



Fact Check on Union Communication

September 24, 2020

We remain at bargaining impasse or deadlocked and continue to move forward with implementing our Last, Best and Final Offer.

Since negotiations began in February, we have been very transparent on our proposals and offers. The union continues to misinform you with incorrect information concerning our Last, Best and Final Offer and bargaining impasse. While there are many inaccuracies and misrepresentations in the union's recent communications concerning our offer and implementation, we want to address a few with this update. **Our proposals, along with detailed explanations on wages, health care and other terms, are available for you to download and review at www.krogerhoustoncba.com.**

Union's Misrepresentations	Facts
Kroger is implementing frozen wage levels that will lock you in and prevent you from progressing to the top rate.	<p>Wages will not be frozen.</p> <ul style="list-style-type: none"> • Every associate will receive an increase within six months and receive annual increases through the life of the contract. • Keep in mind that in October 2019 (mid-contract), the company significantly increased wages and condensed the wage scales by 3-6 steps, putting more money in your pocket faster. • See your store leader for a wage sheet that shows what our wage increases mean for you.
Kroger's communication sheet says their proposed "health care benefits are guaranteed through the life of the contract," but that is not what their contract offer states.	<p>Your benefits through a company-administered plan are guaranteed through the life of the contract and backed by the Kroger family of companies.</p> <ul style="list-style-type: none"> • The union is referencing language on our ability to change vendors or administration processes during the term of the contract. • As a matter of fact, we state that this language doesn't affect your benefit coverage and eligibility. • We are legally bound to follow what we have stated in our offer, and we will.
In the meantime, enroll in the South-Central Fund for 2021.	<p>Kroger will no longer contribute money to the South-Central Fund for your 2021 benefits. You must enroll in the company-administered plan to have benefits effective January 1, 2021.</p>
Kroger's unilateral implementation bypasses the bargaining process and is illegal.	<p>According to the National Labor Relations Act, implementation is lawful when there is bargaining impasse.</p>