## 2021 Health Care Program



Kroger: Large Employer's Pandemic Response



## **Overview**

- Kroger by the numbers
- Planning
- Revisiting the timeline
- · Call to action
- Kroger COVID-19 Taskforce
  - Enterprise Dashboard
  - Retail Operations
  - Supply Chain
  - Associates
  - Communication
- · Work continues



## **Pandemic Plan**

- Documented strategy for how an organization continues to provide essential services during a wide community spread of a highly communicable disease
- The plan should outline how to deal with large absentee rates over a long period of time
- Risk mitigations strategies
  - Non-pharmaceutical interventions
  - Communications
  - Deploying pharmaceutical interventions

Adapted from: https://en.wikipedia.org/wiki/Disaster\_recovery

## **Business Continuity Plan**

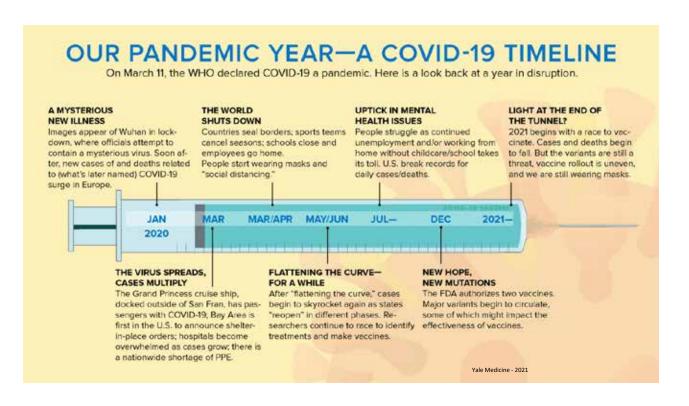
- Documented strategy designed that outlines how an organization will continue to function during an unplanned disruption of service.
- Typical plans use checklists that outline each department's function and employee allocation and role
- Plans may include details for near term or long-term outages

Adapted from: https://www.ibm.com/services/business-continuity/plan

## **Disaster Recovery Plan**

Involves polices, procedures and tools to aid in and organization's recovery of important technical architecture either from some widespread disaster

Adapted from: https://en.wikipedia.org/wiki/Disaster\_recovery



## Our Early COVID-19 Response Timeline





## The Call to Action

- The Blueprint
  - https://www.thekrogerco.com/blueprint/
- Business continuity plan
- Disaster recovery plan

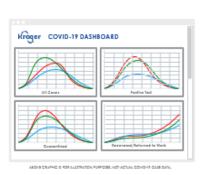




# Follow the science and follow the data

## Enterprise COVID-19 Dashboard

- · Cases vs exposure
- Quarantine
- Isolation
- Hospitalization and deaths
- · Community transmission and positivity rate
- Vaccine distribution
  - · First shot, second shot and booter
- Mask mandate and vaccine mandate
- Facility requirements



## **Kroger COVID-19 Task Force**

- Asset Protection
- Business Continuity
- Corporate Communications
  - External & Internal
- Facilities
- Health & Wellness
- Legal
- Manufacturing

- Marketing
- Merchandising
- Retail Operations
- · Safety and compliance teams (food safety, environmental, risk)
- Sourcing
- Supply Chain
- Technology/Digital
- Travel



## Flattening the Curve in Retail

As America's grocer, we've spent the past six weeks focused on actions to help slow the spread across our footprint of nearly 2,800 retail stores in 35 states.

In every decision we make, we strive to balance our most urgent mission—to provide a safe environment for our associates and customers—with being here for our communities when they need us most. This often meant

being flexible to quickly adapt to new ways of working. At other times, it meant slowing down to provide a refresher on basic best practices, including proper handwashing techniques and steps to

Whether you operate one store or thousands of locations across the country, we recommend these initial steps to ensure a safe

















Retail Ops



### **Prepare Employees for Difficult Situations**

In many ways, the pandemic has brought out the best in people, but the stress and fear can lead some to be confrontational. Prepare your employees to respond to these situations carefully to help ensure their safety. We prepared deescalation tips for our employees and our store leaders, as well as ensured our leaders had talking points to use when communicating COVID-19information to their teams, vendors and customers.

