

MEMORANDUM OF AGREEMENT

This Memorandum of Agreement (“MOA”) is by and between Rite Aid of Pennsylvania, Inc. (Rite Aid) and the United Food & Commercial Workers Union Local 1776 Keystone State (the “Union”), hereby collectively referred to as the “Parties.”

Due to the unprecedented and unforeseeable business circumstances caused by the COVID-19 pandemic and the impact of related directives at the federal, state and local level, the Parties have agreed to the following temporary measures to address these circumstances. These temporary measures will be in effect until April 30, 2020. By mutual agreement, the Parties may extend this time period.

1. Due to its designation as an Essential Business under state and local directives, Rite Aid has immediate staffing needs in its stores in the region. Rite Aid shall offer all bargaining unit work to bargaining unit associates first. To the extent that Rite Aid has additional staffing needs after first offering the work to bargaining unit members, the Parties agree that Rite Aid shall have the ability to outsource bargaining unit work, including cleaning, truck unloading, and shelf stocking, to temporary staff.
2. In emergency situations, such as instances in which there are no bargaining unit employees available to perform the work, APAs and store managers can do bargaining unit work.
3. Rite Aid will pay a premium of two dollars (\$2) per hour to all hourly associates in union represented positions working in its stores. These associates will only receive the premium if they actually work.
4. Rite Aid will relax associate dress code in its stores which includes associates being able to wear jeans and tops of any color. Naturally, all other standards apply, including wearing a name tag, avoiding jeans with holes, avoiding pants or tops with graphics, etc.
5. Rite Aid is temporarily increasing the associate discount to 35% (from 20%) on all eligible products and services in our stores. The increased discount will begin Tuesday, March 24 at 6 a.m. and continue through at least April 30, 2020.

Agreed upon this ____ day of March, 2020.

**UNITED FOOD & COMMERCIAL
WORKERS UNION LOCAL 1776KS**

By: *Luella Jones IV*

Date: 3/25/2020

**RITE AID OF PENNSYLVANIA, INC.
dba RITE AID**

By: *Jordan Humble*

Date: 3-23-20



Team,

We couldn't be more proud and appreciative of how **you** are responding to this unprecedented crisis. The COVID-19 outbreak has challenged our team and our communities like never before, and all of us have been going above and beyond to care for our families while still serving our customers at a time when they need us most.

All of you are making a tremendous effort to balance your personal lives and our customers' needs during these uncertain times. We understand that all of you are making sacrifices every day. As leaders, we are meeting every day to determine how we can best support you – our most important asset during this critical time.

With this in mind, we are launching three Associate Support Initiatives to show our appreciation for your heroic efforts and make it easier to continue this united fight against an invisible enemy.

Hero Pay for Rite Aid Stores, DCs and RediClinic retail locations

Our front-line Rite Aid associates have been nothing short of heroes in response to the COVID-19 crisis. Last week, we released specific guidelines related to COVID-19, including a "Pandemic Pay" program that ensures associates are compensated if diagnosed with the virus or quarantined due to exposure, and increased flexibility in availability in administrative leaves.

We also recognize that this pandemic is creating significant financial strain for many families, including our hourly associates who work in retail locations and distribution centers. To help, non-management hourly associates who work in a retail Rite Aid store, RediClinic location or distribution center warehouse will receive a temporary Hero Pay increase of \$2 per hour for hours worked beginning March 15, 2020 through at least the end of April.

On behalf of the entire Rite Aid team, I thank our front-line associates for their inspirational efforts to continue serving our customers and communities as the world battles this unprecedented global health crisis.

Temporary Increase of Associate Discount to 35%

To help you and your family get easier, more affordable access to the products that will keep you safe, we are temporarily increasing the associate discount to 35% (from 20%) on all eligible products and services in our stores. The increased discount will begin Tuesday, March 24 at 6 a.m. and continue through at least April 2020.

Relaxed Dress Code

The last thing we want is for our associates to worry about their clothes during a crisis, so effective immediately and until further notice, our store and pharmacy associates will be able to wear jeans and tops of any color. Naturally, all other standards apply, including wearing a name tag, avoiding jeans with holes, avoiding pants or tops with graphics, etc. Hopefully this small gesture gives you one less thing to concern yourself with as you go about your workday.

Thank You

While we all struggle to adjust to our new reality, we know that there are concerns and needs that will arise, and we are doing everything in our power to anticipate and proactively address those needs. **We are listening to you and we hear you.**

Please continue to communicate open and honestly with your supervisors, monitor your health, and follow CDC guidelines to help prevent the spread of the virus and minimize risk.

