J Sainsbury plc

# Q1 Trading Statement
2023/24

# Our priorities

**Food First**

- Better value and innovation
- Underpinned by buying benefits and lower cost to serve

**Brands that Deliver**

- Customer and profit focus
- Supporting the core food business

**Save to Invest**

- Structurally lower operating costs to fuel investment in the core
- Cutting complexity and increasing pace of execution

**Connected to Customers**

Know and serve our customers better, use the power of Nectar

**Plan for Better**

Environmental and social sustainability at our core

# Continued strong momentum

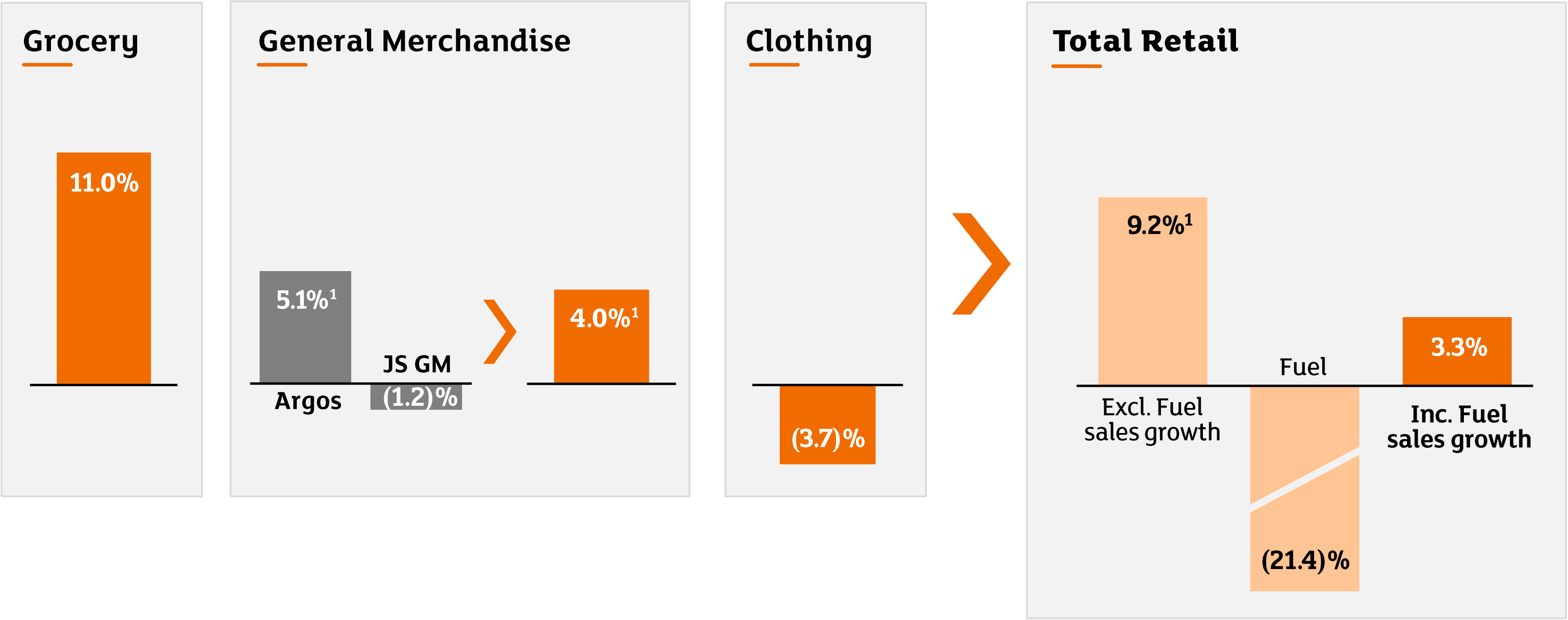

Reinvesting cost savings, protecting value position, driving volume growth


Driving leading service through colleague engagement

Innovation powering strong events performance

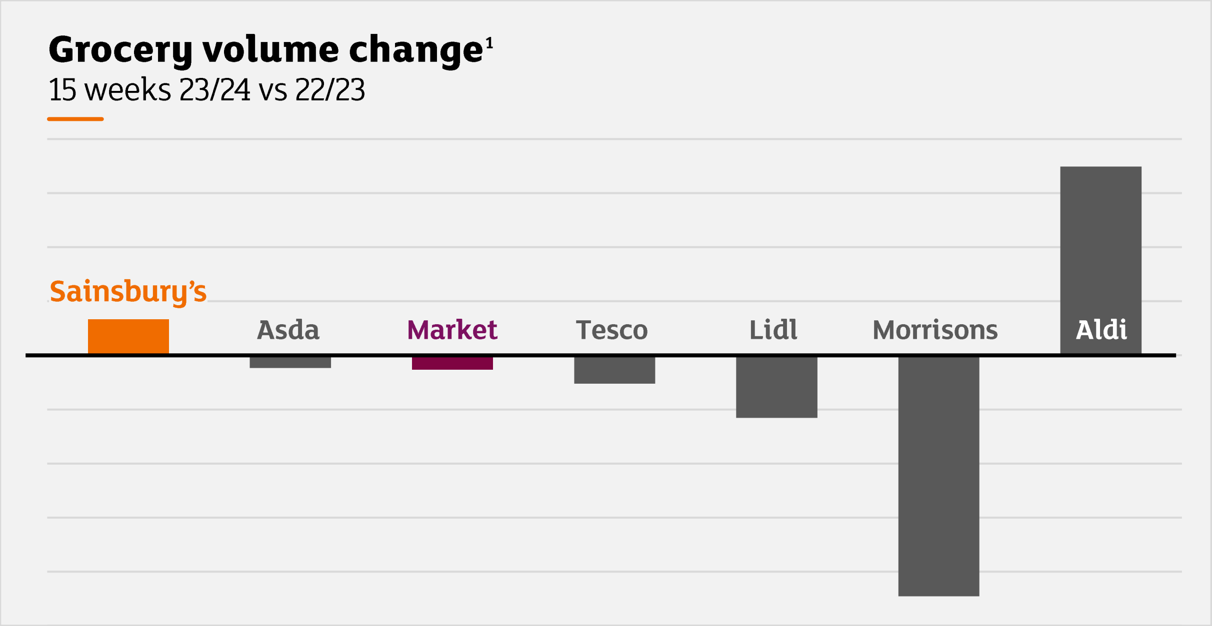
Retaining flexibiity to deliver for all stakeholders

# Retail sales performance by category




1 General Merchandise sales growth was diluted by c.0.9% (c.1.1% Argos sales, c.0.2% of Total Retail exc. fuel sales) as a result of the closure process of the Argos business in the Republic of Ireland

