

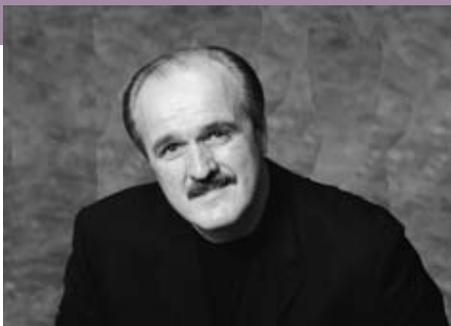


INTEGRITY



ALBERTSONS  
CODE OF  
BUSINESS  
CONDUCT





*Dear Associate,*

AT ALBERTSONS, WE STRIVE EACH DAY to conduct business in a way that creates and maintains the trust our customers, associates and stockholders place in us. In other words, we want compliance and integrity to be equivalent to customer service. That is why a formal Ethics & Compliance Program has been adopted by the Board of Directors and is fully supported by Executive Management. The Ethics & Compliance Program will help us apply Albertsons Core Values and achieve our Vision.

DURING THE COURSE OF OUR DAY-TO-DAY BUSINESS ACTIVITIES, each of us may be faced with difficult decisions concerning business ethics or compliance with certain laws or Company policies. We encourage all associates to act with the highest degree of honesty and integrity in following both the spirit and letter of the law; to treat one another with dignity and respect, appreciating the uniqueness of each customer and associate; and to be well informed in the laws, regulations, policies and compliance issues that apply to our business.

WE ARE AN ORGANIZATION THAT IS DEEPLY COMMITTED TO EXCELLENCE and superior performance in every activity. Underlying this commitment and pursuit is the Ethics & Compliance Program, which focuses on both “doing things right” and “doing the right thing” in order to maintain our personal and organizational integrity.



#### THE ETHICS & COMPLIANCE PROGRAM

is outlined in this Code of Business Conduct, which will help all associates understand the major ethical and legal guidelines that support Albertsons Vision and Core Values. This Code of Business Conduct contains guidance and resources that can help all of us make the right decisions in our business endeavors.

THERE WILL BE NUMEROUS COMMUNICATION CHANNELS AVAILABLE to assist us in meeting the challenge of performing our duties and responsibilities. If you are faced with a difficult ethical or compliance related decision, your supervisor is usually the best source of information and guidance. Company policy statements and procedures are accessible via the Albertsons Intranet or may be obtained from your supervisor. Additionally, The Office of Ethics & Compliance monitors the Associate Hotline (1-800-841-6371), which is primarily dedicated to ethics and compliance issues. Although we expect you to apply common sense and sound judgment to the manner in which you conduct yourself, please also use the resources that are available whenever it is necessary to seek clarification.

REMEMBER, each of us is responsible for our individual actions, which in turn shape the Company’s reputation. It is our common understanding of and our personal commitment to our responsibilities that earn and keep our customers’ and stockholders’ trust. We are proud of our associates for honoring this responsibility to maintain the highest degree of integrity.

LARRY JOHNSTON  
CHAIRMAN OF THE BOARD,  
CHIEF EXECUTIVE OFFICER,  
& PRESIDENT

IN THE MIDST OF CONTINUOUS CHANGE, OUR COMMITMENT TO ALBERTSONS VISION AND CORE VALUES REMAINS CONSTANT. *Conducting business with an unyielding commitment to integrity, quality and compliance continues to be our most important business policy. By following the guidance provided in this Code of Business Conduct (“Code”) and the specific policies described in Albertsons Ethics & Compliance Policies (“Policies”), we can each contribute to the success of the Company.*

**ALBERTSONS ETHICS & COMPLIANCE PROGRAM**

ALBERTSONS ETHICS & COMPLIANCE PROGRAM (“Program”) has been authorized by Albertsons Board of Directors and includes the following:

- ▶ Code of Business Conduct – a summary of the Program and certain policy areas covered by the Program
- ▶ Policies in the areas covered by the Program
- ▶ Training on policies
- ▶ Audits of training and policy compliance
- ▶ Hotline for reporting and questions
- ▶ The Office of Ethics & Compliance to administer the Program



**THE GOAL OF ALBERTSONS ETHICS & COMPLIANCE PROGRAM (“PROGRAM”) IS:**

- ▶ Have uniform, understandable company-wide policies on ethics and compliance that are clearly communicated and consistently followed;
- ▶ Provide appropriate, targeted training on a consistent basis;
- ▶ Take appropriate steps to ensure the policies and training are being followed; and
- ▶ Provide a vehicle for associate reporting or questions and for properly responding to associates.

