



Recipe for Change™

2025 REPORT



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Report Overview

Report Scope

The 2025 Recipe for Change Report™ covers Albertsons® Companies, Inc. 2024 Fiscal Year (February 25, 2024 through February 22, 2025), unless otherwise noted. It includes details about strategies, practices and events within the company's value chain, sourcing decisions, internal distribution and warehousing, manufacturing facilities, retail operations and offices. The report highlights information about Recipe for Change within three reporting pillars (Products We Sell, Communities We Serve and Planet We Share).

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Letter from Our CEO

As we present our annual Recipe for Change report, I am grateful for the dedication and passion of our Albertsons Companies team, our partners and the millions of customers who inspire us every day.

In 2020, we began the journey to create Recipe for Change, guided by the belief that we can work together to strengthen the neighborhoods we serve while building a strong future for our company.

In 2024 we had a strong year, marked by progress, resilience and a steadfast commitment to making a meaningful difference in the communities we serve and on the planet we share.

Albertsons Companies has always held a deep responsibility to our neighbors. It's one that extends far beyond the walls of our stores. It encompasses the key areas that drive our success – our products, our communities and our planet.

Our Products

We have made substantial strides in reducing food waste, donating more than 113 million pounds of surplus food equaling over 94 million meals and diverting over 325 million pounds of inedible food waste from landfills. Our transition to more sustainable packaging continues to spur innovation, while our partnerships with local suppliers and small businesses strengthen our communities and fuel economic growth.

Our Communities

To help ensure those living in our communities and those impacted by disasters have enough to eat, together with the Albertsons Companies Foundation we contributed over \$435 million in food and financial support, including more than \$40 million through our Nourishing Neighbors Program. These efforts reflect our purpose: to bring people together around the joys of food and to inspire well-being.

The heart of Albertsons Companies is our associate team. Their commitment to living our purpose and our people-first values, connecting with each other and the communities we serve and creating effortless, affordable and personalized experiences for our customers is what truly sets us apart.

Our Planet

We know that great food isn't possible without a healthy planet, and we continue to make measurable progress toward our ambitions. In 2024, we reduced our carbon emissions by 23.8%, compared to our 2019 baseline, and we completed over 600 energy efficiency projects.

Looking ahead, we remain focused on driving progress against these key pillars of our Recipe for Change. We will continue to challenge ourselves to innovate, lead and act with purpose, ensuring that every decision we make brings us closer to a better future for all.



Thank you for your trust, partnership and support. We are better together, and we are building stronger communities, nurturing healthier lives and protecting the planet for generations to come.

A handwritten signature in dark ink that reads "Susan D. Morris". The signature is written in a cursive, flowing style.

Susan Morris
CEO

Albertsons Companies, Inc. 2024 Overview

Albertsons Companies is a leading food and drug retailer in the United States. As of February 22, 2025, the company operated 2,270 retail stores with 1,728 pharmacies, 405 associated fuel centers, 22 dedicated distribution centers and 19 manufacturing facilities.¹ The company operates stores across 34 states and the District of Columbia with more than 20 banners including Albertsons, Safeway, Vons, Jewel-Osco, Shaw's, ACME, Tom Thumb, Randalls, United Supermarkets, Pavilions, Star Market, Haggen, Carrs, Kings Food Markets and Balducci's Food Lovers Market.

The company is committed to helping people across the country live better lives by making a meaningful difference, neighborhood by neighborhood. In 2024, along with the Albertsons Companies Foundation, the company contributed more than \$435 million in food and financial support, including more than \$40 million through our Nourishing Neighbors program, to ensure those living in our communities and those impacted by disasters have enough to eat.

¹ SASB FB-FR-000.A



2,270
retail stores

\$80.4 billion
in sales

405
fuel stations

1,728 in-store
pharmacies

22 distribution
centers

19 manufacturing
facilities

36+ million
customers
per week

45+ million
loyalty members
(at the end of Q4 2024)

20+ well-known
banners

Three exclusive
billion-dollar
Own Brands

One of the largest retail
employers, providing
~285,000 jobs

With our Foundation,
donated more than
\$435 million
in food and financial support

Our Purpose

To bring people together around the joys of food and to inspire well-being.

Albertsons Companies has a rich history, bringing together more than 20 well-known banners with unique local identities that have deep roots in our communities and a strong heritage of service. Our associates are the key ingredient in bringing our purpose to life, creating meaningful experiences and connections that earn customers for life. Our values guide our associates in creating effortless, inspiring, affordable and personal experiences that build long-lasting relationships with our customers.

