welcome aboard
In order to set ourselves apart from the competition, Safeway provides our customers a World Class Service experience.

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Dear Fellow Employee:

Welcome to Safeway. You’ve joined a winning team. Not only are we one of the most innovative food and drug retailers in North America, we’re also an industry leader in philanthropy, environmental responsibility and diversity.

We continue to build on our historic strengths of excellent store design and locations, outstanding product offerings and world class customer service. We are converting our stores into our spectacular Lifestyle design, which provides an unforgettable shopping experience catering to our customers’ changing needs.

We manufacture and buy products that respond to evolving markets, building a supply chain that puts the right products in our stores at the right time. We provide everyday value pricing on key items. We keep products in stock and checkout lines short.

The players on our team thrive on challenges and take pride in outperforming the competition. We know that we are only as good a company as our employees allow us to be. Fortunately we have some of the best-trained, most knowledgeable people in the supermarket industry.

Once again, welcome aboard.

STEVE BURD
CHAIRMAN, PRESIDENT AND CHIEF EXECUTIVE OFFICER
**VISION**  This is a great time to be working at Safeway, as we reinvent our business and the way we go to market. We continue to establish and communicate clear, compelling points of difference between our offerings and those of our competitors.

At the same time, through an innovative new advertising and brand repositioning campaign, we will be connecting with consumers – current customers and potential new ones – in ways that we believe will position Safeway as a uniquely responsive, more complete store.

**OUR STRATEGY**  We are fundamentally reinventing our business, building on our historic strengths of excellent store locations and superior customer service while dramatically improving our perishable offerings and redesigning our stores to provide a whole new shopping experience. We will grow our business by being the finest food and drug retailer in each of our operating areas.

We do this by:
- Providing an unforgettable shopping experience that appeals to customers’ demanding lifestyles and responds to their changing needs and wants.
- Attractively presenting a broad range of superb quality products that customers want.
- Delivering World Class Service every day in every store.
- Keeping checkout lines short and customer wait time to a minimum.
- Having products in stock at all times.
- Providing everyday value pricing on key items.

**HOW WE SUCCEED**  We succeed by having the people and technology in place to accomplish our mission, namely by:
- Designing stores that make customers want to shop with us.
- Manufacturing and buying products that respond to market needs.
- Building a supply chain that puts the right product in our stores at the right time.
- Leveraging technology to meet our customers’ needs and make their Safeway experience more convenient.

**WELCOME TO OUR TEAM**  We have a winning team whose players thrive on challenges and take pride in outperforming the competition while enhancing customer satisfaction. As we strive to compete in a challenging business environment, I’m reminded that a “company is only as good as its employees allow it to be.” We’re fortunate to have some of the best-trained, most knowledgeable people in the supermarket industry. Welcome to our team!
Your future starts now.
Safeway has a long tradition of giving back to the communities we serve.
OUR BEGINNING
In 1915, M.B. Skaggs, an ambitious young man in the small Idaho town of American Falls, purchased a tiny (just 576 square feet) grocery store from his father. M.B.'s business strategy – to give his customers value and to expand by keeping a narrow profit margin – proved spectacularly successful.
Acquired by Safeway

- Dominick’s (1998+)
- Eastern/Genuardi’s (2000+)
- Safeway
- Vons/Pavilions
- Carrs/Safeway
- Randalls & Tom Thumb

Retail locations in US

* Acquired by Safeway

- Distribution areas
- Manufacturing areas

Manitoba

Alberta

British Columbia

Northern California

Southern California Vons/Pavilions (1997+)

Phoenix

Seattle

Portland

Denver

Texas Randalls/Tom Thumb (1999+)

Eastern/Genuardi’s (2000+)
Safeway is one of the largest food and drug retailers in North America. The company’s operating strategy is to provide value to its customers by maintaining superior store standards and a wide selection of quality products at competitive prices.

**RETAIL OPERATIONS** To meet the needs and desires of today’s busy shoppers, the company emphasizes high quality meat and produce, in-store bakeries, deli and food service areas and outstanding floral and pharmacy departments. Throughout the U.S. and Western Canada, there are 12 operating areas with over 1,700 stores.

**DISTRIBUTION OPERATIONS** Each of the company’s 12 retail operating areas is served by a regional distribution center. Safeway has 17 distribution/warehousing centers (13 in the United States and four in Canada) that collectively provide the majority of products to our stores.

**MANUFACTURING OPERATIONS** The principal function of the company’s manufacturing operations is to purchase, manufacture and process private-label merchandise sold in our stores. The company also manufactures private labels and national brand products for variety of U.S. and international customers. Safeway has over 30 manufacturing and processing facilities in the U.S. and Canada.

