



October 22, 2020

Comprehensive Best Offer to Settle

Provides significant increases in wages for West Virginia associates

With our Comprehensive Best Offer to Settle, every West Virginia associate would receive a pay raise. Our proposed increases will invest \$20 million in new wages over the life of the contract. Our offer recognizes and rewards our experienced associates and will help us attract and retain new, high-quality associates. Your store leader has wage sheets by classification and can share what your increases would mean for you and your family.

- **Increases Starting Pay to \$10 per hour**
 - Courtesy Clerks will have a starting rate of \$9.25
- **Faster Wage Growth – for Current Associates, Full-Time and Part-Time Clerks in Wage Scales**

All associates in the wage scale would see a pay increase – in some cases, up to \$4.65 through the life of the contract.
- **Increases for Department Heads**

\$.35 each year of the contract, totaling \$1.05 for a 3.5-year term plus new \$.50-\$1.00 premiums for higher volume stores
- **Increases for Backups and Leads**
 - Backups: up to \$6.25 through the life of the contract
 - Leads: up to \$4.65 through the life of the contract
- **More pay to Red-Circled Full-Time and Part-Time Clerks**
 - FT: \$725 lump sum each year of the contract
 - PT: \$375 lump sum each year of the contract
- **More pay and increases to Top-Rate FT and PT in the Current Wage Scale**
 - FT: \$.30 each year of the contract
 - PT: \$375 lump sum years 1 and 2, \$.20 year 3
- **Night Shift Premium increases from \$1.00 to \$1.25**
- **Premium increases for higher volume stores in some cases**

Up to \$1.50 depending on store volume
- **First vote Ratification Bonuses paid (November 2020)**
 - Department Head: \$375
 - Backups and Leads: \$325
 - Full-Time Top Rate: \$275
 - Part-Time Top Rate: \$200

This offer is contingent upon reaching a ratified agreement no later than November 6, 2020 and is subject to change if not successfully ratified by this date.

We know this contract is important to you – it's important to the company, too. You may have a lot of questions in the coming days. Our goal is to be open and transparent with our proposals and offer. You can go to www.krogermidatlanticcba.com for more information or email your questions to smmawestvirginianegotiations@kroger.com.

This communication on wages is the first in a series of materials on our Comprehensive Best Offer to Settle. If you are interested in our proposal on health care benefits, your store leader has a one-page sheet that provides more information.

This summary provides an overview of Kroger Mid-Atlantic's Comprehensive Best Offer to Settle in West Virginia. This Comprehensive Best Offer to Settle will prevail over any discrepancies between this summary and the actual offer.

Department Head	
Weekly Store Sales (No Fuel)	Hourly
\$700,001+	\$1.00
\$500,001 - \$700,000	\$0.50
Department Head Classifications	
Customer Service	
Customer Service Back-Up*	
Dairy	
Deli	
Frozen Food	
Grocery	
Head Meat Cutter	
Night Stock	
Non-Foods	
Produce	
*Customer Service Back-Up is a classified back-up position with it's own payrate. They will be eligible for the same premiums (based on sales volume) as the department heads.	

Lead Clerk A	
No Sales Requirement	Hourly
	\$0.75
Weekly Store Sales (No Fuel)	Hourly
\$700,001+	\$0.95
\$500,001 - \$700,000	\$0.85
Under \$500,000	\$0.75
Lead Clerk A Classification	
File Maintenance Lead	
Starbucks Lead	
Note: Current leads and any future promotions to the lead position shall be placed no lower than Level 3 on the new wage schedule.	

Meat Cutter	
No Sales Requirement	Hourly
Current	\$1.00

Night Premium	
Night Work	Hourly
Current	\$1.00 \$1.25
Paid on all hours worked between 11:00 10:00 PM and 7:00 6:00 AM. If 50% or more of shift is scheduled in between 11:00 10:00 PM and 7:00 6:00 AM, premium will be paid on the entire shift.	

