



## Our purpose in action

# Great-tasting, well-sourced food brings families and friends together, adding joy to our lives and making every occasion special

Food matters to everyone, every single day. Yet not everyone has access to good food. For many, finding the time, energy, or inspiration to plan, shop for and prepare the meals they want to enjoy, or share with their loved ones, can be a real challenge. Access to good food becomes even more challenging when budgets are tight.

That's why our Sainsbury's purpose is simple: to make good food joyful, accessible and affordable for everyone, every day. Whether that's helping customers enjoy quality food at great value or making shopping easier and more convenient. Because food fuels our lives but it should also be about so much more than that - it's a source of joy, connection and shared moments that matter.



### Making good food joyful

We know our customers love the choice we offer and the excitement of new products, whether they're doing their big weekly shop, looking for a quick but delicious bite to eat, hosting friends and family or celebrating life's big moments. Through our food innovation, we're regularly adding new, high quality and delicious products to our shelves. Over the past year we launched 1,300 new products, 600 of which were in our premium *Taste the Difference* range.

With the rising costs of dining out, more customers are choosing to enjoy great meals at home, turning to *Taste the Difference* for restaurant-quality food at affordable prices. Only the highest quality ingredients go into our range – from fresh fruit and vegetables and mouth-watering treats to expertly crafted meals and desserts – you really can taste the difference. Perfect for those special moments and celebrations but also for bringing something joyful to everyday meals, *Taste the Difference* is the fastest growing premium range in the market. One in three baskets feature a product from the range and we continue to outperform the market for all big events – including at Christmas and Easter.

Joyful food is all about great quality. It's food that is well-sourced, grown sustainably, improves animal health and welfare and supports communities. This is part of the fabric of our *by Sainsbury's* range of everyday essentials. Like our MSC certified *by Sainsbury's* tuna, which is caught using lines, not nets. And all of our fresh and frozen *by Sainsbury's* chickens have more room to roam. Because our price position is as sharp as ever and our chickens are happier and healthier, our chicken market share has increased since launch.

### Making good food accessible

The grocery sector has gone through huge shifts over the decades since we opened our first store in 1869. In a fast-moving industry like food retail, change is constant but what shoppers want is enduring – brilliant customer service and affordable, accessible and joyful food, whenever and however they shop.

Our winning combination of outstanding quality, great value and leading service continues to deliver. Because of the success of our strategy, we're bringing our brilliant food offer to more customers with 40 new stores this year – our biggest investment in property in over a decade. It will help us bring the best of Sainsbury's to even more communities around the country and place over 700,000 more people within a 10-minute drive of Sainsbury's over the next two years. At the same time, we're also making more of our food range available to more customers by rebalancing space and improving our stores for better customer and colleague experience.

### Making good food affordable

We know how important the combination of great quality and affordable prices is for our customers. We've invested £1 billion in value over the last four years but as every household continues to feel the pressure, we're working hard to ensure every pound our customers spend goes further. For millions, shopping is a balancing act. Finding quality food at the right price and getting everything you need in one go needs to be as simple as possible.

Customers love the simplicity and savings of our Nectar loyalty scheme. With Nectar Prices, we've transformed the way they experience value at Sainsbury's, where purple is now a true symbol of great savings and low prices. Nectar Prices are now available on over 9,000 products and we also offer hundreds of millions of personalised offers a week, helping us build stronger connections and save customers over £2 billion in 2024/25.

No matter how our customers are choosing to shop, we're giving them access to the cheapest prices on the things they buy most often. In 2024, we were the first retailer to extend Aldi Price Match across all supermarkets, Local stores and online – offering market-leading prices on the most popular breakfast, lunch and dinner products, like milk, bread, butter, baked beans, chicken, tuna, pasta, rice and vegetables. And we're not just focused on staples when it comes to great value, over 75 per cent of products in Aldi Price Match are Healthy or Better for you choices.



## Inspiring everyone, every day to make healthier choices

Making healthy choices can help us feel better and live longer, but it's not always easy. That is why we are committed to inspiring customers to make good choices when it comes to mealtimes. One of the ways we're achieving this ambition is through our Great Fruit and Veg challenge with Nectar. We ran the challenge for the fifth time this year giving customers the chance to collect up to 1,000 bonus Nectar points over a seven-week window when completing personalised fruit and vegetable portion tasks and helping shape customer behaviours for the better. This year, 785,000 customers participated, an increase of 10 per cent year-on-year, and 133 million portions of fruit and veg were purchased. To further support and inspire our customers to make healthier choices, we launched our Healthy Choice logo on own brand products.



## Food first, people first

Our people are at the heart of everything we do and integral to delivering our purpose, which is why we are committed to doing all that we can to support our colleagues by continuing to make significant investments in pay. In January 2025, we led the industry on pay for frontline customer-facing colleagues again, for the third year in a row, representing an increase of 58 per cent since 2018. It's a reflection of how much we value and rely on the dedication and hard work of those who serve our customers every day.



## A good food system that's fit for the future

At Sainsbury's, we're committed to taking a leading role in creating a more sustainable and resilient food system in the UK, with a thriving farming sector at its heart. This is a commitment to driving investment in the food system and contributing to economic growth. We can't overlook the importance of financial stability and investment in developing this strategy as it is the foundation for long-term success. For our part, we are working ever more closely with our suppliers and farmers to give long-term assurance and ensure we're securing our supply chains for the future, growing the produce we need here in the UK.

In partnership with Moy Park, our trusted poultry supplier, we were the first retailer of our scale to give our birds 20 per cent more space and enhance their welfare, helping our *by* Sainsbury's chickens have happier and healthier lives. More recently, we signed a ten-year partnership with Cranswick focused on enhancing pig welfare and helping build a more resilient UK farming sector. This collaboration will jointly invest over £60 million towards delivering a new standard for animal welfare across *by* Sainsbury's pork products, developing more resilient farming methods that benefit both the animals and the farming community in the UK. Together, Sainsbury's and Cranswick plan to deliver net zero *Taste the Difference* pork by 2029 and *by* Sainsbury's pork by 2030, working more closely on environmentally sustainable practices.

In a first for UK retailers, we also launched the Sainsbury's Egg Group, which will support our egg farmers to become more resilient by providing them with greater financial security and working with them to improve animal welfare. We have a history of innovating in eggs and in 2009 we became the first major retailer to stock 100 per cent cage-free eggs. Since 2020, all *by* Sainsbury's eggs have been free range.

We play a vital role in ensuring the UK food system remains strong and sustainable for generations to come and are proud to be a leader in sector innovation. In 2024, we were the first UK supermarket to introduce conventional mushrooms grown without peat, a change to production that will reduce peat usage by 20,465 tonnes per year, helping to protect nature and reduce carbon in our supply chain. This revolutionary move has the added benefit of growing mushrooms that are firmer and last longer.

# 1 in 3

Baskets contain *Taste the Difference*, the fastest growing premium range in the market

# £2 billion

Saved with Nectar Prices in 2024/25

# 785,000

Customers participated in Nectar's Great Fruit and Veg challenge, an increase of 10 per cent year-on-year with 133 million portions of fruit and veg purchased

# £1 billion

Invested in value over the past four years

# £61 million

Joint investment with Cranswick in pork welfare and supply chain

# 58%

Increase in hourly paid colleagues pay since 2018