On behalf of the entire Executive Leadership Team, I'd like to thank you once again for your truly remarkable efforts – we couldn't do any of this without you.

With gratitude,

Jessica Kazmaier

EVP & Chief Human Resources Officer



RITE AID COVID-19

ASSOCIATE Q&A DOCUMENT

3/21/2020

PANDEMIC PAY

What is Pandemic Pay?

To ensure the safety of our associates and our customers, Pandemic Pay has been established to compensate those who cannot come to work due to COVID-19 infection or quarantine. Associates may have other leaves/pay available to them for these days off; however, in order to expedite the payment process and to minimize financial hardship for our associates, Pandemic Pay has been put in place.

Who is eligible?

All associates who (1) are diagnosed with COVID-19; or (2) are quarantined due to exposure to COVID-19 (as defined within the COVID-19 Guidelines).

How is Pandemic Pay calculated?

For salaried associates, their normal daily wage is utilized to determine the amount of pay, up to a maximum of 40 hours per week.

For hourly associates, their hourly rate of pay will be used for the calculation, with a maximum of 8 hours per day. These hours will not be recognized as hours worked for the purposes of calculating overtime or vacation.

How long will Pandemic Pay last?

For as long as the company feels that it is necessary to support associates and their families during this difficult time.

HERO PAY

What is Hero Pay?

Hero pay is being implemented to reward those associates who are on the front-lines of the battle to support our families, friends, communities and customers by ensuring essential products are made available during this critical time.

Who is eligible?

All hourly (non-management/non-professional pharmacist) Rite Aid Retail Store associates; hourly (non-management) Supply Chain associates; and hourly RediClinic (non-management) associates who are "on the front lines" (i.e., not working remotely).

Why aren't all associates eligible?

All associates are Heroes. We are all pulling together during this difficult time and supporting our families, friends, communities and customers. However, those non-management hourly associates who are "on the front lines" of the battle (Supply Chain and Retail Stores) are having to make additional commitments to meet the demand for necessary products for the public. This is why these individuals are receiving additional pay during this national crisis.

When will Hero Pay begin?

Hero Pay will be calculated beginning with hours worked beginning on 3/15/2020 and will be processed on a supplemental pay run for the Week 1 pay cycle associate with a paycheck date of 3/27/2020. Associates who are on the Week 2 pay cycle will see this increase in their paycheck dated 4/2/2020.

How is Hero Pay calculated?

Hero Pay is an added \$2 per hour worked which will show up on the paycheck listed as "Hero." The additional \$2 per hour Hero Pay will also be included for the purposes of calculating overtime.

When will Hero Pay end?

Hero Pay is not a permanent pay increase. It will remain in effect for as long as the company feels that it is necessary to support associates during this pandemic crisis.

ADMINISTRATIVE LEAVE

What is Administrative Leave?

Administrative Leave is an unpaid leave which has been developed to assist associates who have an eligible COVID-19 situation and are not eligible for any leave.

Who is eligible?

All associates other than pharmacists who: (1) have exhausted FMLA and need additional time off related to caring for a family member with COVID-19; (2) due to school closure (for those who are unable to work from home); (3) individuals who have a serious underlying health condition that can put them at increased risk (for example, a condition that impairs lung or heart function or weakens the immune system); or (4) staying home because they are 65 or older or have an increased risk for serious illness.

Is Administrative Leave Protected?

Yes. Administrative Leave provides for job security (same as FMLA).

How long will Administrative Leave be available?

For as long as the company feels that it is necessary to support associates and their families during this pandemic crisis.

RITE AID RETAIL STORE ASSOCIATE DISCOUNT

What is the Rite Aid Retail Store Associate Discount?

Currently, associates receive a 20% discount off eligible products and services in Rite Aid Stores. The associate discount will be increased to 35% to help support associates and their families.

Who is eligible?

All Rite Aid, RediClinic, Elixir and Health Dialog associates are eligible.

When does this increased discount begin?

The increased discount begins Tuesday, March 24, 2020 at 6 a.m.

How long will this increased discount be in effect?

For as long as the company feels that it is necessary to support associates and their families during this difficult time.

Does the discount apply to items on-sale or items purchased online? The associate discount does not apply to on-sale items or items purchased online.

RELAXED DRESS CODE

What is the Relaxed Dress Code?

We will relax the dress code, including allowing jeans and tops of any color within Rite Aid retail stores (please note that all other standards must still be met such as wearing a name tag, avoiding jeans with holes, avoiding pants or tops with graphics, etc.). We want associates to be as relaxed and comfortable as possible while maintaining a professional appearance.

Who is eligible?

