cementing Sainsbury's as a company leading the way on workforce mental health management and disclosure.

Our annual colleague engagement survey showed 71 per cent of our colleagues feel their line manager takes a genuine interest in their wellbeing. 11,600 line managers are completed Mental Health Awareness training this year and 65 per cent of colleagues report that our mental health and wellbeing tools enable them to improve their wellbeing.

In Mental Health Week 2024, we focused on the impact that physical activity and exercise can have on mental health, with advice, guidance and tools to help colleagues of all ages and levels of fitness to 'Move More for Mental Health'.

We are committed to enabling colleagues with long-term health conditions or disabilities to be at their best at work. In 2024, we improved our workplace adjustment processes, which included creating clearer workplace adjustment guidance for colleagues and line managers and information on implementing adjustments at interview and onboarding stages ensuring necessary support is in place for our colleagues from the start.

Remuneration and financial wellbeing

We continue to invest in colleague pay, with an above inflation pay increase of five per cent for hourly paid colleagues in the year ahead, matching the Living Wage from August 2025.

Our colleague discount increases from ten to 15 per cent every Friday and Saturday, making the weekly shop more affordable. In addition, we provide our store and depot colleagues with free food during their shifts.

For this year's financial wellbeing campaign, Talk Money Week, our colleagues had the chance to win a £50 gift voucher by entering their money saving tips, in partnership with financial wellbeing partner Salary Finance. Salary Finance offer colleagues financial wellbeing tools such as money insight tools and resources, colleague loans paid via salary, advances on earned pay and simple savings accounts.

Colleague safety at work

Research by the Retail Trust revealed attacks on shop workers are increasing amidst rising levels of in-store crime. We know feeling unsafe at work can have a detrimental impact on the mental health and wellbeing of our people. We continue to invest in colleague-worn cameras, with 8,600 cameras across our stores. We also provide personal safety training and support for colleagues following an incident. Every eight weeks, our National Make it Better Together team – an elected body of colleague representatives – meets with our Chief Executive, Chief Retail and Technology Officer and our crime and security team to discuss

plans to keep our colleagues safe.

We're proud to be partnering with the police and other UK leading retailers to develop a dedicated team to tackle Organised Retail Crime.

Development

Providing colleagues with clear career pathways and opportunities for development ensures we have a committed and knowledgeable workforce. All our colleagues have access to a learning platform that hosts various online courses, including personal development and mandatory training.

Our business thrives when colleagues are aligned with our purpose and fully in support of our strategy. To help everyone across the business understand more about key sustainability topics and our Plan for Better, we've worked on training materials this year available to all colleagues, including videos and one pagers on carbon, water, food waste, ethical trading and deforestation. Our technical and commercial colleagues drove the agenda.

Our aim is to inspire and guide individuals at various stages of their professional journeys by providing a range of development opportunities and programmes.



Our future priorities

At the core of our workforce strategy, is ensuring our colleagues and leaders have the skills and capabilities required to adapt to the ever-changing world around us and meet our Next Level ambitions, in an environment where everyone feels included, safe and well. Over the next 12 months, we will implement inclusive actions that keep our colleagues well and help them perform at their best. This alongside the design and development of our Next Level Employee Value Proposition, which focuses on the moments that matter for our colleagues, will create a leading employee experience that helps us to retain and attract the very best talent.



An integral part of our Sainsburys purpose is to play a leading role in creating a sustainable food system. Our Plan for Better is integrated into our strategy and the way we operate as a business, driving improved customer, commercial and sustainability outcomes.

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How we work

Plan for Better governance

Sustainability is integrated into Sainsbury's Group's overall strategy and is key to delivering it. The Corporate Responsibility and Sustainability Committee's role is to provide oversight and challenge on any material sustainability matters identified, advising and making recommendations to the Board where appropriate.



Key activities in 2024/25

- Approved the year-end results and reporting for 2023/24
- Reviewed customers' perceptions across the Plan for Better pillars
- Reviewed progress against the communities and partnership strategy and agreed priorities for 2024/25
- Reviewed the Plan for Better targets, including the key risks and dependencies to deliver. Topic discussions included healthy and sustainable diets, plastic and human rights. Proposals for targets beyond 2025 were reviewed and approved, including potential metrics for the 2025 Long-Term Incentive Plan (LTIP)
- Discussed the impact of the Extended Producer Responsibility legislation (EPR) for packaging and the Group's future approach to packaging
- Received updates on Scope 1, Scope 2 and Scope 3 carbon emissions and renewable energy
- Renewed our ambition to increasing gender and ethnic diversity at the senior levels of the organisation with a set of new representation targets for 2024 to 2028
- Discussed the Group's performance in the Advantage survey and identified opportunities for the future
- Received updates on the government relations strategy for 2024/25
- Reviewed the investor Plan for Better communication strategy and approved investor engagement plans
- Received training on Scope 3 emissions, including the challenges and steps the Group is taking to report on these emissions
- Approved changes to the Committee's terms of reference








Priorities for next year

- Approval of the year-end results and reporting for 2024/25
- Continue to focus on embedding Plan for Better into all aspects of the Next Level Sainsbury's strategy and financial planning
- Assess future reporting regulations and disclosure readiness, including TNFD, UK Sustainability Disclosure Standards and IFRS ISSB
- Refine our Climate Transition Plan including levers and roadmaps for key hotspots
- Evolve our approach in healthy and sustainable diets whilst influencing the system through sector advocacy and collective action
- Deliver our evolved packaging strategy, assessing the impact of legislative change such as Extended Producer Responsibility (EPR) modulated fees and their impact to the strategy
- Oversee progress towards delivery of our deforestation and conversion free target and evolve our future approach to protecting and regenerating nature
- Update our materiality assessment to ensure continued focus on material issues
- Oversee our approach to enhanced human rights due diligence
- Continue to focus on accelerating action to reduce food waste
- Listening and learning from stakeholders, including customers, community, government, investors and suppliers to further enhance our strategy
- Upskilling and training including supplier visits and guest speakers