Pharmacy (Rx) Technician Premium	
Tech Level	Hourly
Tech 1 (No Premium)	\$0.00
Tech 2 (Passed ACT Quizzes, No PTCB)	\$1.25
Tech 3 (Has PTCB, Not Passed ACT Quizzes)	\$1.00
Tech 4 (Passed ACT Quizzes, Has PTCB)	\$2.25

Department Back-up	
No Sales Requirement	Hourly
	\$0.75
Weekly Store Sales (No Fuel)	Hourly
\$700,001+	\$1.50
\$500,001 - \$700,000	\$1.00
Under \$500,000	\$0.75
Department Back-up Classifications	
Dairy	
Deli	
Frozen Food	
Grocery	
Meat Cutter	
Non-Foods	
Produce	
Note: Current back-ups and any future promotions to the back-up position shall be placed no lower than Level 4 on the new wage schedule.	

Lead Clerk B	
No Sales Requirement	Hourly
	\$0.50
Weekly Store Sales (No Fuel)	Hourly
\$700,001+	\$0.90
\$500,001 - \$700,000	\$0.70
Under \$500,000	\$0.50
Lead Clerk Classifications	
DSD Lead	
Pick-Up Lead	
Floral Lead	
Fuel Lead	
Liquor Lead*	
Nutrition Lead	
Pharmacy (Rx) Lead	
Seafood Lead	
*Lead Liquor position will be appointed for select locations at the Employer's discretion.	
Note: Current leads and any future promotions to the lead position shall be placed no lower than Level 3 on the new wage schedule.	

Ratification Bonus	
Associate Groups	Sun. Post Ratification
Department Head	\$375 Lump Sum
Back-ups & Leads	\$325 Lump Sum
Full Time - Top Rate	\$275 Lump Sum
Part Time - Top Rate	\$200 Lump Sum
*Full Time and Part Time Clerks must be at the top rate of their scale at the time of ratification in order to qualify for the ratification bonus.	

Schedule "A" Wages

Head Meat Cutter		Current Contract	New CBA			
		2/2/2020	Progression	11/1/2020	2/6/2022	2/5/2023
Payrate		\$19.27	Payrate	\$19.62	\$19.97	\$20.32
Department Heads		Current Contract	New CBA			
Customer Service, Deli, Grocery, Non-Foods, Produce		2/2/2020	Progression	11/1/2020	2/6/2022	2/5/2023
Payrate		\$18.58	Payrate	\$18.93	\$19.28	\$19.63
Head Dairy Clerk		Current Contract	New CBA			
		2/2/2020	Progression	11/1/2020	2/6/2022	2/5/2023
Payrate		\$17.85	Payrate	\$18.20	\$18.55	\$18.90
Head Night Stock & Head Frozen Food		Current Contract	New CBA			
		2/2/2020	Progression	11/1/2020	2/6/2022	2/5/2023
Payrate		\$17.50	Payrate	\$17.85	\$18.20	\$18.55
Customer Service Asst. Department Head		Current Contract	New CBA			
		2/2/2020	Progression	11/1/2020	2/6/2022	2/5/2023
Payrate		\$17.10	Payrate	\$17.45	\$17.80	\$18.15
Red Circled Clerks		Current Contract	New CBA			
		2/2/2020	Progression	11/1/2020	2/6/2022	2/5/2023
	Journeyman (Classified as of 8/19/1987)	\$17.35	Payrate	N/A	N/A	N/A
	Apprentice Meat Cutter (Classified as of 8/19/1987)	\$16.32	Payrate	N/A	N/A	N/A
	FT Clerks @ \$15.25 as of 10/15/2014	\$16.75	Payrate	\$725 LS	\$725 LS	\$725 LS
	PT Clerks @ \$11.15 as of 10/15/2014	\$12.35	Payrate	\$375 LS	\$375 LS	\$375 LS

Full Time Clerks

	Current Contract
	2/2/2020
Start	\$8.75
After 6 Months	\$8.80
After 12 Months	\$8.85
After 18 months	\$8.90
After 24 months	\$8.95
After 30 months	\$9.00
After 36 months	\$9.05
After 42 Months	\$9.10
After 48 Months	\$9.75
After 54 Months	\$10.50
After 60 Months	\$11.00
After 66 Months	\$11.25
After 72 Months	\$15.26

	New CBA		
Progression	11/1/2020	2/6/2022	2/5/2023
Level 1	\$10.00	\$10.50	\$11.00
Level 2	\$11.35	\$11.75	\$12.20
Level 3	\$12.70	\$13.00	\$13.40
Level 4	\$14.30	\$14.65	\$15.00
Red Circled	\$15.56	\$15.86	\$16.16

