

February 10, 2021

Overview – LAST BEST FINAL OFFER TO SETTLE (Clerks)

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, and Kroger has made multiple contract proposals with incentives in hopes of securing promptly a new ratified contract. Unfortunately, we have had no success reaching an agreement. The Union has refused even to permit our associates the chance to vote on any of Kroger’s contract offers.

For instance, Kroger made a “Comprehensive Best Offer to Settle” on December 2, 2020. It then clarified those terms for the Union on December 3, 2020. That contract proposal included incentives and a ratification bonus if the Union scheduled a vote and your members ratified the contract by December 19, 2020. It also maintained and improved upon Kroger’s proposal to move healthcare benefits out of the UFCW South Central Health & Welfare Plan (a Taft-Hartley Fund) and into a Company-administered plan—similar to the company-administered plan already in place for meat associates in Little Rock.

The Union rejected Kroger’s December 3 “Comprehensive Best Offer” and refused to put it to the membership for a vote by December 19, 2020. The reason, as we understood it, was because the Union would never accept any new contract with a company-administered healthcare plan, which is a requirement from Kroger’s perspective.

We met for negotiations again on January 12, 2021. During that meeting, the Union presented Kroger with its comprehensive offer—making no meaningful or material movement. In giving Kroger that offer, the Union expressed that Local 2008 remains 100% opposed to moving clerks into a company-administered healthcare plan.

This meeting further solidified that the parties’ respective positions on healthcare was standing in the way of any meaningful negotiations and preventing us from reaching a new deal. Kroger has been consistent and clear on its position, through its proposals and in our discussions with the Union at the table. The Company wants a company-administered healthcare benefit for clerks in Little Rock. As with the Union, this remains a critical issue for us. It is also one that we believe will substantially benefit our associates. As our team has explained, a Company-administered Plan:

- is financially stable, flexible, and responsive;
- can embrace new technology that will better benefit our associates;

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

- can provide access to top medical care for covered associates, including potential care through world-class health providers; and
- permits Kroger to leverage over 75,000 participants in similar company-administered plans—giving the Company extensive leverage with service providers to secure improved services and benefits for our associates.

Kroger fails to see why the Union is so adamant in refusing to accept the same type of plan that it already has for its meat associates in Little Rock.

But the Union has made its position crystal clear. Since Kroger first made its proposal to move the clerks to a company-administered plan, the Union has consistently rejected it. Its negotiators have repeatedly said that the Union has no interest in moving clerks to a company-administered healthcare plan and that such a plan is a “non-starter” for reaching a new agreement. Given the parties’ impasse and inability to engage in any further meaningful negotiations on a new contract because of healthcare, on January 12, 2021, the Union requested that Kroger give it a Last Best and Final Offer for both the clerks and the meat associates contracts.

Shortly afterwards, in an attempt to break the logjam, Kroger proposed an updated “Comprehensive Best Offer to Settle” to the Union on January 15, 2021. That proposal reflected a best-foot-forward approach. It included several changes from Kroger’s December 3 Offer as incentives for the Union to accept and promptly ratify a new deal. For example, it included additional wage improvements and a one-time ratification bonus available if the offer was ratified timely by January 30, 2021. Kroger also stressed that time remained very important.

The Union refused again to give associates an opportunity to vote on the contract offer. The sticking point remained the parties’ polar opposite positions on healthcare. Indeed, the Union confirmed that position during the parties’ January 15 bargaining session. Kroger asked the Union whether there was anything that the Company could change in its proposals that would allow the Union to accept the company-administered healthcare plan. The Union’s chief negotiator unequivocally said “no.” The Union did not vote the offer by January 30. Since then, the Union has said that it is “not willing to bargain a company plan” because the company-administered healthcare plan is a “non-starter” if we hope to ever reach agreement.

Both sides are dug in firmly on this important issue and it has created an overall impasse in negotiations. In fact, during telephone discussions between the parties’ lead negotiators last week, the Union confirmed that it has no ability to move on a contract and that additional bargaining would be futile unless the Company changed its position on a company-administered healthcare plan. The Union also indicated that it has no ability to move on the meat contract and demanded again that Kroger present Last Best and Final Contract offers for both open agreements.