¹ Remit of Committee in relation to the sustainability strategy. For full details on the Committees please see our 2025 Annual Report or our Corporate Governance webpage.
² Attendees include the Chief Commercial Officer, Sainsbury's, Chief Property and Procurement Officer, MD Smart Charge, Director of Sustainability, Director of Corporate Affairs, Director of Finance and subject matter experts from different areas of the business.

Engaging with our stakeholders on sustainability

We engage our stakeholders throughout the year on the sustainability issues that matter the most to them. We create opportunities for two-way, open and positive engagement that ensures we are always listening and responding to their most urgent needs.

Stakeholders	Important issues this year	How we responded to these issues	Our engagement channels
<div>  <div>Customers</div> </div>	<ul style="list-style-type: none"> Supporting our communities Human Rights Ensuring animal welfare Provenance and responsible sourcing Reducing plastic and recycling 	<ul style="list-style-type: none"> Launched Good to Know to support customers navigate to more sustainable choices including campaigns on ASC/ MSC fish, RSPCA Assured and Fairtrade Quantitative and qualitative research to inform our strategy and understand how to more effectively communicate Plan for Better Nectar360 extended its partnership with the Woodland Trust until 2027 and launched a new partnership with Severn Trent Water to support customers live more sustainable lives 	<ul style="list-style-type: none"> Customer communications across all channels Brand tracking and CSAT (Customer satisfaction score) Nectar data Qualitative customer focus groups and quantitative surveys
<div>  <div>Colleagues</div> </div>	<ul style="list-style-type: none"> Progress against our Plan for Better targets Capability building around key topics including Human Rights, Water Risk, Scope 3 carbon Reward and benefits Training and development Wellbeing, health and safety Diversity, equity and inclusion 	<ul style="list-style-type: none"> Confidential colleague feedback on what it is like to work for the business, helping us to understand colleagues' views and sentiments Provided regular updates to the Board on culture, DEI, colleague pay, benefits, talent and succession Shared our progress through colleague screens and monthly updates on internal social media channels Delivered campaigns, corporate events and team cascades to highlight Plan for Better progress including colleague wellbeing campaigns such as Mental Health Awareness week Full day training sessions and new online training modules developed for five topics 	<ul style="list-style-type: none"> National Make It Better Together group, with elected representatives of colleagues across the business Network of 2,000 Wellbeing Champions Continual two-way communication through internal channels Team huddles and cascades Annual colleague engagement survey, 'We're Listening' Regular pulse surveys In-person and online training
<div>  <div>Suppliers</div> </div>	<ul style="list-style-type: none"> Plan for Better strategy and plans 	<ul style="list-style-type: none"> Produced supplier journal and newsletters, covering topics such as our healthy choice logo, working with Fairtrade, celebrating 20 years with Woodland Trust and SBTi targets approval Engaged with key suppliers on SBTi target approval and disclosure through environmental impact disclosure systems such as Higg, CDP and Manufacture 2030 Trade briefing, covering our targets, progress and requirements Carbon action group held with 30 suppliers Launched action group with our HEIS across livestock, crops and fish supply chains Annual supplier visit with PLC board 	<ul style="list-style-type: none"> Supplier events and conferences Supplier journals and newsletters Updates with our supply base through online supplier portals Annual, independent Supplier Advantage Survey 'Making it Happen' action groups covering Carbon PLC dinners and supplier visits
<div>  <div>Shareholders</div> </div>	<ul style="list-style-type: none"> Human rights, with a focus on Seasonal Workers Scheme and Living Wage Nature and biodiversity Healthy and sustainable diets, with focus on protein diversification, affordability of healthy choices and metric benchmarking 	<ul style="list-style-type: none"> Engaged with investors 1:1 and in small groups to answer questions and discuss their feedback on most material issues News alert updates shared with investors Hosted in-person event for investors and analysts to launch our "Next Level Sainsbury's" strategy, including Plan for Better's role 	<ul style="list-style-type: none"> Regular reporting within our quarterly results Deep dive small group meetings New alerts and corporate website reporting 1:1 engagement Participation in key metrics and benchmarks
<div>  <div>Communities</div> </div>	<ul style="list-style-type: none"> Tackling food poverty for communities at risk now and in the future Improving access to food to prevent the risk of falling into food poverty, at local and national level 	<ul style="list-style-type: none"> Raised £33.8m for good causes and donated 18.3 million meals through our food redistribution partners Supported children experiencing food poverty in the school holidays by helping to create over 35,000 holiday club places Launched a Seasonings Shuttle service offering free herbs and spices to users at mobile food clubs in Greater Manchester and the North East of England, run by The Bread and Butter Thing Supported 605 local good causes this year through our community grant programme donating over £4 million to initiatives supporting our local communities since 2021 	<ul style="list-style-type: none"> Ongoing partnerships with our food redistribution partners Longstanding partnership with Comic Relief Colleague and customer communications Community champions in our stores and Store Support Centres
<div>  <div>NGO / Industry</div> </div>	<ul style="list-style-type: none"> Openness and transparency Collaboration with NGOs and industry Business responsibility Insight from business leaders Dedication of time and resources to address key challenges and issues 	<ul style="list-style-type: none"> Our CEO, Simon Roberts, became IGD president and will focus on leading the work to build a more sustainable food system. He also has given a number of speeches including at the National Food Congress Worked with NGOs, to unlock sector challenges on data definition and measurement Our CEO, Simon Roberts, was appointed as the retailer on the Government's new Food Strategy Advisory Board, supporting the development of a forward-thinking National Food Strategy 	<ul style="list-style-type: none"> Ongoing development of partnerships with NGOs Regular industry meetings and collaboration, supported by NGOs Participation in key benchmarks and disclosures
<div>  <div>Government</div> </div>	<ul style="list-style-type: none"> Action on sustainability matters 	<ul style="list-style-type: none"> Parliamentary events including parliamentary reception Worked closely on key reforms including Food Resilience, Health, EVs and Circular Economy Direct engagement with MPs, Ministers and officials through events, meetings, visits and panel discussions 	<ul style="list-style-type: none"> Regular correspondence and attendance at Parliamentary and political events and conferences Public responses to consultations through NGO/industry groups

