



## Animal Welfare Policy

---

### Vision for Animal Welfare

Animal welfare is an important issue to Kroger, our customers and our associates. Our commitment to our customer is to bring the highest quality products while maintaining a high standard of animal husbandry and welfare. We have a long-standing commitment to responsible business practices, including the humane treatment of animals. The respectful treatment of animals throughout our supply chain is rooted in our company values. We are continually evaluating our policies based on the latest research and information available on animal welfare.

Kroger has adopted an animal welfare position that supports the five freedoms of animal welfare which include:

1. **Freedom from hunger and thirst** by ready access to fresh water and diet to maintain health and vigor.
2. **Freedom from discomfort** by providing an appropriate environment including shelter and a comfortable resting area.
3. **Freedom from pain, injury, or disease** by prevention or rapid diagnosis and treatment.
4. **Freedom to express normal behavior** by providing sufficient space, proper facilities, and company of the animal's own kind.
5. **Freedom from fear and distress** by ensuring conditions and treatment which avoid mental suffering.

We believe that animals should be treated humanely throughout their lifecycles, from breeding choices, to housing and husbandry, to transport and slaughter.

Violations of our policies or acts of abuse are not tolerated by Kroger and will be investigated thoroughly, as described in more detail below.

Kroger is committed to continuing to evaluate and revisit our policies and participates in various industry groups, trainings and collaboratives to facilitate this learning. This includes a membership in the Global Coalition for Animal Welfare (GCAW).

### Commitments and Practices

While Kroger is not directly involved in raising or the processing of any animals, we are committed to protecting the welfare of animals in our supply chain. We recognize that best practices for animal husbandry continue to evolve based on research and industry standards. As a result, we continue to work with the vendor community to evaluate emerging and evolving topics, and to adopt new practices. Below, we outline our commitments and practices on relevant animal welfare topics. We will share updates on our commitments in our annual sustainability report. We set responsible sourcing commitments that will drive change within our own business and contribute to positive change in our supply chain.

### Cage-free eggs

As our customer base has been changing to prefer cage-free eggs, Kroger has been sure to provide this as an option. We realize the importance of animal welfare in our supply chains and as a result, we established a goal to transition to a 100% cage-free egg supply chain by 2025. Kroger's family of stores is committed to working with our suppliers during this transition in a way that ensures eggs are readily available, safely produced and affordably priced for all our customers.

### Gestation crate-free sow environments

We recognize that sows in the pork industry may experience negative health and behavioral impacts when housed in gestation stalls (also known as gestation crates) during pregnancy, and that group housing is a viable alternative. As a result, Kroger began asking our fresh pork suppliers to transition away from gestation stalls to group housing or free-range environments prior to birthing. Many of our fresh pork suppliers are already making this transition away from gestation crates or have time-bound commitments to make this transition. By 2025, Kroger will source 100% of fresh pork from suppliers and farms that have transitioned away from gestation stalls.

### Dairy cow welfare

Kroger requires that 100% of all domestic milk and dairy product suppliers that supply our dairy processing plants and *Our Brands* grocery assortment are enrolled in The National Dairy FARM Program: Farmers Assuring Responsible Management™, which provides consistency and uniformity of best practices in animal care and quality assurance in the dairy industry. In addition, Kroger is taking proactive steps to increase animal welfare oversight through our contracts with our milk cooperatives, using measures such as more frequent animal welfare audits.

### Broiler chicken welfare

Kroger recognizes the importance of animal welfare for our customers. To support our customer's desire to purchase higher welfare products, our Simple Truth Natural and Simple Truth Organic fresh chicken products are committing to have 50% of our broiler chicken supply chain achieve the following by 2024:

- Use maximum stocking density of 6.0 lbs./sq. foot and prohibit broiler cages
- Provide birds enriched environments including litter, lighting, and enrichments
- Process chickens in a manner that avoids pre-stun handling and instead utilizes a multi-step controlled-atmosphere processing system that induces an irreversible stun.
- Demonstrate compliance with these requirements via third-party auditing

We will continue to expand beyond 50% of our supply chain by working with suppliers to increase availability of higher welfare products while maintaining affordable pricing for our customers.

## **Positions**

### Polled dairy cows

Kroger recognizes the value of polled genetics for reducing the need for dehorning and disbudding in dairy cows and supports a transition to polled cows in a manner that is prudent. Currently, the population

of polled dairy cows is very small. While this number is certainly increasing, any significant change in herd genetics should be pursued deliberately and slowly to avoid unintended negative consequences that may affect the cow's welfare and milk production. Our dairy experts and animal welfare specialists counsel us that in time, there will be more hornless dairy animals available to breed, but that it is a longer-term process. In the meantime, we support the proper pain management protocols recommended by The National Dairy FARM Program: Farmers Assuring Responsible Management.

### Combination Cages

By 2025, cage-free systems in our supply chain will not use combination cages to house laying hens. We recognize that combination cages can be helpful for farmers to use as they transition from caged to cage-free systems, however we ask that our cage-free egg suppliers use open aviary systems by our 2025 commitment timeline.

