

# The Kroger Co. Zero Hunger | Zero Waste Foundation

2022 Report

THE KROGER CO.  
ZERO  
HUNGER  
ZERO  
WASTE  
FOUNDATION



# From the President

The foundation's mission to help create communities free of hunger and waste has never been more critical. We focus on enabling systems that transform surplus food into healthy meals; increasing access to capital for innovators doing the same; convening thought leaders to advance equitable food access for all; and offering easy ways for others to join our journey.

We know that when we work together, we can create networks of support for a greater positive impact. The Kroger Co. Zero Hunger | Zero Waste Foundation and our ecosystem of partners is one of these thriving networks, bringing together stakeholders with a common mission.

A key opportunity for impact is our Innovation Fund. In 2021, the fund supported 10 startups with critical grant seed funding and business mentorship to help scale their solutions. Collectively, the fund helped these grantees raise more than \$17 million in follow-on funding and create nearly 340 jobs.

The foundation aims to address a gap in impact funding for new solutions with potential to improve food security and reduce food waste. By working with specialized organizations and innovators across the country, we are strengthening community bonds to create a world where everyone has access to affordable, nutritious food, and where no surplus food is wasted.

With our collective passion for creating a more inclusive, equitable and sustainable food system, we look to the future with renewed determination and hope.



*Denise Osterhues*

**Denise Osterhues**

President, The Kroger Co.  
Zero Hunger | Zero Waste Foundation

Senior Director, ESG:  
Sustainability & Social Impact, Kroger

## Board of Directors

The foundation's board of directors includes the following Kroger leaders:

Vice President: **Keith Dailey**,  
Group Vice President of Corporate Affairs

Secretary: **Milen Mahadevan**,  
President & Chief Operating Officer, 84.51°

Treasurer: **Sunny Reelhorn Parr**,  
Head of Philanthropy

Director: **Emily Hartmann**,  
Senior Director of Brand Marketing

Director: **Victor Smith**,  
President, Atlanta Division

# Our Mission

Established in 2018, The Kroger Co. Zero Hunger | Zero Waste Foundation is a non-profit public charity designed to create a more equitable, waste-free food system through collective action and innovation. Nearly 35% of all food in the U.S. is unsold or uneaten, yet more than 38 million Americans still struggle with hunger.



## Our Strategy

The Zero Hunger | Zero Waste Foundation exists to support innovative organizations, entrepreneurs and creative thinkers who are focused on improving food security and ending food waste. The foundation cares for the communities we call home one meal at a time and is guided by three pillars:

### Creating a More Equitable Food System

Supporting organizations focused on increasing food access in underserved communities

- \$11.6M awarded to 132 grantees
- 28% of grantees in historically underserved communities
- 66 organizations strengthened food recovery and distribution networks



### Enabling Collective Action

Directing funds to mission-aligned organizations to advance greater positive impacts together

- \$4.1M awarded to 38 grantees
- 55% of investment supported advocacy and innovation
- 34% of investment supported community disaster response
- 40% of grantees in historically underserved communities



### Catalyzing Innovation

Providing grants and impact investments to entrepreneurs and creative thinkers

- \$2.3M awarded to 10 food system entrepreneurs
- 100% of investment supported innovation for a more sustainable food system
- 60% of grantees are women-led businesses



M = million

## National Partners

Special thanks to these valued national non-profit partners who share our mission