February 10, 2021

We remain at impasse. Kroger has exhausted its authority and repeatedly explained that any new contract for the Little Rock clerks must include a solution involving a company-administered plan. We have given the Union many chances and asked it multiple times to make a proposal that includes a company-administered plan. It has refused. We have also asked whether there were any changes that Kroger could make to other parts of its comprehensive proposal which could possibly change the Union's position. You provided none. If we are wrong, please make a contract proposal with a company-administered plan. Otherwise, the parties will remain deadlocked and there is no path to reaching an agreement.

Given our ongoing impasse and the Union's repeated requests for final offers, we are presenting the Union with the attached Last Best and Final Offer. This offer 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. We also included some additional details for how Kroger's financial obligations would work in terms of "pass-through" funding for the South Central through December 31, 2021 and the transition to a Company Administered Plan effective January 1, 2022. We hope the Union will change its position on a company-administered healthcare plan and accept this offer. As an incentive to do so, Kroger has included a one-time ratification bonus 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 associates and we are available to answer any questions you have. However, time remains 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

Retail Clerks 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 – Recognition of the Union and Bargaining Unit**

TA 6.4.20

Section 2.01 – Delete stricken language and add changes in bold:

The Union will be the sole and exclusive bargaining agent for all full-time and part-time employees in the towns presently covered by this Collective Bargaining Agreement at its execution and in towns where stores may be operated by the Delta Division of Kroger in the state of Arkansas, including Delicatessen Departments not already covered by another Collective Bargaining Agreement within the jurisdiction of UFCW Local No. 2008, excluding Store ~~Managers~~ **Leaders**, ~~Co-Managers~~ **Assistant Store Leaders**, meat department employees, guards, and supervisors as defined in the Labor-Management Relations Act (LMRA) of 1947, as amended

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 2 – Recognition of the Union and Bargaining Unit**

Section 2.03 – Delete stricken language and add changes in bold:

All work and services connected with or incidental to the handling or selling of merchandise (except potato chips, beverages, cookies, dairy and bakery products, and rack jobbers) offered for sale to the public in the Employer's retail establishments covered by this Collective Bargaining Agreement will be performed only by employees of the bargaining unit. This Collective Bargaining Agreement will not be construed as restricting a sales representative from inspecting any and all merchandise of his respective company for spoilage or replacement, nor will it apply to new or remodeled stores. There will be no expansion of the present practice which might tend to erode bargaining unit employment during the life of this Collective Bargaining Agreement. 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.**

We are adding clarifying language regarding the company receiving the same level of vendor services as our competitors.

3. **ARTICLE 4 - UNION SECURITY**

Section 4.03- Delete stricken language and add changes in bold

TA 6.10.20

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.

4. **ARTICLE 7 – Seniority**

Section 7.02A – Add changes in bold:

~~In the application of seniority, separate lists of full time and part time employees will be established and maintained, and such records will be available to the Union at all times. A separate seniority list will also be maintained for the Delicatessen Department and the General Merchandise Department covered by the Collective Bargaining Agreement, and employees working in those departments will have seniority only among themselves. No other employee covered by the Collective Bargaining Agreement will have the right to exercise his seniority to claim work in the Delicatessen Department or the General Merchandise Department. When a Delicatessen Department or General Merchandise Department employee is transferred by management to another department within the bargaining unit, they will carry their seniority with them.~~

~~When a Delicatessen or General Merchandise employee is being transferred by management, consideration will be given to the employee's wishes. Where ability is reasonably equal, an employee having seniority may elect not to transfer.~~

~~Any Delicatessen or General Merchandise employee on the top rate of pay who desires consideration for transfer to another department will notify the District Manager, in writing, with a copy to the Human Resources Department and the Union.~~

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.

It is understood that retail grocery associates can be assigned to work in any department. For the deli department, associates will be assigned and scheduled to work provided they have the ability to perform the work, which will include stocking, cleaning, and sanitation. Clerks assigned to the deli department will not operate cutting equipment or machinery unless specifically trained to do so.

We would like associates to have the opportunity to maximize hours and to give us more operational flexibility in filling open shifts. Our proposed language would allow associates to work in all areas of the store provided they are able to perform the work. Seniority rights still apply as outlined in Section 7.03.

5. **ARTICLE 7- Seniority**

Section 7.05 -Delete stricken language

~~Sunday and holiday 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.~~

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.

6. **ARTICLE 8 - 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.