In 2024, our “Living our Purpose” Culture Enrollment Campaign received a Gold Quill Award of Excellence in Employee Engagement from the International Association of Business Communicators. This honor reflects our unwavering commitment to empowering every associate to earn customers for life.²

² Gold Quill Winners | IABC



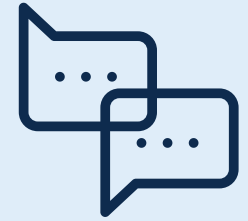
We put people first.

Our associates are the connection to our customers and communities. We care for their well-being and invest in their personal and professional growth.



We are customer-driven.

We care about our customers and make decisions based on what's best for them. We are empowered to make a positive impact—big and small—in our customers' lives.



We value different perspectives.

We encourage open dialogue and healthy debate. We make better decisions when everyone's voice is heard.



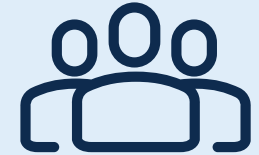
We raise the bar.

We stay curious and challenge the status quo to continually innovate and improve how we serve our customers and communities.



We act as owners.

We act with integrity, pride and passion. We hold ourselves accountable, anticipate customer needs and engage others constructively to deliver results that matter.



We are one team.

We value teamwork and camaraderie. We build relationships and recognize each other's contributions.



We build belonging.

We know a diverse and inclusive workforce is built on a foundation of courtesy, dignity and respect.



We are committed to a healthy future.

We work together and build partnerships to support our communities and the planet we share.

Recipe for Change™ 2024 Overview

At Albertsons Cos., we're working to make a real difference in the communities we serve and the planet we share. Our Recipe for Change is the embodiment of this commitment, combining the key ingredients to realize our ambitious vision.

Our Recipe for Change impact framework was developed in collaboration with leaders and associates across the company to ensure that our goals are grounded in our operations and aim to create meaningful change. Our cross-functional approach and regular reviews of our progress and ambitions ensure our Recipe for Change strategy supports our company's purpose, values and strategic business priorities.

We report quarterly to the Governance, Compliance and ESG Committee of our Board of Directors. In fiscal year 2024, our senior leadership had a portion of their annual bonus tied to goals supporting Recipe for Change initiatives.

Through our Recipe for Change, we are bringing together the ingredients for a better world—the products we sell, the communities we serve and the planet we share—to make change a reality.



"At Albertsons Companies, making a positive impact is a responsibility we embrace every day. Our Recipe for Change framework reflects the collective passion and purpose of our teams, driving meaningful progress across our operations. By aligning our initiatives with our company's values and embedding accountability at every level, we're working to create lasting impact for the communities we serve and the planet we share."

— **Melissa Kral**,
Director of Sustainability



Products We Sell

Our footprint is directly tied to what we make and sell.

INCLUDED IN THIS SECTION

- KEY INGREDIENT: FOOD WASTE
- PACKAGING
- RESPONSIBLE SOURCING
- MICRO-MARKET OPPORTUNITIES

Food Waste

Highlights:

- Donated unsold food from nearly 98% of stores to local food recovery organizations each week.³
- Diverted more than 325 million pounds of inedible food waste from landfill.
- Expanded our artificial intelligence (AI) assisted forecasting and ordering systems.

Reducing food waste has been a long-standing priority across our stores, distribution centers and manufacturing facilities. These efforts are not only good for the planet and our communities but also help drive efficiency to meet our business goals.

The United States Department of Agriculture (USDA) estimates that more than a third of food is wasted across the US food supply chain, from farms to transportation, stores and in customers' homes.⁴ Given this issue impacts the entire grocery industry, we have joined groups such as the USDA/United States Environmental Protection Agency (US EPA) Food Loss and Waste Champions, the Pacific Coast Food Waste Commitment and the Zero Food Waste Coalition to work with our peers and industry experts to find and implement solutions.

Our Approach to Reducing Food Waste

As part of our Recipe for Change, we are working to reduce food waste. In 2022, we announced our ambition to achieve zero food waste going to landfill. Based on the US EPA's Wasted Food Scale, our strategy to reduce food waste focuses on three workstreams: preventing food waste, donating edible food and diverting inedible food waste.⁵

Since setting this goal, we've continued to invest in food waste reduction initiatives. In 2024, we expanded our AI-assisted forecasting and ordering systems, operated food waste diversion programs in approximately 70% of stores, and nearly 98%⁶ of stores donated unsold food each week.

Reducing food waste is an integral part of our strategic business priorities, and we are actively reviewing our approach to reflect evolving operating conditions. These conditions include infrastructure limitations in certain markets, technological availability and best practices emerging from industry working groups. This review is intended to ensure our strategy balances our ambition to drive meaningful reductions in food waste with operational feasibility and business growth.