#### **Ensure Easy Access to Information**

Employees must be aware of the latest safety protocol in order to follow it. Regular communications and easy-to- access resource documents will help ensure your guidelines are understood and

What steps can you take now to communicate and train employees and leaders on new safety procedures?



### **Embrace Digital Options**

Digital capabilities allow us to maximize physical distancing practices, utilize contactless transactions and continue to provide an excellent shopping experience. Evaluate your business model and available technology to see where you can increase your digital presence and increase contactless payment options. Here are some options to consider:

#### **Contactless Payments**

Technology solutions are available to minimize the contact your customers have when completing purchases. Consider leveraging your own technology like Kroger Pay or third- party services, to allow customers to shop and pay without touching a pin pad or handling cash. Also, if you have self- checkout at your locations already, consider increasing availability or support staff to allow more customers to check out independently.

If you don't already have this capability, are there third-party vendors who can quickly provide virtual services for your business?



#### **Alternative Ways to Get Purchases**

Along the same lines as contactless payments, consider options for customers to do their shopping and get their purchases with minimal contact, including pickup and delivery. If available, these suggestions can help support digital options:

- Offer free or reduced fees on pickup or delivery services.
- Encourage employees to practice physical distancing during pickup and delivery by talking with the customer through a passenger window, loading items directly into the customer's trunk without contact, or leaving items at their door.
- Be prepared for demand and adjust online availability if items become unavailable or place limits if appropriate.
- Make some locations pickup or delivery only to minimize employee/customer contact.

- How will your staffing need to change based on virtual offerings?
- Is there additional training that employees or leaders will need to support these options?
- How will you respond to long wait times or product availability issues?



### Prepare to be Flexible

Being prepared for changes to occur in supply and demand is critical, especially during a rapidly evolving, and oftentimes unpredictable, public health event. Moving fast, having a contingency plan and remaining flexible will set your business up for success. Consider these areas to ensure you're able to remain flexible:

- Develop a broad, cross-functional task force with multiple touch points per day to quickly manage issues and communicate status.
- · Proactively vet potential new suppliers in order to meet increase in demand
- Identify critical tasks and cross-train employees to flow to the work
- Be proactive and make quick, yet informed decisions. Things change by the minute and require decisive action.
- Plan for extended lead times, up to 3x, depending on origin and product.

- Understand critical needs within your supply chain, and identify local solutions vs. best solutions. When possible, determine your in-house capabilities.
- Ensure diversity in the value, location and capabilities of your supply chain partners.
- Understand rules associated with the regulatory body that governs a decision (e.g., getting permits at a local level vs. state
- Regularly update account information and make sure it's easily accessible to expedite shipments as needed.

- resider this...

  Are you prepared to limit third parties in your facilities to protect
  the safety of your employees? Will this affect your ability to
  remain open?

  Automated processes don't take pandemics into consideration. Are
  you able to override systems or revert back to manual decisionmaking to ensare the right decision is being made to fulfill needs?

  How far out can you extend forecast information?



#### **Supplying America**

The importance of a healthy supply chain has never been more critical to our communities than in the face of this global pandemic. As the nation's largest supermarket retailer, Kroger's extensive supply chain is constantly evolving to meet the needs of our customers and communities.

In response to the COVID-19 pandemic, we reinforced our supply chain best practices by monitoring rapidly changing shopping trends, focusing on in-demand products, maintaining high productivity and prioritizing the health and safety of our associates

Regardless of the size of your business, these steps will help ensure your supply chain continues to operate safely and efficiently during uncertain times:











#### **Enhanced Safety Procedures**

To meet the changing needs of our stores and our communities, we made changes to many of our processes. Safety has always been one of our core values, but in response to this global health event, the bar was raised.

Here are some of the ways we promote healthy habits in our supply chain:

#### **Educating Employees**

We all know we should wash our hands often throughout the day and keep a six-foot distance, but when we get busy at work, a quick reminder is always helpful. Regularly encourage employees to practice hygiene and physical distancing recommendations from the Centers for Disease Control and Prevention (CDC) and other government agencies through your communication channels. Here are a few options to consider.

