Sharing What We've Learned:
A Blueprint for Businesses

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KrogerBlueprint.com

Kroger
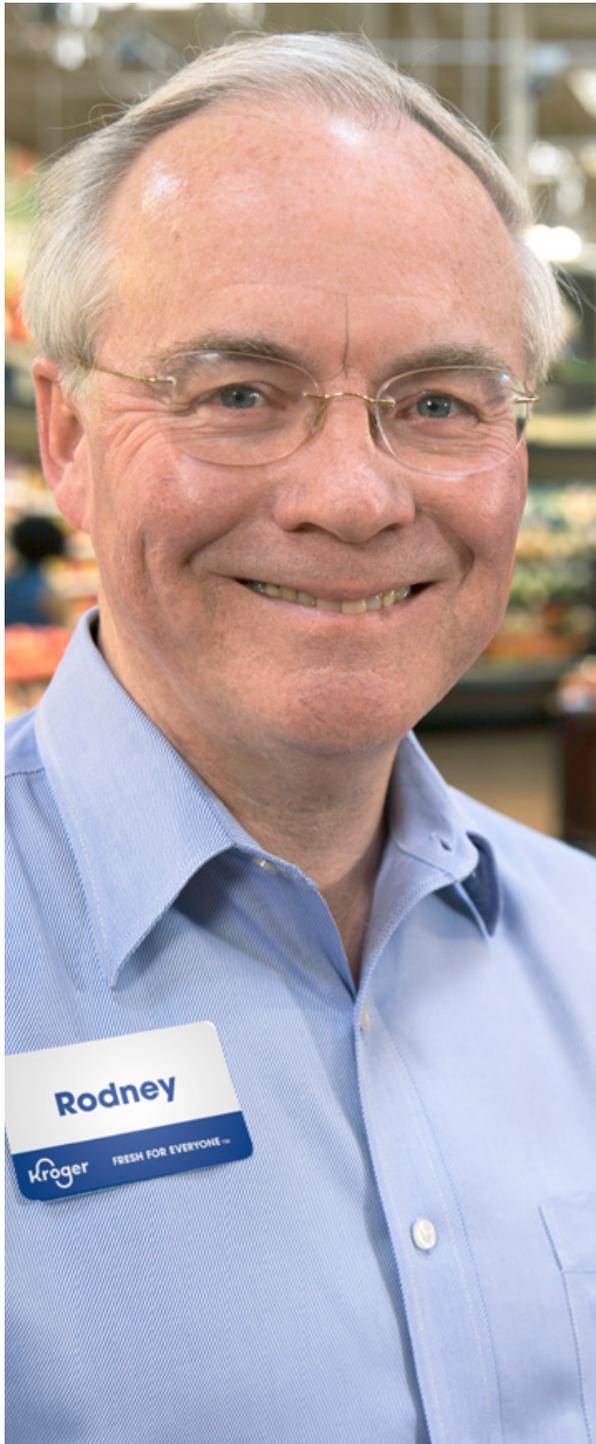
A Note from Rodney

As America's grocer, we have taken extensive measures across our business to safeguard our associates and customers throughout the COVID-19 pandemic.

Our stores are at the center of our communities and face a higher rate of exposure than most Americans. But as an essential business, we've learned how to operate safe and open environments in retail stores, food production facilities, and distribution centers.

Our Purpose is to Feed the Human Spirit, which means we are driven to do more and help make the lives of those around us better.

During this time, we have also held true to Our Values of integrity, honesty, diversity, inclusion, safety and respect. To live Our Values means we lead by example even when it's hard, encourage collaboration and active involvement with everyone, and ensure our associates and customers feel valued and safe.

As an extension of Our Values, we decided early on to be transparent – share what we've learned, what went well and where we could improve.

We learned a lot from others as well – many companies and government officials have partnered with us to share valuable insights. And we learned that being proactive in our decision making helped us keep our business open safely and continue to do our part to flatten the curve.

In the same spirit, we want to share what we've learned and best practices with other businesses, so they can take steps now to develop protocols and procedures to reopen safely and continue to flatten the curve.

This first installment of *Sharing What We've Learned: A Blueprint for Businesses* includes recommendations, insights, best practices and downloadable creative assets to help businesses navigate the next phase of this unprecedented pandemic. We will continue to update the Blueprint in the coming days and weeks, providing additional resources, tools and templates for other industries to leverage.

We recognize that not all businesses are the same. What worked for us may not work for you. And while there is no "one thing" that makes all the difference, taking a holistic approach to safety will lead to better outcomes.

Rodney

Rodney McMullen
Chairman and CEO Kroger

Getting Started

Response Teams and Decision-making

In the early days of the COVID-19 pandemic, our first step was to review our existing corporate crisis plan. We started by pulling together representatives from our various business units who would ultimately activate the plan and adapt it as needed based on the current situation. This group – our COVID-19 Task Force – expanded over time, growing to include additional members and shifting from a "what if" sounding board to a daily platform for discussion and collaboration. With all key business areas represented, this group was able to quickly execute plans and address topics ranging from potential supply shortages and operations changes to work from home practices and employee safety measures.

Throughout the journey, our COVID-19 Task Force remained focused on identifying employee- and customer-centric solutions based on the data available. Our Blueprint represents some of the best practices identified during these discussions. In the first section, you'll learn how we use

data to drive our decisions in a rapidly evolving situation, while subsequent sections will outline important steps and recommendations from a few of our core business units.

Consider all key stakeholder groups when building your task force or response team, including:

- **Asset Protection**
- **Business Continuity**
- **Corporate Communications – External and Internal**
- **Facilities**
- **Health & Wellness**
- **Human Resources**
- **Legal**
- **Manufacturing**
- **Marketing**
- **Merchandising**
- **Retail Operations**
- **Safety and compliance teams** (e.g. food safety, environmental, risk)
- **Sourcing**
- **Supply Chain**
- **Technology/Digital**
- **Travel**

USA MAP | OHIO

All Cases | Postive Test | Quarantined | Recovered/ Returned to Work

ABOVE GRAPHIC IS FOR ILLUSTRATION PURPOSES. NOT ACTUAL COVID-19 CASE DATA.

# Using Data to Support COVID-19 Response and Drive Decision-making

Since the emergence of COVID-19, Kroger has been closely monitoring the virus and its potential impact on the safety of our teams. With nearly half a million employees across the country working in a variety of settings, including retail stores, manufacturing plants, distribution centers and offices, we knew monitoring cases of COVID-19 in our workforce would be an important yet challenging element of our pandemic planning. We knew we needed greater insight in order to be better prepared to support our teams and serve our customers. The need was urgent, and we quickly stood up manual tools to collect information from the field.

Developing Kroger's COVID-19 Enterprise Dashboard

As the situation evolved, so did our need for a more automated process. We worked with our digital team to create a tool to collect the data and expanded it over time to include a geo-based heat map. The evolution of our COVID-19 Enterprise Dashboard made it possible for us to quickly recognize "hot spots" across our 35-state footprint, allowing us to focus more closely on the resources needed in those areas to keep our business moving forward. Most recently, we added a 'return to work' metric to continue tracking the next phase of the COVID-19 pandemic.
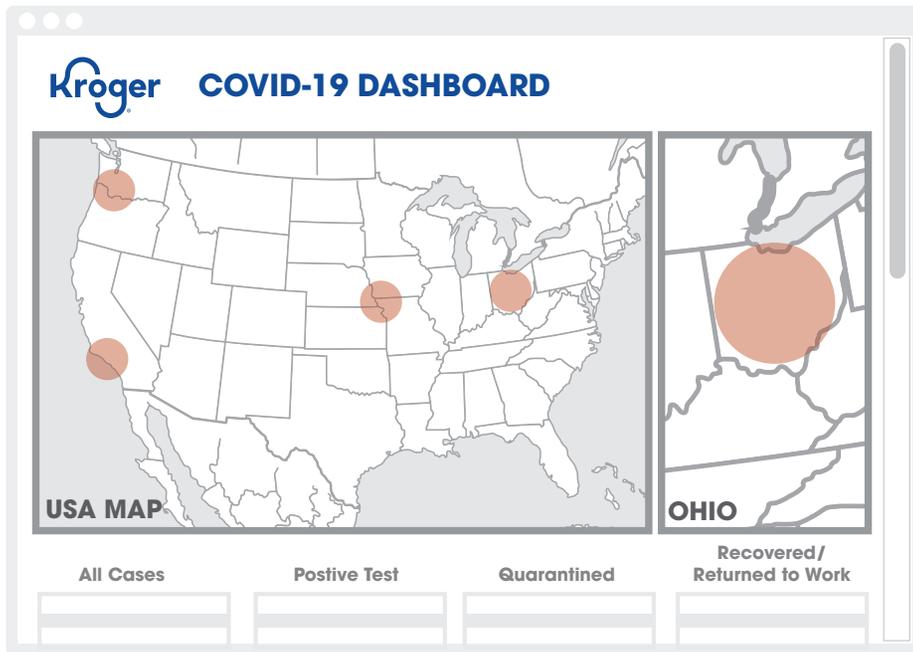
Employee affected by COVID-19 → **HR engages employee to learn more about symptoms and potential exposure** → **Answers are recorded in questionnaire** → **Aggregate data analyzed for trends** → **Questionnaire is closed when the employee returns to work**
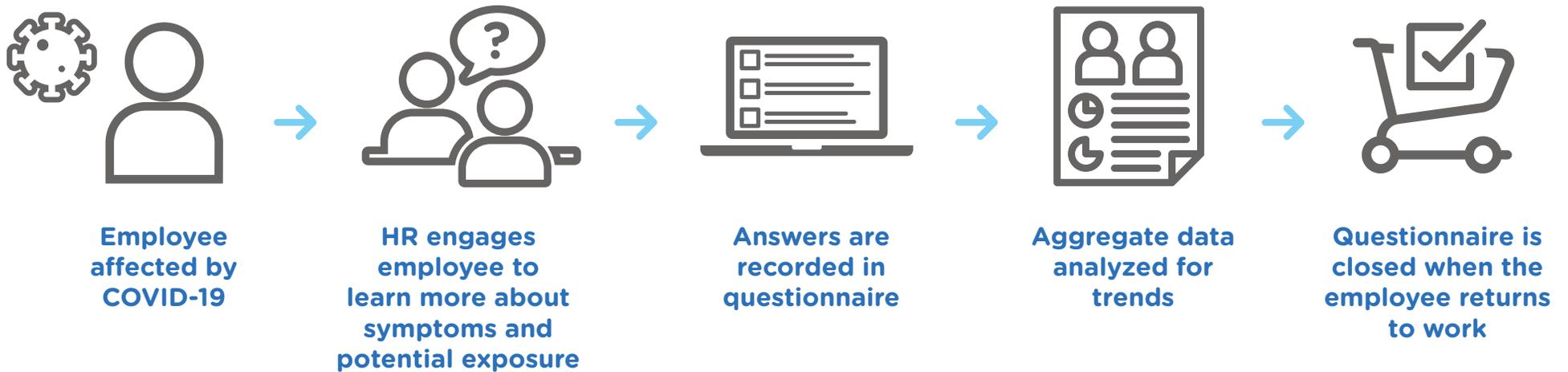
How It Works

