

Wegmans Company-wide Recycling Efforts Recognized

In recognition of outstanding results in solid waste recycling, and an organization-wide commitment to environmental concerns, the states of Pennsylvania and New York each separately recognized Wegmans stores for a high level of achievement. Overall in 1995, Wegmans reached a solid waste recycling rate of more than 65 percent.



Pennsylvania: Wegmans won the 1996 Governor's Award for Environmental Excellence in the category of Outstanding Achievement in Recycling and Market Development.

New York: Wegmans won the Achievement for Excellence Award under the Governor's Waste Reduction and Recycling Awards Program.

Wegmans Wins National Food Bank Award



Wegmans was one of two supermarkets singled out with a National Grocery Distributor Award in recognition of the wide range of services and support we contribute to food banks throughout our territories. The award came from Second Harvest, an organization representing 182 food banks across the country. We were nominated for the award by the seven food banks in our market areas.



Wegmans wide-ranging, chain-wide food bank activities were cited by Second Harvest, including year-round donations of product, annual fundraising drives to raise money, and overall support of food banks and hunger-fighting projects at the corporate as well as local store levels.

Growing Better Every Day

At Wegmans we know that when you're shopping you're not just looking for great tasting foods at affordable prices, you also want to be confident you're buying only the highest quality foods for your family.

Our partnership with land grant universities and a growing number of other institutions has led to widened support of Integrated Pest Management, a sustainable approach to farming through which growers strive to limit the amount of chemicals they apply to their farmland by taking other steps to reduce pest damage. ***This process is better for the environment, and you'll feel better knowing that we take extra steps to ensure that you are buying nutritious foods that meet high quality standards!***

IPM is currently an integral part of our home-grown produce program. The growers we work with are dedicated to providing us fruits and vegetables that meet strict Integrated Pest Management guidelines. Also, look for the IPM logo on a variety of our canned items in the grocery department including corn and peas.



You can make a difference! choosing IPM-grown produce you're supporting the efforts of a dedicated group of growers whose vision for the future is one that we share at Wegmans.

Soil Preparation

Growers give their plants a healthy start against pest problems by choosing the proper site, testing soil, rotating crops and providing sufficient organic matter.

Recordkeeping

Records of pest traps, weather and treatment are kept for use in pest management decisions.

Chemical Controls

Growers select the most effective and appropriate pesticide and properly calibrate sprayers. They then verify that weather conditions will permit good coverage without undue drift.

It is recommended for growers to conserve the beneficial natural enemies already at work. They import use additional natural enemies where effective.



Planting

Crops that tolerate or resist common problems are planted using insect- or disease-free transplants. Growers alter planting time and spacing to discourage certain diseases and insects.

Forecasting

Weather data is consulted to predict if and when pest outbreaks will occur. Treatments can then be properly timed, preventing crop damage and saving sprays.

Pest Trapping

Traps that are attractive to insects are used so that growers can pinpoint when the pest has arrived and decide whether control is justified.

Monitoring

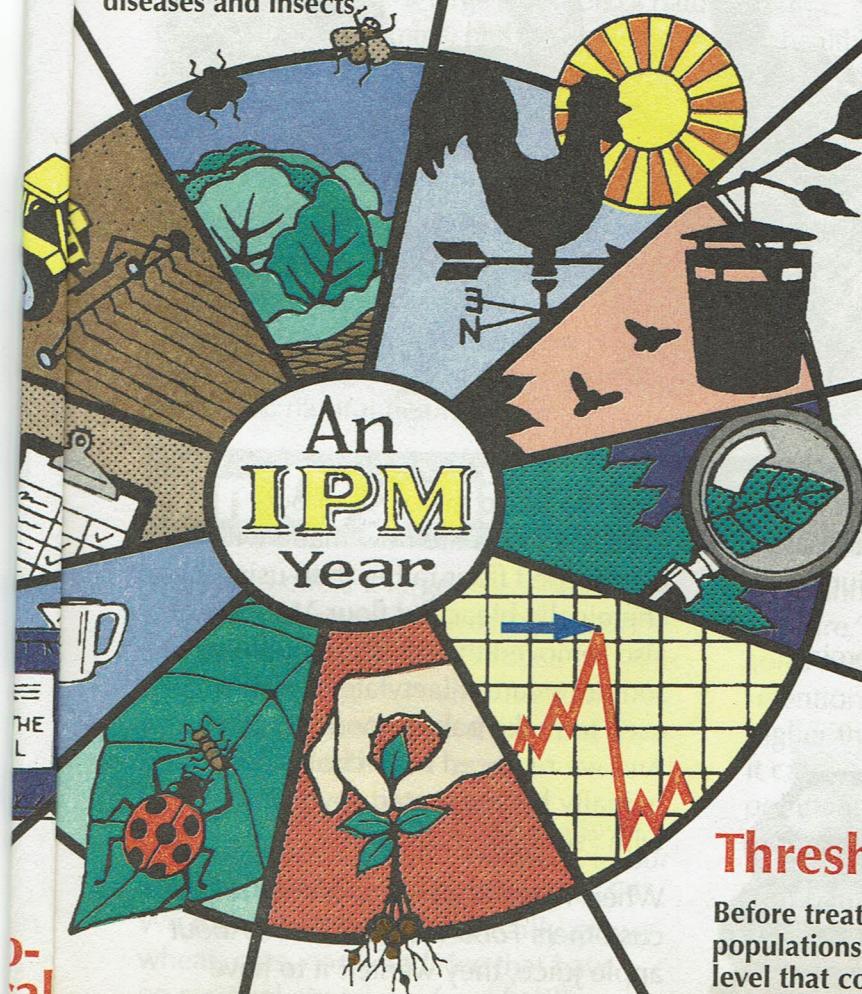
Growers inspect representative areas of the fields regularly to determine if pests are approaching a damaging level.