Suppliers as partners

We can only build resilience in our supply chain and deliver our Plan for Better by working in partnership with our suppliers. They are fundamental to the success of our business. Long term partnerships and close collaboration will enable us all to innovate and develop solutions to the food supply challenges that face us as a result of climate change.



Purpose drives all our business decisions, which is why we're very intentional about our partnerships and how we work with UK farmers. By providing long-term contracts and more financial stability for farmers, we're enabling more confident investment in farms and factories.

Moving away from shorter-term contracts, which have historically been utilised by the food industry, and building these more sustainable partnerships will support us in delivering great quality, affordable food for the future.

We cannot achieve the change we need without collaboration and longer-term partnerships with suppliers. Moving towards cost-based payment models provides greater certainty and help build confidence throughout the system – from farmer and grower level upwards, and allows meaningful, sustainable changes to materialise.

We've identified the pressure points in the industry and where we can intervene to help. We continued our action this year across five themes: investment and longer-term partnership, innovation, reward, joint problem solving and systems-level action.

A significant proportion of our own brand fresh products are now on long-term agreements, and we have made good progress across a broad range of product areas. Marking a significant step, and a UK first, the Sainsbury's Egg Group will address crucial aspects of egg production.

Innovation drives our farm GHG emission reductions

In 2019 we increased our focus on farm level GHG emissions and have worked in conjunction with our farmers to improve data quality, establish a carbon baseline and drive GHG reductions. Since then, our suppliers have delivered a reduction in the SDDG's footprint, and we expect to continue to deliver greater reductions in the future through our continued collaborative approach with producers. An example of this is our aligned group of pork producers for both our core fresh pork and Taste the Difference pork with whom we work to drive improvements in sustainability, welfare and

quality.

Sustainability Matrix - our voluntary program rewarding dairy farmers

The SDDG's sustainability matrix, launched in 2023, aims to build on these improvements to directly incentivise reductions in emissions. The Sustainability Matrix forms part of the pricing structure for the SDDG, which includes both a certain profit margin, to allow business reinvestment to ensure long-term business resilience, and a sustainability bonus, to incentivise on-farm interventions and performance that reduces GHG emissions and improves nature.

The framework of the matrix allows us to incentivise progress in the near term and also allows for further development as the group improves, so we are able to drive continuous improvement. In 2024 we carried out two rounds of the matrix with our SDDG farmers, in April and October.

Collaborative solutions

This year we launched several action groups with High Environmental Impact Suppliers (HEIS) across our livestock, crops and fish supply chains. Our tailored engagement covers GHG emissions, water risk, soil health, indirect deforestation risk, biodiversity and waste.

In agriculture, we have identified 28 priority suppliers, identified by overlaying the volume of product supplied, value of product supplied, and environmental (carbon, water, biodiversity, soy) risk. In Autumn 2024, we engaged these suppliers to understand their data and progress on carbon, water, biodiversity, soil, soy and waste. With respect to carbon, we have worked to identify our priority levers for action across MFP, Produce and Dairy and will be working to address these over the coming year.



Case study: Expanding our partnership with Fairtrade

Over the last year, we've expanded our work with Fairtrade, building on a partnership of over 20 years, to help us build a more resilient and sustainable food system. We have continued to work collaboratively on our approach to improve wages for banana workers, with a mechanism that enables an additional contribution to go towards reducing living wage gaps for workers on plantations within our banana supply chain.

In May 2025, we announced that we have further expanded our partnership by converting all of our *by Sainsbury's* black tea to Fairtrade, which will result in an increase to the Fairtrade Premium that farmers and workers receive to over £1,000,000 annually.

We are also working collaboratively to create more robust and sustainable supply chains by developing an innovative initiative with Fairtrade, involving over 50 producers across tea, coffee and bananas, that will ensure the benefits of Fairtrade drive long lasting positive impacts to communities.



Case study: Launch of Sainsbury's Egg Group is a UK first

We have launched a new Egg Group to support our egg farmers, ensuring a stable supply of eggs and improving sustainability. This initiative is a first for the UK retail sector and has three key points of focus:

Financial security: we have committed to paying the cost of production or above for eggs, providing farmers with financial stability in a volatile market with the aim of encouraging investment in future innovation.

Enhanced animal welfare: with a focus on continuous animal welfare improvements we utilise data and insights, which are shared between farms, to facilitate learning and best practice across the group.

