

W0. Introduction

W0.1

(W0.1) Give a general description of and introduction to your organization.

John James and Mary Ann Sainsbury set Sainsbury's up in 1869, with a desire to bring good food at affordable prices – to everyone, and this is as important today as it was all those years ago. So driven by our passion for food, we will serve and help every customer, giving them delicious, great quality food at great prices all year round.

Today, the way our customers shop and eat has benefits for their health and the environment. We want to support our customers to reduce carbon emissions and food waste, helping them recycle more, use less plastic, and guide them to make healthier, more sustainable choices.

Sainsbury's makes eating well affordable, easy, and tasty. We could all eat a little better, no matter how much time or money we have. We can improve customers' health and the planet's with nutritious, homecooked and sustainable food.

Our focus on great value food and convenient shopping, whether in-store or online is supported by our brands – Argos, Habitat, Tu, Nectar and Sainsbury's Bank. Sainsbury's has over 600 supermarkets and over 800 convenience stores. Argos is a leading digital retailer and is the third most visited retail website in the UK, with over 90 per cent of its sales starting online. Argos is conveniently available for customers to collect from hundreds of Sainsbury's stores. Digital and technology enables us to adapt as customers shop differently and our profitable, fast-growing online channels offer customers quick and convenient delivery and collection capability.

Our 189,000 colleagues are integral to our success, now and in the future.

We are implementing a programme of change, focusing on reducing carbon emissions, food waste, plastic packaging and water usage and increasing recycling, biodiversity and healthy and sustainable eating.

Last year we announced our commitment to invest £1 billion over 20 years to become Net Zero across our own operations by no later than 2040. This target includes our commitment to minimise the use of water in our own operations, driving towards water neutral by 2040.

To support our commitment and to drive long-lasting and meaningful change, we will be supporting the UN Climate Change Conference, COP26, as Principal Supermarket Sponsor in the upcoming year. We have also set remuneration targets for the Board against our key Net Zero by 2040 pillars to help drive business performance.

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date
Reporting year	March 7 2020	March 6 2021

W0.3

(W0.3) Select the countries/areas for which you will be supplying data.

Ireland
United Kingdom of Great Britain and Northern Ireland

W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response.

GBP

W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which operational control is exercised

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

No

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Vital	Vital	The primary use of good quality freshwater in our direct operations is through taps and bathrooms used by our colleagues, customers and bakeries. In the UK, where most of our direct operations are, we are required to provide an adequate supply of drinking water for all our employees, as per the Workplace (Health, Safety and Welfare) Regulations 1992 (Regulation 22). If no water of drinkable quality were to be available, we would not legally be allowed to operate our workplaces as we could be liable to criminal prosecution and/or fines. Sufficient quantities of good quality freshwater is therefore vital for our operations. The primary use of good quality freshwater in our value chain is in the production of goods we sell. For example, freshwater is crucial for livestock and resulting products (e.g. meat, dairy and egg products). These product categories are key sources of revenue for Sainsbury's, and a lack of sufficient quantities of freshwater can stand to disrupt our supply, and in turn, our sales. We have therefore classified the importance rating of good quality freshwater in our indirect operations as vital. In terms of freshwater use distribution across our value chain, the vast majority is consumed upstream from our direct operations in the production of goods we sell, followed by use across our estate in our direct operations. Although we continue to investigate opportunities for reducing our freshwater use, we do not expect our future water dependency on good quality freshwater to change either in our direct or indirect operations, as good quality freshwater is crucial to our direct operations (e.g. by law we will continue to have to provide sufficient quantities of drinking water to our colleagues and customers) and value chain (we are going to continue offering goods whose production is water-intensive).
Sufficient amounts of recycled, brackish and/or produced water available for use	Vital	Vital	We primarily use low-quality water across our direct operations in our car washes. Scarcity of low-quality water may curtail sales (e.g. customers choosing another car wash) and have reputational implications (e.g. Sainsbury's being perceived as unreliable) for our company. We have therefore classified the importance rating of low-quality water as vital in our direct operations. The primary use of low-quality water in our value chain is for agriculture and other water-intensive activities such as cotton and leather production. The availability of rainwater quality water, for example, is critical for ensuring the continuity of supply of certain raw materials; therefore, we have classified the importance rating across our indirect operations as vital. In terms of water use distribution across our value chain, most of the lower quality was is consumed upstream from our direct operations in the production of goods we sell (e.g. cotton and leather), followed by consumption in our direct operations. Although we continue to investigate opportunities for reducing our water use, we do not expect our future water dependency to change either in our direct or indirect operations because low-quality water is a key input in both our direct and indirect operations.

W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

	% of sites/facilities/operations	Please explain
Water withdrawals – total volumes	100%	We obtain most of our water from water suppliers, but we also operate rainwater harvesters. Knowing how much we use is vital for understanding the impact on our costs. Monitoring also enables progress tracking against our targets. 'Sites' refers to supermarkets, depots, petrol stations and convenience stores in the UK and Ireland. None of our sites are excluded from monitoring activities. Our water suppliers are contractually obliged to monitor our withdrawals by taking meter readings monthly, bi-monthly or six monthly depending on the location. Our supermarkets, depots and petrol stations are monitored monthly, and withdrawals from our convenience stores are captured bi-monthly. Data from all our direct operations are based on meter readings and are uploaded, collated and stored in a centralised system (Waterscan), enabling us to derive accurate withdrawal volumes. We monitor rainwater volume using real-time data loggers on an ongoing basis and can access the data on demand.
Water withdrawals – volumes by source	100%	We obtain most of our water from water suppliers, but we also operate rainwater harvesters. Understanding how much we use is vital for understanding the impact on our operational costs. Monitoring also enables us to track progress against our targets. 'Sites' refers to supermarkets, depots, petrol stations and convenience stores in the UK and Ireland. None of our sites are excluded from monitoring. Our water suppliers are contractually obliged to monitor our withdrawals by taking regular meter readings. Since the market opened in 2017, we entered into a contract whereby all sites would receive monthly, bi-monthly or six-monthly meter readings, adding to the quality of consumption data we have access to at a site level across the portfolio. Water withdrawal data from all our direct operations are based on actual meter readings, and are uploaded, collated and stored in a centralised system (Waterscan). This method of monitoring is applicable to withdrawals from all sources of water.
Entrained water associated with your metals & mining sector activities - total volumes [only metals and mining sector]	<Not Applicable>	<Not Applicable>
Produced water associated with your oil & gas sector activities - total volumes [only oil and gas sector]	<Not Applicable>	<Not Applicable>

	% of sites/facilities/operations	Please explain
Water withdrawals quality	100%	We obtain most of our water from water suppliers, but we also operate rainwater harvesters. Understanding water quality helps to determine the suitability of water for its intended use (e.g. drinking water must be high quality). 'Sites' refers to supermarkets, depots, petrol stations and convenience stores in the UK and Ireland. None of our sites are excluded from monitoring. Our consultants assess rainwater quality bi-annually through physical examination and take appropriate action if an issue is spotted (e.g. recommend a full tank clean if there are signs of contamination). Mains supply quality is monitored indirectly via wholesalers and regulators on a regular basis. Water companies take samples to verify compliance with regulations (sampling is risk-based depending on population, so the frequency of monitoring depends on the location of our sites). If the samples are non-compliant, the DWI will require appropriate action (e.g. replace submerged pipework to reduce e. coli risk).
Water discharges – total volumes	100%	Discharges are monitored by comparing the difference between withdrawals and consumed water at each of our sites (this is standard industry practice). E.g. the percentage of water that is returned to the sewer will be different at a supermarket with an on-site bakery and a petrol station, because some of the water will end up in the baked goods. All our water discharge figures are collated by our consultants and are based on monthly meter readings. This allows us to monitor our performance. There is a cost associated with discharging water, so understanding the quantities across our direct operations is necessary for us to assess the impact on our operational costs. Our existing systems enable us to derive accurate total water discharge volumes on an ongoing basis. For Sainsbury's, 'sites' refers to supermarkets, depots, petrol stations, convenience stores and Argos locations in the UK and Ireland. We do not exclude any of our sites from monitoring activities.
Water discharges – volumes by destination	100%	Discharges are monitored by comparing water withdrawals and consumption at each of our sites (this is standard industry practice). E.g. the percentage of water that is returned to the sewer will be different at a supermarket with an on-site bakery and a petrol station, because some of the water will end up in the baked goods. Our discharge figures are collated by our consultants and are based on monthly meter readings. This allows us to monitor our performance. Because all our water is discharged to municipal sewers, our consultants only capture volumes for that destination. There is a cost associated with discharging water, so knowing the quantities across our direct operations is necessary for us to assess the impact on our costs. Our systems enable us to derive accurate discharge volumes by destination on an ongoing basis. 'Sites' refers to supermarkets, depots, petrol stations and convenience stores in the UK and Ireland. None of our sites are excluded from monitoring.
Water discharges – volumes by treatment method	100%	All our wastewater is discharged to municipal sewers. It is treated in municipal wastewater treatment facilities (i.e. a third party). Discharges are monitored by comparing water withdrawals and the volume of water that is consumed at each of our sites (this is standard industry practice). Our discharge data is collated by our consultants based on monthly meter readings, which allows us to monitor performance. Because all our water is discharged to municipal sewers, our consultants only capture volumes for treatment by a third party. Understanding the quantities across our direct operations is necessary to assess the impact on our costs. Our existing systems enable us to derive accurate total water discharge volumes by treatment on an ongoing basis. 'Sites' refers to supermarkets, depots, petrol stations, and convenience stores in the UK and Ireland. None of our sites are excluded from monitoring.
Water discharge quality – by standard effluent parameters	100%	All water from our sites is disposed via local municipality sewerage and therefore falls within the required parameters as stipulated by our water carriers. These parameters include limits on discharge quantities and rates, chemical thresholds and matter to be excluded. Monitoring discharge quality is important because non-compliance could impact our costs (e.g. having to implement remedial actions). About 100 of our sites have trade effluent consents. Periodically the wholesaler will take samples of our discharge to confirm compliance with the consent parameters. Sampling frequency is risk-based (discharges that are at highest risk for non-compliance will be sampled more frequently). In terms of frequency of monitoring, we generally expect a minimum of one sample to be taken per year covering all parameters specified in our consents. 'Sites' refers to supermarkets, depots, petrol stations and convenience stores in the UK and Ireland. None of our sites are excluded from monitoring.
Water discharge quality – temperature	100%	All water from our sites is disposed via local municipality sewerage and falls within the required parameters as stipulated by our water carriers (e.g. effluent temperature). Monitoring this aspect is important because non-compliance could impact our costs (e.g. having to implement remedial actions). We install temperature sensors for monitoring purposes wherever required (e.g. at sites with high volumes of effluent). The wholesaler will periodically analyse our temperature sensors and readings to confirm compliance with the effluent consent. Frequency of monitoring is not specified (risk-based), but we generally expect a minimum of one sample to be taken each year covering all parameters including temperature as applicable. The wholesaler will notify us of the results of their analysis and inform us of any instances of non-compliance. 'Sites' refers to supermarkets, depots, petrol stations, and convenience stores in the UK and Ireland. None of our sites are excluded from monitoring.
Water consumption – total volume	100%	We monitor our water consumption monthly through our water consultants, who carry out regular (monthly or bi-monthly depending on location) meter readings of our consumption. Most of our water use is from freshwater supplied by our water suppliers, so understanding how much we are using is vital for understanding the impact on our operational costs. Monitoring our consumption also helps us to understand the efficacy of the water measures we have put in place across our estate and our progress against our water consumption targets. For Sainsbury's, 'sites' refers to supermarkets, depots, petrol stations, and convenience stores and in the UK and Ireland. We do not exclude any of our sites from monitoring activities.
Water recycled/reused	100%	Although this water aspect is monitored by our consultants at each site on an ongoing basis, we do not currently have water recycling and/or reuse systems in place; instead we have opted to install rainwater harvesting facilities, with the number of locations with such facilities reaching over 120. We may consider the installation of recycling and reuse systems in the future, so this water aspect is expected to become relevant in the future. For example, we are exploring options for turning recycling the water used in our floor scrubber machines. For Sainsbury's, 'sites' refers to supermarkets, depots, petrol stations and convenience stores in the UK and Ireland. We do not exclude any of our sites from monitoring activities.
The provision of fully-functioning, safely managed WASH services to all workers	100%	We obtain most of our water from water suppliers, so knowing how much we use is vital for understanding the impact on our operational costs. We also have rainwater harvesting facilities at several sites that we monitor. Our water suppliers are contractually obliged to monitor our withdrawals by taking regular meter readings. Since the market opened in 2017, our contracts have ensured all sites receive monthly or bi-monthly meter readings, adding to the quality of consumption data we have access to at a site level. Withdrawal data from all our direct operations is based on meter readings, and are uploaded, collated and stored in a centralised system (Waterscan). The provision of WASH services to our staff is dictated by legislation and is therefore part of the consumption measured by our regular meter readings taken by our consultants. 'Sites' refers to supermarkets, depots, petrol stations and convenience stores in the UK and Ireland. None of our sites are excluded from monitoring.

W1.2b

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?

	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Total withdrawals	2803	Lower	We source most of our freshwater from municipal supplies, with a small portion coming from on-site rainwater harvesting installations. The decrease in total withdrawals can be attributed to our targeted strategy of leak detection and continuing to install low-flow tap regulators across our estate. The fluctuation of our water withdrawals in future years will depend primarily on the addition or removal of facilities from our estate. We are not anticipating any large changes in the coming reporting year. We have checked that our volumes balance by using the following formula: $C = W - D$, where C = total consumption; W = total withdrawals; and D = total discharges. For our operations, the figures are 329 = 2,803 – 2,474. The figures balance.
Total discharges	2474	Lower	All our wastewater is discharged through sewers. The decrease in total discharges represents an improvement in data quality, especially from our large sites. The fluctuation of our water discharges in future years will depend primarily on the addition or removal of facilities from our estate. We are not anticipating any large changes in the coming reporting year. We have checked that our volumes balance by using the following formula: $C = W - D$, where C = total consumption; W = total withdrawals; and D = total discharges. For our operations, the figures 329 = 2,803 – 2,474. The figures balance.
Total consumption	329	Lower	We have calculated our consumption by subtracting our discharges from our incoming water supplies. The increase in total consumption represents an improvement in data quality. We anticipate that our total consumption will not change significantly next year. However, likely influences include the roll out of the water savings initiatives and better metering so that we can obtain a more accurate picture of our consumption. We have checked that our volumes balance by using the following formula: $C = W - D$, where C = total consumption; W = total withdrawals; and D = total discharges. For our operations, the figures are 329 = 2,803 – 2,474. The figures balance.

W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress and provide the proportion.