All Rite Aid Retail store associates, including store managers, pharmacists and pharmacy managers.

When does it begin?

Sunday, March 22, 2020.

How long will Relaxed Dress Code last?

For as long as management deems necessary.

OTHER DETAILS

Please note that every effort has been made to quickly communicate these added enhancements and make them available to associates; however, due to the fast pace of changes to COVID-19, it is becoming difficult to keep up with the speed of details and communications. With this in mind, please contact your Human Resources Representative if you have additional questions or need assistance.

Thank you for your understanding during this crisis.



Effective Date	03/13/2020
Last Review Date	03/12/2020
Previous Version Date	N/A
End Date	04/12/2020
Owner	HR

Coronavirus Disease (COVID-19) Guidelines

Statement

It is the goal of Rite Aid (the “Company”) to take steps to reduce the spread of Coronavirus (“COVID-19”) in the workplace and to protect the wellness of all associates and customers. These Guidelines set forth the responsibilities of all associates to minimize the risk of the spread of COVID-19 in the workplace.

Please understand that these Guidelines cannot anticipate all possible situations, so please be patient as we respond to this rapidly changing situation.

Scope

These Guidelines apply to all associates of Rite Aid, Health Dialog, RediClinic, and EnvisionRxOptions.

Definitions

Exposure: A person is exposed to COVID-19 when he or she answers yes to any of the following questions:

- Is the associate living in the same household as, an intimate partner of, or providing care in a nonhealthcare setting (such as a home) for a person with symptoms and a confirmed case of COVID-19 and the associate has not been using recommended precautions for home care and home isolation¹?
- Has the associate been in close contact for a prolonged period of time with a person with a confirmed case of COVID-19 who is displaying symptoms?
- Has the associate been in contact with respiratory secretions (i.e., you were coughed on) by a person with a confirmed case of COVID-19?
- Has the associate been in the same indoor environment with a person with a confirmed case of COVID-19 for a prolonged period of time (i.e., in the same classroom or same hospital waiting room)?

Close Contact: Within 6 feet.

Prolonged Period: More than a few minutes.

Quarantine: Separating and restricting your movement (i.e., not coming to work), whether directed by a medical professional or by yourself.

Guidelines

Travel

Until further notice, the Company has suspended international business travel. The Company has restricted domestic travel to essential business, but if you must travel, recommendations include:

- Discussing business travel concerns with your supervisor.
- Wiping down airline seats, tray tables, and surfaces in hotel rooms with disinfecting wipes and limiting access to your hotel room by others during your stay.

¹ For guidance on what constitutes precautions for home care and home isolation, please see the CDC’s guidance, Preventing the Spread of Coronavirus Disease 2019 in Homes and Residential Communities, available at <https://www.cdc.gov/coronavirus/2019-ncov/hcp/guidance-prevent-spread.html>.

- Associates should avoid personal travel (domestic or international) to locations which have been deemed by the CDC to have significant outbreaks of COVID-19. Associates are encouraged to check the CDC's latest guidance on travel.

General Associate Responsibilities

Each associate has a responsibility to help prevent the spread of COVID-19. Associates are required to comply with the Associate Notification Responsibilities section below. Associates should engage in good hygiene practices while at work, especially:

- Practice social distancing (avoiding crowded places).
- Refrain from shaking hands or otherwise touching your coworkers – you can use an elbow bump instead.
- Engage in frequent hand-washing with soap and water or, if soap and water are not available, use alcohol-based disposable hand wipes or sanitizers that have an alcohol content of at least 60%.
- Cover your mouth and nose when coughing or sneezing with a tissue or a flexed elbow and then immediately dispose of the tissue and wash or sanitize your hands; and avoid touching your eyes, nose and mouth.
- Adhere to the recommendations issued by the CDC.

Additionally, these Guidelines require the following actions be taken to reduce the spread of COVID-19:

- Associates should stay home if they have a confirmed case of COVID-19 or have been ordered to quarantine by a governmental entity.
- Associates should stay home for 14 calendar days if they suspect that they have been exposed to COVID-19.
- Associates who are returning from a CDC Level 2 or 3 area must stay home for at least 14 calendar days following return from such area. Check the CDC's publication "Coronavirus Disease 2019 Information for Travel" for information on Level 2 or 3 areas.
- Individuals who are well but reside with or otherwise care for someone who has a confirmed case of COVID-19 should stay home for 14 calendar days to ensure that they do not exhibit any symptoms.

