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Grocer opens new spoke also serving Miami, Florida and surrounding areas -- celebrates 90 new associates

MIAMI, Feb. 1, 2023 /PRNewswire/ -- The Kroger Co. (NYSE: KR), America's grocer, today announced the opening of a new spoke facility in South Florida. Joined by the local community, Kroger celebrated the expansion of the delivery service and welcomed 90 new associates. This facility opening means customers can access Kroger's incredible selection of fresh items, unique *Our Brands* products and favorite national brands, as well as individualized offers for the groceries most important to their families – all delivered directly to their door by a friendly, professional Kroger associate.



"We are thrilled to connect more Floridians to the Kroger Delivery shopping experience, which brings thousands of digital coupons, valuable fuel points* and the freshest products directly to customers' doors," said Bill Bennett, Kroger Vice President, and Head of E-commerce. "Whether they are using the Kroger app or browsing our weekly ad at Kroger.com, customers can enjoy fresh, high-quality, affordable groceries delivered by best-in-class uniformed drivers."

The 60,000-square-foot spoke facility will work in conjunction with the Groveland, Florida fulfillment center. All orders are picked at the products' peak freshness within the Groveland facility. Associates carefully assemble orders and place them in climate-controlled vehicles to travel to Miami, serving communities between Port St. Lucie in the north to Homestead in the South, on both the east and west sides of I-95. Once the orders arrive, they are checked and placed on refrigerated delivery trucks that deliver directly to customers' doors, ensuring cold and frozen

products remain at the perfect temperature from the supplier to the customer's refrigerator. Learn more about pursuing a career at Kroger here.

"We've been working closely with the Kroger team since they started looking to expand to South Florida and knew this was a geography that would offer significant growth potential," said James Kohnstamm, EVP, Miami-Dade Beacon Council. "From a customer standpoint, we have over a million households and hundreds of new residents relocating to Miami each week. From a workforce standpoint, we have a deep bench of talent with expertise in cold chain and logistics management, as well as multiple startups dedicated to driving innovation in the trade and logistics space."

Local customers can get more value when purchasing their favorite items using Boost by Kroger Plus, the annual grocery delivery membership that can save customers up to \$1,000 per year on fuel and grocery delivery. Eligible customers can try the Boost membership with a free 30-day trial and subscribe for as little as \$7.99 a month. Additionally, new customers can enjoy \$15 off their first three orders.

Kroger Delivery Explained

The expansion to South Florida, including Miami represents an extension of a collaboration between Kroger and Ocado Group, a world leader in technology for grocery e-commerce. In 2018, the companies announced a collaboration to establish a delivery network that combines artificial intelligence, advanced robotics and automation in a bold new way, bringing first-of-its-kind technology to America.

The delivery network relies on highly automated fulfillment centers. At the hub sites, more than 1,000 bots move around giant 3D grids, orchestrated by proprietary control systems. The grid, known as The Hive, contains totes filled with products and ready-to-deliver customer orders. As customers' orders near delivery times, bots retrieve products from The Hive and present them at pick stations for items to be sorted for delivery, a process governed by algorithms that ensure items are intelligently packed. For example, fragile items are placed on top, bags are evenly weighted, and each order is optimized to fit into the lowest number of bags, reducing plastic use. Bags are also recyclable, reflecting Kroger's commitment to its Zero Hunger | Zero Waste commitment to rid its communities of hunger and waste.

Kroger's end-to-end cold solutions keep groceries fresh once loaded into a customized refrigerated delivery van, which can store up to 20 orders. Powerful machine learning algorithms optimize delivery routes, considering factors such as road conditions and optimal fuel efficiency. Vans may travel up to 90 minutes with orders from the hub and spoke facilities to make deliveries. Associates at the spoke facility will deliver orders within their service area, adding ZIP codes as demand grows.

Kroger currently operates customer fulfillment centers in Monroe, OH, Groveland, FL, Forest Park, GA (Atlanta), Pleasant Prairie, WI, Dallas, TX, Romulus, MI (Detroit) and Aurora, CO with additional customer fulfillment centers slated for California, Frederick, MD, Phoenix, AZ, Cleveland, OH, Charlotte, NC, as well as South Florida and the Northeast.

*Customers in Jacksonville, Miami and Tampa can order fresh groceries for delivery at Kroger.com or on the Kroger app, set up a Kroger loyalty account, and earn points to save on fuel at participating Shell stations.

Media Assets

To download Kroger Delivery photography and video, visit <u>here</u>.

About Kroger

At The <u>Kroger</u> Co. (NYSE: KR), we are Fresh for Everyone[™] and dedicated to our Purpose: To Feed the Human Spirit[®]. We are, across our family of companies, nearly half a million associates who serve over 11 million customers daily through a seamless shopping experience under a variety of <u>banner names</u>. We are committed to creating #ZeroHungerZeroWaste communities by 2025. To learn more about us, visit our <u>newsroom</u> and investor relations <u>site</u>.

About Ocado Group

Ocado Group is a UK based technology company admitted to trading on the London Stock Exchange (Ticker OCDO). It provides end-to-end online grocery fulfillment solutions to some of the world's largest grocery retailers and holds a 50% share of Ocado Retail Ltd in the UK in a Joint Venture with Marks & Spencer. Ocado has spent two decades innovating for grocery online, investing in a wide technology estate that includes robotics, AI & machine learning, simulation, forecasting, and edge intelligence.





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