Preventing Food Waste

Ensuring that food never becomes waste is good for our business and the planet. We leverage a variety of innovative methods and technologies to prevent food waste, including solutions that improve our ordering and production

forecasts. We continued to use Afresh technology in our produce, meat and seafood departments in 2024, empowering our team members to use AI to enhance order accuracy, minimize excess inventory and improve product freshness for customers. In 2024, we expanded our use of this technology to our Distribution Centers.

Additionally, we are working to reduce produce food waste in our supply chain operations through partnerships with our produce suppliers. For example, in 2024, we piloted longer-term purchasing agreements, which supports farmers in better planning and helps reduce on-farm food waste. In addition, in 2024, 12 Albertsons Cos. divisions offered packaged greens grown in greenhouses and other controlled-environment agriculture systems, which can reduce farm-level food waste through optimized growing conditions.

Finally, we support customers in reducing food waste at home by sharing tips on keeping produce fresh through social media and by training our produce department associates to help customers choose the right ripeness for their needs. In 2024, our Seattle division collaborated with the Washington State Department of Ecology's Use Food Well campaign to raise awareness about reducing waste. We reached customers through educational in-store displays and promotional materials at Safeway stores throughout the state and by sponsoring events and advertisements supporting the campaign's mission.

³ Weekly Average

⁴ Food Loss and Waste | USDA

⁵ Wasted Food Scale | US EPA

⁶ Weekly Average

"Reducing food waste is central to how we run great stores. Smart ordering ensures the freshest products for our customers while minimizing waste, and donating unsold food strengthens the communities we serve. I'm proud to thank our store associates for achieving nearly 98% weekly donation participation in 2024, a tremendous achievement that is a win-win for our communities and our operations."

— **Paul Hertz**
President of Retail Innovation & Execution

Donating Edible Food

As part of our efforts to reduce food waste and support our communities, our Recipe for Change, Food Safety and Retail Operations teams regularly collaborate to review and update the guidelines for our Fresh Rescue food donation program. Associates can donate products from across our store departments, including packaged produce, meat, dairy and service deli. In 2024, we continued to expand our store donation program, developing protocols to more easily donate loose produce and by year end, nearly 98% of our stores donated food weekly. We donate surplus food from our stores, distribution centers and manufacturing facilities to a wide variety of local food recovery organizations across our footprint. In 2024, we donated more than 113 million pounds of food to our local Feeding America affiliates, the equivalent of 94 million meals.

We leverage our strong community ties to explore programs and partnerships that advance innovative and localized food donation solutions. In 2023, we began our partnership with Uber to pilot Uber Direct in Washington, DC creating a reliable delivery program for surplus food donations to local food recovery organizations facing transportation issues. In 2024, we expanded this partnership to select Star Market stores in Boston, Jewel-Osco stores in Chicago and Safeway stores in the Denver area.⁷

With funding from the National Science Foundation, we partnered with Johns Hopkins University and the Maryland Institute College of Art to identify recommendations from frontline associates on improving our in-store food donation programs and food waste reduction initiatives. The results of the Fresh Rescue Champions Project Report were published in 2024.⁸

We leverage our memberships in working groups and trade associations to drive progress within our own business and the industry, and in 2024, co-chaired the Food Recovery Working Group of the Pacific Coast Food Waste Collaborative.

See the [Hunger Relief](#) section of this report to learn more about our efforts.

Diverting Inedible Food Waste

Throughout 2024, approximately 70% of our stores participated in inedible food waste diversion programs, diverting more than 325 million pounds of food waste from

going to landfill.⁹ These programs encompass methods such as anaerobic digestion, composting and repurposing food waste into animal feed. The anaerobic digestion process transforms food waste into valuable soil enhancers while generating clean, renewable natural gas.

Packaging

As part of our Recipe for Change, we're supporting the transition to a more circular economy. By 2030, we're working to:¹⁰

- Transition 90% of Own Brands packaging to be recyclable, reusable or compostable.
- Include 15% post-consumer recycled content in our Own Brands plastic packaging portfolio.

Our Own Brands consist of trusted household names such as OOrganics®, Lucerne®, Open Nature®, Signature SELECT®, Primo Taglio®, Waterfront Bistro®, Soleil®, ReadyMeals®, Overjoyed™ and Value Corner®.

In 2024, a significant portion of our Own Brands primary plastic footprint was recyclable, reusable or compostable and included more than 9% post-consumer recycled content.

We work closely with our suppliers to better understand our footprint and identify areas for improvement.

We continue to actively seek innovative methods to transition to packaging that is reusable, recyclable and/or compostable,



as well as to expand our utilization of post-consumer recycled content. In 2024, we launched the newest addition to the Own Brands wine portfolio, Bee Lightly™, which uses flat bottles that are made from recycled plastic and enhance logistic efficiency due to their shape.¹¹

All Own Brands products, including packaged goods and store-made items, include labels with information about the recyclability of packaging. These labels assist our customers in correctly discarding and recycling the packaging of our Own Brands products, helping to reduce the amount of plastic that is sent to landfills when possible.

