

**modern  
competitive  
efficient**

**modern**

**Over the last year we have done a great deal to make sure that our stores reflected modern retail practice.** For the second year in a row we extended our trading hours – opening earlier, shutting later and adding Sundays and some Bank Holidays to our normal working days. Meanwhile, the programme to give all 1,400 stores new, modern tills was completed and we worked to improve store layout and signage. But being modern is not just about our existing stores. We have had the biggest store opening programme for years, with the bulk of the new outlets on edge-of-town sites. More and more, customers expect the convenience that comes with one-stop shopping in bigger stores and Boots will continue to do all it can to meet this demand.

## competitive

**We have spoken before about creating better value for our customers through the Lower Prices You'll Love campaign.** This year we pushed harder than before – lowering the prices of 2,000 lines by 14%. That means that since we started, we have invested £200m reducing the prices of more than 3,300 lines by more than 18%. And there is further to go. But value is not all about price – it is also about quality. At Boots that means investing in product development to make sure we are selling things our customers know they can only get from us. Our own-brands are key and over the last year we have relaunched two of our leading lines – N°7 in cosmetics and Soltan in suncare. Both had a complete overhaul, with new ingredients, better packaging and fresh marketing – and both are selling better than ever before.

## efficient

**We have spent much of the last year making sure that our business is running as efficiently as possible with one aim in mind: making it easier for our people in stores to focus on customers.** We took a totally fresh look at our supply chain and decided it had to be overhauled to make it store-friendly. We are now 80% of the way through that process and our stores say they can really see the difference. They now get six deliveries a week instead of three and the goods come to them in new crates which makes it quicker and easier to get them on the shelves. The long-term work on our information technology infrastructure is now three quarters complete and we are already seeing the benefits with simpler working processes. We also implemented a better buying programme – central to our plan to carry on cutting prices – taking £30m off our bills from a standing start.