



## **RALPHS STORES REMAIN OPEN TO SERVE OUR COMMUNITIES**

*Company proposal invests \$141 million in new wages and prevents increases in associates' health care costs while keeping groceries affordable and maintaining a sustainable business.*

**LOS ANGELES – March 27, 2022** – Ralphs stores remain open to serve Southern California's communities despite the strike authorization obtained by United Food and Commercial Workers (UFCW) Locals. The union's strike authorization, which is unrelated to Ralphs' labor negotiations, will not derail the company from resuming bargaining for a new contract on March 30.

"Our proposal invests \$141 million in new wages and prevents increases in health costs. This is a serious commitment by Ralphs to Southern California and to our exceptional associates," said Robert Branton, vice president of Operations at Ralphs. "Our three goals throughout negotiations are to reward and invest in our people, keep groceries affordable for our customers and maintain a sustainable business that creates jobs in the future. Ralphs' proposal meets all three goals. The current UFCW proposal only meets one of those goals. We encourage the UFCW to join us in meaningful and balanced negotiations to promptly deliver wage increases to our associates."

### **Nobody Wins in a Strike**

Ralphs believes no one wins in a strike – not our associates, not our company, not our communities and not the union. A nine-day strike in January by UFCW members working at King Soopers and City Market locations in the Denver metro area ended with UFCW Local 7 settling for \$9 million less for its members than what the company proposed in its last, best and final offer before the strike.

### **Operating a Sustainable Business while Investing in Leading Wages and Benefits**

Ralphs' latest proposal would include:

- An investment of more than \$141 million in new wages over the next three years
- All associates would receive wage increases through the life of the contract and top rate associates would receive a nearly \$2 hourly increase to their current industry-leading pay.
- The current proposal would not require any increases in health care costs for associates.

For example, Ralphs is offering a full-time cashier with five years of experience a pay raise of nearly 9% over the life of the contract. The UFCW proposal seeks a more than 20% increase. This is a non-starter – and would lead to \$400 more in grocery bills annually for the typical Southern California family. Not only would the union's wage proposal raise grocery prices, but it could also push many customers to non-union competitors who do not respect collective bargaining and ultimately reduced market share and unionized employment at Ralphs.

By comparison here's how the company's proposal compares to other professions in California:

To learn more about ongoing negotiations and the benefits offered for Ralphs associates, please visit [www.RalphsCBA.com](http://www.RalphsCBA.com).

### **About Ralphs**

At Ralphs, 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 18,000 associates in 184 stores who serve customers daily through a seamless shopping experience throughout Southern California and the Central Coast. 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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