Thresholds

Before treating, growers wait until pest populations reach a scientifically determined level that could cause economic damage. Until the threshold is reached, the cost of yield and quality loss will be less than the cost for control.

Cultural Controls

The pest's environment is then disrupted by harvesting early, turning under crop stubble after harvest, and sterilizing greenhouse tools.



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How Food Becomes

Food You Feel Good About®

To earn the bright yellow *Food You Feel Good About* banner, our products must be free of artificial flavors, colors, and preservatives, and be low in fat or lean. You'll find over 700 items in the *Food You Feel Good About* line, with products in just about every department in Wegmans, including Bakery, Grocery, and Meat.

In 1991, Wegmans *Food You Feel Good About* products debuted with our breads when we took out potassium bromates, a possible carcinogen commonly used to make commercial bread dough rise better. Though once believed to change to a perfectly safe form during baking, traces of bromates have been shown to remain in breads after baking. We now use methods like slow, natural fermentation to make the dough rise.



We didn't stop there. All of our bread and rolls are now made with unbleached flour rather than using chemically bleached flour. We have also removed the dough conditioner sodium stearoyl-lactylate, which is used to make baked goods stay soft. And we replaced high-cholesterol partially hydrogenated soybean oil with "straight" soybean oil.

When Wegmans buyers set out to create customers *Food You Feel Good About* apple juice, they wanted it to have more juice from fresh apples than any leading brand. The result is juice made from apples right off the tree, with only a small amount of apple juice concentrate to balance the flavor.

Nature's Marketplace On The Grow



Food the earth feels good about. No preservatives, additives, or chemicals. That's the philosophy Nature's Marketplace has championed since its inception in the autumn of 1994. In the interim, the department has shared its message of "good health, good people" with a multitude of customers.

The department means a one-stop shop for those who used to make separate trips to health-food stores for natural foods, organic body lotions, herbal supplements, and more. It's all about delivering convenience to a growing number of people.

We are on a continuing journey to improve the products we offer. You'll find a large selection of natural and organic foods, vitamins, herbs, supplements, and health and beauty care items, as well as environmentally friendly products. For customers with food allergies and sensitivities, there is a large selection of gluten and lactose free products, too.

Recent studies confirm the healing powers of herbal and homeopathic remedies, thus spurring-on the surge in demand at Nature's Marketplace. Our knowledgeable staff can help meet special dietary needs and provide information on the latest developments in medicinal herbs and natural health care.



An Organic Experience

Wegmans offers a large selection of organically grown items in our Nature's Marketplace and in the Produce Department to give environmentally conscious customers an alternative to traditionally cultivated foods.

We even added two varieties of organic cereals, called Golden Goodness, to our *Food You Feel Good About* line in 1993. We make them from organically grown wheat, oats, corn, and rice that have no residual chemicals from fertilizers, herbicides, or pesticides.

Farming the organic way protects the environment by sustaining the land while keeping chemicals out of the soil and water. In fact, organically grown food comes from fields that have been free of synthetic fertilizers, pesticides, herbicides, or fungicides for at least the past three years.

By planting fields with grass or "green manure," organic farmers enrich the soil's nutrient content, boost moisture retention, and cut down on erosion. The higher the quality of the soil, the better it can absorb rainfall and break down pollutants – which helps protect water in and around the farm.