- Post signage at employee entrances, timeclocks, in breakrooms and employee restrooms about the importance of following healthy habits.
- Prepare discussion guides or talking points for leaders to use that encourage employees to follow recommended hygiene and physical distancing practices.
- Provide floor decals, buttons or badges to encourage social distancing.
- Also, don't underestimate the power of your external messages to reach your employees as well.

#### Consider this

- Do you have proper signage reminding employees of enhanced safety protocols?
- Have you provided leaders with talking points and easy-toaccess guidelines to reinforce in your facilities?

Supply Chain



#### Vendor, Driver and Visitor Safety

Managing the safety of non-employees in your supply chain presents a different set of challenges. In addition to the education and cleaning actions previously explained, here are a few steps to help protect your employees and others who may enter your facilities.

- Post signs at entrances and checkpoints notifying visitors to STOP if they are sick and ask them not to enter your facility.
- Increase the availability of hand sanitizer, wipes and cleaning
  of frequently touched surfaces for vendors, drivers and
  employees.

What is the best way to maintain availability of important sanitation supplies?

Create a plan for how you will acquire and distribute these items. Sourcing of supplies can be a challenge in the current environment. If supplies are in short supply, consider adding an employee to sanitize cart or frequent touch points during all hours of operation.

 Encourage delivery drivers and other visitors to practice good hygiene through signage and offer hand sanitizer or hand washing stations where available.

- Temporarily eliminate non-critical work/projects that utilize contractors or vendors.
- Consider modifying your receiving process.

How can we eliminate unnecessary touchpoints within our supply chain, including vendor deliveries?

Kroger is suspending signatures required on some deliveries to further promote physical distancing.

- Encourage drivers to comply with physical distancing by waiting in their tractors and conducting status updates via phone versus from to from
- Ensure signing stations are located six feet from other individuals, and that cleaning supplies, hand sanitizer, gloves and extra writing utensils are available.

#### Office Locations

- Temporarily suspend visitors from all office locations unless business critical.
- Suspend business travel and encourage the use of digital meetings where possible.
- Encourage those who can successfully perform their work from home to do so until further notice.



### Supporting Your Team During Uncertain Times

No matter what your business is, your people are your greatest asset. They work hard to serve your customers and achieve your goals. Throughout the pandemic,

our employees remained on the frontline to ensure our customers and our communities had access to fresh food and essentials when they needed them most. We've learned a lot along the way, In this section, we're sharing some of the steps we've taken to support and recognize our employees while being there for our customers and communities.



Employee Safety a Well-Being





Support to Employee



People

#### **Provide Holistic Support to Employees**

The COVID-19 pandemic has created unprecedented circumstances for everyone. Be honest with your team. It's OK to not know all the answers, but your employees need to know that you are there to support them. This requires more than words —although those help, too. You need to show your support through your actions. The areas outlined below may be helpful when determining how to support your employees:

#### Benefits

Reviewing your overall benefits package is a great place to start when looking for ways to support your employees. You may find opportunities to expand your current policies or identify gaps that may need filled by new benefit offerings. Here are some examples:

- Health Benefits: Many health insurance providers are
  offering dedicated COVID-19tools and resources. They may
  have educational flyers or even online healthcare options, such
  as telehealth functionality. Make sure to promote these
  resources along with reinforcing where employees can review
  their coverage to help them understand the healthcare options
  available to them.
- Financial Benefits: This pandemic has had a tremendous financial impact on many Americans. If you offer a 401(k)plan to employees, your plan administrator may have services available to help your employees with budgeting, investing and managing financial hardship.

#### Are there any legislative updates we should make our employees aware of?

Answer: The CARES Act legislation made it possible for those affected by COVID-19 to withdraw up to \$100,000 of their employer-sponsored retirement funds without penalty; however, your plan must opt in to this benefit.

 Mental and Emotional Support: As the pandemic continues, many people may experience anxiety or stress due to the unce rtainty. While this is a normal response, it can have a serious impact on your employees. Look

for opportunities to provide counseling and resources through an employee assistance program or other service. Many of these programs can provide virtual one-on-one support.

