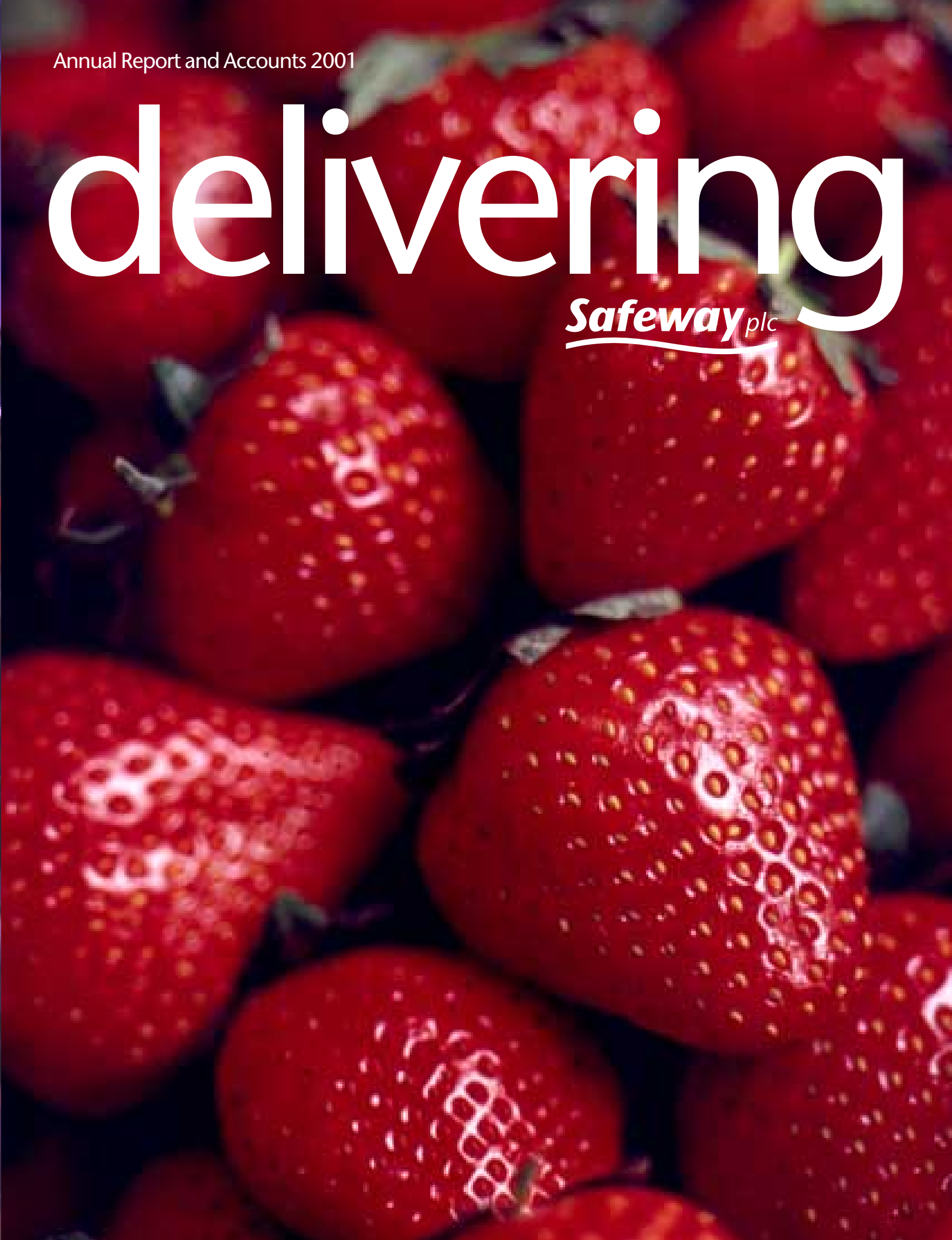


Annual Report and Accounts 2001

delivering

Safeway plc





MIXED FRUIT TART

*Tartlet filled with cream
patisserie layered with
mixed fruit*

99p
each



Our goal is to be the first choice for those customers who have the opportunity to shop locally in a Safeway store.

To deliver this goal we will focus on:

- **product and price, and be**
- **best at fresh**
- **best at availability and**
- **best at customer service**

Safeway plc Annual Report and Accounts 2001

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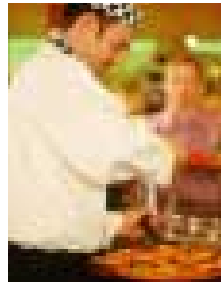
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8
best at fresh

18
product and price



18
product and price



22
best at availability



28
best at customer service



Delivering our promises 2

Our Chairman, David Webster, reviews Safeway's progress during the year in the context of the food industry.

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Chief Executive Carlos Criado-Perez describes how we've changed the way we run our business and developed the strategy he outlined last year.

Best at fresh 8

The growing strength of our fresh food offer – how we have made the product the hero, upgraded our ranges and helped suppliers achieve success in the market place.

Transforming our stores 14

Our new store formats and the development of "Fresh to Go" and "retailtainment" – pioneered in our St Katharine Docks store and now being rolled out across the chain.

Product and price 18

The development of our promotional strategy, with more top selling lines on offer and big savings for our customers.

Best at availability 22

Keeping our shelves full with the help of state-of-the-art technology and traditional rail transport.

A cleaner, safer environment 26

How we're reducing pollution, packaging and pesticides.

Best at customer service 28

Giving Safeway people the skills to deliver first class customer service.