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Identification tool	Please explain
Row 1	Yes	26-50	About the same	WRI Aqeduct	Sainsbury's uses the WRI Aqeduct tool to identify the proportion of our water withdrawals taking place in water stressed areas. We chose WRI Aqeduct because of its strong reputation and credibility for measuring, mapping and analysing various water risks around the globe. By applying the tool, we found that 34% of the water withdrawn by our organisation is from water stressed areas. In terms of an explanation of how we have applied the WRI Aqeduct tool to evaluate whether the water has been withdrawn from stressed areas, we began by determining the precise geographic coordinates of our entire UK & Ireland portfolio. This data was then uploaded into the WRI Aqeduct tool, which generated a list showing an overview of our sites with low, medium and high water stress, based on the Baseline Water Stress and Baseline Water Depletion metrics contained in the WRI Aqeduct tool. The figures were then analysed to reveal the proportion of total withdrawals from water stressed areas, which we defined in line with the CDP guidance as being equal to/greater than High: 40-80%. 34% of the water withdrawn by our organisation meets this criteria; therefore, this is the proportion of water that we have withdrawn from water stressed areas.

W1.2h

(W1.2h) Provide total water withdrawal data by source.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Relevant	26	Lower	This source is relevant for Sainsbury's because several of our sites are fitted with rainwater harvesting installations. This figure is entirely from rainwater harvesting. There is no other water taken from the surrounding environment. Although we are considering rolling out rainwater harvesting across additional sites soon, the contribution of this source to the overall water consumption will likely remain negligible in coming years. The rainwater harvesting figure is slightly lower than last year because some of our harvesting facilities required remedial works and therefore were not functioning during the reporting year. We plan to complete these works and continue with the roll-out of additional rainwater harvesting systems in the near future.
Brackish surface water/Seawater	Not relevant	<Not Applicable>	<Not Applicable>	We source water exclusively from municipal water supplies and harvested rainwater, and do not require brackish surface water for our operations. Therefore, this source is not relevant for Sainsbury's. We do not anticipate any consumption from this water source in the future.
Groundwater – renewable	Not relevant	<Not Applicable>	<Not Applicable>	We source water exclusively from municipal water supplies and harvested rainwater, and do not require renewable groundwater for our operations. Therefore, this source is not relevant for Sainsbury's. We do not anticipate any consumption from this water source in the future.
Groundwater – non-renewable	Not relevant	<Not Applicable>	<Not Applicable>	We source water exclusively from municipal water supplies and harvested rainwater, and do not require non-renewable groundwater for our operations. Therefore, this source is not relevant for Sainsbury's. We do not anticipate any consumption from this water source in the future.
Produced/Entrained water	Not relevant	<Not Applicable>	<Not Applicable>	We source water exclusively from municipal water supplies and harvested rainwater, and do not require produced water for our operations. Therefore, this source is not relevant for Sainsbury's. We do not anticipate any consumption from this water source in the future.
Third party sources	Relevant	2777	Lower	This source is relevant for Sainsbury's because we source most of our freshwater from municipal suppliers. The decrease in withdrawals from third party sources is due to our programme of leak detection audits and installation of low-flow tap regulators across our estate.

W1.2i

(W1.2i) Provide total water discharge data by destination.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Please explain
Fresh surface water	Not relevant	<Not Applicable>	<Not Applicable>	We only dispose of water through municipal wastewater treatment, so we have no discharges to surface water. Therefore, this water discharge destination is not relevant for Sainsbury's. We have no plans to discharge any of our water to fresh surface water in the future, so this figure is not expected to change in the coming years.
Brackish surface water/seawater	Not relevant	<Not Applicable>	<Not Applicable>	We only dispose of water through municipal wastewater treatment, so we have no discharges to surface water. Therefore, this water discharge destination is not relevant for Sainsbury's. We have no plans to discharge any of our water to brackish surface water/seawater in the future, so this figure is not expected to change in the coming years.
Groundwater	Not relevant	<Not Applicable>	<Not Applicable>	We only dispose of water through municipal wastewater treatment, so we have no discharges to groundwater. Therefore, this water discharge destination is not relevant for Sainsbury's. We have no plans to discharge any of our water to groundwater in the future, so this figure is not expected to change in the coming years.
Third-party destinations	Relevant	2474	Lower	This water discharge destination is relevant to Sainsbury's because all our water is discharged through municipal wastewater treatment. This amount has decreased proportionally with our water withdrawals and as a result of better data quality since last year. We anticipate that our total withdrawals (and therefore discharges) will remain similar next year.

W1.2j

(W1.2j) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

	Relevance of treatment level to discharge	Volume (megaliters/year)	Comparison of treated volume with previous reporting year	% of your sites/facilities/operations this volume applies to	Please explain
Tertiary treatment	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	All our water is discharged through municipal wastewater systems without being treated directly by Sainsbury's. We do not anticipate this arrangement to change in the foreseeable future.
Secondary treatment	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	All our water is discharged through municipal wastewater systems without being treated directly by Sainsbury's. We do not anticipate this arrangement to change in the foreseeable future.
Primary treatment only	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	All our water is discharged through municipal wastewater systems without being treated directly by Sainsbury's. We do not anticipate this arrangement to change in the foreseeable future.
Discharge to the natural environment without treatment	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	All our water is discharged through municipal wastewater systems without being treated directly by Sainsbury's. We do not anticipate this arrangement to change in the foreseeable future.
Discharge to a third party without treatment	Relevant	2474	Lower	100%	All our water is discharged through municipal wastewater systems without being treated directly by Sainsbury's. This amount has decreased proportionally with our water withdrawals due to a combination of water saving measures and better data quality since last year. We anticipate that our total withdrawals (and therefore our discharges) will remain similar next year.
Other	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	All our water is discharged through municipal wastewater systems without being treated directly by Sainsbury's. We do not anticipate this arrangement to change in the foreseeable future.

W1.4

(W1.4) Do you engage with your value chain on water-related issues?

Yes, our suppliers

Yes, our customers or other value chain partners

W1.4a

(W1.4a) What proportion of suppliers do you request to report on their water use, risks and/or management information and what proportion of your procurement spend does this represent?

Row 1

% of suppliers by number

1-25

% of total procurement spend

26-50

Rationale for this coverage

Our rationale for engaging with all our growers/farmers is to validate that our suppliers have carried out due diligence and to ensure continuity of supply, quality of product and responsible sourcing. We request all growers/farmers that supply Sainsbury's to be accredited by Red Tractor (UK) or Global Gap and to report on water use, risk and management. Reporting is a supplier pre-qualification requirement and there are no other incentives provided by us to the suppliers. If suppliers lose accreditation to either one of the schemes that applies to them, they risk failing to meet our requirements and may be unable to supply us in the future. We also plan to engage with all our own brand suppliers where they supply any of our key raw materials.

Impact of the engagement and measures of success

We request that growers/farmers supply to us records of water use and crop-specific water risk assessments covering all water used in crop production annually. This allows Sainsbury's to use the information within the company to assess where suppliers or growers have a concern around water availability, access, or quality, which provides us with a comprehensive understanding of water-related risks in our supply chain in this area. We can also benchmark water use by country/product/grower, identify best practices and share these with our suppliers. One of our measures of success is maintaining a 100% accreditation rate amongst our growers/farmers with the Red Tractor (UK) and Global Gap. Success is additionally measured through the number and types of improvements made in water management techniques amongst our farmers/growers on the back of our recommendations.

Comment

-

W1.4b

(W1.4b) Provide details of any other water-related supplier engagement activity.

Type of engagement

Innovation & collaboration

Details of engagement

Encourage/incentivize innovation to reduce water impacts in products and services

% of suppliers by number

76-100

% of total procurement spend

76-100

Rationale for the coverage of your engagement

Sainsbury's aims to engage with all suppliers to some degree on water-related issues. However, due to the diversity of risks faced by (and opportunities available to) our suppliers across different product lines and geographies, we do not engage all of them as part of an overarching initiative. Instead, we tailor our engagement and focus on issue areas where we perceive the highest potential positive outcomes. So, while our engagement programmes do not individually cover greater than three quarters of our suppliers by number and procurement spend, when aggregated our various engagement initiatives cover greater than 76% of suppliers by both number and spend. Our rationale for the coverage of our engagement is our conviction that that working with our suppliers will help us foster innovation and collaboration and encourage the reduction of our upstream water impacts. We anticipate that our supplier engagement activities will also help strengthen our supply chain and mitigate against supply interruptions that may otherwise result in significant financial impacts.

Impact of the engagement and measures of success

The impact of this water-related engagement with our suppliers is the demonstrable improvement in water security and improved resilience of our supply chain. We have various measures of success depending on our campaigns. We are aware that denim is very water intensive, and we source primarily from Bangladesh where water stress is a significant issue. We have been working with our suppliers in Bangladesh and now use a new innovative technology called Jeanologia on our menswear jean collection. The technology halves the amount of water required in the manufacturing process and protects the local ecosystem, helping suppliers build resilience. Our measure of success is the percentage of our men's denim styles that use the technology; in terms of progress, 100% of our online men's denim styles now use the technology. Sainsbury's membership with the Alliance for Water Stewardship (AWS) is in its infancy but we plan to promote the Standard and engage our suppliers to adopt it to improve water stewardship and understand water risk within their site or catchment. Our measure for success will be by the number of suppliers involved and the uptake of the AWS Standard, particularly in areas that we identified as being priority areas for water action either by geography or sector. We also worked with Tiptree Farm, a supplier whose environmentally friendly New Growing System allows them to produce more strawberries, for longer periods of the year, using significantly less water. Tiptree's strawberries are 80% water self-sufficient, drastically reducing the water footprint of the average strawberry sold in our shops. A measure of success for us is reducing our Scope 3 emissions (part of which is from water), as well as ensuring long term viability of product in the future.

Comment

-

W1.4c

(W1.4c) What is your organization's rationale and strategy for prioritizing engagements with customers or other partners in its value chain?

Sainsbury's engages with our customers as we see a huge opportunity in helping customers make better, more sustainable choices. Consumers are becoming increasingly aware of issues surrounding water resource management, leading to an increased demand for more sustainable products. This is our rationale for engaging with this element of our value chain.

One of the ways we do this is by working towards reducing the water impact of the cotton we source and communicating our progress with customers. In 2017, Sainsbury's signed up to the Sustainable Cotton Communiqué, committing to using 100% sustainable cotton by 2025. Our membership of the Better Cotton Initiative underpins our cotton strategy and affirms our strong commitment to promoting and supporting positive environmental, social and economic change across the cotton value chain.

We measure our success by tonnes of carbon and litres of water saved and the percentage of our cotton that is sustainably sourced. In the reporting year, 89% of the cotton that we sold was sourced more sustainably through the Better Cotton Initiative (BCI), up from 76% in the previous year. This has provided an estimated water saving of 6.28 billion litres of water, and an additional profit of an estimated €2.8 million benefitting BCI farmers in the last year. Although we accept other standards for sourcing cotton, we assess our progress on water specifically through the percentage of cotton that is sourced through BCI.

We believe that through certification with internationally recognised standards we encourage customers to make more sustainable choices in the items they purchase from us. With increased customer engagement, customers are better informed to make sustainable consumption decisions, such as buying products with a lower water footprint. We also engage with our customers about our progress through our corporate website, where our key documents, updates and reports are made available to all our stakeholders.

W2. Business impacts

W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?

Yes

W2.1a

(W2.1a) Describe the water-related detrimental impacts experienced by your organization, your response, and the total financial impact.

Country/Area & River basin

United Kingdom of Great Britain and Northern Ireland	Other, please specify (Thames Delta, Aire, Trent 1, Bolin/Medlock/Mersey)
--	---

Type of impact driver & Primary impact driver

Physical	Flooding
----------	----------

Primary impact

Closure of operations

Description of impact

We have selected flooding and closure of our operations as the primary impact driver and primary impact, respectively, because we continued to experience flooding events at several of our UK locations in 2020. Our sites in Chadwell Heath, Mytholmroyd and Beeston, and our car park in Nantwich were all flooded. We used the WRI Aqueduct tool to determine that these sites correspond to the Thames Delta, Aire, Trent 1, and Bolin/Medlock/Mersey river basins, respectively. We decided to group these impacts in one row because of the similar nature of the events and implications. We incurred financial losses from business discontinuity and suffered damage to our stock and infrastructure. E.g. the floods forced the temporary (one to two days depending on the location) closure of our sites and in some cases (e.g. Nantwich) prevented access to our store. During closures our aisles and floors were cleaned, repaired and restocked. In addition to repair costs, we also saw loss of revenue due to reduced sales and additional spend on new stock to replace damaged inventory. Although in 2020 the combined impact of the floods was not substantive according to our definition of substantive impact, we monitor and mitigate flood risk due to its potential to have a greater impact on our business (e.g. if multiple locations flood at once, if stores remain shut for an extended period of time, if key locations are flooded, and/or if a flood jeopardises the safety of our colleagues and customers).

Primary response

Develop flood emergency plans

Total financial impact

65000

Description of response

We developed a flood modelling application for our stores, which uses geospatial mapping to predict flood location and threat level. It includes a real-time flood warning system. Although we experienced floods in 2020, the tool has been effective at preventing and minimising flood impacts across our estate by enabling us to make informed and timely decisions. E.g. we used the internal flood alert system at our Tadcaster site. Within 42 minutes we had 5 engineers on site to install portable flood barriers on the store. The water levels were monitored, and flood defences were built to cover store entrances. The river levels eventually subsided, and the store did not have to close. We expect that the tool will continue to improve our resilience and help prevent future impacts. Several action plans have already been put in place, ranging from site-specific vulnerability ranking reports to flood emergency plans. In terms of an explanation of the total financial impact figure, we will not provide a quantitative breakdown because the figures are business sensitive. However, in line with the CDP guidance we will provide a qualitative breakdown: the total impact figure comprises costs associated with our flooding impacts at the locations listed in the 'Description of impact' column and the annual (recurring) costs of managing our flood warning system. The financial impact figure for the reporting period was approximately £65,000. There are no assumptions in our calculations.

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

No

W3. Procedures

W3.3

(W3.3) Does your organization undertake a water-related risk assessment?

Yes, water-related risks are assessed

W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Direct operations

Coverage

Full

Risk assessment procedure

Water risks are assessed as part of an enterprise risk management framework

Frequency of assessment

More than once a year

How far into the future are risks considered?

More than 6 years

Type of tools and methods used

Tools on the market
Enterprise Risk Management
Other

Tools and methods used

WRI Aqueduct
Internal company methods
External consultants

Comment

-

Supply chain

Coverage

Full

Risk assessment procedure

Water risks are assessed as part of an enterprise risk management framework

Frequency of assessment

More than once a year

How far into the future are risks considered?

More than 6 years

Type of tools and methods used

Tools on the market
Enterprise Risk Management
Other

Tools and methods used

WRI Aqueduct
Internal company methods
External consultants

Comment

-

Other stages of the value chain

Coverage

None

Risk assessment procedure

<Not Applicable>

Frequency of assessment

<Not Applicable>

How far into the future are risks considered?

<Not Applicable>

Type of tools and methods used

<Not Applicable>

Tools and methods used

<Not Applicable>

Comment

W3.3b

(W3.3b) Which of the following contextual issues are considered in your organization's water-related risk assessments?

