



INCREASE RESPONSIBLE SOURCING

GOAL	TARGET YEAR (baseline if relevant)	PROGRESS
100% SUSTAINABLE SEAFOOD		
Kroger will source 100% of its wild-caught seafood from fisheries that are Marine Stewardship Council (MSC) certified, in MSC full assessment, in comprehensive Fishery Improvement Projects (FIPs), or certified by other GSSI-recognized programs, by 2020.	2020	Kroger is currently sourcing 86% of our wild-caught fresh and frozen species by volume under these criteria. Kroger will continue to work with WWF to support its FIP program through funding, sourcing and supplier engagement. Read more.
Kroger will preferentially source MSC certified wild-caught seafood and, by 2020, Kroger will source at least 90% of its volume from fisheries that are MSC certified.	2020	Kroger is currently sourcing 69% of our total volume from MSC-certified fisheries. We will continue to work with WWF to support FIPs through funding, sourcing and supplier engagement. Read more.
By 2020, all Our Brands canned tuna will state the tuna is sourced from International Sustainable Seafood Foundation (ISSF) participating companies.	2020	We believe we will accomplish this goal in 2018. Kroger is committed to continue sourcing 100% of shelf-stable Our Brands tuna from ISSF-participating companies. Read more.
For farmed species that are corporately procured, we will source 100% in accordance with the Global Aquaculture Alliance's Best Aquaculture Practices (BAP) Four-Star certification by 2020.	2020	We are currently in the process of assessing progress toward this updated goal. We continue to source 100% of Our Brands farm-raised seafood from BAP Level 2 sources (per our earlier commitment). Read more.
CAGE-FREE EGGS		
Kroger's goal is to transition to a 100% cage-free egg supply chain by 2025.	2025	Currently, about 18% of our total egg sales are cage-free eggs. We continue to work with our egg suppliers to increase the availability of cage-free eggs in our supply chain. Read more about our animal welfare initiatives.
HIGH-IMPACT COMMODITY REVIEW		
Identifying and Addressing High-Impact Commodities Kroger will partner with The Sustainability Consortium to assess key commodities using their commodity mapping tool, which is designed to help identify and further understand social and environmental risks in upstream commodities.	Ongoing	As part of this initiative, we are evaluating risks such as water scarcity, biodiversity and child labor in the supply chain. This has two elements, one being using the TSC's commodity mapping tool in combination with Kroger's sourcing data to identify geographic, environmental and social risks for top high-impact commodities, and the other being outreach to key suppliers to gain increased visibility into their specific supply chains on risk management and other metrics. This work continues in 2017. Read more.



INCREASE RESPONSIBLE SOURCING

GOAL	TARGET YEAR (baseline if relevant)	PROGRESS
<p>PALM OIL</p> <p>By the end of 2015, Kroger will purchase 100% of palm oil from suppliers certified by the Roundtable on Sustainable Palm Oil (RSPO).</p>	2015	<p>Achieved! At the end of 2015, Kroger achieved its goal to source 100% Certified Sustainable Palm Oil (CSPO) from a mass balance supply chain for Our Brands products that we manufacture. We continue to work with suppliers to maintain the integrity of this commitment. Read more.</p>
<p>100% DAIRY FARMS ENROLLED IN F.A.R.M.</p> <p>All dairy farms providing milk to Kroger manufacturing plants will be enrolled and in good standing in the National Dairy Farmers Assuring Responsible Management (F.A.R.M.) program.</p>	Ongoing	<p>Achieved! 100% of dairy farms are currently enrolled in F.A.R.M. Read more.</p>
<p>ZERO TOLERANCE FOR HUMAN RIGHTS VIOLATIONS</p> <p>Our customers trust that the products we bring to market are sourced from reputable suppliers who provide safe and fair working conditions for their workers. Kroger is working to ensure an ethical supply chain for the products sold in our stores. We have a zero tolerance policy for violations of our vendor code of conduct.</p>	Ongoing	<p>In 2015, Kroger expanded its social compliance staff. We audit 100% of international suppliers of Kroger branded, unbranded and direct import products. From 2014 to 2016, we expanded the number of social compliance audits by 159%. Read more.</p>



