

February 10, 2021

Overview – LAST BEST FINAL OFFER TO SETTLE (Meat)

Kroger Limited Partnership 1 Delta Marketing Area (“Kroger”) and its stores in the Little Rock area have been facing and continue to face significant challenges. Many stores continue to struggle for continued viability in an extremely competitive market—one made even more challenging in light of the ongoing and changing circumstances like the COVID-19 pandemic.

Against that backdrop, our team has worked hard to negotiate with the UFCW Local 2008 for a fair contract covering Little Rock clerks. Kroger has bargained in good faith for months. We have met for negotiations with the Union over 20 times since May 2020. Kroger has made multiple contract proposals with incentives in hopes of securing promptly a new ratified contract. Unfortunately, we have not had any success reaching an agreement. The Union has refused to permit our associates the chance to vote on any of Kroger’s contract offers.

The parties have reached an impasse in negotiations. The Union has repeatedly demanded that Kroger provided it with a Last Best and Final Offer for both the meat and clerks contracts. The Union has made clear that it has no room to move and that there can be no new agreement on the meat contract because of the parties’ position on healthcare for the clerks’ contract.

Last week, Kroger reached out to the Union to determine whether any progress could be made on the meat contract. The Union explained its position that there can be no meat contract or further negotiations on a new meat contract because the associates stand in solidarity with respect to the healthcare issue for clerks. In doing so, you requested again that Kroger just give the union a last best and final offer for a new meat contract.

Kroger followed up those discussions with an email on February 5, 2021, which set forth the Union’s position and the Company’s understanding that the Union has no room to move and will not move on the meat contract. Kroger asked the Union to respond if that understanding was incorrect. Specifically, the Company wrote:

“Based on our recent discussion the Company understands that Union has no room to move and will not move on the Meat contract separately. If that is not accurate, please make a proposal showing movement on your positions or tell us what specific items the union is willing to change.”

Kroger received no response, and the Union has not changed its position. Accordingly, Kroger is providing the union with the attached Last Best and Final Offer. Kroger has exhausted its authority and this LBFO includes incentives for a prompt ratification, including a one-time ratification bonus, and beneficial adjustments to the proposed measurement periods for obtaining full-time status and for eligibility under Kroger’s proposed Healthcare terms. Kroger has included this one-time ratification bonus

March 1, 2021

RATIFICATION BONUS UNDER KROGER'S LAST BEST AND FINAL OFFERS

As the Union knows, the parties deadlocked and reached an overall impasse because of healthcare. On February 10, 2021, after months of negotiations and repeated requests from the UFCW Local 2008 for Kroger to provide Last Best and Final Offers for new contracts covering our clerks and meat associates in Little Rock, the Company put forth those offers.

For your convenience, we have re-attached those Last Best Final Offers along with the explanations and descriptions of those Offers. As part of Kroger's Last Best Final Offers, the Company was willing to pay associates a one-time, lump sum ratification bonus in the following amounts to secure new contracts:

- \$1,000 – Department Heads
- \$650 – Full-Time Clerks
- \$250 – Part-Time Clerks
- \$100 – Courtesy Clerks

Kroger asked that the Union let us know if it would schedule a vote on the LBFOs and set a deadline of February 22, 2021 for the ratification bonuses. Unfortunately, that date passed without the Union affording associates the opportunity to vote.

On Friday February 26, 2021, however, Local 2008 emailed and stated that it “will be voting [Kroger's] best, last and final offer at the end of the week.” The Union did not share details with the Company on the vote, but we now understand that meetings for that potential purpose are scheduled for March 6 and March 8.

It appears that the Union has finally agreed to allow Little Rock associates the opportunity to vote on the LBFOs. That is welcome news. Kroger believes that its LBFOs are very good contract offers that include wage increases and that allow for movement of the clerks to a financially-stable, flexible and responsive healthcare plan that will provide top medical care similar to the Company-administered plan already enjoyed by the meat associate counterparts, along with a one-year holiday for clerk healthcare contributions.

Based on these new factual developments and as an incentive for prompt ratification later this week, Kroger is willing to extend the date for the one-time ratification bonus under both LBFOs until March 9, 2021.

To be clear, the Last Best Final Offers and the contractual changes that Kroger is proposing in them have not changed. Kroger is merely extending the date for the one-time ratification bonus as previously set forth in its Offers. If the clerks or the meat associate agreements as proposed by Kroger in its Last Best and Final Offers are ratified by March 9, 2021, Kroger will agree to pay associates approving the new contract(s) the one-time ratification bonuses previously described and included in the

March 1, 2021

wage scales as part of the Company's February 10 LBFOs. This incentive applies only for timely ratification by March 9. It will not be available if contract ratification is not completed by that date.

We hope that the Union will give all Little Rock clerks and meat associates a full and fair opportunity to vote on Kroger's contract offers, and that the Union will not misrepresent the contents of the offers. To allow for maximum participation on this important issue, as part of the February 10 LBFOs, Kroger offered to work with the Union to facilitate secure, confidential in-store voting. The Union had not previously responded. That offer remains available.

Please contact us with any questions and to discuss any Union requests related to the scheduling of contract ratification votes.

February 10, 2021

if the new agreement is ratified by February 22, 2021. That incentive only applies for timely ratification and is not available if the ratification is not completed by that date.

We believe that this LBFO represents an excellent contract for our meat associates, and we are available to answer any questions that the Union may have. However, time continues to be very important, and we have continued incentives in this offer based on removing the uncertainties associated with having an unresolved contract.

We hope that the Union will accept our Last Best Final Offer and fully recommend it to the membership for ratification. If the Union won't agree, however, Kroger asks that the Union permit its members to consider and vote on the Company's offer. Please let us know whether the Union will submit Kroger's offer for a ratification vote by February 15, 2020. If we do not receive an answer by then, we will presume that the Union has rejected Kroger's offer and it will not agree to take it for a vote.

If the Union decides to schedule a vote, given the challenges COVID-19 may pose for large gatherings, Kroger remains willing to work with the Union to facilitate secure, confidential in-store voting as it did last July with the UFCW Local 400 in Kroger's Mid-Atlantic division following a tentative agreement on a new contract.