The process begins when a manager is notified that an employee must quarantine due to COVID-19. This includes those who have a confirmed diagnosis, have symptoms, may have been exposed to the virus or have been asked to quarantine by a healthcare provider due to a health-related reason. Once notified, a member of our Human Resources team contacts the employee to offer support and gather additional information, such as when the symptoms began, when they were last at work and other relevant details. The information is then entered into a secure online questionnaire tool, which feeds certain elements of the data to the COVID-19 Enterprise Dashboard.

This process immediately ensures the manager is well-informed and prepared to notify co-workers and encourage others to self-isolate, if applicable. The longer-term effect is that the data, when evaluated in aggregate, helps us see trends and hot spots where additional resources might be needed.

Our leaders also examine certain elements of the aggregate data to determine where accelerated and tailored mitigation efforts may be required. To protect employee privacy, personal information is not provided.

We also review our data in light of publicly available county-level data provided by the Centers for Disease Control and Prevention to help assess locations that may be at a higher risk due to confirmed cases in the area.
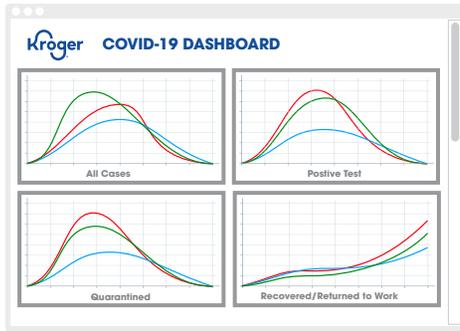
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Leveraging Data to Make Informed Decisions

The data we collect is an important tool in our efforts to support our teams on the frontlines. By monitoring enterprise trends as well as public information, we can:

- Identify locations that could be at a higher risk due to an increase in confirmed community cases.

- Identify locations where staffing may be impacted due to the number of cases or quarantines.

- Identify which roles appear to be most impacted due to COVID-19 absenteeism.

- Prepare for resurgence of potential cases as states begin to reopen.

With this deeper understanding of the impacts – actual and potential – to our business and our people, we're better able to direct resources where they're needed most. Using the data available, we've been able to quickly make informed decisions to protect the health and safety of our team and meet the needs of our customers, including reallocating staff to help combat absenteeism concerns and developing broad-based programs to support our staff on the frontlines.

Getting Started on Your Own

Regardless of the size of your company, having a keen eye on how COVID-19 is impacting your employees is critical to successfully reopening a safe business environment. There are many tools available publicly ranging from free to pricey to help you collect and analyze your data. But whichever tool you use, here are some recommendations to guide your process:

- Begin by defining the specific outcomes you want to achieve or the business questions you need answered. Prioritize them and begin working in that order to meet your most urgent needs first.

- Don't be concerned about perfecting your tools or processes immediately. With employee and organizational well-being on the line, speed is more important than perfection. You can always evolve and refine over time.

- Put controls in place to protect the confidentiality of the data collected. This data can include private employee information and should be safeguarded as such. Consider building in levels of access. For example, store managers may only have visibility into their own team.

- Think about how you will collect data, including internal and publicly available information, and how to ensure its accuracy.

- Create a plan for sharing the data appropriately with leadership and others who need to know. Consider what type of reports or visuals may be helpful. To ensure employee privacy, only share data that is anonymous and in aggregate.

Section 1
Retail Operations

Kroger Sharing What We've Learned: A Blueprint for Businesses

Nothing herein constitutes legal advice or other formal direction or guidance of any kind. The information herein is offered for general informational purposes only. **5**

Flattening the Curve in Retail Stores

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 promote physical distancing.

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

Promote Healthy Habits

Encourage Physical Distancing

Enhance Cleaning Procedures

Adjust Operating Hours

Encourage Employee Use of Personal Protective Equipment

Establish Vendor Guidelines

Embrace Contact-Free Checkout

Promote Healthy Habits

As the crisis evolved, so did our methods. However, the safety of our employees and customers has remained the number one priority when making business decisions throughout the pandemic. This often meant being flexible to quickly adapt to new ways of working. At other times, it meant a refresher on the basics, including proper hand-washing techniques and other hygiene practices. You can follow the tips below to promote healthy habits in your facilities:

Educating Employees

We all know we should wash our hands often throughout the day, but when we get busy at work, a quick reminder is always helpful. Regularly encourage employees to practice hygiene recommendations from the CDC and other government agencies through your communication channels. Here are few options to consider:

- Post signage at time clocks, in breakrooms and employee restrooms about the importance of following healthy habits.

- Prepare huddle guides or talking points for leaders to use that encourage employees to follow recommended hygiene practices.

- Also, don't underestimate the power of your external messages to reach your employees as well.

Consider this...

- **What internal and external channels do you have to reach employees and customers?**

- **What tools do leaders need to reinforce these behaviors with their teams?**

Educating Customers and Visitors

Employees often aren't the only ones in your locations. You may have customers, vendors or other guests who should take steps to protect others. Here are some ways you can reinforce healthy habits for anyone – including employees – who enter your facilities:

- If you have **in-store audio messaging** capability, consider using it to remind employees and customers to follow physical distancing and hygiene guidance published by the CDC.

> **Adapt along the way:** We originally had messaging played every 30 minutes, but as customers reduced their time spent in stores, we moved to every 15 minutes to ensure we could reach all of our customers during their shopping trip.

- Post signs at entrances notifying customers to STOP if they are sick and ask them not to enter our stores.

- Increase the availability of hand sanitizer, wipes and cleaning of frequently touched surfaces (including carts) for both customers and employees.

> **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.**

> **Consider this...**
> - **Do you have proper signage to ensure employees and customers know what's expected?**

Educating Customers and Visitors continued...

- Add labor to cover additional breaks for employees to wash hands and sanitize stations regularly, including registers, hand-held devices, credit card terminals, food service counters, door handles, conveyor belts, restrooms, shelves and other surfaces.

- Consider suspending or modifying your return policy.

  - Kroger has temporarily halted returns. We continue to make it right for customers if a product is defective or falls under our Fresh Guarantee.

- Encourage customers to clean their reusable bags frequently through in-store signage

  - Guided by evidence suggesting likelihood of disease transmission through reusable bags is low, and also by our Zero Hunger | Zero Waste social impact plan principles, we decided to continue permitting reusable bags.

  - However, to keep employees safe, we ask customers to bag their own purchases if they choose to use reusable bags and encourage frequent cleaning of bags.

Encouraging Physical Distancing

Beyond good hygiene, all of us – employees, customers and leaders – are encouraged to maintain a six-foot physical distance from others to reduce the spread of illness. Being open to the public can make it hard for customers and employees to keep a safe distance. These actions can help:

- Install protective plexiglass screens at service counters, including checkouts.

- Display signage at entrances, check lanes and registers to remind customers of physical distancing at every opportunity.

- Promote physical distancing where customers may linger by adding floor decals at registers and service counters, placing signage on patio and furniture displays, and limiting waiting areas.

- Close in-store bars or public sitting areas.

- Discontinue sampling.

- Close self-serve bars (salad, olive, bakery, candy bars, etc.) and bulk-bin options.

- Close fitting rooms or limit capacity.

- Adopt capacity limits based on the size of your facility, and be prepared to queue customers outside while still maintaining physical distance.

Consider this...

- **Do you have available technology to help with monitoring capacity limits? If not, prepare for labor to physically monitor traffic in and out of stores.**

- **Are there spaces in your store or facility where people tend to congregate? What steps can be taken to reduce the number of people in those areas?**

Step Up Cleaning Procedures

Maintaining a clean work environment will help control the exposure and spread of COVID-19. Consider how these practices can help keep your business sanitized and clean:

- Enhance your daily sanitation practices, including registers, hand-held devices, credit card terminals, food service counters, door handles, conveyor belts, restrooms, shelves and other surfaces.

- Assign dedicated employee to wipe down carts with sanitizer and paper towels in the lobby during store hours.