ENVIRONMENT: INCREASE ECO-STEWARDSHIP

GOAL	TARGET YEAR (baseline if relevant)	PROGRESS
ZERO WASTE		
Kroger aims to ultimately meet and exceed EPA's Zero Waste threshold of 90% diversion from landfill in our facilities by 2020.	2020	In 2016, Kroger reached a diversion rate of 78% across its operations, up from 70% in 2015. Read more.
Source Reduction Continue to integrate Reusable Plastic Containers (RPCs) into our network to reduce waste in the first place as well as test new technologies that reduce waste in the supply chain.	2020	In 2016, Kroger shipped 120 million RPCs of fresh produce to our stores, an increase of 13% from 2015. Read more.
Feeding People <ul style="list-style-type: none"> • Continue to expand eligible foods into the Perishable Donations Partnership (PDP). • Implement PDP programs in Kroger family of stores distribution centers. • Continue to train associates and collaborate with local food banks. 	2020	<ul style="list-style-type: none"> • Kroger stores donated 69 million pounds of food through the PDP, up 23%. • Logistics increased food donations by over 3 million pounds in 2016. Read more here and here .
Feeding Animals In both our plants and retail locations, Kroger will continue to expand animal feed processes that allow us to donate safe and nutritious food scraps to animals, where feasible.	2020	In 2016, 164,000 tons of food waste was recycled and diverted to animal feed, industrial uses and composting, up 4% from 2015. Of this amount, 62,374 tons went to animal feed outlets. Read more.
Industrial Uses In California, Kroger's innovative Food Recovery System converts food waste and dairy plant effluent into renewable energy through anaerobic digestion. Kroger will continue to look for opportunities to leverage this technology elsewhere. Kroger and the Innovation Center of U.S. Dairy have entered into a collaboration to study the feasibility of locating anaerobic digesters on dairy farms that can process Kroger food waste along with manure.	2020	Kroger continues to operate its anaerobic digester in Compton, Calif., and is currently constructing an anaerobic wastewater treatment plant at our KB Specialty Foods manufacturing facility in Greensburg, Ind., to replace an aging wastewater treatment plant. Like our first digester, this one will also provide energy to power our facility. Read more.
Composting In retail locations, we will continue to expand composting operations that provide nutrients back to our environment, where feasible.	2020	In 2016, associates in 1,445 Kroger-operated stores recycled organics, up from 1,190 stores in 2015. Read more.