Kroger Limited Partnership I Delta Marketing Area

Last Best Final Offer to Settle

To UFCW Union Local 2008

Meat Agreement

February 10, 2021

This document represents a Last Best Final Offer to Settle for a modification of terms regarding all outstanding issues in the negotiations for a successor agreement to the Kroger Delta Stores Agreement by and between Kroger Limited Partnership I Delta Marketing Area ("Kroger") and the United Food and Commercial Workers Local 2008 (Union). This offer is meant to address all proposals and contract modifications discussed, exchanged or implied. Any omission or failure to address a proposal of the Union by Kroger should be construed as a rejection of such union proposal. Prior to acceptance of this Kroger offer by the Union, Kroger reserves the right to add to or modify this proposal document. This offer includes, and is in addition to, any and all signed or otherwise acknowledged tentative agreements executed during the course of these negotiations.

Kroger's "Last Best Final Offer to Settle" provides beneficial adjustments to the proposed measurement periods for obtaining full-time status and for eligibility under Kroger's proposed Healthcare terms to incentivize the Union to have a fully ratified agreement on or before February 22, 2021 and to remove the uncertainty and the associated costs and risks to Kroger's business of not having a settled agreement. In addition, this offer contains a first-time ratification bonus for the same purpose and is conditioned on this offer being accepted by a fully ratified agreement on or before February 22, 2021.

Current contract with the following changes:

1. **ARTICLE 2 – SHOP CONDITION**
Add new F:

TA 10.20.20

In the interest of promoting cooperative relations, the Employer agrees that within the first (1st) forty-eight (48) hours of employment of a new employee, **or at the first availability of the Union Representative**, a management representative of the store will introduce the new employee to the **Union Representative Store Steward** and give reasonable amount of time to explain the Collective Bargaining Agreement and answer questions

The Company reserves the right at any time during the negotiations process or based on changed facts or circumstances to amend, withdraw, modify, clarify or add to its proposals. There shall be no final agreement on any issues, regardless of procedural tentative agreements, until a full and complete agreement is reached on all issues which are the subject of matter for bargaining and only after that full agreement is ratified by the parties.

2. **ARTICLE 4 - Dispute Procedures**

TA 6.10.20

Delete stricken language and add changes in bold:

Step 2: By conference between **the aggrieved associate (unless mutually waived between the Company and Union)**, the Store Steward or Business Agent of the Union and the District Manager and/or District Human Resources Manager **Representative**, who will meet within twenty-five (25) days of Step 1 and answer in writing within ten (10) days of the meeting, unless mutually waived by both parties. Before being considered in Step 2, the grievance must be submitted to the Employer in writing.

Step 3. By conference between **the aggrieved associate (unless mutually waived between the Company and Union)**, an official or officials of the Union and the Division President or a representative of the Employer delegated by the Division President, or both, who will meet within twenty-five (25) days of Step 2 and answer in writing within ten (10) days of the meeting, unless mutually waived by both parties.

3. **ARTICLE 9- Working Conditions**

A-1: **Modified 2.10.21**

Qualification

~~Qualification from status 3 (part time), 4 (part time), or 6 (student) to status 1 (full time) – Must work forty (40) hours for eight (8) consecutive weeks. This is reviewed each calendar quarter.~~

~~Qualification from status 4 (part time) or 6 (student) to status 3 (part time) – Must work an average of thirty-two (32) hours for twelve (12) weeks (three hundred and eighty four (384) hours).~~

Disqualification

~~Disqualify from status 3 (part-time) to status 4 (part-time) or 6 (student) – Worked less than thirty-two (32) hours for twelve (12) weeks. Only status 3 (part-time) is reviewed on a weekly basis. Status 1 (full-time) is reviewed quarterly~~

~~Disqualify from status 1 (full time) to status 3 (part time) – Worked less than forty (40) hours for eight (8) consecutive weeks within a calendar quarter.~~

Defining Full-Time Status

Part-time to Full-time: Employees shall be reclassified to full-time status upon averaging thirty-eight (38) hours or more per week over the Employer's 52-week standard measurement period or as described below. Employees who average less than thirty-eight (38) hours per week over the 52-week standard measurement period will be classified as part time. Employees will be measured annually to determine their status.

12-month Measurement periods: New hires will initially be measured after their 12th month of service. The employee's full-time and part-time status will be determined by their average weekly hours over the 12-month initial measurement period and will become effective on the first day of

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their 13th month of service. The employee's status will remain the same for at least the 12 months following their initial measurement date.

After their initial measurement period: Employees will be measured over the Company's standard measurement period. This period will begin on the payroll period that begins on the Sunday closest to October 1st of each year and conclude on the Saturday of the payroll period that ends closest to September 30th. This period should not overlap and cannot exceed twelve (12) months. An employee's status, determined by the standard measurement period, will be effective from January 1st through December 31st of the following year. Status will be based fully on average hours worked during their measurement period. All compensable absence pay shall be counted as time worked for all measurement periods.

Transition to 12-month measurement periods and new hourly requirements:

The Employer will use the "qualifying language" of the respective contract dated 6/16/16 – 6/27/20 to determine full-time or part-time status. This special measurement period will be in effect through January 2, 2021 to determine an employee's status beginning on January 3, 2021 through December 31, 2021. For the calendar year 2022 only, an abbreviated measurement period shall be used to determine the full-time or part-time status of employees hired on or before March 1, 2021. The measurement period shall begin on March 7, 2021 and will end on October 2, 2021. For calendar year 2023, the Company's standard measurement period, will be used to determine an employee's status moving forward for each calendar year. This period will begin on the payroll period that begins on the Sunday closest to October 1st of each year and conclude on the Saturday of the payroll period that ends closes to September 31st.

Simplifying measurement period to extend the time an associate is classified as full-time. This will provide stability of hours for a full-time associate with guaranteed hours for the 12-month period.