7. **ARTICLE 8- Dispute Procedures (Company 7 Grocery)**

TA 6.10.20

Section 8.07- Add changes in bold:

Grievances must be taken up promptly, and no grievance will be considered or discussed which is presented later than fourteen (14) calendar days after such has happened, except in those cases where a monetary obligation exists. **In an instance where a monetary obligation exists, such grievance must be presented no later than one (1) year after the occurrence.**

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.

8. ARTICLE 9- Working Conditions

Section 9.01- Delete stricken language and add changes in bold: Modified 2.10.21

A. Qualification

~~Qualification from status 3 (part time), 4 (part time), or 6 (student) to status 1 (full time) – Must work forty (40) hours for ten (10) weeks within 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 per week 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 six (6) consecutive weeks within a calendar quarter. This is reviewed at the end of each quarter.~~

~~In reference to the above mentioned status change back to status 1 (full time) from status 3 (part time) – Must work forty (40) hours per week for six (6) consecutive weeks, and they will again qualify for status 1 (full time).~~

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 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.

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.

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.

9. ARTICLE 9- Working Conditions [Modify Proposal 12.2.20](#)

Section 9.02: Delete stricken language:

There will be a guarantee for all regular full-time employees of forty (40) hours ~~(or pay in lieu thereof)~~ to be worked in five (5) eight (8) hour shifts, ~~except in holiday weeks when the guarantee will be thirty two (32) hours, to be worked in four (4) shifts,~~ Sunday through Saturday. It is understood that this guarantee is contingent on no infraction of Employer rules, lateness, or other personal reasons of the employee.

This language limits our ability to meet the needs of the business. Modifying this language provides more operational flexibility and helps us be more efficient in scheduling to meet the needs of the business. We already have an understanding with the Union on the items we are proposing to delete. This is automating a process that is manual and on a volunteer basis.

10. ARTICLE 9- Working Conditions [Modify Proposal 12.2.20](#)

Section 9.05- Delete stricken language and add changes in bold –

All work performed in excess of ~~eight (8)~~ **nine hours (9)** hours ~~in any shift and~~ forty (40) hours per week ~~(thirty two (32) hours in a holiday week)~~ will be paid for at one and one-half (1½) times the employee's straight-time hourly rate of pay. Overtime will be paid on the shift or on the week, whichever is greater, but in no case on both. Hours paid for at premium pay (other than hours included in the night premium) will be set aside for the purpose of computing weekly overtime. ~~Notwithstanding the above, employees may voluntarily work, provided they have signed the volunteer list, up to forty (40) hours in a holiday week at the straight time hourly rate of pay.~~

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.

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.

11. **ARTICLE 9 – WORKING CONDITIONS** (Company Counter to U5 Retail 9.08 & Meat 9E) *TA 6.10.20*

Delete stricken language and add changes in bold:

Section 9.08: 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.

12. **ARTICLE 9 – WORKING CONDITIONS**

Delete stricken language and add changed in bold:

Section 9.12: Part-time employees will be scheduled for a minimum of fifteen (15) hours per week, if the employee is available or if the part-time employee called in on Saturday (who has not previously worked that week) will be scheduled for the hours from the time called in to the time of store closing. For those part-time employees who are not scheduled during the week, and who are called in on Saturday, will be guaranteed ~~four (4) five (5) hours of work for pay in lieu thereof.~~

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

13. **ARTILCE 10- LEAVES OF ABSENCE**

TA 5.22.20

Section 10.01: 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

14. **ARTICLE 11**

TA 8.6.20

Section 11.01 – Eligibility: 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 one (1) week."

15. **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.**

16. ARTICLE 12 – HOLIDAYS

Section 12.01: Add changes in bold in fourth paragraph to read:

TA 8.6.20

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.**

17. ARTICLE 12- Holidays *Modify Proposal 8.25.20*

Section 12.01- Delete stricken language and add changes in bold:

Full-time employees who work their scheduled day immediately preceding a holiday and their scheduled day immediately following a holiday will receive eight (8) hours' pay in addition to the hours worked. Full-time employees who are absent on their scheduled day immediately preceding a holiday, the holiday (if scheduled), or their scheduled day immediately following a holiday will not be paid holiday pay unless absence is due to proven illness or the absence is excused by the Employer, in which case the employee will receive holiday pay, provided he worked any part of the holiday week. The basic work week in such holiday week will be ~~thirty-two (32)~~ **forty (40) hours**. **For all 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.

