

# Natural Value Initiative FFI & UNEP FI

## A Retailer's Perspective

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Sainsbury's Supermarkets

# Sainsbury's Supermarkets Ltd.

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- 780 stores (487 supermarkets + 293 convenience stores)
- 153,000 employees
- 16 million customers each week
- 30,000 lines in an average supermarket
- Own label 50% of the offer

# Our Mission

“

*At Sainsbury's we will deliver an ever improving quality shopping experience for our customers with great product at fair prices. We will exceed customer expectations for healthy, safe, fresh and tasty food making their lives easier every day.*

”



# There are five principles that underpin our approach to corporate responsibility

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We aim to:

- Be the best for food and health
- Show respect for our environment
- Source with integrity
- Make a positive difference to our community
- Be a great place to work

# Biodiversity and Supply Chain

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- **Retailer estate – limited opportunities**
- **Biodiversity within supply chain – immense impacts**
- **Which bit of supply chain ..... or web?**
- **Sainsbury's has 2,500 first tier suppliers**
  - **second tier**
  - **third tier**
  - **..... ?**
  - **primary agriculture/ source from the wild**

# Complexity of Supply Chain

Fresh & Convenience

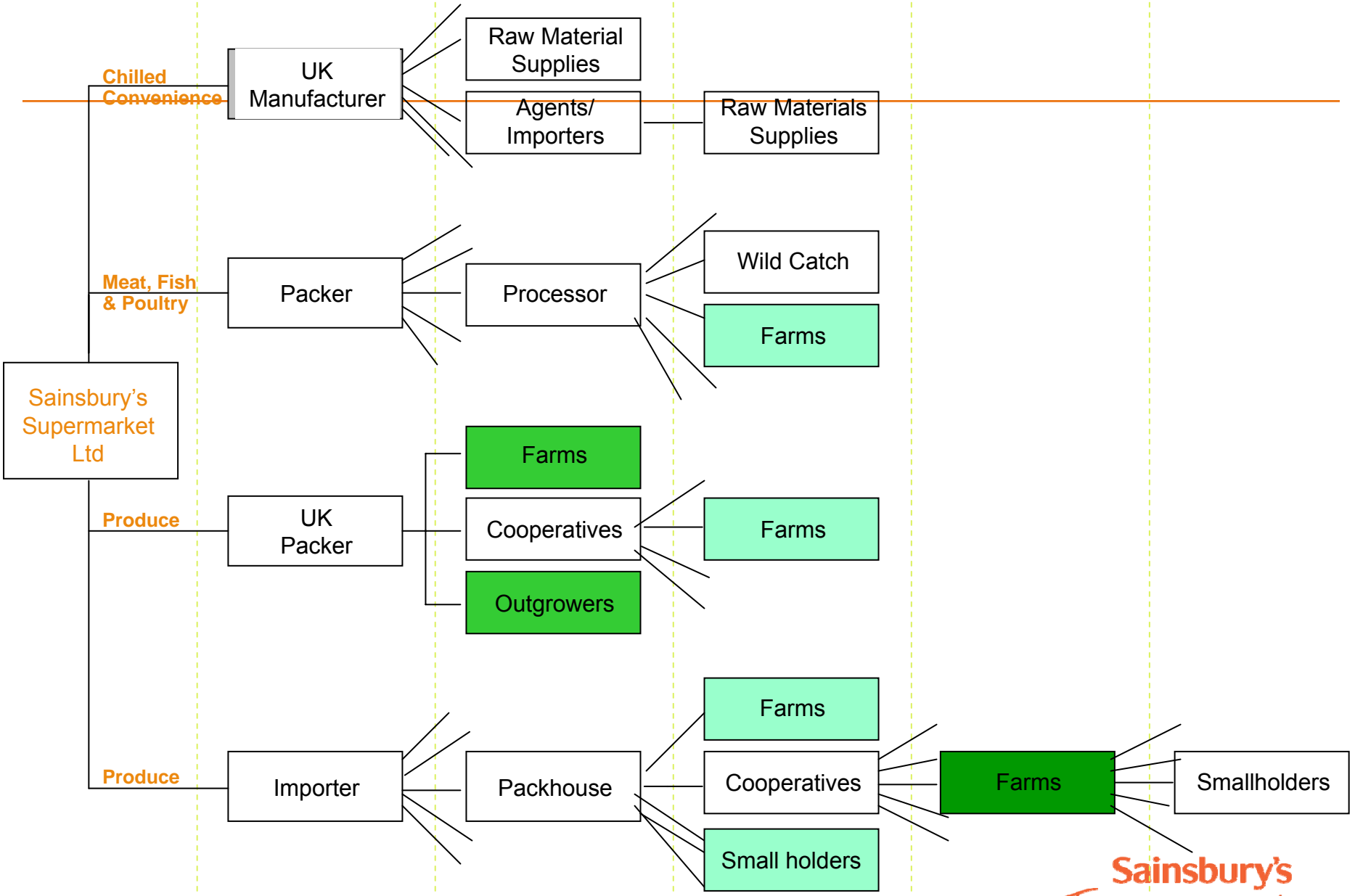
Level 1

Level 2

Level 3

Level 4

Level 5



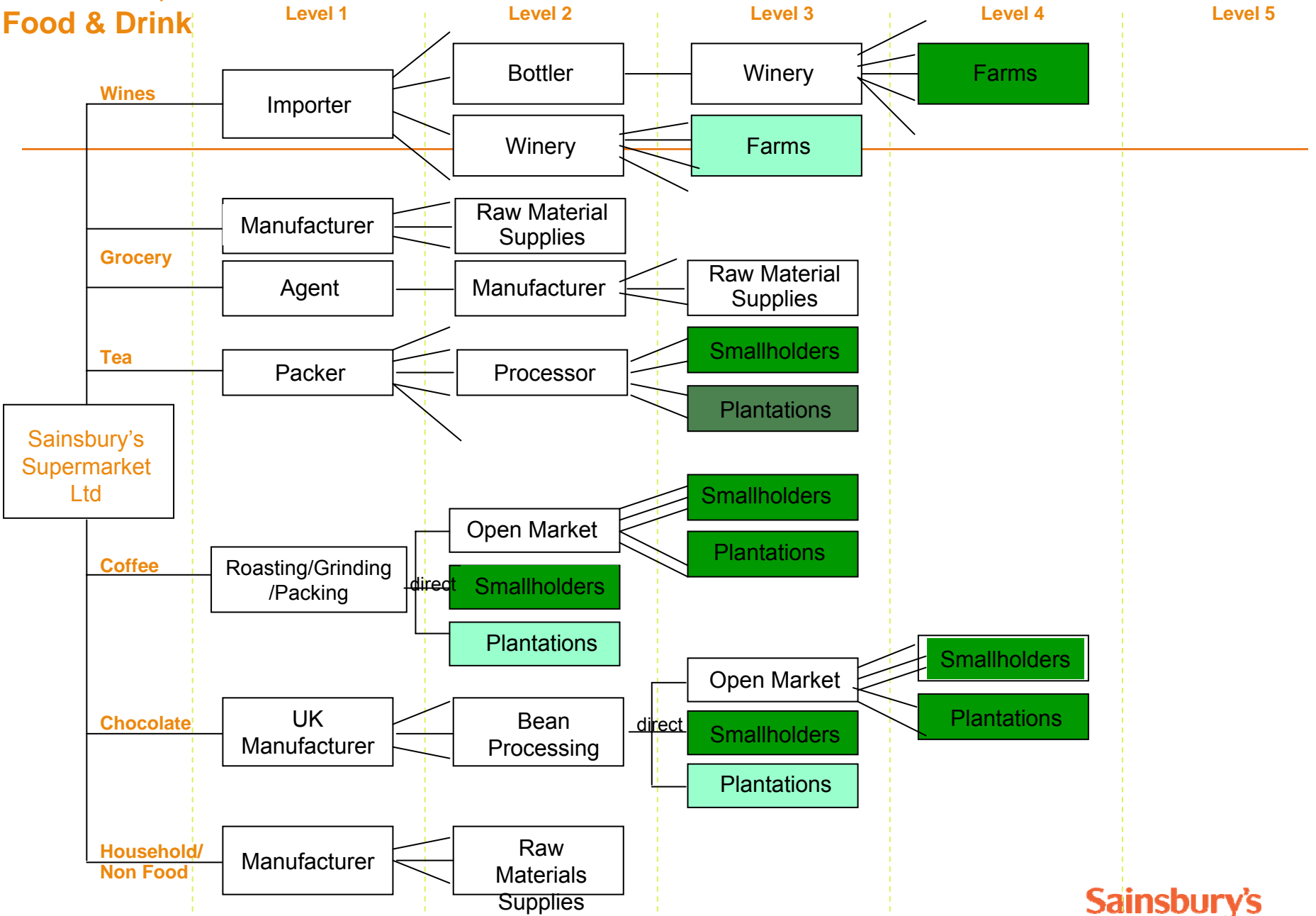
100's

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1,000,000's

# Complexity of Supply Chain

## Household, Food & Drink



100's -----> 1,000,000's

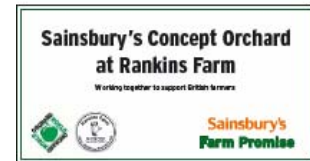
# Supply chain constancy

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- **Supply chain varies in nature**
- **Long term relationships**
- **Unique specifications / sourcing profiles**
- **Constant / variable source**
- **Sourcing window moves around the globe**
- **Repeat purchases**
- **One off purchases**
- **Commodity traded products**
- **Ingredients not just whole product**
- **Flexibility of sourcing**

# Biodiversity - Farming

- Move towards closer relationships
- Contracts , premiums, plus.....
- Quality and integrity aspects
- Partnership in Livestock
- Biodiversity Action Plans
- Farm Promise
- Concept Orchard
- Operation Bumblebee
- Woodland Eggs



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***“Fish for now and fish for the future”***

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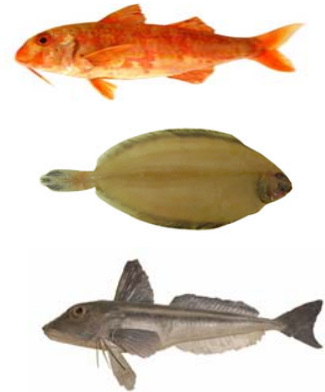


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# Biodiversity – Natural Resources - Fish

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- Sourced from the wild
- Farmed fish rely on wild caught fish for feed
- Strategy includes
  - Fish provenance questionnaire
  - Bespoke fish assessment system **Red / Amber / Green**
  - No red rated fish on sale
  - Plans for all amber fish to move to green
  - 100% line caught cod and haddock
  - Leading retailer for MSC
  - Increase repertoire from top 5 species (80% of sales)
  - Research and collaboration
  - Farmed fish



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# What are the current issues?



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# Issues

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- **Investment needed for**
  - **customer engagement**
  - **supplier engagement**
- **Role of brands**
- **Current and future customer expectations**
- **Increasing rate of change in expectations**
- **How to incentivise improvement?**
- **How to separate shades of grey?**
- **Different cultures**
  - **Within retail**
  - **Food service**

# Environmental / Social Pressures

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- **Climate change brings more unstable weather**
- **Impact on crop quality / harvest**
- **Migration**
- **Debate surrounding land use – crops for fuel / food**
- **Intensification of agriculture**
- **Access to appropriate water**
- **What does this mean for biodiversity?**

Thank You