**CONSUMER BRANDS** Safeway has developed over 20 brands centered on building fanatical loyalty to Safeway with our shoppers, shareholders and employees. Our exclusive brands include:

- Debi Lilly®
- Lucerne®
- The Snack Artist™
- Open Nature™
- Rancher’s Reserve®
- Safeway SELECT®
- waterfront BISTRO®

We believe we have a reputation for having the best produce in the market and having the most tender and flavorful meat. Safeway has developed a variety of items in the deli/food service department, including sandwiches, soups, salads and side dishes and precooked hot meats, that provide meal solutions for today’s busy shoppers.

**REDEFINING THE SHOPPING EXPERIENCE** The new Lifestyle store format, introduced in 2004, showcases the company’s commitment to quality, particularly in the perishables departments. It highlights our passion for superb fresh foods and innovative, consumer-focused initiatives such as restaurant-quality meal solutions and organic produce.

The Lifestyle store has an earth-toned décor, subdued lighting, custom flooring, unique display fixtures and other special features that impart a warm ambience that we believe significantly enhances the shopping experience.
Throughout the U.S. and Western Canada there are 12 operating areas with over 1,700 stores.
DIVERSITY  Safeway recognizes diversity as an integral part of our business. The diversity of our workforce, customers and vendors is one of our strengths, and we have developed resources and processes to ensure we capture the potential benefits of this diversity. Diversity is more than a corporate initiative; it is a living part of our culture.

Safeway Diversity Advisory Boards generate ideas, raise issues and makes recommendations to meet Safeway diversity objectives. One of the Board’s key initiatives is to establish Safeway as the employer of choice in recruitment and retention.

A GREEN GROCER  We’ve teamed up with government and private entities to define and reduce our carbon footprint. We’ve embraced renewable energy. It’s the right thing to do. We are the first retail company to join both the Chicago Climate Exchange, a financial exchange for reducing and trading greenhouse gases, and the California Climate Action Registry, which tracks emissions reduction projects.

•  Our recycling program diverts almost 500,000 tons of waste from landfills annually.
•  We are the fourth-largest retail purchaser of renewable energy in the U.S.
•  In 2006, we removed over 350,000 tons of carbon dioxide (CO₂) emissions
•  Last year, our retail stores and factories reduced energy consumption by more than 125 million kilowatt-hours.
•  Total Reduction: 390,000 tons of CO₂ eliminated – This is like removing 84,400 cars from the road for one year. Or adding 325,000 acres of carbon-storing pine or fir trees.

ANIMAL WELFARE  Safeway understands that its responsibility as a purchaser of food products must include working with its vendors to ensure that animals in the food production system are being treated humanely. We have developed a comprehensive animal welfare program to ensure that both its national brand and private label suppliers have programs that place standards for the humane treatment of animals in all aspects of animal husbandry, shipment, and handling during the harvest process.

THE SAFEWAY FOUNDATION  Safeway has a long tradition of giving back to the communities we serve. By carefully directing our fundraising efforts and the generous contributions of our company’s employees and customers, the foundation supports a variety of worthy causes in four key areas:

Hunger Relief  Each year Safeway donates more than $110 million worth of food and merchandise to local food banks and hunger relief programs in communities throughout the United States.

Education  Since 2000, Safeway has given more than $130 million to support education and schools through the eScrip rewards program and other education and enrichment programs.

People with Disabilities  Safeway has raised more than $87.5 million for Easter Seals and the Muscular Dystrophy Association to help in the fight against neuromuscular and developmental diseases.

Health and Human Services  Safeway supports vital health and human services programs that promote healthy families.

EMPLOYEE GIVING CAMPAIGN  By donating to the Safeway Foundation, you’ll be joining thousands of your co-workers in making a difference in the communities where you live and work. Your contribution is fully tax-deductible. Simply complete an Employee Giving Campaign enrollment form to begin weekly payroll deductions.
Great customer service is the foundation of our success.
In order to set ourselves apart from the competition, Safeway provides our customers a World Class Service experience. The Safeway standard of providing World Class Service to our customers benefits our stores, our company and our employees. Of course, the location of the store, pricing, product quality and selection are important, but it’s people like you assisting our customers who really leave a lasting impression on them. When we consistently deliver a level of service beyond our customers’ expectations, they’ll keep coming back and will recommend Safeway to their families and friends. So treat each customer the way you like to be treated when you are shopping.

Repeat business from satisfied customers – and the customers they refer to us – builds our sales. And remember, when our sales increase, there are more work hours available for our employees. As sales increase our company becomes more successful, which affords us the opportunity to remodel and build new stores. As our company grows there are greater opportunities for promotions, and additional jobs. Every time you deliver World Class Service to our customers, you help yourself and your co-workers, and you help Safeway become a stronger company.