# Volume growth ahead of the market

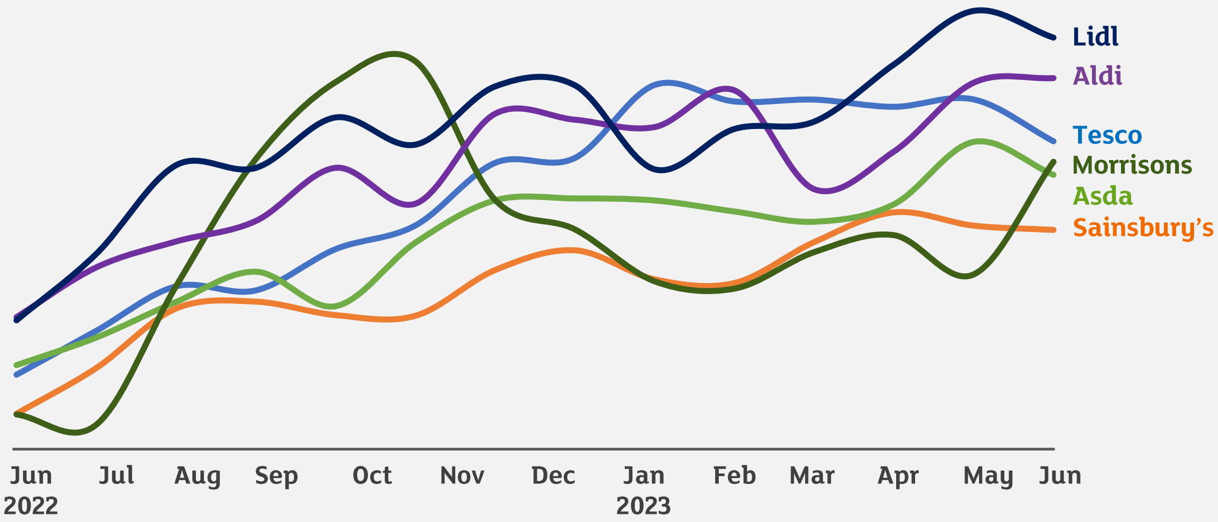



**1** Nielsen panel data, Grocery volume change – Total FMCG excl. Kiosk and Tobacco. 15 weeks to 17 June 2023 vs 15 weeks to 18 June 2022

# Maintaining our competitive value position

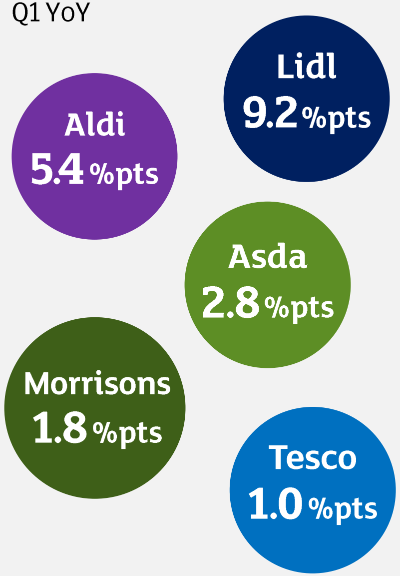
## Consistently inflating behind key competitors

YoY ASP inflation, top 100 products[1]




## Improved price position[2]

Q1 YoY




1 **Source:** Nielsen panel data, Total FMCG excl. Kiosk and Tobacco. Top 100 SKUs by retailer. Average Selling Price YoY growth. 52 weeks to 27 May 2023

2 **Source:** Value Reality. Q1 2024/23 vs Q1 2023/22; Edge by Ascential, internal modelling

# Delivering great value for customers

## Unique combination of lower prices and personalised offers

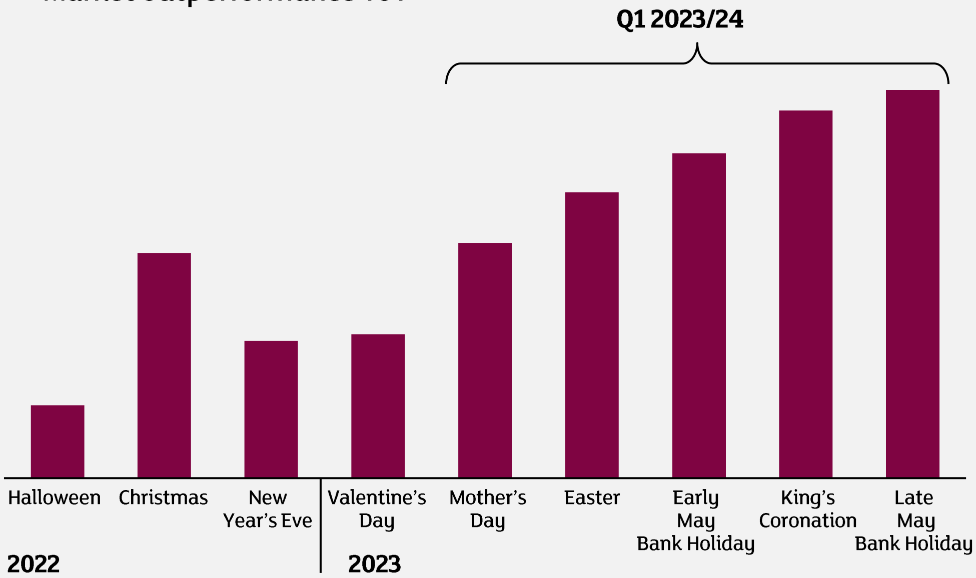
- Committed to **passing savings on to customers**
- **Over 3,000** products included in Nectar Prices
- Customers have **saved £90m+** on Nectar Prices offers since launch
- Around **370 products** now in Aldi Price Match campaign – over 50% fresh lines

