



July 21, 2020

The Honorable Elizabeth Warren
United States Senate
317 Hart Senate Office Building
Washington, DC 20510

Dear Senator Warren:

I am writing in response to your letter dated July 15, 2020, regarding Stop & Shop's appreciation pay for associates.

As public concern around COVID-19 rose in late February, Stop & Shop experienced pressures on our business unlike we have ever seen in our 106-year history. Because of "panic buying" our stores were under enormous pressure to keep up with demand, as the supply chain approached a breaking point by early March and our suppliers began to run out of products. Associates worked tirelessly in our stores to serve our communities during these extraordinary circumstances. We reduced store operating hours so that our associates could get home at a sensible time and rest, and we introduced appreciation pay in March in consultation with the UFCW, in order to recognize the extra workloads associates were experiencing.

During this difficult time, we supported our associates by extending the appreciation pay program twice, first from May 2 through end of May and then through July 4th, each time in partnership with the UFCW. We also introduced flexible leave and absence policies and provided an additional two weeks of paid sick leave to address COVID-19. At the height of the pandemic, over 7,500 of our associates stayed home rather than coming to work. We were flexible, understanding, and supported them by continuing their healthcare coverage and ensuring their jobs were not at risk. Since March, during a time of increasing unemployment, Stop & Shop hired over 13,000 people into union jobs in our business.

In addition to increased pay and increased availability of hours and benefits, Stop & Shop was closely following guidance from local and state health authorities as it became available. We updated our procedures and practices on a regular basis to take care of our associates and customers. Since March we have invested more than \$110 million to ensure the safety of our associates and customers. We have installed plexiglass barriers in all close contact areas, closed self-serve departments, instituted one-way aisles, implemented strict policies to maintain prescribed safe occupancy levels, provided masks and sanitizer for associates, required masks for customers, and increased cleaning frequency throughout our stores. Stop & Shop continues to monitor, review and adhere to the safety, health and sanitation guidelines recommended by the state and the CDC and will continue to do so.

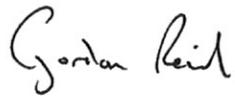
As the state has reopened, Stop & Shop, as well as its competitors, are trending back to pre-COVID levels of customer traffic and demand, and our associates' workload is far less than what we experienced back in March. Other retailers began ending their appreciation pay programs as early as May, while Stop & Shop's appreciation pay was in effect through July 4th. Although the grocery industry has certainly

changed as a result of COVID-19, the surge of customers and stockpiling that occurred in the beginning of the pandemic has dissipated and customers are returning to restaurants and more typical ways of shopping. While Stop & Shop will not be reinstating appreciation pay, we will continue to invest in our associates via benefits and other actions, as we always do, and prioritize associates' health and safety.

Our Company has a proud history of providing excellent service, quality products and great value to our customers and being a strong partner in our communities. We remain committed to being a great place to work for our over 56,000 union associates in the states in which we operate.

I appreciate your outreach and, most importantly, want to thank you for your ongoing leadership and public service during this challenging time.

Sincerely,

A handwritten signature in black ink that reads "Gordon Reid". The signature is written in a cursive, flowing style.

Gordon Reid
Stop & Shop President