## Corporate Donors

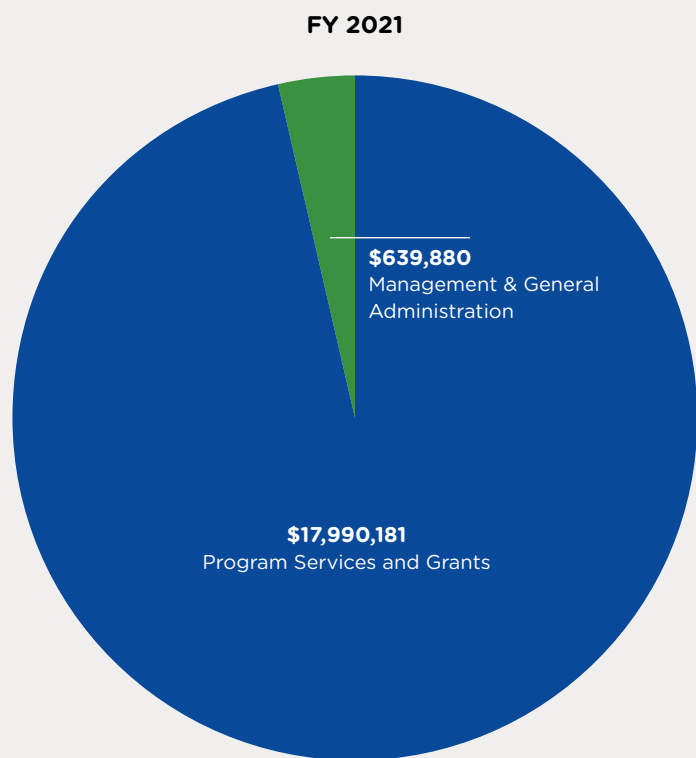
Sincere thanks to our corporate supporters for joining our journey



# Fiscal Year 2021 Financial Snapshot

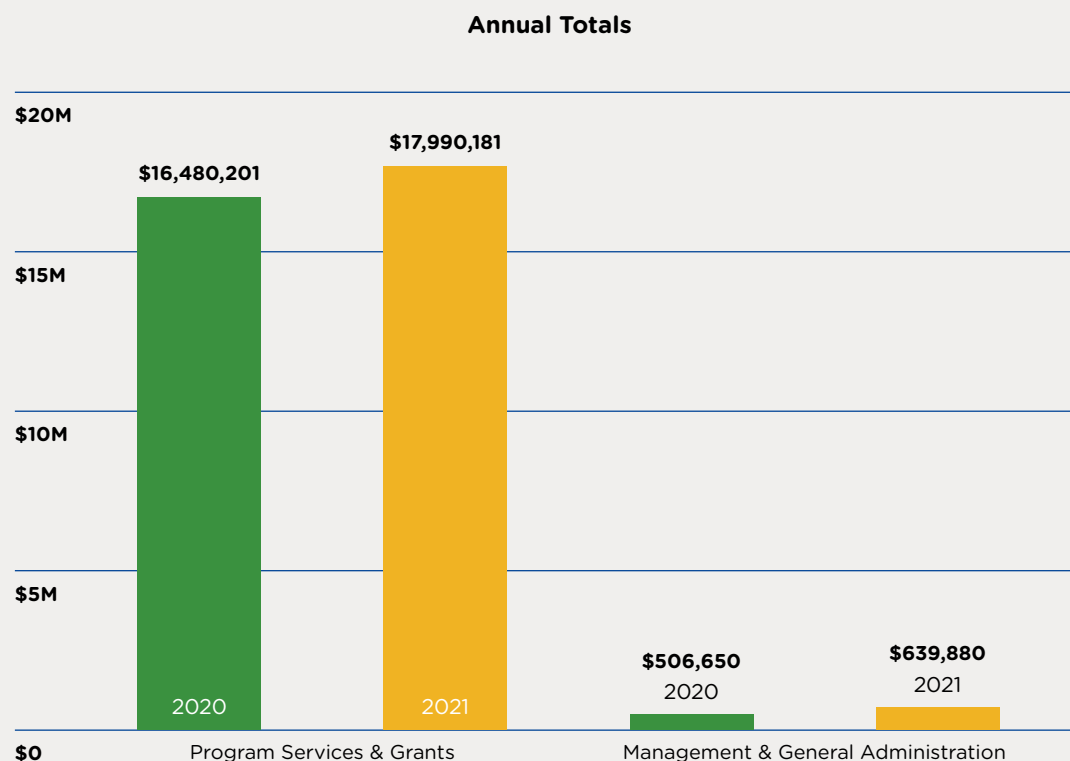
| Summary of Revenue & Expenses: | FY 2021       | FY 2020      | Assets, Liabilities & Net Assets        | FY 2021      | FY 2020      |
|--------------------------------|---------------|--------------|---|--------------|--------------|
| Total Revenues                 | \$15,207,931  | \$29,035,198 | Total Assets                            | \$11,860,863 | \$15,466,964 |
| Total Expenses & Grants        | \$18,630,061  | \$16,986,851 | Total Liabilities                       | \$1,441,986  | \$2,215,600  |
| Excess Revenue over Expenses   | (\$3,422,130) | \$12,048,347 | Net Assets (without donor restrictions) | \$10,418,877 | \$13,251,364 |