18. ARTICLE 14-Wages

Section 14.01-Delete Stricken Language: *See Attachment A*

Rates of pay and pay schedules as set forth in Wage Schedule "A", attached hereto, will remain in effect for the life of this Collective Bargaining Agreement. ~~All employees currently making above contract rates will receive like increases on their personal rates.~~

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

19. ARTICLE 14-Wages

TA 6.10.20

Section 14.02- Delete stricken language and add changes in bold:

If an employee is assigned to the job of Head Produce Clerk, Head Checker, Head Clerk, Head Delicatessen Clerk, General Merchandise Department Head, Lead File Maintenance Clerk, Any employee who is assigned to relieve a Produce Department Leader, Front-End Department Leader, Grocery Department Leader, Deli/Bakery Department Leader, General Merchandise Department Leader, Price Integrity Lead Clerk, or Lead Floral Clerk

20. ARTICLE 17- Health and Welfare *Modified 2.10.21*

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

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.

21. ARTICLE 23.07

Delete stricken language:

~~Prior work experience may be considered in determining a new hire's rate of pay.~~

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

22. ARTICLE 25- Clicklist Pick-Up **Modified 1.15.21**

Delete stricken language and add language in bold:

~~A new business format called ClickList PickUp will be piloted during the term of this contract. The ClickList Pick-Up Department will have the following positions: e-Commerce clerk and e-Commerce Department Lead clerk. Order Selector and Customer Attendant and Such associates will be compensated based on the clerks rates defined in the collective bargaining agreement. It is understood that all terms and conditions of employment of the Agreement shall apply unless specified below.~~

The number of positions will vary by store location. Internal candidates will be considered along with external candidates and will be selected based upon the overall qualifications for the positions as defined by the job descriptions for the positions. A position of **ClickList e-Commerce Department Lead** will be established and follow the Lead **wage** schedule in the collective bargaining agreement. The Employer will have the ability to assign additional Lead(s) if they deem it necessary. These positions will be supervised by an E-commerce ~~Manager~~ Supervisor.

It is understood that associates selected for the **ClickList PickUp** department may be utilized for other store work with his/her primary assignment being **ClickList Pickup**. ~~Any transfers out of the ClickList Department will not be considered until the associate has completed one (1) year of service within the ClickList.~~

This language updates titles.

23. ARTICLE 29- Expiration

Proposal: June 22, 2024

24. SCHEDULE "A" Wages

See Attachment A

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.

25. SCHEDULE "A" Wages Modified 2.10.21

Delete stricken language and add language in bold:

Assistant Department ~~Heads~~ **Leaders** will be designated for Grocery (day operation), Produce, Deli, Drug/GM (where Department ~~Managers~~ **Leaders** exist), and Front End in all stores with total store sales of at least \$150,000 per week, without fuel. These positions will receive a premium of seventy-five cents (\$0.75) per hour effective June 26, 2011. **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. Effective March 7, 2021, Lead Dairy Clerks and Lead Frozen Clerks will be added to this premium scale.**

Increasing premiums for Assistant Department Leaders and added a new tier for higher volume locations. Adds Lead Dairy and Lead Frozen to this premium scale.

26. SCHEDULE "A" Wages

Section .01 – 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 wage proposal.

27. SCHEDULE "A" Wages

Section .02 – 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.

28. SCHEDULE "A" WAGES

Section .03 B – Delete stricken language:

~~For employees losing full-time status, the process as in A above will be reversed. (For example, if an employee with five (5) months of full-time service since his last bracket increase or date of hire, whichever is~~

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.

later, loses his full time status, he will not receive a bracket adjustment until six (6) months of service has been completed since the last date of increase or date of hire, whichever is later.