Wage Rules: Effective 11/1/2020

***All employees under \$9.75 will move to \$10.00 (Level 1)**

***All employees between \$9.75 and \$10.50 will move to \$11.35 (Level 2)**

***All employees at \$11.00 will move to \$12.70 (Level 3)**

***All employees at \$11.25 will be red circled and move to \$15.56 at ratification, then receive \$0.30 increases in year 2 and year 3.**

***All employees at a rate of \$15.26 at the time of ratification will be red circled and will receive \$0.30 increases in year 1, year 2 and year 3.**

***Once an employee transitions to one of the four levels on the new pay scale, they shall be eligible for all applicable increases scheduled for that level for the remainder of the CBA. Associates will not progress to another level unless promoted to full time, a lead or a back-up. All new hires will be placed at level 1.**

On 2/6/2022:

All FT associates on level 1 would move to level 2

Any part time associate at level 1 who gets promoted to FT would move to level 2

So on this date, the floor for FT associates would move to level 2, and level 1 would only have PT associates in it

On 2/5/2023:

All FT associates on level 2 would move to level 3

Any part time associate at level 1 or level 2 who gets promoted to FT would move to level 3

So on this date, the floor for FT associates would move to level 3, and level 1 and level 2 would only have PT associates in it

Part Time Clerks

	Current Contract	
	2/2/2020	
Start	\$8.75	
After 6 Months	\$8.80	
After 12 Months	\$8.85	
After 18 months	\$8.90	
After 24 months	\$8.95	
After 30 months	\$9.00	
After 36 months	\$9.05	
After 42 Months	\$9.10	
After 48 Months	\$9.15	
After 54 Months	\$9.20	
After 60 Months	\$9.25	
After 66 Months	\$9.30	
After 72 Months	\$9.35	
After 84 Months	\$9.40	
After 96 Months	\$12.00	

	New CBA		
Progression	11/1/2020	2/6/2022	2/5/2023
Level 1	\$10.00	\$10.50	\$11.00
Level 2	\$11.35	\$11.75	\$12.20
Red Circled	\$375 LS	\$375 LS	\$12.20

Wage Rules: Effective 11/1/2020

- *All employees under \$9.35 will move to \$10.00 (Level 1)
- *All employees between \$9.35 and \$9.40 will move to \$11.35 (Level 2)
- *All employees with a rate of \$12.00 or higher will be red circled and will receive a lump sum of \$375 in year 1 and year 2 and will move to Level 2 in year 3.
- *Once an employee transitions to one of the four levels on the new pay scale, they shall be eligible for all applicable increases scheduled for that level for the remainder of the CBA. Associates will not progress to another level unless promoted to full time, a lead or a back-up. All new hires will be placed at level 1.

Courtesy Clerks

	Current Contract	
	2/2/2020	
Payrate	\$8.75	

Progression	11/1/2020	2/6/2022	2/5/2023
Payrate	\$9.25	\$9.50	\$9.75

Full Time Clerks (Morgantown Only)

	Current Contract
	2/2/2020
Start	\$8.75
After 6 Months	\$8.80
After 12 Months	\$9.76
After 18 months	\$10.36
After 24 months	\$10.86
After 30 months	\$11.06
After 36 months	\$15.26

	New CBA		
Progression	11/1/2020	2/6/2022	2/5/2023
Level 1	\$10.00	\$10.50	\$11.00
Level 2	\$11.35	\$11.75	\$12.20
Level 3	\$12.70	\$13.00	\$13.40
Level 4	\$14.30	\$14.65	\$15.00
Red Circled	\$15.56	\$15.86	\$16.16

Wage Rules: Effective 11/1/2020

- *All employees under \$9.76 will move to \$10.00 (Level 1)
- *All employees between \$9.76 and \$10.36 will move to \$11.35 (Level 2)
- *All employees at \$10.86 will move to \$12.70 (Level 3)
- *All employees at \$11.06 will be red circled and move to \$15.56 at ratification, then receive \$0.30 increases in year 2 and year 3.
- *All employees at a rate of \$15.26 at the time of ratification will be red circled and will receive \$0.30 increases in year 1, year 2 and year 3.
- *Once an employee transitions to one of the four levels on the new pay scale, they shall be eligible for all applicable increases scheduled for that level for the remainder of the CBA. Associates will not progress to another level unless promoted to full time, a lead or a back-up. All new hires will be placed at level 1.