## How can we set our leadership up for success in the current environment?

Leading during a crisis is challenging and requires managers to use both their heads and their hearts. Invest time preparing your managers to lead with empathy in these circumstances.

 Other Benefits: You may find that employees struggle to return to work due to lack of childcare or other needs at home that have occurred as a result of the pandemic. Consider providing information on community resources that may be able to help or offering hardship grants to employees who need extra support.

### What are examples of more immediate financial assistance companies can provide?

We amended our existing employee support fund – Helping Hands – to provide small grants to employees impacted by COVID-19.

#### Recognition

Depending on your type of business, employees may face unusual circumstances when they return to work. This could mean working longer than normal hours, experiencing increased pressure or stress, or feeling unsafe or at-risk while working. During these times, recognition of their efforts

can go a long way toward increasing their comfort and satisfaction at work. Here are some options:

- Say "Thanks:" If your business has been hurt by the pandemic, you may not be in a position to offer additional pay or perks, but that doesn't mean you can't show appreciation. Be transparent and acknowledge that these are unusual times, requiring unusual effort. Thank your teams for their work and let them know their efforts are noticed.
- Discounts or Perks: Consider both large and small-scale perks, including product discounts or other employee- only benefits. You may even consider partnering with another nearby business to offer perks for each other's employees.
  - What established benefit programs do you have that can be leveraged or expanded to better support employees during this time?
  - What can you do to say "thank you" to employees for their



## Engage Employees in Your Pandemic Response

None of us have all the answers in this pandemic. We're all learning along the way. One of the best ways to learn what's working and what's not is to ask those on the frontline.

Ensure you have multiple lines of two-way communication with your

Ensure you have multiple lines of two-way communication with your employees, helping you identify problem areas and quickly respond to meet your employees' needs. Here are some ways to keep the lines of communication open:

- Create an Employee Hotline: Setting up a phone hotline or email box provides employees a channel to ask questions, voice concerns and share ideas up the chain.
- Source Direct Feedback: Ask your employees how they're doing and what they need through a survey.
- Share Findings and Actions: Getting employee input is just one side of the conversation. Follow up with employees, share what you learned and what actions you plan to take to address their concerns.

#### Consider this.

- What channels do you have for employees to share concerns?
- Are you prepared to respond accordingly to foodback received?



#### Communication

s

#### **Rethink the Office**

Whether you are new to remote work or are extending it longer than expected, these are important focus areas as you transition to a more virtual workforce:

#### Technology

Access to reliable technology is critical for an efficient and effective remote working environment. Here are a few tips for keeping your team connected and collaborative while they're safely working from

- Evaluate Equipment Needs: Take a look at your office workforce to determine how many have the tools and equipment they need to work from home. Create a plan to obtain proper equipment for those who need it, including laptops, remote access tokens, etc.
- Have Support Available: Our tools are only as good as our ability to use them. Make sure your employees have easy access to reference guides, tip sheets, and support lines for the resources they'll need at home, including virtual meeting tools and VPN.
- Prepare Managers: Leading a team remotely can be challenging. Invest time in training or education resources to help managers effectively lead and support employees during this difficult time.

#### Safety in the Office

As office locations begin to reopen, it's important to implement and consistently monitor new precautions to safeguard employees.

- Follow Physical Distancing Practices: Be intentional about creating extra space in the office. Ask employees to spread out and limit in-person meetings. You may even consider alternative work schedules to reduce the number of employees in the office.
- Determine Plan for Common Areas: Before reopening your offices, make sure to have a plan for frequent deaning of all common areas (eg., restrooms, break rooms, cafeterias, etc.) and frequently touched surfaces (eg., door handles, elevator buttons, etc.)

#### Consider this..

- Do you have the technology and resources to support remote work?
- Do you have a reimbursement policy in place for employees using their own device or services while working from home?
- What measures can you take when reopening offices to promote safety and well-being in the work environment?