Carbon reduction: farmers in our Egg Group are committed to carbon reduction and annual carbon footprint assessments. We support farmers in implementing sustainable practices, such as reducing soy in feed and transitioning to renewable energy – and farmers are already making progress in these areas.

Challenges and partnerships

Organisations cannot tackle the complex challenges of climate change, biodiversity loss and social injustice in isolation. Addressing these challenges will require collaboration across industry, NGOs, Government and beyond to maintain focus, facilitate conversations and drive change on pivotal issues.

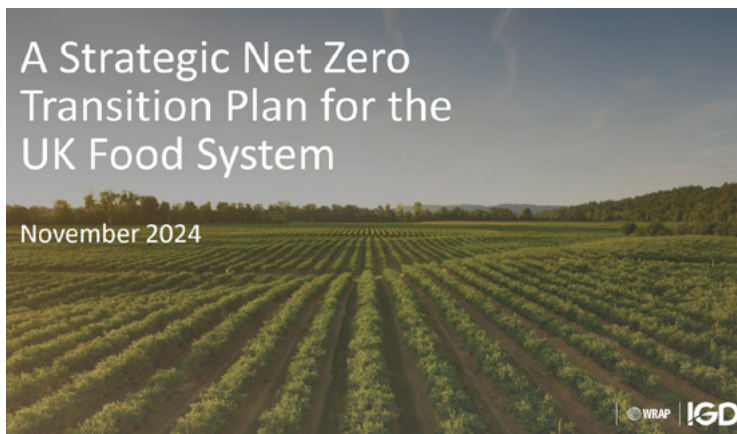
Challenge		What are we doing	Partnerships to meet our challenges	
Data definition and measurement	Standardised definitions and approaches to measuring and monitoring across both climate and nature to more effectively drive progress, comparison, and reporting. <ul style="list-style-type: none"> Carbon Scope 3 Healthy, sustainable diets Agricultural food waste Biodiversity baselining, sustainable water management and soil health Granular sourcing information to effectively assess 	<p>We are collaborating through industry groups to agree best practice definitions and reporting and simplify data collection for our suppliers and enable more granular reporting.</p> <p>We are partnering to drive nature positive agriculture and support farmers measure biodiversity improvements. Continued work on traceability to more robustly assess nature-related issues across our supply chain.</p>	<p>Food Data Transparency and Design Partnership Group</p> <p>Partnership between government, industry and experts on common definitions and disclosures for healthand environment.</p>	
			<p>Land App and UK Centre for Ecology & Hydrology (UKCEH)</p> <p>Support British farmers with habitat planning and soil health.</p>	
			<p>WRAP, Manufacture 2030, Higg, Mondra / BRC</p> <p>Sector alignment on best practice carbon measurement, data collection and tooling.</p>	
Technology and innovation	Technology development notably in: <ul style="list-style-type: none"> Commercially viable alternative fuel vehicles to support our decarbonisation plan Suitable, commercially viable alternatives for difficult to recycle materials that don't impact product safety, quality and shelf life 	<p>We conduct feasibility studies and trials to explore new technologies and solutions and ensure operational suitability.</p> <p>We continue to work with supplier and industry groups to invest in new ideas and innovations to find better packaging solutions.</p>	<p>Fortescue, Manufacturers, eFreight 2030</p> <p>The Government have invested £200 million into a UK wide trial where operators and hauliers will test and trial electric HGV's and Chargers. We are actively engaged in this process through eFreight 2030 consortium to understand the opportunity for our business.</p>	
			<p>WRAP Incpen BRC Packaging Suppliers Packhub</p> <p>We've begun a new project, led by research, working partnership across the entire supply chain, with raw material producers to recyclers, to explore a more sustainable solution for barrier films.</p>	
Collective Action	Understanding how to deliver the required transformation in the UK food system.	<p>We are working alongside industry to understand how everybody in the food system needs to change the way they work to grow resilience and sustain what we deliver for the long-term future.</p> <p>We are working alongside policymakers, the food industry and experts to build towards a UK food system that delivers economic growth, improves health outcomes, protects our natural environment, and delivers lasting social good.</p>	<p>IGD</p> <p>Following the work with IGD, together with Ernst and Young, on an industry climate transition plan published in November 2024 (see case study on page 31 for progress to date), the IGD's Food System Change Leaders Forum (FSCLF) aims to drive meaningful progress towards net zero. Action is focused in six areas of which Sainsbury's is actively collaborating in three.</p>	
			<p>Food Strategy Advisory Board</p> <p>Our CEO, Simon Roberts, has been appointed as the retailer on the Government's new Food Strategy Advisory Board, supporting the development of a forward-thinking National Food Strategy.</p>	
Policy and system change	Policy intervention and investment to create the infrastructure for change, enable a level playing field and support customer behaviour change and logistics transition to net zero. Including: <ul style="list-style-type: none"> Recycling infrastructure in UK Human Rights (incl. HRDD and labour market enforcement) Logistics infrastructure 	<p>We have outlined our key priorities to Government and regularly provide input and insight through industry groups and sector consultation.</p> <p>Whilst regulation such as EUDR is driving progress towards deforestation free soya, there is currently no commercially viable certification scheme for conversion free soya. Collaboration is needed both within the UK and through global initiatives to engage directly with traders to find a solution. We are also working with industry to address challenges on traceability of palm oil used in oleochemicals.</p>	<p>BRC Government (DEFRA)</p> <p>Working to promote the value of the retail sector across the UK, fostering sector alignment on key sustainability challenges, and responding to Government consultations to share sector insights and outline the impact on businesses and the wider industry.</p>	
			<p>University of Nottingham's Rights Lab</p> <p>We developed a human rights advocacy approach, identifying priority topics such as the development of the Fair Work Agency (FWA) and the effective evolution of the UK Seasonal Worker Scheme (SWS). We have since attended parliamentary events and engaged with key stakeholders to support the call for changes in legislation.</p>	
			<p>UK Soy Manifesto (UK) Retail Soy Group (UK)</p> <p>Through the Retail Soy Group/ Uk Soy manifesto we have supported the development of a plan to work with major traders to run a conversion check on the deforestation free soy to increase transparency.</p>	
			<p>Consumer Goods Forum (CGF) Forest Positive Coalition (global) Oleochemical working group</p> <p>This will help us understand the rates of conversion in soya (see case study on page 31).</p> <p>We currently buy RSPO Mass Balance palm oil at a minimum for oleochemicals while we work to improve traceability.</p>	

