

No-Deforestation Commitment: Our Brands

Background

As America's grocer, the Kroger Family of Companies is committed to protecting people and our planet by advancing positive change in our company and our communities. Through our Zero Hunger | Zero Waste social impact plan, we are on a journey to end hunger in our communities and eliminate waste across our company by 2025.

Deforestation is occurring at a rapid rate due to the conversion of natural forest landscapes to land used for growing livestock and agriculture. These natural ecosystems provide high environmental and social value, including habitat for diverse animal species, carbon sinks and long-term livelihoods for human populations living in and near these forests. As a company, we are committed to protecting natural resources—like forests—for future generations. We recognize the need to source from only legal sources and the importance of protecting primary forests, ecosystems with high conservation value, and high carbon stock areas, among others.

Four key commodities top the list of commodities contributing to deforestation impacts: palm oil, beef, soy, and pulp/paper/timber. Kroger retails and produces a large variety of products in our stores and online platforms, including those containing ingredients that could potentially contribute to deforestation and the associated environmental and social impacts. As articulated in Kroger's <u>Statement on Human Rights</u> and <u>Vendor Code of Conduct</u>, we continue to affirm our commitment to uphold our high standards and expectations for human rights and fair labor in our U.S. and global supply chain. We prohibit discrimination and any forced, trafficked or child labor. We are committed to safe and healthy working conditions and the dignity of all individuals. We are also committed to the rights to freedom of association and to collective bargaining.

Commitment

Kroger is committed to eliminating deforestation in *Our Brands* products. This includes the raw materials and products we source into our Kroger Manufacturing facilities and into our fresh meat case, as well as the finished food and household Kroger-branded products we source from our co-packing suppliers.

Specifically:

Palm: We will maintain our existing commitment, set in 2015, to source palm oil, palm kernel oil and palm oil derivatives in *Our Brands* products from sources certified to the Roundtable on Sustainable Palm Oil (RSPO) supply chain standard. Our goal is to source Identity Preserved, Segregated and/or Mass Balance certified palm oil over Book & Claim certified palm oil. We will aim to source 100% physical palm oil by 2025.

Pulp/Paper: As articulated in our <u>Sustainable Packaging Goals</u>, Kroger aims to increase recycled content in our paper packaging to reduce demand on forests. By 2025, virgin fiber used in product packaging in our Manufacturing plants will be certified to the Forest Stewardship

Council (FSC), Sustainable Forest Initiative (SFI) and/or Program for Forest Endorsement (PEFC) certification programs, with preference for the FSC standard. By 2030, we will uphold the same commitment for all *Our Brands* products, including paper product packaging and household paper products.

Soy: By 2025, Kroger will source soy-based ingredients used in our Manufacturing plants from sources that are deforestation free. By 2030, we will uphold the same commitment for all *Our Brands* products.

Beef: By 2025, Kroger will source beef in our meat case and beef-based ingredients used in our Manufacturing plants from sources that are deforestation free. By 2030, we will uphold the same commitment for all *Our Brands* products.

Implementation

We may review and update this document in the future to consider additional commodities, reflect new frameworks and best practices, and to refine our approach.

Kroger will collaborate with multi-stakeholder, non-governmental, industry and other organizational efforts to further define and achieve deforestation-free sourcing.

Kroger expects our suppliers to report to Kroger the relevant sourcing information needed to develop deeper understanding of our supply chains and to inform progress on this commitment, and will share details of our implementation requirements with suppliers.

We will engage our suppliers, investors and other relevant stakeholders, and use risk assessment tools where needed, to identify, prioritize and address deforestation risk in our product supply chains.

Kroger will communicate progress on this commitment in our annual Environmental, Social & Governance report, CDP Forests questionnaire response and Annual Communication on Progress Report through our membership in the Roundtable on Sustainable Palm Oil.