



Kroger and Ocado Announce Location of High-Tech Customer Fulfillment Center in Romulus, Michigan

The 135,000-square-foot facility reinforces the flexibility of the model

ROMULUS, Mich. — September 28, 2020 — The Kroger Co. (NYSE: KR), America's largest grocery retailer, and Ocado (LSE: OCDO), a world leader in technology for grocery ecommerce, today announced Romulus, MI, as the latest location for a Customer Fulfillment Center (CFC). The location confirms a previous announcement stating Kroger and Ocado would construct a CFC in the Great Lakes Region.

"Kroger is incredibly excited to develop one of our industry-leading Customer Fulfillment Centers in Michigan in relationship with Ocado to bring fresh food to our customers faster than ever before," said Robert Clark, Kroger's senior vice president of supply chain, manufacturing and sourcing. "We continue to invest in and constantly improve our e-commerce capabilities, focusing on cost-effective solutions. Our partnership with Ocado is an essential part of our evolving seamless ecosystem. In Michigan, we are engineering a smaller model for the region, leveraging advanced robotics technology and creative solutions to redefine the customer experience and respond to the growing demand for grocery e-commerce services."

Kroger has partnered with Ocado to accelerate its ability to provide customers with anything, anytime, anywhere. The CFC model – an automated warehouse facility with digital and robotic capabilities – will be used to serve customers across the region. Kroger is designing a flexible distribution network, combining disaggregated demand and the proximity of its stores and facilities that vary in design and size.

"We are delighted to welcome the Kroger fulfillment center to Romulus, building on the city's status as a logistics and fulfillment hub," said Romulus Mayor LeRoy Burcroff. "We are thrilled about the many new jobs the operations will provide to local residents. Even amid COVID-19, we have remained focused on ensuring Romulus continues to be a home of opportunity--for businesses and residents alike--and with the support of strong partners like Kroger, we can keep our community vibrant for years to come. At the same time, the innovative use of robotics at the fulfillment center to prepare grocery orders for delivery to customers nearby will offer residents critical access to healthy and fresh food."

"Grocery ecommerce has reached an inflection point in 2020, and with Kroger we are developing a game-changing ecosystem for serving online grocery across the United States. Powered by Ocado's state of the art technology, this site illustrates the unique flexibility of Ocado's technology, as we are able to deploy sites of different sizes in different regions, to maximize penetration across diverse markets," said Luke Jensen, CEO of Ocado Solutions. "Ocado's proven technology will allow Kroger to achieve the lowest cost-to-serve in the market, combined with the best freshness, accuracy and service."

"Kroger's decision to invest \$95 million and create 250 new jobs in Romulus further demonstrates that Wayne County is a global leader in logistics and fulfillment industries. Kroger's continued commitment to our region with the innovative new grocery delivery service provided by this high-tech facility will help

improve access to fresh foods in southeast Michigan at a time when this service is more important than ever to keep residents safe and healthy,” said Warren Evans, Wayne County Chief Executive.

This new 135,000-square-foot CFC will accelerate Kroger's ability to expand its products to a larger footprint. This facility will create 250 new jobs, benefitting the City of Romulus/Aerotropolis region.

The facility will be located at 15675 Wahrman in Romulus. The CFC is expected to become operational 18 months after the site breaks ground and will support customers in several markets, including Michigan, Northern Ohio, and Indiana.

About the City of Romulus

The City of Romulus serves over 23,000 residents and 700 businesses, with a daytime population of more than 51,500 due to large-scale operations of the Detroit Metropolitan Airport. Lauding the slogan “Home of Opportunity,” Romulus also sits at the crossroads of two of Southeast Michigan’s most well-traveled expressways, I-275 and I-94; offering easy access to Detroit, Ann Arbor and Canada. With diversity in culture, land and opportunity, Romulus is keenly focused on quality education, low taxes and a strong track record of safety. For more information about the City of Romulus, visit www.romulusgov.com.

About The Kroger Co.

At The Kroger 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 banner names. We are committed to creating #ZeroHungerZeroWaste communities by 2025. To learn more about us, visit our newsroom and investor relations site.

About Ocado Solutions

Ocado Solutions is responsible for Ocado's corporate partnerships, providing the Ocado Smart Platform (OSP) as a service to retailers around the world. OSP comprises access to Ocado's physical infrastructure solutions, running highly efficient warehouse operations for the single pick of products, together with the entire end-to-end proprietary software applications required to operate a world class online grocery business. It is underpinned by Ocado's proven expertise and experience as a dedicated online grocer in the UK.