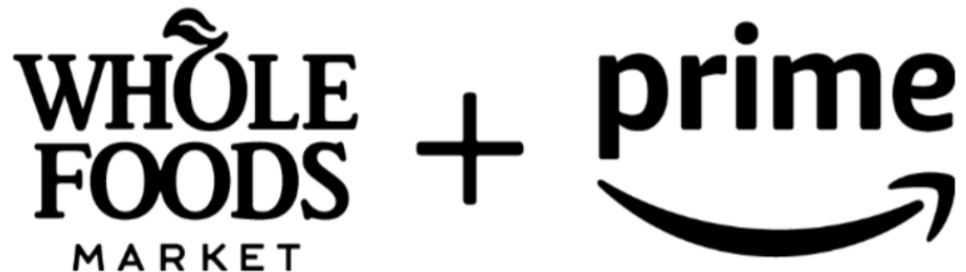


Why are we offering Prime benefits in-store?

- The goal of Prime at Whole Foods Market is to offer even better deals to our Customers every day to help grow basket size
- Helps make WFM a larger part of Prime: Earth's largest and most-loved membership program
 - There are tens of millions of Prime members – Prime at WFM gives us increased access to them! WFM Prime is eligible to US customers only.
- All of these things mean an increase in sales for our stores!



What are the deals?



10 % off hundreds of Sale Items

- Members save an extra 10% on items with yellow sale signs
 - This excludes alcohol, Amazon devices, case discounts, and Everyday Savings items

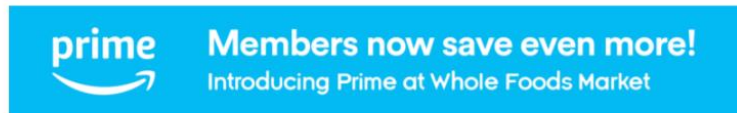


Prime Member Deals

- Exclusive deals offered through leading Supplier partners
- Several items chosen per week to be featured in prominent display areas with discount only for Prime members