**NOTWITHSTANDING ALBERTSONS COMMITMENT** to the Program, it is impossible to specifically address all unethical or improper business conduct. Consequently, in addition to strict adherence to the Program (including this Code and the Policies), each associate will need to apply common sense in discerning when an ethics or compliance issue arises and when to seek guidance. Remember that being unaware of the laws and policies applying to your work does not excuse non-compliance. Therefore, always seek guidance prior to acting if you are unsure.

## THE OFFICE OF ETHICS & COMPLIANCE

### COMPREHENSIVE PROGRAMS DESIGNED TO ENSURE COMPLIANCE

with Company policy and the legal requirements under which we operate our business are of paramount importance to Albertsons. Therefore, the Company has established The Office of Ethics & Compliance under the direction of the Company's Ethics & Compliance Officer. The Ethics & Compliance Officer oversees all Program efforts including policies, training, auditing, reporting, investigations, and discipline.

The Office of Ethics & Compliance regularly updates the Executive Council on significant developments and Company compliance efforts. In addition, the Office of Compliance reports periodically to the Audit / Finance Committee of the Board of Directors and annually to the Board of Directors.

### THE OFFICE OF ETHICS & COMPLIANCE PROVIDES A 1-800 REPORTING HOTLINE FOR NON-COMPLIANCE OR QUESTIONS.

Associates may report non-compliance anonymously through the Hotline.

*The Office of Ethics & Compliance*  
250 Parkcenter Blvd. • Boise, ID 83706

ASSOCIATE HOTLINE  
1-800-841-6371

## RESOLVING ETHICS AND COMPLIANCE ISSUES

### THE PROGRAM PROVIDES EASILY ACCESSIBLE RESOURCES and

communication channels for associates if a question concerning ethics or compliance arises. For example, an associate should consult the Code and Policies and then raise concerns or questions, no matter how small they may seem, with his or her supervisor. If the Code, the Policies or a supervisor do not address an associate's ethics or compliance issue, or if the associate feels uncomfortable raising the issue with his or her supervisor, the associate should direct the issue to The Office of Ethics & Compliance or the Associate Hotline.

## REPORTING NON-COMPLIANCE

EVERY ASSOCIATE HAS AN OBLIGATION to report any conduct which he or she believes in good faith to be an ethical or legal violation. While the Company strongly encourages associates to work with their supervisors in making such reports, associates may report directly to The Office of Ethics & Compliance or anonymously through the Company's Associate Hotline. Reports by associates will be handled as confidentially as possible, and the Company prohibits any retaliation, direct or indirect, against an associate because of a report made in good faith.

## DISCIPLINARY ACTION

WE ARE CONFIDENT WE CAN COUNT ON EACH ASSOCIATE to do his or her part and report any ethical or legal violations in good faith; however, deviations from the Program will not be tolerated. Strong disciplinary action, up to and including termination of employment, will be taken against any associate who is found to have authorized, condoned, participated in or concealed actions that constitute ethical or legal violations; against any supervisor who disregards a violation or who fails to prevent or report a violation; and against any supervisor who retaliates, directly or indirectly, or tolerates retaliation against any associate who reports a violation. Decisions regarding waivers of the Program for executive officers and directors may be made only by the Board of Directors or a committee thereof. Any such waiver will be promptly disclosed to stockholders.

### REQUIRED COMPLIANCE PROGRAM TRAINING

ALL ASSOCIATES ARE REQUIRED to acknowledge participation in general compliance training. In addition to this general compliance training, certain associates will be required to acknowledge participation in job-specific compliance training. Associates will be contacted regarding required compliance training and periodic refresher courses.

