



**WHEREAS:**

The value of Safeway's brand is based on consumer trust. Safeway's store brand canned goods use linings containing bisphenol A (BPA), a potentially hazardous chemical.

BPA can leach out of the epoxy lining of canned foods and beverages resulting in human exposures. BPA can mimic estrogen in the body; a number of animal studies link BPA, even at very low doses, to potential changes in brain structure, immune system, male and female reproductive systems, and to tissue associated with increased rates of breast cancer.

Experts are particularly concerned about exposure to BPA by the very young and pregnant women. A study published in the Journal of the American Medical Association associated BPA with increased risk for human heart disease and diabetes. The U.S. Food and Drug Administration has expressed concern about the potential effects of BPA on the brain, behavior, and prostate gland in fetuses, infants, and young children, and supports additional research.

Proponents believe the use of BPA poses regulatory, reputational, and legal risk. More than 20 states and multiple federal bills have introduced legislation to ban or limit the use of BPA. Ten U.S. states and several local governments have already banned BPA in children's reusable food and beverage containers. The European Union, China, and Malaysia instituted bans on BPA in baby bottles in 2011. Canada added BPA to its list of toxic substances in 2010. Japan took BPA out of can linings in the 1990s. Class action lawsuits against other companies contend that manufacturers and retailers failed to adequately disclose BPA's risks.

Companies, including Hain Celestial, ConAgra, and H.J. Heinz use BPA-free can linings for certain products, and have timelines to transition to BPA-free packaging across all products. Nestlé Waters North America and Kroger also publicly stated they will remove BPA from their products. General Mills and Campbell Soup Company have publicly stated that they are conducting hundreds of tests looking for alternatives to BPA can linings.

**THEREFORE BE IT RESOLVED:**

Shareholders request the Board of Directors to publish a report by September 30, 2012, at reasonable cost and excluding confidential information, updating investors on how the company is responding to the public policy challenges associated with BPA, including summarizing what the company is doing to maintain its position of leadership and public trust on this issue, its role in adopting or encouraging development of alternatives to BPA in can linings, and any material risks to the company's market share or reputation in staying the course with continued use of BPA.