We collaborate and work with many other notable partnerships across a wide range of areas to support knowledge sharing and industry wide action to deliver the change we need.

Fairtrade Future Food Movement Comic Relief Ethical Trade Initiative Ellen McArthur Foundation Soil Health Industry Partnership Stronger Together

Challenges and partnerships (continued)

Achieving net zero in the food sector presents significant challenges and the solutions aren't always clear. However, we're determined to drive long term progress through open discussion and collaboration with policymakers, industry bodies and our suppliers.



Case study: Industry Net Zero Transition Plan for the UK food system

In March 2024, our CEO Simon Roberts was appointed President of the Institute of Grocery Distribution (IGD) to help bring the industry together to tackle the big issues it's faced with and to help create a more resilient and sustainable food system for everybody.

In July 2024, the IGD, together with partners across the food chain including Sainsbury's, launched a transition plan to help the UK food system achieve its net zero ambitions.

This plan presents food businesses across the supply chain as one collective voice, working together at pace to address collective net zero ambitions with a 'joined-up', whole-system view.

The IGD's aim was to create a robust evidence base to show what it would take for the food sector to reach net zero, facilitating a system-wide focus on key actions and highlighting gaps and dependencies that need to be collectively addressed.

Including both a long-term plan and a framework proposal to 2050, the plan identified key emissions drivers, emissions reductions and costs, together with dependencies, risks and mitigation. It provided clarity on where government support will be needed to overcome barriers and formed a framework to help businesses develop their own individual transition plans.

[Read more](#)



Case study: Collaboration to decarbonise the supply chain

We are playing an active role in the British Retail Consortium (BRC) Mondra Coalition – a consortium of the UK's leading food companies in consultation with WRAP and IGD – to accelerate the move to net zero by addressing the challenge of Scope 3 data measurement.

The Coalition aims to tackle the lack of robust environmental data from supply chains and to establish a clear and standardised set of rules to conduct product-level foot printing across the food chain. The Coalition is rolling out a single, interconnected technology platform across hundreds of supply chains, which we are trialling. This will enable collaborative action and define a set of rules for product Life Cycle Assessment (LCA) from farm to fork.

This year we worked with a group of key protein suppliers to trial utilising primary farm level data in our product foot printing. This is the first step in moving beyond 'industry average' emission factors and improving the accuracy of our carbon data for reporting and business decision-making. It allows us to provide evidence of the carbon reductions taking place in our supply chain.

From this trial we learnt our suppliers are highly engaged in supporting us to improve our Scope 3 inventory calculations and we received quality primary data from majority of participants. We continue to work on accurately translating this data into our product footprints.



Case study: Progress on conversion-free soy

We are proud of the progress made across six commodities linked to deforestation (see pages 14 and 15 for more details), but our target of achieving conversion-free soy by 2025 continues to face significant industry wide challenges.

Increasing demand for soy has led to the conversion of millions of hectares of forests, grasslands and savannahs, with production doubling globally over the last two decades. Directives such as the EU Regulation on Deforestation-Free Products (EUDR) are driving progress towards deforestation-free soy, but unlike other deforestation- and conversion-free (DCF) commodities, there is no commercially viable certification scheme for soy, and no legislation mandates conversion free soy.

To achieve a reliable and verifiable conversion-free supply chain, we need to work collectively both within the UK and through global initiatives to engage directly with traders. Through the Retail Soy Group and the UK Soy Manifesto, we are supporting plans to work with major traders to understand how much soy coming into the UK is already DCF. Promoting greater transparency and data sharing in supply chains will build on the transparency delivered by the EUDR and improve our understanding of the rates of conversion in our supply chain.

In pursuit of this, we made a £300,000 investment in the Produce, Conserve, Inform initiative in Mato Grosso, Brazil. This supports the sustainable development of soy and cattle farming by protecting and restoring forests and natural habitats, improving farming practices, promoting strong local governance and strengthening protections for indigenous peoples. This will support the production of DCF soy in an important sourcing area and strengthens the resilience of our supply chain with greater traceability.

We have also committed to extending our existing investment in the Responsible Commodities Facility until 2030, giving green loans to soy farmers on the condition of no deforestation or conversion, while providing technical support for agroforestry.