	Relevance & inclusion	Please explain
Water availability at a basin/catchment level	Relevant, always included	Water availability at a basin/catchment level is considered relevant for Sainsbury's because it is vital for ensuring business continuity. Water is a key input both across our direct and upstream from our direct operations. In the UK, where most of our direct operations are, we are required to provide an adequate supply of drinking water for all our employees, as per the Workplace (Health, Safety and Welfare) Regulations 1992 (Regulation 22). If an insufficient quantity of drinkable water were available, we would not be legally allowed to operate our workplaces as we could be liable to criminal prosecution and/or fines. Sainsbury's also sources products from 60 countries around the world. Water availability at a basin/catchment level is crucial in our supply chain because water is a key input to several of our product categories (e.g. leather and cotton production). Relevance across our direct operations was established by reliance on internal company methods (see W3.3a), which in this case refers to our internal regulatory risk register administered by our legal team and incorporated into our corporate risk map. We also work with external consultants and use the WRI Aqueduct tool (see W3.3a) to assess a range of water risks for facilities within our operational control, including water availability at a river basin level. In terms of an explanation of how we have applied the WRI Aqueduct tool to evaluate risks associated with water availability at a basin/catchment level, we began by determining the precise geographic coordinates of our entire UK & Ireland portfolio. This data was then uploaded into the WRI Aqueduct tool, which generated a list showing an overview of our sites with baseline water depletion and drought risk. The figures were then analysed to reveal the list of sites that exposed to these risks. In addition, we have used the WRI Aqueduct tool for parts of our supply chain in the past - the results from the tool were used for several purposes, for example by our commercial teams to identify locations where supply may be disrupted in the future.
Water quality at a basin/catchment level	Relevant, always included	Water quality at a basin/catchment level is considered relevant for Sainsbury's because it is vital for ensuring the continuity of our direct operations. For example, in the UK, where most of our direct operations are, we are required to provide adequate quality drinking water for all our employees, as per the Workplace (Health, Safety and Welfare) Regulations 1992 (Regulation 22). If the quality of water available in our stores was insufficient, we would not legally be allowed to operate our workplaces as we could be liable to criminal prosecution and/or fines. We rely on internal company methods, which in this case refers to our Facilities Management colleagues monitoring risks associated with water quality across our facilities with operational control to ensure that the water supplied is of sufficient quality. In terms of how this issue has been assessed for water-related risks, a key area that we consider as part of this contextual issue is control of Legionella. Our Facilities Management colleagues rely on a set of predetermined procedures to conduct water quality risk assessments. Our Control of Legionella Procedural Document outlines specific steps involved in this process. When it comes to domestic hot and cold distribution systems, the procedures include a requirement to assess the following: physical condition of pipework; design, configuration and accessibility of associated distribution pipework; temperature profiles of associated distribution services; physical condition of associated distribution pipework; presence of infrequently used outlets; condition and type of outlets, looking for scale, dirt, discoloured water, etc; the use of point of use filters; and anything else that may have an impact on the potential contamination, amplification, transmission and exposure. We also assess other systems including but not limited to drinking fountains, water softeners, humidified food cabinets, ice machines and others.
Stakeholder conflicts concerning water resources at a basin/catchment level	Relevant, always included	We rely on water as a key input both across our direct operations and in our supply chain. Because Sainsbury's is not the only stakeholder that withdraws from this finite resource at basin/catchment levels, we regard stakeholder conflicts concerning water resources as an issue that may pose disruptions to our business in the future, particularly as climate change progresses (e.g. changing weather and precipitation patterns, increased water scarcity, etc.). As such, this issue is relevant to Sainsbury's particularly across our supply chain, and it is always included in our water-related risk assessments. To help assess and mitigate risks in this area, we have relied on internal company methods (see W3.3a) to identify opportunities for partnerships and collaborations to promote mutual understanding and cooperation on water-related issues at a catchment level. As part of this effort, we signed up to be members of the Courtauld 2025 Water Ambition, which is an initiative led by WRAP and focuses on working collaboratively with our competitors and other stakeholders to ensure cooperation at a catchment level. As part of this, we are working in two catchments in the UK (CamEO & Broadlands in East Anglia and Medway in Kent) that are key sourcing regions for us for fresh produce. We are also involved in and supporting similar catchment-level projects in Spain, Kenya and South Africa. Our internal teams also assessed current projects, competitor actions, our historical activity and significant to our company. Furthermore, we have signed up to the Cambridge Institute for Sustainability Leadership's Catchment Management Declaration, which is a collaborative initiative that will help foster multi-sector water management. Its intention is to bring together businesses, government stakeholders and NGOs to tackle the collective challenge of water stresses through catchment management. Furthermore, we work with our growers and suppliers to develop plans on water security (e.g. enabling growers to invest in building their own reservoirs).
Implications of water on your key commodities/raw materials	Relevant, always included	We recognise that water has significant implications on our key commodities. For example, the lack of availability or access to water threatens the yield of commodities, which pushes prices up and as such, it has the potential to cause uncertainty in the market and may impact our ability to operate. In response to the identification of such risks in our supply chain, we have relied on internal company methods, which in this case refers to the establishment of innovative supplier engagement practices to identify and mitigate risks related to this contextual issue. We utilise tailored approaches for assessing water-related risks depending on the specific commodity/raw material group in question. We also rely on the Mintec Market and Commodities Report to understand the drivers behind commodity availability and pricing on a monthly basis, thereby enabling us to identify relevant risks and to take appropriate steps. In our non-food business, cotton is our most important raw material as well as the world's most widely used natural fibre. We understand the significance of the sustainable supply of cotton and have instituted a cotton strategy to ensure that all of the cotton fibre used in our products will originate from independently verifiable sustainably managed sources. Crucially, our membership of the Better Cotton Initiative (BCI) underpins our cotton strategy and affirms our strong commitment to promoting, and supporting, positive environmental, social and economic change across the cotton value chain.
Water-related regulatory frameworks	Relevant, always included	Regulatory water risks occur when unexpected changes in water-related regulations increase our operating costs, resulting in reduced supply and/or a changed competitive landscape. This is an important area for Sainsbury's primarily because we have a large estate that consumes a significant amount of water; therefore, even a small percentage increase in our operating costs will translate to significant absolute cost increases. This is an important area for Sainsbury's, so we rely on internal company methods and external consultants (see W3.3a) to better anticipate and prepare for regulatory changes that could impact our company. In this case, 'internal company methods' refers to our internal regulatory risk register being updated and reviewed periodically, highlighting all current and emerging water-related regulatory risks that Sainsbury's needs to be aware of. 'External consultants' refers to our partnership with Waterscan, as part of which Sainsbury's participates in the 'Retail Users Forum', which brings together representatives from across the water industry to support customer success in the open water market by providing a platform for engagement with key industry bodies to raise issues, discuss emerging water-related regulatory frameworks, and share positive feedback and discuss current challenges. This partnership enables Sainsbury's to identify and escalate any applicable water-related regulatory risks as part of the company-wide risk assessment process and take appropriate steps as necessary (including defining mitigation activities for preparing for future compliance activities).
Status of ecosystems and habitats	Relevant, always included	With our commitment to Biodiversity enshrined as one of the pillars of our Net Zero by 2040 Plan, understanding and responding to our risks as they related to the status of ecosystems and habitats has become an important part of Sainsbury's sustainability strategy. Amphibians are sensitive to disruption to their natural ecosystems and thus serve as a proxy for ecosystem health and vulnerability. Areas with more threatened and vulnerable freshwater ecosystems are more likely to see increased regulations around the use of freshwater over time, particularly companies like Sainsbury's that withdraw large amounts of water. Higher values of threatened amphibians indicate more fragile freshwater ecosystems that may experience increased regulatory risk. We use the WRI Aqueduct tool (see W3.3a) to assess water risks for facilities within our operational control, which enables us to understand and monitor the risks associated with our facilities' water withdrawal on protected amphibians and upstream protected land. In terms of how these risks are assessed, we began by determining the precise geographic coordinates of our entire UK & Ireland portfolio. This data was then uploaded into the WRI Aqueduct tool, which assigns related risk factors to each of our locations. We then work with external consultants (see W3.3a) to analyse the figures to reveal the list of sites where our withdrawals pose the greatest threat to protected amphibians and upstream protected land.
Access to fully-functioning, safely managed WASH services for all employees	Relevant, always included	We make WASH services available for employees at all our sites as a matter of priority. In the UK, where most of our direct operations are, we are required to provide an adequate supply of drinking water for all our employees, as per the Workplace (Health, Safety and Welfare) Regulations 1992 (Regulation 22). If an insufficient quantity of drinkable water were available, we would not be legally allowed to operate our workplaces as we could be liable to criminal prosecution and/or fines. Therefore, this category is relevant to Sainsbury's and is always included in our risk assessments. We rely on internal company methods (see W3.3a), which in this case refers to our internal Facilities Management colleagues continuously monitoring access to water, sanitation, and hygiene at all our locations. Our primary risk assessment method for this contextual issue is outlined in our Business Continuity Management (BCM) Policy and is supported by various fault reporting systems including FM Assist (described below). Our BCM policy, which covers the whole of our direct operations, states that all Business Divisions must understand their own risk profiles (including specific risks related to fully-functioning, safely managed WASH services for all employees), and define appropriate escalation criteria and paths in the event of any risks identified. In line with our BCM Policy, our Facilities Managers implement local risk assessment processes that define the frequency and methods for monitoring all relevant WASH-related risks across our estate (including regularly monitoring plumbing and ensuring that all our taps are fully functioning at all times). To support the identification of WASH-related risks, we have rolled out a fault reporting system called FM Assist, which enables our colleagues to digitally report problems related to building fabric, electrical, mechanical and plumbing. Issues logged on FM Assist are monitored centrally, allowing Sainsbury's to not only respond to water-related risks as they are identified, but also to drive cost savings by reducing the number of call outs where the wrong contractor has been assigned or the problem has been misunderstood.
Other contextual issues, please specify	Not considered	

W3.3c

(W3.3c) Which of the following stakeholders are considered in your organization's water-related risk assessments?

	Relevance & inclusion	Please explain
Customers	Relevant, always included	Customers are included in our risk assessments because they help us to identify water-related risks and opportunities and may be impacted by our activities. For example, we know that our customers are increasingly concerned about the water-related issues such as water scarcity, efficiency across operations and sustainable rainwater harvesting. We strive to address such shifts in customer preferences and address water-related concerns they may have as part of our sustainability strategy (e.g. by setting ambitious targets in these areas including our water neutrality target by 2040; by continuing to roll out rainwater harvesting systems; and by investing in water-savings technologies across our estate). Customers are included in our risk assessments also because their safety and well-being are of vital importance to us. One of the risks that can potentially impact our customers is flood risk. When such a risk is identified, our priority is the safety of our customers and colleagues. Once we have ensured this, we take steps to protect our property so that we can ensure that operations can continue with minimum interruption, and our customers have access to the site as much as possible during and after the understanding of the risk. Customers are also included because they help us determine water-related risks and opportunities. When it comes to our sustainability strategy, our method of engagement with this stakeholder group is primarily through our bi-annual progress update against our Net Zero by 2040 Plan, which includes our goal to achieve water neutrality across our estate. We also include in-store communications (e.g. signages and posters) about roll-out of rainwater harvesting facilities and water-saving technologies. There is also a water-specific page on the Sainsbury's website where all customers can find out related information. With regards to engaging with stakeholders on flood risk, we do this by informing them when a store is closed due to flooding by erecting signage and issuing a press release. We also increasingly rely on social media for our related messaging. We utilise an early flood warning system, which enables us to mobilise engineers and quickly deploy local flood defence systems to protect the safety of our customers and employees.
Employees	Relevant, always included	Employees are included in our risk assessments because they help us to identify water-related risks and opportunities and may be impacted by our activities. For example, our employees report water-related issues (e.g. taps, toilets, leaks), and we also rely on them to help us deliver on our water-related commitments (e.g. those related to water consumption). Employees are included in our risk assessments also because their safety and well-being are of vital importance to us. One of the risks that can potentially impact our employees is flood risk. When such a risk is identified, our priority is the safety of our customers and colleagues. Once we have ensured this, we take steps to protect the property so that we can ensure that operations can continue with minimum interruption, and our employees have access to the site as much as possible during and after the understanding of the risk. When it comes to our method of engagement, every one of our colleagues is informed of our Net Zero by 2040 Plan including our commitment to become a water neutral organisation across our direct operations. We also provide training to our staff on how they can spot water-related operational issues, including reporting these to Facilities Management. Furthermore, we provide information sessions on how our colleagues can reduce their water footprints, efforts which contribute to the achievement of our sustainability commitments. Sainsbury's also has an intranet page where our colleagues can access relevant information, including training materials and information about our progress against targets. With regards to engaging our colleagues on flood risk, we do this by informing them when a store is closed upon flooding by erecting signage and issuing a press release. In addition, we aim to reduce water risks via our employees through employee engagement initiatives (e.g. employee behavioural change campaigns, policies and training). Audits are also carried out to confirm or highlight any issues that have yet to be discovered. We utilise an early flood warning system, which enables us to mobilise engineers and quickly deploy local flood defence systems to protect the safety of our customers and employees.
Investors	Relevant, always included	Investors' concern about our water-related risks is central to our sustainability strategy. In addition to increased investor interest being paid to improving our sustainability credentials (including around reducing our water footprint), any impact to operational continuity will ultimately affect our investors; as such, these stakeholders are always included in our risk assessments. Our risk management procedures aim to minimise this risk by ensuring our business is as resilient as possible to all forms of climate risk, including water. We update investors every six months on our progress against our Net Zero by 2040 Plan through reports on our website or during our investor ESG days. Our Net Zero Plan comprises seven commitments including a target to achieve water neutrality across our direct operations by 2040. In this way, we consider water issues to be just as relevant to our organisation as greenhouse gas emissions, healthy diets, biodiversity, and sustainable sourcing, amongst others. We also inform our investors of our water-related risks, commitments and progress via our annual Sustainability Updates and via our CDP Climate Change and Water Security disclosures.
Local communities	Relevant, always included	We are one of many stakeholders that relies on precious water resources in the communities in which we operate. It is vital for us to aim to reduce risks associated with water stress in local communities and maintain strong relationships with local communities; therefore, we always include this stakeholder group in our water-related risk assessments. We engage our local communities through a number of ways, including by communicating with them the existence of our on-site water-saving technologies (e.g. rainwater harvesting systems, water neutral locations and water-saving technologies) through in-store engagement posters and signages, as well as our website. We have a long history of building strong partnerships and delivering great impact in our communities, locally and internationally. Our business relies on strong, resilient communities, and we're committed to support social cohesion, economic prosperity and inclusive growth. We have presence in thousands of communities across the country and aim to help positively impact those in need through fundraising, volunteering, donations and by raising awareness.
NGOs	Not relevant, explanation provided	Engagement with NGOs provides us with a unique insight into the collective concerns of stakeholder groups, and highlights emerging risks associated with various water aspects. Engaging and/or partnering with NGOs also demonstrates to our stakeholders that we are committed to address our water impacts. Therefore, NGOs are always included in our risk assessments. We engage with this stakeholder group in a number of ways, including directly (e.g. via face-to-face meetings/forums) and indirectly (e.g. by participating in virtual conferences and forums). As an example of an engagement, we signed up to be members of the Courtauld 2025 Water Ambition, which is an initiative led by WRAP and focuses on working collaboratively with our competitors and other stakeholders to ensure cooperation at a catchment level.
Other water users at a basin/catchment level	Relevant, always included	As responsible users of water, it is important for us to collaborate with, and consider and understand the needs of other water users at basin/catchment level to ensure cooperation; as such, these stakeholders are always included in our risk assessments. We primarily engage with other water users at a basin/catchment level via our Self-Supply Users Forum. The Forum, designed to enable the self-supply community to engage directly with each other and key market stakeholders MOSL and Ofwat, plans to meet quarterly to discuss issues, activity, performance, improvements, and general updates on the market. It provides an opportunity to engage with the regulator and market operator – and, in future, wholesalers and interested bodies – to inform and lobby for change within the water industry.
Regulators	Relevant, always included	Regulators can have a significant impact on how we run our operations (e.g. Ofwat is responsible for issuing self-supply licences); as such, this group of stakeholders is always included in our risk assessments. In addition to engaging with other water users at a basin/catchment level (described above), the Self-Supply Users Forum also provides us with an opportunity to engage with the regulator Ofwat. The Forum plans to meet quarterly to discuss issues, activity, performance, improvements, and general updates on the market. It provides an opportunity to engage with the regulator and market operator – and, in future, wholesalers and interested bodies – to inform and lobby for change within the water industry.
River basin management authorities	Relevant, always included	The work of river basin management authorities can benefit our operations in a number of ways, including by providing guidance on how we can best promote an integrated approach to managing the water environment including the supply of drinking water and the protection of sensitive areas in our areas of operation. Therefore, river basin management authorities are always included in our risk assessments. In terms of our method of engagement, we maintain a close relationship with the Environment Agency and collaborate via formal consultations and working groups on a regular basis on a range of topics including river basin management.
Statutory special interest groups at a local level	Relevant, always included	Statutory special interest groups at a local level (for Sainsbury's, local planning committees are of particular relevance) are always included in our risk assessments because failure to engage with these organisations or bodies can result in non-compliance with regulations and in turn, financial penalties and even reputational damage. Our primary method of engaging with local planning committees is via a formal application and consultation process, as part of which we set out our intention to construct new stores. As part of this, we include proposed sustainability attributes of these locations such as our plans to install on-site rainwater harvesting facilities, wherever applicable.
Suppliers	Relevant, always included	As one of the largest retailers in the UK, Sainsbury's sources products from over 60 countries worldwide. We understand that many of the products we sell require a significant amount of water in their production (e.g. meat, dairy, cotton), and that many of our suppliers have a significant water footprint. As such, suppliers are always included in our water-related risk assessments. We have several methods of engaging with our suppliers on water-related issues, including through direct knowledge sharing and education programmes. We also engage in partnerships to drive change in our supply chains and are currently involved in many industry collaborations, including the Consumer Goods Forum, Better Cotton Initiative and the Roundtable on Responsible Soy Association. As an example, currently 89% of our cotton is sustainably sourced through the Better Cotton Initiative, which has provided an estimated water saving of 6.28 billion litres of water.
Water utilities at a local level	Relevant, always included	Water is a crucial input into our operations, so we depend on water utilities at a local level for the continued functioning of our business. As such, this group of stakeholders is always included in our risk assessment. One of our methods of engagement with stakeholders is via a formal escalation process, whereby we notify local water utilities of any issues (e.g. leaks and other issues that they may be responsible for remedying) across our estate. For example, in the past when we have experienced water pressure issues in our stores or distribution centres, our first step has been to conduct a leak detection audit with our external water consultants. If no leaks were found, we have engaged our water utility provider on the issue, and there was an instance where the issue was a larger leak within the locality of the store.
Other stakeholder, please specify	Not relevant, explanation provided	All relevant stakeholders have been captured in the above categories.