⁷ Albertsons Companies and Uber Partner Together to Deliver Surplus Food to Neighbors

⁸ Fresh Rescue Champions Project Final Report | JHU and MICA

⁹ SASB FB-FR-150a.1

¹⁰ SASB FBFR-430a.4

¹¹ Albertsons Companies Launches Highly Rated Bee Lightly™ Wines, Redefining Wine Packaging



Responsible Sourcing

Responsible Seafood

Our Responsible Seafood Program aims to improve transparency within our seafood supply chains. Through this initiative, we are working to support the protection of ocean resources and the fair treatment of those working in the seafood industry.

We have robust requirements for our fresh, frozen, shelf stable tuna and sushi suppliers. We partnered with FishWise, a nonprofit responsible seafood consultancy, to continue to enhance traceability and transparency and of our supply chains as well as to implement best practices within our supply chains Responsible Seafood Program. In 2024, Albertsons Companies was awarded a Progressive Grocer Impact Award for our Responsible Seafood Program.¹²

When possible, we work to advance the seafood industry by participating in collaborative partnerships. In 2024, we joined The Nature Conservancy's Tuna Transparency Pledge supporting on-the-water monitoring across industrial tuna fishing vessels.¹³

Fair Trade

We offer a diverse range of Fair Trade Certified™ items including produce, chocolate, coffee and more within our Own Brands portfolio. Every O Organics coffee product carries the Fair Trade Certified seal, and in calendar year 2024, these products generated over \$560,000 to community development funds. These funds support the livelihoods of coffee growers, their families and communities.

Local Product Offerings

For years, we have been building strong relationships with local suppliers and farmers in an effort to help our communities thrive. Each division sources goods from their communities, and in 2024 we offered more than 23,800 local products company-wide. From the renowned Idaho potatoes in our Idaho stores to Northeastern apples in our Shaw's and Star Market stores, local produce is a cornerstone of our offerings.



Animal Well-Being

We strive to maintain strong animal welfare practices across our business and continue learning from animal-science experts to guide our policies. We work closely with suppliers to make informed decisions that prioritize animal care while ensuring supply for our customers.

In 2024, 75% of liquid and shell eggs sold in our stores were sourced from cage-free environments. Additionally, our O Organics and Open Nature brands exclusively offer cage-free shell and liquid eggs, and all Own Brands' hardboiled eggs are cage-free. For more information on our Animal Well-Being policies, please visit our [website](#).¹⁴

Micro-Market Opportunities

We are committed to ensuring we have products that meet our customers' wide range of needs across the many communities we serve. With more than 2,200 stores, product assortments are tailored to reflect the uniqueness of local communities, delivering personalized experiences focused on quality, taste and value. As part of this commitment, we are steadfast in our mission to create growth opportunities

for small businesses, helping to amplify their product visibility on our shelves so we can offer a wide range of products that support our mission to create customers for life among all communities.

To help support our suppliers, Albertsons Companies partners with a third-party to offer an early payment program for qualified vendors. This program is particularly helpful for small businesses, as it helps alleviate financial challenges by making working capital more accessible.



¹² Progressive Grocer's Impact Awards Honorees Go Above and Beyond ESG Initiatives | Progressive Grocer

¹³ Major new initiative to put eyes on the water for industrial tuna | The Nature Conservancy

¹⁴ SASB FB-FR-430a.2 (volume) and SASB FB-FR-430a.3



Communities We Serve

We're at our best when we are stewards of our communities.

INCLUDED IN THIS SECTION

- KEY INGREDIENT: HUNGER RELIEF
- COMMUNITY ENGAGEMENT
- HEALTH & WELL-BEING
- INCLUSION & BELONGING
- ASSOCIATE DEVELOPMENT & RETENTION

Hunger Relief

Highlights:

- Donated more than 113 million pounds of surplus food from our operations, enabling the equivalent of over 94 million meals.
- Raised over \$40 million through Nourishing Neighbors program, enabling more than 160 million meals.
- Enrolled more than 240,000 eligible neighbors in Supplemental Nutrition Assistance Program (SNAP) benefits.

More than 47 million Americans, including 13.8 million children, face the challenge of food insecurity.¹⁵ As part of our efforts to help our neighbors in need, we work to address hunger locally by enabling meals through surplus food donations from stores and funds raised by the Albertsons Companies Foundation. We also leverage our robust local connections to identify and support innovative programs and partnerships that offer community-specific solutions that seek to end the cycle of hunger.