### Antibiotic-free meats

Kroger is a recognized industry leader with our offerings of antibiotic-free meats. In addition to several national brands, our Simple Truth® line of meat products is available in stores and is entirely free from antibiotics and growth hormones.

We recognize that the responsible use of antibiotics in the supply chain may be necessary to protect the health and welfare of animals if they become ill. Antibiotics should only be used in alignment with the guidance of the veterinary guidelines in animal welfare standards and government regulations. Kroger does not believe in the use of antibiotics to promote growth.

Kroger also believes that our suppliers should be transparent in the use of antibiotics. This includes record keeping of antibiotic use and on-pack product claims to ensure customers have access to full information on the products they chose to purchase.

### Genetically Modified Organisms (GMOs)

We recognize that some customers may prefer products and ingredients that are not produced using GMOs or bioengineering methods. As a result, we offer a wide assortment of options to our customers, including those that are non-GMO certified and/or Certified Organic. This includes our Simple Truth® brand and other natural and organic brands.

Kroger has also committed to not selling genetically engineered salmon in the Seafood Department of our stores.

### Plant-Based Proteins

We are committed to offering our customers a wide range of choices when it comes to protein, including plant-based options.

### Animal Testing

Kroger does not conduct animal testing on our manufactured Our Brands products and ingredients, nor do we require or request that our contract suppliers conduct animal testing on products they produce for

us. We are supportive of the transition away from unnecessary animal testing to alternative methods of testing product safety.

### Use of Animal Fur

Kroger's *Our Brands* apparel and home goods products do not contain real fur.

## **Animal Welfare Governance**

### Oversight

Kroger's Animal Welfare strategy and implementation is overseen by a multi-disciplinary internal **Animal Welfare Management Committee** with representation from our Corporate Food Technology; Ethics and Compliance; Meat, Dairy and Egg Sourcing; and Environmental, Social and Governance (ESG) teams. Our Environmental, Social and Governance (ESG) Team chairs this Committee. This team meets regularly to review strategy, goal progress and other pertinent details. Animal welfare and our broader responsible sourcing strategy is ultimately overseen by the Public Responsibilities Committee of the Board of Directors.

Kroger has also relied on an external **Animal Welfare Advisory Council** that includes independent animal science and animal welfare experts in representative protein categories. These individuals will meet with Kroger's internal team a minimum of one time per year to provide guidance on best practices and trends in animal welfare and provide ad hoc services to address any pressing issues in the interim.

### Audits

At a minimum, Kroger requires all beef, pork, chicken, turkey and egg suppliers to provide evidence of an annual Animal Welfare audit to Kroger, as part of doing business with us. We collect and review audit information as part of the supplier set up process in Kroger's Supplier Hub. Audits are to align with the below industry animal welfare standards and are to be conducted by reputable independent commercial third-party auditing companies.

- Beef: North American Meat Institute; National Cattlemen's Beef Association
- Pork: National Pork Board
- Chicken: National Chicken Council
- Turkey: National Turkey Federation
- Eggs: United Egg Producers
- Dairy: National Dairy FARM Program: Farmers Assuring Responsible Management.

Where we have additional animal welfare commitments, we leverage third-party certifications or an accepted definition of improved animal welfare to track and meet our goals.

### Issue Management

On occasion, we will receive information about alleged willful mistreatment of animals in our supply chain. Kroger has developed an issue management protocol to ensure we use a consistent, effective approach to rapidly evaluate and address any concerns around animal welfare. Our issue management protocol outlines a process from immediate steps to convene Kroger team members and conduct due diligence on the issue, to developing corrective action plans with vendors and determining if we need to suspend or terminate supply.

In most cases, Kroger takes the approach of supporting suppliers in correcting issues, recognizing that this can help improve our supply chain for the long term.

### Supplier Engagement

Kroger engages regularly with suppliers to communicate our requirements, ensure they are meeting them, and to collaborate on continuous improvement opportunities.

- Submit audit details in alignment with Kroger's requirements on an annual basis
- Proactively provide information as part of regular business meetings & contract arrangement
- Meet with Kroger regularly to discuss our goals & progress, and how they can support
- Disclose data necessary for Kroger to calculate progress on our animal welfare commitments
- Disclose any animal welfare issues or concerns to Kroger as part of due diligence process and commit to corrective action to address issues.

### Industry Engagement

Kroger will readily engage with the retail and meat production industries in support of improving animal welfare and meeting our company commitments. For example, Kroger is a member of the Global Coalition for Animal Welfare (GCAW), the world's first industry-led collaboration aimed at advancing animal welfare globally. We also engage with the National Dairy FARM Program as they continue to evolve and advance their standard.

### Reporting and Transparency

We appreciate multiple perspectives, and routinely engage a wide variety of stakeholders to share information about our animal welfare strategy, commitments, and approach. We also disclose progress on our goals in our annual Environmental, Social & Governance (ESG) report and in response to scorecards and questionnaires from investors and non-profits.