(W3.3d) Describe your organization's process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

As described in W3.3a above, we utilise several methods and tools to identify, assess and respond to water-related risks both within our direct operations and in our supply chain. These include internal company methods (flood risk assessments) and working with our external consultants to carry out overall water risk assessments using the WRI Aqueduct tool. We have selected full coverage for both value chain stages because we monitor all water-related aspects and risks via separate but linked water assessments (described below), and input findings from these processes into a corporate risk map as part of our company-wide enterprise risk management framework (a process that also captures other climate and sustainability-related risks).

We have chosen direct operations and supply chain as the level of coverage because these are the key areas where we are most exposed to water-related risks. Our definition of risk is any event or combination of events that could impact our revenue, generate local/regional media interest (impacting our reputation), or jeopardise the safety and well-being of our colleagues or customers. Please see W4.1a for our definition of substantive financial or strategic impact.

We rely on internal company methods (in this case, the expertise of our specialist Engineering and Facilities Management colleagues) to monitor flood risks across our direct operations, and we have developed a comprehensive flood-risk assessment tool for this purpose. The tool allows rapid identification and continual assessment of flood risks at our sites. Along with this proactive response to evolving flood risks, we also have invested in long-term flood mitigation to protect high risk stores. We launched a data modelling application for our stores in 2016. It is a bespoke management information system that uses a range of verified critical data, including historic flood information; weather data and patterns; and river gauge outputs and measurements (amongst others). The system contains the latitude and longitude of all business locations. Such specific geopositioning data allows for better accuracy of flood location and threat level (e.g. the tool shows whether the flooding may be specific to a corner of a car park, service road or access route into the store premises). The system also includes a real-time flood warning system. The Facilities Management Help Desk has responsibility for extracting and publishing the data twice a day, enabling Environment and Operational Excellence Managers to view the 'at risk' locations in their regions. In terms of how the outcomes of the risk assessment are used to inform internal decision-making processes, we will take appropriate action depending on the risk(s) identified, such as investing in permanent or temporary flood defence systems and the development of flood emergency plans as appropriate. Any substantive risks will be captured in a corporate risk map that is administered as part of our enterprise risk management framework.

We also work with external consultants and use the WRI Aqueduct tool to carry out annual water risk assessments for all our facilities in the UK and Ireland (i.e. full assessment across our direct operations). The tool generates projections out to 2050 for future water stress, seasonal water variability, water supply and water demand across our portfolio. In terms of practical application of this tool, we collate the water withdrawal figures and the precise geographic locations of our entire UK & Ireland portfolio. This data is then uploaded into the WRI Aqueduct tool, which reveals our facilities with low, medium and high water stress (both current and future), referring to the baseline water stress and baseline water depletion metrics in the output of our sites. The figures are then analysed to reveal the proportion of total withdrawals from water stressed areas (both current and future). We define 'water stressed areas' as those that have a High (40-80%) water stress score, as stated in the WRI Aqueduct methodology. We have also used the WRI Aqueduct tool to assess water risk across our supply chain, which has enabled us to determine hot spots that require a more comprehensive water risk assessment (our exercise revealed that our sourcing regions in Spain and South America have particularly high water risks vs volume of goods supplied). In terms of how the outcomes of the risk assessment are used to inform internal decision-making processes, we will use the WRI Aqueduct assessment results to prioritise water reduction initiatives across locations that are projected to be significantly impacted by water scarcity in the future. In our supply chain, we have used the Aqueduct results to engage our growers and suppliers in water scarce regions on the topic of water conservation and stewardship. Any substantive risks will be captured in a corporate risk map that is administered as part of our enterprise risk management framework.

W4. Risks and opportunities

W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes, both in direct operations and the rest of our value chain

W4.1a

(W4.1a) How does your organization define substantive financial or strategic impact on your business?

At the Group level, we have identified 'Environment and Sustainability' as a principal risk and source of uncertainty. Sainsbury's considers both reputational and financial impacts in the context of the Group's strategic objectives. We have a robust process of assessing and measuring environmental and sustainability risks based on a combination of likelihood and impact, considering both financial and reputational elements. We also assess the "gross risk" which is the impact of the risk before existing controls, and the "net risk" which is the risk after the current controls are put in place.

The severity of all current, short, and medium-term risks is assessed based on a combination of likelihood and impact. Likelihood is quantified based on time-based (anticipated timeframe of occurrence) and probability-based (expressed as 1 [remote] to 5 [almost certain]) thresholds. Impact is also assessed on a five-point scale, with each level being assigned a corresponding financial and reputation indicator. Any longer-term risks are considered emerging risks and are reviewed annually by the Ops Board. The potential impact of these risks is measured using similar time and probability-based indicators.

In line with this framework, we define substantive financial impact as one that impacts Sainsbury's revenue by at least £25 million, and substantive strategic impact as one that generates high local/regional media interest (impacting our reputation), and/or an event or series of events that puts the safety and well-being of our colleagues or customers at risk. This definition covers our direct operations and supply chain.

Our substantive financial and strategic impact classifications can be triggered either by a single, high-magnitude event and/or a series of lower-magnitude events that combine to create a larger impact and can be influenced by aspects such as the number of affected locations; the magnitude of impacts at these locations; our dependence on a particular facility; or the potential for shareholder or customer concern, amongst others. We consider flooding across our UK operations to be an example of a substantive strategic (and potentially financial) impact.

W4.1b

(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?

	Total number of facilities exposed to water risk	% company-wide facilities this represents	Comment
Row 1	27	1-25	

W4.1c

(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?

Country/Area & River basin

United Kingdom of Great Britain and Northern Ireland	Other, please specify (Anglian)
--	---------------------------------

Number of facilities exposed to water risk

1

% company-wide facilities this represents

Less than 1%

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

Less than 1%

Comment

Country/Area & River basin

United Kingdom of Great Britain and Northern Ireland	Other, please specify (Clyde)
--	-------------------------------

Number of facilities exposed to water risk

2

% company-wide facilities this represents

Less than 1%

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

Less than 1%

Comment

Country/Area & River basin

United Kingdom of Great Britain and Northern Ireland	Other, please specify (Humber)
--	--------------------------------

Number of facilities exposed to water risk

2

% company-wide facilities this represents

Less than 1%

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

Less than 1%

Comment

Country/Area & River basin

United Kingdom of Great Britain and Northern Ireland	Other, please specify (North West)
--	------------------------------------

Number of facilities exposed to water risk

2

% company-wide facilities this represents

Less than 1%

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

Less than 1%

Comment

Country/Area & River basin

United Kingdom of Great Britain and Northern Ireland	Other, please specify (Severn)
--	--------------------------------

Number of facilities exposed to water risk

4

% company-wide facilities this represents

Less than 1%

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

Less than 1%

Comment

Country/Area & River basin

United Kingdom of Great Britain and Northern Ireland	Thames
--	--------

Number of facilities exposed to water risk

12

% company-wide facilities this represents

Less than 1%

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

Less than 1%

Comment

Country/Area & River basin

United Kingdom of Great Britain and Northern Ireland	Trent
--	-------

Number of facilities exposed to water risk

4

% company-wide facilities this represents

Less than 1%

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

Less than 1%

Comment

W4.2

(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

United Kingdom of Great Britain and Northern Ireland	Other, please specify (Anglian, Clyde, Humber, North West, Severn, Thames & Trent)
--	--

Type of risk & Primary risk driver

Physical	Flooding
----------	----------

Primary potential impact

Disruption to sales

Company-specific description

Our distribution centres and central administrative facilities are important for us because, although they are not revenue-generating locations, their continued functioning is key to ensuring business continuity (and in turn, sales) at many of our retail sites. This is because distribution centres supply our supermarkets and stores, and there is a risk that with the closure of any of these locations the supply of goods could be cut off to our retail locations. We have identified 27 facilities (comprising distributions centres and key central office locations) as key sites that are exposed to flood risks. Multiple flood events occurring at the same time are more likely to pose a substantive financial and strategic impact for our business (e.g. if a distribution centre is flooded, supply to our supermarkets and stores could potentially be cut off, leading to loss of sales at our retail outlets due to a lack of inventory); however, even a single flood event can be substantive if it jeopardises the safety of our colleagues and customers. The breakdown of exposed sites by river basin is as follows: Anglian (1); Clyde (2); Humber (2); North West (2); Severn (4); Thames (12); and Trent (4). In terms of a specific example, sites that are in locations with high flood occurrence are at increased risk of being impacted by site closure (as was the case in Chadwell Heath, Mytholmroyd, Beeston and Nantwich this year, where the stores and one car park were closed because of flooding). Our distribution of supply can be further impacted if retail locations are closed, because this would prevent the delivery of inventory from distribution centres.

Timeframe

Current up to one year

Magnitude of potential impact

Medium-low

Likelihood

Likely

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

2904800

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact

The financial impact of overall water risk (including flood risk) depends on the magnitude, frequency, and location of the events. Aspects of our operations that may be impacted include insurance premiums, revenue loss, cost of new equipment, and these depend on duration of store closure, location of stores, extent of damage, and time of year. The timescale of the financial impact can also vary (e.g. initial loss of revenue and repair costs vs rises in premiums). In terms of an explanation of the approach we employed to calculate this figure, we estimated that in any given year, we could see flood impacts culminate in a financial impact of around 0.01% of our annual revenue. For the reporting year, this translates to 29,048,000,000 (revenue) multiplied by 0.0001 = 2,904,800. This figure assumes that we take no further mitigation and adaptation steps in addition to what is described in the 'Explanation of cost response' column. In terms of a likely timescale for the financial impact, we estimate that this impact could materialise in any reporting period (i.e. it is a current risk whose financial impact is applicable from the present up to one year into the future).

Primary response to risk

Increase investment in new technology

Description of response

Management of flood risk demands a detailed understanding of the risk to individual locations. Rapid identification and continual assessment of dynamic flood situations as they evolve is key. We have increased our investment in new technology and developed a flood modelling application for our stores in 2016, which utilises geospatial mapping of business locations to accurately predict flood location and threat level and includes a real-time flood warning system. Facilities Management is responsible for monitoring data from the system, and each Regional Environment and Operational Excellence Manager is provided with access to view 'at risk' locations in their region. Although we continued to experience flooding events, the tool has been effective at preventing and minimising flood-related impacts across our estate by enabling us to make informed and timely decisions to minimise the impacts of flooding. We expect that the tool will continue to improve Sainsbury's resilience and help prevent future financial and operational impacts. Several action plans have already been put in place, ranging from long-term flood mitigation investment to enabling sites' response to evolving flood risks. Some examples include site-specific vulnerability ranking reports, which help us to determine the most appropriate emergency, temporary or long-term mitigation plans. We have also developed flood emergency plans for at-risk locations, which outline processes for Facilities Managers to follow during a flooding event (e.g. use of sandbags and/or installation of flood barriers). We have made a capital investment in the sites that are at continuous high risk of flooding. For example, we have installed flood barriers at several stores. One of these is our Superstore in Sherbourne, which we identified as being at risk of flooding from a nearby stream. During refurbishment, removable flood barriers were installed to mitigate the risk from further flood events. At another store in Carlisle, we have lifted the building services plant on stilts to prevent flooding.