On 2/6/2022:

All FT associates on level 1 would move to level 2
 Any part time associate at level 1 who gets promoted to FT would move to level 2
 So on this date, the floor for FT associates would move to level 2, and level 1 would only have PT associates in it

On 2/5/2023:

All FT associates on level 2 would move to level 3
 Any part time associate at level 1 or level 2 who gets promoted to FT would move to level 3
 So on this date, the floor for FT associates would move to level 3, and level 1 and level 2 would only have PT associates in it

Part Time Clerks (Morgantown Only)

	Current Contract
	2/2/2020
Start	\$8.75
After 6 Months	\$8.75
After 12 Months	\$8.80
After 18 months	\$8.85
After 24 months	\$8.90
After 30 months	\$8.95
After 36 months	\$9.00
After 42 Months	\$12.00

	New CBA		
Progression	11/1/2020	2/6/2022	2/5/2023
Level 1	\$10.00	\$10.50	\$11.00
Level 2	\$11.35	\$11.75	\$12.20
Red Circled	\$375 LS	\$375 LS	\$12.20

Wage Rules: Effective 11/1/2020

- *All employees under \$8.95 will move to \$10.00 (Level 1)
- *All employees between \$8.95 and \$9.00 will move to \$11.35 (Level 2)
- *All employees with a rate of \$12.00 or higher will be red circled and will receive a lump sum of \$375 in year 1 and year 2 and will move to Level 2 in year 3.
- *Once an employee transitions to one of the four levels on the new pay scale, they shall be eligible for all applicable increases scheduled for that level for the remainder of the CBA. Associates will not progress to another level unless promoted to full time, a lead or a back-up. All new hires will be placed at level 1.

Full Time Rx Techs

	Current Contract
	2/2/2020
Start	\$10.00
After 6 Months	\$10.50
After 12 Months	\$11.00
After 18 months	\$11.25
After 24 months	\$15.26

	New CBA		
Progression	11/1/2020	2/6/2022	2/5/2023
Level 1	\$10.00	\$10.50	\$11.00
Level 2	\$11.35	\$11.75	\$12.20
Level 3	\$12.70	\$13.00	\$13.40
Level 4	\$14.30	\$14.65	\$15.00
Red Circled	\$15.56	\$15.86	\$16.16

Wage Rules: Effective 11/1/2020

***All employees under \$11.00 will move to \$11.35 (Level 2)**

***All employees at \$11.00 will move to \$12.70 (Level 3)**

***All employees at \$11.25 will be red circled and move to \$15.56 at ratification, then receive \$0.30 increases in year 2 and year 3.**

***All employees at a rate of \$15.26 at the time of ratification will be red circled and will receive \$0.30 increases in year 1, year 2 and year 3.**

***Once an employee transitions to one of the four levels on the new pay scale, they shall be eligible for all applicable increases scheduled for that level for the remainder of the CBA. Associates will not progress to another level unless promoted to full time, a lead or a back-up. All new hires will be placed at level 1.**

On 2/6/2022:

All FT associates on level 1 would move to level 2

Any part time associate at level 1 who gets promoted to FT would move to level 2

So on this date, the floor for FT associates would move to level 2, and level 1 would only have PT associates in it

On 2/5/2023:

All FT associates on level 2 would move to level 3

Any part time associate at level 1 or level 2 who gets promoted to FT would move to level 3

So on this date, the floor for FT associates would move to level 3, and level 1 and level 2 would only have PT associates in it

Part Time Rx Techs

Current Contract	
2/2/2020	
Start	\$10.00
After 12 Months	\$12.00

New CBA			
Progression	11/1/2020	2/6/2022	2/5/2023
Level 1	\$10.00	\$10.50	\$11.00
Level 2	\$11.35	\$11.75	\$12.20
Red Circled	\$375 LS	\$375 LS	\$12.20

Wage Rules: Effective 11/1/2020

- *All employees at \$10.00 will move to \$11.35 (Level 2)
- *All employees with a rate of \$12.00 or higher will be red circled and will receive a lump sum of \$375 in year 1 and year 2 and will move to Level 2 in year 3.
- *Once an employee transitions to one of the four levels on the new pay scale, they shall be eligible for all applicable increases scheduled for that level for the remainder of the CBA. Associates will not progress to another level unless promoted to full time, a lead or a back-up. All new hires will be placed at level 1.