4. ARTICLE 9- Working Conditions [Modify proposal 8.25.20](#)

B- Delete stricken language and add changes in bold:

The normal work week for all regular full-time employees will be forty (40) hours to be worked in five (5) workdays. Time and one-half (1½) will be paid for all work performed in excess of ~~eight (8)~~ **nine (9)** hours per shift or forty (40) hours per week.

We are required by Federal law to pay overtime over 40 hours a week. We need to address the costs of daily overtime. As far as we are aware, our competitors do not offer daily overtime. Instead of eliminating daily OT, we have modified our initial proposal to pay daily OT for any time after a 9-hour workday.

5. ARTICLE 9 – Working Conditions (Company Counter to U5 Retail 9.08 & Meat 9E) [TA 6.10.20](#)

E. Delete stricken language and add changes in bold:

No employee will be required to work less than four (4) hours or more than five (5) hours without a lunch period of ~~one (1) hour~~ **thirty (30) minutes**. Lunch period will be posted on the weekly work schedule. If mutually agreed upon between the employee and the Employer, a ~~thirty (30) minute~~ **one (1) hour** lunch period may be scheduled.

The Company reserves the right at any time during the negotiations process or based on changed facts or circumstances to amend, withdraw, modify, clarify or add to its proposals. There shall be no final agreement on any issues, regardless of procedural tentative agreements, until a full and complete agreement is reached on all issues which are the subject of matter for bargaining and only after that full agreement is ratified by the parties.

6. ARTICLE 9- Working Conditions *Modify proposal 8/25/20*

G: Delete stricken language and add changes in bold:

The following will be considered holidays: New Year's Day; Martin Luther King, Jr.'s, Birthday; Independence Day; Labor Day; Thanksgiving Day; and Christmas Day, or days legally celebrated in lieu thereof. There will be no deduction from pay of employees who work a full week in which a holiday occurs. Employees who are absent without legitimate reason during a holiday week will be paid only for hours actually worked. Overtime pay at time and one-half (1½) will not be paid during a holiday week until the hours actually worked exceed ~~thirty-two (32)~~ **forty (40)** hours, excluding work performed on the holiday. Employees hired after June 24, 1989, will be eligible for holiday pay upon the completion of one (1) year of continuous service. **For associates hired prior to ratification**, holiday work will be compensated for at the premium rate of one dollar (\$1.00) per hour.

This language limits our ability to meet the needs of our customers and the modified language will provide more operational flexibility and helps us more efficiently schedule. Holiday premium of \$1.00 will still be available for associates hired prior to ratification. Making this adjustment on holiday premium pay gives us the ability to put more money into standard hourly wages for new hires.

7. ARTICLE 9 – Working Conditions

TA 8.6.20

G. Change last paragraph to read:

"Employees will be eligible for two (2) personal holidays to be scheduled on mutually agreeable dates after one (1) year of service. **Alternatively, personal days may be utilized as sick days provided the employee provides proper medical documentation to the Company.**

8. ARTICLE 9- Working Conditions

H: Delete stricken language – Modified 10.21.20

Sunday work will be compensated for at the premium rate of one dollar (\$1.00) per hour. ~~Such work will be rotated among volunteers insofar as possible. When store staffing requires non-volunteers to work, they will be scheduled by inverse seniority. Non-volunteers will not be required to work successive Sundays unless required by store staffing needs, in which case they will be scheduled by inverse seniority.~~ Employees hired after June 22, 1992, will not receive Sunday premium pay.

This process for Sunday and Holiday Rotation is outdated and hampers our ability to meet the needs of our customers on Sundays and holidays, which are our busiest days to operate throughout the entire year. We now have the least experienced associates on the busiest days of the week or year.

The Company reserves the right at any time during the negotiations process or based on changed facts or circumstances to amend, withdraw, modify, clarify or add to its proposals. There shall be no final agreement on any issues, regardless of procedural tentative agreements, until a full and complete agreement is reached on all issues which are the subject of matter for bargaining and only after that full agreement is ratified by the parties.

9. ARTICLE 9- Working Conditions

Delete stricken language:

All employees who are instructed to report for work will be guaranteed at least four (4) hours' work.

~~However, an employee called to work on Sundays, holidays, or his scheduled day off will be guaranteed at least five (5) hours' work.~~

For consistency, all employees called-in to work will be guaranteed at least four hours.

10. ARTICLE 9- Working Conditions

Add changes in bold: Modified 10.22.20

L. All meat sold from self-service counter or freezer cases will, at the retail outlet, have any necessary pricing or preparation for sale performed by an employee covered by this Collective Bargaining Agreement. Sales will be credited to the market. The Employer may utilize whatever vendor services are utilized by any competitor organized by UFCW Local No. 2008. **The Employer may utilize additional vendor assistance available to the trade upon mutual agreement between the Union and the Employer.**

Clarifying language regarding the company receiving the same level of vendor services as our competitors.

11. ARTICLE 10- Seniority

K- Delete stricken language:

~~Full-time definition: A full-time employee is an employee who has worked an average of forty (40) hours for eight (8) consecutive weeks (in any calendar quarter), exclusive of weeks where the employee has worked additional hours due to the absence of another employee. A full-time employee will be reduced to part time when the employee fails to qualify under the above definition.~~

This language is no longer applicable based on our proposal which defines Full-Time qualifying status.

12. ARTICLE 11 - Vacations

TA 8.6.20

Add changes in bold in third paragraph to read:

B. Employees who are eligible for at least two (2) weeks of vacation may take up to one (1) week of their vacation one (1) day at a time on mutually agreeable dates. Employees who are eligible for at least three (3) weeks of vacation may take up to two (2) weeks of their vacation one (1) day at a time on mutually agreeable dates. **Alternatively, any single day vacation may be taken as a sick day provided the employee provides proper medical documentation to the Company. The Employer retains the right to limit the number of employees off in any (1) week.**

The Company reserves the right at any time during the negotiations process or based on changed facts or circumstances to amend, withdraw, modify, clarify or add to its proposals. There shall be no final agreement on any issues, regardless of procedural tentative agreements, until a full and complete agreement is reached on all issues which are the subject of matter for bargaining and only after that full agreement is ratified by the parties.