WFM In-Store Signage

OUTDOOR BANNERS



DOOR CLING



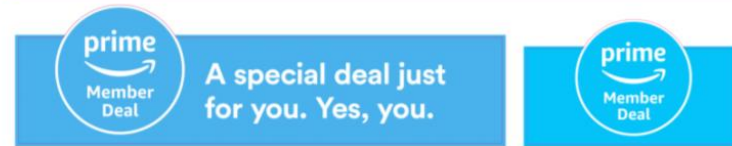
INDOOR BANNERS



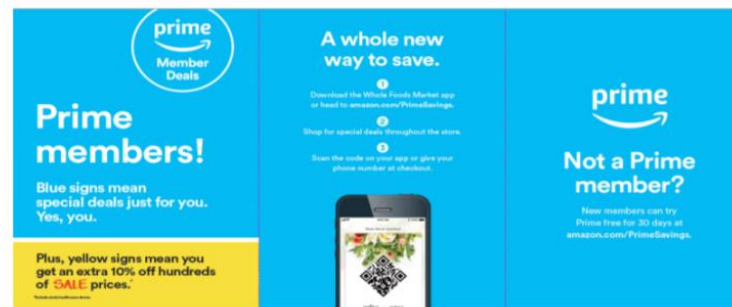
SHELF LEVEL & PRODUCT



WAYFINDING



SEATING



REGISTER



Ongoing bi-weekly Marketing support for Prime Member Deals

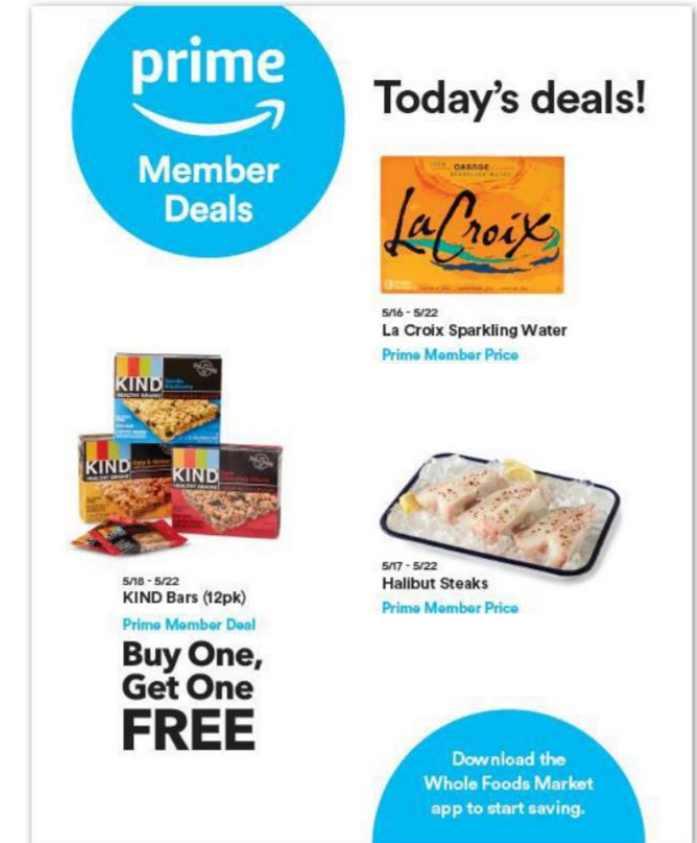
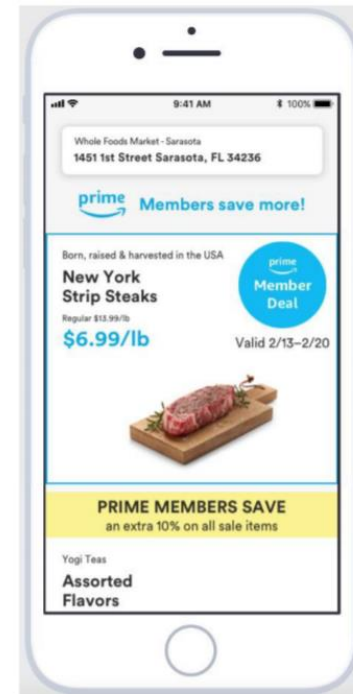
These specials will be integrated into our current global promotions cadence as a highlighted offer specifically for Prime members.

In-Store Materials (sent to stores by Global Marketing)

- Prime Member Deal front of house poster
- Prime Member Deal Product Signage
- Department posters

Out-Of-Store Marketing

- Digital (website, mobile app, email)



PRIME SAVINGS AT WFM – FAQ (page 1 of 3)



CATEGORY MANAGEMENT
WHOLE FOODS MARKET®

Question	Prime Member Deals	Prime Member Sales Discount
What is Prime savings at WFM?	Prime at WFM offers special savings on select items. Blue sale signs indicate special deals only available to Prime members, known as “Prime Member Deals”.	Additionally, Prime members will receive an extra 10% off items with a yellow sale tag, with few exclusions.
What is the difference between sales discounts and Prime Member Deals?	Prime member Deals are items that will be discounted at a special price for Prime members, but at regular retail for non-Prime members, during a given period of time.	Prime at WFM sales discounts are an additional 10% off of hundreds of items that are already on sale in the store (exclusions apply).
How will customers know which items are Prime Member Deals?	Blue sale signs indicate special deals only available to Prime members. Prime Member Deals will also be featured on WFM.com, and in the WFM Mobile App using the same bright blue icon. And, Prime Member Deals will be marketed via email communication and other marketing channels, still to be determined.	Yellow signs on hundreds of sale items indicate that Prime members get extra savings on those items, with the exclusion of Amazon devices, alcohol, everyday savings items, and case discounts.
How will it look at shelf and in-store?	Prime Member Deals will be signed with blue and are not eligible for the extra 10% off. They will be signed at shelf, on endcap, pallet, etc.	Sale items will continue to have yellow tags; yellow tags (few exceptions) are the only items eligible for the extra 10% off. Additional signs broadly spread throughout the store will communicate the Prime member extra 10% off benefit, extra 10% off will not be tagged at the shelf level.
Will Amazon be matching the Whole Foods prime offers on their website?	No, instore prices and Prime Now prices will match, but Amazon.com proper will not be matching these prices.	

PRIME SAVINGS AT WFM – FAQ (page 2 of 3)