- Assign extra staff to allow for frequent hand-washing rotation for front-end employees.

- Clean and stock bathrooms more frequently.

- Instruct employees to wipe down equipment, including pallet jacks, ladders and supply carts, between every use.

- Procure options for third-party cleaning companies to assist with the increased cleaning demand as needed.

Consider this...

- **Are extra staff or outside vendors needed to meet the new cleaning demands?**

- **What steps can you take now to procure supplies, including masks, wipes, sanitizer and cleaning supplies?**

Adjust Hours to Support Healthy Habits

Long hours serving customers along with heightened cleaning guidelines can lead to exhausted teams. Consider adjusting your operating hours, balancing the needs of your employees and your customers. We adjusted our hours and here are benefits we realized:

- Employees had more time to rest, clean and replenish inventory.

- We were able to offer exclusive early hours for seniors (60+) and other higher-risk individuals.

- We were able to increase Pickup hours to serve more online customers, promote physical distancing and reduce the size of crowds in store.

Consider this…
- **Would altering your hours of operation create benefits for your teams?**

Employee Safety

Keeping your teams safe and healthy is a critical priority to ensure your business remains open. Without a healthy, trained staff, you'll struggle to meet the needs of your customers. In addition to supporting physical distancing and heightened sanitation, which protect everyone in your facilities, here are few tips focused specifically on keeping your employees safe while working.

Encourage Personal Protective Equipment

Personal Protective Equipment (PPE), including facial coverings, masks and gloves, can be useful in reducing the spread of illnesses. Our "new normal" likely means that these items will become a common, even expected, sight in public places for some time to come. Here are a few recommendations related to PPE:

- Encourage employees to use masks or approved facial coverings and gloves while working and provide them if you can. If you allow employees to bring their own, be clear about what is appropriate.

- Make sure team members know how to properly use and safely dispose of these items.

- Knowing that these items alone are not enough, educate employees on good personal hygiene and other healthy habits like hand-washing that can make PPE more effective. Review the Healthy Habits section for more details.

> **Consider this...**
> - **Are you able to provide PPE on a consistent basis? If not, will you allow employees to wear their own?**

Monitor and Support Employee Health

Employees should only be working if they are healthy and symptom free. There are steps you can take to encourage employees to protect others by taking care of themselves, including:

- Checking temperature at the beginning of each shift requires a fair amount of coordination so be sure to have a fully thought out protocol before beginning this process. Make sure to consider the equipment needed, role and safety of staff performing the checks, employee privacy and protocol for when elevated temperatures are discovered.

- Encourage employees who feel sick to stay home. Consider revising paid time off options to support this behavior.

> **While Kroger was quick to offer Emergency Leave Guidelines to affected employees at the start of the pandemic, we learned early on that extending the same coverage to employees experiencing symptoms was necessary to ensure they felt supported in prioritizing their health and updated our policy as such.**

- Have a well-defined protocol for employees who may be ill or who have been exposed.

Consider this...

- **Can you cross-train employees to work in different areas if needed due to illness or to meet demands in other areas?**

- **What steps can you take now to be able to perform temperature checks on site?**

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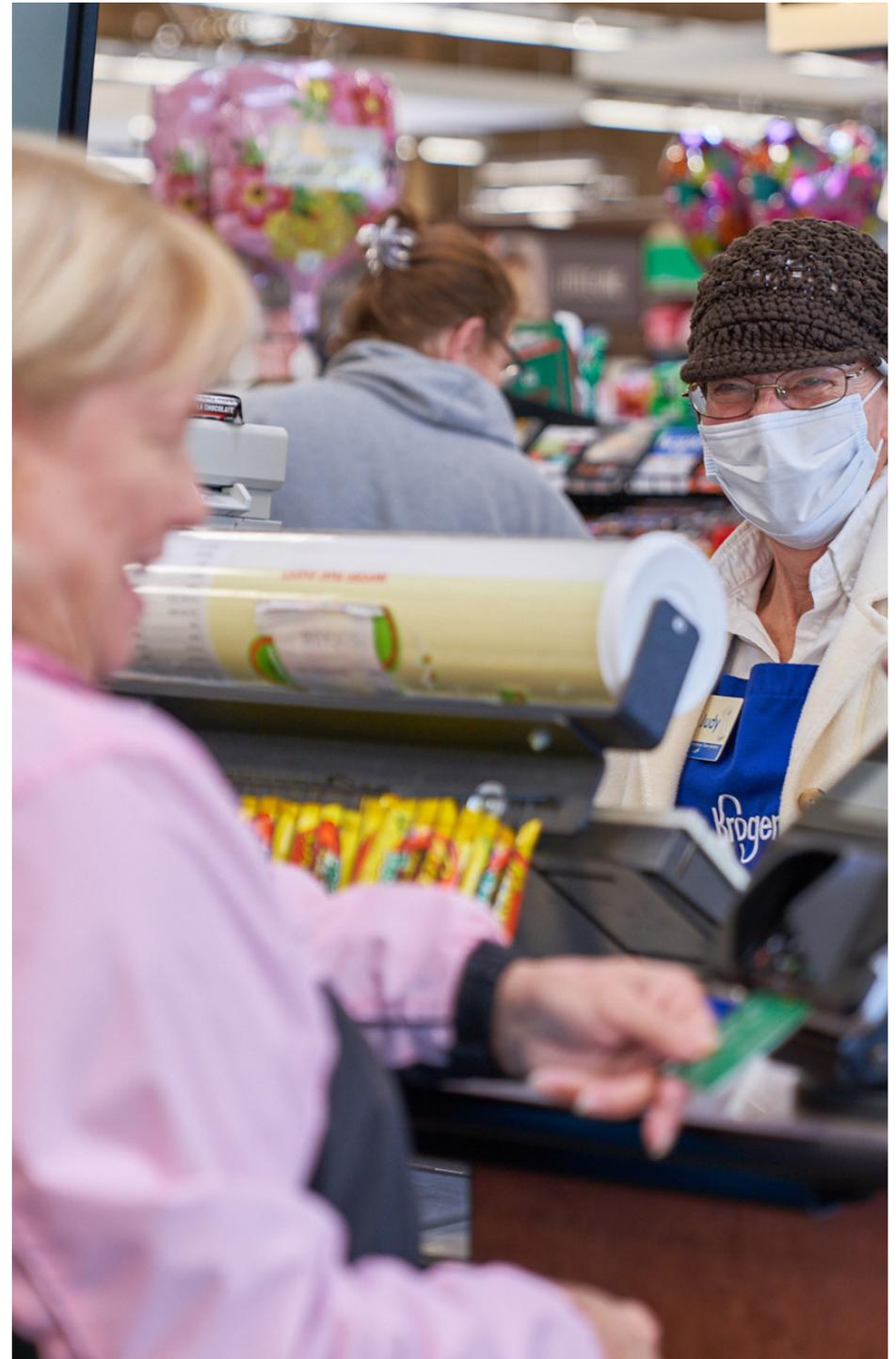
## Prepare Employees for Difficult Situations

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 de-escalation tips for our employees and our store leaders, as well as ensured our leaders had talking points to use when communicating COVID-19 information 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 followed.

> **Consider this...**
> - **What steps can you take now to communicate and train employees and leaders on new safety procedures?**
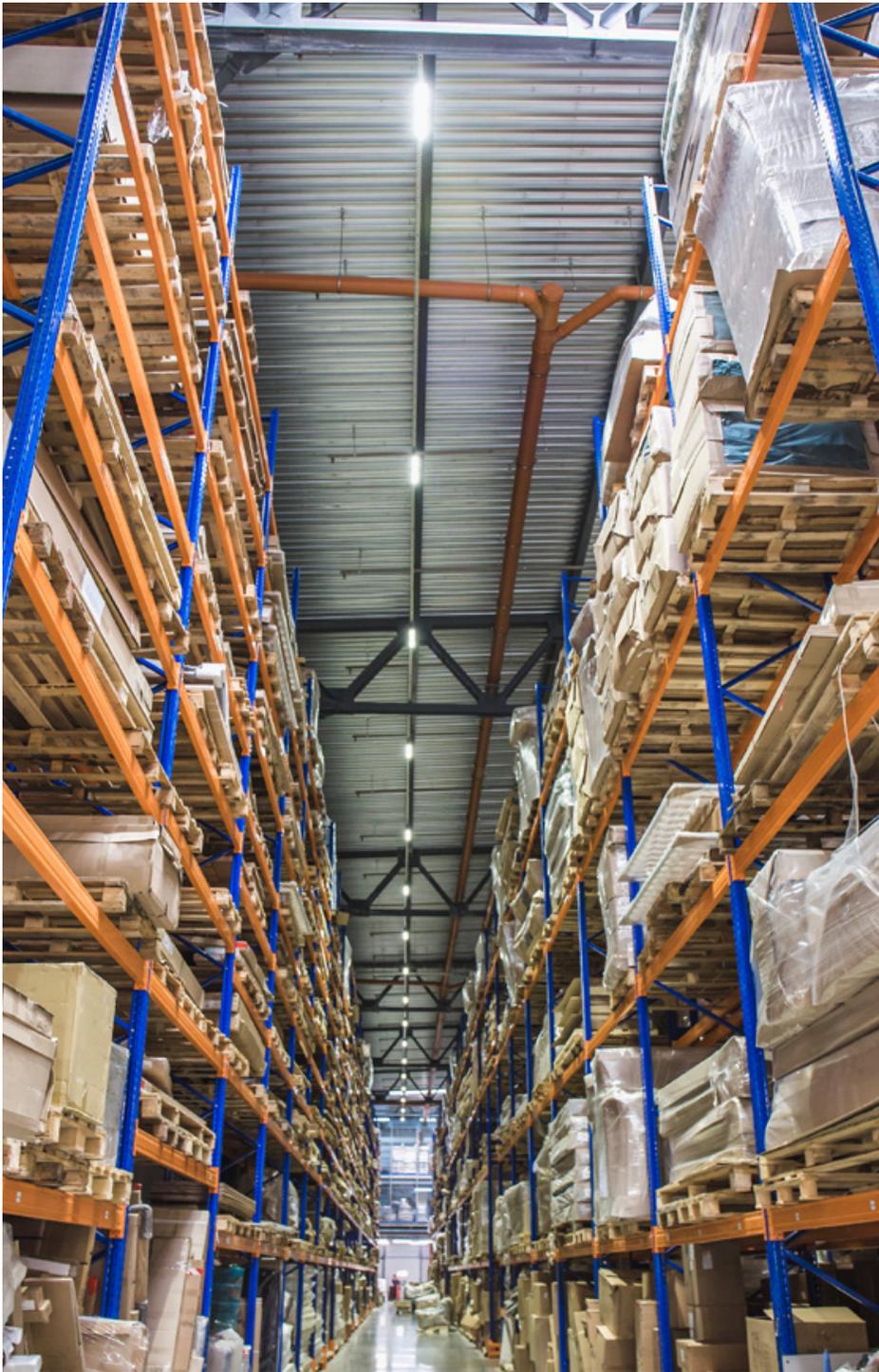
Vendor and Visitor Safety