## Annual Operating Expenses



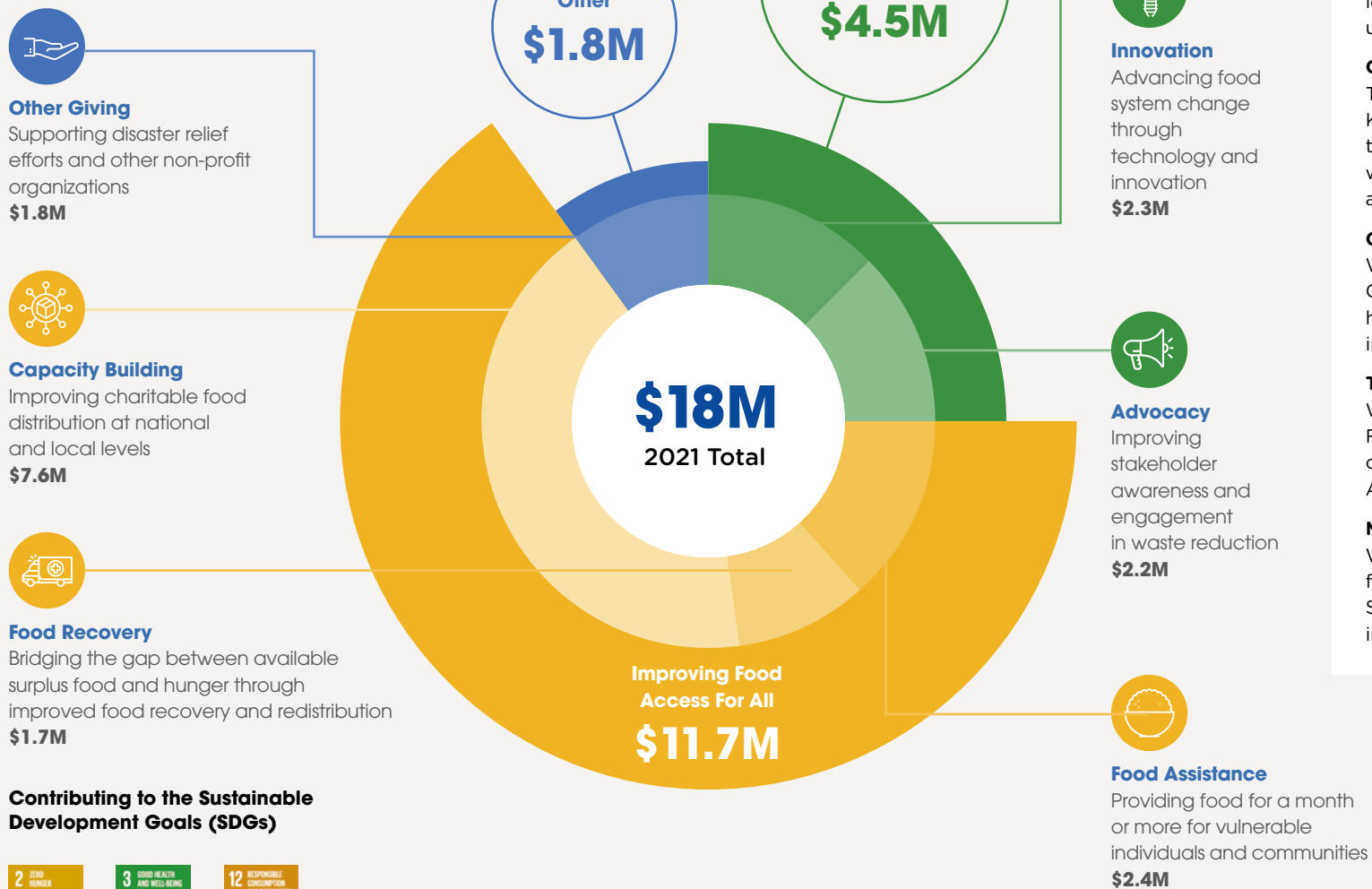
Total Program Services:

**97%**  
mission support



# Community Investments

In 2021, the Zero Hunger | Zero Waste Foundation focused on advancing positive impacts for people and our planet through hunger relief, food systems work and urgent community response.