Cost of response

1610000

Explanation of cost of response

In line with the CDP guidance, we will not provide a quantitative breakdown of what constitutes our total cost of £1,600,000. We will, however, provide a qualitative explanation of what costs we have summed to arrive at this figure. The cost of response to risk figure represents the annual contract cost associated with maintaining our flood warning system as well as our most significant investments in flood defences. These include the installation of permanent flood defences at our Carlisle and Tadcaster locations; the installation of door opening barrier protection at our store in Clitheroe; and temporary flood defences to be utilised by facilities managers across our estate. Our calculations do not rely on assumptions and are not estimated. These cost listed in the 'Cost of response' column has already been spent on our response to this risk. Part of this cost is recurring (i.e. annual cost of maintaining flood warning system).

W4.2a

(W4.2a) Provide details of risks identified within your value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

Spain	Other, please specify (Huelva)
-------	--------------------------------

Stage of value chain

Supply chain

Type of risk & Primary risk driver

Physical	Increased water scarcity
----------	--------------------------

Primary potential impact

Disruption to sales due to value chain disrruption

Company-specific description

The Huelva region in southern Spain incorporates Doñana National Park, a UNESCO world heritage site. The region also supplies 70% of the world's exported strawberries. Sainsbury's sources 100% of its Spanish soft fruit from this region, and it is an extremely significant region to source soft fruit between October and May each year. The demand for soft fruit from this region is putting significant pressure on the water supply required to irrigate the crop, and this use is reducing the amount of water available to wildlife in the national park. Although we do not source from within the Doñana National Park, we do source from farms in the vicinity. Continued pressure on the water supply may impact Sainsbury's value chain by reducing strawberry production in the region, thus disrupting our supply, and impacting our revenue.

Timeframe

1-3 years

Magnitude of potential impact

Medium-high

Likelihood

Very likely

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

30000000

Potential financial impact figure - maximum (currency)

40000000

Explanation of financial impact

Our approach for calculating the potential financial impact figure was to estimate the percentage of the sourcing category that is threatened, and to multiply this percentage by the total financial value that the entire sourcing category represents to Sainsbury's. By relying on internal calculations and supplier and water risk assessments, we estimated that 15-20% of the sourcing category is threatened. This estimation assumes that no mitigation steps are taken to mitigate against this risk. To calculate our minimum potential financial impact figure, we therefore multiplied the total financial value that the sourcing category represents (£200,000,000) by the lower end of our percentage range as follows: $0.15 \times 200,000,000 = £30,000,000$. To calculate our maximum potential financial impact figure, we multiplied the total financial value that the sourcing category represents by the higher end of our percentage range as follows: $0.2 \times 200,000,000 = £40,000,000$. We estimate that this impact could materialise as soon as 1-2 years from now.

Primary response to risk

Supplier engagement	Develop supplier drought emergency plans
---------------------	--

Description of response

Sainsbury's has worked with its suppliers and growers in the Huelva region to raise awareness of the issue of water scarcity and develop drought emergency and water efficiency plans. Through this engagement we believe that our suppliers will be better able to anticipate and respond to water-related impacts, which in turn will help to mitigate some of our upstream water-related risks related to supply disruption. Our engagement also helps develop suppliers' capacity to implement water savings measures during periods of drought, which will likely result in an improvement in our suppliers' water security. In addition, Sainsbury's provided training for suppliers and growers in the region on water-saving methods, which has helped them reduce their water requirement to irrigate their crops. This training will further help to mitigate some of our upstream water-related risks as described above. Although our efforts have been effective relative to the scale of the engagement, the issue of water scarcity in the region is going to continue to pose a risk, which means that Sainsbury's will continue to have to collaborate with suppliers and develop additional ways of mitigating risks to supply disruptions.

Cost of response

30000

Explanation of cost of response

Our approach to calculate this figure was to estimate the costs of in-kind contribution over the past four years to suppliers and growers in the region for the purposes of awareness raising, implementing water efficiency plans, and training. Over the four years that Sainsbury's has been involved in water stewardship activities in the region, we have contributed approximately £7,500 per annum. $7,500 \times 4 = £30,000$. There are no assumptions associated with this calculation. In terms of the likely timescale for the cost response, the finances referred to above have already been contributed; we expect similar annual contributions in future years.

Country/Area & River basin

United Kingdom of Great Britain and Northern Ireland	Other, please specify (Cam, Ely, Ouse and Broadland (known as CamEO & Broadlands); Wye & Usk; and Kent (Medway))
--	--

Stage of value chain

Supply chain

Type of risk & Primary risk driver

Physical	Other, please specify (Increased water scarcity, increased diffuse pollution, and flooding risk)
----------	--

Primary potential impact

Disruption to sales due to value chain disruption

Company-specific description

We have identified several risks across several of our UK river basins, including water scarcity, increased diffuse pollution, and flooding risk. We have combined these risks under one row because we engage with all our affected suppliers under one programme, as described in the 'Description of response' column, and the costs associated with our response come out of a common budget. We source a range of fresh produce and commodities from the CamEO & Broadlands catchments, including potatoes and vegetables. The demand for water for irrigation, decreasing water quality status and increasing pressure from residential properties means the catchment faces significant issues around water quality, access, and availability. Continued water stress may impact our value chain by reducing production, thus disrupting our supply, and impacting our revenue. We source from poultry farms from the Wye & Usk river basins, which have been linked to increased diffuse pollution in the catchment. The water quality in the area has deteriorated over recent years, and recently has been the subject of an investigative documentary highlighting the issues in the area. It is likely to continue getting media exposure if the issues go unresolved. Ongoing and/or deteriorating water quality issues may impact our reputation as we are a key company who sources from the region. The high volume of soft fruit production under polytunnels in the River Medway catchment requires a huge amount of irrigation. With more farms in the area diversifying into soft fruit production, there is increased demand for abstraction licences. Medway surface and groundwaters are fully abstracted and licenced, restricting soft fruit investment and growth, which is a risk for our business, especially in the future with water scarcity being a risk in Kent. This may impact us through reduced volumes or quality supplied to us from this area. The Tamar Water Stewardship Business Board is made up of companies who work in collaboration with the Westcountry Rivers Trust to achieve an efficient and effective approach to greater sustainability in their supply chains. We source from most of the suppliers in this membership and are supportive of the work that they carry out, which is in part funded by our contribution to the UK Collective Action projects as part of the Courtauld 2025 Water Ambition. They are focusing on nature-based solutions, with the Woodland Trust, to mitigate the risk of flooding in the area.

Timeframe

1-3 years

Magnitude of potential impact

Medium-high

Likelihood

Very likely

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

150000000

Potential financial impact figure - maximum (currency)

200000000

Explanation of financial impact

Our approach for calculating the potential financial impact figure was to estimate the total worth of the produce sourced from the river basins identified in the 'River basin' column by analysing our procurement data. By working with our sourcing team, we estimated that the total value of all goods is approximately £150-200 million per annum, depending on the year. Our calculation assumes that no steps are taken to mitigate the risks outlined in the 'Company-specific description' column, and that Sainsbury's would need to source all its good from other regions; in other words, the calculations assume a worst-case scenario. We estimate that this impact could materialise as soon as 1-3 years from now.

Primary response to risk

Supplier engagement	Other, please specify (promote water management interventions with suppliers)
---------------------	---

Description of response

We have joined and participated in the Courtauld 2025 Water Ambition – an initiative led by WRAP and facilitated by The Rivers Trust in the UK. The Ambition is a practical response to the growing problem of water stress. It is a collaborative programme that works on a localised level, dealing directly at source with issues specific within each catchment area. As a signatory, Sainsbury's is participating in collective action projects to improve the quality and availability of water in key sourcing areas. Each project aims to deliver reductions in water stress, measured against the most important water stress impacts & metrics in that location (e.g. reduction in consumptive use, improved water quality status, nitrate/phosphate/sediment levels in local watercourses). Specifically, Sainsbury's works collaboratively with our farmers and growers to safeguard the quality and availability of their produce for the future and promote water stewardship. As part of this, we have committed to funding and in-kind support to projects across four areas of the UK: East Anglia (CamEO/Broadlands), Wye & Usk, Kent (Medway) and the South West (Tamar). We have identified suppliers, processes and growers who are based within the areas of work and collaborate with them to promote water management interventions (e.g.: we are supporting the Tamar Water Stewardship Business Board's development of nature-based solutions to mitigate flood risk in the Tamar river basin). Our initiatives under the Water Ambition are currently ongoing and we will be involved with the projects for a total period of three years. We believe that our water security, and that of others in the river basins in which we are carrying out projects, will improve because of our engagement efforts.

Cost of response

60000

Explanation of cost of response

Our approach to calculate this figure was to estimate the proposed total investment in cash and in-kind over the three-year project at £20,000/year, which will be monitored closely during implementation. Therefore, to come up with our £60,000 figure, we multiplied £20,000 by 3. There are no assumptions associated with this calculation. In terms of the likely timescale for the cost response, the finances referred to above have already been earmarked for the next three years, which is the duration of the project.

W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes, we have identified opportunities, and some/all are being realized

W4.3a

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

Type of opportunity

Efficiency

Primary water-related opportunity

Cost savings

Company-specific description & strategy to realize opportunity

We consider the roll-out and maintenance of rainwater harvesting installations across our UK estate as an opportunity that could have a substantive financial and strategic impact on our business. Not only can rainwater harvesting systems reduce our reliance on mains water supply, they can also lead to significant cost savings. Furthermore, as we look to drive towards water neutrality across our direct operations as part of our Net Zero by 2040 Plan, we are looking to roll out innovative solutions such as these wherever feasible; therefore, we consider this a substantive opportunity from an impact reduction, cost savings, and reputational perspective, as outlined in our definition of substantive impact in W4.1a. In terms of an explanation of the action to realise this opportunity, we continue to roll out rainwater harvesting systems across our UK estate, and are actively working with our external consultants to maintain existing facilities and improve the metering of our rainwater harvesting facilities to provide us with a better understanding of our water consumption and save on costs. In terms of one example of the strategy in action, we have recently engaged our external consultants to determine the state of our rainwater harvesting facilities across all our locations where these have been installed. Based on a series of site visits carried out by our consultants, it was found that we have currently saved over 1 billion litres of mains water by using rainwater, which equates to savings of around £281,000 a year and a total carbon impact reduction of 191,452 kgCO₂e. The site visits also revealed that we have a significant opportunity to further reduce our reliance on mains water and save on costs through the repair of faulty meters and the roll-out of additional rainwater harvesting facilities. For example, our external consultants estimate that, due to the number of faulty meters, the water, cost, and carbon savings figures above only account for about 50% of the actual reductions.

Estimated timeframe for realization

Current - up to 1 year

Magnitude of potential financial impact

Low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

695750

Potential financial impact figure – maximum (currency)

835000

Explanation of financial impact

Our potential financial impact figures were calculated by our external consultants, who determined the value by analysing existing meter readings and estimating cost savings based on the repair of faulty meters and proper maintenance of existing rainwater harvesting facilities. Specifically, it was determined that if all rainwater harvesting meters were functioning correctly, Sainsbury's could demonstrate mains water savings of approximately 2.5 to 3 billion litres. The 2.5 and 3 billion figures were calculated from the 1 billion litres above which was doubled to account for the whole of the estate functioning correctly (our external consultants estimate that we could double our savings by repairing faulty meters), plus 25% and 50% added, respectively, as assumptions of further savings once remedial works have been carried out. In line with these calculations, we have estimated that we could save approximately between £695,750 and £835,000 a year from harvesting rainwater (based on the same assumptions above with all systems working on rainwater).

W5. Facility-level water accounting

W5.1

(W5.1) For each facility referenced in W4.1c, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Facility reference number

Facility 1

Facility name (optional)

Dartford RRU

Country/Area & River basin

United Kingdom of Great Britain and Northern Ireland	Thames
--	--------

Latitude

51.46494

Longitude

0.239465

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

39.85

Comparison of total withdrawals with previous reporting year

Higher

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

39.85

Total water discharges at this facility (megaliters/year)

0.47

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

0.47

Total water consumption at this facility (megaliters/year)

39.4

Comparison of total consumption with previous reporting year

Higher

Please explain

Water figures can fluctuate at our depots as a result of a variety of factors. These include regional distribution changes, uptakes in home delivery (more vans and crates to wash) and consolidation and/or expansion of our sites.

Facility reference number

Facility 2

Facility name (optional)

Houndmills Road

Country/Area & River basin

United Kingdom of Great Britain and Northern Ireland	Thames
--	--------

Latitude

51.27001

Longitude

-1.10429

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

3.14

Comparison of total withdrawals with previous reporting year

Lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

3.14

Total water discharges at this facility (megaliters/year)

3.14

Comparison of total discharges with previous reporting year

Lower

[Discharges to fresh surface water](#)

[Discharges to brackish surface water/seawater](#)

[Discharges to groundwater](#)

[Discharges to third party destinations](#)

3.14

[Total water consumption at this facility \(megaliters/year\)](#)

0

[Comparison of total consumption with previous reporting year](#)

About the same

[Please explain](#)

Water figures can slightly fluctuate at our depots as a result of a variety of factors. These include regional distribution changes, uptakes in home delivery (more vans and crates to wash) and consolidation and/or expansion of our sites.

[Facility reference number](#)

Facility 3

[Facility name \(optional\)](#)

Basingstoke Rru

[Country/Area & River basin](#)

United Kingdom of Great Britain and Northern Ireland	Thames
--	--------

[Latitude](#)

51.27349

[Longitude](#)

-1.10361

[Located in area with water stress](#)

Yes

[Primary power generation source for your electricity generation at this facility](#)

<Not Applicable>

[Oil & gas sector business division](#)

<Not Applicable>

[Total water withdrawals at this facility \(megaliters/year\)](#)

48.92

[Comparison of total withdrawals with previous reporting year](#)

Much higher

[Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes](#)

[Withdrawals from brackish surface water/seawater](#)

[Withdrawals from groundwater - renewable](#)

[Withdrawals from groundwater - non-renewable](#)

[Withdrawals from produced/entrained water](#)

[Withdrawals from third party sources](#)

48.92

[Total water discharges at this facility \(megaliters/year\)](#)

0.96

[Comparison of total discharges with previous reporting year](#)

About the same

[Discharges to fresh surface water](#)

[Discharges to brackish surface water/seawater](#)

[Discharges to groundwater](#)

[Discharges to third party destinations](#)

0.96

[Total water consumption at this facility \(megaliters/year\)](#)

48

[Comparison of total consumption with previous reporting year](#)

Much higher

[Please explain](#)

Water figures can fluctuate at our depots as a result of a variety of factors. These include regional distribution changes, uptakes in home delivery (more vans and crates to wash) and consolidation and/or expansion of our sites.