Goal to Enable 2.5 Billion Meals and Invest \$10 Million Annually

When Recipe for Change was developed, we set a goal of enabling one billion meals between 2019 and 2030.

We achieved this goal in 2023 due to a company contribution during COVID-19, enhanced food donation guidelines and expanding the impact of Albertsons Companies Foundation's Nourishing Neighbors program. In 2024 we announced new goals:

- Enabling an additional 1.5 billion meals through surplus food donations from stores and funds raised by the Albertsons Companies Foundation between 2024 and 2030 for a total of 2.5 billion meals between 2019 and 2030.
- Investing \$10 million annually to help break the cycle of hunger through our Nourishing Neighbors program between 2025 and 2030.

Donating Surplus Food to Local Communities

Each year, our stores, distribution centers and manufacturing facilities donate millions of pounds of food to local food banks and other organizations helping to fight hunger. In 2024, we donated more than 113 million pounds of food, which is the equivalent of enabling over 94 million meals. See the [Products We Sell](#) section of this report to learn more about our food donation program.

Additionally, our stores support hunger relief efforts through charitable activities such as food drives and volunteer initiatives. For example, in 2024, our Portland division partnered with Sunshine Division to prepare Thanksgiving meals kits, complete with frozen turkey, mashed potatoes and stuffing, which were delivered to 2,000 households.

Albertsons Companies Foundation's Nourishing Neighbors Program

Nourishing Neighbors, the signature cause platform of the Albertsons Companies Foundation, seeks to ensure at-risk children, adults, seniors and families have access to the food they need to prosper. Through programs that fund initiatives such as breakfasts for kids, holiday dinners and school pantries, Nourishing Neighbors works to ensure all our communities' tables and pantries are full so our neighbors can learn, grow and succeed.

In 2024, Nourishing Neighbors raised more than \$40 million, enabling over 160 million meals to be donated to our communities, including those affected by disasters. This included a \$7 million donation from Albertsons Cos.' 2024 O Organics Fight Hunger, Serve Hope campaign to combat hunger for school-aged children during summer months.¹⁶ Last year, Progressive Grocer awarded our 2023 O Organics campaign an Impact Award for innovation in corporate giving.¹⁷



¹⁵ [Household Food Security in the United States in 2023 | USDA](#)

¹⁶ [Albertsons Companies Foundation Celebrates a Decade of Fighting Hunger and \\$297 Million Raised with Nourishing Neighbors Program](#)

¹⁷ [Progressive Grocer's Impact Awards Honorees Go Above and Beyond ESG Initiatives | Progressive Grocer](#)

"At Albertsons, we remain committed to fighting food insecurity in the communities we serve today while working to create lasting solutions to end hunger tomorrow, and forever. The time for change is now as more than 47 million Americans, including 13.8 million children, face the challenge of food insecurity, and we must come together across communities to solve this hunger crisis."

— Jennifer Saenz

EVP, Chief Commercial Officer and Board Chair, Albertsons Companies Foundation

In 2024, Nourishing Neighbors funds:

- Enabled more than 970 grants to support more than 34 million individuals.
- Provided gift cards to 328,000 families to purchase food during the holidays.
- Raised more than \$6 million to aid those affected by the wildfires in Southern California.



Nourishing Neighbors Innovation Spark Grants

In 2024, the Albertsons Companies Foundation awarded Nourishing Neighbors Innovation Spark Grants to foster creative solutions and support organizations committed to fighting hunger. The Foundation has dedicated \$3 million grants, spanning three years, to Alpenflow Impact, Hunger Free America, and The North Texas Food Bank. These organizations will, respectively, support low-income student mothers from underserved communities, boost long-term economic advancement for individuals that are unemployed, underemployed or employed in low-wage jobs, and enhance food bank initiatives to strategically determine need and evaluate resources invested in a geographic area.¹⁸

The 2023 Innovation Spark Grant recipients made notable progress in fighting hunger last year by driving programs aimed at supporting single mothers, providing financial coaching and developing a college food distribution program.

Engaging Students in Hunger Relief

The Explore.Act.Tell. initiative empowers youth to address food scarcity within their local communities by fostering awareness and action. Supported by the Albertsons Companies Foundation's Nourishing Neighbors program

and the Foundation for Impact on Literacy and Learning, the initiative guides students to investigate community hunger issues, develop actionable strategies and inspire community involvement. In 2024, more than 89,000 middle and high school students participated in the initiative.