### Contributing to the Sustainable Development Goals (SDGs)



M = million

## Community Direct Response

In 2021, the foundation provided much-needed assistance to local communities facing unexpected hardships.

### Compassion & Healing

The foundation, in partnership with King Soopers, donated \$1 million to the Colorado Healing Fund, which provides victims' assistance and services.

### COVID-19

We directed \$250,000 to the Global Foodbanking Network to help ease pandemic-related food insecurity in India.

### Tornadoes in Kentucky

We donated \$50,000 to support Feeding America, and our customers donated to the American Red Cross at checkout.

### Marshall Fire in Colorado

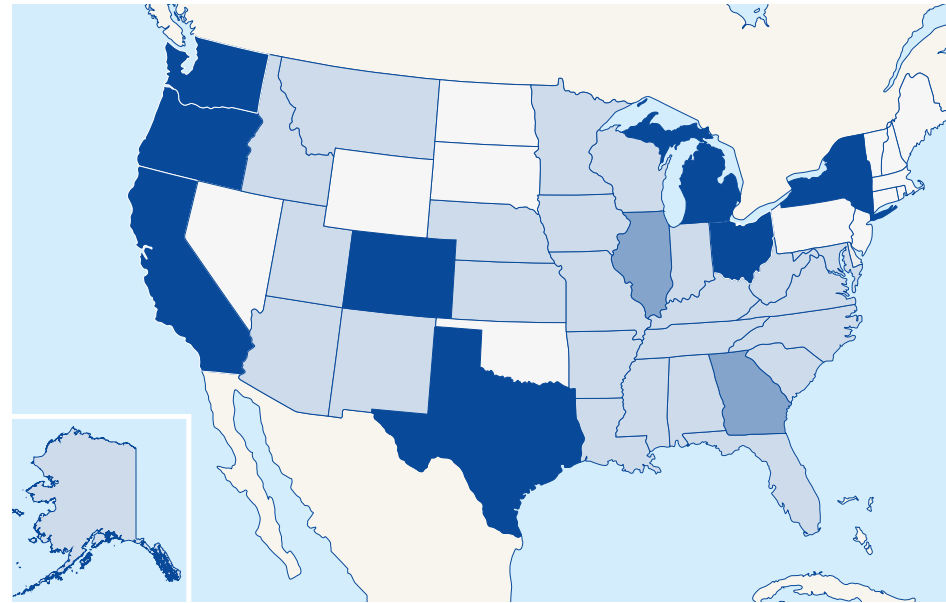
We activated customer fundraising for the American Red Cross at King Soopers stores to help provide relief in the wake of the Marshall Fire.

# Our Impact

We work with national and local organizations and innovators with big ambitions. Our partners are passionate about building a stronger future, together.



## Geographic Focus



Range ● \$1M+ ● \$501K-\$1M ● \$500K

M = million | B = billion | K = thousand

## Grant Program Highlights

### Midwest Region

#### Terre Haute & Fishers, IN

**Arbor Day Foundation:** This group organizes tree-planting projects in our communities, including the Terra Haute Community Garden at Indiana State University and Fishers AgriPark.

#### Cincinnati, OH

**La Soupe:** The foundation supports La Soupe's Rescue/Transform/Share program, which transforms rescued food into restaurant-quality meals that are distributed through 100 community organizations in the greater Cincinnati area.

### South Region

#### Nashville, TN

**Second Harvest Food Bank of Middle Tennessee:** This organization received grant funds to support 30 mobile pantries in rural communities in Tennessee.

#### Fort Worth, TX

**Tarrant Area Food Bank:** Foundation funding helped provide a new mobile vehicle that distributes food and nutrition education to Fort Worth area residents.

### West Region

#### Seattle, WA

**FareStart:** In 2021, FareStart provided 2.5 million community meals through the Hunger Relief & Food Security Program. Alongside community partners, they repurposed over 300,000 pounds of food into nutritious meals.

