



King Soopers/City Market Offers Monumental Investment while UFCW threatens Disruption

Why would UFCW Local 7 create uncertainty and disruption on the most significant wage investment in company history?

Denver, CO (January 11, 2022) – Today, King Soopers/City Market proposed, by email, a Last, Best and Final Offer to UFCW Local 7. The investment of \$170 million over the next three years includes wage investments plus ratification bonuses for all associates. The company also proposed an additional investment in healthcare benefits that would result in zero impact to associates current healthcare premiums based upon the current projections – premiums that have not increased in 12 years if this agreement is ratified. This offer not only puts more money in associates’ pockets but if accepted, promises to bring stability to our associates and Coloradans who have endured enough uncertainty and disruption.

“At King Soopers, we want what is right for our associates, and that is more money in their paychecks while continuing to receive industry-leading healthcare benefits,” stated Joe Kelley, president of King Soopers/City Market.

Here’s what this proposed investment means for King Soopers associates:

Wage Investments –

Wage increases up to \$4.50 per hour in the first year, based on job classification and tenure, with additional increases over the life of the contract.

- Starting rate of pay will be increased to \$16 per hour.
- Ratification bonuses for active associates:
 - \$4,000 for associates with 10+ years of service
 - \$2,000 for associates with less than 10 years of service.

What does this investment mean for a checker with five years of experience?

A checker’s current wage is \$19.51 an hour, and this contract will provide the following increases:

- 2022 + \$1.50 = \$21.01
- 2023 + .80 cents = \$21.81
- 2024 + .80 cents = \$22.61

For a full-time checker, their annual compensation would be over \$47,000 annually, in addition to their industry-leading healthcare and pension benefits.

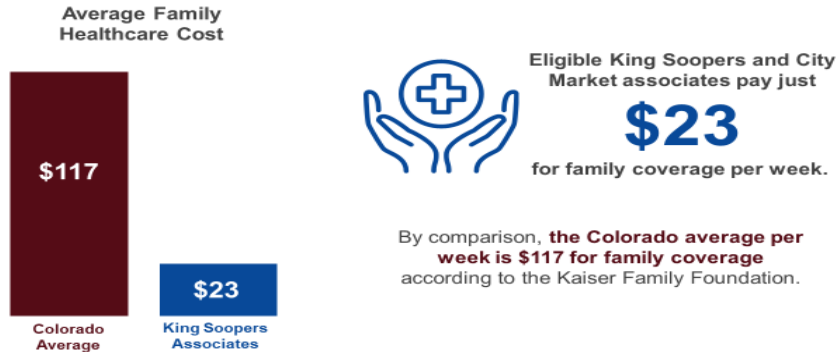
Market Leading Healthcare –

King Soopers associates have not experienced an increase in healthcare premiums since 2012, and based on projections, and there will be no increases through 2025.

To demonstrate the value of these affordable, top-quality benefits, below is an example of what associates currently enrolled in the company’s family coverage plan pay, compared to the average monthly cost of healthcare in Colorado – of note, Local 7 does not contribute to healthcare benefits:



Our Industry Leading Healthcare



King Soopers/City Market remains focused on the bargaining process and doing what is best for its associates, customers, and community. As Colorado's grocer, King Soopers aims to balance significant wage increases for associates with keeping food affordable for customers. King Soopers encourages the UFCW to join the company in doing what is best for everyone by presenting this offer to its members and allowing them to determine what is best for them and their families.

To learn more about King Soopers, please visit [here](#).

About King Soopers/City Market

At King Soopers/City Market, a company of The Kroger Co. (NYSE: KR), we are Fresh for Everyone™ and dedicated to our Purpose: To Feed the Human Spirit®. We are 22,502 associates who serve customers daily through a seamless shopping experience throughout Colorado. We are committed to creating #ZeroHungerZeroWaste communities by 2025. To learn more about us, visit our [newsroom](#) and investor relations [site](#).

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Media Contact

Jessica Trowbridge

Email – jessica.trowbridge@kingsoopers.com

Phone – (720) 980.2939