WHY DO WE STRIVE TO PROVIDE WORLD CLASS SERVICE?

- It makes the work day more enjoyable when everyone is striving towards the same goal of delivering World Class Service.
- We get to know our customers and they get to know us, which makes our work more enjoyable.
- Satisfied customers are loyal, and are less likely to shop our competitors.

THE WORLD CLASS SERVICE KEY ATTRIBUTES  There are many attributes we deliver that help us provide World Class Service to our customers. It’s our commitment to the key attributes that enables us to deliver World Class Service every day, to every customer.

**General Shopping Experience**  Business owners take pride in how their business looks. And at Safeway we take pride in how our stores look – we want our stores to reflect how much we care about our customers. A neat and clean store helps determine how our customers view our products and services.

A customer’s general shopping experience – that is, how they experience the store itself – is an attribute that is everyone’s responsibility.

**Professional Interaction and Image**  It is very important we present a professional image, including our appearance and our behavior toward customers. It is equally important to maintain a professional behavior with each other.

Professional appearance starts with our uniform, which includes a standard white shirt or the optional lifestyle shirt, standard apron, or other attire such as sweaters and hats, based on your job role. Every employee must wear a professional name badge. Also, when working in the Deli, Meat, Seafood, Bakery or Starbucks, it is mandatory to wear a proper hair restraint.

Presenting a professional image includes our behavior. Some examples of professional behavior you must abide by while on duty are:

1. No eating, drinking or chewing gum
2. Do not use a cell phone for non-business conversations
3. Do not send or read text messages
4. Do not wear earpieces/headphones to listen to musical/electronic devices
5. Do not smoke at the front entrances and refrain from boisterous comments and behaviors

*Always be polite, patient and courteous.*
world class service overview (continued)

Verbally Greet in a Friendly Manner  It’s important to verbally greet customers in a friendly manner. Here are a few basic guidelines to keep in mind with regard to greeting a customer. At your first opportunity, make eye contact with the customer and verbally greet in a friendly manner using a positive tone of voice. A proper greeting can be any friendly comment or remark. The right distance to greet is when you can speak to a customer in a normal speaking tone and they can hear your greeting.

Anticipate a Need, Voluntarily Offering Assistance  Customers provide cues to us on a daily basis as to when they may need assistance. It is important, when you notice customers need help, to stop what you are doing to assist them. When you notice a customer with an overflowing hand basket, offer them a shopping cart. When you notice a customer trying to reach for an item, offer to reach the item for them. When you notice a customer looking confused, be sure to offer assistance by asking, “May I help you find something?” These are just a few of many instances where you would offer a customer assistance when they appear to need help.

Offer to Escort, Take to Item  When you are asked the location of an item, always be sure to offer to take the customer right to the shelf location. If the customer does not want you to take them to the item, but asks where it is located, be sure to offer them very clear and specific directions to the item. For instance, the coffee is on aisle 12 about halfway down on the right side, next to the tea. Follow that up with a friendly parting comment like, “Have a great day.”

Offer to take to an item before customers ask you to do so. This makes them feel like you are truly there to assist them.

Special Requests Handled: Problem Presented and Resolved  Remember to think like an owner. Do whatever is reasonable to accommodate the customer’s special request and resolve a problem they may present to you. If you do not know how to handle the special request or resolve the problem, explain to the customer that you will get someone to help with the situation immediately and do just that. Always handle the situation with a sense of urgency and make every effort to accommodate our customer’s special request and resolve a problem they may present to you.

Examples of a special request may include:
• Opening a multi-pack of chicken because the customer only needs two chicken breasts.
• Requesting thinly sliced deli meat.
• Opening a package of 12 cupcakes because the customer only needs 4 cupcakes.

Examples of a problem resolved may include:
• Replacing an item that was purchased by mistake.
• Providing a raincheck for an out of stock item and/or substituting a sale item that is out of stock.
• Handling a Gift Card return.

Checkout Success  Once our customers arrive at the checkstand it is very important they experience a speedy checkout, which further enhances their shopping experience. That’s why we always monitor the checkstand lines. We want to ensure we always maintain a line length of no more than 2 orders in a regular checkstand and no more than 3 orders in express checkstands. Be aware that we count “orders,” not the number of customers.
When the line length is approaching the limit, call the next checker from the call sheet, by name, to assist. One of the best ways to ensure we achieve our checkout success goal is to always demonstrate a sense of urgency when called to check. Although checkers and courtesy clerks have the best opportunity to observe line length throughout the day and react quickly when extra help is needed, checkout success is the responsibility of everyone in the store.

**Bottom of the Basket “BOB”** Whether the bottom of the basket merchandise leaves our store without being paid for because we forgot to ring it up or theft was the intent, we lose money. In most cases, the bottom of the basket serves as a convenience for our customers: the difficulty arises when at the checkout the bottom of the basket is an area of low visibility to our checkers.

