The Kroger Family of Companies



Sustainable Packaging Goals

As America's grocer, The Kroger Co. is committed to protecting people and our planet by advancing positive change in our company and our communities. Through our <u>Zero Hunger</u> <u>Zero Waste</u> social impact plan, we are on a journey to help create communities free of hunger and waste.

Our commitment to adopt more sustainable packaging for our private-label products—what we call *Our Brands*—is highly aligned with our vision of a zero-waste world. For the past five years, Kroger has focused on achieving our ambitious <u>2020 Sustainability Goals</u>, which include several *Our Brands* packaging optimization targets. We continue to focus efforts in 2020 on achieving these goals.

Looking forward, we recognize the need to set longer-term targets that advance our performance and reflect our Zero Hunger | Zero Waste social impact plan and mission.

The following goals demonstrate our commitment to move toward a more circular economy and reduce plastic pollution in nature by supporting reusable packaging models; keeping materials 'in the loop' by moving to more recyclable packaging and incorporating recycled content; and increasing consumer awareness about reuse and recycling.

For all Our Brands products, we will improve packaging by 2030 in the following ways:

- 1) Complete a baseline product packaging footprint to fully understand current packaging impacts.
- 2) Seek to achieve 100% recyclable, compostable and/or reusable packaging for *Our Brands* products.
- 3) Increase recycled content in packaging so that the Kroger *Our Brands* products portfolio collectively contains at least 10% recycled content in packaging.
- 4) Reduce unnecessary packaging.
- 5) Increase awareness among Kroger customers about how to properly manage *Our Brands* product packaging at end of life.

We will leverage company resources, expertise and external partnerships where possible to advance progress on the above goals. We will also seek to advance system improvements needed for better end-of-life options for packaging, including recycling infrastructure.

A key part of achieving these goals will be offering our customers innovative solutions to enable recycling and reuse of product packaging. As an example, Kroger is the exclusive U.S. grocery retailer for Loop, the innovative reusable packaging platform. We plan to pilot an in-store activation of popular national brand and *Our Brands* items in reusable packaging in early 2021. Kroger also offers our customers in-store recycling programs for harder-to-recycle items including plastic films like grocery bags, bread bags, and plastic overwrap.