#### Salt Lake City, UT

**The Green Urban Lunch Box:** Grant funding supports community gardens in neglected urban spaces, teaching aspiring gardeners more sustainable practices and revitalizing neighborhoods.

## Hunger Relief

### Nourishing Communities in India

The Global FoodBanking Network's (GFN) mission is to nourish the world's hungry. They do this through an extensive network of food banks in more than 44 countries. GFN's expertise dramatically increases food bank efficiency, reach and scale.

Foundation funding provided technical assistance and direct support for food banking organizations in India, where pandemic-related food insecurity reached its highest level in decades. During this time, GFN supported the India FoodBanking Network, with locations in cities across the country, No Food Waste and Zomato Feeding India.



# Creating a More Equitable and Resilient Food System

We're building stronger communities through grants that feed people today and help create a world without hunger tomorrow.



## Supporting Food Access in Alabama

Many Alabama communities are disproportionately impacted by food insecurity, nutrition insecurity and chronic diseases. The Alabama Gus Schumacher Nutrition Incentive Program, developed by Auburn University, provides incentives for low-income consumers participating in the Supplemental Nutrition Assistance Program (SNAP) to purchase more locally grown fresh fruits and vegetables.

## Advancing Food Security for Families in Cincinnati

The System to Achieve Food Equity (SAFE) program for Cincinnati Children's Hospital Medical Center aims to ensure that all children in Cincinnati have the food they need to grow, develop, learn and thrive. SAFE aims to reduce food insecurity for children living in the Avondale, East Price Hill and Lower Price Hill neighborhoods by introducing a publicly available dashboard and establishing a local support network. The family-centered and community-based approach supports local partners with capacity to provide meals for families.



## The Common Market in Georgia

The Common Market Southeast connects communities with fresh, local, sustainably produced food from family-owned farms. The foundation supports the Common Market's Food Access Fund (FAF), which provides discounted pricing for organizations helping feed neighbors in underserved communities.

Urban Recipe, an Atlanta-based FAF Partner, coordinates food cooperatives for low-income families. In this model, each family served becomes a member of a 50-family food cooperative that meets bi-weekly. These food security cooperatives have successfully built relationships, affirmed dignity and strengthened communities.

In 2021, The Common Market Southeast connected Urban Recipe to green bell peppers from Big Branch Valley Farm (Blairsville, GA), hydroponically grown lettuce from R&G Farms (Dublin, GA), zucchini from Bugg Farm (Pine Mountain, GA) and individually packed, farm-fresh boxes of local produce.

## Technology-Powered Insights

The foundation is helping Feeding America improve data quality and sharing between member food banks and the national office. A foundation grant provided funding to 12 member food banks to advance network-wide service insights to inform Feeding America strategies and outcomes.

**"Thanks to the Zero Hunger | Zero Waste Foundation's support of the Service Insights initiative, our network is better equipped for the future and is rapidly transitioning from paper files to real-time scanning of either client driver's license or food bank-branded barcode key tags with digital assistance barcodes. Our food bank and agencies now are just a couple of clicks away from information immediately after a distribution event."**

**Vallerie Owens**  
Service Insights Project Lead  
God's Pantry Food Bank

# Enabling Collective Action

The foundation aims to convene partners and create new opportunities for collaboration. We know that when we work together, we can create networks of support and greater positive impact. We invite others to join us on our journey to help create a world with zero hunger and zero waste.

## The Future of Food @ SXSW

The Zero Hunger | Zero Waste Foundation worked alongside several partners, including Little Herds, Food Tank, The Cook's Nook, and the Islamic Food and Nutrition Council of America to host the Future of Food @ SXSW in Austin, TX. With special events spanning the opening week, the foundation helped convene funders, innovators and consumers in conversations about food access, sustainable agriculture, alternative proteins and more. Specifically, the two-day Future of Food series provided space for thoughtful discussion about how and

where the world's food is produced today, and about the impacts of food production on people and our planet. With headline speakers, roundtable discussions and food-focused documentary watch parties, the series offered a compelling call to action. The Future of Food @ SXSW engaged 4,000+ in-person attendees across five events and reached 1 million online views and over 2.4 million livestream views worldwide.