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

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.

Retail or Other Locations

- Temporarily suspend all non-employee truck drivers from entering stores, warehouses and manufacturing plants.

- Move to contactless signatures for deliveries.

- Expand direct store delivery window to spread out deliveries and prevent overcrowding.

- Ask vendors who are required to enter your locations to have their employees follow the guidance of local, state and federal governments in regard to wearing masks and other PPE equipment.

Consider this...

- **Who are regular visitors or vendors in our locations?**

- **How can we adjust our business to limit direct contact with them?**

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.

Consider this...

- **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.

Consider this...
- **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?**

Section 2
Manufacturing

Manufacturing Quality Products, Safely

Manufacturing facilities are critical to our food supply and economy. While production is necessary, the safety of employees and suppliers matters most.

As an essential food supplier, we've spent the first phase of the pandemic helping to flatten the curve by focusing on our most urgent priority – providing a safe environment for everyone in our facilities – while maintaining our commitment to remain open and available and even responsibly increasing output to meet the changing demands of our customers.

To help you prepare to reopen safely, we're sharing some of the steps we've taken to safeguard our employees, while supporting a demanding production schedule and promoting a safe environment for all. In each of these sections, you'll find some of the steps we've taken in our facilities as well as additional questions to consider for your business before reopening.

Enhance Safety Procedures

Monitor & Support Employee Health

Establish Vendor & Visitor Guidelines

Encourage Physical Distancing

Adjust Hours to Support Healthy Habits

Follow Expert Guidance on Food Safety
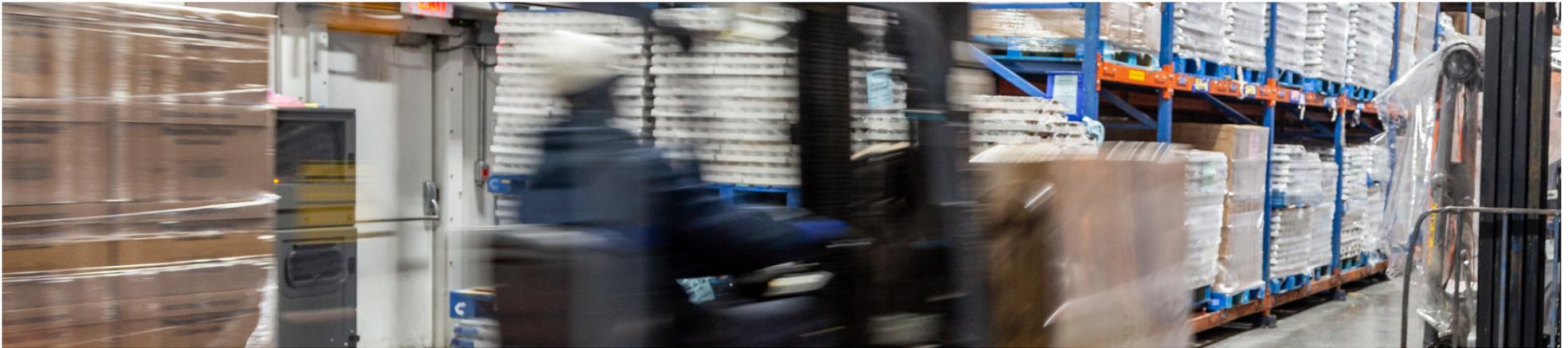
Enhanced Safety Procedures

As the crisis evolved, so did our methods. However, the safety of our employees has remained a top priority when making business decisions throughout the pandemic. This often meant being flexible to quickly adapt to new ways of working. At other times, it meant a refresher on the basics, including proper handwashing techniques and other hygiene practices. Follow the tips below to promote healthy habits in your facilities:

Educating Employees

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

- Post signage at 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 practices.

- Also, don't underestimate the power of your external messages to reach your employees.

- Regular communications and easy-to-access resource documents will help ensure your guidelines are understood and followed.

Consider this...
- **Do you have proper signage reminding employees of enhanced safety protocols?**
- **Have you provided leaders with talking points and easy-to-access guidelines to reinforce in your facilities?**
- **What internal and external channels do you have to reach employees?**

Educating Suppliers and Visitors

Employees often aren't the only ones in your facilities. You may have truck drivers, vendors or other guests who should take steps to protect others. Here are some ways you can reinforce healthy habits for anyone – including employees – who 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 cleaning of frequently touched surfaces and availability of hand sanitizer and wipes for vendors, suppliers and employees.

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

- Consider modifying your receiving process.

- Encourage delivery drivers and other visitors to practice good hygiene through signage and offer hand sanitizer or hand-washing stations where available.
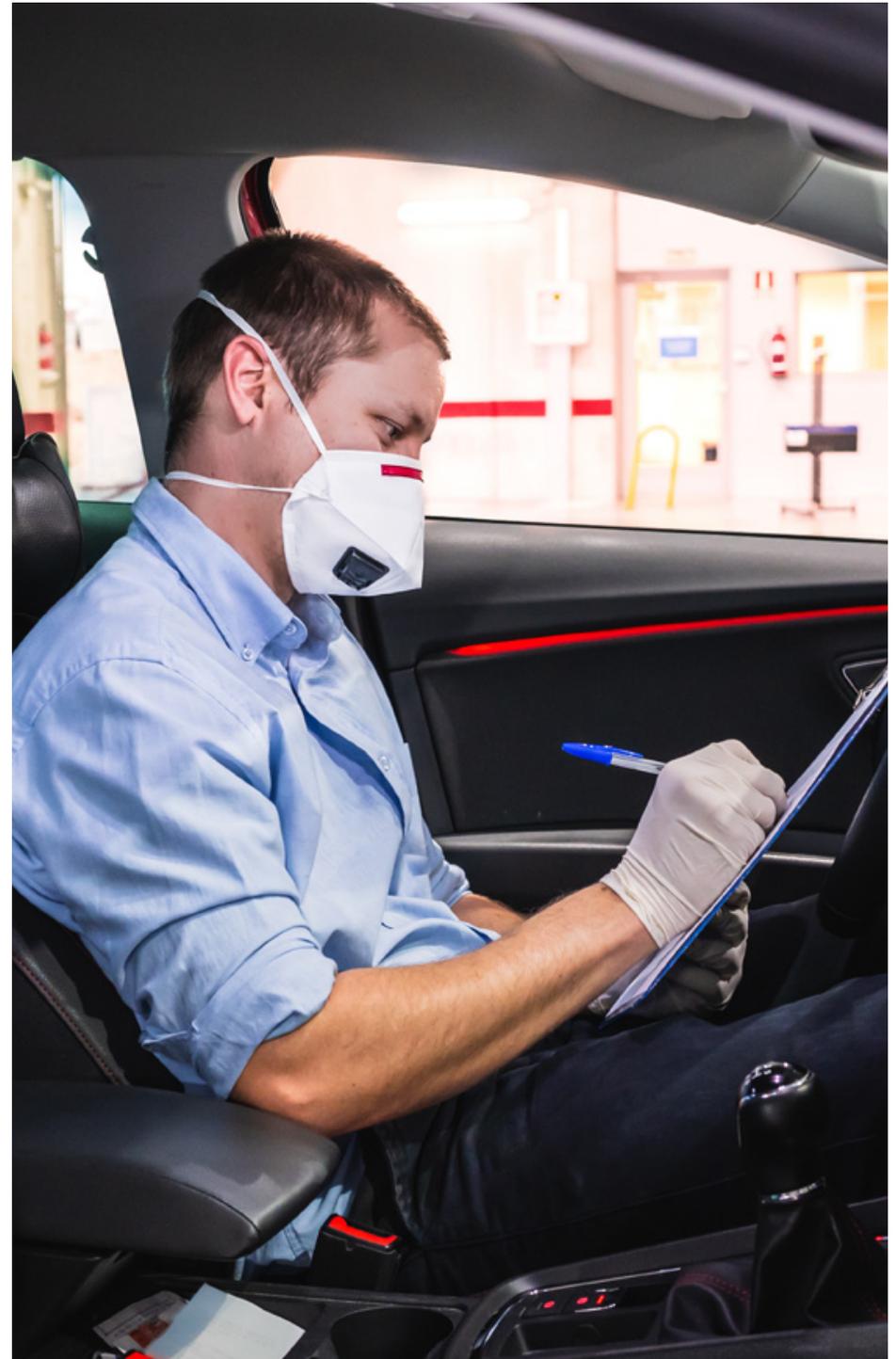
Encourage the Use of Personal Protective Equipment

Personal Protective Equipment (PPE), including facial coverings, masks and gloves, can in some instances be useful in reducing the spread of illnesses. These items may become common, even expected, for some time to come. Here are a few recommendations related to PPE:

- For employees not wearing them as part of their already required PPE, encourage the use of masks or approved facial coverings and gloves while working and provide them if you can. If you allow employees to bring their own, be clear about what is appropriate.