The front end employees must work as a team by looking at the bottom of every basket and if there are items offer assistance. Tell the checker about items on the bottom of the basket so they can be rung up properly. If the courtesy clerk arrives during the transaction and notices product on the bottom of the basket, simply ask the checker if they’ve seen BOB today.

**Order Packed with Care** Bagging customers’ orders the right way is an important part of providing World Class Service. Proper bagging prevents leaks, spills, breakage and other kinds of product damage. It means fewer customer complaints and greater customer satisfaction. It also means fewer wasted bags, which saves our store money.

**Friendly Parting Comment** Once you have completed any interaction with a customer, offer a friendly parting comment. After ringing and bagging the order, always thank the customer by name and offer a friendly parting comment.

This was a quick overview of the key attributes amongst many that we need to deliver, at a World Class level, to our customers every day. You will learn more about World Class Service throughout your training and you have the opportunity to demonstrate your knowledge of the attributes every day.

We have many competitors out there who are beginning to learn what we have known for years – that great customer service is the foundation for a company’s success. So these competitors are improving the level of their customer service. This is a key reason we need to ensure that the service we offer to every one of our customers is at a World Class level.
Our comprehensive benefits help you today – and help you plan actively for tomorrow.
benefits

Our comprehensive benefits help you today and help you plan actively for tomorrow. Your store manager, in-store recruiter or Human Resources staff can provide you with additional information on the following:

HEALTH AND WELFARE BENEFITS Benefits vary by location, job classification, and employment status.

401(K) SAVINGS PLAN One of the best ways to save for retirement is by participating in a 401(k) plan. As a participant, you can save for your future on a pre-tax basis (which means that you don’t have to pay any taxes on the money you put in until you take a distribution) and the tax on any investment earnings is deferred. Our 401(k) Plan has a variety of investment options and the convenience of payroll deductions to make it easy to start building for tomorrow today.

STOCK PURCHASE PLAN Participating in the Safeway Stock Purchase Plan offers many advantages that include:
• Savings: Because you pay no commission fees, 100% of your money goes to work for you. Safeway pays all costs for you.
• Convenience: Payroll deduction is an easy way to build a long-term investment. Once you enroll in the Plan, stock is automatically purchased for you each pay period.
• Accessibility: You’ll always have easy access to your account by simply calling the toll-free number 1-877-SWY-PLAN (1-877-799-7526)

DIRECT DEPOSIT We offer all employees the option of signing up for Direct Deposit for their paycheck and forms are available on the Employee Gateway – Retail Site.
• The deposit goes into your account the day before the checks are handed out.
• Direct Deposit is safe and confidential.
• You do not have to be in town for your money to be securely deposited into your account.
• No more extra trips to the workplace to pick up your paychecks.

SAFEWAY COMPANIES EMPLOYEE ASSOCIATION (SCEA) Membership in the Safeway Companies Employee Association fosters friendship among our employee members and gives you the ability to obtain discounts from retailers across the U.S. and Canada.

DECA As one of DECA’s Business Partners and to assist our young employees with continuing their education after high school, we offer scholarships to our employees who are also DECA members. The Safeway scholarship is awarded based on their Safeway experience, leadership ability, scholastic record and community involvement. Currently we are offering 10 $1,000 scholarships each year. Visit the DECA website for more information.

PROFESSIONAL AND CAREER EDUCATION PROGRAM (PACE) We recognize the value of advanced education and continued learning for all employees. Specifically designed for our employees working toward a career in the retail grocery industry with Safeway, PACE assists you in combining a formal education with your work experience to enhance your job performance and create potential for career advancement. PACE reimburses a portion of your education expenses and your Human Resources department can provide you with an application explaining the terms and conditions of the program.

SAFEWAY CLUB CARD Participate in our discount programs through our Safeway Club Card. If you already have a Club Card call 1-877-723-3929 to become linked to the employee Club Card database.
It’s not just about work, it’s about working your way up.
employees are our most valuable asset

We believe our employees are our most valuable asset. We are committed to helping you take your career as far as your skills and interests will carry you. To support your professional growth from store employee and beyond, we provide development and advancement opportunities at all levels. Working in our stores may qualify you for positions of increasing responsibility in both retail and other parts of our company. For more information visit the Careers at Safeway page on the Employee Gateway – Retail Site.

RETAIL LEADERSHIP DEVELOPMENT (RLD) PROGRAM
RLD is our award winning management training program. To ensure we have a sufficient flow of qualified employees, Safeway has produced a special training and development program to prepare high performing employees for the role of 1st Assistant Manager/Co-Manager and, in turn, Store Manager. Training is comprised of a series of modules that balances industry and company-specific learning in a combination of classroom, independent study, and on-the-job training experiences.