[Facility reference number](#)

Facility 4

Facility name (optional)

Thameside Distribution Depot

Country/Area & River basin

United Kingdom of Great Britain and Northern Ireland	Thames
--	--------

Latitude

51.49084

Longitude

0.025574

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

26.63

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

26.63

Total water discharges at this facility (megaliters/year)

4.14

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

4.14

Total water consumption at this facility (megaliters/year)

22.5

Comparison of total consumption with previous reporting year

About the same

Please explain

Water figures can slightly fluctuate at our depots as a result of a variety of factors. These include regional distribution changes, uptakes in home delivery (more vans and crates to wash) and consolidation and/or expansion of our sites.

Facility reference number

Facility 5

Facility name (optional)

Greenford Depot

Country/Area & River basin

United Kingdom of Great Britain and Northern Ireland	Thames
--	--------

Latitude

51.54847

Longitude

-0.34797

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

9.32

Comparison of total withdrawals with previous reporting year

Lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

9.32

Total water discharges at this facility (megaliters/year)

3.99

Comparison of total discharges with previous reporting year

Lower

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

3.99

Total water consumption at this facility (megaliters/year)

5.3

Comparison of total consumption with previous reporting year

Lower

Please explain

Water figures can fluctuate at our depots as a result of a variety of factors. These include regional distribution changes, uptakes in home delivery (more vans and crates to wash) and consolidation and/or expansion of our sites.

Facility reference number

Facility 6

Facility name (optional)

Haydock RRU

Country/Area & River basin

United Kingdom of Great Britain and Northern Ireland	Other, please specify (North West)
--	------------------------------------

Latitude

53.47651

Longitude

-2.65502

Located in area with water stress

No

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

51.02

Comparison of total withdrawals with previous reporting year

Higher

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

51.02

Total water discharges at this facility (megaliters/year)

51.02

Comparison of total discharges with previous reporting year

Much higher

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

51.02

Total water consumption at this facility (megaliters/year)

0

Comparison of total consumption with previous reporting year

Lower

Please explain

Water figures can fluctuate at our depots as a result of a variety of factors. These include regional distribution changes, uptakes in home delivery (more vans and crates to wash) and consolidation and/or expansion of our sites.

Facility reference number

Facility 7

Facility name (optional)

Emerald Park

Country/Area & River basin

United Kingdom of Great Britain and Northern Ireland	Other, please specify (Severn)
--	--------------------------------

Latitude

51.50454

Longitude

-2.47869

Located in area with water stress

No

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

38.65

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

38.65

Total water discharges at this facility (megaliters/year)

36.72

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

36.72

Total water consumption at this facility (megaliters/year)

1.9

Comparison of total consumption with previous reporting year

About the same

Please explain

Water figures can slightly fluctuate at our depots as a result of a variety of factors. These include regional distribution changes, uptakes in home delivery (more vans and crates to wash) and consolidation and/or expansion of our sites.

Facility reference number

Facility 8

Facility name (optional)

Follybrook Road

Country/Area & River basin

United Kingdom of Great Britain and Northern Ireland	Other, please specify (Severn)
--	--------------------------------

Latitude

51.50314

Longitude

-2.48137

Located in area with water stress

No

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

0.11

Comparison of total withdrawals with previous reporting year

Higher

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

0.11

Total water discharges at this facility (megaliters/year)

0.1

Comparison of total discharges with previous reporting year

Higher

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

0.1

Total water consumption at this facility (megaliters/year)

0.01

Comparison of total consumption with previous reporting year

Lower

Please explain

Water figures can fluctuate at our depots as a result of a variety of factors. These include regional distribution changes, uptakes in home delivery (more vans and crates to wash) and consolidation and/or expansion of our sites.

Facility reference number

Facility 9

Facility name (optional)

Radial Park Sideway West

Country/Area & River basin

United Kingdom of Great Britain and Northern Ireland	Trent
--	-------

Latitude

52.98341

Longitude

-2.18129

Located in area with water stress

No

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

5.97

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

5.97

Total water discharges at this facility (megaliters/year)

5.97

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

5.97

Total water consumption at this facility (megaliters/year)

0

Comparison of total consumption with previous reporting year

About the same

Please explain

Water figures can slightly fluctuate at our depots as a result of a variety of factors. These include regional distribution changes, uptakes in home delivery (more vans and crates to wash) and consolidation and/or expansion of our sites.

Facility reference number

Facility 10

Facility name (optional)

Hams Hall

Country/Area & River basin

United Kingdom of Great Britain and Northern Ireland	Trent
--	-------

Latitude

52.52391

Longitude

-1.70501

Located in area with water stress

No

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

34.52

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

34.52

Total water discharges at this facility (megaliters/year)

34.52

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

34.52

Total water consumption at this facility (megaliters/year)

0

Comparison of total consumption with previous reporting year

About the same

Please explain

Water figures can slightly fluctuate at our depots as a result of a variety of factors. These include regional distribution changes, uptakes in home delivery (more vans and crates to wash) and consolidation and/or expansion of our sites.

Facility reference number

Facility 11

Facility name (optional)

Waltham Point

Country/Area & River basin

United Kingdom of Great Britain and Northern Ireland
--

Thames

Latitude

51.67947

Longitude

-0.00881

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

51.63

Comparison of total withdrawals with previous reporting year

Higher

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

51.63

Total water discharges at this facility (megaliters/year)

24.09

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

24.09

Total water consumption at this facility (megaliters/year)

27.5

Comparison of total consumption with previous reporting year

Much higher

Please explain

Water figures can fluctuate at our depots as a result of a variety of factors. These include regional distribution changes, uptakes in home delivery (more vans and crates to wash) and consolidation and/or expansion of our sites.

Facility reference number

Facility 12

Facility name (optional)

Waltham Point Rru

Country/Area & River basin

United Kingdom of Great Britain and Northern Ireland	Thames
--	--------

Latitude

51.70451

Longitude

0.023626

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

47.08

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

47.08

Total water discharges at this facility (megaliters/year)

0.8

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

0.8

Total water consumption at this facility (megaliters/year)

46.3

Comparison of total consumption with previous reporting year

About the same

Please explain

Water figures can slightly fluctuate at our depots as a result of a variety of factors. These include regional distribution changes, uptakes in home delivery (more vans and crates to wash) and consolidation and/or expansion of our sites.

Facility reference number

Facility 13

Facility name (optional)

New Rye Park

Country/Area & River basin

United Kingdom of Great Britain and Northern Ireland	Thames
--	--------

Latitude

51.7631

Longitude

0.000957

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

5.56

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

5.56

Total water discharges at this facility (megaliters/year)

2.28

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

2.28

Total water consumption at this facility (megaliters/year)

3.3

Comparison of total consumption with previous reporting year

About the same

Please explain

Water figures can slightly fluctuate at our depots as a result of a variety of factors. These include regional distribution changes, uptakes in home delivery (more vans and crates to wash) and consolidation and/or expansion of our sites.

Facility reference number

Facility 14

Facility name (optional)

Sherburn Depot

Country/Area & River basin

United Kingdom of Great Britain and Northern Ireland	Other, please specify (Humber)
--	--------------------------------

Latitude

53.79462

Longitude

-1.21608

Located in area with water stress

No

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

35.33

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

35.33

Total water discharges at this facility (megaliters/year)

33.56

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

33.56

Total water consumption at this facility (megaliters/year)

1.8

Comparison of total consumption with previous reporting year

About the same

Please explain

Water figures can slightly fluctuate at our depots as a result of a variety of factors. These include regional distribution changes, uptakes in home delivery (more vans and crates to wash) and consolidation and/or expansion of our sites.

Facility reference number

Facility 15

Facility name (optional)

Northampton Rdc

Country/Area & River basin

United Kingdom of Great Britain and Northern Ireland

Other, please specify (Anglian)

Latitude

52.21807

Longitude

-0.95002

Located in area with water stress

No

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

52.89

Comparison of total withdrawals with previous reporting year

Much higher

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

52.89

Total water discharges at this facility (megaliters/year)

47.6

Comparison of total discharges with previous reporting year

Lower

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

47.6

Total water consumption at this facility (megaliters/year)

5.3

Comparison of total consumption with previous reporting year

Lower

Please explain

Water figures can fluctuate at our depots as a result of a variety of factors. These include regional distribution changes, uptakes in home delivery (more vans and crates to wash) and consolidation and/or expansion of our sites.

Facility reference number

Facility 16

Facility name (optional)

Tamworth Rdc

Country/Area & River basin

United Kingdom of Great Britain and Northern Ireland	Other, please specify (Humber)
--	--------------------------------

Latitude

52.10158

Longitude

-0.50595

Located in area with water stress

No

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

2.74

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

2.74

Total water discharges at this facility (megaliters/year)

2.74

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

Total water consumption at this facility (megaliters/year)

0

Comparison of total consumption with previous reporting year

Lower

Please explain

Water figures can fluctuate at our depots as a result of a variety of factors. These include regional distribution changes, uptakes in home delivery (more vans and crates to wash) and consolidation and/or expansion of our sites.

Facility reference number

Facility 17

Facility name (optional)

Bedford Depot

Country/Area & River basin

United Kingdom of Great Britain and Northern Ireland	Thames
--	--------

Latitude

51.46494

Longitude

0.239465

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

4.24

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

4.24

Total water discharges at this facility (megaliters/year)

3.77

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

3.77

Total water consumption at this facility (megaliters/year)

0.5

Comparison of total consumption with previous reporting year

About the same

Please explain

Water figures can slightly fluctuate at our depots as a result of a variety of factors. These include regional distribution changes, uptakes in home delivery (more vans and crates to wash) and consolidation and/or expansion of our sites.

Facility reference number

Facility 18

Facility name (optional)

Dartford RDC

Country/Area & River basin

United Kingdom of Great Britain and Northern Ireland	Thames
--	--------

Latitude

52.35698

Longitude

-1.17337

Located in area with water stress

No

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

12.72

Comparison of total withdrawals with previous reporting year

Lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

12.72

Total water discharges at this facility (megaliters/year)

12.69

Comparison of total discharges with previous reporting year

Lower

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

12.69

Total water consumption at this facility (megaliters/year)

0.03

Comparison of total consumption with previous reporting year

Lower

Please explain

Water figures can fluctuate at our depots as a result of a variety of factors. These include regional distribution changes, uptakes in home delivery (more vans and crates to wash) and consolidation and/or expansion of our sites.

Facility reference number

Facility 19

Facility name (optional)

Daventry

Country/Area & River basin

United Kingdom of Great Britain and Northern Ireland
--

Trent

Latitude

52.60457

Longitude

-1.64475

Located in area with water stress

No

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

5.39

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

5.39

Total water discharges at this facility (megaliters/year)

0.05

Comparison of total discharges with previous reporting year

Lower

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

0.05

Total water consumption at this facility (megaliters/year)

5.34

Comparison of total consumption with previous reporting year

Much higher

Please explain

We have been able to obtain better "Return to Sewer" estimates for many of our water-intensive sites this year including this one. Withdrawal was 18% less this year for this site, whilst our consumption figures have increased.

Facility reference number

Facility 20

Facility name (optional)

Pindar Road

Country/Area & River basin

United Kingdom of Great Britain and Northern Ireland	Thames
--	--------

Latitude

51.7631

Longitude

0.000957

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

0.82

Comparison of total withdrawals with previous reporting year

Higher

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

0.82

Total water discharges at this facility (megaliters/year)

0.82

Comparison of total discharges with previous reporting year

Higher

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

0.82

Total water consumption at this facility (megaliters/year)

0

Comparison of total consumption with previous reporting year

About the same

Please explain

Water figures can slightly fluctuate at our depots as a result of a variety of factors. These include regional distribution changes, uptakes in home delivery (more vans and crates to wash) and consolidation and/or expansion of our sites.

Facility reference number

Facility 21

Facility name (optional)

Haydock Rdc

Country/Area & River basin

Latitude

53.47651

Longitude

-2.65502

Located in area with water stress

No

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

19.58

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes**Withdrawals from brackish surface water/seawater****Withdrawals from groundwater - renewable****Withdrawals from groundwater - non-renewable****Withdrawals from produced/entrained water****Withdrawals from third party sources**

19.58

Total water discharges at this facility (megaliters/year)

19.58

Comparison of total discharges with previous reporting year

About the same

Discharges to fresh surface water**Discharges to brackish surface water/seawater****Discharges to groundwater****Discharges to third party destinations**

19.58

Total water consumption at this facility (megaliters/year)

0

Comparison of total consumption with previous reporting year

Lower

Please explain

Water figures can fluctuate at our depots as a result of a variety of factors. These include regional distribution changes, uptakes in home delivery (more vans and crates to wash) and consolidation and/or expansion of our sites.

Facility reference number

Facility 22

Facility name (optional)

Langlands Park RDC

Country/Area & River basin**Latitude**

55.74098

Longitude

-4.15925

Located in area with water stress

No

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

14.78

Comparison of total withdrawals with previous reporting year

Higher

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

14.78

Total water discharges at this facility (megaliters/year)

14.04

Comparison of total discharges with previous reporting year

Higher

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

14.04

Total water consumption at this facility (megaliters/year)

0.74

Comparison of total consumption with previous reporting year

Higher

Please explain

Water figures can fluctuate at our depots as a result of a variety of factors. These include regional distribution changes, uptakes in home delivery (more vans and crates to wash) and consolidation and/or expansion of our sites.

Facility reference number

Facility 23

Facility name (optional)

Langlands Park Rru

Country/Area & River basin

United Kingdom of Great Britain and Northern Ireland	Other, please specify (Clyde)
--	-------------------------------

Latitude

55.74115

Longitude

-4.16106

Located in area with water stress

No

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

8.36

Comparison of total withdrawals with previous reporting year

About the same

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

8.36

Total water discharges at this facility (megaliters/year)

0.55

Comparison of total discharges with previous reporting year

Lower

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

0.55

Total water consumption at this facility (megaliters/year)

7.81

Comparison of total consumption with previous reporting year

Much higher

Please explain

We have been able to obtain better "Return to Sewer" estimates for many of our water-intensive sites this year including this one. Withdrawal was 5% less this year for this site, whilst our consumption figures have increased.

Facility reference number

Facility 24

Facility name (optional)

Shire Park Warehouse

Country/Area & River basin

United Kingdom of Great Britain and Northern Ireland	Other, please specify (Severn)
--	--------------------------------

Latitude

52.21312

Longitude

-2.17195

Located in area with water stress

No

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

4.43

Comparison of total withdrawals with previous reporting year

Higher

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

4.43

Total water discharges at this facility (megaliters/year)

4.43

Comparison of total discharges with previous reporting year

Higher

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

4.43

Total water consumption at this facility (megaliters/year)

0

Comparison of total consumption with previous reporting year

About the same

Please explain

Water figures can slightly fluctuate at our depots as a result of a variety of factors. These include regional distribution changes, uptakes in home delivery (more vans and crates to wash) and consolidation and/or expansion of our sites.

Facility reference number

Facility 25

Facility name (optional)

Holborn Business Centre

Country/Area & River basin

United Kingdom of Great Britain and Northern Ireland	Thames
--	--------

Latitude

51.51754

Longitude

-0.1083

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

17.71

Comparison of total withdrawals with previous reporting year

Lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

17.71

Total water discharges at this facility (megaliters/year)

17.71

Comparison of total discharges with previous reporting year

Lower

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

17.71

Total water consumption at this facility (megaliters/year)

0

Comparison of total consumption with previous reporting year

Lower

Please explain

Water figures can fluctuate at our depots as a result of a variety of factors. These include regional distribution changes, uptakes in home delivery (more vans and crates to wash) and consolidation and/or expansion of our sites.