- Remind employees that preexisting safety rules and regulations must continue to be observed and be flexible in your routine to mitigate COVID-19 risks while continuing to follow all health and safety regulations currently in place.

- Make sure team members know how to properly use and safely dispose of these items and have proper receptacles and procedures to dispose of used PPE.

- Knowing that these items alone are not enough, educate employees on good personal hygiene and other healthy habits like hand washing that can make PPE more effective.

> **Consider this...**
> - **Are you able to provide PPE on a consistent basis? If not, will you allow employees to wear their own?**
> - **What steps can you take now to communicate and train employees and leaders on new safety procedures?**
> - **When performing duties that require associates to be in close proximity to each other, what additional PPE should be provided? E.g., face shields, portable plexiglass barriers, etc.**
> - **What tools do leaders need to reinforce these behaviors with their teams?**

Enhanced Sanitation Protocol

Maintaining a clean work environment will help minimize the exposure and spread of the novel coronavirus. Consider how these practices can help keep your business sanitized and clean:

- Enhance your daily sanitation practices, including hand-held devices, machinery, breakrooms, receiving counters, door handles, conveyor belts, restrooms, vending machines, timeclocks and other surfaces.

- Assign a dedicated employee to wipe down frequently touched surfaces during all hours of operation.

- Assign extra staff to allow for frequent hand-washing rotation for employees.

- Provide sanitizer and tissues in breakrooms, near commonly touched surfaces, in meeting rooms and lobbies.

- Clean and stock bathrooms more frequently.

- Instruct employees to wipe down equipment, including pallet jacks, ladders and supply carts, between every use.

- Procure options for third-party cleaning companies to assist with the increased sanitation demand as needed.

Consider this...
- **What additional, deep cleaning can you consider and would it affect operations?**
- **Are extra staff or outside vendors needed to meet the new sanitation demands?**

Monitor and Support Employee Health

Employees should only be working if they are healthy and symptom free. While you'll need to be mindful of certain privacy restrictions, there are steps you can take to encourage employees protect others by taking care of themselves, including:

- Requiring temperature checks at the beginning of each shift. This requires a fair amount of coordination so be sure to have a fully thought out protocol before beginning this process. Make sure to consider the equipment needed, role and safety of staff performing the checks, employee privacy and protocol for when elevated temperatures are discovered.

- Encourage employees who feel sick to stay home. Consider revising paid time off options to support this behavior.

> While the Kroger Family of Companies was quick to offer Emergency Leave Guidelines to affected employees at the start of the pandemic, we learned early on that extending the same coverage to employees experiencing symptoms was necessary to ensure they felt supported in prioritizing their health and updated our policy as such.

- Have well-defined and easily accessible protocols for employees who may be ill or who have been exposed.

Consider this…

- **What steps can you take now to be able to perform temperature checks on site?**

- **Are you able to stagger shifts to avoid crowds as employees wait to clock in and be monitored to ensure proper physical distancing is taking place?**

- **Can you crosstrain employees or hire temporary labor to meet business demands and address possible employee attendance issues due to illness?**

- **Should adjustments be made to your attendance policy to help your employees feel supported if they experience symptoms?**

- **What emotional health benefits can you offer? The pandemic continues to affect employees' mental health. Consider increasing your support in this area.**

Establish Vendor & Visitor Guidelines

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

Office Locations

- Temporarily suspend visitors from all office locations unless business critical.

- Suspend business travel and encourage the use of virtual meetings where possible.

- Encourage those who can successfully perform their work from home to do so until further notice.

Manufacturing Facilities

- Temporarily suspend all non-employee delivery drivers from entering facilities.

- Move to contactless signatures for deliveries.

- Expand hours your delivery window is open to spread out deliveries and prevent overcrowding.

- Ask vendors who are required to enter your locations to have their employees follow the guidance of local, state and federal governments in regard to wearing masks and other PPE.

Consider this...
- **Who are regular visitors or vendors in your locations?**
- **How can you adjust your business to limit direct contact with them?**
- **What PPE and safety protocol will be in place for business-critical visitors or contractors?**
- **Conducting interviews? Consider virtual interviews to limit contact with non-employees.**

Encouraging Physical Distancing

Beyond good hygiene, all of us are encouraged to maintain a six-foot physical distance from others to reduce the spread of illness. Working in sometimes close quarters and maintaining safe operation of machinery can make it hard for employees in manufacturing to keep distance. These actions can help:

- Install protective plexiglass screens at counters, receiving stations and between work areas where a six-foot distance is not practical.

- Display signage at entrances, near timeclocks, in breakrooms and other communal areas to promote physical distancing at every reasonable opportunity.

- Promote physical distancing where employees or vendors may linger by adding floor decals in places like timeclocks and receiving desks.

- Close communal areas like breakrooms and outdoor patios to non-employees.

- Discontinue cafeteria self-serve bars and buffets and instead move to boxed or prepacked options.

- Reduce the number of chairs in breakrooms and cafeterias to allow for proper physical distancing.

- Consider staggering shifts to allow for proper distancing where possible.

Consider this...

- **What steps can you take now to adjust your business to create a six-foot physical distance in areas that don't permit this today?**

- **Can you add additional communal space to allow employees to spread out when on breaks?**

- **Is it possible to split your workforce into teams that work separate shifts, sanitizing in between, to limit possible exposure?**

- **Are there spaces in your facility where people tend to congregate? What steps can be taken to reduce the number of people in those areas?**

- **Can you eliminate non-critical work that involves the use of contractors?**

Adjust Hours to Support Healthy Habits

Long hours meeting increased demands along with heightened cleaning guidelines can lead to exhausted teams. Consider adjusting your operating hours, respecting the needs of your employees and maintaining your production commitments. Benefits to adjusting hours where possible are:

- Employees have more time to rest, clean and replenish.

- Provides the ability to stagger shifts and limit exposure between teams.

> **Consider this...**
> - **Would altering your hours of operation create benefits for your teams?**
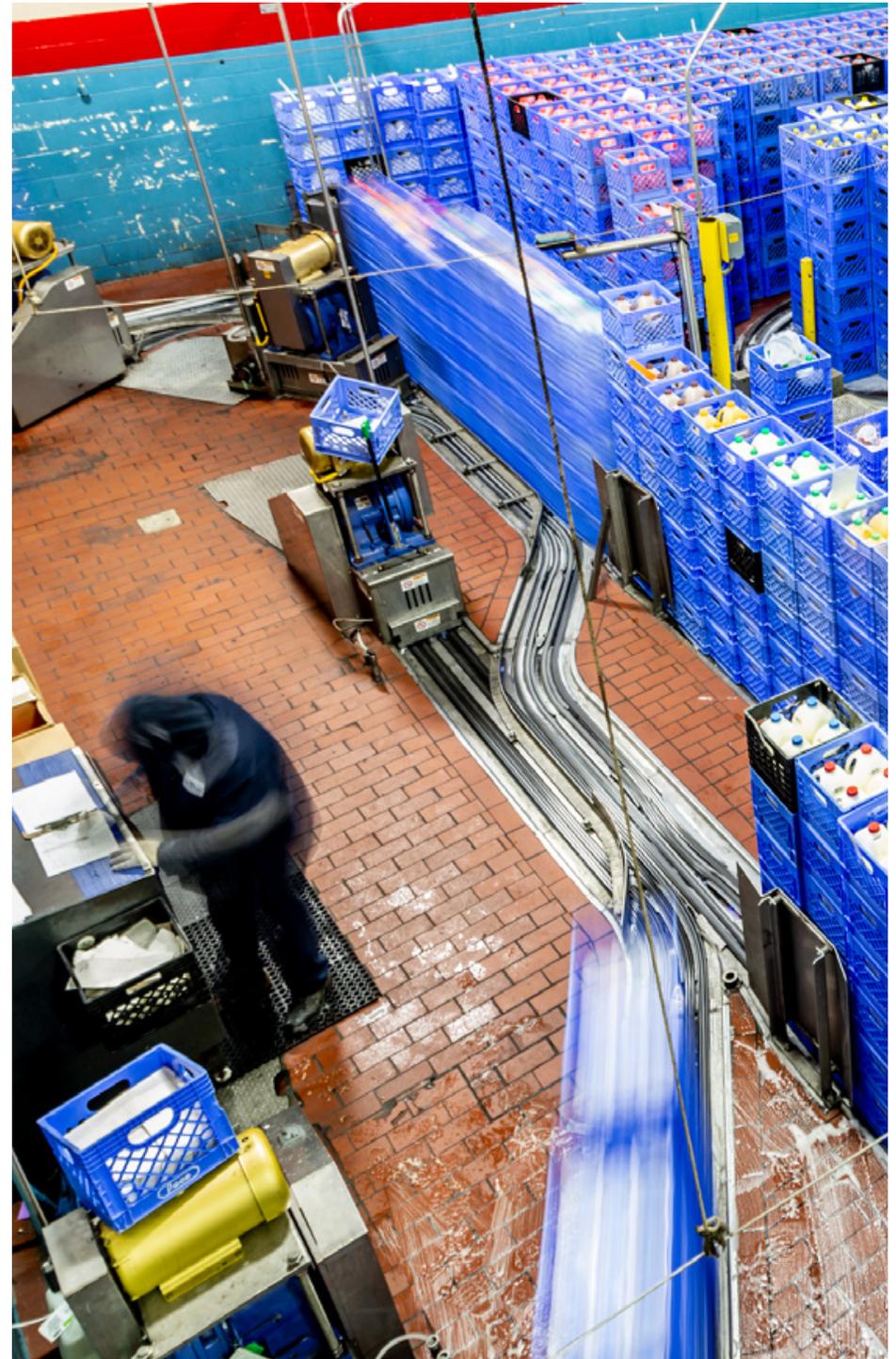
Food Safety Guidance

According to the Centers for Disease Control and Prevention (CDC), there is no current evidence that shows transmission of the novel coronavirus associated with food. Even though there is very low risk of spreading a respiratory illness from food products or packaging that is shipped over a period of days or weeks at ambient, refrigerated or frozen temperatures, it's always good to review your safety procedures to ensure you're following all guidelines.