Sustainability policies

Being transparent about how we communicate with our suppliers, source our products and protect our colleagues is important to us. This year we published new policies for key raw materials, including Manmade Cellulosic Fibres, Palm Oil, Cotton, Leather, Precious Metals and Minerals, and Feather and Down to help us build a more resilient and transparent supply chain through the products we source. Find all our sustainability policies below:

Environment

NEW Cocoa Policy

 [Read more](#)

NEW Coffee Policy

 [Read more](#)

NEW Non-Timber Forest Products (Bamboo) Policy

 [Read more](#)

NEW Pulp, Paper and Fibre-based Policy

 [Read more](#)


NEW Wool Policy

 [Read more](#)

Cotton Policy

 [Read more](#)

Feather and Down Policy

 [Read more](#)

Forest Products Policy

 [Read more](#)

Natural Rubber Policy

 [Read more](#)


Timber Policy

 [Read more](#)


Requirements for Soy Policy

 [Read more](#)

Manmade Cellulosic Fibres Policy

 [Read more](#)

Leather Policy

 [Read more](#)

Palm Oil Policy

 [Read more](#)

Precious Metals and Minerals Policy

 [Read more](#)

Traceability and transparency

Tier 1 sites for GM

 [Read more](#)

Tier 1 sites for Food

 [Read more](#)

Tier 1 sites for Clothing

 [Read more](#)

Tier 1 sites for Goods not for Resale

 [Read more](#)

Governance, people and health

NEW Supplier Whistleblowing Policy

 [Read more](#)

NEW Group Suppliers' Anti-bribery and Corruption Policy

 [Read more](#)

NEW Responsible Retailing of Alcohol Policy

 [Read more](#)

Group Ethical Sourcing Policy

 [Read more](#)

Home Work Policy

 [Read more](#)

Human Rights Policy

 [Read more](#)

Prison Labour Policy

 [Read more](#)

Responsible Tax Policy

 [Read more](#)

CR&S Committee Terms of Reference

 [Read more](#)



Being transparent about our performance and progress is an important part of building trust. The following pages include information about our results, baselines and targets. More information, including our methodology, can be accessed through the databook on our website.

Inside this section	
Healthy and sustainable diets	34
Greenhouse gas (GHG) emissions	34
Food waste	35
Plastic packaging	35
Nature	36
Water	37
Community	37
Diversity, equity and inclusion	37
Animal health and welfare	38

A number of metrics have been selected for external assurance. This is highlighted with (*) and the assurance statement from ERM CVS can be found [here](#).

Our ESG performance scorecard

Healthy and sustainable diets

Target	Metric	Baseline	Target	Results		Versus baseline
		FY 2021/22	FY 2025/26	FY 2023/24	FY 2024/25	
At least 85% Healthy and Better for you sales tonnage sold by 2025	Healthy and Better for you sales tonnage as a proportion of total sales tonnage (%)	82.0%	85.0%	80.9%	81.9%	-0.1%

The year-on-year increase is driven by correction of health ratings for soft drinks within our impulse category, and an increase in water and produce sales tonnage. Own Brand sales tonnage that is Healthy and Better for you has increased to 88.3 per cent from 87.1 per cent last year.

Greenhouse gas (GHG) emissions

Target	Metric	Baseline	Target	Results		Versus baseline
		FY 2018/19	FY 2035/36	FY 2023/24	FY 2024/25	
Reduce absolute greenhouse gas (GHG) emissions from our own operations to net zero by 2035	Absolute GHG emissions within our own operations (tCO ₂ e)	949,744*	Net zero	458,973*	448,734*	-52.8%
	Electricity which comes from renewable sources (%)	17%*	100%	100%*	100%*	488.2%
Target	Metric	FY 2018/19	FY 2050/51	FY 2023/24	FY 2024/25	
		FY 2022/23	FY 2025/26	FY 2023/24	FY 2024/25	
Reduction of absolute GHG emissions in line with 1.5 degree trajectory	Absolute Scope 3 GHG emissions (tCO ₂ e)	25,652,904	Net zero	N/A	N/A	N/A
	Suppliers disclosing through M2030 or HIGG (% of emissions)	43.8% (442 suppliers)	No target	57.2 % (683 suppliers)	53.0% (612 suppliers)	21.0%
	Suppliers with SBTi 1.5 degree net zero target approved (% of emissions)					
	• SBTi 1.5 degree net zero target approved (LTIP metric only)	Less than 2% (8 suppliers)	50-80%	6% (23 suppliers)	11.6% (71 suppliers)	479.0%
	• Any 1.5 degree aligned target approved	Unavailable	50%	31.9% (74 suppliers)	39.8% (148 suppliers)	N/A
	• Any science based target approved or committed	Unavailable	N/A	41.9% (91 Suppliers)	53.2% (199 suppliers)	N/A

Absolute GHG emissions within our own operations. The total figure represents the sum of Scope 1 and Scope 2 (Market Based) emissions. Our Scope 2 Market Based emissions are reported as Zero as 100 per cent of electricity has been sourced from renewable sources since January 2022. For reference our Scope 2 Location based emissions in 2024/25 are 248,452 tCO₂e. We have reduced emissions in our own operations by 52.8 per cent vs baseline - through our transition to 100 per cent renewable electricity, replacement of hydrofluorocarbon refrigerant gases with natural alternatives and electrification of our heating. We are also working on the decarbonisation of our transport fleet.

Electricity which comes from renewable sources. Since January 2022, 100 per cent of electricity has been sourced from renewable sources (combination of electricity sourced directly from solar and UK wind farms as well as certificate-backed renewable electricity from the UK).

Reduction of absolute Scope 3 GHG emissions in line with 1.5 degree trajectory. We are working towards an aligned industry approach to measure supplier-specific emissions. We recognise the challenge in reporting accurate Scope 3 emissions footprint and we are proactively engaging with key suppliers to obtain supplier specific primary data of the products they supply us.