WHO CAN ENTER THE RLD PROGRAM? Our training program is designed for all employees who have a strong desire to become a 1st Assistant Manager/Co-Manager and then a Store Manager. Any current employee can apply to enter the program, as long as certain minimum requirements are met.

HOW DOES THE RLD PROGRAM WORK? The RLD Program is a 21-week period during which the RLT will be based at a store where the store management team has been specially trained to help RLTs learn every aspect of the store’s operation. The RLT will spend time in each department in the store learning how to manage that department in addition to attending special training classes at the Division office.

Upon completion of the RLD Program, graduates are promoted to 1st Assistant Manager/Co-Manager and assigned to a store in which they will begin their role on the store management team. Promotion to 1st Assistant Manager/Co-Manager will depend on the skill and knowledge level and, in some cases, the ability to relocate.

Your store management team can share their personal experiences and provide you with more information on the RLD Program.

One of the things that gives me the greatest pleasure in my work is to see our associates develop their skills and succeed within our company.

LARREE RENDA
CHIEF ADMINISTRATIVE OFFICER,
CHIEF STRATEGIST OFFICER & EXECUTIVE VICE PRESIDENT
At Safeway, the safety of our employees and customers is one of our highest priorities.
welcome to workplace safety

At Safeway, the safety of our employees and customers is one of our highest priorities.

As an employee, you play a large part in the prevention of incidents and accidents. Listed is some of the safety information you will need to begin your career at Safeway. Please incorporate these best practices into your everyday work behaviors. You will receive more as you go through store and department training.

If you have any questions, please do not hesitate to ask your department or store manager or your safety committee chairperson. Thanks for making safety a priority.

INJURIES
• Sometimes injuries occur despite our best efforts to follow safety best practices. If you are injured on the job, it is your responsibility to report the injury or incident to your supervisor or manager immediately. Even if you think the injury is only minor or the incident seemed unimportant, be sure to report it promptly.
• If a customer is injured, notify your manager or store management immediately.

EMERGENCY PREPAREDNESS
• Protect people first and property last!
• Remain calm and notify your manager in an emergency.
• Know where all regular and emergency exits are located.
• Know landmarks within your work site that will help you travel the path of exit in the event visibility is reduced.
• Know where the evacuation map is for your work area.
  Study the map to visualize the best path of exit.
• Ask your manager to show you the designated assembly area where you will meet in the event of an evacuation.
• Follow the direction of emergency personnel such as police, fire or regulatory authorities.

PROTECT YOURSELF
• Our company has a Hazard Communication program that is designed to help you protect yourself and others from exposure to dangerous chemicals.
• All stores have Material Safety Data Sheets for every hazardous chemical used in your work area. These sheets tell you how to protect yourself when using these chemicals. Ask your manager to show you the location of the sheets and how to read them as well as what Personal Protective Equipment you may need.

GENERAL SAFETY RULES
• Protect your back. Use proper lifting techniques such as: plan and test the load, get close to the object as possible, get a good grip, bend with your knees not your back, turn using your feet not your back. Don’t hesitate to ask for help if an item is too heavy.
• As you walk through your department and store, look for slip and fall hazards such as ice, water spills, broken jars, produce debris or coffee beans on the floor. Take immediate action to eliminate the hazard if possible. Pick up the debris, wipe up the spills or block them off until they can be removed. Report other hazards to your department or store manager.
• Each store has a safety committee that is dedicated to maintaining a safe work environment. Consider joining the committee as it is a good opportunity to meet other store team members.
• Only use authorized step ladders or stools. NEVER stand on a milk crate to reach an object.
• Only use power equipment such as trash compactors or pallet jacks balers if you have been properly trained and are over the appropriate age for your division.
• Many job duties require the use of personal protective equipment (PPE) such as gloves (cutting, freezer, rubber, insulated), goggles, aprons and boots. Know which PPE is appropriate for which task.
• Remember, working safely protects you, your team and our customer.
We want every employee to feel comfortable at work.
We want every Safeway employee to feel comfortable at work. To help ensure that a positive environment is preserved, we have a Zero Tolerance harassment policy.

**WHAT IS HARASSMENT?** Harassment is discriminatory and offensive behavior directed at someone on the basis of a protected status or characteristic. It can cause personal anguish and create a hostile work environment. Harassment is illegal, and our policy is focused on preventing it.

**OUR POLICY** The Safeway Zero Tolerance Policy states the following: *The Company will not tolerate sexual harassment, or harassment based on an individual’s race, color, national origin, ancestry, sex, mental and physical disability, age, religion, sexual orientation, gender identity, or any other status or characteristic protected by law.*

This policy prohibits harassment in any form. The forms of harassment can be:

- **Verbal** Examples are “dirty” jokes, threats, lewd suggestions, degrading or intimidating statements about someone’s looks, culture, race, age or religion.