## Making value more visible

# Quality and innovation driving success at key events

## Customers consistently choosing Sainsbury's to help them celebrate

Market outperformance YoY[1]




## Strong growth in premium own label

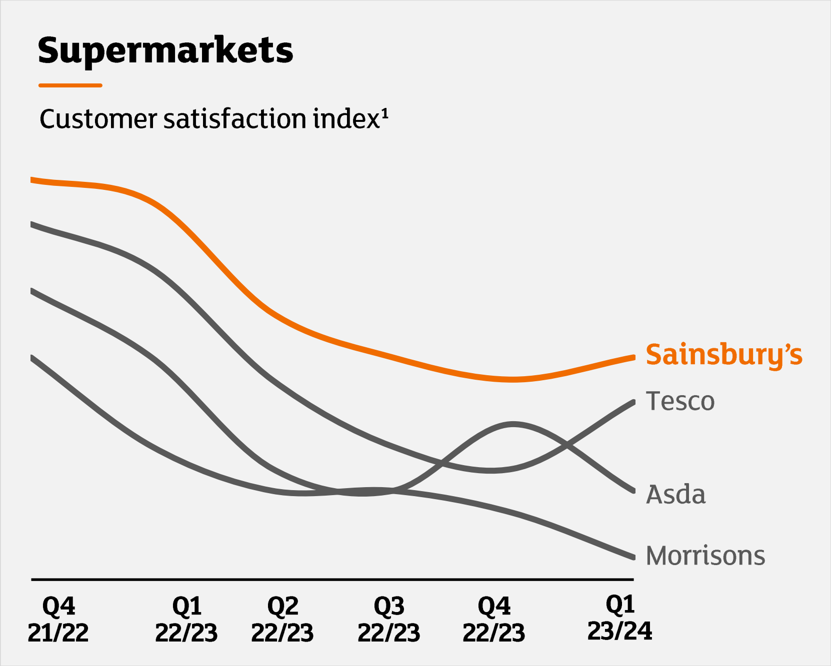
**+6.4%** YoY volume vs market[2]

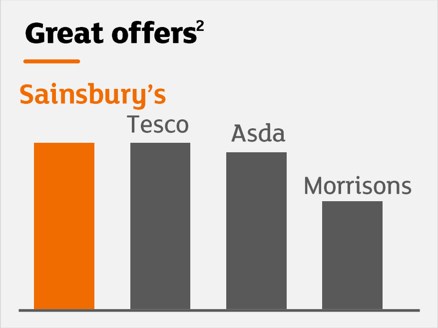
**+12%** YoY Fresh Taste the Difference sales

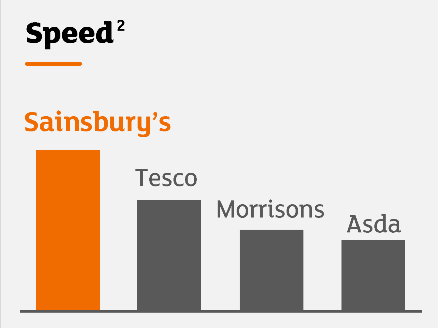
**Tripled** Summer innovation[3]

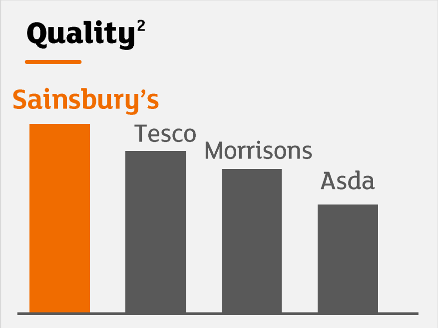
1 **Source:** Nielsen EPOS data - JS volume growth YoY% difference to Total Market growth YoY% for key events week growth versus last year events week (King's Coronation 2023 compared to Queen's Jubilee 2022)
2 **Source:** Nielsen Panel Premium Own Label Volume Growth Differential - Total FMCG excl. Kiosk and Tobacco. 15 weeks to 17 June 2023
3 Taste The Difference – number of Summer innovation products in Q1 2023/24 vs Q1 2021/22