Food Safety Plan

As Food & Drug Administration (FDA) regulated manufacturing facilities, we continue to maintain clean and sanitized plant locations following our standardized protocol, along with a regulatory-required Food Safety Plan. Consider how these practices can help keep your location safe for employees and sanitized, clean and compliant with your food safety regulations:

- Follow recommendations by the CDC for more frequent cleaning and disinfection of all frequently touched surfaces in the workplace.

- Encourage the use of masks or approved facial coverings and gloves while working for employees not already wearing PPE and provide them if you can.

- Conduct a hazard analysis and risk-based preventive controls assessment, including procedures for maintaining clean and sanitized facilities and food contact surfaces.

- Ensure your cleaning and disinfecting solutions meet the EPA's criteria.

- Contact your Food Safety vendor if you're having trouble finding FDA-approved cleaning and disinfecting solutions.

- Create a decision tree that enables your facility to quickly assess and respond to risks.

Consider this...

- **Have you conducted an annual review of your Food Safety Plan to ensure your cleaning and sanitation practices are compliant?**

- **Do you have the most recent list of FDA-approved cleaning and disinfecting solutions?**

- **Is a third-party or outside sanitation vendor needed to perform a deep cleaning or disinfection of your facility?**

Section 3
Sourcing

Sourcing for America

Whether you're sourcing products from your neighbors or from vendors across the globe, you can't run an effective business without the necessary supplies and raw goods. Now, more than ever, it's important to plan ahead as you may experience delays in delivery and availability. In order to maintain efficiency, consider these steps for ensuring a seamless and safe sourcing process.

Lead with Your Values

Establish Real-time Communication with Employees

Prepare to be Flexible

Enhance Demand Management Processes

Lead with Your Values

Be guided by your purpose and values while displaying strong leadership and trusting in your employees and partners. Many things will be outside of your control, but it's still important to be understanding and show empathy toward your employees. Here are some of the ways we've found success in leading our teams:

- Provide flexibility and be sensitive to what people are experiencing both at work and at home.

- Empower your employees to make decisions. Time is of the essence.

- Invest in your supplier relationships. Stay connected on pricing, availability, lead time, etc.

- Be prepared to relax payment terms for suppliers who may need additional flexibility in capital to keep their business running.

- Focus on the customer and their current needs.

- Recognize your employees' experience and the value they bring, giving them the trust they've earned.

- Support employees during the transition back to work. Consider other responsibilities such as balancing needs at home while schools are closed.

- Typical approval processes and systems may no longer work. A very tight cross-functional team working together with good communication is critical to success.

Establish Real-Time Communication with Employees

Communication is critical, especially during uncertain times. We're all still navigating unknown waters, and things change rapidly. Keep your teams informed to ensure you're all working toward a common goal by:

- Keeping employee and third-party partner contact information current and easily accessible by all.

- Over communicating. Everyone is moving fast, making it easier for things to unintentionally fall through the cracks. When you share information multiple times on multiple platforms, it's more likely to be retained.

- Considering the needs and expectations of contractors and third parties who work on site with your employees.

- Staying informed on hot spots around the world and the impact they may have on supply if sourcing from that region.

Consider this...

- **Are contractors and third parties working on site receiving appropriate communication?**

- **Can you communicate to contractors and third parties now to discuss expectations around PPE and safety when returning to work on site?**
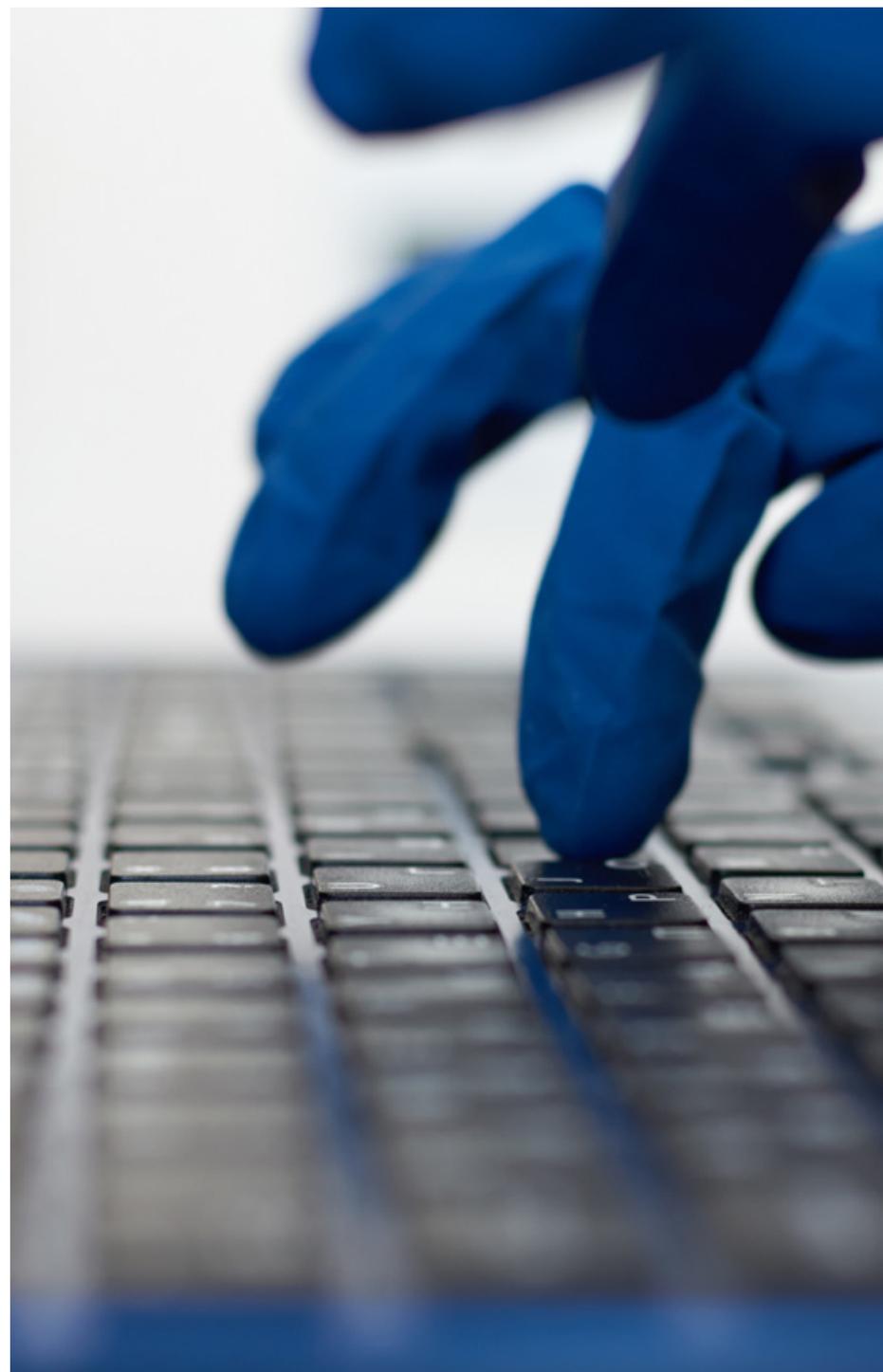
Prepare to be Flexible

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 as needed.

- 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 or federal).

- Regularly update account information and make sure it's easily accessible to expedite shipments as needed.

Consider 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 decision-making to ensure the right decision is being made to fulfill needs?**

- **How far out can you extend forecast information?**

Supplier Diversity

High demand in areas of your business can provide tremendous opportunities for new and existing minority suppliers. Best practices for establishing mutually beneficial partnerships with diverse suppliers include:

- Proactively identify and assess immediate needs.

- Contact minority supplier organizations, such as WBENC, NMSDC and others, to request potential certified vendor partners that may be able to meet your most urgent needs.

- Select certified vendors that can immediately manage the size of your business and have rapid access to key products or services.

- Guide and consistently coach new vendors to confirm expectations of the business are clear. Communication needs to be frequent.

- Work internally to establish a streamlined process for new vendors, products and/or services.

- Leverage existing diverse suppliers' access, partnerships and knowledge in other regions or countries to support high-demand products or services.

- Consistently share new vendor progress with internal teams. This allows that team to monitor progress, build trust and establish a relationship with the new supplier.