#### Establish Your Crisis Response Framework

In the early days of the pandemic, our first step was to establish a COVID-19Task Force representing leaders from Kroger's various business units. The strategic group was responsible for quickly activating our COVID-19preparedness plan and coordinating with Kroger's senior leadership to

help our business navigate the rapidly evolving public health event. Read more about how we formed our COVID-19 Task Force in the Getting Started section of this Blueprint.

As key members of the task force, our Corporate Affairs and Marketing leaders were charged with not only providing strategic input, but also communicating real-time business, policy and process change decisions to the organization's employees, customers and community stakeholders.

With a strong framework in place, our team was able to quickly and confidently communicate with our key audiences. We also used the PESO media model (paid, earned, shared and owned) as a strategic approach to amplify our key crisis messages.

To create or strengthen your business' crisis response framework, consider these important steps.

#### Alian on Guidina Principles

Although having a plan is critical, communicating during uncertain times often requires flexibility and rapid decision- making that can't be mapped out in advance. To ensure our team was prepared to make efficient and effective decisions in these situations, we aligned on key principles to quide our communications:

#### 1. Lead with Purpose

All decisions must hold true to Our Purpose, to Feed the Human Spirit, and Our Values of Integrity, Honesty, Diversity, Inclusion, Safety and Respect.

#### Be Transparent

Rumors are created to fill voids and can be prevented with transparent information. We may not have all the answers, but we will be proactive about sharing what we know, what we've learned, what is going well and where we can improve.

#### 3. Communicate with Employees First

Our communications will support our people-first culture.

#### 4. Communicate Early and Often

It's more important for information to be shared quickly than for it to be perfectly comprehensive. We can always build on initial updates, but when it comes to the health and safety of our employees, customers and communities, immediate action is our priority.

#### 5. Get Feedback

Unprecedented times require new ways of working, which means we won't do everything perfectly the first time. Seek out opportunities to source input from key audiences and integrate their feedback when possible.

Because every business is unique, your guiding principles will likely be different from ours. To establish an effective framework, carefully consider the values and priorities of your organization and secure full alignment from your key leaders and communications team.

#### Define Roles & Responsibilities

Whether you operate a lean startup, small business or Fortune 500 corporation, having a communications strategy will better position your business to navigate the crisis successfully. Maintaining consistent, efficient communication during a crisis is more manageable when you have a high-level plan, define clear ownership and streamline the review and approval process for key messages and content.

As part of your strategy development, it is important to think about your audiences and the required communication approach:

#### External Communications

Manages external communications content and channels, fields media inquiries, distributes information to press, speaks on behalf of the company, works closely with the Customer Communications and Marketing teams, etc.

#### Internal Communications

Manages internal communications content and channels, distributes information to employees, sources employee feedback to drive future business decisions, collaborates with Human Resources to respond to employee questions or concerns, etc.

### Leadership Communications

Manages internal and external communications for leaders to create greater visibility of executives among employees and customers, humanizing the brand/ business and instilling greater trust and confidence.



Nothing herein constitutes legal advice or other formal direction or guidance of a kind. The information herein is offered for general informational purposes only.



**Customer Communications and Marketing** 

Manages customer communications content and channels, sources customer feedback to drive future business decisions. fields customer questions or concerns via a call center, email and

Store and Operational Communications

Manages store-specific internal communications, distributes corporate, division and store updates on policies, merchandising, maintenance, customer service and beyond.

Government and Policy Communications

Manages policy communications and engagement with federal, state and local government agencies and officials, informing of operating environment and advocating for resources and support.

Community Communications

Manages community partner communications, speaks on behalf of the organization's nonprofit foundation and stewards financial grants to purpose-driven organizations.

Investor Communications

Manages communications to keep investor community informed of business continuity plans, operating environment, response and investments.

Storytelling and Multimedia Commu

Manages the creative direction and execution of multimedia communications, works closely with internal and external communications to elevate compelling brand stories via video, photography, graphics and more.

Keep in mind that, depending on the size of your business, multiple people may support one role, or alternatively, one person may be responsible for multiple roles.

My communications team doesn't have the capacity to manage multiple channels. What should we prioritize?