Our Scope 3 engagement metrics monitor the response rate of our suppliers disclosing on the following environmental impact disclosure systems: Manufacture 2030 and Higg by percentage of emissions covered. We also encourage our suppliers to obtain 1.5 degree SBTi aligned net zero target.

*This data has been subject to independent external assurance. Our 2024/25 assurance has been conducted by ERM Certification and Verification Services Limited. Click [here](#) for latest assurance report.

Our ESG performance scorecard

Food waste

Target	Metric	Baseline	Target	Results		Versus baseline
		FY 2019/20	FY 2030/31	FY 2023/2024	FY 2024/25	
Reduce food waste by 50% by 2030	Food waste to anaerobic digestion (tonnes)	34,609	17,305	30,983 ¹	30,616	-11.5%
	Food waste sent to anaerobic digestion as a percentage of total tonnes handled (%)	0.728%	0.364%	0.642% ²	0.617%	-15.3%

Food waste to anaerobic digestion. Absolute food waste to anaerobic digestion tonnage has decreased by 1.2 per cent year-on-year. Whilst our total tonnage of unsold food has increased slightly, this has been offset by a 31 per cent increase in surplus redistributed to people. Progress against our baseline has improved by 11.5 per cent. Our total tonnage of unsold food is broken down as follows:

- Food waste to anaerobic digestion 30,616 tonnes
- Surplus food redistributed to people 7,386 tonnes
- Surplus food sent to Animal feed 3,781 tonnes

Food waste sent to anaerobic digestion as a percentage of total tonnes handled. Food waste sent to anaerobic digestion as a percentage of total tonnes handled (removing volume impact) has reduced by 3.9 per cent year-on-year. Progress against our baseline has improved by 15.3 per cent.

Plastic packaging

Target	Metric	Baseline	Target	Results		Versus baseline
		Food - CY 2018 GM - CY 2020	CY 2025	CY 2023	CY 2024	
Reduce our own-brand plastic packaging by 50 per cent by 2025, increase recycled content and recyclability	Own-brand plastic packaging (tonnes)	69,839	34,920	58,379	55,154	-21%

Target	Metric	CY 2021	CY 2027	CY 2023	CY 2024	Versus baseline
		31.5%	50%	N/A	N/A	
30% average recycled content across all Food own-brand plastic packaging by 2022	Average recycled content across own-brand products (%)					
50% average recycled content across all Food & GM own-brand plastic packaging by 2027						

Target	Metric	CY 2021	CY 2023	CY 2023	CY 2024	Versus baseline
		84.0%	100%	89.7%	N/A	
100% of Food plastic packaging to be reusable, recyclable or compostable by 2023	Own-brand products that are fully recyclable (%)					

Own-brand plastic packaging. Own-brand primary plastic packaging saw an absolute reduction of 5.5 per cent and a relative reduction (removing volume impact) of 7.6 per cent year-on-year. Against our baseline, own-brand primary plastic packaging has reduced by 21 per cent on an absolute basis and 19.5 per cent on a relative basis.

Average recycled content across own-brand products. Result unavailable this year.

Own-brand products that are fully recyclable. Result unavailable this year.

1. Food waste to anaerobic digestion in 2023/24 restated from 30,275 tonnes to 30,983 tonnes.
2. Food waste sent to anaerobic digestion as a percentage of total tonnes handled in 2023/24 restated from 0.627 per cent to 0.642 per cent.

Our ESG performance scorecard

Nature

Target	Metric	Baseline	Target	Results		Versus baseline
		CY 2019	CY 2025	CY 2023	CY2024	
Nature Positive: Committed to protecting and regenerating nature	Timber sourced to an independent sustainability standard (%)	58.2%	100%	92.9%	98.0%	69.0%
	Palm oil sourced to an independent standard - Mass-Balance / Segregated / IP (%)	99.1%	100%	100%	100%	0.9%
	Soy independently certified - Credits / Mass-Balance / Segregated (%)	5.8%	100%	88.3%	96.7%	1567.2%
Deforestation and Conversion Free by 2025		CY 2019	CY 2025	FY 2023/24	FY 2024/25	
	Cotton sourced to an independent standard - Mass-Balance BCI / Fairtrade / Organic / Recycled (%)	76.0%	100%	974%	98.2%*	29.2%
		FY 2023/24	FY 2025/26	FY 2023/24	FY 2024/25	
	Leather tonnage from tanneries certified to a minimum of bronze level by LWG (%)	96.4%	100%	96.4%	98.9%	2.6%
	Manmade cellulosic fibres sourced to an independent environmental standard (%)	95.3%	100%	95.3%	91.4%	-4.1%
		CY 2023	CY 2025	CY 2023	CY 2024	
	Volumes of cocoa bean equivalent certified (%)	47.0%	100%	47.0%	65.4%	39.1%
		CY 2024	CY 2025	CY 2023	CY 2024	
	Volumes of certified coffee (%)	64.0%	100%	N/A	64.0%	N/A
		FY 2019/20		FY 2023/24	FY 2024/25	
	Wild caught seafood sales which is independently certified as sustainable (%)	82.3%	100%	86.0%	86.8%	5.5%
	Farmed seafood sales which is independently certified as sustainable (%)	100%	100% ongoing	100%	100%	0%
	Woodland trees planted (cumulative number)	493,750	1,500,000 FY 2025/26	1,292,583	1,425,461	188.7%

Timber. Since 2024 all new deliveries into our business have been from sustainably sourced supply chains.

Palm oil. We have maintained our 100 per cent certification.