~~B. For employees losing full time status, the process as in A above will be reversed. (For example, if an employee with five (5) months of full time service since his last bracket increase or date of hire, whichever is later, loses his full time status, he will not receive a bracket adjustment until six (6) months of service has been completed since the last date of increase or date of hire, whichever is later.)~~

~~C. Time spent as a Courtesy Clerk will not be counted for the above purpose.~~

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

29. SCHEDULE "A" WAGES

Section .04: Delete stricken language:

Effective August 9, 1992, the (former) Sav-On employees will be covered by this Little Rock Clerks Collective Bargaining Agreement. These employees will keep their present seniority dates. They will maintain their seniority dates when management transfers them to other departments (excluding Meat). ~~However, like Delicatessen employees, while working in the General Merchandise Department, these employees will only be able to exercise their seniority among other General Merchandise employees.~~

Our proposed language would allow associates to work in all areas of the store provided they are able to perform the work. Seniority rights still apply as outlined in Section 7.03

30. SCHEDULE A WAGES

TA 5.22.20

Delete stricken language and add changes in bold:

A-5- Effective four weeks following ratification (October 6, 2013), Department ~~Managers~~**Leaders** in Marketplaces and stores averaging \$900k or over (without fuel) will receive a thirty-five cent (\$0.35) per hour premium and Department ~~Managers~~**Leaders** in stores averaging between \$600k-\$899 (without fuel) will receive a twenty-five cent (\$0.25) per hour premium. Effective June 29, 2014, Department ~~Managers~~**Leaders** in Marketplaces and stores averaging \$900k or over (without fuel) will receive a seventy cent (\$0.70) per hour premium and Department ~~Managers~~**Leaders** in stores averaging between \$600k-\$899k (without fuel) will receive a thirty-five cent (\$0.35) per hour premium. Effective June 28, 2015, Department ~~Managers~~**Leaders** in Marketplaces and stores averaging \$900k or over (without fuel) will receive a one dollar (\$1.00) per hour premium and Department ~~Managers~~**Leaders** in stores averaging between \$600k-\$899k (without fuel) will receive a fifty cent (\$0.50) per hour premium. The premium is effective only for Department ~~Managers~~**Leaders** while they are assigned at the Marketplace or store averaging \$900k or over, or at stores averaging \$600k-\$899k. Sales Volume will be reviewed based on the Employer's thirteen (13) period fiscal year. Any changes will be effective the second (2nd) period of the subsequent fiscal year.

31. SCHEDULE "A" WAGES

TA 7.31.20

Section .05- 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.

32. SCHEDULE "A" WAGES *Modified 1.15.21*

Section .06- Add changes in bold:

Effective June 26, 2016, **Store Price Integrity Lead Clerk** ~~Lead File Maintenance Clerks~~ will receive one dollar (\$1.00) per hour premium. **Effective four (4) weeks following ratification, Lead Floral Clerks, Lead Receiving Clerks** ~~Lead DSD, and e-Commerce Department Lead Clerks~~ ~~Lead ClickList~~, will receive one dollar (\$1.00) per hour premium. Front End ~~Service Coordinators~~ **Lead Clerks** (one (1) per store), **Lead Floral Clerks**, Cheese Stewards (stores with full-service cheese shop), and Lead Nature's Market (with nutrition sales above \$25,000.00 average) will receive seventy-five cents (\$0.75) per hour premium.

It is understood that as nutrition is integrated into the grocery department the classification of lead nature's market clerk will be eliminated. No new leads will be appointed.

Premiums will increase for DSD Receivers and Lead Pickup. Nutrition Leads will remain in place until department has been integrated and we will work with leads during the transition to find other opportunities.

33. SCHEDULE "A" WAGES

TA 6.10.20

Section .07- Delete stricken language and add changes in bold:

In stores which have night stock operations, a ~~Head Night Stock Clerk~~ **Grocery Assistant Department Leader** will receive one dollar (\$1.00) per hour premium, effective June 26, 2011. Day stocking stores will not be eligible. On a regular night shift, fifty cents (\$0.50) night premium will be paid.

34. SCHEDULE "A" WAGES

Section .07- Add changes in bold:

Effective June 26, 2016, on a regular night shift, fifty cents (\$0.50) night premium will be paid. **Effective Sunday following ratification, employees will receive one dollar (\$1.00) per hour night premium.** Other regular employees scheduled to work beyond 12 midnight will be paid night premium for hours worked between 10 P.M. to 6 A.M. Courtesy Clerks are not eligible for night premium.

Night premium will increase from \$0.50 to \$1.00 for hours worked between 10PM to 6AM.

35. SCHEDULE "A" WAGES

TA 5.22.20

Section .08- Delete stricken language and add changes in bold:

In the event the Employer determines there is a need to create a new job classification within the Collective Bargaining Agreement, the Employer and the Union will discuss the position and agree upon the rate of pay to be assigned.

