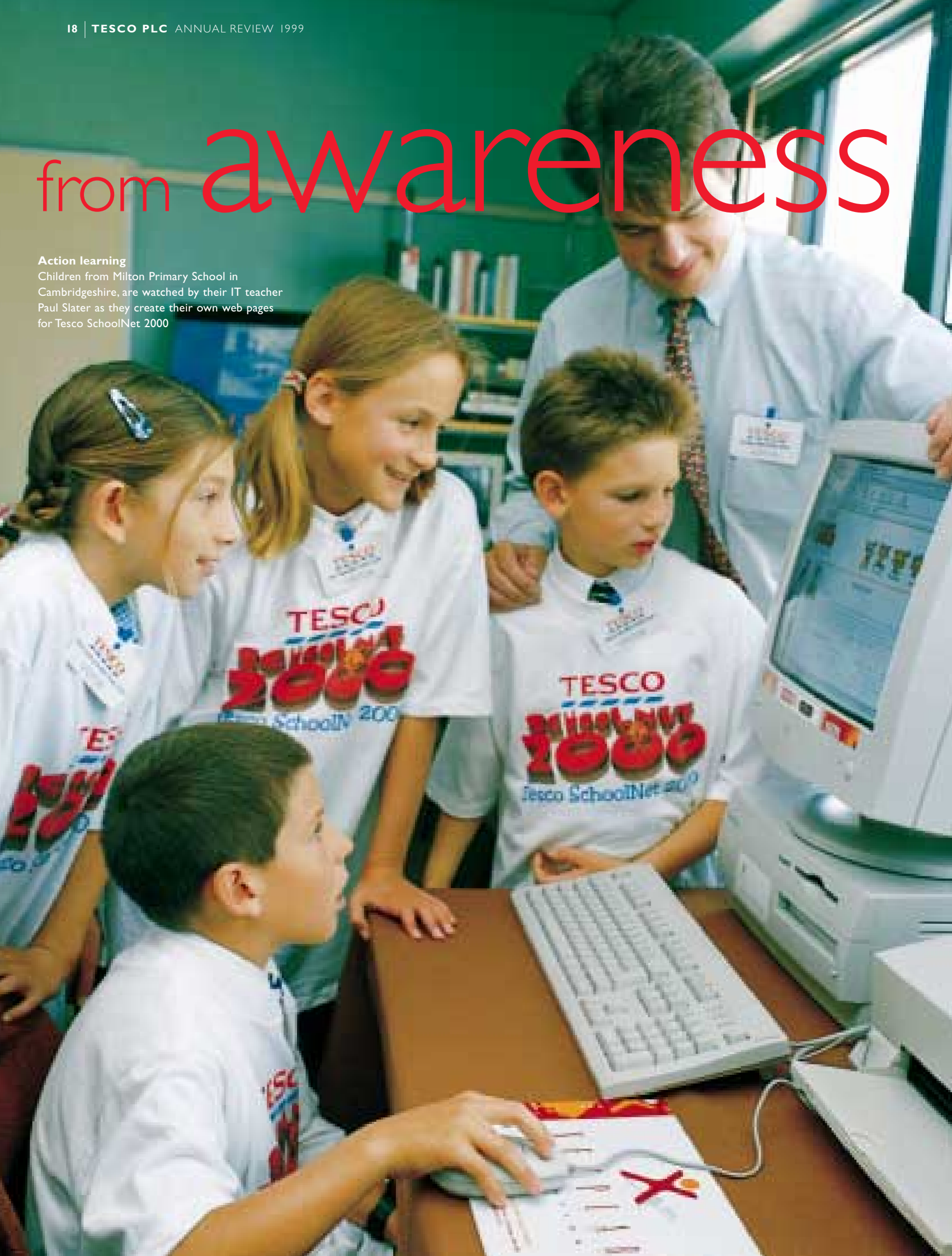


from awareness

Action learning

Children from Milton Primary School in Cambridgeshire, are watched by their IT teacher Paul Slater as they create their own web pages for Tesco SchoolNet 2000



to action

“Reporting on our support for communities and the environment”

Tesco is helping to create a better life for everyone, taking practical steps to protect the environment, and support projects which make a real difference at local level to the communities in which we work.

Tesco will be one of a small number of companies to meet the Government's recommendation on energy reduction from the Kyoto summit. Climate change caused by greenhouse gas emissions is a major global threat so we are leading the way in reducing energy consumption in our stores. Our buildings are designed and our equipment is chosen to minimise energy use.

We won a *Retail Week* award for energy awareness, and continue to run trial installations of environmentally friendly refrigerants.

Our integrated distribution system is a leader in minimising fuel

consumption. This year we have made progress on backhauling, focusing on achieving efficiencies in distribution from suppliers to depots. We have developed with our suppliers state-of-the-art vehicles using a new kind of exhaust to trap and clean emissions. We intend to expand our existing fleet of vehicles as city derv, the fuel on which it runs, comes on-line across the country.

Our support for the community continues with a special focus on schools. To help celebrate the millennium, Tesco is the Official Education Sponsor of the Millennium Experience. We are also sponsoring the Learn zone in the Dome at Greenwich. This will show-case Tesco SchoolNet 2000, which is already operating in 15,000 schools.

As part of their school work and linked to the curriculum, thousands of children are talking to people of all ages to create a collective website full of ideas and discoveries about life in their communities. Tesco provides free resources including 340 internet centres, equipped with computers, cameras and scanners, which can be used by schools. Forty advisory teachers are on secondment from education to Tesco to help teachers and pupils get the most out of the project.



Official Education Sponsor

This has been the eighth year of Tesco Computers for Schools which, to date, has put £44m-worth of computer equipment into schools across the UK. It is one of the most successful national cause-related marketing programmes ever.

Our customer focus means that much of what we do has a very local dimension.

We donated a total of £900,000 in charitable grants and community sponsorship and we introduced the Tesco Community Awards which benefited 67 local charities. We also raised over £1m across the country for Help the Aged – our 1998 Charity of the Year. Our Charity of the Year for 1999 is NCH Action for Children. We supported local authority work in the community by providing customer recycling facilities at all our stores.



For those without cars or who cannot drive, we invest £3m a year in free bus services for customers. And to best match the needs of the community we work closely with local people when we develop plans for new stores. In the current year, we also led a 'Seeing is Believing' visit for Business in the Community, taking business leaders into a Tower Hamlets school to demonstrate how businesses can best support the communities in which they operate.

Lower emissions

The new Tesco lorry with its special exhaust filter is currently the cleanest vehicle of its type on the road