13. ARTICLE 11 – Vacation

TA 7.31.20

Section 11.01 F – Add changes in Bold

If any employee who has not taken his vacation earned by his service leaves (regardless of whether he gives notice) or is separated for any reason other than dishonesty, he will receive his vacation pay at the time of leaving. **If an employee dies before receiving a vacation, which they have earned, their estate will be paid their vacation pay.**

14. ARTICLE 14- Health and Welfare, Schedule B Insurance Modified 2.10.21

Delete and rewrite see attachment B, C, D, & E

15. ARTICLE 16- Leave of Absence

TA 5.22.20

A: Delete stricken language and add changes in bold:

Requests for leaves of absence must be made by the employee in writing to the Employer's Human Resources Department ~~MetLife~~ **with a copy of all documents submitted to the UFCW Local 2008 and Employers Health and Welfare Plan and Trust, with a copy to the Union.** Such requests must be made at least two (2) weeks prior to the desired date of leave, except in cases of sickness or injury or as otherwise specified below:

16. ARTICLE 22- Expiration

Proposal: June 22, 2024

17. SCHEDULE "A" Wages

See Attachment A

18. SCHEDULE "A" Wages

TA 5.22.20

Delete stricken language and add changes in bold:

A-3-Assistant Department ~~Heads~~ **Leaders** will be designated for Meat (where Department ~~Managers~~ **Leaders** exist) in all stores with total store sales of at least one hundred fifty thousand dollars (\$150,000.00) per week, without fuel. These positions will receive a premium of seventy-five cents (\$0.75) per hour effective June 26, 2011.

19. SCHEDULE "A" Wages

Add changes in bold: Modified 2.10.21

Effective March 7, 2021, all stores with total store sales between one hundred fifty thousand dollars (\$150,000) to five hundred thousand nine hundred ninety nine dollars (\$599,999) per week, without fuel will receive a premium of one dollar (\$1.00) per hour; stores averaging total sales of at least six hundred thousand dollars (\$600,000) or more per week, without fuel will receive a premium of one dollar and twenty five cents (\$1.25) per hour.

Increasing premiums for Assistant Department Leaders and added a new tier for higher volume locations.
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The Company reserves the right at any time during the negotiations process or based on changed facts or circumstances to amend, withdraw, modify, clarify or add to its proposals. There shall be no final agreement on any issues, regardless of procedural tentative agreements, until a full and complete agreement is reached on all issues which are the subject of matter for bargaining and only after that full agreement is ratified by the parties.

20. SCHEDULE "A" Wages

Delete Stricken Language:

~~No employee will have his wages reduced below the rates as listed in Schedule "A" above as a result of the signing of this Collective Bargaining Agreement.~~

This language is no longer applicable under the wage proposal.

21. SCHEDULE "A" Wages

Delete stricken language:

~~For previous experience to be recognized, the experience must be shown on the application for employment. Falsification of application shall be reason for discharge.~~

~~New employees will be given credit for previous experience in the following manner:~~

~~A. Full credit will be given for previous comparable experience at a supermarket represented by UFCW.~~

~~B. A minimum of one half (1/2) credit will be given for previous comparable experience at a supermarket not represented by UFCW. Any previous experience over one half (1/2) credit must be agreed upon before going to work.~~

~~C. Up to one half (1/2) credit for previous experience in work other than that from a supermarket may be given when deemed necessary and appropriate. Any previous experience credit must be agreed upon before going to work.~~

~~D. For the purposes of this section, it is agreed and understood that grievances concerning proper previous experience credit shall proceed from Step 1 directly to Step 3 and shall not be required to go through Step 2 as described herein. These grievances will still have to meet the timeliness standards or will be denied on this basis alone.~~

This language is no longer applicable under the new wage proposal.

22. SCHEDULE "A" WAGES

Delete stricken language:

~~4. Effective June 21, 1992, Seafood employees will become part of the Wrapper classification and will progress to the next highest Wrapper rate on the date of their next increase. Employees appointed by the Employer to be "in charge" of a Seafood Department can only have their hours bumped as a result of a layoff.~~

This language is no longer applicable under the new wage proposal.

23. SCHEDULE "A" WAGES

TA 7.31.20

6. Add changes in bold:

In the event the **state** or federal minimum wage changes during the term of this Collective Bargaining Agreement and equals or exceeds contract rates, the parties agree to meet and bargain the affected rates of pay.

The Company reserves the right at any time during the negotiations process or based on changed facts or circumstances to amend, withdraw, modify, clarify or add to its proposals. There shall be no final agreement on any issues, regardless of procedural tentative agreements, until a full and complete agreement is reached on all issues which are the subject of matter for bargaining and only after that full agreement is ratified by the parties.

Department Leader	
Weekly store sales w/o fuel	Hourly
\$900,000+ / Marketplace	\$1.00
\$600,000 - \$900,000	\$0.50
Department Leader Classifications	
Meat Dept. Leader	

Premium Scale C	
Weekly store sales w/o fuel	Hourly
\$600,000+	\$1.25
\$150,000+	\$0.75 \$1.00
Effective Date: 3/07/2021	
Premium Scale C - Classifications	
Meat Assistant	

Leads - Premium Scale A	
No Sales Requirement	Hourly
Current	\$0.75
Premium Scale A Classifications	
Seafood Lead	

Night Premium	
Night Work	Hourly
Current	\$0.50
Proposal: Effective 03/07/2021	\$1.00
Paid on all hours worked between 10:00 PM and 6:00 AM, except for courtesy clerks.	

Sunday Premium	
Sunday Work	Hourly
Current	\$1.00
Grocery clerks hired after 8/3/1992 are not eligible for the Sunday premium. Meat clerks hired after 6/22/1992 are not eligible for the Sunday premium.	