In the event a store has less than five (5) employees in the General Merchandise Department, the Employer is not required to fill the General Merchandise Department ~~Head Leader~~ position.

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.

36. SCHEDULE "A" WAGES

Delete stricken through language and add bolded language:

Courtesy Clerks ~~with less than eighteen (18) months' service who are promoted to Clerk will move to step 1 on the wage scale and progress from there. get full credit for their service. Those with over eighteen (18) months' service will go to the eighteen (18) month rate and progress from there.~~

This language has been modified to match the new wage proposal.

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	
Deli Dept. Leader	
Drug/GM Dept. Leader	
Front End Dept. Leader	
Grocery Dept. Leader	
Produce 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	
Dairy Lead*	
Deli Assistant	
Drug/GM Assistant	
Front End Assistant	
Frozen Food Lead*	
Grocery Assistant	
Produce Assistant	
*Premium Change for Dairy & Frozen Food Lead Effective 03/07/2021	

Leads - Premium Scale A	
No Sales Requirement	Hourly
Current	\$0.75
Premium Scale A - Classifications	
Cheese Steward	
Floral Lead	
Front End Lead	
Frozen Food Lead	
Fuel Lead	
Grocery Receiving Clerk	
Marketplace Lead	
Nutrition Lead	
Pick-Up Lead	

Leads - Premium Scale B	
No Sales Requirement	Hourly
Current	\$1.00
Premium Scale B - Classifications	
Dairy Lead	
Grocery Receiving Clerk*	
Pick-Up Lead*	
Store Price Integrity Lead Clerk	
For Marketplace Stores Only: One additional Store Price Integrity Lead Clerk may be appointed at employer's discretion.	
*Premium Change Effective 03/07/2021	

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

Department Leaders	Current CBA	
Front End, Produce, Grocery, Deli/Bakery, Drug/GM Leader	6/23/2019	
Payrate	\$18.34	

Red Circled Clerks	Current CBA	
	6/23/2019	
Payrate	\$16.47	
Payrate	\$14.70	

Full Time Clerks	Current CBA		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	\$11.0006	
After 42 Months	\$11.25	\$11.25	\$11.25	
After 48 Months	\$11.75	\$11.75	\$11.75	
After 54 Months	\$13.70	\$13.70	\$13.70	

Progression	New CBA			
	3/7/21	6/27/21	6/26/22	6/25/23
Payrate	\$18.84	\$19.34	\$19.84	\$20.34

Progression	New CBA			
	3/7/21	6/27/21	6/26/22	6/25/23
Payrate	\$16.87	\$17.27	\$17.67	\$18.07
Payrate	\$15.10	\$15.50	\$15.90	\$16.30

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 - \$11.0002 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 \$11.0006 or \$11.25 will move to \$13.25 (3rd Step)

*All employees with a rate of \$11.75 or higher will move to \$14.10 (4th 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.

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

Part Time 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.

Courtesy Clerks	Current CBA		Minimum Wage	
	6/23/2019	1/1/2020	1/1/2021	
	Start	\$8.50	\$10.00	\$11.0000
After 6 Months	\$8.50	\$10.01	\$11.0001	
After 12 Months	\$8.50	\$10.02	\$11.0002	

Progression	New CBA			
	3/7/21	6/27/21	6/26/22	6/25/23
Payrate	\$11.25	\$11.45	\$11.65	\$11.85

Wage Notes:

*All courtesy clerks will move to \$11.25

Little Rock Clerks 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 Clerks CBA.

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

Section 1.

Article 17 In the Clerk Agreement “UFCW Local 2008 and Kroger Delta Little Rock Stores” is replaced and modified to include the following changes.

Section 2. Participation

The Employer shall participate in the established South Central United Food and Commercial Workers Unions and Employers Health and Welfare Trust Fund, referred to as the “South Central Fund” through December 31, 2021 on the terms set forth below. Effective January 1, 2022, Kroger and the Union understand and agree that employees under the Little Rock Local 2008 Retail Clerk’s agreement (and their covered dependents) shall cease to be covered by the South Central Fund and that the healthcare benefits of this group will be provided and administered directly by the Kroger Company. Effective January 1, 2022, Healthcare benefits shall be provided through the Little Rock Meat Local 2008 Company Plan, a single-employer group health plan(s) sponsored by the Employer, referred to hereafter as the “Company Administered Plan” and as modified and described in further detail below.

