

A cleaner, safer environment



Chris Shell, one of our produce supervisors, is part of the team ensuring full availability throughout the day. Giving our stores more authority over stock-ordering has enabled us to reduce wastage without any loss of availability.

As a business which operates in so many communities, we work hard to minimise our impact on the local environment. Much of this work goes on behind the scenes in our stores, at our depots and in our suppliers' premises, well beyond what our customers see on their weekly shopping trip. For many years now, we've actively supported various worldwide environmental initiatives and the past 12 months have been no exception.

Board Responsibility

Environmental issues are represented at Board level by our Supply Director Lawrence Christensen. Since 1996 we have set ourselves specific environmental targets, and in 2000 we became an early signatory of MACC2, which is part of the Department of Environment's Making a Corporate Commitment campaign to encourage companies to improve the quality of their environmental reporting.

Integrated Crop Management

We have been strong supporters of Integrated Crop Management, a system which minimises the use of pesticides on fresh produce. All the fresh fruit and vegetables we source in the UK are supplied by growers who are members of the Assured Produce Scheme. This involves regular, independent audits to ensure that best practices are being maintained, supported by visits from our own team of technologists. For produce sourced outside the UK, we are working with other major European retailers to develop a similar scheme. The majority of our suppliers already support this initiative.

Ethical Trading

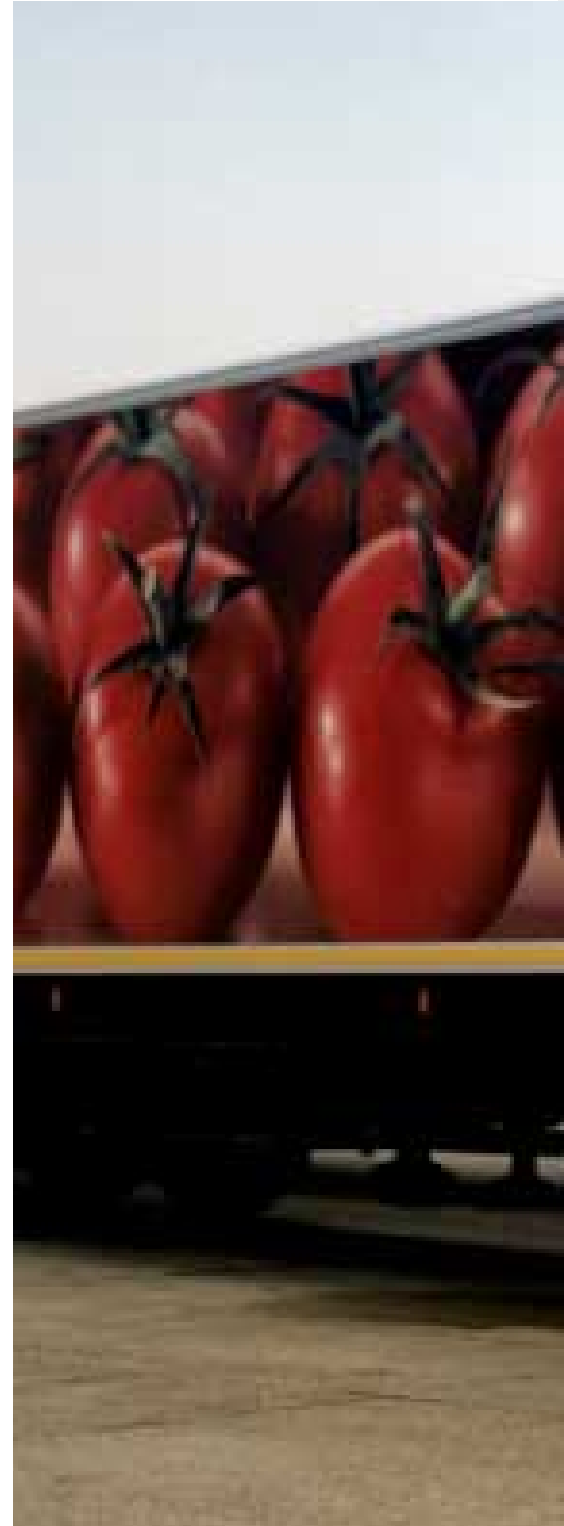
We are a corporate member of the Ethical Trading Initiative and are currently ensuring that ETI principles are communicated to all our suppliers. We have also carried out a review of our toy suppliers in the Far East, ensuring that their employment policies are of an acceptable standard. We have now established a scoring system for all new suppliers and produced a best practice manual to help them achieve the standards we expect.

Reducing Packaging

During the year we launched a new computer system to help cut the amount of packaging we use. We saved nearly 500 tonnes of plastic. We have also replaced many plastic shelf trays with recyclable cardboard versions and scored a world first by using returnable trays for tinned products. Our focus on merchandising ranges in a more appealing way has also resulted in less packaging and smaller labels being used. Our lorries continue to backhaul used packaging from stores for recycling – over the past 12 months nearly 90,000 tonnes of cardboard and 4,500 tonnes of plastic film were recovered.

Energy

As part of our drive to reduce energy costs in our stores, we are currently upgrading much of our refrigeration equipment, installing enhanced controls which cut their energy consumption by up to 10%.



One of our CNG lorries, displaying the new award-winning Safeway logo.

Reducing Pollution

As part of our drive to cut air and noise pollution, we are using a £600,000 government grant to help convert 40 of our lorries from diesel to compressed natural gas (CNG) fuelled engines. These cleaner, quieter trucks will join 10 already in operation, mainly servicing the Greater London area. We are the UK's first major retailer committed to using CNG as a mainstream alternative fuel. Shoppers may have seen one of our CNG lorries towing the Department of the Environment's roadshow "are you doing your bit?" around the country, an initiative we have supported for the second year running. Our Bellshill distribution depot has recently received ISO14001 accreditation. This international standard mark means our depot has a first class environmental management system, something we now want to extend to other sites.

Cutting Road Miles

We have also made good progress in reducing the road mileage our lorries clock up each year. Our industry-leading rail freight project was extended to Georgemas Junction, Thurso, Scotland, helping us to beat our target of reducing the total distance travelled by our lorries by 1.8 million road kilometres. We transported 3.2 million cases of product by rail and backhauled 3,500 tonnes of recyclable packaging. Other environmental benefits included the saving of 5,500 road journeys, which would have consumed nearly 520,000 litres of diesel fuel. We now use video conferencing as a channel of communication between many of our depots and offices, reducing car journeys for staff.

As a business which operates in so many communities, we work hard to minimise our impact on the environment. We set ourselves ambitious targets, and we deliver them.