Improving Food Access

In June 2024, the Albertsons Companies Foundation partnered with leading nonprofit organizations to address childhood hunger during the summer, a time when millions of kids lose access to free or reduced-priced school meals. The coalition launched SummerEBT.org, a website to help families easily check eligibility for the USDA's new Summer Electronic Benefit Transfer for Children Program (Sumer EBT) and connect to their state enrollment website. The outreach strategy reached parents and caregivers online and in their communities and resulted in over 171,000 website visits, increasing awareness and participation in the USDA Summer EBT program.¹⁹

To enhance accessibility to wholesome food options, we incorporated Electronic Benefits Transfer (EBT) functionality into our e-commerce systems so Supplemental Nutrition Assistance Program (SNAP) beneficiaries can apply their benefits toward online grocery purchases. Furthermore, in 2024 we partnered with Uber Eats to allow customers to use SNAP benefits for orders from Albertsons, Safeway, Jewel-Osco and Vons stores in the Uber Eats app.²⁰

In 2024, Our Seattle division collaborated with the Washington State Department of Health on USDA-funded programs, such as the Fruit and Vegetable Prescription Program and the SNAP Produce Match Program, to help customers experiencing food insecurity receive assistance for fresh fruit and vegetables. Additionally, in 2024, the Albertsons Companies Foundation funded a pilot SNAP produce match program for our stores in Alaska, offering EBT customers a \$20 match for every \$20 spent on produce.

Community Engagement

Million Hour Volunteer Rally

In 2024, Albertsons Cos. and the Albertsons Companies Foundation launched the Million Hour Volunteer Rally to support local nonprofits fighting food insecurity.²¹ Customers, associates and vendor partners across the country donated over \$600,000 worth of volunteer hours to help end hunger. Activities included sorting and packing food, delivering meals and assisting with administrative tasks.



Associate-Sponsored Funding

The We Care program, an initiative of the Albertsons Companies Foundation, is a program voluntarily funded by Albertsons Cos. associates to provide colleagues disaster relief and personal hardship assistance. In 2024, the program distributed grants exceeding \$1.5 million to more than 820 associates in need.



Extending Smiles Floral Bouquets

In 2024, every purchase of an Extending Smiles bouquet contributed to a philanthropic cause. These purchases generated more than \$93,000 in donations in calendar year 2024, benefiting various organizations such as the National Domestic Violence Hotline, Homes For Our Troops, Trinity Health and Family Promise. Between 2019 and 2024, Extending Smiles contributions provided more than \$1.1 million to help those in need.

¹⁸ [Albertsons Companies Foundation Announces Recipients of \\$9 Million in Multiyear Nourishing Neighbors Innovation Spark Grants](#)

¹⁹ [Leading Nonprofits Join Albertsons Companies Foundation in a First-of-Its-Kind Initiative to Tackle Summer Hunger Among Children in the U.S.](#)

²⁰ [Uber Eats Now Accepting SNAP EBT Nationwide With Albertsons Companies, Walgreens | Uber](#)

²¹ [Albertsons Companies Foundation Launches the Million Hour Volunteer Rally to Support Local Nonprofits and Neighbors](#)

Health & Well-Being

Customer Health & Wellness

In 2024, Albertsons Cos.' pharmacy teams held more than 10,600 vaccine clinics in collaboration with schools, nursing homes, local businesses and other organizations, ensuring that vaccinations were accessible throughout our communities. Our dedicated pharmacists, pharmacy technicians and interns delivered over 5.5 million vaccines to protect our communities and promote preventative health measures.

Many of our pharmacies are equipped with Drug Take Back Kiosks, enabling the safe disposal of medications that are no longer needed, are unwanted or have expired. Last year, across our operations we safely disposed of over 261,000 pounds of these products and rolled out additional Drug Take Back Kiosks in our stores.

Sincerely Health™

Our Sincerely Health digital health and wellness platform helps customers make informed choices about food, physical activity, sleep and mindfulness. The platform features a nutrition insights tool that offers personalized food recommendations, recipes and articles tailored to dietary preferences and restrictions. This resource supports nutritious lifestyle choices and customers can earn rewards, redeemable for grocery coupons and discounts on fresh produce, seafood and meat.

Inclusion & Belonging: We are Better Together as We Build a Culture of Connection

We know that our team of associates can better realize our ambitions when we all work together. When everyone has the opportunity to grow and feel a deep sense of connection to our purpose, we create a culture of connection among our associates that is critical to our success.

Albertsons Cos. completes an annual Associate Engagement Survey to gather feedback from associates on topics such as belonging and other culture- and engagement-related topics.

Albertsons Cos. is committed to creating meaningful employment opportunities in all of the communities we serve. In 2024, the company received a score of 100 from the Disability Equality Index, securing designation as a "Best Place to Work for Disability Inclusion."²²

Throughout the year, we provided learning opportunities that enable growth for our associates, strengthen our culture of connection, and promote inclusion and belonging, such as:

- Organizing leadership discussions and biannual meetings to promote growth and inclusivity, complemented by online trainings.
- Delivering our "Leaders Make Others Better" workshop focused on providing tools to build relationships and strengthening leadership capabilities in the areas of trust, feedback and coaching for all management-level associates.