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

Effective February 1, 2021, Kroger will switch to a Pass-Through methodology as it pertains to Little Rock 2008 healthcare expenses under the South Central Fund.

The Pass-Through methodology means that Kroger shall no longer make any hourly contributions to the South Central Fund. (The last payment of hourly contributions to the South Central Fund will be in February for January hours). Instead, Kroger will reimburse the South Central Fund monthly for actual medical claims submitted and adjudicated by the Fund. These claims and other reasonable and customary administrative expenses, related to the Kroger participants covered by this CBA, shall be paid to the Fund within five (5) business days of receipt of such itemized invoice by Kroger Accounting Services. In addition, the Fund shall be reimbursed by Kroger in accordance with the Pass-Through methodology for reasonable and customary expenses related to administration, Dental, Vision, Disability and Life insurance for the Kroger participants covered by this CBA.

Any outstanding claims expenses as of February 1, 2021 (including but not limited to any incurred but not paid claims or incurred but not reported claims as of February 1, 2021) and any itemized invoiced amounts for claims incurred on or after February 1, 2021 that would otherwise be payable under the Pass-Through method described above must first be paid through the current reserves of the Fund. Kroger will have no Pass-Through funding obligations unless and until the South Central Fund reserves for the Little Rock Local 2008 Retail Clerks related to Kroger’s participation in the Fund is \$300,000 or less (with such amount intended to be utilized for cash flow purposes). Any Pass-Through funding obligation under this section shall apply to claims incurred by the Little Rock 2008 Clerks group on or before December 31, 2021, along with reasonable and customary administrative expenses related to such claims. Any Pass-Through funding obligation hereunder shall not apply to, and Kroger shall not otherwise be responsible for, any claims incurred on or after January 1, 2022 or administrative expenses related to claims incurred on or after January 1, 2022.

Upon transition to the Company Administered Plan, the Employer will directly administer and fund all expenses related to medical, pharmacy, dental, vision, disability, and life insurance.

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 covered by the CBA will qualify for 2021 benefits coverage in accordance with the eligibility requirements outlined below.

Current Eligibility				
Plan Selection	Plan A		Plan B	
Hire Date	Hired Before 12.2010	Hired After 12.2010	Hired Before 12.2010	Hired After 12.2010
Employee Only	120 Hrs Per Month / 27.70 Hrs Per Week	120 Hrs Per Month / 27.70 Hrs Per Week	60 Hours Per Month / 13.85 Hrs Per Week	80 Hours Per Month / 18.45 Hrs Per Week
Employee + Spouse			N/A	N/A
Employee + Child(ren)			120 Hrs Per Month / 27.70 Hrs Per Week	120 Hrs Per Month / 27.70 Hrs Per Week
Employee + Family			N/A	N/A

***All Full Time associates are eligible for Plan A after 12 months of service**

***Only Part Time associates hired before 12.2010 are eligible for Plan A after 24 months of service**

- 2.) Effective January 1, 2022, employees covered by this Agreement will have healthcare benefits provided through the Company Administered Plan with the attached plan design.
- a. Current eligibility rules will remain in effect through 12/31/2021.
 - b. For associates hired prior to 3/1/2021: Eligibility for the plan year 2022 will be based on an abbreviated measurement period, which spans from March 2021 – September 2021.
 - c. For associates hired on or after 3/1/2021: Eligibility will be determined based on a 12-month measurement period that ends on the associate’s 12-month anniversary date
 - d. Eligibility for the plan year 2023 and thereafter will be based on the Company’s standard measurement period, which spans from October – September of each year.
 - e. Associates hired before 1/1/2022 will be subject to different eligibility rules vs. associates hired on or after 1/1/2022.
- 3.) 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 Clerks 2008 - Last Best Final 2.10.21