Holiday Premium	
Holiday Work	Hourly
Current	\$1.00
Proposal: Holiday premium will only be available to associates hired prior to 03/07/2021	

First Time Ratification Bonus	
A ratification bonus (subject to all applicable payroll taxes and deductions) will be paid to all currently active associates who were hired prior to June 27, 2020. The bonus will be paid within two (2) weeks of ratification conditioned on this offer being accepted by a fully ratified agreement on or before 02/22/2021.	
Classification	Lump Sum
Department Heads	\$1,000
All Full Time Clerks	\$650
All Part Time Clerks	\$250
All Courtesy Clerks	\$100

UFCW Local 2008 - Little Rock Meat - 02/10/2021 (Attachment A)

Head Meat Cutter

Current CBA	
	6/23/2019
Payrate	\$20.75

New CBA				
Progression	3/7/21	6/27/21	6/26/22	6/25/23
Payrate	\$21.25	\$21.75	\$22.25	\$22.75

Journeyman Cutter (Red Circled)

Current CBA	
	6/23/2019
Payrate	\$18.75

New CBA				
Progression	3/7/21	6/27/21	6/26/22	6/25/23
Payrate	\$19.15	\$19.55	\$19.95	\$20.35

Full Time Meat Clerks

	Minimum Wage		
	6/23/2019	1/1/2020	1/1/2021
Start	\$8.75	\$10.00	\$11.0000
After 6 Months	\$9.00	\$10.01	\$11.0001
After 12 Months	\$9.25	\$10.02	\$11.0002
After 18 months	\$9.50	\$10.03	\$11.0003
After 24 months	\$9.75	\$10.04	\$11.0004
After 30 months	\$10.00	\$10.05	\$11.0005
After 36 months	\$10.25	\$10.25	\$11.0009
After 42 Months	\$12.00	\$12.00	\$12.00
After 48 Months	\$12.50	\$12.50	\$12.50
After 54 Months	\$16.75	\$16.75	\$16.75

New CBA				
Progression	3/7/21	6/27/21	6/26/22	6/25/23
1st Step	\$11.25	\$11.50	\$11.75	\$12.00
2nd Step	\$12.25	\$12.50	\$12.75	\$13.00
3rd Step	\$13.25	\$13.50	\$13.75	\$14.00
4th Step (Top Rate)	\$14.10	\$14.50	\$14.90	\$15.30
Red Circled Rate	\$17.15	\$17.55	\$17.95	\$18.35

Wage Notes:

- *All employees with a rate of \$11.0000 - \$11.0002 will move to \$11.25 (1st Step)
- *All employees with a rate of \$11.0003 - \$11.0005 will move to \$12.25 (2nd Step)
- *All employees with a rate of \$11.0009 will move to \$13.25 (3rd Step)
- *All employees with a rate of \$12.00 or \$12.50 will move to \$14.10 (4th Step)
- *All employees at \$16.75 will be red-circled and will receive \$0.40 increases in years 1 - 4.
- *Employees that move to the 1st step of the scale will be subject to a twelve (12) month waiting period, starting with the Sunday after ratification. New hires will be placed on the 1st step of the scale and will be subject to a twelve (12) month waiting period, starting with their date of hire. Upon completion of the twelve (12) month waiting period, employees will have the ability to progress to the 2nd step of the scale if they average 26+ weekly hours over their initial 12 month look-back period. New hires that qualify for the 2nd step will transition on the 1st day of their 13th month of service.
- *Employees that move to the 2nd step of the scale will be subject to a twelve (12) month waiting period, starting with the Sunday after ratification. Upon completion of the twelve (12) month waiting period, employees will have the ability to progress to the 3rd step of the scale if they average 36+ weekly hours over the company's standard 12 month look back-period.
- *Employees that move to the 3rd step of the scale will be subject to a twelve (12) month waiting period, starting with the Sunday after ratification. Upon completion of the twelve (12) month waiting period, employees will have the ability to progress to the 4th step of the scale if they average 38+ weekly hours over the company's standard 12 month look back-period.
- *Employees at the 4th step (top rate) who fail to average 38+ weekly hours over the company's standard 12 month look back-period will fall back to 3rd step in the pay scale, but have the ability to requalify for the top rate if they average 38+ hours in a subsequent year.
- *Employees who qualify for the 2nd or 3rd step of pay will not fall below that step due to a decrease in hours.
- *The Company's standard measurement period (generally the first week of October through last week of September) will be used to determine movement between wage steps, which will be effective January 1st of the following year.

UFCW Local 2008 - Little Rock Meat - 02/10/2021 (Attachment A)

Part Time Meat Clerks

	Current CBA	Minimum Wage	
	6/23/2019	1/1/2020	1/1/2021
Start	\$8.50	\$10.00	\$11.0000
After 6 Months	\$8.70	\$10.01	\$11.0001
After 12 Months	\$8.90	\$10.02	\$11.0002
After 18 months	\$9.10	\$10.03	\$11.0003
After 24 months	\$9.30	\$10.04	\$11.0004
After 30 months	\$9.50	\$10.05	\$11.0005
After 36 months	\$9.70	\$10.06	\$11.0006
After 42 Months	\$9.90	\$10.07	\$11.0007
After 48 Months	\$10.10	\$10.10	\$11.0008
After 54 Months	\$10.30	\$10.30	\$11.0010
After 60 Months	\$11.65	\$11.65	\$11.65

Progression	New CBA			
	3/7/21	6/27/21	6/26/22	6/25/23
1st Step	\$11.25	\$11.50	\$11.75	\$12.00
2nd Step	\$12.25	\$12.50	\$12.75	\$13.00
3rd Step	\$13.25	\$13.50	\$13.75	\$14.00
4th Step (Top Rate)	\$14.10	\$14.50	\$14.90	\$15.30

Wage Notes:

*All employees with a rate of \$11.0000 - \$11.0007 will move to \$11.25 (1st Step)

*All employees with a rate of \$11.0008 - \$11.0010 will move to \$12.25 (2nd Step)

*All employees with a rate of \$11.65 will move to \$13.25 (3rd Step)

*Employees that move to the 1st step of the scale will be subject to a twelve (12) month waiting period, starting with the Sunday after ratification. New hires will be placed on the 1st step of the scale and will be subject to a twelve (12) month waiting period, starting with their date of hire. Upon completion of the twelve (12) month waiting period, employees will have the ability to progress to the 2nd step of the scale if they average 26+ weekly hours over their initial 12 month look-back period. New hires that qualify for the 2nd step will transition on the 1st day of their 13th month of service.