Consider this...
- **Are you willing to consider unknown or non-traditional sources of product or services to meet the demand of the business?**
- **Traditional vendor and product set up timelines may require acceleration. How flexible is your process?**
- **Can you dedicate enough resources to manage inflow of new suppliers?**

Third-Party Partnerships

While changes occur rapidly, positioning yourself to partner with third parties as needed can limit your risk and ensure minimal impact to your supply chain. Here are some tips that can help set your business up for success:

- Develop contingency plans that consider utilization of resources from other industries and geographies.

> The Kroger Family of Companies formed strategic partnerships with suppliers from some of the hardest-hit sectors, including restaurant, food service and hospitality, to redirect unused resources to our shelves. Think outside your normal scope.

- Identify co-manufacturers early who have the geographic positioning to support the largest part of your footprint.

- Prioritize the procurement of raw material.

Consider this...
- **Do you have resources available through alternative supply channels, including adjacent industries or geographies?**
- **What can you do now to better understand your industry and build relationships with other participants to partner where it makes sense?**

Enhance Demand Management Processes

No one predicted the demands America has seen on certain industries and categories during the past several weeks. By monitoring changing consumer trends, understanding data and building relationships with local, state and federal governments, you'll have the best ability to meet demand. Here are a few tips to manage an increase in normal demand:

- Build your production and inventory planning around anticipated demand.

- Be prepared to prioritize items, rationalizing SKUs if necessary, to help reduce changeovers and increase efficiencies.

- Develop contingency plans that optimize throughput to the shelf, such as simplifying assortment and identifying manufacturing processes that minimize line changes.

- Develop contingency plans for packaging, such as the adoption of generic packaging with a universal UPC to facilitate scanning at the register.

- Know your critical SKUs and work with partners to minimize complexity and maximize production.

> **Consider this...**
> - **Are you able to adapt to macro shifts in consumer behavior?**

Section 4
People
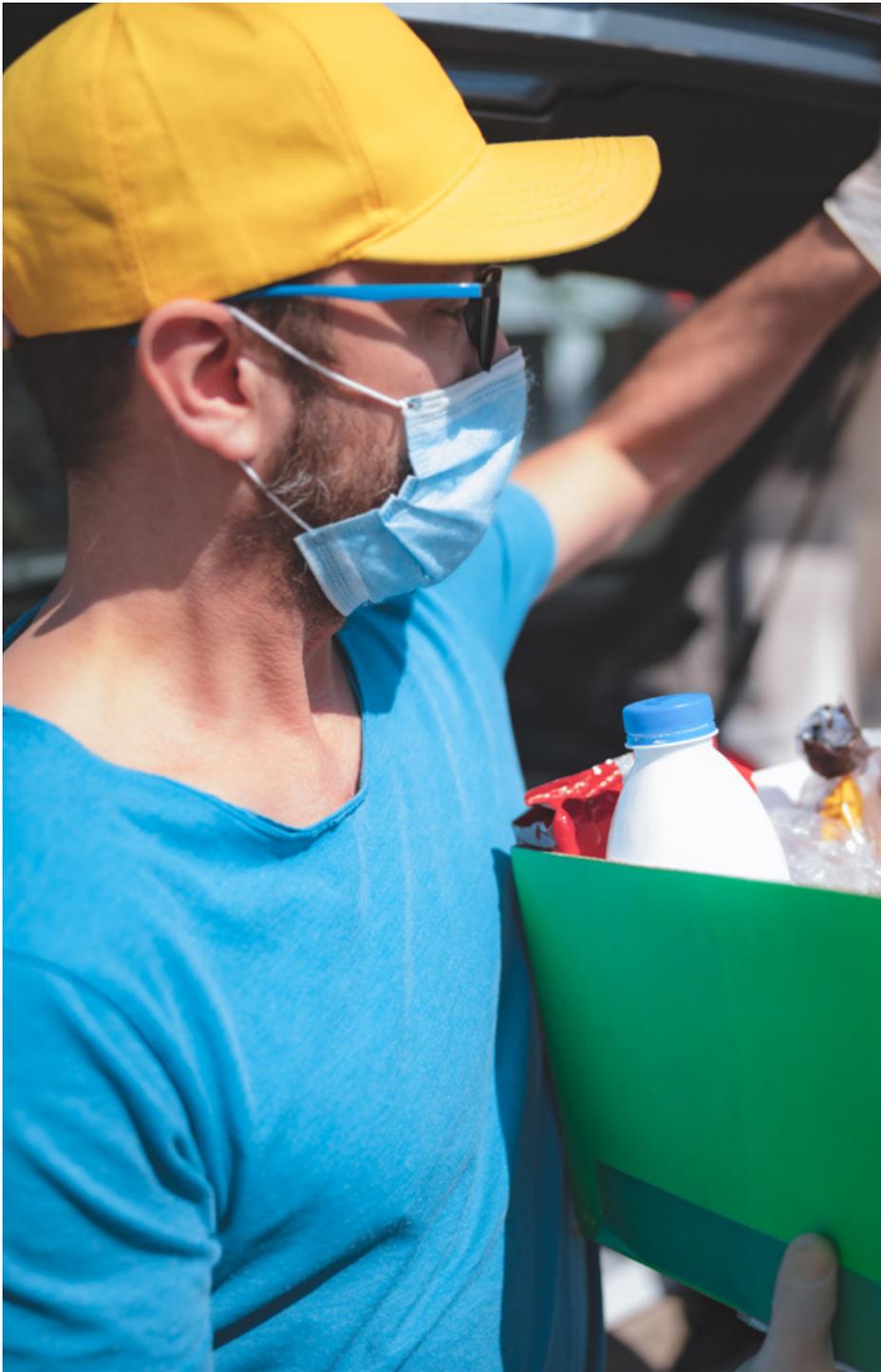
Supporting Your Team During Uncertain Times

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.

Take Steps to Ensure Employee Safety and Well-Being

Provide Holistic Support to Employees

Engage Employees in Your Pandemic Response

Rethink Your Office Environment

Take Steps to Ensure Safety and Well-Being

Throughout each phase of the COVID-19 pandemic, our top priority has been the safety and well-being of everyone who entered our facilities. Our Human Resources team continues to work closely with all areas of the business to ensure appropriate safety measures are taken. Here are few steps to consider:

- **Encourage Physical Distancing:** Look for all opportunities to create greater distance between employees, customers, vendors and other individuals who may enter your business locations. This may include rethinking waiting areas, using signage or plexiglass dividers, stopping in-person meetings, and reducing staff in office locations.

- **Enhance Cleaning Procedures:** Whether you update company procedures or hire a third-party service, it's critical to increase your established cleaning practices, particularly for frequently touched surfaces such as door handles, elevators, keyboards, telephones and vending machines. Common spaces, including break rooms and restrooms, also should be cleaned more frequently. You should also have a plan prepared for more extensive cleaning should an employee test positive.

- **Promote Healthy Habits:** Encourage employees and customers to follow CDC guidance related to handwashing and good personal hygiene to help prevent the spread of illness. You also may want to consider requiring or encouraging the use of personal protective equipment (PPE) such as gloves, masks or other facial coverings. Guidance on PPE can be found in the Retail and Manufacturing sections of the Blueprint.

- **Adjust Business Operations:** Identify elements of your business that can be adjusted to create a safer environment. This may mean more associates working from home, expanding access to virtual meeting tools, temporarily closing communal working areas or reducing operating hours to allow more time for cleaning. This also may mean scaling back work in some areas in order to temporarily reallocate support to the most critical areas of the company.

- **Monitor Employee Health:** You may consider implementing temperature checks at the start of every shift and, depending on state or local regulations, this may be mandated. This also may include a review of your paid time off policies to help ensure employees are encouraged to stay home when ill.

  Employees should only be working if they are healthy and symptom free. Encourage employees who feel sick to stay home and consider revising paid time off options to support this behavior. Checking temperatures at the beginning of each shift is another way to promote a safe working environment and, depending on state or local regulations, this protocol may be mandated. If you plan to implement employee wellness checks, make sure to consider the equipment needed, role and safety of staff performing the checks, employee privacy and protocol for when elevated temperatures are discovered.

You can read more specific information about our cleaning and safety precautions, including employee PPE and temperature checks, in the Retail and Manufacturing sections of this Blueprint.

Plan for Illness

Illness within your team can, and likely will, occur. You can reduce the stress and disruption by having a clear and consistent plan for managing a variety of situations. When creating your plans, make sure you have a defined response protocol as well as mechanisms for tracking reported cases within your business. Quick action promotes safety and well-being while helping employees feel supported. Here are some elements to consider when creating your response protocol:

- **Confirmed Cases vs. Exposure:** Provide clear guidelines to ensure employees and managers understand what actions to take, including who should be notified and what additional actions may be needed. If possible, help employees identify how to access free COVID-19 testing, whether through your company or by partnering with other organizations. Check Kroger's drive-thru testing website to see if testing locations are available in your area.

> When we are notified of a potential case, our HR team asks the employee several questions to better understand the situation. Refer to the first section of the Blueprint for more information on how we use this data to support our response efforts.

- **Collect Information:** You'll likely want to track absences related or potentially related to COVID-19 to be prepared for business impacts and to provide support where it's needed. Determine how that information should be collected and analyzed. Additional information on how we use data to respond to COVID-19 can be found at the beginning the Blueprint.

- **Provide Talking Points:** When cases occur, those employees who worked closely with the affected individual should be notified. Ensure your leaders on the ground are prepared to address employee exposure and other questions by providing talking points in advance. This also helps reiterate the defined protocol and ensures employees receive a consistent message.