Soy. Our percentage of independently certified soy has increased from 88.3 per cent to 96.7 per cent. Soy considered Deforestation and Conversion Free (low risk origin or segregated) has increased from 14.2 per cent in 2023/24 to 59.0 per cent in 2024/25.

Cotton. Slight increase year-on-year due to a drive on improving information available relating to sustainable cotton within the clothing area.

Tanneries. All current tanneries used within Clothing are Leather Working Group accredited and new tanneries will be required to be minimum silver certified. In Furniture, all current tanneries are now LWG bronze certified, as a minimum.

Manmade cellulosic fibres. Year on year reduction driven by shift in compositions within general merchandise, we will continue to work with suppliers to move compositions to environmental alternatives.

Cocoa. 62 per cent of cocoa volumes are certified through Rainforest Alliance and 3 per cent through other schemes.

Coffee. 61 per cent of our coffee volumes certified through Fairtrade and 3 per cent through Rainforest Alliance. This is the first year of reporting on this metric.

Wild caught seafood. Maintained our certified MSC status year-on-year.

Farmed seafood. Our farmed seafood remains 100 per cent sustainably certified.

Woodland trees. This year we have funded the planting of 132,878 native trees and on track to deliver our commitment of 1.5 million trees by end of 2025. Since 2004 we have raised over £14.8 million for the Woodland Trust, funding the planting of over 5.2 million native trees which have the potential to mitigate over 1.3 million tonnes of CO₂.

*This data has been subject to independent external assurance. Our 2024/25 assurance has been conducted by ERM Certification and Verification Services Limited. Click [here](#) for latest assurance statement.

Our ESG performance scorecard

Water

Target	Metric	Baseline	Target	Results		Versus baseline
		FY 2018/19	FY 2040/41	FY 2023/24	FY 2024/25	
Minimise the use of water in our own operations, driving towards water neutral by 2040	Absolute water usage within our own operations (m³)	3,224,000*	Water neutral	2,621,341*	2,562,660	-20.5%

Water consumption has reduced by 20.5 per cent against baseline due to improvements in leak management processes and continuation with rainwater harvesting trials.

*This data has been subject to independent external assurance. Our 2023/24 assurance has been conducted by ERM Certification and Verification Services Limited. Click [here](#) for latest assurance statement.

Community

Ambition	Metric	Baseline	Target	Results		Versus baseline
				FY 2023/24	FY 2024/25	
To leave a measurable positive impact on the communities we serve and source from and address food poverty by providing good food for all of us	Amount generated for good causes (£m)	N/A	N/A	£36.0m	£33.8m	N/A
	Meals donated (number)	N/A	N/A	14,611,272 ¹	18,341,490	N/A

Amount generated for good causes. Through our Nourish the Nation programme, we have developed key campaigns to rally our customers and colleagues helping us raise £21 million to help tackle food poverty.

Meals donated. Increase year-on-year driven mainly through our food redistribution partnership with Neighbourly and Olio. Also we have donated over 0.6 million meals through our front of store customer donation programme and over 0.9 million meals through our depots.

Diversity, equity and inclusion

Target	Metric	Baseline	Target	Results		Versus baseline
		FY 2024/25	FY 2028/29	FY 2023/24	FY 2024/25	
To be a truly inclusive retailer where every one of our colleagues can fulfil their potential and where our customers feel welcome when they shop with us	Senior leadership and management positions held by Women (%)	42.4%	50%	N/A	42.4%	N/A
To achieve diverse representation in leadership positions by 2028	Senior leadership and management positions held by ethnically diverse people (%)	11.3%	15%	N/A	11.3%	N/A

Senior leadership and management positions. This is the first year of our new ambitious targets to increase representation of ethnic minorities and women at senior levels in our organisation.

1 Meals donated (number) in 2023/24 restated from 15,736,222 to 14,611,272.

Our ESG performance scorecard

Animal health and welfare

Target	Metric	Baseline	Target	Results		Versus baseline
		FY 2022/23	FY 2030/31	FY 2023/24	FY 2024/25	
Improve animal health and welfare and practice responsible antibiotic stewardship	Better Welfare Standards (Feather & Down): sales volume from an independently audited farm assurance standard (%)	95.4%	100%	95.7%	99.9%	4.7%
	Better Welfare Standards (Food): sales volume from welfare standards above the UK industry baseline (%)	47.9%	YoY maintain/increase	62.3%	62.7%	30.9%
		CY 2021	CY 2030	CY 2023	CY2024	
	Continuous Improvement of Outcome KPIs: animal health and welfare outcome KPIs achieving Sainsbury's KPI performance targets: All species (%)	66.0%	100%	78.5%	80.0%	21.2%
	Responsible Antibiotic Use: Key animal supply chains achieving Sainsbury's responsible use targets for total antibiotic use: All species (%)	82.0%	100%	86.7%	86.7%	5.7%
	Critically Important Antibiotic Use: key animal supply chains achieving Sainsbury's responsible use targets for antibiotics deemed critically important for human health (CIAs): All species (%)	55.0%	>90%	66.7%	60.0%	9.1%

We are on track to deliver against all our Animal Health & Welfare commitments.

In relation to our target on Critically Important Antibiotic Use (CIA), reduction year-on-year is dependent on the need to use antibiotics to protect animal health and welfare, which is driven by natural fluctuations in disease. Our target for zero use of CIAs is also very ambitious. Where supply chains have not met this target, we know they use negligible amounts and publish this data in our external antibiotic stewardship report.

Click here to view our latest [Animal Health & Welfare Report](#) and [Antibiotic Stewardship Report](#) for more information.

J Sainsbury plc