Combating pests naturally, organic farming uses natural fertilizers instead of synthetic ones and "predator" insects instead of pesticides. It also employs crop rotation and hand-weeding to keep produce in top shape without artificial means.

Though labor intensive practices and other factors make organic foods pricier, many people can taste the difference and feel the benefits to the earth and their bodies are worth it.

Home On The Range

Beef You Feel Good About

Environmentally Sound Grazing



Introduced in 1995, *Beef You Feel Good About* starts with cattle that graze on wide expanses of range land. Rotational grazing moves them to different areas of the range and prevents over-stressing of plant life and soil. The result is healthier vegetation and more fertile range land.

Rotational grazing keeps the soil from drying out, reduces wind erosion and prevents soil run-off into streams and

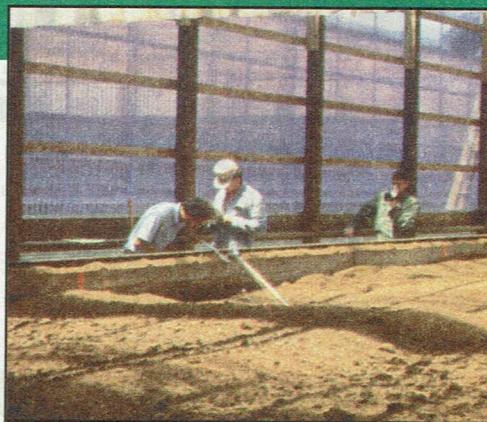
Unlike traditionally-raised cattle, the animals carrying the *Beef You Feel Good About* brand are raised from birth entirely without growth hormones or antibiotics. The animals mature at their natural rate feeding on mother's milk and grass until they weigh 500 pounds. When they are switched to a diet of range grass, it takes a bit longer for them to mature, but the result is superior taste and leaner meat, which makes the wait worthwhile.

Creative Composting at Wegman Egg Farm

Robert Wegman made the decision in 1967 to build an automated egg producing operation in Wolcott, New York, to ensure a consistent supply of fresh, quality eggs to all Wegmans stores. Today it is recognized as one of the most technically advanced egg producing operations in the country, bringing our customers 540,000 eggs each day.

But eggs aren't the only product coming from the egg farm. In 1993, we started a compost operation that now provides an average of 10,000 tons of finished compost each year.

An enclosed building houses six large composting pits where chicken manure, sawdust, and compost are combined over the course of 25 days via a rail-mounted mixer riding over the pits. After curing for another 30-45



A composting pit at Wegmans Egg Farm. After 25 days in a covered structure, the compost is ready for sale.

Organic farmers find the compost perfect for them since it's 100% organic and meets the requirements of organic farming. An excellent soil conditioner, the compost is packed with beneficial microbes, nitrogen, phosphorus, potassium, and other trace minerals absorbed by plants from the soil.



Center of Attention

Reclamation Team Gets the Job Done

From preparing cardboard shipments for recycling to coordinating the donation and delivery of edible food items to local charities, the team at Wegmans Reclamation Center sees to it that nothing unnecessarily goes to waste. Here's how:

Helping those who need a hand—The Wegmans Reclamation Center receives shipments of damaged, unsaleable food items from all corners of the Wegmans world. Fortunately, most of what counts as "damaged" is still suitable for people to eat. One of the Reclamation Center's key roles is the **separation of edible items** from those which do not meet health standards.

1. Edible goods are then donated to the FoodLink. In 1997 alone, **over 1,894,817 pounds (947 tons) of food were shipped to the FoodLink** of Rochester to help feed the needy. Shipments sent to the Buffalo, Central New York, Southern Tier and Erie communities combined to make this our most charitable year ever!

2. All **non-edible damaged canned food items** are packed at the Reclamation Center and shipped to a farm near Butler, New York, that's run by the **GVG Company**. What happens then is really amazing:

- A special machine tears open each can and sends its contents into a holding tank. The metal from the can is rinsed and sent to a **scrap metal recycler**.
- The food items are then spread onto the farm's fields, and plowed into the soil.
- As the product decomposes, it acts like **organic compost** and fertilizes the soil!

This process has dramatically decreased the amount of material Wegmans ships to landfills. In 1997 alone, the Reclamation Center shipped over 370.2 tons (**740,400 pounds**) of canned product to GVG—converting what was once considered waste into a usable, earth-friendly commodity!

3. All **damaged and inedible dry food items** are put to good use, too. Our Reclamation Center staff ships them to the **Gelinmac Storage Company** in Buffalo, New York, where they are ground into a powder and reformed into pellets according to specified formulas. The pellets are then sold as livestock feed. In 1997 alone, this program resulted in the recycling of over 310 tons (**620,000 pounds**) of damaged dry foods!