*Employees that move to the 2nd step of the scale will be subject to a twelve (12) month waiting period, starting with the Sunday after ratification. Upon completion of the twelve (12) month waiting period, employees will have the ability to progress to the 3rd step of the scale if they average 36+ weekly hours over the company's standard 12 month look back-period.

*Employees that move to the 3rd step of the scale will be subject to a twelve (12) month waiting period, starting with the Sunday after ratification. Upon completion of the twelve (12) month waiting period, employees will have the ability to progress to the 4th step of the scale if they average 38+ weekly hours over the company's standard 12 month look back-period.

*Employees at the 4th step (top rate) who fail to average 38+ weekly hours over the company's standard 12 month look back-period will fall back to 3rd step in the pay scale, but have the ability to requalify for the top rate if they average 38+ hours in a subsequent year.

*Employees who qualify for the 2nd or 3rd step of pay will not fall below that step due to a decrease in hours.

*The Company's standard measurement period (generally the first week of October through last week of September) will be used to determine movement between wage steps, which will be effective January 1st of the following year.

Little Rock Meat Proposal (Healthcare)

Attachment B

Kroger (“the Employer”) proposes to modify the health care benefits for Kroger employees represented by UFCW Local 2008 under the Little Rock Meat CBA.

Kroger maintains the right to add delete and or modify this proposal

Section 1.

Article 14 In the Meat Agreement “UFCW Local 2008 and Kroger Delta Little Rock Stores” is replaced and modified to include the following changes.

Section 2. Participation

Kroger shall continue administering healthcare benefits to the Little Rock 2008 Meat group through the Company Plan, as modified herein.

Section 3. Employer Contributions/Funding for South Central Fund Through January 1, 2022 Transition to the Company Administered Plan.

Under the Kroger Company Plan, Medical, Pharmaceutical, Dental, Vision, Disability and Life insurance claims will continue to be funded directly by the Company.

Section 4. Employee Contributions

The required employee contributions for full-time and part-time employees who qualify for health care benefits under this Agreement shall continue as set forth below. Effective with the start of the weekly payroll period correlating with January 1st of each year, the following rates will be deducted by payroll for enrolled employees, except that employee participants covered under this Agreement will cease paying contributions for coverage from March 1, 2021 – February 28, 2022. Kroger will resume collecting employee contributions on a pre-tax basis on March 1, 2022. Employee contributions will be collected on a pre-tax basis to offset Employer expenses.

Effective 1/1/2020	Plan A		Plan B	
	Hired Before 12.14.2010	Hired On/After 12.14.2010	Hired Before 12.14.2010	Hired On/After 12.14.2010
Employee Only	\$5.00	\$6.00	\$4.00	\$6.00
Employee + Spouse	\$10.00	\$14.00	N/A	N/A
Employee + Child(ren)	\$10.00	\$12.00	\$9.00	\$12.00
Employee + Family	\$15.00	\$20.00	N/A	N/A
Working Spouse Fee (Monthly)	\$100.00		N/A	

Effective 1/1/2021	Plan A	Plan B
Employee Only	\$6.00	\$6.00
Employee + Spouse	\$14.00	N/A
Employee + Child(ren)	\$12.00	\$12.00
Employee + Family	\$20.00	N/A
Working Spouse Fee (Monthly)	\$100.00	

Effective 1/1/2022	Plan 1
Employee Only	\$7.00
Employee + Spouse	\$15.00
Employee + Child(ren)	\$12.00
Employee + Family	\$20.00
Working Spouse Fee (Monthly)	\$100.00

Effective 1/1/2023	Plan 1
Employee Only	\$8.00
Employee + Spouse	\$17.50
Employee + Child(ren)	\$14.50
Employee + Family	\$25.50
Working Spouse Fee (Monthly)	\$125.00

Effective 1/1/2024	Plan 1
Employee Only	\$9.00
Employee + Spouse	\$19.75
Employee + Child(ren)	\$16.25
Employee + Family	\$28.75
Working Spouse Fee (Monthly)	\$150.00

Section 5. Eligibility

- 1.) Employees will qualify for 2021 benefits coverage in accordance with the current CBA.

- 2.) To qualify for coverage/benefits under the Company Administered Plan, employees covered by this Agreement must meet the following eligibility requirements for coverage in plan years 2022 – 2024:

Proposed Eligibility (Plan Year 2022)		
Plan Selection	Plan One	
Hire Date	Hired Before 1.1.2022	Hired On or After 1.1.2022
Employee Only	22 Hrs Per Week	27 Hrs Per Week
Employee + Child(ren)	30 Hrs Per Week	30 Hrs Per Week
Employee + Spouse + Child(ren)	32 Hrs Per Week	36 Hrs Per Week

Proposed Eligibility (Plan Year 2023)		
Plan Selection	Plan One	
Hire Date	Hired Before 1.1.2022	Hired On or After 1.1.2022
Employee Only	24 Hrs Per Week	27 Hrs Per Week
Employee + Child(ren)	30 Hrs Per Week	30 Hrs Per Week
Employee + Spouse + Child(ren)	34 Hrs Per Week	36 Hrs Per Week

Proposed Eligibility (Plan Year 2024)		
Plan Selection	Plan One	
Hire Date	Hired Before 1.1.2022	Hired On or After 1.1.2022
Employee Only	27 Hrs Per Week	27 Hrs Per Week
Employee + Child(ren)	30 Hrs Per Week	30 Hrs Per Week
Employee + Spouse + Child(ren)	36 Hrs Per Week	36 Hrs Per Week

