

Frequently Asked Questions on Comprehensive Best Offer

When do the wage increases go into effect?

Our Comprehensive Best Offer proposes that wage increases go into effect November 1, 2020, if the offer is ratified by November 6.

Why are some associates receiving lump sums and not annual increases?

The company is offering associates who are above market in wages for West Virginia retailers lump sums instead of annual increases or a combination of a lump sum and annual increases as a way to reward and recognize our associates for their hard work. Offering lump sums allows us to do that while keeping our wages competitive in West Virginia. We are also offering ratification bonuses to associates who are receiving lump sums as outlined in our proposal as a way of acknowledging and rewarding some of our most tenured associates.

Why are courtesy clerks not moving to a \$10 an hour starting rate?

We are offering to immediately increase the courtesy clerks starting rate from \$8.75 to \$9.25. In years 2 and 3, they would receive \$.25 increases – for a total increase of \$1 through the life of the contract. This is a meaningful increase, and more than they have seen in previous contracts. We value our courtesy clerks and their contributions to our success.

Is Kroger going to reinstate Hero Pay?

We continue to evaluate the way we reward and recognize associates. With this offer, we are focusing on investing more in your wages over the term of the contract. This is one of the largest single investments in wages that we have made in the West Virginia market. In addition, our continued investment in maintaining your affordable, premium health care benefits is something that our competitors do not offer.

Why are only certain department heads receiving a premium?

With our proposal, we are offering premiums for department heads in stores with sales volumes above \$500,000. Our intent for increasing department head premiums in these stores is to continue to develop and incentivize our department heads who want to utilize their skill set and are interested in taking on more responsibility with a higher volume store.

Why is the company making changes to our Prescription Coverage?

Your health care benefits have not changed since 2014. Kroger will be contributing more to keep your healthcare affordable and benefits will remain largely unchanged for the life of the next contract. However, the costs of prescription benefits are skyrocketing. Beginning in 2022, we propose moving to a consumer driven plan that will protect participants by guiding them to the best treatment for their conditions.

Why is the company proposing to charge me a Working Spouse Fee?

We have a Working Spouse Fee in place now. Associates who have spousal coverage for a spouse with access to other employer sponsored coverage should be paying a Working Spouse Fee of \$40 a week. Our proposal would only increase the current Working Spouse fee about \$6.25 more a week than what associates pay now to cover a spouse with access to other coverage.

If we vote down this offer, will the company put more money in another offer?

Often it is assumed that if an offer is turned down, the company will make additional concessions. That's not always the case, especially when a very solid offer comes after several months of bargaining. We feel strongly that our proposal is a good one and we remain firm in our offer.