



## PRESS RELEASE

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FOR IMMEDIATE RELEASE  
January 24, 2007

### **Safeway Leads Retail Sector in Fighting Greenhouse Gas Emissions**

#### ***Becomes First Retailer and Grocer to Join the California Climate Action Registry***

PLEASANTON, CA – Safeway announced today it has joined the California Climate Action Registry (the Registry), California's only official registry for Greenhouse Gas (GHG) emissions reduction projects. Participation in the Registry makes Safeway the first retailer and grocer in the state to be an active participant in the organization and another step in the company's comprehensive GHG Emissions Reduction Program.

"Joining the California Climate Action Registry was the next logical step in demonstrating Safeway's continued leadership in managing carbon related risks and protecting the environmental," said Joe Pettus, Safeway's Senior Vice President of Fuel & Energy Operations. "This is an important issue that requires leading by example to bring others to the table and help make a positive impact in our state."

Safeway has implemented several clean energy initiatives to reduce its carbon footprint across California and North America. The company was a strong supporter of AB 32, California's new law to reduce carbon emissions by 25 percent by 2020. In September 2006 Safeway joined the Chicago Climate Exchange and committed to reduce its carbon footprint from the base year 2000 by 390,000 tons of carbon dioxide. The company also announced the purchase of an additional 174,000 megawatt-hours of wind energy, making it one of the largest corporate purchasers of green wind energy in California and the nation.

Safeway has also initiated an innovative strategy to reduce overall corporate energy consumption through new cost-effective building designs, process improvements and demand side management technologies in its stores. Specific measures include utilizing new refrigeration system technology in new stores to reduce electricity use and installing no-heat freezer case doors that reduce electric heating; replacing exterior store neon lighting with LED lighting, helping to significantly reduce electricity usage; the installation of fluorescent lighting and other high-efficiency bulbs that significantly reduces additional electricity in its stores; and implementing a comprehensive national recycling program that is recycling nearly 500,000 tons of materials such as cardboard, plastics, compostable materials and other food waste each year.

"By reducing greenhouse gas emissions, Safeway is taking action to reduce the Company's carbon footprint, address climate change and reduce air pollution," said Pettus. "With a combined strategic approach of renewable power, energy efficient building designs and recycling efforts, Safeway continues to be a leader in managing our energy footprint at all levels. These innovative solutions are part of our comprehensive environmental strategy that benefits our customers and the communities we serve."

The Registry, created by the California legislature in 2000, helps companies and organizations throughout the United States to track, publicly report and reduce their greenhouse gas emissions. The

results are certified by independent approved third-party auditors that ensure compliance with Registry protocols and standardization across participants and sectors within California. The Registry has been widely recognized as a gold standard for public reporting of greenhouse gases.

Joining The Registry requires Safeway to follow a stringent program to annually monitor, report and certify its greenhouse gas emissions. As the only retailer and grocer to join the Registry, Safeway has made a clear and powerful statement to its customers and shareholders about the importance of the retail sector in driving GHG emission changes and investing in clean energy. Safeway hopes others will make the commitment to join and become part of the solution.

“We applaud Safeway for the leadership role they have taken on reducing greenhouse gas emissions and improving their overall energy efficiency. It makes sense that the company also step forward on global warming as the first grocery retailer to join the California Climate Action Registry. We hope others will follow their lead,” said Diane Wittenberg, President of the California Climate Action Registry.

**Safeway Inc.** (NYSE: SWY) is a Fortune 50 company and one of the largest food and drug retailers in North America. The company operates 1,767 stores in the United States and Canada and has annual sales of \$39.7 billion for the period ended September 9, 2006. The company’s common stock is traded on the New York Stock Exchange under the symbol SWY.

**The California Climate Action Registry** is a non-profit public/private partnership that serves as a voluntary greenhouse gas (GHS) registry to protect, encourage, and promote early actions to reduce GHG emissions. Over 200 major companies, cities, government agencies and NGOs measure and publicly report their GHG emissions through the Registry. [www.climateregistry.org](http://www.climateregistry.org)

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