Note: Eligibility explained in further detail in Attachment E

Little Rock Meat 2008 - Last Best Final Offer 2.10.21

Attachment C		Current Benefits	
Plan Type	Meat Cutters - Company Plan		
MEDICAL PLAN ESSENTIALS	In Network	Non-Network In Area	
Preventive Coverage	100%	Not Covered	
Predominant Co-Insurance (EE)	80%	50%	
Annual Deductible: Single / Family	\$300 / \$600	\$300 / \$600	
Out of Pocket Max	\$3,000 / \$6,000	No Limit	
Annual Maximum Benefit	Unlimited	Unlimited	
Lifetime Maximum Benefit	Unlimited	Unlimited	
POINT OF SERVICE COPAYS	In Network	Non-Network In Area	
Primary Care Office Visit Copay (per visit)	\$25	50%	
Specialist Office Visit Copay (per visit)	\$25	50%	
Urgent Care Copay (per visit)	20%	50%	
Emergency Room Copay (per Visit)	20%	50%	
Fee Waived if Admitted	Not Applicable		

Proposed Benefits - Effective 1/1/2022	
Plan 1 - Clerks & Meat	
In Network	Out of Network
100%	Not Covered
80%	50%
\$300 / \$600	\$300 / \$600
\$3,000 / \$6,000	No Limit
Unlimited	Unlimited
Unlimited	Unlimited
In Network	Non-Network In Area
\$25	50%
\$25	50%
20%	50%
20%	50%
Not Applicable	

Attachment C		Current Benefits	
PRESCRIPTION PLAN	In Network	Non-Network In Area	
Day Supply Retail	30 Day Supply		
Retail Generic Copay	Minimum: \$15 or 10% Maximum: \$60	Not Covered	
Retail Brand Formulary Copay	Minimum: \$25 or 15% Maximum: \$60	Not Covered	
Retail Brand Non Formulary	Minimum: \$30 or 30% Maximum: \$60	Not Covered	
Specialty Generic	N/A	Not Covered	
Specialty Brand Formulary Copay	Minimum: \$15 or 15% Maximum: \$120	Not Covered	
Specialty Brand Non Formulary Copay	Minimum: \$30 or 30% Maximum: \$120	Not Covered	
Days Supply Mail-Order	30 Day Supply Only		
<i>Mail-Order Generic</i>	Same as Retail		
<i>Mail-Order Brand Formulary</i>	Same as Retail		
<i>Mail Order Brand Non Formulary</i>	Same as Retail		
<i>Mail Order Specialty Brand Formulary</i>	Same as Retail		
<i>Mail Order Specialty Brand Non Formulary</i>	Same as Retail		

Proposed Benefits - Effective 1/1/2022	
In Network	Out of Network
30 Day Supply	
Greater of \$5 or 10%	Not Covered
\$20 + 20% coins	Not Covered
\$20 + 20% coins	Not Covered
Greater of \$5 or 10%	Not Covered
\$20 + 20% coins	Not Covered
\$20 + 20% coins	Not Covered
90 Day Supply	
\$5 Copay	
\$50 Copay	
\$50 Copay	
\$50 Copay	
\$50 Copay	

DENTAL PLAN (Indemnity Only)	In Network	Non-Network In Area	
Voluntary	No		
Eligibility Requirement	Tied to Medical		
Eligible to Dependents	Yes		
	In Network	Non-Network In Area	
Annual Deductible	\$0	Not Available	
Preventive Coinsurance	80%	Not Available	
Basic Coinsurance	80%	Not Available	
Major Coinsurance	80%	Not Available	
Annual Maximum Benefit	\$1,500	Not Available	
<i>Orthodontia Coverage</i>	Yes	Not Available	
<i>Orthodontia Deductible</i>	\$0	Not Available	
<i>Orthodontia Coinsurance</i>	50%	Not Available	
<i>Orthodontia Lifetime Maximum Benefit</i>	\$1,500	Not Available	

In Network	Out of Network
No	
Tied to Medical	
Yes	
In Network	Out of Network
\$0	Not Available
80%	Not Available
80%	Not Available
80%	Not Available
\$1,500	Not Available
Yes	Not Available
\$0	Not Available
50%	Not Available
\$1,500	Not Available

Attachment C		Current Benefits	
VISION PLAN	In Network	Non-Network In Area	
Voluntary	No		
Eligibility Requirement	Tied to Medical		
Eligible to Dependents	Yes		
	In Network	Non-Network In Area	
Eye Exams	\$10 Copay - Covered 100%	Covered up to \$50	
Prescription Glasses Lenses			
--Single vision lenses	\$15 Copay - Covered 100%	Single Vision - Up to \$50	
--Bifocal lenses		Bifocal - Up to \$75	
--Trifocal lenses		Trifocal - Up to \$100	
Frame	\$150 Allowance - Every 24 Months	Covered up to \$70	
Contact Lenses (In Lieu of Glasses)	\$150 Allowance - Every 12 Months	Covered up to \$105	
Income Replacement			
Life insurance	Minimum: \$3000 *Maximum: 100% of Salary		
AD&D	50% of Death Benefit		
Dependent Life Insurance	Spouse - \$2,000 Child - \$1,000		
Loss of Time - Weekly Benefit	60% of Salary		
Loss of Time - Maximum Weekly Benefit	\$350		
Loss of Time - Maximum Benefit Period	26 Weeks		

Proposed Benefits - Effective 1/1/2022	
In Network	Out of Network
No	
Tied to Medical	
Yes	
In Network	Out of Network
\$10 Copay - Covered 100%	Covered up to \$50
\$15 Copay - Covered 100%	Single Vision - Up to \$50
	Bifocal - Up to \$75
	Trifocal - Up to \$100
\$150 Allowance - Every 24 Months	Covered up to \$70
\$150 Allowance - Every 12 Months	Covered up to \$105
FT - \$40,000 / PT - \$15,000	
FT - \$40,000 / PT - \$15,000	
Spouse - \$5,000 Child - \$2,500	
60% of Salary	
\$350 Max	
26 Weeks	

Attachment D

Agreement between the Kroger Co and UFCW Local 2008

The Company and the Union agree to establish quarterly meetings to discuss issues or concerns about the company administered health and welfare program. These meetings will include designated representatives from the Union and the Kroger Co including representatives from the Total Rewards team that administers the Company's health and welfare programs. Either party can include other representatives as is deemed necessary.