- **Physical** Examples are inappropriate touching, hugging, following someone around, standing too close, and interfering with someone’s movement at work.

- **Visual** Examples are sending sexually explicit content over electronic media like e-mail or phones, offensive pictures, posters, film clips, offensive, obscene or derogatory gestures or staring.

Behavior doesn’t have to be intentional to be harassment. Under The Safeway Zero Tolerance Policy, the intent of the person who has behaved improperly does not determine whether a violation of Safeway’s policy has occurred. The determination is whether a reasonable person could have interpreted the behavior to be offensive.

Our policy applies to all employees while at work, and at company sponsored events. The policy also applies to interactions with co-workers, supervisors and anyone else employed by or connected to Safeway if the behavior has an impact on the workplace. This includes customers and vendors.

Also, anyone can be a harassment victim, or perpetrator. For example, a woman can harass a man (and vice versa), and a Hispanic employee can harass another Hispanic employee.

**IF YOU THINK YOU ARE BEING HARASSED** Prompt and proper reporting of harassment is essential to our efforts to address and end the offending behavior. If you feel you are being harassed, don’t hesitate to report it. Be assured that Safeway will not allow retaliation for reporting harassment. It is in everyone’s interest that harassment is stopped at the earliest possible time. You should report unlawful harassment to your manager or supervisor, or any other Safeway manager, a Human Resources Representative, or you can call the Safeway Toll-Free Security Hotline at 1-800-283-5965.

**YOUR RESPONSIBILITIES** As a Safeway employee, you should:

- Review The Safeway Zero Tolerance Policy.
- Treat every person with respect.
- Exercise good judgment to avoid behavior which you know is not welcome.
- Report all incidents of harassment that you experience or witness.

With your help, we can maintain the friendly, supportive, harassment-free atmosphere that makes Safeway a great place to work.
The protection of privacy is part of our larger commitment to do business in a way that is honest and ethical.
privacy and protection

WHY IS PRIVACY IMPORTANT AT SAFEWAY? Safeway CEO Steve Burd provided us with an understanding of why privacy is so important when he said:

“Our objective is to be a great company. Being a great company means, among other things, protecting the privacy of our customers, our employees, and our company with regard to confidential information that we collect in the course of doing business. This protection of privacy is part of Safeway’s larger commitment to do business in a way that is honest and ethical. The threat of unauthorized access to or the misuse of confidential information poses a serious challenge for all of us here at Safeway. Our customers, our employees and business partners must have confidence in the fact that we are taking the proper steps to protect the information they give us. In every area of our business we must develop a privacy-conscious culture, a culture in which you and your fellow employee are the best line of defense against the misuse or theft of private information. Only by honoring this commitment to protect private information, can we earn the trust and confidence of our customers, employees and business partners.”

The information that follows will help you recognize what private information is and where it can be found. It will provide some requirements and guidelines for how you can protect it. Each person who comes in contact with private information has specific responsibilities, which are also outlined in this reference manual. In general, everyone should always treat private information with the utmost care and confidentiality.

WHAT IS PRIVATE INFORMATION? Private information is defined as information that is confidential or sensitive, and that needs protecting because its exposure may cause harm to our customers, employees, or our company.

Examples of Private Information Our company’s customers and employees trust us with their personal information in many forms, which may include:

- Bank Account Numbers
- Medical Information
- Social Security or Social Insurance Numbers
- Home Addresses and Phone Numbers
- Photographs and Photo Developing Forms

Other types of information about company employees that need protection include:

- Employment Records
- Performance Reviews
- Payroll Information
- Salary Information

Safeway also trusts its employees to protect all non-publicly disclosed company information such as:

- Sales and Profits
- Promotions and Advertising
- Strategies
- Budgets and Forecasts
- Training Class Materials
- Invoices / Bills of Lading
- Special Order Forms
- Standard Operating Procedures
- Store Service Reports
HOW TO IDENTIFY PRIVATE INFORMATION

If you are unsure whether or not information you are handling is private, ask yourself this question:

*If this information gets into the wrong hands, could it embarrass or cause harm to a customer, co-worker or the company?*

If the answer is “yes,” the information is private and needs to be safeguarded. Another way to think about it is to imagine that the piece of information is your own; if you would not want it shared with others, then it is private. If you are still unsure if the information is private, ask your manager for clarification.

WHERE CAN PRIVATE INFORMATION BE FOUND?