We're Glad to Be of Service

"Not only do we receive Wegmans unsaleables, equipment, buildings, etc., but perhaps most important of all is the intangible benefit of the expertise from one of America's best-run businesses."

Tom Ferraro, Executive Director
FOODLINK of Rochester, NY

"Wegmans is a major partner with the Commission on Economic Opportunity in fighting hunger in Northeastern Pennsylvania. Donations like the trailer truck-load of groceries valued at over \$22,000 provide a lot of food for the area needy. These efforts enable the Weinberg Northeast Pennsylvania Regional Food Bank to aid over 50 local organizations feeding hungry families and children."

Monsignor Andrew J. McGowan,
Board President
Commission on Economic Opportunity
Wilkes-Barre, PA

"Once again Wegmans has led the way in its support of Check Out Hunger. They continue to demonstrate their corporate sensitivity to community needs."

John Farrer, Director
Food Bank of the Southern Tier

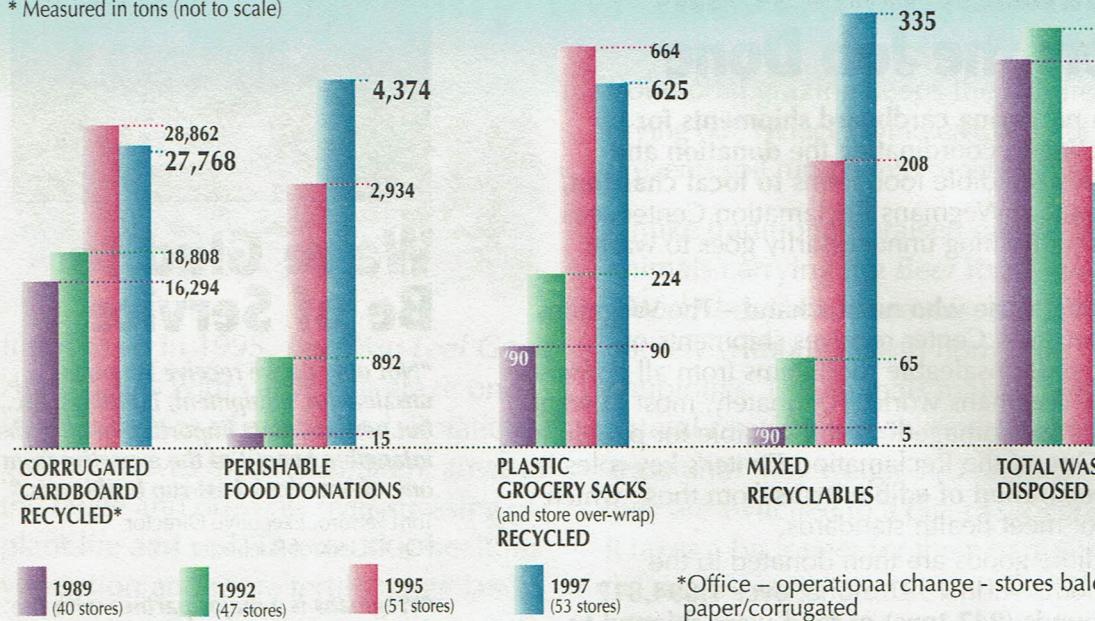
"The association between Wegmans and the Second Harvest Food Bank of NWPA is a partnership which has rewards for all who live in Erie. A consistent supply of fresh and highly nutritional food for people in need (including 40% who are children) is one important benefit. Also, this partnership works to reduce the waste of food, strengthen recycling efforts, and reduce the demands on landfill space. Erie's Food Bank is proud to be associated with such a community-minded organization."

Suzanne Casio, Executive Director
Second Harvest Food Bank of NWPA

Waste-Reduction Rates: On The Rise

A history of our waste-reduction efforts

* Measured in tons (not to scale)



*Office – operational change - stores balanced paper/corrugated

Wegmans Commodity

Tons recycled or distributed in

Corrugated cardboard	2,100
Bottles and cans	1,100
Perishable food donations	1,000
Non-perishable foods	1,000
Papers and magazines	1,000
Wooden pallets	1,000
Meat scraps (bone, fat, etc.)	1,000
Bakery waste	1,000
Compost	1,000
Plastic grocery bags (and in-store over-wrap)	1,000
Plastic shipping wrap	1,000
Store mixed recyclables (cans, glass, aluminum, etc.)	1,000
Office paper (corporate, store-level, warehouse)	1,000
Store maintenance (metal, Freon used in stores)	1,000
Cooking oil, grease	1,000
Photo Lab, advertising, print and sign shop materials	1,000
Truck fleet resources (oil, anti-freeze, oil filters, Freon)	1,000
Warehouse storage drums	1,000
Cash register cartridge ribbons	1,000
Total recycled	5,200
Total disposed	2,200
Total solid waste	8,800

Wegmans Recycling Rate



Paper Products Get New Life

The Cycle Begins

1. After being produced at a mill . . .

Cardboard and paper products are used in packaging, shipping cases, signs, etc.