In crisis communications, it's important to be selective about where to invest your team's limited time and energy. Start by making a list of your primary audiences and business-critical communication needs, then structure your team and strategy

## **Our Frontline Associates**



Appreciation Pay
Wepaid all eligible full- and
part-time frontline grocery,
pharmacy, supply chain,
manufacturing and call center as sociates a wage premium from late March though mid-May and multiple thank-you bonuses.



Paid Leave We provided COVID-19 Emergency Leave to associates most directly affected by the virus or experiencing related symptoms, and provided paid time off.



#### Personal Protective

Personal Protective Equipment (PPE) We called on federal and state official is to designate grocery store as sociates as "a xtended first responders" to ensue priority access to PPE after healthcare workers. Face masks are mandatory for as sociates, and we require customers to wear face coverings in our stores as well.



Promoting Health
We encourage associates to
monitor their health and hose with
symptoms to stayhorne. We
provide free COVID-19 lessing to
associate shased on medical
need, Kroger Health also
introduced COVID-19 Teist Home.
Collection Kits, available first to frontline associates in partnership with Gravity Diagnostics.



Physical Distancing We installed new protective partitions at checklanes and pharma cy counters ac ross the country and installed signs and foor decals and implemented ou stomer capacity limits all to promote physical distancing.



ExpressPay
We added an ExpressPay
option that all ows most hourly
associates to access pay more quickly during these challenging times



Helping Hands We added\$15 million to Kroger's Helping Hands Fund, which offers emergency financial assistance to associates, expanded grant eligibility and expedited payments. So far, nearly 1,100 associates have received a total of \$55,0000 in COVID-19 relief.



#### Health Services

We promoted access to mental health services and other benefits to support associates' mental and physical well-being.

Hear more about Kroger's COVID-19

## **Our Customers and Communities**



Enhanced daily sanitation in high-traffic areas like cashier stations, self-checkouts, credit card terminals, foodservice counters and shelves.



Adjusted store hours to enable more cleaning and replenishing, reduced occupancy limits and set Special Shopping Hours for higher-risk customers in select markets.



Promoted and increased the capacity of Kroger Pickup, Delivery and ship-to-home services for convenient, low-contact shopping.



Piloted a Pickup-only store in Cincinnati to address increasing demand, waived fees for curbside Pickup service and began accepting SNAP benefits for online orders.



Enhanced pharmacy services to ensure access to medications, waived prescription delivery fees and promoted the Kroger Rx Savings Club, provided by GoodRx Inc., for additional savings on common prescriptions.



Health clinics adjusted procedures for staging and screening patients, and we expanded telemedicine and free telenutrition services for customers during COVID-19.





# **Faculty**

Dr. Marc R. Watkins, M.D., M.S.P.H., F.A.C.O.E.M. is the chief medical officer for Kroger Health in Brentwood, Tenn., the health care arm of The Kroger Co., which comprises more than 2,200 pharmacies in 37 states and Washington D.C., more than 220 locations of The Little Clinic in nine states, and 11 specialty pharmacies across the country. Working with a cross-functional team of pharmacists, nurse practitioners, physician assistants, dietitians and technical care providers, he helps to develop the strategic direction and overall clinical program initiatives for Kroger's providers and delivers clinical guidance for associate benefit design. Dr. Watkins is also responsible for regulatory and accreditation requirements, maintaining a comprehensive suite of high-quality care for patients. Since the outbreak of COVID-19, he has also advised the company on its response, including testing and vaccination efforts. Dr. Watkins joined Kroger in 2015 as vice president and medical director of The Little Clinic. In August 2018, he was promoted to Chief Medical Officer of Kroger Health. Prior to joining Kroger, he spent six years with Concentra Health Services in various physician leadership roles, providing strategic, operational and clinical program development to major employers across the country. Dr. Watkins is a Fellow of the American College of Occupational & Environmental Medicine. He served five years active duty in the Navy as Senior Medical Officer and twice received the Navy Commendation Medal. Dr. Watkins received his B.A. in philosophy from the College of the Holy Cross in 1991, and his M.D. in medicine in 2002 and his M.S.P.H. in public health from Meharry Medical College, a historically Black medical school.