There are many locations where private information may be found or stored, including:

- Company Facilities
- Management Offices
- Safe Rooms and Vaults
- File Maintenance Rooms
- Shipping & Receiving Areas
- Loading Docks
- Inventory Control Clerk’s Rooms
- File Rooms & Cabinets
- Workstations and Desk Drawers
- Service Desks and Booths
- Back Rooms
- Training or CBT Rooms
- Storage Rooms
- Break Rooms

Building entrances and inside areas where private information may be found must be kept secured. When you enter or leave a secured area, make sure the door actually closes and locks. Before leaving, make sure file cabinets and/or drawers are closed and locked, and your keys are not stored in easy-to-find locations. If you find that a lock does not work properly, immediately notify your supervisor and/or facilities maintenance to have it repaired. If the lock appears to be broken due to suspicious actions, notify Security.

Always be wary of possible intruders. If you are in a backstage facility, refer anyone entering a secured area without a visible security badge to your facility’s reception area for assistance.

Although it may seem like the polite thing to do, you should not hold a door open for them to gain entrance just because they tell you they have permission or they left their badge elsewhere.

If you are in a store, politely refer unauthorized people entering restricted areas to your store manager for help.

In addition to being found in many physical places, private information exists in printed, hand-written, oral, and electronic forms. Appropriate steps should be taken to protect private information, no matter what form it is in.

PRINTED OR HANDWRITTEN DOCUMENTS AND FORMS

Some examples of documents that may contain private information include:

- Check Card or Club Card Applications
- Personal Checks
- Paychecks
- Payroll Reports
- Employment Applications and Verification Requests
- Pharmacy Records
- Photographs and Photo Developing Forms
- Printed Reports
- Faxes
Never leave materials containing private information unattended or unsecured. If you must step away from your workspace for any reason, secure any private materials before leaving. For instance, as soon as you receive an application form containing a customer’s personal information, lock it up. Do not leave the form on a counter, desk or anywhere else it might be viewed.

Be mindful when using copiers. Check to make sure that you have removed all items that contain private information. If the copier jams, remove all your documents.

When discarding any private materials always do so in a manner that ensures they will remain private – never use your regular trash cans. Use the company’s confidential shred bins, where available, and shredders where they are not.

**VERBAL DISCUSSIONS** Private information may also need to be discussed, which should be done in secure areas whenever possible. If, however, a discussion involving private information must occur in a non-secure area (for example, on the sales floor, office hallways, on a cell phone, in restaurants, or in airports), use discretion and avoid being overheard.

A word about rumors and gossip: if you learn something personal about a customer or co-worker, no matter how you learned this information, repeating it or discussing it is a violation of that person’s right to privacy.

**ELECTRONIC DEVICES** Private Information may also be found on:
- Desktop Computers and Laptops
- USB Drives (such as flash drives, jump drives and memory sticks)
- Scanning Devices
- Diskettes, CDs and DVDs
- Blackberry Devices and Pads

Always lock up or otherwise secure any type of portable electronic device that may contain private information. For instance, when logged in and leaving your workstation, always lock your computer screen by pressing Ctrl+Alt+Del and selecting “Lock Workstation.”

Laptops should be locked with cable locks at all times when in the office. When you leave the offices, laptops should either be locked in a cabinet or taken with you.

If you suspect any electronic device or document containing private information has been tampered with, lost or stolen, contact security immediately.

**WHO IS AUTHORIZED TO ACCESS PRIVATE INFORMATION?** Only those people who have met both of the following criteria are authorized to access private information:
- They must have a legitimate business reason to access confidential information and
- They are expressly authorized by the proper person to view that information

The proper person who can authorize access to private information is called the Information Owner.

**INFORMATION OWNERS** Information Owners, who typically are our executives, have primary authority for determining how private information is used. Information Owners must:
- Ensure access to private information is limited to only those who need it to perform their job responsibilities
- Oversee that the information is properly used and safeguarded by employees and third parties through training, monitoring, and other means
ALL EMPLOYEES  Employees have the responsibility to:
• Handle private information with sensitivity and diligence
• Not share private information either verbally, electronically, or in printed form unless authorized by the Information Owner

For example, in the course of your day, you may come upon a report containing sales figures that you are curious about. However, unless you are authorized by the Information Owner, you do not have the right to examine it.

If you are in doubt, ask your manager if you have authorization.

CONTRACTORS AND VENDORS  Safeway’s privacy and information protection principles also apply to contractors and vendors whose work for the company requires them to have access to private information. Everyone has responsibility to protect the assets of our company.

HOW TO PROTECT PRIVATE INFORMATION USING PASSWORDS  All private information in electronic form should be password protected. When creating passwords you must adhere to the Safeway password policy, which requires you to:
• Keep passwords private
• Never write passwords where they could be discovered by others
• Change passwords at least every 90 days
• Use at least 8 characters, including at least 1 numeric and 1 special character
• Avoid using words found in the dictionary (in any language)
• Do not use the company name, your name, your user ID, or any other easily-guessed word in the password

Follow these guidelines to create passwords that are not easily guessed or “cracked.” And remember that passwords are considered private information, since they protect other private information from exposure.