- Offering leadership programs and coaching for associates at various stages of their careers, including McKinsey Connected Leadership.

Associate Resource Groups

Our Associate Resource Groups (ARGs) organize a variety of events aimed at nurturing a culture of connection among all our associates and the communities we serve, ensuring that each individual feels respected, valued and provided with equal opportunities for success. Our ARGs are open to all associates in corporate and division offices, as well as field leadership in many of our retail stores and supply chain facilities.

Associate Development & Retention

Albertsons Cos. is committed to providing opportunities for our associates to grow and contribute to bringing our purpose to life for customers every day. This commitment shapes our approach to retaining and developing a highly skilled and ethical workforce that sets us apart and brings these values to life.

Training and Development

We offer formal and informal learning and development opportunities to all associates. Courses are offered through eLearning and on-demand content, virtual and in-person classes, on-the-job training, virtual reality, mentoring programs and more. We also partner with industry associations to provide access to relevant continuing retail education opportunities through colleges around the country.

Retention

At the end of 2024, we employed approximately 285,000 associates and are proud that a significant number of our associates celebrated milestone anniversaries with our company. More than 57,000 of these individuals commemorated at least 15 years of service, and more than 42,000 celebrated over 20 years of service.



²²Albertsons Companies Earns Top Score on 2024 Disability Equality Index





Planet We Share

Great food isn't possible without a healthy planet.

INCLUDED IN THIS SECTION

- KEY INGREDIENT: ENERGY & EMISSIONS
- RECYCLING & CIRCULARITY
- WATER USE

Energy & Emissions

Highlights:

- Reduced carbon emissions by 23.8% in our own operations between 2019 and 2024.
- Completed more than 600 energy efficiency projects.
- Converted 65 stores to lower climate-impact refrigerants.

As part of our focus on Energy & Emissions, we're working to reduce our carbon emissions. In 2021, the Science Based Targets initiative (SBTi) approved our 2030 goals to reduce emissions in our own operations by 47% and in our downstream emissions from the use of sold goods by 27%, as well as engaging our top suppliers to set science-based targets by 2026. In 2021, we also adopted a goal to achieve net zero emissions in our operations by 2040.

Since setting these goals, we've invested to reduce our carbon emissions while continuously reviewing our strategy to ensure alignment with our business priorities. In 2024, we achieved a 1.5% year-over-year reduction in operational emissions through initiatives such as optimizing energy demand, reducing emissions from refrigeration systems, and improving productivity across our operations.

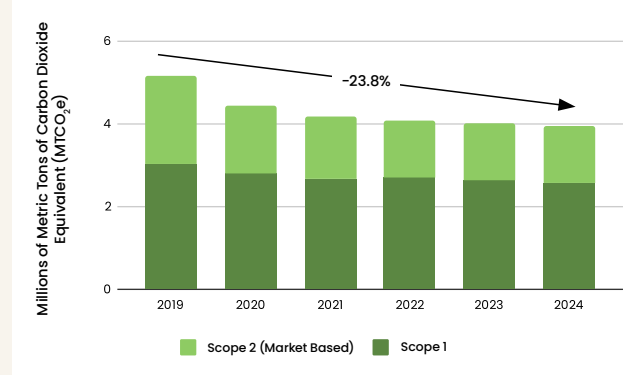
In parallel with these investments, we are reviewing our approach to reflect our changing operating environment, including shifting regulatory landscapes, updates to voluntary standards such as SBTi, and slower-than-expected progress in external technologies and infrastructure. These factors impact the pace and path of our ambition, and we are actively reviewing our goals to ensure continued alignment with our strategic business priorities and account for the changing operating environment.

Our reported emissions are based on a 2019 baseline, and we annually report carbon emissions through CDP.²³ Our 2024 progress against our baseline year was as follows:

Carbon Footprint ²⁴		
EMISSIONS CATEGORY	2019 (MTCO ₂ e)	2024 (MTCO ₂ e)
SCOPE 1: ²⁵	3,040,001	2,574,504
SCOPE 2 : LOCATION BASED	1,998,819	1,409,526
SCOPE 2 : MARKET BASED	2,130,132	1,367,112
SCOPE 1 & 2 : MARKET BASED TOTAL	5,169,134	3,941,616

Refrigerants

In 2024, as part of our Energy & Emissions strategy, we converted 65 stores to lower climate-impact refrigerants. We also expanded our use of automated leak detection systems to enhance our leak detection capabilities and maintain system efficiency.