2. Recycling at the store . . .

Each Wegmans store is equipped with its own "baling" machine, which takes all of those large and small cardboard scraps that accumulate during the course of the day and compacts them into **1000-pound bales** for easier transport.

3. Weighty Results Chainwide . . .

In 1997, Wegmans people recycled 55,536,000 pounds of corrugated cardboard.

4. Hitting the road . . .

In the course of a year, our stores ship an average of 1,390 truckloads of corrugated back to our **Reclamation Center** for recycling.

5. Full Circle . . .

From there it's off to the mill for conversion back into liner board (cardboard boxes).



Bottle Bill Forever?



Take a walk past any Wegmans Service Desk in New York State and you'll see shoppers dropping off bags, boxes, or carts full of returnable bottles and cans. In 1997, almost 200 million containers – 11,699 tons of recyclable materials – returned to our store through New York's state-mandated deposit container program.

The high volume is due in part to the fact that we take back all types of plastic, metal, and glass returnable containers – even those for brands we don't sell – in order to make shopping with us as convenient as possible. You will also see self-service bottle return machines in many stores.

Now that most residents of New York State have curbside collection for recyclables, we think the state should use this method for beverage containers, too, as Pennsylvania and 39 other states do. It would be far more convenient and significantly less costly for consumers while at the same time helping to fund municipal recycling programs with millions of dollars from the sale of aluminum, glass, and plastic.

Driving To Save Resources

The Wegmans Trucking Fleet will log over 6.7 million miles this year, which means our Fleet Maintenance team will have its hands full keeping the vehicles running safely and efficiently.

In keeping with the company's commitment to reduce costs and continuously improve the way we operate, "Fleet" is implementing some exciting and innovative practices.

Taking Action

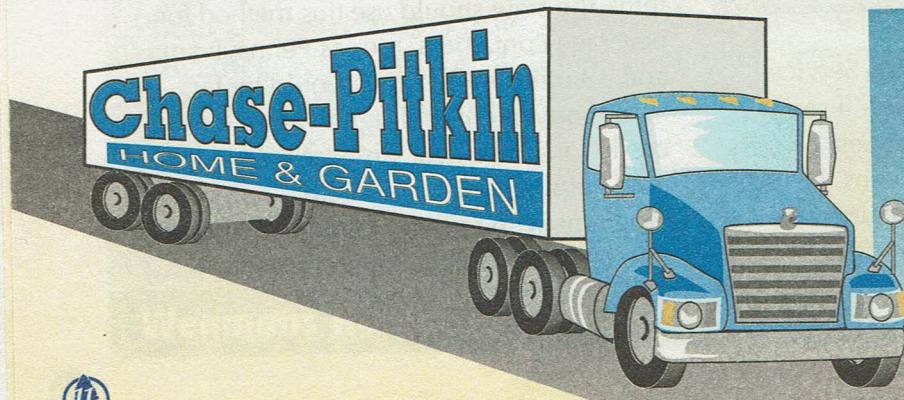
Tires: Fleet tires are recapped twice for ten years of service and rubber "dust," a main component of the tires, is automatically collected for use in asphalt and indoor athletic tracks.

Refrigerator Trailers: When our refrigerator trailers are serviced, their coolant is downloaded into a recycler. After the freon has been revitalized, the "reefer" is then recharged. As a result, no freon is allowed to escape into the atmosphere, where it could damage the ozone layer. In addition, we've saved the cost of having to charge our refrigerated units with all-new refrigerant.

Synthetic Oil: Fleet Maintenance is currently using a synthetic oil in our company cars, which enables them to go 15,000 between oil changes, with a new filter every 5,000.

Antifreeze: Because we "clean" and recycle used antifreeze, mixing it with just enough new to keep levels safe, we have to purchase very little anti-freeze.

Fuel Tanks: We have helped to prevent leaks by installing double-wall fuel lines and tanks, as well as a Petra-vend Fuel Monitoring System.



Special Note:

Hitting the Road with CFC's: As of 1998, 100% (or 70-80% of the fleet) is now using 404a, a non-depleting refrigerant. The rest of the fleet slated for conversion in the near future.