Attachment C

Current Benefits

Proposed Benefits - Effective 1/1/2022

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

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	In Network	Non-Network In Area
Day Supply Retail	30 Day Supply		30 Day Supply	
Retail Generic Copay	Greater of \$5 or 10%	Not Covered	Greater of \$5 or 10%	Not Covered
Retail Brand Formulary Copay	\$20 + 20% coins	Not Covered	\$20 + 20% coins	Not Covered
Retail Brand Non Formulary	\$20 + 20% coins	Not Covered	\$20 + 20% coins	Not Covered
Specialty Generic	Greater of \$5 or 10%	Not Covered	Greater of \$5 or 10%	Not Covered
Specialty Brand Formulary Copay	\$20 + 20% coins	Not Covered	\$20 + 20% coins	Not Covered
Specialty Brand Non Formulary Copay	\$20 + 20% coins	Not Covered	\$20 + 20% coins	Not Covered
Days Supply Mail-Order	90 Day Supply		90 Day Supply	
<i>Mail-Order Generic</i>	\$5 Copay		\$5 Copay	
<i>Mail-Order Brand Formulary</i>	\$50 Copay		\$50 Copay	
<i>Mail Order Brand Non Formulary</i>	\$50 Copay		\$50 Copay	
<i>Mail Order Specialty Brand Formulary</i>	\$50 Copay		\$50 Copay	
<i>Mail Order Specialty Brand Non Formulary</i>	\$50 Copay		\$50 Copay	

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	In Network	Non-Network In Area
Voluntary	No		No	
Eligibility Requirement	Tied to Medical		Tied to Medical	
Eligible to Dependents	Yes		Yes	
	In Network	Non-Network In Area	In Network	Non-Network In Area
Annual Deductible	\$0	Not Available	\$0	Not Available
Preventive Coinsurance	80%	Not Available	75%	Not Available
Basic Coinsurance	80%	Not Available	75%	Not Available
Major Coinsurance	80%	Not Available	75%	Not Available
Annual Maximum Benefit	\$1,500	Not Available	\$1,000	Not Available
<i>Orthodontia Coverage</i>	Yes	Not Available	No	Not Available
<i>Orthodontia Deductible</i>	\$0	Not Available	\$0	Not Available
<i>Orthodontia Coinsurance</i>	50%	Not Available	N/A	Not Available
<i>Orthodontia Lifetime Maximum Benefit</i>	\$1,500	Not Available	N/A	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	In Network	Non-Network In Area
Voluntary	No		No	
Eligibility Requirement	Tied to Medical		Tied to Medical	
Eligible to Dependents	Yes		Yes	
	In Network	Non-Network In Area	In Network	Non-Network In Area
Eye Exams	100% Covered - Every 12 Months	Max Allowance \$45 - Every 12 Months	100% Covered - Every 12 Months	Max Allowance \$45 - Every 12 Months
Prescription Glasses Lenses				
--Single vision lenses	100% Covered - Every 12 Months	Max Allowance \$40 - Every 12 Months	100% Covered - Every 12 Months	Max Allowance \$40 - Every 12 Months
--Bifocal lenses	100% Covered - Every 12 Months	Max Allowance \$60 - Every 12 Months	100% Covered - Every 12 Months	Max Allowance \$60 - Every 12 Months
--Trifocal lenses	100% Covered - Every 12 Months	Max Allowance \$80 - Every 12 Months	100% Covered - Every 12 Months	Max Allowance \$80 - Every 12 Months
Frame	Max Allowance - \$130 Every 12 Months	Max Allowance \$45 - Every 12 Months	Max Allowance - \$130 Every 12 Months	Max Allowance \$45 - Every 12 Months
Contact Lenses (In Lieu of Glasses)	Max Allowance - \$130 Every 12 Months	Max Allowance \$130 - Every 12 Months	Max Allowance - \$130 Every 12 Months	Max Allowance \$130 - Every 12 Months
Income Replacement				
Life insurance	Minimum: \$3000 *Maximum: 100% of Salary		Minimum: \$3000 *Maximum: 100% of Salary	
AD&D	50% of Death Benefit		50% of Death Benefit	
Dependent Life Insurance	Spouse - \$2,000 Child - \$1,000		Spouse - \$2,000 Child - \$1,000	
Loss of Time - Weekly Benefit	60% of Salary		50% of Salary (2 Years of Service)	
Loss of Time - Maximum Weekly Benefit	\$350		\$300	
Loss of Time - Maximum Benefit Period	26 Weeks		13 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)

Effective January 1, 2022, the Employer will offer coverage for Little Rock Local 2008 Clerks 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.