We leverage strategic partnerships to continue to make progress in this space. We are members of the North American Sustainable Refrigeration Council and a founding partner of R-TRADE, which launched in September 2024 and aims to provide recruitment, training and retention programs to combat the critical shortage of refrigeration technicians.²⁶ In 2024, we were a customer collaborator in the fourth edition of The Clean Fight's Accelerator Program, which focused on advancing the adoption and scale of high-impact climate tech solutions in New York State.²⁷

²³ See CDP for SAB FB-FR-110b.1 and FB-FR-130a.1

²⁴ Our carbon emissions are calculated using the industry-standard Greenhouse Gas Protocol, which focuses on greenhouse gases covered by the Kyoto Protocol.

²⁵ Biogenic carbon emissions are excluded from our Scope 1 totals. Reported biogenic carbon was 75,907 MTCO₂e in 2019, and 60,288 MTCO₂e in 2024.

²⁶ [Announcing R-TRADE | North American Sustainable Refrigeration Council](#)

²⁷ [Introducing the Companies in The Clean Fight's latest Accelerator Program | The Clean Fight](#)

"Our commitment to reducing our carbon footprint starts with the spaces where we serve our customers and associates. Continuously improving our refrigeration systems and driving energy efficiency through equipment replacement and broader building initiatives, helps support our efforts to create great retail store environments. These investments not only reduce our environmental impact while strengthening our operations and supporting long-term business growth."

— David Sisson
Chief Real Estate & Strategic Properties Officer

Energy Efficiency Projects

We completed more than 600 energy efficiency projects across Albertsons Companies' operations in 2024 to reduce our energy demand. Projects included installing LED lighting retrofits, doors on refrigerated cases and building management systems.

We joined the Department of Energy's Better Climate Challenge in 2024 to connect with other market leaders and share best practices for increasing operational efficiency in order to enhance our programs.²⁸

Renewable Energy

We partner with third-party companies to generate renewable energy, where feasible. The US EPA's Green Power Partnership ranked Albertsons Cos. number 15 in their Top 30 Retail Partners for calendar year 2024.²⁹

We have two utility-grade wind turbines at our Tracy, California distribution center, and at the end of 2024, we had more than 50 locations with on-site solar generation.

We work with energy providers in our operating areas to purchase utility-scale and community renewable energy and renewable energy credits to meet our operational and Recipe for Change goals. Through these arrangements, we have purchased energy from several renewable energy sources.

Transportation

We continue to explore opportunities to reduce the environmental impact of our fleet, including utilizing zero-emission electric vehicles to supplement our existing distribution operations. At the end of 2024, the Albertsons Companies fleet had 30 electric-terminal tractors, nine battery-electric refrigerated trailers and two battery-electric class 8-day cab tractors in operation. Last year, we replaced our two battery-electric class 8 day cab tractors with Volvo's second-generation tractors which can travel approximately twice as far as the first-generation tractors. In our distribution operations, more than 99% of our forklifts are electric and we replaced nearly 500 forklift battery chargers with more energy-efficient equipment.

Our entire private truck fleet is certified by the US EPA's SmartWay program to advance supply chain sustainability and freight transportation efficiency.

Electric Vehicle Charging

As part of our efforts to support the planet we share, we also strive to help our customers reduce their carbon footprints. At the end of 2024, we had over 600 electric vehicle chargers across our portfolio that provided more than 28 million kWh to our customers through over one million charging sessions in calendar year 2024. This is enough energy to drive the average electric vehicle more than 76 million miles.³⁰

Recycling & Circularity

Throughout 2024, our company recycled over 790 million pounds of cardboard and 25 million pounds of plastic bags and films. Our soft plastic recycling program includes the recycling of pallet wrap, which ensures the secure transportation of products, as well as the plastic bags and films customers return to our stores. These plastics are collected in customer-facing recycling bins that are designed to collect soft plastics, a service that is not available through most curbside recycling programs.

In 2024, a licensed Starbucks in our Petaluma, California Safeway store participated in The Petaluma Reusable Cup Project, a three month initiative that made reusable to-go cups the default options across national chains, local independent restaurants, convenience stores and more places across the city.³¹

See the [Food Waste](#) section of this report to learn more about our food waste reduction initiatives.

Water Use

We are monitoring and reducing water usage in our facilities while maintaining high food safety and sanitation requirements. We continue to drive leak prevention using an algorithm to track water consumption and investigate abnormal fluctuations to quickly minimize negative impacts. As we look ahead, we are continuously reviewing existing and emerging technologies for opportunities to increase our water efficiency.



²⁸ Better Climate Challenge | Better Buildings Initiative

²⁹ Green Power Partnership Top 30 Retail | US EPA

³⁰ Green Power Equivalency Calculator | US EPA1.

³¹ The Petaluma Reusable Cup Project | Closed Loop Partners