Facility reference number

Facility 26

Facility name (optional)

Ansty Park - Coventry Offices

Country/Area & River basin

United Kingdom of Great Britain and Northern Ireland	Other, please specify (Severn)
--	--------------------------------

Latitude

52.43359

Longitude

-1.41149

Located in area with water stress

No

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

2.65

Comparison of total withdrawals with previous reporting year

Lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

2.65

Total water discharges at this facility (megaliters/year)

2.65

Comparison of total discharges with previous reporting year

Lower

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

2.65

Total water consumption at this facility (megaliters/year)

0

Comparison of total consumption with previous reporting year

Lower

Please explain

Water figures can fluctuate at our depots as a result of a variety of factors. These include regional distribution changes, uptakes in home delivery (more vans and crates to wash) and consolidation and/or expansion of our sites.

Facility reference number

Facility 27

Facility name (optional)

Pineham DC

Country/Area & River basin

United Kingdom of Great Britain and Northern Ireland	Other, please specify (Trent)
--	-------------------------------

Latitude

52.21996

Longitude

-0.9617

Located in area with water stress

No

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

17.09

Comparison of total withdrawals with previous reporting year

Much higher

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

Withdrawals from brackish surface water/seawater

Withdrawals from groundwater - renewable

Withdrawals from groundwater - non-renewable

Withdrawals from produced/entrained water

Withdrawals from third party sources

17.09

Total water discharges at this facility (megaliters/year)

15.38

Comparison of total discharges with previous reporting year

Much higher

Discharges to fresh surface water

Discharges to brackish surface water/seawater

Discharges to groundwater

Discharges to third party destinations

15.38

Total water consumption at this facility (megaliters/year)

1.71

Comparison of total consumption with previous reporting year

Much higher

Please explain

Water figures can fluctuate at our depots as a result of a variety of factors. These include regional distribution changes, uptakes in home delivery (more vans and crates to wash) and consolidation and/or expansion of our sites.

W5.1a

(W5.1a) For the facilities referenced in W5.1, what proportion of water accounting data has been externally verified?

Water withdrawals – total volumes

% verified
76-100

What standard and methodology was used?
Carbon Trust Water Standard methodology

Water withdrawals – volume by source

% verified
76-100

What standard and methodology was used?
Carbon Trust Water Standard methodology

Water withdrawals – quality

% verified
Not verified

What standard and methodology was used?
<Not Applicable>

Water discharges – total volumes

% verified
Not verified

What standard and methodology was used?
<Not Applicable>

Water discharges – volume by destination

% verified
Not verified

What standard and methodology was used?
<Not Applicable>

Water discharges – volume by treatment method

% verified
Not verified

What standard and methodology was used?
<Not Applicable>

Water discharge quality – quality by standard effluent parameters

% verified
Not verified

What standard and methodology was used?
<Not Applicable>

Water discharge quality – temperature

% verified
Not verified

What standard and methodology was used?
<Not Applicable>

Water consumption – total volume

% verified
Not verified

What standard and methodology was used?
<Not Applicable>

Water recycled/reused

% verified
Not verified

What standard and methodology was used?
<Not Applicable>

W6. Governance

W6.1

(W6.1) Does your organization have a water policy?

Yes, we have a documented water policy that is publicly available

W6.1a

(W6.1a) Select the options that best describe the scope and content of your water policy.

	Scope	Content	Please explain
Row 1	Company-wide	Description of business dependency on water Description of business impact on water Description of water-related performance standards for direct operations Description of water-related standards for procurement Reference to international standards and widely-recognized water initiatives Company water targets and goals Commitment to align with public policy initiatives, such as the SDGs Commitments beyond regulatory compliance Commitment to water-related innovation Commitment to water stewardship and/or collective action Acknowledgement of the human right to water and sanitation Recognition of environmental linkages, for example, due to climate change	Our water policy is company-wide to reflect our commitment to consistency is addressing all issues of water security in our direct operations and supply chain. It is set out in various documents. As part of our Net Zero by 2040 Plan we have set several commitments, including a goal to achieve water neutrality across our direct operations, and to ensure all areas of water vulnerability are managed through robust water stewardship. Our Plan enshrines these commitments and provides details of how we aim to achieve them. Our Net Zero by 2040 Plan is described in our annual 'Sustainability Update.' As part of this, we have committed to go beyond regulatory compliance across water management, and have a dedicated chapter that acknowledges and describes our dependence and impact on water in our direct operations and across our value chain (e.g. water is a critical input to many of the products we sell, and we withdraw water from several regions that are impacted by water scarcity). Our Update also outlines our commitment to align with the SDGs, including our support for Goal #6 – Clean Water and Sanitation, which demonstrates our acknowledgment of the human right to water and sanitation. We promote wider collective action on water-related issues by supporting initiatives such as Courtauld 2025 and are committed to water-related innovation through our rainwater harvesting installations across all new stores. As outlined in our Update, we recognise and monitor environmental linkages on an ongoing basis (e.g. the linkages between cotton production water intensity and scarcity) and now 89% of our cotton for our clothing and general merchandise is certified by the Better Cotton Initiative (a widely-recognised initiative with water-related considerations). In terms of water-related standards for procurement, our Cotton Policy raises the awareness of our suppliers around water issues by requiring them to practice water stewardship and efficient water use and management.

W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?

Yes

W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position of individual	Please explain
Board Chair	Last year we launched our Net Zero Strategy and, along with it, a new governance process. The PLC Board is the principal decision-making body that oversees our water-related issues, including our Net Zero by 2040 plan. The Board Chair has ultimate accountability for ensuring the success of the strategy. In terms of examples of specific water-related decisions, the Chair was responsible for signing off on the Net Zero strategy in 2020 and remains in charge of regularly reviewing our progress during Board meetings and guiding the strategy as appropriate.

W6.2b

(W6.2b) Provide further details on the board's oversight of water-related issues.

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - all meetings	Monitoring implementation and performance Reviewing and guiding annual budgets Reviewing and guiding major plans of action Reviewing and guiding strategy	Sustainability is embedded at all levels across the Sainsbury's business. We have set up Commitment Working Groups for each of our Net Zero strategy focus areas (including for water), with clear objectives and leadership. These Working Groups report into a dedicated Net Zero Steering Group. The Steering Group reports quarterly into our CR&S Committee, which is chaired by our Non-Executive Director. The CR&S Committee provides updates to the PLC Board in the form of a quarterly report on our Net Zero by 2040 plan, enabling the Board to monitor implementation and performance, review and guide major plans of action, review and guide strategy, and review and guide annual budgets.

W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)

Chief Executive Officer (CEO)

Responsibility

Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

More frequently than quarterly

Please explain

Our CEO is a member of the plc Board and the CR&S Committee and chairs our Operating Board and Net Zero Steering Committee. The CEO oversees our Net Zero by 2040 commitments (including those related to water) and provides regular updates to the plc Board via our CR&S Committee. Water-related responsibilities have been assigned to the CEO because their roles in the CR&S Committee, Operating Board and Net Zero Steering Committee put them in a strong position to support with implementing Board-level decisions into day-to-day operations. It also ensures ongoing representation of related matters at the highest levels of the company and that water remains a key focus for Sainsbury's. The CEO updates the Board quarterly via the CR&S Committee (in the form of an in-person or virtual meeting) on the outcomes of each meeting, ensuring that our approach to sustainability under our Net Zero by 2040 commitment remains in focus, aligns with the updated strategy and meets expectations in the market.

Name of the position(s) and/or committee(s)

Other, please specify (Corporate Responsibility & Sustainability (CR&S) Committee)

Responsibility

Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

The CR&S Committee (a Board-level committee) reviews our sustainability strategy and monitors the our engagement with colleagues, customers, suppliers, the community, shareholders and government on sustainability and corporate responsibility matters. Water-related issues have been assigned to this Committee because the group is responsible for overseeing the delivery of our CSR agenda, a key part of which is our water strategy. The Committee meets four times a year to discuss progress against our strategy and Net Zero targets. The CR&S Committee provides updates to the Board (in the form of a report along with meeting minutes) on the outcomes of each meeting, ensuring that our approach to sustainability under the expanded Net Zero by 2040 commitment remains in focus, aligned with the updated strategy and meets expectations in the market. Monitoring of water-related issues takes place primarily through engagement with the Operating Board and Net Zero Steering Group, described below.

Name of the position(s) and/or committee(s)

Other, please specify (Operating Board)

Responsibility

Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

Matters not specifically reserved for the Board have been delegated to the Operating Board, which is a Board-level committee chaired by the CEO. The Operating Board defines business-wide strategy including our sustainability strategy, adapting to new regulatory requirements and trends, reviews cross-value progress and signs off major water-related investments. The Operating Board is also responsible for keeping our corporate risk and emerging risk maps updated and monitoring related actions. The Operating Board provides updates to the Board either via face-to-face or virtual meetings and in the form of reports along with meeting minutes.

Name of the position(s) and/or committee(s)

Other, please specify (Net Zero Steering Committee)

Responsibility

Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

More frequently than quarterly

Please explain

Our Net Zero Steering Committee, which is an Operating Board Committee, presides over our six Net Zero Commitment Working Groups (described below) and monitors KPIs specific to each Net Zero commitment area by receiving frequent updates from Working Group leads. Climate-related issues have been assigned to the Net Zero Steering Committee due to its direct relationship with the Operating Board and the Net Zero Commitment Working Groups, which enables this Committee to lead the operational execution of Net Zero by 2040 plan and oversee activities in relation to this strategy to ensure delivery of performance. The Net Zero Steering Committee provides updates to the Board via the Operating Board in the form of presentations, KPI progress reports and meeting minutes.

Name of the position(s) and/or committee(s)

Other, please specify (Net Zero Working Groups)

Responsibility

Both assessing and managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

More frequently than quarterly

Please explain

Our Net Zero Commitment Working Groups (covering Carbon & Water, Scope 3, Plastic & Recycling, Healthy & Sustainable Diets, Food Waste and Biodiversity) are led by Working Group leads from different parts of the business, and are overseen by a Net Zero Working Group Programme Manager. The Working Groups report into the Net Zero Steering Committee, which is an Operating Board Committee, and preside over all activity related our Net Zero plan, ensuring cross-functional working is unlocked and plans are on track to deliver. Related KPIs are reviewed on a quarterly during Working Group meetings. The rationale for assigning water-related responsibilities to the Working Groups is that they have direct oversight of this commitment area and are in a strong position to implement our strategy on the ground. The Net Zero Working Groups provide updates to the Board via the Net Zero Steering Committee and Operating Board in the form of presentations, KPI progress reports and meeting minutes.

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water-related issues	Comment
Row 1	Yes	N/A

W6.4a

(W6.4a) What incentives are provided to C-suite employees or board members for the management of water-related issues (do not include the names of individuals)?

	Role(s) entitled to incentive	Performance indicator	Please explain
Monetary reward	Chief Financial Officer (CFO)	Reduction of water withdrawals Improvements in efficiency - direct operations	Our Chief Financial Officer receives a financial bonus that includes the continual achievement of targets of our Property Division, which has overall responsibility for water. Our rationale for the chosen performance indicator is that we have existing targets in this area, including becoming water neutral across our direct operations by 2040, with short-term supporting targets in between. The threshold used to indicate successful performance is meeting these targets successfully. Our CFO is eligible for the bonus if the performance targets are met, which is how performance impacts the incentive.
Non-monetary reward	Please select	Please select	

W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

- Yes, direct engagement with policy makers
- Yes, trade associations
- Yes, funding research organizations

W6.5a

(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?

Our CR&S Committee reviews our sustainability strategy and monitors our engagement with our stakeholders on sustainability and corporate responsibility matters. The group includes a member of the Public Affairs and Corporate Affairs team (who lead our external engagement), and our CEO and Chairman. This governance structure ensures that our external engagement is aligned with our corporate position on climate change across all geographies (e.g. we have a global reach working on the board of the British Retail Consortium, on the working group of the ETI South Africa and on the committee of the UN Food Systems Summit).

We have created a centralised list of collaborations, memberships and commitments to boards and bodies and have created a prioritisation hierarchy based on strategic value against power and influence. We regularly challenge and review memberships and ensure they are in line with our goals and objectives. This enables us to follow a consistent approach to our involvement and the support that we provide. If inconsistencies are discovered between our activities seeking to influence policy and our water policy/commitments, these matters are discussed and appropriate resolutions are proposed during regular CR&S Committee meetings (e.g. if we discover a major inconsistency, we may decide to revoke our membership in an industry working group, or we may look to review and revise our water policy/commitments if we feel it is necessary to do so).

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

Yes (you may attach the report - this is optional)

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	16-20	Our long-term business strategy consists of seven strategic priorities, one of which is our goal to be Net Zero by 2040. We have committed to invest £1 billion over the next 20 years to become Net Zero across all our operations by 2040. A key pillar of our Net Zero commitment is water management. In terms of the specific water issues that we have integrated into our long-term objectives, we have committed to minimise water withdrawals in our own operations across the UK and Republic of Ireland, and drive towards water neutrality by 2040. Water neutrality is defined by WWF as a state in which "one reduces the water footprint of an activity as much as reasonably possible and offset... the remaining water footprint." The concept of water offsetting is to compensate for the negative impacts of the residual water footprint by making a 'reasonable investment' in projects that conserve or restore water quantity and/or quality within the environment and community affected. We have made the decision to integrate water management into our Net Zero by 2040 plan because water withdrawals represent a significant environmental impact for Sainsbury's, and it's also an area that is the subject of increasing concern for our stakeholders. We would like to demonstrate to our colleagues, customers, investors and our communities that sustainability is at the heart of everything we do as a business.
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	16-20	We have integrated several water issues into our strategy for achieving our long-term strategic business plan, including our Net Zero by 2040 Plan, which includes water-related commitments. Specifically, we have integrated into our strategy a focus on reducing our water withdrawals through identifying opportunities to save water across our operations. This has included a strategy to roll out low-flow taps as well as audits to identify leaks in our stores. In addition, over 170 locations are fitted with rainwater harvesting facilities, including all new stores. Water collected from these installations is used in toilets and car washes, thereby reducing our reliance on mains water. We also use the WRI Aqueduct tool to analyse our withdrawals from water-stressed areas, enabling us to target priority locations for water reduction. We have been granted our self-supply licence from Ofwat, which will enable us to manage our operational water efficiently and work towards and go beyond our targets, better monitor our water consumption and identify leaks faster and more effectively. We also engage in R&D activities and support water-related initiatives as a signatory to Courtauld 2025. We have made the decision to integrate these aspects into our long-term business strategy because pursuing initiatives across the categories described above will put us in a strong position to realise water savings and drive towards our commitment to water neutrality across our direct operations by 2040.
Financial planning	Yes, water-related issues are integrated	16-20	We have integrated several water-related aspects into our long-term financial planning, including investment and research and development into water-saving technologies and innovations. As described above, we have committed to invest £1 billion over the next 20 years for pursuing our Net Zero plan, including our commitment to drive towards water neutrality by 2040. As part of this plan, Sainsbury's had made the decision to allocate capital for water reduction and water offsetting measures over the next twenty years. Although we have shorter-term financial plans that outline how we will meet our objectives in the short-term (1-5 years), we have a long-term plan out to 2020 which outlines long-term capital allocation and other considerations that extend beyond this time horizon. As an example of specific water aspects that we have integrated into our plan, we now budget for the installation of rainwater harvesting systems and other water-saving technologies at every one of our newly built stores (this is part of our policy). For example, in 2020/2021 alone, we invested £14,000 on rainwater harvesting facilities, £10,000 on direct flush metering and £40,000 on improving water metering across our direct operations.

