

Our Story, *Our Commitment*

2012 Corporate Responsibility Report



“Connecting with a customer means welcoming them, making them feel at home and inviting them back. Every time our teammates connect with a customer, they are personally adding to the success of the company.”

Mike Davidson
Vice President Retail Operations



Dedicated to Going Above and Beyond

Delivering a great in-store shopping experience is a hallmark of the Price Chopper brand. One way we create that experience is through 6-Star Service, which refers to the recognition program that awards stars to teammates who demonstrate exemplary customer service. Our customer-care departments are another important element of our service efforts.

Teammates in our Customer Communication Center (C3), respond to phone inquiries from in-store teammates and customers alike about everything from our Fuel AdvantEdge program and special orders to in-store experiences and products. Our C3 staff is committed to providing superior service in all areas and is empowered to take ownership of customer-related issues.

“Ownership is an area where we all can make a huge difference in the lives of our customers. By owning the request or problem, we give our customers the knowledge that we truly care about solving their issue,” explains David Golub, Senior Vice President of Administration.

C3 helps an average of 444 customers per day by phone, email and through social media.

Our Consumer Insights group provides the support the C3 staff needs to better serve our customers. “Our role is to develop and maintain a clear understanding of the people and communities we serve, and adapt to their needs accordingly. At Price Chopper, we’re able to do so by being active members of the conversation –

not just spectators,” says Sam Trimboli, Jr. Consumer Insights Specialist.

The Insights group combines consumer research with social media tools to listen to customers and to learn what they want to see in our stores. Then the group presents customer findings to our management team and helps develop ways to improve the shopping experience we offer to our guests.

“These departments are just two examples of the many ways we take ownership in fulfilling the needs of our customers. This ownership makes us very different from our competition. It helps us play a special role in our customers’ lives by helping them feed and care for their families,” adds David Golub.



A Matter of Life and Death

Shakira Scott, Deli Teammate, Store #224 New Colonie, does her job knowing one customer’s life depends on it. One of her customers has a son with a severe peanut allergy. When the guest buys from the deli, she asks that the machines be cleaned before cutting any meat for her family to ensure that no contamination occurs. While the entire department has been very accommodating, Shakira goes above and beyond to ensure the woman and her family get the food they need. She will even come over from another department when she sees the family at the deli to be sure the machines are cleaned or, just as often, to say hello.

"We feel that it is important to give legislators the information that will provide them with a more complete understanding of the issues that impact our customers, our team-mates and our business. By doing this, we can help them to make more fully informed decisions when considering pending legislation."

David Golub
Senior Vice President
of Administration



Government Relations

At Price Chopper, we believe that part of being a good corporate citizen means being a participatory citizen. As an organization we actively help shape federal, state and local legislation that impacts our business, whether on our own or in partnership with industry trade organizations. We see ourselves as advocates for our customers, and want to engage government officials on the impact of proposed policies and legislation.

Our goal is to offer elected officials proactive ideas, thoughtful solutions and our perspective on the unintended consequences a proposal may have on our customers, communities and business. Creating an open dialogue with lawmakers allows Price Chopper to make positive contributions and help create better public policy outcomes.

Public and private collaboration is another way we participate in government. For example, Price Chopper was among the initial group of retailers that helped the Massachusetts Department of Environmental Protection launch a joint initiative cutting the use of disposable paper and plastic grocery bags. Working in partnership with our colleagues in the Massachusetts Food Association, a goal was set to reduce usage across the commonwealth by 33 percent over a three-year period.

Employing a variety of methods – offering reusable bags, customer incentives, improving in-store recycling and training staff – the Massachusetts program was a great success, reducing wasteful bag distribution and diverting them from local landfills. The numbers were impressive – disposable bag use dropped 25 percent in just one year, and the overall project goal was realized three years ahead of schedule. It was a great example of how an incentive-based, voluntary approach balancing environmental stewardship with consumer choice could be hugely effective. It has also allowed Price Chopper to bring that experience to other communities discussing their own disposable bag and solid waste management issues.

Of particular interest to Price Chopper is any legislation protecting the health and safety of our customers. For example, we have been strong advocates for toughening New York laws around organized retail crime (ORC). This occurs when criminals target a specific product category, such as an over-the-counter drug or baby formula, and steal significant quantities from multiple stores in a certain area.

ORC is a multi-billion-dollar, industry-wide problem with serious consequences. At best, this type of loss results in higher consumer costs, not to mention an inconvenience for customers who are unable to locate items they want or need. At worst, ORC raises quality and safety issues – in particular when stolen items are repackaged and sold to unsuspecting consumers, who could then be exposed to product contamination. This is why Price Chopper has been working with legislators to reclassify ORC as a felony crime, toughening prosecution laws that would enable harsher penalties for ORC than other types of theft, such as shoplifting.

Government Relations *continued*

Finally, some of our work with local governments occurs because Price Chopper is part of the community infrastructure. When natural disasters strike, our stores supply many of the very items – potable water, batteries and canned food, to name a few – that are desperately needed in the aftermath.

When disaster strikes one of our communities, a Price Chopper response team coordinates with local and state officials to distribute products and help with relief efforts. In many cases, first responders and emergency personnel use our stores – which may be the only business open for miles – as a base to stage operations. When possible, we also make efforts to keep Price Chopper stores open so our customers have ongoing access to critical supplies.

This type of involvement by Price Chopper is part of our philosophy to not simply operate a business within a community, but to become a part of the community itself through active and participatory citizenship.