Associate Notification Responsibilities

Associates must immediately notify their supervisor if they:

- Have been diagnosed with COVID-19 by a healthcare provider or a public health official;
- Are subject to mandatory or suggested quarantine related to COVID-19 by a healthcare provider or a public health official (including the beginning and end dates of the quarantine period);
- Know or suspect exposure to someone with a confirmed COVID-19 diagnosis;
- Have recently traveled to a location identified as Level 2 or 3 by the U.S. Department of State; or
- Are planning to travel to a Level 2 or 3 Warning location on a personal trip in the next 60 days.

Associates who knowingly violate these Guidelines could face disciplinary action.

Pandemic Pay

Associates will receive up to two weeks of pay in the following circumstances:

- Associate is diagnosed with COVID-19; or
- Associate is quarantined due to exposure to COVID-19.

School or Daycare Closure

If your child's school or daycare closes, it is expected that you attempt to find alternative childcare, switch shifts, or take any other measures to be available for work. If you cannot, you will be placed on an unpaid, job-protected administrative leave. During this time, you may use accrued time off.

Rite Aid pharmacists and RediClinic clinicians are healthcare professionals and are expected to take every possible measure to ensure that they can maintain operations.

Company Response

After receiving relevant information, the Company will take prompt and appropriate action(s) to reduce the spread of COVID-19 in the workplace. The Company also reserves the right to require associates to stay home or work from home depending on the particular circumstances.

The Company's decisions regarding excluding individuals from the workplace will be based on current and well-informed judgements concerning information available about COVID-19, the risks of transmitting COVID-19 to others, and the symptoms and special circumstances of each individual who has (or has been exposed to) COVID-19. The Company will follow all applicable regulations or instructions issued by federal, state or local public health authorities, the CDC, or other governmental agencies. The Company will generally follow guidelines or recommendations issued by these sources, taking into account the particular workplace circumstances.

Leaves of Absence

Rite Aid, RediClinic, and Health Dialog Associates: Requests for leaves of absence will be evaluated by the Benefits Service Center. The Benefits Service Center can be reached at 1-800-343-1390.

Envision Associates: Contact your Human Resources Manager.

Return to Work

After Diagnosis: If an associate is confirmed to have COVID-19 (even if not showing symptoms), he or she should return to the workplace only after being released by a medical professional and providing corresponding documentation.

After Caring for a Family Member or Cohabiting with an Individual Diagnosed with COVID-19: An associate who is off work to care for a family member diagnosed with COVID-19 or who lives with a person diagnosed with COVID-19 may only return to work 14 calendar days after exposure to COVID-19 has ceased, and the associate is not experiencing any symptoms of COVID-19.

After Travel: An associate that has traveled to a Level 2 or 3 country must stay off work for 14 calendar days following return from such area, and may only return to work if the associate is not experiencing any symptoms of COVID-19.

After Quarantine: An associate who is quarantined due to exposure to COVID-19 may return to work after 14 calendar days and only if the associate is not experiencing any symptoms of COVID-19.

Group Health Insurance During Leave

If an associate participates in an employer-sponsored group health plan, benefits may be maintained in accordance with any protections offered under the applicable leave policy. Unless otherwise specified in the relevant policy, whenever an associate is receiving pay during a qualifying leave of absence where health insurance benefits are maintained, the associate's portion of the group health plan premium will be deducted from the associate's paycheck. Associates should contact Human Resources with any questions regarding continuing benefits during any leave.

Discrimination and Retaliation Prohibited

The Company strictly prohibits and will not tolerate any retaliation or discrimination against any individual based on the individual having been exposed to and/or being diagnosed with COVID-19. Any individual who believes that he or she has been wrongfully retaliated against or discriminated against should immediately notify Human Resources.

Confidentiality/Privacy

Except for circumstances in which the Company is legally required to report workplace occurrences of communicable disease, the confidentiality of any associate medical information will be maintained in accordance with applicable law and to the fullest extent practicable under the circumstances. The Company is committed to

complying with all applicable federal, state, and local laws that protect the privacy of persons who have COVID-19. The Company reserves the right to inform other employees that a co-worker (without disclosing the person's name) has been diagnosed with COVID-19 if the other employees might have been exposed to the disease so the employees may take measures to protect their own health.

Abuse

In cases of suspected abuse of leave granted in relation to COVID-19, an investigation by Human Resources may be initiated. If it is found through the investigation that the associate has used COVID-19 related leave in an improper manner, discipline, up to and including termination, may be taken against the associate.

Questions

Associates who have any questions or concerns, or who need additional information regarding these Guidelines should contact Human Resources.

Resources

World Health Organization Information: <https://www.who.int/emergencies/diseases/novel-coronavirus-2019/advice-for-public>

CDC Information: <https://www.cdc.gov/coronaviruses/2019-ncov/index.html>