### COMPLIANCE AUDITS AND INTERNAL INVESTIGATIONS

TO ACCOMPLISH THE PURPOSES of the Ethics & Compliance Program, the Ethics & Compliance Officer oversees periodic legal compliance audits including internal investigations. Associates are expected to cooperate with Company associates and representatives conducting compliance audits.

### SUMMARY OF FUNDAMENTAL LAWS AND POLICIES

IT IS THE COMPANY'S POLICY TO STRICTLY COMPLY with all laws, rules, regulations, judicial decrees and Company policies that apply to our business activities. Certain laws and policies are so fundamental and encompassing that they will be specifically included in the Ethics & Compliance Program. A general description of the types of laws and policies included in the Program follows. A more detailed discussion of these fundamental laws and policies will be available in the Ethics & Compliance Policies and accompanying training. Of course, if there is a federal, state or local law or collective bargaining provision which supercedes this Code or any of the Ethics & Compliance Policies, associate conduct will be guided by the applicable law or collective bargaining agreement.

### BUSINESS ETHICS

THE HIGHEST STANDARDS OF BUSINESS ETHICS AND LOYALTY to the Company require that all associates conduct themselves and their business affairs in a manner that will avoid any conflict of interest and will be in accordance with both the letter and spirit of all applicable laws, regulations and policies. Each associate should endeavor to deal fairly with the Company's customers, suppliers,

competitors and fellow associates. Associates should not utilize Company property, funds or proprietary information for personal or unauthorized use outside the bounds of Company policy without proper authorization. This includes maintaining the confidentiality of information entrusted to associates by the Company or its customers.

### FOOD SAFETY, SANITATION AND FRESHNESS

OUR PRIMARY RESPONSIBILITY IN SERVING OUR CUSTOMERS is to provide the freshest and highest quality products available in the cleanest and safest environment. The Company requires its associates to comply with Company policies and procedures, which may require a standard higher than what is mandated by existing laws and regulations.

### CUSTOMER PROTECTION

THE COMPANY IS COMMITTED TO PROVIDING CUSTOMERS an environment where they feel safe in our stores and know that the various forms of information (e.g., prices, weights, advertising) we provide are accurate. The Company is also committed to keeping customers' personal identification information and protected health information private.

### WORKPLACE CONDUCT

THE COMPANY PROHIBITS THE VIOLATION of any employment related laws or policies including working off-the-clock and harassment, or any other discriminatory conduct, that targets a person's race, gender, color, religion, national origin, age, disability, pregnancy, sexual orientation or other protected class.

### ENVIRONMENT

THE COMPANY IS COMMITTED to complying with all environmental laws and regulations to ensure a safe and clean environment in the communities where we conduct business.

### INSIDER TRADING LAWS

THE COMPANY IS COMMITTED to preventing violations of insider trading laws

and avoiding potentially questionable situations involving trades in our stock.

#### **ANTITRUST**

THE COMPANY PROHIBITS THE VIOLATION of any of the antitrust laws.

In general, discussions, understandings or agreements with competitors regarding the terms under which goods will be sold to our customers are strictly prohibited. Associates are cautioned to avoid even seemingly innocent discussions with competitors on these subjects and to leave any area in which discussions take place, whether at trade association meetings or otherwise.

#### **POLITICAL ACTIVITY**

OBVIOUSLY, ASSOCIATES ARE FREE TO PARTICIPATE fully in the political process and to support candidates of their choice with the associates' own time and funds. However, associates may not make any political contributions with Company funds or assets without Executive Management approval, use working time or assets to support a candidate, or encourage subordinates to make a personal contribution of any kind to a candidate or group promoting a position on a public issue. The Company may form or participate in political action committees, trade associations or other lobbying efforts.

#### **FINANCIAL INTEGRITY**

FINANCIAL INTEGRITY is at the center of the Company's commitment to maximize the value we create for stockholders. The Company demands and expects strict adherence to laws, regulations and policies concerning financial accounting so every business record is accurate, complete and reliable. The Company also requires integrity in financial communications to ensure timely and accurate reporting of financial information.

*Si quiere recibir esta información en Español, por favor comuníquese con el Gerente de su Tienda/Departamento.*





# ALBERTSONS

*Committed To Integrity,  
Quality & Compliance*