Question	Prime Member Deals	Prime Member Sales Discount																														
How will Prime Member Deals impact the standard Grocery monthly promo periods?	Grocery promo periods will continue to operate with monthly A and B cycles as it does today, beginning on a Wednesday and ending on a Tuesday. Prime Member Deals will most often be a variation of 7-14 day deals beginning on a Wednesday and ending on a Tuesday during the promotional period. The product will remain on a prominent off shelf display the entire promo period. The remainder of days/week(s) of the promo period the product will be at regularly promoted price for all customers.																															
What support is needed from suppliers?	Suppliers will selectively be asked to participate in Prime Member Deals. Suppliers are asked to support maintaining margin rate as has always been done for all Grocery promotions (on and off shelf). Suppliers will only be charged as negotiated when purchase is attached to the Prime promotional ID (Prime members only). A total bill will be invoiced at the end of each promo period.	<p>Suppliers are asked to support maintaining margin rate as has always been done for all Grocery promotions (on and off shelf). Below is an illustration of the calculations. Suppliers will only be charged for additional Prime scan when attached to the Prime promotional ID (Prime members only). A total bill will be invoiced at the end of each promo period.</p> <table><tr><td>Regular Retail</td><td>\$4.99</td><td rowspan="3">*All WFM customers receive this promo retail</td></tr><tr><td>Regular Cost</td><td>\$2.50</td></tr><tr><td>Regular GM</td><td>50%</td></tr><tr><td>General Promo Retail</td><td>\$3.99</td><td rowspan="4">*All WFM customers receive this promo retail</td></tr><tr><td>Supplier Scan Support</td><td>\$0.50</td></tr><tr><td>General Promo Cost</td><td>\$2.00</td></tr><tr><td>General Promo GM</td><td>50%</td></tr><tr><td>Prime additional 10% off</td><td>\$0.40</td><td rowspan="2"></td></tr><tr><td>Prime Retail after extra 10% off</td><td>\$3.59</td></tr><tr><td>Supplier Maintains Rate 50%</td><td>\$1.79</td><td rowspan="4">*Only Prime members receive this promo retail</td></tr><tr><td>Additional Supplier Scan</td><td>\$0.21</td></tr><tr><td>Total Supplier Scan Support</td><td>\$0.71</td></tr><tr><td>Prime GM</td><td>50%</td></tr></table>	Regular Retail	\$4.99	*All WFM customers receive this promo retail	Regular Cost	\$2.50	Regular GM	50%	General Promo Retail	\$3.99	*All WFM customers receive this promo retail	Supplier Scan Support	\$0.50	General Promo Cost	\$2.00	General Promo GM	50%	Prime additional 10% off	\$0.40		Prime Retail after extra 10% off	\$3.59	Supplier Maintains Rate 50%	\$1.79	*Only Prime members receive this promo retail	Additional Supplier Scan	\$0.21	Total Supplier Scan Support	\$0.71	Prime GM	50%
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PRIME SAVINGS AT WFM – FAQ (page 3 of 3)



CATEGORY MANAGEMENT
WHOLE FOODS MARKET®

Question	Prime Member Deals	Prime Member Sales Discount
How will suppliers get billed for this?	All billing will be processed using the same methodology currently in place for your Brand. If you are a Direct Supplier you will receive billing directly from WFM. If you distribute via UNFI you will receive your billing from UNFI. There will be at least two invoices associated with each promotion. One bill for your baseline promotional funding along with the ad fees associated with the promotional contract and another separate bill for your support of Prime. These will be tracked and billed separately because only transactions with the Prime activation code will be counted towards the Prime invoices; the baseline promotional support will continue to be applied to all products sold during the scheduled timeframe.	
What are the effective dates for which suppliers will be billed?	You will be billed for the scanback effective dates correlating with the promotion listed on the promotional submission form. Since Prime discounts will only be activated during the retail sale dates, charges for Prime redemptions will only be calculated for the active dates of the promotion; the retail start to retail end dates. Stores will not be able to start sales earlier; all Regions and stores will align to the effective promo retail dates within the promotional submission.	
How many customers do we estimate redeeming the additional Prime discount scan?	We don't have a good way to know right now, for the purpose of initial inventory planning we are operating under the assumption of 50%+ redemption based on the number of current WFM customers who are also Prime members.	
Will Prime at WFM impact other marketing programs suppliers participate in like Co-Op Partnerships or Mailed Circulars?	Other marketing programs will continue to operate as they do today highlighting incredible product and promos for all WFM customers. Fees to participate in these programs will not change due to this new Prime initiative which is for Prime members only. The additional 10% Prime Member Sales Discount will apply on sales items highlighted within all marketing vehicles. We're working to evolve the co-op program to include Amazon and Prime experience engagement.	
How would AC Nielsen report the SRP?	Nielsen's current process for attributing an item as being sold at regular retail vs sold at a promoted retail remains the same - if an item's price, calculated at a <u>Region/week/item</u> level is reduced by at least 5% from one week to the next, it is considered a Promo sale.	
	A Prime Member Deal is flagged as a regular retail or a promo retail depending upon the mix of Prime vs non-Prime transactions for a given item/store/day.	All Prime Member Sales Discounts (additional 10% off yellow tagged items) are flagged as promo retail since the item already reflects a general promotion with reduced price by at least 5% for all customers.