W7.2

(W7.2) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

Water-related CAPEX (+/- % change)

-80

Anticipated forward trend for CAPEX (+/- % change)

750

Water-related OPEX (+/- % change)

-1

Anticipated forward trend for OPEX (+/- % change)

-2

Please explain

CAPEX costs reduced significantly in 20/21 due to COVID-19 (we were unable to deliver on most of our plans due to COVID-19 restrictions). The CAPEX we did spend during the reporting period was on rolling out new water meters across our estate. Any unspent funds from 20/21 have been rolled into next year's budget. In 21/22 we have allocated a total of £150,000 towards water-related fixed assets including rainwater harvesting facilities. OPEX costs have decreased by around 1% primarily driven by cost savings associated with our transition towards self supply, a process that we expect to complete next year. Our OPEX is primarily related to water supply costs and consulting services. We anticipate the forward trend for OPEX to be a further 2% reduction in water supply costs compared to 20/21 as we fully transition to self supply in 21/22.

W7.3

(W7.3) Does your organization use climate-related scenario analysis to inform its business strategy?

	Use of climate-related scenario analysis	Comment
Row 1	Yes	We use the WRI Aqueduct tool to assess water risk for facilities within our operational control and for suppliers, which relies on two different climate-related scenarios for projecting future changes to water supply, seasonal variability, demand, etc.

W7.3a

(W7.3a) Has your organization identified any water-related outcomes from your climate-related scenario analysis?

Yes

W7.3b

(W7.3b) What water-related outcomes were identified from the use of climate-related scenario analysis, and what was your organization's response?

	Climate-related scenarios and models applied	Description of possible water-related outcomes	Company response to possible water-related outcomes
Row 1	Other, please specify (RCP 4.5, 8.5, SSP2 and SSP3)	The WRI Aqueduct tool generates projections for future water stress, seasonal variability, supply, and demand for all our locations, informed by two climate-related scenarios, RCP 4.5 and RCP 8.5, and two shared socioeconomic pathways, SSP2 and SSP3. The tool enables us to review and analyse the above indicators against optimistic, BAU and pessimistic pathways to 2030 and 2040. We considered the likely impact of the SSP2 RCP 8.5 ("business as usual") scenario on water stress for our portfolio of distribution centres (DCs) and central locations (see W5.1). This is because these facilities have a high commercial value within our operations and represent a large proportion of our water withdrawals. The "business as usual" scenario represents a world with stable economic development and steadily rising global emissions, with CO2 concentrations reaching ~1370 ppm by 2100 and global mean temperatures increasing by 2.6–4.8°C relative to 1986–2005 levels. Based on the scenario analysis, the number of our DCs in areas of High (40–80%) water stress is projected to increase from 41% to 62% from 2020 to 2030 and remain constant from 2030 to 2040. These results suggest that, at least in the medium-term (5–15 years), key Sainsbury's locations may be impacted by risks related to water stress (e.g. operational disruptions due to potential water shortages and floods). We expect climate change to increase the water stress to which all our sites and supply chains are exposed to over this time.	We review the scenario analysis results to determine sites that are most likely to be significantly affected in the future (e.g. high financial value, high risk, etc.). This is followed by site-level engagement to relay the results and confirm the inclusion of sites in a focus group (e.g. it may be that a site located in a flood zone is an outlier and does not need to take mitigation steps because it is located on high ground). We will also engage with facilities that were not identified by the WRI Aqueduct tool to ensure that the outputs are supplemented by site-level information that our colleagues have regarding water risks. Having considered these risks and the importance of good water management, we have set the goal of working towards to water neutrality by 2040. We have re-engaged all relevant sites and drafted mitigation and/or adaptation steps to combat water-related risks (e.g. water conservation plans), progress against which is reviewed and reported on every six months. The anticipated timescale of our response depends on the specific risk(s) identified and the location(s) they relate to. If it is determined that there is a high likelihood of a substantive risk to occur, we will schedule a touchpoint with our Facilities Manager immediately after identification to ensure that the risk is monitored and mitigated. If the response to a risk is deemed less pressing, we may only engage the Facilities Manager during scheduled touchpoints (e.g. during quarterly meetings).

W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

No, but we are currently exploring water valuation practices

Please explain

We currently do not set a formal internal price on water; however, we adhere to and are exploring some water valuation practices. These include calculating our overall water consumption and associated price; the effects we have on local hydrology and river basins; and calculating the risk of extreme water-related weather events e.g. flooding. In addition, we continue to focus on water reduction opportunities in water-scarce areas, which essentially acts as an indirect price on water in our view. Previous sections of the submission describe how we complete these practices.

W8. Targets

W8.1

(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.

	Levels for targets and/or goals	Monitoring at corporate level	Approach to setting and monitoring targets and/or goals
Row 1	Company-wide targets and goals Business level specific targets and/or goals Site/facility specific targets and/or goals Brand/product specific targets and/or goals	Targets are monitored at the corporate level Goals are monitored at the corporate level	We have recognised the importance of water in our Net Zero by 2040 Plan, which includes a goal to ensure all areas of water vulnerability are managed through robust water stewardship. Our Net Zero target is to be water neutral by 2040 within our own operations, reducing our consumption as much as possible. We identify targets and goals relevant to our water risks by continually investigating ways of improving our response to water-related challenges both internally and through collaboration with industry groups, engaging in various partnerships and responding to stakeholder concerns. As an example of how our internal assessments have contributed to the development of our water neutrality target, we carry out annual water risk assessments across our UK portfolio to understand current and future scarcity risks. Results have shown that we need to pay attention to the issue of increasing water scarcity due to climate change. The WRI Aqueduct tool has contributed to us identifying water neutrality as a key target for Sainsbury's. Following on from this, we have identified business- and site-level targets, which are partly informed by the water scarcity assessments (e.g. we will prioritise water-related improvements and investments at locations with high water scarcity). Aligning our priorities with the results from the WRI Aqueduct tool is also one way that we ensure our targets and goals reflect geographic contextual factors (e.g. use of science-based hydrological models). As part of this, we have used the WRI Aqueduct tool to assess water risk in Spain and South America vs. the volume of produce supplied. This has enabled us to target action in the most at-risk regions. We also recognise that to achieve reductions associated with our water neutrality target, each facility will need to contribute, so we assign site-level targets in the form of water budgets for store managers that they must abide by. At a brand level, we have targeted water-intensive products in our supply chain. We are members of the Better Cotton Initiative (BCI), which supports the production and verification of sustainable cotton. Our BCI membership affirms our commitment to promoting and supporting positive environmental change across the cotton value chain. We measure our success by tonnes of carbon and litres of water saved. This year, 89% of our cotton was certified by BCI and we continue to work towards our target of 100%. In terms of formal motivations that drive the setting of our goals and targets, we are proud to support Courtauld 2025's new Water Ambition – a collective action approach which aims to improve the quality and availability of water in key sourcing areas in the UK and helps inform our approach to setting and monitoring our water targets. We also continue to support and contribute to the Sustainable Development Goals (SDGs). Our water neutrality target and other water-related commitments align with several goals, including 6; 9; 11; 12; and 17.

W8.1a

(W8.1a) Provide details of your water targets that are monitored at the corporate level, and the progress made.

Target reference number

Target 1

Category of target

Other, please specify (Water neutrality)

Level

Company-wide

Primary motivation

Reduced environmental impact

Description of target

We are investing £1 billion over 20 years to become a Net Zero business, including water neutrality across our direct operations. WWF defines water neutrality as a state in which "one reduces the water footprint of an activity as much as reasonably possible and offset the remaining water footprint." Water offsetting is about compensating for the negative impacts of the residual footprint by making a 'reasonable investment' in projects that conserve or restore water quantity and/or quality within the environment and community affected. We will contribute to water security by helping to ensuring that everyone has access to enough water in the future. We will improve our water efficiency, implement water-saving initiatives, and address all areas of vulnerability in our business before considering offsetting measures, thereby reducing our reliance on the resource. Progress will be monitored at a corporate level because our Net Zero Plan is a corporate-level strategy.

Quantitative metric

Other, please specify (Net zero water withdrawals (see 'Description of target' for explanation))

Baseline year

2019

Start year

2020

Target year

2040

% of target achieved

11

Please explain

We have reduced our absolute water withdrawals by 351 megalitres in 20/21 compared to our base year of 18/19, which represents an 11% reduction. We were able to realise these reductions through a combination of improved monitoring, roll-out of water savings measures such as capital expenditures into water saving taps, and through an extensive leak detection campaign. Our reduction to date matches our anticipated progress against our water neutrality target by 2040.

Target reference number

Target 2

Category of target

Other, please specify (Sourcing sustainable cotton)

Level

Brand/product

Primary motivation

Water stewardship

Description of target

In 2017 we signed up to the Sustainable Cotton Communiqué and committed to sourcing 100% of our cotton sustainably by 2025. The target was adopted at the brand/product level because cotton is a key water-intensive sourcing category for us with a unique set of challenges. Although our initiatives related to reducing our cotton-related impacts are linked to our company-wide efforts to mitigate our upstream water impacts, we felt that cotton deserved its own performance target; however, progress will be monitored alongside our other water commitments to ensure alignment and central tracking. To achieve the target, we will engage with industry initiatives and suppliers to drive standards and adopt more sustainable practices. We will also engage with suppliers who demonstrate the use of verified standards or certifications. This commitment is crucial to achieving water security, reducing risks of supply disruption, and ensuring continued supply of freshwater in our supply chain.

Quantitative metric

Other, please specify (% of all cotton that is sustainably sourced)

Baseline year

2006

Start year

2017

Target year

2025

% of target achieved

89

Please explain

In terms of a description of the indicators that are used to assess progress, we track the percentage of the cotton that we sell that was sourced more sustainably through the Better Cotton Initiative (BCI). Our threshold for success is 100% sustainable cotton by 2025, measured through the percentage of our cotton that is certified by the BCI and other certifications (e.g. Cotton Made in Africa; Global Organic Textile Standard; Global Recycled Standard; Fairtrade; or International Sustainability and Carbon Certification). In 2020, 89% of the cotton that we sold was sourced more sustainably through the Better Cotton Initiative (BCI), up from 76% in 2019. This has provided an estimated water saving of 6.28 billion litres of water, and an additional profit of an estimated €2.8 million benefitting BCI farmers in the last year. Although we accept other standards for sourcing cotton, we assess our progress on water specifically through the percentage of cotton that is sourced through BCI.

(W8.1b) Provide details of your water goal(s) that are monitored at the corporate level and the progress made.

Goal

Engagement with suppliers to help them improve water stewardship

Level

Brand/product

Motivation

Water stewardship

Description of goal

This year we set an ambition to Help Everyone Eat Better. Part of this goal is to support sustainable production, engaging on change, recognising issues and driving best practice in water stewardship with our produce suppliers. Although our specific activities with individual suppliers may differ, our overarching goal is the same for all our produce suppliers. This goal is important to us because working with these suppliers will contribute to water security, reduce our upstream water impacts and mitigate against supply disruptions. We chose brand/product as the level for this goal because our efforts in this area focus on our produce suppliers (i.e., agriculture products). We have been working closely with our growers through Crop Action Groups (CAGs) and Grower Interaction Groups (GIGs). Through these groups, which exist for all produce suppliers, we facilitate best practice sharing on production – including water stewardship – across our supply base. Our CAGs and GIGs are led by our agriculture and agronomy managers. We also participate in industry working groups on water, which include retailers, suppliers and non-profits such as WWF. An example is the Alliance for Water Stewardship (AWS) priority sector working groups, which focus on sectors that have significant global water impacts (e.g.: agriculture). Our membership in AWS enables us to facilitate our interactions with produce suppliers and further encourage best practice as we drive towards our goal.

Baseline year

2019

Start year

2020

End year

2040

Progress

Our 15 years of CAG heritage has clearly shown the value of collaboration. Looking forward, engaging on change, recognising issues and driving best practice is only going to become increasingly important both to support sustainable production and to help everyone to eat better. We measure progress against this goal by the number of crop types that we cover as part of our CAGs and GIGs. Our threshold for success of this initiative was to include all our produce suppliers in CAGs and GIGs across our three key crop types: salad, fruit and vegetables. We have exceeded this and during the reporting period covered 30 crop types globally due to the ongoing success of these Groups. We are now focusing on defining a new threshold of success to further expand participation in these groups. Our CAGs and growers are more important than ever and have a key role to play in helping everyone eat better. Sainsbury's membership with the Alliance for Water Stewardship (AWS) is in its infancy but we plan to promote the Standard and engage our suppliers to adopt it to improve water stewardship and understand water risk within their site or catchment. Our measure for success will be by the number of suppliers involved and the uptake of the AWS Standard, particularly in areas that we identified as being priority areas for water action either by geography or sector. Our threshold of success will be 100% of produce suppliers adopting the standard.

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

Yes

W9.1a

(W9.1a) Which data points within your CDP disclosure have been verified, and which standards were used?

Disclosure module	Data verified	Verification standard	Please explain
W1 Current state	Withdrawal from water stressed areas	Other, please specify (Carbon Trust Water Standard Methodology)	We use the WRI Aqueduct Tool to analyse our water withdrawal volumes from water stressed areas. Verification of this data provides us with a high degree of confidence about our facilities that are located in areas with a high risk of water scarcity. Our water withdrawals from water stressed areas figures are verified by the Carbon Trust in line with the Carbon Trust Water Standard methodology.
W1 Current state	Withdrawal volume by source	Other, please specify (Carbon Trust Water Standard Methodology)	We only withdraw water from municipal sources. We obtain most of our water from water suppliers, so understanding how much we are using through these sources is vital for understanding the impact on our operational costs. We also have rainwater harvesting systems at several sites that we monitor. Verification of our withdrawal volumes by source increases our confidence in the numbers and enables accurate tracking of our performance over time. Our withdrawal volume by source figures are verified by the Carbon Trust in line with the Carbon Trust Water Standard methodology.

W10. Sign off

W-FI

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

N/A

W10.1

(W10.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	Chief Financial Officer (CFO)	Chief Financial Officer (CFO)

W10.2

(W10.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate's Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

Yes

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission
I am submitting my response	Investors	Public

Please confirm below

I have read and accept the applicable Terms