[Learn more about the Future of Food @ SXSW 2022.](#)

**“We believe collaboration is the key to advancing real change. We’re grateful for and inspired by many long-standing and new partners who are helping build a better food system for the future.”**

**Denise Osterhues**  
President of the Zero Hunger | Zero Waste Foundation



## Zero Heroes

Customer fundraising across Kroger-operated supermarkets enables the Zero Hunger | Zero Waste Foundation to direct more grants to local organizations that provide meals and services for neighbors in need. We recognize our top cashier fundraisers as Zero Heroes and thank them for consistently asking customers to Round Up their purchase to the nearest dollar to help end hunger.



## Urban Green Lab

A foundation grant supports Urban Green Lab's Nashville Environmental Justice Initiative (NEJI), which aims to train community institutions—schools, businesses, nonprofits and government offices—on the basics of environmental justice and how to make more equitable decisions. In partnership with Tennessee State University (a Historically Black College and University) and others, the NEJI helps organizations think about their role in the environmental justice movement and how they can uniquely empower marginalized communities.

In the past year, Urban Green Lab completed a baseline assessment evaluating the need for environmental justice training in Nashville. They also piloted a prototype training curriculum called the “EJ Lab” in North Nashville informed by the assessment report.





# Catalyzing Innovation

The Zero Hunger | Zero Waste Foundation’s Innovation Fund helps fill a critical gap in philanthropic funding. Our grants and impact investments support entrepreneurs and innovators who are tackling the complex problems of food loss and waste.

## The Innovation Fund 2021 Cohort

In 2021, the foundation and Village Capital launched an open call and investment-readiness program for innovators aiming to disrupt the food system. This call for proposals included solutions like imperfect produce recovery, upcycled food and meal kits, and upcycled commercial ingredients.

The 2021 innovators were selected from 147 applicants and 27 semi-finalists. With input from an external advisory council, the foundation selected 10 startups to receive a total of \$2.3 million in grants

and participate in a six-month workshop focused on investment readiness, technical skill development and networking. They also had access to a network of investors and mentors working in the food system.

As a result of the Innovation Fund grants and workshop, the 2021 cohort members created jobs and raised more capital to scale their solutions and amplify our collective impact.

**The Innovation Fund’s 2021 portfolio companies created nearly 340 jobs and raised over \$17 million in follow-on funding.**



**12,605**

Number of clients/customers



**37**

Number of internal jobs created



**302**

Number of external jobs created



**\$17M**

in additional capital raised

M = million

### Agua Bonita

Agua Bonita provides ready-to-drink agua fresca made from upcycled produce and served in recycled cans.



### Grain4Grain

Grain4Grain uses patent-pending technology to upcycle brewers’ spent grain into a low-carb, high-protein, high-fiber flour.



### Husky Beverages

Husky brings consumers the benefits of coffee while benefiting the environment and communities by upcycling the fruit to reduce food waste and increase farmer income.



### Journey Foods

Journey Foods tackles food waste with a range of solutions, including matching food manufacturers with sustainable packaging to extend shelf life.



### Matriark Foods

Matriark works with small- to mid-scale farmers to purchase their surplus and off-spec produce, diverting vegetable matter from landfill.



### NETZRO

The NETZRO platform upcycles animal feed byproducts, processing 500 pounds of industrial food per hour into safe, upcycled ingredients.



### reHarvest Provisions

reHarvest Provisions creates smoothie pops packed with upcycled whole fruits, veggies and superfoods that are craveable, conscious and convenient.



### Renewal Mill

Renewal Mill is a food company with a social justice focus, aiming to address global food loss by upcycling byproducts from food manufacturing into superfood ingredients.



### The Spare Food Co.

The Spare Food Co. technology analyzes supply chains for surplus food and identifies a value-add ingredient that allows the food to be consumed instead of wasted.



### Take Two

Take Two offers barley milk, a plant-based milk made from upcycled spent grain from beer production.





## Join our journey



Visit [ZeroHungerZeroWasteFoundation.org](https://ZeroHungerZeroWasteFoundation.org)



Round up to the nearest dollar at checkout stations across the Kroger family of stores



Add a tax-free donation of \$1, \$5 or \$10 to your online order



Volunteer at your local community food bank or community cleanup effort

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