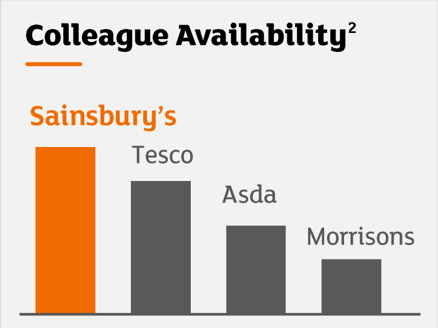
# Leading customer satisfaction



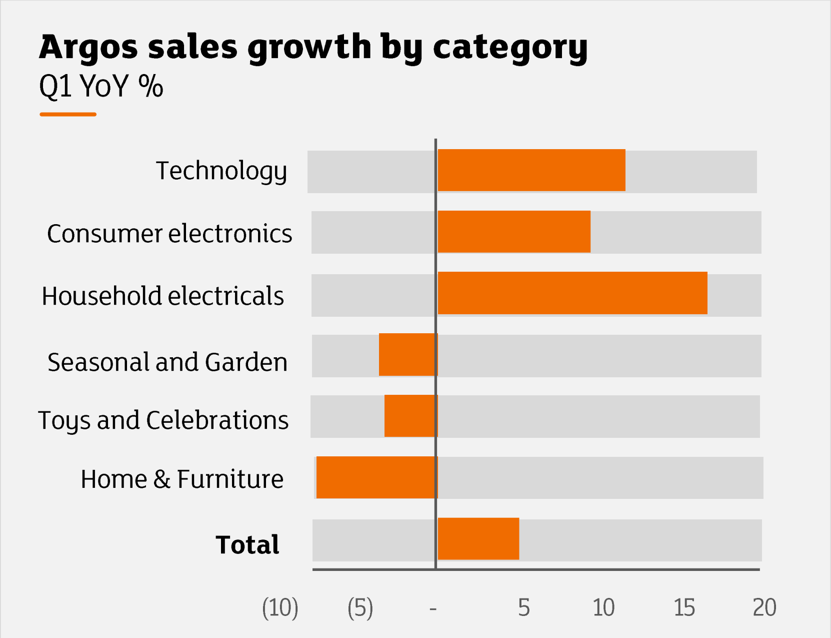



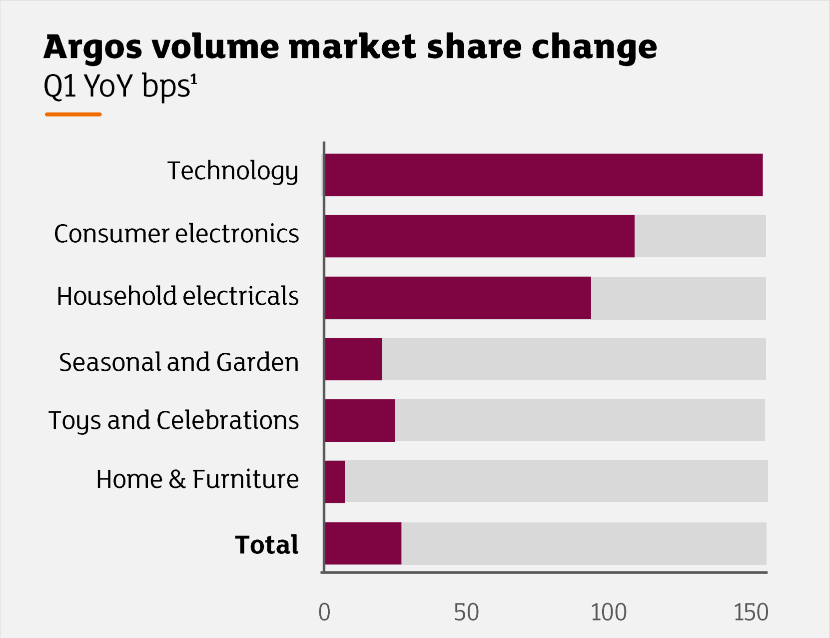




1 **Source:** Competitor benchmarking survey. Overall Supermarket customer satisfaction % score
2 **Source:** Competitor benchmarking survey. Q1 2023/24 Supermarket customer satisfaction % scores

# Continuing Argos market share growth




1 GfK tracked volume market share, three months to May 2023. NPD data for Toys

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# Q&A