For the Company

For the Union

Attachment E

Eligibility (2022 Plan Year & Thereafter)

The Employer will continue to offer coverage for the Little Rock Local 2008 Meat group under the Company Administered Plan, which shall also correspond to the plan of benefits outlined in Exhibit A. The Employer has the right to implement and apply changes to the Company Administered Plan for the employees covered by this Agreement, so long as such changes are applied to all other participants in the Company Administered Plan and do not conflict with the express terms and conditions of coverage and eligibility that are described in both the attached "Exhibit A" benefit grid and this Agreement.

1.) Hours Requirements – Employees Hired Prior to January 1, 2022:

a.) For coverage in the 2022 Plan Year: Employees must work an average of twenty-two (22) hours a week for employee only coverage, a minimum of thirty (30) hours a week for employee and dependent child(ren) coverage, and a minimum of thirty-two (32) hours a week to become eligible for employee and spouse coverage or spouse and dependent child(ren) coverage.

b.) For coverage in the 2023 Plan Year: Employees must work an average of twenty-four (24) hours a week for employee only coverage, a minimum of thirty (30) hours a week for employee and dependent child(ren) coverage, and a minimum of thirty-four (34) hours a week to become eligible for employee and spouse coverage or spouse and dependent child(ren) coverage.

c.) For coverage in the 2024 Plan Year: Employees must work an average of twenty-seven (27) hours a week for employee only coverage, a minimum of thirty (30) hours a week for employee and dependent child(ren) coverage, and a minimum of thirty-six (36) hours a week to become eligible for employee and spouse coverage or spouse and dependent child(ren) coverage.

2.) Hours Requirements – Employees Hired on or After January 1, 2022:

a.) For coverage in the 2022 Plan Year & Thereafter: Employees must work an average of twenty-seven (27) hours a week for employee only coverage, a minimum of thirty (30) hours a week for employee and dependent child(ren) coverage, and a minimum of thirty-six (36) hours a week to become eligible for employee and spouse coverage or spouse and dependent child(ren) coverage.

3.) Measurement/Stability Period Transition – 2022 Plan Year: For employees hired prior to March 1, 2021, eligibility for the 2022 plan year will be based on an abbreviated measurement period, which shall span from the first Sunday in March of 2021 (March 7, 2021) through the Saturday closest to September 30, 2021 (October 2, 2021). Those who qualify for coverage based on the provisions above shall have a 12- month stability period beginning January 1, 2022.

For employees hired on or after March 1, 2021, eligibility will be determined over an initial 12-month measurement period ending on the associate's 12-month anniversary date. Those who qualify for coverage based on the provisions above shall have a 12-month stability period following their 12-month anniversary.

4.) Measurement/Stability Period – 2023 Plan Year & Thereafter:

a.) Initial Measurement Period:

Unless hired as a "full time" employee, new hires will be measured over an initial 12-month measurement period ending on the associate's 12-month anniversary date. The employee's eligibility, which will be determined by their average weekly hours over the 12-month initial measurement period, will become effective on the first day of the calendar month next following their 12-month anniversary date. The

employee's eligibility will remain the same for at least the 12-month period following their initial qualification date unless they are promoted to a "full time" position.

A newly hired employee, expected to work 30+ hours per week through their first year of service, shall become eligible for coverage the first of the month following sixty (60) days after their date of hire. This eligibility will provide Employee, Child(ren) and Spousal coverage and will continue for no less than 12 months unless the employee voluntarily opts to work part time hours in their first 12 months of service.

In applying the eligibility rules of this section, if there is a gap between the end of the initial stability period and the start of the standard stability period, the employee shall continue to be eligible for coverage during the gap period based on the employee's eligibility during the initial stability period. In the case of an overlap of the initial stability period and the first standard stability period the employee shall be eligible for the highest level of coverage the employee would qualify for during the overlap period.

b.) After Their Initial Measurement Period:

An employee will be measured over the Company's standard measurement period. This period will begin on the payroll period that begins on the Sunday closest to October 1st of each year and conclude on the Saturday of the payroll period that ends closest to September 31st. This period should not overlap and cannot exceed twelve (12) months. An employee's eligibility, determined by the standard measurement period, will be effective from January 1st through December 31st of the following year.

The Employer agrees to extend eligibility for qualifying employees on an approved Family and Medical Leave of absence, not to exceed twelve (12) weeks pursuant to the provisions of the Family and Medical Leave Act.

a) The Employer agrees to extend coverage for eligible employees until the end of the month following cessation of active employment, including but not limited to termination of employment. This obligation shall not be required when employees are discharged for dishonesty, drinking, or drunkenness on the job or resigns to go into business for themselves.

b) Employees on approved medical, sick, or disability-related leave of absence are required to make weekly contributions to maintain eligibility.

5.) Open Enrollment For Coverage On and After January 1, 2022: Starting with open enrollment for coverage beginning January 1, 2022, the Employer will, on an annual basis, obtain all data necessary to enroll or re-enroll employees and their dependents as participants eligible for coverage under the Company Administered Plan. To remain enrolled as a participant eligible for Company Administered Plan coverage, each employee who is currently enrolled, or who initially enrolls during the term of the Collective Bargaining Agreement, must re-enroll prior to the start of each succeeding Plan Year, which is the calendar year as of January 1, 2022. Employees must make an affirmative election to enroll in the Company Administered Plan during each annual open enrollment period. Enrollment is for the entire plan of benefits (except that Life Insurance, AD&D, and short-term disability will be provided to all eligible employees) under the Company Administered Plan and an employee's failure to affirmatively elect to enroll in the Company Administered Plan will result in such employee being ineligible for all benefits under the Company Administered Plan until the next plan year or until there has been a qualifying life event, whichever occurs first. The definition of a "qualifying life event" is provided under the Employer's Code Section 125 plan document or the plan document for the Company Administered Plan.