ENVIRONMENT: INCREASE ECO-STEWARDSHIP

GOAL	TARGET YEAR (baseline if relevant)	PROGRESS
ZERO WASTE		
<p>Plastic Recycling Kroger will recycle over 200 million pounds more plastic by the end of 2020, from a baseline of 2016.</p>	<p>2020 (2016 baseline)</p>	<p>In 2016, Kroger recycled 68 million pounds of plastic across our operations. We will continue to expand our plastic recycling capabilities and efforts moving forward. Read more.</p>
<p>Cardboard Recycling Kroger will recover over 3.3 billion tons of cardboard annually by the end of 2020.</p>	<p>2020</p>	<p>Kroger recycled 2.35 billion pounds of cardboard across our company in 2016, on track to exceed our goal by 2020. Read more.</p>
<p>Construction Sites Our goal was to have 50% of new stores and remodels achieve zero waste in 2016.</p>	<p>2016</p>	<p>In 2016, 40% of new stores and remodel projects achieved zero waste, solid progress but below our goal of 50%.</p> <p>To accelerate progress toward our zero waste targets, Kroger has set new goals for construction waste reduction in 2017:</p> <ul style="list-style-type: none"> • Recycle at least 90% of total waste generated. • 90% or more of construction projects to participate in the zero waste initiative. • 50% or more of construction projects to achieve zero waste. <p>Read more.</p>
100% OUR BRANDS PACKAGING OPTIMIZATION		
<p>By 2020, Kroger will optimize packaging in Our Brands products by following a balanced, multi-pronged approach that considers design attributes including but not limited to food safety, shelf life, availability, quality, material type and source, function recyclability and cost.</p> <p>Responsible Sourcing Increase certified virgin fiber sourcing from well-managed forests. Kroger will accept the Forest Stewardship Council (FSC), Sustainable Forest Initiative (SFI), and Programme for the Endorsement of Forest Certification (PEFC) for paperboard packaging.</p> <p>Increase Recycled Content Kroger will utilize at least 20% post-consumer recycled content in its packaging for Our Brands manufactured products.</p>	<p>2020</p>	<p>Kroger is working on multiple projects to achieve these packaging goals for Our Brands.</p> <p>In each case, our team is identifying and evaluating opportunities and creating action plans for 2017 and beyond, with longer-term targets for 2020. We will continue to share progress as we move forward.</p> <p>One significant achievement is our source reduction project for Our Brands one-gallon milk jugs. Kroger's packaging engineers designed a new milk jug that uses 10% less plastic, maintains the same performance and is 100% recyclable. So far, three Kroger dairies are producing milk with this new design. By the end of our conversion in 2018, we will save about 5 million pounds of plastic per year! In total, Kroger has eliminated 2.8 million pounds of plastic by 2016, and we anticipate reaching 9.8 million pounds of plastic by the end of 2018.</p>



ENVIRONMENT: INCREASE ECO-STEWARDSHIP

GOAL	TARGET YEAR (baseline if relevant)	PROGRESS
100% OUR BRANDS PACKAGING OPTIMIZATION		
<p>Stakeholder Communication Kroger is committed to enabling customer sustainability and increasing the recyclability communication on all applicable Our Brands packaging by 2020. We forecast that each year we will triple the amount of products that have our PLEASE RECYCLE directive and chasing arrows symbol on our products' packaging labels.</p> <p>Increase Recyclability Through the design optimized process, Kroger will strive to increase the recyclability of Our Brands manufactured plastic packaging.</p> <p>Packaging Reduction We will reduce the amount of plastic resin by 10 million pounds for Kroger manufactured products cumulatively by 2020, using a 2015 baseline.</p> <p>Support Recycling Infrastructure Expansion Kroger will support the expansion of infrastructure to increase the availability and accessibility of recycling for Our Brands packaging through industry, governmental and non-governmental forums, where feasible.</p>	2020	<p>Separately, we worked with our suppliers to make Our Brands water bottles lighter, eliminating about 5 million pounds of plastic so far.</p> <p>We continue to identify many other projects to reduce packaging at the source and promote sustainable packaging across our operations.</p> <p>Read more.</p>
CARBON REDUCTION		
<p>Transportation Efficiency Kroger will improve our Ton Miles Per Gallon (TMPG) by 20% by 2020, using a 2010 baseline.</p>	2020 (2010 baseline)	As of 2016, Kroger has improved our TMPG by 7.5% since 2010. Read more.
<p>Refrigerant Leaks Kroger committed to reduce refrigerant leaks by 9% in its stores by 2016, as part of the EPA's GreenChill Program.</p>	2016 (2015 baseline)	<p>Achieved! In 2016, Kroger achieved its goal to reduce refrigerant emissions by 9%.</p> <p>We set a new goal to achieve an additional 10% reduction in refrigerant emissions in 2017. Read more.</p>
<p>Energy Consumption Kroger will reduce cumulative energy (electricity) consumption by 40% by 2020, using 2000 as a baseline year.</p>	2020 (2000 baseline)	By 2016, Kroger achieved a 34.85% reduction in energy consumption using a 2000 baseline. Read more.
<p>Water Consumption Kroger will reduce water consumption by 5% by 2020 in its supermarkets, using 2015 as a baseline year.</p>	2020 (2015 baseline)	Kroger is still assessing progress against this goal, and will share an update when it is available. Read more.