Other safeguards for protecting electronic private information include using passwords, encryption, and avoiding malicious software.

ENCRYPTION  When sending or transmitting private information electronically, you should always use secure methods such as encryption. If you need help determining the best way to send private information securely, contact Information Security by sending an e-mail to: info.security@safeway.com

MALICIOUS SOFTWARE  Malicious software is another name for viruses, worms and spyware. These are designed to gain unauthorized access to information, damage your system or corrupt data. It can be found in:
• E-mail Attachments
• Infected Data Files or Software
• Internet Sites

To protect your system from these types of invaders:
• Do not open unknown attachments.
• Scan files using an anti-virus program before opening them.
• Avoid entering unauthorized Internet sites.
• Do not download unauthorized content.

If you suspect your computer has been infected, call the IT Help Desk at 1-877-286-3200.

If you get unwanted e-mails, forward them to spam@safeway.com, then delete the original e-mail and the one you sent to spam, and empty your deleted mail folder.
ALWAYS REMEMBER YOUR RESPONSIBILITY TO PRIVACY AND INFORMATION PROTECTION

You are the best line of defense against the misuse of private information. If you are diligent in protecting private information, you may help:

- Protect customer and employee identities from being stolen, which might result in embarrassment or financial loss.
- Avoid damage to the company’s reputation and stock value, which might harm Safeway employees and shareholders.
- Avoid fines and legal damages to the company.
- Avoid your own disciplinary action, termination, or even jail time.

By practicing and upholding the guidelines outlined in this Privacy and Information Protection Reference Manual, the security of our customers’ and company’s private information as well as your own, will be protected.

Think like a successful owner – treat all private information as though it is your own.

BE A PART OF THE SOLUTION!

Identify areas in your work locations where privacy and information protection can be improved, and notify the right people who can help make necessary changes. Accept your responsibilities in protecting private information. You will help Safeway become the great company we are all striving for by always remembering these principles of privacy and information protection.

PRIVACY AND INFORMATION PROTECTION RESOURCES

For further information on privacy and information protection, refer to these references and contacts.

References
- “Code of Business Conduct” booklet
- Privacy and Information Protection Websites
  - Backstage: home.safeway.com/info_privacy
  - Retail: privacy.safeway.com

Contacts
- Information Security: info.security@safeway.com
- spam@safeway.com
- IT Help Desk: (877) 286-3200
- Ethics Hotlines
- Loss Prevention Departments
privacy and protection (continued)

OUR ETHICS HOTLINES ARE AUTOMATED VOICEMAIL SYSTEMS WHERE ALL CALLS ARE ANONYMOUS.

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<tbody>
<tr>
<td>Canada</td>
<td>(800) 840-2029</td>
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<tr>
<td>Denver</td>
<td>(877) 487-2741</td>
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<tr>
<td>Dominick’s</td>
<td>(800) 973-9273</td>
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<tr>
<td>Eastern</td>
<td>(800) 356-0244</td>
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<td>Genuardi’s</td>
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<tr>
<td>NorCal</td>
<td>(800) 283-5965</td>
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<tr>
<td>Phoenix</td>
<td>(800) 542-0682</td>
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<tr>
<td>Portland</td>
<td>(877) 800-5992</td>
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<td>Seattle</td>
<td>(800) 456-0434</td>
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<tr>
<td>Texas</td>
<td>(877) 309-9707</td>
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<tr>
<td>Vons</td>
<td>(800) 873-8667</td>
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<tr>
<td>Corporate</td>
<td>(866) 239-1376</td>
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OUR LOSS PREVENTION DEPARTMENTS HAVE PERSONNEL AVAILABLE FOR CONFIDENTIAL DISCUSSIONS.

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<tbody>
<tr>
<td>Canada – Calgary</td>
<td>(800) 361-7796</td>
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<tr>
<td>Canada – Vancouver</td>
<td>(866) 860-5347</td>
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<td>Canada – Winnipeg</td>
<td>(204) 487-5785</td>
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<td>Denver</td>
<td>(303) 843-7700</td>
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<td>Dominick’s</td>
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<td>Phoenix</td>
<td>(480) 894-4131</td>
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<td>Portland</td>
<td>(503) 657-6369</td>
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<td>Seattle</td>
<td>(425) 455-6376</td>
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<td>Texas</td>
<td>(713) 435-2423</td>
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<td>Vons</td>
<td>(626) 821-7545</td>
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<tr>
<td>Corporate</td>
<td>(925) 467-2071</td>
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<td>(925) 467-2868</td>
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