> Make sure to consider all relevant audiences and provide talking points for each, including employees, customers and vendors.

- **Review of Time Off Policies:** You likely already have policies around paid time off and leaves of absence; however, in light of this pandemic, it's a good idea to take another look and be prepared to be more flexible than usual. It's important for everyone's security and well-being that employees who are ill feel comfortable staying home without fear of losing pay.

- **Plan for Staffing Issues:** You may experience new staffing challenges as your employees manage illness or changing obligations at home. Be prepared to meet these needs by having a plan to cross train employees to cover different areas, including looking to those in offices who may have reduced workload due to changing priorities. You also may want to evaluate your onboarding program to identify areas that can be accelerated to bring new employees up to speed faster.

- **Prepare for Employees to Return:** Once they recover, your employees will return to work. Prepare in advance for how that should be handled, including what documentation may be needed and the length of time they should isolate based on their circumstances.

Consider this...

- **What stakeholders should be notified of a confirmed or suspected case of COVID-19 and how will you notify them?**
- **Are you able to offer testing for employees or can you help them identify free test locations?**
- **Are your current paid time off options enough to manage the possible scenarios presented by COVID-19?**
- **How will you monitor potential employee cases from onset of symptoms to return to work?**
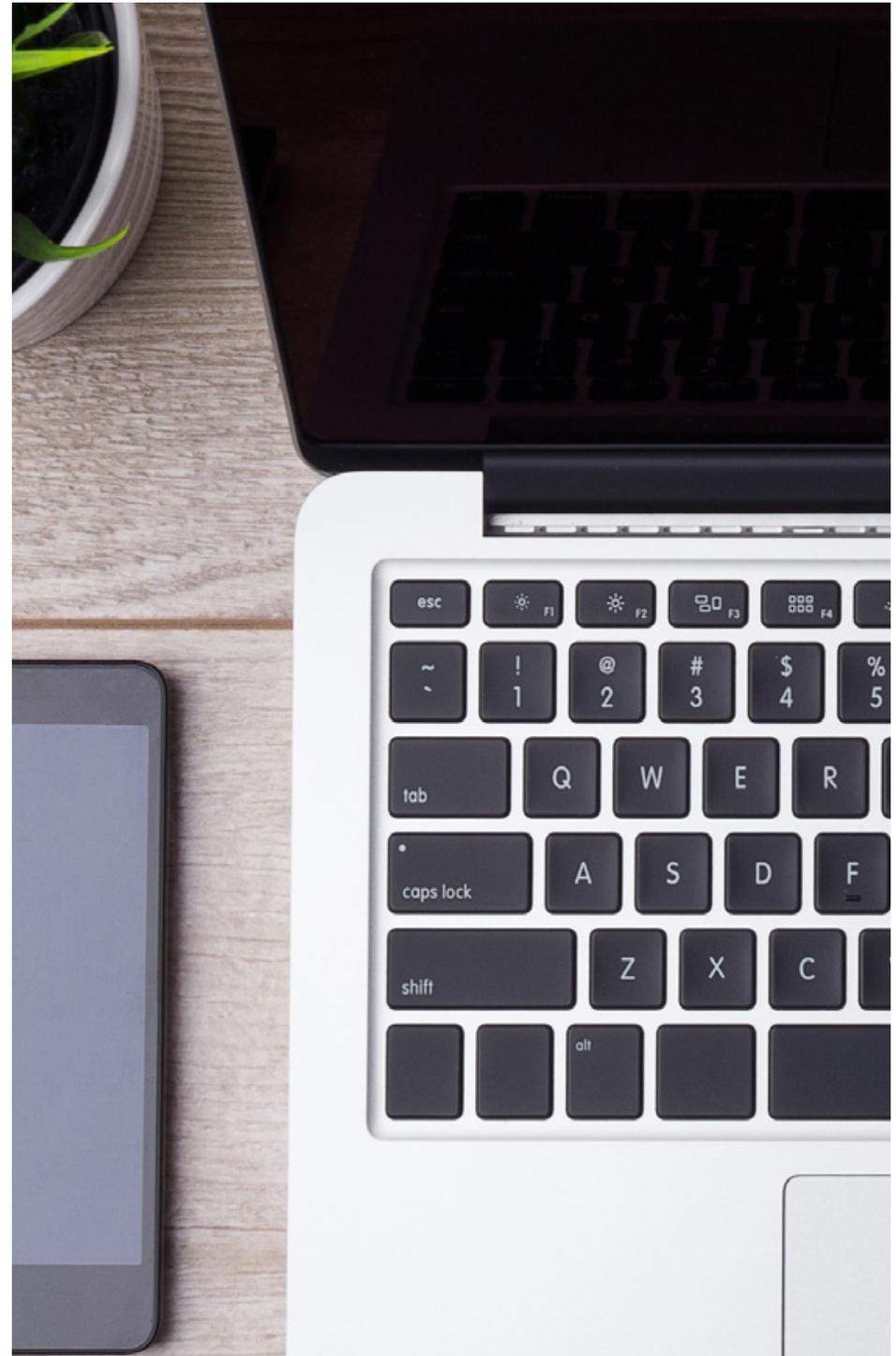
Provide Holistic Support to Employees

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-19 tools 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.

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.

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.

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.

> **Consider this...**
> - **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 hard work?**

Kroger Sharing What We've Learned: A Blueprint for Businesses

Nothing herein constitutes legal advice or other formal direction or guidance of any kind. The information herein is offered for general informational purposes only. **43**
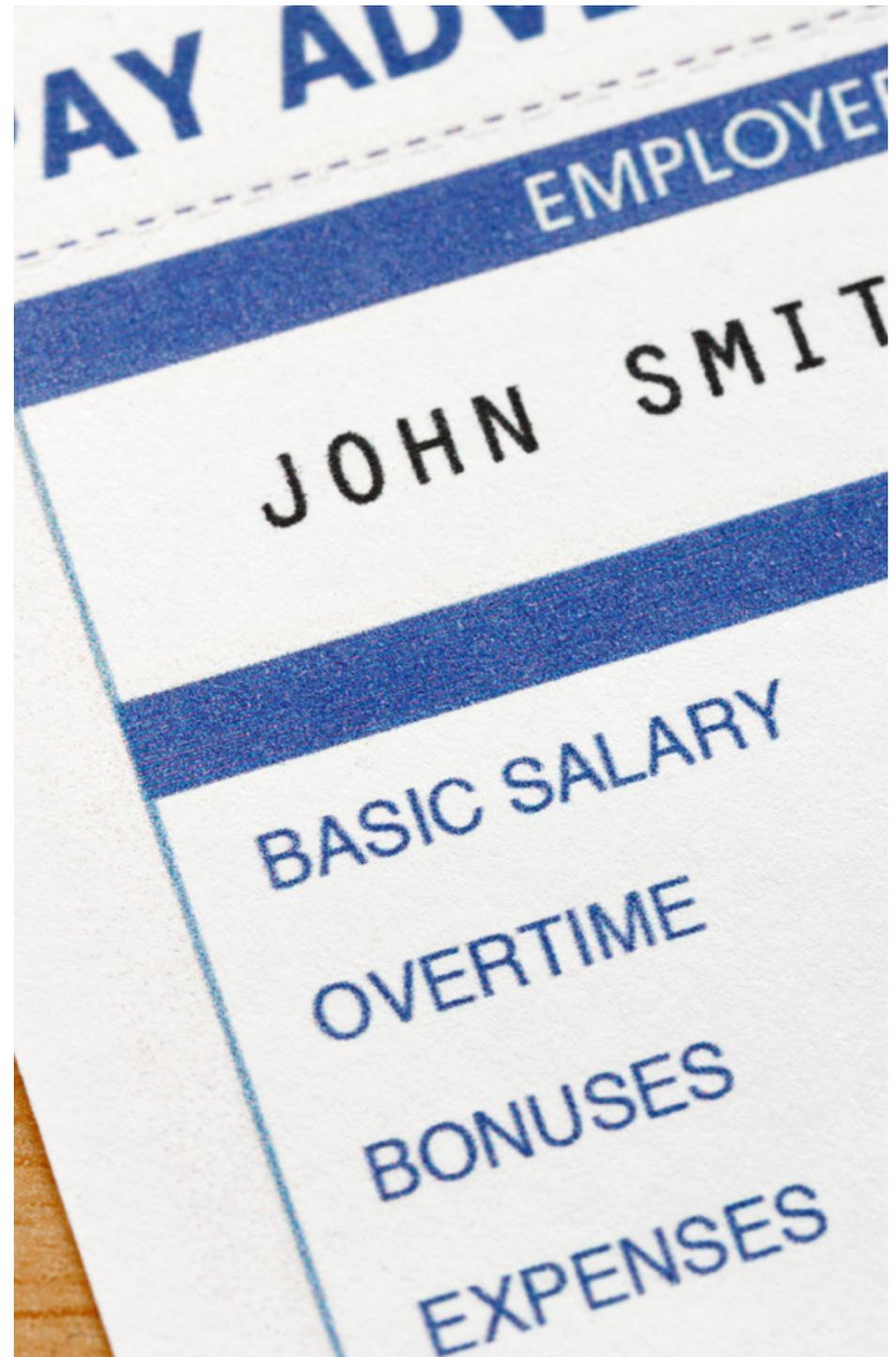
Engage Employees in Your Pandemic Response

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 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 feedback received?**

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 home:

- **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 cleaning of all common areas (e.g., restrooms, break rooms, cafeterias, etc.) and frequently touched surfaces (e.g., 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?**

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